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SENATE—*Thursday, February 5, 1976*

The Senate met at 9 a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

"From the cowardice that shrinks from the truth;
From the laziness that is content with half-truths;
From the arrogance that thinks it knows all truth;
O God of Truth, deliver us."

—*Ancient prayer.*

Make us courageous in facing the truth;

Make us persistent in quest of the whole truth;

Make us humble in welcoming all truth;

Uphold us when we act on the truth;

O God of Truth, grant us grace and wisdom to follow Him who is the Truth. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, February 4, 1976, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar Order Nos. 598, 599, and 600.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMPENSATION OF U.S. MAGISTRATES

The bill (S. 2923) to amend title 28 of the United States Code to provide that full-time U.S. magistrates shall receive the same compensation as full-time referees in bankruptcy and to adjust the salary of part-time magistrates, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2923

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 634(a) of title 28 of the United States Code is amended by changing the first sentence of said subsection to read as follows:

"(a) Officers appointed under this chapter shall receive as full compensation for their services salaries to be fixed by the conference pursuant to section 633 of this title, at rates for full-time and part-time United States magistrates not to exceed the rates now or hereafter provided for full-time and part-time referees in bankruptcy, respectively, referred to in section 40a of the Bankruptcy Act (11 U.S.C. 68(a)), as amended except that the salary of a part-time United States magistrate shall not be less than $100 nor more than one-half the maximum salary payable to a full-time magistrate.".

JURISDICTION OF U.S. MAGISTRATES

The Senate proceeded to consider the bill (S. 1283) to improve judicial machinery by further defining the jurisdiction of U.S. magistrates, and for other purposes, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 5, to strike out:

"(b)(1) Notwithstanding any provision of law to the contrary, a judge may designate a magistrate to hear and determine, subject to review as hereinafter provided, any pretrial matter pending before the court except motions which are dispositive of the litigation, the disposition of which the magistrate may recommend, but not order. A judge may also designate a magistrate to conduct evidentiary hearings and make recommendations for the disposition of applications for post-trial relief made by individuals convicted of criminal offenses and prisoner petitions challenging conditions of confinement. Upon timely request, as fixed by local rule of court, by any party who has appeared before the magistrate, either personally or by submission of affidavits or brief, the court shall hear de novo those portions of the report or specific proposed findings of fact or conclusions of law to which objection is made.

And insert in lieu thereof:

"(b)(1) Notwithstanding any provision of law to the contrary—

"(A) a judge may designate a magistrate to hear and determine any pretrial matter pending before the court, except a motion for injunctive relief, for judgment on the pleadings, for summary judgment, to dismiss or quash an indictment or information made by the defendant, to suppress evidence in a criminal case, to dismiss or to permit maintenance of a class action, to dismiss for failure to state a claim upon which relief can be granted, and to involuntarily dismiss an action for failure to comply with an order of the court. A judge of the court may reconsider any pretrial matter under this subparagraph (A) where it has been shown that the magistrate's order is clearly erroneous or contrary to law.

"(B) a judge may also designate a magistrate to conduct hearings, including evidentiary hearings, and to submit to a judge of the court proposed findings of fact and recommendations for the disposition, by a judge of the court, of any motion excepted in subparagraph (A), of applications for posttrial relief made by individuals convicted of criminal offenses and of prisoner petitions challenging conditions of confinement.

"(C) the magistrate shall file his proposed findings and recommendations under subparagraph (B) with the court and a copy shall forthwith be mailed to all parties.

Within ten days after being served with a copy, any party may serve and file written objections to such proposed findings and recommendations as provided by rules of court. A judge of the court shall accept, reject, or modify, in whole or in part, the findings or recommendations made by the magistrate. The judge may also receive further evidence or recommit the matter to the magistrate with instructions.

So as to make the bill read:

S. 1283

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 636(b) of title 28, United States Code, is amended to read as follows:

"(b)(1) Notwithstanding any provision of law to the contrary—

"(A) a judge may designate a magistrate to hear and determine any pretrial matter pending before the court, except a motion for injunctive relief, for judgment on the pleadings, for summary judgment, to dismiss or quash an indictment or information made by the defendant, to suppress evidence in a criminal case, to dismiss or to permit maintenance of a class action, to dismiss for failure to state a claim upon which relief can be granted, and to involuntarily dismiss an action for failure to comply with an order of the court. A judge of the court may reconsider any pretrial matter under this subparagraph (A) where it has been shown that the magistrate's order is clearly erroneous or contrary to law.

"(B) a judge may also designate a magistrate to conduct hearings, including evidentiary hearings, and to submit to a judge of the court proposed findings of fact and recommendations for the disposition, by a judge of the court, of any motion excepted in subparagraph (A), of applications for posttrial relief made by individuals convicted of criminal offenses and of prisoner petitions challenging conditions of confinement.

"(C) the magistrate shall file his proposed findings and recommendations under subparagraph (B) with the court and a copy shall forthwith be mailed to all parties.

Within ten days after being served with a copy, any party may serve and file written objections to such proposed findings and recommendations as provided by rules of court. A judge of the court shall accept, reject, or modify, in whole or in part, the findings or recommendations made by the magistrate. The judge may also receive further evidence or recommit the matter to the magistrate with instructions.

"(2) A judge may designate a magistrate to serve as a special master pursuant to the applicable provisions of this title and the Federal Rules of Civil Procedure for the United States district courts. A judge may designate a magistrate to serve as a special master in any civil case, upon consent of the parties, without regard to the provisions of rule 53(b) of the Federal Rules of Civil Procedure for the United States district courts.

"(3) A magistrate may be assigned such additional duties as are not inconsistent with the Constitution and laws of the United States.

"(4) Each district court shall establish rules pursuant to which the magistrates shall discharge their duties.".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SALARIES OF REFEREES IN BANKRUPTCY—PASSED OVER

The bill (S. 582) to amend section 40 of the Bankruptcy Act to fix the salaries of referees in bankruptcy was announced as next in order.

Mr. MANSFIELD. Over, Mr. President.

That concludes the call of the calendar at this time.

CONGRESS AND FOREIGN POLICY

Mr. MANSFIELD. Mr. President, the Secretary of State has been discussing foreign policy, world affairs, and other matters of primary significance in San Francisco, Los Angeles, Laramie, Wyo., and stops in between. He seems to be pointing the finger at Congress and blaming Congress for the situations which confront the executive branch of this Nation and the people as a whole at the present time.

I would point out to the distinguished Secretary of State, for whom I have high personal admiration, that such is not the case. If he expects Congress to lie down and play dead, he had better think again, because Congress is and will continue to be, insofar as it is possible to be, a partner in the conduct of foreign policy. Our exercise of responsibility will be constructive, I hope, and not obstructive.

I would point out, looking at the world in brief, that as far as Western Europe is concerned, Congress, by and large, has generally been in favor of the administration's policies and those of this Secretary of State.

As far as NATO is concerned, even along the southern rim, including Portugal and the recent upheavals which have occurred there, including the tenuous situation which has been developing in Italy, and including the Greek-Turkish situation, Congress, after some deliberation—and we were correct in our deliberations, based on the law—came around to a large extent, at least, to what the Secretary had been advocating in those parts of Europe.

Then there is the Middle East. I do not think there has been a confrontation or an antagonism between the executive and legislative branches in that area. Rather, there has been, as in the case of Europe, cooperation.

We come next to Asia. I have no knowledge of Congress finding fault with the Secretary of State's or rather the administration's policy toward Japan. On the contrary, there has been support. The same applies to the People's Republic of China. The same does not apply to Southeast Asia, where Congress exercised its prerogative and was able to help to bring about an end to the most tragic war in the history of this Nation—namely, the war covering Laos, Cambodia, and North and South Vietnam, a war in which this country should never have become involved, and a war for which we paid deeply, in loss of life and limb, in prestige, and also in cost in treasure.

Latin America? Unfortunately, we have not been paying too much attention to Latin America but there has been no reason for disagreement between the administration and Congress. I would assume and I would expect without question that if a stronger, more understanding policy was developed toward Latin America, the Secretary of State would find that he had the support of the overwhelming majority of Congress.

Then we come to Africa. Maybe that is the reason for the statements being made by the Secretary of State on his jaunt to the hinterlands, where he finds fault with Congress.

He finds fault with us because we refuse to follow the administration's policy—a covert policy in the beginning—of providing additional funds for a war in Angola, an area in which we have not had and do not have any business, an area in which its internal difficulties will be settled by the Angolans themselves, including all the factions. There is a difference there, as there was in Vietnam and Southeast Asia, between Congress and the administration; but in both areas and on both issues, in my opinion, the actions taken by Congress were the correct actions, and if necessary, actions of that kind will be taken again in other parts of the world.

Today, we have a foreign aid bill before us which provides something on the order of $2 billion plus for the Middle East, as I recall, covering assistance to Israel, to Jordan, to Egypt, and I am sure to other countries. I am certain that in this area Congress will go along with the executive branch and support the requests made.

Incidentally, it is interesting to note that since we inaugurated foreign aid programs beginning with the Marshall plan in 1948, this Nation has extended, either on a loan or a grant basis, in excess of $150 billion in foreign aid; and this bill, now pending, calls for an additional $3.1 billion.

Mr. President, we have not missed a continent in the world. There are very few countries outside of the Communist bloc that we have missed, and even there we have made some contributions on a loan or a grant basis. It is a remarkable story of what this country has done in the field of foreign assistance to every continent and every country in the non-Communist world. I note that a country which received its independence only last year, Papua New Guinea—it was the latter part of last year, I think, in September—is already on the list of those receiving foreign assistance.

So we do not miss them. We try to make sure that every country possible is given consideration and all we have to do is to hold out the grab bag, ask them how much they want, in some instances, and I can prove that, and then begin to disburse the wealth which the American people have worked so hard to achieve.

But my main point is that Mr. Kissinger is wrong when he points the finger at Congress. We have cooperated. We will continue to do so. But we will express our views; when we think we are right, we will do what we think is right in the matter of holding back appropriations or passing legislation.

Congress does not want a confrontation with the Executive in the field of foreign policy. But Congress will not avoid a confrontation if the finger continues to be pointed at us, and Congress will continue to seek to achieve its rightful position in the affairs of this Nation insofar as the Constitution and its responsibilities are concerned.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. MANSFIELD. Yes, indeed.

Mr. KENNEDY. I associate myself with the majority leader's comments this morning on this particular issue. I wonder if he would agree with me that in several other important areas involving American foreign policy—of which two are most important—this Congress has been willing to work with the administration. First in the area of defense, where the appropriations made last year were very close to the requests made by the administration, and represented a substantial increase, even after inflation was taken into account. Not a single major weapons system was defeated. So this Congress was prepared to support, in the main, the defense recommendations made by the administration to carry out our foreign policy.

Second is the area of trying to reach agreement with the Soviet Union on limiting strategic arms at SALT. We have shown, during recent years, that this Congress is prepared to work with every administration in hammering out hard bargains with the Soviet Union that will move us back from the brink of potential nuclear war. In so doing, we have shown our concern to insure, not only that we will promote our vital national interests, but also that we will exercise leadership which is important throughout the world.

It seems to me that these are two additional areas in which this Congress has been willing to work with the administration, in essential aspects of the conduct of foreign policy.

I am wondering, in listening to the distinguished leader rightly outline essential aspects of American foreign policy where this Congress has been prepared to work with the administration, whether he would also include these two areas in which Congress record and basic support of administration policy has been forthcoming.

Mr. MANSFIELD. Mr. President, I agree wholeheartedly with the distinguished senior Senator from Massachusetts, and I am indebted to him for helping round out the picture. The basis of cooperation between the executive and legislative branches depends, in the last analysis, on the votes up here, and the votes for all these operations, except Vietnam and Southeast Asia and Angola, have been there in support of the administration's policy.

So, I hope there will be a recognition of what Congress has done and not a pointing of the finger because, if any administration expects this Congress to lie down and play dead, they have another guess coming. This Congress will be heard. This Congress has a constitutional responsibility, and this Congress will see that that responsibility is carried out.

I thank the distinguished Senator from Massachusetts.

Mr. KENNEDY. I commend the leader for these comments and indicate my complete and wholehearted support for his statement. It appears to me that, in the areas he has outlined, there has been very substantial support. In other areas, such as in Chile, Cyprus, or Angola—which are extremely important but basically peripheral issues in American foreign policy—there has also been an exercise of congressional leadership, even though this leadership has not been welcomed by the administration. I was pleased to support those efforts here. It seems to me, as the distinguished leader has pointed out to the Senate this morning, that this has been responsible and constructive action. I commend the leader for making these comments.

The ACTING PRESIDENT pro tempore. The Senator from Michigan is recognized.

Mr. GRIFFIN. Mr. President, I do not disagree with everything the majority leader has said. But I would point out that it is not only Dr. Kissinger who is concerned about what Congress has been doing to our foreign policy; others have expressed deep concern as well.

For example, in the current issue of Reader's Digest, Prof. William E. Griffith of the Massachusetts Institute of Technology has an article entitled "Congress Is Wrecking Our Foreign Policy." It has been inserted in the RECORD by the junior Senator from Michigan, with the suggestion that every Senator and every Congressman might wish to read it.

In the article, Professor Griffith expresses his concern that domestic ethnic politics has played an unusual and unfortunate role in some of the decisions Congress has made in recent months in the foreign policy field.

Of course, there is, and was, a lot of controversy surrounding the congressional decision made last year with respect to Turkey and Cyprus. I regret to suggest that a large part of the reason for that action by Congress was not the long-term security interests of the United States but domestic ethnic politics. The foreign policy of a great power cannot be based on such considerations.

The decision to adopt the so-called Jackson-Vanik amendment relating to the emigration of Jews from the Soviet Union, is another example of an unfortunate decision by Congress. From the standpoint of Jews, it has been counterproductive. In the perspective of history, it will stand as an unwise decision on the part of Congress motivated primarily by domestic ethnic political considerations.

The jury is still out on the decision made recently by Congress with respect to the U.S. role in Angola, and it will take some time to know the effect of that recent decision. This Senator happens to believe that it would have been better to have allowed the Executive the option of a response on a covert basis—and not to be required to lay the prestige of the United States out on the line in the open.

I do agree with the majority leader, though, when he says that Dr. Kissinger might as well adjust to the fact that this Congress is going to play a meaningful role in foreign policy decisions. A great deal can be done at both ends of Pennsylvania Avenue to develop a more cooperative and bipartisan approach to foreign policy.

The Executive needs to recognize, as has been said many times, that Congress expects to be in on the takeoff as well as the landing with respect to many important foreign policy decisions. There have been times in our history when we did have a bipartisan foreign policy. It will be recalled that Senators Arthur Vandenberg and Tom Connally and others, on more than one occasion, were asked by President Truman to act as observers or participants in important negotiations with foreign powers. So, the accommodation needs to come from both ends of Pennsylvania Avenue.

One more point: I have not done a great deal of traveling, but I have done some traveling; and I have talked to many people who have traveled in recent months. I regret the report heard over and over that the image of the United States has suffered greatly in recent months and recent years because of divisions that have been too obvious. It appears to others in the world that we no longer speak with one voice on foreign policy matters. We are perceived by too many as a nation that is divided and leaderless; that is not good for our country. It is not good for the security of the United States; it is not good for the security of the free world. Indeed, it is a dangerous situation that invites miscalculation by potential aggressors.

So, although I do not agree with much that the majority leader has said, he has been constructive, and he has raised a subject that ought to be discussed.

Mr. MANSFIELD. Mr. President, will the Senator allow me to make a few remarks, on his time?

Mr. GRIFFIN. Of course.

Mr. MANSFIELD. Mr. President, I listened with interest to what the distinguished acting Republican leader just said with respect to Congress part in the Greek-Turkish issue as well as the Jackson amendment and the situation in Angola.

So far as the Greek-Turkish issue was concerned, legally, Senators like Mr. EAGLETON and others were absolutely correct. The law, the language, the legalisms bore out their contention. But you had to look at it on another, practical basis; and eventually, after two or three attempts, Congress did go along, on a curtailed basis, with what the President and the Secretary of State desired.

The Jackson amendment, I think—and I have said so many times—was a mistake. In my judgment it should not have been adopted by Congress. It was an interference in the internal affairs of another nation. It did not step up the increase in the emigration of Soviet Jews but, rather, decreased it. Therefore, I think it was counterproductive.

So far as Angola is concerned, the distinguished Senator has said that the jury is out. Maybe. He has said that the United States has lost prestige, that its image has been tarnished. I do not think it has lost any prestige. I do not think its image has been tarnished. I do not think that when you apply the test of the reaction of the people of the United States—and that is what really counts in the end—the jury is out. They have reached their decision, and their decision is in favor of what Congress has done.

I agree with the distinguished acting Republican leader that perhaps it would be a good idea to return to the days of the late Senators Connally and Vandenberg, when we did have what was known as a bipartisan foreign policy, though I think that that element has been stripped of much of its significance. It never was as good as some people said it was. Even if it was, I think it would have been a mistake if it was designed to cut off debate because if you silence opposition, I think you are in the process of creating a foreign policy which, again, might be counterproductive.

As for one voice, that is hard to acquire. There are bound to be divisions within this country.

Leaderless, we never have been, because the President is the leader. But he should be a leader in accord with the responsibilities of Congress, under the Constitution. The way not to get along with Congress is to go to San Francisco and Laramie, Wyo., and Los Angeles, Calif., and perhaps some other places, and continually point the finger at Congress because the administration did not get what it wanted in Angola and was thwarted from continuing in a tragic war in Southeast Asia.

This is not the time for finger pointing on either side. The best thing that can happen would be, as the distinguished acting Republican leader has said, for the Executive and Congress to work together in the common good, in the best interests of the United States.

So far as Congress is concerned, its record—not its words, its record, its vote—will speak for itself.

SALARIES OF REFEREES IN BANKRUPTCY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 600, S. 582.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 582) to amend section 40 of the Bankruptcy Act to fix the salaries of referees in bankruptcy.

The ACTING PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment on page 1, line 10, after "(81 Stat. 643)" insert the following:

and section 461 of title 28, United States Code, Public Law 94-82, August 7, 1975 (89 Stat. 419)

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subdivisions a and b of section 40 of the Bankruptcy Act (11 U.S.C. 68) are amended to read as follows:

"a. The compensation of referees in bankruptcy shall be as follows:

"(1) Each full-time referee in bankruptcy shall receive a salary of $36,000 per annum, subject to adjustment pursuant to Public Law 90–206, title II, December 16, 1967 (81 Stat. 643), and section 461 of title 28, United States Code, Public Law 94–82, August 7, 1975 (89 Stat. 419).

"(2) Each part-time referee in bankruptcy shall receive a salary of not more than $18,000 per annum, subject to adjustment pursuant to Public Law 90–206, title II, December 16, 1967 (81 Stat. 643), and subject to further adjustment by the conference, in the light of recommendations of the councils, made after advising with the district judges of their respective circuits, and the Director. In fixing the amount of the salary to be paid to a part-time referee, consideration shall be given to the average number and types of, and the average amount of gross assets realized from, cases closed and pending in the territory which the part-time referee is to serve, during the last preceding period of ten years, and to such other factors as may be material.

"(3) Disbursement of salaries of referees shall be made monthly by or pursuant to order of the Director.

"b. The conference, in light of the recommendations of the councils, made after advising with the district judges of their respective circuits, and of the Director, may increase or decrease the salary of any part-time referee, within the limit prescribed in subdivision a(2) of this section, if there has been a material increase or decrease in the volume of business or other change in the factors which may be considered material in fixing salaries."

(b) Subdivisiion d(2) of such section is amended to read as follows:

"(2) Any referee who has retired or been retired under the provisions of paragraph (1) of this subdivision may, if called upon by a judge of a court of bankruptcy, perform such duties of a referee, conciliation commissioner, or special master under this Act, within the jurisdiction of the court, as he may be able and willing to undertake. The retired referee shall receive as compensation for his services, either full or part time, the salary authorized for the referee serving the territory to which the retired referee is assigned. However, the rate of compensation of a retired referee assigned to serve on a full-time basis in the territory of a part-time referee shall be the rate for full-time service. Salaries authorized under this paragraph shall be subject to the provisions of section 13(b) of the Civil Service Retirement Act.

Mr. MANSFIELD. Mr. President, I ask that H.R. 6184, the companion measure to Calendar No. 600, S. 582, be laid before the Senate.

The ACTING PRESIDENT pro tempore laid before the Senate H.R. 6184, an act to amend section 40 of the Bankruptcy Act to fix the salaries of referees in bankruptcy, which by unanimous consent was read twice by its title.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will proceed to its consideration.

The bill was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar No. 600, S. 582, be indefinitely postponed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Massachusetts (Mr. KENNEDY) is recognized for not to exceed 15 minutes.

ENERGY CONSERVATION ACT OF 1976—S. 2932

Mr. KENNEDY. Mr. President, on behalf of myself and Senators HOLLINGS, JACKSON, MAGNUSON, and PEARSON, I am today introducing the Energy Conservation Act of 1976.

I ask unanimous consent that this bill to minimize the use of energy in residential housing, commercial and public buildings, and industrial plants through federally supported State energy conservation implementation programs be referred jointly to the Senate Committee on Commerce, the Senate Committee on Interior and Insular Affairs, and the Senate Committee on Banking, Housing and Urban Affairs.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KENNEDY. I am especially pleased that hearings on this legislation are scheduled for February 25 and 26 so that all interested parties will have an opportunity to present their views without delay.

ENERGY: A THREE-DIMENSIONAL JIGSAW PUZZLE

A serious national commitment to energy conservation is the essential next step in fashioning a workable and effective national energy policy for the United States. Moreover, this is the only way in the next few years that we can bring some manner of economic relief to millions of our citizens who cannot afford the vastly increased costs of energy.

Much of the first session of the 94th Congress was spent in attempting to resolve the serious disagreements between the Ford administration and Congress over the price of domestic oil and natural gas. This single issue, although it represented only a small portion of the congressional energy agenda, dominated reporting by the mass media and obscured many other important energy-related actions proposed by Congress. In particular, efforts of many Senators and House Members, of both parties, to develop an effective program of energy conservation went largely unnoticed by the media and the public.

With the passage and signing of the Energy Policy and Conservation Act of 1975, the issues that so dominated the energy debate in Congress to this point are largely behind us. Moreover, our efforts of the past 2 years should have revealed the error in believing that the energy crisis could be resolved through any single legislative action or by stressing any single answer to the exclusion of others.

The energy problem is something akin to a three-dimensional jigsaw puzzle: many different pieces must be identified and matched; many different actions, some large, some small, must be taken; many levels of Government, as well as the private sector, must be involved. Rarely, if ever, has Congress been faced with a legislative problem that touches our economic, social, and political institutions in so many interrelated and interdependent ways. One-shot solutions whatever they might be are not capable of balancing these interrelationships.

Our job this session is to continue the job of solving this complicated three-dimensional jigsaw puzzle. This will require, above all, a legislative effort that strikes a more sensible balance between measures designed to expand energy production and those designed to use the energy we have more efficiently.

ENERGY CONSERVATION AND ENERGY INDEPENDENCE

Ever since the oil embargo of 1973, our attention as a Nation has been riveted on the need to achieve the goal of energy independence by the middle of the 1980's, a goal that virtually every serious energy expert now recognizes as neither feasible nor in our national interest.

The Subcommittee on Energy that I chair of the Joint Economic Committee explored many of these considerations in public hearings last September.

We heard testimony to the effect that while energy independence is an attractive concept politically, it is, in reality, a mirage, at least within the foreseeable future. Even if we could "storm the beaches and strip the hills," there is no realistic way to close the gap between domestic energy supply and projected levels of U.S. demand, at any reasonable cost. In fact, barring acceptance of extraordinarily high costs, the Nation will do well to offset the decline in existing petroleum reservoirs in the next decade through development of Alaskan and Outer Continental Shelf resources.

We see more clearly now that the process of expanding domestic energy production significantly faces many obstacles: Long leadtimes, high or at best uncertain costs, serious environmental constraints and technological uncertainties, particularly in developing synthetic fuels in commercial quantities and in expanding nuclear power. There is the reality that even large sums of public money may not produce the necessary answers. Moreover, we must be very careful not to commit ourselves to production strategies that lock the United States into high-priced energy sources that would leave our economy far weaker and less competitive in world markets than would otherwise be the case.

Of course, in addition to gaining those increases in energy production that are possible at reasonable costs, plus preparing for the more exotic energy sources of the future—such as fusion—and for renewable energy sources—such as solar—we must take prudent action to defend ourselves against the political and economic threats of another supply interruption by oil exporting countries.

But is this objective better served through a policy that would "drain America first" or through one that relies primarily on a strategic petroleum reserve, such as authorized in the Energy Policy and Conservation Act of 1975? Until we can see our long-term energy future with much greater clarity than is possible today, there are sound reasons not to exhaust our domestic petroleum resources, especially at high cost, in pursuit of an arbitrary goal of energy independence by 1985.

We must be equally concerned about the likely effect of pursuing such a single-minded goal on our relations with both producing and consuming nations. Many other political and economic factors relating to U.S. self-interest are involved and it would be foolish to ignore these factors simply in the name of energy independence. We know, for example, that many opportunities exist for expanding the world supply of oil and we should explore and assist the development of oil production in diverse areas of the world. We must, in sum, develop an international energy policy that does not leave the United States more isolated in an age of growing economic interdependence.

The inescapable truth is that we are going to import sizable quantities of oil for the foreseeable future. The sooner we implement an energy policy that recognizes that fact, the better. For example, it is time to stop alternating between throwing out hints of military intervention and saying we lack the muscle to bargain effectively with the OPEC nations. We should explore the possibility of negotiating government-to-government agreements to guarantee security of supply at reasonable prices, using the new Presidential authority contained in the Energy Policy and Conservation Act to bargain directly with oil exporting countries.

At the same time, we must provide real incentives to minimize the volume of imports, within the constraints listed above. This means eliminating to the greatest degree possible the oil that is wasted through inefficiencies that are the product of the pre-1973 era of cheap energy. But the effort to date to reduce imports has given undue weight to increasing domestic energy supplies through expanded production and not enough attention to the economic and supply benefits that are possible through a conservation-induced reduction of demand.

THE CONSERVATION POTENTIAL

The heart of our energy problem is the economic burden that rising energy prices place on the American people. Thus, the more efficient use of energy is primarily a way to reduce or eliminate this economic burden. Energy conservation is a way to avoid suffering any significant decline in our standard of living in the face of growing energy scarcity and higher energy prices, whether these are due to natural forces or to artificial production cutbacks by the OPEC cartel.

It is from this economic perspective that a larger commitment to energy conservation makes sense. In the short run, conservation for its own sake is not really the point, although this may be very much the point in the longer run. We must begin by looking at those conservation actions that make sense on the basis of hardnosed cost-benefit calculations. And although this bill focuses primarily on conservation actions of assured economic payoffs, we must not forget the larger reason why energy conservation is so vitally important: so that we can hand down a livable planet to our children and grandchildren.

The reasons for moving forward now with an active national program of energy conservation are compelling:

First, individual citizens, businesses, and industry will realize substantial net economic savings through more efficient energy consumption. The adverse effects of high energy prices on our national economy will be reduced. Moreover, if energy prices continue to rise over the next decade, these savings will be even more important than they are today. And less money spent for energy means more money that can be spent on other goods and services.

Second, a serious energy conservation policy by the United States will serve notice on OPEC that we intend to stop our nearly open-ended reliance on imported oil by reducing the amount of oil used inefficiently, that is, wasted. Today, one-third of total U.S. demand falls in this category. A commitment to energy conservation, if made in conjunction with a balanced program for expanding domestic energy production, would give the United States its maximum leverage in bargaining with the oil exporting countries.

Third, the efficient use of energy is often the least expensive, most environmentally safe, and the quickest way to increase supply. Energy conservation can also be a way to reduce the tremendous energy requirements that are projected of the end of this century. The Department of the Interior, for example, has estimated that the United States will use over twice as much energy in the year 2000 as in 1974. But one of the assumptions in the Interior Department's report is an "evolutionary" increase in energy efficiency. It estimates that just the energy lost in converting fuels to electricity and in processing synthetic fuels will nearly equal the country's total energy consumption in 1965. But with a serious conservation effort these energy requirements in the year 2000 can be cut by one-third. There is, in short, an enormous justification for moving beyond "evolutionary" improvements in energy efficiency. In the shorter run, moreover, well-insulated homes and buildings are essential for the cost-effective use of renewable energy resources, such as solar, thermal and wind energy.

These benefits were emphasized this week by FEA Administrator Frank Zarb in testimony before the Subcommittee on Energy of the Joint Economic Committee. In his opening statement Mr. Zarb said:

> While energy conservation would result in a cleaner environment, the key motivation behind virtually all efforts to conserve energy is and should be economics. Saving energy is synonymous with saving dollars and can, in fact, be considered as one of the least expensive energy supplies this Nation has.

Later in the same testimony Mr. Zarb observed:

> Conservation measures are not only viable alternatives, but generally they represent some of the most cost-effective ways we have of dealing with energy problems. Therefore, conservation, as I view it, is not only a means to help achieve our national energy objectives; it is also in the economic self-interest of consumers and businessmen.

Four major areas hold the greatest potential of significant energy savings:

First. In transportation, by improving the efficiency of motor vehicles and by reducing the number of vehicle miles traveled;

Second. In residential and commercial buildings, by designing and building more efficient new structures and appliances and by improving the energy efficiency of existing buildings and homes;

Third. In industry, by improving efficiency of industrial processes and equipment; and

Fourth. In utilities, by cutting fuel required to generate each kilowatt hour of electricity.

The Federal Energy Administration has estimated the potential savings that are possible. For example:

Cost-effective conservation has the theoretical potential to reduce energy demand by 16 percent in 1985 and 29 percent in 2010. I should note, parenthetically, that other experts suggest potential savings of much greater magnitude.

Highway fuel consumption can be reduced by 1 to 2 million barrels of oil per day by 1985.

One-fourth of current energy consumption for residential and commercial buildings can be saved with cost-effective actions.

Industry has the potential for comparable reductions of 25 to 35 percent through improved energy efficiency.

Forty-eight billion dollars of estimated capital costs for electric utilities between now and 1985 can be saved through improved loan management techniques.

A recent study on the potential benefits of energy conservation conducted by the Worldwatch Institute and paid for by FEA argues that Americans could cut their energy use in half without lowering their standard of living These energy savings, in turn, would be sufficient to meet all U.S. energy needs for the remainder of this century.

This is a most persuasive and important document and I ask unanimous consent that the overview and conclusions to the Worldwatch Institute's new study, "Energy: The Case for Conservation," be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ENERGY: THE CASE FOR CONSERVATION

(By Denis Hayes)

More than one half the current U.S. energy budget is waste. For the next quarter century the United States could meet all its new energy needs simply by improving the efficiency of existing uses. The energy saved could be used for other purposes and relieve us of the immediate pressure to commit enormous resources to dangerous energy sources before we have fully explored all alternatives. Energy derived from conservation would be safer, more reliable, and less polluting than energy from any other source. Energy conservation could reduce our vulnerability in foreign affairs and improve our balance of payments position. Moreover, a strong energy conservation program would save consumers billions of dollars each year.

In 1975, Americans *wasted* more fuel than was *used* by two-thirds of the world's population. We annually consume more than twice as much fuel as we need to maintain our standard of living. We could lead lives as rich, healthy, and fulfilling—with as much comfort, and with more employment—using less than half of the energy now used.

These conclusions rest upon conservative assumptions. They assume that lifestyles will change only cosmetically—that Americans will continue to travel as many miles, keep their homes just as warm, operate as many appliances, and eat what they now eat. If we consider functions instead of technologies—ways, for example, to eliminate the need for a certain type of transportation instead of merely ways to make it more efficient—the results will be more dramatic.

Our way-of-life is rife with opportunities to conserve energy. The United States matured in an era of abundant fuel and declining real energy prices. Energy was substituted for all other factors of production—including wherever possible, human activity. We became a sedentary society, trading vast amounts of cheap fuel to avoid trifling exertions or momentary inconveniences. For example, to avoid occasionally moving their feet 10 inches and their hands 6 inches, most American car-buyers pay extra for automatic transmissions that decrease gasoline mileage by 10 percent or more. Often (as with our national habit of leaving on unnecessary lights) we squander energy on nothing.

Few energy economists, for example, have any background in thermodynamics. Few know that energy has a qualitative dimension, that the Second Law of Thermodynamics—which states that the quality of energy declines as it is used—is just as absolute as the First Law—which states that the quantity of energy in the universe is constant.

Most studies of energy use have dealt only with the quantitative dimension of energy. Most have considered the flow of energy units (Btu's, calories, or joules) used in a given process, but have not distinguished between the relative entropy levels (i.e., levels of organization and quality) of these quantities. Most have thus ignored the most important aspect of the energy flows they have been analyzing.

One distinguished team of scientists has expanded the boundaries of the energy discussion to cover quality as well as quantity. Using the concept of "free energy" as developed in 1878 by J. W. Gibbs as the basis of analysis, physicists under the auspices of the American Physical Society have scrutinized many of our uses of energy. Introducing the valuable concept of "second law efficiency," the study concludes that the overall "second law" efficiency of energy use in the U.S. is betwen 10 percent and 15 percent. Cars were found to be 10 percent efficient, home heating 6 percent, air conditioning 5 percent efficient, and water heating only 3 percent efficient using the second law criterion.

While physicists thus argue that energy use in the United States is only 10 to 15 percent efficient, many economists believe that there is no significant waste in our present energy budget. By their own standards, both camps are correct. The physicists failed to examine the economic cost of increasing the physical efficiency of energy use. Nor did they examine systemic alternatives (e.g., substituting van pools or public transit for automobiles). Theirs was a purely technical study of the efficiency of use of free energy in current technologies. Most economists, on the other hand, disregard the physical and technical phenomena their idealized marketplaces purportedly represent. They take for granted that pricing mechanisms have assigned appropriate dollar values to all possible purchases. Since fuel buyers act in their own economic self-interest, and since the total economy seems to be operating reasonably efficiently, these economists argue that our current level of fuel consumption cannot be considered economically wasteful.

If both perspectives are "correct," both have shortcomings. In economic terms, technical opportunities for conservation mean little if they are prohibitively expensive. On the other hand, the purely economic perspective may be even more deficient. Its guiding principle—that a dollar should be invested wherever it will bring the highest return—is sensible for many purposes. However, at present it almost completely disregards such "externalities" as environmental quality, occupational safety, and national security. Moreover, it ignores the needs of the next guy in line. On a planet with rapidly depleting, finite resources, future generations can't fend for themselves; the economic principle must be tempered by humanitarian constraints. But economics is an analytical tool, not a system of ethics.

Combining the insights of both physicists and economists, this study considers energy to be "wasted" whenever work is performed that could have been completed with less or lower quality energy and without incurring higher total social or economic costs. By this definition, the U.S. consumed about twice as much fuel in 1975 as was necessary. The major areas in which significant savings could be made are transportation, heating and cooling systems for buildings, water heating, the food system, electrical generation, industrial efficiency, waste recovery, recycling, lighting, and transportation.

Transportation presently accounts for about 24 percent of our direct fuel consumption. Another 18 percent of our energy budget is used indirectly—to build and maintain vehicles, construct roads, etc. Sixteen percent of our direct fuel consumption and an additional 6 percent of our indirect consumption could be saved by gradually tripling the mileage performance of individual vehicles, substantially reducing average vehicle size, transferring half of commuter traffic to multiple passenger modes while reducing the number of automobiles accordingly, and systematically shifting freight to more efficient modes. These savings could be phased in over the next 25 years.

Moreover, with transportation accounting, directly and indirectly, for 42 percent of our total energy budget, we need to ask why and where we are going. If we diminish our volume of travel, even greater savings will result.

Space heating currently comprises 18 percent of our energy use, water heating 4 percent, and air conditioning 3 percent. The combination thus totals 25 percent of the nation's direct fuel consumption. Strict insulation standards on new buildings, a vigorous program to increase insulation in existing residential and commercial buildings, the use of solar heating and cooling technologies (cross-bred where appropriate with compatible technologies like heat pumps), the adoption of solar water heaters for virtually all residential and commercial hot water needs, and the widespread use of total energy systems in large complexes could reduce our energy budget by at least 16 percent over the next quarter century.

The U.S. food system uses more than 12 percent of the nation's fuel budget; farming uses 2.5 percent; and food processing, packaging, retailing, and preparation account for the remainder. Improvements can be made at every stage of the food system—especially in processing and preparation. Technical improvements could save 3 percent of the national energy budget; home gardens, improved diets, and a switch away from fast foods could save an additional 2 percent.

About 25 percent of the U.S. fuel budget goes into electricity generation, of which approximately one-third actually emerges as usable power. Two-thirds of the potential energy fed to power plants is cast off as waste heat. Alternative generating technologies currently being developed will be able to operate at much higher efficiencies. For example, laboratory-size fuel cells have operated at 75 percent efficiency, and combined cycle powerplants can obtain a 55 percent efficiency. By increasing electrical conversion efficiency to 45 percent, we can save 3 percent of our fuel budget.

Our current electrical price rates were designed in an era of 8 percent annual electrical growth. Since they do not generally fluctuate with the time of the day or with the changing seasons, enormous demands are made on electrical generating facilities at 3:00 on a July afternoon, while the same generating system may be mostly idle at 3:00 on a February morning. Rates that were scaled according to gross demand would trim the differences between the peaks and valleys, thus reducing the amount of capital tied up in mostly unused generating capacity. Furthermore, electricity prices have been designed so that the largest users pay the lowest rates. While this once seemed reasonable (in terms of cost-of-service), such rate schedules have outlived their rationale and now serve largely to perpetuate inefficiency. Flattened rates, or inverted rates (in which heavy users would pay more per unit) would substantially cut the total electrical demand. Already public utility commissions in several states are experimenting with electrical rate design.

Sweden manages to harness approximately one-third of the waste heat from its power plants for commercial purposes; the United States recaptures essentially none. Utilizing just 12 percent of this waste heat, we could reduce our fuel demand by 2 percent. Total Energy Systems are being designed toward this end for use in U.S. hospitals, shopping centers, and other large complexes. Similarly, the high-quality energy now used to produce industrial (low-grade) steam could be used to generate electricity during the conversion process. Generating 50,000 megawatts of electricity in this manner is economically attractive right now. As industrial electric rates increase rapidly in the years ahead, the economic attraction of this power source will grow commensurately.

Other possibilities for industrial conservation abound. Many countries use more energy-efficient processes than the U.S. does, for industries ranging from the refining of ores to the manufacturing of final products. Important savings have been made in the last few years in the U.S. chemical industry (which uses one-fifth of all industrial energy) and the primary metals industries (which use another fifth).

Much usable energy is currently thrown away. If we were to extract the optimum level of potential energy from urban refuse, human excreta, agricultural residue, feed-lot wastes, and forest-product wastes; if we were to recycle 13 million tons of ferrous metals and 500,000 tons of aluminum, substitute standardized returnable bottles for most cans, and eliminate all the unnecessary packaging that so clutters up our lives, we could obtain more than 4 percent of our current energy needs.

One-half of the 4 percent of our direct energy now spent on lighting is superfluous, and most "necessary" lights operate inefficiently. Currently, incandescent bulbs convert only one-twentieth of the energy in electricity into light; fluorescent bulbs convert over one-fifth. As a NATO-sponsored scientific committee on energy conservation reported, however, there is "no fundamental theoretical reason why a 100 percent conversion efficiency" of electricity into light should not be attained.

No short list can exhaust the possibilities for substantial conservation that permeate our entire way of life. Most of the goods we purchase could be both manufactured and made to work more efficiently. All levels of government, for example, are larded with extraordinary waste. The largest single user of energy in the United States is the federal government, and the largest user inside the government is the Department of Defense. The Pentagon consumes 2 percent of the nation's fuel directly and another 4 percent of the entire national energy budget indirectly. One new weapons system alone, the B-1 bomber, will require between 300 million and one billion gallons of fuel per year. In 1974, all the buses in all the towns and cities of America consumed 320 million gallons of fuel. This paper cannot attempt to assess the strategic significance of the B-1. But it seems safe to assert that there is enormous scope for energy conservation in the Department of Defense, and throughout the public sector. A vigorous conservation program has already caused federal fuel consumption to drop 28 percent since the Arab embargo.

International comparisons support the contention that the 1975 U.S. energy budget can be trimmed over time by more than one-half. For example, Sweden, West Germany, and Switzerland, with about the same level of per capita GNP as the United States, use only 60 percent as much energy per capita as does the United States. West Germany uses seven-eighths as much fuel per capita as the U.S. for industrial production, one-half as much for space heating, and only one-quarter as much for transportation. None of these countries has begun to approach its full potential for energy thrift.

The contention that the U.S. energy budget can be gradually cut by more than one-half without altering the nation's standard of living is almost certainly conservative. Nevertheless, such a reduction is neither inevitable nor even very likely. Even when clear goals are widely shared, they are not easily pursued. Policies tend to provoke opposition. Unanticipated side effects almost always occur. And sometimes we just don't know how to achieve certain ends. The praiseworthy goals of the Great Society have gone unrealized. The current American recession is not the handiwork of secret fans of zero economic growth.

Our past is one of persistent energy growth, and the past is widely presumed to be prologue to the future. This presumption guides the elaborate computations of most modern forecasting, and it underpins much of our conventional wisdom. But, as René Dubos has written, "Trend is not destiny." Calamities and bonanzas can intrude upon the smooth curves of extrapolation; people and nations can re-think their direction and alter course. Most standard energy forecasts are projections. They are judgments about tomorrow made today from data generated yesterday. They necessarily reflect a particular set of values and assumptions. Most have been unremarkably similar. All are likely to prove grievously flawed.

For students of energy policy, the future is not what it used to be. Consumption patterns for commercial fuels, after two decades of unbroken exponential growth, have changed radically over the last two years. Even more fundamental discontinuities seem likely in the near future. Momentous conflicts loom between habits and prices, convenience and vulnerability, the broad public good and narrow private interests.

The most striking opportunity now presenting itself lies in energy conservation. In the past, conservation was viewed as a marginal activity. In the immediate future, saved energy is our most promising energy source. Instead of consuming ever more fuel, we can choose to consume the same amount of fuel ever more efficiently.

Mr. KENNEDY. One additional fact must be noted: the process of converting from an inefficient energy society to an efficient one is sufficiently complicated that it cannot be achieved simply by free market forces. There is a necessary and appropriate role for Government to play, particularly in the initial stages of making our homes, businesses, and manufacturing facilities more energy efficient.

RESIDENTIAL AND COMMERCIAL BUILDINGS

One of the most potentially productive sectors is found in residential and commercial buildings. FEA and the Energy Research and Development Administration have estimated that:

Residential and commercial buildings use 36 percent of total U.S. energy.

Space heating and cooling account for 70 percent of the energy used in buildings.

There are 48 million single-family dwelling units in the United States, as of December 31, 1974.

Thirteen million of these units have adequate weatherization protection or are in climates where insulation or other retrofit actions are not cost-effective; 17 million need ceiling insulation; 10 million need storm doors and windows; 20 million need clock thermostats; and 20 million need caulking and weatherstripping. FEA estimates the potential residential savings to be the equivalent of 900,000 barrels of oil over the next several years for space heating alone. There is also a significant potential for savings in hot water heating, although these have not been quantified. This figure of at least 1 million barrels a day—oil equivalent—represents the amount that would be saved if every house in the country made the energy conservation investments that can be justified at today's energy costs. If costs continue to rise, the conservation induced payoffs would grow proportionately. FEA currently estimates potential savings in the commercial building sector to be about 250,000 barrels per day.

These estimates are based on the most obvious and technologically easy improvements, such as ceiling insulation and storm windows. A more sophisticated program covering additional areas of energy use in residential and commercial buildings cuts energy consumption nearly in half. These savings are documented in a recent study, "Assessing the Potential for Fuel Conservation," by Marc H. Ross and Robert H. Williams, conducted by the Institute for Public Policy Alternatives. I ask unanimous consent that these data relating to potential fuel savings in the residential and commercial sector be printed at this point in the RECORD.

There being no objection, the data were ordered to be printed in the RECORD, as follows:

Potential fuel savings in the commercial sector

[In 10^{15} Btu]

Conservation measures:	*Potential Savings*
Increase A/C COP 30 percent	0.37
Increase refrigeration efficiency 30 percent	0.20
Cut water heating fuel requirements in half	0.31
Reduce building lighting energy by 50 percent	
Direct savings (a)	0.82
Increased heating requirements (b)	−0.21
Reduced A/C requirements (c)	0.34
Net savings	0.95
Reduce heating requirements 50 percent (d)	2.25
Reduce A/C demand 10 percent with better insulation (e)	0.08
Reduce A/C demand 15 percent by reducing ventilation rate 50 percent (to 0.5 air exchanges per hour) and by using heat recovery apparatus (f)	0.10
Use total energy systems in ⅓ of all units—save 30 percent	0.64
Use microwave ovens for ½ of cooking	0.06
Total savings	4.96
Actual fuel use in 1973	12.06
Hypothetical fuel use with conservation	7.10

(a) APS, section 3.C.4.

(b) Assume that for 6 winter months all lighting electricity saved must be replaced by fossil fuel heat.

(c) According to ref. (41) (p. 171) lighting in a typical NYC office building accounts for about 54% of the A/C load. We assume this is typical.

(d) Ref. (41), p. 168.

(e) Ref. (41), p. 170–171.

(f) Ref. (41), p. 171–172.

Potential fuel savings in the residential sector

[In 10^{15} Btu]

Conservation measures:	*Potential Savings*
Replace resistive heating with heat pump having COP=2.5(a)	0.60
Increase A/C COP to 3.6 (b)	0.40
Increase refrigerator efficiency 30 percent (50)	0.27
Cut water heating fuel requirements in half (c)	1.07
Reduce heat losses 50 percent with better insulation, improved windows, reduced infiltration (d)	3.30
Reduce A/C load by reducing infiltration to 0.2 exchange/hour (e)	0.42
Introduce total energy systems into ½ multifamily units (15 percent of all housing units) with a net 30 percent fuel savings (f)	0.31
Use microwave ovens for ½ of cooking, with 80 percent savings (g)	0.25
Total savings	6.62
Actual fuel use in 1973	14.07
Hypothetical fuel use with conservation	7.45

(a) APS, section 3.C.2.

(b) According to ref. (49) the best room A/C units have a COP twice as large as the present average 1.8. Also some commercial central A/C units have COP=3.6. We assume the present average is 2.5 for central A/C.

(c) Current efficiencies are low (APS, section 3.D.). There are various possibilities for reducing losses: better insulation, reduced hot water heater temperature setting, use of solar energy, or heat recovery from other appliances such as refrigerators.

(d) APS, section 3.B.

(e) APS, section 3.C.1.

(f) APS, section 3.E.

(g) Ref. (34), p. 46.

Mr. KENNEDY. Both FEA and ERDA are continuing to collect and refine energy efficiency data for residential and commercial buildings. But the fundamental point is already beyond dispute: more energy efficient buildings will yield very significant savings in the short run, both in fuel and dollars.

ERDA has estimated the typical savings for various retrofit actions in one-family residences in terms of annual Btu savings, dollars saved per year, and the length of the payback period for loans to finance the improvements. I ask unanimous consent to have these data printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TYPICAL SAVINGS FOR VARIOUS RETROFIT ACTIONS (1-FAMILY HOMES)

	Cost per unit	Minimum number of units poorly protected	Btu per year saved per unit (millions)	Dollars saved per action [1]	Payback period (years)
Ceiling insulation	$200 per home	18,000,000	35 per home	$86.80	2.3
Wall insulation	$500 per home	25,000,000	30 per home	74.40	6.7
Storm windows	$30 per window	70,000,000 windows in north	2.2 per window	5.46	5.5
Storm doors	$75 per door	25,000,000 door in north	1 per door	2.48	30.0
Clock thermostats	$70 per home	Not available	15 per home	37.20	1.9
Siding and weatherstripping	$50 per home	20,000,000	Substantial but indeterminate		2.0

[1] Computed at an average national cost of $2,480,000 Btu, weighted 60-percent gas, 30-percent oil, 10-percent electricity.

Mr. KENNEDY. Note the relatively short payback period—about 2 years—for such improvements as installing ceiling insulation, clock thermostats, and siding and weatherstripping, as well as the somewhat longer period—about 6 years—for wall insulation and storm windows. Only the installation of stormdoors has a long period of payback—about 30 years.

These figures illustrate the basic feasibility of a homeowner repaying a loan to finance conservation improvements out of the money saved through reduced fuel costs and then being in a position to achieve substantial net savings once the loan is paid off. The Energy Conservation Act of 1976 is designed to take full advantage of this opportunity.

INDUSTRIAL CONSERVATION

FEA has compiled a table showing the potential energy savings in industry, a sector that accounts for about 45 percent of the total energy consumed in the United States. I ask unanimous consent that this table of potential energy savings in industry be printed at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

INDUSTRIAL ENERGY SAVINGS ESTIMATES

[Thousands of barrels per day of oil equivalent]

Factors influencing energy requirements	1980 energy savings		1985 energy savings		1990 energy savings	
	Top 10 [1]	Others	Top 10 [1]	Others	Top 10 [1]	Others
Capital turnover	689	295	1,356	581	2,144	919
Price effects	351	151	407	177	477	204
Voluntary energy conservation program	210		150		50	
Expanded voluntary energy conservation program	50	225	140	300	70	180
Subtotal	1,300	671	2,053	1,058	2,741	1,303
Total combined impact of all factors	1,971		3,111		4,044	

[1] The 10 industries presently included in the existing voluntary industrial energy conservation program are steel, aluminum, chemicals, petroleum refining, cement, paper, baking, meat packing, glass and copper.

Mr. KENNEDY. The table is broken down by the estimated energy savings among the top 10 energy-consuming industries and all others. It is clear that both sectors are important and that "capital turnover" is more important than either "price effects" or "voluntary programs" in achieving the greatest returns. The total combined impact of all factors can produce savings of 1.9 million barrels per day of oil equivalent in 1980; 3.1 million in 1985; and 4 million in 1990.

In summary, there is a total potential for energy savings of about 3 million barrels per day—oil equivalent—by 1980 through investments in existing buildings and industrial plants. These savings would be achieved, in large part, through the installation of energy conserving materials that can be justified at today's energy costs at a real discount rate of 8 percent. Energy reductions of this magnitude would translate into annual savings of about $16 billion—1975 prices. The Energy Conservation Act of 1976 that I am introducing today would achieve about 2 million of this potential 3-million-barrel-per-day saving. In supply terms, this is comparable to the projected capacity of the Alaskan pipeline.

COST EFFECTIVENESS OF CONSERVATION

Improved energy efficiency can save large sums of money. But it is necessary to compare the economic costs of saving a barrel of oil through conservation expenditures to the costs of producing a barrel of oil through resource development. In this legislation we are primarily interested in those conservation actions that can be defended on the basis of their cost effectiveness.

For example, FEA has calculated that installing ceiling insulation in a home saves energy equal in value to fuel oil selling at about $5 per barrel. Since home heating oil now retails for about $16 per barrel, the economic benefit of installing ceiling insulation is obvious. Other comparisons between the $5 per barrel cost of installing ceiling insulation and the cost of resource development include: regulated natural gas at the equivalent price of $11 per barrel of oil; shale oil at about $22 per barrel; gas from coal at about $23 per barrel; and electricity from nuclear power at $27 to $35 per barrel.

This comparison can also be expressed in terms of home heating oil that today is retailing for about 42 to 44 cents per gallon. Ceiling insulation has an equivalent cost of 14 cents per gallon, wall insulation at 28.5 cents per gallon, and storm windows at 30.5 cents per gallon. In short, at today's prices all of these conservation actions would be cost effective.

I ask unanimous consent to have printed at this point in my remarks the detailed cost per gallon calculations for installing ceiling and wall insulation and for storm windows, as prepared by FEA.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BACKUP FOR COST PER BARREL CALCULATIONS

The cost per barrel calculations were computed using the energy savings method found in a forthcoming FEA publication entitled "Retrofitting Homes for Energy Conservation—A Business Guide."

CEILING INSULATION

Assumptions:
  Area: 1200 square feet.
  City: Indianapolis—5600 Degree Days.
  Cost: 30¢/square foot, R–19, installed.
    Initial Ins.: R–3.
  Savings = (6.9) (1200) (5600 = 46.5 × 10^5 Btu.
  Life = 15 years.
  Cost = $360.
  Discount Rate = 10%.
Present Energy Values = 354 million Btu =
    (7.61) (46.5).
    = 2560 gallons of oil.
    = 3540 therms of gas.
Equivalent Oil Cost = 14¢/gallon.
Equivalent Gas Cost = 10¢/therm.

WALL INSULATION

Assumptions:
  Area: 1200 square feet.
  Condition: Wood siding with plywood sheathing.
  City: Indianapolis—5600 Degree Days.
  Savings: (5.1) (1) (1200) (5600) = 34.3 million Btu.
  Life = 20 years.
  Cost = 50¢/square foot = $600.
  Discount Rate = 10%.
Present Energy Values = 292 million Btu.
    = 2110 gallons of oil.
    = 2920 therms of gas.
  Equivalent Oil Cost = 28.5¢/gallon.
  Equivalent Gas Cost = 20.6¢/gallon.

STORM WINDOWS

Assumptions:
  Area: 15 square feet.
  Condition: Operable, wood, no weather-stripping.
  City: Indianapolis—5600 Degree Days.
  Savings Factor: 26.2.
  Savings = (26.2) (15) (5600) = 2.2 million Btu/year.
  Life = 10 years.
  Cost = $30.
  Discount Rate = 10%.
Present Energy Values
    = (6.14) (2.2) = 13.5 million Btu
    = 98 gallons fuel oil
    = 135 therms of gas
  Equivalent Oil Cost = 30.5¢/gallon.
  Equivalent Gas Cost = 22.2¢/therm.

Mr. KENNEDY. Cost-effective savings of comparable magnitude can be achieved in the industrial sector. For example: An industrial steam boiler, designed to deliver 400 million Btu's per hour, is retrofitted with heat recovery equipment. The capital cost of the equipment is $120,000 and the fuel savings are estimated to be 84 million cubic feet of natural gas per year. Over the 10-year life of the equipment, discounting at 10 percent, this investment would be the equivalent of buying the saved natural gas at a delivered price of about 23 cents per mcf (or $1.32 per barrel).

Another example: A large ammonia plant replaces some high pressure let down control valves with a hydro-turbine power recovery unit. The initial investment is about $100,000, but the generated power replaced is about 5 million kilowatt-hours of purchased electricity per year. Assuming a 10-year life of the equipment, and a 10-percent discount rate, this investment would be equivalent to buying that electricity at one-third of 1 cent per kilowatt-hour. If we value electricity in terms of the natural gas required to generate it by the utility, this investment would be the equivalent of buying that gas for a delivered price of 32 cents per mcf for the next 10 years (or $1.83 per barrel).

These examples are highly cost effective. FEA has also supplied examples that illustrate less attractive conservation actions but ones that still can be judged as cost effective at today's energy price levels. I ask unanimous consent to have printed at this point in my remarks these additional examples of industrial energy conservation supplied by FEA.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

1. OIL REFINERY POWER RECOVERY TURBINE

At a number of existing oil refineries, power recovery turbines could be installed to recover the mechanical energy from the fluid catalytic cracking regenerator gas. Two retrofits have been accomplished, on a developmental basis, as cited in the October, 1975, issue of Chemical Engineering Progress.[1] Within the industry at the present time, however, such projects are not being undertaken, in many instances because the initial investment required is inflating faster than energy prices. Typically, the energy which can be saved by retrofit installation of such a recovery turbine is in the range of 3,500–20,000 HP. A common investment required is about $12 million (for a 20,000 HP unit scheduled for completion in 1978), with an equipment life of 15 years and operating costs of $200,000 per year. Using .746 kw/HP and 10,000 Btu/kwh, the energy saved per year, assuming 20,000 HP, would be:

$$\frac{(20000)\ (.746)\ (10000)\ (24\text{ hrs/day})\ (350\text{ days/yr}).}{6{,}100{,}000\text{ Btu/bbl}} = \frac{12.53\text{x}10^{11}}{6.1\text{x}10^{5}} = 205{,}400$$

barrels oil equivalent.

Using a 15% discount rate, the cost per barrel would be:

$$\frac{\$12{,}000{,}000+\$200{,}000\,(5.847)}{205{,}400\text{x}5.847} = \$10.97\text{ per barrel}$$

At 3¢/kwh, the payback on the project would be:

$$\text{Payback} = \frac{\$12{,}000{,}000}{(20000)\ (.746)\ (24)\ (350)\ (.03)} = \frac{12{,}000{,}000}{3{,}759{,}840} = 3.19\text{ years}$$

2. ENERGY-EFFICIENT ELECTRIC MOTORS

Over 50 percent of industrial users' electric bills is related to the cost of running electric motors. Nationwide, 35 percent of all electricity produced is used to power motors, accounting for more than 500 billion kwh. If the average efficiency of electric motors were increased by a few percentage points over the next ten years, through the purchase of more energy-efficient, albeit more expensive, electric motors, at the normal replacement rate, the annual energy savings by 1985 would be on the order of 30 to 50 billion kwh (or more than 200,000 barrels per day using a conversion factor of 10,000 Btu's per kwh).

The following is an actual example of the kind of investment which would be required to achieve this result, derived from data provided by Gould, Inc., Century Electric Division, St. Louis, Missouri.

a. Electric motor required: 15 HP, three-phase, four-pole.

b. Motor A: (a) efficiency is 87.4%, (b) cost is $298.08.

c. Motor B: (a) efficiency is 89.8%, (b) cost is $372.60.

d. Premium price for the energy-efficient motor B is $74.52. Operating costs other than those related to energy are assumed to remain the same.

e. Motor duty cycle: (8 hours/day) (250 days/yr.) = 2000 hours/yr.

f. Watts saved = (746) (15 HP) (1/87.4% — 189.8%) = 342 watts.

g. Kilowatt hours saved per year = (0.342) (2000) = 684.4 kwh.

h. Present worth factor at 15% for 10 years = 5.019.

i. Btu's per kwh = 10,000.

j. Btu's per barrel of crude oil = 5,800,000.

k. Cost of investment (discounted) per barrel of oil equivalent (BOE):

Cost per barrel =

$$\frac{\$74.52}{(684.4)\ (5.019)\ (10{,}000/5{,}800{,}000)} = \$12.58$$

l. Payback period (not discounted) at 3 cents per kwh is 3.6 years.

Mr. KENNEDY. Two additional factors should be mentioned. First, the environmental problems that frequently impede the development of natural energy resources are avoided in most conservation actions. Second, conservation improvements can usually be accomplished in much less time using established and relatively simple technology.

If we combine these advantages, energy conservation turns out to be the least expensive, most environmentally safe, and quickest way to expand energy supply.

MISCONCEPTIONS ABOUT ENERGY CONSERVATION

If energy conservation is so attractive in terms of potential economic and energy savings and in its cost-effectiveness, why has energy conservation played such a relatively minor part in our national energy efforts?

Many reasons can be cited. But among the more important are several popular misconceptions about the likely effects of a serious conservation program.

For example, there is the belief that energy conservation is likely to create unemployment or reduced prospects for economic growth. If one uses cost-benefit calculations in deciding what conservation actions to adopt, the opposite will be true. The Ford Foundation's energy policy project concluded that "the future rate of growth in the gross national product is not tied to energy growth rates." More specifically the project noted:

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[1] Krueding, A. P., "Cat Cracker Power Recovery Techniques," *Chemical Engineering Progress*, October, 1975, pp. 56–61.

> With the implementation of actions to conserve energy in the years ahead, GNP could grow at essentially historical rates, while energy consumption grows at just under 2 percent per year. And employment opportunities would also be essentially the same as under a continuation of the historical pattern of increased energy consumption.

In another study, the Institute for Defense Analysis reported to FEA that the net employment impact of residential retrofitting during the period 1976 to 1980 would be distinctly positive.

We must be certain to understand the difference between the curtailment actions that occurred during the embargo—actions that generally impede economic output—and greater efficiency in the use of energy. If we choose conservation actions that are cost effective, there is no reason to assume a negative impact on economic growth or employment. Indeed, the opposite will occur.

There is also the belief that reduced energy consumption implies a reduced standard of living. However, comparative studies of per capita income and energy consumption of the United States and other Western countries enjoying comparable standards of living show that is not true. In fact, advanced Western countries, such as West Germany and Sweden, consume almost half as much energy per capita as we do and yet enjoy a nearly comparable level of per capita personal income. Of course, our life styles and living patterns differ from Europeans in many ways and there is no reason why we should strive to copy theirs, just because we might conserve energy. On the other hand, these comparisons suggest the range of opportunities for greater energy efficiency that are possible.

It is sometimes alleged that energy conservation and environmental quality cannot be achieved simultaneously. Of all the myths surrounding energy conservation, this one is the easiest to refute. In almost every case, improving the quality of the environment and achieving energy conservation are mutually complementary, not competitive. Greater energy efficiency automatically reduces the level of pollutants discharged in the environment. And as conservation enlarges available supplies of energy, the environmental problems almost always associated with expanded resource production are relieved.

Finally, there is the misconception that energy conservation is something to do until cheap energy supplies are flowing. But we should have learned by now that, barring a miracle, new energy supplies will contine to be more costly on a Btu basis, at least for the next decade. The era of cheap and abundant energy is over and we should make the appropriate changes in our energy-consuming practices. We should also realize that energy conservation actions, taken with 1976 and 1977 dollars, will become increasingly cost effective as inflation continues to push up energy prices in the future.

LACK OF PUBLIC KNOWLEDGE

Compounding these popular misconceptions about the effects of a serious energy conservation program is an apparent lack of specific knowledge about how to save energy in an economical way.

In public opinion polling conducted for the Federal Energy Administration by the Opinion Research Corporation—April 1975—people were asked about the kinds of energy conservation taking place in their homes. As the following table indicates, people tended to favor the least significant, although most obvious, ways to save energy. I ask unanimous consent that this data compiled by the Opinion Research Corp. be printed at this point in my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Kinds of energy-saving effort in home

Question: "What are some of the things, if any, you are doing to save energy in your home?"

Total Public: 1,209.

	Percent
Turn off lights	75
Turn down thermostat	63
Use appliances less often	26
Use insulation/weather stripping	7
Use storm windows	2
Use smaller light bulbs	2
Other answers	20
Nothing	3

("Don't know" omitted.)

Mr. KENNEDY. Even though using insulation as a way to save energy received a very low response in April 1975, an Opinion Research Corporation survey the following month found that 66% of the persons living in homes, as opposed to apartments and trailers, thought that their homes were insulated, compared to 8 percent who said their homes were not insulated. "Don't knows" omitted.

Of these people who lived in homes without insulation, few had any idea how much it would cost to insulate their attic. Forty-three out of the 55 respondents said, "Don't know" when asked: "How much do you think it would cost to insulate the attic of your home, including materials and labor?" Those who quoted a figure ranged between $150 and $5,000. Moreover, half the people who say they have insulation are not aware of the kind they are.

Underlying these confused attitudes is a general popular orientation to immediate gratification and deferral of costs. This orientation causes people of focus on initial costs and to minimize the importance of life-cycle costs that are at the core of a decision to install energy-saving materials, such as insulation or storm windows.

In other words, an essential part of any serious national program to promote energy efficiency must be a systematic and credible effort to convince the public of the economic benefits that are possible.

But even persons who understand the economics of conservation often fail to act because the details of installing and related materials are too complicated or too bothersome. How much insulation is needed? How much will it cost? How much will it have? Who should do the work?

Confused by all these unknowns, the individual too often gives up and does nothing. And the final result is the same as for the person who lacks adequate information about the economic benefits of energy conservation: the continuation of needless and expensive waste of energy.

ENERGY CONSERVATION AND ACCESS TO CAPITAL

In our present economy, many families and small business owners have been unwilling or unable to borrow the front-end capital that is usually needed to make the conservation-related improvements to their home, office building, or manufacturing plant. This problem is compounded by the fact that many lending institutions are doubtful about the economic reasons for borrowing capital to finance conservation improvements. As a consequence, many individuals and businesses cannot acquire the front-end capital that is necessary.

In his testimony earlier this week before the Subcommittee on Energy of the Joint Economic Committee, FEA Administrator Zarb noted that "over $200 billion will be required for energy conserving investments over the next 10 years." In response to my request for estimates of the economically justifiable investments in energy conservation between 1975 and 1985, FEA had earlier provided the figure of between $160 billion and $325 billion. More specifically, FEA estimated that a minimum of $12 billion could be spent in a cost-effective manner just for residential energy conservation in the next several years. The common message of these three estimates is that very substantial cost-effective investments can be made.

However, this magnitude of investment is not occurring. According to the "Building Supply News," investments in residentital energy conservation improvements totalled $659 million in 1973 and $722 million in 1974. Normal market forces are not producing a rate of investment that will permit us to achieve, either as a nation or as individual consumers, the full benefits of greater energy efficiency.

I recall a Massachusetts resident, Mrs. Florence Leyland of Waltham, who testified before the Joint Economic Committee's Energy Subcommittee during a field hearing last November and who repeated her testimony here in Washington this week. On both occasions, Mrs. Leyland, a widow living entirely on social security, told us of her sharply rising fuel bills over the past several years, even though she keeps her thermostat below 68 degrees. She economizes at every opportunity in buying food and other necessities. Luxury purchases have been eliminated long ago. Despite these efforts, Mrs. Leyland can barely afford to pay for enough fuel oil to keep her home at a sub-68-degree level.

I asked Mrs. Leyland whether her home was properly insulated. She replied that her house had no attic insulation and that she could not afford any conservation improvements because of her limited budget. But if an affordable program for home weatherization was available, one that permitted Mrs. Leyland to pay for the improvements through her reduced fuel costs, she was ready to take advantage of such an opportunity.

There are millions of Mrs. Leylands in this country and they are at their wits' end trying to cope with the energy price increases of the past 3 years. And there are millions of other families, not in such severe financial straits as Mrs. Leyland, who also find it difficult to borrow the necessary front-end capital or who postpone or avoid the decision to make their homes more energy efficient. The same story is true for many owners of commercial buildings, small businesses, and manufacturing concerns.

ENERGY CONSERVATION: THE LEGISLATIVE OPPORTUNITY

The potential for greater energy efficiency in this country is clear. The economic and energy savings can be calculated and they are attractive. The barriers that have blocked significant progress to this point are also known. Only the basic question remains: What should be done now?

It must be emphasized, at the outset, that greater energy conservation constitutes only a portion of the energy jigsaw puzzle that must be pieced together. If we have overstressed the importance of natural resource production to the detriment of realizing greater energy efficiency, the answer is not to suggest that conservation, taken alone, can give us all the answers. We seek a sensible balance between greater energy efficiency and expanded production of energy resources.

Moreover, it should be recognized that a number of important conservation initiatives are now in place as part of the Energy Policy and Conservation Act of 1975 or are pending in Congress. For example, the compromise energy bill included mandatory automotive fuel efficiency standards, application of advanced automotive technology, mandatory energy efficiency labeling for major home appliances, an authorization of $50 million annually for Federal grants-in-aid to support the preparation of State energy conservation plans; energy efficiency targets for the 10 major energy-consuming industries; mandatory energy conservation standards for Federal agencies, including Federal procurement policies and decisions; and the encouragement and promotion of recycled oil. The actions by the Senate-House conferees to adopt these measures in legislation that was signed by the President give Congress a strong foundation on which to build this session.

There are in addition, a number of other energy conservation proposals at various points in the legislative process. Many Senators and House Members have spent considerable time and effort in developing different pieces of comprehensive national energy conservation program.

Now pending on the Senate calendar, for example, is the House-passed Weatherization Assistance Act that would provide Federal assistance to States that establishes programs to weatherize the home of low-income persons. The Senate Banking Committee has just completed work on legislation to establish mandatory thermal efficiency standards for new homes and commercial buildings and the House has passed legislation establishing voluntary standards. The House has also passed legislation to allow a tax credit for 30 percent of insulation costs in residential homes, not to exceed $500. This provision is currently pending before the Senate Finance Committee. An industrial energy conservation act has been introduced in both the Senate and House to provide various forms of financial assistance in promoting industrial energy efficiency and to establish a national program of research and developing of industrial energy conserving technologies. Several bills are now pending to improve State regulation of public utilities and to develop innovative utility rate structures and more energy-efficient loan management.

Congress should also appropriate as promptly as possible the full $50 million for State energy conservation programs authorized by the Energy Policy and Conservation Act. Most States have assembled highly competent energy staffs and the Federal Government should help strengthen these important State resources. This is particularly true because most of the energy savings will take place at the State and local level.

In short, Congress has not ignored the role that energy conservation can play in a national energy program. But on the basis of testimony developed before the Energy Subcommittee of the Joint Economic Committee, it is clear that four obstacles must be overcome if this country is to realize the potential gains of a national energy conservation program.

In particular, we must provide easier access to the front-end capital that is needed to pay for conservation improvements in existing buildings and manufacturing plants. We must provide financial incentives, such as Federal loan guarantees and interest rate subsidies, so that individuals and businesses will put this capital to work. We must provide consumers with reliable information about the specific economic and energy savings that are possible. We must provide delivery mechanisms for installing energy efficient materials in millions of residential and commercial buildings and in manufacturing plants. We must devise a system that accomplishes all of these things simultaneously.

The legislation I introduce today—the Energy Conservation Act of 1976—is designed to make energy conservation a major part of our total national energy program by accomplishing these four interdependent goals: access to capital, incentive to borrow, reliable information for consumers, and delivery mechanisms.

LEGISLATIVE PROVISIONS

This bill authorizes State energy conservation implementation programs to make it far easier for consumers and businesses to take advantage of the potential savings that can be achieved through greater energy efficiency. The key to the legislation is ready availability of capital, combined with administrative flexibility to design and carry our conservation programs at the State and local level.

The Energy Conservation Act of 1976 contains three principal features:

First. A package of Federal loan guarantees—not to exceed $10 billion at any one time—for financing energy conservation improvements, with priority for homes and small businesses, including farms. Industrial energy users not able to obtain financing from commercial sources could also qualify for guaranteed loans. Interest rates subsidies for residential consumers and small businesses are provided to reduce the lending rate to 5 percent—with not more than 20 percent of the loans to be subsidized at a rate of 2 percent;

Second. Use of State governments as agents of the Federal Government in preparing and carrying out State energy conservation implementation programs to provide consumer information, energy audits, loan procedures, and installation of energy conserving materials; and

Third. A Federal grant-in-aid program of $50 million annually for 4 years to assist States in designing and carrying out their State energy conservation implementation programs.

Loans will be made solely for the purpose of reducing the amount of energy used in residential, commercial and public buildings and in manufacturing plants and small businesses. Only permanent improvements, such as insulation, storm windows, solar energy equipment, revamping of ventilation systems, heat pumps, and heat exchangers, can qualify for federally guaranteed loans. Also, loans must be repaid with the projected savings that are realized over the life-cycle of the energy conserving facilities.

State will submit to the Administrator of the Federal Energy Administration an energy conservation implementation program designed to achieve the objectives of the act in the most cost-effective manner. Once a State program is approved, the Administrator will allocate among the States the Federal loan guarantees and interest rate subsidies—with no State permitted to receive more than 12.5 percent of the total amount. States with approved programs will also receive Federal grants—with a 10 percent matching requirement after the first year—to assist them in designing and carrying out the program.

Authority for conducting State energy conservation implementation programs under the act expires after 4 years.

The FEA has estimated that about 3 million barrels per day—oil equivalent—can be achieved by 1980 through a national program of energy conservation in existing residential and commercial buildings and in industrial plants. The Energy Conservation Act of 1976 has the potential of achieving about 2 million barrels per day—oil equivalent—of these savings, or about the amount of the projected daily production of the Alaskan pipeline. This would provide annual dollar savings of $10.5 billion.

Maximum direct Federal outlays under this act would total $140 million in fiscal year 1977, $230 million in fiscal year 1978, and $410 million in fiscal year 1979 and 1980.

The role of the States is crucial since energy conservation must be achieved in millions of end-use situations—homes, office buildings, farms, and manufacturing plants. The Federal Government is ill-suited to carry out this type of assignment. Moreover, States have already organized energy policy offices that will provide a base on which to operate State energy conservation implementation programs.

States are important for another reason: differing climatic conditions and differing patterns of energy use among States and regions mean that differing conservation strategies must be developed to achieve maximum energy savings. Although this act contains broad criteria that must be met by all State programs, the States are afforded considerable latitude in developing conservation implementation programs that are suited to local conditions and that can take maximum advantage of local opportunities to conserve energy.

The investments authorized through the provisions of the Energy Conservation Act of 1976 will pay for themselves many times over. Individuals and businesses will realize immediate financial benefits from the money they borrow to make energy conservation improvements. And the Nation will surely benefit from significant net reductions in our total energy demand in a way that does not impede economic growth.

Mr. President, I ask unanimous consent that the full text of the Energy Conservation Act of 1976 and a summary of its major provisions be printed at this point in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 2932

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Energy Conservation Act of 1976".

DECLARATION OF POLICY

SEC. 101. (a) The Congress finds and declares that—

(1) A major program to encourage and facilitate energy conservation measures, including a shift from nonrenewable to renewable sources of energy such as solar energy, in residential housing, commercial and public buildings, and industrial plants is the lowest cost, shortest term, and most environmentally attractive means for avoiding shortages of energy and further dependence on vulnerable foreign sources of energy.

(2) Energy conservation efforts are now inadequate because—

(A) shortages of capital to finance implementation of energy conservation measures are encountered, particularly by individual consumers and owners of small businesses and manufacturing plants;

(B) reliable, impartial information as to the cost savings that would result from such efforts is not readily available; and

(C) there is no organized program that enables consumers to undertake such efforts easily and with confidence that they are economical.

(3) By providing incentives and financial assistance to those sectors of the national economy which do not presently have sufficient access to capital to undertake economical energy conservation efforts, large savings of energy can be realized, and the impact of high energy costs reduced.

(4) A major program to implement energy conservation measures in existing residential housing, commercial and public buildings, and industrial plants will increase national economic output and create jobs, particularly in the construction trades which currently suffer from severe unemployment.

(5) A major program to implement energy conservation measures will cause less damage to the environment than programs to produce additional energy in an amount equivalent to the energy that would thus be saved.

(6) A major program to implement energy conservation measures can make a significant contribution to the national security by reducing the volume of petroleum imports that would otherwise be required, and thus reducing the political and economic vulnerability of the United States.

(7) Primary responsibility for implementing such an energy conservation program should be lodged with the State governments because the great diversity among regions of the Nation requires programs tailored to local conditions. The States should be allowed broad flexibility to fashion their own programs subject to general Federal guidelines designed to insure that the measures undertaken result in significant energy and cost savings, with priority to consumers who are least able to finance such measures on their own.

(8) A major program to stimulate energy conservation through loan guarantees and interest subsidies is necessary to supplement and not supplant weatherization assistance programs for low-income consumers, tax credits for conservation investments, or similar financial incentives for conserving energy.

(b) PURPOSE.—It is the purpose of this Act to establish a major program of incentives and financial assistance to encourage widespread implementation of energy conservation measures.

DEFINITIONS

SEC. 102. As used in this part:

(1) The term "energy conservation measure" means a measure undertaken to permanently modify an existing residence, commercial or public building, or industrial plant, and (a) whose primary purpose is to reduce the amount of energy used in such residence, building, or plant, and/or allow a shift from a nonrenewable to a renewable source of energy such as solar energy, and (b) which is likely to result in energy and operating cost savings that will allow recovery of the costs of implementing such a measure within the useful life (not to exceed 15 years) of any permanent facilities installed pursuant to the implementation of such measure.

(2) The term "public building" means any building which is open to the public during normal business hours.

(3) The term "State energy conservation implementation program" means a State program designed to encourage and facilitate implementation of energy conservation measures by energy consumers in such State, in accordance with this Act.

(4) The term "Administrator" means the Administrator of the Federal Energy Administration.

STATE ENERGY CONSERVATION IMPLEMENTATION PROGRAM

SEC. 103. (a) The Administrator shall, by rule, within 90 days after the date of enactment of this Act, prescribe a rule establishing guidelines for the preparation of proposals for the development of State energy conservation implementation programs, and shall publish such guidelines in the Federal Register, together with a statement of basis and justification.

(b) Such guidelines shall be designed to insure the implementation of the Federal criteria enumerated in section 108 and the other provisions of this Act, and shall permit the States the maximum flexibility and discretion practicable to achieve the purpose of this Act.

(c) In developing such guidelines, the Administrator shall invite a representative committee of the Governors of the States (or their designated representatives) to participate with him in preparing such guidelines. The Administrator shall adopt guidelines that are acceptable to the committee of Governors unless he finds, and publishes his reasons therefor in the Federal Register, that guidelines not satisfactory to the committee are necessary to carry out the purposes of this Act, including the mandate to permit the States maximum flexibility to achieve the purpose of this Act.

(d) The Administrator shall invite the Governor of each State to develop a proposal for a State energy conservation implementation program and to submit such proposal to the Administrator for review as promptly as possible after the date such guidelines are established.

FINANCIAL ASSISTANCE

SEC. 104. (a) The Administrator is authorized, in accordance with such rules as he shall prescribe, to provide financial assistance to States whose proposals, submitted pursuant to section 103, satisfy the Federal criteria enumerated in section 108. Such financial assistance may be in the form of loan guarantees, interest subsidies, or grants, as provided in this section. All contractual commitments of the Administrator to provide financial assistance shall be general obligations of the United States backed by its full faith and credit.

(b) In determining the total amount of Federal assistance in the form of loan guarantees, interest subsidies, and grants to be allocated to a State for implementation of this Act the a State plan submitted under this Act the Administrator shall take into consideration—

(1) the contribution to energy conservation which can reasonably be expected;

(2) the rate of recovery of the costs of implementing energy conservation measures included in such plan;

(3) the number of persons affected by such plan;

(4) the consistency of such plans with the purposes of this Act; and

(5) such other factors as the Administrator deems appropriate;

except that no State shall receive more than 12.5 percent of the total amount available nationally in each category of financial assistance provided by this Act.

LOAN GUARANTEES

SEC. 105. (a) The Administrator is authorized, in accordance with such rules as he shall prescribe, to guarantee the payment of, interest on, and the principal balance of, bonds, debentures, notes, and other obligations issued by or on behalf of any borrower (including obligations issued by States, their instrumentalities, or political subdivisions) for the purpose of financing energy conservation measures undertaken pursuant to a State energy conservation implementation program approved by the Administrator. The aggregate amount of guarantees issued by the Administrator under this section shall not, at any time, exceed $10,000,000,000.

(b) Except in accordance with reasonable terms and conditions contained in the written contract of guarantee, no guarantee issued or commitment to guarantee made under this section shall be terminated, canceled, or otherwise revoked. Such a guarantee or commitment shall be conclusive evidence that the underlying obligation is in compliance with the provisions of this section and that such obligation has been approved and is legal as to principal, interest, and other terms. Subject to the conditions of the guarantee or commitment to guarantee, such guarantee shall be incontestable in the hands of the holder of the guaranteed obligation, except as to fraud or material misrepresentation on the part of the holder.

(c) If there is a default by the obligee, as defined in a rule prescribed by the Administrator and in the written contract of guarantee, the holder of the obligation shall have the right to demand payment of the unpaid amount from the agent of the Administrator, if such an agent has been designated pursuant to subsection (e), or from the Administrator if no such agent has been designated for the State in which the obligee resides or has his principal place of business. Within such period as may be specified in the guarantee or related agreements, the Administrator or his agent, as appropriate, shall pay to the holder of the obligation the unpaid interest on and unpaid principal of the guaranteed obligation as to which the borrower has defaulted, unless the Administrator or his agent, as appropriate, finds that there was no default by the borrower in the payment of interest or principal or that such default has been remedied. Nothing in this section shall be construed to preclude any forbearance by the holder of the obligation for the benefit of the obligee which may be agreed upon by the parties to the guaranteed obligation and approved by the Administrator. Any sums paid to the holder of an obligation by an agent of the Administrator pursuant to this section shall be reimbursed to such agent by the United States Treasury on a timely basis.

(e) The Administrator may designate the Governor of a State (or a person designated by the Governor) to act as his agent in carrying out the provisions of this section as they relate to that State.

INTEREST SUBSIDY FOR RESIDENTIAL AND SMALL BUSINESS CONSUMERS

SEC. 106. (a) The Administrator is authorized, in accordance with such rules as he shall prescribe, to grant an interest subsidy for loans guaranteed by the United States pursuant to section 105, except that such subsidies shall be restricted to loan guarantees issued to residential and small business energy consumers. A subsidy shall be provided to a residential consumer, or small business man (as defined by the Small Business Act Amendments of 1974, Public Law 93–386, when the granting of such subsidy will facilitate the granting of a loan to such residential consumer or small businessman for the purpose of implementing energy conservation measures. The rate of interest on any loan subsidized under this section shall be at a level to encourage implementation of energy conservation measures by a residential consumer or small businessman: *Provided,* That any such rate shall be no lower than 5 percent per year when averaged over the term of the loan except that the rate of interest for 20 percent of the total amount of loans guaranteed in any State may not be lower than 2 percent per year when averaged over the term of the loan.

(b) The Administrator may designate the Governor of a State (or a person designated by the Governor) to act as his agent in carrying out the provisions of this section as they relate to that State.

(c) There are authorized to be appropriated for carrying on the provisions of this section, not to exceed $90,000,000 for fiscal year 1977, $180,000,000 for fiscal year 1978, $360,000,000 for fiscal year 1979, $360,000,000 for fiscal year 1980, and thereafter such sums as may be required in subsequent fiscal years for subsidies made pursuant to this section and which remain outstanding.

(d) As used in this section the term "subsidy" is to mean an interest subsidy as authorized in this section, and may include deferral of the repayment of interest.

GRANTS

SEC. 107. (a) The Administrator is authorized, in accordance with such rules as he shall prescribe, to make grants to a State for the purpose of assisting the State in developing, administering, and implementing a State energy conservation implementation program for which a proposal has been approved by the Administrator. After one year of the date assistance is first granted to a State pursuant to this section, the sum granted to any State shall not exceed 90 percent of the total cost incurred by that State in developing and implementing its energy conservation implementation program.

(b) There are authorized to be appropriated for carrying out the provisions of this section, not to exceed $50,000,000 for fiscal year 1977, $50,000,000 for fiscal year 1978, $50,000,000 for fiscal year 1979, and $50,000,000 for fiscal year 1980.

FEDERAL CRITERIA

SEC. 108. The Administrator shall not approve any proposal for a State energy conservation implementation program, and shall not provide any financial assistance pursuant to sections 105, 106, and 107, unless the proposed State energy conservaion implementation program meets the following criteria:

(1) Procedures are established to encourage and facilitate energy audits of existing residences, buildings, and plants so that the energy and operating cost savings likely to be realized as the result of the implementation of an energy conservation measure can be identified and certified to by a person or persons qualified to provide such certification. Such procedures should also provide that information relating to such certification be readily available to energy consumers who would participate in a State energy conservation implementation program.

(2) The maximum term of any loan guaranteed or subsidized pursuant to this Act shall be the anticipated useful life of any permanent facilities installed pursuant to the implementaion of an energy conservation measure, or 15 years, whichever is shorter.

(3) Procedures for obtaining energy audits, guaranteeing and subsidizing loans, publicizing the availability of financial assistance under this Act, and other administrative procedures associated with a State energy conservation implementation program are established that will encourage and persuade energy consumers to participate in such a program. A State is authorized to advertise its program as necessary to facilitate such participation.

(4) Specific incentives are provided to encourage implementation of energy conservation measures by owners and tenants of rented homes, apartments, and buildings under conditions that will assure that tenants share in the resultant cost savings.

(5) A State energy conservation implementation program is designed to achieve the maximum energy savings in the shortest possible time.

(6) Preferences for loan guarantees and subsidies are afforded to energy consumers who demonstrate the greatest energy saving potential per dollar of investment and who do not otherwise have ready access to necessary capital or financial assistance.

(7) Before any financial assistance is provided to a State the Administrator obtains information necessary to provide reasonable assurance that the purposes of this Act will be achieved and that the financial interest of the United States will be protected. Any State energy conservation implementation program approved for funding by the Administrator shall provide that records be kept and made available to the Administrator in such detail and form as he shall determine necessary to facilitate effective audits and performance evaluations of the program. The Administrator and Comptroller General of the United States, or any of their duly authorized representatives, shall, for the purpose of audit and examination, have access to any pertinent books, documents, papers, and records of any recipient of Federal assistance under this part.

ENERGY CONSERVATION COOPERATIVES

SEC. 109. In order to facilitate the participation of residential consumers in State energy conservation implementation programs, each State may, as a part of such program, encourage the establishment and assist in the development of energy conservation cooperatives, whose primary membership shall consist of residential energy consumers. Such cooperatives shall provide expertise with respect to energy conservation measures, and mass purchasing power to facilitate and reduce the cost of energy audits, purchase of materials, and installation of energy conservation equipment. States may assist in the organization of such cooperatives and provide them with financial and technical assistance as part of a State energy conservation implementation program.

COOPERATION OF FEDERAL AGENCIES

SEC. 110. All Federal agencies and all federally funded entities are authorized and directed to cooperate with and participate in State conservation implementation programs to the maximum extent feasible.

TERM

SEC. 111. The authority to issue loan guarantees, provide interest subsidies, and make grants under this Act shall expire 4 years after the date of enactment: *Provided,* That any loan guarantee issued, subsidy provided, or grant made pursuant to this Act shall remain valid and effective for the term specified in the agreement to provide such financial assistance.

ANNUAL REPORT AND EXCHANGE OF INFORMATION

SEC. 112. The Administrator shall prepare and submit to the Congress and the President, and shall cause to be published, an annual report on the State energy conservation implementation programs established under this Act. The Administrator shall encourage and facilitate the exchange of information and ideas for energy conservation among the States through conferences and publications designed for that purpose.

ENERGY CONSERVATION ACT OF 1976—MAJOR PROVISIONS

PURPOSE

To minimize the use of energy in residential housing, commercial and public buildings, and industrial plants through Federally-supported State Energy Conservation Implementation Programs.

DECLARATION OF POLICY

Section 101 makes a number of findings with regard to the need for a new initiative in energy conservation. It finds that a major program to conserve energy in residential housing, commercial and public buildings, and industrial plants, and/or allow a shift from non-renewable to renewable sources of energy such as solar energy, is the most attractive option available to the American people for avoiding energy shortages and dependence on imported fuel, that current energy conservation efforts are inadequate because of shortages of capital, lack of reliable information, and inadequate financial incentives. It concludes that primary responsibility for implementing a major energy conservation program should be lodged with the States, and that such a program would result in large energy and cost savings, increased national economic output and employment, and increased national security.

STATE PROGRAMS

Sections 103 and 104 provide for the establishment of State Energy Conservation Implementation Programs, and for Federal support of such programs. Specifically, the Administrator of the Federal Energy Administration is required to (a) establish guidelines for the preparation of proposals by the States (after close consultation and coordination with a representative Committee of the State Governors or their designated representatives); (b) provide maximum flexibility to the States in the implementation of such programs; and (c) invite the Governor of each State to submit a proposal as soon as possible after guidelines are established.

The FEA Administrator is also authorized to provide financial assistance to a State program (in the form of loan guarantees, interest subsidies, or grants) if Federal criteria enumerated in the bill are satisfied. The major thrusts of these criteria are to protect the financial interests of the United States, and to encourage and facilitate maximum citizen participation in the State energy conservation programs. It is also stated that no individual State shall receive more than 12.5% of the total financial assistance available nationally in any category of financial assistance.

LOAN GUARANTEES

Section 105 establishes procedures by which the FEA Administrator may guarantee energy conservation loans, and limits the aggregate amount of guarantees issued by the Administrator to $10 billion.

INTEREST SUBSIDIES

Section 106 establishes procedures by which the FEA Administrator may subsidize loans guaranteed under Section 105, limits such subsidies to loan guarantees issued to residential and small business energy consumers, states that any subsidized interest rate shall be no lower than 5% when averaged over the term of a loan except that the interest rate for 20% of the total amount of loans in any State may not be lower than 2% when so averaged, and authorizes the following sums to carry out the interest subsidy provisions: fiscal year 1977 ($90 million), fiscal year 1978 ($180 million), fiscal year 1979 ($360 million), and fiscal year 1980 ($360 million).

GRANTS

Section 107 authorizes the FEA Administrator to provide grants to the States to assist in developing and implementing State energy conservation programs. Fifty million dollars is authorized to be appropriated for this purpose in each of the next 4 fiscal years.

ENERGY CONSERVATION COOPERATIVES

Section 109 encourages the States to assist in the development of energy conservation cooperatives designed to facilitate the participation of residential consumers in State energy conservation programs. Such cooperatives would provide technical expertise with respect to, and mass purchasing power to facilitate and reduce the cost of, energy conservation measures.

EXCHANGE OF INFORMATION

Section 112 encourages the exchange of information and ideas for energy conservation among the States.

Mr. KENNEDY. Mr. President, I yield back the remainder of my time.

Mr. HOLLINGS. Mr. President, I am pleased to join my colleague Senator KENNEDY in introducing the Energy Conservation Act of 1976.

Energy conservation has been a much used and abused word in the energy debate. Everyone has been talking conservation but very little has been done. The administration's approach—very high uncontrolled prices will not reduce consumption and has been rejected by the Congress during the past year. Much of the potential for savings has been documented over and over again but little is being done to set us on a realistic and aggressive course to make the changes necessary to achieve significant conservation. We continue to waste huge amounts of energy in the same ways as before the Arab embargo.

As part of the recently enacted Energy Policy and Conservation Act, we did prescribe minimum fuel economy standards for new automobiles. This proposal originated in the Commerce Committee with legislation that I sponsored. Its enactment assures significant reductions in gasoline consumption relative to historical patterns. Hopefully, we will soon enact building code legislation for new buildings.

Much more can be done—but it will not be done until the proper incentives and assistance is available. In the meantime millions of barrels of oil are being wasted. And this waste is costing consumers more and more money as fuel prices go up. Most homes, office buildings, and factories are inadequately insulated and do not contain any of the numerous easy-to-install techniques that will cut down on fuel use.

I am therefore glad to join with Senator KENNEDY in offering this timely legislation, aimed at providing the assistance and incentives for a massive conservation effort in this country. The bill will channel capital into energy saving investments. It gives a significant role to the State governments since they are familiar with their local opportunities for saving energy.

We hope to begin hearings on this legislation in the Commerce Committee later this month. We welcome suggestions and comments to improve this approach. And we will be working for speedy action on this bill for it is obvious that action must replace talk if conservation is to become a reality and a bigger part of our way of life. I hope that my colleagues share our concern and will join in this legislation.

Mr. JACKSON. Mr. President, I am pleased to cosponsor the Energy Conservation Act of 1976 introduced today by the distinguished Senator from Massachusetts (Mr. KENNEDY). The Committee on Interior and Insular Affairs is one of three committees to which this bill will be referred. I expect that we will be able to act rapidly and efficiently in considering this legislation. There is no more important priority in energy policy than building effective energy conservation practices into the fabric of our economy.

The Nation has already made an important beginning in this regard with the Energy Policy and Conservation Act—EPCA—which the President signed in December.

The provision contained in title III of that act for the support of State energy conservation programs provides a basic framework for conservation efforts which can take account of unique local geographic, economic, and climatic conditions and opportunities for energy savings which are particular to a given region. To be eligible for support under EPCA a State would set up a series of conservation programs effective within its jurisdiction dealing with lighting efficiency standards, the availability and use of carpools and public transportation, standards and policies relating to energy efficiency in procurement, thermal efficiency standards for new and renovated buildings and traffic controls designed to promote energy efficiency. The Federal Energy Administration has estimated that savings equivalent to 750,000 barrels of oil per day can be achieved by 1980 through the operation of these regulatory programs alone.

The Energy Conservation Act introduced today provides a range of financial incentives which compliment the regulatory approach of EPCA. I hope and expect that the central thrust of these incentives will be to provide some relief for the millions of low- and middle-income families now burdened by unconscionable fuel and electricity bills. Mr. President, I ask unanimous consent that a recent Wall Street Journal article dealing with the hardships these fuel costs have imposed be inserted in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. JACKSON. We cannot offer consumers direct relief from these bills as long as the Organization of Petroleum Exporting Countries—OPEC—controls world energy prices, and the Ford administration remains devoted to high domestic prices for all energy. But we can see to it that these families have an opportunity to obtain Federal assistance to improve the thermal efficiency of their home. Using less energy could substantially reduce home heating costs for these overburdened families and provide the Nation with a bonus in the form of reduced dependence on imported oil. I am, therefore, particularly gratified by the provision of the Energy Conservation Act which would permit the average family to obtain low interest loans for the installation of energy conserving improvements, including equipment utilizing solar energy, in their homes.

Mr. President, this is a bill with a broad impact, involving potentially a substantial amount of money. I urge the committees responsible for preparing this legislation for the floor to move with due consideration, but expeditiously to make this relief available to the average family. These are the people who have been hit hardest by the energy-cost crisis. Our efforts in their behalf are overdue.

EXHIBIT 1

WEATHERING WINTER: FOR MANY AMERICANS, SOARING PRICE OF FUEL CREATES REAL HARDSHIP

Americans are learning—reluctantly—to live with a chill.

This winter, as icy winds whip much of the nation, heat has become a precious commodity. Fuel costs are at record highs; the price of oil has quadrupled since October 1973, and natural-gas supplies are tight.

Most people are growing accustomed to colder rooms and woolly sweaters, and to spending a bigger chunk of their paychecks to fire their home furnaces. Often overlooked, however, are those for whom the steep cost of heat has been more than an expensive inconvenience. For many, it has brought the sting of economic hardship, deprivation and real discomfort.

For 40 employes at the 90-year-old Northfield Inn in Northfield, Mass., it has meant a loss of livelihood. They were laid off when the inn was forced to close for the winter because it couldn't afford to heat guests' rooms adequately. "Staying open would have meant either raising our rates so high we'd have been priced out of existence, or going into the red," says the inn's manager.

For black youths in Cleveland, it has meant aimless afternoons and weekends. A Boy's Club where, until a few months ago youths played basketball after school, recently shut its doors. The cost of heating the club headquarters—a converted theater—became too great at a time when funds were already low.

For a priest in a poor parish near Yankee Stadium in the Bronx, it has meant a relentless do-it-yourself effort to patch broken windows and replace window sashes to help keep out the cold. With frugal conservation measures, the church has so far managed to pay its rising heat bill. Still, the priest worries whether the next round of rate increases will finally outstrip his needy parishioners' ability to pay.

COSTLY WHITE ELEPHANTS

Those most critically affected are owners and occupants of large old buildings, such as factories, churches, schools and settlement houses that even in the best of times were inefficient and difficult to heat. Now, in the worst of times, the buildings are proving cavernous, costly white elephants. Some are being shut down for good, others are being used less frequently. Always, the cost in human terms is great: Jobs are lost, charitable services decline, churches disappear and old people, poor people and children are disappointed.

But if this is a story of defeat, it is also one of survival. Many groups—whether businesses, schools or charities—are struggling to keep their buildings open. In doing so, they are discovering with a sort of grim satisfaction ingenious ways to make do with less.

At 10 a.m. on a recent Sunday, Rev. Paul Schwenzfeier begins services in the parish hall of the Trinity Episcopal Church in the Boston suburb of Wrentham, Mass. "May ye sit close together and share each other's warmth," Rev. Schwenzfeier says to the 50 or so worshippers sitting on folding chairs. It's 60 degrees in the hall, and about half the congregation sits bundled in overcoats.

Inside the white-spired church next door, the temperature is a frigid 42 degrees. The 100-family congregation keeps the church shut down for the entire winter to avoid heating the large, drafty structure more than what's necessary to keep the pipes from freezing. The parish hall and education buildings are kept at near-freezing temperatures except on Sunday mornings and for meetings two evenings a week. Other church activities are now being conducted in members' homes, and their church's two organists forgo their customary Saturday practice sessions in the main sanctuary.

The drastic measures have enabled Trinity to cut its fuel consumption by two-thirds and its fuel costs by 20% from 1972 levels. "It's kind of a miracle when you think about it," Rev. Schwenzfeier says. If the church were operating as it did in 1972, he says, "the money we'd have to spend on fuel oil would have to be taken from human needs." Instead, Trinity actually increased its donations to church headquarters and charities last year to $3,000 from about $2,000 in 1972.

Though Lorna Russell, an organist, worries that the church's 150-year-old organ may be damaged by the sustained cold, most church members are taking the austerity campaign in cheerful stride. Of the makeshift services in the parish hall, one says: "It's more intimate."

A BITTER TOLL

Few organizations, however, have been able to turn their adversity to such advantage. For many charitable and social agencies, already hobbling along on bare-bones budgets, sharply escalating fuel bills have taken a bitter toll.

As their utility costs—primarily heat—jumped 47% between 1973 and 1974, Cleveland's two Boy's Clubs were already wrestling with a financial crisis. One club, in an old meeting hall near the heart of the city's industrial district had been suffering a gradual decline in membership. Another club was opened in a black neighborhood on Cleveland's East Side at a time when donations had leveled off, putting additional strain on dwindling resources.

The higher fuel costs were a major blow. Early last year the clubs were forced to lay off nine of their 11 full-time staff members, and 23 of their 51 part-timers. The East Side Club was closed in August, although it may reopen later this year. The other club sharply cut back its hours of operation and waited until late October to turn on its furnaces. A number of programs, including arts and crafts, woodworking and music appreciation, have been cut back or eliminated. "It's a grim picture," says Elving Otero, executive director. "The boys need a place to go after school or in the evening. You won't find a YMCA in the neighborhoods where we are. It's us or nothing."

A total of 10 employes have been laid off at 11 Boston-area YMCAs over the past 18 months as a means of counteracting soaring heating costs, according to Peter Post, director of operations for Boston's YMCAs. Among those fired were two workers who specialized in dealing with youth gangs.

The problem is most severe at the huge central YMCA building on the fringes of downtown. The cost of steam-heating the 64-year-old structure has more than doubled to $145,000 last year from $68,000 two years earlier, even though steam consumption has been reduced about 25% in that time by installing new equipment. "We absolutely had to save money," Mr. Post says in explaining why four maintenance employes were fired at the central "Y." The layoffs have helped make a drab building even less attractive. The halls and lobby are mopped less frequently and show it.

DOING WITHOUT WASH WATER

Higher fuel costs have meant that elderly women living at the rundown Victoria Cosmopolitan Hotel near San Francisco's Chinatown have had to do without a small amenity that they previously enjoyed. The hotel houses some 45 persons, most of them elderly, most of them Chinese, all of them poor. Monthly rents range from $48 for one room to $85 for two rooms, including electricity and water. Tenants' rooms aren't heated; they must purchase their own electric heaters. Usually they bundle themselves in sweaters, warm trousers and wool caps.

When utility costs began rising, the hotel management disconnected water taps in two washbasins in the building's basement where, resident manager Ramon Gomez says, the women wasted hot water doing laundry.

Mrs. Lee S. Wong, who is 75 and has lived in the hotel for 11 years with her husband, Kee Wong, laments the loss. Pointing to the small sink in their apartment, she waves a dish towel and says in her native Cantonese dialect, "We can't even wash this here."

A TRAUMATIC EXPERIENCE

Private and parochial schools are feeling the pinch, too. Frank Dobos, deputy superintendent of schools for the Catholic diocese of Cleveland, says that as fuel costs rise, "that increase in cost has to be passed on in the form of increased tuition, and the system is already depressed." Steeper tuition he says, only makes it more difficult for many parents to send their children to parochial schools.

Higher heat costs were a major factor—along with dwindling membership—in the decision to raze two large old inner-city Cleveland churches, according to Monsignor A. James Quinn of the diocese business office. Several other schools and parishes similarly affected have been merged. "Losing a church is always a rather traumatic experience," he says, but adds that the merged operations can operate more economically.

With a greater portion of their budgets earmarked for fuel, many charitable enterprises have had to cut corners in other areas to get by. The Presbyterian Church-run Donaldina Cameron House provides social services to youths and elderly people in San Francisco's Chinatown. The church had allocated $2,400 for 1975's utility bills, mostly to heat its five-story, 67-year-old brick building. But even with stringent conservation measures, the bill came to almost $3,000.

With financial support shrinking at the same time, Dick Wichman, director, says, "We have to make some things stretch. We're trying to make our dilapidated vehicles last beyond the safety stage." (Last year, Cameron House paid $1,000 to patch up its two vans, a 1963 Chevrolet and a 1968 Dodge.) In past years, the mission house spent an average of $1,500 on sports equipment, but made do with old equipment last year. It also saved $1,000 last year by obtaining scrap paper and other office supplies from local businesses.

Cameron House tries to conserve heat by keeping thermostats set in the low 60s. "It gets pretty cold around here," says Enid Lim, administrative assistant. "Staff members wear down jackets or Chinese *min op* (padded cotton) vests or coats. We call them our uniforms."

OLD FOLKS GIVE UP HOMES

In Sprague, Conn., a housing project for the elderly has been swamped with requests for apartments from senior citizens who are overwhelmed by higher fuel costs. "It's really heartbreaking," says Mrs. Chase Going Woodhouse, chairman of the local housing authority. "A lot of old folks simply can't afford to heat single-family homes anymore." Most of the homes in the old mill town are over a century old and difficult to heat. Three years ago, when the housing project was planned, the town thought they had allowed more than enough room; now they have a long waiting list.

For businesses already battered by recession and inflation, soaring fuel costs have sometimes led to drastic retrenchment measures. In tiny Cannelton, Ind., (population 2,400), the largest employer has laid off about 60 workers because its allocation of natural gas was reduced. Can-Tex Co., a division of Harsco Industries, says that it had to shut down some operations because of the vastly higher cost of alternate fuels, such as oil, propane and butane. "If we have to rely on an energy source other than inexpensive natural gas, our costs automatically are increased four to five times," says Don Kearby, a Can-Tex vice president. Altogether, the clay sewer-pipe manufacturer has idled about 300 people at its facilities around the country, mainly because of fuel-cost increases. More workers would have lost their jobs, Can-Tex says, except that some are being put to work making the company's kilns more energy-efficient.

The layoffs have put a dent in Cannelton's economy. According to Glenn Gentry, a funeral director and the part-time mayor, business is off at some local stores. "It's not drastic, though, thanks to unemployment compensation," he says.

Businessmen aren't the only ones struggling with supply problems. During an unusual cold snap earlier this month, some Arkansas schools were forced to close for a few days when Arkansas Louisiana Gas Co. asked schools to turn down thermostats to 45 degrees because a dip in gas pressure threatened priority residential customers. "The whole thing was deeply shocking," says Robert Turner, superintendent of schools for the Watson Chapel School District, which serves 4,000 pupils in the Pine Bluff, Ark., area. "When something you've always taken for granted is taken away from you for the first time, and it disrupts the lives of thousands of people, it makes you stop and think."

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Idaho (Mr. CHURCH) is recognized for not to exceed 15 minutes.

GOVERNMENT ADHERENCE TO THE LAW: A CALL FOR A TEMPORARY SPECIAL PROSECUTOR ON INTELLIGENCE ABUSES

Mr. CHURCH. Mr. President, a year ago the Select Committee on Intelligence began its investigation of the American intelligence service. Since then, the road we have traveled has been long and hard. But now the end of the journey is near. Soon the committee will present its final recommendations.

We have sat neither as judges nor jurors in this inquiry. It has not been our function to act as a grand jury. Our purpose, rather, has been to obtain information to aid the legislative process. In particular, we have sought the knowledge and understanding, based on a close review of intelligence activities over the past three decades, which could help us develop sound legislative remedies to reform the intelligence agencies and prevent abuses of power in the future.

The criminal investigation and prosecution of officials within the intelligence service who may have violated the law is not the task of this, or any other, congressional committee. Yet all Members of Congress, and the citizens they represent, should be concerned that justice takes its proper and impartial course in this matter.

The Senate Select Committee has spent the better part of a year ferreting out the facts and has established that many laws have indeed been violated. The list is extensive:

From 1956 to 1971, the Federal Bureau of Investigation carried out five counterintelligence programs, or "COINTELPROs," against a variety of organizations involved in peaceful protest. Among these organizations were the Southern Christian Leadership Conference, most black student groups, and various antiwar groups.

The FBI program against the New Left was the most wide sweeping of all. Its targets included underground newspapers, students protesting various university policies, the antiwar Inter-University Committee for Debate on Foreign Policy, and several colleges and universities.

The FBI tactics included the use of anonymous letters and telephone calls designed to disrupt families, friendships, careers, and organizations; the use of agents provocateurs to sow dissension and fragment groups; the dissemination of fake information about individuals to employers, credit bureaus, and creditors; the instigation of tax investigations against certain citizens for harassment purposes, alone; the investigation of the private life of group leaders for whispering to the press; and an almost endless list of equally deplorable assaults on first amendment rights.

From 1962 until his death, Dr. Martin Luther King was the target of a vicious campaign by the FBI to discredit him as the most prominent black activist in America. The full array of the Bureau's sophisticated devices of technical surveillance was turned against Dr. King. He was illegally bugged, tapped, and followed. Information on his private life was then delivered by agents of the FBI to clergymen, Members of Congress, the White House, U.S. Ambassadors, newsmen, the National Science Foundation, and the British Government, among others. Agents were sent to colleges to persuade them not to grant Dr. King honorary degrees.

Information obtained from microphone coverage of Dr. King was hand-carried to prominent clergymen throughout the country. As one agent recalls:

> [Hoover] sent me . . . to talk to an Episcopalian Bishop. He instructed me to tell this Episcopalian Bishop, who had been speaking for King . . . all sorts of details. It was not a pleasant assignment. But it was an order, an instruction, and I did go. . . . [The Bishop] led me to believe that we could have done a more more honorable thing if we had stayed in Washington and not carried that tale out there, and I'm inclined to think that he was right.

Thirty-four days before Dr. King was to fly to Norway to receive the highest honor an American can earn, the Nobel Prize for Peace, the Federal Bureau of Investigation even sent him a message urging him to take his own life. The unsigned note read:

> King, there is only one thing left for you to do. You know what it is. You have just 34 days in which to do it. (This exact number has been selected for a specific reason.) It has definite practical significance. You are done. There is but one way out for you.

The FBI has engaged in a host of other questionable activities, including the collection of intelligence on critics and political opponents of incumbent Presidents.

In 1969, the Internal Revenue Service established a special service staff—SSS. For the next 5 years the SS staff was used by the IRS and, indirectly, the FBI to gather intelligence on dissident groups. Its 11,458 files included dossiers on antiwar leaders, black political leaders, writers, labor organizers, tax reform groups, civil rights groups, women's liberation groups, clergymen, and many more.

In 1967, a special operations group was formed in the Central Intelligence Agency. Its purpose was to explore possible ties between hostile foreign nations and domestic dissent within the United States. The project received the codename "Operation CHAOS." Over a 6-year period, CHAOS accumulated more than 13,000 files, including 7,200 on American citizens. Through this program the CIA became a storehouse for the stockpiling of large quantities of data on citizens of this country.

From 1940 to 1973, various illegal mail-opening programs were conducted intermittently by the CIA and the FBI. The CIA program ran—off and on—from 1952 to 1973, and involved the opening of mail to and from American citizens. This mail was intercepted in five major cities within the United States, with the largest operation taking place in New York City. In that metropolis alone, 9,000 letters were opened and read by CIA agents in the last year of the program. Among the individuals and organizations whose mail was examined were Arthur Burns, Mrs. Martin Luther King, Jr., Richard Nixon, Senators HUMPHREY and KENNEDY, the Ford Foundation, Harvard University, and the Rockefeller Foundation.

The FBI mail-opening program ran from 1940 to 1966, with Federal agents in seven American cities reading and photographing letters written by citizens of the United States. The FBI also cooperated with the CIA mail program in New York City, receiving copies of more than 50,000 intercepted letters from the Agency between 1958 and 1973. Military intelligence units shared the CIA take, too.

In the summer of 1970, the so-called Huston Plan was drafted for and approved by the President. Based on a sweeping review of intelligence collection methods prepared by officials of the CIA, the FBI, the National Security Agency—NSA—the Defense Intelligence Agency—DIA—and the separate military service units, the Huston Plan contained a series of illegal proposals. The plan, approved by President Nixon, invested the intelligence agencies with Presidential authority to monitor the international communications of U.S. citizens; intensify the electronic surveillance of domestic dissidents; read the mail of American citizens; break into the homes of domestic dissenters; and increase the coverage of college students.

Although the plan was rescinded 5 days after its initial approval, several of the programs continued—just as they had gone on before the Presidential appointment. They had a life of their own, apart from higher authority. The CIA mail program is but one example.

Among the programs approved by the President in the Huston Plan was a "watch list" maintained on American citizens by the National Security Agency. Messages carried over international communications facilities which were to, from, or about individuals whose names appeared on the watch list were automatically sorted out and monitored by NSA computers. The messages were also disseminated to the CIA, the FBI, and the Secret Service. Throughout the 1960's and early 1970's, over 16,000 American names were placed on the NSA watch list.

Moreover, since 1945, three international telegraph companies provided the U.S. Government with copies of telegrams sent abroad by American citizens. This program was turned over to the National Security Agency, when that agency was established in 1952 and it became known as Operation Shamrock. American names on the NSA watch list served as computer indexes or signals for the private companies to sort from their large volume of messages those which were of interest to the Government. These messages were then circulated to the Bureau and the CIA.

This is, by no means, a comprehensive list of unlawful conduct by the intelligence agencies. The possibility of perjury by intelligence officers before the Congress is not the least of several questions which have yet to be resolved by a thorough investigation of the evidence. This is an issue of utmost importance, since the Congress cannot hope to arrive at useful remedial legislation on the intelligence service—or any other public policy concern—if it is not told the truth.

The issue, then, is not whether laws have been violated, but rather when and how justice will be served. The "when" ought to be as soon as possible; the "how" is a more tangled problem.

An argument can be made in favor of allowing the usual processes and institutions to take their course. The Justice Department has begun to conduct criminal investigations of several cases uncovered by the Rockefeller Commission and the committees of Congress. It can be argued that these investigations should not be interrupted since they have already begun.

Certainly, the present Attorney General is a man of integrity. He has voiced his concern several times over regarding the abuses which have come to light through the investigations of the past year. He has been helpful to the select committee by providing documents and other information. I have full confidence in his good intentions and his respect for the law.

Nonetheless, the Attorney General faces an unfortunate dilemma. Since the Federal Bureau of Investigation is a subdivision of the Justice Department, it lies within the administrative responsibility of the Attorney General. He is thus placed in a position of investigating the very house over which he must preside.

It is not only the actuality of impartiality which is at stake. The appearance of impartiality is just as important. The American Bar Association standards for criminal justice provide that a prosecuting officer should have no conflict of interest or the appearance of a conflict of interest. As Chesterfield Smith, past president of the ABA, has noted:

> Under the Standards, it would be improper for an investigation . . . of the Executive Branch of the Federal Government to be conducted by a prosecutor subject to the direction and control of the President.

The fact that the FBI is a part of the Justice Department is not the only troubling aspect of this situation—though it is serious enough since, over the years, senior FBI officials and Justice personnel have had close contact in their daily work and have shared knowledge of the dubious activities brought to light by the select committee inquiry. The Justice Department and the CIA have also had a unique relationship. A secret agreement between the two was in effect for 20 years which exempted the Agency from the usual requirements of reporting to Justice any violations of the law among CIA personnel.

Moreover, it is the Justice Department which is supposed to represent intelligence officials who may be sued for civil damages as a consequence of the disclosures brought about by the Congressional investigations. How can the Justice Department investigate and prosecute these officials, on the one hand, and defend their interests in civil suits on the other? It just will not work.

It is obvious that the public is deeply troubled by the findings of the investigations into the intelligence service. In a recent Harris survey, 80 percent of those interviewed agreed "it was wrong for the FBI to send a note to Martin Luther King suggesting that he commit suicide"; 74 percent agreed "it was wrong for the CIA to work out a deal with Mafia characters to try to assassinate Castro"; and 61 percent agreed "it was a violation of basic rights for the CIA and FBI to conduct spying on prominent Americans here at home."

The Government must move decisively. To avoid charges of a whitewash, it is in the best interests of the Justice Department to disqualify itself in this case.

What is vital now is to guarantee a full, thorough, and independent investigation. A special prosecutor should be enlisted for this purpose, and given sufficient authority to fully perform the task.

Last year, the American Bar Association Committee to Study Federal Law Enforcement Agencies addressed itself in a preliminary report to the question of a special prosecutor. The committee rejected the establishment of a permanent special prosecutor, but noted that—

> The public must be assured that crimes committed in high places will be investigated and prosecuted fearlessly and with integrity.

To this end, the ABA committee properly concluded:

> There may be exceptional circumstances requiring a special prosecutor from outside the Department of Justice who is not dependent on the Attorney General or the President for future promotion or other preferment. The primary obligation to appoint such an attorney should reside in the Attorney General.

The relationship between the Justice Department and the intelligence service unquestionably presents us with an exceptional circumstance.

The person chosen to perform the task of special prosecutor must possess the same impartiality and strength of resolution which Leon Jaworski demonstrated during his appearance before a committee of Congress in 1973. The following exchange occurred that year in hearings before the Senate Committee on the Judiciary:

> Senator TUNNEY. So as I understand your statement today, you feel that if there is evidence of criminal activity which is indictable, that you would be prepared to move ahead with an investigation and indictments despite the fact that the defendants involved might be prepared to claim that national security required them to do what they did?
>
> Mr. JAWORSKI. That is right, sir. And they would have the burden of sustaining that position. I would not assume the burden. I would contest it.

The special prosecutor, moreover, should be imbued with the same faith in the law that possessed John Adams, who know that the law "without any regard to persons, commands that which is good and punishes evil in all, whether rich or poor, high or low—'tis deaf, inexorable, inflexible."

The basic machinery of a special prosecutor's office is already in place as a legacy of the Watergate affair. It should not be too difficult to modify this machinery in the appropriate manner to carry out the investigation of unlawfulness in the FBI and other intelligence agencies.

It may be argued that we should concentrate on the reform of the intelligence agencies for the future, not on the punishment of individuals for misdeeds of the past. This is a beguiling argument. But the truth is that we can ill-afford to overlook the lawlessness of the past if we wish to avoid a repetition in the future. As two scholars from the Center for National Security Studies, Jerry J. Berman and Morton H. Halperin, noted in a recent New York Times article:

> One key element in bringing the intelligence agencies under democratic control is to insure that officials of intelligence agencies are prosecuted when they violate the law. Unless there is a thorough investigation by an impartial prosecutor followed by indictments and a report, the threat of criminal penalties will not deter future abuses.

I find it utterly deplorable that the President in his State of the Union message failed completely to say even a word about the need to make our intelligence agencies obey the law. As the journalist Anthony Lewis has commented:

> It is easy to denounce private crime, as Mr. Ford did. But it is more important, now, for Government to commit itself to law.

And so I must conclude that, in the present situation, resort to a temporary special prosecutor is both proper and necessary. Leon Jaworski, a former Special Prosecutor himself, and others in the legal community agree with this conclusion.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Arizona (Mr. FANNIN) is recognized for not to exceed 15 minutes.

Mr. FANNIN. I thank the Chair.

REGULATORY REFORM—THE CONSUMERS' COSTS OF REGULATION

Mr. FANNIN. Mr. President, the average American is beginning to realize he is paying a heavy price for the benefits of Government regulation. As a taxpayer, he contributes to the support of a vast machinery of Federal agencies and a faceless army of Government bureaucrats which exercise tremendous control over his life, property, and business, but over which he has no direct supervision.

As a consumer, he perceives that regulation drives up the costs of the goods and services he needs and frequently creates shortages in essential products he uses.

Mr. President, is Government regulation worth the price of these hidden taxes? What can be done to improve the operation of the regulatory system to cut these costs and eliminate many problems for the public? Mr. President, these are several of the issues which will be discussed during today's colloquy on regulatory reform and how Government regulation affects consumers.

Mr. President, I have seen numerous estimates of the actual costs of regulation to American consumers. The Federal Trade Commission found $80 billion of waste in the American economy attributable to regulatory overkill. The General Accounting Office has put the yearly costs of regulation at $60 billion. Perhaps a more meaningful figure is the $130 billion direct and indirect costs to consumers estimated by the President's Council of Economic Advisers. This means that the average American family pays approximately $2,000 each year for the full costs of regulation, that is, the expense of supporting the Federal regulatory machinery plus the waste and high prices resulting from excessive regulation.

Estimates of the costs of ICC regulation alone vary from about $4 billion to $9 billion annually. One study indicated that various ICC rules banning backhauls and straight-line routing waste up to 460 million gallons of fuel each year and contribute 150,000 tons of pollutants into the air we breathe.

Mr. President, that certainly is a disturbing figure, when we realize that we are trying to save fuel. We are wasting that amount of fuel each year just because we have a Federal agency which imposes certain restrictions on the travel of trucks.

It is resulting not only in higher fuel costs but, as I stated, in pollution of the air. So it is a tremendous problem for our economy.

I know that the Senator from Wyoming has many times elaborated on the problems we have with the Alaskan pipeline and the tremendous cost that has been added to the building of that pipeline, not even taking into consideration the cost of delay in getting the product to the American market. The cost originally was supposed to be $900 million, and now I understand that from a recent release it is in excess of $7 billion, and that figure probably will be exceeded. I would not be a bit surprised by the time it is through—it is only about 50 percent completed now—that the cost may go up to $10 billion.

So, we can say with the delays that are brought about because of the regulatory agency involved which held off the construction of that pipeline, certainly there has been a disaster.

Mr. HANSEN. Mr. President, will the Senator from Arizona yield on this point?

Mr. FANNIN. I am pleased to yield to the distinguished Senator from Wyoming.

Mr. HANSEN. I think what the Senator from Arizona is saying is extremely important in times of inflation, and those times have characterized the American economy for all too long, as the Senator from Arizona knows. I take my hat off to him as one, along with the present occupant of the Chair, who has fought consistently in trying to do something about that problem, this problem of overspending and failing to keep the taxes and the spending by Government in closer equilibrium. I was thinking when the Senator from Arizona was speaking about the fantastic enormous escalation of cost in that pipeline. I suspect the same thing is true as far as cost overruns go in the subways that we are trying to build under the Nation's Capital right today.

Obviously, there can be no question but what part of that responsibility for the rising costs can be attributed to regulation. Not all of it certainly can be attributed to regulation, but it is a fact any time we delay an action, any time we postpone the opportunity that otherwise would be afforded business to get something done in a timely and efficient manner, the costs go up.

Would the Senator from Arizona not agree with that? I do not know how much the cost overrun will be on this subway. There is even speculation now that not unlike one of the instances in the State of Ohio, I think either Cleveland or Cincinnati, a number of years ago, started to build a subway under one of their cities, and they finally abandoned it. There are tunnels, under whichever one of those cities it may be, and I think it is under Cleveland, and that they finally concluded they could not afford to finish.

Mr. FANNIN. I say to the distinguished Senator from Wyoming, probably if it had been other than the area of Washington, D.C., that the present subway system that is being built here would have been abandoned by any other city as a result of the cost estimates. Their estimates would have been exceeded by so much that they could not have bonded it. But, of course, here we can simply start the printing presses and everything is taken care of. We only have a greater debt involved. Here we are in the District of Columbia where so many different controls are being placed upon the contractors. Many of them, yes, are certainly needed from the standpoint of safety. But in the handling of them there is the delay in taking action.

Mr. HANSEN. And the redtape and letter writing.

Mr. FANNIN. That is right, and that is what makes the project tremendously expensive. I certainly thank the distinguished Senator from Wyoming. When he is talking about energy there is not anyone in Congress better informed on petroleum and the detrimental effects of what is happening in Alaska, and so his words of wisdom are certainly welcome.

Mr. President, we have these estimates of what is happening.

The size of the bloated Washington bureaucracy is staggering. Prof. Murray Weidenbaum says that in 2 years employment in major Federal regulatory agencies rose from about 55,000 to about 64,000. The Office of Management and Budget estimates that there are almost 101,000 Federal regulators at work.

Imagine that, 101,000, and just a short time ago, not too many years ago, they were talking about an excess when they were talking about Government employees in the neighborhood of 50,000.

The total number of Federal agencies, according to GAO, has gone up from 77 to 102 in the past 10 years.

The Senator from Wyoming has brought out the fact that duplication is involved. This is certainly a great factor. It was brought out, too, by the Senator from Maryland that duplication is just as expensive an item as other factors.

This is a huge army of Federal bureaucrats living at the taxpayers' expense and a growing political force in our society.

No one knows for sure how many Federal regulations are now on the books or are issued each year, but it has to be in the hundreds of thousands. Last year it took 45,000 pages of very small print in the Federal Register to publish the rules and regulations promulgated in 1974 alone. This prompted President Ford to remark:

> I mourn for the trees that fell in American forests to make this exercise in government nagging possible.

Worse yet, these rules are cumbersome, complex and obscure and are often written in very legal and bureaucratic jargon which is difficult for the average layman to understand, let alone comply with.

Let me cite a few examples of Government regulated waste in the economy.

As a result of ICC regulations, along the main cross-country interstate routes between Cleveland, Ohio, and Jacksonville, Fla., trucks roll along with trailers empty—even though shippers at both ends of the line would eagerly give them cargo. The truckers are permitted to haul freight one way only and must make the 1,000-mile return trip empty.

Or take the glaring examples of how the Civil Aeronautics Board increases consumer costs. A small airline operating only in Texas flies passengers between Dallas and Houston for as little as $15 per trip. An interstate airline, meanwhile, operating under CAB authority, must charge $31 for the same trip. A similar disparity exists in California on flights between San Francisco and Los Angeles. In both cases, the State-regulated airlines will charge lower fares, yet return comfortable profits.

A GAO report on the effects of environmental and land use regulations found that more than 6 billion board feet of mature timber in national forests dies every year because Federal rules prohibit its harvest.

Mandatory safety standards for power lawnmowers developed for the Consumer Products Safety Commission could increase the costs to consumers of a $100 lawnmower to $186 and might put 25 manufacturers out of business, according to a Stanford Research Institute study.

Let me cite another example involving the Consumer Products Safety Commission which also indicates the extent of the overkill in the Commission's approach to safeguarding consumers from potential hazards. In 1974 the CPSC filed a suit against a manufacturer of windshield washer solvent. The Commission alleged that there were 1,494 containers of solvent which were without childproof caps and were not labeled with the required statement, "Cannot be made nonpoisonous." Instead of ordering the manufacturer to change the caps and add the necessary four words of bureaucratism on each of the bottles, the Commissioners ordered that each and every one of the 1,494 containers of windshield washing material be destroyed, thereby contributing to the Nation's pollution problem. The effect of this stupid decision is that motorists who use that kind of solvent in their cars wind up paying the higher price that results from this federally mandated waste.

A tire quality grading system being developed by the National Highway Traffic Safety Administration could cost consumers as much as $150 million a year, and yet be too confusing to be of use to tire buyers, according to a report issued by the Rubber Manufacturers Association.

Three different Federal regulatory agencies have begun to collect internal data on the activities and methods of large businesses. Such disclosures could ultimately damage the public interest and virtually destroy some firms economically. The FTC, for instance, proposes to collect and reveal publicly "line of business" data on sales, profits, and product lines from 345 of the Nation's biggest manufacturers. These firms have asserted that the costs of providing the Commission such information would average $548,000 per company, a cost that ultimately would be passed on to the consumer.

An Alexandria, Va., trucking contractor who specializes in hauling heavy machinery has tried for 3 years to obtain a permit to contract with the steel fabricator. His application to enter the market was challenged by six other truckers who already had the authority to operate over substantially the same routes. The ICC upheld the existing carriers, thereby keeping a bona fide competitor out of the marketplace.

As a member of the Senate Interior Committee, I have been increasingly concerned by the effects of Federal regulation in the energy field. In my opinion, Government interference in the free market has contributed substantially to our Nation's energy crisis.

For instance, controls on the price of oil have discouraged domestic production and thereby increased America's dependence on costly foreign oil at a time when we should encourage energy self-sufficiency. Similarly, EPA's environmental standards have delayed the development of alternate sources of energy and have exacerbated the shortage of electricity and power in many areas of the country.

It would appear that too often consumer preferences are simply ignored by the regulatory guardians of the public welfare. One of the most notorious indications of this is in the area of automotive safety and pollution control. The mandatory seatbelt-interlock system turned out to be a nuisance imposed by Government which the consumers did not want and yet were obliged to pay for. Only a massive public outcry resulted in its elimination from the automobile.

Or look at the catalytic converter which the environmentalists so ardently championed as a means of controlling automobile emissions. After requiring that the auto industry adopt this costly improvement, the Environmental Protection Agency discovered that the device can actually contribute to air pollution by releasing platinum and sulphuric acid mist into the air. To make matters worse, the EPA is now spending $6 million to study the adverse environmental impact of its own hasty decision.

As a result of such regulation, Professor Weidenbaum calculated that federally mandated costs increased the price of 1974 passenger cars on an average of $320 a car. Given the 9 million new car purchases for that year, the total cost of Government-imposed price increases was $3 billion.

Mr. President, these are but a few of the many "horror stories" I have seen about how Government overregulation imposes "hidden taxes" on consumers. I am sure we will hear other examples this morning. Fortunately, there is a growing awareness among the American people that Government regulation results in harmful economic and social costs. The cost to taxpayers has become so high that consumers are beginning to demand action. Our economic problems and the energy crisis have helped to focus public attention on all forms of waste, and clearly Government regulation is one of the major sources of waste in America today.

Unfortunately, Government has grown too fast in too short a time. The Congress has added agencies upon agencies, programs upon programs and regulations upon regulations so rapidly that they have not had a chance to follow through and consider the results. Moreover, the bureaucracy within the agencies have built their own constituencies and it has become very difficult to get rid of unnecessary agencies, expensive programs, and costly regulations.

Fortunately, Mr. President, taxpayers and consumers, liberals as well as conservatives, are demanding regulatory reform. The debate has now begun to focus on the means for achieving such reform.

Mr. President, I offer no magic formulas for reducing regulatory costs. I would suggest, however, that consumers should have a stronger voice in the regulatory process. What is needed is not an Agency for Consumer Advocacy or another layer of bureaucracy to represent one class of consumers at the expense of all others. Consumers neither want nor need another Government bureau to define and protect their interests. A better approach would be to insure that the people's elected representatives exercise greater control and supervision over Federal regulatory agencies. One way to improve congressional oversight is to have the Congress review and approve major regulations proposed by Government agencies before they can be put into effect. At a minimum, we should demand that the regulators move cautiously, consider the impact of their activities and prove to Congress that the benefits of regulations they propose exceed the cost to consumers. I have introduced a bill, S. 2792, to accomplish that purpose. My colleagues may prefer alternative approaches. The important thing is that we recognize that Government regulation yields costs as well as benefits, that those costs often outweigh projected benefits, and that the Congress must take positive and responsible action to reform the regulatory system in order to reduce the costs to consumers.

Mr. President, I have received a number of letters from Arizona consumers complaining about the costs of Government regulation. I ask unanimous consent that the texts of these letters be printed in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Phoenix, Ariz.,
June 20, 1975.

Dear Senator Fannin: I don't have much faith in those 10 senators that are supposed to figure out how to cut the bureaucracy. Other than yourself, they are the guys that keep feeding it. I have squawked to Senator Percy about those ridiculous consumer protection bureaus he so dearly loves. And he sent me wonderful plans of his government coming into the American home and preventing crib deaths.

Some protection agency in the government has forced on the people of this country, a pill bottle that won't open. These bottles are supposed to keep kids from getting into harmful medicines, when I always thought this was a job for parents, not the government. When I was sick with a fever, I could not get my pill bottles open and had to wait for my husband to do it. I can picture an elderly person having a heart attack and trying to get one of those pill bottles open. That would be a death directly caused by government interference in private business and in private homes.

The most offensive noose round the public's neck is the EPA meddling in the automobile business. I have put off buying a new car for more than a year. The money is saved and waiting, but, I will not buy a car with auto emission controls on it. One person I know with a new Buick, says she doesn't mind it. But other people I talk to about cars overwhelmingly oppose this forced, useless, and even harmful, addition to new cars. They drive the prices up and the gas mileage down. So I am putting seat covers on my '68, and a new top on my '66 convertible, and will drive them both until emission controls are dropped.

I could go on and on, but I quit at one page. Good luck with the big spenders.

Sincerely,

Mrs. Sonni Hunt.

July 12, 1975.

Senator Paul Fannin,
U.S. Senate,
Washington, D.C.

Dear Senator Fannin: I received your newsletter today and am very happy to see that you will be working for reform in our bungling, bureaucratic regulatory bodies.

I recently read the article "The Regulators" in the June 30, 1975 issue of U.S. News & World Report. It is disgusting to read how these agencies and the nin-compoops who run them are costing the nation $130 billion a year. I believe a complete overhaul from top to bottom is an absolute must if our

Constitution is to survive and our people remain a truly "free" people.

These agencies, after being reformed, should be responsible to Congress or the President. They should not be given power to make laws. The people who staff them should not be protected by Civil Service. Red tape and paper work should be cut to the barest minimum.

Two of the newest bureaucracies are rapidly becoming the worst of the lot. These creations of Congress make Frankenstein's monster pale in comparison when you look at the harm they are doing. They are: EPA and OSHA.

An example of the hardships these two are causing is occurring here in Chandler. The Standard Oil Distributor is being closed down by his company because of the costly upgrading that would have to be done to comply with their regulations. Numerous other wholesale distributors around the state are being closed also. This will eventually lead to just a few large distributors around the state. I farm, and it means that I will have to have excessive storage facilities for tanker-trailer deliveries; place fuel orders maybe two weeks in advance; travel a farther distance when I need a special bucket of grease.

We desperately need some good common sense coming out of Washington and I hope you and the committee you work with will furnish it. Please don't create another agency to look into the abuses of the ones we are already weighted down with; this would be insult on top of injury.

Yours truly,

DEAN ELLSWORTH.

WILLIAMS, ARIZ.,
July 7, 1975.

Senator FANNIN: I want to urge you, sir, to help abolish O.S.H.A. and give HR 1086 some serious thought.

There is a bill by Sen. James McClure, HR 1235, that would abolish ICC, this regulatory agency and Ariz. CC made it virtually impossible for me to operate a one-man jitney service here in Williams and I had to give up any idea that I entertained of providing a jitney service to the people of this community. I beg you, sir, to do what you can to stop these regulatory agencys from infringing on Free Enterprise.

Sincerely,

MR. TERRY L. DOCHERTY.

NOVEMBER 4, 1975.

Hon. PAUL FANNIN,
Senate Office Building,
Washington, D.C.

DEAR SENATOR FANNIN: As our nation approaches its Bi-Centennial year, it is my considered opinion that we are long overdue for some sober soulsearching and positive action if we, as a democratic nation, expect to survive the next hundred years.

My concern for our survival, as the prime example of a democratic nation, lies in two areas:

First, what appears to be a frenetic compulsion to create more and more super agencies at the Federal level and,

Second, an almost total lack of fiscal responsibility on the part of Congress.

Quite naturally these two areas are closely interrelated in terms of the impact on the taxpayers.

On the subject of the paranoia causing the creation of additional Federal Agencies, we see a progressive and apparently blind march toward a dictatorship as these agencies are allowed to increase their power and control.

The EPA, ICC, FPC, OSHA, to name a few of some three thousand agencies, created for some real or assumed deficiency in our society, have increased their powers to the extent that they are dictating lifestyles to the American people.

Characteristically Congress is considering the creation of the Consumer Protection Agency, obviously to save the American public from themselves.

I seriously doubt that when our Founding Fathers created our democracy they planned or envisioned the cancerous growth in numbers and authority of the Federal Agencies.

It seems obvious that without a rational and intelligent effort to check this process, the inevitable end is the acceptance of Socialism and eventually a Dictatorship. Ironically, this may be the end result of all democracies.

On the subject of Congressional fiscal irresponsibility, I can only conclude that there must be some obscure element in the waters of the Potomac that causes otherwise prudent Congressmen to lose their sense of values and act like compulsive spenders with a new credit card.

It doesn't take a degree in economics to see that the continued increase in numbers of Federal agencies and the Parkinsonian growth and authority of these agencies coupled with a paranoid Congressional compulsion to spend dollars faster than we can print them will shortly destroy our society.

I have defended our way of life through three wars! It is ironic that the only power that can destroy this nation is a supposedly informed, dedicated, patriotic Congress. Its a damned shame that Congress is proceeding Post-haste.

Sincerely,

ROBERT P. BALDWIN,
Colonel, USAF, Ret.

MESA, ARIZ.,
May 26, 1975.

Senator PAUL J. FANNIN,
Dirksen Office Building, U.S. Senate, Washington, D.C.

DEAR SENATOR FANNIN: Have we lost the power to control government agencies?

In these troubled times I am shocked at the outrageous waste of jobs perpetuated by federal agencies. Arbitrary and capricious decrees are so upsetting to our productivity that our economy is at stake.

Specifically I refer to agencies like the CAB, DOT, EPA, FAA, FCC, FDA, ICC, IRS, OSHA, SEC, etc. While we cluck our tongues at the CIA these massive bureaucracies are eating us alive.

An example is the lack of castings due to the EPA and OSHA shutdown of small foundries. Another is the cost of agency required safety and emission control features on automobiles. Still to be discovered is the $5000 per truck cost of the new FMVSS 121 standards.

Sir, I urgently solicit your immediate support of a complete reappraisal of each agency. Outright abolition of some may well be justified. Uncontrolled these agencies are a threat to our basic freedom.

Those candidates with the most aggressive plans to clean up this mess will have my vote. I also pledge my personal efforts in their behalf.

I apologize for the length of this letter. I fear I am keeping you from getting started. What is your plan of action?

Sincerely,

JOHN J. BRUNNER, III.

APRIL 1, 1975.

DEAR SENATOR FANNIN: We are becoming more upset daily by the stupid way our tax money is being spent by you, our elected representatives. Items such as:

Grants for study of the flight characteristics of the Frisbee, the body scent of the Australian aborigine, the mating habits of the lobster and why a tricycle is unsafe, to name a few.

The regulations on trucking that require them to return empty, thereby increasing our costs and wasting fuel.

The regulation of wages paid to contractors and labor, required by the Davis-Bacon act, that inflates the cost of every government building project.

Subsidies for this, that and the other—our tax money being paid to support something that should find its normal fair market price on its own.

Regulations that affect each of us—such as mandating pill bottles that the average person can't open, seat belts and interlock systems on cars that force the unwilling to disconnect the system or sit on buckled belts. You can lead a horse to water, but you can't make him drink—or have you all forgotten that?

The Fair Trade Law, that only adds to the consumer cost.

The CAB, that establishes higher fares by intra-state carriers than the uncontrolled inter-state carriers charge on the same route.

From what I hear and read, there are far too many regulations on business, not just the product, but in the many and varied reports required by each department and division of government.

Government of the US, as we see it, was intended to co-ordinate laws between the states, provide for the common defense and provide a co-ordinating body to deal with other governments. I can't believe it was meant to control each and every action of our daily lives, require us to pay unnecessarily inflated prices for products or to grow to the extent it has—a vast, self-sustaining bureaucracy that makes work for itself through regulations you perhaps never intended or by requiring reports that nobody uses. When are you and your associates ever going to reduce the size of government by eliminating no longer useful laws, department and regulations? When do we return to the original idea of a Republic? Why do we merely keep adding to government—personnel, buildings, costs and spending? How can you defend such an astronomical increase in your staff alone? How can you justify a constant deficit in the federal budget—and then wonder why we have inflation and interest rates so high we can't afford to buy a home? When are we going to stop pouring money down ratholes long after the need for that program exists? When will we get gun control, at least registration of pistols? When will you and your associates start acting for the good of the United States, the people and the party, in that order?

Sincerely,

J. L. VAN VOLKENBURGH,
JANE W. VAN VOLKENBURGH.

FLAGSTAFF, ARIZ.,

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I was greatly interested to read, in the enclosed, of the almost endless list of mind-boggling grants, gifts, loans and, quite bluntly, blatant rip-offs of our tax dollars.

If any of the listed expenditures had any sound basis of reason, I might, in a fit of drunken magnanimity, feel slightly benevolent toward it. But, who in hell really has the slightest necessity for knowing all there is to know about the semen of the Ceylon elephant? Except of course, a female Ceylon elephant and S. Dillon Ripley. Be that as it may, the fact is our Government has yet to collect one crying dime in income taxes from a Ceylon elephant.

I am damned sick and tired of financing some silly egg-head's "study" of a Pakistanian polly-wog's nest building architecture. I have had it with providing free rides for every s.o.b. to do "their thing." I don't give one hoot-in-hell if the wife of every military man in the world is flat-chested. I really believe we could have tottered along blissfully ignorant of a carefully researched and indexed

"History of Comic Books" with a price tag of $71,000.00. I believe I could have come up with the rather un-startling revelation that mothers prefer "no-iron" clothes for kids without spending $113,417.00. I would be willing to bet that kids started falling off of tricycles right after Isaac Newton invented the law of gravity and; if old Isaac had the $19,300.00 he probably would have invented several other useful things to go along with gravity.

As for: the Dance Advisory Panel, the Board of Tea Tasters, the Federal Fire Council, ad infinitum; ah come on now! Can't we be trusted to make up our own minds about what kind of dance we dance, if any? I figure my taste for tea is about as good as anyone elses'. Do we really get a beneficial cost return from a council which hasn't done anything and has only met twice since 1968? The study by the National Science Foundation which concluded that 48% of all Americans believe in the devil leaves me feeling somewhat "so what." However, if there are that many of us, perhaps we should develop some sort of sophisticated "anti-devel" defense system.

The same goes for all the rest of the insanity referred to in the article. I protest in the strongest possible terms the obligation of funds furthering these projects! Stop authorizing these types of irrelevant and unproductive lunacy and do it now! Start with withdrawing every dime of funds for these dandy things and then go from there. There must be hundreds more of the same type buried within our bureaucratic structure that are also going merrily along studying the sex drive of the three-toed Albanian bull aphid, for example.

What in hell is going on up there? Is everybody "out-to-lunch"? Isn't there a grain of sanity or a glimmer of logic left? The problems facing our country should bring out the concept of "first things first." It is extremely difficult for me to believe very many of the items mentioned are going to go very far toward curing our present situation. How much longer and for how many more millions do we go on being taken by people who should be doing something productive? Productive, not "nice to know"! Problem solving, not "busy work"!

I am about as mad as a bear with a sore foot over our foreign aid give-away already. Having these kinds of insanity laid on me really tears me a new one! After reading the article, I was ready and willing to punch somebody out, kick the cat, throw rocks at the neighbor's kids, plant crab-grass in the church lawn, mutter vast obscenities and stand in my front yard and scream, "DEAR GOD, ain't there any common sense left anywhere in my country anymore?"

Incidentally, a big bouquet and three "hip-hip-hoo-rays" for Mr. Jubal Hale. We could use considerably more of his belated honesty scattered liberally here and there.

One last question. Who is Erica Jong, and was her "controversial novel" so important as to justify a $5,000.00 Federal grant?

Respectfully,

JAMES B. SWEENEY.

FEDERAL SPENDING IS EXTRAVAGANT AND OFTEN DOWNRIGHT ABSURB

(By Donald Lambro)

WASHINGTON.—Wasteful federal spending, like sinful living, has been condemned by politicians since the days of George Washington.

Yet it can be found proliferating at an astounding rate in every major agency of government.

The cost of taxpayers runs into billions of dollars a year.

Complaints of needless government extravagance, especially during a recession, no longer can be dismissed as the sole political preserve of conservatives. Members of Congress who represent every shade of party and ideological persuasion are protesting wasteful federal spending.

Among the classic examples frequently cited by critics are:

$342,000 for Michigan State University researchers to ask college students where, when and with whom they have had premarital sex.

$100,000 for mailing sex information and condom stamps in unmarked envelopes to lists of teenage boys considered sexually active.

$13.9 million annually to maintain about 300 military golf courses around the world, and millions more to provide free face-lifts, breast enlargements and other cosmetic operations for wives of American military personnel.

$13 million a year for chauffer-driven limousines used by 800 bureaucrats.

The Government has given the Bedouins $17,000 for a dry-cleaning plant. It has spent $71,000 to complete a history of comic books. $5,000 to analyze violin varnish, $19,300 to find out why children fall off tricycles, and $113,417 to discover that most mothers prefer no-iron children's clothing.

Erica Jong got a $5,000 federal grant to write her controversial novel "Fear of Flying."

Some persons reason that government has grown so big and costly in recent years that some waste is inevitable. But in drawing up its annual budget requests, the executive branch has made few attempts to weed out clearly unnecessary or ineffective programs.

Congress has done even less.

Finding agencies like Hale's is not difficult. Getting rid of them is, as two young and aggressive aides to freshman Sen. Patrick Leahy, D-Vt., discovered.

On Leahy's orders, Jack Ewing and Bill Wachtel worked full time uncovering agencies and programs that should have been eliminated long ago.

They found, for example, that the Federal Fire Council had done nothing for more than seven years, yet automatically received $70,000 yearly.

The Council has bounced from agency to agency since its creation in 1936 to coordinate government fire prevention regulations. From 1968 to the beginning of this year, Ewing and Wachtel discovered, the council met only once, or perhaps twice.

Still, its full-time executive director and secretary managed to spend at least $67,000 a year.

"They mailed out some publications containing pictures of fires, but other than that they didn't do anything," Ewing said.

Amazingly, the two newcomers met with resistance when they reported this discovery to a Senate Appropriations subcommittee. The subcommitte had already blindly approved a bill containing funds to keep the do-nothing fire council alive for another year.

Members were unswayed by the Ewing-Wachtel argument that the council should be killed.

Leahy will try to abolish the agency with an amendment to the appropriations bill when it reaches the Senate floor.

Ewing and Wachtel repeatedly found instances of overlapping and duplication, including not one but five water research agencies scattered throughout the government.

They are also conducting an exhaustive investigation of the government's more than 1,200 advisory committees, which include a plant variety protection board, the board of tea tasters, and the dance advisory panel.

Leahy is one of the few members of Congress to try to uncover and eliminate useless programs. Another is Sen. William Proxmire, D-Wis., who has built his political career on the issue.

Neither has gotten very far.

One good reason is that too few other legislators, especially those doling out tax funds, have the time, energy or curiosity to challenge the bureaucrats' arguments that their programs are important and necessary. Thus:

Although there has been no draft since 1973, the Selective Service continues to spend $45 million a year, with 2,600 persons on its payroll in Washington and at 3,000 local draft boards.

The National Science Foundation spends millions to find out, among other things, whether chimpanzees can be taught to talk and what is passionate love. One NSF survey concluded that 48 per cent of all Americans believe in the devil.

The Overseas Private Investment Corp. which insures American corporations abroad, gave a $415,000 loan to a $150-per-day pleasure resort for the wealthy in Haiti.

The National Institute of Education has spent millions on studies like "How Children Form Peer Groups" and "The Learning Differences in Infants and Toddlers."

The Agriculture Department conducts surveys for various farm corporations on "Consumers' Preferences for Fresh Tomatoes" and "Men's Attitudes Toward Cotton."

The Smithsonian Institution's cultural research program spends millions in U.S.-held foreign currencies to study such esoteric topics as the Indian whistling duck, wild boars in Pakistan and Yugoslav tobacco.

The women's bureau of the Labor Department costs about $2 million a year to run. A spokesman said it is mostly a referral agency, passing on information developed by others in the department. Also, it lobbies heavily for the equal rights amendment.

Among the arguments in defense, the Selective Service says it must maintain machinery for the draft should volunteer forces prove inadequate in the event of a major military emergency.

S. Dillon Ripley, secretary of the Smithsonian, said research on skulls in Egypt, the semen of the Ceylon elephant and other projects are "essential to (scientific) progress, and it ill serves mankind to ridicule serious research without full understanding of its objectives."

National Science Foundation researchers suggest that a better understanding of why people fall in love might be useful in reducing the divorce rate.

A Pentagon spokesman said free breast enlargements for wives of military personnel keeps Navy surgeons' skills in plastic surgery skills from "getting rusty."

Nearly everyone in Washington agrees that federal spending has been uncontrolled for decades, so Congress recently established a budget control committee to bring spending more in line with revenues.

It's a tough job. The legislators are wrestling with a target budget of $367 billion for fiscal 1976, while President Ford estimates next year's proposed budget will pass the $400 billion mark.

The projected deficit this year could exceed $80 billion, and the interest on the national debt alone is costing taxpayers more than $30 billion a year.

J. B. TILE CO.,
SALT LAKE CITY, UTAH,
January 26, 1976.

JIM HINISH,
SENATOR PAUL FANNIN,
Dirksen Senate Office Building,
Washington, D.C.

DEAR MR. HINISH: Thank you for your call relative to my letter to Mr. Melgard of the U.S. Chamber of Commerce. My letter to him in essence was as follows:

The Prohibitive Section of the recently passed Employment Retirement Income Security Act, Sections 406 & 407, are causing us great concern.

We have a retirement Profit Sharing Trust Fund operating through our Company. It was approved by governmental agencies con-

> cerned and has been functioning for several years in full accordance with the law. We have had several of our employees retire or terminate and as of yet have fulfilled every single commitment in paying their accumulated funds.
>
> Our insurance agent and our attorney have both told us our program is in jeopardy because of the E.R.I.S. Act. We have bought ground and built buildings and the real estate is owned by the Profit Sharing Fund. J. B. Tile Company does lease from the Profit Sharing Fund at a Market Lease Rates. In past years all this has been approved by I.R.S. The Company Advisors mentioned above tell us that we must divest ourselves of these assets where 10% or more are used by the parent Company. In the past this has been the very thing that has served to ensure stability and liquidity of the fund. The investment has been sound. The Parent Company has been solvent for many years and this lease income to the Fund is actually the very item that pays the retirement benefits without jeopardizing the principle value of the fund.
>
> Another hazard of the new law is in the liability placed upon the Trustee. In essence it gives a shareholder the right to sue if in his opinion the Trustee has not made proper investment of funds. The past few years have taught us that the *experts* can not judge proper investments with any accuracy. We do feel that a history of honest administration should carry a burden of weight in determining future of the Profit Sharing Fund.
>
> If we should be required to Divest, as noted above, the Profit Sharing Fund of this Company would probably have to be discontinued thereby defeating the very intent of the program. Those of this Company who have retired or found reason to terminate have had the security of this program. Those of us still in it would like the same future privilege without governmental interference.
>
> We have heard on the news that the Teamsters Union has a similar problem in connection with the Alaska Pipeline project. The news also reported that they have asked for exemption from the Divestment Requirements of the law.
>
> We would appreciate any information that you can give us or help to keep our fund as intended and governmentally approved from its inception. We do not want to lose it, we do not feel that Divestment will serve any purpose but to cause discontinuance of the program. We have heard of so many Companies who have taken that route because of the law. We do feel that we are entitled to a secure retirement fund without Government meddling as long as it fully meets requirements of the approved by-laws.
>
> Thank you, again, for a listening ear.
>
> Sincerely,
>
> BLAIN S. GAILEY,
> *Vice President.*

The ACTING PRESIDENT pro tempore. The Senator from Maryland is recognized under his order for not to exceed 15 minutes.

REGULATION AND ITS EFFECT ON CONSUMERS

Mr. BEALL. Mr. President, I thank the Senator from Arizona for allowing me to use my time at this point in our colloquy, and also to thank him for being the leader in putting this discussion together. I agree that certainly the people of this country are becoming tremendously overburdened with regulatory impositions. It is incumbent upon all of us to recognize this additional burden that is being placed on the American taxpayer and to see if we can do something about getting control over the regulatory agencies and make them recognize that they, too, must be responsible to the people of this country. As they impose regulations they must be mindful of the kind of costs and the kinds of burdens that they are placing on citizens in our society.

Mr. President, it is my feeling, as I travel around the State of Maryland, that the increasing burdens of Government regulation have become a priority concern of our citizens, and thus I am very pleased that the Senate is now recognizing this concern and moving, through this colloquy, as well as through legislation, to give attention to this serious drag on our economy.

For many years, Congress and the Federal Government in general apparently believed that the only way to measure the "cost" of a particular Federal program was to calculate its direct Federal budgetary impact. Nowhere did we calculate the indirect cost of governmental programs on consumers in terms of higher prices for the goods and services they buy. Thus, we invoked a "hidden tax" and shifted its payment from taxpayer to consumer. Nobody remembered that the taxpayer and the consumer happen to be the same person.

As a result, the inflation which our Nation has experienced in recent years has not only developed because of unwise fiscal and monetary policies, but in large measure is due to governmental actions which have increased the cost of production and thus raised the prices for products and services.

I might add too, that the regulatory agencies are not the only contributors to this inflationary spiral. Congress, time and again, has done its part to raise prices to consumers. The best example I know of relates to the automobile seatbelts. In an effort to save Americans from themselves, we mandated a requirement that all automobiles had to be equipped with a device which prevented a car from starting until the seatbelt was engaged. By doing so, we added $100 to the price of a new car. Later, as a result of constituent reaction, we saw the folly of our actions. But because we failed to initially measure the costs of this proposal, the new car consumer was forced to unnecessarily spend $100.

Mr. HANSEN. Will the Senator from Maryland yield for a moment on that point?

Mr. BEALL. I am happy to yield to the distinguished Senator from Wyoming.

Mr. HANSEN. When I was Governor of Wyoming, I succeeded Senator FANNIN who, prior to his entrance into the Senate, was Governor of Arizona. Both he and I served successive terms as chairman of the Committee on Highway Safety for the National Governors Conference.

The fact is that more than 50 percent of all of the deaths on the highways in America result from drunken drivers. Ralph Nader, as well as every other American, ought to know that fact. But there are not very many headlines to be made in trying to go from State capital to State capital to State capital trying to sell a safety program in respective State legislatures, as the Senator from Maryland knows. I just wanted to point out that he is dead right on this point. If we wanted to do something about highway safety, the most important single thing we could do would be to forget all of the junk we have imposed on the American people in the way of extra costs and extra nuisances and get at the guy who is causing the trouble, the drunken driver.

Mr. BEALL. I thank the Senator from Wyoming for his observation.

Mr. President, I would point out that sometime ago I received a very perceptive letter on that point from one of my constituents which I think appropriate to read at this point. This came from a constituent in Cecil County, in the northeastern part of Maryland:

> DEAR SENATOR: I do wish you people in Washington would let me do some things myself. Please, won't your bureaucrats stop this believing they know what's good for me?
>
> I refer to the car I've just bought. Now I believe seat belts are good, but when your people put together a darn network that prevents the car from starting unless worn, you've gone too far.
>
> The dealer fastened me in and I took off for home, stopping at the grocery. I set the grocery bags on the seat—the easiest place to reach. No start. Strap groceries in? Won't work.
>
> So I finally set groceries on floor. What if it's my daughter in law and poor baby? Set the kid on the floor?
>
> So I get home, drive in drive and stop. Then I have to lift heavy groceries up off floor instead of down off seat. My sacroiliac is still complaining. Anyway, I carried the groceries in the house and went out to put car in garage.
>
> I had to entangle myself in these darn nets to start the s.o.b. to run 20 feet to the garage.
>
> How much more do you people think is for my own good?
>
> The car now has 200 miles on it and already the circuits are messed up. Can't play radio when sitting in car on parking lot waiting for wife. Why? The gd buzzer won't go off. The red warning light stays on while car is running.
>
> I've decided if we ever want anything completely screwed up leave it to a bureaucrat appointed thru Congress.
>
> Very truly.

Mr. President, I would point out I think this letter speaks very perceptively to the problems we are talking about today.

At the present time, it is estimated that Federal paperwork costs American businesses $18 billion per year. The Federal Government has created over 9,000 forms including tax and banking forms, requiring some 130 million man-hours per year to fill out, and costing $1.7 billion per year just to file and store these forms once they are filled out.

Small businessmen are particularly hard hit by these regulations because these are the people who are least likely to be able to afford outside help, and the most likely to need it.

I certainly do not want to deny that some of these regulations and information-gathering efforts are necessary and valuable to Government. But is it necessary for a "mom and pop" grocery store with an annual gross income of less than $30,000 to fill out 52 tax forms in just 1 year? Is it necessary for firms employing less than 50 people to fill out as many as 70 or 80 forms in just 1 year?

I do not think so. I believe that Congress can and must do something to lower the Federal regulatory burden on our economy, and particularly small business.

Last October, Senator LAXALT and I conducted hearings of the Select Committee on Small Business regarding Federal reporting and recordkeeping as it effects small business. Witness after witness gave us "horror" stories of the economic impact Federal regulations have on his or her business.

For instances, one witness testified that his school, which employs 22 persons, spends 12 percent of their net profit on professional assistance to provide information to the Federal Government. In order to pay for this revenue loss, the school has to increase its tuition $20 per student just to pay for all the governmental paperwork.

Another Maryland businessman, a contractor, said he had to pay someone $10,400 per year just to do Federal payroll reporting for a $1.8 million project.

A Maryland truck company owner reported that he had to file ICC quarterly reports of 4 to 8 pages and a yearend report of 75 pages. He also said that the trucking industry came under 42 Federal, State, and local agencies of government.

Another Maryland small company has added about $50,000 to their payroll costs to hire people solely to administer and control new Federal programs.

Mr. President, I believe Congress must start leveling with the American people regarding governmental actions which have an inflationary impact. We must require that an "economic impact statement" accompany each and every legislative proposal which comes to the floor of the House or Senate, and we must also require that Federal regulatory agencies file the same "economic impact statement" before implementing their regulations. By doing this, we will be in a much better position to weigh the costs as well as the benefits of any proposed action before that action is taken. We will, for the first time, know exactly how much our activities are costing the American public, not only in terms of Federal spending, but also how much it is costing them to buy goods and services which are affected by Government regulations.

Mr. President, to accomplish something in this direction, last week I introduced a bill we are calling the Federal Regulatory Review Act of 1976, in which we would require that the Federal regulatory agencies, before implementing a regulation, send the same to Congress, giving each House a period of 60 days to veto that regulation if we, in our good judgment, think it is contrary to the national interest.

This legislation would also require that an economic review statement outlining the cost, not just to the Federal Government but also the State and local governments, and to individual consumers and others affected by the regulation, be included in the material accompanying the regulation sent to Congress for review.

It is interesting to note that when we were doing research, Mr. President, on the impact of the Federal Register on the average citizen, when we got out the copies of the Federal Register for 1975, we found that the Federal Register for 1975 consisted of 60,000 pages. Those 60,000 pages contained 309 new regulations, 7,000 amendments to existing regulations, and 3,000 other regulatory documents.

Imagine the burden that this is imposing upon individual citizens and businessmen and women in our society, Mr. President, who have to page through those 60,000 pages because if they do not, if they do not make themselves aware of the regulations that are applicable to them in their individual capacities or to their individual businesses, they are subject to fine by the regulatory agencies.

Mr. President, I think we are imposing an intolerable cost on the people of this country by confounding and confusing the regulatory process, and I think it is incumbent upon us to recognize this burden we are placing on the American people, and to provide some concerted effort to see if we cannot bring some order out of this chaotic condition being created by the unlimited opportunities we have given the regulatory agencies to intrude upon the lives of the citizens of this country, and bring some relief to them from the amount of the cost being imposed on them in the way of unnecessary paperwork.

Mr. FANNIN. Mr. President, will the Senator yield?

Mr. BEALL. I am happy to yield to the distinguished Senator from Arizona.

Mr. FANNIN. I commend the Senator from Maryland for a very provocative statement, bringing out specific instances of what is happening in regulatory areas and the costs involved. We hear many comments about these agencies, and of course, we know in a general way the cost involved, but to have such specific information, and to realize that this is required of the people of this country, and that they are placed in a position where they must furnish all this information, I think is very useful to know.

And for what? For naught, in many instances. I know that the Senator is very much interested in what is happening in his own State, and he has brought out instances where the various provisions of government regulations have cost immense sums of money to his constituents.

Many times the agencies have been called to task because they have made these requirements of the businessman, particularly the small businessman. He is usually the one who suffers most because he does not have the facilities to handle the forms and all the different papers that must be compiled to comply with the law's provisions.

I think the Senator from Maryland has brought out very forcefully how this is a waste of money. But when we called on the agencies to explain the reasons for their specific requirements, we were told that their interpretation of the law made the regulations necessary. We went into the matter further and found out that often that was not true at all; this was just something some bureaucrat had dreamed up, which made a tremendous burden for the operation of the business. I recall the instance of a fuel distributor who was supposed to tell where his fuel was being utilized, and make a report monthly. Finally he was told that it was not necessary that it be made monthly, that quarterly was sufficient, but the regulations still provide for monthly reporting.

We asked the agency what was done with these reports, and we were told they were sent to various committees of Congress.

Well, if any of it has been sent to the Interior Committee, it certainly has not been brought to the attention of any Senator on the committee. So it is just wasted effort.

So I congratulate the Senator. I do not think anyone else has brought out so specifically and forcefully the burden on the consumer and the cost involved. When this is brought to the attention of the various agencies, perhaps we can get some action. But it is going to require legislation, and I know that the legislation the Senator has reviewed this morning would accomplish a great deal. Not only would it save a tremendous amount of money in the costs of administration, but also a tremendous burden on the American taxpayer who would no longer be saddled with the additional work to complete all these forms.

Mr. BEALL. I thank the Senator from Arizona for his kind remarks. I think this is a matter of great concern.

I think we also have need to bring to light the duplicative nature of the regulatory process as well. I came across a humorous but still rather pathetic example of the duplication that takes place among the regulatory agencies recently, when I found out the other day that on construction sites, OSHA wanted backup beepers on trucks used on construction sites, whole lo and behold, the Environmental Protection Agency challenged that because of the noise of the beepers.

It seems strange to me that the Environmental Protection Agency would concern itself with the noise of beepers on a truck, when it allows aircraft with noise levels that far exceed those which we have established for domestic aircraft. I think this example illustrates the effect of the increasing burden of regulations on the problems of our overburdened citizens.

The PRESIDING OFFICER (Mr. ALLEN). The time of the Senator from Maryland has expired.

Mr. FANNIN. Mr. President, in accordance with the stipulations as far as time is concerned, this morning the Senator from Idaho (Mr. MCCLURE), wishes to be recognized.

The Senator from New York (Mr. BUCKLEY) had time reserved, and I ask unanimous consent that his time be allotted to the Senator from Idaho.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Chair recognizes the Senator from Idaho.

REGULATORY REFORM

Mr. McCLURE. I thank the Senator.

Mr. President, the Senator from New York is necessarily detained, as some of the others are, in a hearing which was scheduled for this hour, and we were somewhat delayed in getting started on this colloquy, and he finds it impossible to get here at this particular time, but does participate in this colloquy on the time that he can make available from that other conflict.

That is also true of some other Members of the Senate who had planned to be here and who have prepared remarks that are a part of the colloquy this morning on regulatory reform.

As the Senate knows, we have been talking about the necessity for regulatory reform and the desirability of changing the procedures of the regulatory process. One of the forgotten instances in all of this has been the impact upon the consumer.

The diversity of American life is a direct result of its heritage of freedom and it is the cause of the Nation's high standard of living. Given this diversity, a certain amount of conflict must necessarily arise. In a system which itself is based on checks and balances, there is bound to be a certain amount of compromise. Rarely do we find a person whose interests are considered universally paramount. Such a person is the "consumer." But the construction which makes the consumer the beneficiary of all that is good is exactly what militates against his ever achieving it.

It is back to square one. Only with regulation, each person's interests must be sorted out by regulatory agencies whose innocent, but impossible, task is to please everyone at the cost of everyone else. Everyone, therefore, is the victim. But just as the self-canceling effect of much legislation has never mitigated the desire of legislators to pass laws, neither has the self-canceling effect of regulation ever abated the zeal of the regulators to regulate.

A typical example is the problem of credit—who gets it and under what circumstances. The purposes of the Fair Credit Billing Act Practices and the Equal Opportunity Credit Act are to insure credit availability. But for one Idaho company the regulations to implement these acts have been solely responsible for the denial of credit to new customers and old alike.

This company found that under the new regulations it would be expected to send out a two page statement of consumer's rights every 6 months to each credit customer or a one page monthly summary of the same material. The company determined that the cost require an overall price increase of between 1 and 2 percent of all retail items sold, thereby penalizing even the cash customers. A company lawyer attended a seminar on the legislation. He was told by a lawyer for the Federal Reserve that there were some parts of the legislation he could not explain and further enlightment would not occur until after some cases had been tested in court. The fact that this experiment could cost a businessman 1 percent of his net worth or 5 years in jail did not seem to bother him. Rather than take such risks itself or penalize its customers, the company took a drastic step.

I would like to read a brief letter they mailed to their customers—Idaho consumers—one of whom, understandably irate, thanked Congress for making his life more difficult. The letter reads as follows:

> Dear Customer: Last fall the Federal Fair Credit Billing Practices Act and the Federal Equal Opportunity Credit Act became law. Various regulations implementing these Acts became effective on different dates over the next two years.
>
> These Acts and regulations require most retail businesses to make extensive and expensive changes in their retail, consumer credit procedures. For most retail businesses, the cost of these changes is prohibitive.
>
> After considerable thought, (name of company omitted) has decided that it is not fair to pass along any additional cost to you, the consumer, nor change the effective and personal service we have always provided. Therefore, (the company) has decided to close all retail, consumer credit charge accounts effective November 18, 1975.
>
> This closure is in no way a reflection upon your past credit performance, which has been entirely satisfactory, nor is it an indication of our unwillingness to continue to do business with you. All retail consumer sales will now be on a cash basis.
>
> It is very discouraging to us that the Federal Government is making it increasingly difficult to provide retail consumer credit services to our customers and friends.

The end result therefore of this combination of legislation and regulation—and remember that you do not get the latter without the former—changes only one thing. Those who did not get credit before still would not get it. But those who formerly received it will no longer do so. If you cannot equalize the situation by improving it, equalize it by making everyone's life more difficult. The thin line between discrimination and choice is one which the Federal Government should not be able to obscure. Discrimination in today's usage is the arbitrary provision for some citizens over others, along lines which express a preference for or a dislike of certain individuals or groups for equally arbitrary reasons. Choice is that sort of decision necessary for the carrying out of predetermined goal—like the selling of merchandise—and is derived from it. Only the individual can determine what choices are applicable to the achievement of this goal—in this case the presentation of customer service. We could not have a clearer instance of the effect of preemption of this choice by Federal actions.

Small businessmen are the most responsive people in the world to the consumer. The consumer himself acts as regulator. In many instances where the population is sparse or simply in the interests of good business, retailers depend most heavily upon return business. There is simply no way to achieve this except by satisfying the customer. The effect of the new regulations under the Truth in Lending Act, the Fair Credit Billing Act, and the Equal Credit Opportunity Act is precisely to reverse that situation. Interposed between the retailer and the consumer is a regulator whose usual contribution is to gum up the works. One of my constituents complained—

> In each case (of additional regulation), the result was to make the piece of paper the consumer receives longer, more detailed and less comprehensible than the form it replaced. If the FTC has its way, each warranty will have a little law course on consumer remedies printed right on it.

Before long the bureaucrats and the form printers will comprise more than half the population. Most consumers are not disposed to wade through the masses of verbiage which Federal regulators force businessmen to send to consumers and, given the inability of the average bureaucrat to write the English language, they would not understand it if they did. One small businessman in Idaho complained to me—

> We could simplify the forms, shorten them, make them easier to read if only the federal regulatory agencies didn't forbid us from introducing any variation into them. But a lot of these forms have to be reproduced verbatim from the Federal Reserve Board's language, and we would suffer legal penalties if we made them more readable.

In some cases regulators exhibit a total lack of knowledge about how a business actually operates.

Rules require warrantors to print the notice that "The retailer has a copy of the complete warranty on this product. Ask to see it," on the principal display panel of the package, carton, or other product container. That is fine for a blender but what do you do with a tire? On the other hand the manufacturer of television tubes would have no such trouble complying with that regulation, but most consumers will never see the box.

A further perverse effect of regulation is that it exhibits an almost unfailing propensity to assist precisely the party not intended as its beneficiary. If a small company sells its own products and retails those of a larger company, both businesses must hire lawyers to determine how to comply with Federal regulations. Big companies can spread the cost over a larger base and as a result pass on less of a price increase per unit to the customer. The products sold by big business are cheaper and, therefore, more popular. Guess who goes out of business. As one Idaho small businessman put it.

> The cost of printing new forms is largely in setting up the type. The incremental cost for each of the last 990,000 copies of a new form is much less than the average cost of each of the first 10,000 copies which the small businessman must buy. There are enough economies of scale which give an economic advantage to the large business over the small business without the federal government's regulations giving this aid to the creation of oligopolies.

Putting the small retailer out of business means narrowing the available choice to the consumer and depriving him of that personal quality characteristic of small operations.

Mr. President, have we forgotten that merchants are forced to pass along to the consumer the costs he incurs from Federal regulation? Inevitably, there comes a point when those excessive costs are a greater concern to the consumer than the unscrupulous businessman he is being protected from. Form printers are not the only ones who benefit from overregulation. So do the lawyers.

A good deal of high-priced talent is subsidized by the consumer for whose supposed benefit the incredible complexities of State and Federal regulations must be identified for compliance. In a State neighboring Idaho—one in which some of my constituents do business and make purchases—certain charges must be identified as "service charges." The Federal Government insists that they be called finance charges. Batteries of lawyers are required to maneuver through this and numerous similar difficulties. Federal interference with State law is not only unconstitutional. It is expensive.

Lastly Mr. President, I would like to take issue with those people who see the regulatory system as intrinsically good. I think that the opposite is true. Regulation is a tool to be used sparingly and as a last recourse and should be subject to constant review. It is proving itself much too strong a medicine; over prescribed, with serious side effects and one which may eventually kill the patient.

Mr. HANSEN. Mr. President, will the Senator from Idaho yield?

Mr. McCLURE. I am happy to yield to the Senator from Wyoming.

Mr. HANSEN. I wish to make some observations with respect to the deepening morass in which Americans find themselves sinking as we go down into more and more Government regulation.

The Senator spoke about a number of areas, and I recall when we were trying to get some reasonable amendments on the OSHA bill. Senator CARL CURTIS led the fight in that case. He went over to the Library of Congress to get all the regulations that pertained to OSHA, the Occupational Safety and Health Act, which practically everyone endorsed and voted for. I did. I have not read it. I would not vote for it if I were given the opportunity again to reconsider.

Does the Senator know what happened? Senator CURTIS found out that there is not any printed copy of those regulations. That is an amazing statement. It is amazing, until we stop to understand, as CARL CURTIS found out, that the reason why they are not printed is that by reference—by reference only—all sorts of codes and standards and guidelines and agreements become part of those regulations.

When Senator CURTIS went to the Library of Congress, he asked for all the material, so he could bring it over physically and display it to the Members of the Senate, in order that they might better understand what he was talking about, and he could not get it. Senator CARL CURTIS, a U.S. Senator from the State of Nebraska, could not take from the Library of Congress the laws and regulations that tell the American businessman what he has to do to comply with the law. The reason the Library of Congress gave him for not letting him take that material from the Library, to bring it to the floor of the U.S. Senate, was that some of these copies are not in sufficient supply so as to permit their being taken out of the Library of Congress.

Senator CURTIS said:

> If we were able to get all of it, how much of a stack would it be, how many inches high?

As I recall, the answer was, "It would not be so many inches high. It would be a stack 34 feet high."

We have been trying to tell the farmers, the ranchers, the plumbers, and everybody else what to do. I have a friend from Casper, Wyo., who had a little furniture store. It was one of those little Ma and Pa stores. He had one lady, 67 years old, who had been working for about 30 years. The OSHA inspector came in and said, "You have to have two separate toilets, and you have to have a couch." So that the toilet used by the female occupant of this store, even though it is only a wife, has a couch in it. Furthermore, the toilet seat must be split.

He could not understand why the thing must be split. I did not understand, either. I found out about 2 months later, when I was talking to the regional administrator for OSHA in Denver, Colo. He said, "That is a perfectly understandable and reasonable rule."

He said, "One of our inspectors may come in to inspect the facilities, and we do not want him to get a broken neck if he is trying to get a drink and the lid falls down."

Anyway, I think it is perfectly ridiculous that we pass that kind of regulation and impose by regulation upon the American businessman a set of rules that CARL CURTIS, a Member of the U.S. Senate, could not get to show us in Congress and that we expect 213 million Americans to comply with.

I thank my colleague from Idaho.

Mr. McCLURE. I thank the Senator from Wyoming for that comment. Does the Senator remember what it would cost that businessman who is running the little Mom and Pop store to install the facilities that were being required by the regulations?

Mr. HANSEN. As I recall, it would cost him about $15,000 to comply with the law.

Does the Senator know what he did? He sold the store. He is out of business. The lady, 67 years old, is out of a job.

The PRESIDING OFFICER (Mr. EAGLETON). The time of the Senator has expired.

Mr. HANSEN. If I have any time, I should like to yield it to the Senator from Idaho.

The PRESIDING OFFICER. The time of the Senator from Idaho has expired. There are 4 minutes remaining on the time of the Senator from Arizona (Mr. FANNIN).

Mr. McCLURE. Will the Senator yield a couple of minutes to me?

Mr. FANNIN. Yes.

Mr. McCLURE. I say to the Senator from Wyoming that that $15,000 cost, if he had complied with it—as I recall the incident from his remarks, the woman who was employed in that store was also the wife of the owner of the store. So while they could occupy the same home and the same bed and use the same facilities at home, they had to have separate facilities at the store. Who pays the cost of complying with that kind of silly regulation? The businessman, if he is to stay in business, adds the cost of complying with the regulations into the goods that he is selling across the counter at the store. The consumer who trades at that store is going to pay the price of the regulation, which had no reasonable foundation or basis in the first place. Is that not correct?

That is the tragedy, that sometimes we say we are doing these things for the benefit of the consumer and it is the consumer who pays the bill, just as it is in the instances to which I made reference.

I thank the Senator from Arizona for yielding this time.

Mr. FANNIN. I commend the distinguished Senator from Idaho, and I thank the Senator from Wyoming for his reference to the mom-and-pop store, where OSHA has imposed regulations and requirements for restrooms. I imagine that the EEOC's regulations would say, if you provide it for male workers, you have to provide it for female workers. That compounds the problems that we have.

Mr. President, I reserve the remainder of my time.

Mr. HANSEN. Will the Senator yield to me?

Mr. FANNIN. Whatever time I have remaining, I yield to the Senator from Wyoming.

FEDERAL REGULATION—THE COST TO CONSUMERS

Mr. HANSEN. Mr. President, it has been estimated that Federal regulation of many facets of American life costs $130 billion annually.

The cost of this regulation to the American family is $2,000 per year.

The cost of Federal regulation is appalling. Under the ostensible purpose of protecting the public interest, Federal regulation has diminished and eliminated competition, caused increased consumer costs, and contributed to double digit inflation which threatens the economic structure of this great country.

Mr. President, it has been estimated that economic regulation constitutes $45 to $60 billion of the total $130 billion used for Federal regulation. Environmental regulation accounts for another $50 to $60 billion, with health, safety, and product regulation absorbing more than $10 billion.

The above costs are not surprising when the size of regulatory agencies is ascertained. There are 12 Federal departments, 75 agencies, 1,000 boards, commissions and advisory panels. These Federal regulators employ 64,000 people.

What are specific costs of regulation which result in higher prices to consumers and contribute to double digit inflation?

It has been estimated that safety standards of the Consumer Product Safety Commission could increase the cost of a $100 lawnmower to $186. Who will pay this cost? The consumer.

The price of a car has increased an average of $320 per vehicle because of safety and pollution regulations. The U.S. Council on Environmental Quality reports that it will cost $112 billion to accomplish antipollution objectives from 1972 to 1981.

In order to comply with OSHA health and safety standards, industry will be burdened with a bill estimated anywhere from $2.5 to $3.4 billion by 1977. Under OSHA, not only are employers penalized for not providing required safety equipment and conditions, but they are also cited and fined when employees willfully disregard orders to use available protective equipment. To punish the employer, who has made a good faith effort to protect his workers, when these workers violate the requirements, is a gross injustice.

Mr. President, in the colloquy on January 26, my statement pointed out the inequities of the OSHA legal proceedings for a small businessman to contest a citation. Small businessmen do not have the financial resources to hire lawyers, accountants, and consultants to muddle through the OSHA regulations and to contest a citation.

A letter from a constituent points out the serious deficiencies of OSHA procedures. This was an independent businessman employing a number of employees on drilling rigs. An OSHA inspector issued the employer a serious citation because an employee was riding on a set of traveling blocks up a derrick without a safety belt. The employer requires and provides a safety belt and tailrope. The employee had disregarded the employer's instruction on their use.

Mr. President, is the employer obligated to fasten the safety belt on the employee each and every time it is to be used? This flies in the face of commonsense. If the employer pays the serious fine, it is likely that this cost will result in higher prices to consumers. Such unreasonable fines threaten the financial solvency of the small businessman, many of whom are operating on marginal capital.

Mr. President, another case in Wyoming comes to mind. Even though the Government is obligated by law to control predators of livestock on the public lands, the Government proceeded in 1972 to impose a ban on the only effective means of protecting livestock from coyotes. EPA imposed a ban on the interstate shipment of the poisons 1080, sodium cyanide, and strychnine, which are used by Wyoming sheep ranchers and other western ranchers to control the killing of lambs and sheep by predators, to wit coyotes. This order to ban the use of certain poisons has caused a tremendous increase in livestock losses to coyotes, even though limited and controlled use of poisons would not be a harmful thing. Coyotes have accounted for the loss in Wyoming alone, in 1 year, of 28,000 sheep and more than 78,000 lambs.

The Wyoming Department of Agriculture figures illustrate increased percentage losses yearly despite some effort by the Interior Department to reduce losses through its animal damage control program. The Wyoming Agricultural Department indicated in 1973 that—

> Coyotes continued to be the major cause of predator loss in Wyoming . . . Sheep lost to coyotes increased 58% from 1972 while lambs lost to coyotes was up 13%.

Losses to ranchers have been substantial. Part of this loss will be passed on to the consumer.

Mr. President, there are 5,146 different forms required by the IRS, regulatory agencies, and environmental and safety agencies. Excluding tax forms, individuals and both small and large businesses expend 130.5 million hours filling out these forms. It has been estimated that the cost of businesses is $18 billion for filling out these forms. Because of this overkill of regulations, the consumer is paying a higher price for goods and services.

There is another factor which should be considered in Government regulation. That is the contribution that these regulators make to inflation. As pointed out by Dr. Murray L. Weidenbaum in a recent article in the Washington Post entitled "Government Regulations: The Inflationary Costs," the issue is not the worth of the regulatory agency's objectives. Dr. Weidenbaum says:

> Rather, it is that the public does not get a "free lunch" by imposing public requirements on private industry.

Mr. President, these regulations of Federal departments, agencies, and commissions cost taxpayer dollars. The Federal Government contributes to double-digit inflation by enactment and administration of these rules and regulations. And who, Mr. President, bears the brunt of this inflation? I submit the consumer.

Mr. Lewis A. Engman, former Commissioner of the Federal Trade Commission, was quoted as saying last August—

> If we are to restore our economy to a vigorous footing, we must return to free enterprise in the marketplace.

I agree.

In summary, regulation by Federal agencies, departments, and commissions is affecting the consumer in an adverse manner. The point must be made that the pervasiveness of Federal overregulation affects all.

Mr. FANNIN. Mr. President, I ask unanimous consent that the statement of Mr. Curtis be printed in full in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement by Senator Curtis

As we near the Nation's 200th birthday, the Federal bureaucracy has reached such a mammoth size that it threatens to trigger another revolution. The cost to taxpayers of maintaining this unwieldy, uncontrollable, unresponsive bureaucracy could very well dwarf the oppressive wrongs which prompted the colonists to revolt against the mother country.

I would like to cite a few examples from my own files and experience.

The Occupational Safety and Health Administration spent $293.3 million between April, 1971 and July, 1975, and by some estimates may spend as much as $116 million this fiscal year. Those amounts represent only a fraction of the cost of business to comply with OSHA regulations. Conservative estimates indicate that corporate expenses may total $3.12 billions for the last year alone, costs which are surely being passed on to consumers through higher prices. The costs to consumers and business will increase even further with the displacement of workers that results in many going onto welfare rolls and off the tax rolls. The loss of businesses, especially small ones which are forced out of business by OSHA fines and tough enforcement, can stifle the economy of many small communities.

The Gerald Gentleman Station power plant in Nebraska is a prime example of how federal regulation and red tape can cost taxpayers literally millions of dollars. Plans for the coal-fired plant, needed to meet the state's growing energy needs, were initiated in 1973. The Sierra Club, in November of the same year, filed a complaint with the Federal Power Commission on environmental grounds. It is interesting to note that the State Department of Environmental Quality approved the power plant construction plans as complying with state and federal environmental quality standards. The EPA upheld the Nebraska state agency decision in this regard, and federal courts also upheld the construction of this plant.

Yet, the Sierra Club was able to have its complaint against the power plant construction taken up by the FPC under the authority of the FPC over an original hydro-electric project built there some 40 years ago. At the same time the Federal Power Commission agreed to process the claim of the Sierra Club, it refused—and has continued to do so—to act on applications filed by the Nebraska Public Power District to amend the original hydro-electric project boundary to allow expeditious construction of the new plant.

Based on the Sierra Club complaint, the FPC issued a cease and desist order on any further construction of the plant. As a result of the FPC decision to date, the citizens and consumers of Nebraska have already been harassed with an additional estimated $100 million in costs. The FPC decision resulted in relocation of the plant facilities at a cost of $9 million, that also entailed a one-year delay in the earliest planned operation of the 650 megawatt plant for 1976. According to information supplied by the power district and the Mid-Continent Area Power Pact of which the Nebraska Public Power District is a member, the Gerald Gentleman Station had been planned to meet power needs in 1977 to keep electrical shortages to a minimum in the Midwest.

Now, however, brownouts and power shortages are forecast for the Great Plains States as a result of this delay. Furthermore, annual additional expenses of $38 million are forecast for the Nebraska Public Power District and the consumers of Nebraska to purchase the supplemental electricity that the delayed station would have otherwise been producing.

The irony of this case is that the FPC acted on an environmental complaint against the project and failed to recognize that it had met requirements of the Nebraska and federal Environmental Protection Agency on environmental grounds. This is an example of federal overregulation that has cost consumers of one state alone more than $100 million.

A regional motor carrier purchased a smaller company about five years ago and received temporary approval from the Interstate Commerce Commission to continue operation of the small company's routes. The smaller firm served a large Nebraska city and several other points and was one of several other motor carriers serving the area. The regional carrier was highly regarded in Nebraska for good service and the situation drew no complaints or seemingly posed no threats to competition in the area. Now the ICC has directed the larger company to dispose of the routes formerly operated by the small carrier. Surely, this is an example of federal regulation becoming more costly to consumers and one where the ICC is acting to minimize competition.

The Civil Aeronautics Board took more than four years to decide airline service approvals involving several airlines for service between Omaha and Des Moines and other eastern routes. For many years Omaha had been served by one airline, though several others had petitioned to add the city to their schedules for north-south and east-west service. Such restrictions not only cost customers more time and inconvenience, but question whether there is a need at all for such jurisdiction by the Civil Aeronautics Board.

The National Labor Relations Board, which ignored the needs of Wyoming miners in allowing the United Mine Workers of America to represent them in 1973, shows to me a need for swift reform of the bureaucracy. Fortunately, the board, initially set up for the benefit of miners, union and corporate interests, eventually allowed the taxpaying miners a right to have their wishes recognized by the reinstatement of another labor group in place of the UMWA.

The cost to taxpayers of maintaining our massive bureaucracy is atrocious. The Postal Service is an example of a government bureaucracy which has increased the costs of operation phenomenally in recent years while the service it performs has steadily worsened.

The regulations and requirements of the Environmental Protection Agency are so voluminous, restrictive and complicated that virtually every federal, state and local government entity—as well as many private sources—have been loaded down with ridiculous paperwork requirements. In a central Nebraska newspaper editorial last year, federal regulations were taken to task for bringing Environmental Impact Statements into the installation of crossing signals and gates at a rural highway intersection in the state. The editorial pointed out that installation of the signals and gates had been delayed almost a year while the Environmental Impact Statement was being prepared. The crossing guards were to be installed as a safety factor and it is beyond my comprehension how anyone could perceive an effect on the environment by the installation of two flashing lights and gates at the crossing.

I wonder at the wisdom of federal regulations that cause heavy cost increases while appearing to be more concerned with railroad crossing signals disturbing quail roosting nearby, or flashing red lights blinding sparrows in flight.

The import of the initial consideration of railroad crossings—that of safety to both motorists and train crews—seems to have been lost.

Another example of the folly of federal regulations in relation to an Environmental Impact Statement and the Environmental Protection Agency occurred in Nebraska last year when a new highway bridge which would have replaced an older one was delayed because of the EIS requirement, even though it would have been located about 100 feet to the side of the present one. In reading the information in the Environmental Impact Statement letter, I found that the study was concerned with tree placement surrounding the bridges and relocation of the road.

Most of the extensive federal regulations have required additional personnel in government and the private sector to handle the paperwork and reporting requirements. In the case of the Occupational Safety and Health Administration, regulations and requirements have increased costs for small businesses and farmers and in several instances have forced the bankruptcy and closing of small companies. In one instance, a small agricultural manufacturing company closed its doors after OSHA cited the firm for violations which would have cost about $3,000 to rectify. OSHA ignored the fact the company had absorbed another firm which was in financial distress only shortly before the inspection, in addition to the fact the building under question was leased only until February, 1976 and such changes were economically impossible under terms of the lease. Not only did the community lose an industry vital to the surrounding economy, but it also lost employment for twelve persons.

It is interesting to note that while the federal government compounds regulation upon regulation, little attention is paid to the effects of these rules upon the citizenry or the economy. For instance, I know of no effort by OSHA to determine or record the closings of businesses or losses of jobs as a result of the enforcement of its regulations.

There is one agency that has made an attempt to analyze the impact of its regulations on business, labor and the economy. Under an interagency agreement, the Environmental Protection Agency monitors effects of its regulations on the economy and reports its findings to the Secretary of Labor. In a June, 1975 letter, EPA reported that for the period between January 1971 and March 1975, cumulative data showed that 108 manufacturing plants had job losses due to compliance with EPA requirements. The report said that actual job losses totalled 12,560 in 71 plants during that time. It stated further that another 37 plants threatened with closing or curtailments could result in the unemployment or displacement of 33,850 workers.

Surely the impact of EPA regulations on business, labor and the economy is significant. Then, when we consider the effects of other federal agencies such as the Occupational Safety and Health Administration, Federal Trade Commission, Federal Power Commission, Interstate Commerce Commission and Civil Aeronautics Board, along with many other departments and bureaus, I believe it is plain to see that government regulation is fast pricing the country into bankruptcy.

Of the 11 principal departments under the Executive branch, many have overlapping jurisdictions. I continually hear from constituents who ask questions of various federal bureaucratic agencies, only to have their queries go unanswered or delayed for six months. There are 36 major independent agencies, bureaus and administrations in the federal organization, with literally hundreds of other minor and smaller agencies. Each has its own volumes and reams of regulations and requirements which directly and indirectly affect the economy in general and the availability of jobs, and which threaten our very free enterprise system.

A General Accounting Office report recently showed that private insurers had processed Medicare forms at less cost than the federal bureaucracy, along with a speedier pay-off time for claims handled through the private firms. The September 30, 1975 study stated that the Social Security Administration was spending an average $12.39 in 1973 to process the same Medicare hospital or nursing home bills private insurers could process for $6.45. The study also concluded that it took federal bureaucrats longer to pay Medicare claims, with only about half of its incoming bills handled within 15 days, than private firms, who compiled a 79 to 89 percent average during the same time period. The delays and inefficiency ultimately cost all Americans more because our tax dollars are paying for the higher costs.

An irrigation district in Nebraska has been directed to formulate an oil spill plan by the U.S. Coast Guard, even though in its Environmental Impact Statement on construction of a small reservoir, the district said that motor craft will be prohibited from the reservoir. There will be no in-lake drilling or any near the lake, but the Coast Guard still insists on the ridiculous preparation of the oil spill plan. There is no telling how many hundreds of dollars of taxpayers' money will be poured into interpreting the useless (in this case) plan by the Coast Guard or the Department of Transportation.

I am appalled at the continuing amount of stories such as one in The Washington Star on Monday which quoted Medicare officials in the Social Security Administration as saying millions of dollars in public funds were being spent for needlessly rented equipment for beneficiaries, but they, as the story states, "say they are powerless to stop it." To make matters worse, these officials whom we have hired to economically and efficiently administer the agency with public funds, say they are not sure how much money has been misspent. Another article two weeks ago quoted Social Security Commissioner James B. Cardwell, in a letter to the House Ways and Means Committee and the Senate Finance Committee, on which I serve, as saying the federalized welfare program has overpaid clients by $547 million in the last two years.

To add insult to injury, the percentage of checks being sent to persons who are ineligible is said to be increasing. This type of abuse of federal monies must be stopped and the bureaucracy which is squandering untold billions of dollars each year must be brought under control or we will lose not only the confidence of the people we are here to serve, but the support of our system of government.

A House Government Operations subcommittee has charged that the Department of Health, Education and Welfare risks "an unparalleled danger of enormous loss through fraud and program abuse" because the $118-billion-a-year agency does not adequately investigate how its money is spent. This, along with another recent example of federal officials in a welfare program admitting they had a 15 percent rate of squanderance which they claimed as "as low as we can get," shows that the public is not getting its money's worth for the government it is supporting. The abuse must stop and it must stop now.

Think how much good could be done with the additional funds we would have if the bureaucratic behemoth became fiscally responsible and efficient tomorrow. The Congress would have millions of dollars alone from the small problem area I mentioned involving Medicare rental costs, not to mention the larger bureaus, departments, commissions and agencies which have not yet been exposed for all their bungling. Who knows, with all the funds we would have available if such a thing took place, we might even be able to pay off our debt within a few years and come to the balanced budget I have sought for so many years.

The PRESIDING OFFICER. Under the previous order, the Senator rom Alabama (Mr. ALLEN) is recognized for not to exceed 15 minutes.

NEED FOR REFORM OF FEDERAL REGULATORY AGENCIES

Mr. ALLEN. Mr. President, the seal of the Federal Government carries a Latin motto which reads E Pluribus Unum and means in English "One Out of Many." Someone has suggested—doubtless with tongue in cheek—that a more fitting motto on the Federal Government seal would be E Pluribus Minus, which means "Less Out of More," as a more appropriate description of the Washington bureaucracy and its work product.

According to this theory E Pluribus Minus—"Less Out of More"—is a short way to state in warning terms Thomas Jefferson's or was it Thomas Macaulay's famous observation that a government which governs least governs best. We have the facts to prove that a government which governs too much governs poorly, and costs consumers too much.

Consider, for example, a recent problem-solving venture. The problem was stated this way: Consumers do not appear before regulatory agencies in sufficient numbers to advocate their interests effectively; they lack time, money and expertise, things that regulated industries, some believe, have in surplus.

The old school solution? Create yet another permanent Federal agency before which consumers also will not appear, but have the new agency appear before other Federal agencies on behalf of the unheard from consumers. This is the now moribund Agency for Consumer Advocacy — alias Consumer Protection Agency—bill which thus far has not become law, but which may be resurrected.

Since the Federal Government's seal appears on every dollar bill spent by consumers, a change from E Pluribus Unum to E Pluribus Minus according to this theory, as I have indicated, might stand as a constant reminder of the estimated $130 billion that Federal regulation costs consumers each year. That amounts to an estimated $2,000 per family, per year which the Federal Government's regulations cost consumers. The public obviously is not getting its money's worth.

The taxpayers of this country are provisioning a small army of overzealous Federal regulations whose influence on everyone's personal life and pocketbook has become pervasive.

I think, possibly, I ought to withdraw the words "small army," because a very large army of overzealous Federal regulators is providing the regulations and enforcement of those regulations that are putting a heavy burden on the consumers of this Nation.

U.S. News & World Report reported last summer that there were almost 64,000 Federal employees with identifiable regulatory functions. That would be quite an army. The great majority of these thousands of regulators are found in just 15 Federal regulatory agencies:

The Agriculture Department's inspection services and Packers and Stockyard Administration accounts for over 14,000 regulators;

The Environmental Protection Agency accounts for over 9,200 regulators;

The Food and Drug Administration has more than 6,400 regulators;

The Labor Department's employment standards and occupational safety regulatory efforts alone account for more than 4,700 employees;

The Treasury Department's Bureau of Alcohol, Tobacco, and Firearms has almost 3,800 regulators;

The Federal Energy Administration has over 3,100 employees with regulatory functions;

The Interior Department's mine safety functions account for more than 2,800 regulators;

The National Labor Relations Board has more than 2,400 regulators;

The Equal Employment Opportunity Commission has almost 2,200 regulators;

The Securities and Exchange Commission has almost 2,100 regulators;

Highway and rail safety regulation by the Transportation Department accounts for almost another 2,100 regulators;

The Interstate Commerce Commission has more than 2,000 regulators;

It has been estimated that the regulations of the Interstate Commerce Commission have imposed a burden of billions of dollars upon the public—just the regulations of this one Commission.

The Federal Communications Commission has almost another 2,000 regulators;

The Federal Trade Commission accounts for more than 1,500 regulators; and

The Federal Power Commission has another 1,300-plus.

Of course, the extent to which these statistics are out of date would result in the number of regulators being increased in possibly a majority, if not all, of these various commissions.

There are, of course, many other regulators in these and other Federal agencies, and many more Federal employees whose functions are not regulatory in nature. The Federal Government has, indeed, gotten massive, expensive and arrogant.

More government does not necessarily mean better government, but can actually mean government subject to, and capable of, abuse because of its very pervasiveness.

Federal regulatory agencies literally affect our lives from womb to tomb. They are in the business of regulating, and that they do, promulgating millions of expensive new requirements annually in areas that deal with some of the most sensitive phases of our society, economy, and governmental operations.

Unfortunately, very few people ever read the Code of Federal Regulations. This is a mountain of ever-changing and always increasing regulatory requirements and procedures, covering most minutely what people can and cannot do, especially people attempting to make a living in a regulated industry. Frankly, many of these regulatory requirements and procedures have taken drastic steps away from the democratic principle of a government based upon the consent of the governed.

It tells you, for example, where and how to make toilet tissue available to employees and what to do about weeds near your factory.

A recent Office of Management and Budget survey on the number of reports required of businesses, just from certain Federal agencies, shows that as of this past summer 2,178 different types of reports were required and that it took businessmen the equivalent of 356 million—yes, that is million—man-hours to fill them out. And the trend is definitely up.

The efforts of just the Federal regulators, alone, are estimated to directly cost us from $45 billion to $60 billion for economic regulation, from $50 billion to $60 billion in environmental regulation, and more than $10 billion for health, safety, and product regulations.

There are indirect costs as well, of course. Federal regulation permeates our entire life, making some costs incalculable. In total, however, we know that the costs of Federal regulation far exceed the benefits—E Pluribus Minus.

A General Accounting Office report on effects of environmental and land-use regulations found that more than 6 billion board feet of mature timber in national forests dies—dies, I say—every year because Federal regulators prohibit its harvest.

The price of a 1974 automobile was about $320 higher than it would have been in the absence of Federal safety and environmental requirements—this consumer cost alone adds up to a yearly $3 billion.

Mandatory safety requirements for power lawnmowers being developed could almost double the cost of a $100 mower and might put 25 manufacturers out of business according to a Stanford Research Institute study.

A small manufacturer testified in congressional hearings that his company—which employed 120 people—must fill out 40 different Federal forms, some several times a year, some for each employee. A large firm with 40,000 employees reported that it uses 125 file drawers of backup material just to meet Federal reporting requirements applicable to personnel, alone. In total, individuals and businesses spend over 130 million man-hours a year filling out Federal forms.

Our mushrooming bureaucracy costs the consumers more and more each year, while assuring that consumers get less and less of the service they need from the Federal Government.

Our beloved former colleague from North Carolina, the great Senator Sam Ervin, recently viewed the Federal Government from the point of view of his new status as a private citizen. His picturesque summary of the situation, as usual, captures the problem perfectly. Citizen Sam had this to say: "The Federal bureaucracy," he said, "has become like the third curse of Moses—a suffocating plague of frogs brought forth from out of where they belong into the villages and the very houses of the people."

We can no longer afford to allow this trend to continue. One form of price controls which should be tried before any other type is attempted is for the Federal Government to put a lid on the unnecessary and unwanted costs its excessive regulations impose on the marketplace.

Mr. President, regulatory reform is urgently needed to pierce the veil of Federal agency press releases and identify for destruction or modification costly programs and agencies which have outlived their usefulness, or which were never useful in the first instance.

Mr. President, how much time remains out of the time allotted to me?

The PRESIDING OFFICER. The Senator has 3 minutes remaining of his time.

Mr. ALLEN. I am delighted to yield the time back to the distinguished Senator from Arizona.

The PRESIDING OFFICER. Without objection, the time is yielded back to the distinguished Senator from Arizona.

Mr. FANNIN. Mr. President, I commend the distinguished Senator from Alabama. He has been referred to many times as the guardian of the Treasury. I think we can properly say he is one of the greatest protectors of the consumer because, with all that he has done in this body, he has protected the consumer from paying what I believe to be billions of dollars.

If we look at his record over the years, his fight for a balanced budget, his determination not to have legislation that would be very detrimental to the consumer and thus save business from passing on these exorbitant costs to the consumer, it all adds up to tremendous costs saved the consumer. Many do not recognize how important his work has been in this field, but certainly the Senator from Arizona has been observing his continuous fight to try to cut down costly items in the budget that are not productive and that just add a further burden, as he has pointed out this morning, on the consumer.

I commend him for that great work.

Mr. ALLEN. I thank the Senator for his very gracious comments.

Mr. FANNIN. Mr. President, the distinguished majority leader, the Senator from Arizona understands, had 15 minutes reserved. He very graciously agreed that if the Members who were participating in the colloquy this morning needed that time he would be glad to yield that time. I am sorry he is not on the floor at the present time. But, with the consent of the Chair, the Senator from Arizona would like to yield to the distinguished Senator from Ohio (Mr. Taft) for the time required up to that amount of time.

The PRESIDING OFFICER. Without objection, the time previously allotted to the distinguished majority leader will now be under the control of the distinguished Senator from Ohio (Mr. Taft).

REGULATORY AGENCY REVISION

Mr. TAFT. I thank the Senator for yielding me this time. I commend him and others who have initiated this colloquy on this vital subject that, I think, has growing support from people all over the United States.

Back in September of 1975 I introduced the Regulatory Agency Revision Act of 1975. That bill was designed to bring substantial reform to the regulatory process by making our regulatory agencies effective and vigorous watchdogs which the American consuming public deserves and expects.

The bill was introduced on the assumptions that there are ample Federal agencies in being to protect the consumer and public interest if they would do so; and there is a vital need for prompt and comprehensive regulatory reform. My bill would contribute to the massive undertaking of achieving regulatory reform by making a full and complete study of the desirability and feasibility of establishing various administrative courts and transferring to such courts the adjudicatory, licensing, and rulemaking functions of regulatory agencies.

I might call to the attention of the Senate the fact that there is in existence in Washington a body composed of the administrative law judges. They have their own organization. I have talked with them at some length. I addressed the body, I think several hundred of them, in early December on the general subject of splitting off the adjudicatory functions from the regulatory agencies, which I think would be a major step in achieving the reform that we desire. I must say that I received very, very broad support from that body for such an approach.

Also, I indicated at the time of the Consumer Protection Agency bill, the Agency for Consumer Advocacy we now call it, that I felt that this was the place, rather than moving toward a new agency, where we ought to try to establish some principles of reform in the current agencies and see to it that the public agencies that already have a duty not only to legislate or regulate in behalf of the public, but also for the consumer as a part of the public, perform their functions.

The Consumer Protection Study Commission, called for in my bill, is patterned after the famed second Hoover Commission which in 1955 submitted extremely comprehensive recommendations relative to the transfer of adjudicatory functions of regulatory agencies to new administrative courts. Unlike the earlier Hoover Commission, however, this study group would have a very limited task in that it would be charged with restudying only part IV of the 1955 report. The Commission would reexamine, modify, particularize, and resubmit recommendations numbered 50 and 51 from the earlier Hoover Commission Report. More importantly, it would be the function of this new Commission to make a recommendation with respect to maintaining within the agencies studied a prime responsibility for protecting the interests of consumers as they relate to the functions performed by the agencies and administrative courts. The new Commission would have to report back to the Congress within 6 months from confirmation of all members of the Commission. The Congress could then intelligently proceed with legislation to accomplish this fundamental reform to protect the consumers' interests.

Mr. President, a number of matters have come to my attention dealing with this entire problem of regulatory reform. Particularly, I would like to call to the attention of the Senate, and I ask unanimous consent to have printed in the Record at this point, the following items:

First, an article from the American Bar Association Journal of October 1975, by Peter A. White, entitled, "FTC: Wrong Agency for the Job of Adjudication." This article makes the point very clearly that the FTC function is hampered because of the dual role it serves as prosecutor and judge of FTC violations. The author of the article indicates that he would recommend the adjudicatory task be given to the Federal court system, whereas my bill, of course, suggests creating an administrative law court system. I think the article and the proposal indicated therein certainly deserves study.

Second, I shall ask to have printed in the Record an article from the New York Times of Sunday, November 9, 1975, by David Burnham, recounting the position taken by the Secretary of Labor at that time, John Dunlop, proposing that the Ford administration make a subtle but fundamental change in the way the Government develops and enforces regulations affecting the pocketbooks, health and safety of millions of Americans. Particularly, it is pointed out in that article that there has been really no role, no particular role, for the affected regulated parties to participate in the formulation and drafting of regulations prior to their promulgations by these agencies.

For instance, just recently I talked with beryllium manufacturers who are in a discussion with OSHA over possible new standards for beryllium. Standards were established back in 1949 by the AEC and the industry in connection with that particular type of metal—and a very vital metal for our national defense—and these standards have been followed very carefully ever since. In the consideration of new proposed regulations, the industry, for all practical purposes, was not consulted in the present situation and it is concerned that the standards so unilaterally proposed are both feasible technologically and economically.

Mr. President, I ask unanimous consent that the articles to which I have referred may be printed in the Record at this point.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the American Bar Association Journal, October, 1975]

F.T.C: Wrong Agency for the Job of Adjudication

(By Peter A. White)

(Note.—Peter A. White served as chief counsel for the F.T.C. in its antitrust action against the eight major oil companies until July, 1975, when he returned to private practice. He is a graduate of Kenyon College (A.B. 1966) and Duke University (J.D. 1968).)

The Federal Trade Commission is growing and changing as a prosecutor of the broad trade regulation laws under its jurisdiction. First, it has entered vigorously into the arena of complex litigation. Second, it is undergoing substantial procedural change in an attempt to accommodate an inadequate administrative system to the burdens of major case activity. The purpose of this article is to point out how the enforcement role of the commission is evolving, to question recent amendments in its procedures as solutions to the problems inherent in administrative proceedings, and to propose a structural alteration that will enhance the commission's litigative abilities and enable it to fulfill its other roles more effectively.

In recent years the commission has drastically expanded the scope of its enforcement activities beyond the traditional "behavioral" cases that were its mainstay during the "Little Old Lady of Pennsylvania Avenue" days. Marketing practice cases and others of that variety have yielded in importance to more dramatic charges of monopolization and to cases that address the anticompetitive structure of major industries in the United States. Complaints alleging illegal monopoly have been issued, for example, against the four major cereal manufacturers—Kellogg, General Mills, General Foods, and Quaker Oats—charging joint monopolization of the ready-to-eat cereal market and against the eight major domestic oil companies—Exxon, Texaco, Gulf, Shell, Indiana Standard, Mobil, California Standard, and Atlantic Richfield—charging joint monopolization of the refining industry in the eastern and Gulf Coast regions of the United States.

These and other matters show that the little old lady now considers herself liberated and is flexing her muscles joyously under the broad statutory authority of Section 5 of the Federal Trade Commission Act. And there is every evidence that she will continue to do so. James T. Halverson, former director of the F.T.C.'s Bureau of Competition, emphasized the trend toward major case activity on repeated occasions. Addressing an antitrust institute of the Ohio State Bar Association on October 18, 1974, he stated:

"In short, our approach is (1) to select broad, industry-related product areas of our economy, and (2) to examine in depth the relationship among the various markets and functional levels in these segments of the economy, up and down the distribution chain.

"Our traditional approach has been to proceed against single firms and one particular practice. Under our new approach we are focusing upon entire industries."

Lewis A. Engman, the commission's chairman since 1973, is thinking even bigger. Not only has he endorsed the industry-wide approach, but he has attacked as a matter of policy the anticompetitive activities of federal and state entities, criticizing in unabashed terms the Civil Aeronautics Board, the Interstate Commerce Commission, and state fair trade laws, among others.

Perhaps more important, Congress seems delighted by all this activity. The F.T.C.'s budget increased greatly in fiscal year 1974 and 1975, and an even larger appropriation has been granted for fiscal 1976. Indeed, Sen. Philip A. Hart, chairman of the Antitrust and Monopoly Subcommittee of the Senate Judiciary Committee, recently introduced (with forty-one bipartisan cosponsors) S. 1136, a bill to authorize a supplemental appropriation to the commission of $105 million over the next three fiscal years. The bill's express purpose is "to support and invigorate a national antitrust enforcement program" and to enable the commission "to restore and maintain competition in the marketplace, and to prevent and eliminate monopoly and oligopoly power in the economy."

This, by any standard, is no mean task. Yet the commission stands ready and willing to take it on. The crucial question, however, is whether the commission is able. There is substantial evidence that it is not.

Stated simply, the traditional administrative system, in which an agency is both the prosecutor and judge of the adjudicative matters before it, is not adequate for the management of major litigation. I was privileged to serve for nearly two years as chief counsel for the commission in its case against the eight major oil companies, *Matter of Exxon Corporation, et al.*, Docket No. 8934, and base the foregoing conclusion on my experience with the commission. The following comments on commission adjudication, however, are stated in general terms, and should not be taken as personal reflections on the past, present, or future of the *Exxon* matter.

ORDERS MAY BE DISREGARDED

It is manifest that the ability of any judicial entity to manage the issues before it justly and efficiently depends ultimately on its power to enforce its orders. The power of contempt, however infrequently used, is the cornerstone of effective judicial control. Yet the administrative law judges before whom commission cases are tried initially and the commission itself have no contempt (and therefore no enforcement) authority whatever. Accordingly, any order, whether procedural or substantive, of an administrative law judge or the commission may be flatly disregarded (for valid or spurious reasons) by a respondent in a commission proceeding. This action requires the extremely time-consuming and inefficient procedure of the commission initiating enforcement proceedings (in effect a new lawsuit) in federal court.

In a major case it is reasonable to anticipate the taking of hundreds of depositions, the issuance of thousands of subpena specifications, the propounding of numerous interrogatories, and countless other matters sanctioned by an order of an administrative law judge. Under current administrative practice, each of those might require the initiation of a separate enforcement proceeding in federal court. The likelihood of collateral litigation increase in major cases, in which the stakes are higher, the orders more numerous, and the respondents better able to sustain the attendant costs. But whether delays have occurred or definitely will occur is, to a degree, irrelevant. The existence of this structural flaw and its inhibiting influence on judicial authority in administrative cases is intolerable.

Much the same is true of collateral attacks in federal court against the investigative or adjudicative activities of the commission. These attacks may be brought in any district court in the United States and usually allege that an act of the commission has violated the due process rights of the complaining party. Collateral actions of this nature burden the courts, tie up commission resources, and frequently result in the substantial and unnecessary delay of commission proceedings. Of course, the forcing of enforcement actions or collateral attacks is not in every instance spurious. These issues should, however, be raised in a single forum, that in which all issues of a commission case should be tried.

COMMISSION UNDERGOES REMARKABLE CHANGE

Other hurdles of the administrative system are raised by the dual role of the commission as prosecutor and judge. Under current procedures, the commission determines whether there is reason to believe that the law has been violated on the basis of evidence collected by its operating bureaus. If it decides that there is cause, a complaint issues, the bureaus commence prosecution of the case, and the commission undergoes a remarkable transformation from accuser to impartial judge.

There are many who believe that so abrupt and radical a transformation defies human nature. (See, for example, Elman, "A Modest Proposal for Radical Reform," in 56 A.B.A.J. 1045 (1970).) Due process requires that a respondent in a commission regulatory action be accorded a fair hearing. But can the accused be tried impartially by his accuser? Not only is a commissioner likely to be influenced by his or her former enforcement commitment, but other factors may tip the scales against a respondent. These include an awareness, especially in major matters, of past commission appeals to Congress for substantial enforcement funds spent in investigation, trial preparation, and the trial itself. A decision adverse to the commission's original position may be felt to constitute an admission that the funds were wasted. On the other hand, commissioners may feel pressure to lean in the opposite direction, away from the staff position, to avoid criticism for possible partiality.

I emphasize that there is no evidence that the commission has been less than fair in its adjudicative role. Whether the factors mentioned have been influences cannot be ascertained. We have learned, in recent years especially, that appearance may be as significant as reality. There are obviously questions that will never be put to rest concerning the commission as an impartial judicial entity. These questions will recur more frequently as the commission undertakes matters of greater economic and political significance.

A practical problem of this dual role arises from the rule—which is quite proper and necessary—barring ex parte communications, that is, any comment on a pending adjudication between the members of the operating bureaus and the commissioners themselves. A private practitioner with no internal agency experience may question how an attorney can operate effectively while bound by law to avoid his client like the plague! The result at the commission is that major policy decisions, particularly those relating to important questions as to how to proceed on substantive issues left open by a broadly drawn complaint and to resource allocation, are made by staff personnel and not by the commission, which Congress has delegated to make enforcement policy and to control the resources appropriated to it. These problems will expand as litigation increases in scope.

AN APPEARANCE OF PARTIALITY

Other problem areas in the administrative context concern the administrative law judges themselves. Many who serve in that capacity are former commission staff members appointed to the administrative bench because of their *expertise* in trade regulation matters. Although civil service laws and regulations enable the administrative law judges to serve independently and outside the commission's sphere of influence, the appearance of partiality to the commission staff (or, indeed, against it) remains.

In recent years the commission has enjoyed an excellent administrative bench. But there is no assurance that it will be possible to retain high-caliber, dedicated judges indefinitely. Private trade regulation practice or the federal bench is more remunerative. Moreover, although an administrative law judge rules on practically all procedural motions, hears the evidence, and makes the initial decision on the merits, a *de novo* review by the commission of the record is a practical inevitability in every case. Many decisions of administrative law judges, however accurate and painstakingly drawn, are not reported in any permanent volume and frequently are disregarded by the commission on appeal. These are factors that imperil the future quality of the administrative bench.

These and other problems have plagued the commission in direct proportion to its entry into the arena of major litigation. The commission and Congress have been aware of them and appear willing to take steps to remedy them. It is particularly important to note that each of the significant changes made or proposed thus far has moved the commission closer to federal district court practice. The only completely successful step, however, will be the transfer of all aspects of commission practice to federal court.

The first major move toward procedural reform occurred, largely at the instance of the commission, in the Trans-Alaska Pipeline Authorization Act (Public Law 93–153), wherein Congress granted the commission (with certain restrictions) the right to represent itself in federal district court to enforce its subpoenas and to seek an injunction against an illegal act or practice, pending an administrative proceding. In the Magnuson-Moss Warranty–Federal Trade Commission Improvement Act (Public Law 93–637), the powers of the commission to represent itself in district court were circumscribed procedurally, but remained intact substantively, and were in fact expanded to include the collection of a civil penalty against any person or entity for a knowing violation of the law.

The legislative history of both acts is replete with affirmations of the commission's inability to act effectively as an enforcer of trade regulation laws under its jurisdiction without access to district court. Indeed, Section 408 of the pipeline act states:

"(a) (1) The Congress hereby finds that the investigative and law enforcement responsibilities of the Federal Trade Commission have been restricted and hampered because of inadequate legal authority to enforce subpoenas and to seek preliminary injunctive relief to avoid unfair competitive practices.

"(2) The Congress further finds that as a direct result of this inadequate legal authority significant delays have occurred in a major investigation into the legality of the structure, conduct, and activities of the petroleum industry, as well as in other major investigations designed to protect the public interest."

The latest major procedural change came from within the commission itself. On April 4, 1975, the commission promulgated in the *Federal Register* proposed new rules for its adjudicative proceedings that adopt substantially intact the discovery provisions of the Federal Rules of Civil Procedure. This action apparently was prompted by a motion filed in October, 1974, by the commission staff prosecuting the *Exxon* matter, in which it was made clear that the old administrative rules of the commission were totally inadequate for major, complex litigation.

Thus, in less than two years the commission has moved closer to adjudication in federal court and to litigation "federal court style" within its own forum. Will these changes completely accommodate the major litigation which the commission proposes? I think not.

Although the commission's direct access to federal court for the enforcement of subpoenas and other orders has increased the burden of having to initiate a new proceeding in a separate forum, with many attendant delays and inefficiencies, remains. The two acts, moreover, will not cure the structural deficiencies of collateral attacks, the dual role of the commission as prosecutor and judge, the problems with administrative law judges, and so forth.

Nor will adoption of the discovery provisions of the federal rules for adjudicative proceedings alter these basic flaws. It is interesting to note in this context that the monetary sanctions provision of Rule 37 of the Federal Rules of Civil Procedure was deleted from the commission's proposed draft. Thus, the primary purpose of adopting the federal rules—the promotion of thorough discovery and elimination of delay tactics—may never be realized, since a recalcitrant party may file spurious delay motions with impunity if he has no fear of incurring his opponent's expenses. This is yet another example of the administrative impotence of the commission.

ALL LITIGATION IN FEDERAL COURT

Congress and the commission have moved in the right direction—away from traditional administrative concepts and toward the federal judiciary. But they have not moved far enough. The F.T.C. Act should be amended to require the litigation of all commission cases in federal court.

With the commission as a plaintiff in district court, the enforcement powers so sorely lacking in administrative tribunals would be available immediately to the commission staff, as impartially administered by judges who have years of experience in complex cases, with the Federal Rules of Civil Procedure, and with the *Manual for Complex Litigation*. All collateral attacks would be made in the forum of the pending matter. Opposition to commission motions and collateral attacks against the commission would be handled far more efficiently than now, by the presiding judge, and the potential for delay and harassment would be reduced to a minimum.

Equally as important, the commission's dual role of prosecutor and judge would be eliminated, and the commission would be free to make the midlitigation policy decisions and resources allocations it should now be making under its mandate from Congress.

Observers frequently agree that the task which least interests the commission is that of acting in its judicial capacity. Commissioners are rarely nominated by the president and confirmed by the Senate on the basis of their judicial temperaments. Nor are the textbooks of the law schools swelling with landmark decisions written by the commission. What the commission does best, and what it would be free to do more of were its cases transferred to federal court, is found in its rulemaking functions, its many special reports to Congress, its monitoring of anticompetitive activities in industry, and its independent will to investigate and prosecute when circumstances warrant. None of these functions would be impaired in the slightest by a transfer of its judicial functions to district court. Indeed, more time would be created for their pursuit.

It may also be noted that there are economies of scale in judicial operations. While elimination of the commission's adjudicative role might save a significant portion of its budget, it is doubtful whether the transfer of its cases to district court would impose any major increases on the budget of the judiciary.

Supporters of the *status quo* argue that independent agencies like the Federal Trade Commission have special *expertise*, greater than the general wisdom of the executive, legislative, and judicial branches because it pertains to a narrow and precise area of knowledge. They argue that agencies must have maximum freedom both as to prosecutorial and judicial discretion.

But even if certain agencies have special knowledge and if that militates in favor of their serving as both judge and prosecutor, "special *expertise*" is not applicable to the Federal Trade Commisison. The commission has jurisdiction over almost every enterprise affecting interstate commerce in the United States. Although it may concentrate from time to time on certain industry segments (energy and food are current examples), it has no special *expertise* in any particular business area. (The excepions to this rule lie in the relatively insignificant areas of fur and wool labeling, flammable fabrics, cigarette safety and labeling, and other narrow disciplines outside the normal area of trade regulation, which the commission deals with under special statutes.)

The commission's special knowledge and abilities relate to the broader and more theoretical concepts of economics and trade regulation. Section 5 of the F.T.C. Act states broadly that: "Unfair methods of competition . . . and unfair or deceptive acts or practices . . . are hereby declared unlawful." One can hardly imagine a more expansive grant of prosecutorial discretion. The act requires the commission to initiate proceedings when it has "reason to believe" that a violation has occurred and when "a proceeding by itself in respect thereof would be to the interest of the public."

Given that, within reason, an enormous number of competitive activities could be found "unfair" or "deceptive," the crucial decision is whether prosecution would be in the "interest of the public." It is at this initial stage that the commission truly exercises its special *expertise*—that is, when it determines that activity is unfair and that prosecution is in the public interest.

Thereafter, its judicial role is confined to that of any court—the application of fact to law. The commission's decisions, furthermore, are subject in any case to review by a federal court of appeals on the law and as to whether its findings of fact are supported by the evidence. Special *expertise*, therefore, has very little to do with the commission's function as a judicial body.

There is little to be lost and much to be gained from a transfer of commission adjudicative matters to federal district court. Congress has shown great confidence in the commission's abilities as an enforcer of trade regulation law, and the commission has demonstrated enthusiasm for its new prominence. But the administrative procedures that have hampered commission adjudication in the past may debilitate it severely in the future. That would be unfortunate indeed.

[From the New York Times, Nov. 9, 1975]

Dunlop Asks Policy Shift on Regulatory Agencies

(By David Burnham)

Washington, Nov. 8.—Labor Secretary John T. Dunlop has proposed that the Ford Administration make a subtle but fundamental change in the way the Government develops and enforces regulations that affect the pocketbooks, health and safety of millions of Americans.

Outlined in a 17-page draft paper circulated within President Ford's Domestic Council and obtained by The New York Times, Mr. Dunlop's proposal suggests that the key to improving the existing regulatory effort is to give the contending parties a larger role in writing regulations and deciding how they will be enforced. His proposal was said to be still under review.

The proposal has already stirred considerable hostility among some Labor Department officials and knowledgeable union members who believe that any reduction in the public health voice of the Federal Government would be a major step—backward in the war against cancer and other kinds of health hazards.

CHANCE TO NEGOTIATE

"The Government has to carry the ball," said one union official. "Industry is worried about next year's profit and the union is worried about the immediate loss of jobs so that the threat of lung cancer 20 years from now is easy to bargain away."

What appeared to be the first concrete example of Mr. Dunlop's new policy emerged this week as a Labor Department hearing was adjourned to give the steel industry and the United Steelworkers of America an opportunity to negotiate privately a proposed standard governing the exposure of the nation's 15,000 coke oven workers to the cancer-causing fumes of their workplaces.

In these negotiations, the findings of many scientists that the emissions from the coke ovens kill far more workers than would die if they worked in less polluted areas are being balanced against estimates that making the coke ovens less dangerous would require an investment of about $500-million for new equipment and $295-million a year to operate.

Mr. Dunlop's policy paper, which he acknowledged in an interview had been prepared by his staff and circulated to officials in the White House, closely parallels a central theme in President Ford's election campaign: Many Government regulations are useless harassment of the American people in general and the American businessman in particular.

"The country needs to acquire a more realistic understanding of the limits to the degree to which social change can be brought about through legal compulsion," Mr. Dunlop said in his paper.

Arguing that the existing method for developing Federal regulation is "inherently contentious and acts to maximize antagonism between the parties," the official said the usual product of this method was "poorly framed rules, lawsuits, evasion and dissatisfaction with the program by all parties."

INVOLVEMENT IS URGED

As an alternative to the existing procedure, the Labor Secretary recommended in his paper that the parties involved in a particular problem should become more involved in drawing up relevant regulations, sometimes through direct negotiations between the unions and private managers.

Mr. Dunlop said that, without modification such involvement might not be applicable to such areas as developing occupational health and safety rules. "But it represents a useful spirit of reliance on private mechanisms, which sometimes can achieve a program objective most efficiently," he said.

In an interview in his office this week, Mr. Dunlop said he was positive that the shift in regulatory emphasis envisioned in his paper would not require any change in the Occupational Safety and Health Act of 1970, which established the Federal Government as the dominant force in this area of public health.

"There is a growing conflict between the regulatory process and collective bargaining," the Secretary said. He added:

"During public hearings many people speak noise and the press is a great amplifier of noise in our society. It sometimes is helpful to know what a few people think about an issue. If they chose to come together. No one, the Government for example, must necessarily agree with whatever result they came up with themselves."

POLICY DISCUSSION CITED

While asserting that the draft paper obtained by The Times did not adequately emphasize the distinction between economic regulation and the rules affecting health and safety, Mr. Dunlop said he had discussed the proposed policy with Dr. Paul W. MacAvoy, a member of the President's Council of Economic Advisers, and Roderick M. Hills, now the chairman of the Securities and Exchange Commission but until recently Counsel to the President.

Mr. MacAvoy, who is in charge of the White House regulatory effort, described Mr. Dunlop's paper as an "early draft of an interagency assessment of health and safety regulations" which was still undergoing review.

"MUTUAL ACCOMMODATION"

The number of regulatory programs administered by the Labor Department has risen from 18 in 1940 to 134 in 1975. At present, major Labor Department regulatory programs include those mandated by the Occupational Safety and Health Act, the Employee Retirement Income Security Act, the Labor-Management Reporting and Disclosure Act, and the Davis-Bacon Act, which sets prevailing wages in the construction industry.

In his paper Secretary Dunlop cited specific problems that he believed were inherent in the established regulatory approach in which certain activities are defined as improper, inspectors are hired to discover violations and violators are punished or cleared after a hearing before an administrative law judge.

One problem mentioned by Mr. Dunlop was that "the rulemaking and adjudicatory procedures do not include a mechanism for the development of mutual accommodation among conflicting interests."

"Opposing groups argue their case to the Government, and not at each other," he said. "As compulsory arbitration undermines the willingness of the parties to bargain conscientiously over their differences, so regulation lessens any incentives for private accommodation of conflicting viewpoints."

A second problem was that the existing regulatory process "involves legal game-playing between the regulatees and the regulators; the tax law is a classic example, but it is typical of regulatory programs in general. The regulatory agency promulgates a regulation: the regulatees challenge it in court, if they lose, their lawyers may seek another round for administration or judicial challenge."

In response to several questions, Mr. Dunlop said he had not been directly or indirectly involved in encouraging the Steelworkers and the steel industry, to begin negotiating in private over their long-standing dispute over coke ovens.

According to sources close to the negotiations, the next bargaining session is scheduled for Monday in Pittsburgh. These sources said the first bargaining offer of the industry was far less stringent than that recommended some months ago by the Government's Advisory Committee on a Standard for Coke Oven Emissions.

Mr. TAFT. Mr. President, I have received a letter from an attorney in behalf of a constituent commenting on S. 2290, in which he discusses a particular complaint which fairly well points up the kind of problems that small businesses find themselves in in connection with the maze of regulatory matters which currently face them when they attempt to conduct their business in a normal, legitimate way. It is a letter from Mr. Thomas H. Clark of Cincinnati, Ohio, relating the details with regard to his client's problems.

I ask unanimous consent that this be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CLARK, ROBINSON & HELLEBUSH,
Cincinnati, Ohio, September 23, 1975.

Hon. ROBERT TAFT, Jr.,
U.S. Senate, New Senate Office Building, Washington, D.C.

DEAR SENATOR TAFT: I note with interest your introduction of S. 2290 dealing with the possible creation of an "administrative court" system for the various agencies of government. Our minds must have been working in the same channels for the necessity of such a measure has come to light to me twice lately.

In the first instance, I was involved in a U. S. Customs matter and was told that only written documents could be submitted, and secondly, there was no appeal from the Chief of the Penalty Section. In other words, the Prosecutor is also the Judge.

The second instance deals with the Federal Trade Commission. Under the Moss-Magnuson Act, the Federal Trade Commission is to have public hearings when its staff proposes trade rules. The hearing officer is an employee of the Federal Trade Commission and, therefore, depends upon his livelihood from that agency. In addition, the Moss-Magnuson Act provided for cross-examination of witnesses, and on August 13, 1975, the Federal Trade Commission issued its rules and regulations covering cross-examination. These rules and regulations indicate the hearing officer may require all questions to be submitted in writing and that, in fact, the hearing officer himself may question the witnesses to be cross-examined. As a lawyer, you know this is not cross-examination as we know it, and I feel sure it is not "cross-examination" which was intended by the Congress when it passed the Moss-Magnuson Act. I cannot rationalize fair treatment when the Prosecutor and the Judge are employed by the same agency.

Anything I can do concerning the implementation of S. 2290, including testimony before the Committee on Government Operations, I will do upon your request.

Sincerely yours,

THOMAS H. CLARK.

Mr. TAFT. Mr. President, I would just like to present a few points with regard to the ACA bill which has now passed both Houses and is in conference. I do not know whether we are going to see it again or not, but I would like to make these points that I think should be reviewed if we do have it come before us in the future.

The ACA, now passed by both Houses, comes at a time when we can ill-afford larger nonproductive Government spending. This agency is very costly: $60 million for the first 3 years in direct costs to the taxpayer and who knows how much more in indirect costs as the agency adds another unnecessary step to the activities of all other Federal agencies. Moreover, the handwriting is on the wall that within a short period of time more lawyers will be hired by the Federal regulatory agencies as well as American business to resist the intrusions of the ACA into their activities. This can only result in a panacea for lawyers—to the detriment of the consumer and public interests.

The agency largely duplicates the efforts of existing agencies to help the consumer, which agencies have the advantage of dealing with specific, concrete situations rather than the abstract "consumers interest." Thus, the real job of Congress is not to proliferate Federal agencies but to turn those failing into the vigorous watchdogs they were designed to be. In addition, the Library of Congress study I requested confirms the impressive number of units—413, activities—938, and funds committed to consumer protection.

The legislation gives the Administrator of the agency broad, open ended responsibilities, yet at the same time denies the agency jurisdiction over two large areas of substantial consumer interests: The NLRB—labor and FCC—telephone, radio and TV.

Despite Ralph Nader, there is little concrete evidence that the public needs or wants such an agency. In fact, according to an opinion poll conducted by the respected opinion research corporation of Princeton, N.J., just the opposite would seem to be the case, with only 10 percent of those questioned favoring a new agency. Moreover, the overwhelming weight of editorial opinion throughout Ohio and the Nation strongly opposes the creation of an ACA.

I have already had printed in the RECORD quite a number of editorials from all over the State of Ohio so indicating.

Because it is physically impossible to look after every consumer interest, and because of their conflicting priorities at any point in time, the agency is likely to wind up providing those advocates who are the most vocal or the most organized with a forum to publicize their objectives rather than those of the Congress, the President, the consumer, or the free-enterprise system.

Reform from within agencies is growing, to head off more drastic reform from without. For example, the ICC is relaxing truck-route restrictions, and the CAB is relaxing airline route and rate regulation.

I think if Congress will exercise proper oversight with the agencies we already have on the books, we can do a great deal better job in protecting the consumer. I am afraid we would only compound the difficulties we presently have if we set up a new agency with a separate undefined duty which, in my opinion, is likely to end up in Government by lawsuits and very little else. This situation would paralyze the potential action of existing agencies that we have who are charged and should be held to the duty of protecting the public and the consumer interest.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. FANNIN. Mr. President, the Senator from Arizonia would like to express appreciation to the Senator from Ohio and others who have participated in the colloquy this morning. I believe it has been very beneficial to bring out some of the regulatory problems that exist. I think this will be helpful, as far as that is concerned, to some of the agencies which have been discussed.

The Senator from Arizona would like to express to the distinguished majority leader his appreciation for the courtesy and graciousness of the majority leader in yielding his reserved time to the Senator from Ohio.

It is in accordance with his usual wonderful cooperation, and the Senator from Arizona is certainly appreciative of his always willingness to cooperate.

Mr. President, I have been very pleased to have the opportunity to participate in this colloquy this morning. I am gratified by the excellent contributions to this discussion of the costs and harmful effects of Government regulation on consumers. I want to thank my colleagues who kindly gave their time and effort to this colloquy. I also wish to apologize to those Members who wished to participate today but were unable to do so because of the change in time and delay in the start of this colloquy and because many of them had important committee business. In this regard, I express my sincere regrets to Senators GARN and MORGAN who showed up on the floor but had to leave due to other pressing matters elsewhere.

Mr. President, this is the second in this series of colloquies on different aspects of regulatory reform. I look forward to the third colloquy in the near future and welcome the valuable contributions of my colleagues to this important subject.

ADDITIONAL STATEMENT SUBMITTED ON REGULATORY REFORM

Mr. BROCK. Mr. President, this year we are celebrating the 200th anniversary of the creation of a government. A government of the people and for the people. The rule book for that government was our Constitution. The premise of our Constitution is to protect people from government, to limit government, to prevent it from infringement upon the rights of individuals.

As I join my colleagues today, I cannot shake this premise from my mind. For we have one area of our Government today which, although perhaps intended to protect, has in my mind breached the gap of individual rights and has exceeded the bounds of limited government. That area is the Occupational Safety and Health Act and the "super agency" it created.

As we discuss regulatory reform today, we must not only seek out the problems of government, but go to the heart of that problem. Indeed has our Government come to the point where it so controls and dictates lives of the individual that freedom is only an empty phrase? Have we come to the point in our history that the ideals for which our country exists are forgotten and become dreams?

If you listen to someone who has had to deal with an OSHA inspector, the answer might be "yes."

Redress of grievances—one of the battle cries of the Revolution—but with OSHA, where is that redress? Where is the opportunity for argument? Where indeed is the right to challenge?

Mr. President, OSHA is not an unknown problem. The horror stories in the office of each Member of this body are numerous. It would be very easy to relate many of them. Too often, there are cases where the OSHA inspector's instructions have meant the loss of jobs only because an employer did not have enough money to correct a violation found by that inspector. Where was his recourse? There was not any. He had to close down. How many times have I heard that the greatest fear of a small businessman was not the marketplace or higher costs of labor, but a visit from the OSHA inspector? And not because he did not want to have a safe shop to protect his employees, but because he had no recourse if a simple but costly violation was found.

Mr. President, for too long we have created regulations which are slowly breaking the back of the small businessman. And when his back is broken, we have broken the backbone of our economy. As we discuss regulatory reform, I cannot think of a more glaring example of overregulating business to the point of not being able to run a profitable business. It is imperative that we look back on what we have done and reform the regulations which are suppressive and destructive to our well-being and that of our economy.

THE COSTS TO THE CONSUMER OF REGULATION

Mr. HRUSKA. Mr. President, excessive Government regulation hurts the consumer in three important ways. First, it increases prices of goods and services. Second, regulation reduces the range of product choice open to the consumer. Third, regulation substitutes the judgment of the bureaucrat for that of the consumer.

INCREASED PRICES OF GOODS AND SERVICES

Regulation increases consumer prices for several reasons. First among these reasons, in the opinion of my constituents, is the endless form-filling required by the Government. The Senate Select Committee on Small Business has estimated that businesses must cope with over 5,000 Federal forms each year and that estimate does not even take into account 64 different tax forms presently used by the Internal Revenue Service. Altogether that is about 14 forms per day on the average, assuming businesses keep their doors open 365 days a year. Because few firms do operate on a continuous basis, the workday average is, of course, higher.

Business must pay accountants and lawyers, divert regular employees from productive tasks, allocate valuable office space to filing cabinets, all in order to fill out these forms. This is costly. In the end of course, consumers must pay these costs in the form of higher prices.

Not only do numerous Government agencies require business to fill out numerous forms they also subject business to an impossible crossfire of rulings and regulations. Many examples can be given to illustrate this problem. Time magazine reported in its July 8, 1974, issue that the Occupational Health and Safety Administration, one of the agencies my constituents find most objectionable, mandated backup alarms on vehicles at construction sites. Yet OSHA at the same time required the workers to wear earplugs, making it difficult for the alarms to be heard. This bureaucratic confusion not only causes inefficiency, it raises costs for business and therefore raises prices for consumers.

It is my intention to discuss in greater detail the paperwork burden, and its costs, which face the businessman, particularly with regard to the Federal Trade Commission's so-called line of business reports, in the next colloquy in this series, when the effects of regulation on business will be addressed directly.

The regulator's fondness for distributing forms to be filled out is not by any means the only source of increased business costs, and therefore increased prices to the consumer. Intrusion of the Government into the decisions of management as to how products are to be made, and even what form the products should take, is another major source of increased business costs. Nowhere is this more evident than in the price of automobiles. This is of particular concern to my constituents, many of whom live in rural areas where the automobile is the only means of transportation to work, to church, to shopping, and to school. General Motors has estimated that the current price per car has increased by over $600 because of Government-mandated equipment. General Motors also estimates that to fulfill additional requirements already passed into law and which will become effective by 1978 will add another $600 to the average price of its cars sold. This means that the average price per car will have been increased by around $1,200 to satisfy government regulations. And many of these regulations are designed to defeat consumer attempts to bypass the intent of earlier regulations. Is it the proper role of government to dictate to the individual consumer just what safety devices he must buy? No matter how safe an automobile is made to be, it could be made still safer by the expenditure of yet more money. There is no limit to this process. The achievement of complete safety is not possible at any price. Is it not the consumer's right to decide for himself just how much safety he wants to purchase for himself? After all, if too much money is spent increasing the safety of the automobile by only a slight amount, the consumer will not have the funds to upgrade the safety of his home or his place of business. My constituents have spoken clearly how they feel about this intrusion into an area of their lives they feel should be left to them. They do not like their Government telling them what sort of automobile they must buy.

One constituent has written me in plain language:

> I may say that I, and everyone I talk with, have had it up to here with all the idiotic things that are being forced on us daily. High priced cars, harder to start, lower gas mileage and so forth. Believe me, Senator, people have just about had it with all these silly things.

But increasing business costs is not the only way regulation increases prices to the consumer. New, small firms find it more difficult to bear the costs of filling out forms and the burden of regulations than larger, established firms. Dr. Murray L. Weidenbaum states in, "Government-Mandated Price Increases: A Neglected Aspect of Inflation":

> Some of the reporting requirements of the newer federal regulatory agencies may result in a heavier burden on small business. In its first several years of operation, the Occupational Safety and Health Administration, which was established under a law passed in 1970, required virtually all employers to keep three separate records, a log of occupational injuries and illnesses, a supplementary record of each occupational injury or illness, and a summary sheet of injuries and illnesses (OSHA forms 100, 101, and 102, respectively). A supplemental quarterly survey was also required (OSHA forms 102F and 102FF). These had to be kept up to date and accurate, even if an employer had only one employee. How essential this information really was can be judged from OSHA's reaction to recent pending legislation which would have relieved all employers of fifteen or fewer persons from the agency's record keeping and reporting requirements. Suddenly, OSHA determined that employers of seven or fewer persons could be exempted from its paperwork requirements!

The small firm has less overhead against which to charge the expenses of regulation. As a result, many existing small firms are forced to close their doors and several potential entrants to the marketplace are discouraged from entering. When the output of these firms does not find its way to market, prices for the remaining goods and services are bid upward.

My constituents are increasingly concerned about the effects of regulation on small business. Let me quote from one letter on the subject I have recently received from a constituent concerned with administration of the Employee Retirement Income Security Act and other Federal regulatory activities:

> On January 3, 1976 I wrote to you expressing my deep concern on the actual effects of ERISA and its subsequent amplification by the IRS and the DOL. Today two further items have come across my desk and I attach copies of both.
>
> The first is a partial copy of a weekly tax letter to which I subscribe. This merely proves the point I made in my earlier letter: Some 16½ months after ERISA became law, we still have no definite regulations of what we are supposed to work with but the whole matter is "on again, off again".
>
> The other article on the meatpacking industry is not what is bothering me as such but rather the fact that small business and some not so small is being systematically killed off. Look at any kind of business and you'll find the same thing going on. We are simply being smothered by paperwork, practically all of it useless to anybody except some bureaucrat who would otherwise be unemployable. We do not run our business anymore; we are instead filling our reports, forms etc. etc. ad nauseatum. About a year ago President Ford in a speech told us that there would be a sincere effort in reducing paperwork etc. but to date, we are not only required to file every d____d report we were filing then but several more.

New firms are often the source of new methods and new products. They are an integral part of our competitive system. By discriminating against the new, small firms, regulation is stifling our economy, and leading to increased business concentration.

REDUCED RANGE OF CONSUMER CHOICE

Regulation reduces the range of choice available to the consumer because regulation is negative; it prohibits rather than creates. Perhaps nowhere else is this more clearly seen than in the case of the ban on Diethylstilbestrol—DES—in 1973. Rita Ricardo Campbell in Food Safety Regulation states the general issue clearly:

> Within the United States, prices for food increase partly because of the effect of government regulations to ensure safer supplies. The question should be asked: How many individuals—primarily older persons on fixed incomes and young children of low-income families—suffer greater risk of diseases (other than cancer) because their nutrition level is reduced?

Getting to the specifics of the ban on DES Rita Campbell states:

> When the use of DES in cattle feed was banned, the cattlemen's response took into account such variables as the length of time before slaughter, the numbers of cattle to feed, the timing of slaughter in relation to market demand, and the use of substitute and less cost-effective additives. The particular mixes of alternatives they chose affected meat supply, the rate of increase in meat prices, and the prices of meat substitutes. Because of these and other variables involved, the estimates of how much the DES ban would increase the retail price of beef varied from the Department of Agriculture's 3.5 cents per pound to the 15 cents per pound estimated by a supplier.

The issue is this: Should not the consumer, rather than a bureaucrat of the Food and Drug Administration be allowed to choose whether he wants to consume more meat now, and accept the possibility, still unproven, of a higher risk of cancer several years in the future, or choose to eat less nutritious foods now and run the risk of diseases other than cancer in the immediate future? Regulation in the form of banning DES does not protect the consumer from the risk of disease; it only prevents the consumer from making his own best determination in the matter. It must not be forgotten that regulations which increase the price of meat, result in people being able to afford to purchase less meat. These people must then turn to other foods. What will these other foods be? Who will produce them? It is certain that the FDA will not produce them. How nutritious will these other foods be? At what prices will these other foods sell in the marketplace? Will consumers be able to afford sufficient quantities of other foods in order to assure themselves sufficient nutrition? A ban on DES considers none of these questions; it merely ignores them. A case can be made for the Government's distributing information to the consumer concerning the risks involved in consuming each of various foods or other products. But what justification is there, in a land of free people, to deny consumers the right to make their own choices on what they believe offers them the best chance for satisfaction from the goods they purchase?

Federal regulation reduces consumer choice by delaying the entry of new products. This delay can be deadly. For example, Dr. Murray Weidenbaum in his book, "Government Mandated Price Increases" comments on the findings of Prof. Sam Peltzman concerning the costs imposed on consumers by the Food and Drug Administration:

> Professor Sam Peltzman of the University of Chicago has estimated some of the costs of the drug lag in the United States, He analyzed the 1962 amendments to the food and drug act, amendments that were ostensibly designed to keep ineffective drugs off the market by extending the process of authorizing new drugs prior to their being available to the public. The main impact of the legislation has been to delay the introduction of effective drugs by about four years and to lead to higher prices for drugs. He estimates the resultant loss to the consumer to be in the neighborhood of $200–300 million a year. Peltzman also calculates that if the drugs that combat tuberculosis had been delayed by two years, the average delay now imposed by the Food and Drug Administration, the result would have been approximately 45,000 additional deaths.

The findings of Professor Peltzman underscore a very important principle: Regulation cannot eliminate risk, it can only determine which risks the consumer will be forced to take, whether the consumer wants to make that particular choice or not. When new drugs are developed, they may be effective or they may not. If the consumer uses a new drug he is taking the chance that it may not be effective or even harmful. On the other hand, if he does not take the drug, the consumer is running the risk that the drug is truly effective and that his cure may be delayed or entirely defeated. People with the serious illnesses can hardly wait for the Food and Drug Administration to spend 4 years to come to a decision. Their lives may extinguish before the FDA reaches a conclusion. Should not the people who have the most to either gain or lose make the choice, in consultation with their physicians, of what drugs they should take and when they should take them? What right does the Government have to interfere in such a personal decision?

There are those who argue that truly important decisions are too important to be left to the individual and that the Government must step in and help the consumer by making the decision for him. Mr. President, my constituents tell me in clear, forceful language that they want to make their own decisions, they do not want to be dictated to by some bureaucrat, and that the more important a decision is to their daily lives, the more my constituents want to choose for themselves.

LOSS OF CONSUMER FREEDOM

This brings me to the final point I wish to make. The dollar cost to consumers of regulation is surely great. There are estimates of the cost of regulation ranging from $66 to $475 per year for every man, woman, and child in this country. It is impossible to pin down the number with any degree of certainly. But the dollar cost, however great it may be, cannot measure the loss of freedom to the consumer. A fundamental part of liberty is economic liberty: the liberty of people to enter the profession of their choice and the liberty of consumers to purchase the goods of their choice, without unwarranted government intrusion. Regulation attacks that liberty; it eliminates it. If consumers are judged not to be capable of making choices which will best serve their own interests when they participate in the economic marketplace, how are they to be expected to make wise choices in the political marketplace, when they choose the men and women who in turn will appoint the regulators to their positions of authority?

There is no Government authority, nor should there be, banning the expression of political beliefs until these beliefs have been judged "effective" or "safe." It is assumed that the voters will be able to discern truth from falsity and cast their ballots accordingly. A system of political liberty must assume that the voters are able to distinguish between the statesman and the demagogue. If that assumption should not be borne out by experience, no system of rules and regulations can prevent the collapse of political freedom. For similar reasons it must be assumed that the consumer is able, ultimately, to reward the producer who manufactures products which add to rather than detract from the consumer's welfare. There is no system of regulations that can make the consumer free if that ability is lacking. On the other hand, an elaborate system of rules and regulations will, without question, rob the consumer of his freedom should he possess, as I firmly believe he does, the ability to choose wisely over the long term. Some are terrified of freedom because men are then permitted to make mistakes and commit all manner of folly. But unless men are free to make mistakes they are also not free to achieve their own personal greatness. Freedom is not protection; it is opportunity.

Excessive regulation of the consumer must be ended not only because it is expensive in terms of dollars and cents, but because personal liberty cannot exist in its presence. And of all things, personal liberty is the most precious to possess, the most costly to lose.

Mr. BAKER. Mr. President, I commend my colleagues for initiating this colloquy on Government regulation and its impact on the consumer. Never before has it been so vital for the Nation's consumers to choose wisely in the marketplace and to become aware of the various factors which influence the price and quality of the goods and services which they purchase. Rising inflation and the shrinking dollar have made it necessary for most American families to stretch their paychecks to the utmost and to search for ways in which economies, both large and small, can be made in their everyday lives.

In my view, the Congress has, in the past, paid insufficient attention to the cost implications of legislation designed to protect the consumer, the worker, or the environment. Major legislation, such as the Occupational Safety and Health Act and the Consumer Product Safety Act, was approved amid numerous examples of worker injuries resulting from unsafe industrial practices and accidents caused by using or misusing consumer products. While a need to eliminate unsafe conditions and discourage the manufacture and distribution of harmful products was clearly established, little consideration was given to how an extra layer of bureauracy and a maze of new Federal regulations would be reflected in the cost of products and services and the choice of goods available to consumers.

Industry complaints that increased regulation would result in added costs were discounted by many Members of Congress on the basis that this argument masked the natural reluctance of the private sector to submit to Federal controls and on the basis that the need for Federal authority far outweighed the increased cost to industry.

But consumers are now beginning to notice that Federal regulation of almost all aspects of their daily lives affects them strongly in two ways. First, as taxpayers, they must contribute to the support of myriad Federal agencies, many of which perform duplicative tasks. Second, regulatory requirements, which are usually based on criteria other than cost, are reflected in increased freight rates for industrial and consumer goods, increased prices for raw materials, and more costly manufacturing processes, all of which result in higher prices at the retail level.

Certainly, we must not condemn all Federal regulatory requirements because they may result in higher prices. We must, however, begin to question whether the benefits received from these requirements are worth paying for. In one notable and highly visible example, the National Highway Traffic Safety Administration's seatbelt-interlock requirement, the public overwhelmingly responded that the answer to this question was "No"; and the Congress acted to repeal that requirement.

I am hopeful that the increasing attention which is now being focused on the cost of regulatory requirements by the President, the media, and the Congress itself will result in thorough studies by the Committee on Commerce, on which I serve, the Committee on Government Operations, and other relevant jurisdictional committees of the Congress of the scope, impact, benefits, and costs of Government regulation this year. There is no question in my mind that such a review has the full support of my constituents in Tennessee and of consumers throughout the Nation.

Mr. HUGH SCOTT. Mr. President, it gives me great pleasure to participate in this very worthwhile endeavor. American consumers are finally realizing, just as the American businessman and woman realized many years ago, that overregulation by the Federal Government is costing them money. As President Ford has said:

> What has begun as protection for consumers now guarantees that in many cases, they will pay higher prices than a free market would call for.

This observation is especially true when applied to commercial aviation.

I believe that elimination of unnecessary Federal regulation of the Nation's airline industry will reduce air fares, by as much as 30 percent in this country. The airlines will be forced to compete for the first time on the basis of lower prices instead of catchy advertisements, come-ons and other assorted frills. Federal regulation of commercial aviation began in the infancy of the industry, during the Roosevelt administration. The original intent of the regulatory scheme was to encourage the growth of the infant industry, but only to the extent that it insured that services would be provided by someone, not particular established airlines. I believe, Mr. President, that the airline industry can no longer be accurately characterized as an infant; in fact, it has become a mature giant in the Nation's economy and well able to look after itself. What was originally conceived as protective of a weak industry, now can serve to minimize competition and protect the airline industry from the forces that normally effect a healthy economy. Such overregulation has resulted in higher fares, and a marked lack of innovation. Clearly, it is the customer who most suffers from this outmoded regulation.

For many months, Mr. President, Senator KENNEDY has been studying the problems caused by overregulation by the Civil Aeronautics Board. He has found that present regulations stifle innovation, protect inefficient practices, and create many distortions and inefficiencies, including a chronic tendency toward excess capacity. I must note with some regret, however, that Senator KENNEDY has chosen not to introduce legislation at this time that would ameliorate this obviously unsatisfactory situation. I think we would all greatly benefit from an expression of his views. The legislative process more often arrives at a just result when it has a diversity of opinion from which to choose.

The President has introduced a bill on this subject, the Aviation Act of 1975, S. 2551. The bill was referred to the Commerce Committee, and hearings may be held in March. The administration bill was designed to correct many of the deficiencies I have outlined above. It is my hope and expectation that this measure will be given full and timely consideration by the Aviation Subcommittee. For the benefit of those who have not seen it, I will read the factsheet which accompanied the President's transmittal of the Aviation Act of 1975 to the Congress.

FACT SHEET—AVIATION ACT OF 1975

The President is transmitting to Congress today the Aviation Act of 1975 which is designed to remove artificial and unnecessary economic regulatory constraints, increase efficiency in the airline system and provide consumers better air transportation services at a lower cost, while maintaining the present high level of safety.

PRINCIPAL OBJECTIVES OF LEGISLATION

1. *To introduce and foster price competition in the industry.* Because of economic regulation, there is little price competition in the airline industry. Generally all interstate airlines providing scheduled service between two cities charge the same fare for that flight even though some airlines are more efficient and could provide air transportation services at a lower price. The result has been that consumers are paying more for air travel than they should. The bill would alleviate the problem by gradually introducing pricing flexibility and allowing airlines to adjust fares within specific limits to more accurately reflect market conditions and their own individual costs of providing service. This will make airline services more responsive to consumers' real desires and will allow low-cost service.

2. *To provide for entry of new airline firms into the industry and provide consumers greater variety of domestic airline transportation services.* Since its creation, the Civil Aeronautics Board has also restrained competition by severely restricting the entry of new firms into the industry and tightly controlling which cities existing airlines are allowed to serve. This legislation will remove these artificial barriers to entry over a period of years, thereby providing consumers benefits of increased competition, including new and better service at lower costs. Qualified firms will be encouraged to enter new markets and offer air transportation services which they feel the traveling public desires.

3. *To eliminate anticompetitive air carrier agreements.* The CAB currently grants antitrust immunity to intercarrier agreements. This permits carriers to set capacity levels, to pool revenues, and to engage in other activities which deliberately dampen competition and increase costs to travelers. This bill would prohibit such agreements. However, carriers enter into numerous agreements which are not anticompetitive, but serve to facilitate air transportation. For example, carriers agree to transfer baggage on connecting flights; they honor ticket exchanges and joint reservations for the convenience of their passengers. These agreements are desirable and do not lessen competition. The bill permits the Board to approve these agreements subject to a balancing test which would weigh potential anticompetitive effects against public transportation needs.

4. *To ensure that the regulatory system protects consumer interests rather than special industry interests.* In addition to its regulatory responsibilities, the CAB since its creation has been charged with promoting the aviation industry. Often, these two objectives may be in conflict. In the past the Board has tended to limit competition and protect the industry rather than the public. The air transportation industry no longer requires protection sometimes accorded to infant industries. Therefore, this legislation is designed to diminish the Board's promotional responsibilities and to emphasize the protection of the public's interests by placing maximum reliance on competition.

SECTION BY SECTION

1. *Definition of Charter and Supplemental Air Services.* To spur competition and provide consumers greater choice of air transportation, this section removes rigid CAB restrictions on charter and supplemental services so that more airlines will be able to offer the services wanted by travelers.

2. *Policy Statement.* The Act revises the CAB's declaration of policy to stress the desirability of competition and de-emphasize its promotional responsibilities. This change is a major step in focusing attention on protecting consumer interests rather than industry interests.

3. *Procedural Expedition.* Slow and cumbersome regulatory procedures have in the past provided a means to restrict entry thereby protecting existing carriers from new competition. The bill proposes procedural changes which will require cases to be heard and decided expeditiously.

4. *Entry.* The bill contains several provisions designed to gradually but substantially increase entry. It permits qualified applicants to provide nonstop service between points not already receiving such service from existing carriers. It requires the CAB to eliminate artificial route restrictions on operating certificates thereby permitting carriers to provide better, more efficient service. New carriers which meet strict safety and financial standards may also gain entry by purchasing or leasing route authority from an existing carrier. Finally, the bill will permit existing carriers some discretion to expand their operations into new markets by between 5 and 10 percent each year, beginning in 1981. Such action facilitates a gradual move toward a more competitive marketplace.

5. *Abandonment.* The bill makes it easier for carriers to abandon routes which do not pay for their operation. But where the continuation of air transportation service is required in the public interest, the bill provides for subsidy payments by the Federal, State or local Government. By liberalizing abandonment, the bill seeks to make entry by new carriers more attractive.

6. *Transportation of Mail.* The bill provides for continued air transportation of the mails. Airlines are required to publish schedules from which the Postmaster General designates mail flights. Where scheduled service is not available, the Postal Service is authorized to contract for the necessary air transportation services.

7. *Mergers.* In order to allow appropriate restructuring of the industry and in line with the policy of substituting antitrust for regulation, the bill adopts a more liberal standard for merger transactions of the type applicable to bank mergers. This standard provides for the careful weighing of transportation needs against the anticompetitive effects of a proposed merger.

8. *Intercarrier Agreements.* The bill eliminates antitrust immunity currently granted to anticompetitive carrier agreements. It prohibits the CAB from approving agreements to control capacity levels, equipment or schedules and to pool or apportion revenues or fix rates. Other agreements proposing to facilitate air transportation could be approved after the benefits have been weighed against potential adverse effects on competition.

9. *Ratemaking.* Under provisions of this bill, airlines would be free to raise or lower fares within specified percentage bands. Maximum prices would continue to be subject to CAB ruling as would discriminatory or preferential pricing. The Board would also be responsible for preventing predatory pricing by the airlines.

10. *Subsidy.* The bill authorizes a study of local service subsidy. Recommendations for improving the current system will be sent to Congress within one year after enactment of the bill.

In short, Mr. President, the Aviation Act of 1975 rests on one primary assumption: increased competition will benefit the consumer. It logically follows, that regulation which has the effect of stifling competition must be changed. Of course, we cannot tolerate predatory pricing practices, and sufficient regulatory oversight must be retained to prevent such an abuse. Furthermore, steps must be taken to insure that small communities that are presently serviced by an airline do not suffer neglect as the giants of the industry fight for the most profitable routes. I know that many of my constituents in Pennsylvania are especially concerned about this latter point. I might observe that the Secretary of Transportation, William Coleman, himself a Pennsylvanian, has studied this problem, and will ensure that any regulatory revision that is undertaken will have no detrimental effect on service to small towns and cities in the State of Pennsylvania. To the contrary, I believe that this service will be enhanced once the market is opened to more competition.

We have come together today, Mr. President, because many of us believe that the American economy and the American consumer suffer from overregulation. The Civil Aeronautics Board's regulation of the domestic airline industry is a striking example of how this regulation injures both the economy and the consumer. I have a great faith in the ability of the American businessman and woman to provide the services society needs. I have a great faith in the free enterprise system. Let us act on this faith, Mr. President, and enact legislation that would throw off the shackles of unnecessary regulation and allow a revitalized airline industry to show the world that our system works.

At this time, I would like to invite the distinguished Senator from Massachusetts (Senator KENNEDY), who is in the vanguard of the efforts to deregulate the airline industry, to speak on this issue. His extensive hearings have shed a great deal of light on the problems involved and I know that we will accord his views great weight.

Mr. KENNEDY. Mr. President, I want to thank the Senator from Pennsylvania (Mr. SCOTT) for his kind remarks and also for his interest and hard work in the area of airline regulation reform. As a member of the Subcommittee on Administrative Practice and Procedure, Senator SCOTT has played a helpful role in formulating the conclusions and recommendations of our subcommittee's forthcoming report on the practices and procedures of the Civil Aeronautics Board. Senator SCOTT has admirably highlighted some of the key problems of air regulation in his comments.

The simple fact is that in a naturally competitive industry like air transportation, Government regulation of prices, profits and entry does not work. It raises the cost of flying to the consumer—to the tune of $1 to $3.5 billion annually—and is vastly inferior to a more competitive, market solution. The subcommittee has determined in the case of airlines that economic regulation should be reduced and in major respects eventually eliminated. But it is competition, not chaos, that all of us support, so the change from a highly regulated to a virtually open market situation should and must occur gradually and in steps over a reasonable period of time.

The competitive solution, however, is clearly not the proper response to all instances of Government regulation. Some would have us believe that the task of governing is a simple one. They would argue that complex problems of health, safety and environmental protection can be solved by, in effect, dismantling Government bureaucracies. I absolutely reject this point of view.

Less regulation is surely not the answer to all our problems. Gutting Government agencies that deal with drug testing, the health and safety of our Nation's workers, the purity of our food and water supply, and the quality of the air we breath will no doubt eliminate some Government redtape and reduce some shortrun costs of doing business: But it will also endanger the health of millions of citizens. It will increase risks of injury to many working men and women. And it will reduce the life expectancy of present and future generations of Americans.

The task in these areas, therefore, is not less regulation. It is rather streamlining regulation and making regulation more effective, so that all of us can be better protected from the growing dangers of highly industrial and technical society.

There are, of course, other areas of Government concern where a pure dollars-and-cents market solution is not only inappropriate but dangerous. When the Nation is faced, for example, with a scarcity of essential resources, the Government cannot simply sit back and allow market forces to do the job of allocation. The oil crisis is the most recent example of why there must be a governmental solution in cases of scarcity.

It may be that a complicated system of direct Government allocation is not the proper regulatory solution—especially when it is so riddled with exceptions and special cases that the occasions for the appearance of impropriety make the system unfair, unpopular and unadministrable. But at the same time this Nation cannot allow those who cannot afford sufficient fuel oil to suffer grave hardships and risk their families' health simply because of a theoretical and slavish adherence on the part of some policymakers to pure market solutions.

Another example where I believe deregulation works against the public interest involves the case of natural monopolies. Electric power companies, local telephone service and other utilities are characterized by economies of scale which make impossible the orderly and economical delivery of necessary services if multi-firm competition occurred. Thus, it is clearly wrong for us to abdicate our responsibility to substitute the discipline of government regulation for the discipline of an imaginary marketplace. Like all monopolies, utilities will be innovating very little but charging very much if they are not checked and restrained by regulation. The task in this area is not to deregulate, but rather to forge more creative solutions to the public utility problem where classical regulation may be inadequate to the task.

I have briefly outlined these problems to illustrate the complexity facing those of us in Congress who are serious about regulatory reform. I am pleased to join my colleagues today who share my concern with the need for significant reforms in our regulatory processes. But I want to make clear that I firmly reject the notion that either no regulation or more regulation is the appropriate response across the board. Indiscriminate use of slogans like "deregulation" cannot substitute for the painstaking, detailed evaluation and decisionmaking facing Congress in each area of governmental activity.

In the case of the CAB, I believe much of the work has been done. There are proposals before the Commerce Committee concerning airline regulation reform. The record the Administrative Subcommittee has compiled, with the help of Senator Scott and all members of that subcommittee, provides a sufficient basis for the Senate and the Congress to act now. Reforming the CAB is a task whose time has come, and other agencies should not be far behind.

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that a joint statement issued by the distinguished Senator from Massachusetts (Mr. Kennedy) and myself be printed at this point in the Record.

There being no objection, the joint statement was ordered to be printed in the Record, as follows:

JOINT STATEMENT BY SENATOR EDWARD M. KENNEDY AND SENATOR HUGH SCOTT ON THE NEED FOR REFORM OF THE FEDERAL AVIATION ACT OF 1958 TO PERMIT GREATER COMPETITION IN THE DOMESTIC AIRLINE INDUSTRY

In the last 20 years the Civil Aeronautics Board has been subjected to severe and increasingly well documented criticism from academic and governmental circles. The time has arrived to acknowledge that the thrust of this criticism is correct and to reform legislatively the regulatory powers of the Civil Aeronautics Board.

The Board's critics claim that its reliance upon classical route-award and ratemaking procedures has brought about fares that are far too high. The airline industry is potentially highly competitive, but the Board's system of regulation discourages the airlines from competing in price and virtually forecloses new firms from entering the industry. The result is high fares and security for existing firms. But the result does not include high profits; instead the airlines—prevented from competing in price—simply channel their competitive energies toward costlier service; more flights, more planes, more frills. Thus, the skies are filled with gourmet meals, and Polynesian pubs; scheduled service is frequent. Yet planes fly across the continent 50 percent empty. And fares are "sky high."

The remedy is for the Board to allow both new and existing firms greater freedom to lower fares and greater freedom to obtain new routes. This freedom should lead the airlines to offer service in fuller planes at substantially lower prices, a form of service that most consumers desire.

The critics' arguments are amply supported by the experience of the intrastate airlines in Texas and California. Detailed examination of these cases by the Senate Administrative Practice and Procedures Subcommittee convincingly refutes the interstate airlines' contentions that Texas and California are somehow unique. Rather, the primary reason for the lower fares lies in greater freedom to compete and the lack of CAB regulation.

The overall effects of 38 years of CAB regulation have been to restrict the competition among the airlines that existed in 1938 and to prevent new airlines from challenging these protected grandfather carriers to any substantial degree.

Many of the Board's procedures fail to meet commonly accepted standards of fairness and openness. In some instances major policies have been determined without a prior opportunity for the public fully to present arguments and alternatives. In other instances, individuals have been hurt as a result of procedurally unsound Board action. This conclusion applies, in particular, to the Board's route award procedures, the route moratorium, the "motion for expedited hearing," intervention by the Chairman's office in route cases, the "minimum charter rate" experience, the capacity restricting agreements, charter rule enforcement, the Air Europe case, and the campaign contribution investigation.

To some extent the Board's failings reflect the inherent difficulty of applying classical rate and entry regulation to a competitive, economically volatile industry. Classical ratemaking sets fares that equal costs (including a reasonable profit). Yet the Board's experience suggests it is extremely difficult, if not impossible, to develop a cost-based ratemaking system that uses fair procedures and keeps fares in such an industry low.

Classical entry regulation substitutes for impersonal market forces, which tolerate bankruptcies and allow the efficient, aggressive, or superior firms to survive, personal quasijudicial decisions by regulators, who inevitably feel responsible for the "health" of the firms they regulate, who tend to see "fair" decisions as those that treat with rough equality the various industry claimants before them, and who thus seek industry stability and improved service. Given the difficulty of fashioning a set of consistent standards for awarding routes that will meet these objectives, that will conform to statutory requirements, and that will help to keep fares low, it is not surprising that the Board has tended to avoid hearings, to rely on informal negotiation, and, when denying route applications, to substitute for substantive criteria, procedural ones, which are less open to outside criticism or review.

This is not to say that inherent defects are the only cause of the CAB's failings. These may, for example, also reflect the human tendency to listen more closely to representatives, such as those for the industry, who are powerful, well-informed, and can reward regulators with future jobs or contracts. Or they may reflect the variety of political forces that the regulator must often take into account.

We are convinced that air service can be made available to the American public at significantly lower fares and that increased competition will accomplish this.

Specifically, we urge that our colleagues give due deliberation to amending the Federal Aviation Act of 1958 to:

1. Require that major shifts in Board policy take place only after adequate opportunity is given both to members of the industry and the general public to submit views and arguments.
2. Provide strict time limits governing route cases.
3. Liberalize entry requirements gradually so that eventually any firm wishing to supply air service on a route is allowed to do so on a showing that it is "fit, willing, and able."
4. **Allow carriers flexibility to charge the prices they desire. The Board should retain a rate ceiling, but no floor, removing the ceiling only when entry rules become sufficiently liberal for the threat of new competition to hold prices down.**
5. Liberalize restrictions on charter travel.
6. Adopt a standard that would prohibit any act that would violate the antitrust laws, unless the anticompetitive effects are clearly outweighed in the public interest by the need to secure a significant transportation objective.
7. Increase substantially the protection of the consumer against, among other things,

the exigencies of lost baggage, overcharging, and fare complexities.

Mr. BUCKLEY. Mr. President, I believe that I can most appropriately discuss the effect of Government regulation on consumers by discussing the regulation of air travel by the Civil Aeronautics Board.

Let us begin with an incident that was reported in the Washington Post on January 24 of this year. World Airways was denied permission to enter the scheduled airline business. Was World Airways denied permission to serve air travelers because it was some sort of a fly-by-night operation or because it had a record of accidents? Hardly—World Airways is a well-established supplemental carrier providing international service. World Airways was denied the opportunity to serve the air traveler on the gounds that the Civil Aeronautics Act does not allow supplemental carriers like World to compete with scheduled airlines.

My purpose is not to pick an argument with the CAB's lawyers on this issue, but to ask why should an organization like World Airways be kept out of the market? World Airways' proposed fare would have been $89 for flights from Newark and Baltimore Airports to Oakland Airport, in contrast to the $179 fare offered by an existing trunk carrier. World Airways claims that it can effect savings by relying on Ticketron—a chain of independent ticket agents—instead of expensive downtown ticket offices to sell tickets and by charging a $25 no-show fee. The consumer has thus been denied a chance to benefit from an amazingly inexpensive fare.

It was not so long ago that the Senate almost voted to dismember the oil companies on the mere suspicion that they were engaging in anticompetitive practices. Well, here we have the spectacle of a Government agency engaging in the blantantly anticompetitive act of denying entry. Perhaps the fate contemplated for the oil companies should be reserved for the CAB.

The arguments against lessening the rate and entry powers of the CAB lack credibility:

First. The regulated airlines are pushing the argument that small, out-of-the-way communities would be without air service if there were deregulation of air travel.

Of course, the trunk carriers, which have been off direct subsidy for about 15 years, claim that they are presently serving deficit routes, and that carriers like World Airways should not be allowed to skim the "cream" which allegedly allows them to serve these deficit routes. As is explained in a recent CAB staff study, many of these so called "deficit" routes are a product of arbitrary methods of allocating joint and common costs. Improper cost allocation can turn a stopover which is actually in the airline's own interest into a loss service and can greatly exaggerate the difficulties faced by smaller airports. It should also be noted that the trunk carriers have never met serious resistance from the CAB when they have attempted to abandon an unprofitable operation.

More importantly, if service to small airports cannot meet its costs, then it should be provided by direct subsidization from general tax revenues and not by cross-subsidization from other air travel. Direct subsidization would be out in the open where the public can continually weigh its costs against its benefits. The Congress recently adopted this principle for railroad service when it enacted the Railroad Revitalization and Regulation Reform Act of 1975, which takes a big step away from the cross-subsidization of deficit operations. This approach can work for the airlines.

Second. The other major argument against lessened regulation of air travel is the "destructive competition" argument, that is, the argument that the carriers will compete so hard that they will drive each other into ruin. Prior to the enactment of the Civil Aeronautics Act of 1938, it was alleged that there was "overcompetition" in the airline industry. Despite this allegation, however, domestic air traffic managed to grow from 189 million revenue passenger miles in 1934 to 410 million in 1937. It is theoretically possible for destructive competition to take place in an industry characterized by high fixed costs and erratically fluctuating demand. However, both of these preconditions are lacking in the airline industry. All too often, a desire to avoid "destructive competition" often amounts to the desire by established interests to lead a sheltered existence.

The Washington Post article of January 24, 1976, also noted that Eastern Airlines has joined Pan American and TWA in requesting subsidies. It is my belief that there is something wrong with the system when fares and subsidy requests increase while load factors for trunkline carriers hover at around 50 to 55 percent of capacity. I will therefore oppose requests for subsidy until there is regulatory reform for air carriers. The Department of Transportation has put forward a regulatory reform package which merits serious consideration.

IMPACT OF FEDERAL REGULATIONS ON AGRICULTURE

Mr. DOLE. Mr. President, the junior Senator from Kansas is pleased to join in this coloqux on the cost of Federal regulations in our economy.

My particular interest is in the impact on agriculture. We have had Federal regulations of one sort or another for a long time. All of them were surely created with good intentions and some of them certainly have been beneficial.

Unfortunately, we now seem to have tipped the scales toward over-regulation. Every time we turn around, a new regulation seems to stare us in the face.

Regulation of private enterprise exists at all levels of government—Federal, State, and local. But, in the view of this Senator, the Federal bureaucracy wins the prize for being the most troublesome.

Possibly that is because the Federal Government tends to be the most remote from local problems. Federal bureaucrats in Washington obviously have difficulty keeping in touch with all the situations around the country and being responsive to them. The Federal Government, because of its size, is the most cumbersome and difficult to change.

What many seem to forget is that Federal regulations are not a free ride. Many Federal actions have been intended to result in lower prices for consumers, but usually those actions have a price tag that usually means higher prices for consumers sooner or later, although they may not know it.

The question is when will Congress recognize the cost of Federal regulations in agriculture and what will we do about it?

We have plenty of recent examples to indicate that we must do something before long.

INTERVENTION IN FARM EXPORTS

The most harmful kind of Federal regulation has been the intervention in farm exports that began with the soybean embargo in 1973 and that occurred again last year with the moratorium on sales to the Soviet Union and Poland.

When we talk about the impact of Federal regulation on consumers, we have to recognize that farmers are consumers themselves. They use a great deal of equipment, fuel, fertilizer as well as the consumer goods used by all Americans.

The export interruptions that occurred last year cost farmers literally millions of dollars. This cost is in the income they lost due to the depressed market and due to the loss of sales when our customers went elsewhere to buy grain.

That lost income will mean that farmers buy fewer of the goods they normally consume.

At the same time, our trade balance must decline due to a loss of export sales. Our reputation as a reliable supplier in the world food market is further tarnished.

As many farmers have been telling me, if they cannot recoup their losses and make a fair profit, they will have to get into some other business where they can. If that happens, the supply of food would decline and the price would go up.

So consumers still face the possibility of picking up the price tag in the long run for export restrictions that ironically were intended to keep food prices low for consumers.

It is questionable whether consumers gained anything in the short run. While the price of grain has declined sharply, it appears that the price of bread and cereal products has declined little if any at all.

COST OF EPA

The actions of the Environmental Protection Agency during the past few years are also noteworthy. Many of that Agency's recent rulings have had the effect of increasing the cost of growing and marketing farm products. As everyone knows, EPA's jurisdiction extends across a wide range of activities involving both plant and animal agriculture.

Pesticide regulations and feedlot runoff regulations are EPA actions that will add to the production costs in agriculture. Certainly pollution control is desirable, but how much will this protection cost? And just how much are we willing to pay for this protection?

NATURAL GAS REGULATION

The Federal regulation of natural gas prices is another area in which consumers face the prospect of paying higher prices.

As the Senate recognized last year in passing the natural gas deregulation bill, natural gas prices have been held far below the market value for two decades by Federal regulation. We have come to the point where production incentives have become highly doubtful. The artificially low prices have caused such high demand for natural gas that many of the most important needs for natural gas cannot be met.

One of the most important uses of natural gas is as a feedstock in the production of nitrogen fertilizer. Yet in 1974, during a severe shortage of fertilizer—which caused incredibly high prices for farmers—we lost over 200,000 tons of fertilizer production due to natural gas curtailments. The loss in 1975 was reportedly even greater.

Another widespread usage of natural gas is to run farm irrigation engines. The cost of running these engines on other types of fuel is prohibitive. Yet as those from farm States well know, farm output throughout much of the midwest would be greatly reduced without irrigation.

So this is another example of how Federal regulation has hurt consumers. It has caused higher costs for farmers as consumers. While the impact on food prices for urban consumers up to this point has probably been negligible, the potential for causing higher prices is certainly there.

I am pleased that the Senate last year passed a bill that would give agricultural uses of natural gas a high priority. This bill follows the same approach as the bill, S. 187, that I introduced last year on January 16, 1975.

Mr. President, there are many other examples of how Federal regulation has increased costs for consumers of food and for farmers. Again, I would say that the intent behind most of these regulations has probably been for some good purpose. But in my opinion, the cost to agriculture has been great, and in some cases, excessive. It is the hope of this Senator that we can more closely examine the cost of the Federal regulatory process in Congress and hopefully devise some improvements that will be less costly.

ORDER OF BUSINESS

The **PRESIDING OFFICER** (Mr. MANSFIELD). Under the previous order, the Senator from Missouri (Mr. EAGLETON) is now recognized for not to exceed 15 minutes.

THE PROPOSED TREATY WITH SPAIN

Mr. **EAGLETON**. Mr. President, our relationship with Spain grew out of the Cold War era. The government of Francisco Franco—the surviving Axis leader—did not begin to measure up to the American ideal. But, in a sharply polarized world, Spain's anti-communism and strategic location seemed to outweigh democratic principles.

Our decision to legitimize the Franco regime did little to enhance the prestige of the United States. We had absolute power within the Western world then, and we exercised it for what we perceived to be the general good. But revisionist thinking—the rendering of historical judgments with the benefit of hindsight—is not an exclusively American phenomenon. There are many in both Europe and the United States today who hold our Government responsible for Franco's long and stultifying reign.

Today the U.S. Senate has been asked, for the first time, to ratify the agreement which forms the basis for our contemporary relationship with Spain. Our bases agreement with that country, expanded since 1970 to an agreement of "Friendship and Cooperation" covering a variety of bilateral undertakings, will soon be submitted to this body as a treaty.

Mr. President, the Senate must look carefully at the substance of this treaty—we must consider the policy implications of each of its provisions. But we cannot overlook the significance of the administration's request for the advice and consent of the Senate.

Some will call the President's action an important precedent—a contemporary example of Presidential acquiescence to congressional power in foreign affairs. Such a view, while probably correct in the political sense, nonetheless seems to advance an erroneous constitutional assumption—an assumption that a President, any President, has the discretion to choose whether or not to submit an agreement of this type as a treaty.

I want to commend those within the executive branch who successfully argued for submission of this agreement as a treaty. At a time when self-serving constitutional interpretations threaten the very essence of our system, those who fought against untrammelled Presidential power to commit the United States by executive agreement may have placed their finger in the dike at a crucial moment.

The occasion of the submission of this important agreement to the Senate should be used to come to grips with the constitutional issue—the claim of absolute Presidential discretion to choose the form an international agreement will take. In my view, this claim seriously distorts the constitutional design.

The executive branch's position on these matters was most explicitly contained in a memorandum submitted to the Senate Foreign Relations Committee by the State Department Legal Adviser, Monroe Leigh, at the time of the consideration of the Sinai agreement. "The President," Mr. Leigh stated, "has the discretion to choose whether to conclude any particular agreement as a treaty or as an executive agreement."

But the Constitution—which, Mr. Leigh argues, offers no guidance in these matters—provides that the President "shall have power, by and with the advice and consent of the Senate, to make treaties." However, Mr. Leigh cites an additional power—an inherent power under the President's executive authority—of apparently absolute discretion to commit the United States by executive agreement. If this "inherent" power exists, then we must assume that the explicitly worded power of the Senate to offer its advice and consent on treaties can be rendered completely void by Presidential fiat.

While the Founding Fathers did leave some provisions of the Constitution purposely vague, they most certainly did not intend that provisions describing the delegation of power in very explicit terms were to be superceded by more general provisions. To offer such a construction of the Constitution is, in the words of Alexander Bickel, "in the most fundamental sense to deny the idea of law itself."

The only executive agreements permissible under our Constitution are those entered into either pursuant to a statute or to implement a provision of a treaty. The President's power to enter into an agreement of this form naturally flows from the Congress, not from any mythical "inherent" power.

The submission of this treaty must lead to a more orderly procedure for assuring that the advice and consent of the Senate is applied to all important international agreements. If necessary, guidelines should be set by law. However, even in the absence of a statute, the Senate must insist on its constitutional prerogatives.

Mr. President, the Senate, in its consideration of the Spanish treaty, should not be influenced in any way by the executive branch's change of mood with respect to the power of advice and consent. If this agreement has merit, it should be ratified. If it does not, we should reject it, or recommend it be modified.

We do have an obligation, however, to proceed to consider this important matter with all deliberate speed. It has been suggested that the Senate might consider delaying its action on this treaty in order to see more clearly the shape of Spain's future. I understand the concern of those who advocate such a course. With the death of Franco the Spanish political scene has taken on a distinctly tentative cast.

But we must also consider the very real possibility that our failure to act on this treaty could, in itself, impact negatively on future events in Spain. So long as the Senate remains unable to predict the future accurately, the only responsible course will be to fulfill our constitutional role by considering all available information and voting either to ratify, to ratify with reservations, or to reject.

Having recommended that we proceed despite the change going on in Spain today, I would also point out that that very change is the most important factor of which we must take account. That there will be a different political system and new leadership in Spain during the 5-year lifetime of this agreement seems inevitable.

How then are U.S. interests best served—by ratification or rejection of this treaty? How will future Spanish leaders interpret the continuation of our relationship at this important juncture in the post-Franco era? Will the new Spain feel that the U.S. Government placed security considerations over principle, as we did when we first provided Franco's government with an important measure of legitimacy?

Before attempting to answer these all-important questions we should examine the alternative to the agreement we now consider. We must ask ourselves whether we could have reflected the tentative state of the current Spanish political scene with an equally tentative agreement. Could we have simply extended the old agreement on a renewable-annually basis, for example?

Even if our negotiators saw this as a viable approach, which they obviously did not, it is clear that the Spanish Government would have none of it. The previous agreements with Spain were 5-year pacts. For a Spanish Government to agree to less in the waning days of Franco's life would have been to concede its transitory status. The new government was even less likely to tolerate a temporary arrangement.

It really came down, therefore, to a very clear-cut decision: should we maintain the relationship or not? It is my view that we can do more to advance U.S. interests and the interests of a democratic Spain by continuing the relationship.

The United States for over 20 years has been Spain's most important link to the democracies of Western Europe. For most of this time Franco's Spain looked inward, largely unaffected by the sweeping economic and political changes on the continent. But in the sixties, aided by the United States, Spain emerged as an industrial nation—a nation which now needs a new kind of economic and political legitimacy to sustain itself.

So long as Spain seeks acceptability—whether to join the Common Market or NATO—the United States will be able to exert positive influence over the process of change. To precipitously sever our special tie would mean playing directly into the hands of Franco's adherents—adherents whose chauvinism has always been most effective when Spain has seemed to be isolated.

Mr. President, I have outlined a rationale for maintaining our relationship with Spain, but I have not commented on the specific provisions of the treaty before us. I will, of course, like other Senators, await the recommendations of the Foreign Relations Committee but I would like to comment on some of the treaty's provisions in a general way.

First, although with some reservations, I acknowledge the importance of our military bases in Spain, I feel this must remain a secondary consideration. If things go wrong, we could lose those bases in a year.

As I have explained, it is my feeling that if this treaty is worthy of support, it must have a positive impact on Spain's political evolution. If this treaty is seen by the future leaders of Spain as an effort to perpetuate the old regime, then U.S. interests, security or otherwise, will suffer in the long run.

In this regard, the opposition movement must be made to understand that this treaty does not represent an endorsement of the existing form of government. Secretary Kissinger has already helped that perception along by expressing support for Spain's political evolution and the efforts to "link Spain to the human and political values on which the West relies."

The Senate might aid the perception even further by adding an "understanding" that our Government hopes that the continuing relationship between our countries will advance the principles of democracy.

The value of the treaty form is the flexibility gained by the advice and consent process. In areas where the requirements of diplomacy restrict the executive branch, the Senate can send a distinct message on a people-to-people basis. We should not forgo this opportunity as we consider the political impact of renewing our formal relationship with a changing Spain.

We must also carefully consider the nature of the defense agreement we will now have with Spain. Is the United States legally committed to defend Spain?

Article V of the treaty contains no such commitment. It does not contain language common to mutual defense treaties calling for consultation with a view to aiding the attacked party in accordance with the "constitutional processes" of the signatory nations. Such language, it should be noted, was contained in the main body of the previous agreement.

Under Supplementary Agreement No. 6, however, there is a commitment to consult on a contingency basis. It is so conditioned, however, as to be applicable only under the remotest worst-case circumstance—an all-out East-West conflict. Article III of that section reads in part:

> In the case of external threat or attack against the security of the West, the time and manner of the use by the United States of the facilities referred to in this Supplementary Agreement to meet such threat or attack will be the subject of urgent consultations between the two Governments, and will be resolved by mutual agreement in light of the situation created.

Under the war powers resolution, even this unlikely commitment cannot be construed as authorizing the President to conduct war without congressional consent. Section 8 of that law states in part that authority to introduce U.S. forces into hostilities cannot be inferred "from any treaty heretofore or hereafter ratified unless such treaty is implemented by legislation specifically authorizing the introduction of U.S. Armed Forces into—such—hostilities."

Mr. President, I will conclude my remarks today by commenting briefly on the reform proposals announced last week by the Spanish Government. Obviously, these recent developments have a material impact on our deliberations.

It is clear that these proposals and, just as importantly, the rhetoric chosen by Prime Minister Arias to introduce them, are far short of what is required. But I think it is time to be realistic—they were also far more than was expected. It must have taken considerable arm twisting to get even this limited program approved by the conservative Council of the Realm, the institution which must approve changes in Spanish law. The ordinary citizen yearning for liberty will take little solace in this halfway measure, but the direction in which Spain is heading seems unmistakable.

Mr. President, there is a popular attitude in these unsettled times that holds that freedom can come in a politically oppressed country only by revolution. The Spanish people, having gained a measure of comfort and stability as a result of their nation's economic upsurge, cannot look favorably upon those who want to create a new Spain out of the ashes of today's society. And we would be wrong to encourage those who advocate such a destructive course.

I believe that there is a political evolution going on in Spain today which will lead inexorably to democracy. It may start slowly, but those who acquire a measure of freedom after a generation of repression will move quickly to consolidate their gains. And those in the Spanish Government who now feel that they can open the door only halfway will soon learn whence their power devolves. It will not descend from the King, but rather it will ascend from the people.

We must hope that the Treaty of Friendship and Cooperation between the United States and Spain becomes an instrument to facilitate rather than impede th move toward democracy. No one can be completely sure it will have that effect, but it is my judgment that the absence of any relationship with Spain at this time would do the cause of democracy much more harm than good.

Mr. President, I ask unanimous consent that a letter I sent to Secretary of State Henry Kissinger dated December 20, 1974, in which I asked that the Spanish bases agreement be submitted to the Senate as a treaty, be placed in the RECORD along with Ambassador Robert McCloskey's reply of January 3, 1975.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington, D.C., December 20, 1974.

Hon. HENRY KISSINGER,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: I have noted with interest recent news reports concerning our negotiations with Spain and Portugal toward the renewal of agreements to maintain U.S. access to military bases in those countries. I am particularly concerned about reports that the United States has advised Spain that the elevation of our current agreements to the treaty level would be unacceptable.

I am hopeful that the serious misunderstandings between Congress and the Executive which arose when the current Spanish and Portuguese agreements were reached can be avoided this time. Intervening events have, in my opinion, dramatized the advantaegs of a more open consideration of foreign policy initiatives, especially those which depend for their successful implementation on congressional and public support. It would seem apparent that the participation of Congress in these matters, at least to the extent prescribed by the Constitution, will assure that the final arrangements are adequately funded. I feel that it is important that the Spanish and Portuguese sides consider this point.

I understand that the Spanish would like to upgrade the defense arrangements to the "mutual security" level with a requirement for automatic joint response to attack under a mechanism similar to that which is in the NATO treaty. It is my belief that the Administration would be correct in informing the Spanish that such an arrangement would be unacceptable to the two-thirds of the Senate necessary for ratification.

On the other hand, I do not believe that the mutual security issue should be confused with the constitutional requirement to submit for ratification agreements of such consequence as the "Agreement of Friendship and Cooperation. Between the United States and Spain." This document, containing wide-ranging political, economic, cultural and military agreements, is surely the most important representation of American-Spanish relations. Certainly if the "advise and consent" clause of the Constitution retains any meaning, it must apply to agreements of this nature.

The joint-use bases in Spain and Portugal are important to our security interests and I am confident that the vast majority in Congress would support a continuation of the current arrangements. Equally important at this special time in our history, however, is the restoration of the American constitutional design. I would hope that the current negotiations with Spain and Portugal can result not only in continued good relations with those countries but also in a reaffirmation of the treaty power of the Senate.

I would appreciate being advised as to whether the Administration intends to submit the Spanish and Portuguese bases agreements to the Senate for ratification. If not, please explain the constitutional basis for your decision.

I feel that it is important to resolve these matters at this time so that participants in the negotiations are aware of the domestic ramifications attached to the treaty issue on the American side. An early response to this inquiry would, therefore, be greatly appreciated.

Sincerely,

THOMAS F. EAGLETON,
U.S. Senator.

DEPARTMENT OF STATE,
AMBASSADOR AT LARGE,
Washington, January 3, 1975.

Hon THOMAS F. EAGLETON,
U.S. Senate.

DEAR SENATOR: Secretary Kissinger has asked me to reply to your kind letter of December 20. As negotiator with Spain and Portugal for renewal of our agreements regarding military bases, I deeply appreciate your recognition of the important security interests which our joint-use of bases in those countries address.

Your reference to the "advantages of a more open consideration of foreign policy initiatives, especially those which depend for their successful implementation on Congressional and public support" fully reflects my own views. I have been mindful of these advantages in my approach and conduct in the negotiations over these agreements and I have made special efforts to brief members of Congress on the status of the negotiations.

In my discussions with the Spanish, I have been careful to describe the circumstances which constrain the United States in considering any new security commitments. Our objective is to extend the current agreement. Under the circumstances, your confidence that a vast majority in Congress would support a continuation of the current arrangement is encouraging and confirms my own conclusion.

Both negotiations are in their preliminary stages. I have met with the Spanish on two occasions, once in Madrid and once here. We have scheduled another round for Madrid at the end of January. The Portuguese have designated their Ambassador to Washington as the negotiator and, while we meet fairly frequently, we are still in an early phase of the negotiations.

I would be glad to come to your office at your convenience and discuss the status of the negotiations and the related questions in your letter. If your staff will suggest a date, I will make myself available.

I very much appreciate your interest in these negotiations.

Sincerely,

ROBERT J. MCCLOSKEY.

Mr. EAGLETON. Mr. President, I yield back the remainder of my time.

ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a period of not to exceed 15 minutes for the transaction of routine morning business, with statements therein limited to 3 minutes each.

The PRESIDING OFFICER (Mr. HELMS). Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE CONCURRENT RESOLUTION 93—RESOLUTION SUPPORTING BRUSSELS CONFERENCE ON SOVIET JEWRY

Mr. JACKSON. Mr. President, I send to the desk a concurrent resolution and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER The concurrent resolution will be stated by title.

The assistant legislative clerk read as follows:

The Senator from Washington (Mr. JACKSON), for himself and Mr. CASE, Mr. BUCKLEY, Mr. MONTOYA, Mr. DURKIN, Mr. MCGEE, Mr. BAYH, Mr. WILLIAMS, Mr. MCINTYRE, Mr. STONE, Mr. HUGH SCOTT, Mr. CHURCH, Mr. HUMPHREY, Mr. RIBICOFF, Mr. CRANSTON, Mr. JAVITS, and Mr. HELMS, submits a concurrent resolution supporting the Brussels Conference on Soviet Jewry.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. JACKSON. Mr. President, I welcome this opportunity to join with Senator CASE and Congressman SCHEUER and our bipartisan group of cosponsors in introducing this concurrent congressional resolution supporting the objectives of the Second Brussels Conference for Soviet Jewry. This Conference is an international, interfaith effort that will focus the world's attention on the continued Soviet harassment of people seeking to exercise their fundamental human rights.

This Second Brussels Conference is meeting February 17 through 19. Nearly 1,000 Jewish leaders from 50 countries, along with Protestant and Catholic spokesmen, will participate. The meeting occurs just 5 years after the First Brussels Conference in 1971, which touched off a worldwide response and marked the beginning of a large scale intensive effort on behalf of Soviet Jews.

To the Kremlin, this Second World Conference for Soviet Jewry serves notice that the civilized world expects the Soviet Government to honor the international treaties and declarations on human rights to which it has subscribed. This means, at the least, an end to the intimidation and persecution of Soviet citizens seeking to emigrate. Soviet obligations include the Helsinki Declaration signed by Leonid Brezhnev for the U.S.S.R. in August of 1975, pledging a freer flow of people and ideas and the removal of obstacles to the reunification of families; the United Nations Declaration of Human Rights which assured all people the right to free emigration; the International Covenant on Civil and Political Rights and the International Convention on the Elimination of all Forms of Racial Discrimination, which the Soviet Union ratified in 1968 and 1969 respectively.

We believe it is important that the U.S. Congress, on behalf of the American people, stand with those who seek to enlarge human freedom. We therefore urge approval of this important bipartisan expression of solidarity for the Second Brussels Conference.

Mr. CASE. Mr. President, the resolution to express solidarity with the Second Brussels Conference for Soviet Jewry is further expression of our continuing concern for the cause of human rights.

As the resolution Senator JACKSON and I introduced notes, the Soviet Union is a signatory to the Helsinki accord pledging a freer flow of people and ideas and the removal of obstructions to the reunification of families.

The Soviet Union also is a signatory to the U.N. Declaration of Human Rights, assuring all people the right to emigrate.

The conference, which meets in Brussels on February 17 through 19, is another reminder that Soviet citizens are still facing intimidation and persecution if they wish to emigrate.

If the Soviet Union is sincerely interested in détente, it should keep in mind that we are concerned about men as well as missiles.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. Con. Res. 93

Whereas the five years since the First Brussels Conference of 1971 have demonstrated that the struggle of the Jews of the Soviet Union to emigrate has continued in the face of severe repression; and

Whereas the eve of the Second Brussels Conference is marked by increased intimidation and persecution of Russian Jews who seek to emigrate and a new and widespread campaign of anti-Semitism within the Soviet Union; and

Whereas the United States and the Soviet Union have signed the Helsinki accord pledging a freer flow of people and ideas and the removal of obstructions to the reunification of families; and

Whereas the United Nations Declaration of Human Rights assures all people the right to free emigration; and

Whereas the American people have, through legislation and in other ways, demonstrated their support for the struggle of Soviet Jews to be free; Therefore be it

Resolved by the Senate (the House of Representatives concurring) that the Congress of the United States expresses the solidarity of the American people with the efforts to enlarge human freedom by the participants in the Second Brussels Conference, February 17 to 19, 1976.

THE CONCORDE

Mr. BUMPERS. Mr. President, I wish to make a short statement about the ruling of the Secretary of Transportation yesterday with regard to the Concorde landings at Dulles and Kennedy Airports.

I introduced a bill yesterday, on behalf of Mr. NELSON, Mr. HART of Colorado, Mr. BUCKLEY, and myself, to prohibit the landings of the Concorde in the United States until it can be determined that the noise level is no greater than that of subsonic aircraft.

I must confess that in addition to noise, one of my chief concerns regarding the Concorde has been the deposit of nitrogen oxides and unburned hydrocarbons directly into the stratosphere.

I have been chairing a subcommittee of the Space Committee which has been studying the effects of aerosol can propellants and other fluorocarbons on the stratosphere, and their ability to deplete the stratospheric ozone layer. I have become very concerned, and I sometimes think I am the only one on the Hill who is really alarmed by the Rowland-Molina theory. All our hearings have shown that this theory of ozone depletion is strongly supported by increasing emperical evidence. I should point out that the chemical arguments for the role of SST nitrogen oxide emissions are very similar.

I cannot overemphasize the devastation that this country is about to wreak upon itself and future generations unless somebody becomes very excited about what what we are doing.

As the Senators know, the Concorde flies at 60,000 feet, which is right in the stratosphere, right through the ozone layer. There is no question that some, but not all, of these ozone destroying chemicals, when deposited, by subsonic aircraft in the lower atmosphere can be washed out by the rain and the wind, but they, cannot wash out when deposited at 60,000 feet.

While I would be the first to admit that 6 Concorde flights per day are not going to drastically deplete the ozone layer, the CIAP study, which was done at a cost of $22 million by the Department of Transportation following the great SST debate in this Chamber, shows what devastation of fleet of Concordes could do to the ozone layer.

The primary purpose of my remarks this morning, Mr. President, is to contradict part of the statement that the Secretary of Transportation made yesterday. He commented that as long as we are not doing anything about aerosol propellants and the other uses of fluorocarbons, why should we be excited about what the Concorde is going to do to the ozone?

My point is very simple: There are 16 Senators here who have joined with me in trying to get an amendment to the Clean Air Act. Right now this amendment is before the Committee on Public Works, and I am hopeful that it will soon be reported out. The gist of the amendment is to provide authority to stop the manufacture and importation of any nonessential fluorocarbons, such as used in hair sprays, deodorants, and the other things for which there are suitable substitutes.

As to the fluorocarbons we use in refrigeration, there is a public health and economic aspect which makes impossible our prohibiting the manufacture of fluorocarbons for that use right now. Fortunately some of the chemical companies in this country are doing a good job of finding substitutes and less damaging fluorocarbons.

The point I want to make is to refute what the Secretary of Transportation said yesterday, that nobody was doing anything to stop the other elements from going into the stratosphere; therefore, he saw no reason to be concerned about this. I am terribly concerned about it. The bill I introduced yesterday on behalf of the other Senators whose names I mentioned would carry sanctions with it which would prohibit any airport which allowed a Concorde to land, except under emergency conditions, from receiving any Federal aid under the Airport Development Act.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. METCALF) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

APPROVAL OF BILLS

A message from the President of the United States stated that on February 5, 1976, he approved and signed the following bills:

S. 1657. An act to amend the National Portrait Gallery Act to redefine "portraiture"; and

S. 2718. An act to improve the quality of rail services in the United States through regulatory reform, coordinating of rail services and facilities, and rehabilitation and improvement financing, and for other purposes.

REPORT ON PROGRESS OF CYPRUS NEGOTIATIONS—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. METCALF) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

Pursuant to Public Law 94–104, I am submitting the second report on the progress of Cyprus negotiations and the efforts this Administration is making to help find a lasting settlement. In my first report, on December 8, 1975, I outlined the Administration's policy toward the complex Cyprus problem, and indicated in detail the major effort we have made to encourage a resumption of the Cyprus negotiations between the Greek and Turkish Cypriot communities.

In that report, I also stated that Secretary Kissinger planned to place special emphasis on Cyprus during his meetings with the Greek and Turkish Foreign Ministers at the NATO Ministerial meetings in Brussels in December. He did this, and in the course of these meetings, he found a desire on the part of both sides to move forward. Indeed, the constructive spirit which characterized those discussions was translated on December 12 into an agreement by the Foreign Ministers of Greece and Turkey to seek the prompt resumption of the intercommunal talks. Acting on instructions from their governments, the Greek and Turkish permanent representatives to the U.N. thereupon called on Secretary General Waldheim to begin a discussion aimed at resolving questions relative to the timing, venue, and content of intercommunal talks. Subsequently, discussions between United Nations officials and the two Cypriot communities were initiated, and have been sustained over the past month. The task of resolving the existing differences was not an easy one, but the efforts of the Secretary General have resulted in the parties indicating their agreement to a resumption of the intercommunal talks in Vienna on February 17.

Throughout December and January the United States has urged upon all the parties the earliest possible resumption of Cyprus negotiations. We have been joined in this effort by our European allies. Major assistance was also provided by Chairman Morgan and members of the House Committee on International Relations who visited Athens and Ankara in mid-January. On January 23 in Brussels Secretary Kissinger again saw the Turkish Foreign Minister who confirmed

Turkey's support for the resumption of the intercommunal talks.

The decision to resume the intercommunal negotiations is encouraging, and there have been other positive developments during the past sixty days. The Turkish government announced on January 31 that during the first week in February an additional 2,000 Turkish troops will be withdrawn from Cyprus, thus bringing Turkish troop presence down approximately 12,000 since mid-1974 to a figure below 30,000. Meanwhile, Greece and Turkey have begun a process of reconciliation. Meetings have been organized at various levels in December and January to discuss outstanding Greco-Turkish bilateral differences, including the problems of air space and of resource development in the Aegean. An improved climate between Greece and Turkey will surely have a beneficial effect on the Cyprus question.

Developments in December and January have convinced us that the process of bringing a lasting and just solution to the island of Cyprus is moving in the right direction, though the pace has been slower than any of us desire. The knowledge that thousands of refugees are enduring a second winter in temporary shelters is reason enough to move faster—and try harder. This we intend to do.

I believe it important that the talks which begin later this month provide the basis for the development of a negotiating atmosphere conducive to prompt consideration of all the key issues. I intend to stress this point in the weeks ahead. In this regard I am looking forward to meeting with Foreign Minister Caglayangil of Turkey on February 11. His visit to Washington will provide us with a timely opportunity to review bilateral issues as well as the Cyprus question.

I know that during the recent Congressional recess, members of both Houses visited the Eastern Mediterranean, and came away with a greater appreciation of the complexities of the Cyprus situation and the attitudes and concerns of all the parties. At the same time, these legislators were able to convey our shared conviction that no more time should be lost in the search for a solution.

The action of the Congress on October 2, easing restrictions on military shipments to Turkey, has proved valuable in restoring momentum toward a negotiated Cyprus settlement. If we are to continue to play a key role with the parties, the support and understanding of the Congress is essential. Continued cooperation between the Executive Branch and the Congress on this critical issue will serve the common quest to ensure that the people of Cyprus can build a prosperous future in a secure and stable environment.

Gerald R. Ford.

The White House, *February 5, 1976*.

MESSAGES FROM THE HOUSE

At 10:08 a.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the enrolled bill (H.R. 8529) to establish improved programs for the benefit of producers and consumers of rice.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. Metcalf).

At 1:34 p.m., a message from the House of Representatives delivered by Mr. Berry announced that the House has agreed to the concurrent resolution (S. Con. Res. 92) providing for a conditional adjournment of the Senate from February 6, 1976, until February 16, 1976, with an amendment in which it requests the concurrence of the Senate.

The message also announced that the Speaker has appointed as members of the Board of Visitors to the U.S. Naval Academy on the part of the House Mr. Flood, Mr. Sikes, Mr. Horton, and Mr. Kemp.

ENROLLED BILL SIGNED

The message further announced that the Speaker has signed the enrolled bill (H.R. 5608) to extend until the close of 1983 the period in which appropriations are authorized to be appropriated for the acquisition of wetlands, to increase the maximum amount of such authorizations, and for other purposes.

The enrolled bill was subsequently signed by the Acting President pro tempore (Mr. Metcalf).

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Metcalf) laid before the Senate the following letters, which were referred as indicated:

Report of the Secretary of Defense

A letter from the Secretary of Defense transmitting, pursuant to law, a report of working capital funds of the Department of Defense for the fiscal year ending June 30, 1975 (with an accompanying report); to the Committee on Armed Services.

Report of the Attorney General

A letter from the Attorney General transmitting, pursuant to law, a report on the enforcement of Title I of the Consumer Credit Protection Act for the calendar year 1975 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

Proposed Legislation by the Secretary of Transportation

A letter from the Secretary of Transportation transmitting a draft of proposed legislation to amend the Federal Railroad Safety Act of 1970 to authorize additional appropriations (with accompanying papers); to the Committee on Commerce.

Proposed Legislation of the Department of State

A letter from the Assistant Secretary of State transmitting a draft of proposed legislation to authorize appropriations for the Department of State for the fiscal years 1977 and 1978 (with accompanying papers); to the Committee on Foreign Relations.

Proposed Legislation by the Director of ACTION

A letter from the Director of ACTION transmitting a draft of proposed legislation to amend further the Peace Corps Act (with accompanying papers); to the Committee on Foreign Relations.

Report of the National Aeronautics and Space Administration

A letter from the Administrator of the National Aeronautics and Space Administration reporting, pursuant to law, on the scope of specialized or technical services provided to State or local governments by NASA; to the Committee on Government Operations.

Report of the Department of the Interior

A letter from the Deputy Assistant Secretary of the Interior reporting, pursuant to law, on the deferments of payments due the United States from the Arch Hurley Conservancy District, New Mexico; to the Committee on Interior and Insular Affairs.

Report of the Federal Energy Administration

A letter from the Administrator of the Federal Energy Administration transmitting, pursuant to law, a report on changes in market shares for petroleum products for October and September 1975 (with an accompanying report); to the Committee on Interior and Insular Affairs.

Published Regulations of the Department of Health, Education, and Welfare

A letter from the Executive Secretary of the Department of Health, Education, and Welfare transmitting, pursuant to law, a copy of published regulations entitled "Amended Criteria for Title IIB, Higher Education Act" (with accompanying papers); to the Committee on Labor and Public Welfare.

Report of the National Advisory Council on Education Professions Development

A letter from the Chairman of the National Advisory Council on Education Professions Development transmitting, pursuant to law, the annual report of the Council for the year 1975 (with an accompanying report); to the Committee on Labor and Public Welfare.

Budget Request of the Legal Services Corporation

A letter from the President of the Legal Services Corporation transmitting the budget request of the Corporation for the fiscal year 1977 (with accompanying papers); to the Committee on Labor and Public Welfare.

Prospectus of the General Services Administration

A letter from the Administrator of General Services transmitting, pursuant to law, a prospectus relating to a lease for certain space in Arlington, Virginia (with accompanying papers); to the Committee on Public Works.

Proposed Legislation by the Energy Research and Development Administration

A letter from the Administrator of Energy Research and Development transmitting a draft of proposed legislation for ERDA for the fiscal year 1977 (with accompanying papers); jointly, by unanimous consent, to the Committee on Interior and Insular Affairs and the Joint Committee on Atomic Energy.

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that a communication from ERDA transmitting a proposed authorization for that agency for fiscal year 1977 be referred jointly to the Senate Committee on Interior and Insular Affairs and the Joint Committee on Atomic Energy.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PETITIONS

The ACTING PRESIDENT pro tempore (Mr. Metcalf) laid before the Senate the following petitions which were referred as indicated:

A concurrent resolution adopted by the Legislature of the State of South Carolina; to the Committee on Interior and Insular Affairs:

"CALENDAR No. S. 649

"A concurrent resolution to memorialize the Congress of the United States and the Department of the Interior to establish the Old Ninety Six and Star Fort National Historical Park in the State of South Carolina

"Whereas, the history of the United States Revolutionary War is an important and indivisible part of our American heritage; and

"Whereas, the destiny of the young United States during the Revolution hung at times on events that took place at Old Ninety Six and Star Fort; and

"Whereas, it is generally recognized that the first southern land battle of the Revolution took place at Old Ninety Six and Star Fort; and

"Whereas, the seigeworks engineered by the memorialized Polish patriot, Thaddeus Kosciouszko, adjacent to the Star Fort were the last he engineered in America and, save Yorktown, are the only seigeworks to have survived from the Revolution; and

"Whereas, Old Ninety Six and Star Fort incorporate the three major themes in the National Park System plan for preservation of historical areas; namely: (1) Eupropean exploration and settlement of America (major facet—settlement of the Carolinas), (2) Development of the English Colonies 1700–1775 (subtheme—population growth and territorial expansion), and (3) The American Revolution (specifically, the War in the South; and

"Whereas, no other national historical park includes all of these three major themes, and such subthemes of settlement of the Carolinas and population growth in the English Colonies are not now represented at all in the National Park System; and

"Whereas, the Star Fort Historical Commission owns approximately seven hundred acres of the Old Ninety Six and Star Fort site and is willing to donate it to the Department of the Interior; and

"Whereas, the Department of the Interior's "Advisory Board on National Parks, Historic Sites, Buildings and Monuments" unanimously recommended to the Secretary of the Interior that the Old Ninety Six and Star Fort Historic Site be preserved and interpreted as a unit of the National Park System. Now, therefore,

"*Be it resolved* by the Senate, the House of Representatives concurring:

"That during this Bicentennial Year, the General Assembly of the State of South Carolina hereby memorializes the President, the Congress and Department of the Interior of the United States to establish the Old Ninety Six and Star Fort National Historical Park in the State of South Carolina.

"*Be it further resolved* that copies of this resolution be forwarded to the President of the United States, the presiding officers of each House of the Congress of the United States, the Secretary of the Interior and the United States Senators and Congressmen from the State of South Carolina."

House Resolution No. 1 adopted by the House of Representatives of the State of New Hampshire; to the Committee on Commerce:

"HOUSE RESOLUTION No. 1

"Relative to the Coast Guard's assumption of concurrent jurisdiction over certain waterways of the State

"Whereas, the United States Coast Guard has assumed concurrent jurisdiction over certain lakes and waterways lying entirely within the state, and

"Whereas, the Coast Guard's assumption of jurisdiction over certain of New Hampshire's lakes and waterways may create problems of sufficient magnitude and complexity to warrant passage of legislation at either the state or the federal level to mitigate the economic consequences of the Coast Guard's actions; now, therefore, be it Resolved by the House of Representatives that:

"I. The Speaker of the House of Representatives shall refer to a standing house committee the question of finding a solution to the various problems created by the Coast Guard's assumption of concurent jurisdiction over Lakes Winnipesaukee and Winnisquam, the Merrimack River and all their interconnecting waterways in New Hampshire.

"(a) Said committee shall investigate, study and hold hearings as deemed necessary on all aspects of the aforementioned situation with particular emphasis on the possibility of establishing a dual registration system (state and federal) as well as the legality of imposing "users" fee or a "launchers" fee and submit its findings and recommendations for legislative action in appropriate bill form to the Speaker of the House of Representatives in sufficient time for action to be taken by the General Court in the present special session.

"II. The clerk of the House of Representatives shall forward a copy of this resolution to the President of the United States Senate, the Speaker of the United States House of Representatives and each member of the New Hampshire Congressional delegation, as a protest to this unwarranted usurpation of sovereign states' rights to exercise complete control over any body of water lying entirely within its boundaries.

"III. The clerk of the House of Representatives shall inform the governor and council that the House of Representatives urges them to seek an injunction in the federal courts until a favorable resolution in the courts or Congress can be had.

"IV. The New Hampshire House of Representatives requests the New Hampshire Congressional delegation to take such action as may be deemed appropriate to have the United States Congress exempt Lakes Winnipesaukee and Winnisquam, the Merrimack River and all their connecting waterways from federal jurisdiction under the United States Coast Guard as an alternative to litigation in the federal courts."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations, without amendment:

S. 2760. A bill to amend the Indochina Migration and Refugee Assistance Act of 1975 to provide for the inclusion of refugees from Laos (Rept. No. 94–629).

REHABILITATION ACT EXTENSION OF 1976—REPT. NO. 94–630

Mr. RANDOLPH. Mr. President, I submit a report from the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11045), the "Rehabilitation Act Extension of 1976."

The PRESIDING OFFICER. The conference report will be received and printed.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. STENNIS, from the Committee on Armed Services:

Frank A. Shrontz, of Virginia, to be an Assistant Secretary of Defense.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. STENNIS. Mr. President, as in executive session, from the Committee on Armed Services, I report favorably the nominations to the members of the Board of Regents of the Uniformed Services University of the Health Sciences for terms expiring May 1, 1981: Lt. Gen. Leonard D. Heaton, U.S. Army, retired—reappointed; David Packard of California—reappointed; and Francis D. Moore, of Massachusetts, vice Malcom C. Todd, term expired.

In addition there are in the Air Force 30 temporary promotions to the grade of major general; 14 permanent major generals and 29 permanent brigadier generals; in the Army Reserve and National Guard 27 promotions to the grade of major general and brigadier general; two appointments in the Army National Guard for Reserve commissioned officers to the grade of brigadier general—Cols. Charles Emerson Murry and John Grady Smith, Jr.; the appointment in the U.S. Navy to the grade of vice admiral on the retired list of Vice Adm. Earl F. Rectanus; there are 25 appointments in the Army to the permanent grade of major general; Lt. Gen. James Francis Hollingsworth, U.S. Army, to be placed on the retired list in that grade, Maj. Gen. John Holloway Cushman, U.S. Army, to be lieutenant general; Maj. Gen. Donn Albert Starry, U.S. Army, to be lieutenant general; and there are two for promotion to the grade of major general and nine to the grade of brigadier general in the Reserve of the Air Force. I ask that these names be placed on the Executive Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, also, there are 984 temporary promotions in the Air Force to the grade of colonel; in the Navy and Naval Reserve 1,303 appointments to the grade of commander and below; 1,055 appointments and promotions in the Navy and Naval Reserve in the grade of captain and below; in the Air Force and Reserve of the Air Force, there are 57 appointments and reappointments to the grade of colonel and below; in the Regular Army, there are 75 appointments and reappointments to the grade of colonel and below; there are 497 appointments for permanent promotion in the Army to the grade of colonel; in the Navy and Naval Reserve there are 203 temporary promotions to the grade of captain; there are 99 temporary promotions in the Navy and Naval Reserve to the grade of commander and below; there are 1,000 temporary promotions in the Navy to the grade of lieutenant commander; in the Marine Corps, there are 184 permanent appointments to the grade of second lieutenant; there are 584 appointments in the Marine Corps to the grade of chief warrant officer, W–4; W–3; and W–2; Lt. Comdr. Ned E. Muffley, U.S. Navy, for appointment to the grade of commander; there are 639 in the Regular Army for promotion to the grade of colonel and below;

there are 37 promotions in the Air Force and Reserve of the Air Force in the grade of colonel and below. Since these names have already appeared in the Congressional Record and to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be placed on the Secretary's Desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the Record of December 11, 19, 1975, and January 20, 26, and 27, 1976, at the end of the Senate proceedings.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. KENNEDY (for himself, Mr. Hollings, Mr. Jackson, Mr. Magnuson, and Mr. Pearson):

S. 2932. A bill to minimize the use of energy in residential housing, commercial and public buildings, and industrial plants through federally supported State energy conservation implementation programs. Referred, by unanimous consent, to the Committees on Banking, Housing and Urban Affairs; Commerce; and Interior and Insular Affairs.

By Mr. JACKSON (for himself and Mr. Magnuson):

S. 2933. A bill designating the apple blossom as the national flower of the United States. Referred to the Committee on the Judiciary.

By Mr. JACKSON:

S. 2934. A bill to amend title 10, United States Code, to authorize the use of health maintenance organizations in providing health care. Referred to the Committee on Armed Services.

By Mr. MOSS (by request):

S. 2935. A bill to authorize appropriations for the Federal Trade Commission, and for other purposes. Referred to the Committee on Commerce.

By Mr. HANSEN:

S. 2936. A bill to amend part B of title XI of the Social Security Act to assure appropriate participation by optometrists in the peer review and related activities authorized under such part. Referred to the Committee on Finance.

By Mr. ROTH (for himself, Mr. Allen, Mr. Bartlett, Mr. Biden, Mr. Buckley, Mr. Robert C. Byrd, Mr. Curtis, Mr. Eastland, Mr. Fannin, Mr. Ford, Mr. Garn, Mr. Hansen, Mr. Helms, Mr. Huddleston, Mr. Laxalt, Mr. McClure, Mr. Nunn, Mr. Randolph, Mr. William L. Scott, Mr. Thurmond, and Mr. Tower):

S. 2937. A bill to clarify the jurisdiction of certain courts with respect to public schools, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. HATHAWAY:

S. 2938. A bill to establish a National Development Bank to provide loans to finance urgently needed public facilities for State and local governments, to help achieve a full employment economy both in urban and rural America by providing loans for the establishment of small and medium size businesses and industries, and the expansion and improvement of such existing businesses and industries, and for the construction of low- and moderate-income housing projects, and to provide job training for unskilled and semiskilled unemployed and underemployed workers. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. SCHWEIKER:

S. 2939. A bill to provide a special program for financial assistance to Opportunities Industrialization Centers in order to provide 1 million new jobs and job training opportunities, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. TAFT:

S. 2940. A bill for the relief of the estate of Charles Glatt. Referred to the Committee on the Judiciary.

By Mr. ABOUREZK (for himself, Mr. Humphrey, and Mr. Kennedy):

S. 2941. A bill to provide emergency, humanitarian assistance and relief to the people of Lebanon, to amend the Foreign Assistance Act of 1961, and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. McCLURE:

S. 2942. A bill for the relief of Kenrick Withington Brookes (aka) Kenrick Withington Clifton. Referred to the Committee on the Judiciary.

By Mr. HATFIELD:

S.J. Res. 165. A joint resolution to designate April 8, 1976, as National Food Day. Referred to the Committee on the Judiciary.

By Mr. MONDALE (for himself, Mr. Packwood, Mr. Stevenson, Mr. Baker, Mr. Abourezk, Mr. Biden, Mr. Clark, Mr. Cranston, Mr. Durkin, Mr. Philip A. Hart, Mr. Huddleston, Mr. Brooke, Mr. Humphrey, Mr. Inouye, Mr. Domenici, Mr. Kennedy, Mr. McGovern, Mr. McIntyre, Mr. Muskie, Mr. Randolph, Mr. Ribicoff, and Mr. Schweiker):

S.J. Res. 166. A joint resolution to establish a Bicentennial Commission on Presidential Nominations. Referred to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KENNEDY (for himself, Mr. Hollings, Mr. Jackson, Mr. Magnuson, and Mr. Pearson):

S. 2932. A bill to minimize the use of energy in residential housing, commercial and public buildings, and industrial plants through federally supported State energy conservation implementation programs. Referred, by unanimous consent, to the Committees on Banking, Housing and Urban Affairs; Commerce; and Interior and Insular Affairs.

(The remarks of Mr. Kennedy on the introduction of the above bill are printed earlier in today's Record.)

By Mr. JACKSON (for himself and Mr. Magnuson):

S. 2933. A bill designating the apple blossom as the national flower of the United States. Referred to the Committee on the Judiciary.

Mr. JACKSON. Mr. President, it is with pride that I introduce, in behalf of Senator Magnuson and myself, legislation to designate the apple blossom as the national flower of the United States.

Apple trees grow in nearly every region of the United States and are produced in commercial quantities in 37 States. The State of Washington has long been the leading apple producing State, but the flowering trees and their fruits are no less prominent in New York, Michigan, Virginia, California, North Carolina, and many other leading apple growing areas. The apple tree is commonly used as an ornamental flowering tree in thousands of parks and yards across the Nation.

Seeds of the first apple trees were brought to colonial America by our Founding Fathers and throughout the history of the Nation the apple tree and its blossom has been familiar to all Americans. The apple tree and the apple blossom have grown with the Nation and would be an appropriate symbol of our growth and heritage as a nation.

I am pleased to join with Senator Magnuson in recommending this measure to the Senate, and I am pleased to have the support of the International Apple Institute and the Washington State Apple Commission for this legislation.

By Mr. JACKSON:

S. 2934. A bill to amend title 10, United States Code, to authorize the use of health maintenance organizations in providing health care. Referred to the Committee on Armed Services.

Mr. JACKSON. Mr. President, the legislation which I am introducing today would permit the Secretary of Defense, after consultation with the Secretary of Health, Education, and Welfare—HEW—to establish a pilot program of providing health care to CHAMPUS beneficiaries through qualified Health Maintenance Organizations—HMO's. This measure would permit the Defense Department to enter into contracts to provide health care with no more than five HMO's, and it further provides that such contracts may not provide for annual payments per beneficiary, by Government and beneficiary combined, greater than estimated annual costs for comparable care for other CHAMPUS beneficiaries. Finally, it provides that only HMO's which are eligible under the existing Civil Service Federal employees health benefits plan or approved by the Secretary of Health, Education, and Welfare under the Health Maintenance Organization Act of 1974 are eligible to participate in this pilot program.

Mr. President, the concept of HMO's; that is, providing comprehensive health services for enrolled members for a fixed prepaid annual fee, is not new; however, until very recently HMO's constituted a relatively minor fraction of our national health care delivery system. In recent years, HMO's have developed rapidly and now constitute a viable alternative way of organizing, delivering and paying for health services. HMO's introduce an element of competition into the health care delivery system which promises to produce quality care and reduce the inflationary pressures which so plague the health services industry in the United States.

The option of enrolling in an HMO plan is now available to Federal workers covered under the Federal employees health benefits plan. Many workers in private industry are now able to take advantage of an HMO option under collectively bargained or otherwise established health benefit programs. The Congress has passed legislation providing developmental grants to HMOs to encourage their continued growth and development as an alternative health care delivery system. However, the CHAMPUS health benefits program administered by the Department of Defense—DOD—for various military related personnel and their dependents does not at the present time permit beneficiaries to receive care through an HMO type plan. In my judgment, there is no good reason not to permit the HMO delivery system to compete with the fee-for-service system in the CHAMPUS program as it competes in the nonmilitary health care system. That is why I am introducing this legislation.

I would only note that as chairman of the Senate Permanent Subcommittee on Investigations, I recently chaired hearings on the administration of the CHAMPUS program with respect to care for emotionally disturbed children. The extensive subcommittee investigation and the reports which were subsequently filed detailed a failure by CHAMPUS officials to effectively monitor the quality of institutions eligible to receive payments for providing care to CHAMPUS beneficiaries.

I have continuing reservations about the effectiveness of the administration of the CHAMPUS program. It is for this reason that I have inserted into my legislation a series of safeguards including a requirement of consultation by DOD with the Secretary of Health, Education, and Welfare before entering into contracts with HMOs. In addition, I would limit this program to a pilot study involving no more than five HMOs all of which have been approved for participation in the Federal employees health benefits program or for funding under the Health Maintenance Organization Act of 1974. I would also prohibit DOD from entering into contracts which exceed the cost of annual payments per beneficiary for comparable care for other CHAMPUS beneficiaries. I believe that these are reasonable safeguards against maladministration of the pilot program I am suggesting. I further believe that utilizing the HMO delivery system has the potential to significantly reduce the skyrocketing cost of the CHAMPUS program while providing an additional health care option to the beneficiaries.

By Mr. MOSS (by request):

S. 2935. A bill to authorize appropriations for the Federal Trade Commission, and for other purposes. Referred to the Committee on Commerce.

Mr. MOSS. Mr. President, I introduce for appropriate reference, legislation requested by the President and the Federal Trade Commission to provide for authorizations for appropriations for fiscal years 1976 and 1977.

In the President's budget, there is requested funds which exceed the existing Federal Trade Commission authorizations for these 2 fiscal years.

I ask unanimous consent that the letter from the Federal Trade Commission requesting the increased authorizations be printed in the Record, together with the text of the bill.

There being no objection, the letter and bill were ordered to be printed in the Record, as follows:

FEDERAL TRADE COMMISSION,
Washington, D.C., January 23, 1976.

Hon. NELSON ROCKEFELLER,
President Pro Tempore of the Senate,
Washington, D.C.

DEAR MR. VICE PRESIDENT: Enclosed herewith are proposed amendments to the authorization of appropriation legislation for the Federal Trade Commission covering fiscal years 1976 and 1977.

This proposed legislation change would amend Section 20 of the Federal Trade Commission Act (15 U.S.C. 57(c)) for both these years and is necessary because the current levels are not sufficient to cover the appropriations requested for fiscal 1977 and a pending supplemental appropriation request for fiscal 1976.

The Commission appreciates consideration by Congress of this request.

Sincerely,

PAUL RAND DIXON,
Acting Chairman.

AMENDMENT TO AUTHORIZATION OF APPROPRIATIONS FOR FISCAL 1976

The Federal Trade Commission requests that legislation be recommended to increase the authorization of appropriations for the Commission for the fiscal year ending June 30, 1976, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 20 of the Federal Trade Commission Act (15 U.S.C. 57(c)) be hereby amended by striking out "$46,000,000" and inserting in lieu thereof $47,091,000.

AMENDMENT TO AUTHORIZATION OF APPROPRIATIONS FOR FISCAL 1977

The Federal Trade Commission requests that legislation be recommended to increase the authorization of appropriations for the Commission for the fiscal year ending in 1977, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 20 of the Federal Trade Commission Act (15 U.S.C. 57 (c)) be hereby amended by striking out "$50,000,000" and inserting in lieu thereof "$52,833,000".

S. 2935

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 20 of the Federal Trade Commission Act is amended to read as follows:

"SEC. 20. There are authorized to be appropriated to carry out the functions, powers, and duties of the Federal Trade Commission not to exceed $47,091,000 for the fiscal year ending June 30, 1976; and not to exceed $52,833,000 for the fiscal year ending September 30, 1977.".

By Mr. HANSEN:

S. 2936. A bill to amend part B of title XI of the Social Security Act to assure appropriate participation by optometrists in the peer review and related activities authorized under such part. Referred to the Committee on Finance.

TRUE PEER REVIEW

Mr. HANSEN. Mr. President, I am concerned about the present status of true peer review procedures under the professional standards review organization section of the Social Security Act.

Today, I am introducing legislation to address that concern. My bill will amend part B of title XI of the Social Security Act to assure appropriate participation by optometrists in the peer review and related activities authorized under that part of the act.

The main thrust of my proposal is directed toward procedures outlined by this act which do not make true peer review a reality for the independent health profession of optometry. This is also true of other independent health professions such as dentistry and I have already introduced S. 153 to address this group's particular needs.

The profession of optometry was one of the leading proponents of the true peer review concept and therefore was understandably disturbed when current language of the Social Security Act excluded members of the optometric profession from any meaningful participation in the program.

The legislation I am introducing today is designed to accomplish two major objectives:

First. Insure that the public benefits from the quality health care at reasonable cost by assuring that true peer review takes place. This would best be accomplished by a specific provision requiring each independent health care professional group to evaluate their own specialty.

Second. Insure the continuity of minimum cost quality care by the viability and creation of independent primary care advisory groups composed of optometrists and dentists and other similar health care providers.

Optometrists must review the care provided by optometrists. By virtue of specialized education, training, and practice, they are the only health care practitioners capable of fully reviewing optometric patient care situations to guarantee each individual receives the care he needs at a reasonable cost.

As the act stands now, a profession not familiar with another professional's procedures and education will be establishing criteria for evaluation and assuming final review. Evaluation implies that the evaluator will rely on judgments based on his own professional background and experience.

The patient cannot receive the best health care an optometrist is trained to offer when the final criteria for evaluation of that care is by another professional not familiar with the full realm of optometric care and procedures.

Coordination of the peer review program with advisory groups is also imperative and I believe can prevent potential difficulties as the review process widens and includes out-patient services provided by health professionals. Such close coordination with related advisory groups will eliminate the strife between the PSRO and the advisory councils of other health groups.

The report of the Senate Finance Committee clearly indicates the intent that health care professionals of like educational training should comprise each professions review group. Unfortunately, this was not carried over into the language of the law.

Mr. President, I would like to correct

this language and make the Professional Standards Review Organization more attentive to the needs of the individual patient. After all, this was our ultimate goal when we originally enacted this legislation.

I urge speedy consideration of this proposed amendment to clarify current PSRO language and ask for my colleagues' prompt attention toward enactment of this legislation.

By Mr. ROTH (for himself, Mr. Allen, Mr. Bartlett, Mr. Biden, Mr. Buckley, Mr. Robert C. Byrd, Mr. Curtis, Mr. Eastland, Mr. Fannin, Mr. Ford, Mr. Garn, Mr. Hansen, Mr. Helms, Mr. Huddleston, Mr. Laxalt, Mr. McClure, Mr. Nunn, Mr. Randolph, Mr. William L. Scott, Mr. Thurmond, and Mr. Tower):

S. 2937. A bill to clarify the jurisdiction of certain courts with respect to public schools, and for other purposes. Referred to the Committee on the Judiciary.

Mr. ROTH. Mr. President, I send to the desk a bill which removes from the lower Federal courts the authority to order busing in order to carry out a plan of racial desegregation of any school or school system.

Mr. President, no single domestic controversy has so divided the American people or so diverted national attention and energy from the real pressing problems of educating the Nation's youth as that stirred by desegregation plans calling for court-ordered busing of students. There is no hard evidence to support claims that the education of either black or white students is improved when they are shuttled from school to school. Furthermore, there is growing evidence that court-ordered busing is having just the opposite effect, accelerating the flight of white families from the cities. It is tragic but true that this issue is, in fact, dividing the Nation and aiding in the rapid deterioration of quality education.

Today, I am pleased to introduce, with my distinguished colleagues, Senators Allen, Bartlett, Biden, Buckley, Robert C. Byrd, Curtis, Eastland, Fannin, Ford, Garn, Hansen, Helms, Huddleston, Laxalt, McClure, Nunn, Randolph, William L. Scott, Thurmond, and Tower, a bill to exert the congressional prerogative to eliminate the judicial authority of the lower Federal courts to order the transportation of students or teachers as a remedy to carry out a plan of racial desegregation of any school or school system. State courts, which are closer to the people and more cognizant of the local impact of court-ordered remedies, would retain jurisdiction.

Hopefully, the judges in State courts would be more thoughtful in their deliberations before ordering sweeping social reforms for the State over which they preside. Ultimately, of course, the legislation will undoubtedly be tested by the Supreme Court, but it is my conviction that this is a proper course of action and that this bill is constitutionally sound.

Since the mid-1960's, when the courts began to order large scale use of the school bus as a primary vehicle for desegregating the schools, busing has come to occupy the storm center for sincere and legitimate concern, not only of parents and school administrators but of Congress and the President as well. Busing for desegregation has become the symbol of a massive reformist effort by the Federal courts and administrative agencies to integrate the schools by means of a socially disruptive, financially burdensome, and administratively unfeasible regime of race quotas. In the process, the popularly articulated will of a vast majority of the American people, both black and white, has been callously ignored and subordinated to the views of a relative handful who are largely unaccountable to the people or their elected representatives. Through imposition of an ill-conceived theory of social justice, these judges and Federal bureaucrats have distorted the spirit of democratic Government to achieve an end mandated neither by logic or constitutional guarantee. The result has been intrusive Federal intervention into local affairs and the watering down of educational standards.

Court-ordered busing of our children is as wrong in constitutional theory as it is as a matter of social and educational policy. Today, few would argue with the decisions handed down some two decades ago by the Supreme Court in Brown against Board of Education. Brown was a libertarian decision which, when correctly interpreted, meant only this: No State may compel separation of the races in the public schools. In other words, the States may not, on the basis of a child's race or color, designate where he is to attend school. Over the course of the last 21 years, however, the noble principle of Brown has been eroded to the point we find the present day court announcing that the Fourteenth Amendment, far from prohibiting the assignment of students on the basis of race, actually demands it.

Students are now assigned to public schools on the basis of race, in contravention of the letter and spirit of the Brown rulings. Thus, what began as a clarion call to freedom for all children of this Nation has been tortured by subsequent judicial decision into a major threat to individual liberty and the local community.

The widespread disruption to the community and educational system caused by court-ordered busing is magnified in the lives of those most directly affected—the school children and their parents—whose individual freedom to choose a school, by their choice of a neighborhood in which to live, is being flagrantly violated. Home life is disrupted by virtue of the additional time a family is kept apart while children are waiting for and riding buses to distant schools, when they could ride or walk to their neighborhood schools. This is compounded by the inevitable, and often realistic, fears experienced by both the parents and children at being sent off to a school in an unfamiliar area. Moreover, quality education and educational progress itself is often sacrificed because of these factors and due to the diversion of limited funds away from school facilities, equipment, teachers' salaries, and other educational purposes in order to meet insatiable transportation demands.

Additionally, children who are bused under court order are often deprived of an opportunity to engage in extracurricular activities which play an integral role in the total educational experience. Parents may also be deprived of an opportunity to become involved in the schools, and the schools denied their support, through participation in groups and associations such as PTA which are so essential to improving the educational process.

It is indeed ironic that the courts' adherence to busing as a panacean approach to school desegregation is based in large part on social theories and assumptions of unproven reliability which have recently been drawn into serious question. David J. Armor, associate professor of sociology at Harvard, had this to say:

> Massive mandatory busing for purposes of improving student achievement and interracial harmony is not effective and should not be adopted at this time.

Instead of pursuing reasoned adjudication based on fundamental principles of constitutional law, the courts in recent years have departed from the Brown mandate and sought to impose sociological patterns in the schools by means of costly forced busing of our children. In so doing they have neglected their fundamental role under our constitutional system. That is, to interpret the Constitution and laws. The courts are granted no power under the Constitution to determine the validity of social theory. Law under the Constitution is the guide for our courts, not the disproven—or unproven—assumptions of social theoreticians, no matter how well intentioned they may be. Federal fiat which claims to be juridical but is merely sociological has no place in this area.

Federal statutory limits directed against busing appear in title IV of the 1964 Civil Rights Act, for instance, which states that—

> Nothing herein shall empower any official or court of the United States to issue any order seeking to achieve a racial balance in any school by requiring the transportation of students or pupils from one school to another or one school district to another . . . 42 U.S.C. 2000c-6(a).

Unfortunately, the Supreme Court in *Swann* v. *Board of Education*, 402 U.S. 1 (1971), effectively nullified this restriction by interpreting it as applying only to cases of de facto segregation and as in no way limiting the courts' historical equitable powers to remedy alleged conditions of de jure segregation by means of massive busing. Similarly, Congress last year enacted the Equal Educational Opportunity Act of 1974—Public Law 93-380—which sets out a hierarchy of remedial alternatives available to the courts in desegregating the schools. The act specifically prohibits the implementation of any Federal desegregation order requiring the transportation of students beyond the school "closest or next closest" to their homes. Again, however, the Federal courts, bent on evading this unmistakable expression of congressional policy, have read the act as "not limiting either the nature or scope of the remedy for Constitutional violations . . ." *Brinkman* v. *Gilligan,* No. 75-1410 (C.A. 6 1975).

I do not mean to suggest by this that Congress is powerless to act in the area by means of legislation. I firmly believe that Congress has the power, pursuant to its authority under article III of the Constitution to regulate the jurisdiction of the Federal Courts, to limit the lower courts' use of busing as a desegregation technique.

The bill I am introducing today poses few, if any of the constitutional difficulties raised by other statutory proposals designed to limit authority in school desegregation cases. The bill does not withdraw all Federal court jurisdiction to hear school cases involving asserted denials of constitution rights, or place an absolute restriction on the availability of any remedy—including busing—for such denials, but merely substitutes the State courts for the lower Federal courts as the appropriate tribunal in cases where busing may be employed as a remedy under standards announced by the Supreme Court. The lower Federal courts would continue to have concurrent jurisdiction within the State courts where busing is not an issue. Furthermore, the Supreme Court's appellate jurisdiction would be unaffected. The right to appeal from the State courts to the Supreme Court would be preserved, thereby insuring conformity with constitutional standards.

That Congress has the authority to enact this legislation is clear from the history and precedents under article III have to do with the creation of the lower Federal courts and the determination of their jurisdiction. At the Constitutional Convention, the Framers rejected a proposal that would have required Congress to establish Federal tribunal inferior to the Supreme Court. Instead, the convention adopted the present provision giving Congress discretion with respect to creation of the lower Federal courts.

And while Congress in the Judiciary Act of 1789 created the lower courts, it did not vest them with all the jurisdiction they might have received under article III. For example, it did not confer "Federal question" jurisdiction—that is, cases involving the Constitution, treaties, and laws of the United States—but left litigants to remedies in State courts with appeals to the Supreme Court. General Federal question jurisdiction was not conferred until 1875 and then it was coupled with jurisdictional amount limitations so that claims involving amounts below a certain value had to be brought in State courts. These limitations remain in the law to this day. Moreover, the practice from the beginning has been to make Federal court jurisdiction concurrent with that of the State courts. As Justice Frankfurter stated in *Brown* v. *Gerdes,* 321 U.S. 178, 188 (1944) concurring:

> Since 1789, right derived from Federal law could be enforced in State courts unless Congress confined their enforcement to Federal court.

In a related line of decision, the Supreme Court has sustained an expansive view of Congress authority to limit and define the jurisdiction and remedies available in the lower Federal courts. Typical is the Courts ruling in *Gary* v. *Curtis,* 44 U.S. 236, 244–5 (1844) where it is stated that—

> The judicial power of the United States, although it has its origin in the Constitution, is (except in enumerated instances applicable exclusively to this Court), dependent for its distribution and organization, and for the modes of its exercise, entirely upon the action of Congress, who has the sole power of creating tribunals (inferior to the Supreme Court), for the exercise of the judicial power, and with vesting them with jurisdiction either limited, concurrent, or exclusive, and withholding jurisdiction from them in the exact degree and character which to Congress seems proper for the public good. See, also, *Lauf* v. *E. G. Skinner and Co.,* 303 U.S. 323 (1938).

It thus seems clear that Congress may constitutionally leave to enforcement in State courts a class of rights or a specified remedy, which it might have given to the lower Federal courts. This is precisely the result that would be achieved by my bill.

There is also in section 2 of the bill a retroactivity section which nullifies court-ordered busing in effect prior to enactment of the act.

I believe that this bill, if enacted into law, would be welcomed by Americans of all races as a step toward sanity in national education policy.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2937

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That no court created by Act of Congress and having general jurisdiction, original or appellate, with respect to cases or controversies arising under the laws or Constitution of the United States, shall have any jurisdiction to enter a decree requiring, directly or indirectly, the transportation of students or teachers in order to carry out a plan of racial desegregation of any school or school system. The jurisdiction terminated by this Act shall be vested in the courts of the several States, and, with respect to such cases or controversies arising in the District of Columbia or in any other territory or possession of the United States, in the Federal courts of an essentially local jurisdiction in such District, territory, or possession. In each such case or controversy, there is vested in the Supreme Court of the United States appellate jurisdiction by writ of certiorari from the highest State or territorial court exercising jurisdiction over such case or controversy.

Sec. 2. No order of any court, created by Act of Congress, requiring directly or indirectly the transportation of students or teachers to carry out a plan of racial desegregation of any school or school system operated by a local educational agency which is in effect on the day before the date of enactment of this Act shall remain in force or effect. On the application of a party, any State court of appropriate jurisdiction in the State wherein such local educational agency is located shall assume jurisdiction of the case for purposes of entering an order for appropriate remedial relief.

By Mr. HATHAWAY:

S. 2938. A bill to establish a National Development Bank to provide loans to finance urgently needed public facilities for State and local governments, to help achieve a full employment economy both in urban and rural America by providing loans for the establishment of small and medium size businesses and industries, and the expansion and improvement of such existing businesses and industries, and for the construction of low- and moderate-income housing projects, and to provide job training for unskilled and semiskilled unemployed and underemployed workers. Referred to the Committee on Banking, Housing and Urban Affairs.

Mr. HATHAWAY. Mr. President, last December, the Senate passed the Financial Institutions Act of 1975. The purpose of this act was "to expand competition, provide improved consumer services, strengthen the ability of financial institutions to adjust to changing economic conditions, and improve the flows of funds for mortgage credit."

This act, when it passes the House, should be one of the most revitalizing forces in our banking community in 40 years. As such, it should also help prevent future economic dislocations such as our most recent one, that was caused, in part, by some of the limitations now placed on free competition within the financial community.

As that competition intensifies, however, certain areas of investment, crucial to our society but less profitable than others, less socially important areas, may be left behind. I feel that a specified method or methods to allocate credit to priority areas of the economy must be made part of any plan to restructure the Nation's financial system if adequate investment funds on reasonable terms are to be provided for low- and moderate-income housing, State and local governments and small business.

During the 93d Congress, as the economy steadily worsened, some 130 bills were introduced by House and Senate Members to allocate credit to priority areas. Two basic comprehensive approaches to priority area credit problems have emerged. One is embodied in proposals to establish a Federal National Development Bank largely patterned on the former Reconstruction Finance Corporation to make direct loans and to guarantee loans to businesses and industry which cannot otherwise obtain needed capital on reasonable terms. The other is to require all major types of financial institutions to make prescribed investments in priority areas of the economy.

Basically, creation of a National Development Bank would constitute establishment of a Federal lending institution of last resort. Its structure would consist of a board of directors appointed by the President with the advice and consent of the Senate. Members of the Board would be required to represent the various priority sectors of the economy, which would be served by the Bank.

The Board would be authorized to appoint a Bank president and staff headquartered in Washington, D.C., the Bank could establish offices in any area of the Nation where the board considers they are needed. The Bank would also be authorized to utilize the staff and facilities of any Federal department or agency in order to achieve maximum efficiency. In this connection, the Bank, under terms of the legislation creating it, would be mandated to respond to the needs of applicants with the greatest expedition and the least amount of redtape possible.

Capitalization of the Bank would be accomplished through authorization to issue up to $1 billion in stock to be purchased as required by the Treasury. Maximum indebtedness could not exceed 20 times the amount of paid-in capital. The Treasury, on a discretionary basis, would also be authorized to purchase assets of the Bank. In addition, the Bank would be authorized to issue fully guaranteed debt instruments for sale in the open market.

The Bank could issue direct loans on terms that reflect market conditions or provide loans at below market rates when the feasibility of the priority projects requires it. The Bank, as a condition of financial assistance, could require that business and industrial borrowers provide a prescribed number of new job and job training opportunities in depressed urban and rural areas. In all cases of financial assistance, the Bank could require that prevailing wage levels, particularly as these levels are established by labor-management collective bargaining agreements, apply to those employed in projects receiving financial assistance. In no case would the use of financial assistance by the Bank be provided to runaway companies for the purpose of relocating business and industries to seek cheap labor in one area at the cost of lost job opportunities in another.

Provisions establishing the Bank would include prohibitions against the bailout of companies, whether large or small, whose financial problems primarily stem from poor management. The Bank would be required to give preference to small- and medium-size businesses and industrial borrowers in situations which require that a choice be made between such applicants and a large company. Additionally, when the Bank receives a priority purpose financial assistance application from a large company, it can, if it deems it advisable, solicit applications from small- and medium-size borrowers, hold public hearings on the project, or take other steps designed to give small- and medium-size business and industry an opportunity to benefit from the resources of the Bank to improve competition.

In addition to making direct loans to State and local governments to finance construction of public works and facilities, the Bank would be empowered to fully guarantee obligations issued for this purpose by such borrowers. The Bank's ability to provide guarantees would enable State and local governments, no matter how small, to obtain the equivalent of an AAA market rating resulting in the lowest borrowing cost possible under prevailing economic conditions.

Legislation establishing the National Development Bank would provide that all projects financed with its assistance comply as far as possible with existing district or regional economic development plans to assure that maximum benefits are derived from its investments. For example, legislation establishing the Bank would require projects financed by the Bank to conform to district development plans established under the auspices of the Economic Development Agency of the Department of Commerce or to similar plans produced by other groups. EDA efforts have resulted in the formation of 157 planning districts comprising about one-half of all the counties in the Nation. In addition, the staff of the Bank would include experts in the field of development planning to coordinate the activities of the Bank with local and regional planning groups and to provide assistance to areas lacking development plans. In this way, safeguards can be established and maintained against investments in projects which are contrary to the aims of development plans or against investments in businesses and industries which provide obsolete or low-market demand goods and services. By the same token, maximum utilization of area human and material resources will be assured.

Financial assistance for low- and moderate-family housing projects would be made available to public agencies and nonprofit and profitmaking groups. Organizations in any of the three categories could receive Bank loans to finance the construction of such projects. Permanent mortgage lending to low- and moderate-income families for the purchase of such housing would be administered through local public or nonprofit agencies or groups established for this purpose. At the Bank's option, servicing of such loans could be undertaken by private residential mortgage lenders.

For the sake of achieving maximum efficiencies in housing produced with Bank assistance and to allow it to provide housing at the lowest possible cost, the Bank would be authorized to require that the most modern materials and construction techniques be utilized in such projects, regardless of the restrictions in local building codes, except as such restrictions apply to safety. This authorization would also apply to other types of construction financed with Bank assistance. Moreover, the availability of financial assistance for housing from the Bank would be predicated, when the Bank deems it necessary, in construction of comprehensive housing projects which would include retail outlets and other commercial retail conveniences as well as community activity facilities such as day-care centers and recreational areas.

The Bank would also require that such housing projects shelter a mix of moderate- as well as low-income families and that the families be permitted to retain their residences in rental dwellings when their income exceeds the levels which earlier had qualified them to have access to housing in these projects. In this way, the mistakes of the past which resulted in creation of new ghettos for the poor in areas isolated from communities amenities can be avoided. To spur upward mobility and to give them a voice in the control of their neighborhoods, residents would be allowed full participation in the management of these housing projects.

So that its services would be utilized to the greatest extent possible, the Bank would be directed to promote knowledge of its existence, its purpose, and its services throughout the Nation.

When necessary to maintain its financial soundness, congressional appropriations would be authorized to make up any shortfall that may exist between the Bank's income from loans and fees and the cost of borrowing funds in the open market. Operations of the bank would be funded through congressional appropriations.

The Bank would be required to submit to an annual audit if its own accounts and, when necessary, the accounts of its borrowers by the General Accounting Office. It would also be required to make annual reports of its financial condition, its activities, and its planned efforts for the future to Congress and the President.

This bill was introduced in the House as H.R. 1955 by Congressman WRIGHT PATMAN on January 3 of last year. No action has been taken on it yet, but I am hopeful there may be some taken in the Senate as a follow-up to its actions in passing S. 1267. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2938

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Development Act of 1975".

FINDINGS AND DECLARATION OF PURPOSE

SECTION 1. (1) Tax and other financial sources currently available to State and local government are strained beyond their capacity to achieve sound and orderly development of the Nation's communities to accommodate our growing population. Adequate fundings at reasonable cost must be provided as soon as possible for a wide variety of public works and facilities, such as streets, water, sewers, schools, hospitals, airports, and recreation facilities together with facilities to reduce and eliminate air and water pollution in order that required social services and safeguards for the health and welfare of the population be made available.

(2) It is imperative that effective action be taken to combat alarming nationwide unemployment, particularly in those depressed urban and rural areas where the loss of industry and business has produced an unemployment crisis. This can best be done by helping to provide adequate loan funds at reasonable interest rates to finance public works and facilities, to establish small and medium size businesses and industries, and to provide such existing businesses and industries with loans necessary to expand or otherwise remain competitive and prosperous so that employment opportunities providing adequate wages can be created and sustained.

(3) Every effort must be made to eliminate the Nation's housing crisis and achieve the National Housing Goal established by Congress, particularly as that goal applies to low- and moderate-income families who are most in need. Meeting this goal will constitute a major achievement, not only in terms of providing housing but in providing

employment opportunities for a large segment of the population.

ESTABLISHMENT OF THE BANK

SEC. 2. There is hereby created a body corporate to be known as the National Development Bank (referred to in this Act as the "Bank") which shall be an instrumentality of the United States Government and shall have succession until dissolved by Act of Congress, and which will make and guarantee long-term loans at reasonable interest rates to State and local governments for public works and facilities, to individuals and corporations to establish new businesses and industries and to expand or otherwise improve existing businesses and industries, and to public agencies and private nonprofit and limited dividend corporations for the construction of low- and moderate-income housing, in order that vital public services may be provided, the health and welfare of our people will be safeguarded, and a full employment economy will be achieved.

DEFINITIONS AND RULES OF CONSTRUCTION

SEC. 3. (1) The definitions and rules of construction set forth in this section apply for the purpose of this Act.

(2) The term "public facility" means the structures and equipment owned and operated by State and local governments to provide medical, social, educational, transportation, pollution control, and recreation services.

(3) The term "low- and moderate-income family housing" shall have the meaning given it under definitions made by the Secretary of Housing and Urban Development in establishing criteria by which families qualify for occupancy of dwellings supplied under the low- and moderate-income rental and homeownership programs of the National Housing Act.

(4) The term "depressed urban and rural areas" means those areas which may be designated without regard to political boundaries by the Secretary of Labor, the Secretary of Commerce, and the Director of the Office of Economic Opportunity, on the basis of the most recent appropriate annual statistics for the most recent available calendar year, as having a rate of unemployment of at least 6 per centum for the preceding calendar year, or a high rate of underemployed persons whose income does not exceed the level of poverty as that level has been established by the Department of Health, Education, and Welfare, or where pending loss of business or industry is expected to produce such conditions, or those areas characterized by substantial outmigration resulting from the lack of job opportunities, or those areas suffering from other conditions which in the judgment of the Board of Directors of the Bank qualify them for assistance under the provisions of this Act.

(5) The term 'adequate wage" means a wage which shall not be lower than the highest of (A) the minimum wage under the Fair Labor Standards Act of 1939, (B) the minimum wage set by State and local governments, and (C) the prevailing rate of wages in the area for comparable work.

BOARD OF DIRECTORS

SEC. 4. The management of the Bank shall be vested in a Board of Directors consisting of the Secretary of the Treasury, the Secretary of Commerce, the Secretary of Housing and Urban Development, the Secretary of Agriculture, the Secretary of Labor, and ten other persons who shall be appointed by the President with the advice and consent of the Senate. Persons so appointed shall include representatives of State or local governments, private enterprise, organized labor, and rural organizations dealing with economic and social problems of depressed areas. In making such appointments the President shall (1) seek to achieve a balanced representation of the interests of urban and rural areas, and (2) select persons who, among other relevant considerations, are knowledgeable in the social and economic problems of low-income persons. The terms of directors appointed by the President shall be two years, commencing with the date of enactment of this Act. Any director appointed to fill a vacancy shall be appointed only for the unexpired portion of the term. Any director may continue to serve as such after the expiration of the term for which he was appointed until his successor has been appointed and has qualified.

APPOINTMENT OF OFFICERS AND EMPLOYEES

SEC. 5. The Board of Directors of the Bank shall appoint a President of the Bank and such other officers and employees as it deems necessary to carry out the functions of the Bank. Such appointments may be made without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and persons so appointed may be paid without regard to the provisions of chapter 51 or subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates. The President of the Bank shall be an ex officio member of the Board of Directors and may participate in meetings of the Board except that he shall have no vote except in case of an equal division. No individual other than a citizen of the United States may be an officer of the Bank. No officer of the Bank shall receive any salary or other remuneration from any source other than the Bank during the period of his employment by the Bank.

CONFLICT OF INTEREST

SEC. 6. (1) No director, officer, attorney, agent, or employee of the Bank shall in any manner, directly or indirectly, participate in the deliberations upon or the determination of any question affecting his personal interests, or the interests of any corporation, partnership, or association in which he is directly or indirectly interested.

(2) The Bank shall not engage in political activities nor provide financing for or assist in any manner any project or facility involving political parties, nor shall the directors, officers, employees, or agents of the Bank in any way use their connection with the Bank for the purpose of influencing the outcome of any election.

GENERAL CORPORATE POWERS

SEC. 7. Except to the extent inconsistent with the provisions of this Act, the Bank shall have the general corporate powers of a corporation organized and existing under the laws of the District of Columbia.

PRINCIPAL OFFICE; BRANCHES

SEC. 8. The principal office of the Bank shall be located in the District of Columbia, and it may establish agencies or branch offices in any city of the United States.

CAPITAL STOCK

SEC. 9. (1) The Bank shall have capital stock of $1,000,000,000 subscribed by the United States, payment for which shall be subject to call in whole or in part by the Board of Directors.

(2) The Secretary of the Treasury is authorized to, and upon request of the Board of Directors shall, purchase stock in amounts designated by the Board of Directors up to a total of $1,000,000,000.

BORROWING AUTHORITY

SEC. 10. (1) The Bank may issue notes, debentures, bonds, and other evidences of indebtedness in such amounts and on such terms and conditions as its Board of Directors may determine subject to the limitations prescribed in this Act.

(2) The aggregate outstanding indebtedness of the Bank under this section at any time may not exceed twenty times the paid-in capital stock of the Bank at that time.

(3) The obligations of the Bank under this section shall be fully and unconditionally guaranteed both as to interest and principal by the United States and such guarantee shall be expressed on the face thereof.

(4) In the event that the Bank is unable to pay upon demand, when due, any obligation under this section, the Secretary of the Treasury shall pay the amount thereof and thereupon to the extent of the amount so paid by the Secretary of the Treasury shall succeed to all the rights of the holder of the obligations.

PURCHASE OF ASSETS BY TREASURY

SEC. 11. The Secretary of the Treasury is authorized to purchase from the Bank any asset of the Bank at such price as may be agreed upon between the Secretary and the Bank.

DISCOUNT BY FEDERAL RESERVE BANK

SEC. 12. (1) The several Federal Reserve banks are authorized to purchase or discount any note, debenture, bond, or other obligation, secured or unsecured, held by the Bank.

(2) Obligations of the Bank are eligible for purchase by the Federal Reserve Open Market Committee.

(3) Obligations of the Bank are eligible for purchase by any federally chartered or regulated commercial bank, savings and loan association, or mutual savings bank.

INVESTMENT STATUS OF OBLIGATIONS OF THE BANK

SEC. 13. All obligations issued by the Bank shall be lawful investments for, and may be accepted as security for all fiduciary, trust, and public funds the investment or deposit of which is under the authority or control of the United States or of any officer or officers thereof.

LOANS TO COMMERCE AND INDUSTRY

SEC. 14. The Bank may make or guarantee loans or purchase obligations to provide funds for the purchase of real and personal property and for working capital necessary for the location of new business and industry or the improvement of existing business and industry in depressed urban and rural areas as defined by section 3(4) of this Act: *Provided*, That—

(1) the borrowers agree to fill a specified number of job openings to be determined by the Bank with people who, prior to such employment, were unemployed or underemployed;

(2) the borrowers agree to conduct training courses for a specified number of unemployed and underemployed persons to be determined by the Bank with the result that these persons will, within a period of time to be determined by the Bank, be employed full time by the borrower and receive adequate wages; or

(3) the borrowers agree to other requirements laid down by the Bank to carry out the purposes of this Act.

LOANS FOR COMMUNITY DEVELOPMENT

SEC. 15. The Bank may make or guarantee loans or purchase obligations or guarantee the payment of principal and interest on obligations to finance capital expenditures for public works and community facilities, including facilities for education, health, social welfare, recreation, sewer and water systems land for housing development, public transportation, and utilities, providing that such facilities and projects extend direct and substantial benefits to urban slum and depressed rural areas, or provide other benefits specified by the Bank to carry out the purposes of this Act.

LOANS FOR LOW- AND MODERATE-INCOME HOUSING PROJECTS

SEC. 16. The Bank may make or guarantee loans to appropriate public agencies, nonprofit cooperatives and corporations, limited dividend corporations, developers, contractors, subcontractors, and other persons to provide construction loans for housing projects designed to provide dwellings under the insured and guaranteed low- and moderate-income housing loan programs of the Department of Housing and Urban Development, the Veterans' Administration, and the Farmers Home Administration of the Department of Agriculture.

TECHNICAL AND OTHER ASSISTANCE

SEC. 17. (1) The Bank may provide to borrowers whatever assistance, technical or otherwise, it considers necessary to protect its investment and to carry out the purposes of this Act.

(2) To assure fulfilling the purposes of this Act, the Bank shall direct an adequate number of staff members to seek out and confer with representatives of State and local governments, public agencies, nonprofit private organizations, companies, corporations, partnerships, and individuals, in order to provide information about the services furnished by the Bank, to provide whatever assistance is necessary for utilization of such services, and to assist the recipient of such services in meeting other requirements laid down by the Bank to carry out the purposes of this Act.

SECURITY REQUIRED

SEC. 18. The Board of Directors of the Bank shall make whatever arrangement it considers adequate to secure loans made by the Bank.

MATURITY OF LOANS

SEC. 19. Loans made by the Bank to any State and local government, private corporation, company, or individual shall be for periods determined by the Board of Directors of the Bank, bearing in mind that the maturity of such loans should, whenever possible, coincide with the projected useful life of the facilities financed with such loans. However, the outstanding balance due on Bank loans shall be refinanced through another lender whenever, in the judgment of the Board of Directors of the Bank, such refinancing is feasible on terms and conditions which the Board of Directors of the Bank considers to be reasonable for the borrowers.

GUARANTEED LOANS

SEC. 20. The Bank may fully guarantee the entire interest and principal of any loan made by any bank, savings bank, trust company, building and loan or savings and loan association, insurance company, mortgage loan company, or credit union, provided that such loans are made to carry out the purposes of this Act and the effective interest rate for such loans is not more than 1½ per centum above the Federal Reserve discount rate.

DIRECT LOANS

SEC. 21. To carry out the purposes of this Act, the Bank may make direct loans to State and local governments, public agencies, nonprofit private organizations, corporations, companies, partnerships, and individuals providing that the effective interest rate does not exceed 6 per centum per annum or the Federal Reserve discount rate, whichever is lower, or a lesser rate established by the Board of Directors of the Bank, provided that borrowers have presented evidence they are unable to obtain funds on reasonable terms from any other source to carry out the purposes of this Act.

TAXABLE STATUS

SEC. 22. The Bank, its property, its franchise, capital, reserves, surplus, security holdings, and other funds, and its income shall be exempt from all taxation now or hereafter imposed by the United States or by any State or local taxing authority; except that (1) any real property and any tangible personal property of the Bank shall be subject to Federal, State, and local taxation to the same extent according to its value as other such property is taxed, and (2) any and all obligations issued by the Bank shall be subject both as to principal and interest to Federal, State, and local taxation to the same extent as the obligations of private corporations are taxed.

AUDIT BY GENERAL ACCOUNTING OFFICE

SEC. 23. The General Accounting Office shall audit the financial transactions of the Bank, and for this purpose shall have access to all its books, records, and accounts.

AUTHORIZATION OF APPROPRIATIONS

SEC. 24. (1) There is authorized to be appropriated, without fiscal year limitation, the sum of $1,000,000,000, to the Secretary of the Treasury to finance the purchase of Bank stock.

(2) There are authorized to be appropriated, without fiscal year limitation, such sums as may be necessary to pay the difference, if any, between the interest paid by the Bank on its obligations and interest received by the Bank on its loans, and to reimburse the capital of the Bank to the extent of any defaults, and such additional sums as may be necessary to establish and operate the Bank and otherwise carry out the purposes of this Act.

By Mr. SCHWEIKER:

S. 2939. A bill to provide a special program for financial assistance to Opportunities Industrialization Centers in order to provide 1 million new jobs and job training opportunities, and for other purposes. Referred to the Committee on Labor and Public Welfare.

Mr. SCHWEIKER. Mr. President, I send to the desk a bill to provide a special program for financial assistance to Opportunities Industrialization Centers in order to provide 1 million new jobs and job training opportunities, and for other purposes.

Everyone in this Chamber knows we have a tragic unemployment problem in this country. According to some economists, millions of Americans can expect to be unemployed for the foreseeable future—and virtually no one is predicting full employment around the corner. In my view, our tragically high unemployment rate has become a national disaster—and the widespread acceptance of high unemployment as an inevitable fact of life is a national disgrace.

One of the reasons we have had difficulty in mobilizing a national war on unemployment is the widespread public perception that in fact there are plenty of jobs. People say "Look at the newspapers—the classified ads are full of job opportunities." And they are. The problem, however, is threefold: First, many jobs are not where the unemployed people are; second, many jobs advertised are marginal, make-shift tasks that will never lead to permanent employment; and finally, millions of unemployed persons lack the job skills and training to qualify for available jobs.

The legislation I introduce today will deal with all of these problems. And it will do it by providing the tools for our Nation's most successful manpower training program, Opportunities Industrialization Centers, Inc., to combine the two basic keys to full employment, job creation and job training.

OIC's outstanding record in this field, under the inspired leadership of Pennsylvania's Rev. Leon H. Sullivan, has already gained wide recognition. OIC was designated by name in the Comprehensive Employment and Training Act of 1973, and has since achieved a major role in our Federal manpower training program. But to date, OIC has not had major responsibility for combining job creation with job training; the bill I introduce today extends that responsibility to OIC, under direction of the Department of Labor.

The bill has the following major provisions: First, it authorizes the Secretary of Labor to enter a contract with OIC, to provide jobs and training to eligible persons, in coordination with private industry and specified public programs. Second, this measure prescribes a number of required contract provisions, designed to insure that the jobs created and filled are meaningful jobs leading to permanent employment, and that veterans and hardcore unemployed persons receive preference.

Third, this bill requires nondiscriminatory program administration, with emphasis in both urban and rural areas.

Mr. President, I recognize that this is a new approach to the unemployment problem. Because of our current efforts toward budgetary restraint, this may not be a popular approach in all quarters. But in view of OIC's record of success, I think this is an approach which demands our immediate consideration. I hope every Senator will study this proposal, so we can discuss it, debate it and act upon it. If this happens, I am confident this initiative will enable us to finally launch a successful attack on our tragic unemployment problem.

By Mr. ABOUREZK (for himself, Mr. HUMPHREY, and Mr. KENNEDY):

S. 2941. A bill to provide emergency, humanitarian assistance and relief to the people of Lebanon, to amend the Foreign Assistance Act of 1961, and for other purposes. Referred to the Committee on Foreign Relations.

Mr. ABOUREZK. Mr. President, for myself, the Senator from Minnesota (Mr. HUMPHREY), and the Senator from Massachusetts (Mr. KENNEDY), I introduce a bill to provide humanitarian relief for the country of Lebanon.

I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2941

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, "That the Foreign Assistance Act of 1961, as amended, be further amended by adding a new section as follows:

"SEC. 496. Lebanon Relief and Rehabilitation.

"(a). The Congress, recognizing that prompt United States assistance is necessary to alleviate human suffering, and to restore the confidence of the people of Lebanon, hereby authorizes the President to furnish assistance, on such terms and conditions as he may determine, for relief and rehabilitation of refugees and other needy people in Lebanon. There is hereby authorized to be appropriated for the purpose of this section, in addition to amounts otherwise available for such purposes, such sums as may be necessary, to be available until expended.

"(b). Assistance under this section shall be provided in accordance with the policies and general authority contained in section 491, provided, that assistance made available under this section shall be distributed to the maximum extent practicable, under the auspices of, and coordination of, the United Nations and its specialized agencies, other international organizations or arrangements, multilateral institutions, or private voluntary agencies."

By Mr. HATFIELD:

S.J. Res. 165. A joint resolution to designate April 8, 1976, as National Food Day. Referred to the Committee on the Judiciary.

Mr. HATFIELD. Mr. President, plentiful, wholesome food, good nutrition and sound health should be within the reach of everyone. Yet as you and I know, many people are finding it ever harder to meet these basic needs. Rising prices, global shortages, and lack of nutrition education mean that millions in America and around the world cannot put a nourishing meal on the table.

To draw attention to this problem and to encourage positive change, many of our fellow citizens observed "Food Day" last April 17. Activities ranged from local conferences on food and nutrition to full-page newspaper ads promoting the "terriffc ten" nutritious foods.

In 1976 Food Day is scheduled for April 8 and will again be sponsored by the Center for Science in the Public Interest, a nonprofit organization headed by scientists.

"Food Day '76" will focus particular attention on food policies at the State and local level. "Food Day" organizers are urging local government officials to convene official conferences where elected representatives can work with a coalition of citizens' groups, businesspeople, churches, unions, antipoverty workers, and farmers to formulate food policies. Local and State programs will likely encourage such features as support for and coordination of farmers' markets, co-ops, and buying clubs; modern nutrition education in schools, supermarkets, and communities; and protective family farm legislation.

To help develop greater participation in significant local efforts, I am introducing a resolution to designate April 8, 1976, as "National Food Day."

I also ask unanimous consent that a portion of a brochure describing "Food Day" activities be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD as follows:

FOOD DAY

WHAT IS FOOD DAY?

Food Day is a day of education and action on food problems. It is the one day in the year the *citizens groups* can make their voices heard above the din of the food industry's $4 billion worth of advertising. Food Day (or Food Week in some cities) is a time to learn about hunger in the U.S. and abroad, the relationship between the foods we eat and our health, and who controls our nation's (or cities') policies regarding food. But as much as it is a day to *learn*, Food Day is a day to *act*. It is a time for the *public* to get involved in formulating local and national food policies.

On the first Food Day (April 17, 1975), thousands of individuals and groups organized special activities. There was a nationwide TV show, many local radio and TV shows, large and small teach-ins at colleges and high schools, church meetings on domestic and world hunger, special nutrition programs in elementary schools, anti-junk food campaigns, movie-thons, campaigns to publicize food stamps, and debates between consumer advocates and industry representatives. In some towns, broad coalitions were organized to sponsor educational activities and to help solve the problems.

Food Day can be your group's "visibility day", a time to influence policies, provide the public with information, and recruit new members. The possibilities are as varied as your imagination. The national office assists Food Day activists around the country by providing information, materials, and local contacts.

WHY A FOOD DAY?

America's food system has changed radically over the past century. We were once a nation of family farmers and small businesses. Over the years, most people have moved to cities and now rely largely on giant corporations to produce, process, and market their food. Although there are over 30,000 food manufacturers in the U.S., a mere 50 account for more than half of all assets and profits. In many segments of the food industry, just one or a few companies control most of the market. This domination has resulted in massive political influence and high profits for the *big companies*, loss of independence for *farmers*, and high prices for the *consumer*.

Most Americans eat a diet that contributes to disease. Their diets are high in sugar, fat, and cholesterol, and low in fiber ("roughage"). *Much medical research has linked this diet to obesity, heart disease, diverticulosis, constipation, diabetes, and bowel cancer.* These health problems cost us billions a year and account for about half of all deaths in the U.S. Slick advertising, junk food everywhere you turn, and the absence of nutrition education programs have all contributed to Americans' unhealthful diet. Food manufacturers are concerned about profits, not health, and use their political muscle to prevent effective laws and regulations.

Hunger and malnutrition are facts of life for millions of people who cannot afford to buy food. The U.S. has the food stamp, and several other programs intended to provide more food for the poor, but the programs are meager and their administration so inadequate that citizens groups have been forced to sue the U.S. government to implement them. Even with the programs, inflation and unemployment have made the lot of the poor as difficult as ever.

From a global perspective, Americans, who comprise only 5% of the world's population, but consume 30% of the world's resources, should insure that poor countries control their own resources. The United States should provide development assistance to help needy nations improve their own production, storage, and distribution of food and help establish a world food security system that includes a grain reserve. But while the need has increased in recent years, American food assistance to the neediest nations has declined sharply.

Corporate executives and government bureaucrats have been shaping American food policy. Food Day is a time to help develop a citizens' movement powerful enough to influence government policies on hunger, nutrition and agribusiness. In other words, Food Day is a time to make democracy work.

WHAT YOU CAN DO

1 Food Day will focus on the food policies of cities and states. Citizens can win important local victories, without waiting for Federal programs. Seven states have repealed the regressive sales tax on food in the past few years, some have passed laws to protect family farms, one or two are developing nutrition education programs. Some cities have good programs for publicizing food stamps, a few have provided land for farmers' markets and community gardens, two or three have banned junk foods from public schools. No state or city, however, has put all these measures together as a responsible and comprehensive Food Policy.

You can encourage your city or state to develop a comprehensive food policy by forming a coalition of interested individuals and groups to (1) identify problem areas, (2) draft a proposed food policy, and (3) urge your city or state to sponsor an official Conference on Food Policy on or around Food Day. Representatives of citizens groups, government, farm groups and industry would participate in such a conference. Your coalition would propose its food policy there. A few states have held conferences, sponsored by the Governor or Secretary of Agriculture, but the most effective conferences have been those where citizens groups have been involved in the planning. Where local governments prove uncooperative, Food Day coalitions can sponsor their own Citizens Food Conference.

The advantage of comprehensive Food Policies is that government and citizens can tackle many problems at once, and citizens are involved in broad policy decisions. Working on one problem at a time is a slow, seemingly endless job, and never seems to get at the roots of the problems. The Food Day national office has prepared a manual that will help you organize around food issues at the city and state level.

2. Food Day offers many exciting project possibilities to individuals and groups who want to help solve food problems, but do not want to work on city-wide or state-wide policies. Here are a few suggestions:

Organize a Food Day coordinating committee in your area. Contact other organizations and keep the press informed of your activities.

Coordinate a Food Day teach-in at your school or university.

Organize a local food co-op to lower food prices and insure high quality food for your community.

Establish a farmers' market where shoppers buy produce directly from farmers.

Plant community gardens on vacant city lots or unused church land.

Organize a group to lobby on world food issues.

Find out how many people eligible for Federal assistance in your city or county are not participating in the programs. Pressure the government to start food stamp outreach campaigns.

Do supermarket comparison price studies. Educate your neighbors and yourself about oligopoly (control by a few corporations) in the food industry and its effects on diet and prices.

Several states have banned corporate farming. Work for legislation to protect family farms in your state.

Does your state have a food tax? If so, work to eliminate it.

Evaluate your school lunch program and see how it can be improved. Several school boards have banned junk foods from cafeterias and vending machines.

Advocate nutrition education in elementary, secondary, college, and medical school curriculums.

Demand that nutritious food (milk, fruit, nuts, etc.) be offered in all vending machines in your community.

Urge TV and radio stations to provide service time for nutrition and consumer education.

By Mr. MONDALE (for himself, Mr. PACKWOOD, Mr. STEVENSON, Mr. BAKER, Mr. ABOUREZK, Mr. BIDEN, Mr. CLARK, Mr. CRANSTON, Mr. DURKIN, Mr. PHILIP A. HART, Mr. HUDDLESTON, Mr. BROOKE, Mr. HUMPHREY, Mr. INOUYE, Mr. DOMENICI, Mr. KENNEDY, Mr. MCGOVERN, Mr. MCINTYRE, Mr. MUSKIE, Mr. RANDOLPH, Mr. RIBICOFF, and Mr. SCHWEIKER):

S.J. Res. 166. A joint resolution to establish a Bicentennial Commission on Presidential Nominations. Referred to the Committee on Rules and Administration.

Mr. President, on behalf of myself and the distinguished Senator from Oregon, Mr. PACKWOOD, the distinguished Senator from Illinois, Mr. STEVENSON, and the the distinguished Senator from Tennessee, Mr. BAKER who worked with me in drafting this proposal, I am introducing a joint resolution to create a Bicentennial Commission on Presidential Nominations. We are pleased that we have been joined by an impressive list of cosponsors—Mr. ABOUREZK, Mr. BIDEN, Mr. BROOKE, Mr. CLARK, Mr. CRANSTON, Mr. DOMENICI, Mr. DURKIN, Mr. PHILIP HART, Mr. HUDDLESTON, Mr. HUMPHREY, Mr. INOUYE, Mr. KENNEDY, Mr. MCGOVERN, Mr. MCINTYRE, Mr. MUSKIE, Mr. RANDOLPH, Mr. RIBICOFF, and Mr. SCHWEIKER.

As one who spent a full year actively seeking the Democratic Presidential nomination, I have concluded that the manner in which we nominate and elect a President is badly in need of review.

Incredibly, there has never been a serious, fundamental and comprehensive review of our Presidential nominating process throughout our 200-year history. While in most areas they have proved unfailing wisdom and foresight, the framers of our Constitution did not realize that the system of electing our Chief Executive would evolve into a jumble of State laws, party regulations and unchallenged traditions, with the political parties playing the major role in the selection process.

There have been various attempts over the years to reform certain aspects of this process, but there has been no unified effort to resolve the system's shortcomings. We believe the time for one is long overdue, and that is what this commission is intended to accomplish.

This bipartisan commission, whose 18 members would be appointed equally by the President pro tempore of the Senate, the Speaker of the House and the President, with the chairmen of the two national parties serving ex officio, would be asked to look into all aspects of the nominating process, including the manner in which States conduct Presidential primaries and selection of delegates to the national nominating conventions, State laws and rules of national political parties which govern the participation of voters and candidates in such primaries and caucuses, Presidential campaign financing, the relationship between the candidates for President and the media, and the manner in which candidates are nominated for the Vice Presidency.

The nominating process desperately needs a comprehensive review of these areas and their relationships to the others and an approach which seeks to resolve the problems in a way consistent with clearly defined and broadly agreed upon goals.

The present system of nominating Presidential candidates is close to anarchy. There are really 55 separate and different systems. This year 30 States will hold separate primaries, each without any relationship to the others, and they will account for approximately three-fourths of the delegates which will attend both national conventions next summer. Thus, we virtually have a de facto national primary—albeit in fragmented form—without ever having adopted it as a matter of national policy.

The attempts at reform thus far have included proposals for a national primary, regional primaries and variations of the present system. But there has never been a national consensus on any single proposal for reform of this system. There is a consensus, however, among the cosponsors of this resolution—and a growing number of others throughout the country—that the entire system is badly in need of review.

There is always considerable interest in reforming the nominating process during a Presidential election year, but unfortunately it quickly fades after the election. Even though we believe this interest is higher now than ever before, we fear the same thing might happen again. The Commission we advocate would report back with its findings and recommendations in early 1977, giving Congress the unique and compelling opportunity to act well in advance of the 1980 elections.

Whatever alternative system may be recommended by this Commission and adopted by the Congress we believe we can do much better than the present system. We also believe there is no more fitting effort we could undertake in this Bicentennial Year than to try to improve one of the most important elements of our democratic process.

I ask unanimous consent that this resolution be printed at this point in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES 166

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That this joint resolution may be cited as the "Bicentennial Commission on Presidential Nominations Resolution".

DECLARATION OF POLICY

SEC. 2. It is hereby declared to be the policy of the United States to improve the system of nominating candidates for election to the office of the President of the United States by studying such system in a broad manner never before attempted in the 200-year history of this Nation.

ESTABLISHMENT OF COMMISSION

SEC. 3. (a) There is established the Bicentennial Commission on Presidential Nominations (hereinafter referred to as the "Commission").

(b) The Commission shall be composed of 20 members to be appointed as follows:

(1) six members shall be appointed by the President pro tempore of the Senate, of whom at least two shall be members of the Senate and at least two shall be elected or appointed State officials;

(2) six members shall be appointed by the Speaker of the House of Representatives, of whom at least two shall be members of the House and at least two shall be elected or appointed State officials;

(3) six members shall be appointed by the President; and

(4) two members shall be the chairmen of the two national political parties and shall serve as ex officio members.

(c) At no time shall more than three members appointed under paragraph (1), (2), or (3) of subsection (b) be individuals who are of the same political affiliation.

(d) A vacancy in the Commission shall not affect its powers, and shall be filled in the same manner in which the original appointment was made, subject to the same limitations with respect to party affiliations as the original appointment.

(e) Twelve members shall constitute a quorum, but a lesser number may conduct hearings. The chairman of the Commission shall be selected by the members from among the members, other than ex officio members.

FUNCTIONS OF THE COMMISSION

SEC. 4. (a) The Commission shall make a full and complete investigation with respect to the presidential nominating process. Such investigation shall include but not be limited to a consideration of—

(1) the manner in which States conduct primaries for the expression of a preference for the nomination of candidates for election to the office of President of the United States caucuses for the selection of delegates to the national nominating conventions of political parties;

(2) State laws and the rules of national political parties which govern the participation of voters and candidates in such primaries and caucuses;

(3) the financing of campaigns for the nomination of candidates for election to the office of the President of the United States;

(4) the relationship between candidates for election to the office of the President of the United States and the news media, including how candidates achieve public recognition and whether such candidates should be guaranteed access to the television media;

(5) the interrelationship of the elements described in paragraphs (1) through (4) of this section;

(6) alternative nominating systems, including but not limited to a national or regional primary system for the expression of a preference for the nomination of candidates for election to the office of President of the United States and variations on the present nominating system; and

(7) the manner in which candidates are nominated for election to the office of Vice President of the United States.

(b) The Commission shall submit to the President and to the Congress such interim reports as it deems advisable, and not later than one year after the enactment of this resolution, a final report of its study and investigation based upon a full consideration of alternatives to our current presidential nominating system, including an analysis of the strengths and weaknesses of all such alternatives studied, together with its recommendations as to the best system to establish for the 1980 presidential elections. The Commission shall cease to exist 60 days after its final report is submitted.

POWERS AND ADMINISTRATIVE PROVISIONS

SEC. 5. (a) The Commission may, in carrying out the provisions of this joint resolution, sit and act at such times and places, hold such hearings, take such testimony, request the attendance of such witnesses, administer oaths, have such printing and binding done, and commission studies by any

Federal agency or executive department, as the Commission deems advisable.

(b) Per diem and mileage allowances for witnesses requested to appear under the authority conferred by this section shall be paid from funds appropriated to the Commission.

(c) Subject to such rules and regulations as may be adopted by the Commission, the chairman shall have the power to—

(1) appoint and fix the compensation of an executive director, and such additional staff personnel as may be necessary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification in General Schedule pay rates, but at such rates not in excess of the maximum rate for GS-18 of the General Schedule under section 5332 of such title; and

(2) procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals.

COMPENSATION OF MEMBERS

SEC. 6. (a) Members of the Commission who are otherwise employed by the Federal Government shall serve without compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in carrying out the duties of the Commission.

(b) Members of the Commission not otherwise employed by the Federal Government shall receive per diem at the maximum daily rate for GS-18 of the General Schedule when they are engaged in the performance of their duties as members of the Commission and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out the duties of the Commission.

TIMELINESS OF APPOINTMENTS

SEC. 7. It is the sense of the Congress that the appointments of individuals to serve as members of the Commission be completed within 90 days after the enactment of this resolution.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this resolution.

Mr. PACKWOOD. Mr. President, today, Senators MONDALE, BAKER, STEVENSON, and I are introducing a resolution to establish a Bicentennial Commission on Presidential Nominations. Seventeen of our colleagues have joined us in sponsoring this resolution.

The Commission will be charged with investigating the Presidential nominating process and determining the most effective means of reforming it. The 20 Members appointed from within the Senate and House as well as by the administration and both major national political parties, will undertake a mammoth, but much-needed and long-overdue task. In addition to comparing different State primary and caucus procedures, they will explore Presidential campaign financing and the effect of the news media on elections. Although it is too late for reforms of the 1976 election procedures, we expect the Commission's report and recommendations a year after they begin their task, leaving ample time to discuss and implement the recommendations for 1980 as to the best method for Presidential elections.

The first of 30 primaries will be held in a few short weeks. Thirty times in the next 6 months Americans will be inundated with "definitive" election results as to who is the front runner and who has fallen irretrievably behind. The number of Presidential primaries continues to increase, and we have yet to find an acceptable means of controlling this needless proliferation. At the present rate, soon all 50 States may have individual State primaries vying for national attention. This is a needless waste of energy, money, and time.

Years ago, people were content to let "someone else" make the decision of who should be nominated for President. Now, expectations have increased, and rightly so. With the trends in openness in Government, the days of the backroom boys and midnight caucuses have disappeared. But with the modern primary process, this "shuttle candidacy," where the candidate steps off the plane with a jet-lag grin, is an exhausting, wasteful exercise. There must be a better way than breakfast in New Hampshire, lunch in Florida, and dinner at the California caucus. This is not the best measure of any candidate's talent; it is an endurance contest.

I would hope that the Bicentennial Commission on Presidential Nominations would thoroughly study the Presidential primary process and make recommendations as to how we can best reform it into a more meaningful exercise of political expression. I urge my colleagues to join with me in sponsoring this resolution.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 2903

At the request of Mr. BEALL, the Senator from Florida (Mr. STONE) was added as a cosponsor of S. 2903, a bill to permit the review of regulatory rules and regulations by the Congress.

SENATE RESOLUTION 104

At the request of Mr. HATHAWAY, the Senator from Florida (Mr. STONE) and the Senator from Ohio (Mr. GLENN) were added as cosponsors of Senate Resolution 104, relating to the Select Committee on Small Business (to provide limited legislative authority).

SENATE RESOLUTION 366

At the request of Mr. HUMPHREY, the Senator from Arizona (Mr. FANNIN) was added as a cosponsor of Senate Resolution 366, disapproving the proposed deferral of budget authority for Indian health facilities.

SENATE JOINT RESOLUTION 109

At the request of Mr. BUCKLEY, the Senator from Utah (Mr. GARN) and the Senator from South Carolina (Mr. HOLLINGS) were added as cosponsors of Senate Joint Resolution 109, a joint resolution relating to the European Security Conference.

SENATE JOINT RESOLUTION 148

At the request of Mr. BROCK, the Senator from Idaho (Mr. MCCLURE) was added as a cosponsor of Senate Joint Resolution 148, a joint resolution to clarify and reaffirm Government purchasing policies.

SENATE RESOLUTION 381—SUBMISSION OF A RESOLUTION RELATING TO THE 50TH ANNIVERSARY OF AMERICAN COMMERCIAL AVIATION

(Referred to the Committee on the Judiciary.)

Mr. CANNON submitted the following resolution:

S. RES. 381

Whereas, in 1925 the Congressional Air Mail Act was enacted into law to authorize the United States Post Office Department to speed the mails by increasing the use of commercial aircraft, under which Act in 1926 air mail contracts were awarded to 12 new airlines flying 15 routes connecting with the Post Office Department's central transcontinental service, thus creating the foundation of our great national air transportation system, and

Whereas, in 1926 a supporting Congressional Air Commerce Act created the Aeronautics Branch of the Department of Commerce (now the Federal Aviation Administration of the Department of Transportation), which agency immediately designated necessary airways, provided ground-to-plane radio communications, lighting, weather and other aids to air navigation, encouraged local authorities to provide airports, and issued regulations for operation of commercial aircraft, which Acts were the legislative cornerstones of commercial aviation, and

Whereas, in our Bicentennial Year the Aviation Historical Foundation is commemorating this 50th anniversary of the birth of Commercial Aviation by collecting such information and exhibits as are available for public display and dissemination and by encouraging appropriate ceremonies to celebrate the occasion and recognize the many contributions by government agencies and the aviation industry, and

Whereas, the U.S. Postal Service having definitely proved that carriage of mail by airplane is speedy and reliable has discontinued its special air mail service and now is carrying all first class mail to distant points by air, and thus is issuing a special commemorative stamp in March depicting the planes used in the first official air mail flights between Detroit and Cleveland and Detroit and Chicago on February 15, 1926, and between Elko, Nevada, and Pasco, Washington, on April 6, 1926, for which special collector's covers are being provided by the Aviation Historical Foundation.

Be it resolved by the Senate of the United States that the 50th anniversary of the birth of American Commercial Aviation be officially recognized and that all concerned governmental agencies be requested to join in participating in appropriate national and local ceremonies celebrating the 50th anniversary of commercial aviation.

Mr. CANNON. Mr. President, 1976 is America's Bicentennial Year, but it also marks another anniversary in our history, an anniversary of a fledgling industry that began 50 years ago and grew to a point where today it affects the lives of nearly every citizen of the United States. This year, 1976, marks the 50th anniversary of American Commercial Aviation.

In 1925, the Congressional Air Mail Act was enacted into law to authorize the U.S. Post Office Department to speed the mails by increasing the use of commercial aircraft. One year later contracts were awarded to 12 new airlines to fly 15 routes connecting with the Post Office Department's central transcontinental service.

That same year the Congressional Air Commerce Act created the aeronautics branch of the Department of Commerce, which designated necessary airways, provided ground-to-plane radio communications, lighting, weather, and other aids to air navigation, and encouraged local authorities to provide airports. The aeronautics branch later became the Federal Aviation Administration.

The first official airmail flights, between Detroit and Cleveland and Detroit and Chicago, were inaugurated on February 15, 1926. Shortly thereafter, other routes began and throughout 1926 eventually were extended to include 24 States and the District of Columbia.

One State designated in the original mail routes was my home State of Nevada. On April 6, 1926, an airmail route from Elko to Boise, Idaho, and ending in Pasco, Wash., was inaugurated. Later that month, another airmail contract was signed involving Las Vegas.

Las Vegas at the time was unknown to most Americans, but through efforts of numerous local civic and community leaders and later the airlines, the city grew to become a household word to most people of the world. Commercial aviation played a key role in the growth of Nevada's most populous community.

Mr. President, as chairman of the Senate Commerce's Aviation Subcommittee, it gives me great pleasure to submit a resolution today in commemoration of the 50th anniversary of American commercial aviation.

The resolution resolves that the 50th anniversary of the birth of American commercial aviation be officially recognized and that all concerned governmental agencies be requested to join in participating in appropriate national and local ceremonies celebrating the occasion.

I welcome my colleagues to cosponsor this resolution. The 24 States involved with the first airmail contracts in 1926 were: California, Colorado, Connecticut, Florida, Georgia, Idaho, Illinois, Kansas, Massachusetts, Michigan, Minnesota, Missouri, Nevada, New York, Ohio, Oklahoma, Oregon, Pennsylvania, Texas, Utah, Virginia, Washington, Wisconsin, and Wyoming.

SENATE CONCURRENT RESOLUTION 94—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO EMERGENCY ASSISTANCE IN MANTI CANYON, UTAH

(Referred to the Committee on Public Works.)

Mr. MOSS submitted the following concurrent resolution:

S. CON. RES. 94

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the landslide or landflow condition that exists in Manti Canyon, near Manti, Utah, is a natural element or force that has caused, and is continuing to cause, "a sudden impairment" of the watershed in the Manti Canyon within the intent and meaning of section 7 of the Flood Control Act approved June 28, 1938, as amended (33 U.S.C. 701b–1); that the Secretary of Agriculture has the authority under such section to undertake such emergency measures in such canyon "for run-off retardation and soil-erosion prevention as may be needed to safeguard lives and property from floods and the products of erosion"; and that the Secretary of Agriculture should, and is hereby urged and requested to, promptly undertake appropriate action in the Manti Canyon under authority of such section.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the Secretary of Agriculture.

Mr. MOSS. Mr. President, I submit, for appropriate reference, a concurrent resolution which has the intent of bringing to the city of Manti, Utah, emergency assistance desperately needed in order that this small rural Utah town may avert almost certain flood damage. The emergency situation which looms over Manti is the result of a massive land flow poised in the mountains above the city. The moving land mass is 2 miles long and some 2,000 feet wide at the toe, and suspected to be at least 300 feet deep.

This massive landslide began moving in June of 1974 at an increasingly accelerated speed until it reached a peak of 8 feet per day movement down the canyon toward the city. In July of 1975 movement throughout the entire length of the land flow was observed. An estimated 26 million cubic yards of earth moved 340 feet in 3 months at various rates of speed up to 8 feet per day. Present rates of movement are quite variable through the entire land flow. But this massive land flow continues to slide and ultimately will move into the Manti Creek channel, creating increased flood danger and also affecting adversely the major economic base of Manti, namely agriculture, by causing an increase in sedimentation buildup in Manti Creek which is the primary source of irrigation water to the agricultural lands in the valley below the slide area.

This slide has already destroyed the city's culinary water and power pipeline and created tremendous hardship for the people of Manti.

In August of 1975, the Governor set up a committee in an effort to resolve the problem which this slide poses for the people of Manti. When it became obvious that this committee was not going to resolve the problem, because the slide was wholly on federally controlled land, Manti officials came to me and asked that I do something to help. The agricultural-economic base of Manti is threatened and Manti City itself.

It is estimated that property value in the flood path alone, should flooding result from the heavy spring runoffs into Manti Creek, will exceed $7 million. I have visited Manti on several occasions recently, and I can tell you that the people are desperate for a solution to this problem.

Over the last few months, I have been searching out different alternatives to resolving this problem. In November of last year, the Appropriations Interior Subcommittee directed the Forest Service "to begin immediately a comprehensive investigation of the Manti Canyon landslide," with the "goal of initiating measures" which will protect lives and property in the area below the slide which are affected by any of several potential dangers directly resultant from the slide itself.

The report which has just been completed and which I have gone over very carefully, advances several alternatives, but does not fix responsibility for making certain that such mitigating measures are undertaken. This problem of jurisdiction has become a major obstacle in bringing about a solution to this slide problem. The scenario is that of two or three Federal agencies, all trying to "pass the buck" and thus giving the appearance of being unwilling to help the people of Manti, who have turned to them as a last resort in order to avert almost certain disaster.

The purpose of the resolution I introduced this day is to overcome the problem of jurisdiction and to urge that measures be undertaken immediately to help Manti over this very difficult emergency. We are their last hope.

This resolution makes it very clear that section 216 of the 1950 Flood Control Act is authorization for emergency assistance to Manti. Several important things are accomplished by this resolution.

First, it fixes responsibility within the Department of Agriculture.

Second, it authorizes the Secretary of Agriculture to take emergency measures in order to "safeguard lives and property" from floods and the products of, among other things, any natural element or force including landslides.

Third, it allows for measures to be undertaken immediately because a final environmental impact statement for emergency assistance as authorized by section 216 of the Flood Control Act of 1950 is already completed, thus eliminating any further delays which could be incurred if the environmental impact statement had not already been concluded.

Fourth, it clearly establishes such emergency assistance as being completely within the intent of the Congress in the basic legislation wherein cities, such as Manti, are to receive necessary emergency help, especially when there was no other place to turn.

I commend this resolution to the Congress and urge its adoption in the most expeditious way so that any further delay will not prove disastrous to the people and property of Manti, Utah.

AMENDMENTS SUBMITTED FOR PRINTING

GENERAL REVISION OF THE COPYRIGHT LAW—S. 22

AMENDMENT NO. 1383

(Ordered to be printed and to lie on the table.)

Mr. HUMPHREY. Mr. President, within a few days the Senate will take under consideration S. 22, the copyright revision bill. In anticipation of that debate, I am today submitting, on behalf of myself, Mr. CRANSTON, and Mr. BUCKLEY, an amendment for consideration during the discussion on S. 22. Authors, artists, and photographers need and deserve to be able to maintain control over their works and have them protected by law. This amendment, by eliminating certain categories of works from the compulsory licensing provisions of Section 118 of the copyright revision bill, would assure reasonable copyright protection for literary, pictorial, graphic, and sculptural works.

INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT OF 1975—S. 2662

AMENDMENT NO. 1384

(Ordered to be printed and to lie on the table.)

Mr. TUNNEY (for himself and Mr. Cranston) submitted an amendment intended to be proposed by them jointly to the bill (S. 2662) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

EXEMPTION FROM LOTTERY PROVISIONS—H.R. 1607

AMENDMENT NO. 1385

(Ordered to be printed and to lie on the table.)

Mr. DOLE submitted an amendment intended to be proposed by him to the bill (H.R. 1607) to amend title 18 and title 39 of the United States Code to make parallel the exemption from lottery prohibitions granted to newspapers and to radio and television.

VETERANS' OMNIBUS HEALTH CARE ACT OF 1976—S. 2908

AMENDMENT NO. 1386

(Ordered to be printed and referred to the Committee on Veterans' Affairs.)

Mr. CRANSTON. Mr. President, I submit for printing an amendment to S. 2908, the proposed "Veterans Omnibus Health Care Act of 1976," to revise the new subsection (e) which section 121(2) of the bill would add to section 5053 of title 38, United States Code. The revisions in the amendment I am submitting will be considered, in lieu of the material it would replace in the bill as introduced, at the hearings of the Subcommittee on Health and Hospitals, which I am privileged to chair on the Committee on Veterans' Affairs, scheduled for February 18 and 19, 1976.

The amended version makes clear that the Secretary of Health, Education, and Welfare—and the Administrator of Veterans' Affairs—would jointly prescribe procedures to assure reasonable quality and effective utilization with respect to medicare reimbursement for patients treated through specialized resources of VA facilities which are used pursuant to sharing agreements with university and other community health care facilities; and to extend the provision's coverage to veterans as well as nonveterans so treated in a VA facility as a patient of, and pursuant to such a sharing agreement with, such a non-VA facility.

Mr. President, I ask unanimous consent that the text of this amendment be printed in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 1386

On page 45, beginning on line 14, strike out all through line 2 on page 46 and insert in lieu thereof the following:

"(e) When a Veterans' Administration health care facility provides hospital care or medical services, pursuant to a contract or agreement authorized by this section, to an individual who is entitled to hospital or medical insurance benefits under subchapter XVIII, of chapter 7 of title 42, notwithstanding any condition, limitation, or other provision in that title which would otherwise preclude such payment, such benefits shall be paid in accordance with—

"(1) rates prescribed by the Secretary of Health, Education, and Welfare, after consultation with the Administrator, and

"(2) procedures jointly prescribed by the Secretary and the Administrator to assure reasonable quality of care and services and efficient utilization of resources,

to such facility therefor or, if the contract or agreement so provides, to the community health care facility which is a party to the contract or agreement.".

CHILD AND FAMILY SERVICES ACT—S. 626

AMENDMENTS NOS. 1388 AND 1389

(Ordered to be printed and referred to the Committee on Labor and Public Welfare.

CHILD AND FAMILY SERVICES

Mr. MONDALE. Mr. President, I have spoken before about the totally dishonest propaganda campaign which is being waged against the Child and Family Services legislation, S. 626. This attack most commonly appears in a widely circulated, unsigned flyer which contains a series of charges which bear no relationship whatsoever to the legislation under consideration. In response to these allegations, I have inserted a point-by-point rebuttal of the attack along with an accurate summary and a section-by-section analysis of the bill in the Congressional Record of November 19, pages 37380 through 37384, and inserted on December 12, an interreligious statement signed by 16 Protestant, Catholic, and Jewish organizations denouncing this attack and supporting the legislation.

DEFINITION OF PARENT

One issue being raised in other propaganda attacks involves completely false statements about the meaning of the term "parent" as defined in this legislation.

The definition of parent was added to the bill solely for the purpose of clarifying—in the cases of children who have been adopted or are living with a guardian or are in foster care—who is eligible to serve on the parent controlled boards which govern, select and establish any programs under this act. That definition described a parent as "any person who has primary day to day responsibility for any child." Opponents of the legislation have seized upon this definition and mistakenly alleged that it would somehow transfer the rights and responsibilities of natural parents to school teachers or day care workers who care for the child perhaps 30 or 40 hours per week. This charge, of course, is preposterous. By no stretch of the imagination can someone caring for a child 40 hours of the week be construed to be the person with primary day to day responsibility for the child. Yet, some opponents of the legislation have made that allegation and have caused unnecessary concern to many decent Americans.

In order to underscore and clarify the original intent of this legislation—which has the effect of defining a parent as a natural parent except in cases of legal guardianship or foster care—I am introducing an amendment to S. 626 today. This amendment should put to rest any concern that the definition in the bill could somehow be used to diminish or interfere with the rights and responsibilities of natural parents. The amendment states unequivocally that "nothing in this act shall alter or interfere in any way with the rights and responsibilities of parents." I ask unanimous consent that a copy of this amendment appear at this point in my remarks.

DEFINITION OF PARTNERSHIP

Another aspect of the bill which has been the subject of equally dishonest allegations concerns the statement that any program made available under this legislation should be offered "through a partnership of parents, State and local governments and the Federal Government." This phrase, which is part of a much longer statement in section 2(b), was designed simply to underscore the intention that any program offered under this bill include parent involvement and control. Specifically, this phrase was included to clarify the intent of this bill that any program funded under it would not be operated by some insensitive and remote Government bureaucracy.

Yet, this phrase has been taken out of context and alleged to mean that parents and the Federal Government would somehow become "partners" in child rearing.

This allegation is obviously inaccurate and dishonest. Yet, it has caused concern to many decent Americans who have not seen this phrase in context, or understood its legal effect.

Because this phrase has been so totally misinterpreted, I am offering an amendment to S. 626 to strike it from the bill.

This amendment is designed to clarify that sponsors of this legislation have no desire to establish the kind of partnership which has been mistakenly alleged.

Mr. President, I ask unanimous consent that my amendments, and the entire statement of findings and purpose of the legislation in which the partnership clause appears, be printed in the Record.

There being no objection, the amendments and statement were ordered to be printed in the Record, as follows:

Amendment No. 1388

On page 3, line 7 and 8, strike out the following phrase which has been subject to misunderstanding and is without legal effect: "Through a partnership of parents, State and local government and the Federal Government".

AMENDMENT No. 1389

On page 56, strike lines 3 and 4 and insert therein: "Nothing in this Act shall alter or interfere in any way with the rights and responsibilities of parents. The term "parent" shall in no case include any person caring for the child in the capacity of teacher or day care staff, nor shall the term "parent" include any other person on whom legal guardianship of the child has not been conferred under applicable State law."

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) the family is the primary and the most fundamental influence on children;

(2) child and family service programs must build upon and strengthen the role of the family and must be provided on a voluntary basis only to children whose parents or legal guardians request such services, with a view toward offering families the options they believe are most appropriate for their particular needs;

(3) although there have been increased services for children of working mothers and single parents and although Headstart and similar programs have provided supplemental educational and other services for children, such services have not been made available to families to the extent that parents consider necessary, there are many other children whose parents are working full or part time without adequate arrangements for their children, and there are many children whose families lack sufficient resources who do not receive adequate health, nutritional, educational and other services;

(4) it is essential that the planning and operation of such programs be undertaken as a partnership of parents, community, private agencies and State and local government with appropriate supportive assistance from the Federal Government.

(b) It is the purpose of this Act to provide a variety of quality child and family services in order to assist parents who request such services, with priority to those preschool children and families with the greatest economic or human needs, in a manner designed to strengthen family life and to insure decisionmaking at the community level, with direct participation of the parents of the children served and other individuals and organizations in the community interested in child and family service (making the best possible use of public and private resources), through a partnership of parents, State and local government and the Federal Government, building upon the experience and success of Headstart and other existing programs.

ANNOUNCEMENT OF HEARINGS ON S. 2908 AND OTHER VETERANS' ADMINISTRATION HEALTH CARE LEGISLATION

Mr. CRANSTON. Mr. President, I wish to announce, for the information of Senators and the public, that the Subcommittee on Health and Hospitals, which I am privileged to chair on the Committee on Veterans' Affairs, will hold 2 days of public hearings on S. 2908, the proposed "Veterans Omnibus Health Care Act of 1976," and related legislation concerning Veterans' Administration health care services and programs. The hearings will be held on February 18 and 19 at 9:30 each morning. Information on the room number is not available at this time. Anyone wishing to appear or submit testimony should contact Larry White of the committee staff at 224-1311 or 224-9887.

Witnesses will include Dr. John D. Chase, Chief Medical Director of the Veterans' Administration, who will testify on February 18 as the first witness. Among the other witnesses will be representatives of the veterans organizations, health professional organizations, and experts in veterans health fields and other fields who can contribute to our deliberations on this subject.

NOTICE OF HEARINGS ON THE SMALL BUSINESS ADMINISTRATION AND WOMEN

Mr. NELSON. Mr. President, I wish to announce that the Senate Small Business Committee will hold hearing on the Small Business Administration and women on February 24 in room 318, Russell Senate Office Building, beginning at 9:30 a.m.

Senator JAVITS has been designated to hold this hearing and will focus on the variety of assistance programs that the Small Business Administration offers to women.

A representtive of the Small Business Administration as well as representatives from various small businesswomen's associations have been invited to testify.

NOTICE OF JOINT HEARINGS BEFORE THE SMALL BUSINESS COMMITTEE AND THE INTERIOR COMMITTEE ON THE WESTLANDS WATER DISTRICT, CENTRAL VALLEY PROJECT, CALIFORNIA (RESUMED)

Mr. NELSON. Mr. President, Senator JACKSON and I are pleased to announce that the full Select Committee on Small Business and the full Committee on Interior and Insular Affairs will resume the two committees' joint public hearings on the Westlands Water District on February 16 and 17 in Fresno, Calif. The hearings will continue our investigation into the effects of Federal reclamation policy on family farming, using Westlands as an example. Morning sessions will begin at 9:30 and afternoon sessions at 1 on each day in the new auditorium of the Fresno City College, at 1101 E. University. Senator JACKSON has designated Senator HASKELL to serve as the acting chairman on behalf of the Interior Committee, and I shall cochair the hearings on behalf of the Small Business Committee.

The committees are grateful to Fresno City College for its courtesy in making the auditorium available, especially on February 16, a Federal and State holiday.

These hearings will comprise part 3 in a series of hearings initiated by the Small Business Committee on the general question, "Will the Family Farm Survive in America?" Because jurisdiction for legislation and legislative oversight on the subject of the Federal reclamation program resides with the Committee on Interior and Insular Affairs, the sessions in Fresno, as the initial sessions in Washington last July 17 and 22 and any subsequently scheduled hearings dealing with the reclamation program, have all been arranged to be held as joint hearings of the two full committees.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the witness list for the Fresno hearings—still subject to revision—and some memorandums and correspondence which will help explain the questions for which the two committees will be seeking answers.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JOINT HEARINGS BEFORE THE SELECT COMMITTEE ON SMALL BUSINESS AND THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS, U.S. SENATE

Hearings on "Will the Family Farm Survive in America?, part 3—Federal Reclamation Policy (Westlands Water District—1976)", held at Fresno City College—New auditorium, 1101 East University, Fresno, Calif. 93741.

Monday and Tuesday, February 16 and 17, 1976. Morning sessions—9:30 a.m. Afternoon sessions—1:00 p.m.

SCHEDULE OF WITNESSES

Monday morning session, February 16. Opening statement by Senator Gaylord Nelson, chairman, Select Committee on Small Business.

Opening statement by Senator Floyd K. Haskell, acting chairman, Committee on Interior and Insular Affairs.

Statements by Members of the U.S. Congress and the California Legislature:

U.S. Representative George Miller (7th District, Calif.), House of Representatives, Washington, D.C. 20515.

U.S. Representative John Krebs (17th District, Calif.), House of Representatives, Washington, D.C. 20515.

Members of the California Legislature, State Capitol, Sacramento, California 95814: Assemblyman John Garamendi, Assemblyman Ken Maddy, Assemblyman Ernest Mobly, Assemblyman Charles Warren, Senator George Zenovich.

Panel Discussion: Overviews of the Westlands Water District:

Robert S. Palmer, Natural Resource Analyses, 1698 Kamsback Drive, Sunnyvale, California 94087 (Small Business Committee consultant).

Sidney Sonenblum, Institute of Social Science Research, U.C.L.A., Bunche Hall, Los Angeles, California 90024.

Merrill Goodall, Department of Political Science, Claremont College, Claremont, California 91711.

John Sullivan, Department of Political Science, Claremont College, Claremont, California 91711.

MONDAY AFTERNOON SESSION, FEBRUARY 16

Panel Discussion: Feasibility of Small Farms:

Doyle Reed, Department of Agrciultural Economics, University of California, Davis, California 95616.

Philip LeVeen, Department of Agricultural Economics, University of California, Giannini Hall, Berkeley, California, 94143.

Doyle Buhler, 1473 Lyon Avenue, Mendota, California 93640 (farmer).

Paul Pafford, 7430 Canal, Firebaugh, California 93622 (farmer).

Panel Discussion: Purchasing Land in Westlands Water District:

Robert DeGravelles, P.O. Box 55, Trace, California 95376 (Real estate broker).

Herschel Thompson, Pearson Realty, 1446 Van Ness, P.O. Box 2169, Fresno, California 93719.

Arthur Brunwasser, Attorney, 445 Sutter Street, Suite 501, San Francisco, California 94101.

George Ballis, 1759 Fulton, Fresno, California 93721 (National Land for People).

Sal Gonzales, Westside Planning Group, 1476 Van Ness, Fresno, California 93728.

Willoughby Houk, 11356 Road 5½, Firebaugh, California 93622 (farmer).

Clay Groefsema, P.O. Box 344, Five Points, California 93624 (farmer).

Robert Hopkins, 17507 Road 64, Tulare, California 93274.

Cye Vaughn, Jr., 603 N. Cherokee Lane, Lodi, California 95240.

Paul Diener, P.O. Box 247, Five Points, California 93624 (farmer).

Kendall Gardner, 105 Colonial Drive, Hanford, California 93230.

Nicholas Agundez, 112 E. Deodar Lane, Lemoore, California 93245.

TUESDAY MORNING SESSION, FEBRUARY 17

U.S. Representative B. F. Sisk (15th District Calif.), House of Representatives, Washington, D.C. 20515.

Panel from the Executive Branch of the State Government of California:

J. Anthony Kline, Legal Affairs Secretary to the Governor, Office of the Governor, State Capitol, Sacramento, California 95814*.

Ronald B. Robie, Director, Department of Water Resources, 1416 Ninth Street, Sacramento, California 95814*.

L. Tim Wallace, Director, Department of Food and Agriculture, 1220 N. Street, Sacramento, California 95815*.

A Large Family Farm Owner:

John C. Harris, Harris Farms, Rte. 1, Box 420, Coalinga, California 93210.

Panel Discussion: Environmental Aspects of Westlands:

Dan Frost, Planning and Conservation League, P.O. Box 2007, Redding, California 96001.

Roger Hardison, Trinity River Task Force, P.O. Box 233, Douglas City, California 96024.

John Leshy, National Resources Defense Council, 664 Hamilton Ave., Palo Alto, California 94301.

Jake Miller, Sierra Club, 3145 David, Palo Alto, California 94303.

Zach Wiley, Environmental Defense Fund, 2728 Durant Avenue, Berkeley, California 94704.

Panel Discussion: Effects of Westlands on Other Irrigation Districts:

Dante Nomellini, Central Delta Water Agency, 235 East Weber Avenue, Stockton, California 95202.

John Wilson, South Delta Water Agency, 606 California Building, Stockton, California 95202.

Cressey Nakagawa, Contra Costa County Water Agency, Hearst Building, Suite 1200, Third and Market, San Francisco, California 94103.

John DeVito, Contra Costa County Water District, P.O. Box 757, Concord, California 94518.

James Sorensen, Friant Water Users Association, 209 S. Locust Street, Visalia, California 93277.

TUESDAY AFTERNOON SESSION, FEBRUARY 17

Views of the Bureau of Reclamation, U.S. Department of the Interior:

Billy E. Martin, Regional Director, Mid-Pacific Region, Bureau of Reclamation, 2800 Cottage Way, Sacramento, California 95825, accompanied by Richard J. Dauber and Rita Singer, Assistant Regional Solicitors, and Neil Schild, Regional Supervisor of Water and Land Operations, Mid-Pacific Region.

A Comment: Paul S. Taylor, Department of Economics, University of California, Berkeley, California 94143.

Views of the Manager-Chief Counsel and Board of Directors, Westlands Water District: Ralph M. Brody, Manager-Chief Counsel, accompanied by Members of the District Board:

Ronald Allen, P.O. Box 925, Coalinga, Calif. 93210.

Edwin Anderson, Producers Cotton Oil, P.O. Box 1832, Fresno, California 93717.

Edwin O'Neill, P.O. Box 12226, Fresno, California 93777.

Ned Smith, Southern Pacific Land Company, 3210 E. Shields, Suite 4A, Fresno, California 93726.

Jack Stone, P.O. Box 146, Stratford, California 93266.

Public testimony, as time permits.

U.S. SENATE, SELECT COMMITTEE ON
SMALL BUSINESS,
Washington, D.C., January 29, 1976.

Hon. GILBERT G. STAMM,
Commissioner of Reclamation, U.S. Department of the Interior, Washington, D.C.

DEAR COMMISSIONER STAMM: In our preparation for hearings to be held jointly by the Small Business and the Interior and Insular Affairs Committees on the Westlands Water District February 16 and 17, a number of questions have arisen concerning the proposed amendatory contract and other matters that were not covered in our previous correspondence with you. We are hoping you can once again provide some of the answers.

As you know, Mr. B. E. Martin, along with other representatives of the Department, will be presenting testimony at those hearings, to be held at Fresno City College, Fresno, California. Your responses to these questions will be very useful in our preparation for that testimony, as well as for our understanding of the issue generally, and therefore would be very much appreciated if at all possible, by close of business on February 9. Please refer in your response to the question numbers.

I. Agricultural Production Data: Could you give us a table showing the total values of agricultural production in the district, for each year from 1952 to the present? Please include as subitems annual values for particular crops, if conveniently available.

II. Financing Data: Could you also provide year-by-year breakdowns of the authorizations, appropriations and expenditures for the district from 1960 to 1975? This would be most helpful if itemized, in each year, to show funding for capital features under the Central Valley Project authority as well as the San Luis Act, and funding for the distribution system alone, under the San Luis Act. In another column, other funding could usefully be itemized. The table should indicate the statutory authority for each class of funding, including both authorization and appropriation acts.

III. The Pending Amendatory Contract:

1. Water Issues:

A. What is the basis for the Bureau's decision not to file an environmental impact statement specifically concerning the Westlands district?

B. The amendatory contract [Article 4(a)] calls for an annual increase of 142,000 acre-feet of water for the district. Why has the Bureau decided not to file an environmental impact statement concerning the increase?

C. The amendatory contract provides, in Article 4(g), for surplus water in the Delta-Mendota pool to be given on a priority basis to the district. How will it be determined that such a surplus exists?

2. Acreage Expansion: The new contract, in Article 16(a), calls for an expansion of the district from 400,000 acres to 550,000 acres.

A. Under what statutory authority does the Bureau plan to make such an expansion?

B. Does the Bureau intend to seek Congressional authorization for this expansion?

3. Expenditure Authorization Increase: The amendatory contract states in Article 16(a) that "To the extent that approval of the Congress is required for the utilization of appropriated funds in excess of $184,417,000 in the construction of the distribution system, the obligation of the United States to expend such additional amounts shall be conditioned upon the approval of Congress."

A. To exactly what extent does the Bureau think it is necessary to receive Congressional approval?

B. When will the Bureau seek Congressional approval of the increase in expenditures?

C. Does the Bureau believe that a request by it for increased authorizations would be an appropriate vehicle for it to request other amendments in the San Luis Act (Public Law 86-488) to make it conform in all particulars with the amendatory contract?

D. Does the Bureau believe that, except for increased funding authorizations, the amendatory contract is authorized by and in conformity with the existing law in all particulars?

4. Contract Approval: In connection with your previous testimony, on July 22, 1975, you provided a list (referred to at p. 139 of the printed record of the July hearings; the list to be printed in an appendix to the record) of nine steps in "the legal procedure and requirements leading up to execution of contracts, such as Westlands."

A. At what stage of this process is the contract now?

B. What is the timetable for the rest of the stages?

C. Will the Bureau again submit the entire contract to Congress for approval when it requests additional funds?

D. Is not such submission required by the San Luis Act (Public Law 86-488, section 8)?

5. Repayment: The contract specifies that repayment for the project by landowners will not begin until the "initial delivery date" of the water, which is defined in Article 1(i) as the time designated by the contracting officer when "substantially all of the lands in the District can be served." What precisely does "substantially all" mean in this phrase, in percentage of acreage terms?

6. Land Annexation: Article 7(a) suggests that lands may be annexed to the district.

A. Are there any plans for such annexation?

B. Under what statutory authority would land be annexed?

7. Division of power between the district and the Bureau: The committee is interested in clarifying the lines of authority concerning the excess land laws that exist between the Bureau and the district. Could you please indicate who is responsible for enforcing what aspects of the excess lands provisions?

8. Article 33(a) and ownership patterns in the district: The Bureau in the past has ruled that "the nominal owner [of non-excess land] must be the landowner in fact; he must have not only full beneficial ownership, but also the right individually to sell, lease, or farm and the right to hire or fire a manager and there should be no side arrangements that would dilute, alter or negate his ownership rights" (Memo to Regional Solicitor in Sacramento from the Commissioner and the Solicitor for Energy and Resources, June 30, 1975). It was on this basis that the Bureau disapproved sales to Agri-Lands, Apache Corp., and American Agronomics, each of which desired to purchase tracts of land which would be operated as units and owned in fractional shares by a sufficient number of owners so that each owner did not have a fractional ownership of greater than 160 acres, although no owner would own a specific parcel of land. Article 33(a) states, however, that "with respect to land held in coownership, such as tenancy in common, joint tenancy, or community property, the beneficial ownership of each coowner shall be that fraction of the total acreage held in coownership which equals the coowner's fractional interest therein."

A. Is the sentence quoted from Article 33(a) intended to provide for formal recognition of a holder of an undivided interest in land in the district as a nonexcess landowner, whenever the coowner's fractional interest, if partitioned, would amount to 160 acres or less?

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* The State Executive may be represented by other officials.

B. If the answer to A is yes, does this represent a change in the Bureau's interpretation of the excess land law—

(1) in the Westlands Water District?

(2) in the Reclamation Program generally?

C. Are there any tracts of more than 160 acres in the district at present receiving water as nonexcess lands, on the basis of undivided coownerships?

D. Can you provide a list, please, giving the names and locations of all water districts in the Reclamation Program in which owners of undivided interests in tracts larger than 160 or 320 acres are recognized as nonexcess landowners?

E. How can an owner of an undivided interest in land meet the criteria from the June 30, 1975, memo, quoted above, especially "the right individually to . . . farm" his land?

F. In the side-by-side comparison of the old and new contracts, provided to our committees by the Bureau, there is no comment on this apparently significant change. Why?

G. What is the statutory authority for this change?

9. Sale price of excess land: The new contract in Article 32(a), as the existing contract, provides that landowners selling excess lands may contest the sale price, requesting a three-man appraisal, with the third appraiser to be appointed by the state court if the other two appraisers (one from the Bureau and one from the landowner) cannot agree on a third person.

A. Why is the seller, but not the buyer, allowed to contest the price?

B. Why is the third appraiser appointed by the state court in case of a dispute, instead of the federal courts, as is the practice in all or most other projects?

10. Vesting of rights: It would be helpful to have an opinion of the Solicitor or Regional Solicitor on when certain rights became or will become vested under the present law and the present Bureau-Westlands contracts, and when the same rights would become vested under the pending amendatory contract, if different. This, therefore, is to request that you obtain for us an official legal opinion of the Bureau or the Department on when (meaning either specific dates or the happening of specific events or conditions) the following rights became or will become incapable of any modification or alienation by any action of the Bureau or the Congress, under the present laws and contracts, with an indication, as to each listed right, whether there would be any change in the time of vesting under the pending amendatory contract. We are especially interested in having the opinion indicate any limitations that may exist on the power of the Congress to affect or modify any of the listed rights.

A. The right of the owner of excess lands to sell those lands pursuant to an existing recordable contract.

B. The right of the owner of excess lands, under an existing recordable contract, to select freely among various equally lawful offers to purchase the land pursuant to the recordable contract and at the appraised price? (Could Congress, by statute, place further limitations or controls on the classes of persons who could—or could not—become buyers of excess lands under existing recordable contract?)

C. The right of the owner of excess lands, not now under a recordable contract, to place the lands under recordable contract.

D. The right of existing landowners to receive water at subsidized rates. (To what extent could Congress, by new statutory enactment, now abrogate that right, or limit it to small holders?)

E. The right of existing landowners to defer until specified future times the beginning of repayment? (Could Congress, by statutory enactment, move up the dates when repayment will begin?)

F. The right of existing landowners to pay no interest? (Could Congress, by statutory enactment, impose interest, or limit the right to interest-free repayment to smaller landholders?)

G. The right to hold excess lands under existing recordable contract for a full ten years before selling.

H. The right of owners to elect *not* to place their excess lands (which are receiving the benefit of recharging of the aquifer) under recordable contract.

I. The right to have the period for disposition of excess lands, in future recordable contracts, be ten years, rather than some shorter period.

11. Transfers to excess landowners: What statutory authority does the Bureau have to alter the contract, Article 33(b), so that land can be sold to excess landowners within the ten-year period, despite previous language stipulating land could be sold only to nonexcess landowners?

IV. Owning land in more than one water district or irrigation district: We understand that the Bureau has for some time interpreted the excess land law to permit a single owner to own 160-acre parcels in as many different water districts or irrigation districts of the Federal Reclamation Program as he wishes.

1. Is this understanding correct?

2. Is this interpretation of the law, in the Bureau's judgment, consistent with the policy of the 1902 Act to spread the benefits of Federal irrigation among as many citizens as possible?

3. Please cite the statutory authorities for this interpretation, and the regulations or opinions stating the interpretation and the dates of each.

4. Can you provide the committees with a list of the names and addresses of persons owning land classified as nonexcess in two or more water districts or irrigation districts, indicating the districts and the acreage held in each? If so, please do. If you cannot, please explain why not and tell us how we, or you with our cooperation, might develop such a list.

V. Selection of buyers for excess lands being sold under recordable contract: When an excess landowner sells land he has agreed to sell, under a recordable contract, he is selling a desirable property at less than its fair market value, since the price is held down by the operation of law, the contract and the appraisal. Since the law and the contract permit the first buyer immediately to resell at a current, unregulated market price, it seems only natural and predictable that the seller would, given a choice, offer this benefit, this opportunity to buy something for less than it is worth, to a buyer near and dear to himself, or controlled by himself, or both. The operation of human nature in this situation often may not be conducive to implementation of the policy of the 1902 Act to settle farming families on 160- or 320-acre farms.

1. Do you agree with this analysis indicating the existence of a practical flaw in the scheme of the existing law?

2. The primary inducement to a holder of excess lands to enter into a recordable contract consists, theoretically at least, of his right to receive subsidized water on the lands during the 10-year period before sale. Is the right to select the ultimate buyer an important (or indispensable) part of the inducement?

3. Assume a situation in which there are, under the present law and practices, several applicants to buy excess land at the price fixed by law and the contract appraisal. Is there any way the Bureau could cause the sale to be made to the offeror that most nearly resembles the small family farmer the 1902 Act intended to be the beneficiary class?

4. Would as many owners of excess lands enter into recordable contracts as has historically been the case, if the law provided that the U. S. Government would be the only authorized buyer at the end of the contract period, and the Government would then select the ultimate owner and sell to that owner at the same less-than-fair-market price?

5. Would the Bureau favor, oppose, or be neutral on an amendment of the Reclamation laws to provide that the Government would be the only purchaser of excess lands, in order to provide for a more sure and impartial, impersonal disposition of such lands to family farmers?

VI. Letter from David Weiman: The committees have received the enclosed letter and would appreciate an explanation of the matters discussed.

We understand that you may be unable to provide answers to all of these questions on our suggested schedule, but we should appreciate having as many of them as possible answered in writing by close of business February 9, as many more as possible answered in the testimony presented by Mr. Martin, the Sacramento Regional Director, on February 17 at Fresno, and the remainder answered as promptly as possible thereafter. We hope to close the record around March 1 and print it soon afterwards.

If you have any questions about this letter or require assistance in connection with our questions or the hearings, please contact Ray Watts at 224-8492 or Corey Rosen at 224-6773.

Your courtesy in providing the information here requested will be most deeply appreciated.

Sincerely,

GAYLORD NELSON,
Chairman, Select Committee on Small Business.

FLOYD K. HASKELL,
Acting Chairman for the Hearing, Committee on Interior and Insular Affairs.

NATIONAL FARMERS UNION,
Washington, D.C., January 8, 1976.

Hon. GAYLORD NELSON,
Chairman, Senate Select Committee on Small Business, Russell Office Building, Washington, D.C.

DEAR SENATOR NELSON: During the second day of hearings on the Westlands Water District, Senator Haskell was engaged in the following colloquy with Mr. Richard Dauber, Assistant Regional Solicitor, Department of the Interior:

"Senator Haskell. Thank you, I consider very serious charges have been made, and I think the purpose of these hearings is really to lay a foundation to ascertain the facts. If, in fact, Mr. Rogers and all folks like him could, in fact, sell the land, pay off the mortgage and if they are individuals and only subject to a 5-year lease, that is one thing.

"On the other hand, if what Mr. Weiman indicated is the case, then that is something quite different. But we will just have to ascertain this and I gather that you disagree with Mr. Weiman's presentation. Were one of you here the last time?

"Mr. Dauber. I read his prepared statement. In this connection, if I may, Senator, I do not want to prolong this any longer but our office does review all of the documents in these transactions. Insofar as leases are concerned, *it has been our policy and the policy of the Bureau of Reclamation not to approve any leases in excess of 5 years with sometimes allowing a 5-year option.*" (Emphasis Added)

On December 31, 1975, after reviewing the published hearings record, we sent a letter to the Regional Solicitor, Sacramento (Mr. Dauber) inquiring about the policy. We asked: "Where is that policy written and may we please be furnished a copy? If it is in a Solicitor's Opinion, I have missed it.

When was this policy adopted? Prior to its adoption, what was the Bureau policy with regard to leases?"

On January 6, 1976, we received the following response from Mr. Dauber:

"This has been a policy of the Office of the Regional Solicitor, Sacramento Region, and the Mid-Pacific Region of the Bureau of Reclamation for the past 5 years or so. *It is not in the form of a written policy nor is it contained in a Solicitor's Opinion* since it was adopted locally and is utilized, insofar as we are aware, only in the Central Valley Project. I am not aware of any policy regarding leases in the Mid-Pacific Region or in this office prior to the one referred to above." (Emphasis Added)

Important policy decisions of the Bureau are unwritten, created at a time unknown, and available only if you happen to read the hearings record and inquire as a result.

How many other "policy matters" are unwritten, but exist for "5 years or so?"

Senator, we charged that the administration of the excess land laws was wholly inadequate. Rather than assisting family farmers, the program was providing a haven for investors—creating a new class of farmers—"the paper farmer." This recent exchange of letters between the National Farmers Union and the Regional Solicitor's office of the Department of Interior confirms, in our estimation, the concerns we placed before the Committee.

Cordially,

David M. Weiman,
Legislative Assistant.

Enclosures.

[From the Senate Select Committee on Small Business, Feb. 3, 1976]

Memorandum

To: Senator Gaylord Nelson, Chairman of the Senate Small Business Committee and Senator Floyd K. Haskell, Acting Chairman for the Senate Interior Committee.

From: Ray Watts, General Counsel, Senate Small Business Committee, and Corey Rosen, Research Assistant, Small Business Committee.

Subject: The Westlands controversy in brief.

This memorandum is offered as a background for the hearings scheduled in Fresno, California, February 16 and 17, 1976.

OVERVIEW

The Westlands Water District is an irrigation district in California's Central Valley, comprising over 550,000 acres, or almost the land area of Rhode Island. Faced with decreasing groundwater levels that threatened to make agriculture impractical in the area, local landowners (in the late fifties) formed the district, most of whom owned very substantial acreages, to request that Congress build a reclamation project to provide irrigation water. In 1960, with the passage of the San Luis Act, Public Law 86-488, Congress granted their request. In 1963 and 1965, contracts were signed with the district. The Government promised to deliver water in return for repayment, without interest, over a fifty-year period of the cost of the project. These costs include the capital features of the San Luis Unit attributable to Westlands, the distribution system, and operation and maintenance. Most landowners also agreed, in accordance with Reclamation Law, to sign recordable contracts promising to sell all their lands in excess of 160 acres within ten years, at prices that did not reflect the enhancement of the value of the land due to the project. Landowners who did not sign such contracts could not receive the water. Eighty percent of the land is now under such contracts, reflecting the fact that project water is considerably cheaper than pumped water, and thus is worth receiving, even if only for ten years. The purpose of the acreage limitation provisions was to prevent land speculation and, at least originally, to encourage the development of small family farms.

To that end, the Reclamation Act of 1902 specified that to receive water, landowners could own no more than 160 acres and had to be residents on the land. Later, this was changed to allow 160 acres per person, so that a family of four could own 640 acres. The residency requirement was dropped by administrative practice, based on an absence of clear Congressional intent in later laws. The issue of the continued vitality of the residency requirement is now being tested in the courts. This change has led directly to the major controversy surrounding Westlands, namely that the government is providing hundreds of millions in subsidies to large landowners. In return, it is getting a landholding system in which a few large operating farms remain dominant through arrangements in which land is sold to groups of family, friends, and investors—most nonresident—who lease it to be operated as large farms, often by the original owners, their families, or business associates. By contrast, only a few small family farms have appeared on the land so far.

At its essence, then, the issue comes to this: defenders of the current implementation of the law contend that the project has produced a tremendous increase in agricultural production, and has spread the benefit of the project to a large number of small landowners. The concept of having many operating family farms in the district is seen as Quixotic, for, they contend, there simply are not enough people who have the financing and the ability to earn a reasonable return on farms so small that they are of doubtful economic feasibility.

Opponents respond by saying that the implementation of the law violates long-standing Congressional purposes. The goal of having many family farms, they argue, is possible and desirable, as there are a great many people who want to be and can be small family farmers, but are prevented from purchasing the land they need by Bureau approved practices, principally the sale of land in minimum acreages. They contend that the small family farm is as efficient as the large farm, and helps to creat both a thriving community and competitive free markt.

The primary purpose of the hearing will be to determine whether there are such would-be small family farmers, and if so, why they cannot buy land in the district.

WESTLANDS DATA IN BRIEF

The capital cost of the project, not including foregone interest but including all features of the San Luis Unit attributable to Westlands, will be about $620,000,000. Agricultural production has increased from $95 million per year to $225 million per year. One hundred thousand excess acres have been sold, resulting in 85 operating farms, for an average of about 1,200 acres per farm. Altogether, there are 214 operating entities, which is up from 97 in 1968, and 3,696 landowners (up from 2,491 in 1968). Thirty-six percent of purchasers of excess land are non-resident, but of all landowners, only 1,100 live within 50 miles.

THE ISSUES IN BRIEF: THE SUBSIDY

There is a considerable subsidy to the landowners, but estimates of the precise amount of that subsidy vary tremendously, because of offering assumptions. The appendix to this statement details how subsidy values are calculated, as well as the arguments for including or excluding different aspects of the project as subsidies.

All parties would agree that there is a subsidy that results from the fact that repayment for the project first is deferred for 10 years, and then repaid over 40 years with no interest. The rate of interest that is appropriate to use is somewhat arbitrary, but a good case for 5 percent and 6¼ percent can be made (see appendix). At these rates, the present value (see appendix for definition) of the foregone interest is between $450 and $500 million. At least half of this will go to excess landowners, with something in the area of $60 million to one landowner—Southern Pacific Land Company.

A second area of potential subsidy results from the fact that power and water rates in the district are much lower than they are outside the district. Thus, it is argued, the Federal Government is foregoing considerable revenue. Others contend this is not a subsidy however, arguing that the landowners are in a sense, purchasing the project, minus the interest, and therefore, it is double counting to include any subsidy resulting from the project except that amount that the landowners are not paying that would make them full owners (if they repaid with interest, they would "own" the project and could charge what they liked for power and water). If these aspects are considered subsidies, we can calculate the present value of the power element at between $249 and $288 million, and the water subsidy at $225 to $260 million, with assumed interest rates of 5 percent and 6¼ percent. About 40 percent of each of these can be said to be going to excess landowners. Altogether, if all three subsidies—foregone interest and lower power and water rights—are included, the total is almost one billion dollars, with almost half going to excess landowners.

Finally, some critics have contended that the land sale prices, contrary to the law, do reflect project enhancement. Project land is selling for around $500–600 per acre, with an additional $400–500 per acre for improvements. Non-excess land sells for about $1500 per acre with improvements. Critics charge that the improvements are very overpriced and that had the project not been built, the land would have deteriorated so badly as to be worth less than $200 per acre. The issue revolves around appraisal techniques of the Bureau of Reclamation. Appraisals can be challenged by the seller, but not the buyer. It should be noted, finally, that the difference between the sale price and market value, even at Bureau approved prices, represents a very large initial equity for the would-be buyer, which makes financing small farms much easier in Westlands than elsewhere. Whatever the precise amount of the subsidy is, the Government is spending very large amounts of money, and should seriously consider if these expenditures are justified by the policy results.

ACREAGE LIMITATIONS AND THE FAMILY FARM

The crucial policy outcome is seen by many to be the landholding pattern that results. Thus, critics ask of the project, "Where are the family farms?" All sides would agree that as things stand now, Westlands has only a small number of family farms. Of course, the definition of family farms is elusive, but there are very few family-owned and -operated farms in the 160–640 acre range in Westlands. Only 84 entities were in this range in 1975, which 78 were between 640 and 2,561, and 52 were above 2,561 acres. The typical pattern for the sale of excess lands had been to enlist a group of buyers who will lease back the farm to a single large operator.

The Bureau has contended that its basic criterion for ownership is full, individual control over land in parcels of 160 acres or less. It is not concerned with residency, and, as one solicitor put it, "The Department is indifferent to the size of the functional farming enterprise . . . It has approved multiple ownerships knowing that prior unitary farming operations would not be changed . . . Apart from land speculation considerations, the excess land laws are more concerned with legal relationships than with economic consequences." Memo from J. Lane Morthland, Associate Solicitor for Reclamation and Power, to Richard Dauber, Assistant Regional Solicitor, Sacramento, March 31, 1971).

A local real estate company that has handled much of the sale of land has acknowledged, and defended, the sale of land predominantly in large parcels. There are, however, a large number of people who have informed the staff of the Small Business Committee that they have the financing, experience, and desire to purchase land in the 160- to 800-acre range in the district, and to farm that land as a family. The sale of large parcels frustrates their ambitions. These farmers contend that they, not groups of investors, were supposed to be the beneficiaries of the act.

Critics contend, moreover, that not only do these sales violate the spirit of the law, but the letter as well. They contend, for example, that land is held in undivided interest contrary to declared Bureau policy.

REMEDIES

If Congress decides that family farmers should be on the land in the district, how can it bring about that result?

A number of remedies have been suggested. One is that the residency requirement be reinstituted. A second is that a process should be established to provide potential buyers with representation to contest sale prices and practices—a kind of family farm ombudsman. A third idea would have the Government able to purchase some or all of the land in the district, and then control its resale. Finally, a commission might be established to supervise all sales, with the specific task of ensuring that family farmers will have the first rights to purchase any land that is sold.

All of these remedies assume that financing arrangements are adequate. If it is determined that they are not, or that poor farm families should be assisted, Government financing of some farm families could be considered. Since the sales are now proceeding, Congressional action must be swift to be effective. Separate legislation would therefore probably be the best means of addressing the problem, if one is found to exist. The other alternative would be to wait until the contract for Westlands comes before Congress in the process for the approval of its request for increased authorizations. This, however, will not be for some time.

[Appendix to Memorandum Dated February 3, 1976, from Corey Rosen and Ray Watts to Senators Gaylord Nelson and Floyd K. Haskell]

THE WESTLANDS SUBSIDY: A COMPARISON OF DIFFERENT ESTIMATES

The construction and operation of the Westlands Water District involves a considerable subsidy to present and future landowners. There is, unfortunately, no general agreement on the composition or amount of this subsidy. This memorandum attempts to explain how different assumptions affect the calculation of the total subsidy. Two studies have attempted to calculate the Westlands subsidy.

One is by Sidney Sonenblum, James Jamieson, Werner Hirsch, Merrill Goodall and Harold Jaffe, "Some Political and Economic Aspects of Managing California Water Districts" (1974) chapter 6 (hereinafter referred to as "Sonenblum") and the other is, "Federal Subsidies for the Westlands Water District," by M. Woodrow Wilson, Office of Planning and Research, State of California, October 28, 1975 (hereinafter "the state study").

The first study estimates the total subsidy at somewhere between $300 and $500 million, while the second places the total at close to $2 billion.

Why do these two careful studies differ so much?

The calculation of the subsidy is extremely complicated, and involves two kinds of assumptions: (1) economic assumptions such as those concerning interest rates and whether or not the "total" or "present value" of the subsidy should be considered; and (2) assumptions concerning whether certain features of the project should be counted as subsidies. The amount of the subsidy also depends on when the calculations occur, for the total capital costs of the project have changed over the last few years.

There are several kinds of subsidies involved. The first is the interest subsidy. The Reclamation Law calls for interest-free repayment of the costs of the project over 40 years. This repayment will not begin until the project is substantially complete, which in Westlands means that a landowner could receive water for as much as 15–18 years before repayment would begin. Repayment must make for two aspects of the project: the capital costs of the San Luis Unit of the Central Valley Project (CVP) and the costs of the construction, operation and maintenance of the distribution system. Capital costs of the CVP to be repaid by landowners are reduced by the amount of the revenue from power sold from the unit, an amount that equals about one-fifth of the total costs, according to the analysis of the state. Since both aspects of repayment are interest free and involve a long period of payment deferral a substantial subsidy is involved.

The Sonenblum et al. study estimates this subsidy at $130–165 million, while the state estimates it at $1,186 million. The difference results from the following:

(1) The Sonenblum study used a 1972 cost figure of $220 million for Westlands, and, at that, only considered the foregone interest on the distribution system; the $220 million figure did not include the capital costs of the San Luis Unit attributable to Westlands. The state study used the current 1975 distribution system cost figure of $370,000,000, as requested in the new contract (which came out after the Sonenblum study) and attributed $250,000,000 of the capital cost of the San Luis Unit to be repayable by the Westlands irrigators. Thus, one study is calculating foregone interest on $220,000,000 while the other is using $620,000,000. The latter figure is the correct one.

(2) The Sonenblum figure study assumes interest rates of 4 and 8 percent, while the state study uses 5 percent.

(3) The Sonenblum study calculates the subsidy in terms of its "present value." What this means is that people are assumed to prefer money now rather than later. It is this preference that establishes interest rates; in essence, an interest rate is the rate at which somone is willing to forego having money now in return for having the same amount plus the rate times that amount at a later date. Thus, if there is a subsidy that extends over a roughly 50-year period (the period of foregone interest), the present value of that subsidy in 1976 will be considerably less than the total value over the 50 years. The precise amount that it is less depends on interest rate assumptions. The state study is in terms of total value, not present value.

A second aspect of the subsidy is that compared to alternative water sources, irrigation water is very inexpensive. Some contend that since the Government is charging such a relatively small amount, it is foregoing substantial revenues. Others contend, however, that this is "double counting." They argue that the irrigators are paying for part of the costs of the project. If they paid all the costs, they could "own" the project and charge whatever they liked for water. All that is being lost to the Government therefore is that part of repayment that is foregone interest. The two studies do consider it a subsidy. The Sonenblum study calculates that for 1967–87 only, this subsidy amounts to a present value of $175–300 million, while the state study calculates it at $621 million, for a 40 year period. Much of this difference is due to the fact that: (1) that the time frame is different; (2) one amount is calculated in terms of present value, while the other is total value; and (3) the Sonenblum study compares the rate for pumped water ($19 per acre-foot) to the irrigation project's cost of $7.50 per AF+ the per acre tax for repayment of the distribution and capital costs to be levied in 1982 ($9.60 per acre), while the state study compares only the $7.50 cost AF to the state cost for irrigation water of $21/AF. Since the water users must pay the tax as part of their obligation to get the water, and since present values should be used, the Sonenblum figures seem much preferable. The state does not calculate their water figure in their total subsidy, however.

A third aspect of the subsidy concerns power. The state estimates that $54,162,000 in power revenues generated by the project will be used to offset capital costs. Whether this is considered a subsidy or not is open to question, since the Government will be receiving this money from the power users. A second power subsidy is that which results from the fact that the power used for the project and by irrigators in the district is sold to them at rates substantially below market value. The arguments about whether or not this is a subsidy are precisely parallel to those for water. Over a forty year period, the state calculates this difference at $682,000,000 assuming power rates do not rise. This subsidy is not included in the Sonenblum study. The state figure is in terms of total, not present value, and thus is inflated.

There is no calculation for the percentage of the total subsidy that will go to excess landowners. The Sonenblum study does estimate, however, that one-half to one-third of the water price differential subsidy goes to large landowners.

The correct estimate of the total subsidy, then, will depend on what assumptions are used, and whether present-or total-value calculations are made. The Bureau of Reclamation uses an interest rate assumption of 2 and ⅞ percent, which seems unrealistic. If the following fairly conservative assumptions are made, however, we can get a rough idea of what the subsidy would be. The interest rate of 5 percent used by the state seems well-justified (it is the rate on California Water Bonds, which would have been an alternative means of financing). Similar federal water projects where interest is charged use rates of 6⅜ percent (Rehabilitation and Betterment Act Programs). Cheaper power rates should be included, but the cost-offset from selling power should not. Interest foregone should be calculated for all costs of the project attributable to Westlands, using current figures ($621,000,000). Water cost differentials, adjusted for all tolls and taxes as in the Sonenblum study, should also be added. All subsidies should be calculated in terms of present value.

Performing these calculations using 5 percent and 6¼ percent rates (there were no present value tables to calculate for 6⅜) to determine foregone interest and present value, we can state the following estimates of the subsidy in Westlands. To calculate present value for foregone interest, the assumption was made that the total repayment was deferred ten years and then repaid in 40 equal annual installments. Foregone interest equals the interest rate times the amount of the "loan" outstanding each year. The present value is the sum of the present values of each year's foregone interest. At 5 percent, this means a total present value subsidy of $445 million, while at 6¼ percent it comes to $496 million.

The present value of the power subsidy is calculated over 40 years to be consistent with the state figures, and so that the period equals the time when cheaper water will be affecting all the irrigators during the time they are repaying the contracts. As such, the figure is somewhat arbitrary, as well as conservative. The present value for each year at $17 million/yr. has been calculated and summed. The higher the interest rate, the lower the present value, since this is a fixed sum (unlike the foregone interest, which is higher at higher assumed interest rates). At 5 percent the present value is $288 million, while at 6¼ percent it is $245 million.

The water subsidy calculations are especially complex, for to be performed properly they must take into account when each parcel of land first received water. For this reason, I have taken the Sonenblum figures as good and very conservative approximations. For 4 percent interest, they calculate the present value of the water subsidy at $300 million, while at 8 percent it would be $175 million. Thus at 6¼ percent we can estimate the subsidy at roughly $225 million, while at 5 percent it would be roughly $260 million.

These figures are summarized in Table I. The total subsidy ranges from $445 to $993 million, depending on assumptions.

How much of this is going to individual landowners? This question is not possible to answer here, for figures for each individual landowner would have to be calculated, and the total depends on what assumptions are made. The following paragraphs, therefore, are meant to provide very rough and simplistic estimates of the distribution of the subsidy. In all figures below, a range of present values is presented, with the low value indicating the interest subsidy only and the high value including all subsidies.

There are roughly 3,700 landowners in Westlands. (Some parcels are co-owned. Were the 550,000 acres in the district each owned in individual parcels, the number would be about 3,500.) The average subsidy for the 3,700 landowners, assuming (unrealistically) that this figure remained the same, and that the land did not change hands, would be roughly $130,000 to $250,000 (present value). Of course, land will change hands and this subsidy will be dispersed, but since most of the subsidy comes in the first 10 years, the dispersal will be limited. Looked at differently, there is a subsidy of $825 to $1,800 per acre (again in present value, over the next 40–50 years), or about $15 to $35 per acre per year in present value over the next 50 years. 70 percent of the landowners are non-resident, a figure unlikely to change a great deal if the laws continue to be implemented as they are today. If this figure were to remain the same, non-resident landowners will capture $335–$700 million in subsidies; if it drops to 50 percent, they will capture almost $240–$500 million. Finally, there are roughly 214 operating farms in Westlands. If this figure remains firm, there will be a subsidy of over $2.1 million to $4.4 million per farm. It should be carefully noted that all the above figures are averages, and that the numbers would vary considerably from owner to owner and farm to farm.

The amount of the subsidy captured by excess landowners is also very hard to calculate. Table 2 summarizes the estimates. As of 1975, roughly 80 percent of the land had been placed under recordable contract and 100,000 of these acres had been sold. The problem is calculating how long excess land (which would be land under contract) actually received water. The maximum amount is ten years, and it appears that most of the landholders will wait the full ten years in order to take full advantage of the project. This is significant, since most of the subsidy is captured in the first ten years. The present value of foregone interest for the first ten years (all of which would be during the payment deferral time for almost all excess landowners, since repayment will not begin till at least 1982) is between $233 and $281 million (for 5 and 6¼ percent rates). For power, the subsidy would be $114–$121 (for 6¼ and 5 percent). If we relax the assumption to holding land for five years, the figures are $131–$152 million for interest foregone and 71–73 million for power. Sonenblum calculates that roughly ½ to ⅓ of the water subsidy for 1967–87 will go to large landowners, or roughly at least $100 million.

If these subsidies are added, excess landowners are capturing in the area of $325 million if a five year period is assumed, and $475 if a ten year sell-off period is assumed. These figures are only rough estimates, but they are conservative rough estimates. Some landowners will be able to wait more than ten years, for instance, for if there are no buyers at the end of ten years, the Interior Department then sells the land—but this may take some time, and the landowners will get the same price as if they sold the land, and will receive water in the interim. The water subsidy figure uses the lower end of the Sonenblum calculations, which themselves are based on conservative estimates. Moreover, at least some contend that the sale price of excess land is higher than it should be by as much as hundreds of dollars an acre—a factor not considered here. These figures can be dramatized by noting that one company—Southern Pacific—holds roughly 20 percent of the land in the district, or 25 percent of the excess land. If they hold their land for ten years, as they have indicated in a conversation with a local broker, then they would capture, conservatively, over $60 million in foregone interest, and over $100 million if all assumptions are included. Other large excess landowners, holding thousands of acres, would receive proportionately less, but still receive millions in federal subsidies. Moreover, all of this assumes that current landowners will capture none of the remaining subsidy after the sale of land, by virtue of operating the land owned by non-operating interests—again, probably an unfair, and certainly conservative assumption.

All of the above calculations are subject to questions about assumptions, and none of the figures can be taken as firm. An effort has been made, however, to suggest conservative estimates of the present value of the subsidy. The numbers are presented to suggest the size of the substantial Federal subsidy involved, and raise the question of whether the policy outcome that have resulted from such subsidies are worth the cost. In particular, are they worth the cost if the implementation of the law prevents family farming, as will be alleged at the February 16 and 17 hearings?

TABLE I. *Present value of the Westlands Subsidy, by class of assumed subsidy*[1]

[In millions of dollars]

Interest rate is:	*5 percent*	*6¼ percent*
A. Foregone interest	$445	$496
B. Power rate differential[2]	288	245
C. Water rate differential[3]	260	225
Total, A+B	733	741
Total, A+C	548	470
Total, A+B+C	993	966

[1] If total value is used, these figures would be 1.18 billion dollars for foregone interest, $680 million for power, and an uncalculated sum for water, as that calculation was not performed in the study used and would be extremely time consuming to calculate here, as each landowner's records would have to be reviewed.

[2] The assumption here is that the project sells power more cheaply than comparable market rates. The argument against this assumption is that it is "double counting," since the irrigators receiving the water are paying for the construction of the project, minus the interest rate. Thus, they contend only the interest foregone should be counted, for if that were paid as well, the landowners would own the project and could charge what they liked for power. Whether this represents a loss of potential Government revenue or not is thus a matter of assumption, not fact.

[3] The subsidy here is argued to result from the fact that project water is cheaper than irrigation water from other sources, such as the state. The arguments about whether or not this is a subsidy precisely parallels the argument about power.

TABLE II. *Present value of Westlands Subsidy captured by excess landowners*[1]

Assumed class of subsidy

(In millions of dollars)

Interest rate is:	5 Percent	6¼ Percent
Foregone interest	$233	$281
Power rate differential	121	114
Water rate differential	[2] 100	[2] 100
Total, all assumptions	454	495

[1] This table is based on the concept that 80 percent of the land is excess and that excess lands are held ten years. If land is only held five years, the figures would be roughly 55 percent of what they are above. The largest excess landowner, Southern Pacific, would capture about 25 percent of the above subsidy, or roughly $60 to $100 million, depending on assumptions.

[2] This figure is a rough approximation based on Sonenblum's estimates for figures of 4 and 8 percent interest rates. They have not been recalculated to fit these interest rates, since such a recalculation would involve a great deal of staff time, and the Sonenblum figures appear to be both reliable and conservative.

ADDITIONAL STATEMENTS

A TESTING TIME FOR AMERICA

Mr. FANNIN. Mr. President, the February 1976 issue of Fortune magazine carries an article by former Secretary of Defense, James R. Schlesinger. "A Testing Time for America" is a comprehensive, easy-to-understand article on the overall defense posture of the United States and I recommend it to my colleagues.

Dr. Schlesinger analyzes our national defenses from a humanitarian point of view, concluding that Western Civilization is at stake as long as we allow our most formidable enemy to surpass our own defensive capability. Although he does not predict imminent disaster for the United States and her allies, Dr. Schlesinger warns that the United States must face the reality of the Soviet buildup in manpower and weaponry and make some long-range decisions about how to deal effectively with the Russian threat.

That America cannot escape the responsibilities which result from our position of prominence within the free world, should be a basic assumption of our foreign policy. Government leaders should not attempt to pacify the American people by pursuing unrealistic prospects for international agreements favorable to our national interests. The American people must not be lulled into false security. Our people must be aware that the Soviet military buildup is not fiction. Our national Government must meet headon the challenge this situation presents to the future well-being of our people as well as to our position as the leader of the Western world.

I ask unanimous consent that the article entitled "A Testing Time for America" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A TESTING TIME FOR AMERICA

(By James R. Schlesinger)

A specter is haunting Europe: not the specter of Communism evoked in these famous words by Karl Marx in 1848, but the specter of Soviet hegemony. That specter arises from the steady expansion of the military power of the Soviet state. But it remains contingent upon the faltering of American purpose, as America, wounded by the internal travail and external setbacks of the last decade, becomes preoccupied with its internal problems and internal divisions.

Other margins of the Eurasian continent—Japan, Korea, the Middle East—are similarly exposed to the growing reach of Soviet military power and the psychological aura it increasingly conveys. Such power may be employed directly for intervention or seizure, but is more likely to be exploited indirectly to extract political, economic, or military concessions. To avoid such concessions, deterrence through countervailing military power remains an indispensable requirement. In the area of the Persian Gulf, the resources of which remain critical to the economies of the industrialized world, the possibility of Soviet military preponderance poses not only a direct threat, but also, through potential control of energy supplies, an indirect threat to the independence of the economies and the social order of the industrialized world.

The decade ahead will be a testing time for the Western democracies. The outcome will critically depend on the role the United States assumes, on its ability to attain renewed consensus and common purpose, and on its willingness to maintain a sufficient margin of military power to preserve a military balance in those sectors of the Eastern Hemisphere vital to our security.

Concern about the implications of Soviet military and political power has waxed and waned in the years since 1945. It started with the overrunning of Eastern Europe, the coup in Czechoslovakia, and the Berlin blockade. In that now distant epoch, however, the task of countering Soviet power was far simpler. The United States alone possessed nearly half of the world's productive capacity; it possessed a monopoly of nuclear weapons; and the Soviet Union, backward and badly damaged by World War II, had but a fraction of the potential military power of the United States. The direct military threat therefore remained manageable. The fundamental task was to stabilize the societies of Western Europe, to revive their economies, and to provide the prospect of economic growth and trade expansion in occupied Japan.

Nonetheless, in the period of the Marshall plan and the formation of NATO, concern remained deep. Though the problems were traceable, the solution required a transformation of previous American attitudes and a major commitment of American power. That alteration in attitude did occur. The American commitment was made, and a remarkable degree of stability was attained.

THE WEST IN DISARRAY

Yet in that time Barbara Ward could write a book entitled *The West at Bay*. Today, despite a widespread complacency, conditions are inherently worse. The West is clearly in disarray, and within a few years could actually be at bay. Our current problems are inherently less tractable than those of the early postwar years.

The underlying reality is that at no point since the 1930's has the Western world faced so formidable a threat to its survival. As then, the military balance is deteriorating, but the trend in large measure goes unnoticed because the Soviets today, though expansion-minded, speak in less bombastic and threatening terms than the Nazis did. The economies in the industrialized nations are now more vulnerable to external pressure than in the 1930's. The growth of economic interdependence, notably in energy supply, implies that the industrialized world cannot survive without imports, massive in volume, from the less developed nations. These nations are no longer under Western political control and are exhibiting increasing hostility to the Western world and Western concepts of governance. The harsh words used in the United Nations are but a surface manifestation of this growing Western vulnerability and, at base, reflect a perception of growing Western powerlessness.

Economic difficulties, once again, affllict all the industrialized nations—and are again the principal preoccupation. Driven by the dramatic change in the price of oil, the unavoidable deficits incurred by oil-importing nations imply a fundamental disequilibrium in payments balances, placing the international financial mechanism under severe strain. Structural problems result in unacceptable rates of inflation accompanied by a level of unemployment probably inconsistent with long-run political stability. Yet the gravest danger remains a mixture of fatalism and complacency regarding this congeries of interrelated problems facing the Western world.

TAKING SECURITY FOR GRANTED

For too many Americans, security—not only the physical security of the United States and its closest allies, but also the security of the delicate web of economic relations—has come to be accepted as the order of nature. For more than a decade no problem of international conflict other than Vietnam, which was perceived as an American error and excess, has deeply penetrated the American consciousness. The Cuban missile crisis, the last episode to galvanize the American public, now seems remote. The invasion of Czechoslovakia in 1968 was all too readily dismissed with regard to its longer-run implications for East-West relations. The fundamental conflicts in the Middle East, which resulted in the 1973 war and the subsequent oil embargo, are widely believed to be on the way to resolution through a change in American tactics and diplomatic stance.

Security has too widely been viewed as *given*. America's involvement in the external world, on which our amenities and satisfactions are so dependent, has appeared to be a matter of simple choice reflecting nothing more fundamental than our tastes or moral preferences. Too little is it appreciated that the stability we still enjoy is a reflection and legacy of past American involvement and active leadership. For the younger generation in particular, security has appeared to be a matter of right, rather than something earned through continuing effort.

As with other legacies, this one is being consumed improvidently. Worldwide stability is being eroded through the retrenchment of American policy and power. This growing instability reflects visible factors such as the deterioration in the military balance, but also, more immediately, such invisible factors as the altered psychological stance of the United States, a nation apparently withdrawing from the burdens of leadership and power.

The political mechanism, as in all democracies, remains the sensitive barometer of the public mood. The illusion is widespread that America can obtain the benefits of international order without paying the costs. Americans are comforted either by a belief that the nation's power has not declined or by a belief that its power can decline without untoward consequences.

These soothing notions represent a flight from reality. The external world and the weight of responsibility unavoidably placed on the United States will not disappear merely because the American public has become tired or has become absorbed in its domestic concerns. The foreign and security policies of the United States require painstaking attention and careful thought—something more than a post-Vietnam recoil from the policies and posture of the last quarter century.

The United States today still represents the only potential counterweight to the military and political power of the Soviet Union. There is no one else waiting in the wings. There will be no *deus ex machina*. That the United States alone has the power to serve as counterweight to the Soviet Union continues to be an ineluctable fact—just as it has in the entire period since 1945. We may resent that fate or accept it soberly, but it remains the fundamental reality of global politics.

For a great power such as the United States, refraining from action carries consequences as surely as taking action. The failure of the United States to bear the responsibility, which it alone can bear, would create a void into which Soviet power would move. And, despite the brief respite afforded by a period of quiescence, the longer-term problem will become intensified. Unchecked expansion of Soviet power would create a psychological momentum, and most nations in the Third World and, indeed, some of our erstwhile allies will prefer to be with the apparent winner.

Global realities have thrust us into a role that we might have preferred to avoid. But unless we are prepared gradually to withdraw to the Western Hemisphere and ultimately to the North American continent—to become in the process a beleaguered and mean-spirited nation—we shall have to face up to these global realities as they are and not as we might wish them to be. We shall be judged in the future, not on the basis of our irrelevant or petulant preferences, but rather on how well we acquit ourselves in discharging our unavoidable responsibilities.

The destiny for this nation was shaped in the aftermath of World War II by the evolution of world politics, by the decline of the European powers and Japan, and by our own decisions. It is not a destiny about which one can express much jubilation. The mood it entails is markedly different from the exuberance that characterized the nineteenth-century vision of manifest destiny. Indeed, from the standpoint of historic American aspirations it is an odd and unenviable fate. Yet it must be faced soberly; there is no escape.

WEAKNESS, TOO, CAN CORRUPT

Power remains the ultimate sanction in dealing with potential conflict. Where power exists and is respected, it will not have to be exercised. Through power one can deter the initiation of an unfavorable chain of events. To be sure, military power is not the only form of power, but it remains an irreplaceable element in the total mix of power; without it, the disadvantageous turn in events would be swift and sure.

Nations that cannot deter the Soviet Union either on their own or with our support will, of necessity, conciliate the Soviet Union by making concessions, initially at the expense of our interests and ultimately at the expense of their own. To the extent that we fail to deter the Soviet Union, either jointly with others or on our own, we shall suffer continuing losses, as the process of accommodation continues. Contrary to a newly fashionable view, there is no incompatibility between a strong military posture and idealism. Given all that the Western and democratic world has to protect, only through the security afforded by adequate military strength can we assure reasonably free play to our own aspirations.

Disenchantment with Vietnam has led to the view that errors of policy, presumed to be the result of excessive strength, could be avoided through weakness. Whatever the limitations of a position of strength, however, a position of weakness provides a wholly unsatisfactory substitute. Countless nations in the course of history have learned to their sorrow the consequences of weakness. Lord Acton's dictum that power tends to corrupt has, to be sure, an abiding relevance for the actions of individual men and of institutions. Yet, in the larger context of the affairs of nations, it is readily misapplied, for it neglects an equally important truth. Weakness also corrupts—and can do so fatally.

American ambivalence on the subject of power is longstanding. Power must continually be justified in relation to the specific uses to which it will be put. By contrast, Soviet leaders have consistently valued power in general, aside from specific uses, and have steadily sought an increase in their nation's relative power. In the Soviet Union there is keen appreciation of the relationship between power and influence. It is deeply etched in party doctrine, and is evident in the emphasis on "objective factors." For the Soviet leadership, the accretion of military power is an indispensable element in the success of the Soviet state. It is reflected in the persistent rise in real Soviet military expenditures—at 3 or 4 percent per year. That steady growth has continued in recent years despite the spirit of détente—just as it did in the spirit of Geneva, the spirit of Camp David, the spirit of Glassboro. Nor should it be at all surprising that the actions of the Soviets match their doctrinal views.

CONFRONTATION IN ANOTHER GUISE

In the Soviet view, detente itself is a *consequence* of the growth of Soviet power, which has forced the West to grant concessions. Detente reflects the shift in the "correlation of forces"—the estimate of the objective factors, incorporating political and economic elements in addition to the military balance. Far from sharing the Western view of detente as gradual reconciliation, with hope of ending the possibility of conflict, the Soviets view detente as rich with opportunities for major gains—in short, as confrontation in another guise. There is little here of a live-and-let-live attitude—with principal emphasis on vistas of expanding trade and peaceful exchanges. To the contrary, the Soviets bluntly declare that detente requires an intensification of the ideological struggle.

In bilateral relations with the United States, that struggle, of course, may be covert rather than overt. Elsewhere the ideological contest is intensely pursued—vigorously so in Western Europe, but even more violently in the support for "wars of national liberation" in Southeast Asia, in the Middle East, or in Africa. On Christmas Eve, 1975, an editorial in *Izvestia* succinctly expressed the Soviet view: "Detente does not mean and cannot mean a freezing of the social status quo . . . Support of national liberation movements is one of the most important principles of Soviet foreign policy."

Soviet action in the political realm or in the economic realm (the encouragement of the oil embargo in 1973–74, for example) as well as the persistent expansion of Soviet military power pose a continuing challenge to the West. Yet leadership groups in the West have not fully appreciated the more subtle challenge in the absence of the bombast of the Khrushchev or Stalin periods.

Among other leadership groups, the business community has been particularly utopian regarding the prospects of detente. Historically the business community, focusing on the narrower problems of production and sales, has been inept in politics generally, and insensitive to the clash of social forces—the central feature of interest to Communist party elites. For the Soviets the innocence of Western businessmen (reflected in the gibe attributed to Lenin, that the bourgeoisie would gladly contract to sell the rope with which to hang themselves) remains a byword and a source of steady amusement.

Trade is no panacea for achieving international stability. History is replete with instances of nations going to war with major trade partners—perhaps most prominently Germany and Russia in two world wars. The failure to fatten up the profit-and-loss statement through the sale of technology to the Soviets may be a loss to an individual company; it is not likely to be a loss to the West. The sale of refrigerators, soft drinks, or consumer goods generally will solve no political problems. It is scarcely a substitute for a stable balance in the "correlation of forces."

The gravest problem for the Western world is without question the loss of vision, of moral stamina, of national purpose. It is also important, however, to examine the trend in the physical instruments of power—i.e., the military component of the "correlation of forces." In the United States during the last decade, the defense effort has been cut approximately in half, on a proportional basis. This decline has been reflected in every relevant measure—share of G.N.P., share of government spending, and so forth.

A DRAMATIC REORDERING OF PRIORITIES

The share of public spending that this nation devotes to defense, for example, is at the lowest point since two years before Pearl Harbor. While some profess to believe that the share-of-G.N.P. data convey little in terms of military capability, the sharp relative decline in defense spending in the last decade points to a dramatic reorienting of priorities. It points also to a major reduction in the share of the total labor force devoted to defense activities—a reduction far too severe to be offset by an increase in productivity. These trends are reflected in the data on military manpower, Army divisions, tactical air squadrons, and Navy ships.

Since fiscal year 1968, U.S. military manpower has declined by 1.5 million men. It is now approximately 600,000 men below the pre-Vietnam level. Indeed, it is almost 500,000 men lower than during the Eisenhower years, when the nation possessed overwhelming nuclear strength and declared its reliance upon a military strategy of massive retaliation. Even during the pell-mell demobilization following World War II, and during 1949–50, when Secretary of Defense Louis Johnson was "cutting fat and not muscle" before the Korean war, this nation maintained a higher ratio of its population under arms.

Defense investment, which covers procurement of new equipment, research and development, and construction, is perhaps the most revealing figure. Excluding, as it does, current operations and personnel compensation, it suggests the direction for the defense establishment in the future. In constant dollars, defense investment has shrunk to less than half of the 1968 level and 35 percent below the pre-Vietnam level.

THE CARRIERS NEVER REACHED THE SCENE

The strength of the Navy is perhaps the most dramatic case in point. In the face of a major expansion of Soviet naval forces, which has altered the character of the naval balance, the size of the U.S. fleet has diminished sharply. In fiscal year 1968 the Navy had 976 ships. This fiscal year it will be down to 483 ships. The shrinkage reflects the disappearance from the fleet of vessels constructed during the World War II period, some thirty years ago. It also reflects the postponement of naval construction during the Vietnam war, and the present lack of shipyard capacity. Naval commitments in the Far East and in the Mediterranean have not shrunk commensurately. As a result, the smaller fleet of today is overworked in the attempt to maintain those commitments. The consequence has been a distressing decline of the material readiness of the fleet.

The decay in the condition of the fleet was dramatically underscored during the response to the *Mayaguez* incident. The thirty-one-year-old carrier *Hancock*, which had been operating without one of its four shafts, limped belatedly from Subic Bay toward the Gulf of Thailand at twenty-three knots, but never reached the scene. The helicopter carrier *Okinawa*, with part of its boiler plant off the line, crept along at thirteen or fourteen knots; it also never arrived at the scene. The escort vessel *Holt*, the first ship at the scene, had power supply problems, and consequently its main battery was down the night before the engagement. Clearly, this nation cannot for long tolerate the present readiness condition of the U.S. Navy, if we are to continue to rely on it for rapid response.

As the American defense establishment's manpower, force structure, resources, and support have dwindled, how has the Soviet Union responded? By steadily expanding its forces both qualitatively and quantitatively. Since 1960, Soviet military manpower has grown from approximately three million men to 4.4 million—more than twice the size of the U.S. military establishment. The Soviets devote at least 15 percent of their national effort to defense activities. This is one area in which they have never skimped. In every category of military hardware except helicopters they are outproducing the United States—dramatically so in the area of ground-forces equipment, in which the ratios run about six to one. Even leaving aside the massive Soviet reserve structure, the Soviet combat ground forces outnumber those of the United States by roughly three and a half to one.

The United States continues to have a significant qualitative edge in tactical air. Yet in recent years the Soviets have begun to deploy newer types of aircraft such as the Flogger, Foxbat, Fencer, and Backfire in substantial numbers. By the end of the decade their tactical-air order of battle will be an impressive one. In fighter aircraft, production rates exceed those for the U.S. Air Force by a factor of four. (The USAF this year procured a total of 181 aircraft of all types: at that rate it would be unable to maintain a modernized fighter inventory.) In addition the Soviets have been upgrading their airlift capabilities as part of a dramatic improvement of their mobility forces, which in the future will be able to intervene well beyond the boundaries of the Soviet Union—in areas such as the Middle East.

Since 1965 the character of the Soviet Navy has been altered in signficant ways. Previously it had been designed primarily as a coastal-defense and interdiction force. Now, with the introduction of more capable classes of ships, it has become a formidable blue-water navy challenging that of the United States. Soviet fleets operate increasingly in the Indian Ocean, have begun to edge out the United States in the seas around Japan, and in certain respects have become a match for the U.S. Sixth Fleet in the Mediterranean, formerly an American lake.

TROUBLING BUDGET TRENDS

According to intelligence estimates, the Soviets now outspend the United States in virtually all major categories of defense activity. In the aggregate, the CIA estimates, the Soviets outspend the United States in dollar equivalents by about 45 percent. In this era of conjoined illusion and skepticism, the hope has been expressed that such estimates are on the high side. To the contrary, my own experience in developing these estimates suggests that the procedures employed are highly conservative—and undoubtedly result in understatement of the Soviet effort. For one thing, the Soviet defense ministry receives a lot of external support. Soviet industry bears the cost of the massive reserve establishment. Other ministries absorb much of the costs of health, education, and housing for defense personnel—costs that are internal to the U.S. Department of Defense. Inclusion of such items would appreciably increase the estimate of the Soviet defense effort relative to our own.

Even more significant, however, than the existing discrepancy in expenditures are the relative budget trends. From the American standpoint, these have been highly adverse. While the Soviet Union has been increasing its military expenditures in real terms at 3 percent or more per year, the United States has in recent years been shrinking its expenditures at approximately the same rate. Because the estimate for the Soviet Union is necessarily an approximation, one can question the precision of the figures for any single year. No one, however, can validly challenge the overall trends or their long-term implications. A continuation of such trends over a period of years would leave the United States markedly inferior to the Soviet Union in gross military power.

The United States, of course, is not alone. Its NATO allies maintain forces far more potent than the forces maintained by the Soviet Union's Warsaw Pact allies. In terms of the overall balance, moreover, the estrangement between the Soviet Union and the People's republic of China has probably been the single most significant strategic development of the last decade. It has meant that the worldwide military balance has not yet been upset. But it has made the Western position dependent upon continuing Soviet-Chinese tensions. At the same time, the apparent American weakness since the fall of Vietnam has made the Chinese increasingly wary of dependence on the United States, for they quite naturally value us only as a *reliable* counterweight. We have lately seen the first tentative signs of a possible Chinese reconciliation with the Soviet Union. The irony is that undue American reliance on the China connection reduces its value to the Chinese and so increases the likelihood of its weakening.

EATING INTO CAPITAL

The shifting of the military balance and the implications of the adverse trends are increasingly clear to other nations, if not to ourselves. The policy inferences should be obvious. There should be no further attrition of the U.S. force structure and readiness posture. We should be prepared to increase the real program value of our defense effort by 2 or 3 percent per year, and to maintain, approximately, the share of national output going to defense. In the longer term, policy should be governed both by future Soviet actions and by the course of Sino-Soviet Relations.

Currently the United States operates on a narrower and narrower military margin. With the alteration in the military balance, the latitude for error has dwindled. As the United States devotes less and less to defense relative to the other superpower, there is increased need for accurate information both to assess the nature of the military capabilities arrayed against us and to avoid the misuse of our own resources. It should be obvious that the value of intelligence has increased as our preponderance of power has evaporated. Yet here again we have been inflicting damage on ourselves. We have had revelations not only of questionable activities but also of sources and methods of intelligence collection that it took a great investment of time and cost to acquire. Again we have improvidently been eating into capital.

The ability to use our resources wisely, the ability correctly to assess the threat, in fact, the very ability to monitor arms-control agreements is in process of being compromised. At the very moment when we need accurate intelligence more than ever, we have chosen to indulge in a destructive orgy—endangering our own assets, compromising our relationships, and weakening the entire intelligence effort. It has caused delight and derision among our potential foes, concern among our friends, and wonderment on the part of all.

Intelligence is our nation's first line of defense. It would seem imperative therefore that we start now to rebuild a structurally sound and operationally secure intelligence establishment.

A PREFERENCE FOR BLINDERS

The basic facts regarding the current status and the comparative trends in Soviet and American defense efforts would seem to be plain enough. Nonetheless, there exists a widespread disposition to bury one's head in the sand, to believe in the continuing preponderance of American power, to assume that, irrespective of our own actions, American military strength will remain "second to none." Why is this?

Undoubtedly, in the existing political climate, many people really do not want to know the facts. Acceptance that the balance is indeed tipping implies difficult decisions. It might require this nation to do something that many would prefer not to do: to maintain or enhance our military posture rather than reduce the defense burden. To review the comparative statistics without blinders runs against the grain of the prevailing compulsion to cut defense spending and to ignore the implications.

Does the tipping of the military balance matter at all? In the age of detente, can we not rely upon Soviet goodwill and forbearance? Such questions provide the ultimate rationalization for allowing the military balance to deteriorate further. The answer relates once again to the inescapable element in the current structure of world power. The United States remains the indispensable counterweight to Soviet military preponderance in the Eastern Hemisphere. Without the strength and support of the United States, no combination of nations can provide the requisite military power to withstand Soviet political and military pressures. Even the nations of Western Europe are but a collection of small and medium-size states that require the help of American power to serve as both the backbone and the adhesive of the Alliance. By themselves they cannot counter the full weight of the Soviet superpower.

But to sustain the margin lands of the Eurasian continent—in Europe, the Middle East, and Northeast Asia—the United States must be able to operate over distances of many thousands of miles and close to the sources of Soviet power. If one views the map from the perspective of a planner in the Kremlin, it will convey how fragile the military balance can become on the margins of the Eurasian continent.

As the military balance tips more directly toward the Soviet Union, its neighbors will increasingly recognize the imbalance of power and some will become more willing to acquiesce in demands or to offer concessions. Deterrence has thus been weakened. The gradual disappearance of American strategic nuclear superiority has already reduced the inhibiting influence on Soviet policy those forces provided. The unavoidable corollary, if an adequate deterrent posture is to be maintained, is increased reliance on the other, nonstrategic components of the force structure—the so-called general-purpose forces, mainly conventional.

Under the circumstances, further weakening of American and allied general-purpose forces relative to those of potential opponents implies acceptance of a rising level of risk. In addition, it also means that we must accept increasing reliance on the threat of early recourse to nuclear weapons in the event of major conventional assault. That is a strategy we should seek to push further away, rather than to embrace. Because of its ostensibly low cost, it is a poor man's strategy, but it might better be characterized as a rash man's strategy. It would certainly require courage, if not rashness, to employ nuclear weapons in response to less than all-out assault.

Moreover, because there will be doubts regarding the will to use such weapons, such a strategy could invite the very types of confrontations that we should seek to deter. A potential opponent could reasonably conclude that nations lacking the courage to tax themselves sufficiently to provide the conventional elements of an adequate deterrent posture might well lack the courage to employ weapons inherently so much riskier and more destructive.

A QUESTION OF AMERICAN WILL

Yet beyond these basic issues of force structure and strategy, of military posture and military risks, of the actions necessary over the long run to maintain deterrence and a military balance, lies a question even more fundamental. Our allies and dependents overseas recognize their reliance on the firmness of American policy—and the will of the American public to continue to fulfill our historic responsibilities. The deterioration of the military balance both draws upon and contributes to the loss of will. In that loss of will—with all that it reflects regarding the decline in confidence and moral stamina—lies the not-so-hidden crisis of Western civilization.

Some years ago, in the final words of his memoirs, Arthur Krock confessed to a visceral fear "that the tenure of the United States as the first power in the world may be one of the briefest in history." I trust that this will not be the case. But on the basis of the present evidence, it is not easy to dismiss his apprehension.

In a democracy such as the United States, foreign policy will reflect domestic politics. Our internal preoccupations and our political divisions of recent years have at least suggested a growing infirmity of American policy. For much of mankind the continuation of American firmness remains the decisive question. How America responds to its unenviable historic destiny will determine the shape of the international community in the last quarter of the twentieth century.

Many have pondered the question whether or not a long recessional of American power will succeed the long recessional of British power. They quite rightly fear the consequences, were that indeed to be the case. The continued deterioration of the military balance would ultimately leave the Western world in a position in which its only serious foreign-policy course would be retreat or appeasement.

The bicentennial year should not coincide with a further weakening of our acceptance of our responsibilties to the external world and to ourselves. If we seek to preserve a satisfactory condition for the United States in the world, if we seek the survival of freedom elsewhere than in North America, if indeed we value what our civilization represents, American strength remains indispensable. Without enduring American strength, Western civilization will not survive.

GENERAL REVENUE SHARING

Mr. TALMADGE. Mr. President, the Georgia State Senate has adopted a resolution urging Congress to renew the general revenue sharing program and reenact the State and Local Fiscal Assistance Act of 1972.

On behalf of my colleague, Senator Nunn, and myself, I bring this resolution to the attention of the Senate, and ask unanimous consent that it be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

A Resolution

Urging the Congress of the United States to reenact the State and Local Fiscal Assistance Act of 1972; and for other purposes

Whereas, approximately two-thirds of all taxes collected in this country are deposited in the federal treasury; and

Whereas, there must therefore exist some mechanism for efficiently and effectively redistributing portions of the national income tax from the federal government to the state and local governments; and

Whereas, the Ninety-Second Congress of the United States enacted the State and Local Fiscal Assistance Act of 1972 in the spirit of federal government decentralization and in response to demands for fiscal assistance by state and local government officials; and

Whereas, this program allocates an average of $132 million annually to the State of Georgia and her city and county governments; and

Whereas, this program is scheduled to terminate on December 31, 1976; and

Whereas, general revenue sharing is the most economic means of redistributing the federal income tax in that only two percent of the revenue sharing funds are spent to administer the program at all levels of government; and

Whereas, general revenue sharing is the most effective means of redistributing the federal income tax in that it permits state and local officials to use the funds to address their most important problems; and

Whereas, city and county officials in Georgia have overwhelmingly indicated that general revenue sharing is the very best federal assistance program ever enacted by Congress.

Now, therefore, be it resolved by the Senate that this Body strongly urges the Congress of the United States to expediously reenact the State and Local Fiscal Assistance Act of 1972.

Be it further resolved that the Secretary of the Senate is hereby authorized and directed to transmit an appropriate copy of this Resolution to each United States Senator and Representative from this State.

CHAIRMAN HAMPTON SPEAKS AT CIVIL SERVICE PROGRAM

Mr. FONG. Mr. President, on the occasion of the 93d anniversary of the signing of the Federal Civil Service Act, Robert E. Hampton, Chairman of the Civil Service Commission, delivered the principal address at the commemorative event in Washington on January 16.

Chairman Hampton's remarks were thoughtful and thought provoking, particularly his views on the future of the national merit system.

The annual awards ceremony also honored a number of individual employees of the Civil Service Commission and others for outstanding achievements.

I ask unanimous consent to have printed in the Record the text of Chairman Hampton's address and also a statement announcing the recipients of special awards.

There being no objection, the material was ordered to be printed in the Record, as follows:

Remarks of U.S. Civil Service Commission Chairman Robert E. Hampton at Annual Civil Service Commission Awards Ceremony

Good morning ladies and gentlemen, distinguished guests, and award recipients and your families.

We are pleased that all of you could be with us to commemorate the 93rd anniversary of the signing of the Civil Service Act. Customarily, we invite a guest speaker to this ceremony but since our anniversary coincides with the start of our Nation's bicentennial celebration, it seemed appropriate to take this opportunity to share with you some of my personal views about civil service, review what occurred in the last year and talk about some of the issues which I feel must be faced in the future.

Last week I was watching a sports program which reviewed the history of the Olympics. It showed some of the Gold Medal winners of the past and followed the development of the particular sport they participated in—right I personally participate, events and winners. You might ask—what does this have to do with civil service? Well, there was a message that came through loud and clear. Some of the early participants, who were outstanding enough in the chosen skill in their day, could not win a Gold Medal today using the same methods and techniques that served them so well at that time simply because there have been so many improvements in the methods and techniques now used which are so much better.

What did this then illustrate to me that was analogous to civil service? It illustrated to me that we can never stand pat or be satisfied that what we are doing cannot be improved.

It illustrated to me that no one person, group of people, or organization has a monopoly on brains or ideas and, if the civil service system is to survive and improve during the next hundred years, we have to seek better methods and techniques and approach these tasks with dedication, energy, openmindedness and with a willingness to address the issues, regardless of how painful or controversial they may be.

In recent years we have been doing this but much of the activity has been within the legal authority we could exercise on our own, and deliberately low-key. In the future, in order to continue improvements and reform, we must seek more outside help from the executive as well as the legislative, for I believe we have just about exhausted the administrative authorities that we have.

This will mean more controversy as various points of view are made known in public forums; it will mean more hard work on our part, with limited resources; and it will mean generating more of what I call constructive tension.

I am proud of the staff of the Civil Service Commission, and I believe you have what it takes to bear the responsibilities we will take upon ourselves for the future. It won't be a smooth journey but it will be an interesting and rewarding one.

Now let me get down to specifics—

1975 was a very demanding and sometimes difficult year for us. It was a year in which we experienced some disappointments. But it was also a year in which there was genuine progress in improving Federal personnel management.

This occasion is a proper one on which to recall some of the major milestones of 1975. The list of Commissions achievements is an impressive one.

You will recall that in 1975 we implemented a new Executive order making significant changes in the thrust of the government's labor-relations program, and that the Labor Agreement Information Retrieval System, useful to management and the unions, became fully operational.

1975 saw record numbers of inquiries (over 11 million) and applicants for Federal employment, but even with limited resources we managed to get the job done. We also made significant improvements in our examining methods, including the first placements from the new PACE examination for beginning professional jobs.

One of the real landmarks of the year was the Commission decision, toward the end of the year, to implement the new factor evaluation system for better classification of white-collar jobs and, at the same time, to consult with agencies and unions on a new approach to getting union-management input into the standards development process.

We also made a number of improvements in executive and manager development programs, including the opening of a fourth executive seminar center. A particularly significant "First" was the initiation of a series of briefings of policy executives to smooth their transition to the public sector, something that has long been needed. These briefings, in which I personally participate, give these appointees a good idea of their personnel responsibilities.

Through the Intergovernmental Personnel Act, we made additional significant contributions to improvement of personnel management of State and local governments.

We implemented the amendments to the Freedom of Information Act and the Privacy Act, and we introduced new guidelines for evaluating the suitability of individuals for Federal employment.

We completed a number of special studies on compensation, which were valuable to the President's Panel on Federal Compensation in developing its recent report.

We gave effective leadership to a Government-wide cost-reduction effort, continued our efforts to improve Government productivity, and began a long-term research and demonstration effort to foster and evaluate flexitime experiments.

We made further improvements in the Equal Employment Opportunity Program, the Federal Women's Program, and the Spanish-Speaking Program.

We issued regulations for settling disputes between health insurance carriers and individual claimants.

We helped bring about limited relief on pay compression at the top levels of the Federal service.

Finally, we made additional advances in our drive to insure the integrity of the merit system.

All of these actions were over and above our regular work in such areas as the retirement program, personnel investigations, personnel management evaluation, position classification and standards, personnel research, employee training, and others.

This is a record of accomplishment and results that all of you can be proud of.

But along with our successes in 1975, we had some disappointments. Among them was our inability to prosecute the cases against individuals who had been charged in the operation of improper preferential referral systems in several agencies. We lost decisions in several cases primarily because of deficiencies in the authorities we had relied on in making the charges, and it became clear that we could not successfully prosecute the other cases. So the charges were withdrawn.

But if our efforts to discipline individuals failed, our actions to insure the integrity of the merit system did not fail. We were successful in putting a halt to political abuses in the merit system with the cooperation and support of the agencies and the top leadership of the Executive branch.

We required corrective actions by the agencies. And we took a number of administrative actions to change policies and procedures to establish additional safeguards against possible future abuses. In other words, we have brought about significant reform. As a result, I believe the merit system is stronger today than at anytime in its 93-year history.

At the same time, we were concerned by allegations that some of our own policies, practices, and procedures may have made it possible to abuse the merit system. These are serious allegations, and we have acted forthrightly to examine them. A special Merit System Review Team has been formed to examine those issues through a thorough inquiry. Under the leadership of Milton Sharon, the review team is well into their task. They are looking at staffing operations to determine if deviations from merit procedures may have occurred within the Commission, whether any such practices continue, and whether any changes in policies, programs, or practices are necessary. We anticipate a full and candid report to be made in the not too distant future.

Now let me take a few minutes to talk about what my sometimes cloudy crystal ball forecasts for the year ahead.

It would be gratifying to be able to predict that 1976 will be a great year for the Federal work force, but the signs I read indicate otherwise. I don't think this assessment will come as a great revelation to you. I'm sure your antennae have been picking up similar signals.

The fact is that 1976 is an election year and that the economy and the size and cost of government clearly will be hot issues. It is also clear that it will be a year for further belt tightening throughout the Federal service.

In recent months we have been going through the annual agony of the budget cycle, leading to formulation of the budget that the President will present to the Congress next week.

For weeks the press has been rife with reports of dire implications for Federal workers. It is unfortunate that some of the predictions of budget decisions to achieve needed economies have been portrayed as an Executive branch plot or attack against civil servants. These interpretations are simply not accurate.

Some of the predicted budget decisions—such as severe limits on staffs of agencies and pay adjustments—may well come. We will know for sure in just a few days.

But if such decisions have been made by the President, they were not made lightly or without serious and thorough consideration of hard fiscal facts. Nor would they have made with any motivation of malice to Federal workers. Rather, they would be the product of serious deliberation and examination of all options in which the public interest must be paramount.

It is not politicians who have decided to make issues of the economy and government costs, as some observers have suggested. Rather, the public made its concerns about these matters crystal clear many months ago. The taxpayers' revolt is real, and anyone who doubts it just has the blinders on. Government is on trial and needs to demonstrate that every effort is being made to hold down costs and make the most prudent use of every tax dollar.

When you look at the national budget, you find that the great bulk of it is allocated to so-called uncontrollable costs—contractual obligations, interest on the national debt and trust funds, and relatively fixed cost items. Personnel costs make up the lion's share of the remainder. This year payroll costs are running close to $40 billion. It is obvious that any effort to hold down total costs of government must include a close look at personnel costs.

Having been deeply involved in budget deliberations, I have an insight and appreciation of the tough choices facing President Ford. The President has spent a great deal of time considering personnel issues. He knows and understands them. I know that he does because I have spent a great deal of time with him and his advisors on such issues. I know he does not make decisions on these matters arbitrarily or out of hand, but that he looks very pragmatically at what is possible to do in the face of economic realities.

The hard fact is that our budgets will be lean until the economy produces revenues needed to pay the Government's bills without great deficits.

So the budget news may not be pleasant for us, but we need to view it in its total economic context—not in the simplistic sense that decisions impacting on Federal workers are punitive or for political gain.

And whatever the budget decisions hold for us, we need to bend our individual and collective efforts to do the very best we can with the resources we have.

The question of personnel costs, not only in the Federal Government, but in all levels of the public service, are going to be with us for some time—regardless of the political makeup of the Federal, State, county, and local governments. We need to find ways cooperatively, with both management and union participation, to increase our efficiency and productivity to give the public the best service we can. So much for the economic factors that will be facing the civil service in the future.

What about labor relations? It is apparent from much that has happened that employees, through their unions, want a greater voice in determining those things that affect the conditions of their employment: pay, fringe benefits, safety and health, tenure, disputes resolution, and a general broadening of the scope of bargaining. My question is: Can this be ignored because agreement cannot be reached on how to deal with the problems of public service unionism, or should there be—through some appropriate forum—a constructive debate begun with a view to making the civil service system respond to both the desires of the public and the employees who serve them?

I am distressed that the political environment throughout the country is such that this seems to be a political potato—too hot to handle—for in my opinion we must begin some process to objectively deal with the issue. A solid program that gives due recognition to the points of view of all sides will take a few years to evolve. But shouldn't something begin?

As far as the Federal service is concerned the recent changes in the Executive order, as far as I know now, represent the limits of what can be done by executive action. We can learn more about the problems as a result of those changes, but in the very near future we must face up to the problem that further improvements in the system can only be achieved by legislation.

What about equal employment opportunity? The Congress has given us a mandate but has not provided us with a remedy. We have come a long way in providing equal employment opportunity for minorities and women and, thankfully, peoples' attitudes have changed and many discriminatory practices have been eliminated. But in those areas where more remedies are needed than are provided by statute, or where statutes are in conflict with one another, it has been up to the judicial branch to step in and correct the problem. I believe it is about time for the legislative and the executive to examine those aspects of our system which create difficulties to see if some exceptions could be made to remedy special problems. The day of cutting and pasting is about over and we must look more realistically at our employment system to assure that the system is responding to human needs, rather than its own requirements.

About the Civil Service Commission itself—the Commission is continually being called upon to perform a variety of roles, some of which are unrelated to our basic mission. The CSC is viewed by some as having authorities and responsibilities it does not have, and it is viewed by others as exercising authorities they do not believe we do have. There is controversy about having both an enforcement role and a judicial role. Additionally, there is controversy about having both a personal advisory function as well as an enforcement function.

The Commission is viewed by some as not having enough independence and by others as having too much independence. In between various assumptions, too many people want us to have roles and functions that do not fall into any particular mold but, from my point of view, there needs to be a complete reassessment of what the Civil Service Commission should be. I would hope that in the near future there would be an effort to examine all sides of these issues. In the words of someone else, trying to be everything to everybody is a sure formula for failure. Let's try to find the formula for success.

There are a number of other issues that I feel must be faced as we move toward our next hundred years, but time does not permit my going on. I recognize that I have planted some seeds for further thought and that many questions will be raised as to what is the meaning behind what I have said, and that is really my purpose in giving this speech.

We have met past challenges so well that I know you will do so in the future.

Recipients of Awards at Civil Service Program

Fifteen individual employees of the Civil Service Commission, plus five groups of employees, the president of the New York State Civil Service Commission, and an educator from the University of Maine were honored January 16 in ceremonies commemorating the ninety-third anniversary of the signing of the Federal Civil Service Act.

Ceremonies were held in the West Auditorium of the Department of State, 23d and C Streets NW., in Washington.

CSC Chairman Robert E. Hampton made the principal address, and was joined in the presentation of awards by Commissioner L. J. Andolsek and Executive Director Raymond Jacobson. Music was furnished by the U.S. Navy Band, and colors were posted by an all-service honor guard.

Two CSC executives received the highest honor, the Commissioners' Award for Distinguished Service.

Joseph M. Robertson, Director of the Bureau of Intergovernmental Personnel Programs, was honored for exceptional leadership in developing, implementing, and improving programs designed to improve the quality of State and local governments.

Anthony F. Ingrassia, Director of the Office of Labor-Management Relations, was cited for distinguished leadership and direction of the Commission's labor-management relations program.

Mrs. Ersa Poston, President of the New York State Civil Service Commission, was honored for outstanding leadership as Chairwoman of the (Presidentially appointed) Advisory Council on Intergovernmental Personnel Policy.

Irvine W. Marsters, Jr., Director of the Bureau of Public Administration at the University of Maine, was honored for fostering greater understanding of public administration and intergovernmental cooperation.

Commission employees who received special individual citations of official commendation and praise for noteworthy accomplishments are:

Donald Bohn, Veterans Federal Employment Representative in the San Francisco region, for exceptional skill and leadership in employment of the physically handicapped.

Ms. Barbara Fiss, Personnel Management Specialist in the Bureau of Policies and Standards, for initiative, creativity, and sound judgment as project manager for the flexible working hours concept.

Thomas V. Garcia, Supervisory Employee Development Specialist in the Bureau of Training, for pioneering efforts to provide effective training for high-level employees in managerial and staff positions.

James J. Ludwig, Assistant Director of the Personnel and Labor Relations Division, for diligent application of his exceptional talent for motivating and developing subordinates.

Ms. Olga J. Manzano, Equal Employment Opportunity Representative in the New York region, for responsive leadership in equal opportunity, which resulted in major program improvements throughout the New York region.

Ms. Helene S. Markoff, Director of the Federal Women's Program, for outstanding personal leadership and skilled guidance of the Governmentwide Federal Women's Program.

Francis J. McGrory, Management Analyst in the Bureau of Manpower Information Systems, for quick and courageous action that was credited with saving a human life. In November, he swam out to rescue a man floating face down in the tidal basin. The man's life was saved through artificial respiration.

Ms. Donna J. Moore, Upward Mobility Coordinator in the Office of the Assistant Executive Director, for outstanding contributions to the advancement of equal opportunity through programs of upward mobility for Federal employees.

Joseph E. Oglesby, Director of Media Services, Office of Public Affairs, for outstanding service in informing the public on the full range of Commission policies and programs.

Ms. Hedwig Oswald, Chief of the Office of Selective Placement, Bureau of Recruiting and Examining, for significant contributions to the effective employment of handicapped persons.

William J. Pitochelli, Occupational Health Representative, Boston region, for outstanding contributions to the development and implementation of an assistance program for troubled employees.

Ms. Vere Robinson, Manager of the Dallas area office, for leadership and direction in providing outstanding service to Federal agencies in the Dallas area.

Barry Shapiro, Personnel Management Specialist, Bureau of Policies and Standards, for outstanding contributions to the work of the President's Panel on Federal Compensation.

Group awards were presented to:

A joint regional and central office investigative team, representing the Bureau of Personnel Management Evaluation, the Bureau of Personnel Investigations, the Office of the General Counsel, and the San Francisco Region, for outstanding contributions to the preservation of merit principles as participants in the Commission's special investigative efforts of 1973 and 1974. The investigative team and support staff "fully met the unprecedented demands for professional competence in fact-finding, skill in analysis, application of sound judgment, and administrative support."

The Atlanta Field Office of the Federal Employee Appeals Authority, for outstanding teamwork in reaching and issuing high-quality decisions in the most productive and cost-effective manner.

An 8-man Computer Acquisition Task Force, for outstanding work in determining the Commission's current and future data processing needs and acquiring the necessary computer system to meet those needs.

A Freedom of Information and Protection of Privacy Task Force, for outstanding contributions in analyzing the full scope of the Commission's information and record-keeping policies and practices to determine what changes would be required by FOI and privacy legislation.

Th Personnel Research and Development Center, Bureau of Policies and Standards, for research and development of the college-level PACE examination, which not only identifies the best qualified persons for a wide variety of Federal jobs, but does so in a manner that matches each person's individual pattern of abilities with the degree to which those abilities meet different job requirements, thus insuring an accurate person-job match.

A TRIBUTE TO HARLEY DIRKS

Mr. MANSFIELD. Mr. President, in today's Washington Post, there appears an excellent article on Harley Dirks, Staff Director of the Senate Labor-HEW Appropriations Subcommittee. Although the article only briefly describes the extensive effort Harley expends on behalf of the Senate, my colleagues are aware of the many hours he and his assistants, Jim Sourwine, Terry Lierman, and Dom Ruscio spend in handling a most comprehensive and difficult bill which benefits so many members of our society.

Harley has been more than helpful to Senator METCALF and me in solving various problems in our State of Montana, particularly those associated with the mountain plains education and economic development program.

I take this opportunity to make known my personal appreciation for the fine work he and his staff are doing under the guidance of the distinguished subcommittee chairman, Senator MAGNUSON.

I ask unanimous consent that the article in today's Washington Post be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 5, 1976]

AT WORK BEHIND THE SENATE SCENE

(By Stephen Klaidman)

At 5 each morning, while it's still dark, and his wife and children and most of his Potomac neighbors are sleeping, Harley Dirks takes two or three stuffed briefcases into his silent recreation room and begins another day.

"I take home work every night," he said from behind his cluttered desk in Suite 1108 of the Everett McKinley Dirksen Senate Office Building.

Dirks is chief clerk of the Senate Appropriations subcommittee on Labor and Health, Education and Welfare. He sees no alternative to taking work home, working late or, for that matter, working almost all the time. And he thinks it's worth it.

As the Senate's key staff member in a high-impact area, the 48-year-old Dirks plays a major role in shaping a mammoth money bill ($36 billion in fiscal 1976) affecting the fate of millions of Americans.

Dirks doesn't romanticize his role, but neither does he minimize it. "I'm here to provide the professional assistance to the members of the Senate, especially those who are here to move this bill through Congress," he said.

"There is only one satisfaction just to think you might have made a small difference in helping some people, especially the have-nots, the old, the sick and those who are too young to help themselves. I think that's why people are on this committee. That's why it's such a pleasure to work for this committee."

The satisfaction, Dirks admits, does not come without frustration. "The greatest frustration is the constant confrontation Congress has with the administration. Nothing is ever conclusive," he said.

"There is confrontation on the budget and confrontation on vetoes, confrontation on impoundments, both legal and illegal, and on the constant flow of deferrals and recissions.

"None of the recipients of the funds know what they're going to get until the end of the fiscal year. Then you're in the next cycle again. I wish we could do the damn staff work just once, but we have to do it over and over again."

Before stepping onto the Senate treadmill 12 years ago, Dirks was in banking, farming, the shoe, clothing and liquor businesses—all at once—in Othello, Wash., population 4,559.

"I was the owner, manager, and buyer for all those businesses," Dirks observed with a touch of pride. "This job is a little bit tougher than the other things I've done, but not a lot tougher."

Dirks said he had no regrets, except financial," about coming to the capital. "I think I could have done better had I stayed in the state of Washington." His Senate salary is $37,800.

"This has been a great experience for a guy from a small, rural town," he continued. "It's a rare opportunity, being able to be involved with members of the Senate. Given the choice I would do it again."

Nonetheless, Dirks recognizes the toll that the job has taken on his personal life.

"It has an impact on family life," he said from behind mounds of papers, files and books. It doesn't give you as much time with your wife and your kids as you'd like. I guess that's the reason I get up at five in the morning to work. There's not much you can do for your family at that hour.

"My kids are survivors," he said, his eyes turning sad. (He has six ranging in age from 16 to 26.) "It was difficult when they were small, but they've survived 12 years of their father being in the Senate," a turn of phrase that sheds some light on Dirks' view of his role.

Dirks' wife Ruth has adopted a "if you can't beat 'em, join 'em" attitude. She has a full-time job as special assistant to the director of the National Institute on Alcoholism and Alcohol Abuse.

"Not every family can stand the pressures of a job like this," Dirks said, making it clear that his was one that could.

When he does take some time off for recreation with his wife and children, he likes it to be physical. All of the Dirks play tennis, Harley and his wife go bicycle riding together and he like to fish and hunt geese on the Chesapeake Bay with his sons.

Dirks' path to Washington began with a political task. In 1964, he ran the Lyndon Johnson presidential campaign in half of the State of Washington. His performance caught the eye of the subcommittee's chairman, Sen. Warren G. Magnuson D-Wash., who asked him to come to Washington briefly to help put the office in shape.

"I came for three months, then five, then five years and now it's 12," Dirks said.

Magnuson, Dirks said, relies on him to make sure that the subcommittee's actions reflect his interests and his will. The relationship between the two men is strictly professional. They never see each other socially.

Despite protestations by Dirks and his staff of three that they are "nonpartisan professionals" who do not get involved in campaigns it is clear that Dirks' first loyalty is to Magnuson. "I vote in Washington state," he said, "because I like to vote for the chairman."

The staff also works for other Democrats and for the ranking Republican on the subcommittee, Sen. Edward Brooke of Massachusetts, but Magnuson is the man to whom Dirks owes his job.

In the process of serving Magnuson, Dirks must cope with a host of conflicting pressures brought by lobbyists, bureaucrats and other members of Congress.

When the President sends his budget to Congress, his proposals are considerably different from what was sent to the White House by each department. Frequently funds have been cut from programs by the Office of Management and Budget.

The officials who run those programs will then try to enlist Dirks' aid in restoring the deleted money.

Dirks is also sought out by dozens of registered lobbyists—the so-called white hats who work for the poor, the sick and the elderly—who may pop in for 30 seconds to get or give a piece of information or take a piece of information or take him out to a lunch over which they hope to win his support for their cause.

There is just so much money to go around and Dirks must weigh and measure all demands for before he makes a recommendations to Magnuson as to how it should be spent.

Dirks has a reputation on Capitol Hill as a doer, someone who understands the system and knows how to make it work. But like many Congressional staffers who owe their jobs to the elected members, he soft-pedals any reference to his own power and influence.

"A lot of staff guys kid themselves about how much power they have," Dirks said. I've got a lot of guys who know who Harley Dirks is, but if Magnuson dropped dead tomorrow there'd be a lot fewer of them.

"Power and influence are two abused words in this town. Competence is the key word."

Much of what Dirks does is mundane. "We're mechanics," he said.

The "we" took in Jim Sourwine and Terry Lierman, the two staff aids who share his back room, and Dom Ruscio, another staff professional who works in the outer office. Ruscio's office mates are two temporary interns and two secretaries.

The phone rings incessantly. "Harley Dirks speaking," he answers.

While he talks, he leans back and swivels from side to side in his armchair, scratches his forehead, pushes papers around, takes his glasses off and puts them back on again.

"That was a friend of ours out in the State of Washington who needs a little help on evaluation of media (instructional equipment) programs," he said to a visitor who he put the phone down. "I got a guy downtown who can help and a staff guy I think can help, too."

Back to the pile of papers on his desk, Dirks read a series of notes from HEW Secretary David Matthews requesting permission to reprogram earmarked funds. Dirks recommended yes or no and they went to Magnuson for his approval, signature and return to HEW.

In the next few minutes Dirks had some work on "school behavior problems" delivered to majority whip Robert C. Byrd, D-W. Va., interrogated staff members on various matters: "Does this fritter away $1.2 million? Do you think the VA (Veteran's Administration) has a handle on it?" and reviewed a computer printout "What we're trying to do is put the Appropriations bill on the computer."

And so it went. Phone calls, shorthand conversations peppered with Hill jargon, setting up hearings and so forth.

At lunch Dirks met with some Californians promoting a program that teaches youngsters about handicapped children. A neighbor of Dirks got them together. Dirks will do what he can to help them get some federal money.

After lunch Dirks attended a meeting with General Accounting Office investigators on the Emergency Food and Medical Services Program. Fifteen per cent of the aid is meant to go to Indians and migrants. Dirks was concerned that it isn't. He was pressing GAO, the agency that helps Congress keep an eye on the executive branch, to get some data on it. The investigators said they would try.

Dirks and his staff, like every similar staff in Congress, are now beginning a new cycle.

There will be GAO and Library of Congress studies done at Dirk's request to prepare Magnuson and the committee to rebut the President's budget proposals. "If they cut out the old folks or the kids," Dirks said, "we raise a little hell about it."

Then there are three to four months of hearings, which last year produced 10,000 pages of printed record, for which Dirks and his staff must prepare the committee members.

After the hearings comes the markup process, "It is not unusual for 50 or 60 senators to come to us prior to markup asking us to consider an amendment," Dirks said. During the mark-up period Dirks meets with Magnuson almost daily.

After markup, the committee prepares a report to the Senate, which compares the positions of the Senate, the House and the administration. The report "provides some instruction on the use of the funds," Dirks said.

Then comes the floor debate, a period during which Dirks is constantly at Magnuson's side, priming him with all the information he needs as the bill's floor manager.

And when it's all over, so what?

"Hypertension, Tay-Sachs disease, sickle cell anemia, lead-based paint, rat control, breast cancer, these are areas in which this committee has made a difference," Dirks said.

"But," he added thoughtfully, "I think we could do much better in providing for human needs." Dirks believes that not only federal, state and local government could do better, but that individuals and the private sector could also improve their performance.

"We need some inspiration for that," he added with a trace of sadness in his voice. At the moment, he didn't see any on the horizon.

GROWING OPPOSITION TO CIA CONTACT WITH MISSIONARIES

Mr. HATFIELD. Mr. President, on December 15, I introduced S. 2784, a bill to prohibit Federal intelligence agency involvement with members of the clergy, religious orders, or missionaries abroad. The legislation was conceived to correct a problem first identified in press reports last summer, and then confirmed in correspondence to me from former CIA Director William Colby and Counsel to the President Phillip Buchen. I had asked Mr. Colby, and then the President, to take action on their own initiative to terminate CIA contact with missionaries. Both declined to do so, citing the valuable contributions missionaries have often made to the intelligence mission.

In defending the practice of his letter to me of September 13, 1975, Mr. Colby claimed that the clergy can "play a significant role" in the U.S. intelligence mission "with no reflection upon their integrity or their mission." I simply do not think Mr Colby is accurate in that assessment. More importantly, neither do a number of major church organizations and church officials.

Since introducing my legislation I have received scores of letters from individuals and organizations rebutting Mr. Colby's contention, deploring the practice of CIA/missionary involvement, and urging passage of my bill. Notable among these expressions of support are letters from the National Council of Churches, the United Methodist Church, the United Presbyterian Church, the United Church of Christ, the Maryknoll Fathers, and the Church of the Nazarene. I ask unanimous consent that these letters be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL COUNCIL OF THE
CHURCHES OF CHRIST,
New York, N.Y., January 6, 1976.

Senator MARK O. HATFIELD,
Senate Office Building,
Washington, D.C.

DEAR SENATOR HATFIELD: We are indebted to you for the information you have secured regarding the exploitation of American missionaries by the Central Intelligence Agency. On December 19 the Executive Committee of the National Council of Churches took an action supporting your amendment to terminate such intelligence gathering from missionaries. I enclose a copy of that action, which I trust will be of interest to you in its various parts.

On December 22, 1975, Dr. David Stowe of the United Church of Christ and I were on the Today show, interviewed by Jim Hartz, on this issue and there we also called for support of your amendment.

If there is anything further we can do in in this direction we certainly want to do it. We are in contact with heads of boards and agencies of National Council of Churches member denominations and find strong support. Some of these organizations have written to their missionaries across the world urging them not to provide intelligence information to the CIA or other intelligence gathering boards. I have been in touch with the National Association of Evangelicals and with the Interdenominational Foreign Mission Association and though on many issues those two bodies often disagree with positions taken by the National Council of Churches on this CIA question we find ourselves in full agreement.

If there should be an opportunity for Congressional testimony on this amendment we would be most grateful to know of it and I am certain that we would be ready to testify in strong support of the amendment.

Thank you very much for the leadership you have taken in this crucial matter.

Cordially yours,
EUGENE L. STOCKWELL,
Associate General Secretary.

STATEMENT ON CENTRAL INTELLIGENCE AGENCY CONTACTS WITH AMERICAN MISSIONARIES AND FOREIGN CLERGY

High U.S. government sources have recently confirmed and defended extensive contacts between the Central Intelligence Agency (C.I.A.) and American missionaries and foreign clergy abroad. In letter released

December 12, 1975 by Senator Mark Hatfield the following statements are made:

By Philip W. Buchen, President Ford's White House counsel (November 5, 1975):

"The President does not feel it would be wise at present to prohibit the C.I.A. from having any connection with the clergy. . . . Clergymen throughout the world are often valuable sources of intelligence and many clergymen, motivated solely by patriotism, voluntarily and willingly aid the government in providing information of intelligence value."

By William E. Colby, Director of the C.I.A. (September 23, 1975):

"In many countries of the world representatives of the clergy, foreign and local, play a significant role and can be of assistance to the United States through the C.I.A. with no reflection upon their integrity or their mission."

The Executive Committee of the National Council of Churches of Christ in the U.S.A. believes such C.I.A. and other U.S. government agency intelligence gathering from American missionaries and foreign clergy should stop immediately because, among other reasons:

a. U.S. government intelligence gathering is carried out in support of U.S. foreign policy objectives whereas American missionaries and foreign clergy are not, and should not be, used for U.S. foreign policy objectives.

b. Recent public revelations about covert and illegal activities of the C.I.A., which have been widely reported and criticized around the world, render any contacts between the C.I.A. and missionaries and foreign clergy suspect, and tend to taint the activities of the missionaries and clergy, and jeopardize their work carried out in the name of Jesus Christ.

c. Trust and confidence are central to any mission relationship. Church bodies overseas have the right to expect that the relationships of U.S. religious personnel to those churches will be solely at the service of a common Christian mission and will not be used in any way for intelligence gathering purposes of any government. Though we are not aware of many instances in which American missionaries have provided intelligence information to U.S. government agencies, we believe that any such instances undermine the trust and confidence that should be maintained with church bodies overseas.

Therefore, the Executive Committee of the National Council of the Churches of Christ in the U.S.A.:

1. Protests any and all C.I.A. and other U.S. government agency intelligence gathering from American missionaries and foreign clergy for any purpose whatsoever.

2. Recommends to NCCCUSA member denominations, and especially their boards and agencies which send America personnel abroad, that clear policies be defined repudiating any contracts between the C.I.A. and American missionaries and foreign clergy, and that directives be given to American personnel in their employ to avoid all such contacts which may contribute to C.I.A. and other U.S. government agency intelligence gathering.

3. Supports the current efforts of Senators Mark Hatfield and Mike Mansfield, and other members of Congress, to enact legislation which will prohibit the C.I.A. and other U.S. government intelligence agencies from seeking intelligence information from American missionaries and clergy, and from appropriation of funds for such purposes. Specifically, the Executive Committee supports Senate bill S. 2784 introduced on December 15, 1975 by Senator Mark Hatfield.

4. Directs all staff of the National Council of Churches of Christ in the U.S.A. to refrain from all contacts with C.I.A. or other U.S. government intelligence agency representatives which might provide any intelligence information to those agencies.

We call upon the President of the United States to direct all U.S. intelligence gathering agencies to cease immediately from using American missionaries and foreign clergy as intelligence information sources.

It is further recommended that this Statement be communicated to the President of the United States, to the Director of the C.I.A., to all members of Congress, to the press, and to all NCCCUSA member denominations and their appropriate boards and agencies, so that in both public and church forums action may be taken immediately to repudiate and terminate any further intelligence gathering contacts between the C.I.A. and American missionaries or foreign clergy.

Policy Basis: The National Council of Churches views its task in Christian life and work, May 16, 1951. 9.1–6: "(Missionaries) are not agents of American power on the level of military or economic conflicts. They are agents of God through the churches."

December 19, 1975.

BOARD OF GLOBAL MINISTRIES,
THE UNITED METHODIST CHURCH,
New York, N.Y., December 31, 1975.

Hon. MARK O. HATFIELD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HATFIELD: Recent letters from Mr. William E. Colby, Director of the Central Intelligence Agency, and Mr. Philip W. Buchen, the White House counsel, to Senator Mark Hatfield indicate use of missionaries and overseas church personnel by the C.I.A. for intelligence gathering, and apparent support of this by the President of the United States. These declarations came at a time when we are appalled by recent revelations about the role of the C.I.A.

As officers of the Board of Global Ministries of The United Methodist Church we would make clear that missionaries of The United Methodist Church are servants of Jesus Christ, and under the separation of church and state are not agents of any government; repudiate the use by the C.I.A. of missionaries and church personnel of other countries in its intelligence gathering; and declare it inconsistent with our understanding of the universal church of Christ that the Board of Global Ministries should maintain missionary personnel known to us to be intentionally engaged in the intelligence gathering activities of the C.I.A.

Consequently, we express our support of Senator Mark Hatfield, Senator Mike Mansfield and other members of both Houses of Congress who are concerned about this issue and trying to enact legislation which would prohibit solicitation of the assistance of American missionaries and foreign clergy, and appropriation of funds for this purpose. (Such as Senate Bill Number 2784). And we will seek to inform our United Methodist people about these actions of the C.I.A. so that they, if so convinced, will be in a position to influence their representatives in Washington to produce the kind of legislation that is necessary to separate the intelligence gathering apparatus of the C.I.A. from church-related personnel.

Bishop L. SCOTT ALLEN,
President, World Division,
Board of Global Ministries.
Bishop PAUL A. WASHBURN,
President, Board of Global Ministries.
TRACEY K. JONES, Jr.,
General Secretary.

THE UNITED PRESBYTERIAN CHURCH,
New York, N.Y., January 21, 1976.

Hon. MARK O. HATFIELD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HATFIELD: I am writing in support of your amendment to the General Intelligence Agency Act of 1949, which in part states that ". . . no funds appropriate to, or otherwise made available to any member of the clergy or to any employee or affiliate of a religious organization, association, or society for intelligence gathering or for any other participation in Agency operations . . ." and further that ". . . no person shall solicit or accept the services of any member of the clergy or any employee or affiliate of a religious organization, association, or society to gather intelligence for the Agency or to participate in any Agency operation."

The United Presbyterian Church presently has approximately 450 overseas personnel serving in forty countries in close collaboration with the many related Christian churches and agencies located in these countries. We encourage our personnel to be thoroughly familiar with the society, culture, trends and developments within their area of service. Such knowledge and background is vital to their work and to the establishment of meaningful and amiable relationships within nations and societies where they are not citizens. It is quite alien and contrary to the spirit and intention of such religious service to participate in any intelligence gathering operations.

Your amendment seeks to remove the legal possibility of such occurrences, and we welcome its introduction as a step toward preserving the integrity of religious organizations and their personnel as well as preventing the exploitation of knowledge acquired for religious eleemosynary purposes.

It would be our further hope that hearings may be scheduled on this proposed legislation at the earliest date possible.

Sincerely yours,
J. OSCAR MCCLOUD,
General Director.

UNITED CHURCH BOARD
FOR WORLD MINISTRIES,
January 2, 1976.

Hon. MARK O. HATFIELD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HATFIELD: I want to thank you very heartily for your excellent statement in the Senate on December 15, 1975, concerning federal intelligence agency involvement with the clergy. This is a very clear and helpful statement, and the materials which you cited in support provide much useful background on the subject.

On behalf of the United Church Board for World Ministries I would strongly commend your introduction of the bill S2784 to prohibit such involvement. We have given this matter considerable publicity with our constituency and intend to give it more. I am sure you will find very strong support throughout the United Church of Christ and its friends for this excellent piece of legislation.

Would it be possible for your office to supply me with some additional copies of the reprint from the Congressional Record which you sent me on December 16, regarding this subject? We could make good use of these in any quantity, from a half dozen up to the limit that you would be able to send.

Faithfully,
DAVID M. STOWE.

MARYKNOLL FATHERS,
Maryknoll, N.Y., January 2, 1976.

Senator MARK O. HATFIELD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR HATFIELD: Thank you for your letter of December 16th, and the material from the December 15th Congressional Record, with the text of your S. 2784.

We think this bill prohibiting Federal Intelligence Agency involvement with the clergy is very much needed, endorse it, and are anxious to do anything we can to get it enacted into law. We concur also with Senator Mansfield's comments in the Senate on December 15th that the bill should include all Federal intelligence operations, and not just the CIA, the NSA and the DIA. We commend you for your fine work on behalf of the integrity and credibility of missionaries overseas.

I was one of the signers of the October 1974 statement by representatives of 15 Protestant and Catholic mission organizations disassociating ourselves from the CIA's covert interventions in the internal affairs of other countries. Have six years of Government work in my own background before I studied for the priesthood (two years in the U.S. Army and four years as an International Relations Officer in the Labor Department's Bureau of International Labor Affairs). This experience, plus five years of missionary service in Peru, and administrative work for Maryknoll here in the U.S., make me very sensitive to the dangers for all concerned in missionaries being involved or associated in any way with Government intelligence activity overseas or in the U.S. Would be glad to testify in favor of your legislation if there are Congressional hearings.

Sincerely yours,
Rev. William J. McIntire, M.M.,
Secretary General.

Church of the Nazarene
International Headquarters,
Kansas City, Mo., January 19, 1976.

Senator Mark O. Hatfield,
Senate Office Building,
Washington, D.C.

Dear Senator Hatfield: In a regular meeting of the Board of General Superintendents of the Church of the Nazarene held on January 16, 1976, at International Headquarters, Kansas City, Missouri, full endorsement has been voted to the bill you have introduced in Congress to prohibit the solicitation and use of missionaries and members of the clergy in intelligence operations of the Central Intelligence Agency.

We regret that the names of two missionaries of the Church of the Nazarene who are still detained in Mozambique have been unjustly identified with Central Intelligence Agency activities.

At the present time the Church of the Nazarene maintains 535 missionaries who are ministering in 50 countries of the world. The missionary policy of the church makes it necessary for missionaries to refrain from any political involvement in the countries in which they work.

Since the mission of the Church of the Nazarene is to share the Gospel of Jesus Christ and to minister to human need throughout the world, we welcome your efforts to present legislation which will help to clarify the purpose of Christian witness and service.

Yours truly,
George Coulter
(For the Board of General Superintendents).

Mr. HATFIELD. There are other letters of support, Mr. President, from other concerned individuals and organizations, and I intend to bring these letters to the attention of my colleagues from time to time. Many of these letters are from people in the field, who know from personal experience the effect of CIA involvement upon the integrity of their mission.

There is another problem, Mr. President, that needs some clarification. In his letter of November 5, Mr. Buchen said on behalf of the President that—

> Clergymen throughout the world are often valuable sources of intelligence and many clergymen . . . aid the government by providing information of intelligence value.

I emphasize the words "often" and "many clergymen." Yet in a January 16 letter to officials at the National Council of Churches, Mr. Colby stated that CIA has "very few" contacts with American missionaries abroad, and that "contacts with foreign clergy are also very limited."

This inconsistency needs to be cleared up. I have written CIA Director George Bush to get his opinion, and hope to be hearing from him soon.

Mr. President, this particular problem is just one that needs to be discussed in hearings on this legislation. I would be interested especially in hearing more from the administration on why these contacts are so important, and why, given the overwhelming opposition to them in the religious community, they should not be discontinued. I hope we can have hearings on my bill in the very near future.

In conclusion, I call attention to a recent New York Times article that is pertinent to this discussion, and an article from the Portland Oregonian on my legislation, and I ask unanimous consent that they be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the New York Times, Jan. 29, 1976]

Churches, Angered by Disclosures, Seek To Bar Further CIA Use of Missionaries in Intelligence Work

(By Kenneth A. Briggs)

American churches and mission boards, reacting indignantly to admissions last fall by the White House and the Central Intelligence Agency that overseas missionaries have been regularly used in information gathering, are mounting a drive to stop such practices through governmental action and improved internal safeguards.

In separate letters to Senator Mark O. Hatfield, Republican of Oregon, who is sponsoring legislation to prohibit all involvement between religious workers and intelligence operations, the Director of Central Intelligence, William E. Colby, on Sept. 23, and Philip W. Buchen, White House Counsel, on Nov. 5, concluded that the uses of missionaries had been standard procedure. Both letters contended that such cooperation violated neither the law nor the integrity of the missionaries.

After public disclosure of the letters on Dec. 12, church officials, already disturbed by earlier reports of widespread covert contacts between government agents and religious workers, began to assess the meaning of what was now shown to have been official policy.

The disclosures have touched off expressions of shock and outrage from some of the nation's largest churches. There have been demands for an immediate cessation of all intelligence work among missionaries and for changes in Government standards.

Religious groups ranging from evangelicals to main-line denominations have protested, both about the condoning of such behavior and as a reaffirmation of the belief that the missionary's role is to serve God rather than nation.

CONCERNS OF CHURCHES

Among the chief concerns of the churches are the safety of missionaries, who more than ever may be suspected of C.I.A. connections, the sanctity of the separation of church and state and the morality of using persons as unwitting accomplices.

Open cooperation between intelligence operatives and missionaries has been uncovered, but knowledgeable observers agree that such cases are rare exceptions. They say that most missionaries have resisted such working arrangements.

Further, John Marks, a former State Department intelligence analyst whose book, "The C.I.A. and the Cult of Intelligence," helped expose such missionary involvement, contends that it has become "tougher because missionaries tend to have a greater social conscience and are not the kind of people who can be easily approached."

There are currently 35,000 Protestants and 7,200 Roman Catholics serving abroad in a variety of missionary capacities ranging from preaching to poultry farming. Together they constitute what one Latin-American church authority, Gary MacEoin, calls "the most important United States presence around the world," privy to grass-roots knowledge of a vast assortment of cultures and people.

Often they have worked for years to win the trust of local people. The recent disclosures could jeopardize their credibility and, in some cases, such as that of three missionaries currently held by Mozambique on charges of having C.I.A. ties, their lives.

COLBY DISCOUNTS CONTACTS

Mr. Colby, first in his letter to Senator Hatfield, then in a Jan. 16 letter to the leadership of the National Council of Churches asserted that there was no need for a change in the C.I.A. standards.

Rebutting the charge by the national council's executive committee that there had been "extensive contact" between his organization and religious personnel, Mr. Colby said, "In fact, C.I.A. has very few such contacts."

He added that "such relationships are purely voluntary and in no way reflect upon the integrity or the mission of the clergy involved."

Mr. Buchen's No. 5 letter to Senator Hatfield said, by contrast, that "many clergymen" had been engaged in intelligence work and that "the President does not feel it would be wise at present to prohibit the C.I.A. from having any connection with the clergy."

Dr. Eugene Stockwell, head of the Division of Overseas Ministries for the national council, noted the apparent discrepancy between the Buchen and Colby letters and added, "In any case, often or seldom, we want it entirely stopped."

Another letter from Mr. Buchen, this one to the United Church of Christ, one of the most aggressive of the protesting churches, suggests greater flexibility at the White House. After assuring the Rev. Dr. David Stowe, head of the denomination's world ministries, that Mr. Ford fully supports the separation of church and state, Mr. Buchen wrote that "full consideration will be given to the important question of whether any regulations are needed to guide the C.I.A. in its future relations with clergymen and missionaries."

Several church officials prefer an Executive order from Mr. Ford to the more tedious process of enacting legislation. Others oppose the Hatfield bill on the ground that forbidding all contact between church people and intelligence agents might infringe on the right of any citizens to enter into voluntary associations.

SERVANTS OF JESUS CHRIST

While some churches believe accounts of attempts to use missionaries have caused unnecessary alarm, other bodies are preparing to take severe measures against any individual known to be providing intelligence information.

Among them is the Board of Global Ministries of the United Methodist Church, which declared on Dec. 18 that it would be "inconsistent" to retain personnel known to be "intentionally engaged" in intelligence work.

"Missionaries of the United Methodist Church are servants of Jesus Christ, and under the separation of church and state are not agents of any government," the board's statement said.

In the absence of a change in Federal law or policy, and in the growing conviction that an effective solution must include stiff self-regulation by churches, mission boards are weighing adoption of codes of ethics and intensified instruction to missionaries on how to avoid potential entanglements.

The Rev. Bryan Hehir, associate secretary for justice and peace of the National Conference of Catholic Bishops, has called upon Roman Catholic missionary orders to draw up their own sets of "self-denying ordinances" that would preclude intelligence work.

A more immediate need, many church officials say, is to protect the interests of missionaries exposed to possible dangers because of the disclosure of C.I.A. links.

MISSIONARIES "UNDER A CLOUD"

"The whole missionary movement has been put under a cloud," says Dr. Stowe. "We have to make a total disclaimer, not because in every instance the contacts were wrong but because it's just bad for the missionary enterprise to have anything to do with the C.I.A."

Mr. Marks believes that a massive appeal from churches would greatly enhance the possibility of a change in Federal policy.

Support for a policy revision has come from such diverse bodies as the evangelically based World Vision International, which has accepted funds from the Agency for International Development, Southern Baptists, the Church of the Nazarene, the United Presbyterian Church in the U.S., the Mennonite Central Committee, the United Church of Christ and the United Methodist Church.

Though church officials generally agree that the scale of efforts by the C.I.A. to involve missionaries has declined in recent years, for a variety of factors, they also say that the possibility of C.I.A. overtures continues to keep them on the alert.

Three weeks ago, for example, the Rev. Donald MacInnis, director of the Midwest China Study Resource Center in St. Paul, who is a former Methodist missionary to China, received a phone call from a man describing himself as an employee of the C.I.A.

"He said he'd learned about our center," said Mr. MacInnis, who described it as a project sponsored by 15 educational and religious institutions, "and he thought it would be a good idea to find out what we do. He said it might be to our mutual advantage."

Mr. MacInnis said he had asked the man if he knew of the controversy over the C.I.A.'s use of missionaries and that the man had responded affirmatively. Mr. MacInnis said that he had said that any contact between himself and the man was out of the question.

"He said, all right," Mr. MacInnis recalled, "but that they were in the phone book if I ever wanted to talk."

[From the Portland Oregonian, Jan 25, 1976]

CLERGY BACK HATFIELD: CIA USE OF MISSIONARIES OPPOSED

(By Bill Keller)

WASHINGTON.—Sen. Mark Hatfield's proposal to prohibit the Central Intelligence Agency from using religious missionaries in gathering intelligence has widespread support among the clergy, judging by the Republican Senator's mail on the subject.

Hatfield last month disclosed letters from CIA Director William Colby and a high White House aide, admitting and defending the "significant role" missionaries play in CIA activities. Hatfield sent copies of the letter to a mailing list of "a couple of hundred" missionary and church groups.

In the month since, more than 60 of them have replied, some describing their own encounters with CIA agents, and almost all of them endorsing Hatfield's legislation to stop the practice.

One pastor recounted how in 1972, returning from a trip to Ethiopia and Egypt, "I was approached by an agent of the CIA who knew my travel itinerary and proceeded to ask me all kinds of military questions about the place I had visited. She asked me how many Russian troops I had seen in Cairo, if I had seen any missile installations being built around the airport at Addis Ababa, etc."

The missionary told the agent that "as a Christian employed by the church-at-large, I felt duty bound not to provide information of this nature to my own government."

She replied threateningly, "Who issues your passport, and do you think you'll be able to maintain it if you don't cooperate?" he recalled.

Other writers said they had been solicited for information by CIA agents after working in China, Taiwan and Bolivia. None admitted having cooperated with the CIA.

Only two writers opposed Hatfield's legislation.

One, a minister at a Midwest Lutheran seminary, wrote that "knowing something of the inside workings of the CIA in this area, I can say that I know of no exploitation (underlined) of missionaries.

"They are usually approached and asked whether they would be willing to supply such information as they think might be useful to their country in its efforts to defend the cause of freedom."

The writer said missionaries "tattling" to Hatfield and the press about CIA activities "are either terribly naive or are consciously committed to the cause of turning the world upside-down for the kind of Socialism practiced in Eastern Europe or in the Soviet Union."

The other critic, a Franciscan priest in Chicago, said he was sure no Catholics had ever been involved in CIA intelligence-gathering. (One of the most publicized incidents of CIA involvement with missionaries involved a Jesuit priest in Bolivia who was given $5 million by the CIA to support anti-Communist labor unions.)

A week after Hatfield released the letters from Colby and the White House, the executive committee of the National Council of Churches endorsed his bill, saying any instances of CIA involvement "undermine the trust and confidence that should be maintained with church bodies overseas." The United Methodist Church Board of Global Ministries passed a similar resolution.

A Methodist church group also voted to support the bill, saying CIA contact with the clergy "jeopardizes the lives of all missionaries, whether innocent or involved."

A Baptist who left China with his wife in 1951 said he was contacted three times by CIA agents "who, more or less, indicated that we were obligated to tell them whatever we knew. It became apparent to me, as never before, that there was a danger of missionaries becoming what the Chinese Communists accused us of being—political agents for American imperialism."

A Jesuit who was expelled from China because he was accused of being a spy wrote to President Ford that his defense of church-spy connections "has been broadcast to the whole world and has placed our missionaries in a most difficult position vis-a-vis the governments and the peoples in mission countries . . . A missionary aims to become part and parcel of the peoples he serves, not a spy for a foreign government, even though that government be his own homeland."

Another missionary said he was asked to cooperate with the CIA in Bolivia and refused but added he knows of other Protestants who traded information to the CIA for donations to their religious projects.

Letters came from missionaries who had read Hatfield's disclosures in newspapers in Taiwan, Bangkok, Bombay and Manila.

The Senate Select Committee investigating intelligence activities expects to include material on missionaries in its final report, due Feb. 29. Aides to the committee said they do not know yet whether anything like Hatfield's bill will be on their list of proposed legislation.

Hatfield's bill would forbid all contacts between intelligence agencies and religious groups, a ban already in effect for the Peace Corps and Fulbright scholars.

A CIA spokesman said Colby received "a letter or two" on the subject after Hatfield's announcement and has provided some information on missionaries to congressional committees.

"His response throughout has been that in his view there's nothing wrong with American citizens helping their government."

CHILD AND FAMILY SERVICES

Mr. HOLLINGS. Mr. President, I call to the attention of my colleagues in the Senate an article which appeared in the Washington Star, Tuesday, February 3, 1976, relative to legislation in Congress entitled "The Child and Family Services Act."

As a cosponsor of this important legislation, I have been appalled by the misinformation which has been circulated about this measure. Unfortunately, the source of this misinformation has not been identified, and as we all know, it is difficult to deal with an anonymous foe. The only alternative we have is to inform our constituency of the genuine purposes of the child and family services proposal. In this regard, I believe this article from the Star gives an excellent review of the matter, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOES OF FAMILY SERVICES BILL SOUND A LOUD FALSE ALARM

(By Martha Angle)

From all over the country, the mail is flooding Capitol Hill—angry, frightened, sometimes hysterical letters from parents convinced that Congress is about to strip them of control over their own children.

"Are you people out of your minds? If you want children, have your own—but keep your hands off mine!" one mother from Salem, Ore., told Sen. Walter F. Mondale, D–Minn.

"How completely outrageous that a country founded on freedom should presume that they have the right to take the freedom of training children from the parents," wrote an Edinboro, Pa., couple.

"Why would Congress pass such an absurd bill? Aren't most of the congressmen family men?" asked a Lincoln, Ark., couple.

What these and most of the letters now swamping House and Senate offices have in common is a total misconception of the legislation they are protesting.

The bill which has generated all the uproar is the proposed Child and Family Services Act, sponsored by Mondale and Rep. John Brademas, D–Ind. It is a revised version of legislation approved by Congress in 1971 but vetoed by then-President Richard M. Nixon.

Except for the fact that it does, indeed, deal with social services for children and their families, the measure bears no resemblance whatever to the catalog of horrors which produced the flood of mail now inundating Capitol Hill.

Furthermore, the legislation is going nowhere in the current Congress, so the opponents are beating a horse already dead on its feet.

Although 12 days of joint House-Senate hearings were held on the bill last year, Mondale and Brademas both concede that tight budgetary constraints virtually preclude adoption of an expensive new social program at this time.

What has apparently touched off the deluge of protest mail is the widespread distribution, in chain-letter fashion, of anonymous mimeographed scare literature purporting to describe the contents of the Mondale-Brademas bill.

Both the literature, and the resulting mail, began surfacing last fall, and the campaign has accelerated in recent weeks. Mondale's office alone is receiving about 1,600 letters a week on the Child and Family Services Act, nearly all of it furiously criticizing nonexistent provisions of the bill.

Brademas said no one in Congress has been able to pinpoint responsibility for the inflammatory literature most parents seem to be relying on as they write to protest the bill. "We think some of it is originating in McLean, Va., and in Washington, but we can't identify the sponsors as yet," he said.

The principal document angry constituents seem to be accepting as gospel is a two-page, unsigned mimeographed flyer entitled, "Raising Children—Government's or Parents' Right?"

The anonymous circular, which urges readers to write to President Ford and their congressmen, asserts the Mondale-Brademas bill "would take the responsibility of the parents to raise their children and give it to the government."

Quoting from the Congressional Record, without identifying the source of the material cited or the date it appeared, the flyer claims the "Charter of Children's Rights of the National Council on Civil Liberties" has been made "a part of" the pending legislation.

It then proceeds to quote excerpts from this charter and to embellish the citations with explanatory comments.

"All children have the right to protection from, and compensation for, the consequences of any inadequacies in their homes and backgrounds," the flyer quotes the charter as saying.

"In other words," the literature explains, "never punish your child because he may come back on you with a civil suit."

Another charter excerpt reads: "Children have the right to protection from any excessive claims made on them by their parents or authority."

The circular interprets this "right" to mean that "if the mother or father asked the child to take the garbage out and the child doesn't want to, the parents have no right to insist on it."

"Children have the right to freedom from religious or political indoctrination," the next alleged charter excerpt states.

"That means," the flyer helpfully explains, "that you have no right to insist on taking them to church, if they do not wish to go. This also means they have the freedom to insist that they be taught nothing, nor any ideas, about God."

The only difficulty with all this is that it is a pure fabrication, at least as far as the actual legislation now before Congress is concerned.

"It's a complete fraud," Mondale said. "None of it is in our bill, but people think it's fact. There's so much cynicism and frustration about government, they're ready to believe anything."

After extensive research backers of the Child and Family Services Act have traced the Congressional Record quotations cited in the anonymous literature back to the 1971 Senate debate on the predecessor legislation which Nixon vetoed.

The quotations, they have discovered, were drawn from extraneous material inserted into the Record by Sen. Carl Curtis, R-Neb., none of which had anything to do with the bill then under consideration—let alone the existing proposal.

The "Charter of Children's Rights," which the scare pamphlet contends has been incorporated into the Mondale-Brademas bill, was actually the product of a British organization and has never received any consideration in this country.

Brademas said it was bad enough to have "outright falsifications" spread around the country by unidentified "right wing radical extremists," but added that the misrepresentations have been multiplied by irresponsible newspapers and broadcast outlets in many states.

"On the major television station in my own town (South Bend, Ind.), I heard a very sarcastic attack on the bill which was obviously based on this scare literature," he said.

"When I called the news director to complain, he admitted he hadn't read the bill or bothered to call me for an explanation of its contents. They ultimately broadcast a retraction."

The problem, Brademas said, is that "once you tell the big lie, it's very difficult to correct. I don't mind criticism of the bill, and I don't mind opposition—there's plenty of room for disagreement.

"What I do object to is this deliberate falsification of the contents of the legislation," Brademas said.

There is plenty of legitimate opposition to the bill, which would provide up to $1.8 billion over the next few years for day care, maternal and child health programs, food and nutritional services and aid for handicapped children.

The Ford administration, like the Nixon White House before it, opposes the legislation for both fiscal and philosophical reasons.

"We do not believe that the American people have reached a consensus that the federal government should provide the kind of mass developmental day care for preschool children envisioned in this bill," said former HEW Secretary Caspar W. Weinberg in testimony last summer.

Nonetheless, approximately 100 major educational, religious, charitable and civic groups across the nation have endorsed the measure.

These include such diverse organizations as the National Education Association, the Salvation Army, the Southern Baptist Convention, the National PTA, the AFL–CIO, American Academy of Pediatrics, B'nai B'rith, Boys Club of America, and the National Association for Retarded Children.

Partly in response to criticism of the 1971 bill, the sponsors have stressed parental participation and supervision in most of the programs outlined in the current legislation.

The measure repeatedly emphasizes that all services provided are available on a purely voluntary basis, and that the underlying objective of the bill is to "strengthen family life," rather than destroy it, as critics fear.

"I've got a lot of respect for the good judgment and honesty of the American people," Mondale said. "This smear campaign mav very well backfire on those who are conducting it.

"It may take time, but the need for child and family services legislation has been well documented. Sooner or later, we'll succeed in passing it," he said.

RETIREMENT ANNOUNCEMENT OF HAWAII SENATOR HIRAM L. FONG

Mr. FONG. Mr. President, for the information of my colleagues, I offer for the record my announcement in Honolulu on January 13, of my decision to serve out the remainder of my present term and not to seek reelection to the Senate next November, for which I ask unanimous consent to have printed in the Record.

Following the text of my statement, I ask unanimous consent that four editorials in Hawaii newspapers commenting on my retirement be printed in the Record. May I say that I was most pleased by the kind comments on my Senate tenure expressed in the editorials.

It has indeed been a privilege and an honor to serve the people of Hawaii as the first statehood Senator and a privilege and an honor to serve all the American people and my country in the eventful years beginning in August 1959, when Hawaii joined the Union of States as the 50th State.

There being no objection, the material was ordered to be printed in the Record, as follows:

STATEMENT OF U.S. SENATOR HIRAM L. FONG ANNOUNCING PLANNED RETIREMENT FROM SENATE, HONOLULU, HAWAII, JANUARY 13, 1976

On January 2, 1977, my current term as United States Senator will expire. In fairness to the people of Hawaii, to whom I am so deeply indebted for allowing me to represent them in our Nation's highest legislative body, I am today announcing my future plans.

By next January, I shall have served in the U.S. Senate almost 18 years—17 years and four months, to be exact. With my 14 years in the Legislature of the Territory of Hawaii, I shall have served almost 32 years in elective office.

Together with my five years with the City and County of Honolulu—three as Deputy Attorney and two as Chief Clerk, Bureau of County Waters—my nearly three years in the 7th Air Force of the U.S. Army Air Corps in World War II, and my three years as clerk in the Supply Department, Pearl Harbor, I shall have been in government service almost 43 years.

I shall be approaching 70 years of age.

With each passing year in the Senate, my workload and responsibilities have increased and the demands on my time and energy have escalated. I estimate my workload has tripled since 1968. In the Senate, I serve on two Committees with the heaviest burdens: Appropriations and Judiciary. In addition, I have special duties as ranking Republican Member on two other Committees: Post Office and Civil Service and the Special Committee on Aging. I serve on a total of 24 Subcommittees.

The number of hearings I must attend and the number of issues on which I must be informed have increased, together with the complexity of issues which we in the Senate handle. In my first full year in the Senate, for example, we had 207 record votes. In the year just ended, we had 611, nearly three times as many. The amount of time and study I must devote to the issues has increased correspondingly.

Similarly, the time and attention required to fulfill the Senate's Constitutional duty to give advice and consent on Presidential nominations and treaties have also increased.

With the tremendous proliferation of Federal laws and regulations, Hawaii State and County government requests for assistance in interpreting, changing, or complying with these Federal requirements have multiplied. Private individuals and enterprises have been likewise affected.

It is no wonder that my mail has increased significantly in volume. In the past year alone, my mail totaled 29 per cent higher than the previous year.

From the time I was a little boy, I have been accustomed to hard work and multiple tasks. As I am in excellent health, I still enjoy the challenges of a busy life, but I find that my duties as U.S. Senator leave me less and less time for my family and friends and for life and work in Hawaii. My wife Ellyn and I long to spend more time in the Islands with our children, our grandchildren, other relatives, friends, and the people of Hawaii.

Still another factor affecting my political future is the jet travel between Hawaii and Washington, D.C., which I find now takes a greater toll physically. My biological time clock requires longer to adjust. On the average, one week is needed to make the adjustment. As I make eight or nine trips a year, this means that during about one-third of each year I am struggling to readjust to the time change while still performing my duties as a Senator.

For all these reasons and in response to the pleadings of my family, I have decided to serve out the remainder of my present term, but not to seek reelection to the U.S. Senate.

My future plans include my return to active participation in the activities of Finance Factors, Ltd. and its family of companies, of which I am Chairman of the Board of Directors. I will also be busy in other family businesses and investments in Hawaii. Furthermore, on our 725 acres in Kahaluu, Oahu, my four children, my wife Ellyn, and I are trying to develop a combination of a botanical garden and a plantation, with the hope that it will become a sanctuary of beauty, fragrance, and serenity filled with flowers, ferns, trees, fruits, and birds. All my papers as U.S. Senator will be placed in a library here. This garden-plantation will serve as a memorial to our parents.

I wish to take this opportunity to thank the members of my efficient staff for their loyalty, dedication, and hard work in helping me to carry out my duties as a Senator. Without them, I could not have performed my multiple tasks in as effective a manner.

To all my supporters, I say "Mahalo nui loa" from the bottom of my heart for their faith, trust, and confidence in me during my three terms in office. To all my non-supporters, I also say "Mahalo" for keeping me competitive and alert.

Last but certainly not least, I wish to thank my dear wife Ellyn for her patience, understanding, and uncomplaining support during all these years. I thank my children, too, for comprehending why their parents often had to be away from them for lengthy periods.

I cherish the opportunities I have had to serve the wonderful people of Hawaii, who I believe have brought a new and vital dimension to our Nation and who I am convinced will play an ever more important role, particularly in the Asia-Pacific basin.

One of the greatest satisfactions I have had as Senator is in recommending and helping to place qualified people from Hawaii in high Federal Government posts:

Federal Appeals Court Judge Herbert Choy of the Ninth Circuit, the highest U. S. post attained by a person of Korean ancestry;

Court of Claims Judge Shiro Kashiwa, the highest Federal judicial post attained by a person of Japanese ancestry; just prior to this appointment, he had served as Assistant Attorney General for Land & Natural Resources in the U. S. Department of Justice, the highest Federal Executive post ever attained by a person of Japanese ancestry;

U. S. Postal Rate Commission Chairman Clyde S. DuPont, the highest Federal Executive post ever attained by a person of Hawaiian ancestry;

Federal District Court Judge C. Nils Tavares, the first person of part Portuguese-Hawaiian ancestry to hold a Federal District judgeship;

Federal District Court Judge Samuel P. King, a part-Hawaiian who has reached high judicial standing;

Federal District Court Judge Dick Yin Wong, the first person of Chinese ancestry to hold a Federal District judgeship;

Mrs. Betty Farrington, formerly Director of U. S. Office of Territories, U. S. Department of the Interior;

Edward Johnston, High Commissioner of the Trust Territory;

Thomas K. Kaulukukui, twice appointed U. S. Marshal for the Hawaii District;

Robert K. Fakuda, formerly U. S. Attorney for the District of Hawaii;

Harold M. Fong, currently U.S. Attorney for the District of Hawaii;

The late Leonard K. Fong, District Director, Small Business Administration in Hawaii;

Alvin K. H. Pang, Director, Federal Housing Administration in Hawaii;

Aaron Marcus, Y. Baron Goto, Hebden Porteus and Fred Rohlfing, who were named to represent the United States on the South Pacific Commission;

Laurence Silberman, appointed Under Secretary of Labor, Deputy U.S. Attorney General, and most recently Ambassador to Yugoslavia;

H. Rodger Betts, General Counsel, Community Services Administration and formerly Deputy Assistant Director for Operations, Office of Economic Opportunity;

Dan Liu, Special Assistant to the Postmaster General for International Affairs;

Dr. John Ing, member of the Board of Governors, U.S. Postal Service;

And the many, many other Hawaii people who have won appointment to high level part-time or advisory posts on my recommendation. These include the following:

Dr. John P. Craven, member, National Advisory Committee on Oceans and Atmosphere;

The late Edward DeMello, member, Western States Regional Manpower Advisory Committee;

Mrs. Dorothy Devereux, member, Federal Council on Aging;

Former State Senator Eureka Forbes, member, John F. Kennedy Center Advisory Committee;

The late Douglas W. Freeth, member, Public Advisory Panel on Architectural Services, General Services Administration;

The late Sing Fu, member, National Advisory Council of the Small Business Administration;

Frank K. Goto, member, National Marine Fisheries Advisory Committee of the U.S. Department of Commerce;

Dr. Wytze Gorter, member, U.S. Commerce Department Technical Advisory Board;

Leland H. Gray, Director in Hawaii for U.S. Bureau of the Census, for 1970 Decennial Census;

Frederick C. Gross, member, Public Advisory Committee on Soil and Water Conservation, U.S. Department of Agriculture;

George W. Holeso, member, National Advisory Council of the U.S. Senate Veterans' Affairs Committee;

Mrs. Bettie E. Lauchis, member, Advisory Council of the National Arboretum;

Dr. Richard K. C. Lee, member, National Advisory Council on Aging;

Mrs. Drue Lytle, member, White House Conference on Aging Technical Committee on Education;

Katsuro Miho, Administrative Senior Judge, Wake Island; and member, National Review Board of the East-West Center;

George H. Mills, former State Senator, member, National Advisory Committee for Juvenile Justice and Delinquency Prevention;

Dr. L. Q. Pang, member, National Review Board of the East-West Center;

Honorable Patricia Saiki, Hawaii State Senator, member, President's Commission on the Status of Women;

Dr. Calvin C. J. Sia, member, National Advisory Council on Child Health and Human Development;

Maurice J. Sullivan, member-at-large, National Advisory Council of the Small Business Administration;

Richard "Ike" Sutton, Second U.S. Judge, Wake Island;

Dr. Eugene G. C. Wong, member, National Advisory Council on Health Professions Education; and member, Hypertension Information and Education Advisory Committee of the Department of Health, Education and Welfare;

Mrs. Mabel Lee Wong, member, National Advisory Food Committee of the Department of Health, Education and Welfare; and member, National Advisory Committee on Consumer Product Safety of the Department of Health, Education and Welfare;

Dr. Livingston M. F. Wong, member, National Arthritis, Metabolism, and Digestive Diseases Advisory Council;

Clifford H. N. Yee, member, Board of Directors of the U.S. Overseas Private Investment Corporation.

Hawaii since statehood has indeed had a growing voice in the upper echelons of our Federal Government, and I am delighted I had the opportunity to recommend so many people.

As for myself, words are inadequate to convey my most heartfelt thanks to Hawaii voters who three times bestowed upon me one of the highest honors they can give, a seat in the U.S. Senate.

With that came the distinction of being one of the first two U.S. Senators from Hawaii. Now I enjoy distinction as the last statehood Senator from any State. It was my further distinction to be the first person of Asian ancestry to serve in the U.S. Senate.

I deeply regret that my heavy workload, my age, and my family duties compel me to retire from the Senate when my present term expires.

I shall, of course, continue to serve to the best of my ability in the coming year. There are matters of particular importance still pending, to which I shall devote my efforts, including legislation to protect Hawaii against West Coast shipping disruptions; a program to assure Hawaii sugar a fair share of the U.S. market for the long term, so this industry, which is vital to thousands of Island workers and to our Island economy, will remain healthy and viable; and a program to recognize and grant recompense for the wrongs afflicted upon the Hawaiian people when the Monarchy was overthrown.

I especially regret that, with my retirement, Hawaii will lose the seniority I acquired in the Senate and in my assigned Committees. Whoever succeeds me—Democrat or Republican—will start at zero seniority in the Senate.

If I may be permitted a suggestion, it is that a small State like Hawaii can overcome the eroded seniority it will have next year in both the U.S. House and Senate by making sure our State has bipartisan representation in Congress.

In that way, Hawaii will have officials in Congress with entree to members of both parties in the House and Senate and with entree to the national administration, whether it be Republican or Democrat.

In the House of Representatives, 33⅓ per cent of the Members are Republican; in the Senate, 38 per cent are Republicans. How important it is to have entree to Republicans as well as Democrats can be seen in the vote in 1974 on the Hawaii shipping protection bill. On that very crucial vote, more Republican Senators than Democrats supported this legislation. A total of 31 Republican Senators—75.6 per cent of all Republicans in the Senate—voted to pass S. 1566, compared with only 26 Democrat Senators—48.1 per cent of all Senate Democrats.

Also, by having both parties represented in Congress, the people of Hawaii will have the benefit from time to time of differing viewpoints on major legislation and issues. This makes possible an informed citizenry, gives them a choice of alternatives, and prevents blind acceptance by the people of Hawaii of the views of one Party.

In my 16 years-plus as the lone Republican from Hawaii in Congress, I have served under five Presidents—Eisenhower, Kennedy, Johnson, Nixon, and Ford—eight years under Republican Administrations and eight years under Democrat Administrations.

Having a Senator of the same party as the President does not guarantee Hawaii's position will prevail, but it does give us an opportunity to be heard and an opportunity to prevail which we might otherwise not have.

In preparing this statement, I could not help but recall some of the momentous political, social, and scientific changes that have taken place over the past 16 years.

Nearly all of the well-known heads of state in 1959, when I first took office are gone from the scene: Eisenhower, deGaulle, Adenauer, Khrushchev, Nehru, Franco, Nasser, Selassie, Chiang Kai-shek, and Chou En-lai. The map of the world has changed drastically, with independence attained by scores of countries, but unfortunately with the number of people enjoying freedom sharply down. This has shifted the balance of world power and changed the complexion of the United Nations. The OPEC countries, formerly regarded as minor powers, are forces no longer to be ignored. World peace is still elusive and international terrorism has become rampant.

In the field of science, the United States took some giant steps, with our submarines traveling beneath the North Pole, our astronauts walking on the moon, and our spacecraft docking in outer space with one from the Soviet Union.

Domestically, here in America, we had such traumatic experiences as civil disorders in our cities and on our campuses; assassinations of political and religious leaders; a long, cruelly divisive war; resignation of a President; and inflation and recession.

It is a tribute to our structure of government and to the fortitude, stamina, and resiliency of the American people that they not only withstood but surmounted these vicissitudes.

Now our cities are calm; our institutions of government function; our checks and balances operate; our economy is on a upswing; and our Nation is at peace.

The past 16 years have been a period of landmark legislation as well: the Civil Rights Acts of 1960, 1964, and 1968; the Voting Rights Act of 1965; repeal of the emergency detention provisions of the Internal Security Act; immigration reform; the Elementary and Secondary Education Act; the GI Education and Job Training Act; the Sea Grant College Act; Health Professions Education Act; and laws to combat air and water pollution and to protect the natural treasures of our environment. I am very grateful that I had the opportunity to work for and support these outstanding pieces of legislation.

Insofar as Hawaii's particular needs are concerned, I am happy I was able to assist our Islands' vital agricultural industries; sugar, pineapple, cattle, fruit, flower, and other diversified crops. I have endeavored to keep Hawaii's sea and air transportation lifelines open, I have assisted our tourist industry, Hawaii's leading source of income next to the Federal Government. I have worked for flood control, harbor improvement, beach restoration, and safe road projects throughout Hawaii. I have worked to promote oceanography as a growth enterprise for Hawaii. I am especially pleased to have assisted in the establishment of the East-West Center and in the incorporation of Hawaii into the National Defense Highway System, of which H-1 is the result.

As a member of the Appropriations Subcommittee on Labor-Health, Education, and Welfare, I have supported funding to impove our schools and opportunities for students and teachers; to intensify research on diseases such as heart, cancer, stroke, and pulmonary disorders; and to improve the income status of the aged, the sick, and the economically deprived.

Likewise, as a longtime member of the Senate Post Office and Civil Service Committee, I have fought hard to better the working conditions and living standards of Federal employees.

As a member of the Senate Special Committee on Aging, I have worked to help solve many problems of older Americans, such as sponsoring legislation to eliminate job discrimination, unfair social security provisions, the tax inequities affecting senior citizens.

I have also sought to maintain strong national defenses for our country in general and for Hawaii in particular, mindful of our strategic mid-Pacific location. One of my deepest concerns as my term draws to a close is that America is not taking the steps we should to ensure that our future defenses will truly be adequate.

When Hawaii became a State in 1959 and I became a Senator, there was no doubt that America's military power was foremost in the world. Since then, the Soviets have engaged in a massive military buildup, and the United States has slipped to a position of relative parity. In view of the alarming erosion of freedom throughout the world and the undeniable actions of the Soviets in promoting Communist overthrow of other governments in Indochina, Angola, and elsewhere, I am concerned that, unless we reverse our downward trend, the Soviets will forge ahead of us, with all the potential for disaster that would entail.

Unless we can defend our Nation against any possible enemy, we stand to lose both our liberty and our social gains.

In this, our Nation's Bicentennial celebration year, my prayer is that the people of America and their leaders will have the wisdom and the courage to do what is right and what is necessary to guarantee for another 200 years America's survival in freedom and justice and, hopefully, in peace.

[From the Honolulu Advertiser, Jan. 15, 1976]

FONG'S ANNOUNCEMENT

Senator Hiram Fong's announcement that he will retire from the Congress next January was expected. But that does not reduce the gap his departure will leave.

In the 17 years so far that he has represented this State in the U.S. Senate, the only Republican in Hawaii's congressional delegation during all that time, Fong, 68, has built valuable seniority.

He serves on two of the Senate's most important committees: judiciary and appropriations. He also is the highest-ranking minority member on the Post Office and Civil Service Committee, where he has helped Hawaii's approximately 30,000 Federal workers, and on the Special Committee on Aging.

He lists among his proudest achievements his part in obtaining defense highway funds for Hawaii and appropriations for the East-West Center, and in urging—with results—the appointment of qualified Hawaii residents to important Federal posts.

Fong became the first U.S. senator of Asian ancestry and is the only one today who has served since his state's admission. Over the years he commendably has tried to stress Asia's importance to the United States.

Fittingly, among Fong's many honors is a national Horatio Alger Award, which he received in 1970 for outstanding success in law, business, and public service despite humble beginnings. Fong was born in Kalihi of Chinese immigrant parents. He began at age 4 to pick algarroba beans for sale and has been working since.

After graduation from the University of Hawaii and Harvard Law School and service as deputy attorney for the City and County of Honolulu, Fong entered politics in 1938—winning election to the Territorial House of Representatives.

He became speaker in 1948 and remained in that role until failing to win reelection in the Democratic tide of 1954, his only defeat at the polls.

Throughout his political career, Fong has been a tough, charging campaigner. The effectiveness of his style is attested to by his having been the only Republican to hold a statewide office since 1962.

In endorsing him for reelection five years ago, we noted editorially that while we did not always see eye to eye with him on specific issues, he served diligently and was a faithful worker for Hawaii. That remains so.

Upon leaving the Senate, Fong will become the GOP's senior year-round resident in this State. Interestingly, he prefers to call his plans not a retirement from politics but just a "sabbatical." He no doubt could do much here to help improve the local Republican party, long in need of rebuilding.

Fong has said he wants to devote more attention to his business affairs, his family and his friends. Certainly he has earned whatever respite he may wish. But even after his Senate term ends next January, Hawaii in all probability can count on not having heard the last of Hiram Fong.

[From the Maui News, June 14, 1976]

SENATOR H. L. FONG

Senator Hiram L. Fong has made it official; he will not seek re-election to the United States Senate. He chooses instead to step down, while still very much in his prime, while there is still time to spend with family, friends, and on personal pursuits.

He made his announcement yesterday before television cameras and newsmen. There he stood the personification of the great American Dream. From the poorest of the poor, from shoeshine boy to the Halls of Congress.

Senator Fong has served Hawaii well, he has represented us well. With dignity, intelligence and great commitment he took his place in Washington while all eyes were on our Hawaii delegation. He went to the nation's capital in 1959 and since that time has served with distinction. He will wrap his third term and come back to Hawaii to stay.

It is not surprising that a man of Fong's forceful persuasion should couple his personal announcement with a recommendation for his replacement. He chose to give the nod to former Governor Bill Quinn. The latter is slated to make his intentions known a little later this week.

If Senator Fong places his impressive power behind Quinn, if his term turns out in anything like the numbers and whips together an organization that approximates Fong's, Quinn has a fine headstart.

There are some who will say that Senator Fong should continue, that he still has some good and fruitful years left. We applaud his decision to step down and spend more time with family and friends. A man who has worked as hard and run as fast and gone as far as Hiram Fong has earned the time and opportunity to enjoy it all. His family who must be credited with an assist in his successful endeavors are entitled to enjoy a larger measure of company. It is the fact that he still has keen mind and body, and plans and family, that makes this precisely the right time to move on to another phase in a most remarkable life.

[From the Hawaii Tribune-Herald, Jan. 16, 1976]

SENATOR FONG WILL BE MISSED

Although it comes as no surprise, it was with a sense of sadness and loss that we received word that U.S. Sen. Hiram Fong is retiring after his current term expires.

Our personal acquaintanceship with the man dates back several years, and our knowledge of his long public service extends further into the past.

Senator Fong will have served nearly 18 years at the end of his term, and 14 years before that in the Territorial Legislature. Counting his service time in World War II and civilan employment at Pearl Harbor prior to that, he will have completed nearly 43 years of government service.

With the Senate work load becoming greater each day, demands on his time ever increasing, and nearing the biblical age of four-score and 10, Senator Fong has earned his retirement.

Yet, he will be sorely missed by his many supporters and admirers here in Hawaii. Since 1959, he has been the state's lone Republican member of Congress. It is good that a state have two-party representation in Congress, particularly when the President is of the minority party.

Democrats, Spark Matsunaga and Patsy Mink are vacating their House seats to seek the position Fong is leaving. And while the voters should judge all candidates on their qualifications and individual abilities, those being equal, it would be well if Hawaii could keep representation by both major parties in the Congress.

But regardless, Senator Fong has served his state, country and his own conscience in an exemplary manner for many years. And while we are saddened by his retirement, we must join with the numerous Fong supporters here in Hawaii in wishing him only the very best in these coming years.

[From the Honolulu Star-Bulletin, Jan. 13, 1976]

FONG'S RETIREMENT

At 68, Hiram L. Fong is vigorous and far from being an old man in the sense of decrepitude.

Yet his decision to retire from the U.S. Senate at the end of his present term will remove from Hawaii politics one of the last figures whose elected service pre-dates World War II.

Fong was first elected to the Territorial Legislature in 1938. At the statewide level, no other office-holder has elected service predating 1950 when Lt. Gov. Nelson Doi served in the Constitutional Convention. And in the counties the only long-timer to match Fong's range of years is Maui Councilman Toshio Ansai, first elected in 1934.

Hawaii is young, both as a state, and in its electorate, something Fong's decision emphasizes.

The "old-timers" after Fong will be mostly the Democrats who swept into the Legislature in 1954, when the Republicans lost majority status for the first time in 52 years—such persons as U.S. Sen. Daniel K. Inouye, Congressman Spark Matsunaga and Gov. George Ariyoshi. In the Legislature today, senior members are those who have served since Statehood in 1959.

Gone to the political sidelines are such of Fong's contemporaries as Hebden Porteus and Randolph Crossley while death recently has taken such others as John A. Burns, Neal Blaisdell and Francis Ching.

Fong's continuing political success, even after the Democratic "revolution" of the 1950s, was primarily a personal triumph.

Though from a minority party and a minority racial group, he was recognized by voters so discriminating that in the 1964 Democratic landslide Hawaii gave Lyndon Johnson his second largest state majority percentagewise but also gave Fong the biggest majority of any Republican elected to the U.S. Senate that year.

Fong is the first American of Chinese ancestry to serve in the U.S. Senate, and the winner of such national recognition awards as the 1960 National Award from the National Conference of Christians and Jews, the 1970 Horatio Alger Award, and the 1971 Golden Plate Award of the American Academy of Achievement.

As Hawaii's single Republican in Congress he has been close to Presidents Nixon and Ford and influential with them in matters relating to Hawaii.

Among his congressional achievements is a major role in re-drafting immigration laws to remove the discriminations against peoples from the Pacific and Asia.

Fong's formal announcement today of his retirement is no surprise. He has let it be forecast for some time. The decision, nevertheless, marks a significant transition point in Hawaii politics.

THE UNEMPLOYED: DESPAIR AS AID ENDS

Mr. HUMPHREY. Mr. President, I wish to call attention to an article in the February 1 edition of the Washington Post entitled "Maryland Jobless: Despair as Aid Ends."

The article by Bill Peterson spells out the fate of the long-term jobless in Allegany County. These people are the real casualties of this national recession. They have lost not only their jobs, but their homes and their health.

The administration and the Congress have paid too little attention and taken too few steps to reduce this suffering, which is by no means limited to Allegany County. This misery is nationwide.

The Joint Economic Committee has been conducting a series of regional hearings in preparation for a national conference on full employment to be held in Washington in March.

Everywhere our committee goes—Chicago, New York, Atlanta, Los Angeles, and next week Boston—the story is the same. People are suffering. People do not want the handout. They want jobs.

Testimony in the Atlanta hearing regarding the social impact of unemployment on health and crime was devastating. What unemployment does to our Nation's health in terms of heart attacks, mental illness, and pre-natal deaths, for example, is staggering.

In Los Angeles, on the morning our hearing began, a near riot broke out at the city employment office where 400 people had waited in line all night to apply for only one job opening.

And it is going to get worse. As Mr. Peterson points out in his article, almost a million people within the next few weeks will have exhausted their unemployment benefits. These are people who have been out of work for 65 weeks.

We simply cannot ignore this. Recovery of the economy must be for all of us—not just some of us. We must bring this suffering to the surface and do something about it immediately.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MARYLAND JOBLESS: DESPAIR AS AID ENDS

(By Bill Peterson)

CUMBERLAND, MD.—Over on Bryce Hollow Road, Randy Law, who grew up in the gentle mountains here, is worried—about where his family will live when his house is repossessed this spring, about how he can keep the furniture he bought on credit and about whether he will ever find another job.

"They told me at the unemployment office that the best thing to do is to get out of town because there ain't nothing to do here," he said.

Like scores of other young men and women in this recession-ravaged area, which has one of the highest unemployment rates in the nation, Law, 32, is well into his second year without a steady job. The last extension of his unemployment benefits will soon run out.

Law was laid off at the Queen City Brewery here in September 1974, a few months before the brewery itself shut down. Caught with installment bills of more than $2,000, he fell behind on his mortgage payments and needed food stamps to feed his family of four.

Last winter, Law was unable to afford oil to heat his house. "My wife and I almost froze to death," he said. "Now they're taking my house back. You hate to lose it. But there's not anything else you can do."

Allegany County, where Law lives in western Maryland offers a microcosm of a national problem—the fate of the long-term jobless—which has attracted little attention amidst the ups and downs of national economic indicators during the protracted recession.

According to a new report by the U.S. Department of Labor, 982,000 workers across the country have been without jobs more than 65 weeks each as a result of the current recession and have exhausted all unemployment benefits. Maryland reported that 11,500 workers had run out of benefits, the District of Columbia 3,500, and Virginia only 43.

Information on who these people are, where they live and what will happen to them is sketchy. More than half—52 per cent—are women. But the hardest hit areas are those where heavy industry is concentrated and the hardest hit group of workers comprises males from 22 to 44 years old, who worked in factories.

Unemployment in Allegany County, where the largest employers are tied to the fate of the housing and auto industries, has hovered over 10 per cent since the fall of 1974, soaring to 17.3 per cent last April when 5,870 workers were jobless.

Among western Maryland's largest employers, the work force at Celanese Fibers dropped from 2,400 in late 1974, to 600 now, workers at PPG (formerly Pittsburgh Plate Glass) decreased from 1,200 to 100 last summer before rising to about 400, and jobs at Kelly Springfield Tire Co. dropped from 3,000 to 2,760 now. When the Queen City Brewery closed, another 150 jobs vanished.

"When the national economy is healthy things are good here," says Jerry McDonald, executive director of the Allegany County Economic Development Co. "But when it slumps, we feel it."

Earl W. Ritenour, who operates Earl's Carryout, across from the entrance to the PPG plant south of Cumberland, sees the underside of the slump.

"When I opened here two years ago, I'd sell $400 or $500 worth of stuff a day. Now I'm lucky to break $70," said Ritenour, a heavy set man wearing a fur hat, dungarees and a white thermal undershirt. "Buddy, people are just buying what they need and waiting for better times. But buddy, better times don't seem to be a-coming.

"People are using food stamps who you'd never think would," he continued. "Yesterday a guy came in and paid his bill with $11 worth of pennies. When things like that happen, times are tough.

"What are people doing?" Ritenour said, repeating a reporter's question. "Well, Steve Nixon, he's thinking of moving to Washington. Snuffy Smith, he's on the country road. Al Liller, he's taking a little schooling on the GI bill. Charley Rubin, he's selling his house and going to Texas. If you know anyone who needs a good home, he's got one."

In his office in the Cumberland City Hall, Mayor F. Perry Smith Jr. sees another perhaps more perplexing view of the area's economic status. Despite high unemployment that leveled off at 10.8 per cent in November, he said, local businessmen reported record high Christmas sales and a 10 per cent rise in bank deposits last year.

"It's very hard to read a situation like this," he said, speculating that unemployment checks and special federal programs for the unemployed have bolstered the local economy.

"Obviously, the long-term employment has a profound effect on the individuals involved," he continued. "There are some who adapt quite easily, but there are others who don't."

Many unemployed persons don't want to leave the rolling mountain country to seek scarce jobs in cities, he said. "Historically, we're isolated. In Appalachia, you have very independent-type individuals. He knows how to hunt, fish and garden. He doesn't feel comfortable going somewhere where he has to live in an 18-story highrise."

Last fall, local civic and business leaders organized a PACE (Positive Attitudes Change Everything) campaign, and Smith now believes the local economy is destined to improve.

This offers little solace to the hundreds of workers who've been unemployed for months here. State employment officials report that each week since early November from 15 to 20 of this group have exhausted their unemployment benefits.

Some have doubtlessly found jobs. But others have gone on welfare, becoming victims of the recession. Ethel Wilderman, director of the county's social service department, said she doesn't know exactly how many have gone on the welfare rolls, but she noted that her office has become so busy there is now a two-week waiting period to get an appointment with a social worker.

"I don't like to say they are nonexistent because some people are always able to find jobs, but job opportunities are not plentiful here," said J. W. Owens, supervisor of the state employment office in the county. "Our rise and decline is pretty much tied to the national picture. We're not very diversified. When the national economy improves, ours usually goes up with it."

Meanwhile, Marty Watts, 20, who was laid off at Kelly Springfield Tire Co. last March, is waiting for a job. So is his mother, who was laid off her job at Celanese, and whose unemployment benefits have already expired.

"When I was working we were doing pretty good. I was bringing home close to $200 a week," said Watts, who helps support his two younger sisters and his divorced mother. "If my sisters wanted something, I'd just write a check."

Watts, like many of those interviewed, has all but given up looking for a job. "You can't find a job here. And if I was working, I might not even get $89 a week, so I just take my unemployment," he said. "I see a few decent jobs in the paper, except they're for mechanics or managers, and they all want experience."

The Watts family, which lives across the Potomac from Cumberland in Wiley Ford, W.Va., gets by on his unemployment checks and $100 a month child support payments. "But if this keeps on I don't know what I'll do," he said. "If worst comes to worst, I'll go in the Army or something."

THE INSTITUTE FOR CONGRESS

Mr. BROCK. Mr. President, I would like to draw my colleagues' attention to the Institute for Congress which has recently been officially organized.

The Institute for Congress will be a "nonpartisan research organization devoted exclusively to providing both Houses of Congress with timely and independent policy analysis of major policy issues concerning the United States."

I have great hopes for this organization as it could fill a vital need of the U.S. Congress. It has great potential for providing the Congress with superior policy analysis which would cut across committee jurisdictional lines and would provide access to many individuals not presently readily available to the Congress.

After many months of preparation and meetings with various Members of Congress, the Institute for Congress is presently seeking its initial funding. As I understand it, a broadly based interdisciplinary research-policy staff will be recruited from both the legislative and executive branches, academic and private research organizations, and other relevant organizations. The experimental phase of the Institute will run about 5 years. During this phase, approximately 80 professional staff will be assigned to work on various topics that would be of assistance to congressional decisionmakers. This is an ambitious but vital task.

At this point in the RECORD, Mr. President, I ask unanimous consent that various materials describing this unique endeavor and the need for it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INSTITUTE FOR CONGRESS OFFICIALLY ORGANIZED: GRIFFITHS, RUCKELSHAUS HEAD TRUSTEES

WASHINGTON.—Official announcement was made this weekend of the formation of the Institute for Congress, a nonpartisan research organization devoted exclusively to providing both houses of Congress with timely and independent policy analysis of major policy issues confronting the United States.

Named as chairman and vice chairman, respectively, of the Institute's 15-person board of trustees were Martha W. Griffiths, former 10-term member of Congress from Michigan, and William D. Ruckelshaus of Indiana, the first Administrator of the U.S. Environmental Protection Agency and subsequently Deputy Attorney General of the United States.

"Congress and the entire American society," Mrs. Griffiths and Mr. Ruckelshaus said in a joint statement, "stand at a critical juncture. We have exhausted our 'margins of error' in dealing with complex and increasingly technical national policy choices. It is not sufficient for Congress to wait for Executive Branch initiatives, or to entrust analysis of vital national policy choices to its fragmented committee system alone."

"We fully believe," Mrs. Griffiths and Mr. Ruckelshaus said, "that Congress cannot hope to become a full, equal partner of the Executive in formulating national policy unless it has available to it superior policy analysis, cutting across committee jurisdictional lines, that lays the factual groundwork, names the options for action, and presents a clear case for alternative policies."

The Institute for Congress trustees will begin an immediate search for initial funding ($11.5 million for the first three years) to establish an interdisciplinary policy analysis staff. In addition to experienced professionals from the legislative and executive branches, the Institute will seek to recruit from the academic and private research community individuals or outstanding intellectual achievement and ability. A five-year experimental phase is envisaged, building to a professional staff of 80 persons with $22.5 million funding over the five years.

Initial funding, Mrs. Griffiths and Mr. Ruckelshaus said, would be sought from private philanthropic sources to provide the Institute with a significant measure of independence in its formative period. If the experiment is successful, it is anticipated that future funding for the Institute would come primarily from research contracts made with the Congress.

Preceding official establishment of the Institute for Congress with its board of trustees this autumn, a bipartisan organizing committee had been at work for three years, testing the idea and possible implementation with the Democratic and Republican leaders of both the Senate and House and a broad range of senior and junior members of both houses and parties.

While the Institute's trustees are all in non-governmental positions, the majority and minority leaders of both the Senate and House will be invited to serve as ex officio members of the board.

In addition, a Congressional Advisory Council will be established to enable most of the key legislative committees to take an active role in shaping the Institute's research agenda. Subject to the advice of the Congressional Advisory Council, the Institute expects to place its early emphasis on problems of national security, environment and resources, health and welfare, and the social and economic implications of new technology.

In addition to Mrs. Griffiths and Mr. Ruckelshaus, the members of the Institute's board of trustees are:

Lucy Wilson Benson of Massachusetts, presently Secretary of Human Services for the Commonwealth and former president of the League of Women Voters of the U.S.

William D. Eberle of Idaho, president of the Motor Vehicle Manufacturers Association and former Special Trade Representative for the President.

Alton Frye of Tennessee, Senior Fellow of the Council on Foreign Relations, and former administrative assistant to Senator Edward W. Brooke.

Ben W. Heineman of Illinois, president and chief executive officer of Northwest Industries, Inc.

Craig Hosmer of California, former U.S. Representative (1953–75), ranking minority member of the Joint Committee on Atomic Energy, and presently president of the American Nuclear Energy Council.

Leon Jaworski of Texas, Houston attorney and former Special Prosecutor and head of the Watergate Special Prosecution Force.

Gordon J. F. MacDonald of New Hampshire, director of the Environmental Studies Program at Dartmouth College and former member of the President's Council on Environmental Quality.

Harry C. McPherson, Jr., Washington attorney and former general counsel of the Senate Democratic Policy Committee and Special Counsel to President Johnson.

Clarence Mitchell of Maryland, director of the Washington Bureau of the NAACP since 1950 and member of the Maryland Bar.

Richard B. Ogilvie of Illinois, Chicago attorney and former Governor of Illinois.

William B. Spong, Jr., of Virginia, former U.S. Senator, presently Portsmouth attorney and president of the Virginia Bar Association.

Cyrus R. Vance of New York, former Deputy Secretary of Defense, Secretary of the Army, and Special Counsel for the Senate Armed Services Preparedness Investigation Subcommittee, presently president of the New York City Bar Association.

An additional board member, presently on leave for government service, is William T. Coleman, Jr. of Pennsylvania, now U.S. Secretary of Transportation.

The members of the organizing committee for the Institute for Congress, who laid the groundwork for the Institute between 1972 and the fall of 1975, were Messrs. Frye, MacDonald, McPherson, Vance, and James R. Killian, former Science Adviser to President Eisenhower and chairman of the M.I.T. Corporation.

The Institute for Congress has been incorporated under the laws of the District of Columbia and application made for federal income tax exemption under section 501(c)(3) of the Internal Revenue Code.

THE BOARD OF TRUSTEES

LUCY WILSON BENSON

Secretary of Human Services for the Commonwealth of Massachusetts, Lucy Wilson Benson served as president of the League of Women Voters of the United States from 1968–74 and co-chairman of the National Urban Coalition from 1973–75. She was a founding member and member of the governing board of Common Cause, 1970–74, was a member of the Executive Committee of the Leadership Conference on Civil Rights, and has served on the board of the National Urban League, the Brookings Institution, Northeast Utilities, and several other public organizations and corporations.

WILLIAM T. COLEMAN, JR.*

Before entering office as Secretary of Transportation on March 7, 1975, Mr. Coleman was senior partner in the law firm of Dilworth, Paxson, Kalish, Levy and Coleman of Philadelphia, special counsel to the Southeastern Pennsylvania Transportation Authority, and a member of the board of governors of the American Stock Exchange. Active in civil rights affairs, he has served with the NAACP Legal Defense and Education Fund in many capacities and was one of the authors of the plaintiffs' brief in the 1954 Supreme Court school desegregation case. In 1969, he was a member of the U.S. delegation to the 24th Session of the United Nations General Assembly and has served on the boards of several corporations, including Pan American World Airways and the First Pennsylvania Corporation.

WILLIAM D. EBERLE

Prior to assuming the presidency of the Motor Vehicle Manufacturers Association in February 1975, Mr. Eberle was the President's Special Representative for Trade Negotiations with the rank of Ambassador, from 1971–75, and concurently from 1974 until his resignation, Executive Director of the Council on International Economic Policy. He was president and chief executive officer of American Standard, Inc. from 1966–71, vice president of Boise Cascade Corporation from 1960–66, and served in the Idaho House of Representatives as Majority Leader, Minority Leader, and Speaker. He has served as a director or trustee of PPG, Hewlett-Packward, the National Urban Coalition, Common Cause and the Conference Board.

ALTON FRYE

Director of Membership Affairs and Senior Fellow of the Council on Foreign Relations, Mr. Frye was formerly Legislative and Administrative Assistant to Senator Edward W. Brooke (1968–71). He was a Fellow of the Wodrow Wilson International Center for Scholars from 1971–73 and a staff member of The RAND Corporation (1962–68). He has taught at U.C.L.A. and Harvard University, where he was a Fellow of the Center for International Affairs. A frequent writer on public policy issues, Mr. Frye's most recent book is "A Responsible Congress: The Politics of National Security" (1975).

MARTHA W. GRIFFITHS

As representative of Michigan's 17th Congressional District in Congress from 1955–74, Mrs. Griffiths served on the House Committee on Ways and Means and on the Joint Economic Committee, chairing its Subcommittee on Fiscal Policy. Earlier, she had been elected to the Michigan State Legislature (1949–52), was judge and recorder of the Detroit Recorder's Court (1953), and was a member of the Detroit Election Commission. Mrs. Griffiths is a partner in the law firm of Griffiths and Griffiths in Farmington Hills, Michigan. She is a member of several boards, including National Detroit, Burroughs and Chrysler Corporation.

BEN W. HEINEMAN

A practicing lawyer from 1936–56, Mr. Heineman is now president and chief executive officer of Northwest Industries, Inc., which he founded in 1968. Mr. Heineman was chairman and chief executive officer of the Chicago and North Western Railway Company from 1956–72. He is a director of the First National Bank of Chicago, a trustee of the Rockefeller Foundation and the University of Chicago, and was the first chairman of the Illinois Board of Higher Education.

CRAIG HOSMER

President of the American Nuclear Energy Council, Mr. Hosmer was a member of the U.S. House of Representatives from California for 22 years (1953–75), serving as ranking minority member of the Joint Committee on Atomic Energy and the Committee on Interior and Insular Affairs. He was also an attorney for the U.S. Atomic Energy Commission at Los Alamos Laboratory from 1948–49 and served in the U.S. Naval Reserve, retiring in 1973 with the rank of Rear Admiral. His Navy duty included command of the U.S.S. *Dickens*.

LEON JAWORSKI

Special Prosecutor and head of the Watergate Special Prosecution Force from November 1973 to October 1974, Mr. Jaworski is a senior partner of the Houston law firm of Fulbright and Jaworski. He has served the government in many capacities, including positions in the offices of the U.S. Attorney General and the Attorney General of Texas, U.S. Member of the Permanent Court of Arbitration at The Hague (1965–69), member of numerous national commissions and as Presidential Adviser from 1964–69. He is a past president of the American Bar Association (1971–72) and is a director of the Bank of Southwest in Houston.

GORDON J. F. MACDONALD

After serving as a member of the President's Council on Environmental Quality from 1970–72, Mr. MacDonald, a geophysicist, was named Henry R. Luce Third Century Professor of Environmental Studies and Policy at Dartmouth College where he is director of the Environmental Studies Program. He is concurrently chairman of the Commission on Natural Resources of the National Academy of Sciences and National Research Council and a member of the Department of State's Advisory Committee on Science and Foreign Affairs, having served as a member of the President's Science Advisory Committee from 1965–69. Mr. MacDonald was vice president of the Institute for Defense Analyses in 1967–68 and was formerly a faculty member at M.I.T., U.C.L.A., and the University of California at Santa Barbara.

HARRY C. M'PHERSON, JR.

Partner in the Washington law firm of Verner, Liipfert, Bernhard and McPherson, and the Washington partner of the New York law firm of Hughes Hubbard and Reed, Mr. McPherson was Special Counsel to the President (1965–69). Prior to that, he had served as Deputy Under Secretary of the Army for International Affairs (1963–64) and Assistant Secretary of State for Educational and Cultural Affairs (1964–65). From 1956–63, he was Associate Counsel, then General Counsel of the U.S. Senate Democratic Policy Committee. He is the author of "A Political Education" (1972).

CLARENCE MITCHELL

Mr. Mitchell, a member of the Maryland Bar, is Director of the Washington Bureau of the NAACP, an organization he has served for 29 years. In 1969, he was awarded the NAACP's Spingarn Medal for his efforts in obtaining passage of the landmark civil rights bills of the 1950s and 1960s. His government service includes executive posts with President Roosevelt's Fair Employment Practices Committee, the War Manpower Commission and the War Production Board. He is currently a member of the U.S. delegation to the 7th Special Session and the 30th Session of the United Nations General Assembly.

RICHARD B. OGILVIE

Prior to his service as the 37th Governor of Illinois from 1969–73, Mr. Ogilvie served as a federal prosecutor in Chicago, as elected Sheriff of Cook County, and as President of the Cook County Board of Commissioners. During his term as governor, Illinois undertook across-the-board constitutional reform, upgraded its tax system, and enacted a broad environmental protection program. He is now a partner in the Chicago law firm of Isham, Lincoln and Beale and a member of several corporate and philanthropic boards, including CNA Financial, Inc.

WILLIAM D. RUCKELSHAUS

Before his appointment as the first Administrator of the U.S. Environmental Protection Agency (1970–73), Mr. Ruckelshaus had served as Assistant Attorney General in charge of the Civil Division (1969–70). Later he was Acting Director of the Federal Bureau of Investigation (April–July 1973) and Deputy Attorney General until his resignation in October 1973. In 1967, he was elected to the Indiana House of Representatives where he served as Majority Leader. He is currently senior partner of the Washington law firm of Ruckleshaus, Beveridge, Fairbanks & Diamond.

WILLIAM B. SPONG, JR.

A U.S. Senator from Virginia from 1966–73, Mr. Spong had previously been a member of the Virginia House of Delegates (1954–55) and of the Senate of Virginia (1956–66). General Counsel of the Commission on the Organization of Government for the Conduct of Foreign Policy from 1973–75, he is now a senior partner of the Portsmouth (Va.) law firm of Cooper, Spong, Davis, Kilgore, Parker, Leon & Fennell. In the Senate, Mr. Spong served as a member of the Foreign Relations and Commerce Committees. He is now president of the Virginia Bar Association. In July,

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* On leave for government service.

1976, he will assume the deanship of the Marshall-Wythe School of Law at the College of William and Mary.

CYRUS R. VANCE

Deputy Secretary of Defense from 1964–67, Mr. Vance was also Secretary of the Army from 1962–64, General Counsel for the Department of Defense (1961–62), and Special Counsel for the Preparedness Investigation Subcommittee of the Senate Armed Services Committee (1957–60). He was the Special Representative of the President in the Cyprus crisis (1967) and in Korea (1968) and was one of the two U.S. Negotiators at the 1968–69 Paris Peace Conference in Viet-Nam. Associate and partner of the New York law firm of Simpson Thatcher & Bartlett from 1947–60 and from 1967 to date, Mr. Vance is President of the Association of the Bar of the City of New York. He is a director of IBM, Pan American World Airways and the New York Times Company, and a trustee of the Rockefeller Foundation, the Urban Institute and Yale University.

THE INSTITUTE FOR CONGRESS—A FIVE-YEAR EXPERIMENT

The Institute for Congress will be a nonpartisan private organization devoted exclusively to providing Congress with independent, objective and systematic analysis of public issues and programs.

The Institute would assemble an expert staff of a type and caliber not now available to Congress and, *as its central and unique function, would integrate analytically issues which are now splintered in the congressional committee system.*

The Institute would not study Congress; it would assist congressional operations through the existing structure.

The research mandate of the Institute would be comprehensive. Initially, it would address problems of national security, environment and resources, public health, and social and economic implications of new technologies.

It would seek both to assess questions of broad concern to the legislature and to anticipate issues which will require congressional deliberation.

The Institute will function under a *Board of Trustees* composed of a broad cross-section of *private citizens;* the *Majority* and *Minority Leaders* of the House and Senate will be invited to serve on the Board *ex officio.*

The research agenda of the Institute will be negotiated through a *Congressional Advisory Council* composed of chairmen and ranking members of most congressional committees or their designees.

To test the concept the organizers contemplate a *five-year experimental operation* of the Institute funded by private philanthropy.

The plan calls for a professional staff of approximately 30 by the end of the first year, 60 by the following year, and an average professional staff of 80 thereafter.

The total five-year budget is approximately $22.5 million and the initial fund-raising target is $11.5 million for the first three years.

The independence and flexibility of private financing at the outset offer the greatest promise of creating an environment capable of attracting an exceptional professional staff.

If the Institute demonstrates its utility, its continued existence would eventually depend on contractual support by the Congress.

[From the Washington Star, Oct. 12, 1975]

WHY CONGRESS NEEDS EVEN MORE HELP

(By Martha Griffiths and William Ruckelshaus)

The problem with Congress is that it has too much staff—and too little.

Staff added over the last few years now fills up extra office buildings on both the House and Senate sides, and is overflowing into nearby buildings. Yet Congress still lacks the resources it needs to deal effectively with the executive branch in formulating the public policies that will determine our national future.

The time has passed when the United States could afford to try one program after another, one budget policy after another, one weapons system after another—all on a fragmented and disjointed basis, hoping that some may work.

And Congress, if it is ever to be the equal of the executive, has to find ways to overcome its own fragmentation of committees dealing with little pieces of broad problems. It needs to have some of the best minds in America working exclusively for it, seeing serious national problems in their totality, and naming the options for national policy.

To do that job, we are working with a bipartisan group to create an independent, not-for-profit Institute for Congress.

What, one may ask, *another* "think tank?" Another addition to the plethora of policy institutes, government agencies, and gargantuan congressional staffs that should be doing that job already?

Our answer to that question is "yes"—and for what we consider to be compelling reasons.

First, consider the limitations in what Congress has available to it now.

The superabundance and sometimes abuse of staff on Capitol Hill have been amply reported of late. In the last 20 years, congressional employment and budgets have grown 15 times faster than the national population growth. In 1954 there were 4,500 staff persons on the Hill; now there are 16,000. In 1954 the budget for Congress' own operations was $42 million; today it is $328 million.

Obviously, there's a lot of empire building going on. Congress, using the same methods it asks the General Accounting Office to turn on the executive bureaucracy, might ask for a hard-headed business-efficiency evaluation of its own bureaucracy—on the theory that what's good for the goose is good for the gander.

There's a limit to how much could be cut, though. Part of the problem lies in the cascading level of citizen service demands on Congress. Then there's the burden of answering constituent letters on issues: On a particularly "hot" issue, a large-state senator may receive literally hundreds of thousands of letters. Moreover, the federal government is into hundreds of areas of American life where it never intruded before. Congress needs substantial committee staffs to hold hearings, to hear and ward off lobbyists and executive branch opportunities, to monitor laws already on the books, and to consider the immense number of bills introduced.

But even if congressional staffs were trimmed appropriately, and even if the taxpayer was asked to shell out less for duplicating functions and political promotion activities on the Hill, the result would not necessarily be better policy formulation.

Senators' and representatives' personal staffs, for instance, would still be preoccupied with the daily demands of their offices—constituent service, case work, mail and speech writing. The pressures on any congressional office mitigate against serious policy work there. Worry about the member's reelection will always take precedence.

Committee staffs are also immersed in the intensely political atmosphere which surrounds the senators and representatives who sit on the committee. These staffs are not designed to look beyond the interests of their particular committees and of their chairmen and ranking members.

Furthermore, fragmentation of responsibility among the committees is an endemic limitation on congressional policy-making. Problems simply refuse to divide themselves into neat committee pigeonholes.

Consider health legislation, just in the House. The Ways and Means Committee has jurisdiction over Medicare and any proposed national health insurance program involving employer and employe contributions. But if national health insurance were to be financed through general Treasury appropriations, responsibility for writing the legislation falls to the Commerce Committee, and more specifically, its subcommittee on public health and environment. A number of individual health programs, including Medicaid, were transferred to the Commerce subcommittee under the committee reorganization of 1974. But there are still overlappings and potential conflicts. The Agriculture Committee is involved with Farmers Home Loan Administration grants for rural health care projects. The Education and Labor Committee asserts a role in health education in the schools and in regard to developmental disabilities. Armed Services decrees compensation of physicians and dentists in the Public Health Service. The Science and Astronautics Committee is involved in providing authorization for burn treatment centers, which Commerce claims it should control under the emergency medical services program. To top it all off, the Commerce public health and environment subcommittee has control of clean drinking water legislation—while water pollution in general falls under the Public Works Committee.

There would be no difficulty in finding other such examples on either side of the Capitol. Thus, the question arises: How will congressional committees and individual senators and representatives be able to pull all the pieces of policy together into a coherent whole, so that when Congress acts in a field, it knows the real implications of what it's doing?

To this one must add the sad fact that Congress, despite its enlarged staffs, is all too often outgunned and outmanned by the executive department. The Senate Armed Services subcommittee on research and development has generally deployed a single staff man to deal with a part of the defense budget that is expected to exceed $9 billion in fiscal 1976. Yet row upon row of aides accompany the secretary of defense when he testifies before a thin line of congressional committee members and their staffs.

There is another problem, shared by personal and committee staffs alike. They are all too often obliged to react to the crises or problems of the moment. So are the special-oversight groups such as the General Accounting Office, which now employs over 5,000 persons at an annual cost which will approach $140 million in 1976. Its primary function is to audit existing government programs, to oversee how federal money is being spent, and to see how well programs are meeting their stated objectives. Under Comptroller General Elmer Staats, the GAO has diversified and upgraded its staff in recent years in order to evaluate current federal programs.

Yet there remains a yawning gap between auditing of existing programs and the quite different task of policy analysis for the future. Indeed, it may be too much to expect any single agency to look backward and forward with equal competence. That appears to be the consensus in Congress, and we share it. Congress is too pluralistic an institution to rely on any one consolidated staff for its multiple needs.

The Congressional Research Service continues to provide support to members and staffs requiring immediate reference aid in drafting speeches, reports and responses to constituent queries. (In 1974 alone, it responded to more than 200,000 such requests!) Moreover, CRS has begun to expand its efforts to perform long-range studies of significant policy problems. In half a decade it has doubled in size and budget, up to 860 people and $17.8 million in the next fiscal year.

It is questionable, however, whether expanding present Hill staffs will fill the gap. These staffs really have 535 bosses, and it's difficult if not impossible to refuse assistance to members or their aides when they ask for it. Policy problems of greater scope tend to get shifted to the back burner.

In our judgment a private institute could protect its professionals against unmanageable loads and target them most effectively on a carefully selected set of issues of concern to Congress.

Another major reason why we believe a private Institute for Congress should be considered relates to its potential for recruiting an exceptional group of professionals. An independent institute could enlist people of outstanding intellectual achievement and capacity, provide them with a base of prestige, and make their work available to Congress on an ongoing basis. Indeed, there is now a changing mood in the nation's intellectual community—a new skepticism about the efficacy of the executive branch, and a new eagerness to help Congress. That talent could be harnessed if suitable institutional arrangements were made.

Those arrangements will have to include a research community of sufficient stature to permit its members to move back and forth among the great universities and research organizations, as well as devoting some years to public policy studies in the institute.

A logical question is whether the more outstanding university and research organizations already in existence couldn't fill that role, without yet another institution. The top universities and organizations like Brookings, RAND and the American Enterprise Institute do perform policy analysis of very high quality.

From the congressional perspective, however, there is a growing demand for research oriented to the specific requirements and mores of Congress. For each of the existing organizations, other missions and other loyalties are primary. In the eyes of many members of Congress, some private institutions are associated with particular ideologies—an often unfair accusation, but still a problem such groups face in having their work considered seriously by all factions in Congress.

A private Institute for Congress, in our judgment, could overcome these shortcomings.

It could provide integrated studies of multi-faceted problems which span many committee jurisdictions, putting teams of outstanding experts, themselves of varying specialties and backgrounds, to work on selected issues. Legislators would be able to see the relationship of their work to that of others dealing with a common problem. This would be a natural counterbalance to the problem of committee fragmentation.

The institute's technical skills could be used, on a contract basis, by the emerging Congressional Budget Office and the new Office of Technology Assessment.

The institute could also protect Congress from one-sided or misleading research work by including experts of contrasting backgrounds and viewpoints on the "team" to address any major policy area. The resulting analyses would include a base of facts on which all of the research team can agree, followed by various recommendations of policy options, each argued vigorously by institute personnel.

Thus the members and committees of Congress could be assured of research that leaves no stone unturned, hides no facts contradicting some favored conclusion, and gives each major point of view its "day in court."

The realism of institute work would also be advanced by a mix of professional disciplines and backgrounds on its staff. There would be outstanding figures from the American academic and research community, especially those with technical skills rarely found in congressional staffs (physics, engineering, systems analysis, etc.). There would be individuals with executive branch experience and current knowledge of pending problems. And there would be people with congressional staff backgrounds, men and women who have demonstrated a capacity for objective policy analysis.

Apart from its own original work, the institute could provide an invaluable filter for the larger output of policy analysis already under way in private and public institutions across the country, and the mass of frequently valuable research done by organizations with a stake in the resolution of any policy problem.

Another value of this approach is that Congress would be able to learn about the scope of problems, and refine its own judgments, before the executive branch—which has far more policy analysis resources at its command—gets locked into a position. The fact is that rigid executive branch policy positions can be as grave an obstacle to rational decision as the well-known flaws in the legislative process.

If the Institute for Congress is to establish its independent character from the start, we consider it highly desirable that its initial operations be funded privately—through foundations and the like. Then an able and distinguished staff will have to be recruited. This means the institute will need an assured life of 3–5 years to prove its worth.

An organizing committee began work on the Institute for Congress plan two years ago. This bipartisan group checked the institute concept carefully with the leadership of both parties in the Senate and House, and subsequently with a broad number of members of both houses. At the suggestion of the Senate Democratic and Republican leaders, Mike Mansfield and Hugh Scott, the majority and minority leaders of the House and Senate will be invited to serve as *ex officio* members of the board. In addition, a congressional advisory council will enable most of the key legislative committees to take an active role in shaping the institute's research agenda.

We would stress that the institute is intended as an experiment. Without burdening itself with a permanent bureaucracy, Congress can use the institute to test whether it is possible to recruit a staff of the caliber and type we propose. If, after three to five years, Congress finds the institute a valuable auxiliary, the legislators can choose to keep the institute in being on a contractual basis.

If it fails, the institute will be disbanded after the trial period. Our society has more than enough walking ghosts among its institutions. It would be refreshing to have one that self-destructs if it doesn't perform its mission.

[From the New York Times]

CONGRESS PUSHING AN IDEA—A THINK TANK TO SERVE IT

(By Richard D. Lyons)

Congress, which some legislators contend is lacking in original thought, is cosponsoring a proposal to create a Capitol Hill think tank to allow academicians to give free and clear advice to senators and representatives.

The idea, which thus far has met with the approval of the Democratic and Republican leadership in both the Senate and the House, would be to set up a privately funded, nonpartisan group totally separate from the federal government, which could assemble the best minds in the nation to offer independent analyses of problems, together with expert opinions and policy options.

But in seeking to underscore the independent theme of the Institute for Congress, as it has been named, the experts in residence would serve only short tours of duty to prevent the creation of an entrenched bureaucracy, and they would be paid by private foundations rather than by federal funds.

Rep. John B. Anderson of Illinois, who as chairman of the House Republican Conference has been involved in the institute's founding, said such a group was needed "if Congress is expected to become coequal partners with the executive in formulating national policy."

The rationale was expressed slightly differently by Alton Frye, one of the institute's 15 trustees, who explained that "if Congress is going to make its constitutional authority effective it must make its intellectual authority effective."

The idea for the institute was spanned by four former presidential aides and Frye, a historian, who for three years have been gingerly but steadily advancing the notion that Congress desperately needs outside help in making decisions.

This month the institute formally announced its incorporation, opened a small office at the Carnegie Endowment for International Peace, named its board of trustees, outlined its plans for the next few months and obtained tax-exempt status from the Internal Revenue Service.

Martha W. Griffiths, the former Democratic congresswoman from Michigan who is chairman of the institute's board of trustees, said the group will aim "to build up a credible, objective viewpoint on the nation's problems."

"The General Accounting Office and the Legislative Reference Service (both arms of Congress) can do and do do good work, but they are not set up to undertake the mission-oriented, think-tank type of approach that we want," Griffiths said.

"* * * We want to start with a small staff of administrators led by a renowned scientist—the very best we can get—and then contract with experts to work on problems," she added.

William D. Ruckelshaus, the first administor of the Environmental Protection Agency who later became acting director of the Federal Bureau of Investigation, then deputy attorney general in the Nixon administration before his resignation, is vice chairman of the institute's board of trustees.

"The sole client of the institute would be Congress," said Ruckelshaus, who now practices law here.

He said the institute would choose areas of investigation through "an advisory committee composed of the chairmen and the ranking minority members of the major congressional committees."

"The candidate problems would in turn be screened through the board of trustees, then experts would be contracted who then would make legislative recommendations as well as provide ramifications to society and other options," he added.

[From the Los Angeles Times, Jan. 13, 1976]

CONGRESS IS THINKING

Congress, responding more to public pressures than to innate desire for reform, has made considerable progress toward becoming a stronger, more equal partner with the executive branch in the responsible exercise of power. But it still suffers from some serious handicaps.

One is the proliferation of committees and subcommittees in recent years. Overlapping jurisdictions have been the result, with a built-in inability to come sensibly to grips with such complex and controversial issues as energy. This is a fault that members of Congress show little interest in correcting.

Another problem is that Congress simply does not have the intellectual resources to carry out its constitutional responsibilities in a framework that looks beyond the next election. But congressional leaders are showing interest in doing something about this.

With support from both the Democratic and Republican leadership, initial steps have been taken toward creating an Institute for Congress—a think tank that would do for the legislative branch what such organizations as the Rand Corp. have long done for the Pentagon and other agencies of the executive branch.

The institute has already been incorporated as a privately funded, nonprofit organization to provide Congress with independent analyses, expert opinions and policy options.

Those instrumental in creation of the institute include James R. Killian Jr., chairman-emeritus of MIT Corp. and onetime science adviser to President Eisenhower. Chairperson of the 15-member, nonpartisan board of trustees is Martha W. Griffiths, former Democratic congresswoman and highly respected member of the Joint Economic Committee. Vice chairman is Republican William D. Ruckelshaus, former head of the Environmental Protection Agency.

The institute hopes to obtain foundation support for the first three to five years of operation, during which there would be no cost to the taxpayers. After that, it would operate on research contracts with Congress—its sole client—with the areas of investigation being chosen through an advisory committee composed of the chairmen and ranking minority members of the major congressional committees.

Whether such an institute would accomplish anything that could not be done by a properly funded and properly staffed Library of Congress is debatable at this point. If the institute gets the foundation seed money it needs, the experimental period should provide the answer.

Griffiths argues that the advantage of the institute would be the independence of the experts who, it is hoped, will be recruited to staff the institute on a revolving basis. As she explained, "We want to hire outstanding specialists, have them work on a specific problem and then have them return to their old positions so they won't sit around the institute and justify their positions."

No amount of expertise will change the fact that members of Congress, elected from regional and local constituencies, find it difficult to take a truly national perspective on national problems. This is inevitable, and it is not altogether bad.

Even so, the quality of legislation would improve if legislators had a better understanding of the long-range ramifications of their votes. As one institute official put it, "If Congress is going to make its constitutional authority effective, it must make its intellectual authority effective."

[From the Daily News, Dec. 15, 1975]

A Better Idea To Improve Congress

(By J. F. Terhorst)

WASHINGTON.—The nation's capital always teems with proposals for improving governmental performance. Every once in a while there actually is a good one, even an exciting one.

Such is the case with the "Institute for Congress" which quietly came into existence last week after three years of planning. It proposes to equip busy congressional committees with the same kind of intellectual armor that for years has permitted executive agencies to outsmart and outthink Capitol Hill in the handling of complex problems ranging from defense policy to crime prevention and social welfare. And, in the process, the institute might even produce better government.

To everyone concerned with the need to elevate the quality of debate and decision-making by a coequal branch of government, the Institute for Congress must rank as a new venture deserving of strong public support.

As conceived by a bipartisan group that is painfully and personally aware of congressional shortcomings, the institute proposes to be "a nonpartisan, private organization directed exclusively to providing Congress with independent, objective and systematic analysis of public issues and purposes."

In coming weeks, it will begin assembling an expert staff of analysts from academic and private research institutions—individuals with outstanding intellectual achievement and ability—and put this staff to work on specific problems confronting Congress: national security policy, environment and natural resources, health and welfare and all the social and economic implications of the multibillion-dollar decisions that the executive branch and Congress are called upon to make.

There will be an initial tendency to regard the institute as just another "think tank" operation, like the Brookings Institution, Rand, the American Enterprise Institute and similar organizations with the nation's top universities. These already flood Congress and executive agencies with lofty concepts and expertise on a multitude of issues to a point of saturation and mental fatigue—and often with an overlay of ideological bias.

A BRAND NEW APPROACH

That's where the institute proposes to be different. First, it would only undertake assignments requested by the congressional leadership and the chairmen of the top committees. Second, it would provide integrated studies of multifaceted problems that now span many committee jurisdictions and produce only chaos or partial solution.

For example, the energy problem on Capitol Hill is divided among 30 committees of the House and Senate. National health legislation, in the House alone, is splintered among seven standing committees ranging from Ways and Means to Agriculture and Science and Astronautics.

How will Congress and the individual lawmakers be able to pull all the pieces of policy together into a coherent whole, so that when Congress acts in a field it knows the real implication of what it's doing?

That question was recently posed—and answered—by two of the prime movers behind the institute concept, former Reps. Martha W. Griffiths (D-Mich.), an expert on tax policy and women's issues, and William D. Ruckelshaus, former head of the Environmental Protection Agency and deputy attorney general.

Mrs. Griffiths and Ruckelshaus have been elected chairman and vice chairman, respectively, of the 15-member board that will guide institute policy in conjunction with a congressional advisory council. Among the prestigious members of the board are Lucy Wilson Benson of Boston, former president of the League of Women Voters; Ben W. Heineman, Chicago industrialist; Leon Jaworski, former Watergate special prosecutor; Clarence Mitchell, NAACP director in Washington; Harry McPherson Jr., former counsel to President Johnson, and Cyrus Vance, former deputy defense secretary.

RELY ON PRIVATE CONTRIBUTIONS

Big names, of course, are not a guarantee of success, and the board knows it. To test the concept, the organizers of the institute contemplate a five-year "experimental" operation with funds to be raised from private foundations. To attract a high-caliber professional staff of 80 persons, the institute will need $22.5 million in private funds.

If by 1980 the institute has lived up to its billing, its continued existence will depend on contractual support from Congress. If it fails to perform its mission by then, it will "self-destruct," according to Mrs. Griffiths.

That could happen, of course. Congressional staffing is already huge, having grown from 4,500 to 16,000 persons in 20 years, with an eight-fold increase in its operational budget.

Moreover, politics is certain to be present even with an institute to help Congress understand the issues before it. In the end, it will be up to Congress to decide whether it truly wants to become the equal of the executive branch and wants to find ways to overcome its own fragmentation in dealing with little pieces of broken problems.

[From the New York Times, Dec. 28, 1975]

Institute Set Up To Provide Specialists To Aid Congress: Party Leaders Back Privately Funded Panel To Allow Academics To Offer Objective Analyses and Advice

(By Richard D. Lyons)

WASHINGTON, December 27.—Congress, which some legislators contend is lacking in original thought, has become a willing co-sponsor of a proposal to create a system that would allow academicians to give unfettered advice to senators and representatives.

The idea, which thus far has met with the approval of the Democratic and Republican leadership in both the Senate and the House, would be to set up a privately funded, nonpartisan group totally separate from the Federal establishment that could assemble the best minds in the nation to offer independent analyses, expert opinions and policy options.

But in seeking to underscore the independent theme of the Institute for Congress, as it has been named, the experts in residence would serve only short tours of duty to prevent the creation of an entrenched bureaucracy, and they would be paid by private foundations rather than with Federal funds.

Representative John B. Anderson of Illinois, who as chairman of the House Republican Conference has been involved in the institute's formation, said such a group was needed "if Congress expected to become co-equal partners with the Executive in formulating national policy."

INTELLECTUAL AUTHORITY

The rationale was expressed somewhat differently by Alton Frye, one of the institute's 15 trustees, who explained that "if Congress is going to make its constitutional authority effective, it must make its intellectual authority effective."

The idea for the institute was spawned by four former Presidential aides and Mr. Frye, who is a historian. For three years they have been cautiously but steadily advancing the notion that Congress desperately needs outside help in making decisions.

This month the institute formally announced its incorporation, opened a small office at the Carnegie Endowment for International Peace, named its board of trustees, outlined its plans for the next few months and obtained tax-exempt status from the Internal Revenue Service.

Martha W. Griffiths, the former Democratic Representative from Michigan who is chairman of the institute's board of trustees, said the group would aim "to build up a credible, objective viewpoint on the nation's problems."

The General Accounting Office and the Legislative Reference Service, both arms of Congress, "do good work," Mrs. Griffiths said, "but they are not set up to undertake the mission-oriented, think-tank type of approach that we want."

FOR SPECIFIC PROBLEMS

Mrs. Griffiths, who retired from Congress early this year after 20 years of service and now practices law in Farmington Hills, Mich., said, "We want to hire specialists, have them work on a specific problem and then have them return to their old positions so they won't sit around the institute and justify their positions.

"We want to start with a small staff of administrators led by a renowned scientist—the very best we can get—and then contract with experts to work on problems."

William D. Ruckelshaus, the first administrator of the Environmental Protection Agency and later acting director of the Federal Bureau of Investigation and Deputy Attorney General in the Nixon Administration, is vice chairman of the institute's board.

"The sole client of the institute would be Congress," said Mr. Ruckelshaus, who now practices law here.

He said the institute would choose areas of investigation through an advisory committee composed of the chairmen and the ranking minority members of the major Congressional committees.

The suggestions would then be screened by the board of trustees, and experts would be hired to "make legislative recommendations as well as provide ramifications to society and other options," Mr. Ruckelshaus added.

OVERLAPPING ROLE

He noted, as have other critics, that the committee system in Congress has led to overlapping authority in many key areas, hampering both the drafting of legislation and the establishment of broad Congressional policy on issues.

Congress has almost 300 committees and subcommittees whose members are extremely jealous of their legislative prerogatives. A jurisdictional battle between the House Commerce Committee and the Ways and Means Committee, for example, has snagged national health insurance legislation all year.

"In the area of energy conservation, six different committees deal with it in some way and it is extremely difficult to resolve problems," Mr. Ruckelshaus said.

He attributed the genesis of the institute idea to five men: Cyrus R. Vance, president of the Association of the Bar of the City of New York who served the Kennedy and Johnson Administrations.

Harry C. McPherson, Jr., a lawyer who served in the Johnson Administration.

Gordon J. F. MacDonald, an environmentalist and professor at Dartmouth who served in the Nixon Administration.

James R. Killian, former president of the Massachusetts Institute of Technology who served in the Eisenhower Administration.

Mr. Frye, an author and scholar who has served as a Senate aide.

YEARS AGO

According to Mr. Frye, the group started meeting three years ago with Senate and House leaders, including Representative Gerald R. Ford, then the House minority leader.

"We explained the idea for a not-for-profit group that would serve in a university-like atmosphere, and the reactions ranged from very enthusiastic to cautiously affirmative," he said:

Mr. Frye, who is serving as the acting administrator of the institute, said: "In the fall of 1973 we met with 16 foundations to determine how they felt. Their collective reaction was that it was a great idea, but they expressed concern that private foundations should work so closely with Congress." He added that this was partly resolved by the I.R.S. ruling last week.

The group then discussed the concept with more than 100 other senators and representatives, Mr. Frye said, and found that there was "broad support by the Congressional membership."

"By this coming spring we will have consulted with a sizable number of private foundations in an attempt to develop a consortium of foundations to underwrite the expenses of the institute," he said.

THREE YEARS' FUNDING

In a policy statement three weeks ago, the trustees said they would seek to raise $11.5 million for the first three years of operation, beginning at the end of 1976.

"In addition to experienced professionals from the legislative and executive branches, the institute will seek to recruit from the academic and private research community individuals of outstanding intellectual achievement and ability," the statement said. "A five-year experimental phase is envisaged, building to a professional staff of 80 persons with $22.5 million funding over the five years."

The other trustees are:

Lucy Wilson Benson, Secretary of Human Services in Massachusetts.

William T. Coleman, Secretary of Transportation.

William D. Eberle, president of the Motor Vehicle Manufacturers Association.

Ben W. Heineman, president of Northwest Industries.

Craig Hosmer, former Republican Representative who is president of the American Nuclear Energy Council.

Leon Jaworski, Houston lawyer and former special Watergate prosecutor.

Clarence M. Mitchell, Jr., local director of the National Association for the Advancement of Colored People.

Richard B. Ogilvie, Chicago lawyer and former Governor of Illinois.

William B. Spong, former Republican Senator from Virginia who practices law in Portsmouth.

SENATOR GOLDWATER ADDRESSES THE NATIONAL SPACE CLUB

Mr. GOLDWATER. Mr. President on February the 4th it was my pleasure to have been the speaker at the monthly meeting of the National Space Club. Instead of speaking on the subject of space which, of course, is dear to my heart, I spoke on another subject relating to the abuses that some Members of the Congress heaped and still heap upon the man in uniform. I ask unanimous consent that these views be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

From Office of Senator Barry Goldwater.
For: National Space Club, Army Navy Club, February 4, 1976.

Congressional stone throwers who attack legal and earned benefits of our soldiers, sailors, and airmen should remember the little-known and often blatant privileges enjoyed by legislators in this glass house on the Hill.

These hypocrites seek to get their names in print and their faces and voices on TV and radio by sarcastic and demeaning assaults on our servicemen. They assail proper inducements given to members of the armed forces to help in recruiting, to maintain morale, and to make the entire career military service more effective and attractive.

They indulge in low humor and sneers unworthy of members of the House and Senate.

These attacks are hypocritical, for no group in the United States has more fringe benefits, allowances—call them what you will—than members of Congress. Moreover, we voted them for ourselves, often as amendments to other legislation, and without fanfare.

There were no press releases, no letters to our districts or states, when we slipped by a new or enlarged benefit.

And in all this groveling about military allowances, I have not read one critical word in the Congressional Record about our own side benefits. They range all the way from free shoe shines and haircuts to ascending amounts for travel, greatly increased staff allowances, and political contributions available for special purposes.

Almost every fringe benefit given the men and women in the Army, Navy, Air Force, and Marine Corps is being questioned, even including the pay scale and retirement provisions. Medical care has not escaped unscathed. Neither have military commissaries, travel, bonuses for enlistments, or service purchasing policies.

Other diatribes cite unsubstantiated examples of stupidity, always out of context, to denigrate the men in the service:

"The Navy bought buoys too big to carry on submarines. The Joint Chiefs of staff has too many officers. The Department of Defense wasted money on a bicentennial film. There are too many high ranking officers. It would be cheaper to buy cars in Europe rather than lease them."

On and on. On and on.

Most of this is carping, cheap and unfair. One low-humor press release criticized construction of a reviewing stand said to be "splinter free" for the "brass." Then came the sneer that in this instance the "military was scraping bottom."

We, not the military, are "scraping bottom" when we indulge in such pettiness.

I wish to make it plain that I regard service in the Senate or House as one of the most important jobs in the United States. The way in which we conduct ourselves and the country's business probably will determine what happens to our democracy, and no doubt individual freedom in the rest of the world. I don't believe our $44,265 salary is excessive. In view of the pressures upon us, and the problems we are asked to solve, the pay is too little.

Unfortunately, we have not had the guts to increase our salaries openly, after a frank and open discussion. Instead we hoist our income by means that in some instances are furtive and underhanded and secret.

Witness the pay raise in the first session of the 94th Congress during a time of severe unemployment and inflation. While some called loudly for restraint and austerity, the Congress set a tacky example for the unions and others to follow. We got our raise by cloaking it behind the cost of living raise for civil servants.

The members of Congress, most of us, are stone throwers by trade and habit. We seem to forget that we live in a gigantic glass house, and that public esteem for us has been lowering steadily in the fallout from Watergate and expensive programs that fail.

Some of our rock throwers worry volubly about military commissaries, avoiding the fact that we have heavily subsidized Senate and House restaurants. Some attack post exchanges, conveniently forgetting our own basement stores which sell at reduced prices. We have free haircuts and free towels, and even add gratis combs and hairbrushes. We, too, have fine gymnasiums, and excellent swimming pools. Pictures for display in our offices are framed free of charge. If our tastes run in that direction, we can get free potted plants from the Botanical Gardens.

Time and time again, retiring officers are lambasted for joining defense industries. They are portrayed as ex-Admirals and Generals on huge retirements hired to subvert honest procurement of military hardware. I have a large acquaintanceship with our general and flag rank officers. They serve with distinction and integrity unmatched anywhere—especially on our Hill. And except in rare instances, they maintain that integrity in their civilian jobs.

But who among the stone throwers criticizes ex-legislators who join big-fee lobby and law firms downtown. The lawyers among them are not hired primarily because of their great legal skills. They are sought out because they know the ropes on the Hill; they have special privileges on the House or Senate floors; and they have friendships that pay off for their employers.

Should these ex-members be immune from Congressional criticism while their military counterparts, also ex-public servants, are assailed as sinister corner-cutters?

Is a former Congressional colleague using his special knowledge to influence a Senator or Congressman on legislation more or less proper than a retired colonel or major talking to a former military colleague on behalf of his company?

Explain that to me!

Like most propaganda, true or false, attacks on the military are effective.

While we see to it that Congressional side benefits climb sneakily upward, traditional assistance for service men and women, and their dependents, descends.

Military hospitals have been forced to reduce medical care, or put dependents on clinic status. Under the CHAMPUS program, a service member pays $100 per family, plus 20 percent of additional allowable charges. Retirees, long ago guaranteed medical care upon retirement, pay 25 percent after initial charges.

At the Capitol, legislators have fine medical offices, courtesy of the taxpayers. We get free medical examinations on a priority basis; no waiting. Free prescriptions are included. And if we are ill, two the finest hospitals in the world are available—Walter Reed and Bethesda Naval. The charge is $60 per day, including any surgery we need. The government also pays 40% of our group health insurance.

This deal wasn't guaranteed in our enlistment papers, and I doubt if it will be rescinded to achieve "efficiency" in the Congrass.

Yet the CHAMPUS program for our servicemen has been cutting services to save money:

Orthodontics—eliminated.
Psychiatric care—reduced.
Special education—eliminated.
Learning disabilities—excluded.
Pastoral services—eliminated.

A recent proposal, now underground but not permanently buried, would jump inpatient care for service dependents from $3.50 a day to approximately $21 to $50 a day, depending on rank.

Now consider proposals to levy state and local sales and excise taxes on commissary and exchange purchases, now excluded because of the stores' location on federal property. Or the demands to force the military to withhold state and local income taxes.

And how about Congress? We pay no income tax to the District of Columbia, even if we live within the federal city.

And we are allowed a $3,000 tax deduction for living expenses away from our home states.

Look at retirement, a traditional inducement for the career military establishment.

Military retirees now receive less than their federal civilian counterparts of like service. Older retirees get 35% less. And there are proposals to reduce the military retirement formula in the future.

Have any of these Congressional sharpshooters proposed cutting their pensions?

Do not be naive.

After five years, a federal legislator can retire at 12.5 percent of full salary. That's more than $5,500 a year at current levels. And after 32 years, he can get up to eighty percent. We contribute eight percent of salary toward this pension, and the government matches it.

The Defense Department has just eliminated one Army benefit we don't have and probably could never earn. That is superior performance professional pay for enlisted members. Such pay—$50 a month—went to the top 20 percent in combat arms and the top 10 percent in combat support units.

Also gone under the barrage of cheap propaganda are educational benefits for servicemen. The undergraduate degree program that helped enlisted men and women attend college for up to 18 months to complete a baccalaureate degree has been eliminated. Another contemptible trophy for the stone throwers is the disappearance of the U.S. Armed Forces Institute, which provided for high school and college testing, high school and college correspondence courses, centralized recordkeeping and textbooks.

On the other hand, each Congressman is supplied with a $1,000 set of law books that are his to keep when he leaves office. (He or she can pack the books in the handsome, custom-made storage trunks presented free for each year of service.)

Much criticism abounds because some ranking officers have chauffeur services. Well, so do our congressional leaders. And our parking garages are magnificent. Throw in parking spaces for our staffs, and we have a situation where an ordinary taxpaying citizen can't find a spot to park anywhere on the Hill or at the airports.

And for those who moan about space available travel for the military, I refer them to recent press reports of congressional study missions to every part of the world at vacation time.

Which reminds me that military personnel are on call always. They are sent to all parts of the world, usually without their families. And their duty hours extend way beyond 40-hour weeks. The service people don't belong to the Tuesday to Thursday Club that normally cripples consideration of legislation on the Mondays and Fridays that find so many of us absent.

Other press release bellyaching covers domestic assistance for ranking officer. Up here on the Hill, we have been increasing our staffs and our committees so rapidly that we long ago ran out of room—but not money. And we have rooms for cocktail parties and dinner parties for free—and help when we want it—for free. We can vote that easily, and then appropriate more for more land and new buildings.

Summed up, we take pretty good care of ourselves, and congressional press releases don't indicate any of us are upset about it.

The military should not be above criticism. Abuses in the services should be exposed and corrected. But we should apply the same standards to Congress, or to any other part of the government.

Yet the petty fault-finding, outright misrepresentation, and malicious criticism do not fall entirely into the category of improving the military services. It really is part of a campaign to weaken our national defense. It is intended to slash the defense budget, which, to me, is a disastrous venture.

There is room for debate on a great national issue behind these scurrilous attacks. That issue is whether to spend more for social welfare and income transfer programs, or maintain an adequate defense.

Certain powerful groups are bringing tremendous pressure on politicians to produce more of these schemes despite tragic failures and awesome cost of Great Society programs. In these minds, defense must be weakened to pay for new experiments.

Honest men and women can differ on this issue. But let us take the question head on. It is cheap and unworthy for members to degrade military personnel, and search out military errors, no mater how small, in order to slash our defense establishment.

The man or woman who joins one of the Services knows that he or she may be called upon at any time to undertake hazardous missions. If this sounds mushy, reflect a moment. The United States has fought four major wars in this century. In the latest one, 55 thousand Americans, most in the prime of youth, died. These four wars were ordered by civilian authority, and even in Vietnam supported by Congress until political fallout became too great.

Most of these young men who died had no choice. They were drafted through legislation passed by Congress. And the career personnel died, too. Undoubtedly, if a major war comes once more, young men and women who some of us malign today will go forth to die, if necessary, for our country.

Congressmen then will praise their sacrifices, and sympathize with their families.

Our national interests need continual examination, and so does our defense budget. Perhaps we should spend more billions on income transfers and social welfare programs, taking the funds out of our defense budget.

If that is our decision, those of us who believe in a strong defense will regret it. But we will accept it if honestly decided. This is, thank God, still a democracy.

Let us, however, decide with the dignity and consideration expected of Members of the House or Senate. Let us not act toward the military like unruly schoolchildren, throwing spitballs and smearing dirty words on the walls.

Let us stop being hypocrites, demogogues, and publicity seekers about the defense issue. Let us lift it to the higher plane where it belongs.

FILMMAKING IN NEW JERSEY

Mr. WILLIAMS. Mr. President, I want to share with my colleagues the information that the State of New Jersey is well on its way to becoming an outstanding State for filmmaking. New Jersey recently created a Motion Picture and Television Commission, involving film and TV industry leaders as well as public officials, to encourage movie-making in our State. This enthusiastic body has already launched a drive to establish a full-fledged State theater network, to be largely privately supported.

These efforts will mean many new jobs for our State, which has been especially hard-hit by the recession and unemployment.

I wish to bring to the attention of my colleagues the dedicated and enterprising efforts of the New Jersey State Motion Picture and Television Commission. Mr. President, I commend to the Senate an article appearing in the Sunday Star Ledger which outlines their activities, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

PANEL MAY PLAY LEAD IN STATE THEATER

(By Robert P. Kalter)

New Jersey's Motion Picture and Television Commission may assume responsibility for the establishment of a full-fledged, privately supported state theater network.

The desirability of the project was discussed and endorsed at a three-hour organization meeting of the commission Friday at Ramapo College in Mahwah.

More than 40 industry leaders—film producers, TV directors, movie-related union representatives—and public officials gave unanimous approval to the creation of the commission to promote New Jersey as an outstanding state for film-making.

Playwright Sidney Kingsley of Oakland ("Detective Story," "The Patriots"), chosen by Gov. Brendan T. Byrne to organize and head the commission, said "our goal will be to create many, many jobs in New Jersey, jobs covering the whole spectrum of the communications industry."

He emphasized that the state would have little or no money for the commission, that its budget would be tight and that private funding would be sought to help the state agency carry out its assignment.

"When the Governor asked me to tackle this job," he said, "I presented him with two alternatives. We could create a simple 'red carpet' commission, similar to those operating in 16 other states, to seek out those companies planning to do films in New Jersey and provide them with all the facilities available. Or we could plan a more ambitious program, going beyond what other states are doing, and undertake financing of films, the building of studios and other projects."

He made it clear that he prefers to think big, and to blaze new trails. "The commission," he said, "should explore other functions and take on new projects." The state theater was one that he discussed in detail.

His idea is for the commission to take over existing theaters—perhaps as many as five—in various parts of the state. Each would be equipped with identical stages, lighting equipment and sound facilities.

"Then you could take a play and carry it to all parts of the state," he explained, "and it would play the same."

Each of the theaters, said Kingsley, "would be the state theater." . . .

He said he has already approached private foundations for funds to support the establishment and operation of a state theater and that he has met with the heads of the Arts Council of New Jersey and they have endorsed the plan.

"I've also talked to (David A.) Sonny Werblin (chairman of the New Jersey Sports and Exposition Authority) and he has offered us space at the Sports for development of an 'example theater.' It's a gift that's equivalent to a quarter of a million dollars."

Kingsley appointed Jerry Leopaldi of Verona and Robert Rubin, director of public information for Monmouth County, to head a subcommittee to seek such support for the commission's work from the 21 county governments and all of the municipal governing bodies in the state.

Leopaldi, who has been active in film making, was asked to represent the Essex County Board of Freeholders at the commission meeting.

Essex and Monmouth counties already have adopted resolutions approving the work of the commission and pledging their cooperation in its efforts to encourage movie-making in the state.

Kingsley said a full report of the meeting and a proposed plan for the commission's work would be submitted to Gov. Byrne before year's end.

"I expect that it will be reviewed and become a part of the Governor's keynote message next month," Kingsley said, referring to Byrne's formal address to the Legislature.

The Governor asked the playwright to establish a commission after a series of articles in The Star-Ledger told how other states were adding millions of dollars to their economy and creating thousands of new jobs through state agencies set up expressly to lure the movie and TV industry to their borders.

"There is something more to the work of this commission than economics," Kingsley said. "But we will emphasize the economics."

He said this means the commission will have to "create an environment to make it profitable for the film makers to come here" and this will be done by cutting governmental red tape, winning labor's cooperation, providing a filmed inventory of special locations available in New Jersey and a roster of technicians and services.

Kingsley said the commission would concentrate on the "bread and butter business—educational films, TV advertising spots, industrial movies." But it will not overlook the major motion picture productions, he added.

He said the membership of the commission had not yet been firmed up, but some of those who will serve are Assemblyman Byron Baer "who has experience in the industry," singer Dionne Warwick, and Thomas Hanlon of Fort Lee, a sound engineer with more than 30 years of film-making experience.

Dr. Lawrence T. Frymire, executive director of the New Jersey Public Television Authority, said its staff has acquired valuable information and material on New Jersey locations in the past five years "and we will make this available to you and cooperate with you in every way we can."

Elliot Cohen of Roselle Park, who has worked with motion picture exhibitors for 40 years, said he was certain the theater owners would cooperate fully with the commission and support its efforts to promote film making in the state.

William J. Egan of Oak Ridge, a TV producer, said the industry would welcome the commission's activation and would respond favorably to measures that would smooth the way for movie and television activity in New Jersey.

Dr. Samuel Klein of Union used the meeting as an occasion to announce that his attorney, Nathan Friedman, a former Newark resident, had negotiated an agreement with heirs of Father Joseph Connor, for a film he plans to make on the life of the Catholic priest and songwriter.

Father Connor spent many years at Our Lady of Lourdes Church, West Orange, and wrote the music for such songs as "Taking My Sugar to Tea" and "You Brought a New Kind of Love to Me."

Klein, a pharmacist, author, radio and TV script writer and editor, knew Father Connor and intends to produce the film, "The Musical Priest," in West Orange, with Bill Bertenshaw of Maplewood, a radio and TV producer.

Union officials attending the session included Harry Schocket, international representative of the Alliance of Theatrical Stage Employees; Robert M. Hyle of Matawan, former special representative of the union; Clara L. Allen, New Jersey director, Communication Workers of America, and Bill Hancex, business agent for Local 59 of the Theatrical Stage Employes Alliance.

Schocket and Ms. Allen are vice presidents of the New Jersey State AFL–CIO.

Also pledging support to the commission were John R. Kettle, head of the Audio/Visual Unit, Prudential Insurance Co., Newark; Vince Lamberto, a producer of Shrewsburg; Ruth C. Falk of Glen Rock, president of Bergen Poets; Renee C. Martin, vice president of the South Jersey Chapter, National League of American Pen Women, as well as individual educators, writers, technicians and students.

Special Assistant to Gov. Byrne, Jacob C. Toporek, said the Governor "is 100 per cent behind the commission" and has given Kingsley "a free hand" in charting the path of the commission in its efforts to encourage film-makers to come to New Jersey.

BALANCING THE FEDERAL BUDGET

Mr. TALMADGE. Mr. President, I have received from the Georgia State Senate, now in session in Atlanta, a resolution urging Congress to balance the Federal budget.

The resolution calls on Congress to reexamine and reevaluate the fiscal policies of the Federal Government and its departments and agencies, and asks Congress not to appropriate any funds in excess of revenues collected.

This resolution is indicative of the deep concern across all of the United States, in State and local governments, in private enterprise, and among the rank and file, tax-paying American public. In short, I believe an overwhelming majority of the American people are fed up with massive, multibillion-dollar deficits in the Federal budget year after year. Working people are sick of having their earnings eroded by inflation, and elderly people are being devastated as they see the purchasing power of their savings and retirement benefits diminished to the point that it is almost impossible for them to keep body and soul together.

The line must be drawn. We have operated for far too long under the illusion that all of the country's social and economic problems will go away if we just throw more money at them. In addition, I must say, in all candor, that there are too many Members of Congress who believe that if it is good to enact some programs and spend some money, then it must be better to expand these programs and create new ones and spend more money. Moreover, we have too many people in the country today who have a bad case of the "gimmies" and who subscribe to the notion that Government is "the great provider." This is the kind of philosophy—with Government promising more than it can deliver, and the people demanding more than they are willing to pay for—that has gotten our Nation into debt to the tune of some $600 billion, far more than the indebtedness of every other nation on Earth combined.

In short, Mr. President, to put it as simply as I know how, we have got to stop spending money we do not have for programs we do not need and we must abandon the policy of trying to play policeman, banker, and Santa Claus for the whole world.

I have submitted, and other Senators have joined me in cosponsoring, including my colleague from Georgia, Senator NUNN, a proposed amendment to the U.S. Constitution to require a balanced Federal budget, except in cases of national emergency declared by Congress. I contend that such action, drastic as it may seem, is the only way to save Congress from its own spendthrift mischief. I wish I could be more optimistic about the adoption by Congress of such an amendment. But, I am realistic enough to know that it is not likely that Congress at this time would be willing to vote for real fiscal responsibility, instead of just talking about it. I do feel, however, that if such an amendment were submitted to the States for approval, it would be readily ratified.

Mr. President, on behalf of Senator NUNN and myself, I bring the Georgia Senate Resolution to the attention of our colleagues, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

GEORGIA STATE SENATE
RESOLUTION 244

A resolution urging Congress to balance the national budget; and for other purposes.

Whereas, Congress will, at an early date, consider the budget for the 1977 fiscal year for the Federal Government; and

Whereas, our Federal Government has had a budget deficit for the past 16 years, except for the year 1969, the deficit for 1975 being 43.6 billion dollars according to the "U.S. News & World Report" in its issue of January 5, 1975, with an anticipated deficit of 74.1 billion dollars in 1976; and

Whereas, new congressional budget committees will, at this session, take over the task of supervising spending and taxes under rules reconstructing the congressional budget-making process; and

Whereas, it is hazardous to budget and spend more moneys than revenue collections; and

Whereas, New York City is a flagrant example of unsound fiscal management which ultimately leads to default and bankruptcy; and

Whereas, it is imperative that the Congress of the United States reexamine and reevaluate the fiscal management policies of the Federal Government in an effort to bring expenditures into line with revenue collections. Now, therefore, be it

Resolved by the Senate, that this Body does hereby urge the Congress of the United States to reexamine and reevaluate the fiscal management policies of the Federal Government, its departments and agencies. Be it further

Resolved, that Congress is urged not to make any further appropriations which will be in excess of revenues collected so as to give the Federal Government a balanced budget. Be it further

Resolved, that the Secretary of the Senate is hereby authorized and directed to forward an appropriate copy of this Resolution to each member of the Georgia Congressional Delegation.

THE ENVIRONMENTAL PROTECTION AGENCY

Mr. TOWER. Mr. President, I feel at somewhat of a loss as to where to begin in discussing the problems I see with the Environmental Protection Agency. The problems are so numerous as to defy organization within the few minutes I have to speak here.

It might be most profitable for me to address, however, two aspects of EPA regulation which have had the greatest impact in my State of Texas. In both instances, the result of the regulation was to reduce public confidence in the agency, and to thus render its job immensely more difficult.

Before I get into specifics, however, let me say that I have the strongest belief in the need for environmental protection, and in many cases, EPA has done the best job it could do, given its statutory responsibilities. The problem is not one of mission. For we all surely believe that this Nation must continue working to clean up the environment.

The problem as I see it, is one of perception of responsibility. EPA, through the regulations it has issued regarding dredging and filling in navigable waters, and in the registration of agricultural pesticides, has acted in such a way as to demonstrate that the agency has little sense of balance or perspective. The result of this one-dimensional attitude is a regulatory policy that disregards costs in search of elusive benefits.

In the last year, my office has received hundreds of letters saying that EPA should be abolished. This is not a large number of letters, but it is a persistent voice of frustration from people who feel that EPA has gone off the deep end, who feel that whatever benefits may accrue to EPA's continued existence, those benefits are outweighed by the continued betrayel of the public trust by EPA.

I am concerned by such mail, because it tells me that the public, or at least a vocal segment of it, is so frustrated with EPA that it is willing to give up the gains which we have made in cleaning up the environment, and which we will achieve in the future. Instead of "throwing the baby out with the bath water" we should aim our efforts at cleaning up that baby and teaching it to be a responsible adult.

I believe that these people have a right to be frustrated. In the last year, EPA's actions have led me to believe that there is no concern at that agency for the persons who will bear the brunt of their regulation. There is, in my opinion, a callous disregard for the average farmer, for the average suburban homeowner, who will have to comply with a maze of regulations. This callousness does not instill public trust, it diminishes it. And when that trust is gone, we will be getting a lot more letters calling for EPA's abolition.

A case in point is the decision last year to issue new regulations concerning the dredging and filling of waters of the United States. The need for new regulations was brought about by a court decision in this city, and judging from the condition of the Potomac River, I can agree that the decision was necessary. But the court ruled that regulation of dredge and fill operations must extend beyond the truly navigable waters of the United States to the intermittent streams of every State to the stock ponds dotting farmlands throughout the country.

For nearly a year, EPA labored with the Corps of Engineers to bring its regulations in compliance with the court order. Hearings were held at which hundreds of Texans commented, as well as thousands of people throughout the country. There was no lack of constructive comment. In fact the written comments addressed to the agency in the summer alone numbered more than 4,000.

The overwhelming consensus of those comments was that the new regulations should avoid as much as possible a system which would require burdensome and time-consuming delays in obtaining the needed permits. The comments said that wherever possible, EPA should allow the individual States to do the job according to EPA guidelines.

The response to the hearings was so overwhelming that the EPA said substantial changes would be made in the draft regulations, changes which would exempt normal agricultural and silvicultural activities from the requirements.

When I heard about the exemption touted by EPA, I was extremely gratified. It appeared that, for once, a regulatory agency was indeed listening to the needs and desires of the public which it serves. I should have known better.

The second draft of the regulations came out and were subjected to public scrutiny. Let me quote from an assessment of the second round regulations by Assistant Secretary of Agriculture Robert W. Long:

> When the July 25 regulations were published in the Federal Register, there was brand new language to worry us all over again. These regulations are like the legendary hydra—you cut off one head and two grow back in its place.

The regulations, which had been developed by the EPA and Corps of Engineers, "are needless burdens on farmers already burdened by too many reports and too much government paperwork."

Long went on to say that the Corps had admitted that the average dredge and fill application will require at least 4 months to process and that "built-in delays" could extend the time still longer.

Representatives of the Corps, EPA, and the environmental groups which had brought suit to obtain new regulations, went around the country telling our farmers that they need not worry about the new regulations, that agricultural activity was exempted. When these farmers looked a little closer, they came up with a somewhat different appraisal.

On the one hand, they were told that they could build stock ponds without a Federal permit. As it turned out, such stock ponds had to be less than five surface acres of water, and that left a lot of stock ponds needing Federal permits.

They were told that plowing was exempted, but as it turned out, if that plowing interfered with a "navigable water" a permit was indeed required. And navigable waters now mean any stream that is designated at the discretion of the Federal Government, and could conceivably include any stream according to Assistant Secretary Long, "that is capable of floating a 2- by 10-inch plank after a rainstorm."

Mr. President, I do not believe that a Federal agency, be it EPA or the Corps of Engineers, has any right to try to sell its regulations at the expense of honesty. That is not the way our Government is supposed to work, and I can assure our colleagues that it will not work long if this sort of deception and misleading information continues.

I think most of our colleagues are familiar with the decision to suspend the use of chlordane and heptachlor, but I think it is instructive to go back over the details to point out how EPA totally ignored scientific evidence, how it ignored the written and oral testimony of those affected by their action, and how they totally ignored the findings of the administrative law judge which had heard the case against chlordane and heptachlor.

In 1974, EPA began a hearing into the question of cancellation of chlordane and heptachlor, two pesticides critical to the protection of corn, wheat, flax, peanuts and a host of other crops. Less than halfway through these proceedings, perhaps sensing that the tide of evidence was not going to support a cancellation, EPA said that it was instead going to suspend the use of these pesticides. There are several differences to be sure, between cancellation and suspension, but in the end, the two most important differences are the length of time given to hearing witnesses, and the ability to subpena witnesses. In both cases, the suspension hearing provides a more favorable forum for EPA, and a less advantageous position for the defendant.

As if it were not bad enough that EPA changed horses in the middle of its regulatory stream, the Agency allowed the announcement of the suspension to be made by a representative of an environmental group that had pressured EPA into taking its action. And EPA followed up by allowing false and misleading information to be published in Consumer News, a publication of the Office of Consumer Affairs. In that publication, an EPA report is quoted as saying that "EPA found heptachlor and chlordane to be cancer causing."

EPA's assertion is so preposterous as to be laughable to those familiar with the evidence, except that it was made by an agency of the Government of the United States, and it was printed in a publication paid for by public funds. And that, Mr. President, is no laughing matter.

All through the hearings, which concluded in December, EPA defended calling the suspension, by citing unspecified "new information" which had been developed which showed positive links between cancer and the chemicals. All year we were treated to EPA evaluations of its own evidence which it found to be so conclusive as to pose an imminent danger to the American public. Rubbish.

We all know, now, how valid all this EPA "evidence" was. At the conclusion of the hearings, at the conclusion of the process which EPA had engineered in its favor, what we found out was that, in the eyes of the impartial administrative judge, there was not sufficient evidence to justify a suspension. After all the evidence was in, EPA still had not been able to win its case.

But EPA was not going to stand still for the truth. It was not going to be so noble as to admit that it could be wrong. Oh no, Mr. President, EPA did no such thing. I cannot imagine the kind of pressure that must have been exerted to overturn that judge's decision, but it was there.

Mr. President, Americans should be outraged that an agency of the people could behave in such a way. Americans cannot look with pride on such highhanded behavior. And Americans have a right to demand, as they continue to do to my office and those of my colleagues, that the agency responsible for such gross dereliction be disbanded and flung to the winds.

Mr. President, I find it hard to argue with those people when I see the things that EPA does in the name of environmental protection.

If we are to prevent further deterioration of our environment, if we are to protect and enhance what we have now, we cannot afford to turn the American people off.

Ultimately, the people must support the task of environmental protection. We sometimes forget this basic truth, but it is truth nonetheless. If we are to achieve the goals we have set forth, we will not do so by dragging or pushing the public toward those goals. If we—and I mean specifically the agencies designed to do the job—cannot lead the public toward those goals, with their support and confidence, then we will never arrive. I think the job is too important to botch up, and I would hope my colleagues will agree that this Congress must protest vigorously, and act when necessary, to offset the damage done in the name of Government.

NO STRINGS ATTACHED

Mr. HUMPHREY. Mr. President, I bring to the attention of our colleagues an excellent article by Rev. Theodore Hesburgh, president of Notre Dame University, which appeared in the New York Times on February 4.

Father Hesburgh voices his concern, in which I concur, about efforts on the part of the administration to use humanitarian and development assistance as an instrument of political leverage. I have been very disturbed by recent accounts which allege that a policy is being developed in the administration which "punishes" various nations for their votes in the United Nations with which we disagree. The punishment takes the form of cutting back on restricting aid and various other exchanges between the United States and these countries. Such a policy will not work. It is of questionable moral validity.

As chairman of the Subcommittee on Foreign Assistance, I worked long and hard in developing the "new directions" approach to foreign aid. The International development and Food Assistance Act of 1975, which was enacted into law last December, clearly reflects the intention of the Congress to depoliticize foreign aid and put an emphasis on meeting the needs of the poorest of the world's poor. There are provisions in this law which insure that our aid initiatives will meet these objectives. The administration's policy is a complete negation of the entire thrust of this legislation. As Father Hesburgh says, the purpose of our humanitarian aid must be to help people, not governments; to work for a brighter global future, not to buy friendship.

Mr. President, I ask unanimous consent that the article by Reverend Hesburgh, entitled "No Strings Attached," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NO STRINGS ATTACHED

(By Theodore M. Hesburgh)

SOUTH BEND, IND.—Ambassador Daniel P. Moynihan's departure from the United Nations gives an opportunity to re-examine a basic issue: Should the United States determine its foreign policies on the basis of whether they are right and just, rather than merely politically expedient?

The Administration's decision—which apparently originated with Ambassador Moynihand—to use all United States aid, including development assistance, to punish or reward poor countries that vote against us or support us in the United Nations seems to have been triggered by the United Nations vote linking Zionism with racism, a silly and stupid resolution that deserves little more than to be condemned and summarily ignored.

In any event, the new policy is a major setback for United States foreign relations, Indeed, it is both immoral and counterproductive: Immoral because it subordinates the survival and well-being of millions of suffering human beings to winning votes on transistory political issues, counterproductive because it may well achieve the opposite effect.

Simply put, development aid cannot be used both to buy another country's support and to finance its economic and social development. To buy support, aid would have to be turned on and off as reward or punishment.

But development requires a reliable flow of aid over a period of years to support long-term changes. Once aid is cut off, technicians are brought home, research work of many years is terminated, construction projects are closed down, and university-to-university programs must be severed. All momentum is lost, and even if the aid is later renewed, the effort must begin again almost from scratch.

Those who argue that we have a right to demand support for our objectives in return for economic assistance miss the whole point of development aid. It is not something we do for other governments. Rather, it is, or ought to be, an investment we and they make together to solve certain human problems that our children and those in poor countries will otherwise inherit.

It is a small investment that an appropriate regard for posterity and the well-being of humanity demands that we make.

If the Administration wants a political slush fund, our current programs of security assistance provide just such a tool. For my part, I will have no further interest in supporting bilateral development aid if it is to be used for political manipulation rather than for the improvement of the human condition in the poorest countries on earth.

Ironically, the new policy is not simply immoral: It won't work. Anyone who has lived or traveled extensively in the developing world knows how really unlikely it is in this moment of rising nationalism that aid can be used to achieve short-run political ends. Indeed, the public unveiling of this policy has made it good politics for a developing-country leader to oppose any United States position in international forums to prove his country's independence from "U.S. neo-imperalism."

How will we apply this new policy? Will we punish countries like Iran, Brazil, Egypt, Pakistan or Nigeria—all of whom voted for the Zionism resolution? The news from Washington implies the opposite. Their raw materials (especially oil) and political influence are too important to us.

Rather, it will be the Guyanas and Tanzanias of the world that suffer our wrath, because they can't fight back. Our country will be the neighborhood bully, picking only on those small kids who can't defend themselves. What a tragic Bicentennial stance for a country that began as a small powerless nation daring to declare itself independent from the abuse of power!

That is not the kind of foreign policy I want our country to pursue. Nor I trust, do our people endorse such a bankrupt and unworthy policy. Perhaps our only hope now rests with Congress.

In recent years Congress has more and more strongly favored humanitarian and developmental uses for our foreign aid, resisting the traditional executive-branch propensity to use aid for political purposes. Last year, Congress even legislated limitations and specifications for allocating our foreign assistance among countries by reserving the greater proportion of aid for countries and peoples most in need. The new State Department policy violates that standard.

In this Bicentennial year our citizens of conscience throughout the country should reaffirm our commitment to the universal, inalienable rights to life, liberty and the pursuit of happiness—and make it good politics for Congress and the executive branch to represent these great American ideals.

FEDERAL ELECTION CAMPAIGN FINANCING

Mr. BAKER. Mr. President, notwithstanding my commitment to the doctrine of separation of powers and my deep respect for our coordinate branch of Government, I believe that the Supreme Court has delivered an unfortunate decision in Buckley against Valeo, the challenge to the Federal Election Campaign Act.

In commenting thusly, I certainly should except Chief Justice Burger, who not only would have overturned the provisions of the Federal Campaign Act imposing limitations on contributions and providing public financing of Presidential campaigns, but also flattered me by citing my remarks in this Chamber as to the politically incestuous nature of public financing. Notwithstanding Chief Justice Burger's dissent, and his prescient query as to whether the residue of the Court's holding "leaves a workable program," I respectfully submit that the Court has rendered a dubious holding and, a decision that will impact adversely upon the American political process.

Mr. President, after attempting unsuccessfully five times to amend the bill, I joined a small minority of our colleagues in voting against the Federal Campaign Act Amendments of 1974. As may be recalled, I supported a $3,000 contribution limitation with full disclosure, I opposed expenditure limitations, I opposed public financing, and I would have prohibited contributions other than by individuals. Consequently, I am pleased that the Court ruled against limitations on political expenditures; and, in view of the expansive breadth and scope of the license utilized by the Federal Election Commission in interpreting its mandate, I am pleased that the Court has provided Congress with the opportunity to reassess the nature of the FEC by finding that the method of appointing the Commissioners violates the appointments clause of the Constitution.

On the other hand, in upholding the $1,000 ceiling on individual contributions to candidates, coupled with its prohibiting limitations on so-called independent efforts to elect or defeat candidates, the Court, in my opinion, has created an untenable situation where there exists a disincentive to contribute directly to candidates, and a strong incentive to establish and finance efforts independent of the candidate and his party.

The commentators rightfully have noted the practical inconsistency in drawing a distinction between "buying an ad to praise someone and handing him money directly so he can praise himself." By restricting direct contributions while lifting the ceiling on independent expenditures, I very much fear that there will be a proliferation of "independent" efforts, many of which will be independent only in name and, therefore, will further diminish public faith in the integrity of the political process. More importantly, this distinction mitigates against the time honored and traditional form of American political expression, that is, direct participation in and support for a particular candidate's campaign, and direct participation in and support for partisan political parties. In that the Buckley against Valeo result implicitly encourages political expression independent of campaigns and parties, we may well observe a dimunition of the two-party system which has served us so well during these 200 years.

Obviously, Congress can remedy this situation by raising or removing the limitations on individual contrbutions to candidates. I, frankly, am surprised that the Court has found such limitations to be constitutional, and I think that Congress carefully should monitor the impact which the Court's decision exerts on the political process. Congress clearly erred in passing certain of the Federal Election Campaign Act Amendments of 1974, and the Court has compounded this error by drawing what I consider to be rather arbitrary distinctions between forms of political expressions. In the exceedingly sensitive area of First Amendment rights of political expression, one mistake, much less two, exceed the allowable complement. I hope that the Congress will reasonably, calmly, and dispassionately review these mistakes, including those of the Court, and return the right of the American citizen to participate in political activity to that unencumbered state in which it rightfully belongs.

APPEASEMENT AND DÉTENTE

Mr. GARN. Mr. President, nothing is of more importance than the foreign policy of this Nation. Many questions of domestic policy are critical, but in the end, unless we are successful in foreign policy, we will have no nation in which to have a domestic policy. This morning, I address some basics of foreign policy.

The current issue of Commentary magazine contains an illuminating article on the meaning and progress of détente by Mr. Theodore Draper. Mr. Draper has made a careful study of the writings and speeches of Henry A. Kissinger, both before and after he entered government, and he brings this knowledge to bear on the outcomes of the policy of "détente." In my view, Mr. Draper's analysis is stimulating and important, and needs to be considered by every Senator.

The crux of Draper's argument is that as understood by Kissinger, our present doctrine of détente has appeasement built into it, and that we cannot expect success because of that fact. The appeasement is mainly the result of the element of "incentive payments" that we have continually made to the Soviet Union under détente. The incentive payments have been made to induce the Soviets to do things that it is clearly in their interests to do anyway, argues Mr. Draper, and I must say that I quite agree with him. As he says:

> The whole theory and practice of giving "incentives" to the Soviet Union to do what it should do in its own interests or not at all was the entering wedge of appeasement. We tried to buy with gratuitous and unreciprocated favors what is not for sale, especially not in the one field that is supposed to matter most in détente—nuclear warfare.

Secretary Kissinger has asked those of us who have suggested that détente is not all it might be five questions. He asked them in such a way as to suggest that there were no answers to those questions, and I am happy to say that Mr. Draper's article provides cogent answers to them:

> (1) *What is the alternative they propose?* One alternative would be to cease and desist from the unconscionable exploitation of the word "détente," . . . It has now become an obstacle to thought.
>
> (2) *What precise policies do they want us to change?* One policy that was misconceived from the outset and should be changed without delay is that of "incentive" payments to the Soviet Union. . . . If the threat of mutual annihilation is not persuasive enough to bring one or the other side to its senses . . . immeasurably lesser incentives are at best superfluous and at worst irrelevant.
>
> (3) *Are they prepared for a prolonged situation of dramatically increased danger?* Let us recall that this question was flung out with much unction and indignation only a half-year ago. Since then the level of tension and danger has increased dramatically. . . . The Angola crisis is hardly the work of the critics of detente.
>
> (4) *Do they wish to return to the constant cries and high arms budgets of the cold war?* Mr. Draper points out that detente has done nothing to eliminate crisis in the world, and that armament has gone on apace, especially in the Soviet Union.
>
> (5) *Does detente encourage repression—or is it detente that has generated ferment and the demands for openness that we are now witnessing?* Mr. Draper points out that this question reflects a major shift in Kissinger's thought. He had long argued that it should not be a goal of our foreign policy to influence the domestic situation in other countries. He even quotes Kissinger on this point, as follows: "The tendency to justify negotiations by changes in Soviet attitude makes us vulnerable to largely formal Soviet moves."

More pointedly, we should remember that one of the fruits of détente was the President's refusal to meet with Aleksandr Solzhenitsyn. That is how détente encourages ferment within that closed society.

In short, Mr. Draper has demolished these feeble defenses of our present policies, policies which are leading us into increasingly dangerous waters. Mr. Draper's article is all the more timely because Secretary Kissinger is even now frantically trying to negotiate a second strategic arms limitation agreement. In his haste, it becomes increasingly clear that there are relatively few concessions he will not make. If there is not some shift in this ill-fated policy of détente, I foresee a time ahead when we will not have the strength to resist.

More importantly, the Kissinger appeasement saps our will to resist the most brazen acts of international banditry. The Cuban and Soviet Angola escapade is only the most current example. Unless we begin to summon the will to resist, what meager strength we retain will do us no good.

The basic thrust behind Kissinger's insistent on détente is his gut feeling that the American people have already lost that will, and that therefore we had better make the best deal we can get before the Soviets just lose patience and take what they want. He may be right. It may be that we have no longer the will, though the reaction to the Moynihan experience makes me think otherwise. Still, the mark of a statesman is that he does not give in, does not indulge in appeasement to save his skin. He issues a call for action, declares baldly the danger, and asks the people to follow him. Today, we appear to lack statesmen who will issue that call.

Mr. Draper's fine article should be required reading for anyone who wants to apply for the job. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

APPEASEMENT & DÉTENTE

(By Theodore Draper)

Appeasement became a dirty word in the 1930's. It had been, for centuries, a perfectly clean, even a virtuous term. How could a word that had meant peace and conciliation turn into its opposite? The transformation came when it began to be used in connection with the concessions to and deals made with the fascist dictatorships in the 1930's. The turning point was probably the speeches by Prime Minister Neville Chamberlain in the House of Commons on October 3 and 6, 1938. Just back from Munich, where he had agreed to tear off a vital part of Czechoslovakia and hand it over to Hitler's Germany, he spoke exultantly about "our policy of appeasement," of which the Munich agreement was to be only the first step. He looked forward to "the collaboration of all nations, not excluding the totalitarian states, in building up a lasting peace for Europe." The "real triumph," he said, was the execution of "a difficult and delicate operation by discussion instead of by force of arms."

A year later, force of arms instead of discussion made it almost impossible to say the word "appeasement" without shame and loathing. The word, of course, was not to blame. But why had it been misused? Why did it turn into such a ghastly mockery? Clearly—though this is not the whole story—because appeasement could not appease the unappeasable. In those circumstances it was betrayal and capitulation on the installment plan. The stench of the Munich agreement might not have been so sickening if it had been recognized for what it was. What made it so unbearable was its glorification, such as this memorable tribute in the London Times: "No conqueror returning from a victory on the battlefield has come home with nobler laurels than Mr. Chamberlain from Munich yesterday."

Détente is another one of those perfectly good words that, misapplied, gets a bad name. It appears to be a relatively recent importation from the French. The first citation in the Oxford English Dictionary is dated 1908. The word is usually defined as a "relaxation of tension," which may mean much or little depending on what kind of tension is being relaxed by how much. At the 1974 hearings on détente of the Senate Committee on Foreign Relations, speaker after speaker complained that the word was hard to pin down. Former Ambassador George F. Kennan said that he had "never fully understood the use of the word 'détente' in connection with" Soviet-American relations. In response, former Senator J. W. Fulbright remarked that "détente is a difficult word to have inherited in this connection, but I think we are stuck with it." Former Senator Eugene McCarthy commented that "the meaning has changed every time it is applied." Professor Marshall Shulman referred to "the ambiguities of the word 'détente,'" and Professor Herbert Dinerstein pointed out that "everyone has a different notion about what détente is." Former Secretary of State Dean Rusk said it was a "process," not a "condition." Secretary of State Henry A. Kissinger agreed that "it is a continuing process, not a final condition."[1] An academic definition has made it into "a logical spectrum of relations along which conflict either increases or decreases."[2]

Not only is it difficult even for experts to define détente but, whatever it is, it would seem to be fluctuating and ambiguous. In theory, it has been situated somewhere between cold war and rapprochement or even entente. Since détente moves uneasily between those two poles, it occupies a purely relative position, without a definite profile of its own. This conception of détente is always moving away or moving toward something else.[3] No wonder, then, that détente according to this theory has been so hard to pin down: it is by its very nature transitory and volatile.

In practice, however, the current Soviet-American détente should have a much more positive and recognizable character. The materialization of détente was supposed to be the main achievement of the summit meeting in Moscow in May 1972 at which the new phase of Soviet-American relations was formally inaugurated. It consisted of three agreements—military, commercial, and political. The military agreement took the form of SALT I, providing in principle for quantitative parity in antiballistic missiles. The commercial agreement set up a U.S.-USSR commission to promote trade and development of economic resources. The political agreement was embodied in the "Basic Principles of Relations Between the United States of America and the Union of Soviet Socialist Republics." These three agreements gave this détente some substance and delineation. Détente could not be all that vague and ambiguous if it had "Basic Principles," no matter what they might be or whether or not they were lived up to.

Most of the debate on détente has made it appear that the only alternatives are détente and cold war. Any criticism of the current version of détente is sure to bring forth in tones of incredulity the horrified challenge: "Do you mean to say that you want to go back to the cold war?" *That the cold war may not be the only alternative to détente seems to have escaped notice. It might* also be asked, with equal incredulity and horror: "Do you want to go back to 'appeasement'?" In fact, an even more incredible question to some might be: "Do you realize that appeasement was built into détente?" Let us see.

II.

Détente has been so confusing not because there is a lack of definitions and interpretations but because there have been too many. There is not only an American version but different American versions. There is not only a Soviet version but different Soviet versions.

The original American theory of détente was developed, largely by Henry Kissinger, in 1972. The main concept behind it was the "linkage" of the military, the economic, and the political. The idea, as he explained it, was "to move forward on a very broad front on many issues" in order to create many "vested interestes" on both sides.

After the Moscow "linkage," Kissinger was euphoric. He extolled SALT I as an "agreement without precedent in all relevant modern history." The summit meeting had been so successful, he reported that the American side had achieved all that it had planned and had expected to achieve, "give or take 10 percent"[4]—an extraordinary record for any diplomatic conference. For Prime Minister Chamberlain, Munich had brought "peace in our time." For President Nixon, Moscow had made possible "a new structure of peace in the world."

The second thoughts were not so ecstatic. It became increasingly clear that SALT I had been little more than a promissory note. In 1974, Secretary Kissinger himself said that, if a more far-reaching follow-up nuclear agreement were not reached "well before 1977, then I believe you will see an explosion of technology and an explosion of numbers" of fearsome proportions.[5] In that same year, Professor George B. Kistiakowsky, one of the most eminent and experienced experts in the field, testified: "The SALT I agreements do not inhibit or limit the strategic-arms race. They merely channel it into such directions as each side perceives to be militarily most advantageous to it." He characterized the antiballistic-missile treaty as "to a large degree another agreement not to do something that neither party want to do anyway."[6] Despite the onrush of 1977, SALT II shows no signs of coming through in time to stop the technology-and-numbers explosion.

SALT I may have been oversold, and, to that extent, may have made the "linkage" with the commercial agreement even more expensive than it needed to be. But even if SALT I had been all that Kissinger had hoped for it, its linkage with the commercial agreement would still have been based on a theory that built appeasement into détente. It is this aspect of détente that should be more clearly understood.

On the American side, it was always recognized that the Soviets were mainly interested in détente for economic reasons.[7] The basic Soviet reason flowed from a declining rate of growth and productivity. According to official Soviet data, this rate fell from 10.9 per cent in 1950–58 to 7.2 per cent in 1958–67 to 6.4 per cent in 1967–73; Western recalculations of the Soviet figures show the actual decline to be from 6.4 per cent in 1950–58 to 5.3 per cent in 1958–67 to 3.7 per cent in 1967–73.[8] By 1966, the problem was already so troublesome that Prime Minister Aleksei Kosygin had called for abandonment of economic isolationism to prevent the Soviet economy from falling too far behind. A key reason for the Soviet dilemma was the failure to keep up with the advanced technology of the West. At first the Brezhnev regime had tried to overcome this weakness through earlier détentes with France and Germany. But by 1972, the American-Soviet détente made the United States the main source of scientific-technological transfer.

There was, however, a hitch. The Soviets were unable to pay for what they wanted. They demanded large-scale, long-term U.S. government credits at abnormally low interest rates. They sought most-favored-nation status without being able to reciprocate. They wanted the delivery of entire factories and plants on terms which meant that the

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Footnotes at end of article.

Soviet Union would do all the owning and the Western donors would take all the risks. If anything went wrong, the Soviet Union and a few favored capitalists could not—and only the American taxpayer would—lose.[8]

This situation was made to order for one of Kissinger's beguiling theories—at least, enough people were beguiled to put it across. It was the theory of "incentives." According to Secretary Kissinger, the Soviets were advised in 1970 and 1971, in advance of the agreement on détente, that they could get paid off in credits and most-favored-nation treatment "if they engaged in what we considered responsible international behavior." [9] A Kissingerian formulation of the incentive-payment theory went as follows:

"We see it [economic relations] as a tool to bring about or to reinforce a more moderate orientation of foreign policy and to provide incentives for responsible international behavior and, therefore, it has to be seen in this context." [10]

An academic exponent of détente explained for popular consumption that trade, technology, and investment "would serve to offer a continuing incentive to Soviet leaders to accept the constraints of a low-tension policy." These incentives could be "regulated," he assured his readers, so that "our resources are not used to strengthen Soviet military capabilities"—as if it were possible to draw a line between the civilian and military uses of natural gas, petrochemicals, computers, and truck factories—and so that "the political competition is conducted with restraint"—as if restraint were not as much in the Soviet as in the American interest without incentive payments.[11]

The most important American incentive payments to the Soviets have been economic. This relationship has been inherently unequal. If all went well, Americans could benefit through profits and jobs. So far, many deals have failed and a few have succeeded, so that the profits from increased Soviet-American trade have gone to a few favored or fortunate entrepreneurs. The Soviets, however, have an altogether larger stake in the relationship. They want to get out of it a structural change in their economy and a bail-out mechanism for their agriculture. This economic exchange is not an ordinary one; the Western contribution to the Soviet economy is heavy with political and military significance.

The most recent study by Professor Marshall I. Goldman of how the economic détente has worked is not reassuring. Professor Goldman is not an enemy of détente or of Soviet-American trade—quite the contrary. Yet his cautionary analysis of what has been going on in the name of détente is most disturbing:

"The types of goods and the types of negotiating tactics the Russians tend to use in purchasing goods from the United States make it possible for the Russians to obtain high technology products for bargain prices that no other buyers could cajole. Moreover, much of the technology and sometimes the products themselves have been heavily subsidized by the American taxpayer. The initial subsidy for development and production, the bargain prices, and the subsidized interest rate of the Export-Import Bank means that the Russians are often able to obtain a triple subsidy on their American purchases."

These advantages, Professor Goldman adds, have an important political component built into them.[11a] One does not have to believe that the Soviets obtain all the benefits to see that the incentive theory works mainly in the Soviet's favor.

Curiously, the Soviets never bothered to develop a similar theory or practice vis-á-vis the United States. In fact, the Soviets have pursued a contrary course, at times most inconvenient for the United States. For example, until March 1974, months after the Arab-Israeli war was over, the Soviets urged the Arab oil producers to continue their embargo against the Western states and Japan.[12] This Soviet exhortation was not a mere peccadillo; it was a potentially deadly attack on the economic lifeline of the Western powers and Japan. The incentive theory seemed to work only one way.

Kissinger had another theory which should have made incentive payments unnecessary. It was the theory of "marginal advantages." He first produced it during the 1972 summit meeting in Moscow and kept repeating it until events proved it to be a conceptual breakdown instead of a conceptual breakthrough. In one of his clearest formulations of this embarrassing memory, he maintained that "to the extent that balance of power means constant jockeying for marginal advantages over an opponent, it no longer applies." He explained why:

"The reason is that the determination of national power has changed fundamentally in the nuclear age. Throughout history, the primary concern of most national leaders has been to accumulate geopolitical and military power. It would have seemed inconceivable even a generation ago that such power once gained could not be translated directly into advantage over one's opponent. But now both we and the Soviet Union have begun to find that each increment of power does not necessarily represent an increment of usable political strength." [13]

This theory made the whole Kissingerian system of détente seem absurdly easy to operate. It was, in fact, a "self-regulating mechanism"—the diplomatic equivalent of perpetual motion. It ruled out "marginal advantages and "increments of usable political strength" in the nuclear age by making them inherently "unrealistic" and catastrophically "dangerous." [14] Unfortunately, the Soviet leaders again failed to respond with a similar theory. Only a year later, their policy and actions in the Middle East were clearly based on an altogether different theory of what the nuclear age permited in the way of struggling for "marginal advantages." Kissinger himself must have recognized that his theory, not "marginal advantages," was unrealistic and dangerous or he would not have bothered to respond to Soviet actions in the Middle East or Angola. After all, he should have reasoned, the Soviets were going after unusable and intangible "increments of power."

As if all this were not troublesome enough, Kissinger produced another, contradictory theory. In his testimony at the Senate hearings on his confirmation as Secretary of State, he delivered himself of this rule:

"But assuming the present balance holds, and granting the strategic significance of what we had both agreed upon, the increasing difficulty of conceiving a rational objective for general nuclear war makes it, therefore, less risky to engage in local adventures." [15]

One theory said that the nuclear age made "marginal advantages" unnecessary to worry about and, therefore, local adventures for such advantages less likely. Another theory said that the same nuclear age made local adventures "less risky" and, therefore, more likely.

What it all came down to in the end was an understanding of the political implications of the nuclear age. But before we get to this point, let us see what the Soviet view of détente has been.

III.

In the "Basic Principles" of Soviet-American relations of May 29, 1972, the Soviets seemingly committed themselves to an interpretation of détente which fitted in with Kissinger's theory of "marginal advantages." These principles contained the following mutual restraints on engaging in "local adventures":

"Prevention of the development of situations capable of causing a dangerous exacerbation of Soviet-American relations.

"Doing the utmost to avoid military confrontations.

"Recognition that efforts to obtain unilateral advantage at the expense of the other, directly or indirectly, are inconsistent with these objectives.

"Special responsibility to do everything in their power so that conflicts or situations will not arise which would serve to increase international tensions."

These principles implied that there were two sides to détente—political and nuclear. The former was designed to prevent situations from developing which might bring on the danger of nuclear war. On ceremonial occasions, such as his speech at the Helsinki conference at the end of July 1975, Brezhnev has paid lip service to the combination of military and political détente.[16]

The "Basic Principles" also signified that détente applied not only to relations between the United States and the Soviet Union but also to the relations of each with the rest of the world. Kissinger has assured us that "we consider Soviet restraint in the Middle East an integral part of détente policy" [17] and "the principle of restraint is not confined to relations between the U.S. and the USSR, it is explicitly extended to include *all* countries." [18]

There seemed to be agreement, then, on two constituent elements of a true détente—it must apply to the political as well as to the nuclear realm, and it must apply to the relations of the United States and the Soviet Union with the rest of the world as well as to the relations beween themselves.

However, there are Soviet theories underlying détente which, like the American, must be taken into account to find out what it really means. For example, a basic Soviet theory is that of the "new relationship of forces." It was expressed by Brezhnev not long ago in the following formula: "International détente has become possible because a new relationship of forces now exists on the world scene." [19]

What is this "new relationship of forces"? The short answer, spelled out in all Communist propaganda, is that the "new relationship of forces" now favors the "socialist world" led by the Soviet Union. The point here is not whether the theory is right or wrong. The point is that, for the Soviet Union and its followers, détente is not an abstract, ahistorical condition; it is the product of a concrete, historical "relationship of forces" which determines not merely what détente is but—far more important—what it does.

A second Soviet theory in this connection is that of the "two spheres." An authoritative exposition of this theory was recently given by Professor Georgi Arbatov, a high-level Soviet spokesman and present head of the Institute of the USA of the Academy of Sciences of the USSR:

"What is involved here [the policy of détente] is essentially different spheres of political life in our time (though they may influence one another in various ways). One of them is the sphere of social development, which steadily makes headway in any international conditions—whether détente, "cold" war, or even "hot" war. . . . The other is the sphere of inter-state relations, in which other extremely important questions are resolved—questions of war and peace, methods of resolving controversial foreign-policy questions, and possibilities for mutually advantageous international cooperation.

The drawing of a clear line between these two spheres is one of the basic premises of the Leninist foreign policy of the peaceful

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coexistence of states with different social systems. . . .[20]

In the pro-Soviet Communist movement, the theory of "peaceful coexistence" has been promulgated somewhat more clearly and starkly. It is now said that peaceful coexistence refers exclusively to the domain of inter-state relations between socialist and capitalist countries. It rules out just one form of struggle between socialism and capitalism—the form of direct military collision.[21]

Formerly, as we have seen, détente was supposed to cover anything of a political or military nature which could exacerbate Soviet-American relations, give one side unilateral advantage at the expense of the other, or serve to increase international tension. The theory of the "two spheres" eliminates a huge political area—under the trade name of "social development"—from the domain of détente. By reducing détente to the avoidance of "direct military collision" between the United States and the Soviet Union, it leaves everything else wide open.

This tendency to shunt détente out of the political sphere into a narrow military sphere has now come to a head with the need to rationalize large-scale Soviet military intervention in Angola and the use of Cuban troops as Soviet proxies. A writer in *Izvestia* of November 29, 1975 insisted that it was impossible to bring "the sphere of class and national-liberation struggle" within "peaceful coexistence." [22] On November 30, an *Izvestia* correspondent reported that détente "gave a powerful impulse to the national-liberation movement of colonial and oppressed peoples." [23] On December 2, an *Izvestia* commentator held that "the process of détente does not mean and never meant the freezing of the social-political status quo in the world" or could prevent the Soviet Union from giving "sympathy, compassion, and support" to those whom it chose to represent as "fighters for national independence." [24] On December 6, a writer in *Pravda* boasted: "Détente created favorable conditions for the new successes of the cause of national liberation." [25] On December 8, a report in *Pravda* of an "international antifascist conference" brought these glad tidings: "The thought that runs all through the documents of the conference and the speeches of its participants is that the strengthening process of détente creates favorable conditions for the struggles of the popular masses against imperialism and neocolonialism, against all forms of fascism and internal reaction." [26]

These thoughts were not entirely new. The Soviet Union has long claimed the right to support "national-liberation movements." In the heyday of détente, however, this motif was muted in favor of emphasis on avoiding international friction. Now almost any action which the Soviet Union chooses to take that could cause a dangerous exacerbation of Soviet-American relations, obtain direct or indirect unilateral advantage, or increase international tensions is being conveniently classified as "class and national-liberation struggle." That the Soviet political line should be turned around to provide a propaganda smoke screen for military intervention on the west coast of Africa is something new and ominous. If this sort of intervention can be justified in the name of détente, almost anything short of direct conflict with the United States can be made to fit the "Basic Principles."

There are indications, too, of a general "left turn" in the line which the Soviet Union is pressing on the world Communist movement. One telltale sign was an article in *Pravda* of August 6, 1975, by K. Zaradov, editor-in-chief of the official pro-Soviet Communist organ, ***Problems of Peace and Socialism*** (*World Marxist Review* in the English version). Zaradov's article was clearly aimed at the French and Italian Communist parties rather than at the Chinese. He called them "present-day conciliators" whose "logic is the same as that of the Mensheviks"—storm signals in Communist political meteorology. Why this sudden outburst? Because, according to Zaradov, the present-day conciliators and quasi-Mensheviks "would like to dissolve it [the proletarian party] in an ideologically amorphous organization, in any alliance created according to the formula 'unity for unity's sake.'" [27] The point was not lost on the Italian and French Communists who protested against this onslaught in the official organ of the Soviet Communist party. How high up the inspiration for Zaradov's article had come from was soon made clear by an item in *Izvestia* of September 19. This unusual social note reported that General Secretary Brezhnev had received Zaradov and had congratulated him for his fine work.

Another indication has come from the American Communist party, the most slavishly pro-Soviet of the Western Communist parties. At its recent national convention, its General Secretary discovered that "in the U.S. in the 1970's monopoly capital is preparing the climate in which fascism can come to power." [28] Various roles have already been assigned—Governor George C. Wallace as the "leading fascist demagogue"; William F. Buckley, Jr., as an "adroit exponent of 'intellectual' fascism"; a curiously promiscuous company—William B. Shockley, Arthur Jensen, Richard Herrnstein, H. J. Eysenck, Christopher Jencks, Edward C. Banfield, Robert W. Fogel and Stanley L. Engerman—as "leading exponents" of "Nazi-like poison." [29] Since everyone knows that monopoly capital rules the United States, and now we know what monopoly capital is preparing, it does not take too much foresight to see where the Communist propaganda line is heading. The Soviets may soon be saving the entire world from the menace of American fascism.

All these aspects of Soviet policy—military intervention, political theorizing, Communist propaganda—are intimately related to the changing Soviet view of détente. Fundamental to all of them is one simple rule—that what always counts most is the relationship of forces, not the arrangement of words.

IV.

The Arab-Israeli war of October 1973 proved to be the first real test of the Soviet-American détent. It provided so clear a violation of the "basic principles" by the Soviet Union that even Secretary Kissinger had to admit as much, albeit in the relative obscurity of a Senate committee hearing. The violation concerned the message sent by Brezhnev to Algerian President Boumédienne and apparently to other Arab leaders telling them that it was their Arab duty to get into the war against Israel. Pressed by Senator Harry F. Byrd, Jr., Secretary Kissinger agreed, "Yes, I would say this was a violation." [30]**

Senator Byrd: On the question of harassment, which is one of the key points of the Jackson amendment, is not the entire system of government in Russia based on harassment and terror, as a practical matter?

Secretary Kissinger: Well, I think the government is more obtrusive than in our country (p. 88).

Obtrusive!

Nothing more was heard of this awkward admission. All concerned would have benefited if more attention had been paid to it. Kissinger himself had testified that Soviet "restraint" in the Middle East was "an integral part of the détente policy." If it did not hold there, it was unlikely to hold wherever American and Soviet interests seriously clashed. In that case the détente relationship was relegated to taking care of relatively minor matters, leaving the major ones to a nuclear alert or rival military interventions. It can now be seen that the Middle East crisis of October 1973 was a dress rehearsal for the Angola crisis of 1975–76.

After the Middle East crisis, however, the American line on détente underwent some changes. The concept of détente is like an accordion; it can be stretched out or pulled in. It can be as broad as it seemed after the summit meeting of May 1972 or it can be as narrow as it became after October 1973. To take care of all possible contingencies, Kissinger began to stress the schizoid character of détente. It was, he explained in March 1974, "composed of both competition and cooperation" with "profound ambiguities at every stage of this relationship." [31] Later, he spoke of détente as if it were merely an improved method of communications, "a means by which a competition which is inevitable—in the nature of present circumstances—is regulated while reducing the danger of nuclear war." [32] It had become a means to an end which was contradictory and ambiguous, a regulatory system without an agency to do the regulating.

Above all, détente was now largely reduced to limiting "the risks of nuclear war," as Kissinger put it.[33] Former Senator J. William Fulbright could think of nothing beter than: "Détente, in its essence, is an agreement not to let these differences [between the two superpowers] explode into nuclear war." [34] Professor Marshall Shulman instructed us that the main business of détente was "to reduce the danger of nuclear war." [35] The case for détente after October 1973 came essentially to rest on its relationship with nuclear war and on little else that was unambiguous and uncontradictory.

We have now come to the heart of the matter. It is right here—the relationship between détente and nuclear war.

Was there a meaningful "linkage" between nuclear war, economic-incentive payments, and political restraint? The American—or Kissingerian—theory and practice of détente was fundamentally dependent on a positive answer to this question. If the answer was negative, the entire American policy rested on a dubious foundation.

For the past thirty years, during hot wars, cold wars, and détentes, nuclear weapons have not been used. They were not used by the United States when it had a nuclear monopoly, even when its forces were decimated by Chinese Communist troops in Korea, even when the United States suffered defeat in the longest and most humiliating war in its history in Vietnam. There is obviously something about nuclear warfare that has set it apart from all other forms of warfare in which we still engage. There is something about nuclear weapons which cannot be fitted into hot wars, cold wars, or détentes. The nuclear war, as much as any type of war can be, must as yet be regarded as *sui generis*. We still have no experience with it; we cannot fathom its bottomless depths of pure nihilism; we cannot imagine a rational use for it.

With the nuclear weapon we reached the *reductio ad absurdum* of all warfare—a weapon that was *too destructive*. This was already the lesson when the United States still had a monopoly of it. As soon as the Soviet Union became an atomic and then a nuclear power, we achieved a higher stage of military "absurdity"—a weapon that was *too mutually destructive*. This second stage was reached by the mid-1950's, so that we have been in it for about two decades.[36] The third stage came in the late 1960's when the United States realized that the Soviet Union would achieve rough nuclear parity. The "absurdity" had now arrived at its final

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destination—the power of *mutual annihilation*.

In exasperation, Secretary Kissinger once dramatically exclaimed:

"And one of the questions which we have to ask ourselves as a country is what, in the name of God, is strategic superiority? What is the significance of it, politically, militarily, operationally, at these levels of numbers? What do you do with it?" [37]

It was, as the saying goes, a good question. It implied that on the level of mutual annihilation it mattered little how much more annihilating a nuclear power could or would become. It also implied that there was no political "significance" to be attached to those incomprehensibly high levels of destructiveness. Nuclear warfare cannot be weighed in political scales or translated into political terms. Politics, so to speak, is subnuclear. Thus Kissinger himself inferentially cut the ground from under the nuclear-political linkage.

The control of nuclear warfare, then, is of an order so different from the control of "conventional" warfare, let alone the control of political and ideological rivalries, that the former must be dealt with as something apart. Just as nuclear warfare has resisted every calculus of political or economic usefulness, so, too, it is not amenable to political blandishments or economic payoffs. The enormity of the nuclear problem defies all past human experience. This is not to say that the human race need or should resign itself to the ever-present threat of nuclear annihilation; it means that the threat must be faced on its own terms, without pretending that it can be gotten around through "linkages" of an altogether different order of magnitude. Economic incentives and political phrase-mongering—the tools of détente—are not in the same league as nuclear arms.

The promoters of détente sought to save it by reducing it to a hard core of avoidance of nuclear warfare. They were in fact exposing its essential hollowness. They were giving it the self-same function that the cold war of unblessed memory used to have—as an alternative to hot war. They were giving détente undeserved credit for an impasse that had been brought about by the mutual destructiveness of nuclear warfare. The linkage of détente with nuclear war betrayed a misunderstanding of both.

The trouble with the narrow nuclear interpretation of détente is that it puts all the rest of the world's troubles and all the other possible forms of conflict outside détente. If détente is as schizoid as both the latest American and Soviet versions make it out to be, one must constantly ask what belongs and what does not belong to the sphere of détente. If, as the Soviet spokesman Arbatov has told us, détente belongs exclusively to the sphere of "inter-state relations" and not at all to the sphere of "social development," the question arises whether the war in the Middle East or in Angola belongs to the former or the latter. In the Soviet view, the latter is decidedly the case, which tells us how broad the category of "social development" is and how narrowly détente has been confined. If, as Secretary Kissinger has told us, détente is composed of both "competition and cooperation," the question arises: What pertains to competition and what to cooperation? An even more awkward question must be asked: If cooperation is the real essence of détente, what is the nature of the competition? Isn't it the bad old "cold war"? Kissinger has also begun to talk of "moderating competition," a formula combining "accommodation and resistance." [38] Does this mean that when we get "accommodation" we have détente, and when we get "resistance" we have cold war? If we can have "accommodation and resistance" together, why not détente and cold war together? These semantic games are hopelessly muddling and contaminating all discourse on world affairs today.

How far one can go to equate détente with the avoidance of a Soviet-American nuclear war was shown by Professor Herbert Dinerstein at the 1974 Senate hearings on détente. He set out to demonstrate that "détente makes for a unique stability in the ultimate issues of war and peace, but permits, nay, encourages movement and change in all issues of lesser moment." Next, he explained that this unique stability of détente was based on the conviction that "nuclear war would be an act of mutual destruction." This line of reasoning led him to his grand climax: "Détente means that the two countries will not make war on each other." [39]

If that is all détente means, it is accomplishing exactly what the fear of "mutual destruction" was able to accomplish with or without détente. One would like to be as sure as Professor Dinerstein is that détente in this sense possesses a "unique stability." If it does, it is only because the mutual destructiveness of nuclear war possesses that same "unique stability." In any case, we have gone very far from the détente of 1972 which, according to Kissinger, had moved "on a very broad front on many issues." Those who have tried to save détente by moving it on to a very narrow front on the single issue of nuclear warfare have unwittingly been administering the last rites to it.

V.

Therefore, critics of détente must answer: what is the alternative that they propose? What precise policies do they want us to change? Are they prepared for a prolonged situation of dramatically increased international danger? Do they wish to return to the constant crises and high arms budgets of the cold war? Does détente encourage repression—or is it détente that has generated the ferment and the demands for openness that we are now witnessing? [40]

Such was the angry challenge that Secretary Kissinger hurled at critics of détente last July. He seemed to think that the answers were so obvious that it was a mistake to ask the question.

1) *What is the alternative that they propose?* One alternative would be to cease and desist from the unconscionable exploitation of the word "détente," or at least to stop waving it as a banner. It has now become an obstacle to thought. It is of little or no use in relation to nuclear war. It is a mockery in relation to such wars as we have, as in the Middle East and Angola. It admittedly does not apply to ideological conflict. It has been defined and redefined virtually out of existence. If it continues to serve as a political shibboleth, it must surely suffer the same fate as "appeasement," if it has not done so already.

2) *What precise policies do they want us to change?* One policy that was misconceived from the outset and should be changed without delay is that of "incentive" payments to the Soviet Union. It is this policy more than any other which has opened the door to appeasement in the guise of détente. Arbatov and other Soviet spokesmen have stormed against the idea that the Soviets are expected to make any "payments" to the West.[41] The theory and practice of American incentive premiums are especially ruinous in connection with nuclear-weapons negotiations. If the threat of mutual annihilation is not persuasive enough to bring one or the other side to its senses, and here I do not point an accusing finger only at the Soviet Union, immeasurably lesser incentives are at best superfluous and at worst irrelevant. Advance payments to the Soviet Union for services in the common interest that may or may not be rendered have never worked and even make matters worse. They merely serve to convince the masters of the Soviet Union that the famous "relationship of forces" has so changed in their favor that payments must be made for nothing more than a piece of paper.

3) *Are they prepared for a prolonged situation of dramatically increased danger?* Let us recall that this question was flung out with much unction and indignation only a half-year ago. Since then the level of tension and danger has increased dramatically. The question was plainly addressed to the wrong parties. The Angola crisis is hardly the work of the critics of détente. Some of them may even have seen such dramatically increased danger coming since the last Arab-Israeli war. The real question is whether the leaders and fellow-travelers of détente were prepared for a prolonged situation of dramatically increased danger.

4) *Do they wish to return to the constant crisis and high arms budgets of the cold war?* To answer this question, it is useful to recall Secretary Kissinger's answer to another question put to him at the end of 1974:

Senator Byrd: Is it not correct that since 1972, in a period of so-called détente, there has been a methodical improvement and expansion of nuclear and conventional power in the Soviet Union and Eastern Europe?

Secretary Kissinger: Yes, that is correct.[42]

At least we have it from Secretary Kissinger that détente, in its heyday, did nothing to discourage the Soviets from improving and expanding their military power. Whether the same can be said of the United States seems more doubtful, but let us assume that both sides have improved and expanded their nuclear and conventional power in the détente years between 1972 and 1974. It may be argued that the situation would have been worse without détente. Perhaps—but it certainly did not get better, and it is most unlikely that more intercontinental missiles and more megatonnage would have significantly changed the nature of the problem. The obvious answer, then, to this question about crises and arms budgets is: No. But what does it have to do with détente? Has détente saved us from constant crises and high arms budgets? Could Secretary Kissinger tell Senator Byrd that détente had prevailed on the Soviet Union and Eastern Europe not to improve and expand their nuclear and conventional power? More to the point, the answer, unfortunately, again is: No.

5) *Does détente encourage repression—or is it détente that has generated ferment and the demands for openness that we are now witnessing?* This is the most incredible question of all. It reveals how much Kissinger's understanding of the Soviet system has changed since he took up residence in Washington. In one of his major works, *The Necessity for Choice*, published in 1961, he discussed this very question at some length. He frowned on those who thought that "Western diplomacy should seek to influence Soviet internal developments." He scoffed at "the tendency to base policy toward the USSR on an assumed change in Soviet society." He reproached those who saw "in every change of tone a change of heart." He decried "the persistence with which it has been claimed that the economic needs of the Soviet Union would impose a more conciliatory policy on it." He severely disapproved of the fact that, "whatever aspect of the Soviet system they have considered, many in the West have sought to solve our policy dilemma by making the most favorable assumptions about Soviet trends." He instructed us sagely: "The tendency to justify negotiations by changes in Soviet attitude makes us vulnerable to largely formal Soviet moves." And this: "The possibility of evolu-

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tion of Soviet policy in a more conciliatory direction may be jeopardized by the eagerness with which it is predicted."[43]

Nothing could illustrate more aptly the timeliness of these warnings than the connection between détente and Soviet repression. By the time Kissinger asked the question, "Does détente encourage repression?," in July 1975, repression was already in full swing. The most open period in recent Soviet history came in 1967–71, before the American-Soviet détente. The official crackdown on the underground *samizdat* movement took place in 1972, the very first year of that détente. The orchestrated vilification of Andrei Sakharov, the recent Nobel Peace Prize winner, started in August 1973. Aleksandr Solzhenitsyn was arrested and deported in February 1974. Hedrick Smith of the New York *Times* has by chance answered Kissinger's question in his new book, *The Russians*, an account of his experiences in Soviet Union in 1971–74, dealing with precisely the years of détente, and an ideal corrective to much of what correspondents in Moscow have to send out while they are still there:

"The technology of Soviet repression had become more sophisticated and more effective as détente proceeded. The unexpected irony was that détente, instead of spawning more general ferment among the Soviet intelligentsia, as the West had hoped and the Kremlin had feared, became a reason for tighter controls and sometimes provided new techniques for quieting disaffected intellectuals."[44]

This reflex on the part of the Soviet leadership is not new. The precedent had been set by Lenin in 1920–21. At the same time that he introduced the New Economic Policy or NEP, liberalizing the Soviet economy, and as he began to make deals with Western powers, he liquidated every vestige of dissidence in both the country and the party. The two went hand in hand in order to prevent present and potential dissidents from taking advantage of "decreased tension." Stalin combined the Popular Front outside Russia with the Great Purge inside Russia. Yet Kissinger has assured us: "Changes in Soviet society have already occurred, and more will come. But they are most likely to develop through an evolution that can best go forward in an environment of decreasing international tensions."[45] The trouble with this line of reasoning is that the Soviet leadership has known what to do about it for the past fifty years. Whenever there is danger that decreasing international tensions will foster changes in Soviet society unwanted by the party, repression is increased. That is why détente has been accompanied by more rather than less repression. There may be other reasons for pursuing a policy of détente, but discouraging repression is not one of them.

One wonders why Secretary Kissinger thought that his questions were so crushing and the answers to them so self-evident. Had he forgotten so much?

VI.

Secretary Kissinger, former Senator Fulbright, and others have insisted that the only alternative to détente is cold war. Since they seem to think that a return to cold war is unthinkable, or at least unbearable, that would leave us only with détente. The reality is far more confused and disagreeable. Détente, cold war, and appeasement have all been mixed up together, with appeasement given the least consideration.

One of the ways appeasement was built into détente has already been noted. The whole theory and practice of giving "incentives" to the Soviet Union to do what it should do in its own interest or not at all was the entering wedge of appeasement. We tried to buy with gratuitous and unreciprocated favors what is not for sale, especially not in the one field that is supposed to matter most in détente—nuclear warfare.

But a humiliating climate of appeasement had also been created. It was symbolized by the presidential refusal to receive Aleksandr Solzhenitsyn because the gesture might displease Leonid Brezhnev. Had Brezhnev ever refused to meet with an anti-U.S. personage in order not to displease Richard Nixon or Gerald Ford? This type of appeasement is not new and not limited to the United States. West Germany, whose détente with the Soviet Union goes back to 1970, has practiced the same kind of appeasement at the expense of one of its own foremost writers. The German incident shows that present-day appeasement takes certain characteristic forms in more than one country.

In the summer of 1973, the eminent German writer Günter Grass was invited to give a private reading from his works at the home of Ulrich Sahm, the German ambassador in Moscow. Grass made indirect contact with Sakharov and Solzhenitsyn in preparation for his visit, and Solzhenitsyn intended to give him a manuscript to take back. Meanwhile, both Sakharov and Solzhenitsyn issued statements warning against the risks of détente. This situation so frightened Ambassador Sahm that he sent a private letter to Grass withdrawing the invitation. Grass refused to let the matter remain private; he published the letter and discussed its implications on television and in the press. A former upholder of *Ostpolitik*, he now renounced it on the ground that its restrictions meant the betrayal of culture in general and Russian writers in particular. Grass was thereupon publicly and offensively rebuked by a spokesman of the German Ministry of Foreign Affairs.[46]

The Solzhenitsyn and Grass incidents were symptomatic of a moral flacidity that always goes along with appeasement. The Soviets consider culture and ideology to be outside the boundaries of détente, but they seem to be the only ones to think so or to act on this premise. Indeed, cultural appeasement was also built into détente by virtue of how the different political systems work.

A well-known American specialist in Soviet studies has told how the systems work in the case of the scholarly-exchange program. The Soviet scholar who comes to the United States can see anything he asks for in American universities and libraries. He goes back and writes about America's most painful contemporary problems—ethnic conflicts, student riots, unemployment, crime, black nationalism, and the like. The American scholar has had to accept a different set of rules:

"Indeed, and the best illustration of that is the simple fact that for American scholars the most interesting subject of study in the Soviet Union is Soviet political history—for example Stalin and Trotsky, the history of the party, the relationship between party and government, the purges of the 1930's, Soviet foreign policy, Soviet economic policy, and so forth. We have never been able to send a single American scholar to the Soviet Union to look at any of these problems.

"When the exchange visits first started there were applications on our side for the study of these areas, but the Russians resolutely refused to allow for applicants into their country. Then, realizing how applications in these fields of study would be treated by the Russians, our young scholars shifted their applications to the study of less sensitive questions, such as local government which hardly exists in the Soviet Union or 19th-century political history and problems of that kind. In other words, the Russians turned us away from the issues which are most central to us, and we are now doing their job for them, because our professors tell their young students not to bother with subjects that would prejudice their chances of being allowed into the Soviet Union. . . .

"Soviet control over opportunities for study in the USSR has so influenced some of our more timid colleagues interested in going or returning to Russia, that they will not join other intellectuals in protests against the Soviet treatment of dissidents, minorities, etc. and will even refuse to participate in conferences that may be distasteful to the Soviet government. The Soviet government has in fact acquired some influence both over the direction of Western scholarship and over Western political attitudes."[47]

In effect, appeasement was built into détente whenever we adapted ourselves to them but they did not adapt themselves to us. In these circumstances, appeasement worked silently, automatically, almost unthinkingly. It was the most insidious kind of appeasement because the cards were stacked in the Soviets' favor without any overt effort on their part.

Such have been the acrid fruits of détente. They did not burst forth because there was anything wrong with the idea of détente. They flourished because too much appeasement was built into détente. Appeasement did not work in the 1930's; it has not worked in the 1970's and for the same reason—appeasement cannot appease the unappeasable. We now have it from Secretary Kissinger that this is precisely the position we are approaching today.

The latest Kissingerian theory was foreshadowed by Helmut Sonnenfeldt, Counselor for the State Department, in an address on "The Meaning of 'Détente'" at the Naval War College in the late spring of 1975. Sonnenfeldt described the Soviet Union in terms which had not been heard previously in the era of détente:

"Its power continues to grow and its interests to expand. Indeed, it can be said that in the broad sweep of history, Soviet Russia is only just beginning its truly "imperial" phase: its military forces have acquired intercontinental reach only fairly recently; its capacity to influence events in remote areas is of relatively recent standing; and it is only just acquiring the habits of defining its interests on a global rather than a solely continental basis. For us, therefore, the problem is that of building viable relationships with an emerging world power."

One reads these lines with astonishment. "Only just beginning"? "Only fairly recently"? "Of relatively recent standing"? Unfortunately, Sonnenfeldt did not give any clue to how recent his "recently" was. The unwary reader might imagine that all this had happened during the past three years of détente. Let us take just one of these astounding statements—that the Soviet Union "is only just acquiring the habit of defining its interests on a global rather than a solely continental basis." A quarter of a century ago, North Korea could not have carried on its war if the Soviet Union had not trained and equipped its army. Continental or global? The major supplier of North Vietnam was the Soviet Union. Continental or global? In one way or another, as Communists, the Soviet leaders have defined their interests on a global basis for almost six decades. They have had much more experience in this respect than the Americans have had. This patronizing view of the Soviet Union as a global power tells more about the Counselor's historical awareness than it does about the Soviet Union.

In any case, if this is where the broad sweep of history has taken us, it should have had some bearing on the state of détente. But Sonnenfeldt was not yet ready to go that far. Instead, he gave the fact that the Soviet Union "continues to grow in power, weight, and reach" as a reason "why we must persist in the basic policies we have

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Footnotes at end of article.

been pursuing over the past several years"—incentives and all.[48]

Secretary Kissinger himself went public with the new theory in an interview with Flora Lewis which appeared in the New York *Times* of December 21, 1975. He explained that the Soviet Union had become an imperial superpower in an expansionist phase that must run its course. The Soviets, he warned, will exploit every opportunity to enlarge their dominion, unless the risks are made too great for them. The Soviet move into Angola demonstrates how far afield this expansionist momentum had carried them. Unless the United States answered in kind in Angola, the next stage of Soviet expansionism would be even more dangerous and costly.

By this time the official line had clearly gone beyond the Sonnenfeldt version of early 1975. It went even further at Secretary Kissinger's news conference on December 23. It also began with a strange history lesson:

"The basic problem in our relation with the Soviet Union is the emergence of the Soviet Union into true superpower status. That fact has become evident only in the 1970's. As late as the Cuban missile crisis, the disparity in strategic power between the United States and the Soviet Union was overwhelmingly in our favor."

In this broad sweep of history, we jump from the Cuban missile crisis of 1962 to the 1970's. This leap makes it appear as if we had to wait until December 1975 to discover what was going on. The missile crisis convinced the Soviet leadership that it was necessary to catch up with and overtake the United States in strategic arms. The Soviets caught up much more quickly than the Americans had counted on; in fact, back in 1965, the top American leaders did not think that the Soviets had any intention of catching up. By the time the SALT I talks were started in late 1969, the Soviets had made such progress that the Americans were ready to settle for freezing both sides at a level of rough strategic parity. Despite SALT I, if we may trust Paul H. Nitze, who deserves to be heard respectfully as a SALT negotiator from 1969 to 1974, the Soviets have not been satisfied with parity and have been aiming at strategic superiority, a position which Nitze thinks they began to achieve in 1973.[49]

One cannot, therefore, jump historically all the way from 1962 to the 1970's. Something was happening within two or three years of the Cuban missile crisis that brought us to the present balance in strategic power. The shift has been going on for about a decade, and its implications have been apparent throughout the course of détente. It is rather late in the game to discover that the Soviet Union possesses "true superpower status."

And what, in the name of God, is "true superpower status"? At least as long ago as 1964, Henry Kissinger referred to the Soviet Union as a "superpower."[50] In 1968, Kissinger noted that the Soviet Union was one of the two powers which possesseed "the full panoply of military might."[51] Does the new status mean that the Soviet Union in 1964 was an "untrue" superpower? Or does "true superpower" mean a "super-superpower"? How much more of the full panoply of military might, *circa* 1968, was it necessary for the Soviet Union to possess to be promoted to the rank of "true superpower"? If the United States is also a "true superpower," why the special emphasis on this new classification?

This broad sweep of history is more a political than a historical operation. The new status of the Soviet Union has been discovered just in time to explain a crisis in American détente policy, as if the crisis were a result of immanent historical forces instead of a misconceived policy. That the crisis for détente may be a mortal one was made plain by Secretary Kissinger in his December 23 news conference. These were fighting words:

"We do not confuse the relaxation of tension with permitting the Soviet Union to expand its sphere by military means and that is the issue, for example, in Angola. . . .

"If the Soviet Union continues action such as Angola, we will without any question resist. . . .

"Unless the Soviet Union shows restraint in its foreign-policy actions, the situation in our relationship is bound to become more tense, and there is no question that the United States will not accept Soviet military expansion of any kind."

Thus Kissinger has now been forced to give up in fact, if not in name, one of the underlying myths of détente—the theory that the Soviet Union had become a status-quo power. This notion was actually the implied premise of the "Basic Principles" of May 1972. It has been a costly myth, made all the worse because it was implicitly fostered by official U.S. policy.

This is not the place to discuss at length what the U.S. should do in Angola, a large and difficult subject by itself. I wish to restrict myself to the implications of the Angolan crisis for détente. The first thing that needs to be said, in my view, is that the Angolan situation represents two problems—one immediate and tactical, the other long-range and strategic. It is necessary to differentiate between them, for what may be good in the long run need not be good in the short run. Angola may not be the best place for the United States to face the issue tactically; it is the right place to understand the issue strategically. On the tactical level, the United States need not permit the Soviet Union to decide the time and place of every confrontation of this kind.

As I write, it is too early to tell what the full story of Angola is. Whatever the truth may be about the various foreign interventions, the Soviets clearly outbid all the others by bringing in thousands of Cuban proxies, the nearest thing to using their own troops, and by arming their side with far more, far more costly, and far more advanced weapons. In terms of the political significance of the Angolan situation for détente, however, it matters less what each side has done than that such a far-away Soviet-American contest should have taken place at all. For if, as Secretary Kissinger has maintained, the United States must react as strongly as he has urged it to react in Angola in order to discourage the Soviet Union "from taking advantage" of favorable opportunities, we are faced with the paradox that it is necessary to wage cold and not-so-cold war in dangerous situations in order to save détente for non-dangerous situations—in short, that détente works when and where it is needed the least. If détente is so restricted, fluctuating, ambiguous, and paradoxical, it can hardly be taken as seriously as we had been led to believe.

Tactics aside, Kissinger is finally right on the strategic problem: the Soviet Union *is* in an imperial, expansionist phase. We are faced strategically with a long-term Soviet imperial pressure, now gathering momentum and based, as Soviet spokesmen like to say, on a "new relationship of forces." If the Soviets can get the world to accept their version of this "new relationship of forces," the consequences will be cumulatively disastrous.

This renewed Soviet pressure was building up while the United States was beguiled by détente. It is imprudent and implausible to conduct a foreign policy based on holding back the new Soviet expansionism while still officially enmeshed in the doctrine of détente. The new and the old theories and policies cannot coexist peacefully. One of them must go.

FOOTNOTES

[*] Hedrick Smith, the former New York *Times* correspondent in Moscow, has told of a "joke" that circulated within the Soviet establishment on the eve of Brezhnev's visit to the United States in June 1973: "Brezhnev . . . asked his advisers what he should seek in America. 'Ask them to sell us cars,' suggested one. 'Ask them to build us computer factories,' said a second. 'Ask them to build atomic-power stations,' said a third. 'No,' replied Brezhnev thoughtfully. 'I'll just ask them to build us Communism' " (*Atlantic Monthly*, December 1974).

[**] The exchange just before this one is worth pondering.

[1] Détente: Hearings before the Committee on Foreign relations, U.S. Senate, August-September 1974, pp. 61, 67, 102, 147, 208, 239, 301.

[2] Walter C. Clemens, Jr., "The Impact of Détente on Chinese and Soviet Communism," *Journal of International Affairs*, Vol. 28, No. 2, 1974, p. 134.

[3] "If tensions mount, the parties may move toward cold and then hot war. If tensions diminish, the parties move toward détente (whether short- or long-lived); from détente they could move further toward rapprochement or even entente" (*ibid.*).

[4] May 29, 1972.

[5] July 3, 1974.

[6] *Détente:* Hearings, pp. 161–162.

[7] Robert Ellsworth, *Department of State Bulletin*, November 23, 1970, pp. 642–43. Also: "The condition of the Soviet economy is clearly the primary determinant of present Soviet foreign policy" (Marshall Shulman, *Foreign Affairs*, October 1973, p. 43).

[8] *Détente:* Hearings, p. 32.

[9] *Emigration Amendment to the Trade Reform Act of 1974:* Hearings before the Committee on Finance, U.S. Senate, December 3, 1974, p. 106.

[10] *Ibid., pp.* 96–97.

[11] Marshall Shulman, New York *Times*, March 10, 1974.

[11a] Marshall I. Goldman, *Détente and Dollars* (Basic Books, 1975), pp. 275–76.

[12] Marshall I. Goldman, *Daedalus*, Fall 1975, p. 137, and Note 35, p. 143.

[13] June 15, 1972.

[14] *U.S. Foreign Policy for the 1970's: A New Strategy for Peace*, A Report to Congress by Richard Nixon, President of the United States, February 18, 1970, p. 232.

[15] *Nomination of Henry A. Kissinger:* Hearings before the Committee on Foreign Relation, U.S. Senate, September 11, 1973, Part I, p. 101.

[16] *Pravda*, August 1, 1975, p. 1 (in *The Current Digest of the Soviet Press*, Vol. XXVII, No. 31, p. 13).

[17] *Emigration Amendment to the Trade Reform Act of 1974, p.* 77.

[18] September 19, 1974.

[19] *Information Bulletin*, issued by the *World Marxist Review*, Vol. 13 (1975), Nos. 12–13, p. 14.

[20] *Izvestia*, September 4, 1975 (in *The Current Digest of the Soviet Press*, Vol. XXVII, No. 36, p. 3).

[21] *World Marxist Review*, September 1975, p. 59.

[22] N. Polyanov, *Izvestia*, November 29, 1975, p. 4.

[23] V. Kobysh, *Izvestia*, November 30, 1975, p. 2.

[24] V. Matveyev, *Izvestia*, December 2, 1975, p. 4.

[25] Oleg Skalkin, *Pravda*, December 6, 1975, p. 5.

[26] O. Kitsenko, I. Shchedrov, A. Arkhipov, *Pravda*, December 8, 1975, p. 3.

[27] K. Zaradov, *Pravda*, August 6, 1975 (in *The Current Digest of the Soviet Press*, Vol. XXVII, No. 31, pp. 15, 17).

[28] Gus Hall, *The Crisis of U.S. Capitalism and the Fight Back* (International Publishers, 1975), p. 44.

[29] *Political Affairs,* November 1975, pp. 3, 6, 16.

[30] *Emigration Amendment to the Trade Reform Act of 1974,* p. 89.

[31] March 28, 1974.

[32] Henry A. Kissinger, interview with William F. Buckley, September 13, 1975.

[33] November 12, 1973 (interview in Peking).

[34] *Congressional Record,* Senate, November 9, 1973, p. S-20136.

[35] New York *Times,* March 10, 1974.

[36] Samuel P. Huntington, *The Common Defense* (Columbia University Press, 1961), p. 88. In 1950, U.S. policymakers had expected the second stage to be reached in 1954 (p. 60). But even if Huntington is right, and it did not come about for another two years or so, the difference is hardly significant now.

[37] July 3, 1974.

[38] Flora Lewis, New York *Times,* December 21, 1975.

[39] *Détente*: Hearings, pp. 301–302.

[40] July 15, 1975.

[41] Arbatov and Polyanov, *op. cit.*

[42] *Emigration Amendment to the Trade Reform Act of 1974,* p. 76.

[43] Henry A. Kissinger, *The Necessity for Choice* (Harper & Row, 1961), pp. 195–201.

[44] Hedrick Smith, *The Russians* (Quadrangle, 1976), p. 439.

[45] September 19, 1974.

[46] The story is told by François Bondy, *Survey,* Spring-Summer 1974, p. 43.

[47] Robert F. Byrnes, Distinguished Professor of History and Director of the Russian and East European Institute, Indiana State University, *Survey,* Autumn 1974, pp. 52–53.

[48] *Naval War College Review,* Summer 1975, pp. 3–8.

[49] *Foreign Affairs,* January 1976, p. 226.

[50] *Ibid.,* July 1964, p. 539.

[51] *Agenda for the Nation* (Brookings Institution, 1968), p. 587.

THE 200-MILE LIMIT

Mr. HATFIELD. Mr. President, to those of us who support the concept of the 200-mile limit contained in the Magnuson bill we approved last week, the action was long overdue. This has been an important issue in Oregon for the past decade.

One of our State's leading newspapers, the Eugene Register Guard, carried a three-part series on the legislation prior to our vote on the Senate floor. An able reporter, Larry Bacon, writes for the paper from the Oregon coastal town of Florence. He has first-hand experience with foreign fishing vessels, having visited a Russian vessel last summer. At that time, my office helped cut the red tape associated with that visit.

Larry Bacon's articles, with their comments from numerous local Oregon people immediately involved in the fishing industry, merit the attention of all those interested in the issue.

I ask unanimous consent that this series of three articles by Larry Bacon in the Eugene Register Guard of January 12, 13, and 14, 1976, be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

TWO HUNDRED-MILE COASTAL LIMITS IS IN SIGHT

(By Larry Bacon)

There's a dream cherished by many U.S. fishermen.

It's about a sort of floating fence 200 miles from shore posted with signs saying, "No Foreign Fishermen Allowed."

Some think that it's a dream about to come true, because of the 200-mile fishing limit legislation now moving through Congress.

But fishermen with such dreams are due to have them shattered.

The 200-mile limit legislation, framed by Sen. Warren Magnuson, D-Wash., is not aimed at keeping out foreign fishermen.

It has two primary goals.

It would provide a means for the United States to have absolute control over foreign fishermen in a fisheries conservation zone to be established within 200 miles of the U.S. coastline.

The legislation also would establish a management program to protect all types of fish within the conservation zone from overfishing by both foreign and American fishermen.

The House of Representatives approved a 200-mile limit bill in October. The Senate began debate just before Christmas on its bill, and is expected to approve it soon after Congress reconvenes Jan. 19.

The bills are opposed by the Ford Administration, the State Department and the Senate Committee for Foreign Relations. Opponents are not against the concept of a 200-mile conservation zone, but they prefer that such a zone come about as a result of an international treaty.

The International Law of the Sea Conference, sponsored by the United Nations, appears to be headed toward eventual agreement on establishing 200-mile conservation zones for all coastal countries.

But Magnuson and other 200-mile limit advocates say it might be years before the Law of the Sea Conference reaches agreement. They say the United States can't afford to wait.

The United States would not be the first to unilaterally extend its fishing jurisdiction. About a dozen other countries have extended their jurisdiction to 200 miles. Several others have gone to lesser distances. However, the fishing jurisdiction of most countries—including the United States—is still only 12 miles.

Some speculate that President Ford might veto a 200-mile limit bill. Sen. Robert Packwood, R-Ore., one of the co-sponsors of the Senate bill, said that he thinks the Senate has the votes to override a presidential veto, but he doesn't know about the House.

There has been some indication that the President might sign a 200-mile limit bill if the effective date was after the Law of the Sea Conference reconvenes in March. The House bill has an effective date of July, the Senate version would take effect immediately. The Senate Armed Services Commitee has recommended that the bill will not be effective until Jan. 1, 1977.

The effective date is one of the differences that would have to be worked out in a congressional joint conference committee if the Senate bill passes.

There are no major differences in the two bills. Both establish a provisional 200-mile fisheries conservation zone and spell out how the United States would control foreign fishing. Both contain a section which would terminate the conservation zone if and when the International Law of the Sea Conference approves a treaty to which the U.S. becomes a party. If that happens, a new conservation zone would be established along the lines of the treaty.

Both bills would allow the United States to get very tough in controlling foreign fishing. Foreign fishing vessels would have to be licensed to fish inside 200 miles. The U.S. would have the authority to say what they fish for, when and where they do it, how much they catch and what gear they use.

Foreigners would be permitted to harvest only that portion of the allowable catch which cannot or will not be taken by U.S. fishermen.

Owners of foreign boats would have to pay fees for the privilege of fishing. U.S. enforcement personnel would have the authority to board foreign vessels and inspect their catch at any time.

The legislation would give the United States authority to seize fishing gear and/or vessels of foreign fishermen who violate the rules of the fisheries conservation zone. Violators would be subject to fine and imprisonment.

In addition to controlling fishery stocks within the 200-mile zone, both bills make it illegal for foreign fishermen to harvest U.S. salmon anywhere on the high seas. The bills exempt tuna from the provisions of the act and stipulate that they should be managed through international agreement.

The new legislation would require the Secretary of State to either terminate or amend existing fisheries agreements with foreign nations in conflict with U.S. management of the conservation zone.

The Senate bill authorizes up to $78.75 million to be appropriated over 2¼ fiscal years for management of fisheries stocks and enforcement of the rules for the fisheries conservation zone. The House version authorizes appropriations "as may be necessary."

Besides limiting foreign fisheries, the new legislation would put the United States for the first time into an intensive management program for offshore fishery resources. Final authority would rest with the Secretary of Commerce, who now oversees the national marine fisheries service.

However, the responsibility for development and execution of the program would rest with seven regional councils. Each council would be responsible for managing a specific portion of seas within the 200-mile zone.

Each council would have the authority to hire staff, determine what resources are in its part of the ocean, and how much can be harvested without damaging those resources.

Management procedures available to the councils would include requiring licenses or permits for all fishermen; limiting seasons, areas and fishing gear for various fish species, and establishing catch limitations. Councils also would have the authority to limit the number of fishermen allowed to harvest a given species.

The make-up and method of selection of the management councils differ slightly under the two bills. But in both cases there would be guaranteed representation from several representatives of state and federal fisheries agencies.

Under the Senate version a "Pacific Fishery Management Council" made up of 16 persons from California, Oregon, Washington, Idaho and Alaska would oversee management of fisheries resources off the coast of California, Oregon and Washington.

The House version would create a 15-member "Pacific Marine Fisheries Council" with representation from the same states with the exception of Alaska.

DIPLOMATS DON'T LIKE 200-MILE ZONE IDEA

(By Larry Bacon)

Will the 200-mile fisheries zone which Congress is expected to approve this month precipitate a "hake war" between the United States and Russia? Or one of the other countries which fish off the Oregon Coast?

Probably not. But some opponents of the 200-mile legislation claim it's a possibility.

A similar 200-mile limit established by Iceland recently caused a renewal of a longstanding "cod war" between Great Britain and Iceland over fishery resources off Iceland.

In recent weeks, Icelandic naval vessels have cut British trawl nets, a British tug rammed an Icelandic gunboat and an Icelandic gunboat fired on a British tug.

Backers of the 200-mile zone will say it can't happen here. But only time will tell.

The State Department claims to be worried.

Some of its worries center on how the Soviet Union might react—particularly in these times of strained detente. The Soviets catch 150,000 metric tons of hake a year off the California, Oregon and Washington coasts. Scores of their big factory ships work from early spring through October.

"Hake is awfully important to them," according to a State Department fisheries affairs official. "And it's not just hake. It's pollock as well in the Pacific and a number of species off the East Coast."

The official, who declined to be identified, said that the unilateral extension would put the United States in a position of dictating rather than negotiating with countries such as the Soviet Union over what those countries consider to be their historic fishing rights.

(The Soviet Union and other countries now fishing off U.S. shores are all controlled to some degree by bilateral treaties negotiated with the United States.)

"Nobody likes to be dictated to," he said. "Countries have rattled the saber for a lot less than this. You might think that they wouldn't antagonize us on this score, and then be surprised to find out they are willing to take steps that we wouldn't have anticipated."

The State Department would prefer that the United States wait to extend its fisheries jurisdiction until agreement is reached at a United Nations Law of the Sea Conference that has been holding sessions since 1968.

Officials of the State Department fear that unilateral extension will jeopardize other goals the United States is trying to achieve at the conference, where 140 nations are talking about who will control ocean resources.

The State Department isn't the only agency against unilateral extension of U.S. fisheries jurisdiction. The Navy fears that if the U.S. extends its fishing jurisdiction, other countries might decide to go one step further and extend their territorial seas. That would ban all foreign ships from their water, not just fishing boats. Tuna and shrimp fishermen who have already run up against the extended jurisdictions of some South American countries are opposed to the United States following suit.

There also are moral questions being raised about unilateral extension.

Opponents claim that such extension flies in the face of international law. They argue that the United States has historically refused to recognize extended fishing jurisdictions of other countries, and it would be hypocritical for the U.S. to suddenly reverse its position.

Critics of the bills now in Congress also claim that it would be unfair for the United States to suddenly terminate fishing agreements now in force with foreign countries. The legislation calls for the U.S. to terminate or amend all such agreements which don't comply with the rules for the U.S. fisheries conservation zone.

One of those critics is Sen. Mike Gravel, D-Alaska. He was originally one of the sponsors of the Senate bill. But he recently withdrew his support and is threatening a filibuster against it.

He fears conflict on the high seas. He said it may be necessary to have Navy destroyers on permanent picket duty to patrol the 200-mile zone.

"Is that the threshold we want to raise the world to—the tinderbox we live in where we have a proliferation of nuclear capability in every two-bit nation in the world?" he asked on the floor of the Senate. "That is what we can do and what we will do if we let this legislation come into being."

Supporters of the legislation don't see any mushroom clouds on the horizon.

They claim that the trend in international law is toward 200-mile conservation zones and that most nations which already have extended their jurisdiction have done so without problems.

Most coastal congressmen claim that something needs to be done now to save fisheries stocks from being depleted. They say that at least 14 species of fish of interest to U.S. fishermen are overfished, and 16 other species are at the threshold.

"I'm tired of waiting around for the niceties of diplomacy to save our fish," said Sen. Bob Packwood, one of the sponsors of the Senate bill. "It hasn't worked to date. We cannot just stand by and see the resource depleted."

Lee Alverson, director of the National Marine Fisheries Service Northwest Fisheries Center in Seattle, thinks the transition to a 200-mile conservation zone could be made peacefully.

"We're obviously not going to start a war over this thing," Alverson said. "We're going to sit down and discuss our intent with every nation that's fishing in that zone and try to bring them into more proper alignment with our thoughts. If they don't accept it, obviously we'll have to sit down and negotiate with them."

The Soviets are on record against the 200-mile conservation zone, and claim that bilateral agreements are the best way to protect fisheries resources. However, they have not indicated what their reaction will be to extended U.S. jurisdiction.

Barry Fisher, a commercial fisherman from Newport and a former professor of fisheries at Oregon State University, was part of a delegation of Pacific Northwest fishermen and processors which visited aboard a Russian fishing trawler last summer and talked with the commander of the Soviet fishing fleet.

Fisher said that his experience leads him to believe the Soviets will accept the conservation zone rather than risk being shut out entirely.

"They'll have to go along," he said. "They can't afford not to."

FISHERMEN DOUBT 200-MILE LIMIT EFFECTIVENESS

(By Larry Bacon)

The congressional approval expected this month for a 200-mile U.S. fishing limit is not going to be an occasion for celebration by West Coast fishermen and fish processors.

More likely, they will be keeping their fingers crossed and hoping for the best. They are showing only cautious optimism.

They like the idea of better controls over foreign fishing vessels and better management of fishery stocks.

But they doubt whether restrictions on foreign fishermen will be tough enough. Some question the ability of the United States to enforce the restrictions imposed on foreign vessels or to conduct the kind of research program necessary to determine how each species of fish should be managed.

Many fishermen are angry because the 200-mile limit legislation probably will bring them more headaches in the form of controls and restrictions.

Fishermen and processors are hoping that there will be fewer foreign boats offshore under the licensing program included in the legislation. But some claim the decision will be a political one rather than one based on fisheries research.

"It depends on who's sitting in the bureaucracy back in Washington and how much they're trading off fisheries for other resources," said Lawrence Lazio, president of a Eureka, Calif., based seafood company which has fish-buying stations in three Oregon ports. "We really feel that we were sold down the river by the State Department in the past," he continued.

Lazio and others in the West Coast fishing industry blame overfishing by foreigners in part for a depressed fishing industry.

"As far as I'm concerned, get them to hell out of there and keep them out of there," Lazio said. "But realistically we're a nation of compromise."

Joe Easley, a commercial fisherman from Coos Bay who heads the Oregon Otter Trawl Commission, agreed with Lazio about Federal bureaucrats trading off fisheries resources in the past.

(The Otter Trawl Commission is a state commodities commission which represents those Oregon fishermen who drag nets to catch bottom-dwelling species of fish.) But Easley claims the federal government now appears to be showing more respect for the value of U.S. fisheries resources.

Under both the House and Senate versions of the 200-mile limit bill, the Secretary of Commerce, the Secretary of State and seven regional fishing councils created by the legislation would all have much to say about which foreign fishing vesels are allowed inside 200 miles, what they catch and what their limitations will be.

Fishermen are certain that the actions of the secretaries of State and Commerce are likely to be affected by political considerations. They claim that the regional councils, whose job it will be to develop management programs for fisheries in their respective areas, will have too many state and federal bureaucrats and too few representatives of the fishing industry.

"There's too much political pressure can be applied to them through the Executive Branch and the State Department," said Neil Spencer of Reedsport, owner of two commercial fishing boats. "A guy can't disregard it.

"There better damn well be some fishermen on there, and there better be some processors on there too. But I can't see where there's gonna be."

In the Senate version of the bill, six of 16 members on the regional council for the West Coast would be state or federal officials. The Senate bill does not specify that any of the members would have to be from the fishing industry. Under the House version, seven of the 15 members would be state or federal officials. The bill requires that six members represent commercial or recreational fishing interests.

Enforcement is another question mark to many in the fishing industry. The Coast Guard and enforcement officers of the National Marine Fisheries Service will have to make sure that only licensed foreign vessels are allowed inside the 200-mile zone. And make sure the foreigners are catching only what they are supposed to the way that they are supposed to.

There are few doubts among those in the fishing industry about the ability of the Coast Guard to keep non-licensed vessels outside the 200 miles.

But there are fears that Congress will not appropriate enough to beef up the Coast Guard to do the kind of patrolling that will be necessary. Many also wonder how U.S. enforcement officers are going to determine if licensed foreign vessels are abiding by catch restrictions.

The Coast Guard claims it needs $63 million worth of new equipment and additional operating funds of $47 million per year to patrol the 200-mile zone. That's far in excess of the $29 million atuhorized to be appropriated to the Coast Guard over 2¼ years in the Senate bill.

"That's a drop in the bucket when you talk about the whole perimeter of the United States plus Samoa, Alaska, Hawaii and the Coast of Puerto Rico," said Ted Bugas, vice president of Barbee Packing Corp. of Astoria and secretary of the Columbia River Tuna and Salmon Packers Assn.

The House bill just authorizes appropriation of "sums as may be necessary."

Dean Murray, manager of the Winchester Bay Seafood Co., and other fishermen and processors claim the only way to keep tabs on how the foreign boats fish is to have a U.S. observer on every boat.

The House bill specifically states that there will be U.S. observers on foreign fishing boats and that the owners will reimburse the United States for the cost of the observers.

One of the problems in administering the new fisheries conservation zone is that there are wide gaps in the knowledge of U.S. fisheries biologists about the extent of fisheries resources. For many species, research by foreign fisheries experts has been much more extensive than that by U.S. biologists.

Those gaps will make fisheries resource management decisions difficult to make.

"In other words, if the Russians want to come in and start fishing intensively for something we know nothing about, we have no justification for telling them they're going to overfish by taking a certain amount out," said Bill Pearcy, an Oregon State University biological oceanographer.

However, Lee Alverson, director of the National Marine Fisheries Service Northwest Fisheries Center in Seattle, said that the Pacific Coast is fortunate to have fewer gaps than many other parts of the country. "Perhaps on the Pacific Coast, research would have to be increased 25 to 50 per cent," he said.

To many fishermen, the prospect of increased federal involvement in fisheries management is just as distasteful as the foreign boats they have to contend with. The fishermen see a danger of duplicate or even conflicting licensing programs, catch quotas and gear restrictions by state and federal agencies. And the fishermen are very afraid of legislative provisions that could curtail the number of fishermen allowed to fish for certain species.

Alverson said it is too early to tell how much federal regulation of fishermen the management of the 200-mile zone will require. He acknowledged that the federal program could conflict with or duplicate state programs.

"But I hope to God it doesn't," he said.

ROLE OF ADVANCED TECHNOLOGIES IN FOOD INFORMATION SYSTEMS

Mr. HUMPHREY. Mr. President, yesterday concluded the series of hearings I chaired for Congress Office of Technology Assessment on their food information systems assessment.

Two panels of experts provided valuable material for this assessment. One panel reviewed the state of the art of advanced technologies, especially remote sensing, from the perspective of how such technologies might be more extensively used. The other panel, comprised of members of OTA's Food Advisory Committee, presented their report entitled "Food, Agriculture, and Nutrition Information Systems: Assessment and Recommendation."

I was impressed by the comments that both panels made and would like to share two of the papers prepared for these hearings. One paper, presented by Dr. Martin Abel, spokesperson for the OTA Food Advisory Committee, summarized the findings, conclusions, and recommendations of the committee. The other paper, prepared by the National Aeronautics and Space Administration, notes that better management of the world's food resources is needed and that improved management is dependent upon acquiring better worldwide food supply and demand data.

Mr. President, I ask unanimous consent that my remarks and these two key papers be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

The Role of Advanced Technology in Agricultural Information Systems and Recommendations of the OTA Food Advisory Committee

(Statement of Senator Hubert H. Humphrey)

This hearing marks the conclusion of a series of hearings held by the Office of Technology Assessment on the adequacy and timeliness of food, agriculture, and nutrition information systems. The OTA food assessment group began work on this subject at my request early in 1974. In preparation for the 1974 World Food Conference, the initial results of this study were instrumental in the U.S. delegation's preparation of a proposal of a global early warning and food information system. This initiative was endorsed by the Conference, and work is progressing to implement this system.

Last September, the first hearing was held on the adequacy and timeliness of food information systems. At that time, we heard testimony on improvements needed in U.S. Department of Agriculture agencies and on the progress made recently in obtaining reliable data from the Soviet Union, the Peoples Republic of China, and the third world nations, and the progress made by FAO in creating their early warning system.

At the second in the series of hearings, witnesses discussed the information requirements of alternatives for a U.S. food policy. This hearing explored proposals for a more pragmatic and a more consciously planned approach to developing and implementing U.S. food policy. The two most significant elements brought out in that session were: (1) the need for the United States to improve its resource management activities and policies from input requirements to farm production; and (2) the need for the U.S. to be equally concerned with the post-production elements of the food system, especially those which affect nutritional status and health of consumers.

Today's hearings will deal with two topics: The potential uses of advanced technologies in agricultural information systems and the recommendations from the OTA Food Advisory Committee for improving the quality of agricultural and nutritional information made available to Congressional decision makers.

Over the last five years, many refinements and improvements have been made in remote sensing technology. Remote sensing is a process of photographing measurements of light reflected off the earth's surface and analyzing this data with computer systems. By supplementing computer models and digital, climatological, and historical data, it is becoming possible to more accurately monitor and forecast crop production. Additional information can be gained, for example, on soil moisture levels, the spread of plant disease, and water resources on a global basis. By supplementing computer models and digitized information from aerial and ground photographs with remotely sensed data, a more accurate estimate of the world's resources can be made.

The first Earth Resources Technology Satellite (ERTS), now called LANDSAT I, was launched in 1972. LANDSAT II was launched a year ago.

In the first application of this technology in the agricultural area, NASA, with the assistance of the Earth Resource Observation Systems (EROS) program, the U.S. Geological Survey of the Department of the Interior, and the National Oceanic and Atmospheric Administration of the Department of Commerce, is cooperating with the Department of Agriculture in the Large Area Crop Inventory Experiment (LACIE).

In the first phase of the experiment, which has just been completed, USDA used LANDSAT capabilities to monitor the production of wheat in the U.S. to see if the current reporting and forecasting systems could be made more accurate and timely.

Our first panel of witnesses today includes representatives of the Federal agencies involved in this project. They will discuss the progress made in applying remote sensing and other related technologies. Their review will help us understand both the potential benefits as well as the policy and technical obstacles to utilizing these technologies.

As Dr. Fletcher, Administrator of the National Aeronautics and Space Administration, notes in a paper prepared for this hearing: "A world agricultural information system is a fairly revolutionary undertaking in that it requires the rapid acquisition, processing, and analysis of objective crop information data gathered on a global basis. Such a system is possible if current and developing remote sensing satellite techniques are used together with traditional systems and techniques."

Dr. Archibald Park of Earth Satellite Corporation has been working with FAO in implementing Resolution 16 of the World Food Conference. In a paper prepared for this hearing, Dr. Park discussed the technical limitations and developments and the policy problems of gathering and utilizing data collected on other nations. He says, "There is a very real concern on the part of many countries about the legal and institutional issues raised by an international food information system. Even if national sovereignty were not an issue, the protection of the data would still need to be considered because of the opportunity for unscrupulous speculation in the marketplace."

If we are to successfully implement a global system, we must deal quickly and effectively with these concerns.

To conclude this series of hearings, Dr. Martin Abel, Professor of Agricultural and Applied Economics, University of Minnesota, and a member of the OTA Food Advisory Committee, will summarize their report entitled "Food, Agriculture, and Nutrition Information Systems: Assessment and Recommendations" and additional points made during the previous hearings.

I want to take this opportunity to express my appreciation for the fine report which this committee has prepared and which triggered these hearings. It will be printed in the hearing record. This report makes 12 recommendations for the improvement of food, agriculture, and nutrition information systems. The Committee asks Congress to consider the following alternatives to improve their information system by:

(a) increasing Congress' analytical capabilities;

(b) eliminating obsolescence and improving the timeliness and reliability of food and agricultural data;

(c) improving information on key agricultural inputs such as fertilizer; and,

(d) improving nutrition information systems.

Many of these require congressional committee action for their implementation. Others could be implemented by the Administration but oversight on the part of Congress would be appropriate and useful.

I intend to ask Congressman Olin Teague, Chairman of the Technology Assessment Board, to transmit these recommendations to the appropriate committees and urge that they be given their prompt attention.

REPORT TO THE TECHNOLOGY ASSESSMENT BOARD BY THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

(A Paper Prepared for the United States Congress Office of Technology Assessment)

EXECUTIVE SUMMARY

A World Agricultural Information System is a fairly revolutionary undertaking in that it requires the rapid acquisition, processing and analysis of objective crop information data gathered on a global basis. Such a system is possible if current and developing remote sensing satellite techniques are used together with traditional systems and techniques. The satellites being used at present are Landsats–1 and –2, which are capable of acquiring information such as acreage devoted to agriculture, soil classification, some crop yield information, the encroachment of urbanization on agricultural lands, water supply and demand, the carrying capacity of rangeland and demography. An operational test program called the Large Area Crop Inventory Experiment (LACIE) is being conducted by NASA, the Department of Agriculture and the Department of Commerce/NOAA to demonstrate the capability of the new satellite techniques in combination with conventional techniques to forecast the production of an important world crop. The specific objective is to provide global wheat production forecasts with an improvement over existing methods in terms of accuracy, timeliness and objectivity. Since crop production is a function of area planted times yield, both these components are estimated for local areas and aggregated to regional and country levels. Because of the satellites' capability to orbit the entire Earth on a repetitive basis, agricultural information can be gathered throughout the growing season so that changes can be monitored. LACIE will extend over three crop years. The first year has been completed with encouraging results. The Landsat satellites are also returning valuable data relating to the availability of water for agricultural production, soil classification in developing and developed countries, the animal carrying capacity of rangelands, and, in estimating food demand, to demographic enumeration data for accurate population assessments.

Turning to future capabilities, the Landsat–C spacecraft with improved instrumentation is scheduled for launch in late 1977. The capabilities of this satellite are very important to the continued development of the program. However, a particularly significant capability is represented by the Thematic Mapper, an improved multispectral scanner, which will be the primary instrument for earth resources surveys after Landsat–C. The Thematic Mapper will be optimized for vegetation discrimination with computer assisted data analysis techniques. It will have a spatial resolution of 30 meters and will be able to resolve an area of .2 acres, as opposed to the 80 meter, 1.2 acre resolution of the current Landsats. It will also be able to measure agricultural parameters in seven different bands or areas of the electromagnetic spectrum as opposed to the present four band capability, and will have much greater sensitivity in each band (important for improved crop discrimination). It is expected also that future meteorological satellites will be able to provide information on climatology (long-term changes in climate) as it affects crop production. By the late 1980's, it is expected that microwave sensors, which can gather information day and night and through any kind of weather, will become available. When they do, they will probably be used in conjunction with remote sensing at other wavelengths, and information from traditional agricultural data systems, to provide an optimum world agricultural information system.

A contribution to the Board's Assessment of the Application of Advanced Technology to World Agricultural Information Systems.

I. INTRODUCTION

"The lesson of the failure of the food and agriculture information system in 1972–1973 is that we must have more information on food production and market demand in other parts of the word and our analytical capabilities must be increased." *

The management of food supplies is no longer just a problem on a country to country basis. It is a global problem, the dimensions of which have only recently become evident. In order to deal with this problem, better management is needed. Better management is greatly dependent on the acquisition of much better food supply and demand data on a worldwide basis, a system to process and analyze these data to produce useful information on a timely and cost effective basis, and an organization that can use this information to make decisions to alleviate the problem. This is a fairly revolutionary undertaking as it involves detailed and accurate data gathering on an unprecedented scale along with the requirement for systems to process tremendous amounts of data into useful information so meaningful decisions can be made. Traditional systems can contribute to the solution of these problems. But traditional systems were designed to cope with traditional problems, which the international food crisis is not. To be effective, contributions from new systems will be required. In this report, we will describe new systems that can address major requirements for:

Worldwide, standardized data collection relating primarily to food supply, but also to food demand;

Rapid data processing; and,

Accurate data analysis.

These techniques involve the use of remote sensing satellites that provide large area, worldwide, repetitive coverage to monitor changes in agricultural crop acreage as well as weather conditions affecting agricultural yield. These satellites utilize advanced sensors which gather data in the most effective regions of the spectrum (the visible, infrared and eventually, microwave wave lengths), not just the visual wave lengths to which cameras are essentially limited. Another advantage of these sensors is that their data can be produced in digital form, permitting rapid processing and analysis by computer. This is essential both for handling the large volumes of data acquired and also to get the most information out of the data. With the marriage of the satellite sensor and computer, and in conjunction with traditional techniques, a worldwide food information system is possible.

In this report, we present an overview of the total spectrum of current programs in which NASA is involved and a look at future developments currently in the planning stage.

At the present time, the satellites primarily being used for such purposes are Landsats–1 and –2; the information they provide include: acreage devoted to agriculture both in the U.S. and within other nations, soil classification, the encroachment of urbanization on agricultural areas, water demand (irrigation), water supply (snow cover), the carrying capacity of range land, and demography. The Large Area Crop Inventory Experiment (LACIE), uses data from these satellites, and from meteorological satellites and existing worldwide meteorological ground data systems, in an experiment aimed at improving global crop production estimates by the USDA Foreign Agricultural Service. LACIE will provide estimates of wheat production in the major wheat producing regions of the world. LACIE has already made estimates of wheat production in the United States great plains area which compare favorably with USDA/SRS official estimates. LACIE is described within this report as well as several other current projects applying satellite technology in food-related applications.

Also discussed is our current thinking concerning future satellites and their more sophisticated sensors such as the Thematic Mapper which will provide better information, particularly for crops grown in small fields. Major contributions to yield information are also expected from meteorological satellites.

Also of great importance to our ability to cope with food management problems of the future is an understanding of the effect of climate on food production and the effect of man on climate. Well documented, but imperfectly understood, changes in seasonal weather patterns since the 1960's, have spotlighted an urgent national and international need for a climatic research program and for the development of a climatic forecasting capability. Because of the capability of satellite systems to provide large-scale synoptic views and to acquire the type of data to assist in understanding and predicting climatic changes, NASA is strongly pointing towards an expanded climatic research program. This also is touched upon briefly in this report.

Our initial efforts in food-related activities convince us that space-based technology has much to offer as we tackle the formidable problems of the future.

II. CURRENT PROGRAMS AND CAPABILITIES

In this section of the report, we will describe some of the food-related activities underway utilizing satellite remote sensing data. Sub-section A is devoted to the Large Area Crop Inventory Experiment (LACIE). Other current activities are discussed in Sub-section B.

A. Large area crop inventory experiment (LACIE)

The current world food shortages and fuel and energy scarcity with their negative impact on future food supplies has focused worldwide attention on the U.S. in its role as the major exporter of agricultural commodities and has created a greater need both here and abroad for more accurate and timely knowledge of current and projected world crop production. This information is required in planning and affecting crop production and distribution. Exports to other countries, possibly involving millions of tons of grain, could be more effectively planned with less disruption to domestic markets and with better general economic effectiveness if world crop production could be reliably estimated more in advance and on a continuing basis. Planting, marekting, aid, and transportation decisions in producing countries are all based on crop inventory information which is often available only after harvest and is frequently of uncertain accuracy in many countries. Also, crop disasters can occur anywhere on the globe and such events must be made known in a timely way and as accurately as techniques and resources permit.

A crop inventory system utilizing remote sensing technology and the global meteorological system appears to offer great potential for upgrading existing information-gathering capabilities and for contributing to a long-range solution of the food supply problem. The launch of the first earth resources technology satellite (ERTS–1, now called Landsat–1) in 1972, and the results of subsequent experiments utilizing various remote sensing techniques including the digital analysis of multi-spectral data collected by ERTS–1, indicated that applications supporting the U.S. Department of Agriculture's (USDA) information needs in the area of crop production reporting, were feasible. Based on these results, a close working relationship was established between the National Aeronautics and Space Administration and USDA for the purpose of exploiting Landsat technology.

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* Quote from the Report of the Food Advisory Committee, June 1975, p. 40.

1. LACIE—What It Is

As a result of progress made in Landsat-based technology and in the use of agrometeorological modeling by NOAA and others to predict crop yields, three agencies of the United States Government (USDA; NOAA of the Department of Commerce; and NASA) designed a specific project to test these technologies in a large-scale quasi-operational undertaking called the Large Area Crop Inventory Experiment (LACIE). A memorandum of understanding among the three agencies was signed in November 1974. LACIE is intended to demonstrate the capability of relatively new remote sensing techniques and data processing systems in combination with more conventional techniques and historical data to forecast the production of an important world crop. LACIE will utilize data gathered by the Landsat earth resources survey satellites in conjunction with meteorological and climatological data gathered both by satellite and conventional techniques. Wheat was selected as the test crop for the LACIE demonstration. The objective is to provide global wheat production forecasts with an improvement over existing methods in terms of accuracy, timeliness and objectivity.

LACIE will extend over three global crop years; the early phases will concentrate primarily on the wheat growing regions of the United States. Then the experiment will be extended to include other major wheat growing regions of the world.

2. LACIE Technical Background

a. Identification of Crops.—NASA Landsat satellites have the capability to view each area of the earth once every 18 days. An electronic sensor carried on the satellite measures the radiant energy reflected from the earth's surface in four different wavelength bands. Two bands measure visible light radiation and two measure infrared radiation.

Energy arriving at the earth from the sun is absorbed or reflected. The wavelength at which energy is absorbed by the plant for growth is dependent upon the plant type, plant maturity and overall condition. This makes it possible to determine the identity of plant communities by the unique way they reflect energy from the sun.

Just as the eye sees reflected sunlight in visible wavelengths (such as blue, green, red) electronic sensors measure the reflection. Electronic sensors, however, are sensitive to more wavelengths than the eye. They can "see" ultraviolet and infrared wavelengths as well as color visible to the human eye. Electronic sensors can also be made much more sensitive and precise than the eye. The data are obtained in a way to make it easier to use in computers which can be used to extract a wealth of information collected by the sensor and particularly to determine the class of crop (wheat, corn, soybean, etc.) growing in a specific field.

b. Prediction of Yield—The Agro-Met models used in the prediction of yield are simply sets of mathematical equations which estimate agricultural (Agro) yields from meteorological (Met) observations and perhaps other factors affecting the crop throughout its development. The accuracy of yield models depends upon knowledge of plant response to the many possible combinations of weather elements, cropping practices, soil fertility, insect and disease are the easiest to include in the model. Although some of the others can be obtained quite adequately from knowledge of historical trends.

3. LACIE—Technical Approach

The approach in LACIE is to estimate the production of wheat on a region-by-region basis. To estimate wheat production, two components of production must be determined: yield, the amount of wheat (bushels, metric tons, etc.) for a given area (acres, hectares, etc.) of harvested crop, and the areal extent of that crop. Simply stated, production is area times yield. Both of these components, area and yield, are estimated for local areas and aggregated to regional and country levels.

Within a region, the total area planted in a given crop such as wheat and the yield from that area, will vary from year to year. In the total variation, both items, area planted and yield, are important. The area planted will vary as a function of economics, weather at planting time, and governmental decisions. Weather throughout the growing season is the prime factor causing changes in yield from year to year in a specific area.

a. Crop Area Information.—Multispectral scanner data of the selected wheat growing areas involved in the LACIE experiment are received from the Landsats and are processed into computer-compatible magnetic tapes at the Goddard Space Flight Center in Greenbelt, Maryland. The tape reels are shipped to the Johnson Space Center in Houston, Texas, where a computer-assisted analysis of the data is made to identify wheat crops and to integrate the selected sample areas into an overall regional acreage estimate. Such information will be assembled a number of times during the growing season.

The smallest geographical subdivision for which these estimates are made is an area where similar soils, climatic conditions, and cropping practices usually produce similar wheat crops and yields. These small areas, for example, countries in the U.S., are summed or aggregated to estimate the total crop area within a larger region. The regions are further aggregated to estimate the total crop area within a country.

The sampled segments measured by the Landsats are also combined with historical patterns for a large area such as a country to obtain the total area currently planted with a specific crop. Historical patterns of crop acreage, cropping practices, and planting trends are well established for agricultural regions. The use of sophisticated sampling strategies makes it possible that only 5/10,000 of the total wheat growing area surveyed is actually subjected to detailed analysis including human interpretation. This is described in Figure 1.

b. Crop Yield Information.—Yield is directly associated with weather, soils, and agricultural technology and damage factors. The soil moisture at the time of planting, the rainfall during the growing season, and the temperature are the main weather factors. Agricultural technology includes such things as improved varieties of hybrids, fertilizer usage, insect and disease control, and irrigation.

As already mentioned, agro-met models are used to estimate agricultural yields based upon a knowledge of historical trends and current meteorological observations. Model development work is done at NOAA's Environmental Data Service Center for Climatic and Environmental Assessment (CCEA) at Columbia, Mo. Weather observations are collected daily by NOAA. Rainfall, temperature, etc., are measured from the ground only at certain points while crops of course grow continuously over large areas. Therefore, ground sampling of weather permits errors to be induced into the equation. To fill these gaps, the NOAA environmental satellites daily provide total coverage of weather between sampling points.

c. Output Products.—Products generated as a result of the LACIE analysis are periodic assessments of the area, yield, and production of wheat from specific regions. The wheat assessment reports contain the area of wheat that has been identified as well as the stages of wheat growth and all source data used to derive the assessments. An estimate of the yield will also be included in the assessments. The wheat production estimate will be provided with each assessment, but only the final output assessment will be based upon results after crop maturity occurs across the entire region being reported. Thus, the accuracy of the wheat assessment reports should improve as the growing season progresses.

The Department of Agriculture is the only agency authorized to publish crop reports. USDA studies the utilization of these experimentally derived estimates in its crop reports, which are made public as a routine service to the domestic and international agricultural community. Comparisons are made with conventional forecasts and against actual production on a selected basis.

NASA, NOAA, and USDA publish retrospective research reports for each phase of the experiment that describe in general terms the degree of LACIE success. NASA and USDA publish research results on development of acreage estimation techniques and statistical sampling strategies, and NOAA and USDA similarly publish research reports on the development of their agromet models and on the validity of the derived yield factors.

4. LACIE—Status and Outlook

Emphasis during the first year of LACIE, the 1974–1975 crop year, was placed upon making acreage estimates in the United States Great Plains states, the major wheat producing area of the country. Although LACIE is designed to produce information concerning foreign wheat production, it is important to make estimates also in an area where good standard information already is produced, because that information is used as the baseline against which LACIE performance is evaluated. Data collection for this first year was accomplished as planned, and currently we are assessing the results for those nine states. Data is being collected and analysis has started for the 1975–1976 crop year. In addition to acreage estimates, yield and production estimates will be made during this second crop year. The major area of coverage will remain the U. S. Great Plains; however, Canada will be included, and selected foreign regions outside North America will be analyzed. It is anticipated that during the third year, the 1976–1977 crop year, acreage, yield, and production estimates will be made for all the foreign regions tentatively selected for inclusion in the LACIE demonstration; this will include most of the major wheat producing countries of the world.

Preliminary indications, based upon our initial assessment of the first year's performance, are that the LACIE acreage estimation techniques are generally adequate, and that with incorporation of certain technical changes, desired accuracy goals can be achieved. One of our concerns has been the ability to handle in a routine manner the vast quantities of data required for analysis. This is no longer a significant concern for adequate data handling rates have already been attained. Concentration is now being placed upon improving the estimation accuracies and identifying those techniques requiring further improvement, particularly the extrapolation from one small geographic area to another, a process known as signature extension.

Although the first year's focus was upon acreage, as indicated above, considerable effort has been expended, primarily by NOAA, upon the development and testing of the agro-met yield estimation models and crop calendar adjustment models. The provisions for operating these models with meteorological data from the World Meteorological Organization (WMO) network are complete. All the models are operating as intended, and their design and implementation appear to be quite adequate. In addition, initial attempts to aggregate acreage and yield estimates into production estimates for meaningful geographical areas have been successful.

The new techniques being tested and demonstrated in LACIE, in combination with current crop estimating methods and historical production data, will benefit both producers and consumers by helping reduce the annual uncertainties affecting the management and marketing of major crops. Faster, earlier, and more accurate forecasts should assist in rational planning for the most effective use of supplies, as well as in emergency food distribution both in the United States and abroad.

B. Other food related activities

1. Water Resources

Agricultural production is vitally dependent upon the availability of water, as the Sahelian drought in the early 1970's vividly demonstrated. Landsat can inventory surface water bodies such as rivers, lakes, ponds and streams and monitor changes over time. Water quality information can be obtained on these water bodies as well, although it is important to have corollary measurements taken at the surface (ground truth) if specific pollutants are to be identified. This ground truth can be obtained through Landsat by utilizing ground platforms with in-situ sensors, and relaying the data to a central data collection facility through the satellites' Data Collection System (DCS). This system serves as a communications transponder between the ground sensing platform, which may be placed in a river or lake to acquire direct water quality data, and a central analysis laboratory.

Landsat data have been used as well to identify rock formations which serve as ground water aquifers in arid regions. This work has been performed in the Southwestern United States but the techniques are applicable in other regions.

Other techniques are well under development to measure snow cover and monitor its depletion in the spring. Vast regions in the Eastern and Western hemispheres depend on snow to provide water for agriculture. This includes the direct contribution of snow as soil moisture and also the runoff that can be expected for river flow forecasting and reservoir management. It is expected that in the future water will become a far more scarce commodity and that steps will have to be taken to manage its use more efficiently for agricultural (irrigation) and other uses. Landsat data can make a real contribution in this area.

The foregoing relates to water supply problems, but estimating water demand is also important. A principal requirement for water in agricultural areas is for irrigation purposes. Landsat's contribution here can be in identifying and measuring acreages of irrigated lands, measuring annual changes in these lands, and helping to determine sources of irrigation water and methods of irrigation. This demand information gathered on a regional basis can then be used to project trends important to water supply planning. Steps can also be taken if necessary to try to reduce the demand based on objective information.

For the future, a great deal of effort is going into developing the capability to routinely and accurately sense soil moisture from space. This development should prove to be immensely valuable not only for determining crop yield, but also for planning agricultural practices such as determining optimum planting and irrigation times.

2. Soil Classification

Proper soil classification is essential for optimizing agricultural production. Yet many nations of the world, including most developing countries, have very poor soils maps. The Food and Agriculture Organization (FAO) of the United Nations has had an extensive international program for years to try to alleviate this deficiency. Yet a tremendous amount of effort remains to be done. A number of investigations have indicated the value of Landsat data for this purpose. In one case, a Mexican scientist identified 28 soils groups over most of Mexico using Landsat imagery. Potential land use maps were prepared based on the properties of these soil units and yield production statistics.

Soil classification mapping using Landsat data provided more and higher quality information than previously obtained, even though the previous work had been accomplished with the assistance of the FAO. The techniques are being further developed and used by the International Bank for Reconstruction and Development (IBRD) in an agricultural assistance program with the Government of India. Even in the United States, where soils are relatively well mapped, Landsat has contributed new and valuable information. Remote sensing techniques can be used to provide considerable benefit in mapping soils for agriculture usage in many parts of the world.

3. Range Management

The production of beef and most other meat products is directly related to range management decisions which are based on current knowledge of range conditions. At the present time, only gross information based on limited observations and climatological reports is available for this purpose. Landsat-1 investigators from the Bureau of Land Management, the University of Nebraska, and the Remote Sensing Center at Texas A&M have shown that an important indicator of range forage conditions, biomass, can be estimated from Landsat data. In order to be useful, this information needs to be in the hands of range managers within about ten days after it is acquired by the satellite. This is not possible with the present, first generation data processing system. However, we are working to increase our data handling capability in order to meet the required timing. As an example of a promising development in the range area, one investigation in the Great Plains Corridor showed that a correlation between measurements made in two of the Landsat spectral bands (visible red and reflective infrared) and above-ground green biomass and vegetation moisture content could be obtained and appears to be highly promising for range management purposes. Based on these results, a relatively large scale "Wildland Vegetation Inventory Project" is under development by the USDI/Bureau of Land Management (BLM) and NASA. One of the objectives of this project is to develop vegetation-type maps, acreage compilations, production estimates and trend indications for rangeland under the control of the BLM. The participating agencies are optimistic that positive results will be obtained, which can then be used in even broader area surveys.

4. Demography

In addition to providing information on food supplies, improved information is needed as well on the demand for food. This demand is a function of population, which is often not well known, particularly in developing countries. At least one investigation has shown that Landsat data have been useful in Africa to determine the location and size of villages for demographic enumeration.

This information was combined with geneological census data to provide an accurate assessment of population density. Further improvement in the techniques used is possible and could be of considerable value in future international demographic estimates.

GENERAL COMMENTS

The accuracy of the satellite techniques described above are in most cases dependent on good supporting surface measurements (ground truth). That is, the satellite information generally cannot stand alone without good point source data. The advantage of the satellite is not in replacing the in-situ supporting measurements, but in generalizing these measurements to areas so vast (country or regional scale or larger) that no other known technique can provide the integrating information. The amount of surface measurement data required will vary according to such factors as the application in question, the region in question and the degree of accuracy required.

While very useful results have been achieved to date, there is no question that future satellites with high sensing precision and utilizing additional parts of the spectrum (such as the thermal infrared and microwave) will return data of appreciably greater value.

Since we are dealing with a rapidly advancing technology, both in terms of hardware (sensors, satellites and computers) and software (data analysis techniques, etc.), rapid advances in applications to a food information system can be expected over the foreseeable future.

III. FUTURE CAPABILITIES

At the present time, Landsats-1 and -2 are functioning in orbit. While both have a design life of one year, Landsat-1 will be three and one half years old in January 1976, and Landsat-2 exactly one year old. The two tape recorders on Landsat-1 have ceased to function which means that data cannot be obtained over the many portions of the earth where there are no data readout stations. (There are three stations in the U.S. at present and one each in Canada, Brazil and Italy). In addition, one of the two tape recorders on Landsat-2 has failed, leaving only one recorder to gather world-wide data until the next satellite in the series, Landsat-C, is launched in late 1977. Landsat-C will carry improved sensors in the form of a Return Beam Vidicon (RBV) system with 40 meters resolution as compared with the present 80 meter capability, and a fifth "thermal" (heat measuring) band on the multispectral scanner (MSS). These developments should assist in providing a better agricultural field identification capability as well as data for improved crop classification. Landsat-C will also carry two tape recorders to acquire worldwide data. These recorders will have certain reliability improvements over those carried on Landsats 1 and 2.

About the same time that Landsat-C is launched, a small research oriented satellite called the HCMM (Heat Capacity Mapping Mission) will be placed in orbit. It importance for agriculture is that it will be used to develop techniques to detect soil moisture utilizing thermal infrared remote sensing data. The techniques which are developed will de utilized in conjunction with satellites to be launched in the 1980's.

A. Thematic mapper

A most significant activity for the future of a world food information system is the development of the Thematic Mapper. It is planned that an improved multispectral scanner—the Thematic Mapper—will be the primary instrument for Earth Resources surveys after Landsat-C. The Thematic Mapper is to be optimized for vegetation discrimination and for computer assisted analysis.

With a spatial resolution of 30 meters the Thematic Mapper will be able to resolve an area of .2 acres. This compares to the 80 meter 1.2 acre resolution capability presently available with the Landsats-1 and -2 Multispectral Scanner. Several resolution elements are required to locate and measure individual fields. Figure 2 indicates the minimum size fields that can be resolved with both the Thematic Mapper will be able to resolve an spectral Scanner (MSS) as well as an indication of the field size distribution as a function of country. In addition to locating fields, it is of course also necessary to identify what is growing in the field.

The Thematic Mapper will have seven spectral channels (instead of the four bands on Landsats 1 and 2 and the five bands on Landstat-C) that have been selected to meet the vegetation discrimination objective. This, coupled with an improvement in the ability of the instrument to measure small changes in the energy level within each band, will improve the identification of crops by allowing better discrimination among similar crops. This is very important since the Thematic Mapper will help provide the capability to predict the production of major crops, such as rice, that are grown in small fields, and to discriminate among "confusion" crops such as wheat, barley, and rye earlier in the growing season.

A persistent problem in the Landsat-1 and -2 era has been the timely delivery of data to users. To solve this, the Thematic Mapper data flow will be streamlined. Data will be relayed real time via satellite from the Landsat instrument to a ground terminal facility, the TDRS station in White Sands. There, it will be recorded and then retransmitted in near real time via a domestic satellite link to the Landsat data processing facility. The use of such satellite links will allow users to receive data within 48–72 hours of data acquisition rather than having to wait a minimum of seven weeks as presently required.

B. Space technology impact on yield determination

The utility of remote sensing technology for yield estimation/prediction has experienced considerable improvement in recent years. The following paragraphs outline the status of present efforts and take a look at plans and future possibilities to better employ the advantages of space technology for managing monitoring agricultural products with emphasis on the crop yield component of agricultural production.

Crops are affected by a variety of environmental factors which eventually combine to produce the resultant yield. The three principal factors are: a) moisture; b) warmth or temperature; and c) energy available to the plant. The following summarizes future space technology developments in these three areas.

1. Moisture

(a) Soil Moisture.—Probably the most substantial advances made to date in this area of endeavor have been those in soil moisture monitoring. Thermal infrared measurements taken throughout the day can be related to soil moisture, i.e., the diurnal amplitude in the surface temperature of soil has been shown to be inversely related to the amount of soil moisture in the upper layers of the soil profile (6 cm.). Passive microwave measurements have also been shown to be responsive to soil moisture variations. The most effective band is L-band (20 cm.). This band has been shown to be responsive even when there are moderate amounts of vegetation present over the soil.

Future spacecraft will be attempting to implement the concepts demonstrated in supporting research and technology programs. For instance, HCMM will measure the diurnal range in surface temperature and relate it to soil moisture. Geosynchronous measurements can and will be used to measure surface temperature variations and relate it to soil moisture. Skylab L–Band and X-band data have already been shown to be sensitive to soil moisture variation. Nimbus 5 Electrically Scanning Microwave Radiometer (ESMR) measurements have been shown to be sensitive to soil moisture variations over sparsely vegetated regions.

Future spacecraft missions using the Shuttle Transportation Concept will fly large antenna instruments that will provide higher spatial resolution, passive microwave measurements of greater utility to agriculture. Spatial resolutions in the 10km range are expected. To improve the spatial resolution of microwave systems, the Synthetic Aperture Radar approach is now also being actively considered. Present research indicates 25–100 meter resolution is obtainable with 4–5 GHz and Y–15° depression angles being optimum. Shuttle systems with this capability can be expected in the early 1980's pending favorable results from ground-based and aircraft flights missions presently being analyzed and planned.

(b) Precipitation.—The launch of geosynchronous satellites, such as ATS–1 and III and SMS–1 and 2, has provided a means to monitor very dynamic cloud features associated with precipitation events. These approaches can monitor cumulonimbus clouds, cloud turrets, and motions that appear useful for monitoring the location of heavy precipitation and augmenting existing rain gauge networks. These data can be used to augment yield prediction systems employing the moisture budgeting/stress concept and its effect on yield.

Precipitation falling as snow and stored in the mountainous regions of the Western United States serves as valuable stored water for irrigated agriculture. Present satellite systems such as Landsat are measuring snowcover and this can be used as valuable ancillary data in seasonal snow-runoff prediction procedures. Work is going on to utilize microwave measurements for snowpack moisture equivalent and wetness estimation. At present, the best combination of spectral band measurements is not known. However, multi-frequency microwave measurements on the Shuttle should resolve this problem.

(c) Evapotranspiration.—Present satellites (Landsat) can locate vegetated areas, and vegetative density and types within this general category. Making these delineations and monitoring changes with time appears to be a possible tool for separating regions where relative amounts of evapotranspiration are occurring. This concept is under study by the University of California. Additionally, many evapotranspiration techniques require inputs of net radiation. There are indications that key inputs to net radiation estimates may be made from satellites such as reflected solar radiation and emitted longwave (thermal) radiation. More research is needed, however, in this key area.

2. Temperature/Environment

Besides the utility of surface temperature measurements for use in moisture estimates and plant stress estimates described briefly above it should be emphasized that this information can be used to indicate susceptibility to pest growth and infestation. The launch of HCMM, Landsat-C, and Landsat-D will enhance this area of endeavor.

Surface temperature measurements will also be useful for monitoring surface freezing conditions that are critical to the citrus industry, for example. Geosynchronous satellite measurements and properly timed polar orbiting, satellite-radiometric measurements will be useful in this regard.

Satellite measurements of snowcover are also useful for monitoring the extent of anomalous conditions such as a lack of snowcover and the freezing/winter-kill of winter wheat, the extent of hail damage, and the extent of flooding.

3. Energy

As mentioned earlier, satellites may offer inputs through direct measurements of reflected solar and emitted radiation or cloud-type identification (for transmission purposes) that give an energy input for plant growth.

C. Climatology

Most of the remarks given above in the discussion of yield determination are associated with assessing the status of the weather or environment at a particular point in time. Probably the most important and challenging area of technology that will improve or contribute to improved agricultural management is improved climatology. The remote sensing program in meteorology is concerned with the causes and effects of long-term changes in climate. It is felt that an assessment of the causes and effects of these changes is necessary in order to assess worldwide shifts of agricultural productivity. The factors which seem to influence the earth's long-term climate are naturally broad in scope and, therefore, amenable to study from earth-orbiting satellites. These factors are:

1. Variations in the solar constant. It is believed that variations of as little as 1% in the solar constant can significantly alter the distribution of arable lands. This is because small variations in solar output can have a large effect on energy input to the earth's atmosphere with consequent modifications to weather patterns. Satellite measurements on Nimbus–6 have been monitoring this constant. These measurements will continue, first with the Solar Maximum Mission.

2. Variations in the Earth's Radiation Budget. Climate is also effected by the amount of energy which is absorbed by the earth's surface. The amount of solar radiation will be determined with a specially-dedicated (Earth Radiation Budget) satellite. Instruments on Nimbus 5 and 6 have been measuring the snow and ice cover which reflects a significant portion of the solar energy. In addition, another instrument on Nimbus 6 is measuring the CO_2 content of the atmosphere, variations in which can result in measurable temperature changes at the earth's surface. The ozone composition is currently being mapped using an instrument on Nimbus–4. This factor, which determines the amount of ultra-violet radiation which reaches the earth's surface, will continue to be monitored by instruments on Atmospheric Explorer-E and Nimbus-G.

3. Distribution of thermal energy. The air-ocean interface, which plays such a large role in our long-term climate will be monitored by satellites which will measure ocean surface temperatures and current circulations (Nimbus-G and Seasat).

In addition, satellites can contribute through long-term, global or regional measurements of changes in vegetation cover and land use. All these areas are amenable to satellite measurement and will be included in NASA's planning.

A recent paper prepared by V. V. Salomonson and T. J. Schmugge of the NASA Goddard Space Flight Center discusses the important relationship among agricultural meteorology, yield estimation and remote sensing. It is included as Appendix 1 to this report.

D. Development of microwave remote sensing

The principal advantage of remote sensing in the microwave wavelengths is that microwaves penetrate clouds while observations in the visible and infrared wavelengths do not. Given the fact that a considerable portion of the earth is obscured by clouds at any given time, the development of an all weather capability is important. Other advantages are that sensing can be conducted at night as well as in the daytime; microwaves can penetrate the earth slightly (important for soil moisture determination); and, microwaves at certain wavelengths can penetrate vegetation, allowing surface data to be gathered, for example, through a canopy of trees. For these reasons, a high priority is being given to the development of a satellite microwave remote sensing capability for earth resources surveys. Given the fact that microwave sensing is not as developed as sensing in the visible and infrared wavelengths, and that the instruments are relatively large, heavy and complex, it is not expected that dedicated sensors for food information applications will be available before the latter part of the 1980's. When they do become available, they will probably be used in addition to remote sensing at the other wavelengths, and in conjunction with data from traditional systems, to provide an optimum world agricultural information system.

AGRICULTURAL METEOROLOGY, YIELD ESTIMATION, AND REMOTE SENSING

(By V. V. Salomonson and T. J. Schmugge)

BACKGROUND

Agricultural meteorology is the discipline in which meteorological principles and knowledge are applied to agricultural pursuits. Ultimately all efforts in agrometeorology point toward the possibility of increasing yields. The purpose of this paper is to explore the utility of remotely-sensed data acquired from aircraft and spacecraft in improving predictions and estimates of yield. A special emphasis will be placed on the prediction of yield for wheat inasmuch as there now is considerable involvement of NASA, NOAA, and the U.S. Department of Agriculture in an effort termed the Large Area Crop Inventory Experiment (LACIE). The purpose of LACIE is to test and demonstrate the capability of relative new remote sensing and data processing systems, in combination with existing and historical data, to forecast the production of an important world crop; namely, wheat. Production is defined as the product of crop area and yield. While it is conceptually rather easy to see how remote sensing might be applied to measure acreage, the utility and application of remote sensing for estimating and predicting yield is less apparent.

Meteorological factors have a considerable impact on wheat yield and, because of this and as part of LACIE, agromet models employing conventional data acquired utilizing the World Meteorological Organization (WMO) network will be developed and utilized as the principal mechanism for estimating yield in the United States and other countries. There is, additionally, considerable interest in exploring the utility of spacecraft data because it offers a uniform and consistent data set that would provide worldwide coverage and easy access. There is a considable challenge involved in that it is not readily apparent how meteorological parameters related to crop yield may be estimated or inferred from remote sensing or even how the satellite data should be compiled given the relatively small number of years of continuous, computer compatible data that now exist and the high data volumes involved. The rest of this paper will attempt to offer a perspective from which to evaluate the possibilities of utilizing remotely sensed data from satellites and to suggest some approaches using remote sensing that appear to have the most potential for providing useful contributions to improved world-wide wheat yield prediction.

CRITICAL PARAMETERS

There have been several studies conducted which had the purpose of delineating those variables most affecting crop yield and plant response (for example; Thompson, 1962; Thompson, 1969, Williams, 1969). A review of literature shows that the principal variables are moisture, temperature, and energy. Other factors are also involved that include soil type, technological factors including fertilizer, pest control, and planting practices, and disease or weather hazards. A listing of the parameters that should be considered is given in Exhibit 1.

YIELD ESTIMATION APPROACHES

Estimating or predicting crop yields is a difficult and complex problem. Typical approaches to this problem often involve the process indicated in Exhibit 2. There are several agromet models that have been utilized to estimate crop yields but overall it seems one can identify two main types of models; namely, statistical/regression models and more deterministic moisture balance models.

Statistical models

The statistical/regression models normally relate temperature, precipitation, solar radiation, potential evapotranspiration, and other variables to yield. Critical to this approach is having a long period of record of high quality, consistent data for a given area. An example of a typical, but very current statistical model is provided in Exhibit 3. This model was developed and implemented by the Center for Climatic and Environmental Assessment (CCEA) in Columbia, Missouri (material furnished by N. D. Strommen, Supervisory Meteorologist, CCEA). The model used here requires inputs of monthly mean precipitation values, values of potential evapotranspiration computed using the Thornthwaite Method (Thornthwaite, 1948), and degree days above 90°F. Besides Kansas, similar formulas have been applied for Oklahoma, North Dakota, South Dakota, parts of Minnesota, Nebraska, and the Texas-Oklahoma Panhandle area, and Colorado. One may note that the forecast of yield improves steadily as the harvest time for wheat approaches.

Moisture balance model

Moisture balance models essentially rely on the fact that plant growth and yield are a function of available moisture. The soil water balance equation can be written:

$$P-O-V-E+\Delta W=0 \qquad (1)$$

P is precipitation, O is runoff, V is deep drainage, E is evapotranspiration, and ΔW is change in the soil water storage of soil moisture (Slayter, 1968).

One of the most critical parameters in terms of crop response and eventual yield is the soil moisture. Many efforts have been made to measure soil moisture directly but still soil moisture measurements are not readily available. As a result, efforts have been made to estimate or infer the amount of water available to plants by accounting for other moisture fluxes as indicated in Equation 1. Precipitation values are readily available with usable observational density. Assumptions or approximate relationships can be used to evaluate the amount of runoff (O) and deep drainage (V) in agricultural situations. The principal challenge in using this approach to estimate the moisture available to crops is in obtaining evapotranspiration estimates (E).

With reference to the use of a moisture balance approach and yield estimates one of the most successful efforts has been that described by Baier and Robertson (1966). The details of applying this approach are provided in Baier et al. (1972). The principal equation used in this method is as follows:

$$E_i=\sum_{j=1}^{n}\left[k_j\frac{Sj'(i-1)}{S_j}Z_jPE_ie^{-w(PF_i-PE)}\right] \qquad (2)$$

Ei=actual evapotranspiration for day i
j=refers to zones in the soil profile
$S_j'(i-1)$=available soil moisture in the jth zone at the end of day $i-1$
S_j=capacity for available water in the jth zone
Z_j=adjustment factor for different types of soil dryness curves
PE_i=potential evapotranspiration for day i
w=adjustment function for effects of varying PE rates on the AE/PE ratio
k^1=coefficient accounting for soil and plant characteristics
PE=long term average daily PE for a month or season

By monitoring precipitation input and making adjustments for drainage and runoff, Equation 2 can permit daily estimates of E and an accounting of soil moisture that can eventually be related to yield (Baier and Robertson, 1968).

As already indicated, the principal difficulty in using a soil moisture/water budget approach comes in estimating evaportranspiration or with specific reference to Equation 2, potential evapotranspiration (PE). The most analytical formula for estimating PE is that provided by Penman (1948). This formula takes the form:

$$PE=(R_n\cdot\Delta+\gamma\cdot E_{ao})/(\Delta+\gamma)$$

where

$$E_{ao}=0.35\,(0.5+V/100)\,(e_o-e_a)$$

In this equation R_n is the net radiation at the surface, Δ is the slope of the saturation vapor pressure curve at air temperature, V is the wind speed, and e_o and e_a are the vapor pressures at the surface and at weather shelter height. This formula requires some data that are not normally available. As a result daily estimates of PE are commonly obtained by regression techniques using standard meteorological data. Use of the regression techniques makes it more difficult to extend the estimates over long distances or times.

In both the statistical methods and the moisture balance methods it is still necessary at some point to regress some variable(s) against yield. At their best, the two methods are roughly comparable in the level of yield estimates that are obtained. The statistical methods are certainly less difficult to implement, but are, in general, less physically related to the growth of the plant. The moisture balance method, even though more complex and subject to error, has been successful because soil moisture is so critical and related to crop response.

Phenological/crop condition models

One method by which one can predict yield is to observe the crop at some time, t_1, and use this as an estimator of its condition at some later time, $t+\Delta t$. This technique, of course, can be improved by observing the crop at a series of times so as to monitor its rate of growth and maturation and, thereby, estimate its condition at harvest time and the commensurate yield. An example of work where the morphology of the plant is related to its development is provided by Haun (1973).

A very valuable concept for monitoring crop growth and for relating climatological variables to crop yield concerns the use of the crop calendar concept or the biometeorological time (BMT) concept. When the average data at various stages of crop growth—is known and documented the result is commonly called a "crop calendar". This approach is often amplified wherein meteorological variables are used to predict when significant points in crop growth will be reached. Robertson (1968) has used this general approach to establish the BMT concept wherein biometeorological time establishes the rate of development toward maturity as computed from maximum and minimum air temperatures and day length (photo thermal units). For wheat there are six critical BMT stages namely: planting, emergence jointing, heading, softdough, and ripe.

There has been appreciable success achieved in averaging meteorological and moisture budget variables over the BMT time periods and regressing the results against yield. The disadvantage of this approach as opposed to using monthly averages, for example, is that more data processing is usually involved. The reason more data processing is involved is that monthly averages can be obtained directly from the National Climatic Data Center in Ashville, North Carolina whereas averages for BMT periods must be constructed from daily data.

Climatological models

Many of the techniques just discussed must assume that normal conditions or present conditions at the time of the forecast will prevail until the harvest is accomplished. An accurate forecast of the climate to be expected during this intervening period would undoubtedly allow the predicted yield to be much more accurate. In places where data may be difficult to obtain, an accurate climatic model applicable to or encompassing that location or region would permit yield forecasts to be made using the meteorological variables provided by the model. Certainly the value of accurate climatic models cannot be underestimated for improvements in yield prediction and better management of world food resources. However, there is much to be done before reliable, accurate models applicable to crop producing regions is realized. An excellent review of the present state of climate modelling is provided by Schneider and Dickinson (1974).

Meteorological episodes

Present yield prediction models do not adequately treat anomalous events that severely limit yield or destroy a crop. Such events or episodes would include severe drought, freezing, hail, abnormally heavy rains and wind storms, or diseases. These events are probably best accounted for by having a monitoring system that adequately detects anomalous events, surveys the extent of damage to the crops, and permits an estimate of the effect on yield. A satellite-based remote sensing system allowing repetitive global coverage and thereby permitting crop condition to be monitored should be very appropriate here. This possibility along with other remote-sensing applications in yield forecasting will be described briefly in the next section.

THE APPLICABILITY OF REMOTE SENSING

As indicated earlier the primary variables that affect yield are moisture, temperature, and energy. The applicability of remote sensing for monitoring these parameters as well as others given in Exhibit I is conceptually quite clear in terms of providing high observational density observations on a repetitive basis over large regions. However, it has not been conclusively demonstrated that these parameters can be observed with sufficient accuracy from spacecraft or high altitude aircraft to make this approach a viable tool for yield forecasting, in particular, and agricultural climatology, in general.

Remote sensing—statistical models

For input into statistical models exact correspondence with conventional information must be established for remote sensing information so that it can be directly incorporated into existing models, or a data set sufficiently large for establishment of statistically viable relationships and yield predictions based on satellite observations must be available. Exhibit 4 provides a summary that primarily describes the availability of digital data on computer-compatible magnetic tapes. Overall, the most consistent, nearly continuous digital data is "atmospheric window" 10–12 um data obtained by radiometers on the Nimbus series, primarily, but more recently available from the NOAA satellites and from the Defense Meteorological Satellite Program (DMSP). Since these data would reflect variations in cloudiness, surface moisture, and crop cover, there may be a possibility that some useful statistical relationships could be obtained between some function involving satellite brightness temperature (perhaps just a simple average) observed at different points in time during the growing season and crop yield.

Another observation from meteorological satellites that is consistently available since approximately 1966 is cloud cover as depicted in satellite imagery. Because cloud cover is related to incoming energy, precipitation occurrence, and the general climate prevailing in a given area, data extraction and processing techniques involving cloud cover estimates from imagery may offer a viable alternative for improved yield prediction, particularly in regions where data is sparse or difficult to obtain.

Averages of precipitation amounts, net radiation, or incoming solar energy can be substantially in error over large regions because of the wide spacing, low observational density of conventional observations. Huff (1970) describes sampling errors in the measurement of mean precipitation. Existing satellite data, such as that from the Synchronous Meteorological Satellite (SMS) series, should be useful in providing, in conjunction with conventional rain gauges, more accurate mean precipitation input over areas of various size extending from county-sized areas to the state or regional scale. It may also be possible to provide useful measures of precipitation over data sparse regions using satellite data alone. This possibility has been studied by Follansbee (1973). A general review of rainfall estimation methods from satellites is proved by Martin and Sherer (1973).

Remote sensing—moisture budget methods

As indicated previously, the fact that satellite remote sensing observations offer a high observational density capability with which to augment conventional observations suggests that its utility and the accuracy advantages should be explored. There are many yield prediction models which work at a given location but fail when applied to other areas or over wide regions. These models fail many times because the conventional data input does not adequately reflect the spatial variability of parameters such as precipitation, net radiation, soil moisture, and evapotranspiration. This problem exists not only with the moisture budget models but also the statistical models.

The possibilities of providing improved model inputs of precipitation and evapotranspiration estimates using by Penman Equation (3) need to be explored in detail. Some recent work by the Earth Satellite Corporation* indicates that there is potential for remote sensing in this area of endeavor with eventual application in the soil moisture accounting approach (Equation 2).

The fact that soil moisture is such a critical parameter for crop growth coupled with the indications that remote sensing can be applied for this purpose suggests that substantial research needs to be accomplished to ascertain the exact applicability of remote sensing measurements of soil moisture. Published results describing the possibilities with albedo data (Idso et al., 1975), thermal infrared (Idso et al., 1975) and microwave data (Schmugge et al., 1974) are available. The fact that microwave data provides a soil profile penetrating and vegetation penetrating capability makes it appear to be a particularly attractive approach to be explored as rapidly as circumstances may permit.

Crop condition monitoring

There are several studies that indicate the condition of a crop can be observed and perhaps used to estimate its condition at a future time such as harvest. Among the investigators who have described relevant results are Morain (1974), Rouse (1973), and Wiegand (1974). These reports show that by using ratios of Landsat bands such relevant features as leaf area index, biomass, and crops under stress can be observed. The data developed by Dr. K. Ranamasu (Morain, 1974) show that a peak in the value of the (0.5–0.6)/(0.6–0.7) micrometer reflectance ratio is reached approximately 40 days before harvest. The level of this peak appears to be related to wheat yield. The presence of disease, insect festation, moisture stress, and fertilizer deficiency may also be observable from space and used to adjust yield estimates.

Meteorological episodes

Since meteorological conditions such as freezing, hail damage, or the effects of unusually heavy rains can severely reduce yield and should alter the special appearance of crops, the possibility of monitoring the occurrence and extent of these phenomena with remote sensing would be explored. The persistence of snowcover, or below normal, or above normal soil temperature conditions, flooding and other abnormal conditions may possibly be successfully monitored from satellites alone or in combination with conventional observations. There is a recognized need to do this kind of monitoring and the opportunity for successful monitoring from space platforms seems quite real.

SOURCES OF COMPARISON AND GROUND TRUTH

The most sophisticated crop production forecasting system available today is that applied by the U. S. Dept. of Agriculture Statistical Reporting Service. The average error in yield forecasts is about 2% with the standard deviation in the error being about 8 percent 9 months before harvest (Castruccio and Loats, 1974). These figures apply to national production forecasts. The error increases as one goes to smaller and smaller reporting units. The average error at the state level at harvest is estimated to be 4–6% and at the crop reporting district level it is estimated to be approximately 10%. The yield component contributes about 50% of the total variance in production.

The accuracies mentioned above are the standards of comparison for new methods using remote sensing applied in the United States. If comparability between yield forecasting methods employing remote sensing and conventional methods can be established in the United States, these same remote sensing methods should provide valuable information concerning crop yield in countries outside the United States. It should be explicitly pointed out that the first priority goal is to provide national crop production estimates.

For national and state or regional estimates of yield, the USDA/SRS estimates serve as a standard of comparison. Because the SRS technique is essentially a small sample technique it cannot serve as a very effective standard of comparison at the crop reporting district and county level. At present there is not clear requirement for accurate yield estimates at the county level, but it may be hypothesized that as food supplies become more critical, and if a capability for providing such a result can be demonstrated, such information may be quite useful at the local/county level and improve national and state yield estimates at the same time. A remote sensing system may offer this potential but in order to validate such a system accurate ground truth systems are needed. These ground truth systems would provide accurate, local yield measurements, and measurements of soil moisture, precipitation, evapotranspiration, and crop condition that would validate remote sensing measurements and yield estimates employing remote sensing. The LACIE system of ground truth/test sites is a step in the appropriate direction.

CONCLUSIONS

There is a clear need to improve the ability of this nation and the world to predict crop production and manage food resources. Remote sensing from spacecraft and aircraft appears to offer some opportunities for improvement in yield prediction, but considerable research and data analysis is needed before this apparent potential is substantiated. Conventional methods use readily available data that is relatively easy to process and provide predictions in the U.S. that are comparable to nationwide estimates provided by the U.S. Department of Agriculture. Remote sensing may provide a uniform, consistent data source that can be obtained over all regions without depending on an international network of ground-based stations. It, furthermore, may provide a means of improving model input on all scales by capturing more accurately spatial variability in parameters such as precipitation and net radiation. Additionally, any improvements that are produced must be evaluated in terms of the greater data processing complexity associated with models using remote sensing data as compared to methods using conventional meteorological data.

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*Private communication with Mr. Earl Merritt, Earth Satellite Corporation, Washington, D.C.

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FACTORS IN WHEAT YIELD FORECASTING

Primary

Energy—Net radiation and incoming solar energy.
Warmth—Temperature.
Moisture—Soil moisture and precipitation.

Secondary

Light (no. of cloudy days).
Wind (damage).
CO_2 (yield α CO_2).
Soil type.
Date of planting.
Rate of planting.
Depth of planting.
Diseases, weeds.
Nutrients.
Leaf area and leaf area index.
Variety.

FOOD, AGRICULTURE, AND NUTRITION INFORMATION SYSTEMS[1]

(By Martin E. Abel)[2]

I would like to make a few comments on the report of the Food Advisory Committee of the Office of Technology Assessment, *Food, Agriculture, and Nutrition Information Systems: Assessment and Recommendations.* While the views expressed are my own, I have consulted with and benefited from the views of other members of the Food Advisory Committee in the preparation of my remarks.

The Food Advisory Committee report contains 12 recommendations for improving food, agriculture, and nutrition information systems. These recommendations deal with (a) ways by which the Congress can strengthen its own capabilities to deal with ever-growing amounts of information; (b) ways to eliminate obsolescence and improve the timeliness and reliability of food and agricultural data; (c) the need to improve information on fertilizer, a key agricultural input; (d) the need to strengthen information systems dealing with current domestic and world food and agricultural situations; (e) development of new technology for improving crop forecasts that utilizes satellites; (f) improving nutrition information systems; and (g) improving international food and agricultural information systems.

The Office of Technology Assessment Board has already heard from several people who have commented on the Food Advisory Committee report and its recommendations. The recommendations stand by themselves. I shall confine my remarks to actions the Congress might take to implement in the near future some of the recommendations of the report that appear to be of vital importance to our information systems and to the status of further work being done by the Food Advisory Committee on improving nutrition information.

CONGRESSIONAL CAPABILITY

The first two recommendations deal with how the Congress can strengthen its own information and analytical capabilities through (a) increasing the analytical capabilities of staffs of the Agricultural Committees and the agricultural specialists in the Congressional Research Service, and (b) making fuller use of the analytical capabilities in the executive agencies and the land grant universities. We recommend that the Congress move quickly in implementing these two recommendations. Their implementation would provide valuable additional staff capacity to help the Congress implement the other recommendations of the Food Advisory Committee report.

We recommend that congressional action to improve its own staff capability not be limited to increasing the number of professional staff members. Attention should also be given to how to make the professional staff resources more responsive to the needs of the Congress. Improved communication and coordination of activities among the Congressional Research Service, Office of Technology Assessment, General Accounting Office, Congressional Budget Office, and staffs of the Agricultural Committees could eliminate unnecessary duplication of effort and achieve a sharper focus of the work of the various staffs on the important issues that confront the Congress.

These congressional organizations have the authority and resources to draw on a wide range of expertise in the executive branch, in universities, and in the private sector. Coordinated use of these respective authorities and resources could make more readily available to the Congress a greater amount of information and expertise than is presently the case.

DOMESTIC AND WORLD FOOD SITUATION

The Food Advisory Committee and the testimony by Howard W. Hjort highlighted the need to improve the analytical capability and objectivity of the Department of Agriculture in the preparation of supply-demand estimates nationally and internationally. Mr. Hjort outlined several weaknesses in the present system related to inadequate data collection, inadequate analytical work, and the organizational structure responsible for the preparation of supply-demand estimates with the USDA. Mr. Hjort made several recommendations as to how the USDA could improve supply-demand estimation work including reorganization of units of FAS and ERS within the USDA to achieve better coordination of effort, improved analytical capacity and greater objectivity.

We recommend that either the Joint Economic Committee or the Agricultural Committees hold hearings on what USDA is doing or plans to do to improve the quality of its supply-demand estimates. We also recommend that these hearings focus on the need to create an economic intelligence unit within USDA as a way to improve the reliability and objectivity of national and international supply-demand estimates. We think it is important that this unit be independent of the operating agencies of USDA, whose interests may impair the reliability of the information generated.

OBSOLESCENCE, TIMELINESS, AND RELIABILITY OF DATA

With respect to obsolescence of data, the Food Advisory Committee recommends that either the Joint Economic Committee or one or both of the Agriculture Committees request the secretary of agriculture to establish an agricultural statistical review committee to propose to the Congress and appropriate executive agencies ways to modernize, coordinate, and standardize data series on food and fiber. The appropriate committees of the Congress might, early in 1976, request the secretary of agriculture to act on the recommendation. A report of the statistical review committee established by the secretary might be made to the Congress within 6 to 9 months. Information would then be available to the Congress and executive agencies for action in 1977 on modernization of our food and fiber data series.

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[1] Presentation to the Office of Technology Assessment Board, Congress of the United States, February 4, 1976.

[2] Professor, Department of Agricultural and Applied Economics, and Director, Economic Development Center, University of Minnesota.

In a similar fashion, the congressional committees which have jurisdiction over the Department of Agriculture and the Bureau of Census data activities could in early 1976 request a study of a joint Department of Agriculture-Bureau of the Census committee on the feasibility of integrating the staff and activities of the Agricultural Census into the Statistical Reporting Services of the Department of Agriculture. There could be a report to the Congress within 6 months on this matter. If integration of functions is feasible and desirable, legislation to accomplish it could be proposed early in 1977. Our committee feels that the present division of responsibility for data collection seriously impairs the quality and quantity of data being collected and required to run an effective agricultural information system. This unhappy situation needs to be resolved as quickly as possible. To date, no action has been taken to reconcile the differences between the Department of Agriculture and the Agriculture Census.

The inadequacy of data on Soviet food and agriculture continues to be a problem. While the June 1973 Agreement on Agricultural Cooperation with the Soviet Union has provided the United States with additional data, as Assistant Secretary Richard E. Bell pointed out, "there has been little progress in acquiring data to enable an improved assessment of current production and foreign trade prospects. The Soviets have not yet demonstrated a willingness to implement the forward estimates provision of the Agreement." Yet these are the crucial data needed to achieve orderly production planning and marketing by the United States.

The recent long-term grains agreement between the United States and the Soviet Union is an alternative way of obtaining some information from the Soviets about trade prospects. However, this agreement is only a partial answer to minimizing the erratic price movements in grains caused by large changes in Soviet purchases. The Soviets are free to buy grain from other countries which, like the United States, do not have accurate and timely information on either Soviet grain production or trade intentions. Thus, the Soviets can still influence U.S. markets through their trade behavior with other grain exporting countries.

It may be time for the Agricultural Committees to take another hard look at just how far we have come in getting needed information from the Soviet Union, why we are not getting more information, and what can be done about it. It may be, as some have suggested, that the Soviet information system does not produce timely information on production and, therefore, trade prospects. If this is the case, it might be worth considering ways by which the United States might help improve the timing and reliability of Soviet data. If, on the other hand, such collaboration is not possible or desirable, then continued efforts will have to be made to find ways to keep the Soviet Union from unduly disrupting world grain markets.

Additional recommendations of the report deal with ways by which the United States can help other countries improve their agricultural information systems. We recommend that the Congress request the appropriate executive agencies to encourage and support development of FAO's efforts to expand its global information and early warning system on food and agriculture, consistent with Resolution XVI of the 1974 World Food Conference. Among other things strengthening of domestic food and agricultural information in other countries will be required. The Statistical Reporting Service has valuable experience and expertise for doing this. Consideration might be given to the Statistical Reporting Service playing a bigger role in assisting other countries improve their food and agricultural information systems. The United States might also provide financial assistance to these nations for this purpose.

The Food Advisory Committee recommends that the Agency for International Development be directed to place high priority in its foreign assistance program on helping less developed countries improve their information systems, including the use of advanced information technology. The appropriate congressional committees might in 1976 explore with AID how it can expand its technical assistance efforts to improve national agricultural information systems. This exploration could be part of the appropriation hearings for the fiscal year 1977 budget.

NUTRITION INFORMATION

One aspect of the report requires further comment. The Food Advisory Committee indicated their "plans to consult further with leading nutritional scientists and make recommendations for establishing a continuing nutritional status surveillance program." The Food Advisory Committee report quoted the testimony of the Nutrition and Special Groups Panel of the June 1974 National Nutrition Policy Study, in which concern was expressed that "recent studies have added little to our knowledge and completely ignore questions which we feel must be answered if the United States is to develop a sane and equitable nutrition policy."

The Food Advisory Committee report went on: "Nutrition scientists also are not fully agreed on the significance and reliability of specific tests for nutrition deficiencies. Information on nutritional status also involves consideration of nutritional-related public health issues, where in many instances cause and effect relationships are not clearly established. It is because of these problems that little progress has been made in establishing a monitoring and surveillance program as recommended by the 1969 White House Conference."

Since information on the nutritional status of target groups on a timely and continuing basis is essential to the development of policies and programs, it is essential that the Congress and other agencies of government have accurate and timely information on the nutritional status of target groups in order to develop and implement effective policies and programs. Since other areas of nutritional concern are so dependent upon the quantity and quality of information concerning the nutritional status of individuals and target population groups, the Food Advisory Committee plans to review national nutrition surveillance and related programs and make recommendations on alternative ways to provide the information required for developing and implementing nutrition policies and programs.

REFORMING THE PATENT LAWS

Mr. HUGH SCOTT. Mr. President, I am both happy and relieved to inform my colleagues that the Judiciary Committee has favorably reported the patent bill, S. 2255. The bill has been preoccupying us for 8 years, and I know I will be forgiven if I confess that at the moment the later emotion of relief overshadows my sense of joy. The Patent, Trademark, and Copyright Subcommittee, under the leadership of Chairman McClellan, has committed a great deal of time and effort to this reform legislation. The step taken by the Judiciary Committee today constitutes the first in the long journey toward reform of the patent laws. This step should not pass unnoticed.

The Founding Fathers viewed all monopolies as obnoxious. They felt, however, that the incentive to invention afforded by a patent system outweighed the social ills monopolies often foster—scarce, expensive, and low quality goods. S. 2255 is true to the underlying distrust of monopolies that animated our Founding Fathers. Most people fail to see the connection between patents and high prices, but it exists nonetheless. In my view, S. 2255 achieves the purpose of the Constitution by carefully circumscribing the extent of monopoly power while preserving intact the inventor's motive.

The subcommittee found that present procedures allowed more patents to issue than were necessary to preserve the desired incentives, largely because these procedures failed to make vital information relating to the invention available at the very outset. As a result, the courts regularly declared large numbers invalid. Such procedures allowed for the extended use of an unwarranted monopoly and required a costly and complicated court case to establish the invalidity of the original grant. Many Federal judges voiced concern over this unnecessary burden to the Federal docket. In drafting the legislation, the subcommittee therefore sought to enhance the quality and reliability of patents, and standards espoused in S. 2255 will systematically weed out in a timely fashion all unwarranted patent applications. In so doing it will not transgress that line beyond which one threatens to encroach upon the territory of the other objective—the inducement to further invention.

I believe that S. 2255 stops precisely at that line. Some argue that the bill crosses the line. The subcommittee, however, has been sensitive to many of the criticisms voiced by the patent bar, and in many important respects the subcommittee has accommodated their suggestions for change. S. 2255 in fact is the product of compromise.

The Senate has labored for thousands of hours for more than 20 years in this attempt to strengthen the patent system. During the extended gestation, the public and press have succumbed to an unfeigned boredom, even though vital public issues are at stake. Despite this indifference, we must act now to pass this cautiously drafted and sensible legislation.

This is the first piece of legislation that relates to the President's high priority program to reform the regulatory agencies. It is my earnest hope that the House will follow the Senate's lead and move quickly to pass patent legislation.

SENATOR McINTYRE ON SOLAR ENERGY DEVELOPMENT

Mr. HATHAWAY. Mr. President, on Sunday, February 1, Senator McIntyre of New Hampshire gave an address at the founding meeting of the New Hampshire chapter of the New England Solar Energy Association, an association representing all sectors of the New England regional community helping to develop solar energy.

In that address, my colleague noted that energy development is part of the administration's program for helping this Nation retain its national security, but at the same time he notes that solar energy development is not taking a front seat position. Instead, development of coal, nuclear power, and oil is continuing to receive major emphasis in administration statements.

As a cosponsor of S. 2845, the bill that Senator McIntyre and I introduced as a result of our hearings before the Select Committee on Small Business, I believe that the time is now to change the emphasis on energy development to nonpolluting, renewable energy resources instead of continuing with more of the same.

We must end the control that major corporations have over energy supplies.

One way to do this is by enacting S. 2845, the Energy Research and Development Free Enterprise Act, which now has 21 cosponsors. That bill would provide that research and development funds available through the Energy Research and Development Administration go increasingly to the small businesses who can bring competition to the Nation's energy industries.

I hope that the Members of this body will take the time to read Senator McIntyre's statement.

I ask unanimous consent that the address Senator McIntyre gave on February 1 be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Address by U.S. Senator Thomas J. McIntyre Before the New England Solar Energy Association

Mr. Chairman, members of the Association, guests and friends:

I know it's customary for a guest speaker to open his remarks by telling his audience how pleased he is to be with them.

Sometimes that's the truth.

Sometimes . . . well, sometimes it's more discreet than honest.

But in this case, I can honestly say I am pleased to be here, because you are living evidence that I am not the only advocate of solar energy in these parts . . . and I'm comforted in that knowledge.

Seriously, I've always known I wasn't alone. Indeed, I've been keenly aware that a good many of you were championing sun power long before I began to appreciate its tremendous potential.

Nevertheless, I've been made to feel lonely at times. It's time to get serious. Because energy is serious business. And that's what we're here to talk about today.

Let me begin by passing on a piece of somewhat encouraging news from Washington.

Next year's budget for solar energy research and development will be $110 million—an increase of thirty-three percent over the current budget of $82.7 million.

Now this is a modest enough figure, to be sure, and I'll have more to say about just how modest it is. But compared with the government's past commitment to developing sun power, it does mark a significant increase.

We have to remember that the Federal government earmarked only $8.7 million for this purpose in 1975. And before 1972, it was less than $100,000 a year.

Now why has this commitment grown?

There's only one answer to that question. It's grown because the proponents of solar energy—investors, small business people, scholars, all of you—are at long last beginning to be heard . . . and beginning to be believed.

But . . . there's still a long, long way to go.

For though the solar energy budget is up, that modest increase pales into relative insignificance when we look at the overall energy budget for next year.

The Ford Administration plans to increase that total energy budget by 80 percent.

Why? Well, for starters the Administration would like a brand new loan fund of $2 billion for research and development of synthetic crude oil . . . a technology controlled, for the most part, by the major oil companies.

Now this begs another question. Why does Big Oil need another $2 billion a year in Federal contracts in light of the fact that the price of new oil has tripled in the past three years?

And still another question. Why hold solar energy development at only $110 million, but spend twenty times as much on a highly polluting fuel whose extraction and processing could well lay waste to the environment of a good part of the Western United States?

Now what do these distorted spending priorities mean?

To me, they mean only one thing. They mean that despite the fact that Big Oil let this nation get caught with its energy pants down . . . that despite all the publicity about the exorbitant profits reaped by the major oil companies during the energy crisis . . . the industry still retains its political clout.

For no matter how you look at it, the spending priorities set in next year's budget give every indication that this Administration's policy is to help Big Oil retain control of our nation's energy future.

Now let me digress here for just a moment. I do not make it a practice to inject politics into my speeches, unless they are clearly booked as political speeches.

But I cannot give you an accurate appraisal of the energy situation without touching on politics because politics *created* that situation.

Let me also preface what I am about to say by telling you straight out that Big Oil's political influence cuts right across party lines . . . It was exercised in Democratic Administrations in the past, just as it is being exercised in a Republican Administration today.

And, as you all well know, some of Big Oil's most powerful spokesmen in the Congress of the United States are members of my own political party.

That said, however, let's face the fact that national policy is still primarily set by the White House—and the energy watchword in the Nixon Administration and in the Ford Administration was and still is—Let Big Oil Do It.

"Let Big Oil Do It"—always spelled out in big, bold free enterprise type. And it looked good. Until you read the small print below. And the small print spelled out what that watchword really meant. It meant let Big Oil do what it wants. And if it needs any *help* in doing what it wants, give it higher product prices, greater profits, subsidies and tax breaks—courtesy of the American Consumer and Taxpayer, of course.

Now the fact that Big Oil's influence is still so potent attests to the persuasiveness of big money well spent—spent on candidates who will vote Big Oil's wishes spent on a tireless lobbying effort, spent on lush public relations campaigns. Having watched all this up close over nearly 14 years, I can tell you right now that I don't underestimate these slick operators for one minute. I'm convinced that if an Exxon public relations guy had been around 200 years ago, he could have sold a red coat to George Washington!

But this insidious—and undiminished—power and influence of Big Oil is not a laughing matter, and I apologize for joking about it. Indeed, it is a matter of far graver consequence now than ever before. And let me tell you why.

Deliberately or naively, the obviously influenced Ford Administration is now proposing a hundred billion dollar slush fund—called The Energy Independence Authority—to make loans to the oil industry and the nuclear power industry from now until the year 2000.

The $2 billion shale oil development loan proposal I mentioned earlier is a first step part of that long range loan program.

But loans like this are irreversible subsidies that will force us to depend on Big Oil—and on two big nuclear power construction companies—for the next several decades.

This loan program will take away our freedom of choice and our ability to change energy policy for years to come.

Worst of all, this kind of loan program completely ignores a fundamental truth of the marketplace—that new ideas, new discoveries new products, are the brainchildren of individual inventors and small businesses that want to grow . . . not of big, smug monopolies seeking to maintain power by maintaining the status quo.

We must all realize that the government has only so much money to spend on energy. And we must allocate this available money with careful attention to the results it will bring. If we give two billion dollars a year to Big Oil and to nuclear power plant manufacturers, there will be practically nothing left for cleaner, more environmentally sound—and cheaper—forms of energy.

The FEA and the oil industry agree that we will run out of domestic oil some time between 1990 and 2030—that is, twenty-four to fifty-four years from today. Many of us in this room will live to see that day.

But that deadline can be set back, perhaps many decades.

How?

Not by hundred-billion-dollar programs to stimulate more oil production between now and then.

Not by a risky crash program for nuclear power that could become a boondoggle and could in the long run, discredit this energy resource.

Clearly our nation's long-term energy policy must include conservation. We must have smaller cars, more efficient appliances and fewer glass-walled skyscrapers. We must insulate our homes better than in the past.

But it is also clear that our national energy policy must begin now to replace oil—in some uses—with other kinds of energy that do not pollute the air and water and are not subject to control by a greedy cartel . . . or, as in the case of oil, two greedy cartels, each feeding off the other.

Solar energy—in all its forms including bioconversion, ocean currents, and the power of the wind—meets all these criteria. No other form of energy does.

And . . . the sun is free.

The technology to bring solar energy into the American home has been developed. Many of you in this room are responsible for that achievement. The next hurdle to clear is bringing your inventions into the marketplace.

At first this would seem to be an easy task.

Ralph Waldo Emerson thought so when he wrote, "If a man makes a better mousetrap, though he builds his house in the woods, the world will beat a path to his door."

Emerson would be as frustrated today as the fellow who complained that he had built a better mousetrap, but nobody beat a path to his door except half a dozen lazy cats.

Seriously, you have built the "better mousetrap," but you're up against a real problem. You're trying to sell your products in a market dominated by big enterprise—not free enterprise. You're trying to be heard over the insistent clamor of Big Oil's advertising. And you—and your potential customers—are forced to make your way through a maze of government regulations, taxes and other roadblocks that seem to be there—not to protect the public welfare—but to impede enterprise and progress.

One of these roadblocks—and a serious one—is the solar energy credibility gap, exploited if not created by the energy cartel and encouraged by far too many government officials.

I can give you some examples. While ERDA spends $82 million this year on solar energy, some other government officials are saying that the technology is a long way off. Just recently the Federal Energy Administrator for New England, Robert Mitchell, told an audience in Laconia that solar energy is—"15 to 25 years away."

And Mr. Mitchell, whose background includes a long period of service for Exxon—said solar energy "will never be more than thirty-five percent effective in this state."

He seemed to be implying that solar energy will work only in a warm climate, not in cold New England. All of you know this is not true. Anyone who has done solar energy experiments knows that the sun will generate heat at any temperature. In fact, a recent study by George Szego of Warrenton, Virginia, shows that solar energy is more economical in a location like Manchester than in the Bahamas.

But few people hear about this kind of study. Many people believe the statements of government officials—and studies done with government money, no matter what the prejudices of the company that does the studies. As a result, we have a lingering solar energy credibility gap that handicaps your efforts to raise private capital.

Surely many of you have run into bankers and other investors who are unwilling to lend money or invest in your technology—because they have heard something negative about that technology from an ignorant government official.

As many of you know, I held hearings in May, October and again in November to find out what these roadblocks are, and what can be done about them.

Here are some of the things we found out, and some of the things I have done about these problems.

I discovered that the three big government mortgage loan programs—the FHA, the VA and the FmHA—simply would not approve loans for homes that had solar energy heating and cooling systems.

Why? Because they were unintentionally hamstrung by their own housing standards. These standards were written years ago in the Department of Housing and Urban Development when no one in Washington was thinking about solar energy.

I asked officials of the Department of Housing and Urban Development to do something about this problem. They agreed to start writing standards for solar energy equipment in houses right away. I expect them to issue those standards this Spring. Meanwhile, they agreed to handle applications for solar-equipped homes in the main Washington office. This temporary procedure means a lot of red tape—but it is better than a flat "no."

Now we all know that solar energy collectors are still relatively expensive because the equipment is not yet standardized or mass-produced.

I've introduced a bill to offset some of these high costs. This legislation would give the homeowner a tax credit for installing solar heating or cooling equipment.

Homeowners would be allowed a Federal income tax credit equal to one fourth of the cost of a solar unit in the home, up to a maximum of $2,000.

If the legislation is passed, the credit will be available for five years. That should be enough time for the solar energy industry to gear up production and become more competitive, because prices of solar collectors should gradually decrease as a result of mass production and standardization. Eventually the tax credit would not be needed.

But there is still another big obstacle to rapid development of practical solar energy collection equipment, as I found out in my hearings last year. This obstacle is the attitude of ERDA toward small business and the individual inventor.

I believe that the inventor and the innovative small businessman and woman are among the nation's greatest resources.

But ERDA has virtually ignored our inventors and innovators, instead favoring big energy companies with its grants, even in solar energy research.

I was astonished to find out that less than six percent of all ERDA's solar energy research contracts went to small businesses and individuals in the first half of 1975. More than thirty percent of the solar energy contracts went to big businesses, and fourteen percent to universities.

To correct this disparity, I've introduced S. 2845, a bill that would require ERDA to set aside half of its solar energy research funds and twenty percent of all its energy research funds for small businesses and individual inventors.

Another provision of this bill would force ERDA to decide whether a giant energy corporation would gain a monopoly over an energy technology if given a research contract.

In making this judgment, ERDA would have to use standards established by the Justice Department and the Federal Trade Commission.

In this way, more research money would be channeled into the hands of individuals and small companies . . . and less to those who are interested in keeping solar energy on the back burner while they sell their oil and uranium.

And there are still other changes that we will work on in the coming year:

For one thing, it is time to change the direction of our solar energy research from the theoretical to the practical.

We need less pure research and more demonstration projects to show that solar energy works. We need more funding for projects to commercialize solar energy collectors and other equipment. And we need funds for solar energy information libraries and data banks such as the data bank that your own association has proposed to ERDA.

We need to set up schools to teach skilled craftsmen how to install solar energy heating and cooling equipment. One such school has already been proposed to ERDA by The New England Fuel Institute.

It would be a training program to install solar hot water systems.

We must work to convince financial institutions that solar energy is practical today and that it is a worthy business for their loans. My staff is working on this issue right now, and they would welcome suggestions.

And now, before I leave, I'd like to say a few words about the Solar Energy Research Institute.

A law passed in 1974 with the long title of "The Solar Energy, Research, Development and Demonstration Act" requires the government to set up a Solar Energy Research Institute. There has been much talk about what shape this institute should take and where it should be located.

One proposal would locate the headquarters for the institute at ERDA's headquarters in Germantown, Maryland, right outside Washington.

Under this proposal, branches of the institute would be located in various parts of the country where different kinds of solar energy research are being carried on.

A second proposal, endorsed by the New England Council and the New England Congressional Caucus, would have the Solar Energy Research Institute located in New England, within seventy miles of an international airport.

I have received a number of letters asking me to endorse a New Hampshire location.

I think New Hampshire would be an ideal location for the institute. The institute should be in a rural location, so that a community of solar-equipped homes can grow around it.

And the institute should be located in a northern climate. Our cold winters can be the acid test for solar energy.

But much as I'd like to see it in my home state, I can't in conscience insist upon a New Hampshire location. That kind of selfish provincialism would undermine the mutually supportive efforts of the New England Council and the New England Congressional Caucus to have the institute located in New England—and located in the most appropriate place in New England.

A task force of the New England Council is considering a number of localities in our region as potential sites for the institute. I'm confident that the task force can come up with a sound proposal that will be in the best interests of our region and the nation as a whole.

If any of you wish to make your views known to ERDA regarding the location for the solar energy research institute, you can write to: Mr. Robert P. McGee, Project Director, Solar Institute Project Office, Energy Research and Development Administration, 20 Massachusetts Avenue, Washington, D.C. 20545.

And now in closing, let me sum up.

A multi-billion-dollar loan program for energy giants is a bad idea because it locks us into a future of dependence on Big Oil.

A crash nuclear power program could endanger public safety and discredit nuclear power as an energy source.

ERDA has in the past allocated too much of its money to big companies with little or no interest in the development of alternatives to oil and nuclear power.

Inventors and innovative small business people have brought solar energy to its present state of progress, and deserve the chance to continue that progress. To stimulate continued growth of solar energy at the grass roots, I have introduced: a bill to grant a tax credit to help homeowners buy solar energy equipment, and an energy research bill to provide more Federal research funds for small businesses and less for giant corporations with interests in other forms of energy.

I think you will all agree that the advance of solar energy is a great opportunity to continue some of the social advances of our time—advances that have only now begun in much of the American business world.

It is an opportunity for an emerging business group to dedicate itself to improving the environment—rather than exploiting it. And it is an opportunity for some of you to proceed to establish the kind of employee-owned businesses encouraged by solar energy champion, Lola Redford, in her testimony before my subcommittee last year.

As for myself, I can promise you this: I'll do everything I can to help you prove that the free enterprise system does work . . .

that if you build a better mousetrap, the world will—in time—beat a path to your door.

SIR PATRICK SHAW

Mr. HATFIELD. Mr. President, recently, the Washington diplomatic corps lost one of its most esteemed members when Sir Patrick Shaw died. As Ambassador from Australia, he embodied everything that a diplomat should be, and could be a model for all who serve in this noble profession.

Sir Patrick Shaw died in Washington on December 29, 1975. I know that one of his joys while posted here was to journey away from Washington to other parts of the country in the course of his duties. He recognized that there is far more to the United States than the Washington-Boston axis. Not only were these visits helpful in allowing him a far better perspective on the people of the United States, but it also helped broaden the experiences of people with whom he met in various American cities throughout the country. I know his friendly manner, his charm, and his able skills as a diplomat contributed to a better understanding of Australia for many Americans as a result of these visits around the country.

I have collected some material about Sir Patrick Shaw that I want to share with my colleagues in the Senate. First, at the memorial service for Sir Patrick Shaw here in Washington, Deputy Secretary of State Robert Ingersoll delivered a moving tribute to Sir Patrick Shaw. His eulogy captures the affection all those who knew the Ambassador felt toward him. Following this are the brief tributes by the Prime Minister of Australia, President Ford, and Secretary Kissinger. Lastly, I have compiled some news articles about Sir Patrick Shaw from the Australian press.

Mr. President, I ask unanimous consent that this material be printed in the RECORD at the end of these remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

In closing, I want to say that I think I speak for all my colleagues when I say we have lost a friend. His death will leave a void in the diplomatic service. His skills will be hard to match. My sympathies go to Lady Shaw and his children.

EXHIBIT 1

EULOGY FOR SIR PATRICK SHAW, JANUARY 2, 1976

Ladies and Gentlemen: It seems strange that Pat Shaw's friends in Washington should gather without his gregarious presence among us; he was so alive, so full of interest in the world around him, that I still find it difficult to believe that he is not here. Like many of you, I had the pleasure of seeing him recently, and found him cheerful, calm, and actively working to further strengthen relations between Australia and the United States. There was no hint that he would be taken from us so suddenly. His passing would have been a shock at any time; it was even more so because it was so unexpected.

To me, Pat Shaw was the perfect diplomat, in the best sense of the word. He always represented Australia firmly but reasonably, and he fully understood the need for honesty and forthrightness in the communications between our two governments. His own conscience would not have allowed him to speak otherwise. All of us who dealt with him found him thorough, patient, and well-informed. It truly was a pleasure to do business with him.

Pat Shaw knew well that relations between two great democracies must go beyond the normal business of diplomacy, and into the inner workings of our societies, their values and institutions. He always made an effort to reach as many Americans as possible; I sometimes think that everyone in Washington knew him. He certainly was well known in the Congress, where he had many good friends. And he was a keen observer of the American scene, well prepared to interpret the often bewildering complexity of this country to his government.

Patrick Shaw understood as well as anyone the need for the great industrial democracies to anticipate the future, to work with each other and others to build a more decent and stable world. He saw that we must act wisely and firmly to preserve our most treasured values. He knew that the United States and Australia, these continent-sized countries, blessed with rich resources, productive citizens, and representative governments, have a special role to play. He understood the logic of changing strategic perceptions and policies. His outstanding performance as Ambassador was due not only to his professionalism, but also to his conviction that what he was doing was important.

The Government of Australia long ago recognized Pat Shaw's ability. He was one of Australia's most senior and experienced career diplomats, having served as Ambassador to the Federal Republic of Germany, Indonesia, and Nepal, as High Commissioner to India, and as Australia's Permanent Representative to the United Nations before coming to Washington. He was awarded the Order of Commander of the British Empire and was knighted in 1972.

No tributes to Pat Shaw's intelligence and professional skill should disguise what is really important: Patrick Shaw, the human being. He was, above all, a delightful person to know. His soft-spoken restraint only partially hid an irrepressible interest in life, and a wry sense of humor. He never lost his interest in meeting people and exchanging ideas; he never failed to enjoy a good story, or to brighten whatever group he joined. He was full of energy and enthusiasm, and always was a keen sportsman. He made the most of that short time granted to each of us to enjoy life and our fellow human beings.

There was another dimension to Sir Patrick's life that he valued highly: his family. He was fortunate to share his life with a wonderful woman, Helen Shaw; many of you have the pleasure to know her, and you realize what a source of strength she has been for her husband. The Shaws have two fine daughters, and one is with us today. Our hearts to out to the Shaws in this sad moment; we wish them the very best in the future.

I am sure that Pat Shaw would not wish us to mourn too long; to him, life was to be enjoyed, and our existence as human beings was an opportunity to be explored. I suggest that we think about this man, about his human qualities and his achievements, and remember him happily as a friend and as a fine human being. Let each of us take a moment to reflect on Pat Shaw, see his face, and think to ourselves: It was a privilege to know him.

DEATH OF SIR PATRICK SHAW

The following tributes have been paid to Sir Patrick Shaw by Australian leaders. The prime minister and foreign minister have also received messages of condolence from President Ford and Dr. Kissinger.

2. The prime minister said that Sir Patrick Shaw had given long and distinguished service in a number of very senior positions both in the Department of Foreign Affairs in Canberra and abroad. His death was a great loss to Australia and would be deeply felt not only by the government but also by his many friends and colleagues in Australia and abroad. Mr. Fraser said that Sir Patrick's personal qualities had earned him the high respect and regard of all who knew him.

3. The Minister for Foreign Affairs, the Hon. Andrew Peacock, said today that he was deeply shocked and grieved to learn of the sudden death of the Australian Ambassador to the United States, Sir Patrick Shaw. Sir Patrick died in Washington on the evening of 27th December (Washington time) of a heart attack.

Mr. Peacock said that Sir Patrick Shaw was one of Australia's most respected, effective and experienced diplomats. He had a long record of distinguished service with the Department of Foreign Affairs to which he brought notable qualities of devotion, judgment, and skill. Entering the Foreign Service in 1939 he later served in Canberra as First Assistant Secretary and Deputy Secretary of the Department in 1964/65. His overseas appointments included those of Ambassador to the Federal Republic of Germany (1956–59), Indonesia (1960–62), the United Nations (1965–70) and High Commissioner to India (1970–1973) before his appointment to Washington in February 1974. Earlier in his career he served in Wellington, as Charge D'Affaires in Nanking from 1945 to 1947, as head of the Australian Military Mission in Japan and Commonwealth Member of the Allied Control Council for Japan from 1947 and 1949, and as permanent representative to the European office of the U.N. in Geneva from 1951 to 1953.

The Minister expressed his deepest sympathy to Lady Shaw, and to the members of her family.

4. The leader of the opposition, Mr. Gough Whitlam, said:

"Patrick Shaw was one of the first men appointed to Australia's Embryo Diplomatic Service and he was one of the most distinguished to serve in it. He was shortly to return to Australia to become director of the Australian Institute of International Affairs. It will be difficult indeed for the institute to make another appointment of a man with such experience and distinction.

5. On Monday 29 December 1975 the following messages were received from the American Embassy in Canberra:

(A) To the Prime Minister: (Underline Four)

"On behalf of the United States Government and myself I offer our condolences at the untimely death of Ambassador Sir Patrick Shaw. He has been an outstanding representative of Australia in Washington. We will miss him greatly.

(S) GERALD R. FORD."

(B) To the Foreign Minister: (Underline Four)

"We are shocked and saddened at the untimely death in Washington this evening of Sir Patrick Shaw. He has been an outstanding Ambassador and representative of Australia, as well as friend and confidante to us all. On behalf of the Department of State and on my own behalf, I extend to you heartfelt condolences in this hour of loss. Sincerely, Henry A. Kissinger."

[From the Canberra Times, Dec. 29, 1975]

SIR PATRICK SHAW GAVE 36 YEARS' SERVICE

Sir Patrick Shaw, Australia's Ambassador to the United States, who died of a heart attack in Washington on Saturday evening at the age of 62, was one of the most distinguished of Australia's diplomats, with a career which spanned more than 36 years.

United Press International reported that

Mr. James Payne, a spokesman for the Embassy, said Sir Patrick had not been feeling well for a day or two and became concerned on Saturday afternoon.

A doctor was called to Sir Patrick's residence, in north-west Washington, and he was taken to Georgetown University Hospital, where he was pronounced dead about 6 p.m., the spokesman said.

Sir Patrick was born in Kew, Melbourne, on September 18, 1913. He received a bachelor's degree with honours from the University of Melbourne.

Sir Patrick had been Ambassador to the U.S. since March, 1974.

He joined the then Department of External Affairs in 1939 and worked in its political section until 1941.

His first overseas posting was as Third Secretary to the Australian Legation in Tokyo in 1941. With other legation staff, Sir Patrick was interned when war with Japan broke out.

He was released later in a prisoner-of-war exchange.

RETURNED TO TOKYO

He was official secretary to the Australian High Commission in Wellington from 1943 to 1945, and First Secretary and Charge d'Affaires in Chungking and Nanking, China, from 1945 to 1947.

Sir Patrick returned to Tokyo to head the Australian Military Mission, and as a British Commonwealth member of the Allied Control Council for Japan, from 1947 to 1949, and was head of the Pacific division of the Department of External Affairs during 1950.

He was Consul-General in Switzerland and permanent delegate at the European office of the United Nations in Geneva from 1951–53, before again returning to Canberra as assistant secretary to the department, in charge of UN affairs, economic relations and economic and technical assistance from 1953–56.

He became Ambassador to Bonn, West Germany, in 1956, a position he held for three years before becoming Ambassador to Indonesia from 1960–62.

He was first assistant secretary, then deputy secretary of the department from 1963–65, before becoming Ambassador and permanent representative at the United Nations from June 1965 to 1970.

His next posting was as High Commissioner to India and Ambassador to Nepal from 1970 to 1973, before his appointment to Washington in February, 1974.

He was due to officially take up the directorship of the Australian Institute of International Affairs from May 1 next year, replacing the present director, Dr. T. B. Miller.

After an attack on Lady Shaw, 62, near their home in Washington on November 3 this year, Sir Patrick said he regretted the "slap on the wrist" judicial approach to people convicted of violent crime in the United States.

Lady Shaw suffered a broken bone in her hand and severe cuts and bruises to her face in the attack.

She has not fully recovered from the injuries, and was due to undergo further surgery to her face.

Australian political leaders yesterday paid tribute to Sir Patrick.

The Prime Minister, Mr. Fraser, said that Sir Patrick had given long and distinguished service in a number of very senior positions in the Department of Foreign Affairs, both in Australia and abroad.

His personal qualities had earned him the high respect and regard of all who knew him, and his death was a great loss to Australia, which would be felt by the Government and his many friends and colleagues.

The Minister for Foreign Affairs, Mr. Peacock, for whom one of Sir Patrick's daughters, Karina, has worked, said that Sir Patrick was one of Australia's most respected, effective and experienced diplomats.

He had brought to the department qualities of devotion, judgment and skill.

EXPERIENCE, DISTINCTION

The Leader of the Opposition, Mr. Whitlam, said that Sir Patrick was one of the first men appointed to Australia's diplomatic service.

He was one of the most distinguished men to serve in it.

It would be difficult for the Australian Institute of International Affairs to find another person with such experience and distinction.

Sir Patrick is survived by Lady Shaw and two daughters, Karina and Janet, both of whom live in Australia.

A spokesman for the Department of Foreign Affairs said that Mr. Gordon Upton, the Minister at the embassy in Washington, would be Charge d'Affaires ad interim until a successor was appointed.

[From the Western Australian, Dec. 29, 1975]

SIR PATRICK SHAW—A NOTABLE ENVOY

One of Australia's most distinguished envoys, Sir Patrick Shaw, who died in Washington on Saturday, was born in Melbourne in 1913.

He received a bachelor of arts degree with honours from the University of Melbourne and began work in foreign affairs in 1939.

He became first assistant secretary and later deputy secretary of the then External Affairs Department in 1964–65.

He was Australia's Ambassador to West Germany from 1956 to 1959, to Indonesia from 1960 to 1962 and at the United Nations from 1965 to 1970.

He was High Commissioner to India from 1970 to 1973 before his appointment to Washington by the Labor government in February last year.

PREDICTIONS

Sir Patrick predicted readjustments to Australia's foreign policy as a result of Mr. Fraser's landslide election win on December 13.

In an address to the Australian-American Association in New York two weeks ago, he described the three years of the Labor government's administration as a period of reappraisal of Australian-American relations.

He said: "In the past few years the Australian-American relationship went through a very difficult time but it emerged sustained and in many ways with each side having a better understanding of the other."

Sir Patrick said the new Fraser government had said there would be a new emphasis on the old traditional relationships.

This was a clear indication that every effort would be made to bridge any differences that might have existed during Labor's term in office.

The Leader of the Federal Opposition, Mr. Whitlam, helped to sum up Sir Patrick's contribution to Australia when he said yesterday: "Patrick Shaw was one of the first men appointed to Australia's embryo diplomatic service and he was one of the most distinguished to serve in it."

[From the Melbourne Age, Dec. 29, 1975]

SIR PATRICK DEVOTED, SAY LEADERS

CANBERRA.—Government and Opposition leaders yesterday paid tribute to the Australian Ambassador to the United States, Sir Patrick Shaw, who died suddenly of a heart attack in Washington on Saturday.

The Prime Minister, Mr. Fraser, said Sir Patrick's personal qualities had earned him the high respect and regard of all.

The Minister for Foreign Affairs, Mr. Peacock, said: "He had a long record of distinguished service with the Department of Foreign Affairs to which he brought notable qualities of devotion, judgment and skill.

The Leader of the Opposition, Mr. Whitlam, said Sir Patrick was one of the first men appointed to Australia's embryo diplomatic service.

Sir Patrick, 62, was due to retire early next year from the diplomatic service to become director of the Australian Institute of International Affairs.

BORN IN KEW

He was born in Kew. He was educated at Ballarat College, Scotch College and Melbourne University, and entered the foreign service in 1939.

He served in Tokyo, in New Zealand, and was first secretary in the Australian legation to China in 1945–47.

He was head of the Australian Military Mission in Japan and Commonwealth member of the Allied Control Council for Japan from 1947 to 1949, and was permanent representative to the European office of the United Nations in Geneva from 1951 to 1953.

Returning to Australia, he was assistant secretary in the External Affairs Department in Canberra from 1953–56 before becoming Ambassador to the Federal Republic of Germany (1956–59) and to Indonesia (1960–62).

He was deputy secretary of the External Affairs Department in Canberra in 1964–65, Australian Ambassador to the United Nations in New York from 1965 to 1970, and High Commissioner to India in 1970–73, before being appointed by the Labor Government to Washington.

Sir Patrick leaves a wife and two daughters.

[From the Australian, Dec. 29, 1975]

SIR PATRICK PLAYED BIG ROLE IN SENSITIVE POSTS

(By Peter Cross)

Sir Patrick Shaw, Australia's ambassador to the U.S. who has died in Washington, was one of the country's most distinguished diplomats.

In a career spanning almost the whole history of the Department of Foreign Affairs, Sir Patrick served in many of Australia's most sensitive diplomatic posts.

From February 1974 until his death he was Australian ambassador in Washington. He was expected to leave his post early in the New Year to return to Canberra and take up the post of director of the Australian Institute of International Affairs.

Foreign Affairs officials in Canberra said yesterday no decision had been made yet about a replacement for Sir Patrick.

Sir Alan Watt, former secretary of the Department of Foreign Affairs said: "Sir Patrick Shaw was a most successful representative of Australia and its interests overseas. In particular he and Lady Shaw were a great team, who worked unceasingly on Australia's behalf."

Sir Patrick was born in Melbourne in 1913 and educated at Scotch College and the University of Melbourne before joining the then Department of External Affairs in 1939.

He spent his early career in the North Asian region. His first diplomatic post was to the Australian Legation in Tokyo in 1940. He was repatriated from Tokyo in 1942. He spent the rest of the war at the Australian High Commission in Wellington.

Following the end of the war in the Pacific he was sent as First Secretary to the Australian mission to the Republic of China at Nanking.

MILITARY MISSION

In 1947 he was appointed head of the Australian military mission in Japan and Commonwealth member of the Allied Control Council for Japan. In 1949 he became Australia's member and chairman of the United Nations Commission on Korea.

His first ambassadorial posting was in 1956 to the Federal Republic of Germany. From 1956 to the end of his career he served in senior ambassadorial appointments overseas, with the exception of two years in Canberra from 1964 to 1965 when he was Deputy Secretary of the Department of Foreign Affairs.

He was ambassador to Indonesia from 1960 to 1962. Australian-Indonesian relations were under strain at that time with the strong nationalist policies of the Sukarno Government causing tension in the region.

Sir Patrick played a significant role in explaining the Indonesian position to the Australian Government and was influential in fostering the tradition that the Australian foreign service has developed for sensitive handling of the Australian relationship with Indonesia.

He was appointed ambassador to the United Nations in New York in 1965 and served in that post for the next five years.

The two critical problems for Australian foreign policy at that time were the nation's involvement in the Vietnam war and the question of the decolonisation of Papua New Guinea. He was noted for his advocacy of the Australian position during that period.

In 1970 he was appointed high commissioner to India. His term as high commissioner coincided with the India-Pakistan war and the emergence of the new nation, Bangladesh. He was an active high commissioner, touring the battle areas and gathering information on developments in the then East Pakistan (now Bangladesh).

Surprisingly, given his traditional concept of the role of a diplomat, he used the opportunity of a visit to Australia during that time to speak out publicly in favor of the Indian case, then in great disrepute in Australia.

His actions had a major influence in gaining Australian support and understanding for the Indian position. He was also influential in gaining substantial Australian assistance for the emergent Bangladesh.

SEVERE TENSIONS

Sir Patrick's appointment as ambassador to Washington in early 1974 followed the development of severe tensions in Australian-U.S. relations during 1973 as a result of attacks by various left-wing ministers of the Australian Government on U.S. policy towards Vietnam.

There was never any doubt about his concept of the importance of Australia's relations with the U.S. He saw a strong relationship with the U.S. as an essential core of Australia's external relations.

His position on the relationship was the case of much suspicion among left-wing members of the Australian Government. However, in combination with a determined Prime Minister (Mr. Whitlam), and a strongly professional U.S. ambassador in Canberra, Mr. Marshall Green, Sir Patrick participated in a revival of mutual confidence in the relationship.

During a recent visit to Australia he accepted the appointment as head of the Australian Institute of International Affairs. He was to have returned to Australia in March to take over the directorship.

Sir Patrick was not noted so much for his contribution to the development of Australian foreign policy as for his professionalism as an ambassador.

HUMPHREY ADDRESSES NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION

Mr. HUMPHREY. Mr. President, on February 2 I was privileged to address the National Rural Electric Cooperative Association and also be the recipient of its Distinguished Service Honor Award.

The NRECA has given its award to an outstanding and distinguished group of Americans—including Presidents Roosevelt and Truman, Speaker Sam Rayburn, Jerry Voorhis, and Bob Poage. I am highly honored to join this outstanding cast of individuals.

I am proud to have worked with the NRECA over the years. They are an outstanding organization dedicated to improving the quality of life and encouraging sound development in rural America.

But they are also very much concerned over the state of the Nation and the direction in which we are headed in the years ahead. Rural America is very much affected by the economic policies which are pursued by the administration in power. Those policies and the lack of investment in our rural areas has hurt our rural areas in spite of the tide which has turned away from the large urban areas.

The rural areas are also very much affected by the agricultural policies, and a boom-and-bust situation is hardly of benefit to rural America.

I indicated my concern to the NRECA—which they share—regarding the administration's on-again off-again attitude toward cooperatives.

Secretary Butz earlier made inflammatory comments regarding cooperatives while Dr. Parlberg, his Director of Economics, has recently come out strongly supportive of the Capper-Volsted Act and cooperatives in general.

I concluded by indicating that we need a more effective policy in terms of coordinating our programs in rural America. These are sound and important investments, and I look forward to working with the NRECA in achieving these goals.

Mr. President, in order to share these remarks with the Senate, I ask unanimous consent that my statement be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Remarks of Senator Hubert H. Humphrey

I am honored to have been selected as the recipient of the Distinguished Service Award of the National Rural Electric Cooperative Association.

What a privilege to join the list of outstanding Americans who have received this award—President Roosevelt and President Truman, Speaker Sam Rayburn, Jerry Voorhis and Bob Poage.

I also am pleased that one of the recipients of your Distinguished Service Award was Senator George Norris of Nebraska. Over the past year we have worked to secure 50 sponsors of legislation to have the Department of the Interior take over the George Norris Homestead and operate it as a national historic site.

We are near that point—with 49 sponsors, and I predict that this bill soon will be passed by the Congress.

We have worked together over the years, shared many battles, and tasted victory on more than one occasion.

And while there is much to be proud of in terms of past accomplishments, much remains to be done as we celebrate our Bicentennial and look to the future.

We need to take a careful look at what government programs should be continued and which ones should be phased out. And we also need to develop a national planning mechanism so we can establish priorities and deal more effectively with today's urgent problems.

With the President's proposed budget of $395 billion for the coming fiscal year—and that figure is an arbitrary one—we need to have a better sense of the impact of this budget on our economy and our lives. But I can tell you right now that this budget will hit our farmers and rural America hard!

I am particularly distressed that the Administration seems satisfied with a continuing unemployment rate of well over seven percent and an inflation rate of around six percent for the next fiscal year. When the Nixon regime came into power in 1969, the unemployment and inflation rates were about half the levels which we are being asked to accept today.

Americans are reaping a bitter harvest from the economic debacle of the 1970's. By the end of this decade, recession will have cost us $1.5 trillion in goods never produced, services never rendered, and income never found in anyone's paycheck.

This represents a loss of over $7,000 for every man, woman and child in America today.

What we need is a vigorous attack on this diet of waste and welfare. Americans want work rather than a handout.

We will be looking carefully at the implications of the President's budget as it relates to all aspects of our economy.

One major need to which we must give greater attention is the establishment of a national food policy. We have just conducted preliminary hearings on this in the Foreign Agricultural Policy Subcommittee.

I believe that a balanced national food policy should aim at the following specific objectives:

First. Price and income protection for producers of food and fiber;

Second. Food supply stability for consumers and at reasonable prices;

Third. Adequate supplies of inputs, credit and transportation for producers and at reasonable prices;

Fourth. Assuring the production of adequate supplies of dairy and livestock products for domestic and international needs;

Fifth. The establishment of a reserve program to: provide market stability during periods of shortage and surplus; maintain the reliability of the United States as an exporter; and continue the provision of food assistance to needy nations.

In developing a balanced national food policy, we need to relate the interests of both producers and consumers. In fact, we need to forge a link between farmers and workers to develop a policy beneficial to both. As Secretary Butz recently stated, "Some decisions have to be made on a broader basis than strictly agriculture."

And, we need a food policy that ends sporadic intervention by the Federal Government in the marketplace.

Producers, consumers, and other affected groups need to have a known set of ground rules for government involvement in the market. They need assurance that the left hand knows what the right hand is doing in Washington in the development and execution of foreign agricultural policy.

Our Agriculture Subcommittee is hammering away at these two points with Secretary Butz right now.

Basically, however, our policy must provide improved price protection for our farmers and their increased investments, since government has asked for all-out production. That need exists more than ever with wheat production, up this year by 19.2 percent; corn, 22.5 percent, and soybeans, 19.5 percent.

I am deeply disturbed that the Administration's agriculture policies fail to address the serious decline in income for America's farmers.

Farm income in 1975 dropped to 73 percent of parity, down from 81 percent in 1974 and down from 88 percent in 1973.

Congress passed a modest one-year bill in 1975 which would have provided improved target and loan prices, but that measure was vetoed by the President and he defended a philosophy of the "free market" that is divorced from reality.

That free market has seen an increased food bill of over $57 billion for our citizens in the last three years. This is more than the government paid to farmers in the way of price supports, conservation and other programs over the last 40 years:

And, of course, when consumer food prices go up, they rarely come down, even though prices paid to farmers may drop sharply. Last year at one point, wheat dropped by over a dollar a bushel, but the price of bread went up by 10 percent.

Rather than just talking about a "Free Market," it's time this government demanded a "*fair* market"—a market that gives both consumers and farmers an even break for a change.

But there already is an effective way to promote a fair market—I refer, of course, to our cooperatives.

Cooperatives play a very important role in bringing together the interests of producers and consumers.

There is a great deal of confusion and misinformation circulating regarding the role of the cooperative today. Secretary Butz recently made some inflammatory remarks at the Harvard Business School, noting that "coops have gotten pretty big."

Fortunately, Dr. Don Parlberg, U.S.D.A. Director of Agricultural Economics, recently indicated that it was the U.S.D.A.'s position to "defend the Capper-Volsted Act against those who would change it, either to reward or punish farmers."

I hope this position will prevail in spite of sniping from the Justice Department, the Federal Trade Commission, the Council of Economic Advisers, and the Office of Management and Budget.

The consumer should be made aware that the cooperative is a means to assure him a reliable food supply and a fair return for the producer.

Talk about limiting cooperatives really is a discussion of how we can limit the farmer in the market place.

It is interesting to note that only 28 percent of all farm output is marketed through cooperatives. In 1973, the combined sales of all cooperatives totaled $19 billion, while General Motors had sales of over $28 billion.

Over the years Congress has encouraged farmer cooperatives on the basis that they improve the marketing ability of farmers and serve to stimulate competition with private corporations.

Cooperatives can and must play an even larger role in the future.

Local cooperatives now handle about 40 percent of the grain marketed by farmers, but only half of this continues on to regional cooperatives. And cooperatives handle only about three percent of our total export marketings. This is an area in which cooperatives must play an increasingly important role in the future.

Another major area of great importance requiring increased attention in our long range planning is rural development. I am particularly concerned over the fact that the Administration appears to lack established goals other than saving money. We might well call it short changing rural America.

Under President Ford's proposed budget, rural conservation programs for fiscal year 1977 are to be reduced from $220 million to $90 million. And grants for rural water and sewerage, self-help housing and rural fire protection are to be cut from $314 million to nothing, while farm operating and ownership loans are to be cut back by $1.3 billion.

Every year we go through this battle.

The time has come to draw the line—to say to this Administration: "No more cuts in these vital programs. You are being pennywise and pound foolish. These programs are a bare minimum in protecting and developing the heartland of America. They are an investment in the future of our Nation. They mean jobs. They mean development."

In fact, we have not begun to do the job that needs doing right now.

A concentrated and coordinated effort is needed to achieve the objectives of the Rural Development Act of 1972, an act which I am proud to have helped design.

In the proper hands, the Rural Development Act could have been used this year as a rural anti-recession act. Instead, the response of the Administration has been to go slow when decisive action was required.

We need to develop a shelf list of public service jobs which can help put our people back to work. There still are roads to be built and improved, railroad beds to be rebuilt, shelterbelts to be replanted, canals and rivers to be dredged, and forests to be replanted.

These projects will take our people off of unemployment and food stamps and make them proud taxpayers. And they are sound investments which benefit the Nation.

Plentiful employment opportunities are an essential part of a sound rural development strategy.

A major shortcoming of the 1972 Rural Development Act was the failure to establish a separate rural credit institution. Such a financial institution is essential to spur the economic revival of rural America.

The 1971 Presidential Task Force on Rural Development recognized this need and recommended "a new credit institution to provide rural areas with greater access to private capital."

I have introduced legislation designed to carry through this recommendation, and I am hopeful that action will be taken on it. With your help, we can get that legislation moving!

We also should find ways to improve the quality of life in rural America. There is no reason to settle for substandard housing and for inferior medical care. Rural America has less than half the doctor coverage that is provided in urban areas. This situation must be corrected.

Another integral feature of a rural development program is a transportation policy. Such a policy must be concerned with total rural transportation needs rather than looking at just roads, waterways or railroads.

We seem unable to develop a concerted program which recognizes the central importance of the transportation system in rural development.

There are other aspects of a balanced rural economic development program, but as a first priority we need to develop a better mechanism for establishing priorities. This means looking at the resources available and allocating them according to a plan.

I know that this Administration cries out against planning ahead. But it is done—and very successfully—in the Defense Department where they have a whole host of long range plans.

We will be trying out this approach under the Forest and Rangeland Renewable Resources Act, an act which I initiated.

I see no reason why these principles should not apply, whether it's in budgeting, food policy, rural development or forestry. It's called good management.

But good management requires sound leadership. And you have to give these programs priority attention.

I share the view of the immortal Dante who stated: "Better the occasional faults of a government living in the spirit of charity than the consistent omissions of a government frozen in the ice of its own independence."

We cannot accomplish all that we would like to accomplish. But we can do a great deal more than offer excuses and curse the darkness.

I prefer to dedicate my efforts to helping improve the process by which these important policy decisions are made. And I certainly will continue to work with your progressive organization in helping develop new directions for America.

STUDY OF SENATE POSES CHALLENGE TO PANEL

Mr. BROCK. Mr. President, a recent article in the Congressional Quarterly, by Bruce Freed entitled "Study of Senate Poses Challenge to Panel" deserves close attention by the Members of this body.

As we all know, the Commission on Senate Operations, was formally approved by the Senate just before our summer recess.

As I understand it the Commission is presently deeply involved in research and analysis of various issue areas which were mandated when we established the Commission on Senate Operations. I have firsthand knowledge of their study design and wish to compliment their early efforts.

Mr. Freed's article puts us all on notice of the challenges that face the Commission on Senate Operations. It will not be an easy task to examine the internal operations of the Senate, our oversight capacity, and the other key issues which will be reviewed. I am hopeful that the Commission will receive the support of all Members of this body and their staffs. Without this support, their task will be for naught.

Finally, I point out that the Commission on Senate Operations was explicitly precluded from studying the jurisdictions of the various Senate committees. Senator STEVENSON and myself along with 50 other Members of this body are sponsoring a Senate resolution which would provide for this vital study. My feeling is that we must study both the internal operation of the Senate at the same time that we take a close look at the jurisdictional bounds of our committee system. Prompt consideration of Senate Resolution 109 is fully justified at this time.

I ask unanimous consent that "Study of Senate Poses Challenge to Panel" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Congressional Quarterly, Dec. 13, 1975]

STUDY OF SENATE POSES CHALLENGE TO PANEL

(By Bruce F. Freed)

If a Senate office wants a manila envelope, it has to order it from the Congressional Record clerk. But if the office wants a white official envelope, it has to deal with the Senate printing clerk. The reason is that the Senate has no single agency to disburse office supplies.

At first glance, this might seem an inconsequential example. But it is symptomatic of the ingrained weaknesses the temporary Commission on the Operation of the Senate will be dealing with in the first systematic effort to determine how efficiently the Senate and its support staff of 6,000 carry out an operation that cost U.S. taxpayers $107.4-million in fiscal 1975.

The nine-member panel, known informally as the Culver Commission after Sen. John C. Culver (D-Iowa), who proposed its creation, will present to the Senate leadership next September its recommendations for changes in the business practices and operating procedures of what has been called the world's most exclusive club.

The panel's findings are awaited with special interest, for there is growing concern that the Senate's inefficiencies are affecting its ability to legislate and carry out its other responsibilities.

The Senate's operational problems are by no means limited to difficulties in ordering envelopes. For example:

Senators do not control their office budgets and cannot spend the money to meet their special needs. Under the current system, the perquisites and allowances are allocated for specific items such as stationery, staff hiring and business equipment. The offices also receive fixed paper and envelope allotments.

The Senate is administered by agencies having overlapping jurisdictions. The Senate restaurant is a case in point. It is run by the Capitol architect, the sergeant at arms and the Commission on Arts and Antiquities, which divide up responsibility for food service, floor coverings and wall hangings.

There is no accurate accounting of how office space is used on the Senate side of the Capitol.

Senators find it almost impossible to carry out all of their committee responsibilities. The average senator serves on 16 committees and subcommittees and each one schedules meetings, hearings and markup sessions without regard for what other panels do. In some instances, a senator may have four different committee sessions to attend simultaneously.

Scope of study

The commission's focus covers the internal workings of the Senate, from how well senators perform their lawmaking, oversight and constituent service responsibilities to whether senators and committees have enough office space and proper office furniture. Also to be covered are problems of scheduling committee meetings, whether senators need additional perquisites and allowances, the information technology needs of the Senate and whether conflict-of-interest codes for senators and staff members should be tightened. The only items excluded from study are committee jurisdictions and proposals to change Senate rules.

Nevertheless, the commission is expected to narrow its focus over the next 10 months as pressures develop to limit the scope of its investigation and recommendations. "There's already pressure on the commission to stay away from sensitive areas," said Harrison W. Fox Jr., an aide to Sen. Bill Brock (R Tenn.), who has followed the commission closely.

The sensitive points, as Fox sees them, include the scheduling of committee meetings and Senate business, Senate conduct of legislative oversight, and perquisites and office allowances—items that go to the heart of power in the Senate.

He predicts that "the main impact of the report" will be limited to "the type of furniture ordered for Senate offices, better utilization of office space and new ways to use information technology in the Senate."

Fox's prediction may well turn out to be overly pessimistic. But how and why the commission was set up—and the pressures it faces as it begins its work—provide a glimpse into the difficulties in changing the internal structure and procedures of the Senate.

BACKGROUND

The commission is the brainchild of John Culver, a freshman from Iowa who long has had an interest in congressional revision. He pursued that interest in the House (1965–75) as head of the reform-oriented Democratic Study Group in the 93rd Congress and as a member of the House Select Committee on Committees (the Bolling Committee) that proposed changes in House procedures and committee jurisdictions. (*Bolling Committee, 1974 Almanac p. 634*)

Less than four months after becoming a senator, he proposed that the Senate consider improving its organization and operation. But Culver wanted to make sure that the Senate effort avoided the problems that, in the end, limited the impact of the Bolling Committee on the House.

Looking back on his Bolling experience, he felt that the committee had lost much of its effectiveness.

According to a Senate aide, Culver was "pretty much disillusioned with the Bolling Committee." He felt it was too susceptible to pressure from House members and outside interests when it made its final recommendations. To avoid a repeat in the Senate, Culver suggested to Majority Leader Mike Mansfield (D Mont.) that an independent study commission be appointed of persons not connected with the Senate. "He thought it was best to have a commission with members who did not have relatively sharp preconceptions about the Senate and who had the appearance of objectivity," said Fred Holborn, a Culver assistant.

Support

Culver could not have successfully pushed his plan without a strong base of support within the Senate. He got that from freshman and sophomore senators elected in 1972 and 1974, as well as from more senior reform-minded members such as Philip A. Hart (D Mich.), Gaylord Nelson (D Wis.) and Mark O. Hatfield (R Ore.), ranking minority member of the Rules Committee.

Frustrated by the slow pace of reform in the Senate, they actively supported piecemeal moves in 1975 to require open meetings and provide extra staff members to junior senators to help them in their committee work. Many of them cosponsored a resolution (S Res. 109) to establish a Senate Select Committee on Committees to study committee jurisdictions. (Box, p. 3)

The idea for the study commission was discussed at the Senate Democratic Conference in April and May and at the Senate Republican Conference in June. Both party caucuses approved the proposal in principle.

Rules Committee

The problem, however, was how to bring the study commission proposal to the Senate floor without first having to go through the Rules Committee. Over the years, the committee, chaired by Howard W. Cannon (D Nev.), has been the graveyard for proposals to change the Senate's rules and structure.

In 1975, the reform bloc had to fight the Rules Committee on the floor to get two key changes adopted. The committee first tried to block a proposal (S Res 60) that made significant inroads in the Senate's seniority system by permitting the newer members to hire additional staff to assist with committee work.

As reported by the committee in early June, almost five months after it had been first introduced, S Res 60 would have retained committee control over the additional staff, thus letting chairmen and senators with more seniority continue to dominate the staffs. But junior senators succeeded in passing a compromise that let them hire and control their own committee staff members. (Staffing fight, Weekly Report p. 1235)

Five months later, the reform bloc got the Senate to adopt a so-called "sunshine" resolution requiring that most committee meetings as well as Senate-House conference sessions be open to the public.

The Rules Committee rewrote S Res 9 to let traditionally secretive committees—such as Appropriations, Finance and Armed Services—continue to hold closed meetings. But the Senate by a 16–77 vote rejected the committee approach, proposed by Cannon and Assistant Majority Leader Robert C. Byrd (D W.Va.). (Senate sunshine, Weekly Report p. 2413)

Other reform measures have not made it out of the committee. A proposal (S Res 109) by Sen. Adlai E. Stevenson III (D Ill.) to study the politically sensitive issue of committee jurisdictions has been stalled in the Rules Subcommittee on Standing Rules of the Senate for 10 months, along with 28 other items on the subcommittee's agenda. The subcommitee, chaired by Byrd, has yet to meet in 1975.

"The only person who seemed to be concerned about the Culver resolution was Cannon," said Kenneth Davis, an aide to Minority Leader Hugh Scott (R Pa.). "If it had gone to his committee, it would have died there."

In the end, the two Senate leaders—Mansfield and Scott—decided to bypass Rules and bring the commission proposal (S Res 227) directly to the floor. Cannon has a chance to consider the resolution over a weekend and gave his approval. The Senate adopted it July 29 by voice vote.

COMMITTEE REALIGNMENT: A MATTER OF TIME?

Committee reform appears to be a subject the Senate establishment would just as soon forget.

Since April 1973, senators each year have introduced resolutions to create a temporary Senate "committee on committees" to update jurisdictions of the 17 Senate committees. Just as regularly, the resolutions languish in the Rules Committee.

That logjam may now be on the verge of breaking up. As the temporary Commission on the Operation of the Senate (Culver Commission) begins its study of that body's internal structure, the Senate's reform bloc is determined to force a showdown on changing the committee system to round out the modernization effort.

"If we can't get S Res 109 through normal procedures, we'll bring it up directly on the floor," warned Sen. Adlai E. Stevenson III (D Ill.), the chief cosponsor, along with Sen. Bill Brock (R Tenn.), of the most recent resolution to establish a committee on committees.

"We've waited longer than we should have," Stevenson added. "Our patience is coming to an end."

Backers of S Res 109 have been heartened by the revisions adopted by the Senate this year. So far, the Senate has liberalized its cloture rule (S Res 4), limited committee secrecy (S Res 9) and given junior senators increased staff to help with their committee work (S Res 60). Senate Democrats at their Jan. 17 caucus made it easier to depose a committee chairman without retribution by voting to allow secret-ballot elections of chairmen whenever one-fifth of the caucus requests it.

Promises, promises

The history of committee reform, however, has been a story of unfilled promises. The Senate last realigned committee jurisdictions almost 30 years ago in the Legislative Reorganization Act of 1946. At that time, the number of legislative committees was reduced to 15. In the following three decades, the number of standing committees remained almost constant—increasing to 18—but the number of subcommittees increased dramatically from 34 to more than 120.

Stevenson and Brock thought they had a pledge last year from Sen. Howard W. Cannon (D Nev.), chairman of the Rules Committee, and Assistant Majority Leader Robert C. Byrd (D W. Va.), chairman of the Rules Subcommittee on the Standing Rules of the Senate, to act at last on a committee realignment measure. "The commitment was made last year that hearings on their committee reform resolution would be held this year," said a Senate aide who has followed the issue closely. "The fight over the New Hampshire seat held hearings up. Byrd and Cannon made a new commitment that after New Hampshire was resolved, they would have hearings. But then you had the hearings on Daniel Boorstin's nomination as head of the Library of Congress, the Federal Election Commission's office accounts regulation and now the contested Oklahoma Senate election. So we're back to square one as 1975 draws to a close."

As Stevenson lamented recently, "We've gotten pledges from Byrd and Cannon, but nothing happens."

"Byrd and Cannon are pulling an 'Alphonse and Gaston' act on committee reform," and another senator. "Each lays blame on the other."

Stevenson and Brock feel the fact that S Res 109 has 52 cosponsors makes it only a matter of time before it is adopted. "It's clear that a majority of the Senate would support a study of the committee system and jurisdictions," Brock said.

Stevenson called the fight for S Res 109 "a contest of power. The numbers in the Senate have changed," he said. "The membership is younger and juniors are more numerous."

"The juniors are no longer on their knees," he continued. "We're not asking, we're demanding. We're organizing and using power."

Because of what they consider to be Rules Committee obstructionism, senators supporting S Res 109 plan to change it to give the proposed select committee money to carry out its study and to authorize the panel to report its recommendations directly to the Senate, rather than having them first go through the Rules Committee.

Overlap

Many of the S Res 109 backers are content to let the Culver Commission look at the Senate's operations and internal structure. But they draw the line at committee reform, calling it an issue so important that the Senate itself cannot avoid dealing with it.

"Changes in committee jurisdictions shouldn't be imposed from the outside," said Sen. John C. Culver (D-Iowa), who sponsored the resolution that created the study commission. "It's a problem uniquely understood by members and must be handled by them."

Several senators acknowledge that if a select committee on committees is established, it will duplicate some of the work of the Culver Commission. But they say both groups are needed because their tasks are different. As Stevenson noted, "A committee on committees has to take a broad approach to do a comprehensive job even if it means overlapping with the Culver Commission. The Culver Commission should concentrate on managerial problems and a select committee should focus on the Senate's political problem—committee jurisdictions."

The commission received a $500,000 budget to carry out its work. (Study proposal, Weekly Report p. 1682.)

Membership

The interest of the top Senate leadership in the commission is unique, according to several Senate observers. "It's an unusual commission in that it's a creature of the leadership rather than a committee," said Culver aide Holborn. "This strengthens the commission since it can appeal to the leadership if it runs into problems and when it makes its recommendations."

Besides shepherding the commission through the Senate, Scott and Mansfield in mid-October named its members, Mansfield appointed five: Williard L. Boyd, Jr., president of the University of Iowa; former Sen. Harold E. Hughes (D-Iowa. 1969–75), the commissioner chairman; Juanita Kreps, vice president of Duke University; Carl Sanders, former Democratic governor of Georgia, and Wilson W. Wyatt, former Democratic mayor of Louisville, Ky., and former national housing administrator.

Scott's appointees were Archie Dykes, chancellor of the University of Kansas and the panel's vice chairman; Robert P. Huefner, director of the Institute of Government at the University of Utah; William H. Scott, partner in the accounting firm of Peat, Marwick and Mitchell, and J. Mark Trice, former secretary of the Senate.

MANSFIELD AND SCOTT

How the members were selected and why Scott chose those that he did provides an insight into what he expects the commission to do. Democratic senators and aides would not describe how Mansfield arrived at his selections. But Scott aide Davis talked about the process the Republican leader followed.

"We initially were told to recommend nationally known members for the commission," Davis said. "But after giving it some thought we felt those people wouldn't want to rummage through the bowels of the Senate. We envisioned the commission's task as examining the operation of the Senate, that's all, from a managerial and academic standpoint.

"We discussed at the weekly luncheon of the Republican Policy Committee that the commission would be set up. Scott asked for suggestions. He said he didn't want this to be a Washington commission which had preconceived notions about the Senate."

Eventually, James B. Pearson (R. Kan.) recommended Archie Dykes, Ted Stevens (R. Alaska) suggested William Scott, Jake Garn (R. Utah) proposed Robert Huefner and Scott himself picked Mark Trice.

Davis called the Republican nominees "a broad cross section. We got the balance we wanted of academics, administrators, accountants and political types."

The commission has two ex-officio members: Francis R. Valeo, secretary of the Senate and a Mansfield protege, and Gerald W. Frank, Sen. Hatfield's administrative assistant. As a Senate staff member explained their appointments, "Having both of those guys on the commission fills two purposes. It gives the commission members contact with the Senate and it lets Mansfield and Hatfield keep tabs on them to make sure they don't become a runaway body." However, Hatfield told Congressional Quarterly he wanted the panel to pursue its study with complete freedom.

Criticism

The Scott-Mansfield choices have been criticized as not having sufficient stature or geographic diversity.

"I was surprised there weren't one or two more notables on the panel," said a Senate aide involved with the commission's inception. "It was Valeo's decision not to have any real lightning rods on it, people whose public positions were known. What we've ended up with is a commission that has a southern-midwestern orientation."

Harrison Fox complained that many of the members do not have first-hand knowledge of the Senate and would not bring the prestige needed to get the panel's recommendations accepted. "Most of the members don't know anything about the Senate," he said. "They'll spend all year learning about it."

Fox said he would have preferred more commission members who "know the Senate from the inside. The men finally appointed don't have the contacts to build up Hill support and they don't live or work near Washington. They'll be coming into town once a month for meetings and leave most of the work for the staff."

One commission observer fears that the relative anonymity of the members will hurt the commission in the end. "Valeo didn't want congressional careerists on the panel," he said. "Yet if they have people working for the panel and on the panel who are novices, their recommendations can be ignored by the Senate."

The challenge

What these critics want to see is a top-to-bottom study of the Senate and its operations that will lead to recommendations on how to bring the Senate's internal structure into the late 20th century.

They see today's Senate as a "buearucratic nightmare." "The Senate bureaucracy has developed over 200 years yet no one has examined the lines of jurisdiciton and authority from a scientific management viewpoint," complained a Senate aide. They fear that the Senate's vested interests—the secretary of the Senate, the architect of the Capitol, the sergeant at arms, powerful senior senators and committee chairmen—may be able to blunt the commission's work.

Although they are barely into their study, the commission members are optimistic that they can do the job. Former Sen. Hughes, the chairman, told reporters shortly after the commission was named that he believed it would have "complete freedom" to carry out its study.

The commission, he said, "can be one of the greatest steps of this decade. I think it can be a big step toward eradicating a lot of impediments in the operation of the Senate and an opportunity to recommend what could be done."

Sanders, another member, said he feels the commission has the backing of the Senate. At a Nov. 11 meeting, he asked seven senators who briefed the commission whether the work "was worth our time. I wanted to make sure senators were serious about our efforts," he said. "I feel much better after hearing their affirmative responses."

Several senators say the commission has carte blanche authority to delve into all aspects of the Senate except Senate rules and committee jurisdictions. "I hope the commission doesn't feel any limits," Hatfield said. "I felt that unless they could be totally flexible to move in every direction they wouldn't have the perspective to move into all areas they identify."

Culver said the commission will be "more than a blue-ribbon panel" and will be able to make a "very serious effort" to study the Senate.

But others are not so sanguine. "I'm not optimistic the commission can go to some of the root problems in a direct fashion," said Sen. Brock. "They'll identify problems and give supportive evidence but there are institutional constraints that work against a direct approach."

OBSTACLES

As it begins its study, the commission faces four basic problems that may limit how much it can do. These include time pressures, the Senate bureaucracy, subtle influences from within the commission to narrow its study, and political realities.

Time pressures

The commission is scheduled to submit an interim report to Mansfield and Scott by March 31, 1976, and a final report by Sept. 30, 1976. However, it did not name its staff director, Vincent P. Rock, until Nov. 19, and by early December had not yet assembled a staff. Like most of the panel members, Rock has little direct Capitol Hill experience. He was executive secretary of the National Academy of Sciences/National Research Council and had served in the White House from 1957 to 1961 as a member of the National Security Council staff.

"Anything the commission does can't be done in great depth," noted a Senate aide. "You're asking a body of men and women to do an in-depth study of the Senate in less than a year—a study that has never been done before."

"The real fear I have," said a commission member, "is that the time element is going to be such that there won't be adequate time to get into the nitty-gritty . . ."

Senate bureaucracy

Early in 1975, Hatfield, as a member of the Rules Committee Restaurant Subcommittee, decided to have paintings from the National Gallery put up on the bare walls of the Senate restaurant. He had to work his way through three layers of bureaucracy, a process that took him well over six months, before he finally could walk the half mile from the Senate to the gallery to select the paintings.

Hatfield had to get approval from the architect of the Capitol, who has the responsibility for running the Senate restaurant; the sergeant at arms, who chooses the restaurant's decor and carpets; and the Commission on Arts and Antiquities, which decides whether there will be paintings on the restaurant's walls.

"This is an example of the bureaucracy and overlapping jurisdictions that have built up over 200 years that the commission will be dealing with," Hatfield said.

One can laugh at Hatfield's problems in finally getting the okay for pictures to grace the restaurant, but several observers expect the commission to have an even harder time penetrating the Senate bureaucracy.

The Senate's administrative work is handled by the secretary of the Senate, the sergeant at arms and the architect of the Capitol.

Valeo, as secretary of the Senate, is that body's chief administrative officer. He has a staff of about 175 and a $2.8-million budget in fiscal 1975. As sergeant at arms, William H. Wannall oversees the Senate wing of the Capitol, Senate pages, doormen, the Senate police, and janitorial services and is responsible for selling all accumulated waste papers and condemned furniture. He has a payroll of more than 1,000 employees and a $12-million budget in fiscal 1975. George M. White, the architect of the Capitol, has responsibility for the Capitol structure and the Senate and House office buildings. The architect's fiscal 1975 appropriation for its Senate-related activities is $67-million.

"These are the most entrenched officers of the Senate," said a Senate aide. "They're the ones most concerned about the commission. And they will be most seriously affected if the commission recommends a major overhaul in the Senate's administrative structure." He predicted a fight if the commission proposed major changes in their responsibilities.

Patronage is expected to present a further obstacle. "The Democrats will have problems with patronage," said Davis, who looks after the interests of the Republican minority as Scott's top aide. "We don't have 38 per cent of the patronage jobs around here, which we should have if they were divided equitably."

He said Republicans wanted to payroll operations of the three offices examined to see "if the minority is being treated fairly in the Senate. Do we proportionally get the same benefits? We want to find out."

Space and staff

In addition, the commission faces problems finding out how office space is used in the Capitol and Senate office buildings. Office space traditionally has been used by senators and committees as status symbols. The more space they can lay claim to, the more power they are perceived as having.

"There's no up-to-date accounting of room assignments in the Capitol," said a Senate aide. "There are rooms at the terrace level that have been used for storage that haven't been opened for years. Developing a precise account of how space is used will be a major and difficult job for the commission since it means stepping on many toes."

Another Senate staff member fears the commission will have difficulties sorting out committee staff and staff assignments. "The pressures here will come from the established Democrats who have the most to lose if that information becomes known," he said.

Some committee chairmen and senators have blurred the distinction between committee and personal staffs by using committee personnel to help perform work for their Senate offices and handle political assignments. This has made it difficult for outsiders and the Senate itself to determine who is on which payroll.

INTERNAL PRESSURES

Several observers see the ex-officio appointments of Secretary Valeo and Hatfield aide Frank as an indication that the commission will concentrate mainly on management problems. They consider Valeo and Frank to be the most influential members, because of their ties to the Senate and the fact that other panel members will look to them as indicators of what the Senate will accept.

Valeo and Frank appear to emphasize the management tack when they talk about how they would like to see the panel approach its study. Valeo said he prefers to see the Commission begin from "the managerial point of view. That will get them invoved in how a senator uses his time. From that they can get into substitute questions, such as how Senate offices are staffed and maintained, and what information services they need."

Frank sees "a strong managerial angle" to the commission's work. "This is a big business," he said referring to the operation of the Senate. "There have to be modern management techniques."

POLITICAL REALITIES

Sen. Brock recently told the commission that he thought "it would be best" to stay out of politically sensitive areas if it wanted the Senate to heed its recommendations. Brock raised an important issue that the commission will have to face: What political constraints is it operating under?

No one likes to talk publicly about the politically practical parameters of the study. But senators, Senate staff and some commission members see certain areas of the commission's mandate as possibly too sensitive to get into.

According to Harrison Fox, those areas include the Senate's legislative oversight responsibilities, perquisites and allowances of members and staff, problems in scheduling legislative business and conflicts of interest by senators and Senate staff.

Another commission observer added to this list the operations of the secretary of the Senate and sergeant at arms, the general problem of office accommodations and falities including the specific problem of how to develop more equitable ways to allot room space to senators, assessing the operation and effectiveness of Congress' watchdog and backup agencies—the General Accounting Office and Congressional Research Service—and the work demands of senators and their staffs.

Several of these issues could bring the commission close to the question of committee jurisdictions, which the commission was specifically barred from studying because of S. Res. 109 and the fact that the topic is so poitically loaded. But it is an integral part of the Senate's problems, since committee work takes much of a senator's time.

"It will be hard to separate committee jurisdictions from the commission's work," warned a commission observer. It can't help but come up in deliberations. It involves the question of time demands on senators, legislative oversight, committee staff and office allocation. These are very touchy things in the Senate."

Senators have shied away from publicizing their perquisites and allowances, since that raises the issue of how much money they receive to run their offices. Perquisites also go to the heart of the Senate's system of rewards, according to Harrison Fox. "In the past," he said, "the leadership has used perquisites to grant favors to individual senators—like giving one a new model of a Xerox machine, another special telephones and the Rules Committee computer terminals a year before other committees got them."

Legislative scheduling problems could involve the commission in possible Senate rules changes and in the activities of the Senate leadership. "If the commission looks at scheduling seriously, it has to look at how much time the Senate spends debating legislation and how much time it should spend. This could get the commission into the question of germane debate," a Senate aide said. At Sen. James B. Allen's (D Ala.) insistence, however, the commission is excluded from proposing any changes in the Senate rules.

Furthermore, the leadership is responsible for scheduling Senate vacations and when measures are taken up on the Senate floor. "This is the core of their power," said a commission observer.

The commission may find it best to avoid the issue of conflicts of interest by senators and Senate staff. "It involves too much of a gray area of what's proper and improper conduct," said Fox. "It will force the commission to make too many judgment calls without enough time to fully study their ramifications."

The commission also has to rely on the secretary of the Senate, sergeant at arms and Capitol architect to get the basic information it needs on the Senate's operations and facilities. It cannot afford to antagonize them if it is to get all the data required for its study.

In the end, there remains the problem of the Senate Rules Committee, whch would have legislative jurisdiction over many of the panel's recommendations. Scott and Mansfield pledged Nov. 11 to commission members that action would be taken to implement their recommendations. "There's one problem with that," said a Senate aide, "The commission's recommendation will have to go through the Rules Committee and you can't forget that Rules has been the burial ground for reform in the Senate."

OUTLOOK

Study commissions serve various purposes. Some are created to sidetrack issues. Others are appointed to solve problems and generate the public support needed to do that.

None of the senators, aides or commission members interviewed by Congressional Quarterly expect the Culver Commission to bury proposals to revise the Senate's structure or streamline its operation.

They see the Senate as ripe for change, as the 1975 votes on the staffing and sunshine resolutions demonstrated. "Byrd's experience on the sunshine resolution indicates that only a small number of votes can be rounded up to support the status quo," said Sen. Hatfield. "When two junior members—Lawton Chiles [D Fla.] and Bill Roth [R Del.]—can take on 'Mr. Rules' and win by the margin they did, that tells us a lot."

The impetus for change comes from two groups in the Senate that, as one staff member phrased it, "feel put upon—the minority and those with little seniority." What has developed is a coalition of junior Democrats and Republicans led by Stevenson, Hatfield, Brock and Dick Clark (D Iowa). They have numbers on their side. Since 1967, 54 new senators—half from each party—have been elected, giving the Senate a majority with less than 10 years of service and making it more receptive to proposals to change the workings to accommodate younger members.

Many observers expect the commission, at the most, to prepare the ground for further changes and to approach the reform issue more rationally than in the past.

"The Culver Commission is limited by the fact that it can't get into the question of committee jurisdictions, one of the major problems of the Senate today," said Brock. "The work of the commission has to go hand in hand with an examination of committee jurisdictions if the Senate's operations are to be rationalized."

Beyond that, Culver suggests that the study might put into perspective the hitherto uncoordinated approach to change in the Senate. "The piecemeal, ad hoc layering of reforms may not have been the best way to handle the problems from a cost-effective standpoint," he said.

All of this suggests that the commission may be what Mark Hatfield calls "a triggering mechanism," laying the groundwork for a Select Committee on Committees that would round out the effort to overhaul the Senate machinery.

Outside group

Unlike the House, the Senate has chosen an external route to begin putting itself in order. The decision to create a non-political, non-Senate panel was made deliberately, with an eye on public opinion. "The commission can build up public support for changes in the Senate's operation," said Francis Valeo. "What you have is a group of citizens with no ties to the Senate setting up a rational scale of what the job is worth. The very fact that proposals for changes will be presented honestly by an outside group will be important."

Going outside also serves the needs of Senate reformers by reducing the personal stakes in any changes that might be proposed. Carl Sanders, a commission member, sees that as a prime role for the panel. He said: "I've always felt from my experience in government that if you can get an outside factor, and objectively study and recommend changes, it makes it easier to make the changes in an entrenched body like the Senate," Proposals from the inside for revision could generate greater resistance, Sanders said, "because there's the feeling that those recommending the changes have put their own interests first."

AFTER DUNLOP

Mr. MOSS. Mr. President, efforts to galvanize Americans into a cooperative spirit of working toward our common goal become more dismal every day.

The President's vetoes polarize the administration and the Congress. Big industry lines up to thwart big labor. Forgotten are the thoughtful efforts to work cooperatively on improved bargaining procedures. The Dunlop affair is an example of these thwarted efforts at solving our domestic problems through cooperation.

An article, from the New York Times of February 3, illustrates my point, and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AFTER DUNLOP

(By A. H. Raskin)

The departure of John T. Dunlop as Secretary of Labor puts into mothballs the most ambitious experiment ever undertaken in this country to establish a shadow cabinet of top-level leaders in industry and labor as advisers to the Federal Government in shaping national economic policy.

Until President Ford shattered the effort by vetoing the construction "situs picketing" bill—after promising Mr. Dunlop he would sign—the former Harvard dean was well advanced on a program that might have effected a highly sophisticated shift in the way the political process operates.

It involved unified approaches to the White House and Congress on major issues by big business and big labor, two power blocs that normally neutralize one another's political clout by lining up on opposite sides. It also involved applying the principles of collective bargaining to the drafting of rules by Federal regulatory agencies and to the formulation of laws in every field from taxes to trade.

In contrast to machinery set up in other Administrations to enlist the aid of unions and management in specific areas of industrial relations, the Dunlop program embraced the whole spectrum of basic political policy. Its goal was to provide a vehicle through which the dominant influence groups in the economy could harmonize their differences and arrive at a common position that would then serve as a guide to Government in running the country.

Against a backdrop of official near-paralysis in coping with the challenges of unemployment and inflation, there were obvious benefits for the nation in this attempt to channel labor-management creativity into social planning and thus cool animosities of a kind that in West Europe periodically erupt in massive political strikes. Offsetting such gains, however, was worry that exclusion from the new apparatus of voices representing such forces as consumers, environmentalists, small business and civil rights groups, could turn it into a device for collusion to advance monopoly interests at the expense of the general public.

The principal instrument of collaboration in the Dunlop program was the President's Labor Management Committee, a summit organization, in which George Meany and seven other ranking unionists sit alongside the heads of General Motors, General Electric, United States Steel, Alcoa, Mobil Oil, the First National City Bank, the Bechtel Group and Sears Roebuck.

Out of respect for the incoming Labor Secretary, W. J. Usery Jr., union chiefs plan no walkout from the summit committee but the expectation is that it will not meet in the next few months—and perhaps never. Even if the committee does meet again, there is general agreement that without Mr. Dunlop as sparkplug and catalyst it will achieve little.

As evidence of the committee's educative impact, the ordinarily tough-talking Paul Hall, president of the Seafarers International Union, cites the changes in his own attitude toward a fellow committee member, Walter B. Wriston chairman of Citicorp: "Once I would have said he was the first guy you ought to take out and shoot; now I know that he is a decent fellow, with constructive ideas on what you need to do to deliver quality medical services to poor people. I don't want to sound like a Boy Scout, but our system is in danger, and if we can't find a way to rebuild relationships without selling out our constituencies it'll collapse in disillusionment. The value of a committee like this is that you learn the other guy is human; he bleeds and gets ulcers just like you."

Not all the union members are quite that enthusiastic about how useful the committee proved. Even if Mr. Dunlop had stayed, it might have atrophied through labor discontent with the President's reluctance to follow through on recommendations that ran counter to his own conservative predilections. This was notably true on the group's proposals early last year for a tax-cut package that would have coupled $15-billion in extra purchasing power for individuals, primarily in the low- and middle-income brackets, with $5 billion in tax credits designed to spur capital investment by business—a job-generating device labor usually derides as "trickle-down economics." Mr. Ford latched on to the investment incentive for industry but spurned labor's part of the program in favor of cuts much more heavily oriented toward upper-bracket taxpayers. "We were had," says Leonard Woodcock, president of the United Automobile Workers.

Perhaps the most interesting heritage of the committee is the vastly improved climate for top-level communication it engendered between labor and industry. The union dissatisfaction is with the Ford Administration, not with the good faith of the executives representing the giant multinationals which the unions condemn so regularly in their public pronouncements.

The committee became a casualty of labor's realpolitik in the battle over the picketing bill and the larger political battles of a Presidential year. But the frequency with which corporate magnets and union chiefs make common cause in Congress these days on import curbs and on stretchout of environmental time limits indicates that the idea of a shadow economic cabinet is not dead.

PENDING ENERGY LEGISLATION

I. NATURAL GAS

Mr. TAFT. Mr. President, on October 22, the Senate passed a much-amended natural gas bill, S. 2310. It contains a short-term program for this winter, and a long-term program of deregulation of natural gas prices beginning next summer.

If passed by the House of Representatives and signed into law, the long-term section of the bill would decontrol the price of new natural gas piped across State lines. The interstate gas is currently restricted to sell at a top price of 52 cents per 1,000 cubic feet, except for temporary exemptions granted by the Federal Power Commission.

Intrastate gas, gas which does not cross State lines, is not now under price controls. It currently sells for more than $2 per 1,000 cubic feet.

Decontrol of interstate gas prices would let those prices rise or fall with the market. That section of the bill would, therefore, increase production of natural gas by encouraging exploration for new sources. It would also allow those who need it most to bid for it, indicating their need by their willingness to pay. It would thereby direct the gas to pipelines in those States in shortest supply, such as Ohio. Beginning next year, it would help to prevent jobs from leaving Ohio and other gas-short areas as firms move to Southern or Western States in search of fuel.

At one time, when the bill was under consideration in the Senate, the short-term section, while keeping controls on the price of gas for residential use, would have allowed firms to go to States, such as Texas, Louisiana, and Oklahoma, which have a surplus of unregulated intrastate gas, and bid for industrial gas without the usual 52-cent limit, and bring it back to their factories in interstate pipelines. Unfortunately, this provision was revised in the final Senate version. If this revised section should become law soon, there would be price ceilings on natural gas for industrial use this winter.

The new version of the short-term section of the bill is still supposed to be an attempt to get Texas, Louisiana, and Oklahoma intrastate gas up to Ohio and other needy States to keep layoffs from occurring this winter. But before the ceilings were added, Ohio firms desperate for gas could have outbid southern firms that had a bit more than they really needed. That would no longer be the case.

The ceilings that would be installed would apply equally to interstate and intrastate gas. The ceilings would be at the maximum prices that existed in the producing States last summer. Because prices have risen since, it is obvious that the sales would be right at the ceiling prices this winter.

There are two problems with this approach. First, there would be court suits by the producers against the price ceilings, which actually roll back prices on intrastate gas, and against those parts of the bill which require them to produce at a certain rate in spite of the lower price. They would regard this as confiscation without due process. Even if the courts were to rule against them, they could keep the legislation tied up in court for months. The layoffs would happen in spite of the bill.

Second, even if there is no suit, where will the gas go? When we are up against a price ceiling, it means that many people are trying to get the same gas. Since no one can outbid the others, who gets it?

Suppose the ceiling is at $2 per 1,000 cubic feet. Suppose an absolutely desperate Ohio firm is willing to pay $4 for the gas, rather than shut down, while a fairly well supplied Texas firm is only willing to pay $2.50, because it could conserve a little with just a bit of effort. But by law, each can only bid $2. How is the supplier to know which one is in greater need? Will he supply the stranger in Ohio, or the old customer in Texas? Will he believe the pleas of the Ohio plant manager, or listen to his Texas neighbor?

And even if some intrastate gas does get shipped out of the producing States, will it go to Ohio and North Carolina and other needy areas, or to States that are in much less trouble, such as the Western States? With one fixed price, and no program of allocation, it is a complete toss-up as to where the gas will go. Jobs should not be gambled with in this fashion.

I fought hard, and I have taken a lot of criticism, for my belief that the short-term section of this bill should not have price ceilings. Some people have accused me of being on the side of the producing States. This is not true.

I am on the side of Ohio. It is Ohio jobs that are threatened. Even though our Ohio firms are willing to pay for fuel, they may now have to shut down for lack of it. The correct cure for the situation may have been expensive, but I honestly believe it would have worked.

Now this bill is being considered by the House of Representatives. I hope that the House will remove the ceilings from the Senate bill. If they do not, then I hope they will consider adding a program of special allocations of gas to needy areas, a program I supported in vain in the Senate.

The worst situation would be for the House to keep price ceilings, without allocation, this winter, and then to drop the long-term deregulation section—some Representatives have proposed exactly that. The result could be severe shortages this winter, next winter, and every winter thereafter. Decontrol, at least for industrial use, is essential if we are to encourage the output of natural gas, and to keep jobs from leaving Ohio. Our firms can survive one winter of short supply, thanks to the early mild weather. But if they are faced with perpetual shortages in Ohio, they must move south to the producing States. Some are already abandoning plans to expand in Ohio, and will build in Texas instead. It will become very lonely in Ohio if our young people seeking their first jobs have to look for work a thousand miles from home.

Fortunately for Ohio, it has been a mild winter so far. Fortunately, the Federal Power Commission has been allowing our firms to bid freely for southern gas. This free market approach has been of great help in relieving the crisis that was predicted last fall. But this free bidding will be stopped cold if this bill becomes law. So will parts of Ohio and other Midwest States.

This Congress has been the slowest in years. I have complained of this often. Yet now, if it cannot pass long-term deregulation, the best thing for Ohio would be for the House of Representatives to delay work on this bill until the winter has passed, and the short-term section becomes obsolete.

I know that homeowners do not like deregulation. However, any price increase for homeowners will be moderate and gradual, because the wellhead price makes up less than 20 percent of the price of gas when it reaches the consumer, and because natural gas under fixed price, long-term contracts will only rise in price as these contracts expire over the years.

These increases will also have to be approved by State regulatory officials. The Federal Energy Agency estimates that gradually, by 1980, deregulation will cost an extra $90 a year to heat an average home. The cost increase will be limited, because the actual cost of residential heating with gas would only approach the competitive cost—per Btu—of coal and oil. But unemployment costs workers and taxpayers far more than $90, and so the jobs must come first.

Ohio cannot afford to lose 60,000 jobs either this year, or any other time in the future. This is an issue that both labor and management can agree upon. I hope that workers and management, and any other concerned citizens, will write their Congressmen, to urge them to get Ohio the fuel we need.

II. COAL LEGISLATION

The United States has more energy locked up in coal than the Middle East has in oil. It is our most abundant potential source of energy, but we must adapt it to be used in ways that will not damage the environment. Surface mining is often both the most economical and the most environmentally destructive method of extracting coal. The damage caused by surface mining, however, can be repaired under many conditions. Legislation providing for reclamation of strip mined land failed to become law last year because it contained provisions that would have forced many small mines to close, and could have meant a loss of 20 to 50 million tons of coal per year to the United States. Thousands of jobs also would have been lost as a result of the reduced mining, especially in areas like Appalachia, where most of the smaller mines are located.

The mineral leasing bill which passed the Senate with my support in July, contains the strip mining provisions of last year's bill. The House mineral leasing bill does not contain the strip mining provisions, and the two versions will have to be reconciled in conference.

Legislation is also pending to control mining in areas of the National Park System.

Heavy support for the development and demonstration of coal utilization technologies is contained in the administration's fiscal year 1977 budget request. Of the $2.7 billion in research outlays requested for the Energy Research and Development Administration, $388.6 million would be spent for coal programs during the coming fiscal year. Among the research areas to be funded are: coal liquefaction, $79.5 millon; high-Btu coal gasification, $59.3 million; low-Btu coal gasification, $40 million; advanced research and supporting technology, $36.6 million. Funding will continue for a liquid boiler fuel plant as well as for a pipeline gas plant and a fuel gas plant. In addition, the administration is expected to send legislation to the Congress providing for the issuance of loan guarantees for the synthetic fuels program.

It is doubly important that we continue to pursue new methods of using coal for energy production. The Senate Public Works Committee is presently marking up legislation to amend the Clean Air Act to extend the dates by which certain firms must meet clean air standards. This legislation will be important in determining their ability to continue to utilize coal in the near future. For the long term, I have consistently favored development of the coal gasification and coal liquefaction processes which could be used safely and with minimum environmental effects. I am glad to see that the administration is placing a high priority on these programs also.

PROTEIN RESOURCES AND TECHNOLOGY: STATUS AND RESEARCH NEEDS

Mr. HUMPHREY. Mr. President, the National Science Foundation has released their report entitled "Protein Resources and Technology: Status and Research Needs." I am pleased to note that the report and its recommendation deal constructively with primary issues affecting U.S. food policy and food production, as well as with our role as a world food supplier and what we must do to strengthen these capacities.

Recent traumatic dislocations in world food supplies emphasize the urgency that the United States, in its own interest, should undertake more realistic planning and expanded research to enlarge and strengthen its food producing capabilities in innovative ways.

We must stimulate greater involvement of our best scientific minds in order to examine these and related problems in a more fundamental way than we have in the past. I believe that the recommendations made in this report should be scrutinized closely both as it relates to the technical aspects of research and the institutional framework of implementation. Numerous studies have set forth a variety of recommendations in both areas. It is time that the Congress make a rigorous analysis of our agriculture research and development activities, both in terms of program priorities and institutional needs.

I wish to call to Congress attention that our Office of Technology Assessment, in response to a request from myself and Congressman Olin Teague, will soon begin an assessment of alternative ways to fund and organize agriculture research activities. I expect that the material in this report will be a valuable resource material for the Congress.

Mr. President, I ask unanimous consent that several key parts of this report be printed in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

Protein Resources and Technology: Status and Research Needs

I. THE PURPOSE OF THIS REPORT

With increasing recognition of the problem of keeping world food production in pace with growth of population and living standards and the need to do so at an acceptable economic and environmental cost, the National Science Foundation (NSF) found itself receiving, primarily from U.S. universities, requests to finance projects for research and development of an array of unconventional and novel protein sources. It quickly became evident that there was a lack of information which would permit adequate critical judgment of the relative priorities for such funding requests. A broad and multidisciplinary inquiry seemed necessary to survey the need, evaluate the issues, and establish priorities for research on new protein sources. It was anticipated that such a study could establish needs and priorities and thus provide a basis for expanded and more systematic NSF research support in this area.

Funded under NSF's Research Applied to National Needs program (RANN), the study's stated purpose is to identify high-priority long term research, the results of which would be available for needed applications after 1980, up to the turn of the century and beyond. Consideration of the concerns of the RANN program in supporting research to improve U.S. protein resources made it clear that a thorough review was necessary not only of U.S. domestic requirements but also of the probable export demand for U.S. food, including commitments for international concessional food assistance and donation under PL 480.

When the project was organized by the Massachusetts Institute of Technology, it became much broader in scope with the realization that the establishment of research priorities would require first an estimation of both domestic and export protein demand for the remainder of the century. This should be followed by an assessment of the likelihood that these demands would be satisfactorily met from traditional U.S. crop, livestock, and fisheries resources considering the level of research and development now in progress and probable political, institutional, economic, regulatory and environmental constraints. Only then could the possible role and the research needs for development of unconventional and novel protein resources such as those from green leaves, yeast, bacteria, fungi and chemical synthesis be evaluated.

Accordingly, working groups were established to review substantively all major potential protein resources and provide research recommendations. A group of consultants was also selected to discuss in depth and to outline needed research in areas such as nutrition, toxicology and food processing, affecting all resources. These detailed reviews will be published as the full report. They are summarized and interpreted in the present document, whose primary purpose is the identification of a limited number of high priority research areas and an indication of minimum desirable levels of NSF support for each.

The research evaluations were conducted with a realization of the almost unique position of North America as a food exporter. Before World War II, only Europe was a net importer of food, but since then, virtually all other regions of the world have become increasingly dependent on food imports from North America and to a smaller extent from Australia and Argentina. This has been an inevitable consequence of the failure of their food production to meet the demands generated by population increases and improved living standards. There seems no doubt that the U.S. can feed its own population abundantly for the foreseeable future, but if the margin available for export is to be maintained in the face of rising domestic requirements, more vigorous research efforts are needed to increase agricultural productivity on approximately the same area of agricultural land. It is clear that in the foreseeable future the bulk of U.S. and world food supplies must still come from traditional agricultural sources. Therefore, fundamental and applied research for the purpose of increasing the productivity of conventional agriculture must have the highest priority and be assigned the majority of available research funds.

It was recognized that sponsorship of research to improve the production efficiency or lower the cost of traditional agricultural food sources would not be of primary interest to NSF, but would continue as the major concern of the USDA, the state universities and agricultural experiment stations, and the agribusiness industries. Notwithstanding an expenditure of over a billion dollars annually in the U.S. on relevant agricultural research, largely by the above agencies, many useful and important opportunities do exist for productive complementary support by NSF for research in the basic biological and biochemical sciences which are the foundations for all agricultural technology and for innovative food science applications. In addition, it is certainly in the national interest to explore, through a modest long-term investment on the part of NSF, the contributions which various unconventional food sources might make to U.S. and world food supplies late in this century, in supplementing agricultural food production.

II. MAJOR DETERMINANTS OF RESEARCH RECOMMENDATIONS

A consideration of issues emphasized in the resource area evaluations in the discussions of common scientific and technical aspects of protein resource development, in the descriptions of economic and other factors affecting protein costs and availability and in meetings with Policy Advisory Committee members suggests that research recommendations and priorities can be based on the following conclusions.

1. U.S. agriculture will continue in the foreseeable future to supply in abundance the protein foods and feeds to which this country has become accustomed, but it will obviously do so with rising costs and increasing pressure on our land, energy and environmental resources.

2. Appropriate research and technological development must be pursued more vigorously to achieve increases in livestock and aquatic resources and in productivity, protein quality, and protein quantity of primary food crops to meet both domestic demand and export opportunities.

3. A strengthening of U.S. food and agricultural research capabilities will be necessary to ensure continued growth of food export, a major contributor to the maintenance of favorable U.S. trade balances. With adequate research support, and if other appropriate policies are adopted, U.S. food export capacity at least until 1985 should increase at a rate following the trend established prior to 1972.

4. The food and feed demands of affluent industrial countries will continue to increase and will exert growing pressure on food resources available in international markets.

5. Even with probable improvements, the agricultural production capacities of some major food deficit developing countries will not soon be adequate to feed their growing populations. They will need to import food for many years to come and the U.S. will play a leading role in supplying these needs, largely on regular commercial terms.

6. Although foreign sales of U.S. foods and commodities and transfer of useful technology through the commercial sector can significantly contribute to improvement of diet in food-deficit countries, these countries can also benefit greatly from other channels for transfer of information on food production and processing such as bilateral assistance programs.

7. When food deficit countries improve their own agriculture and food production, not only will the nutritional status of their populations be increased, but, experience has shown, they will also tend to increase their commercial food purchases in the U.S.

8. In the foreseeable future, the relative cost of proteins (e.g., meat, soybeans) for human and animal feeding is likely to increase more rapidly than the cost for staple sources of food or feed energy (e.g., corn, wheat).

9. It is anticipated that domestic and world demand for U.S. soybeans as a primary protein resource, notwithstanding increasing production in other countries such as Brazil, will grow faster than for other food or feed crops. While a major breakthrough in soybean (and other legume) yields may occur, it is not likely to be effective in the next 10 years. For the foreseeable future, therefore, a continued increase in soybean prices relative to those for other grain crops is anticipated. This will stimulate interest in alternative protein sources of both conventional and unconventional types.

10. It is likely that new and more productive grain crops will be developed, particularly from intergeneric crossing of cereals, of which triticale is a prototype.

11. The marketplace must reflect the increased value of crops with improved protein quality and quantity if farmers are to be persuaded to produce them. Incentives may also be needed to encourage commercial initiatives by the seed industry and others directed toward more rapid development of improved food crop varieties.

12. The increasing costs of agricultural food production may eventually encourage the use of unconventional techniques for protein production which are not now commercially competitive.

13. The reclaiming of organic wastes of all kinds for food and feed use is a major priority.

14. The development and application of innovative food processing techniques and of new science and technology to the production of protein foods will require fair and objective regulatory standards and procedures on the part of the Food and Drug Administration, the U.S. Department of Agriculture and the Environmental Protection Agency.

15. Acceptance by the U.S. consumer of novel protein foods to any significant extent will require innovative marketing and promotional approaches which, to be effective, must go beyond emphasis on nutritional benefits.

III. RESEARCH RECOMMENDATIONS

Major expansion of research scope and support is needed in specific protein resource categories and in fundamental areas affecting most protein production and utilization. Shorter-term research, largely oriented toward improving the productivity of traditional food and feed crops, is already receiving attention from USDA, public and private universities, the state universities and Land Grant colleges with their associated experiment stations, and industry. Such research is expected to make the greatest immediate impact on protein supply.

At the same time, much intermediate and long-term research vital to strengthening the U.S. food protein supply has been either overlooked or inadequately emphasized. Fourteen such research areas, with one or more specific projects of the highest priority within each area, are identified below for NSF research support in competent institutions.

The reports of the working groups identify a large number of important research areas and projects from which only a limited number have been selected for recommendation here. Most research which is already of major ongoing concern to USDA and the state agricultural institutions in the United States was excluded only because of the special purpose of this report, and not because of any judgment as to its relative importance. The principal criterion for selection was that the research should be (1) in an area of importance which complements or underlies traditional agricultural research and which is as present inadequately supported by the USDA and state agricultural institutions or any other sources, or (2) in an unconventional area not now receiving an emphasis commensurate with its potential.

Among the 14 recommended research areas, highest priority can be assigned to nutrition and toxicology. A prerequisite to the efficient utilization of food supplies is the determination of human protein requirements at all ages and the evaluation of the capacity of various kinds of dietary protein to meet them. Moreover, no unconventional sources of protein for food or feed can be utilized until relevant questions of their safety for this purpose have been resolved. No meaningful further subdivision of priority rankings can be assigned to the basic and long term research recommended because too many uncontrollable and unpredictable factors are involved.

Fundamental mission-oriented research

1. Nutrition:

a. Evaluate protein requirements of human subjects at various ages and physiological states using improved metabolic balance techniques.

b. Improve existing biochemical and biological methods for the evaluation of protein quality to reflect more closely human and livestock nutritional requirements and apply these methods to new or novel protein sources as well as processed protein foods of all types. The urgent needs of plant breeders and regulatory agencies for rapid methods of protein quality evaluation should be taken into account in this research.

2. Toxicology:

Undertake basic research on the toxicological hazards associated with new protein sources and conventional proteins processed in new ways, followed when appropriate by clinical trials and by efforts to remove, through processing or other means, toxic factors identified in the animal or clinical trials.

3. Biological Nitrogen Fixation:

Study comprehensively the area of nitrogen fixation in crops through basic biochemical and genetic research on the nitrogen and carbon metabolism of plants and microorganisms with the objective of reducing the need for synthetic nitrogen fertilizer.

Mission-oriented research in specific resource areas

4. Grain Crops for Food and Feed:

a. Investigate the metabolic process of oxidative photorespiration in cereals, legumes and leguminous oil-seeds, which seriously limits fixed carbon accumulation and thus reduces potential crop yields. The objective should be to identify genetic or other means to control this undesirable metabolic process.

b. Expand research on symbiotic and nonsymbiotic nitrogen fixation in cereals with emphasis on development of nitrogen-fixing microorganisms compatible with host cereal species.

c. Intensify basic research to provide new sexual and asexual methods for breeding more productive crops with higher protein potentials. Such studies would involve identification of specific genes and gene groups, use of cell culture, somatic hybridization and chemical stimulation of gene compatibility for broad sexual crosses, as well as other innovative techniques.

d. Study more extensively the uptake of nitrogen in crop plants, and related protein metabolism of seeds, particularly in the cereal grains, in order to identify genetic and other means for increasing protein quantity and quality without seriously compromising crop productivity and other important qualities. This will require improved screening methods to assist plant breeders quickly to identify desirable cultivars in their protein improvement breeding programs.

5. Cereal Protein Technology:

Develop new technology for separating, recovering and concentrating the protein fractions of cereal grains (wheat, corn, sorghum, barley, oats, rice, triticale) and of processed cereal by-products, and for reconstituting or combining them with other constituents to produce attractive new protein foods such as meat analogs, meat extenders, and beverages.

6. Oilseed and Legume Proteins:

a. Study modification of the functionality of oilseed and legume proteins by physical, chemical and enzymatic methods to facilitate development of protein materials with wide versatility and acceptability in formulated foods.

b. Intensify studies of the basic cellular and subcellular structure of oilseeds and legumes with attention to the location and form of primary constituents (proteins, oils, carbohydrates, etc.), in order to permit development of more efficient technologies for protein and oil recovery with retention of optimal functional and nutritional characteristics.

7. Livestock Animals:

a. Expand comprehensive research on the feeding value of various fractions of animal and vegetable wastes for different livestock species (beef, swine, poultry), and develop technology such as fermentation with appropriate microorganisms, or silage treatment, to minimize toxicity or unpalatability, and to upgrade the nutritive quality of waste materials.

b. Study the carryover into animal tissues used for human food of possible toxic or pathogenic factors related to feeding recycled wastes of various kinds to livestock.

8. Dairy, Meat, Poultry, and Eggs:

Develop sanitary and microbiologically safe technology for reclaiming as food, dairy byproducts, defective livestock animals, muscle and organ tissues, poultry and eggs rejected for food use and used only partially for livestock and pet feeding under present food laws and grading standards.

9. Aquatic Proteins:

a. Investigate more thoroughly the basic problems affecting the development and economic efficiency of aquaculture. Studies should include further identification of optimum species for monoculture and polyculture systems and examination of the problems in breeding and culturing these species, including their metabolic and nutritional requirements and diseases to which they may be susceptible. Polyculture, which can take advantage of symbiotic relationships among several different species, should be further developed to increase efficiency of feed utilization and thus reduce competition with nonruminant farm animals for feed.

b. Undertake a comprehensive feasibility study on the harvesting and utilization of Antarctic krill for human consumption, taking into account the need to assess integrated harvesting technology, acceptable food products, use of by-products such as chitin, and potential profitability. Since most krill resources occur primarily in international waters, apparently beyond most countries' present or future jurisdictional limits, and because the USSR now leads in the development and application of the relevant technology, NSF should develop a collaborative effort with the Soviet Union if an appropriate agreement can be negotiated.

10. Single-Cell Protein (SCP)—Non-Photosynthetic:

a. Clarify the nature, occurence, and mode of action of substances giving adverse reactions in human feeding, either occurring naturally in, or produced during the processing of, bacteria, yeasts or fungi. In addition, more economical methods are needed to reduce nucleic acid content of SCP.

b. Develop efficient methods for the selective isolation of proteins free from nucleic acids and other undesirable constituents and for producing them with desirable functional and organoleptic properties.

c. Expand application of SCP technology to waste processing, and recovery for animal feeding, utilizing materials such as cellulosic and other crop and animal wastes, sewage and industrial food wastes.

d. Improve cell yields and increase the efficiency of heat and oxygen transfer in fermentors, taking into account cooling difficulties in tropical environments and the limitations in cell yields due to inadequate oxygen supply. Improve efficiency of cell harvesting or collection, dewatering and drying, taking into consideration effects on protein functionality and nutritional properties.

11. Single-cell Protein—Photosynthetic:

Gather more information on the toxicology, food/feed safety, nutritional value and acceptability as food of algal sources. Develop economically feasible techniques to process algae as human food including means for decolorizing or bleaching, recovery of algal pigments, isolation or concentration of protein constituents and application to food uses; also develop means for preservation by common technologies.

12. Leaf Proteins:

a. Undertake comprehensive research, technological development and testing of an integrated on-farm system for recovery and direct feeding to non-ruminants of leaf protein products, including evaluation of the nutritional and toxicological implications.

b. Intensify development of technology for recovery of leaf protein concentrates and isolates for food use including evaluation of their nutritional and food safety aspects as well as functionality and organoleptic qualities when used as an ingredient in formulated or fabricated foods. This should include comprehensive study of the unique properties of *Nicotiana* (tobacco) leaves which permit easy separation and recovery of relatively pure protein, and exploration of agronomic and other factors which relate to its optimal production for such use.

Advanced science and technology

13. Innovative Technology for Protein Utilization:

Undertake research to contribute to basic understanding of physical and chemical properties of protein molecules. Study the separation and restructuring of plant proteins and application of chemical engineering technology to the development of edible protein.

14. Targets of Opportunity:

Make available funds for innovative exploratory research yet to be identified.

WHERE ARE WE GOING?

Mr. BROCK. Mr. President, one might ask as we begin the celebration of our Bicentennial Year, "Where are we going?" Unfortunately, the answer may be in too many directions at once. I recently read a column by James Kilpatrick which disturbed me greatly. Mr. President, I ask unanimous consent that Mr. Kilpatrick's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

DRIFTING TOWARD LUNACY

(By James J. Kilpatrick)

On September 19, Judge Gerhard A. Gesell handed down an opinion in a suit brought by George T. Rogers against the Equal Employment Opportunity Commission. A text has just come to hand.

Two comments: First, the excerpts that follow are not a hoax; this is not satire, parody or lampoon; the quotes are directly quoted from Judge Gesell's opinion in U.S. District Court for the District of Columbia. Second, the opinion provides a fine indication of how far we have wandered, in a quest for equality, down the road to lunacy.

"In March, 1975, Thomas Hadfield, a highly qualified white, was selected by an EEOC officer, Ms. (Carol) Williams, a black, to be the Philadelphia District Office Director of EEOC. This selection was accepted by the Director of the agency and the appointment made accordingly. Rogers, a black, seeks damages and injunctive relief, claiming that the selection and his consequent rejection were in violation of Title VII because the factor of race influenced the selection.

"At the time this position was filled there were four directorships in the Philadelphia region. The other three directors were black. No affirmative action plan for black or white males was in effect. Six males, four black and two white, were certified as highly qualified for the vacancy and were considered eligible.

"Ms. Williams conscientiously interviewed all six candidates: five in person and one by telephone. She was thoroughly informed as to the managerial, personality and other requirements of the job and her interviews in depth were directed to these appropriate criteria. She sincerely believed, with ample factual basis, that Hadfield was better qualified than Rogers and her primary compelling reason for the choice was based on this appraisal which in no way was pretextual. Her superiors who approved the recommendation did so on the merits without even knowing or caring whether Hadfield was black or white.

"When Rogers filed his complaint administratively, Ms. Williams, a highly educated, experienced, conscientious employe, was questioned about the circumstances by two EEOC employes, an investigator and an attorney appointed to counsel Rogers. She stated in each instance that Rogers was not the best qualified and indicated that she had been concerned about the region's 'EEO–1' profile and felt a white would reflect a better racial balance. While this racial consideration, impermissible under the circumstances, was never more than a makeweight in her selection, it was a subjective factor taken into account and the selection was therefore not racially neutral.

"Thus the remaining issue presented is whether the record establishes a causal relation between resort to this racial factor and Rogers' rejection. Ms. Williams completely denies that racial consideration was involved . . . The court rejects her testimony in this regard . . . Race was a factor in the choice. The burden is extremely heavy where that factor is present in any degree to overcome the presumption that it played a part in the decision, and complainant is entitled to a strong presumption that such is the case . . .

"EEOC argues that even if the Court finds some evidence of discrimination plaintiff should not recover because he was not the best qualified applicant for the job. The purpose of Title VII cannot be so easily turned aside . . . To accept EEOC's view . . . would be to allow race prejudice again to raise its ugly head . . .

"If race is an improper factor in the selection, as it was here, then Rogers is entitled to relief unless he would not have been selected absent the racial factor. Rogers ranked third. A white ranked second. There is no proof that race did not also affect the second ranking. Accordingly, absent race, Rogers must be deemed to have been the candidate who would have been selected once the improper racial consideration is eliminated."

Judge Gesell refused to oust Hadfield and put Rogers in his place. "On all proof before the Court, Hadfield is better qualified than Rogers and the nature of the discrimination shown here does not warrant such drastic relief." However, "Rogers shall receive back pay at the level of the director's job from the date Hadfield took office. This back pay shall continue prospectively until the next District directorship in the Philadelphia region is filled or Rogers is appointed to and accepts a position with equal or better pay. Attorney's fees and costs are awarded."

A TRIBUTE TO HARLEY DIRKS

Mr. McGEE. Mr. President, in this morning's edition of the Washington Post, there appeared an article on Harley Dirks, chief clerk of the Senate Appropriations Subcommittee on Labor and Health, Education, and Welfare.

As a member of the Senate Appropriations Committee since 1959, I have had the pleasure of knowing and working with Harley since he joined the committee 12 years ago.

I can personally attest to Stephen Klaidman's description of the hard-working attitude which has characterized Harley's service on the committee. I can also personally attest to the dedication and deep concern he has for the people who are the ultimate beneficiaries of the programs contained in the legislation for which he has professional responsibility.

Mr. President, the article on Harley is an exceptional tribute to a professional staff member of an important committee of the Congress.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

AT WORK BEHIND THE SENATE SCENE

(By Stephen Klaidman)

At 5 each morning, while it's still dark, and his wife and children and most of his Potomac neighbors are sleeping, Harley Dirks takes two or three stuffed briefcases into his silent recreation room and begins another day.

"I take home work every night," he said from behind his cluttered desk in Suite 1108 of the Everett McKinley Dirksen Senate Office Building.

Dirks is chief clerk of the Senate Appropriations subcommittee on Labor and Health, Education and Welfare. He sees no alternative to taking work home, working late or, for that matter, working almost all the time. And he thinks it's worth it.

As the Senate's key staff member in a high-impact area, the 48-year-old Dirks play a major role in shaping a mammoth money bill ($6 billion in fiscal 1976) affecting the fate of millions of Americans.

Dirks doesn't romanticize his role, but neither does he minimize it. "I'm here to provide the professional assistance to the members of the Senate, especially those who are here to move this bill through Congress," he said.

"There is only one satisfaction just to think you might have made a small difference in helping some people, especially the have-nots, the old, the sick and those who are too young to help themselves. I think that's why people are on this committee. That's why it's such a pleasure to work for this committee."

The satisfaction, Dirks admits, does not come without frustration. "The greatest frustration is the constant confrontation Congress has with the administration. Nothing is ever conclusive," he said.

"There is confrontation on the budget and confrontation on vetoes, confrontation on impoundments, both legal and illegal, and on the constant flow of deferrals and rescissions.

"None of the recipients of the funds know what they're going to get until the end of the fiscal year. Then you're in the next cycle again. I wish we could do the damn staff work just once, but we have to do it over and over again."

Before stepping onto the Senate treadmill 12 years ago, Dirks was in banking, farming, the shoe, clothing and liquor businesses—all at once—in Othello, Wash., population 4,559.

"I was the owner, manager and buyer for all those businesses," Dirks observed with a touch of pride. "This job is a little bit tougher than the other things I've done, but not a lot tougher."

Dirks said he had no regrets, "except financial," about coming to the capital. "I think I could have done better had I stayed in the state of Washington." His Senate salary is $37,800.

"This has been a great experience for a guy from a small, rural town," he continued. "It's a rare opportunity, being able to be involved with members of the Senate. Given the choice I would do it again."

Nonetheless, Dirks recognizes the toll that the job has taken on his personal life.

"It has an impact on family life," he said from behind mounds of papers, files and books. It doesn't give you as much time with your wife and your kids as you'd like. I guess that's the reason I get up at five in the morning to work. There's not much you can do for your family at that hour.

"My kids are survivors," he said, his eyes turning sad. (He has six ranging in age from 16 to 26.) "It was difficult when they were small, but they've survived 12 years of their father being in the Senate," a turn of phrase that sheds some light on Dirks' view of his role.

Dirks' wife Ruth has adopted a "if you can't beat 'em, join 'em" attitude. She has a full-time job as special assistant to the director of the National Institute on Alcoholism and Alcohol Abuse.

"Not every family can stand the pressures of a job like this," Dirks said, making it clear that his was one that could.

When he does take some time off for recreation with his wife and children, he likes it to be physical. All of the Dirks play tennis, Harley and his wife go bicycle riding together and he likes to fish and hunt geese on the Chesapeake Bay with his sons.

Dirks' path to Washington began with a political task. In 1964, he ran the Lyndon Johnson presidential campaign in half of the state of Washington. His performance caught the eye of the subcommittee's chairman, Sen. Warren G. Magnuson, D-Wash., who asked him to come to Washington briefly to help put the office in shape.

"I came for three months, then five, then five years and now it's 12," Dirks said.

Magnuson, Dirks said, relies on him to make sure that the subcommittee's actions reflect his interests and his will. The relationship between the two men is strictly professional. They never see each other socially.

Despite protestations by Dirks and his staff of three that they are "nonpartisan professionals" who do not get involved in campaigns it is clear that Dirks' first loyalty is to Magnuson. "I vote in Washington state," he said, "because I like to vote for the chairman."

The staff also works for other Democrats and for the ranking Republican on the subcommittee, Sen. Edward Brooke of Massachusetts, but Magnuson is the man to whom Dirks owes his job.

In the process of serving Magnuson, Dirks must cope with a host of conflicting pressures brought by lobbyists, bureaucrats and other members of Congress.

When the President sends his budget to Congress, his proposals are considerably different from what was sent to the White House by each department. Frequently funds have been cut from programs by the Office of Management and Budget.

The officials who run those programs will then try to enlist Dirks' aid in restoring the deleted money.

Dirks is also sought out by dozens of registered lobbyists—the so-called white hats who work for the poor, the sick and the elderly—who may pop in for 30 seconds to get or give a piece of information or take him out to a lunch over which they hope to win his support for their cause.

There is just so much money to go around and Dirks must weigh and measure all demands for before he makes a recommendation to Magnuson as to how it should be spent.

Dirks has a reputation on Capitol Hill as a doer, someone who understands the system and knows how to make it work. But like many Congressional staffers who owe their jobs to the elected members, he soft-pedals any reference to his own power and influence.

"A lot of staff guys kid themselves about how much power they have," Dirks said. I've got a lot of guys who know who Harley Dirks is, but if Magnuson dropped dead tomorrow there'd be a lot fewer of them.

"Power and influence are two abused words in this town. Competence is the key word."

Much of what Dirks does is mundane. "We're mechanics," he said.

The "we" took in Jim Sourwine and Terry Lierman, the two staff aids who share his back room, and Dom Ruscio, another staff professional who works in the outer office. Ruscio's office mates are two temporary interns and two secretaries.

The phone rings incessantly. "Harley Dirks speaking," he answers.

While he talks, he leans back and swivels from side to side in his armchair, scratches his forehead, pushes papers around, takes his glasses off and puts them back on again.

"That was a friend of ours out in the State of Washington who needs a little help on evaluation of media (instructional equipment) programs," he said to a visitor as he put the phone down. "I got a guy downtown who can help and a staff guy I think can help, too."

Back to the pile of papers on his desk. Dirks read a series of notes from HEW Secretary David Mathews requesting permission to reprogram earmarked funds. Dirks recommended yes or no and they went to Magnuson for his approval, signature and return to HEW.

In the next few minutes Dirks had some work on "school behavior problems" delivered to majority whip Robert C. Byrd, D-W. Va., interrogated staff members on various matters: "Does this fritter away $1.2 million? Do you think the VA (Veterans' Administration) has a handle on it?" and reviewed a computer printout "What we're trying to do is put the Appropriations bill on the computer."

And so it went. Phone calls, shorthand conversations peppered with Hill jargon, setting up hearings and so forth.

At lunch Dirks met with some Californians promoting a program that teaches youngsters about handicapped children. A neighbor of Dirks got them together. Dirks will do what he can to help them get some federal money.

After lunch Dirks attended a meeting with General Accounting Office investigators on the Emergency Food and Medical Services Program. Fifteen per cent of the aid is meant to go to Indians and migrants. Dirks was concerned that it isn't. He was pressing GAO, the agency that helps Congress keep an eye on the executive branch, to get some data on it. The investigators said they would try.

Dirks and his staff, like every similar staff in Congress, are now beginning a new cycle.

There will be GAO and Library of Congress studies done at Dirks' request to prepare Magnuson and the committee to rebut the President's budget proposals. "If they cut out the old folks or the kids," Dirks said, "we raise a little hell about it."

Then there are three to four months of hearings, which last year produced 10,000 pages of printed record, for which Dirks and his staff must prepare the committee members.

After the hearings comes the markup process. "It is not unusual for 50 or 60 senators to come to us prior to markup asking us to consider an amendment," Dirks said. During the markup period Dirks meets with Magnuson almost daily.

After markup, the committee prepares a report to the Senate, which compares the positions of the Senate, the House and the administration. The report "provides some instruction on the use of the funds," Dirks said.

Then comes the floor debate, a period during which Dirks is constantly at Magnuson's side, priming him with all the information he needs as the bill's floor manager.

And when it's all over, so what?

"Hypertension, Tay-Sachs disease, sickle cell anemia, lead-based paint, rat control, breast cancer, these are areas in which this committee has made a difference," Dirks said.

"But," he added thoughtfully, "I think we could do much better in providing for human needs." Dirks believes that not only federal, state and local government could do better, but that individuals and the private sector could also improve their performance.

"We need some inspiration for that," he added with a trace of sadness in his voice. At the moment, he didn't see any on the horizon.

THE CAUSE OF SOVIET JEWRY

Mr. BROCK. Mr. President, for many years tens of thousands of freedom loving people the world over have taken up the cause of Soviet Jewery.

Many have however contended that such concern is a violation of the sovereign rights of the Soviet Union. In more common parlance, this argument has questioned whether we as Americans can be concerned with the discriminatory treatment accorded to minorities in other lands. The attached exposition by Meir Rosenne seeks to clarify some of the legal issues underlying the struggle for the rights of Jews and other minorities in the Soviet Union.

To all my colleagues who have joined in the struggle for human rights and civil liberties, this article is perhaps superfluous. To those who have yet to fully appreciate the issue I believe this article may further clarify the polemic.

The struggle for human rights anywhere on this globe is not an economic or politically partisan issue, it is our reason for existence. Unless the goals of this Nation have such moral content, they will become meaningless.

Mr. President, I ask unanimous consent that the article referred to above be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOME LEGAL ASPECTS OF THE STRUGGLES FOR THE RIGHTS OF JEWS IN THE SOVIET UNION

(By Meir Rosenne*)

The problem of the Jews in the Soviet Union is one of the most important issues that dominates our life today. It is not my intention to deal with the numerous aspects of this problem nor to describe the history of the struggle of Soviet Jewry. I shall deal only with some of the legal considerations concerning this issue and more specifically with four of them:

1. Is Israel entitled, from the point of view of International Law, to raise the issue of Soviet Jews in International Organizations in general? Is it not a violation of the Charter of the U.N. and an intervention in the domestic affairs of a Sovereign State?
2. Does public protest help in the defence of the rights of the Jews in the Soviet Union?
3. Does the Soviet Union violate Soviet law or any international obligation in discriminating against Soviet Jews?
4. According to International Law, is Israel entitled to grant Israeli nationality to Jews living in the Soviet Union?

1. The Jewish Problem in the Soviet Union and the U.N. Charter (Art. 2 para. 7).

The Charter of the U.N. art. 2 para. 7 stipulates that: "Nothing contained in the present Charter shall authorize the United Nations to intervene in matters which are essentially within the domestic jurisdiction of any State . . ."

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*Legal Adviser to the Ministry for Foreign Affairs, Jerusalem.

In its Advisory Opinion (1923, series B, no. 4, p. 24) on the Tunis-Morocco Nationality Decree, the Permanent Court of International Justice stated: "The question whether a certain matter is or is not solely within the jurisdiction of a State is an essentially relative question; it depends upon the development of international relations."

The practice in the United Nations has been established since 1946, that Human Rights problems are not within the exclusive competence of national states, and that the Organization has an inherent right to intervene.

The Charter contains seven specific references to Human Rights. In fact, these references are not the only ones which are relevant. Every article which refers to the purposes of the United Nations also refers by incorporation to Human Rights.[1]

The U.N. has dealt with specific problems concerning Human Rights since its creation. It has discussed at length the issue of apartheid and racial discrimination in different parts of the world. Thus, there is no justification in the refusal to discuss the issue of Soviet Jewry in the U.N. forum. In order to set the historical record straight, I would like to state here one point that has been overlooked for many years: The first State to draw the attention of the United Nations to the tragic situation of the Jews in the Soviet Union—was the State of Israel.

As early as 1953, after the trial of the Jewish doctors in the Soviet Union and the death sentence imposed on them, the Delegation of Israel to the U.N. raised the problem of Soviet Jews. We did it at the time not because we were looking for additional problems to deal with in the U.N. Since our admission to the U.N. in 1949, we have faced many political problems concerning the Arab refugees and the situation in the Middle East. At that time, in 1953, and then again in 1959 and 1960, many friendly delegations in the U.N. tried to convince Israel not to raise the issue of Soviet Jewry in the U.N. forum. They did it not because of their concern to see Israel facing additional problems in an unfriendly forum; their concern was to avoid the need to protest against the policy of the Soviet Government towards the Jewish community. It is much easier to ignore an injustice or discrimination when the problem is not raised. Once the issue is raised—and it should be remembered that this was only a few years after the Second World War and the Holocaust—it becomes difficult for certain delegations to remain silent. Israel did not remain silent; we considered it our major responsibility to protest against discrimination, to fight oppression; we did it not only because we are a Jewish State but because Human Rights are universal and when a Human Right is violated—it is the concern of all to protest against it.

2. Is public protest helpful or detrimental to Soviet Jews?

Some prominent Jewish leaders were of the opinion, at the time, that by raising the problem of Soviet Jews, one increased the danger of persecution. The evidence has proven that the conspiracy of silence is the enemy of justice and that public, responsible, protest is the only hope for Soviet Jewry.

I would like to refer only to three facts that prove to what extent public protest is indeed helpful to Soviet Jewry:

(a) In 1961, the Soviet Union adopted new legislation concerning prosecution for economic crimes. The death penalty was established for this type of crime: more than 200 Jews were sentenced to death and executed for economic crimes. When we tried, at the time, to mobilize world public opinion in order to fight against this law, we were told that there was no proof as to the innocence of the condemned Jews. We tried to explain that the problem was not one of guilt or innocence. We refused to believe that in a country where Jews represent about 1.2 per cent of the population, they would provide 90 per cent of the criminals. The issue of the execution of these 200 Jews accused of "economic crimes" was raised by us and other delegations in the U.N. Human Rights Commission. As a result of the protest—the Soviet Union discontinued these executions.

(b) The second instance which proves the impact of public opinion and the sensitivity of the Soviet Union to debates in the U.N. on the problem of Soviet Jewry, is the issue of the publication of a viciously antisemitic book in the Soviet Union, Judaism without Embellishment. Mr. Morris Abram, the Representative of the U.S. in the U.N. Human Rights Commission, brought to the attention of the Commission the fact that the Academy of Science of Kiev had published this antisemitic book written by T. Kitchko. This was in 1964. The book included accusations against Jews and grave antisemitic statements accompanied by vicious cartoons. As a result of the debate in the U.N. and worldwide public protest, the Soviet Union—for the first time in its history—had to condemn an official publication and to lodge a formal complaint against its author.

(c) The third instance which proves the importance of public protest on the problem of Soviet Jews—is the issue of the freedom to bake unleavened bread for Passover. Even in the Stalin era, the Soviet Union did not prevent the Jewish communities from baking Matzot for Passover. Under Khrushchev—the Soviet authorities forbade, for the first time, the baking of Matzot. The issue was raised in international forums, including the U.N. As a result of public pressure, the Soviet Union had to change its attitude and lifted the ban.

The basic element in the campaign for Soviet Jews is exposing the truth. If one wishes to mobilize public opinion on their behalf, the truth should be told. There is no need for exaggeration.

3. Does the Soviet Union violate Soviet law or any international obligation in discriminating against Soviet Jews?

We are sometimes informed by the Western press that one of the discriminations to which Soviet Jews are subjected—is the fact that their internal passports are marked with the words "Jewish nationality" while those of Catholics and Protestants are not marked as being "Catholics" or "Protestants".

The fact is that the Soviet Union considers the Jew both as belonging to a religious community and to a nationality. The Soviet Union is a multinational State. From the very inception of the Soviet State, the Jewish community has been accorded the legal status of nationality.[2] The recognition of the Jewish nationality by the Soviet Union was an act of progress, of emancipation of this community at the time. It was only at a later stage that the existence of this nationality facilitated easy identification of the Jews by the authorities when they wished to discriminate against them. Legally, the Jews as a nationality, were granted equal rights with all of the other 103 nationalities in the Soviet Union and the large majority of Jews in the Soviet Union do not wish to give up this nationality.

The demand that is now being made of the Soviet authorities on this issue is to grant the Jews the same rights that are granted to all other nationalities in the Soviet State, such as the right to have their own educational and cultural institutions in conformity with the Soviet Constitution. We should insist not only on the right of every Soviet Jew to emigrate to Israel but also on his right to live as a Jew in the Soviet Union.

By refusing to grant the Jew equal rights with all other nationalities the Soviet Union violates its own laws. By publishing regularly in their press organs, vicious attacks against the Jewish community and religion, it violates its own laws against incitement.

The Soviet Union denies to the Jewish religious community rights guaranteed to the recognized religions as spelled out in the still valid decree of the Council of Peoples' Commissars of January 23, 1918, in the resolution of the All-Union Central Executive Committee and the Council of Peoples' Commissars of the R.S.F.S.R. of April 18, 1929, and in various criminal codes.

Unlike the other recognized religious bodies, Judaism has not had any central or coordinating structure since 1926. The last time a conference of Rabbis met in the Soviet Union was in 1926. While other religious bodies are able to publish periodicals and devotional literature—Judaism cannot.

The Soviet Union, besides violating its own laws—is also acting in flagrant violation of its international obligations.

In August 1962, the U.S.S.R. ratified the UNESCO Convention against Discrimination in Education which obligated it, according to Article 5(1c): to recognize the right of members of national minorities to carry on their own educational activities, including the maintenance of schools and the use or teaching of their own language.

Now, this undertaking is openly flouted by the Soviet government.

As to the right of Jews to emigrate from Soviet Union, we are sometimes told that the demand for free emigration would be against the law and not in conformity with the practice of the Soviet Union.

I would like to emphasize here and now that by asking for the right of free emigration for Jews we do not ask for anything contrary to the practice of the Soviet Union. For the last 25 years, the Soviet Union has permitted the reunion of families of Armenians, of Germans, of Poles and of descendants of Spaniards. Although the Soviet Government has not recognized the Franco regime, and despite the fact that there are no diplomatic relations between the Soviet Union and Spain, thousands of Soviet citizens of Spanish descent have been granted the right to leave the Soviet Union.

There were repatriation agreements both with Poland in 1956 and with Germany in 1971, under which Poles and Germans were permitted to return to their respective countries.

The Soviet Union's obligation to let the Jews leave, rests not only on the Universal Declaration of Human Rights which recognizes the right to leave (and it could be claimed that this Declaration is not legally binding), but on the International Convention on the Elimination of all Forms of Racial Discrimination—ratified by the Soviet Union in February 4, 1961—which states in Article 2: State Parties undertake to prohibit and to eliminate racial discrimination in all its forms and to guarantee the right of everyone wthout distinction as to race, colour or national or ethnic origin, to equality before the law, notably in the enjoyment of the following rights:

. . . (d) (ii): The right to leave any country, including one's own, and to return to one's country.

The Jewish claim to emigration is one of repatriation. The denial of the right to emigration is a flagrant violation of this Convention.

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[1] John P. Humphrey, "The U.N. Charter and the Universal Declaration of Human Rights" in The International Protection of Human Rights (eds., Evan Luard Thaures and Hudson, London, 1967).

[2] W. Korey, "The Legal Position of the Jewish Community of the Soviet Union" in Erich Goldhagen, Ethnic Minorities in the Soviet Union (ed., A Praeger, New York, 1968).

4. Is Israel entitled, according to International Law, to grant Israeli nationality to Jews living in the Soviet Union?

In some anti-Jewish publications in different parts of the world, we have been accused of the fact that we consider all Jews living outside of Israel as being Israeli nationals and as such, having legally binding obligations towards the State of Israel.

As is well known, our Nationality Law was amended in order to enable us to grant Israeli nationality to Jews who, due to circumstances beyond their control, were unable to immigrate to Israel.

In order to clarify the situation, it should be stressed that:

(a) All problems concerning the acquisition or loss of nationality are governed by the laws of the State. This principle was adapted by the International Court of Justice in the Nottebohm case.[3]

It is for Liechtenstein, as it is for every sovereign State, to settle by its own legislation the rules relating to the acquisition of its nationality, and to confer that nationality by naturalization granted by its own organs in accordance with that legislation.

It is not necessary to determine whether international law imposes any limitations on its freedom of decision in this domain.

. . . Nationality is within the domestic jurisdiction of the State.

(b) Israel grants Israeli nationality only to those that apply for it. It is not granted en bloc. The numerous applications we receive from all parts of the Soviet Union, the protests of Jews in Moscow, Leningrad, Minsk and their demand for emigration to Israel constitute the best proof that there is a link, there is affinity between them and the State of Israel. And affinity is one of the elements to be taken into consideration in granting nationality.

(c) The Soviet Government itself has recognized Israel as the homeland of the Jewish people. On May 14, 1947, speaking in support of the establishment of the State of Israel, Andrei Gromyko, the Soviet delegate to the United Nations, stated: The fact that no West European State has been able to ensure the defense of elementary rights of the Jewish people, and safeguard it against the violence of the Fascist executioners, explains the aspirations of the Jews to their own State. It would be unjust not to take this into consideration and to deny the right of the Jewish people to realize this aspiration.[4]

These are some of the legal aspects concerning the Jewish problem in the Soviet Union. By raising this issue in U.N. forums and in other International Organizations—we do not violate any rule of International Law. We do not ask for any special privileges for Soviet Jews: we demand of the Soviet Union to abide by its own laws and to act in accordance with the several International instruments to which it is a party.

CHILD AND FAMILY SERVICES ACT

Mr. MONDALE. Mr. President, in recent months the "Child and Family Services Act," has been the subject of a totally fraudulent propaganda campaign in Minnesota and other States. The literature being circulated about the bill is generally unsigned and is completely unfounded. Among the allegations being advanced about the bill are that it would somehow undermine religious instruction and would somehow take the authority for child-rearing from families and turn it over to the State. The literature also claims that provisions of a so-called Charter of Children's Rights—which was actually drafted in Britain—is part of this bill. These charges are totally without foundation.

This bill is supported by a wide range of civic and religious organizations, including the U.S. Catholic Conference, the United Methodist Church, the Baptist Joint Committee on Public Affairs, the UAW, and the AFL–CIO, the PTA, the League of Women Voters, and the American Home Economic Association. The Archbishop of St. Paul and Minneapolis, Reverend Roach, has stated on behalf of all Minnesota Catholic bishops that the "bill would fill an urgent need."

Many other responsible organizations and individuals have expressed their concern about the misleading effects of the propaganda campaign and have been working hard to refute the outlandish charges being lodged against it. In addition, a number of articles and media releases rebutting the attack have recently appeared. At this time I ask unanimous consent to have printed in the RECORD several of these articles.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENATOR WINSTON W. BORDEN COMMENTS ON SENATOR MONDALE'S CHILD AND FAMILY SERVICES BILL

This is State Senator Winston Borden with some comments on Senator Mondale's child and family services bill.

Anonymous scandal sheets circulated by extremists in northern Minnesota against Senator Mondale's Family Services Act are a disservice to all of us.

This Bicentennial Year promises political comment and turmoil equal to that surrounding the birth of our Nation in 1776.

Intense political comment can strengthen our democracy. Those who comment on issues should be willing to stand behind their statements.

The scandal sheets state that the Government will raise our children in the same manner as communistic countries. It is difficult to imagine anything further from the truth.

Twenty-six Senators and almost 100 Representatives joined Senator Mondale in authoring the bill. It is supported by the PTA, the AFL–CIO, the United Methodist Church, the U.S. Catholic Conference, the Baptist and Lutheran Churches, the National Association of Retarded Children, and the National Education Association.

Reasonable people can differ on the merits of the Child and Family Services Act. But citizens deserve a more thoughtful discussion of the issues than that provided by the extremists in its unsigned flyers.

[From the Baptist Standard, Jan. 15, 1976]

SET THE RECORD STRAIGHT ABOUT CHILD SERVICES ACT

Have you seen a circular warning that the federal government is plotting to take away your children if you insist they take out the garbage?

The bills which the circular asserts contain this alleged plot are H.R. 2966 and S. 626, the Child and Family Services Act of 1975. These bills, which are almost identical, are currently pending in House and Senate subcommittees, but the allegations contained in the circulars are false and misleading.

The Child and Family Services Act of 1975 is actually designed to help both children and parents—particularly those parents who are working or who cannot, for a variety of reasons, adequately care for their children during working hours. It provides for full-time or part-time child care programs, before and after school as well as summer programs; education and consultation for parents; prenatal medical care for mothers who cannot afford it, to help protect the unborn child; food and nutritional services for poor children; treatment of medical and psychological problems of children if their parents request such treatment; and help for children with handicaps or special learning disabilities.

The fact that Congress is even considering this act has generated a wave of unusual protest—unusual in that most of it seems to be the result of unsigned circulars which have been widely distributed by churches and individuals. These circulars, often headed "Rearing children by the government or by parents," contain a wealth of inflammatory misinformation and untruth.

Sen. Walter Mondale (D.-Minn.), chairman of the Senate subcommittee handling the Child and Family Services Act, in a speech on the Senate floor (*Congressional Record*, November 19, 1975, pp. 37380–37384), stated that the act is "being subjected to one of the most distorted and dishonest attacks I have witnessed in my 15 years of public service."

Some falsehoods attributed to the act are that parents who are not doing a good job will have their children taken away from them, that parents cannot teach their children about God, that a charter of children's rights is being added to the act, and that parents would lose the right to form their children's characters.

To set the record straight and to refute the proceeding untruths, the following facts are given:

(1) The act, instead of taking child rearing away from the parents, clearly states that "Child and Family Service Programs must build upon and strengthen the role of the family and must be provided on a voluntary basis only to children whose parents or legal guardians request such services, with a view toward offering families the options they believe to be most appropriate for their particular needs."

(2) There is no "child advocacy" clause nor is there a "charter of children's rights" anywhere in the bill, and neither of them will be added. The "charter of children's rights" was developed years ago by the unofficial British Advisory Center of Education but was never seen seriously proposed in England. Sen. Carl Curtis (R.-Neb.) read a portion of this British group's proposal into the *Congressional Record* in a Senate debate on another child services bill on December 2, 1971. The text is found on page 44125 of the *Record*. However that material was not a part of the 1971 bill and is not a part of the present act.

(3) The act specifically prohibits any practice which would "infringe upon or usurp the moral and legal rights and responsibilities of parents or guardians with respect to the moral, mental, emotional, physical or other developments of their children."

(4) The act prohibits any medical or psychological examination or treatment unless the parent or guardian provides written permission.

(5) The privacy of families is protected by the provision that no "section of this act be construed or applied in such a manner as to permit any invasion of privacy otherwise protected by law or to abridge any legal remedies for any such invasion which are otherwise provided by law."

These statements of fact should not be interpreted to mean that the act is free of potential church-state problems. The Baptist Joint Committee on Public Affairs gave testimony on the act before a joint House-

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[3] I.C.J. Reports, 1955, pp. 20–21.

[4] U.N. GAOR, Special Session, no. 132, 1974.

Senate committee last spring. In that testimony it was pointed out that the inclusion of religious organizations as possible operators of some child care programs would raise the problem of using public funds for what might be religious education and indoctrination.

In summary, close examination of the current bills simply makes it obvious that the allegations in the circulars now flooding the country are a "parade of imaginary horribles." If one is to oppose this act it should be done on the basis of informed judgment and not on the basis of a circular made up of patent untruths and wild distortions.

JOHN W. BAKER,
Rosemary Brevard, Baptist Joint Committee on Public Affairs.

[From the New Prague Times, Dec. 11, 1975]

Unsigned Circular Is Replete With Falsehoods and Misrepresentations

Customarily when an anonymous letter is received at The Times, it is consigned forthwith to the round file, with or without reading. That is standard practice in newspaper offices.

However, an unsigned mimeographed flyer came to our attention recently which is being widely circulated throughout the country and which calls for refutation and repudiation. The mimeographed circular bears no name, no address and no source of identification. That in itself is reprehensible and lacking in courage of conviction. It is wholly a collection of misrepresentations and downright falsehoods.

The anonymous flyer castigates the proposed Child and Family Services Act of 1975 alleging, in brief, that this legislation would deprive parents of parental direction and control of their children and Sovietize the youngsters in some kind of communal system.

In a speech delivered before the United States Senate on November 19, Senator Walter F. Mondale of Minnesota, one of the sponsors of the bill in Congress, declared:

"Contrary to these unsigned allegations, the child and family legislation contains nothing that changes or affects the legal relationship between parents and their children. Instead, it simply offers to families—on a totally volunteer basis—access to health, education and child care services which they want for their children but often cannot afford. It offers prenatal health care and early medical screening and treatment to detect and rectify handicapping conditions, and day care for children of working mothers, and the bill specifically limits eligibility for these services to "children whose parents or guardians request such services"—S 626 section 2½ section 106 (b).

"In addition, this legislation is deliberately and carefully designed to provide parental control of any services offered. Thus, the bill requires that all programs funded would be selected, established and controlled by the parents of the children participating in them".

In the Congressional Record of that day, Senator Mondale categorically listed and refuted each and every one of the allegations made in the anonymous circular, with citations from the wording of the Child and Family Serivces Act.

Anyone who has known and watched Fritz Mondale's career from his early activities in public affairs, through his service as Minnesota attorney general and now to a United States Senatorship knows full well that he could not be a party to any such program as the anonymous circular falsifies. The people of Minnesota have demonstrated their confidence and trust in Walter F. Mondale by overwhelming majorities at each election in which his name has appeared on the ballot.

It is truly regrettable that able, honest and conscientious public servants who co-sponsored the Child and Family Services Act in the Congress must be subjected to such unfair, anonymous misrepresentation,—but it appears that is the burden which we place upon them.

[Lutheran Council "Focus on Governmental Affairs"]

Child Care Bill Comes Under Attack

The Child and Family Services Bill (S. 626 H.R. 2966), which would fund day-care centers and provide a variety of nutritional, health, educational and social services to disadvantaged children, has recently come under widespread attack. In what seems to be a highly organized campaign to discredit this legislation, an anonymously circulated, two-page, mimeographed flyer charges that the bill would give the government rather than parents the right to control their children's development. As House Majority Leader Thomas P. O'Neill, Democrat of Massachusetts, stated in a recent speech in Congress: "Whether we support or oppose this legislation, I urge every member of the House to be on the alert for the fearmongers who spread such poison throughout the land."

In reality, the bill sponsored by Senator Walter Mondale, Democrat of Minnesota, and Congressman John Brademas, Democrat of Indiana, stresses voluntary participation in the child care program. Parents would form at least half of the membership of any group setting policies for funded programs. The bill also bans any infringement of the "moral and legal rights and responsibilities of parents with respect to the moral, mental, emotional, physical or other development of their children."

Most Lutherans working in the social welfare field support the provisions of the bill. In testifying last March before a joint Congressional committee William C. Tremitiere of Tressler-Lutheran Services Associates, Inc., Harrisburg, Pennsylvania, concluded: "There is an urgent need for appropriate, sensitive legislative intervention that will guarantee the basic rights of children and the supports necessary to develop and maintain healthy family life for all children in our nation. We believe the Child and Family Services Act of 1975 has the potential of meeting this need."

The Washington office of the National Council of Churches has issued an excellent statement clarifying the issues involved. The Lutheran Council has distributed this analysis, with other materials, to interested parties.

Unless Congress perceives constituent support for S. 626 and H.R. 2966, this attack, though unfair and misleading, may have caused so much damage that the bill will remain stalled in Congress for the immediate future.

[From the Kanabec County Times, Jan. 29, 1976]

Attack on Child and Family Services Act of 1975

Irresponsible political attacks are always with us, even more so in an election year. The recent furor about the Child and Family Services Act of 1975, co-sponsored by our Senator Mondale and Rep. John Brademas of Indiana, is a case in point.

The act would provide funds for local communities and parent organizations to provide prenatal care, medical treatment to detect and remedy handicaps, nutrition assistance and day-care programs—to parents who request them. Participation would be completely voluntary, with the rights of parents carefully protected.

Yet literature has been circulated, into the Mora area, too, that contends the bill would take away the parents' responsibility to raise their children and give it to the government. These unsigned attacks, completely false, cited a 1971 excerpt from the Congressional Record which had nothing to do with the current bill.

Fritz Mondale has pointed out that the charges are false. Church authorities, Catholic and Protestant alike, have denounced the attacks and supported the bill. We hope the baseless charges have been put to rest.

This incident does emphasize a regrettable attitude on the part of many citizens. A lot of us are all too ready to believe the worst about our public servants and our institutions. Let's all try to be fair. Most of our people in political life are actually trying to do a good job for us. Let's not automatically damn them every time some crackpot raises a trumped-up charge.

When they're out of line, let them have it with both barrels. But try to remember that the guys in the other party aren't always wrong.

FOUR QUESTIONS BY A STUDENT OF ECONOMICS

Mr. BROCK. Mr. President, the past year has been one of many ups and downs for our economy. We have been through a recession, and it now appears as if the economy is on the road to recovery. A speech by Dr. Arthur Burns, the Chairman of the Federal Reserve System, was recently brought to my attention. I found the speech remarkable. Therefore, I ask unanimous consent that it be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Four Questions by a Student of Economics

(By Arthur F. Burns)

I am very pleased to join this audience in honoring the graduating class of The University of Akron. Some of you receiving a degree today will continue with your formal education; others will embark on business or professional careers. But whatever your plans for the future, our Nation's economic and political condition will inevitably remain a matter of concern to you.

Recently, I received a letter from a college student named Rebecca who posed several blunt questions concerning our Nation's economy. First, Rebecca asked, "What was the biggest economic setback this year?" Second, "What has been the biggest economic boost this year?" Third, "What plans are being made to get the U.S. out of the red?" Fourth, "What can we as citizens of the U.S. do to help the economic situation?"

These are thoughtful questions, and they are not easy to answer with confidence or precision. But they undoubtedly express the concerns of many of our citizens, and I want to take advantage of this occasion to share with you my attempt to answer Rebecca's earnest inquiry.

Turning to the first question, the list of candidates for the greatest economic disappointment of 1975 is regrettably quite long. During the past year, we experienced a severe recession. The physical output of our national economy declined sharply before recovery got under way. The unemployment rate rose to levels not seen in a long generation. Inflation continued at a disconcerting pace. The deficit in the Federal Government's budget exploded. Interest rates on municipal securities soared. And efforts to move our Nation toward independence in the field of energy made little progress.

While all these developments have been disappointing, the persistence of inflation at a time of such widespread unemployment of labor and of capital harbors the most troublesome implications for our Nation's future. True, the advance of the general price level moderated significantly during the first half of 1975. More recently, however, the upward climb of prices has begun to accelerate again. Since mid-year, wholesale prices have been rising at an annual rate of a little over 10 per cent. Price markups in various depressed industries—such as aluminum, steel, and autos—convey a clear warning that our long-range problem of inflation is unsolved.

By now, many Americans are well aware of the profoundly disruptive consequences of inflation for our country. The inflation from which we continue to suffer got under way more than ten years ago and eventually became a dominant feature of our economic life. As wage and price increases quickened, seeds of trouble were sown across the economy. Rapidly rising prices eroded the purchasing power of workers' incomes and savings. Speculative fever mounted. The construction of new homes, condominiums, and office buildings proceeded on a scale that far exceeded the underlying demand. Managerial practices of business enterprises became lax and productivity languished. Corporate profits—properly reckoned—kept falling. And as businessmen reacted to fears of shortages and still higher prices, inventories of raw materials and other supplies piled up.

It is these basic maladjustments that led to the recent economic decline—the deepest since World War II. This slump has entailed enormous human and financial costs, and we have as yet only partly recovered from it. The behavior of prices in recent months is therefore very worrisome. Not only are the incomes and savings of our people still being eroded, but revival of confidence in the economic future is being hampered by fears of a fresh outburst of double-digit inflation. If such a development occurred, it would ultimately plunge us into an economic recession even more serious than the one we have just experienced.

I therefore believe that control of inflation requires a higher priority in managing our economic policies than it is as yet receiving. We cannot expect inflation to be brought under control if the Federal Government continues to run huge budget deficits or to permit money and credit to expand unduly. We must also face up to the hard truth that competition has become less intense in many of our private markets. If an unemployment rate of 8 or 9 per cent is insufficient to bring inflation to a halt, then our economic system is no longer working as we once supposed. In the future, governmental efforts to achieve economic progress will need to encompass structural reforms as well as responsible monetary and fiscal policies.

Let me turn next to Rebecca's question concerning the most beneficial economic development this year. Once again, there is no shortage of plausible candidates. The recovery in business activity since the spring has been quite vigorous. Indeed, the rise during the third quarter in the physical volume of our national output was the largest in many a year. Since March the number of people employed has risen by 1½ million. The recovery in stock prices since the beginning of the year has been heartening to investors. The decline in interest rates from the extraordinary heights of 1974 has brought a measure of relief to business borrowers and home buyers. And the turnaround in our foreign trade from a deep deficit to a large surplus has helped to make the dollar once again a highly respected currency around the world.

These recent shifts of economic fortune deserve, and they are in fact receiving, much attention. But another and less widely noticed development—namely, rediscovery of the need for prudence in the conduct of financial affairs—is likely to prove of greater and more lasting benefit to the American people.

During the past year, we have seen the consequences of more than a decade of neglect of the principles of sound finance. Some major business corporations and many smaller ones have fallen into bankruptcy. A number of real estate investment trusts and some airlines are in serious trouble. Many individuals have lost their life's savings by making careless investments. Not a few of our Nation's commercial banks face the possibility of large losses on dubious loans. And various State and local government units are now finding it difficult, if not impossible, to raise new money through our financial markets.

More than any other single event, the agony of New York City has made the consequences of financial mismanagement apparent to the entire nation. A Federal budget deficit in the neighborhood of 90 billion dollars, which is in prospect for this fiscal year, may stagger the imagination; but few of our citizens can grasp its impact on their daily lives. Everyone, however, can relate to what has been happening in New York City—with thousands of municipal workers being dismissed, the number of policemen and garbage collectors dwindling, the subway fare going up, taxes rising, interest on outstanding municipal securities being scaled down, pension benefits being readjusted, and free tuition in the city's colleges placed in jeopardy.

Our country has been divided on the issue of whether, or under what conditions, Federal financial assistance to New York City is justified. But those who favor Federal assistance, as well as those who are opposed, agree on this much: that what happened to New York must not happen in our community or in our state. New York's dramatic encounter with bankruptcy may therefore mark a major turning point in the management of fiscal affairs in our country—certainly at the local and State level, and perhaps at the Federal level as well.

State and local governments are now busy reexamining their financial condition. Many of them are cutting back on postponable or avoidable expenditures, and raising taxes as needed. Proposals for bond issues are being appraised by the citizenry with a more critical eye. And recognition is growing across the country that the New York City crisis is just one manifestation of the lax financial practices that spread through the business, financial, and governmental sectors over the past ten to twelve years.

Fortunately, these unsound practices are now being corrected in our business firms and banks, as well as by State and local governments. This curative process is not without some pain. Capital for risky ventures is harder to obtain nowadays and it is also more costly. But this return to standards of prudent financial management has been an essential step in rebuilding the foundation for a durable prosperity.

I now come to Rebecca's third question: What plans are there for ending the persistent stream of Federal budget deficits? This concern with the need to restore order in our national fiscal affairs is shared, I believe, by the great majority of our people. To be sure, the swelling of the deficit this year reflects the deep recession of economic activity—which reduced Federal revenues, besides increasing outlays for unemployment benefits, welfare payments, and related programs. But the Federal deficit was large even before the recession started; it has continued year after year, in both good times and bad; and it has largely resulted from inadequate attention to the consequences of excessive governmental spending.

Of late, there have been some encouraging changes in the Federal budgetary process. A major reform of Congressional procedures was set in motion by the Congressional Budget Act of 1974. In the past, revenue decisions by the Congress were separated from its spending decisions, and the latter were handled in piecemeal fashion. The result was that budgets just happened; they were not planned. Under the new Budget Act, Congress must assign priorities to the various outlays and set an over-all limit on spending in relation to expected revenues. Hence, Congressional decisions on expenditures will in the future be integrated with decisions on revenues. The discipline imposed by these new procedures offers hope, I believe, of reducing the chronic bias toward deficits in the Federal budget.

So, too, does the initiative of the President in recommending that Federal expenditures be cut next fiscal year by $28 billion below the level that they would otherwise reach. The basic principle underlying this expenditure proposal is sound, and I hope Congress will support it.

Once we put an end to the rapid upward spiral of Federal spending, budget deficits are likely to run smaller or vanish entirely. When the government no longer pours more money into the economy than it withdraws in tax revenues, it will have removed the single most important cause of inflation in our times. Moreover, when the government no longer absorbs so large a portion of private incomes, private capital investment will tend to increase more rapidly. Improved productivity, lower product prices, and a higher standard of living will therefore be fostered.

Let me now turn to Rebecca's final and most challenging question: What can we as citizens do to help the economic situation? This question is so difficult because our economic situation has numerous dimensions—the level of production, the extent of unemployment, the level of prices, the distribution of incomes, the profitability of investment, the state of the environment, and so on. Improvement in any one of these respects need not be accompanied by improvement in others. The question is also difficult because what any one of us can do depends on his personal situation—whether we work at home or in a business, whether we are farmers or miners, journalists or scientists. Moreover, as you well know, even experienced economists who have similar social objectives frequently disagree on what can or should be done to improve economic conditions.

Nevertheless, there are some principles of life that all of us can observe with the conviction that we will be helping our Nation's economic situation.

First of all, we can curb any latent discontent or cynicism we may feel about the motives of our fellow citizens in business or government. Americans, by and large, are a moral people who have wrought economic miracles by seeking to improve themselves, their families, and their communities. We have demonstrated across the years that hope is perhaps the most powerful of all economic forces, and that a spirit of purpose can give meaning to human energy and overcome a lack of material resources.

Second, everyone of us can surely improve his understanding of economic phenomena. Education is a never-ending process. The intellectual excitement of the classroom need not be lost, and should not be lost, as we move on in life. The economic problems of today are profoundly challenging, and there will surely be new ones tomorrow. As citizens we need to strive for dependable knowledge of economic realities, so that we can make wiser decisions in the marketplace and in the voting booth.

Third, we can become more actively involved in the political process of our Nation—by electing officials at all levels of government who demonstrate a serious and informed awareness of our economic problems, by communicating our thoughts on public issues to our representatives with the clarity of conviction, and by holding them responsible for their actions.

Fourth, we can avoid the temptation to implore the Federal Government to solve every economic and social problem through the expenditure of public funds. We are a compassionate people, and I trust we will remain so. It is understandable that we attempt to muster our collective resources to aid the less fortunate among us. Yet we must take great care not to weaken the spirit of self-reliance that has been instrumental in releasing the creative and productive energies of the American people.

Fifth, we can impose discipline on our business enterprises through our daily decisions in the marketplace. The power of the consumer to force business firms to price competitively and to improve their products must never be underestimated. We as consumers can help to keep the spirit of price competition alive by shopping carefully and avoiding impulse buying.

Finally, every American can experience the satisfaction that comes from honest effort—by putting in a full day's work for a full day's pay, whether it be work in a factory, a scientific laboratory, a corporate office, a governmental agency, or wherever one may labor. "Sweet is the sleep of a laborer," so sang Ecclesiastes. Centuries later, Carlyle reminded us that "there is a perennial nobleness . . . in work," that indeed "a man perfects himself by working." The rewards of work accrue, of course, to the public at large as well as to the laborer; for the more we produce by the day or by the hour, the more surely will the standard of living of the American people improve.

The needs of the American economy today are large and compelling. Some of you graduates will approach these needs as liberals, others as conservatives. Some of you doubtless believe in free enterprise, others may aspire to a welfare state, still others may seek the nationalization of our industries. But whatever your philosophic or political attitudes may be, I hope you will recognize that your dreams of a good society have no chance of fulfillment unless our government conducts its financial affairs responsibly. This condition is essential to bringing an end to the inflation that has been raising havoc with our economic institutions; it is essential to the restoration of a lasting prosperity; it is essential also to the preservation of our democratic system.

SUPREME COURT RULES ON THE COAL MINE HEALTH AND SAFETY ACT

Mr. WILLIAMS. Mr. President, last week the Supreme Court issued two decisions dealing with the enforcement of the Federal Coal Mine Health and Safety Act of 1969. The cases, National Independent Coal Operator's Association against Kleppe and Kleppe against Delta Mining, Inc., challenged the right of the Secretary of the Interior to assess civil penalties for imminently dangerous conditions and violations of mandatory health and safety standards found in our Nation's coal mines, without issuing a formal finding of facts. The Court held that the act provides for an opportunity for a formal hearing on the matter and that absent a request for such a hearing by a violating mine operator, the Secretary has "sufficient factual predicate for the assessment of a penalty based on the reports of the trained and experienced inspectors who find violations." Therefore, found the Court there is no need for the Secretary to make formal findings of fact in assessing civil penalties when a mine operator has not exercised his statutory right to request an administrative hearing on the factual issues relating to the penalty.

In reaching this conclusion the Court emphasized the importance of the enforcement section of the Federal Coal Mine Health and Safety Act. The Court stated that the enforcement section "provides a strong incentive for compliance with the mandatory health and safety standards." The Court went on to say:

> That the violations of the Act have been abated or miners withdrawn from the dangerous area before [the enforcement section] comes into effect is not dispositive; if a mine operator does not also face a monetary penalty for violations, there is little incentive to eliminate dangers until directed to do so by a mine inspector.

The Court concludes by saying that a major objective of Congress was prevention of accidents and disasters; the deterrence provided by monetary sanctions is essential to that objective.

Mr. President, it is my belief that the decision reached by the Supreme Court on this issue is a momentous one in that the Court has implicitly provided an added measure of protection to the workers who keep this Nation supplied with coal. The Court has agreed with the Congress' determination that occupational safety and health are major concerns for the people of this country and has upheld the right of the executive branch of the Government to assure safe working places.

Mr. President, I ask unanimous consent that the text of the decisions in these two cases be printed in the Record so that my colleagues may have an opportunity to read and digest the Supreme Court's findings and conclusions.

There being no objection, the material was ordered to be printed in the Record, as follows:

[No. 73-2066]

National Independent Coal Operator's Association et al., Petitioners, Versus Thomas S. Kleppe, Secretary of the Interior, et al.

(On Writ of Certiorari to the United States Court of Appeals for the District of Columbia Circuit.)

[January 26, 1976]

Mr. Chief Justice Burger delivered the opinion of the Court.

This case presents the question whether the Federal Coal Mine Health and Safety Act of 1969, 83 Stat. 742, 30 U.S.C. § 801 *et seq.*,[1] requires the Secretary of the Interior to prepare a decision with formal findings of fact before assessing a civil penalty against a mine operator absent a request by the mine operator for an administrative hearing, the penalty being enforceable only by way of a subsequent judicial proceeding in which the operator is entitled to a trial *de novo* as to the amount of the penalty.

The National Independent Coal Operator's Association sought declarative and injunctive relief on the ground that certain civil penalty assessment regulations utilized by the Secretary violated the procedural requirements of the Act. The Court of Appeals for the District of Columbia Circuit held that the regulations did not violate the Act.[2] 494 F. 2d 987 (1974).

We granted certiorari, 420 U.S. 906 (1975), to resolve the apparent conflict between the District of Columbia Circuit and the Third Circuit holding in *Kleppe* v. *Delta Mining Co.*, 495 F. 2d 38 (1974).

(1)

The statute, § 109(a)(3), 30 U.S.C. § 819 (a)(3), is part of the enforcement scheme of the Federal Coal Mine and Health Safety Act of 1969. The Act prescribes health and safety standards for the protection of coal miners, Titles II and III, 30 U.S.C. §§ 841, 861 *et seq.;* it requires coal mine operators and miners to comply with the standards. § 2(g) (2), 30 U.S.C. § 801(g)(2).

Section 103 of the Act, 30 U.S.C. § 813, requires the Secretary to conduct continuing surveillance of mines by inspectors. Among the purposes of the inspections are finding imminently dangerous conditions and violations of mandatory health or safety standards. Section 104, 30 U.S.C. § 814, provides procedures for abating the conditions found by the inspectors. If an imminent danger is found, the inspector is required to issue a withdrawal order compelling the mine operator to withdraw all persons from the danger area.

If a violation of a mandatory standard is found that is not imminently dangerous, the inspector issues a notice to the operator fixing a reasonable time for its abatement. If the violation is not abated and the time for abatement is not extended, the inspector then issues a withdrawal notice. Withdrawal notices are also issued for any "unwarrantable failure" of mine operators to comply with the standards. The notices and orders issued contain a detailed description of the dangerous conditions or violations and their locations. The notices must be in writing and given promptly to the mine operator.

Under § 105, 30 U.S.C. § 815, an operator may apply to the Secretary for review of the factual basis of any order or notice issued under § 104, or for review of the amount of time allowed for abatement of violations. Upon application from a mine operator the Secretary makes whatever investigation he deems appropriate; an opportunity for a public hearing is provided. Hearings are subject to § 5 of the Administrative Procedure Act, 5 U.S.C. § 554, and following the hearing the Secretary must make findings of fact. Section 105 also requires that actions by the Secretary be taken promptly because of the urgent need for prompt decision. The orders issued by the Secretary under this section are subject to judicial review under § 106, 30 U.S.C. § 816, by a court of appeals.

As part of the enforcement scheme, the Act requires the Secretary to assess and collect civil penalties. Section 109(a)(1), 30 U.S.C. § 819(a)(1), subjects mine operators to civil penalties not exceeding $10,000 for each violation of a mandatory standard or other provisions of the Act. In determining the amount of the penalty, § 109(a)(1) requires the Secretary to consider "the operator's history of previous violations, the appropriateness of such penalty to the size of the business of the operator charged, whether the operator was negligent, the effect on the operator's ability to continue in business, the gravity of the violation, and the demonstrated good faith of the operator charged in attempting to achieve rapid compliance after notification of a violation."

The provision in question, § 109(a)(3), authorizes the Secretary to assess a civil penalty only after the operator charged with a violation "has been given an opportunity for a public hearing and the Secretary has determined, by decision incorporating his findings of the fact therein, that a violation

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Footnotes at end of article.

did occur, and the amount of the penalty which is warranted. . . ." Hearings under this section are to be consolidated with other proceedings when appropriate. They must be of record and subject to provisions of the Administrative Procedure Act, 5 U.S.C. § 554.

If the operator does not pay the penalty assessed, the Secretary is required, pursuant to § 109(a)(4), 30 U.S.C. § 819(a)(4), to petition for judicial enforcement of the assessment in the district court for the district in which the mine is located. At that stage the court must resolve the issues relevant to the amount of the penalty in a *de novo* proceeding with a jury trial if requested. The trial *de novo* with a jury is not available for review of issues of fact which "were or could have been litigated" in the court of appeals under § 106.[3]

(2)

We are concerned in this case with the regulations the Secretary has adopted to govern only one part of this statutory scheme: the assessment of penalties under § 109(a)(3). When the Secretary initially implemented the Act, he published regulations that provided for civil penalty assessments to be determined by a hearing examiner, with a right of appeal to a departmental appeals board. 30 CFR Part 301 (1971), recodified, 43 CFR Part 4, § 4.540 *et seq.* (1972). Nine months later, due to the large number of violations charged (approximately 80,000 or more per year), the Secretary adopted the regulations contested here. 30 CFR Part 100 (1972).[4] These regulations provide that assessment officers assess a penalty based on a notice of violation issued by mine inspectors and a penalty schedule graduated according to the seriousness of the violation.[5] The Part 100 procedures follow the mandate of § 109(a)(1) as to the criteria to be applied in determining the amount of the proposed penalty for an operator. 30 CFR § 100.4(c).[6]

The regulations also provide that the operators are to be advised when they receive original or reissued proposed orders that they have 15 working days from the receipt of the order to "protest the proposed assessment, either partly or in its entirety." If the operator fails to make a timely protest and request adjudication, he is "deemed to have waived his right to protest including his right of formal adjudication and opportunity for hearing. . . ." The proposed assessment order then becomes the "final assessment of the Secretary." 30 CFR § 100.4 (d–h) (1972).[7]

In any case in which an operator makes a timely request for a formal hearing, by so indicating in his protest, or in response to a reissued or amended proposed assessment order, the assessment officer is required to forward the matter to the Officer of the Solicitor, Department of the Interior; a petition to assess a penalty can then be filed by the Solicitor with the Department's Office of Hearings and Appeals. 30 CFR § 100.4(i)(1) (1972), 43 CFR § 4.540(a) (1972). The petition is served on the operator who then has an opportunity to answer and secure a public hearing. 30 CFR § 100.4(i)(2) (1972). A hearing *de novo* is conducted and the examiner is free to assess a different penalty.[8] 30 CFR § 100.4(i)(4) (1972) The Bureau of Mines, represented by the Office of the Solicitor, has the burden of proving the penalty by a preponderance of the evidence. 43 CFR § 4.587 (1972). The regulations provide that the hearing examiner consider the statutory criteria. 43 CFR § 4.546 (1972). The decision is subject to review by the Secretary's delegate, the Board of Mine Operations Appeals. 43 CFR §§ 4.1(b)(4), 4.500(a)(2), 4.600 (1972).

Whether or not the operator requests formal adjudication, he may obtain *de novo* judicial review of the amount of the penalty by refusing to pay it and awaiting the Secretary's enforcement action in the District Court. § 109(a)(4), 30 U.S.C. § 819(a)(4).

(3)

The National Independent Coal Operator's Association brought suit against the Secretary in the United States District Court for the District of Columbia to enjoin the use of the Part 100 regulations. The court granted the Association's motion for summary judgment, holding that the summary procedures were not authorized by § 109 (a) and (c) of the Act. 357 F. Supp. 509 (1973). The court noted that there were no written guidelines within the assessment office to guide the assessment officers in evaluating or applying the statutory criteria for penalty assessment. The court held that the Secretary must make express findings of fact whether or not a hearing is requested. The court believed that requiring the mine operators to request a hearing "would shift the initial burden on the mine operator." *Id.*, at 512.

The Court of Appeals for the District of Columbia Circuit reversed, holding that the Secretary need not render a formal decision incorporating findings of fact; it held that absent a request for a hearing, the Secretary is entitled to conclude that the operator does not dispute the proposed order, including the factual basis of the violation. In the view of that court, a "decision incorporating findings of fact" with findings and conclusions is required only if a hearing is requested and takes place; otherwise, any findings of fact would consist of essentially the same information already recited in the proposed assessment order and would be a meaningless duplication. The court also noted that the legislative history of the Act supports an interpretation that the Secretary's findings are not required unless the operator requests a hearing; however, when a hearing is requested, the burden of proof remains with the Secretary. 494 F. 2d 987 (1974).

(4)

Under the Act, a mine operator plainly has a right to notice of violations and proposed penalties; it is equally clear that an operator has a right to be heard, if a hearing is requested. In this Court the mine operators continue to urge that the Secretary may not assess a civil penalty without making formal "findings of fact" even though no hearing was requested as to the violation charged and the proposed order.

Section 109(a)(3) provides that:

"[a] civil penalty shall be assessed by the Secretary only after the person charged with a violation under this Act has been given an opportunity for a public hearing and the Secretary has determined, by a decision incorporating his findings of fact therein, that a violation did occur, and the amount of the penalty which is warranted . . ."

The operators argue that a penalty assessment itself is an adjudicatory function and hence the Secretary must make a formal "decision incorporating findings of fact" even when the operator has not requested a hearing on the violation issue. In short, what they argue for is the same type of formal findings of fact that are the usual product of the adversary hearing to which they have an absolute right, but which was waived by failure to make a request.

Section 109(a)(3) provides the mine operators with no more than "an opportunity" for a hearing. The word "opportunity" would be meaningless if the statute contemplated formal adjudicated findings whether or not a requested evidentiary hearing is held. Absent a request, the Secretary has a sufficient factual predicate for the assessment of a penalty based on the reports of the trained and experienced inspectors who find violations; when the assessment officers fix penalties as the Secretary's "authorized representatives," the operators may still have review of the penalty in the district court.[9] See *Morton* v. *Whitaker*, — F. Supp. — (ED Ky. 1973) (appeal pending).

We therefore agree with the Court of Appeals that language of the statute, especially when read in light of its legislative history, requires the Secretary to make formal findings of fact specified in § 109(a)(3) only when the mine operator requests a hearing. The requirement for a formal hearing under § 109(a)(3) is keyed to a request, and the requirement for formal findings is keyed to the same request.

This reading of the statute plainly comports with the purpose of the Act. Congressional attention was focused on the need for stricter coal mine regulations by a 1968 explosion in a Farmington, West Virginia mine which killed 78 miners, but Congress also recognized that an inordinate number of miners lose their lives in day-to-day accidents other than multi-disaster situations. The Act was seen as a major step in preventing death and injury in mines. H. R. Rep. No. 91–653, 91st Cong., 1st Sess., 1–3. The need for stricter regulation of coal mines was commented on by President Truman when he signed the 1952 Act, Prevention of Major Disasters in Mines Act, 66 Stat. 692. In approving that Act into law he called the attention of Congress to its flaws:

"The measure [1952 Act] contains complex procedural provisions relating to inspections, appeals, and the postponing of orders which I believe will make it exceedingly difficult, if not impossible, for those charged with administration of the act to carry out an effective enforcement program."

Congress noted President Truman's comments when it passed the 1969 Act. S. Rep. No. 91–411, 91st Cong., 1st Sess., 5. Effective enforcement of the Act would be weakened if the Secretary were required to make findings of fact for every penalty assessment including those cases in which the mine operator did not request a hearing and thereby indicated no disagreement with the Secretary's proposed determination. While a protest by a mine operator triggers an administrative re-examination, the protest is not the equivalent of a request for a hearing. When no request for a hearing is made, the operator has in effect voluntarily defaulted and abandoned the right to a hearing and findings of fact on the factual basis of the violation and the penalty.

The Court of Appeals for the District of Columbia regarded § 109 as possibly ambiguous and turned to the legislative history. Assuming *arguendo* that the statute is ambiguous, we read that history as supporting the result reached by the Court of Appeals. The bills passed by the Senate and House each called for hearings only if requested. The House bill provided:

"Upon written request made by an operator within thirty days after receipt of an order assessing a penalty under this section, the Secretary *shall afford such operator and opportunity* for a hearing and, *in accordance with the request*, determine by decision whether the amount of the penalty is warranted or should be compromised." H.R. 13950, 91st Cong. 1st. Sess., § 109(b) (1969). (Emphasis added.)

The Senate bill read:

"An order assessing a civil penalty under this subsection shall be issued by the Secretary only after the person against whom the order is issued has been *given an opportunity* for a hearing and the Secretary has determined by decision incorporating findings of fact *based on the record of such hearing* whether or not a violation did occur and the amount of the penalty, if any, which is warranted. Section 554 of title 5 of the United States Code shall apply to any such hearing and decision." S. 2917, 91st Cong., 1st Sess., § 808(a)(3) (1969). (Emphasis added.)

Footnotes at end of article.

Thus it is clear that under both bills the requirement for a formal decision with findings was contingent on the operator's request for a hearing.

Both bills were referred to a Conference Committee to resolve differences. The Conference Committee adopted the Senate version but deleted the second italicized phrase. That change did not alter the requirement that if findings of fact are desired, a hearing must be requested. The Conference Committee explained § 109 as follows:

"*Both the Senate bill and the House amendment provided an opportunity for a hearing* in assessing such penalties, but the Senate bill required a record hearing under 5. U.S.C. 554. The conference substitute adopts the Senate provision with the added provision that, where appropriate, such as in the case of an appeal from a withdrawal order, an effort should be made to consolidate the hearings. The commencement of such proceedings, however, shall not stay any notice or order involving a violation of a standard." H. Conf. Rep. No. 91–761, at 71. (Emphasis added.)

No mention was made of the language deleted from the Senate bill or the similar language contained in the House bill. A change to require findings of fact without a request for a hearing would be a significant matter that would not likely have escaped attention; such a change would have called for explanation.[10]

The importance of § 109 in the enforcement of the Act cannot be overstated. Section 109 provides a strong incentive for compliance with the mandatory health and safety standards. That the violations of the Act have been abated or miners withdrawn from the dangerous area before § 109 comes into effect is not dispositive; if a mine operator does not also face a monetary penalty for violations, there is little incentive to eliminate dangers until directed to do so by a mine inspector. The inspections may be as infrequent as four a year. A major objective of Congress was prevention of accidents and disasters; the deterrence provided by monetary sanctions is essential to that objective.

We conclude, as did the Court of Appeals, that the Federal Coal Mine Health and Safety Act of 1969 does not mandate a formal decision with findings as a predicate for a penalty assessment order unless the mine operator exercises his statutory right to request a hearing on the factual issues relating to the penalty, and the judgment of the Court of Appeals is therefore

Affirmed.

MR. JUSTICE STEVENS took no part in the consideration or decision of this case.

FOOTNOTES

[1] Consolidated with No. 74–521, *Kleppe* v. *Delta Mining, Inc., G. M. W. Coal Co., Inc., Edward Mears et al,* 495 F. 2d 38 (CA3. 1974).

[2] In the companion to this case, No. 74–521, *Kleppe* v. *Delta Mining, Inc.,* supra, No. 1, three mine operators in a consolidated action raised the same challenge as a defense when the Secretary sought judicial enforcement of assessment orders in a suit, where, under the Act, the operators had a right to a trial *de novo* as to the amount of the penalties. The Court of Appeals for the Third Circuit noted the District of Columbia's holding but held that the regulations were invalid for failure to require findings of fact, rejecting the Secretary's contention that such findings are required only when an administrative hearing is requested by the mine operator.

[3] The Government has suggested that trial *de novo* is available on the factual basis of the violation as well as on the amount of the penalty. The statutory scheme is less than clear on this matter. Compare § 106, § 109(a). See *Eastern Associated Coal Corp.* v. *Interior Bd. of Mine Operations Appeals,* 491 F. 2d 277 (CA4. 1974.) We need not reach the issue to dispose of this case.

[4] Those regulations have been reissued, 30 CFR Part 100, 39 Fed. Reg. 27558–27561, since these suits were initiated. The mine operators in the companion case, No. 74–521, *Kleppe* v. *Delta Mining, Inc.,* argue that this case is moot. The case is not moot because there are assessments under the contested regulations awaiting enforcement and because the new regulations also do not provide a hearing unless one is requested.

Unless otherwise indicated, all citations to the Code of Federal Regulations throughout this opinion are to the regulations effective at the time this suit was initiated.

[5] Section 100.2(b) of the regulations states that the amount of proposed civil penalty "shall be within guidelines established by the Secretary (see Appendix A to this part) and revised periodically in the light of experience gained under the Act. . . . 30 CFR § 100.2 (b) (1972). Appendix A in effect at the time of this suit provided a range between $5,000 and $10,000 for violations resulting in the issuance of imminent danger withdrawal orders (under § 104(a) of the Act); a range between $1,000 and $5,000 for violations resulting in the issuance of other withdrawal orders (under §§ 104(b), (c), (h), and (i) of the Act); a range between $100 and $1,000 for "serious violations"; and a range between $25 and $500 for other violations.

[6] A penalty schedule with formulas for considering the six criteria was promulgated after these suits were filed. 30 CFR § 100.3 (1975).

[7] The mine operators in the companion case contend that these orders are not final since the regulations provide only that the orders become final if accepted. 30 CFR § 100.4(h) (1972). The regulations provide that a hearing can be requested but do not specify what happens if the orders are neither accepted nor a hearing requested. This contention is without merit. The order is final. See CFR § 100.4(e) (1972). The regulation is not misleading.

[8] These uncontested regulations provide that if an operator fails to file a preliminary statement or response to a prehearing order, the hearing examiner can issue an order to show cause why the proceedings should not be summarily dismissed. 43 CFR § 4.545(a) (1972). If the operator fails to respond to such an order, the proceedings are summarily dismissed and remanded to the assessment officer for entry of the last proposed order of assessment (issued under 30 CFR Pt. 100) as the final assessment order of the Secretary. 43 CFR § 4.545(b) (1972).

[9] At the time of the events giving rise to these actions, the Act was enforced by the Secretary's delegate, the Bureau of Mines. The Bureau's safety and enforcement functions have since been transferred to a newly created Mining Enforcement and Safety Administration, Department of the Interior. 38 Fed. Reg. 18665–18668, 18695–18696 (1973).

[10] Conference Committee does not have authority to make changes on matters as to which both bills agree. 2 U.S.C. § 1900(a) (Senate Conference Reports); Rule XXVIII (3), Rules of the House of Representatives and § 546, Jefferson's Manual, H. Doc. No. 384, 92d Cong. 2d Sess., 526, 270–271.

[No. 74–521]

THOMAS S. KLEPPE, SECRETARY OF THE INTERIOR, PETITIONER, v. DELTA MINING, INC., ET AL.

(On Writ of Certiorari to the United States Court of Appeals for the Third Circuit.)

[January 26, 1976]

MR. CHIEF JUSTICE BURGER delivered the opinion of the Court.

We granted certiorari in this case and consolidated it for argument with *National Independent Coal Operator's Assn.* v. *Kleppe,* No. 73–2066, 161 U.S. App. D.C. 68, 494 F. 2d 987 (1974), decided today, to resolve an apparent conflict between the two Circuits.

In 1971 inspectors from the Bureau of Mines entered and inspected the coal mines owned respectively by Delta Mining, Inc., G. M. W. Coal Company, Inc., and a partnership of Edward Mears and others known as the M. Y. Coal Company. The inspectors detected a number of violations of the Act or regulations and served each mine operator with notices of the infractions.[1] Each notice stated that the violations were to be abated by a specified date. The inspectors returned on that date and furnished the mine operators with a notice that the violations had been abated. The local office of the Bureau of Mines sent copies of the notice of violation and abatement to the Bureau's central office. There an Assessment Officer reviewed the notices and sent proposed penalty assessment orders to the mine operators. The orders contained a list of the violations, the dates of their occurrence, the regulations violated and the amounts of the proposed penalty.

The proposed order of assessment to Delta was issued on April 11, 1972. It referred to six violations with civil penalties for each ranging from $30 to $90 for a total of $375. In December 1971, and January and May 1972, G. M. W. was issued proposed assessment orders for violations occurring from May to December 1971. Ten of the violations were assessed civil penalties from $25 to $100, totaling $525. G. M. W. also received an imminent danger withdrawal order on November 21, 1971, identified as a fire hazard from loose coal in excess of three feet deep and was assessed a fine of $5,000. For violations occurring in 1971 and 1972 Mears received assessments with fines for 16 violations ranging from $25 to $100 and a 17th at $200 for a total of $1,000. He also received a withdrawal notice for failure to abate a violation of the respirable dust concentration standard with a fine of $1,000.

Each of the operators protested the asessments. Delta argued, among other things, that it was a newly opened, small mine and the fines would affect its ability to stay in business. G. M. W. protested that the loose coal was wet and therefore not a fire hazard. Without explanation as to how, if at all, the information in the protest letters was considered, the assessment officer reissued the proposed orders. One of G. M. W.'s penalties was reduced from $100 to $50. The operators were again informed that they had 15 working days from the receipt of the reissued proposed order "to accept the amended or reissued order, whereupon it shall become the final assessment order of the Secretary, or to request formal adjudication with opportunity for hearing." None of the operators requested formal adjudication.

The mine operators did not pay the assessments. The Secretary filed complaints against each of them in October and November 1972, seeking enforcement of the assessments. Attached to the complaints were the proposed orders of assessment and preprinted forms reciting that the assessment officer found in fact that the violations had occurred. These forms were dated several months after the proposed assessment orders. The mine operators each answered, denying liability.

While the cases were awaiting trial, the United States District Court for the District of Columbia enjoined the Secretary from utilizing or enforcing the assessment procedures of 30 CFR Part 100, concluding that

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[1] The operators protest that these notices are not part of the record below. Since the issue before this Court is the validity of the regulations, not whether the regulations were properly complied with, for purposes of this case we will assume the notices were properly served. We note, however, that the mine operators do not contend that they were not given ample notice of the violations charged by the mine inspectors.

Section 109(a)(3) of the Federal Coal Mine Health and Safety Act requires the Secretary to prepare a decision incorporating findings of fact in all penalty assessment determinations, whether or not a hearing is requested. *National Independent Coal Operator's Assn.* v. *Morton,* 357 F. Supp. 509.

On the basis of that decision G. M. W. moved for summary judgment, contending that the Secretary's assessment orders were unenforceable since there had been no "decision incorporating . . . findings of fact." The District Court for the Western District of Pennsylvania, relying on the *National Independent* decision, decided that the penalty assessments sought to be enforced by the Secretary did not meet the requirements of § 109(a)(3) of the Act because they were not supported by adequate findings of fact. The court entered judgment in favor of the respondent mine operators in all three cases.

While the case was pending on appeal, the Court of Appeals for the District of Columbia reversed the decision on which the trial court here relied. *National Independent Coal Operator's Assn.* v. *Kleppe,* 161 U.S. App. D.C. 68, 494 F. 2d 987. The Court of Appeals for the Third Circuit, however, declined to follow the District of Columbia Circuit decision, and held that § 109(a)(3) compels the Secretary to support each assessment order with express findings of fact concerning the violation and the amount of the penalty, without regard to whether or not the operator requests a hearing. 495 F. 2d 38 (1974). We have today affirmed *National Independent,* which holding governs this case. Two remaining issues raised by the Third Circuit holding require discussion.

The Court of Appeals first distinguished the District of Columbia holding on the ground that the "operators' failure to request a hearing in no way suggests that the appropriateness of the penalty amount went undisputed. In each instance, the operators lodged protests. . . ." 495 F. 2d, at 44. This overlooks the fact that while a protest does not necessarily trigger administrative review, a request for a hearing does. Here the party against whom a penalty is assessed has deliberately foregone the opportunity for a full, public, administrative hearing from which findings of fact can be made. Here, too, the amount of the penalty is subject to *de novo* review in the District Court whether or not a hearing was held.

The Court of Appeals next distinguished the holding of the District of Columbia Circuit on the ground that the proposed assessment orders at issue "contained *no* 'information' other than *pro forma* recitations that the six criteria . . . had been considered." (Emphasis in original.) *Ibid.* The court was concerned that the proposed assessment orders were on "preprinted forms which recited, in some instances, that the six factors set out in the statute had been considered" and that the final orders of the Secretary did not mention the six criteria but "merely set forth the Secretary's finding that a violation 'did in fact, occur.'" *Id.,* at 40.[2] The court then held that "each final decision of the Secretary must be accompanied by findings of fact concerning both the fact of violation and the magnitude of the penalty." *Id.,* at 44.

The court noted the general proposition that judicial "review of a final administrative determination . . . is rendered practically impossible, or at least vastly more difficult, where the agency's decision is not accompanied by express finding." *Id.,* at 42. We agree with the general proposition when judicial review is based on a substantial evidence test. Here, however, if the operator wishes to contest the amount of the penalty without a hearing, that can be done by refusing to pay the penalty, thus invoking the right to a *de novo* trial in the District Court, with a jury if desired. When a violation is noticed the operator is informed as to the details of the nature and location of that violation; the administrative procedures of § 105, 30 U. S. C. § 815, with provision for a public hearing on request, come into play and appellate review is available.

In light of our holding in *National Independent Coal Operator's Assn.* v. *Kleppe,* No. 73–2066, decided today, the judgment of the Court of Appeals for the Third Circuit is reversed and the case is remanded for further proceedings consistent herewith.

Reversed and remanded.

MR. JUSTICE STEVENS took no part in the consideration or decision of this case.

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, is there further morning business?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT OF 1976

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of the unfinished business (S. 2662), which will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 2662) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GARY HART). Without objection, it is so ordered.

Mr. HELMS. Mr. President, I ask unanimous consent that a member of my staff, Dr. James Lucier, be accorded the privilege of the floor during the consideration of S. 2662 and any rollcall votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, this bill and the amendments which I offer to it seek to define the responsibilities of Congress in an area in which power is undeniably flowing toward the legislative branch.

Over the past 40 years, first Congress, then the executive, and now again the Congress has taken the initiative in shaping foreign policy. Military aid and munitions control have been seen, throughout this period, as major instruments of U.S. policy. I think we should view the fact that our Constitution permits these broad pendulum swings of policymaking power from one branch of our Government to the other as a great source of vitality in our political system.

Mr. President, the International Security Assistance and Arms Control Act of 1976 has many new and untried features. Critics will surely note that it tends to involve Congress in detailed management of programs—often without providing Congress the means of setting broad policy goals. Past experience suggests that Congress may not use some of the powers of intervention which this bill provides. Indeed, it may be unable to use some of them—absent a clear sense of the goals which Congress wishes the United States to pursue.

Nevertheless, I believe that the procedures for legislative review set forth in this bill are going to have a fair trial. Some will prove useful. Some will probably not be exercised. Some will be revised. We must keep these new procedures under close review during the months and years ahead.

I doubt that the pendulum will swing back to full executive branch dominance of foreign policy—as we knew it in the cold war period—in the immediate future. Congress must, however, use its policymaking power responsibly. It must not usurp the legitimate role of the executive branch in administering our foreign relations.

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[2] The Third Circuit found support for its concern in a Comptroller General report which stated that the Comptroller was "unable to determine the adequacy of the consideration given to the six factors of § 109 (a)(1)] and the basis for the penalties assessed in [400] cases. 495 F. 2d, at 43. However, the Secretary's method of assessing penalties has been changed in a way that largely meets this objection. The regulations now in force contain formulas to be used by the assessment officers in considering the six § 109 (a)(1) criteria. 30 CFR § 1003.3. The Secretary represented to the Court of Appeals for the District of Columbia that the assessment formula is to be retained. *National Coal Operator's Assn.* v. *Morton,* 494 F. 2d 987, 989 n. 12. These regulations were not in effect when the penalties at issue here were levied. Use of the current regulations is preferable to the apparent *ad hoc* consideration given the criteria in this case. But a trial *de novo* is available to the mine operators on the amount of the penalty, so the Secretary's failure to promulgate the best regulations in the first instance does not render all penalties assessed under the prior regulations unenforceable. Although explication by the Assessment Officer and an examiner might be of some aid to the District Judge who is called upon to consider the penalty, the provision for a *de novo* trial on the amount of the penalty places squarely on the court the task of evaluating the penalty. The six criteria of § 109(a)(1) can be argued to the District Court. The Third Circuit is undoubtedly correct that the more information a mine operator has, the better the operator will be able to determine whether to challenge the penalty. The issue, however, was whether the new procedures were mandated by the statute.

The amendments which I offer are designed to strengthen title II of this bill, which deals with the control of U.S. arms sales abroad.

Mr. President, I ask unanimous consent that a letter dated January 27, that I sent to Senator Hubert Humphrey, be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

January 27, 1976.

Hon. Hubert H. Humphrey,
Chairman, Foreign Aid Subcommittee, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

Dear Hubert: I understand that you hope to complete the Committee's mark-up of S. 2662 either this afternoon or in the very near future. I want you to know that I strongly support the objectives which S. 2662 is designed to accomplish; we are all indebted to your Subcommittee and to the staff for having produced a truly major piece of legislation.

I know that the Subcommittee has engaged in a long and painstaking effort to accommodate the main concerns expressed by the Administration. However, I am bound to say to you frankly that it does not appear to me that the Administration has done an effective job of representing the legitimate interests of American manufacturers, if indeed it has tried to do so. Even more surprising, it would appear that the manufacturers themselves have not been energetic in representing their interests while this bill was in the formative stage. Nevertheless, it is clear to me that their legitimate interests are involved here. And I am sure you will agree that, if this is so, it is far better to face them squarely at the Committee stage and, if possible accommodate them now, than run the risk of providing those who may not share our objectives with a major argument against the bill when it comes to the floor.

In the Committee mark-up session last week, I indicated that I believe the only effective way to regulate international arms sales is through multilateral agreement by some or all of the major suppliers. I am concerned that certain sections of S. 2662 may inadvertently have the effect of hamstringing American manufacturers and placing them at a serious disadvantage in competing with unregulated foreign suppliers. Section 208 provides for making available to the public the terms of government-to-government sales contracts (except material that is classified for reasons of national security). Section 213 lays down requirements for greatly expanded reporting on military sales and exports, including all outstanding letters of offer. Moreover, Section 201 requires that sales of major defense equipment items totaling $25 million or more must be made through government channels, in all likelihood raising prices and increasing the difficulty.

Let us assume that American Motors wants to bid on a major contract to develop and build a military jeep specifically adapted to a certain kind of terrain. The company's letter of offer (or the U.S. Government's letter of offer, if the sale is through FMS channels) is made public at an early stage of negotiations. When this happens, it is easy to imagine AMC's foreign competitors—Fiat, Mitsubishi, etc.—rushing to undercut the U.S. firm's offer. In all likelihood, American Motors would lose the sale and be excluded from a potentially lucrative market.

The disadvantages to U.S. economic interests in this situation are fairly obvious. Leaving aside foreign policy implications, there would probably be a substantial and direct loss of employment in the U.S., increased cost for AMC to produce this particular product in smaller quantities for a smaller (mainly DOD) market, and perhaps a cumulative disadvantage to American automotive manufacturers as the preference of foreign buyers began to shift toward competing suppliers.

While the economic disadvantages to U.S. manufacturers and to the country generally of the restrictions in Sections 201, 208, and 213 seem fairly clear, it is much less clear what real advantages these sections offer. I believe that this is a question of sufficient importance to merit further consideration within the Committee before you take S. 2662 to the floor.

I understand that the Administration now intends to offer an amendment that would have the effect of reporting agents' fees to U.S. law enforcement agencies instead of making them public. This appears to me to be a constructive solution to one of the problems that S. 2662 raises for U.S. manufacturers. However, the best overall solution, in my view, is to look at each of the restrictions I have discussed and eliminate all that cannot be justified in terms of clear net advantage to U.S. interests.

Sincerely,

Charles H. Percy,
U.S. Senator.

Mr. PERCY. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. PERCY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 89, line 13, immediately after "report" insert a comma and the following: "and any letter of offer referred to in paragraph (1) of this subsection may be listed in such addendum unless such letter of offer has been the subject of an unclassified certification pursuant to subsection (b) (1) of this section".

Mr. PERCY. Mr. President, a brief explanation will suffice.

This amendment would insure that letters of offer to sell defense equipment are treated as classified unless or until they are accepted by the buyer.

This follows the principle of "only publicizing the accepted bid," which is a widely accepted practice. Classification in this instance would be designed to prevent premature disclosure of information that mght harm the competitive position of U.S. firms or that might endanger defense secrets of purchasing countries.

One major exception to the principle of only publicizing the accepted bid is provided in this amendment: letters of offer that are subject to the Congressional veto are unclassified or classified according to the provisions on page 91, para (b)(1).

As I have explained in the letter to Senator Humphrey, the purpose of this amendment is a worthy purpose. We wish to make public what is necessary to make public but not to make public something that would be injurious to the commercial interests of the United States of America.

For a company to work and spend, sometimes as they do, $1 million or more in developing an offer to a country and being required to immediately publicize that offer to the world would only invite competition from Japan, Germany, and France. They could jump in, not having the cost of initiating the idea or the offer; they could come in and underbid us and take that business away. Once that offer has been accepted, then the world ought to know about it, and it will be publicized without injury to U.S. interests.

Mr. HUMPHREY. Mr. President, the Senator from Illinois brought up this proposal in committee. We had not had a chance at that time to refine it. It was suggested at the time, and rightly so, that he work with members of our staff to try to design an amendment that would accomplish the objective that he has stated.

I appreciate the work that he has done. The amendment is a very acceptable amendment, a desirable amendment, and has genuine merit.

I have discussed this with the ranking Member, the Senator from New Jersey (Mr. Case). I believe it fits very well in the understanding which we had in the committee at the time of the markup.

We felt that it took more time to look at it; therefore, we asked that any amendment as this be brought to the Chamber.

I yield to the Senator from New Jersey.

Mr. CASE. Mr. President, our chairman is correct. This was brought up in committee and then referred, as the chairman has suggested, to the staff for consideration.

I join with our chairman in saying that I think it is a desirable amendment. I believe we can and should accept it.

Mr. HUMPHREY. Mr. President, I hope that it will be readily accepted.

Speaking for the committee, I know that it is more than acceptable to the committee.

I move that the amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois.

The amendment was agreed to.

Mr. PERCY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. CASE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. I believe the Senator has another amendment.

Mr. PERCY. Mr. President, I send to the desk a second amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. PERCY. Mr. President, I ask

unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 102, strike out lines 6 and all that follows through the word "services" in line 12 and insert in lieu thereof "shall pay a registration fee which shall be prescribed by such regulations".

Mr. PERCY. Mr. President, this amendment deletes the provision in the bill for passing on to industry the cost of administering the new regulations in the bill. Registration and other fees that now affect the arms industry would remain in force as a result of this amendment.

The rationale for this amendment is that the new administrative costs cannot even be estimated at this stage. Companies that seek to estimate the costs and pass them on to buyers are almost certain to make mistakes.

If I were a contractor and I had an undisclosed amount of administrative costs to be passed on to me and billed to me by the Government subsequently, not having any idea what that cost would be, I would err on the high side, if I were going to err, because if I were a small company, if I erred on the low side, it might wipe out the profit or might, if it is a large contract, destroy the integrity of my own business. Errors in pricing of this sort are far more dangerous to small companies than large companies. One major error in pricing its products can ruin a small firm in a highly competitive field, while a large firm may have other lines that are unaffected by such an error. The only way to avoid this problem of harming small companies and indirectly helping large arms companies is to abandon the attempt to pass on the new administrative costs arising from these new regulations.

In any case, the practice of passing on administrative costs usually implies that a benefit is being conferred—not a new series of restrictions.

After all, these are administrative costs being incurred not for the benefit of the contractors but for the benefit of the general public and the integrity of our contractual relationships.

Therefore, it is a government obligation imposed and I think, therefore, the administrative costs must be borne by the Government. In the end, the Government is going to pay it anyway. There is no place for them to pass this cost on other than in the price of the contract and to the Government.

What I am concerned about is that they are going, not knowing what the cost is going to be, they are going to double or triple estimates to be on the high side rather than the low side. It is going to end up costing the Federal Government a great deal more than it would cost otherwise.

We had an illustration when we tried to tax the foundations. We imposed a 4-percent tax in order to cover the cost of auditing. The audit 3 years later indicated the foundation auditing cost less than 2 percent. We have been more than doubling, charging the foundations more than double the actual cost in our attempt to recover it, and it is always difficult to determine what they are anyway.

We are trying to get rid of paperwork and complexity, not create some, and I think that this amendment would help clarify that matter.

Mr. HUMPHREY. Mr. President, I have doubts about this amendment, but I understand the Senator's position. I simply point out that we do have administrative fees in Government contracts. So the record may be clear, where the Federal Government acts as sort of the contracting agent, between the commercial company and the recipient government of another country, there are administrative fees.

I hope that we could look down the road on commercial sales, where licensing is made for commercial sales, to some kind of a self-sustaining effort in terms of the overall administrative costs.

I might say this is not unusual in government. Building permits, for example, relate to administrative fees for planning. There are all kinds of local government and State government levels where administrative fees are charged. They are charged in certain regulatory agencies.

But I think that the Senator makes a point that we have new legislation here. Since his amendment provides "shall pay a registration fee which shall be prescribed by such regulations," I think that we could accept this amendment, and it could be equitably administered.

The Senator is right. We have no baseline on which to draw for the assessment of administrative fees on these commercial contracts. I think we could go along with the amendment.

Mr. CASE. I concur with the chairman of our subcommittee. I think that in theory and principle it is quite reasonable in matters of this kind for their costs to be assessed against part of the cost of doing business. After all, it is an unusual kind of business. On the other hand, the uncertainties involved in a new venture make it reasonable to postpone consideration of that and eliminate it from the present bill, with the thought that as experience is gained, it may be reconsidered and probably should be.

I concur in the acceptance of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PERCY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PERCY. Mr. President, if the distinguished majority leader is prepared to spend a few moments in colloquy, we have a very important matter that the distinguished majority leader brought to the attention of the Senate in a vital report that he issued to the Senate following a trip to Southeast Asia last year.

Mr. President, while the Senate is considering S. 2662, the Military Assistance Act, I would like to discuss the amendment which the distinguished majority leader offered to this legislation and which was accepted by the Foreign Relations Committee. This amendment, which is found in section 303 of the bill, is designed to prevent excessive intervention by American narcotic agents in the internal affairs in other nations. The specific language adopted by the Foreign Relations Committee is the following:

Notwithstanding any other provision of law, no officer or employee of the United States may engage in any police actions in any foreign country with respect to narcotic control efforts.

Mr. President, at the outset, I should point out that the Drug Enforcement Administration, the Federal Government's principal antidrug arm abroad, performs important international narcotics control functions as a result of United Nations resolutions and U.S. treaty obligations. Some of these functions are essential to effective drug law enforcement by American narcotic officers in the United States.

Senator MANSFIELD's amendment is designed solely to prevent American involvement where it is unnecessary to our own domestic drug law enforcement programs and where friction with foreign governments is likely to result. I fully supported this amendment when it was discussed in the Foreign Relations Committee and I fully endorse what I understand to be its basic meaning: preventing American narcotic agents operating abroad from engaging in arrest actions or any other activities where the use of force is reasonably foreseeable, whether or not the host government in question has requested the participation of American agents. While certain Federal drug law enforcement officials do not agree with this position, it seems to me that such a rule constitutes basic common sense and is certainly sound public policy.

As the author of the report language explaining this amendment and adopted by the Foreign Relations Committee at its January 29, 1976 meeting, I feel that it would be useful for me to go beyond this and expand on exactly what types of activities DEA officials may and may not engage in under the Mansfield amendment. My purpose is to try to prevent any misunderstandings about the meaning of this provision on the part of DEA officials, the Congress, foreign governments, as well as the American people. This additional clarification should make it possible for the Congress to be better able to determine at a later date whether its guidelines in this area have been scrupulously obeyed.

As I stated earlier, it is my understanding that section 303 of S. 2662 would prohibit American narcotic agents operating abroad, whether by themselves or as members of teams involving the agents or officials of foreign governments, from engaging in actions where it is reasonably foreseeable that force will be used or an arrest of foreign nationals made. However, it is also my understanding that this amendment does not preclude American narcotic agents from engaging in other activities which are permissible under the law of the host nation and which would be of great help in the enforcement of Federal drug laws here in the United States. These include, principally:

Undercover operations or other information-gathering methods, not involving the use of force, for acquiring tactical and strategic intelligence;

The handling and development of informants;

Evaluating intelligence, information-gathering, and drug law enforcement operations of foreign police officials;

Training foreign police officials to undertake special surveillance assignments, or contracting with private parties and informants to undertake such activities.

Mr. President, I would like to commend the distinguished majority leader for offering his amendment and for arguing so eloquently on its behalf in the Foreign Relations Committee. I believe that we share a desire that the Drug Enforcement Administration and the chiefs of U.S. diplomatic missions overseas should exercise special care to insure that U.S. narcotic agents overseas avoid any types of actions in which there is a reasonable risk of embroiling the United States in the internal affairs of other countries whether by the use of force or the onsite arrest of foreign nationals.

Mr. MANSFIELD. Mr. President, the Senator from Illinois and I have discussed this matter in some detail. He has correctly stated my view concerning the scope of the provision recommended by the committee.

The zeal of U.S. drug officials abroad in trying to get at the sources of narcotics is understandable. But law enforcement actions in foreign countries are—and should remain—the responsibility of local governments. U.S. personnel should not be directly involved. According to DEA data, a total of 365 DEA personnel have been authorized to serve abroad and approval has been requested for 30 additional positions. The number they have now amounts to 10 percent of the overseas personnel of the State Department who are carrying out departmental duties.

Under existing law there is no prohibition on U.S. involvement in local drug raids or other law enforcement actions. Current law is silent on what can and cannot be done by U.S. personnel. They now participate in raids and other such activities alongside local police officials. One U.S. narcotics agent has been killed and five have been wounded in these operations. Congressional guidelines for U.S. operations abroad in this sensitive area are much needed.

The amendment adopted by the committee is a start. It puts a limit on the extent to which U.S. personnel can participate in local law enforcement actions.

I am as concerned as any Member of this body about drug problems. But, as we in the Congress have learned to our regret from past neglect, every significant or sensitive operation of the Government, particularly operations abroad, should be carried out only under firm guidelines with vigilant congressional oversight. My amendment is a small step in that direction for this important program.

Members of the Senate will recall that 2 years ago, Congress voted to terminate AID's public safety activities after it was learned that, in some countries, public safety personnel were alined with police officials who were engaged in very unsavory activities. I do not want that sort of thing to happen with this program. This is an attempt to close the barn door before the horse is gone—to lay down guidelines before things go too far. A degree of caution now is better than being sorry later.

I ask unanimous consent that there be printed at this point in the RECORD the text of the provision and pertinent sections from the committee report.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

(b) Section 481 of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new subsection:

"(c)(1) Notwithstanding any other provision of law, no officer or employee of the United States may engage in any police action in any foreign country with respect to narcotics control efforts.

"(2) The President shall carry out a study with respect to methods through which United States narcotics control programs in foreign countries might be placed under the auspices of international or regional organizations. The results of such study shall be transmitted to the Speaker of the House of Representatives and the President of the Senate not later than January 1, 1977.".

[From Foreign Relations Committee Report on S. 2662, International Security Assistance and Arms Export Control Act of 1976 (94–605)]

Section 303. International Narcotics Control

Subsection 303(b) amends section 481 of the Foreign Assistance Act relative to the program for control of the international narcotics traffic.

This provision, sponsored by Senator Mansfield, would prohibit U.S. personnel from engaging in any police action in any foreign country with respect to narcotics control efforts.

In adopting this restriction, the Committee seeks to reconcile two important U.S. interests; motivating foreign governments to cooperate to the fullest degree in stopping drugs from reaching the U.S. and avoiding excessive U.S. intervention in the internal affairs of other nations. The range of actions carried out by U.S. narcotic agents overseas covers a wide spectrum—from the innocuous (exchanging information and intelligence) to the clearly objectionable (actions involving the use of force and actions involving arrest of foreign nationals).

It is the Committee's intent that "police action," as used in this provision, is meant to prohibit U.S. narcotics agents abroad from engaging in actions involving the use of force and actions involving the arrest of foreign nationals—whether unilaterally (acting on their own) or as members of teams involving agents or officials of other foreign governments. And more broadly, it is the Committee's intent that the Drug Enforcement Administration and Chiefs of U.S. diplomatic missions overseas exercise special care to insure that U.S. narcotics agents overseas not engage in any types of actions in which there is a reasonable risk of embroiling the U.S. in the internal affairs of other countries by tending to lead them into situations involving the use of force or the arrest of foreign nationals.

Paragraph (2) of the new subsection (c) requires the President to make a study of how to internationalize the current U.S. bilateral program of anti-drug traffic assistance to foreign countries. The drug traffic problem is an international problem, not one solely of concern to the United States. The provision calls only for a study and a report. Congress will have complete flexibility to accept, reject, or modify any recommendations made by the President.

Mr. President, I commend the distinguished Senator from Illinois for raising the questions he has raised. I assure him that I am in accord with the views he has expressed on the floor of the Senate today.

Mr. PERCY. Mr. President, I appreciate very much the Senator's comments.

I believe the distinguished majority leader has rendered a great service to the country by observing firsthand the possible abuse of this authority and power.

The Senator from Illinois conducted hearings in Illinois on what I consider the abuse of Federal officials by breaking into homes in Collinsville, Ill., without warrant, terrorizing local citizens, and then finding they were in the wrong home. That is the wrong way to go about this problem.

Drug abuse relates to the crime which is terrorizing this country. Certainly, we must reinforce and strengthen our efforts to cut off the supply. The DEA has a new administrator, an absolutely outstanding man, and I think there is a sense of vitalization and cooperation between the DEA and the Customs now, whereas there had been an age-long rivalry. I believe we are on the road toward improving our drug enforcement program, and I think the distinguished majority leader has rendered a valuable service.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. PERCY. I yield.

Mr. HELMS. I am not certain whether I should address this question to the distinguished majority leader or to the able Senator from Illinois.

Most of the discussion, as I have just heard it, has been stated in the negative, what these personnel cannot do. Would one or both of the distinguished Senators be willing to state what they may do?

Mr. PERCY. I am sorry that the Senator was not on the floor at the time I did make my comments. There are, specifically, four provisions. The Senator from Illinois wanted to be clear, as did the distinguished majority leader, that these are things which are authorized in law, that Congress encourages them to do, and they would be derelict in their duty if they did not carry them out:

Undercover operations or other information-gathering methods, not involving the use of force, for acquiring tactical and strategic intelligence;

The handling and development of informants;

Evaluating intelligence, information-gathering, and drug law enforcement operations of foreign police officials; and

Training foreign police officials to undertake special surveillance assignments, or contracting with private parties and informants to undertake such activities.

I would not say that the DEA feels that this is total and complete. They may want more, they have a perfect right to try to get it. But this, as I understood it, is the oversight responsibility the Senator from Illinois has, and the Committee on Government Operations.

That, to me, seemed a sufficient charter, with sufficient specificity to enable them to do the job abroad and yet not get into the area that could be an excessive involvement into foreign operations.

Mr. MANSFIELD. If the Senator will yield, we have discussed this with officials of the DEA. I think they are appreciative of, at long last, having some guidelines set out, because they have had nothing to guide them heretofore.

Mr. HELMS. I was under the impression that the Senator said the DEA did not like this amendment.

Mr. MANSFIELD. No, it probably would not like any amendment; but as long as the committee acted, they came up and discussed this matter. They said "Would it be all right to specify certain areas in the report of the committee which accompanied the bill so that it could be broadened a bit?" We said yes. They worked together with our staff people, came back and met with us again. They said that, in view of the circumstances, this was as good as they could get, and they were satisfied—not completely satisfied, but satisfied.

Mr. PERCY. I think the same relationship exists now in the intelligence field. If there were a preference, they would say, "Just leave us on our own; let us do our job and leave it to our own conscience and judgment as to what we can do." Congress is saying today, that is not going to fly any more; we are going to have oversight and exercise it; and we are trying to work with them.

That is why Secretary Kissinger is testifying right now before the Committee on Government Operations, to help us with guidelines in how we can exercise that oversight in such a way as not to impede that progress. That is just what we have worked out with DEA.

Mr. HELMS. I thank the Senator.

Mr. PERCY. Mr. President, the Senator from Illinois would like to advise the distinguished manager of the bill (Mr. HUMPHREY) that there are two additional amendments that will be offered. I understand that there is a little discussion to be carried on.

Mr. HUMPHREY. On one amendment, there is some difficulty on the listing of the military objects or items.

Mr. PERCY. There is an amendment on the major defense equipment.

Mr. HUMPHREY. That is the one that Senator CASE wants to be here to discuss.

If the Senator will take up the other amendment, I think we can accept it.

Mr. PERCY. I shall be very happy to.

Mr. HUMPHREY. Mr. President, while the Senator is getting ready, on behalf of Senator STONE, I ask unanimous consent that Barry Schochet be granted privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PERCY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk proceeded to read the amendment.

Mr. PERCY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 96, strike out line 12 and all that follows through and including line 14 on page 99 and insert in lieu thereof the following:

"(f) (1) (A) In accordance with such regulations as he may prescribe, the Secretary of State shall require adequate and timely reporting on political contributions, gifts and fees paid, or offered or agreed to be paid, by any person in connection with a sale of defense articles or defense services under section 22 of this Act in order to solicit, promote, or otherwise to secure the conclusion of such sale. Such regulations shall specify the amounts and kinds of payments, offers and agreements to be reported and the form and timing of reports. The Secretary of State, by regulation shall require such recordkeeping as he determines is necessary.

"(B) The President may, by regulation, prohibit, limit or prescribe conditions with respect to such contributions, gifts and fees as he determines will be in furtherance of the purposes of this Act.

"(C) No such contribution, payment, or gift may be included, in whole or in part, in the amount paid under any procurement contract entered into under section 22 of this Act, unless the amount thereof is reasonable, allocable to such contract, and made to a person who has not solicited, promoted, or otherwise secured such sale, or has not held himself out as being able to do so, through improper influence. For the purposes of this subsection, 'improper influence' means influence, direct or indirect, which induces or tends to induce consideration or action by any employee or officer, of a purchasing foreign government or international organization with respect to such purchase on any basis other than such consideration of merit as are involved in comparable United States procurements.

"(D) In accordance with such regulations as he may prescribe, the Secretary of State shall require adequate and timely reporting on political contributions, gifts and fees paid, or offered or agreed to be paid, by any person who is required to be registered or who is granted a license or other approval under section 38 of this Act in connection with the commercial sale of defense articles or defense services (including technical data relating thereto) to or for the armed forces of a foreign country in order to solicit, promote, or otherwise to secure the conclusion of such sale. The Secretary of State, by regulation, shall require such recordkeeping as he determines is necessary.

"(E) All information reported to the Secretary of State and all records maintained by any person pursuant to regulations prescribed under this subsection shall be available, upon request, to any standing committee of the Congress or any subcommittee thereof and to any agency of the United States Government authorized by law to have access to the books and records of the person required to submit reports or to maintain records under this subsection. Access by an agency of the United States Government to records maintained under this subsection shall be on the same terms and conditions which govern the access by such agency to the books and records of the person concerned.

"(2) The President shall include in each quarterly report required to be transmitted to the Congress by subsection (a) of this section a description of each contribution, payment or gift, reported to the Secretary of State the previous quarter under paragraph (1) of this subsection, including—

"(A) the name of the person who made such contribution, payment, or gift;

"(B) the name of the person to whom such contribution, payment, or gift was made;

"(C) the date and amount of such contribution, payment, or gift;

"(D) a description of the sale in connection with which such contribution, payment, or gift was made; and

"(E) the identification of any business information considered confidential by the person who submitted it which is included in such report.

"(3) The provisions of this subsection shall take effect sixty days after the date of enactment of this subsection.".

Mr. PERCY. Mr. President, this amendment provides for mandatory reporting to appropriate agencies of the executive branch of any political contributions, fees, and gifts by the arms industry. This amendment lays down a procedure for setting standards of what is and is not proper conduct. It provides a mechanism for enforcing those standards. It allows industry its day in court, because all interested parties will have a period of time under the Administrative Procedure Act in which they can respond to the standards and regulations before they become law.

Mr. President, this amendment very much involves Mr. CHURCH, who has served as chairman, and I am the ranking minority member, of the Subcommittee on Multinational Corporations of the Committee on Foreign Relations. The reason the Senator from Illinois was withholding it at this time is in the event Senator CHURCH wished to be on the floor to discuss it with us.

Mr. HUMPHREY. Did the Senator from Illinois have an opportunity to work with Mr. CHURCH on this amendment and go over this amendment with him?

Mr. PERCY. Yes, that is true.

Mr. HUMPHREY. Did the two Senators come to some agreement on this amendment?

Mr. PERCY. To the best of the knowledge of the Senator from Illinois, there is full accord and agreement. It is just a matter of courtesy as to whether Mr. CHURCH would want to be on the floor when it is being considered, and I have no idea whether he does or not.

Mr. HUMPHREY. It might be well, in the light of the importance of this amendment, may I say, for us to see if we can find Mr. CHURCH at this moment.

Mr. President, I suggest the absence of a quorum.

Mr. NELSON. Mr. President, may I have a brief colloquy with the Senator from Minnesota before he calls for the quorum?

Mr. HUMPHREY. Will the Senator from Illinois yield?

Mr. PERCY. Yes.

The Senator from Illinois would like to advise that it is essential that he return to question Secretary Kissinger now on intelligence oversight, and then give a speech to the First Youth Group, so it is possibly better to defer this until some time when we can get together, maybe later this afternoon.

Mr. HUMPHREY. May I suggest to the Senator from Illinois, if the Senator from Idaho (Mr. CHURCH) finds himself in agreement with this amendment, would it be permissible, as manager of the bill, to offer this amendment in his behalf and include it, and just finish it for the bill?

Mr. PERCY. That will be perfectly satisfactory. We also have one additional amendment, the definition of major defense equipment.

Mr. HUMPHREY. That one I want to wait on until Senator CASE is back.

Mr. PERCY. If there is agreement on that amendment between managers of the bill, the Senator from Illinois authorizes his distinguished colleague to offer the amendment on behalf of the Senator from Illinois. If it is possible for the Senator from Illinois to work out the schedule so we can all be together later, I shall be happy to do that.

Mr. HUMPHREY. I thank the Senator from Illinois.

I yield to the Senator from Wisconsin.

Mr. NELSON. Mr. President, for purposes of discussing an amendment that I have pending at the desk, I shall call up amendment No. 1328 to bill S. 2662 and ask for its immediate consideration. It has been introduced and printed, as I understand it. It is amendment No. 1328, introduced Jannuary 19.

The PRESIDING OFFICER. The Chair informs the Senator from Wisconsin that it will take unanimous-consent agreement to set aside the pending amendment.

Mr. HUMPHREY. I ask unanimous consent that we set aside the amendment of the Senator from Illinois.

The PRESIDING OFICER. Without objction, it is so ordered.

AMENDMENT NO. 1328

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

On page 70, line 11, insert the following: "of continuous session" following the word "days".

On page 91, ine 20, insert the following: "of continuous session" following the word "days".

On page 93, line 24, insert the following: "of continuous session" following the word "days".

Mr. NELSON. Mr. President, this amendment simply would establish a period of 30 days continuous session as the time span allowed to Congress to consider and reject proposed military sales. The difference between this amendment and the provision in the bill is that in the bill, it is simply 30 days, and that would include recess periods. This amendment would count 3-day weekends as part of the 30-day period, but not those days in excess of 3.

I ask the Senator from Minnesota, the manager of the bill, this question: I understand that the committee has some arrangement with the administration that they will give advance notice to the committee in time for them to consider the sale before they send it to Congress for that 30-day consideration as provided in the bill. Is that correct?

Mr. HUMPHREY. That is correct. We are now working with the administration on an understanding of a period of time prior to the effective date of the proposal in the bill; namely, the 30 calendar days that are in the bill. In other words, there would be a period of time, prior notice, before the 30-day period becomes effective, and the prior notice, we think, will be approximately 20 days.

The PRESIDING OFFICER. The Chair wishes to inform the Senator from Wisconsin that the amendment offered by the Senator from Wisconsin is worded as directed to the bill as referred to the committee and not the bill reported to the floor.

Mr. HUMPHREY. We are going to take care of that by simply just asking unanimous consent to have it appropriately placed in the bill. That will be done.

Mr. NELSON. When we submitted it the pagination was different and would have to be changed, and so that it can be made accurate for reference for anybody who wishes to examine it. I would modify my amendment on line 11 to change page 70 to page 72; line 11 to line 3; on line 3, page 91 to 92; line 20 to line 14; on line 5, page 93 to 94; line 24 to 2.

The PRESIDING OFFICER. The amendment is so modified.

The amendment, as modified, is as follows:

On page 72, line 3, insert the following: "of continuous session", following the word "days".

On page 92, line 14, insert the following: "of continuous session" following the word "days".

On page 94, line 2, insert the following: "of continuous session" following the word "days".

Mr. NELSON. I wonder if the Senator from Minnesota would bring me up to date as to how the committee is handling these matters. Is there a staff involved?

Mr. HUMPHREY. Yes. May I say to the Senator from Wisconsin that the Nelson amendment, as we call it, calls for the review and notification through the Committee on Foreign Relations of any sale of military items over $25 million. In the past that notification came but, frankly, we were not properly institutionalized or geared up to handle those matters as quickly or as precisely as we should.

We now have a special subcommittee with professional staff. We have two members of this staff who are experts in the field of military purchases and military procurement, one from the Office of Management and Budget, who handled that in the executive branch, and another who has been brought in, who is very competent in this field, so we will have two specialists who will be watching every single sale that qualifies under the Nelson amendment of $25 million or over in terms of military items, and we will now have also the period of prenotice, before the 30-day period begins, as provided for in the law.

The administration is perfectly willing to work out with us the time of that prenotice, which we feel will be 20 days. So you really will have a very significant period of time in which we can review at the committee level and at the Senate level any major sale of any major military item.

Mr. NELSON. Is my computation correct then that, given the 30 days for review, which are provided in the bill, and whatever number of days' notice are agreed upon, if it be 20 as suggested, that means that notice of the proposed sale would be before the Congress for a 50-day period.

Mr. HUMPHREY. 50-day period.

Mr. NELSON. 50-day period.

Mr. HUMPHREY. Might I add, Senator, we are going to have another bill up here for fiscal 1977. We will get experience in this legislation for fiscal 1976, and if the time is not adequate, we will come back to the continuous session or the legislative days or one or the other.

Mr. NELSON. Would I be correct in assuming that when the committee receives notice it would be a public matter anyway?

Mr. HUMPHREY. The Senator is correct, it is.

Mr. NELSON. It will not be submitted as a secret matter.

Mr. HUMPHREY. We will place it in the CONGRESSIONAL RECORD, Senator.

Mr. NELSON. So that, in fact, when the committee is notified of the proposed sale, it will go into the RECORD, and that gives Congress, the Members of Congress who are interested, 20 days to look at it prior to the effective 30-day tolling to begin?

Mr. HUMPHREY. That is correct, Senator.

Mr. NELSON. Based on those assurances, I will in a moment withdraw my amendment.

I want to commend the Senator from Minnesota (Mr. HUMPHREY) and his subcommittee. It has been my view from the beginning, when I first introduced the $25 million limitation, that it would be necessary to institutionalize this business in a committee for appropriate review. A reporter for the New York Times wrote an article 6 or 7 months after Congress had adopted the notice for the $25 million or more in sales in which he was critical of my failure to monitor it.

I pointed out to him in our discussion that I do not have the staff nor the time to make judgments and monitor all these things in behalf of the whole Congress. In any event that was not the way it should be done, that it should be institutionalized within a committee.

I said to him at the time it would be the business of the subcommittee, of which the Senator from Minnesota was chairman, and that I was satisfied the Senator from Minnesota would address himself vigorously to it.

Although I was satisfied at the time when I said it, I had not even hoped that the Senator from Minnesota really would be able to pursue it as vigorously and as quickly as he has. I want to commend him for it, as well as the Senator from New Jersey (Mr. CASE).

Mr. HUMPHREY. I thank the Senator from Wisconsin.

May I assure him that, first of all, the Senator had no responsibility for monitoring. The Senator was the author of the legislation. The committee that was referred to in the legislation has the responsibility for monitoring it.

We now have been able to staff ourselves properly so that we can monitor it, and we will do so, and we will do it efficiently and in a timely fashion. The entire Senate will be notified of these sales. It will be printed in the public document known as the CONGRESSIONAL RECORD. The staff will be alerted to all of these matters, and anything that needs to be reviewed will be reviewed.

Mr. NELSON. I thank the Senator from Minnesota.

ARMS SALES: A LEGISLATIVE CHRONOLOGY

Mr. President, over the last several years, and especially during this past year, the American press, public, and Congress have become increasingly concerned about the exponential growth in the volume of the international trade in arms. Over the last two decades the dollar value of the world armaments trade has increased over 6,000 percent, and we Americans have played a significant role in that increase. Our own Government-sponsored sales soared from less than $1 billion in 1970, to nearly $10 billion in 1975, leaving our closest competitors, the Soviets, far behind.

For the most part, Congress has simply watched this growth take place, inadequately informed and inadequately consulted by the executive branch. Particularly in the Mideast and Persian Gulf, arms sales have become a major tool of American foreign policy, with serious short- and long-term ramifications for the peace of the world. Yet Congress has played little role in the formulation of that policy, and until recently has shown little inclination to remedy that situation.

The Senate is now considering S. 2662, the International Security Assistance and Arms Export Control Act, introduced November 13, 1975, by the distinguished chairman of the Subcommittee on Foreign Assistance, Mr. HUMPHREY, and reported January 29, 1976, by a vote of 13 to 1 of the full Committee on Foreign Relations. S. 2662 is an important step in the right direction. It makes several important procedural advances toward more effective congressional scrutiny of arms sold abroad through commercial and governmental channels, and declares as U.S. policy a commitment to reducing the international trade in implements of war. S. 2662 deserves the support of the Senate.

The efforts of my office to stimulate congressional awareness of the seriousness of growing arms sales and to give Congress a voice in the formulation of arms sales policy began in 1973. I trust those efforts along with the important work of Senators HUMPHREY and CASE and other Members of Congress have played a constructive role in bringing this important issue into the legislative forum for proper consideration and effective congressional oversight.

The development of congressional interest and involvement in arms sales has also attracted the increasing attention of students of political science and congressional affairs. Perhaps a concise narrative of the legislative efforts on this matter since 1973 would be of some usefulness.

On June 13, 1973, I submitted amendment No. 221 to S. 1443, the Foreign Assistance Act of 1973. That amendment altered the Foreign Military Sales Act to provide the authority for legislative veto over proposed foreign military sales. On June 22, I submitted amendment No. 253, a modified version of the same proposal. The earlier amendment, No. 221, allowed either the Senate Foreign Relations Committee or the House Foreign Affairs Committee to block a proposed sale of $25 million or more. On June 25, by a vote of 44 to 43, the Senate adopted amendment No. 253 to S. 1443, allowing either House of Congress to veto proposed foreign military sales of $25 million or more within 30 days of notification of the proposed sale. Days on which either House of Congress was not in session for 3 days or more would not count in the calculation of the 30-day period. The amendment also allowed Congress to block a proposed sale which caused cumulative sales, credit sales, or guaranties to a single country to exceed $50 million—debate on that amendment appears on pages 21152–21153 of the RECORD for June 25, 1973, volume 119, 93d Congress, 1st session. The amendment was subsequently dropped in conference.

The following year, on June 6, 1974, I submitted amendment No. 1399 to S. 3394, the Foreign Assistance Act of 1974. That amendment embodied a procedure similar to that adopted by the Senate the preceding year but not retained in conference. Amendment No. 1399 again allowed either House of Congress to veto a proposed sale exceeding $25 million, and any sale causing total sales to reach $50 million, or any multiple of $25 million in excess of $50 million. Again, either House had 30 days of continuous session in which to act.

On October 2, 1974, the Senate adopted by voice vote amendment No. 1929 to S. 3394. Amendment No. 1929 was a modified version of amendment No. 1399 submitted earlier in the year. The distinguished Senator from Minnesota, Mr. HUMPHREY, managing the bill on the floor at that time, noted that the earlier amendment had been rejected 6 to 9 in executive session of the Committee on Foreign Relations, but accepted the revised amendment on the floor noting that modifications had been made to overcome the objections of some Senators—RECORD, pages 33507–33512, October 2, 1974, 93d Congress, second session. The revised amendment No. 1929 required the President to submit quarterly reports to the Committee on Foreign Relations and to the Speaker of the House setting forth total sales, credit sales, and guaranties to each country and international organization during the preceding quarter. The amendment allowed Congress to block by concurrent resolution proposed sales of $25 million or one causing the cumulative total of sales, credit sales, and guaranties to exceed $50 million for the first time.

Later in the afternoon of October 2, S. 3394 was recommitted to the Foreign Relations Committee by a vote of 41 to 39. The committee subsequently reported a new version of S. 3394 which did not contain the arms sales amendment 1929 which was adopted on the floor.

On December 3, 1974, I submitted amendment No. 2002 to the revised version of S. 3394. Amendment No. 2002 was identical to that adopted by the Senate in October. Again it provided that Congress could veto a proposed foreign military sale of $25 million or more, as well as any sale causing the cumulative total to exceed $50 million in 1 year. Congress was allowed 30 days of continuous session in which to act. On December 4, the Senate adopted the amendment, again by voice vote—RECORD, pages 38072–38077, 93d Congress, 2d session. S. 3394 passed the Senate later that day by a vote of 46 to 45.

This time in subsequent conference with the House the congressional veto of proposed sales was retained. However, the $50 million cumulative total provision was dropped, and the time period for possible veto of proposed sales was reduced to 20 calendar days, including days on which Congress was not in session. The conference report containing that provision was accepted by the Senate December 17, 1974, by a vote of 49 to 43, and became law December 31, 1974. (Public Law 93–559, 88 Stat. 1795, 1813.)

The enactment of the Foreign Assistance Act of 1974 containing the arms sales amendment—section 36(b) of the Foreign Military Sales Act—marked the first time that Congress had taken upon itself a direct role in foreign military sales.

Early in the 94th Congress—February 26, 1975—I introduced further legislation expanding the congressional role in foreign military sales. That bill, S. 854, required the President to submit to Congress by February 1 of each year a report setting forth the total amount of cash sales from stock, contracts for the procurement of defense articles or defense services, credit sales, and guarantees proposed to be made to each country or international organization during the next fiscal year—RECORD, pages 4392–4398, 94th Congress, 1st session.

S. 854 further required an executive branch projection of expected sales over the next 5 fiscal years, and a description of each major weapons system proposed to be sold. In addition, it required an explanation and justification for the foreign military sales program on a country-by country basis, evaluating the degree to which the program supported the foreign policy objectives of the United States, strengthened American security, and promoted world peace, as well as an impact statement as to how the program affected regional balances of power, arms control negotiations, and the overall military capability of the United States. Under S. 854, the foreign military sales program could not be put into effect until Congress by concurrent resolution had approved it on a country-by-country basis. Under that measure, Congress would have an opportunity to formulate overall foreign military sales guidelines in advance.

S. 854 was the focus of considerable attention during much of last year, stimulating broader congressional and public interest in arms sales questions.

On June 12, 1975, I introduced the text of S. 854 as amendment No. 583 to S. 1816, the administration's proposed Foreign Assistance Act of 1975. On that date I also introduced amendments No. 581 and 582 to S. 1816, closing loopholes in existing procedure under section 36(b) of the Foreign Military Sales Act, and conforming existing law with the terms of the Senate-passed amendment of the previous December.

Amendment No. 581 extended to 30 days of continuous session the time for possible veto of a proposed sale, and amendment No. 582 restored the provision allowing Congress to block a sale which caused a country's total sales to reach $50 million in a single fiscal year—Record, pages 18535–18540, 94th Congress, 1st session.

On June 17, I testified before the Foreign Relations Subcommittee on Foreign Assistance, chaired by the distinguished Senator from Minnesota, Mr. Humphrey, with the distinguished Senator from New Jersey, Mr. Case, as ranking minority member. That testimony stressed the need to restore Congress role as an effective partner in helping to formulate and oversee U.S. foreign policy in one area of foreign military sales. I discussed the provisions of S. 854 in some detail as one approach to insuring more effective congressional scrutiny and review of our ever-growing arms sales program.

On December 9, 1975, with the cosponsorship of the distinguished Senator from Massachusetts, Mr. Kennedy, I reintroduced the text of S. 854 as amendment No. 1228 to S. 2662, the arms exports bill offered by Senator Humphrey on November 13.

Also on December 9, I introduced amendments No. 1223–1227 with the cosponsorship of the distinguished Senator from New Jersey, Mr. Case—Record, pages 39216–39222.

In subsequent action in the Subcommittee on Foreign Assistance, amendments No. 1225 and 1226 were incorporated into S. 2662 as sections 203 and 204 respectively.

On January 19, 1976, I introduced Amendment No. 1328 to S. 2662—Record, page 58—allowing Congress 30 days of continuous session to block proposed arms sales as well as to block proposed third party transfers of defense articles and services section 204 of the bill.

S. 2662 reflects a number of the concerns embodied in S. 854. While S. 2662 does stop short of requiring prior congressional approval of the overall foreign military sales program, I am satisfied that the concept of prior approval received a fair hearing in the Foreign Relations Committee during this past year. I am confident, moreover, that during this coming year the Committee on Foreign Relations, and in particular the Subcommittee on Foreign Assistance will continue to monitor arms sales carefully.

The issue of arms sales will not be resolved with the enactment of any single piece of legislation. S. 2662 is an important major step toward the exercise of Congress proper role in the formulation of policy governing arms sales. S. 2662 takes strides toward improved oversight over the range of means by which the United States transfers weapons abroad. For whether arms are sold abroad for cash or credit, loaned, or given away, the international impact of the transaction remains much the same.

Congress must, moreover, demonstrate the political resolve to back up new procedures for improved oversight by subjecting all weapons transfers to careful scrutiny. The ramifications of vast amounts of arms already sold abroad will be with us for some time to come. For the future we must work toward an arms sales policy arrived at jointly by Congress and the executive branch, one which places arms sales in the context of overall U.S. foreign policy objectives, and one which serves our genuine interests as well as that of a more peaceful world.

I withdraw my amendment, Mr. President.

Mr. TUNNEY. Mr. President, will the Senator just yield to me?

Mr. HUMPHREY. Of course.

Mr. TUNNEY. I am going to be filing at the desk today in a few minutes an amendment which I wanted to bring to the Senator's attention because I think it requires some notification to the membership as to what I am going to be doing or attempting to do.

I will be introducing this amendment with Senator Cranston. The amendment basically is going to prevent from now on any support, financial support, of any military or paramilitary activities in a foreign country without having the full Senate first vote its approval.

As the Senator knows, we now have a procedure whereby with covert military action there is notification to eight Members of Congress, four in the Senate and four in the House of Representatives: The chairmen of the Armed Services Committee and the Appropriatios Committee and the ranking minority members of both those committees in both houses.

It seems clear to me as a result of the long debate we had during the consideration of the Angola amendment two months ago, December 1975, that we ought to be in a position in the Senate to know how our funds are being expended for the support of military and paramilitary activities in foreign countries.

So what my amendment purports to do is to require the Senate, as a whole, to vote on these moneys prior to the time they can be expended. Of course, the net result is there would not be any longer covert support for military action in foreign countries.

I point out to the Senator from Minnesota and to my colleagues that the amendment does not address the problem of covert political assistance. I think that is a separate subject and ought to be considered separately, and I hope that we would have some recommendations from the Intelligence Committee on that.

Insofar as military action and the support of military activities in foreign countries, there is no reason in the world why the Senate should not have a hold on that. I think it is a very basic constitutional principle.

Mr. EAGLETON. Will the Senator yield?

Mr. TUNNEY. Yes.

Mr. EAGLETON. I am interested in what the Senator is saying. It just so happens that the next amendment I will call up treats the problem that the Senator from California is raising in a broad generic sense.

The gist of what I seek to accomplish by this amendment is to plug up a loophole in the existing War Powers Act. As the Senator knows, under that act Congress is to be notified when the President takes some military or paramilitary type of activity using the Armed Forces of the United States. But that act does not cover CIA-type wars. If there is a fellow with a suit on that says "U.S. Army," the War Powers Act obtains and Congress must be notified and participate in the decisionmaking process. If he takes off "U.S. Army," wears the same suit, fires the same gun with the same bullets, it is not covered by the War Powers Act. So the point that the Senator from California seeks to address is the same point that I will raise by my amendment, which will be taken up soon.

I very much appreciate the interest he has shown in this very important and vital matter.

Mr. TUNNEY. Just to clarify a bit further the amendment that Senator Cranston and I will offer, there is pending now at the desk, or I assume it has been referred to the Appropriations Committee, a resolution that I offered with six or seven other Senators on the 19th of December 1975, shortly after the vote on my Angola amendment, which addresses the same point.

The language of this amendment in every particular is the same as the resolution which I introduced last December. I believe the point is a very clear one and one that really does not need any great explanation. I am sure that in the past 2 months every Senator has had an opportunity to decide for himself whether he feels that we should have covert action moneys being spent overseas in foreign countries without an act of Congress, or without the Senate acting upon it.

I would imagine that positions have pretty well solidified on this point. I do think that the matter is of sufficient moment that I would like to call up this amendment either later in the day or tomorrow so that Senators are notified that this, in fact, is going to be a matter of policy which they are going to be requested to vote up or down.

Mr. HUMPHREY. Mr. President, the Senator for California has every right to present his amendment. He has made a very persuasive presentation. I might add that we do have a central intelligence investigating committee which is making recommendations on this. The Government Operations Committee this morning met on legislation relating to overall intelligence activities and covert activities.

The War Powers Act is a fundamental

and basic piece of legislation which, as the Senator from Missouri has said, may very well need some amendment as it relates to covert activities which lend themselves to military operations.

I just want to say that at this moment it is my judgment that a matter of this significance should not be disposed of without hearings and the kind of thorough study that is required.

I tend to find myself in substantial agreement with what the Senator from California has had to say, but this is a very far-reaching proposal. It also moves right in on the extensive study which has been made by Senator CHURCH and his special Committee on Central Intelligence Activities. It does attach itself to the ramifications of the War Powers Act.

I would suggest on matters of this consequence the Senate be a deliberative body and not be too quick to rush into this matter.

Mr. TOWER. Will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. TOWER. I would like to express my agreement with the distinguished Senator for Minnesota. This is a matter which should be considered very carefully indeed, because it impacts, in my view, very adversely and disastrously on the ability of the United States to formulate and to implement foreign policy with any degree of flexibility at all. To me it is tantamount to announcing to the Soviet Union that we intend to become irrelevant in international affairs. I think it should be thorouhgly aired.

Whether the Senator from Minnesota agrees with me or not on the impact of the amendment proposed by the Senator from California, I certainly agree with him that the matter should be thoroughly aired and should be heard by a committee before it is ever deliberated in this Chamber.

Mr. HUMPHREY. We will have debate today, I am sure, on the amendment. I do not want to foreclose any options or positions, but my response, as I listened carefully to the Senator from California, is that this is a very far-reaching amendment and obviously one of tremendous importance.

I have learned over the years here in the Senate that on matters of such consequence it might be well to take the advice and counsel of committees who have worked at it; for example, the Intelligence Committee, and also to have new and fresh hearings as to what we are doing.

No one can foreclose the possibility of a vote. In fact, we will most likely have one. I do not want to downgrade the importance of the amendment. I commend the Senator from California for bringing it to our attention.

It would have been very good to have brought this to the attention of the committee which was meeting for 3 months on this whole subject. I would hope that the Senator might just hold it——

Mr. TUNNEY. Will the Senator yield?

Mr. HUMPHREY. Yes.

Mr. TUNNEY. I said just a few moments ago that I introduced this amendment in the form of a resolution in December I feared at the time that I introduced it that it probably would sink to the bottom of a legislative pile and would no be resurrected again until such time as I offered it as an amendment to the appropriate bill in the Chamber, which is the reason that I am now filing it at the desk.

Mr. HUMPHREY. Let me say in all respect to the Senator we did not get back here until the 19th of January and we did not have our committee meetings until around the 23d or 24th of January. Here it is the 5th of February. It is not as if it has been left at the bottom of the legislative pile. I do not know whether it is in the Foreign Relations Committee or not, but if it is, I want the Senator to know that the Foreign Relations Committee is practically up to date on its calendar.

The Senator from Alabama can speak for himself.

I assure the Senator that I want him to know that whatever happens to happen to his amendment, and he has every right to pursue it, I think it is a matter of such significance that, if it should not be adopted, it requires prompt, very prompt, exploration, hearings, and action.

There is so much that has been going on in this field. We have appointed a very prestigious committee of the Senate to look into the whole matter of intelligence activities. The chairman is here. They have made their report. They are making suggestions to the appropriate committees of the Congress.

Mr. President, I always feel on these matters of national security we should proceed with the process and the institutions that we have to dig out the facts and then to come in with our recommendations.

Does the Senator want to submit his amendment?

Mr. TUNNEY. Mr. President, I ask that the amendment be filed at the desk. As I say, I intend to call it up later in the day or tomorrow.

Mr. HUMPHREY. Mr. President, earlier today the distinguished Senator from Illinois (Mr. PERCY) brought in an amendment. We asked unanimous consent to have it taken down so that the Senator from Wisconsin (Mr. NELSON) could offer his amendment. Senator PERCY had to leave and, as the Presiding Officer may recall, he authorized me to present the amendment for consideration.

In fact, if the Senator from Idaho would prefer to call up the amendment, it might be desirable because it amends a section of the bill in which the Senator from Idaho has such a very special interest, a section of the bill to which his Multinational Subcommittee has directed a good deal of attention.

One of the most difficult problems which our committee faced in drawing up this legislation concerned the need to deal in an effective manner with abuses which have come to light involving improper payments allegedly made in connection with U.S. arms sales.

The need for legislation on this subject arose from facts developed during investigations and hearings by the Subcommittee on Multinational Corporations of the Committee on Foreign Relations. The subcommittee, which is chaired by Senator CHURCH and the ranking minority member, Senator PERCY, uncovered contributions, payments and gifts that were not only made directly, but, more frequently, indirectly, through "agents," and "consultants" and their employees and through various "shell" corporations frequently established in countries with laws prohibiting disclosure of information on corporate operations.

While determined to put an end to such abuses, the committee was mindful of a responsibility to respect the rights of American industry to protect legitimate proprietary information. No committee member could condone practices such as those which have been alleged, but neither would any committee member wish to jeopardize the competitive position of American business in the world market.

Section 213 of this bill, as reported to the floor, is directed at this problem of contributions, payments, and gifts in connection with U.S. arms sales. Its language was discussed at considerable length during our markup sessions. Not being satisfied that we had yet struck a proper balance between policing improper practices and protecting legitimate business concerns, the committee asked two of its distinguished colleagues, Senators CHURCH and PERCY, to study this matter further. I believe that they have made substantial progress and are in position to present the results of their efforts to the Senate.

I know the Senator from Idaho has worked with the Senator from Illinois (Mr. PERCY) in this matter, so in the absence of Senator PERCY, why does the Senator from Idaho not proceed?

Mr. CHURCH. Mr. President, I thank the Senator very much for the opportunity ot say a few words on behalf of this amendment. It is one on which Senator PERCY and I have worked on. It amends the original provision of the bill relating to disclosure of agents' commissions in connection with arms sales to foreign governments.

The modified language, I understand, has the approval of the State Department.

Mr. HUMPHREY. That is correct.

Mr. CHURCH. I think that Senators who have been reading the newspapers share with me a sense of shock and outrage over the hundreds of millions of dollars that, in the aggregate, have been secretly passed, in the form of illegal political contributions, payoffs, and bribes to enrich foreign officials for the purpose of securing multimillion-dollar sales contracts for weapons of various kinds.

Right now, we are in the midst of an investigation of the Lockhead Co., showing that in Japan alone, $7 million in cash payments, much of it delivered in Bekins boxes, large packing crates, was passed to a most questionable character, a person who engaged in right wing extremist politics in Japan, who was convicted as a war criminal and served 3 years in the penitentiary, all for the purpose of buying inside influence that enabled the company to sell both fighter planes and commercial transports to the Japanese.

Mr. President, these practices must stop. In the course of our investigation, we have discovered not only that these enormous payoffs have become endemic, but that they are typically deducted as business expenses in the income tax returns of the various companies, so that, in the end, the American people themselves are defrauded by this all-pervasive corruption.

Therefore, this amendment is necessary. It would instruct the Secretary of State to promulgate regulations that would require disclosure of agents' fees, commissions, political contributions, gifts, and dues paid, offered, or agreed to be paid by any person in connection with a sale of defense article or defense services under section 22 of this act.

I commend the amendment to the Senate, and I send the modified language, jointly sponsored by Senator PERCY and myself, to the desk and ask for its consideration at this time.

The PRESIDING OFFICER. The Chair will inform the Senator from Idaho that the amendment is presently before the Senate, it having been laid aside temporarily to consider the amendment of the Senator from Wisconsin.

Mr. CHURCH. I thank the Chair for that information.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. CHURCH. I yield.

Mr. TOWER. Am I correct that the amendment does soften the effect somewhat of the section in the bill as reported out of committee? I was concerned about that, because if rigidly applied, I think I can see it would place some rigid restrictions on American companies which would work to their disadvantage in competing with other companies abroad.

Mr. CHURCH. Yes; it was for that reason that Senator PERCY and I agreed that a revision of the language was in order.

We worked together to develop new language which I think would not put our own companies at any competitive disadvantage, but would tend to deter the practices which I have described. I think all of us want to see an end to bribery and illegal payoffs.

Mr. TOWER. Let me say that I agree with the Senator from Idaho. I wish we could get some of the other countries to put an end to it also. I might say that American corporations are not the only ones that have engaged in this kind of thing, and I dare say the reason that some American corporations have done it is because other countries were already engaged in that kind of practice, and they felt they had to do it to stay competitive.

Mr. CHURCH. I have no argument with the Senator on that score. What is wrong is wrong; if it is wrong for us to do it, it is equally wrong for others to do it.

Mr. TOWER. That is right.

Mr. CHURCH. We did have an occasion to query the State Department about the reactions of other European governments about a disclosure provision of this kind. Generally, we were told, the reaction was favorable. Indeed, it was reported that other governments might follow our example, and we may thus accomplish the very objective the Senator from Texas has in mind.

Mr. TOWER. I would certainly hope so. I wish the United States could enter into a convention with other countries that sell armaments internationally.

Mr. HUMPHREY. Mr. President, may I say we have taken note of that in our committee report, and have asked the executive branch to push that very objectively, particularly among major suppliers in Western Europe, to arrive at some common denominator or some recommendation in relation to arms sales. There is some movement under way now in the OECD countries.

Mr. TOWER. Right.

Mr. GOLDWATER. Mr. President, will the Senator from Idaho yield for a question?

Mr. CHURCH. I yield.

Mr. GOLDWATER. Is this amendment directed at those companies which have participated in this form of activity and then deducted it as a business expense, or does it preclude any company from using money for these purposes, which they consider not to be deducted as an expense from income tax?

Mr. CHURCH. The amendment really sets down a general requirement for disclosure of fees and commissions paid. It does not attempt to differentiate between companies or assess guilt with respect to past practices. But the disclosure requirement, we believe, will be a deterrent to wrongful payoffs, bribes, and illegal contributions of the kind made in the past.

Mr. GOLDWATER. Then the question comes to my mind, what do we call illegal? I know a little bit about international business, and while I do not condone this practice any more than the Senator from Idaho does, it is a way of life. In Mexico it is called a "mordida." It is a bribe. You do not do business in Mexico without it, or in most countries without it.

The question then comes up, when is it illegal? Only when they attempt to deduct it at the expense of the taxpayer, which I would agree with, or is it also illegal for a company which knows it has to pay a little bit to get business, but is not going to attempt to deduct it?

I think a definition of what is legal or illegal might be appropriate.

Mr. CHURCH. Mr. President, I really feel that in this case the question the Senator raises will not pose a serious problem. Legitimate commission reasonably related to services rendered are not outlawed. The disclosure requirement certainly will impose on each company the obligation to scrutinize these payments much more carefully, to determine if they conform with local law in the country concerned, and with the laws of the United States as well.

With such a disclosure requirement, excessive and improper bribes and payoffs of the sort we have uncovered in the course of our investigation could be avoided in the future.

Mr. GOLDWATER. I hope the Senator is right.

But, unfortunately, the United States is no longer the dominant economic country that it once was where, unfortunately maybe in a way, fortunately it may be in another way, 90 percent of the airframes of the world were bought from the United States. We are now facing increased competition from other countries, and if we get the other countries to stop the so-called bite this would be a very acceptable thing, I can assure the Senator, because no company likes to have the pressure put on them to outbid another country, but this is done. It is unfortunately an accepted way of business life in this country.

We even engage in it, I might say, within the boundaries of the country.

I see nothing different from Lockheed paying some country something or General Motors, or any other company, paying me $200 or $400 to buy their car. The Senator has flown around this country a lot. Companies are offering so many frozen steaks if you buy your gas from a certain company at a certain airport.

So, to a lesser degree, we practice these things every day in our own country, and we also practice it in our politics, I hate to say. We watch both business and labor bid money for our supposed support.

So, I hope the revelations that the Senator has made about our corporations can some day bear fruit on down the line, and we can see American business within our own country stop giving away and never rewarding.

Mr. CHURCH. I am sure the Senator appreciates that there is a distinction between the kind of practices he has described and secretly paying a chief of staff of a foreign air force hundreds of thousands of dollars in order to purchase his approval of a sales contract for a multi-million-dollar sale of aircraft.

There is a difference between bribes and legitimate commissions. The Senator knows that. There is a world of difference between a bribe and a rebate. We recognize a certain code of ethics, and we try to practice it, as best we can.

The misconduct that we have uncovered in the course of our investigation is shocking by any standard, and anything we can do to help bring these practices to an end will, in the long run, serve the best interests of American business.

I can think of nothing that would be more conducive to dealing with American firms than a reputation for honesty which becomes known to the foreign governments with which they deal.

I believe that this amendment is the first step toward correcting a practice that the Senator himself must feel is wrong—I am sure he does—concerning which we ought to do our best to correct.

Mr. GOLDWATER. I agree there is a great difference between $500,000 and $200. But I maintain the principle is exactly the same.

As to American business practices, one only has to read his newspapers, watch his television, and listen to the radio. We are offered price advantages for certain things, and I assure the Senator that these are deducted. I do not say we should stop these things.

I think we should stop any illegitimate action by any company. If I were Lockheed and tried to deduct what I paid a certain chief of staff from my taxes, that is wrong; but to give that chief of staff a little more money than some other company gave him and not deduct it, I see as a way we have been doing business and we will continue to do business in the future.

Mr. HUMPHREY and Mr. CHURCH addressed the Chair.

Mr. CHURCH. Mr. President, the amendment is now pending. I hope the Senate will approve it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. GOLDWATER. Mr. President, I was on my feet.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. GOLDWATER. Mr. President, I ask unanimous consent to withdraw my request in asking for the yeas and nays.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Illinois.

The amendment was agreed to.

Mr. HUMPHREY and Mr. EAGLETON moved to reconsider the vote by which the amendment was agreed to.

Mr. CHURCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. EAGLETON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. EAGLETON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, this amendment that I sent to the desk is identical to amendment No. 1291, with a couple of minor changes to conform to the bill.

Mr. President, I ask unanimous consent that the amendment be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following new section:

SEC. 313. Section 8 of the War Powers Resolution is amended by adding at the end thereof the following new subsection:

"(e) Any person employed by, under contract to, or under the direction of any department or agency of the United States Government who is either (1) actively engaged in hostilities in any foreign country; or (2) advising any regular or irregular military forces engaged in hostilities in any foreign country, shall be deemed to be a member of the Armed Forces of the United States for the purposes of this Act.".

ANGOLA AND WAR POWERS

Mr. EAGLETON. Mr. President, the debate over our involvement in Angola has rekindled discussion of the proper relationship between Congress and the President. In my view, the confusion created by the public revelation of our Angola policy was as much a symptom of Congress' failure to institutionalize its participation in decisions involving war as it was a case of excessive executive branch secrecy.

In a recent column, James Reston characterized the state of the current relationship between Congress and the President. Mr. Reston said:

> . . . the present decision-making, "system," if that's the right word, is an incoherent mess, excessively irritating to both branches of the Government and dangerous to the national interest.

In my view, Mr. Reston is absolutely correct. And a principal cause of this "incoherent mess" is the haphazard and arbitrary way Congress chooses to exercise its constitutional role. Unfortunately, this is our destiny so long as we are unable to create orderly legal guidelines within which both branches can operate.

Our failure is particularly apparent in the foreign affairs area. We react to correct negatives in U.S. foreign policy and too often our corrective action comes too late to salvage U.S. interests. Time and again the apparent arbitrary nature of our action leads to the familiar charge that Congress is interfering with the President's conduct of diplomacy.

That charge is now raised in connection with the vote to terminate the U.S. involvement in Angola. But is Congress improperly interfering in diplomacy in that instance? Is war, as the Prussian military strategist, Karl von Clausewitz, described it, simply a carrying out of diplomacy by other means?

Perhaps by some standards it is, but the American Constitution does make a distinction. Presidents have great power to decide tactical matters of diplomacy. But Congress has a primary responsibility in deciding whether to involve the United States in war.

Angola might well be one Presidential war we have avoided. Nonetheless, there is no great solace to be found in the almost accidental way Congress got into the decisionmaking process.

Members of eight congressional committees, under injunction of secrecy, were told last July that the United States was engaged in what then-CIA Director William Colby called a "paramilitary" operation. Yet only when newspaper leaks describing our involvement broke into a torrent in December did Congress come to grips with the far-reaching policy implications of our action.

As it evolved, our Angola policy very early on became substantively and legally distinguishable from the day-to-day tactical decisions of diplomacy. We were not, after all, simply formulating a framework for an international conference. We were not deciding the U.S. position on a trade issue or an official reaction to an objectionable U.N. resolution. We were in fact deciding whether to involve the United States, however modestly at first, in a war.

The full revelation of our Angolan policy gave rise to the charge that the administration had not learned the lessons of Vietnam. I think it is apparent now that the Vietnam analogy was an emotionally charged inaccuracy.

But the secrecy—the covertness of it all—sharpened negative perceptions, however unfair. The debate focused on those qualities of the policy which were indeed analogous to our Vietnam experience; that is, the apparent need to demonstrate an intolerance for Soviet aggression, the stated desire to provide Angolans an opportunity for "self-determination," the compunction to involve ourselves in a civil war we had little chance of winning.

The congressional reaction reflected a deep mistrust of administration disclaimers that Angola could grow to Vietnam proportions.

The dynamic was perceived as too familiar: small portions of military aid—followed by American civilian observers—followed by foreign mercenaries—followed by American advisers—followed by American bombers and, if all else fails, send the Marines.

While realistically this progression was unlikely in the case of Angola, the perceptions of a once-burned Congress cannot be ignored. And, commendably, Congress did perceive here its constitutional responsibility to decide matters of war and peace, where it did not in the early days of our Vietnam experience.

The granting of covert military assistance to the pro-West faction in Angola led inevitably to the introduction of American civilian observers. Consideration of such a course of action should have involved Congress—not merely the selected members of eight committees who were then immediately shackled by secrecy, but the entire Congress. That it did not is a dramatic sign that we have made little progress in reforming the decisionmaking process which led us into Vietnam.

That process was said to have been made right by the war powers resolution. But the Angola situation was not covered by that law. As former CIA Director Colby pointed out before the House Intelligence Committee, the Angolan activities of his agency were permitted under the war powers resolution because "paramilitary operations were stricken from the act."

The Founding Fathers did not distinguish among the types of combatants a President might involve in a conflict. As Mr. Colby correctly states, the war powers resolution does.

Had the President desired to send uniformed military personnel instead of CIA agents into Angola as observers, Congress would have been consulted under section 3 of the war powers resolution prior to that decision. In addition, within 48 hours after their introduction, a report would have been filed describing their mission. Congress would then have had 60 days within which to affirmatively sanction the operation or do nothing and thereby terminate our involvement.

Angola is but another reminder that under our system involvement in war cannot be treated as a simple extension of diplomacy.

If the U.S. Government introduces its citizens, civilian or military, into a hostile situation, the Constitution requires congressional sanction.

If the war powers resolution had reflected that principle, Congress would have become involved in the Angola debate early enough to influence our policy. As it now stands, the course we have ultimately adopted is destined to be tainted by erroneous charges that Congress has once again undermined the Executive in its day-to-day conduct of diplomacy.

Mr. President, the amendment I propose today is similar to one I introduced in 1973, during the original consideration of the war powers resolution. It was rejected at that time, not because of substantive reasons, but because it involved an intelligence matter and therefore came under the jurisdiction of the special CIA oversight committee. For the 1973 debate on this matter, see the Congressional Record of July 20, 1973.

I would also point out that although this amendment was once rejected by the Senate, it was at that time offered to a different version of the war powers resolution. It would have made intelligence activities subject to the prior restraints contained in the original Senate version of that legislation.

Now, however, the war powers resolution is different, and the adoption of this amendment, would require only a report—and only in limited (4(a)(1)) circumstances.

The point is that uses of intelligence forces which rise to the level of a 4(a)(1)) report should be subject to the 60-day limitations, as well as the concurrent resolution termination procedure. That is the legal effect this amendment would have.

My amendment is written in such a way as to permit intelligence-gathering observers in hostile zones. It would, however, place those actually engaged in combat or involved in a war in an advisory or organizational capacity under the other provisions of the war powers resolution. It would also encompass the use of contract personnel engaged in these activities.

Much has transpired in the 3 years since this amendment was first proposed. We now have evidence of numerous "paramilitary" operations conducted in secrecy without the consent of Congress. And we now have Angola.

The concept of this amendment is really very simple—it is an amendment to make the language of legislation match the realities of war. To anyone engaged in a combat operation it is irrelevant whether they are members of the Armed Forces, military advisers, civilian advisers, or hired mercenaries. The consequences are the same—they can kill, and they can be killed.

We should have learned by now that wars do not always begin with the dispatch of troops. They begin with more subtle investments—of dollars and advisers and civilian advisers.

I hope we never send another American as a military adviser into a civil war. But I am not confident that even the bitter experience that we have had in Vietnam, Cambodia, and Laos was such as to prevent us from the future exercise of folly.

We will not have permanently learned the lesson Vietnam should have taught us unless we plug this loophole—unless we treat all Americans in military situations alike, whether they are wearing a green uniform, red, white, and blue, or a seersucker suit.

The payroll a U.S. employee is on is really secondary. It is not important whether you get paid by the Pentagon or the CIA. The end result is the same: Americans are exposed to the risk of war. And, as they are exposed to the risk of war, the country then makes a commitment to war.

Mr. President, the only way Congress and the President are going to work together in the national interest is to establish clearly the division of power. When it comes to war, Congress has a primary responsibility. And whether our combatants wear military uniforms or business suits, Congress must decide where and when they will fight.

It is Congress, Mr. President, under the Constitution, that has the warmaking authority. It is Congress that was provided that authority, very directly and with considerable intent, by the two framers of that position, Mr. Hamilton and Mr. Madison.

It is very clear in reading the discussions at the Constitutional Convention and the supporting materials that were published at that time that the Founders wanted Congress to make the decision of when we would go to war. Why? They were trying to get away from unilateral, individual decisionmaking by a man like George III. "Never again," they said, "is one man going to tell us when we are going to go to war. It is to be a collective judgment, made by Congress." That is solid constitutional law, that is the intent of the Constitution.

A President cannot, in my opinion, avoid that constitutional principle by sending people called CIA agents into a hostile situation. They are in just as much danger as any other human being when introduced into a hostile situation.

You cannot get around the Constitution by the clever artifice of taking the label off a suit. If it says "U.S. Army," we have to take into consideration the war powers bill and the Constitution, and we have to do certain things. But if you take the label off—it can be the same olive drab material; it can be the same weaponry—if we call it a CIA war, then the Constitution does not reign supreme. We can thwart the Constitution.

That is simply that it boils down to, Mr. President. It is not a decision, really, that I think this body can avoid making. This body cannot have, as a guiding principle of its operation, the violation of the U.S. Constitution. No Senator can get up on this floor and say, "I do not want the Constitution to be enforced; I do not like that provision." There are remedies if one does not like the constitutional provision. One can proceed with a constitutional amendment.

Various women's organizations have proceeded with that remedy with respect to the equal rights amendment; various groups opposed to abortion are proceeding with that remedy by trying to get a constitutional amendment on abortion. If the Members of this body do not want Congress to play a role in this, if the Members of this body find that it is so burdensome, so difficult, so ticklish for Congress to decide when we are to go to war, the remedy is to introduce a constitutional amendment that says we, the Members of Congress, who do not have the guts to make this decision, who want to shirk what is their rightful responsibility, want the President to make that decision. I would not support such an amendment, but that would be the direct way to do it; that would be the legislative approach. Anything short of that is illegal and unconstitutional.

It was interesting, just a little earlier, when I heard the exchange between the distinguished Senator from California (Mr. Tunney) and the distinguished manager of this bill, Mr. Humphrey, that Mr. Tunney apparently has the same qualms and concerns as do I, with an amendment he may take up, either later today or tomorrow.

I would have thought in the earlier debate we had on this amendment—that was in July 1973—that the lessons of Vietnam were so fresh on our minds that there would be no doubt as to where Congress should stand. I would have thought that it would have escaped any opposition or any debate whatsoever. But sometimes, Mr. President, we are not only slow learners, but we are too forgetful.

We should recall our involvement in Laos. There we used the artifice of advisers and what have you; we had that little CIA war going on over there. And it was not so little. My distinguished colleague from Missouri (Mr. Symington) was among the first Members of the Senate, first, to discover the war and second, to disclose the magnitude of the war.

It was not a tea party with a couple of popguns. It was a prety hot, shooting war, with lots of equipment, even an Air Force. And it was conducted courtesy of the CIA.

I think the time is upon us, Mr. President, when we are really going to have to fish or cut bait insofar as our responsibilities here are concerned. If I be in the minority in the sense that it is not the will of this body to participate in the decisionmaking process as to war, so be it. I shall abide by the majority vote. I am entitled to express my views, but the majority will rule.

We ought to do that knowingly. We ought to do it after full and extensive debate. We ought to make the decision process so clear that no one can misconstrue what we are or are not doing. If it be that we want to shirk that responsibility, then we should pursue it by the constitutional amendment route.

Mr. President, I yield the floor.

Mr. JAVITS. Mr. President, I came especially to listen to Senator Eagleton, since I was the author of the war powers bill, later passed over President Nixon's veto, as the war powers resolution. The final result, which I think has been shown us so often, is one of the great constitutional events in our country. Among those who made major contributions was Senator Eagleton. There was nobody more interested and more creatively involved—not even Senator Stennis, who, to the great benefit of the country, added such prestige to this effort.

It was the greatest regret to me that, at the end, Senator Eagleton found it in good conscience—and I respected his conscience—impossible to support the bill which came out of the House-Senate conference.

I welcome his continuing thoughtfulness, interest, and constructive effort to seek to bring into accord with his view, from what he thinks is the experience of the country, the war powers resolution as it was enacted. I hope very much to handle this in a very deliberate way. I am sure he feels the same, or he would not have spent the last 2 or 3 years thinking about it.

I consider it probably the most important thing I have done in the almost 30 years that I have been in the House and Senate. I hope he will agree that this is a matter which deserves the most profound consideration of the Foreign Relations Committee.

He has a whole series of amendments, Nos. 1367 to 1375, inclusive, as well as amendment No. 1291, about which he has just spoken. I hope very much that Senator Eagleton will join with me, with the same patriotism and with the same considered quality that marked his participation in this great effort, to give us a full opportunity to review, debate, and consider all the questions which are here involved. I am authorized by the committee to assure him that we will conduct hearings within a suitable framework and consider his amendments. I shall attend every one of those hearings, and we will really have an opportunity to see if, though in a measure of this kind, the time is still young the time has come to consider some amendments.

I hope very much that, because of his great respect for this legislation and his thoughtfulness about it, he will join with the members of the committee in seeking that opportunity, rather than feeling that these amendments should be decided here and now, on this particular bill, which so many events and so many people believe in.

Mr. EAGLETON. If I may respond to my distinguished colleagues from New York (Mr. Javits), as he always does, he speaks with great logic, great conviction, and with great persuasion. This is, Mr. President, a matter of urgency and a matter of great importance.

How a country goes to war, when a country goes to war, is, perhaps, the most vital decision a free people can make. It should be treated in a way that all can participate, so that we can have a good hearing record, so that different points of view, including the expertise of people outside the U.S. Senate, can be heard. This should not be decided momentarily or in a cursory way.

I appreciate very much what Senator Javits has said. I am glad that he, himself, will participate in these hearings because, more than anyone else in the Senate, he is the author—and, I must say, the proud author—of the war powers resolution. He brought it into being and he saw it grow up, as it were. I am appreciative of the fact that he will consider the matters that I have raised in my speech and in this amendment. Knowing that he will, at this time, I wish to withdraw my amendment, Mr. President.

The PRESIDING OFFICER (Mr. Hollings). The amendment is withdrawn.

Mr. EAGLETON. Mr. President, I have another amendment.

Mr. JAVITS. If we could have an idea from the Senator, if he would be kind enough to inform us, as to whether he wishes to call up each of these amendments or is this something else?

Mr. EAGLETON. This is something else.

Mr. JAVITS. I thank my colleague because we just need it for our planning with respect to the bill.

Mr. EAGLETON. I am not calling up any more of my war powers-type amendments. It is a clean bill so far as they are concerned.

Mr. JAVITS. I want to compliment the Senator. The course he is pursuing is the far more productive course, and I am very pleased that he has made that decision.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

AMENDMENT NO. 1379

Mr. EAGLETON. I thank my colleague.

I would like to proceed to another matter, and I call up my amendment No. 1379.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Missouri (Mr. Eagleton) proposes an amendment No. 1379.

Mr. EAGLETON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 76, line 15, immediately after "(2)" insert "(A)".

On page 76, between lines 19 and 20, insert the following:

"(B) The President shall make such determination and transmit such statement to the Congress promptly upon the receipt of information that a violation, as described in paragraph (1) of this subsection, has occurred.

"(C) In making such determination the President shall take into account only the matter contained in clauses (A) through (C) of paragraph (1) of this subsection.

"(D) In the event it becomes probable that a violation described in paragraph (1) of this subsection has occurred, the President shall employ all available resources, including intelligence agencies of the United States, to ascertain whether such violation has occurred.".

Mr. EAGLETON. Mr. President, the distinguished Senator from Minnesota (Mr. Humphrey) is to be highly commended for his comprehensive effort to reform our Government's arms export policies. This bill goes very far in addressing the serious policy implications of the ever-burgeoning distribution of conventional weapons. It lays the foundation for an energetic initiative by the executive branch to seek multilateral agreement on this worldwide problem.

One aspect of current law which is modified by the bill before us is the procedure wherein a recipient nation becomes ineligible for further deliveries of American arms. For many years now our laws have advanced an important principle of control over the use of American-supplied weapons. This principle is even more important in a world threatened by the dangerous proliferation of conventional weapons.

In recent years Congress has had considerable experience with the current law in this area, section 505(d) of the Foreign Assistant Act and 3(c) of the Foreign Military Sales Act. These provisions state that a nation becomes "immediately ineligible" to receive any further grants, credits, guarantees, or sales, if found in violation of the conditions under which they received American arms.

These important provisions should be sufficiently explicit as to effectuate meaningful control over the use of our weapons.

Nonetheless, we have had great difficulty in implementing these penalty provisions due to a failure on the part of the executive branch to reach the determinations necessary to give them force.

In the case of the Turkish invasion of Cyprus, for example, Congress had to use its power over the purse to deny weapons shipments to Turkey. We had to resort to this ultimate power even though many in the State Department today will concede that Turkey's second invasion of Cyprus on August 14, 1974, was clearly a violation of that country's agreement with the United States that it would not use our arms for aggressive purposes. A Presidential determination declaring Turkey ineligible for U.S. arms has not to this day been made.

In the fall of 1974, I requested the General Accounting Office to review the circumstances of the Turkish invasion of Cyprus to see whether the President has fulfilled his obligations under the law. The Comptroller General concluded that the administration did have an obligation to take action and stated that the provisions of law in question, sections 505(d) of the Foreign Assistance Act and section 3(c) of the Foreign Military Sales Act, "place a specific duty upon cognizant officials to expeditiously consider and make appropriate determinations concerning the applicability of such provisions in circumstances which clearly suggest potential violations."

(Mr. Harry F. Byrd, Jr., assumed the chair at this point.)

That is very fine bureaucratic type language, Mr. President. But, in essence, it says, "Here is the law, the law is clear, and it is the duty of the President to enforce the law."

Although the bill before us gives Congress the right to declare a nation ineligible for grants and credits by concurrent resolution, it does not address the problem we have had in getting a President to make the determination necessary to cause a termination of assistance. In fact, it could be argued that the creation of a mechanism to give Congress a share of this function is a capitulation to the dangerous notion that Presidents simply do not have to implement the law if foreign policy implications are involved.

In my view, the burden of making determinations of this type correctly lies with the Executive, the branch which has immediate access to the information required to judge whether a violation has taken place. For example, under the legislation before us, one would have to know whether American arms were used or transferred without consent and, if armed action was involved, whether such action was defensive or aggressive. Often times such decisions require close judgments and intimate knowledge of the circumstances.

Mr. President, I am offering companion amendments to sections 103 and 206 of this bill which would stress Congress intent that determinations made under these ineligibility sections be made promptly upon receipt of information that a violation has occurred. In addition, these amendments would assure that the Presidential determination take into account only factual information related to whether U.S. arms have been improperly used, transferred or maintained.

In the event allegations are raised as to whether a nation has violated its arms agreement with the United States, my amendments would also require the President to employ all available resources, including the intelligence agencies of the United States, to ascertain whether such a violation has occurred. I feel that this very clear edict to obtain the information necessary to make the judgment of a nation's eligibility will discourage the response too often heard today that "American arms may have been used in the invasion of country X, but this cannot be confirmed."

I would point out that this latter response has been heard with respect to the invasion of Timor by Indonesia on December 7, 1975. Two months after that invasion, a nation which is to become immediately ineligible to receive further arms if it in fact used American arms for aggressive purposes, remains eligible because, despite widespread reports that U.S. arms were used, the President has made no determination.

Mr. President, I want to reiterate my high regard for the overall thrust of the reform proposal presented by the Senator from Minnesota. I feel, however, that in our effort to impose controls over the use of American weapons, we cannot relieve the President of his primary responsibility in this area. This amendment would emphasize the importance Congress attaches to a prompt Presidential determination concerning the eligibility of recipient nations.

Mr. President, I, for the moment, do not see my distinguished colleague from Minnesota (Mr. HUMPHREY). I had some indication that this amendment might be acceptable. I will yield to the Senator from New York.

Mr. JAVITS. Mr. President, I shall not state, and I do not wish to state, at the moment the committee position on this matter until both the chairman of the subcommittee and the ranking minority member appear on the floor and I shall, in a moment, suggest the absence of a quorum for that purpose. But I did wish to urge this point.

The fact is, Mr. President, we have sought in the drafting of the legislation to deal with a certain amount of ability by the President to hold off a crisis, if one should be facing us, through the way in which he is permitted to discharge his responsibilities under this act and, in this particular case, it will be noticed that the methodology which the committee used, which is found at page 76, lines 17 and 18, leaves the determination in the hands of the President without requiring him, mandating him—although one really cannot mandate a President as a matter of fact—not mandating him even in language to make the dttermination.

The Senator's amendment would make that a mandate so that the President is required to make such determination "promptly" and to transmit it to the Congress promptly. It even goes to the extent of mandating him where there is probable cause—and that is shown on page 2 of the amendment—to employ the resources of the United States, including intelligence agencies, to investigate.

That, it seems to me, is trying to mandate an executive function in a manner which would be beyond our constitutional power. We may deprive people of money, and we may order them to do whatever we wish to order them to do, but it is pretty difficult to enforce, under long-established centuries old rules of law respecting injunctions or mandates.

You may lead a horse to water but you cannot make him drink. That is just as true of Presidents.

I have doubts as to the practicality or efficacy of this amendment though I deeply appreciate the thrust of the Senator in this respect.

In any case, Mr. President, I do feel that there are some reservations and if the managers of the bill should decide to take this amendment to conference, I would certainly wish to reserve my opportunity in conference to put it in shape which would not run afoul of the objections which I have here set forth.

Hence, unless the Senator wishes to debate the matter further, I am going to suggest the absence of a quorum.

Mr. EAGLETON. Mr. President, the Senator from New York raises some interesting issues. I would simply point out that this amendment does track with other provisions in the law where the President is required to come forth with information in the area of human rights and other matters. It is really not all that unprecedented, nor is it a departure from custom.

I realize the Senator from New York has some reservations. I hope if this amendment is accepted he can give it his considerable attention. If it is found to be wanting, of course, I want the Senator from New York to make his own judgment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I ask unanimous consent that Harold Rosenthal be granted the privilege of the floor during the debate and votes on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HATFIELD). Without objection, it is so ordered.

CONDITIONAL ADJOURNMENT OF THE TWO HOUSES

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on Senate Concurrent Resolution 92.

The PRESIDING OFFICER (Mr. HATFIELD) laid before the Senate the amendments of the House of Representatives to the concurrent resolution (S. Con. Res. 92) providing for a conditional adjournment of the Senate from February 6, 1976, until February 16, 1976, as follows:

> On page 1, line 7, of the Senate engrossed resolution, strike the period and all that follows down through and including line 6 on page 2, and insert: "; and when the House adjourns on Wednesday, February 11, 1976, it stand adjourned until 12 o'clock noon on Monday, February 16, 1976, or until 12 o'clock noon on the second day after its Members are notified to reassemble in accordance with section 2 of this resolution, whichever event first occurs.
>
> "SEC. 2. The President pro tempore of the Senate and the Speaker of the House of Representatives shall notify the Members of the Senate and House, respectively, to reassemble whenever in their opinion the public interest shall warrant it or whenever the majority leader of the Senate and the majority leader of the House, acting jointly, or the minority leader of the Senate and the minority leader of the House, acting jointly, file a written request with the Secretary of the Senate and the Clerk of the House that the Congress reassemble for the consideration of legislation.
>
> "SEC. 3. During the adjournment of both Houses of Congress as provided in section 1, the Secretary of the Senate and the Clerk of the House, respectively, be, and they hereby are, authorized to receive messages, including veto messages, from the President of the United States."

Mr. MANSFIELD. Mr. President, I move that the Senate concur in the amendments of the House of Representatives.

The motion was agreed to.

The title was amended so as to read: "Concurrent resolution providing for a conditional adjournment of the Senate from February 6, 1976 until February 16, 1976, and of the House of Representatives from February 11, 1976 until February 16, 1976."

INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT of 1976

The Senate continued with the consideration of the bill (S. 2662) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

Mr. GOLDWATER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. EAGLETON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EAGLETON. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

AMENDMENT NO. 1379 (AS MODIFIED)

Mr. EAGLETON. I send another amendment, a modification of the previous one, to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Missouri (Mr. Eagleton) proposes an amendment numbered 1379, as modified.

Mr. EAGLETON's amendment (No. 1379, as modified) is as follows:

On page 76, line 15, immediately after "(2)" insert "(A)".

On page 76, between lines 19 and 20, insert the following:

"(B) The President shall make such determination and transmit such statement to the Congress promptly upon the receipt of information that a violation, as described in paragraph (1) of this subsection, has occurred.

Mr. EAGLETON. Mr. President, I have now modified the amendment that I had previously discussed, striking from the amendment everything after line 8 on page 1 and lines 1 through 5 on page 2. It is my understanding that the amendment as modified is acceptable to the distinguished Senator from Minnesota.

Mr. HUMPHREY. Mr. President, this amendment refers to a provision in the bill on page 76, starting at line 15, which relates to certain standards to be applied where there is a violation of the act by recipient countries of our military assistance or military credits.

What the amendment does is instruct the President to make a determination and transmit such statement to Congress promptly upon the receipt of the information that a violation, as described in this subsection, has occurred.

Our bill, as written, calls upon the President to do so if the President so determines that a violation has occurred.

What we are doing here is specifying that the President, if he discovers such a violation, shall promptly transmit the information to Congress. I believe this clarifies what is now in the bill as strengthening it. It calls upon the President, the Chief Executive Officer of the Government, to transmit information as to any violation promptly to the Congress so that Congress can take that into consideration.

I fully accept the amendment.

The PRESIDING OFFICER. Does the Senator move its adoption?

Mr. EAGLETON. I move adoption of the amendment.

Mr. JAVITS. Mr. President, is the Senator taking the amendment as it stands?

Mr. HUMPHREY. No. The amendment that has been modified to keep only the first paragraph.

Mr. JAVITS. I wish to say now I am perfectly willing to take this to conference. I do wish to reserve my right to review it in order to be sure that it does not try to do things, first, that we should not or could not do. I wish to simply make that reservation.

I do not seek in any way to find any fault with it. I am very pleased that the Senator from Missouri (Mr. EAGLETON) has seen fit to deal with what I did think was a fatal deficiency.

I simply did not wish to be committed to it at this stage.

Mr. HUMPHREY. Mr. President, I feel, speaking for myself, that this particular amendment relates specifically to what we are trying to do in the bill. All amendments, of course, are subject to conference, but if we adopt it, we will do our best to hold it.

Mr. JAVITS. I only say to our colleague I did not wish in any way to indicate that I would be any less than true to my oath as a conferee.

Mr. HUMPHREY. Surely.

Mr. JAVITS. I would try in every way to seek to sustain the Senate bill, including this amendment. I did wish opportunity to have a look at it.

Mr. HUMPHREY. Surely.

Mr. JAVITS. What I find may be persuasive to Senator EAGLETON himself. I wish to only make that reservation.

But I am entirely in agreement that it should be taken.

Mr. EAGLETON. Mr. President, I appreciate the statement of the Senator from New York, and I thank him; and I thank the distinguished Senator from Minnesota.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Missouri.

The amendment, as modified, was agreed to.

Mr. EAGLETON. Mr. President, I have another amendment, which is at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. EAGLETON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 44, line 12, immediately after "(2)" insert "(A)".

On page 44, between lines 15 and 16, insert the following:

"(B) The President shall make such determination and transmit such statement to the Congress promptly upon the receipt of information that a violation, as described in paragraph (1) of this subsection, has occurred.

Mr. HUMPHREY. Mr. President, may I ask a question? Is this basically the same amendment that applies to military sales?

Mr. EAGLETON. I have stricken that out for another section of the bill. I have stricken out the same paragraphs that we immediately discussed down to the version of the previous amendment.

Mr. HUMPHREY. It applies to military assistance grants as applied to other sections on foreign military credits and sales.

Mr. EAGLETON. The Senator is absolutely correct.

Mr. HUMPHREY. Mr. President, the amendment is surely germane and it strengthens the bill. We will accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Missouri.

The amendment was agreed to.

Mr. EAGLETON. Mr. President, I have one final amendment.

I call up my amendment No. 1381, which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Missouri (Mr. EAGLETON) proposes an amendment No. 1381.

The amendment is as follows:

On page 76, at the end of line 14, add the following: "No cash sales or deliveries pursuant to previous sales may be made, no license effective for export to the armed forces of such country may be effective, and no deliveries under any such license may be made with respect to any foreign country under this Act, as hereinafter provided, if such country uses such defense articles or defense services in such substantial violation by using such articles or services for a purpose not authorized under section 4 of this Act.".

On page 76, beginning with line 15, strike out through line 16 and insert in lieu thereof the following:

"(2) A country shall be deemed to be ineligible pursuant to paragraph (1) of this subsection.".

Mr. EAGLETON. Mr. President, the revision made in this bill to the mechanism existing in current law to make a nation ineligible for further arms shipments contains what I think is a very significant loophole. In effect, although a nation is determined to be ineligible to receive grants and credits because of a misuse of American arms, that nation would remain eligible for cash purchases of U.S. weapons.

The effect of this loophole is to announce to the world that the United States will take action against aggressor nations using our arms—unless the country can pay cash for its supplies. What this loophole says is that the United States will continue to arm an aggressor—to supply badly needed ammunition and spare parts to aid indirectly in the aggressive act—so long as that nation can pay cash on the barrelhead to U.S. arms merchants.

I am sure that the committee did not intend to convey the impression that financial interests outweigh the concept of arms control reflected so well in other parts of this bill. But the exclusion of cash sales from the "ineligibility" section, section 206, most certainly projects that impression. I can only assume that this oversight might be attributed to a too-narrow view of the current provisions of law in this area.

One attitude about the existing "ineligibility" provisions is that the United States terminates arms transfers to a violating nation for purely punitive purposes.

But while the principle of control embodied in the provisions is obviously exercised through the use of a penalty, punishment is not the sole consideration. There are foreign policy implications as well.

When a nation uses American arms to invade another nation, the United States is indirectly drawn into the controversy. When this happens, the continued supply of arms to the aggressor brings the United States into the conflict in a direct way. Whether U.S. arms are obtained by the aggressor through grants or sales, our supply effort represents a provocative act against the country under attack.

Some argue, convincingly, that a total embargo against a nation for minor violations is too drastic a measure. For this reason, my amendment would render a nation ineligible for further cash purchases of American weapons only if that nation violates condition A of section 206. Condition A would involve the actual use of U.S. weapons for purposes not authorized; that is, for aggressive purposes.

It is my view that if this nation determines that a recipient nation is guilty of an aggressive act using American arms, that nation should be totally ineligible to receive further arms. My amendment would make a distinction between the use of American arms for aggressive purposes and the lesser violations of transferring such arms improperly or failing to maintain them.

In addition, section 206 does set forth a procedure for the restoration of arms transfers to a country. The President can determine that a violation has ceased and that the country concerned has given assurances that the violation will not recur. This corrects a deficiency in current law which fails to provide any mechanism for the restoration of transfers to a violating nation. Thus it cannot be argued that the total embargo of U.S. arms shipments to an aggressor nation leaves that nation without recourse.

Mr. President, it is vitally important that we do not weaken in any way the principle of control over the use of U.S. arms shipped abroad. My amendment would simply maintain that principle with respect to cash sales. I urge its adoption.

Mr. HUMPHREY. Mr. President, the bill as is written does permit the President to have some flexibility. However, wherever there is a violation of the law relating to the proper use of military weapons that have been granted under the military assistance program or have been sold under the Foreign Military Sales Act, the termination of military assistance and foreign military sales credits is required under the bill as is written by the committee.

What we did provide for was some leeway so that sales, not credits, or military assistance, but cash purchases could continue. Similarly, that items in the cash sales pipeline could be delivered, if they were not financed by Government credits or guarantees.

I recognize that this is a modification here from the more stringent terms that the current law has. The proposed amendment, in other words, would take us back to the tightest provisions we have had and perhaps even a little more so. I think it might go further than the Senator from Missouri would want or that Congress would want.

I would like the opportunity to discuss this amendment privately with the Senator, and I think we might come to some understanding. Therefore, Mr. President, I suggest the absence of a quorum, so that we might have a discussion.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, the Senator from Missouri has an amendment and I believe he has a modification.

Mr. EAGLETON. Mr. President, I have a modification at the desk. I ask that it be stated.

The PRESIDING OFFICER. The clerk will state the modification.

The legislative clerk proceeded to read the modification.

Mr. EAGLETON. I ask unanimous consent that further reading of the modification be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 76, at the end of line 14, add the following: "No cash sales or deliveries pursuant to previous sales may be made with respect to any foreign country under this Act, as hereinafter provided, if such country uses such defense articles or defense services in such substantial violation by using such articles or services for a purpose not authorized under section 4 of this Act.".

On page 76, beginning with line 15, strike out through line 16 and insert in lieu thereof the following:

"(2)(A) A country shall be deemed to be ineligible pursuant to paragraph (1) of this subsection.".

Mr. HUMPHREY. The amendment as now modified, would read:

"No cash sales or deliveries pursuant to previous sales may be made with respect to any foreign country under this Act, as hereinafter provided, if such country uses such defense articles of defense services in such substantial violation by using such articles or services for a purpose not authorized under section 4 of this Act.".

Then, on page 2:

"(2)(A) A country shall be deemed to be ineligible pursuant to paragraph (1) of this subsection.".

Let me ask the Senator if we have a complete understanding. This would not prevent what we call commercial sales? Those are sales by a company to a foreign country without the Government of the United States being involved?

Mr. EAGLETON. The Senator is correct. This would not preclude such sales, such commercial sales.

Mr. HUMPHREY. Secondly, this amendment is primarily directed at those countries that have committed an act of aggression.

Mr. EAGLETON. A misutilization——

Mr. HUMPHREY. And thereby violated existing and standing law?

Mr. EAGLETON. That is correct. It is targeted at misuse of American equipment for aggresive purposes.

Mr. HUMPHREY. Finally, we do have a provision in this bill relating to the critical situation surrounding Turkey.

Mr. EAGLETON. That is correct.

Mr. HUMPHREY. This amendment does not supersede any language in this bill relating to Turkey; is that correct?

Mr. EAGLETON. It most certainly does not. The Senator is absolutely correct. There are other sections of this bill which specifically deal with Turkey. This amendment in no way affects those other sections of the bill dealing with Turkey. This is generic and would not supersede those specific sections.

Mr. HUMPHREY. Mr. President, on the basis of this understanding, which I wanted merely to place in the RECORD so we have a clear legislative history. Because the Senator from Missouri is so deeply involved in all matters relating to the Cyprus situation and the problems between Turkey and Greece and our country, I think this amendment fulfills a very useful purpose. It ought to be helpful in insuring that there is no utilization of American weaponry by countries that commit any act of aggression. Therefore, on behalf of the committee—and I believe I speak now for the distinguished ranking minority member, although I should like to have him speak in his own right—I shall accept it.

Mr. CASE. Mr. President, I think we should accept this and at least take it to conference. I should like to have the right to consider one aspect of this. That is in relation to the way we handle, in the bill, commercial sales over a certain amount. I am not sure that, for the purpose of this prohibition, we ought to require that commercial sales over that amount be all Government sales and then have this thing happen as a result of that requirement.

Mr. EAGLETON. I trust that when it does go to conference, the Senator from New Jersey will be convinced of the wisdom of this amendment, that it will be self-evident.

Mr. CASE. The Senator from New Jersey could hardly be more impressed than he already is by the fact that it is sponsored by the Senator from Missouri. But he still has that lingering little question in his mind that he will not press now.

Mr. EAGLETON. I thank my colleague.

Mr. CASE. I join, therefore, with my chairman in accepting the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment, as modified, was agreed to.

Mr. EAGLETON. I thank the distinguished Senator from Minnesota.

Mr. HUMPHREY. I thank the Senator from Missouri.

May I say, Mr. President, that the Senator from Missouri has been very helpful in working out language in this bill that I think is sensible, responsible, and gets at some of the difficult problems that we have been wrestling with on this legislation in the past year. I thank him for his cooperation.

Mr. EAGLETON. I thank the Senator.

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. HUMPHREY. Is there any other amendment at this time?

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Will the Senator from California yield for a unanimous-consent request?

Mr. CRANSTON. Yes, I yield.

EXEMPTION FROM LOTTERY PROHIBITION GRANTED TO NEWSPAPERS AND TO RADIO AND TELEVISION

Mr. DOLE. Mr. President, I enter a motion for reconsideration of H.R. 1607 and I send it to the desk.

The PRESIDING OFFICER. The motion will be stated.

The legislative clerk read as follows:

A motion to reconsider the vote whereby the Senate passed the bill, H.R. 1607, on the fourth day of February, 1976, together with the third reading thereof.

Mr. MANSFIELD. Mr. President, to what bill does the motion refer?

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 1607) to amend title 18 and title 39 of the United States Code to make parallel the exemption from lottery prohibitions granted to newspapers and to radio and television.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The motion is entered.

INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT OF 1975

The Senate continued with the consideration of the bill (S. 2662) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

Mr. CRANSTON. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 68, between lines 16 and 17, insert the following new section:

TITLE: REPORT ON KOREA

SEC. 114. Chapter 3 of Part III of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 666. REPORT ON KOREA.—Within 90 days after the enactment of this section, and at least once during each of the next five succeeding years, the President shall transmit to the Speaker of the House of Representatives and to the Committees on Foreign Relations and Armed Services of the Senate a report which (1) reviews the progress made under the Republic of Korea's announced program to modernize its armed forces so as to achieve military self-sufficiency by 1980, (2) reports on the role of the United States in mutual security efforts in Korea, and (3) reports on prospects for or implementation of phased reduction of United States armed forces assigned to duty in the Republic of Korea, in coordination with Korea's timetable for military self-sufficiency. Such reports shall also include an examination of prospects for negotiating a nuclear weapon free zone in and around the Korean peninsula."

THE KOREAN EQUATION: THAT LEADS TO SELF-SUFFICIENCY

Mr. CRANSTON. Mr. President, I am delighted that the majority leader (Mr. MANSFIELD) has joined me in introducing this amendment to the military assistance bill. The amendment would require, within 90 days after this legislation becomes law, a report from the President on the continuing role of the United States in mutual security efforts in the Republic of Korea. More specifically, the purpose of the report—which would have to be submitted annually through 1981—would be to monitor the relationship between a continued U.S. troop presence in South Korea and the Republic of Korea's announced 5-year program to modernize its armed forces in pursuit of military self-sufficiency.

What I have just described has been incorporated into the security assistance bill while it is still in the House Committee on International Relations. The amendment was proposed by Congressmen FRASER and FINDLEY. Our amendment has the added feature of requiring our Government to continually study the prospects for negotiating a nuclear weapon free zone in the general area of the Korean Peninsula.

Let me explain the rationale behind this amendment, Mr. President. Originally, I had intended to offer a much stronger amendment that would have set a timetable for U.S. troop withdrawals from Korea pegged to our country's support of South Korea's efforts to become self-sufficient in providing its own defenses by 1980. I have serious questions about the practices of the ruling regime in Seoul, vis-a-vis its own people. I also have serious questions, however, about the wisdom of a sudden pullout of our Armed Forces from Korea.

The reason I have not offered an amendment to cut off funds for U.S. troops in Korea after 1980, in return for a commitment to assist in the modernization of the Korean Armed Forces, is that I realize such legislation would be read differently in different parts of the world. It might send a signal that we were abandoning South Korea when, of course, we would simply be writing into law what the South Koreans themselves have declared as their policy.

Therefore, Mr. President, Senator MANSFIELD and I offer the present amendment, which is intended to let Seoul know that we take their claims seriously—and to let the administration know that there are grave doubts in Congress about the continued presence of 42,000 American troops in South Korea, armed with nuclear weapons and stationed near the border between North and South Korea, in defense of a rather repressive regime. This is what we intend by our amendment, Mr. President, and nothing more. For that reason, I realize that it may be seen as innocuous by some—but I believe it is useful as a continuing expression of congressional concern and as a prod to the executive to continue to decrease the American profile in South Korea.

I would stress that this amendment is consistent with several recent congressional actions on this subject. For example, last year Congress passed section 26 of the Foreign Assistance Act of 1974 setting a ceiling of $145,000,000 on military assistance to South Korea in fiscal year 1975 unless and until the President submitted a report to Congress stating "that the Government of South Korea is making substantial progress in the observance of internationally recognized standards of human rights." Significantly, such a report never came, and Korea was denied a potential additional $20,000,000 in military assistance. I was a strong supporter of that amendment, Mr. President. This year we are expressing our concern for human rights in many countries by providing a mechanism for cutting off assistance to especially repressive regimes, including Korea, at any time.

But there were other important expressions by Congress of its concern over the whole Korean situation. The distinguished Senator from Georgia, Senator NUNN, traveled to the Pacific and South Korea and was instrumental in drafting an important section of the Senate Armed Services Commitee report (No. 94–146) on the major defense authorization bill for fiscal year 1976.

The report required that the Secretary of Defense study and report to the Committee on Armed Services by December 31, 1975, on "long-term basing alternatives in the Pacific." This study was to include an examination of force posture "throughout the Pacific and Asia," including an "in-depth study of our military posture in Korea and alternatives to the current posture." The Armed Services Committee report (No. further:

"The U.S. has some 42,000 personnel stationed in Korea. 34,000 of these are ground forces. The Department of Defense estimates that the South Korean ground forces are capable of defending South Korea against a ground attack by North Korea, although the South Korean air capability must be supplemented and improved. There has been considerable discussion about whether it was necessary, in light of the improvements that have occurred in South Korean forces, and also whether it was desirable to keep the American ground troops—mainly the 2nd Infantry Division—in Korea where they could become immediately involved in a war prior

> to a specific U.S. decision to become involved. However, it would be psychologically and militarily detrimental to U.S. interests to withdraw our forces from Korea now, particularly after the Vietnam experience, and without making sure our Korean friends can provide for their own defense. An unplanned reduction of U.S. ground forces from Korea without a corresponding improvement in South Korean capability, particularly in tactical air, could result in a dangerous shift in the military balance in Korea and would greatly increase the danger of renewed conflict."

This would be an extremely important beginning, Mr. President, if the Pentagon had met its deadline. The report was due on December 31 of last year. It was not ready, apparently in part due to the change from Schlesinger to Rumsfeld. It was promised by January 31. But it has not yet arrived, I am informed. When it does arrive, I look forward to reading it.

In the meantime, we offer this amendment as a way of focusing the attention of the White House and the National Security Council on the long-term relationship between U.S. troop withdrawals and continued military assistance and sales to South Korea. They need to be prodded to think about these things, or lethargy will keep our forces indefinitely in a forward position with the danger of involvement in war without Congress having anything to say about it.

Let me say here, Mr. President, that, despite the exposed position of our troops in Korea, I am considerably heartened by the quality of leadership they are under in the person of Gen. Richard Stilwell. I take pride in knowing that a real American professional soldier—with deep respect for civilian control—is in charge of all forces in Korea.

Finally, by way of citing recent congressional actions, it is significant that the House Appropriations Committee is looking into the Korean equation. Its original expression of concern in the report on the Department of Defense appropriations bill for fiscal year 1976 was watered down in conference, but it is still a valuable statement as contained in the conference report on that bill:

> U.S. Forces in Korea.—The conferees agreed that the Department of Defense should develop plans for a phase-down of U.S. forces in Korea. However, it was also agreed that these plans should be developed without initial congressional specification as to number of personnel involved or time phasing. The House had recommended planning for a deployment of about 20,000 personnel by the end of fiscal year 1978.

I know we can rely upon the able chairman of the House Appropriations Committee, Representative MAHON, to make sure the Pentagon does develop such plans. As a member of the Budget Committee, I have come to appreciate his determination to economize on defense as well as other functions in the budget.

Mr. President, we need to get our troops and our nuclear weapons removed from what is—despite claims that it is not—basically a "trip wire" situation that could propel us automatically into war without a congressional chance of debating it.

Mr. HUMPHREY. Mr. President, I urge upon my good friend, the Senator from California, that this amendment not be pushed to a vote here today. We have another bill, as the Senator knows, coming up very soon on military assistance and sales for fiscal 1977. This sort of amendment is a matter with policy ramifications. I think it has considerable merit. Like the amendments that were presented just a few moments ago by the able Senator from Missouri (Mr. EAGLETON), we should like to incorporate those in hearings for next year's bill. The Senator knows that, once we give him our word that there will be full and complete hearing, with his right to testify and, with his persuasive powers, that it will be done.

I just feel that this is a matter of substantial policy import, and I hope the Senator would be willing to let us proceed with the bill as we now have it, with the understanding that this amendment will be given consideration when we deal with our next bill in March. We will be holding hearings on that new bill within the next month or two.

Mr. CRANSTON. I would like to thank the distinguished manager of the bill for his indication that he sees considerable merit in this proposal. I also appreciate his willingness to hold hearings on the matter.

Mr. HUMPHREY. And act on the matter, not merely to hold hearings.

Mr. CRANSTON. And act on the matter.

I would also like to say I talked to the distinguished Senator from New Jersey about the bill, and he indicated the same course of events would occur so far as he was concerned, and that there would be hearings and consideration and action, hopefully in the coming bill and not on this bill.

I am not pressing it. I would like to leave it at this stage, but I will not seek consideration at this point on the amendment.

Mr. HUMPHREY. Does the Senator withdraw his amendment so that we can proceed?

Mr. CRANSTON. I withdraw it from consideration at this time without withdrawing it from the bill. I would be glad to talk with the Senator, and I would appreciate it very much if I could do that.

Mr. HUMPHREY. May I say to the Senator, a year ago he came to us with a far more significant provision on human rights. I think our record is very good.

I understand the Senator's situation. He withdraws his amendment, and he will be in much better shape, may I say, for full consideration in next year's bill. We will possibly come to a better resolution of the matter that he is concerned about at the moment.

Mr. CRANSTON. I would like to state that I expect to proceed as the Senator suggested, but I do not want to technically withdraw it at this time. I simply will yield the floor and not push it for the moment.

Mr. HUMPHREY. If another amendment comes up for action, will the Senator permit us to set it aside?

Mr. CRANSTON. Sure, just set it aside.

Mr. HUMPHREY. Then withdraw it temporarily.

Mr. CRANSTON. I do not want to withdraw the amendment entirely, but I do not want it considered at this time, but I probably will not bring it up again. I want to have it here.

Mr. HUMPHREY. What is the situation? Where do we stand?

Mr. CRANSTON. The amendment would not be up for consideration at this time, so somebody else can call up an amendment.

Mr. HUMPHREY. I ask unanimous consent to set it aside temporarily; is that correct?

Mr. CRANSTON. Fine.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. All right.

Are there any other amendments? Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent to rescind the order for the quorum call.

The PRESIDING OFFICER. Without objection, it is so ordered.

WILMA RUDOLPH, OLYMPIC CHAMPION

Mr. BAKER. Mr. President, I ask unanimous consent that it might be in order to call up Calendar No. 601 and to ask for its immediate consideration. I ask unanimous consent that the pending business be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be stated by title.

The legislative clerk read as follows:

> A bill (H.R. 6949) to make available for certain limited use within the United States portions of the U.S. Information Agency film "Wilma Rudolph, Olympic Champion."

There being no objection, the Senate proceeded to consider the bill.

Mr. BAKER. Mr. President, I would like to speak on behalf of H.R. 6949, which Senator BROCK and I introduced for the consideration of the Senate. It is an act to make available for certain limited use within the United States portions of the U.S. Information Agency film "Wilma Rudolph, Olympic Champion." The act was referred to the Senate Foreign Relations Committee and was yesterday reported by that committee favorably and without amendment.

The purpose of this bill is to make available to Cappy Productions, a New York corporation, a film produced by the U.S. Information Agency commemorating one of the finest athletes who has ever participated in the Olympic Games. Cappy Productions will use portions of this film in a series of eight, 1-hour specials that will be broadcast on Public Broadcasting stations throughout the country in promotion of the 1976 Olympic Games. One of these specials is devoted entirely to great women athletes who have participated in the Olympics, and it is only natural that Wilma Rudolph should be included.

Passage of the bill is necessary because the law prohibits the showing of any USIA-produced film in the United States; however, I should emphasize that this historical film of a courageous athlete in no way violates the intent or purpose of the prohibition. Further, I should note that this act has already passed in the House and that the director of USIA has indicated to the chairman of the Foreign Relations Committee that USIA fully supports the purposes of this act.

Finally, Mr. President, let me say that I am pleased to have participated in making this film available to the public through the auspices of Cappy Productions and the PBS. I believe that we should do everything possible to foster the spirit and purpose of the Olympic Games, and I believe that the television series in question will further that end. I am particularly pleased that this series will honor a native Tennessean, who, through her ability, competitive spirit, and accomplishments, became an able ambassador of good will to the world, not only from her native State of Tennessee, but from the Nation as a whole.

This item has been cleared by the leadership on both sides of the aisle, and I am ready to proceed with its disposition.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be read the third time.

The bill was read the third time and passed.

FARMER ELECTED COMMITTEEMAN SYSTEM

Mr. MANSFIELD. Mr. President, I asked unanimous consent that the Senate turn to the consideration of Calendar No. 595, Senate Resolution 272.

The resolution (S. Res. 272) relating to the Farmer Elected Committeeman System of the Department of Agriculture, was considered and agreed to, as follows:

Resolved, That the Senate hereby expressly affirms its continued support for the grassroot participation of farmers in the programs of the Department of Agriculture through the farmer elected community committeeman and strongly urges the Secretary of Agriculture to take such actions as may be necessary to provide for increased involvement of farmers in the policy and decision-making operations of the Department of Agriculture.

SEC. 2. It is the sense of the Senate that the Secretary of Agriculture should discontinue any actions of the Department of Agriculture designed to eliminate or reduce in number the community committeeman program administered by the Stabilization and Conservation Service of the Department of Agriculture.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR—S. 2662

Mr. BAKER. Mr. President, I ask unanimous consent that a member of my staff, George Montgomery, may have the privilege of the floor during the consideration and disposition of S. 2662.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SANTA MONICA MOUNTAINS AND SEASHORE URBAN RECREATION AREA

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily and that the Senate turn to the consideration of Calendar 559, S. 1640.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1640) to provide for the establishment of the Santa Monica Mountains and Seashore Urban Recreation Area in the State of California, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments, as follows:

On page 1, in line 4, after "natural," insert "archeological,".

On page 2, in line 7, after "management" insert "and preservation".

On page 4, in line 3, after "region" insert "and the Secretary shall appoint four representatives from the public-at-large as nonvoting citizen advisers: *Provided further*, That, if the State of California adopts comprehensive planning legislation for the Santa Monica Mountains, such legislation provides for a Commission to develop a plan for the area, and the Secretary determines the plan will be implemented, the Secretary shall appoint the members of such Commission in lieu of the procedure established by this section."

On page 4, beginning in line 19, after "(1)" strike out "the development of public recreational facilities; (2) preservation of significant natural, cultural, or historical values, including areas which because of their local, regional, or other ecological importance, should be preserved in their natural state".

And insert "preservation of significant natural, cultural, or historic values, including areas which because of their local, regional, or other ecological importance, should be preserved in their natural state; (2) the development of public recreational facilities;".

On page 5, in line 14, after "include", insert "acquisition of fee or less than fee interests in land and/or waters;".

On page 5, in line 19, after the semicolon, strike out "acquisition of fee or less than fee interests in land and/or waters;".

On page 6, beginning with line 7, strike out:

SEC. 8. The Secretary and the heads of other Federal agencies shall cooperate with the Commission in the formulation of the plan upon the request of the Commission and to the extent of available funds.

And insert:

SEC. 8. The Secretary, acting through the National Park Service, shall assist the Commission in (1) identifying specific areas which are suitable for recreational facilities and areas of significant natural, historical, or cultural values, (2) developing appropriate methods by which such areas may be preserved for public benefit, and (3) interpreting the significant natural, historical, or cultural values identified in the plan. In addition, the Secretary and the heads of other Federal agencies shall cooperate with the Commission in the formulation of the plan upon the request of the Commission and to the extent of available funds.

On page 8, in line 7, after "to" insert "implement the plan" and strike out "carry it out".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds, (a) there are significant scenic, recreational, educational, scientific, natural, archeological, and public health values provided by the Santa Monica Mountains and adjacent coastline area, (b) there is a national interest in protecting and preserving those values for the residents of and visitors to the area, (c) the primary responsibility for the provision of recreational, educational, and scientific opportunities, the preservation of scenic and natural areas, and the safeguarding of the health of the public who live, work, and play in or visit the area rests with the State of California and the various local units of government having jurisdiction over the area, (d) in recognition of the multi-State and National significance of some of the recreational values, the Federal Government has an interest in the management and preservation of the resources and should assist the State of California and its local units of government in fulfilling their responsibilities, and (e) the State of California and its local units of government have authority to prevent or minimize adverse uses of the Santa Monica Mountains and adjacent coastline area and can, to a great extent, protect the health, safety, and general welfare by the use of its authorities.

SEC. 2. The purposes of this Act are (1) to provide for the preservation of the outstanding natural features and open undeveloped land and water resources of the Santa Monica Mountains and nearby seashore areas in California, (2) to assure the protection of the public health by preserving the airshed of the region, and (3) to provide adequate outdoor recreation facilities and opportunities for the people of the Los Angeles metropolitan area.

SEC. 3. There is hereby established the Santa Monica Mountains and Seashore Urban Recreation Area (hereinafter referred to as the "recreation area"). The boundaries of the recreation area shall be those generally depicted as "Study Area Boundary" on the maps comprising appendix B of the report prepared by the Pacific Southwest Region of the Bureau of Outdoor Recreation, Department of Interior, published in 1973, entitled "Santa Monica Mountains Study", which shall be on file and available for public inspection in the offices of the Department of Interior, Washington, District of Columbia. The boundaries of the recreation area may be revised from time to time by the commission established in section 4 of this Act in the same manner as set forth herein for preparation and approval of land use plans except that the total area within the recreation area may not exceed two hundred and five thousand acres.

SEC. 4. PLANNING COMMISSION.—Within one year of the date of enactment of this Act, the Secretary of the Interior (hereinafter referred to as the "Secretary") shall establish a planning commission for the recreation area (hereinafter referred to as the "Commission").

SEC. 5. The Commission shall be composed of not more than twelve members appointed by the Secretary from recommendations submitted to him by the Governor of the State of California and the chief executive officers of such local units of government, including counties and municipalities, which have jurisdiction over the recreation area: *Provided*, That the Secretary shall insure a balance in representation between State and local jurisdictions and appropriate representation from jurisdictions having major responsibilities in the region and the Secretary shall appoint four representatives from the public at large as nonvoting citizen advisers: *Provided further*, That, if the State of California adopts comprehensive planning legislation for the Santa Monica Mountains, such legislation provides for a Commission to develop a plan for the area, and the Secretary determines the plan will be implemented, the Secretary shall appoint the members of such Commission in lieu of the procedure established by this section. The Secretary shall designate a member of the Commission to serve as Chairman.

SEC. 6. The function of the Commission shall be to develop a plan for the development (if any) and use of the land and water resources of the recreation area.

SEC. 7. The plan shall include, but need not be limited to—

(a) an identification of specific areas which are suitable for (1) the development of public recreational facilities; (2) preservation of significant natural, cultural, or historical values, including areas which because of their local, regional, or other ecological importance, should be preserved in their natural state preservation of significant natural, cultural, or historic values, including areas which because of their local, regional, or other ecological importance, should be preserved in their natural state; (2) the development of public recreational facilities; and (3) public or private uses which are compatible with and which would not significantly impair the scenic, natural, recreational, educational, and scientific values present in the area and which would not have a significant adverse effect on the air quality of the Los Angeles-Santa Monica area;

(b) provision for the preservation of and public access to beaches and coastal uplands, undeveloped inland stream drainage basins, and existing park roads and scenic corridors;

(c) a specific land use program to be implemented which may include acquisition of fee or less than fee interests in land and/or waters; the use of the constitutional authority of the State to regulate the use of land and water; other noncompensatory land use regulations which may be appropriate; compensatory land use regulations; tax incentives; acquisition of fee or less than fee interests in land and/or waters; or any combination of land use methods which the Commission deems will best accomplish the purposes of this Act; and

(d) the identification of the units of State or local government which will be responsible for implementing the program: *Provided*, That the plan may not propose an expenditure of Federal funds greater than $50,000,000 exclusive of funds available under other Federal programs including, but not limited to, section 701 of the Housing Act of 1954, as amended, the Land and Water Conservation Fund Act, and the Historic Preservation Act of 1966.

SEC. 8. The Secretary, acting through the National Park Service, shall assist the Commission in (1) identifying specific areas which are suitable for recreational facilities and areas of significant natural, historical, or cultural values, (2) developing appropriate methods by which such areas may be preserved for public benefit, and (3) interpreting the significant natural, historical, or cultural values identified in the plan. In addition, the Secretary and the heads of other Federal agencies shall cooperate with the Commission in the formulation of the plan upon the request of the Commission and to the extent of available funds.

SEC. 9. (a) Members of the Commission who are employees of a State or local government shall serve without additional compensation as such. All other members shall receive $100 per diem when actually engaged in the performance of the duties of the Commission.

(b) The Secretary shall reimburse all Commission members for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Commission.

(c) Financial and administrative services (including those relating to payment of compensation, budgeting, accounting, financial reporting, personnel, and procurement) shall be provided by the Department from the funds appropriated to carry out the provisions of this Act.

(d) The Commission shall have the power to appoint and fix the compensation of such additional personnel and such temporary and intermittent services as may be necessary to carry out the duties, without regard to the provisions of the civil service laws and the Classification Act of 1949, and it shall have the power to hold hearings and administer oaths.

(e) The Commission shall act by affirmative vote of a majority thereof. Vacancies shall be filled in the same manner as the original appointment.

SEC. 10. (a) The Commission shall submit its plan to the Secretary who shall, within one hundred and eighty days of the day it is submitted to him, either approve or disapprove the plan.

(b) The Secretary shall approve the plan if he finds that (1) the Commission has afforded adequate opportunity in the metropolitan area for public comment on the plan, and such comment was received and considered in the plan or revision as presented to him; (2) the State and local units of government identified in the plan as responsible for implementing its provisions have the necessary legislative authority to implement the plan, and the chief executive officers of the State and local units of government have indicated their intention to utilize such authority in implementation of the plan in accordance with the program established by the Commission; (3) the plan, if implemented, would preserve significant natural or historical values and provide increased outdoor recreation opportunities for persons residing in the urban areas; and (4) implementation of the plan would not have a serious adverse impact on the air quality of the Los Angeles-Santa Monica region. Prior to making his finding on the air quality impact of the plan, the Secretary shall consult with the Administrator of the Environmental Protection Agency.

(c) If the Secretary disapproves the plan or revision he shall advise the Commission of the reasons therefor together with his recommendations for revision. The plan, following its disapproval, may be resubmitted to the Secretary for his approval in the discretion of the Commission.

(d) Upon approval of the plan, the Secretary shall publish a notice thereof in the Fededral Register and shall transmit copies of the plan together with his comments to the President of the Senate and the Speaker of the House of Representatives.

(e) No revision to an approved plan may be made without the approval of the Secretary. The Secretary shall either approve or disapprove a proposed revision within one hundred and eighty days from the date on which it is submitted to him. Whenever the Secretary approves a revision, he shall publish notice thereof in the Federal Register.

SEC. 11. (a) Upon approval of the plan, the Secretary shall make grants in the total amount of $50,000,000 to the State or local units of government identified in the approved plan for the recreation area as having responsibility for implementing its provisions. Such grants shall be made upon application of such State or local units of government, shall be supplemental to any other Federal financial assistance for any purpose, and shall be subject to such reasonable terms and conditions as the Secretary deems necessary to effectuate the purposes of this Act.

SEC. 12. There is hereby established a special account in the Treasury of the United States for the purpose of holding moneys to be used for grants, pursuant to section 11 of this Act, to the State or local units of government. There shall be covered into such special account, $50,000,000 from revenues due and payable to the United States under the Outer Continental Shelf Lands Act (67 Stat. 462) as amended and/or under the Act of June 4, 1920 (41 Stat. 813) as amended, which would be otherwise credited to miscellaneous receipts of the Treasury. Moneys covered into the account shall be used only for grants made pursuant to section 11 of this Act and shall be available for expenditure only when appropriated therefor.

SEC. 13. APPROPRIATIONS.—There are authorized to be appropriated to defray the expenses of the Commission established pursuant to section 3, including salaries and other expenses incident to the preparation or revision of a land-use program, such sums annually as may be necessary, and for grants to the State and local units of government to implement a land-use program approved pursuant to section 10 of this Act, $50,000,000 from the special account created in section 12 of this Act.

Mr. HANSEN. Mr. President, I ask unanimous consent that Harrison Loesch, the minority counsel for the Interior and Insular Affairs Committee, be granted the privilege of the floor during the consideration of this legislation, as well as Ruppert McGuire, of my staff, and such other staff members as may arrive.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TUNNEY. Mr. President, I ask unanimous consent that Jerry Hill, of my staff, be granted the privilege of the floor during the consideration of the pending legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TUNNEY. Mr. President, S. 1640 represents the culmination of years of work by many people to protect the important Santa Monica Mountain and Seashore Area of California.

I would like to commend Senator JOHNSTON for coming up with a viable and imaginative compromise which accomplishes our goals in a fiscally responsible manner.

S. 1640, even with several strengthening amendments which I suggested and which were accepted by the committee, is not as comprehensive as S. 750 which I introduced last year. However, given budget restraints which we must all abide by if we are ever going to bring inflation under control, I am satisfied that S. 1640 will do the job.

S. 1640 would create a Federal Land

Use Planning Commission made up of State, local, and public representatives. The Commission would be required to draw up a comprehensive land use plan in the designated area and subject to certain Federal guidelines. Once completed, the plan would be submitted to the Secretary of Interior for approval. Once the plan is approved, Federal grants up to $50 million would be available for implementation.

The need to offer some protection for this area is urgent. Although 10 million people live in metropolitan Los Angeles, they have less open space for public recreation than any other major city in the United States. The Santa Monica area offers the only major open space and airshed in the area and must be protected.

In 1970, the Secretary of the Interior, in announcing the urban reaction study program, said:

> The Santa Monica Mountain range, together with adjoining beaches form the greatest untapped natural resource in the second largest metropolitan area in the nation. Considering the size, location and variety of the resources, the importance of this area in meeting the recreational needs of Los Angeles residents cannot be over-emphasized.

The President at that time, supported this position in a mandate for open space planning and land acquisition, set forth in a Febuary 1970 message to Congress on the environment:

> Plain commonsense argues that we give greater priority to acquiring now the lands that will be so greatly needed in a few years.

Finally, the Department of the Interior's August 1972, study of the Santa Monica Mountains made the following findings:

First. The Santa Monica Mountains and adjacent coastline constitute the most significant large unprotected open space in the Los Angeles area.

Second. The mountains help dilute Los Angeles' seriously polluted airshed.

Third. Current urban expansion, particularly those of large-scale residential development, has severe impact on the remaining natural environments within the mountains. If it continues, the environmental values of the area will be forfeited.

Fourth. In view of the threat which continued urban expansion poses in the Santa Monica Mountains and along the adjacent coastline, measures need be taken to expand the existing parklands and regulate and control land uses to protect the significant portions of remaining natural environments in the public interest.

Time is of the essence and I believe that Senate passage of S. 1640, as amended, will result in the development of a satisfactory plan to preserve the Santa Monica mountain and seashore area for the public.

Mr. President, I do have one amendment I would like to offer. I have discussed the amendment with the distinguished Senator from Wyoming.

I would like to offer this amendment in behalf of Senator CRANSTON and myself.

Basically, what this amendment does——

The PRESIDING OFFICER. If the Senator will suspend, the Chair will advise the Senator that committee amendments have to be disposed of before floor amendments are in order.

Mr. TUNNEY. Mr. President, I ask unanimous consent that I might offer this amendment at this time prior to the time that the amendments of the committee are disposed of.

The PRESIDING OFFICER. Is there objection? No objection is heard. It is so ordered.

Mr. TUNNEY. Mr. President, I send an amendment to the desk.

I might say, Mr. President, the distinguished Senator from Wyoming (Mr. HANSEN) would like to be added as a cosponsor of the amendment.

Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 9, line 15, insert the following: After the word "provisions" strike the period, add a comma, and add: *Provided,* That these grants can only be made for the acquisition of land and interests in land.

Mr. TUNNEY. The amendment basically provides that the $50 million which is in the bill would be used exclusively for the purchase of land interests. We feel that it is important, inasmuch as this is a diminished amount of money, that the full amount of $50 million go into land acquisition and the acquisition of interests in land.

Mr. HANSEN. Mr. President, I compliment the distinguished Senator from California for his dedicated effort and the extremely innovative work he has provided his State and, indeed, the people of the United States, in trying to work out what seemed to be an almost insurmountable and extremely difficult issue. I am pleased to join with him on the amendment.

I think what the amendment does should insure that the maximum amount of good that can come from the $50 million to be made available by the Federal Government will inure to the achievement of those most important objectives of which he has already spoken.

I have an amendment which has been cleared with the Senator from California, and I am told he will join me as a cosponsor.

Mr. TUNNEY. Yes, I would like to cosponsor it. First, I move the adoption of my amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from California.

The amendment was agreed to.

Mr. HANSEN. Mr. President, I submit an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The Chair informs the Senator from Wyoming that it would require unanimous consent to give a floor amendment precedence over the committee amendment.

Mr. HANSEN. Mr. President, I ask unanimous consent that despite the parliamentary situation, my amendment may be considered and acted upon at this time.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Wyoming (Mr. HANSEN) proposes an amendment on page 10, line 9, to insert a new section 13 as follows—

Mr. HANSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HANSEN's amendment is as follows:

> Page 10, after line 9 of the reported bill, insert a new section 13 as follows and renumber accordingly:
>
> "SEC. 13. Any final judgment, raising a justifiable issue under the fifth or fourteenth amendments to the Constitution of the United States, which has been rendered by the highest appropriate court of the State of California and which is adverse to a property owner whose property is located within the boundaries of the recreation area may be appealed by such property owner to the United States Court of Appeals for the Ninth Circuit, which Circuit Court shall have the same jurisdiction for review as the United States Supreme Court. The United States Supreme Court shall have the same jurisdiction to review a decision of the Court of Appeals under this section as it would have over a final judgment by the highest court of the State of California. Any property owner who prevails in such appeal before the circuit court or the Supreme Court shall be awarded his costs plus reasonable attorney fees incurred in such appeal."

Mr. HANSEN. What the amendment does, essentially, is assure that landowners who feel that their rights may have been diminished under this bill will have access to the administrative costs as reported by the State of California, with the additional proviso that if the administrative decisions and decisions by the State court system in California, including the State Supreme Court, do not accord with the wishes or the feelings of an aggrieved landowner, he would have the right to take his case before the Federal Circuit Court of Appeals in the State of California.

Mr. TUNNEY. Mr. President, the Senator expresses it very well. What this does is insure that there will be a Federal judicial review prior to a Supreme Court review; that inasmuch as we both recognize that after the Supreme Court of the State of California has acted it is less than likely that the Supreme Court of the United States would actually hear a complaint from an aggrieved citizen, what we do is assure that the Circuit Court of Appeals for the Ninth Circuit will have an opportunity to consider the legal issues on their merits.

I have asked to be a cosponsor of this amendment. I think it is a good one. I think it will protect citizens' rights, and I think it should be accepted.

Mr. HANSEN. Would the Senator care to move it?

Mr. TUNNEY. I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming.

The amendment was agreed to.

Mr. TUNNEY. Mr. President, I ask unanimous consent that the committee amendments be considered and agreed to en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (S. 1640) was passed.

Mr. HANSEN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. TUNNEY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER RESCINDING ACTION TAKEN ON S. 1640 AND RETURNING BILL TO CALENDAR

Mr. ROBERT C. BYRD subsequently said. Mr. President, I ask unanimous consent that the action taken earlier today on S. 1640, a bill to provide for the establishment of the Santa Monica Mountains and Seashore Urban Recreation Area in the State of California, and for other purposes, be rescinded, and that the measure retain its place on the calendar prior to that action.

The PRESIDING OFFICER. Without objection, it is so ordered.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HANSEN). Without objection, it is so ordered.

ORDER THAT SENATE JOINT RESOLUTION 156 BE TAKEN FROM THE CALENDAR AND PLACED UNDER SUBJECTS ON THE TABLE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Calendar Order No. 562, Senate Joint Resolution 156, a joint resolution prohibiting certain assistance to and activities in Angola, be taken from the calendar and placed under Subjects on the Table.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. For the information of the Senate, all subjects on the table are likely to be called up at any time, so by being placed there, they do not lose their validity in any way, shape, or form.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

DRUG ENFORCEMENT ADMINISTRATION

The assistant legislative clerk read the nomination of Peter B. Bensinger, of Illinois, to be Administrator of Drug Enforcement.

The PRESIDING OFFICER. The nomination is considered and confirmed.

NATIONAL TRANSPORTATION SAFETY BOARD

The assistant legislative clerk read the nominations of Webster B. Todd, Jr., of New Jersey, to be a member of the National Transportation Safety Board for the term expiring December 31, 1980; and Webster B. Todd, Jr., of New Jersey, to be Chairman of the National Transportation Safety Board for a term of 2 years.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR—S. 2662

Mr. JAVITS. Mr. President, I ask unanimous consent that Albert Lakeland of my staff be accorded privileges of the floor during consideration of S. 2662.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to Public Law 86–420, appoints the following Senators to attend the Mexico-United States Interparliamentary Conference, to be held in Atlanta, Ga., and Denver, Colo., February 25–March 1, 1976: the Senator from Montana (Mr. MANSFIELD), the Senator from Wyoming (Mr. McGEE), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Colorado (Mr. HASKELL), the Senator from North Carolina (Mr. MORGAN), the Senator from New Hampshire (Mr. DURKIN), the Senator from Arizona (Mr. FANNIN), the Senator from Illinois (Mr. PERCY), the Senator from New Mexico (Mr. DOMENICI), and the Senator from Nevada (Mr. LAXALT).

Mr. JAVITS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. HUMPHREY. Mr. President, I move that the Senate stand in recess subject to the call of the Chair.

The motion was agreed to; and at 3:30 p.m. the Senate recessed, subject to the call of the Chair.

The Senate reassembled at 4:25 p.m., when called to order by the Presiding Officer (Mr. McCLELLAN).

INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT OF 1976

The Senate continued with the consideration of the bill (S. 2662) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

Mr. MANSFIELD. Mr. President, it appears that we have done about as much as we can do on the pending business. Therefore, if there is no other business to come before the Senate, it is my intention shortly to recess the Senate until 9 o'clock tomorrow morning.

I should tell the Senate, though, that I have been in touch with the distinguished chairman of the Committee on Appropriations, the senior Senator from Arkansas, now presiding, about the possibility of calling up the copyright bill on tomorrow if something happens to the present bill in the meantime. The bill I refer to is Calendar No. 460, S. 22. However, it is my understanding that staff members of several of the committees will be meeting tonight to see what can be done in the way of an adjudication or working out of some details which are to be considered at this time.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. HUMPHREY. I just want to say for the record that Senator CASE and I did have a meeting with representatives and members of the Committee on Armed Services. We went over some of the concerns that have been expressed. I see our distinguished friend the Senator from Texas (Mr. TOWER) in the Chamber. I have hopes—high hopes, might I say—as I look at my esteemed friend from Texas, that tomorrow, when he brings in his amendments, we can handle them properly and take care of his deep concerns and proceed with consideration of the pending bill. I look at him with strong appeal for the kind of cooperative action I know he is capable of rendering.

Mr. TOWER. Mr. President, will the Senator yield, so that I may respond?

Mr. MANSFIELD. I yield.

Mr. TOWER. Mr. President, I am deeply moved and touched by the generous and eloquent words of the distinguished Senator from Minnesota.

Looking at it as a practical matter and realistically, I do not know that we could dispose of all the amendments tomorrow.

We took no votes in the Committee on Armed Services, but I have learned to count heads in the 15 years I have been in the Senate, and it occurs to me that the majority of the members of the Committee on Armed Services would prefer to see this matter put over until after the recess and agree on controlled time so that the matter is not prolonged when we return from the recess. In the interim, members of the staff of the Armed Services Committee could address themselves to our various concerns in this bill and perhaps prepare amendments that might reflect some of the concerns of the Committee on Armed Services. It seems to me that it would be very difficult to achieve this over the period of the next 24 hours.

That is the way the matter stands at the moment. I hope that this will be taken into consideration.

Mr. MANSFIELD. It will.

Mr. TOWER. I think we can expedite this bill with dispatch when we return, if this procedure could be followed.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. HUMPHREY. Mr. President, the basic features of this bill have been available to the Senate since November 13, and innumerable hearings and discussions have been held on it. I recognize that the bill we have before us was reported to the Senate recently. I believe the report is dated sometime last week.

My feeling about the matter is that we must proceed in regular order on the amendments. I hope we can complete them. We may not be able to do so, as I said in our private discussions.

I recognize the realities of this body as well as anybody else. If there is a desire to have additional amendments and extra debate—and I do not make any reference to any kind of filibuster, because there is nothing like that, nothing whatsoever——

Mr. CASE. We would not even mention the word.

Mr. TOWER. Not even an extended educational dialog.

Mr. HUMPHREY. That is correct. We have not contemplated anything like that. I simply say that I doubt that much more is going to be accomplished by any delay.

I might add that it is in the interest of all of us to get the bill behind us and get it to the House of Representatives, where they can act—they are already working on a bill similar to this—get a conference concluded and get this measure before the President, because the fiscal 1977 bill is right on our doorstep.

Also, I have to be frank about it. During that week, there happens to be some lobbyists around this town that are doing some overtime work. I must, first of all, chastise them for not having been on the job sooner. They have come up with all kinds of worries and suggestions, most of which are without too much foundation. I think we have given them enough time.

I say to my friend from Texas that we shall see how it all works out. I told the leader that we talked about it.

Mr. CULVER. Will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. CULVER. I wish to address a question to my distinguished friend from Texas. I did not have an opportunity, having just come on the floor, to hear his report of the deliberations of the Senate Committee on Armed Services on this matter. Am I correct that he observed that, in his opinion, a majority of the membership desired to have this matter lay over until after the recess?

Mr. TOWER. I stated that as an opinion. I said there were no votes taken on the matter, because I sense, based on what people said in the meeting, that a majority of the Committee on Armed Services preferred this action. I know that the Senator from Iowa would prefer to see the matter disposed of tomorrow, and four or five other members of the committee as well.

Mr. CULVER. I think it is a little hard to speculate on that numbers game. I happened to be present and heard the Senator from Texas express his views. He had an opportunity to hear mine.

Second, I also happen to have done a little head counting on my own. If the Senator from Texas is under the illusion that there was clearly a majority sentiment in that committee expressed this afternoon during those discussions and deliberations, I must say I differ with him.

I did suggest that, perhaps it would be appropriate, given the differences that were expressed and the arguments that were made and the persuasiveness of those arguments, or lack of same, that it might be in order to take a vote on that subject. I was assured that that really was not necessary.

I think, Mr. President, that this record should show that, yes, it is true the Committee on Armed Services this afternoon discussed this subject at considerable length and had the benefit, through part of the meeting, of discussion with the distinguished and able Senators from Minnesota and New Jersey. With and without them present, the committee itself exhaustively went into this subject. But I do not think it is at all clear—I do not think it is at all clear, and I think it would be misleading to represent to this body—that there was any such consensus on the desirability or lack of it as to when this legislation would be considered.

Mr. TOWER. If the Senator will yield, I should be delighted to join with him in a request to the chairman of the committee that he convene the committee and vote on this matter.

Mr. CULVER. If that becomes an issue of importance in determining whether or not in fact we do go over because of an effort to accommodate the wishes of the Senate Committee on Armed Services, I think that would be very appropriate, indeed, if that is the reason. Let me say I do not happen to think it is.

Mr. TOWER. May I say that perhaps the question of whether or not a majority of the committee feel that way may not be relevant. There is a sufficient number of them who have concerns and who want to prepare amendments to this legislation that I think it would make it very difficult indeed if those concerns were disregarded.

Mr. CULVER. That is an important qualification, if the gentleman will yield, on the original statement. I think it is a useful one.

Mr. TOWER. I reiterate that I believe a majority of the committee would prefer to see the matter put over until after next week. That is my opinion. It is just my opinion on the matter.

Mr. HUMPHREY. Will the Senator yield?

Mr. MANSFIELD. Yes.

Mr. HUMPHREY. Mr. President, I want to make an observation. I think it has been clear that there has been no rush act to get this bill passed. On the contrary, this bill has been delayed at the request of the administration. This bill has gone through three separate rewritings. It has had innumerable hearings. We have had witnesses from the administration in every discussion—not only witnesses, but their technicians. We delayed even the reporting of the bill to the Senate for a 10-day period while the Secretary of State was in Moscow, Brussels, and Madrid, then giving him time, when he returned, to be able to give us his advice and counsel.

I also note that it was reported to the Senate on Friday. We took up this bill on Wednesday. When I think of the number of bills we have taken up here, on Tuesday when the report has come from a committee on Monday—that is not unusual, because generally we follow legislation if we are concerned about it. I think it should be noted that we have had time to prepare amendments on the bill.

Mr. CULVER. Will the Senator yield further, please?

Mr. HUMPHREY. Yes.

Mr. CULVER. I thank the Senator for yielding. I appreciate this opportunity to express, as a member of the Committee on Armed Services, the interest, the consideration, the receptiveness, the concern, the appreciation of the distinguished Senator from Minnesota for the appropriate interests of the Senate Committee on Armed Services in its relationship to this legislation. The Senator from Iowa had an opportunity, many, many months ago—as early as last spring—to discuss with the Senator from Minnesota and the chairman of the Senate Committee on Armed Services his very real concerns in this area. We had considerable discussions on that occasion about some of the jurisdictional problems involved and some of the shared interests in the shape of any appropriate legislative response to this very serious national and international problem. I should go so far as to characterize it as a crisis.

I must say, and must say reluctantly and sadly, as a member of the Senate Committee on Armed Services who has been interested in this area, that the interest in cooperation and coordination between the two committees, in order, in the public interest and the interest of the Senate as a body, to responsibly meet its obligations in this area, was far more evident on the part of the Senate Committee on Foreign Relations in terms of interest, and concern about the very real and serious implications of these issues—the problems of combat-readiness, drawdowns on our own stock, technological transfer of highly sensitive materials, totally independent of the increased risk of war. I say with a great deal of lament that it is unfortunate that, now, in the 11th hour—now in the 11th hour, when some of the big interests in America become concerned—we get an interest in the problem of control of the insane, pathological international arms race that is threatened to blow up the world. We suddenly, belatedly, get worried about whether or not our own combat-readiness posture is being adversely affected. We become extremely sensitive and alarmed about whether or not we are, in fact, holding hostage our own areospace industry to these foreign governments.

We even get interested in standardization of NATO. We get interested in all kinds of questions that, for 1 solid year, this member and other members of the Senate Committee on Armed Services have repeatedly pleaded, have written memoranda, have written letters about, in the regular order. Those regular order pleadings have been generally ignored, and inadequately responded to.

Finally, because of our interest, junior members on that Senate Committee on Armed Services went to the chairman—and I am glad he is here now—and went to the Senator from Minnesota, asking, if we cannot set up some kind of formal mechanism to appropriately monitor and perform congressional oversight over those aspects of this critical subject which are germane to our committee obligation and responsibility, then can we have some liaison on these hearings?

These hearings began last June. Anybody interested in the subjects had ample opportunity to read the RECORD. The members of the Senate Committee on Armed Services, their staffs, the lobbyists, have all had a chance to read it. Starting last October, many of us corresponded, trying to get more formal cooperation. We finally gave the suggestion of having some of us as liaison. The Senator from Minnesota could not possibly have been more cooperative and willing to share jurisdictional participation on this subject, at the member level and at the staff level. He was cooperative. We sat in on those hearings.

I might add that I submitted some questions to the distinguished Secretary of State of the United States in November and we are still waiting for answers to those questions. But there is nothing new in that.

The problem is that we sat in there, and we were there. We had time, and we could have done a better job, as the Committee on Armed Services, if we had met our responsibilities properly and staffed it out, and had more formal liaison. We could have done a job. If any outstanding questions are here—and I might add that I think they are minimal, we can wrap it up quickly.

I will tell you why we are going to finish this bill after the recess, and that is so that the lobbyists in management and labor can put the heat on and kill this bill. They do not want any restrictions.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. CULVER. Not at this time.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. CULVER. Not at this time. I will not yield the floor now. I am in the process of completing a statement and, at the appropriate——

Mr. TOWER. The Senator is in the process of accusing someone of being a lobbyist.

Mr. CULVER. Mr. President, I do not yield the floor.

The PRESIDING OFFICER. The Senator from Iowa has the floor.

Mr. MANSFIELD. How did I lose it? [Laughter.]

Mr. MANSFIELD. I yield to the Senator from Iowa.

Mr. CULVER. I have the floor.

Mr. MANSFIELD. I did not yield. I now yield to the Senator. He has the floor temporarily.

Mr. CULVER. That is why we are putting this bill over; that is why there is an effort to kill it.

Do not be under any illusions about that. There has been ample opportunity to follow this, to study it, and to respond to it; and, it seems to me, that any further delays are just contributing to its being killed.

Now, the reason we have this legislative response is also typical. I will tell you why we have this legislative response. That is because we have tried, those of us who have a concern about arms control and the uncontrolled and nightmarish competition that is going on in the world today, to force a policy on the executive. We are concerned about the checkbook diplomacy of this administration; the fact that we have an unguided missile in the form of the Secretary of State who feels that foreign policy is best conducted on the principle that if they will not take a nuclear reactor, maybe they will settle for some highly sophisticated weapons system.

We have tried to force some kind of policy rationality out of this administration—without success. The only way you force a policy, unfortunately belatedly, is for Congress to insist through legislative steps that they get their own house in order, and that is exactly what the purport and import of this legislation is.

I do not think there is anything more important, any more important business, before this country, and if we have to act this way, so be it. But I think it is also important to note for the record that this legislation was carefully drafted with the full participation of the Department of Defense, the State Department; even the Secretary of State has signed on as the representative of the executive branch on this issue.

I am not at all deceived about what is going on around here. I think you can come up with a lot of different artful rationales. But I think the history of the distinguished Senator from Minnesota's efforts to cooperate intimately, and the failure of our committee to avail itself of that embrace, is all too evident.

It seems to me if we are going to talk about representing what the position is of the Senate Armed Services Committee, and talk about a majority for this or a majority for that, we ought to at least make it clear that that is considerably and necessarily in doubt, because we do not have a rollcall on that question. And if the roll were called, I think the representation of the views of the Senate Armed Services Committee would be considerably divergent on this subject.

I yield back the time and I appreciate the Senator's yielding to me.

Mr. TOWER. Mr. President, will the Senator yield?

Mr. MANSFIELD. Yes.

Mr. TOWER. Mr. President, the rhetoric has been apparently escalating considerably on this matter.

First, I would like to reject the suggestion that the Senator from Mississippi has been derelict as chairman of the Armed Services Committee. There is no Member of this body who is more conscientious, more dedicated, and who works harder than Senator STENNIS, and I take nothing away from Senator HUMPHREY in the process. I know he has done a splendid job, and I concur in that. But I resent and I reject the suggestion that Senator STENNIS has been derelict, No. 1.

No. 2, I have heard a lot of shameless demagoguery on this floor, but I have rarely been treated to a batch of it as now when it is suggested that those of us who have considerable concern with this are doing so at the behest of the arms merchants and the lobbyists.

The only people who have lobbied me on it are people who want to cram it through the Senate by tomorrow night.

Well, I can tell you this: I was prepared to be reasonable, prepared to agree to a time certain to vote on this thing. I am not sure I am now, but I am not going to stand here and have it suggested to me that I am a minion of the arms merchants or that I want to escalate the arms race or anything of that sort. That is pure bunk because I certainly do not subscribe to those ideas.

I think we ought to deescalate the rhetoric and try to work out an arrangement in which we can expedite the passage of the bill.

As a practical matter it "ain't" going to be passed tomorrow night. Even if I walk out the door and do not come back there are others who are not going to let this bill come to a vote, a final vote. So I think we ought to deal with reality and arrive at a solution so that we will know when we can complete action on the bill when we return a week from Monday.

Mr. MANSFIELD. Mr. President, I hope the Senator from Texas will keep an open mind on the possibilities inherent as in this legislation, as a result of the meeting this afternoon between the Armed Services Committee, on the one hand, and the manager of the bill, the distinguished Senator from Minnesota (Mr. HUMPHREY) and the ranking Republican member, the distinguished Senator from New Jersey (Mr. CASE).

(Mr. BROCK assumed the chair at this point.)

It is my hope that it will be possible that something can be worked out, because this will be a most difficult year for all of us and, as the Senate is aware, we are bound by our own regulations contained in the creation of the Budget Committee by means of which we must consider legislation within certain prescribed periods.

Futhermore, as the distinguished manager of the bill, Senator HUMPHREY, has indicated, as soon as this is disposed of, we have to turn to the 1977 bill.

LEGISLATIVE PROGRAM

So, Mr. President, for the information of the Senate, we will continue with the pending business but, at the very least, I want the Senate to be on notice that following the disposal of this legislation, if not before because of changed circumstances, the Senate will then turn to the consideration of Calendar No. 460, S. 22, a bill for the general revision of the Copyright Law, title 17 of the United States Code, and for other purposes. This, too, will take some time, as will other bills which are in the offing.

So, with that notice to the Senate, I suggest the absence of a quorum.

Mr. ROBERT C. BYRD. Mr. President, will the Senator withhold his request?

Mr. MANSFIELD. Yes.

REQUEST FOR AN ORDER FOR ADJOURNMENT UNTIL 8:30 TOMORROW MORNING

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until 8:30 tomorrow morning.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 8:45 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 8:45 a.m. tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE RECOGNITION OF SENATOR STONE AND SENATOR HUDDLESTON ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent after the two leaders or their designees have been recognized under the standing order on tomorrow, that Mr. STONE be recognized for not to exceed 15 minutes; to be followed by Mr. HUDDLESTON for not to exceed 15 minutes, and that the order may be reversed depending upon the convenience of either or both of those Senators on tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR THE RESUMPTION OF THE CONSIDERATION OF S. 2662 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of the orders for the recognition of Senators on tomorrow the Senate resume consideration of the unfinished business, S. 2662, the International Security Assistance and Arms Export Control Act of 1975.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, on tomorrow the Senate will convene at the hour of 8:45 a.m. After the two leaders or their designees have been recognized under the standing order, Mr. STONE and Mr. HUDDLESTON will be recognized, each for not to exceed 15 minutes and in the order stated. However, Mr. HUDDLESTON may go first if it is to his convenience and if it meets with the approval of Mr. STONE.

After the orders for the recognition of Senators have been completed, the Senate will resume consideration of S. 2662, the International Security Assistance and Arms Export Control Act of 1976. Rollcall votes may occur on motions or amendments relating to the same. It may be possible or it may be advisable, at least, on tomorrow, for the Senate to temporarily put that measure aside and begin action on the copyright bill, S. 22. That remains to be seen.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL 8:45 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 8:45 a.m. tomorrow.

The motion was agreed to; and at 4:54 p.m. the Senate adjourned until Friday, February 6, 1976, at 8:45 a.m.

NOMINATIONS

Executive nominations received by the Senate February 5, 1976:

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the National Oceanic and Atmospheric Administration:

To be captain

Wesley V. Hull
Wayne L. Mobley
Charles A. Burroughs
Richard E. Alderman
George M. Poor
Charles K. Townsend
Ronald L. Newsom

To be commander

Thomas E. Gerish
Caroll D. North, Jr.
John W. DeCoste
Donald E. Nortrup
Larry K. Nelson
Frank P. Rossi
John T. Atwell
Lowell J. Genzlinger
Jimmy A. Lyons
David M. Wilson
John D. Stachelhaus

To be lieutenant commander

Eddie N. Bernard
Bradford B. Meyers
Richard A. Schiro
Kurt J. Schnebele
Michael R. Johnson
Max M. Ethridge
David B. MacFarland, Jr.
Stephen L. Wood
James R. Faris
Emerson G. Wood
Gregory R. Bass
Robert L. Penry
Wayne F. Turnacliff
William L. Adams
Michael F. Kolesar
Robert B. Zider
Richard P. Moore

To be lieutenant

Roger W. Mercer
Garth W. Stroble
George J. Hauser, Jr.
Andrew M. Snella
Alan H. Yanaway
Kenneth F. Van Train
Thomas G. Russel
George D. Vose
David Pasciuti
Kenneth M. Holden II
Dennis J. Sigrist
Thomas L. Meyer
John B. Nelson
Robert J. Pawlowski
George A. Baisley
David C. Jarrett
Fred L. Kleinschmidt
Douglas G. Hennick
Bryan K. Mezger
Craig P. Berg
Charles D. Mason
Joanne Parker
Kenneth W. Perrin
Donald A. Dossett
Francesca M. Cava
William D. Otto
Bruce B. Johnson
Terry M. Laydon
Robert G. Williscroft

To be lieutenant (junior grade)

Dennis M. Kuhl
Michael E. Ziolko
Terrance D. Jackson
Edward D. Gullekson
Christine S. Carty
Karen L. Pasciuti
James D. Sarb
David H. Peterson
Richard W. Ellis
Cheryl A. Cavin
James H. Bennett, Jr.
Deborah A. Astle
Constantine E. Mericas
Gary M. Albertson
Evelyn J. Fields
Howard T. Langeveld
Donald A. Dreves
John A. Withrow

To be ensign

David H. Minkel
John P. Rubino
Karin A. Lerch
Susan J. Ludwig
Howard A. Jemison III
Stephen C. Jameson
James A. Green
Walter P. Latimer
Stephen S. Snyder
David R. Shields
William F. Marshall
Jim W. Conrad
Jerome S. Myszka
Michael W. Cline
Steven M. Miller
Derek C. Sutton
John C. Bortniak

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of major general:

Edward A. Wilcox
William J. White
Noah C. New
Phillip D. Shutler
Richard E. Carey
George W. Smith
John H. Miller
Harold A. Hatch
Edward J. Bronars
Paul X. Kelley

IN THE AIR FORCE

The following-named officers for promotion in the Regular Air Force, under the appropriate provisions of chapter 835, title 10, United States Code, as amended. All officers are subject to physical examination required by law:

LINE OF THE AIR FORCE

Second lieutenant to first lieutenant

Adams, John R., [redacted].
Adams, Kenneth C., [redacted].
Aderhold, David J., [redacted].
Adriance, Bruce E., [redacted].
Albani, Louis R., [redacted].
Alexander, Kelly D., [redacted].
Allen, Craig E., [redacted].
Allen, Joel M., [redacted].
Allen, Joseph C., [redacted].
Allen, Robert H., [redacted].
Allgood, James E., [redacted].
Almeida, James A., [redacted].
Altman, Robert W., [redacted].
Ambrose, Charles E., Jr., [redacted].
Ambrose, Dean H., [redacted].
Amos, Jimmie D., [redacted].
Andermann, Brian E., [redacted].
Anderson, Cortland J., [redacted].
Anderson, Emmet D., Jr., [redacted].
Anderson, Erik C., [redacted].
Anderson, Gary L., [redacted].
Anderson, John P., [redacted].
Anderson, Michael E., [redacted].
Anderson, Steven J., [redacted].
Andrew, Thomas L., [redacted].
Anselm, Richard, [redacted].
Arnett, James M., [redacted].
Ashler, Frederick L., [redacted].
Aslett, Linda S., [redacted].
Audley, David R., [redacted].
Avila, Edward R., [redacted].
Avvento, Gennaro J., [redacted].
Awtrey, Clyde A., [redacted].
Ayers, Freddie A., [redacted].
Ayers, Louis M., [redacted].
Bailey, Jack L., [redacted].
Bailey, James D., [redacted].
Bailey, Wade H., [redacted].
Baillie, Carl C., [redacted].
Baker, Richard J., [redacted].
Baker, Richard A., [redacted].
Balash, Lawrence, [redacted].
Baldwin, Conrad C., Jr., [redacted].
Baldwin, Mark W., [redacted].
Ballard, Mark R., [redacted].
Banghart, George R., [redacted].
Bankey, Daniel E., [redacted].
Barber, Brian R., [redacted].
Barcus, David M., [redacted].
Barger, Phillip O., [redacted].
Barr, Barry W., [redacted].
Barrier, Richard D., [redacted].
Barron, John I., III, [redacted].
Barry, James, [redacted].
Barry, John L., [redacted].
Barton, Harold H., Jr., [redacted].
Bash, Darrell D., [redacted].
Bass, Roy H., Jr., [redacted].
Baugh, David E., [redacted].
Beal, Byron E., [redacted].
Beally, Timothy N., [redacted].
Beard, Brian B., [redacted].
Beard, John H., [redacted].
Beck, William P., [redacted].
Beckmann, Wilfried N., [redacted].
Bedore, Craig W., [redacted].
Beechel, William R., [redacted].
Beigh, Roger A., [redacted].
Bendick, Gordon L., [redacted].
Bennett, Bruce G., [redacted].
Benoit, Mark E., [redacted].
Berthiaume, Richard A., [redacted].
Betts, Kenneth N., Jr., [redacted].
Beyer, Gregory T., [redacted].
Birch, Dale W., [redacted].
Bjurstrom, Richard G., [redacted].
Black, Christopher S., [redacted].
Black, John A., [redacted].
Blackmer, Douglas A., [redacted].
Blanchard, Samuel A., [redacted].
Blanchette, Jeffrey G., [redacted].
Blandin, Robert R., [redacted].
Blase, Thomas L., [redacted].
Blecher, John P., [redacted].
Blohm, Michael R., [redacted].
Blokland, Gary, [redacted].
Boehm, James G., [redacted].
Bolton, Robert M., [redacted].
Bone, James R., [redacted].
Bonewitz, Joel D., [redacted].
Bonn, Kenneth, [redacted].
Bossen, Dennis A., [redacted].
Bottenus, Robert J., [redacted].
Bowen, Charles A., [redacted].
Boyce, Dennis E., [redacted].
Boyd, Anne W., [redacted].
Boyd, Raymond A., Jr., [redacted].
Boyle, Gary S., [redacted].
Boyle, James M., [redacted].
Boyt, Thomas E., [redacted].
Bradford, Stuart W., Jr., [redacted].
Brammeier, Charles L., Jr., [redacted].
Brechbuhl, Peter R., [redacted].
Brechtel, Donald L., [redacted].
Breckenridge, Ronald R., [redacted].
Brennan, Scott W., [redacted].
Brenner, Paul H., [redacted].
Briding, Alan J., [redacted].
Brienzo, Frank L., [redacted].
Briggs, Gerald R., [redacted].
Bright, Victor A., Jr., [redacted].
Brobeck, Gary L., [redacted].
Brockner, Charles R., [redacted].
Broderick, Michael D., [redacted].
Broderick, Ralph S., Jr., [redacted].
Bromberek, Clarence S., [redacted].
Brooks, Douglas J., [redacted].
Brooks, James M., [redacted].
Brooks, Peggy F., [redacted].
Brown, David J., [redacted].
Brown, Eric F., [redacted].
Brown, Jeffrey H., [redacted].
Brown, Jimmy C., [redacted].
Brown, Kathryn A., [redacted].
Brown, Kenneth S., [redacted].
Brumlow, Ronald L., [redacted].
Brundage, Roy C., [redacted].
Bryant, David E., [redacted].
Buchanan, Rickey L., [redacted].
Buchanan, Richard K., [redacted].
Buckley, James L., III, [redacted].
Bugg, Catherine N., [redacted].
Bull, Stephen D., III, [redacted].
Bullock, Bernard A., [redacted].
Bullock, Martin, [redacted].
Bunner, Randle K., [redacted].
Burgar, John D., [redacted].
Burger, Robert D., [redacted].
Burke, Stephen F., [redacted].
Burnett, David M., [redacted].
Buse, David L., [redacted].
Butler, Ernest E., Jr., [redacted].
Butler, Thomas, [redacted].
Byrne, William A., [redacted].
Callard, James R., [redacted].
Callaway, Bernard B., [redacted].
Cardenas, Richard L., [redacted].
Carlson, Joel A., [redacted].
Carpenter, William D., [redacted].
Carr, John F., [redacted].
Carrato, Anthony L., [redacted].
Carroll, Stephen W., [redacted].
Catlin, Benjamin S., IV, [redacted].
Cavin, Glynn W., Jr., [redacted].
Chalifoux, Michael, [redacted].
Chambers, Haydn G., [redacted].
Champagne, Joseph S., [redacted].
Charfauros, Kenneth H., [redacted].
Cheeseman, Gary R., [redacted].
Cherry, Phillip S., [redacted].
Childers, Frank W., [redacted].
Childress, Charlie Jr., [redacted].
Chisholm, Meighan K., [redacted].
Cholet, Stephen A., [redacted].
Christal, Johnny M., [redacted].
Christensen, John L., [redacted].
Chun, Mark C., [redacted].
Cira, Anthony T., [redacted].
Cizan, Clifford L., Jr., [redacted].
Clark, Bryan R., [redacted].
Clark, Dennis R., [redacted].
Clark, Horace P., [redacted].
Clatterbaugh, Charles C., [redacted].
Cleary, Michael S., [redacted].
Cleland, David I., Jr., [redacted].
Clements, Howard L., III, [redacted].
Cleveland, Craig D., [redacted].
Clifford, Jerome R., [redacted].
Clovicko, Cary, [redacted].
Cochrane, Marvin A., [redacted].
Cohn, William F., [redacted].
Coker, Luke A., [redacted].
Cole, Timothy P., [redacted].
Coleman, Sidney C., [redacted].
Collins, John R., [redacted].
Collins, Richard B., [redacted].
Combs, Kenneth A., [redacted].
Comer, Richard L., [redacted].
Conkle, Larry G., [redacted].
Cook, Gerald L., [redacted].
Cook, Robert W., [redacted].
Cook, Sharla J., [redacted].
Cooper, James R., [redacted].
Cooper, Paul T., Jr., [redacted].
Corley, John D. W., [redacted].
Cornell, Charles O., [redacted].
Correll, Basil H., Jr., [redacted].
Correll, Eugene A., [redacted].
Cost, Thomas M., [redacted].
Cotten, John P., [redacted].
Cottrell, Daniel E., [redacted].
Crackel, Michael L., [redacted].
Crandley, John F., Jr., [redacted].
Crank, Chester T., [redacted].
Crawford, Arth C., Jr., [redacted].
Cripe, Richard A., Jr., [redacted].
Cristiani, Steven J., [redacted].
Critchlow, Carl L., [redacted].
Crites, Carl R., [redacted].
Crockford, William W., [redacted].
Cromack, Douglas T., [redacted].
Cronin, John M., [redacted].
Cropper, James W., [redacted].
Cross, Christopher A., [redacted].
Croston, John C., [redacted].
Crowley, James M., [redacted].
Cruice, Edward J., III, [redacted].
Crumrine, Jack R., [redacted].
Cuadros, Ricardo G., [redacted].
Culbertson, William C., [redacted].
Cummins, Gregory W., [redacted].
Cunningham, Breck A., [redacted].
Cunningham, William E., [redacted].
Cudmo, Gennaro, [redacted].
Currie, Paul T. H., [redacted].
Cutter, Michael J., [redacted].
Dahmer, Forrest K., [redacted].
Dalrymple, Stephen H., [redacted].
Damiani, Roy D., [redacted].
Daniel, Clifton D., [redacted].
Danielson, Dennis L., [redacted].
Dannels, Barton L., [redacted].
Davenport, Michael J., [redacted].
Davis, Edward M., [redacted].
Davis, James A., [redacted].
Davis, Joseph L., [redacted].
Dean, Jimmie F., [redacted].
Deason, John M., [redacted].
Debruin, Philip C., [redacted].
Decapua, Michael L., [redacted].
Decker, Allen B., [redacted].
Decker, Robert L., [redacted].
Defeo, Robert G., [redacted].
Deloney, Richard E., Jr., [redacted].
Delong, Hugh K., III, [redacted].
Deloughry, James P., [redacted].
Dempsey, John R., [redacted].
Dendinger, Michael E., [redacted].
Denig, William W., [redacted].
Derosa, Anthony, [redacted].
Derry, Christopher J., [redacted].

Dick, Douglas R., [redacted].
Dickinson, Richard H., [redacted].
Dickson, Charles L., [redacted].
Diffley, William J., [redacted].
Dodge, Larry C., [redacted].
Dofelmier, Carl T., [redacted].
Donaldson, Linda S., [redacted].
Donnell, Douglass W., [redacted].
Doonan, Philip S., [redacted].
Dorland, Gary A., [redacted].
Doroff, Dennis F., [redacted].
Dorris, George W., [redacted].
Doyal, Curtis D., [redacted].
Draayer, Robert K., [redacted].
Drake, Eddy P., [redacted].
Dretar, Stephen P., [redacted].
Drew, Samuel N., [redacted].
Droppo, Gerald W., [redacted].
Duerson, Stuart T., [redacted].
Dunbar, Robert J [redacted].
Dunlap, Alden L., Jr., [redacted].
Dunn, Arthur L., Jr., [redacted].
Dutelle, Gary A., [redacted].
Dutton, Jeffrey L., [redacted].
Duvall, Thomas J., [redacted].
Eames, Robert A., [redacted].
Edeburn, Jan D., [redacted].
Edwards, Howard M., [redacted].
Eilers, Richard L., [redacted].
Eisenhart, John A., [redacted].
Elizondo, Camilo G., [redacted].
Eller, Jonathan R., [redacted].
Elliott, Howard C., [redacted].
Ellis, David T., [redacted].
Ellis, Frank T., Jr., [redacted].
Ely, Richard O., II [redacted].
Englebretson, Mark S., [redacted].
Enright, Randall M., [redacted].
Ergonis, Resty J., [redacted].
Ernst, Darrell E., [redacted].
Essig, David L., [redacted].
Estes, John H., IV, [redacted].
Evans, Michael M., [redacted].
Evans, Paul G., [redacted].
Evans, Steven A., [redacted].
Ewert, Lanny L., [redacted].
Faber, Larry E., [redacted].
Fanning, Arthur F., [redacted].
Faris, Ronald J., [redacted].
Farr, Charles M., [redacted].
Farrar, William T., III, [redacted].
Farrell, Michial G. J. A., [redacted].
Farris, John S., [redacted].
Faye, Philip A., [redacted].
Fazio, Richard P., [redacted].
Felton, Charles F., [redacted].
Fennell, Alice A., [redacted].
Fenton, Stephen T., [redacted].
Ferris, Mark F., [redacted].
Ferry, Dennis J., [redacted].
Fickes, Richard J., [redacted].
Flanagan, Edward T., Jr., [redacted].
Flavin, John R., [redacted].
Floyd, David W., [redacted].
Flynn, Charles C., [redacted].
Flynn, James H., [redacted].
Foard, David A., [redacted].
Foerster, Carl A., [redacted].
Fogleman, Dean G., [redacted].
Foley, Robert J., [redacted].
Forbes, Michael B., [redacted].
Foreman, Jonh T., [redacted].
Forrester, Joe D., [redacted].
Foster, Patricia W., [redacted].
Fotinakes, Randall D., [redacted].
Fox, William F., Jr., [redacted].
Frank, William O., [redacted].
Fraser, Robert S., [redacted].
Frazier, Edwin B., Jr., [redacted].
Freund, Paul G., [redacted].
Frodsham, Gene M., [redacted].
Frohlich, Robert A., [redacted].
Fulkerson, Gregory A., [redacted].
Furr, Joseph P., [redacted].
Gade, Dale R., [redacted].
Gaffney, Robert L., [redacted].
Galvin, Timothy J., [redacted].
Gambardella, Frank V., [redacted].
Gammon, Hugh H., Jr., [redacted].
Garlington, Alan R., [redacted].
Garner, David D., [redacted].
Garrard, John M., [redacted].
Garrity, Kevin S., [redacted].
Gast, Stephen R., [redacted].
Gauch, Tracey L., [redacted].
Gaylor, Don K., [redacted].
Gee, Gary F., [redacted].
Geers, Terry D., [redacted].
Geesaman, Dennis E., [redacted].
Gempler, Gregory J., [redacted].
Gesch, Wolfgang F. K., [redacted].
Gessert, David P., [redacted].
Gibeau, John P., [redacted].
Gibson, Earl O., [redacted].
Gilbert, Robert L., [redacted].
Gilbert, Russell L., [redacted].
Gillig, Grant W., [redacted].
Gillin, William T., [redacted].
Gillis, Matthew P., III, [redacted].
Gilmer, Lee R., [redacted].
Gimbal, Eric A., [redacted].
Gimborys, Peter F., [redacted].
Glavan, John R., [redacted].
Glitz, Robert J., [redacted].
Gober, Marc T., [redacted].
Goetz, William T., [redacted].
Goff, Robert M., [redacted].
Golson, Bruce W., [redacted].
Gonyea, Gergory T., [redacted].
Good, David M., [redacted].
Gore, Monnie L., Jr., [redacted].
Graf, Gerald R., [redacted].
Graybeal, Terry A., [redacted].
Grayson, Alan R., [redacted].
Grayson, Thomas G., [redacted].
Greathouse, Larry L., [redacted].
Greer, David W., [redacted].
Greider, Betty L., [redacted].
Grier, Samuel L., Jr., [redacted].
Griffith, Michael D., [redacted].
Gross, Donald W., [redacted].
Gulasey, Steven J., [redacted].
Gutierrez, Sidney M., [redacted].
Gutridge, Milford A., [redacted].
Guttman, Paul M., [redacted].
Haddock, Barry W., [redacted].
Haegele, Edward S., [redacted].
Hafner, Steven C., [redacted].
Hagemeier, Hal E., [redacted].
Hale, Richard A., [redacted].
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Stonehouse, David J., [redacted].
Strain, Glenn C., [redacted].
Straiton, Thomas R., [redacted].
Stratton, Robert A., [redacted].
Strauss, Douglas J., [redacted].
Strawa, Anthony W., [redacted].
Streib, Allan B., [redacted].
Stringer, Patrick L., [redacted].
Stucky, Paul R., [redacted].
Sullenberger, Chesley B., [redacted].
Sullivan, Robert M., [redacted].
Summers, Robert P., [redacted].
Sutula, Donald G., [redacted].
Swan, William S., [redacted].
Sweeney, John S., [redacted].
Swenson, Hilmer W. S., Jr., [redacted].
Swertfager, Thomas A., [redacted].
Swider, Raymond J., Jr., [redacted].
Szydel, Ellen M., [redacted].
Tackett, Homer L., [redacted].
Taft, Robert E., [redacted].
Taravella, Christopher A., [redacted].
Tascione, Thomas F., [redacted].
Taylor, Edward G., [redacted].
Taylor, Ewing R., III, [redacted].
Taylor, George E., [redacted].
Taylor, Joseph J., Jr., [redacted].
Taylor, Paul W., [redacted].
Taylor, Roderick A., [redacted].
Teague, Charles P., Jr., [redacted].
Teter, John F., [redacted].
Theken, Terry W., [redacted].
Thiel, William R., [redacted].
Thomas, David L., [redacted].
Thomas, Frederick W., [redacted].
Thomas, Ronald L., [redacted].
Thompson, James G., [redacted].
Thompson, John A., Jr., [redacted].
Thompson, William L., [redacted].
Thorn, William F., [redacted].
Thuotte, Victor E., Jr., [redacted].
Thurston, Keith L., [redacted].
Ticknor, Robert W., [redacted].
Tillman, Michael S., [redacted].
Tinney, Sandra K., [redacted].
Toda, Frank K., [redacted].
Toland, Val C., [redacted].
Tompkins, Edwin S., [redacted].
Topp, Susan K., [redacted].
Topping, Gray E., [redacted].
Torrey, Samuel R., [redacted].
Tota, Samuel G., [redacted].
Townsend, Ronald D., [redacted].
Tramontana, Michael W., [redacted].
Trchka, Dennis J., [redacted].
Tremonte, Michael F., [redacted].
Triplett, Gary M., [redacted].
Troncoso, Michael E., [redacted].
Truax, Michael J., [redacted].
Tucker, Chris L., [redacted].
Turner, Michael P., [redacted].
Twardowski, Thomas J., [redacted].
Tyler, Dorothy B., [redacted].
Ulmer, Richard M., [redacted].
Underwood, Peter K., [redacted].
Vaccaro, Kenneth, [redacted].
Vancoevering, John B., [redacted].
Vandam, Richard A., [redacted].
Vandrie, Gary L., [redacted].
Vanells, Marc, [redacted].
Vanheeswyk, Leslie R., [redacted].
Vanorman, Brian L., [redacted].
Varn, George L. E. D., [redacted].
Veatch, Raymond J., [redacted].
Vechik, Gary L., [redacted].
Veenstra, Randall A., [redacted].
Veldman, Francis E., II, [redacted].
Viernes, Glenn P., [redacted].
Vinnedge, William C., [redacted].
Vidlet, William J., [redacted].
Vitelli, James, [redacted].
Vitkus, Raymond A., [redacted].
Vogel, Eric M., [redacted].
Voigt, Robert E., [redacted].
Volkman, Kenneth A., [redacted].

Volodzko, Konstantin, [redacted].
Wachs, Calvin O., [redacted].
Wagaman, Richard S., [redacted].
Walker, Donald L., [redacted].
Walker, Harry C., III, [redacted].
Walker, Joseph P., [redacted].
Walker, Keith A., [redacted].
Walker, Michael A., [redacted].
Walker, Thomas N., [redacted].
Wallace, Lewis S., Jr., [redacted].
Wallace, Raymond E., [redacted].
Wallace, Richard B., [redacted].
Waller, Steven D., [redacted].
Walsh, Mary E., [redacted].
Washabaugh, Walter M., [redacted].
Wassenar, Kenneth D., [redacted].
Watt, Vance L., [redacted].
Wauchop, Johnnie H., [redacted].
Way, Spencer Jr., [redacted].
Weber, Wayd P., [redacted].
Wegiel, Stanley W., Jr., [redacted].
Welcome, Gerald F., [redacted].
Welteroth, James R., [redacted].
Wenger, Michael S., [redacted].
Wenzel, Vaughan A., [redacted].
West, Paul R., Jr., [redacted].
Western, James R., Jr., [redacted].
Wetekam, Donald J., [redacted].
Wetzel, Michael R., [redacted].
Whitaker, Johnny, [redacted].
White, Roger C., [redacted].
Whitt, Earl F., Jr., [redacted].
Wickers, Rodney W., [redacted].
Wigginton, John L., [redacted].
Wigginton, John T., III, [redacted].
Wigle, Gary S., [redacted].
Wilcox, Donald A., [redacted].
Wilken, Michael J., [redacted].
Williams, Cecil, [redacted].
Williams, Erwin L., [redacted].
Wiliams, Joe E., Jr., [redacted].
Williams, Lester D., [redacted].
Wilis, Stephen S., [redacted].
Wilmert, Terance L., [redacted].
Wilson, David L., [redacted].
Wilson, Scott, [redacted].
Wilson, William M., Jr., [redacted].
Winburg, Roger S., [redacted].
Winburn, James K., [redacted].
Witkowski, Mark H., [redacted].
Womack, Kenneth W., [redacted].
Wood, Garey T., [redacted].
Woon, Eden Y., [redacted].
Wright, Bruce A., [redacted].
Wrisley, Dale E., [redacted].
Wurster, Donald C., [redacted].
Wypiszynski, Steven, [redacted].
Yablonski, Robert, [redacted].
Yagher, Ray A., Jr., [redacted].
Yamato, Masaaki, [redacted].
Yaniglos, James, [redacted].
Yavorsky, Philip G., [redacted].
Yestness, Steven R., [redacted].

MEDICAL SERVICE CORPS

Abraham, Robert E., [redacted].
Atwood, Horace D., [redacted].
Brown, David M., [redacted].
Chapman, Gregory S., [redacted].
Coffman, Mark R., [redacted].
Cooper, Robert L., Jr., [redacted].
Diehl, Steven L. [redacted].
Fritz, Marc A., [redacted].
Hannan, David T., [redacted].
Harrison, Charles R., [redacted].
Hart, Roy A., [redacted].
Hawkins, Robert A., [redacted].
Heironimus, James D., Jr., [redacted].
Houk, Richard W., [redacted].
Knox, Kirby E., [redacted].
Loper, Clifford M., [redacted].
Mayer, Michael H., [redacted].
Mazza, Dominic L., [redacted].
McDavid, Stephen T., [redacted].
Mitchell, Orderia F., [redacted].
Murphy, Alan R., [redacted].
Parry, Edward L., [redacted].
Patchin, John C., [redacted].
Penix, Arnold R., [redacted].
Prechter, Gary C., [redacted].
Schenk, David A., [redacted].
Shagets, Frank W., [redacted].
Stine, Walter S., [redacted].
Vogler, James B., III, [redacted].
Westfall, Christopher T., [redacted].
Willis, Henry S. K., III, [redacted].

BIOMEDICAL SCIENCES CORPS

Calomino, Allan, [redacted].
Cooper, Timothy W., [redacted].
Fulk, David L., [redacted].
Lubozynski, Frank T., [redacted].
Magnusson, Kent E., [redacted].
Niskala, Gary C., [redacted].
Wagoner, John H., [redacted].

The following Air Force officer for reappointment to the active list of the Regular Air Force in the grade indicated, under the provisions of sections 1210 and 1211, title 10, United States Code:

LINE OF THE AIR FORCE

To be colonel

Fisher, Max L., [redacted].

CONFIRMATIONS

Executive nominations confirmed by the Senate February 5, 1976:

DRUG ENFORCEMENT ADMINISTRATION

Peter B. Bensinger of Illinois, to be Administrator of Drug Enforcement.

NATIONAL TRANSPORTATION SAFETY BOARD

Webster B. Todd, Jr., of New Jersey, to be a member of the National Transportation Safety Board for the term expiring December 31, 1980.

Webster B. Todd, Jr., of New Jersey, to be Chairman of the National Transportation Safety Board for a term of 2 years.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before a duly constituted committee of the Senate.)

HOUSE OF REPRESENTATIVES—*Thursday, February 5, 1976*

The House met at 12 o'clock noon.

Father Godfrey Kloetzli, OFM, of the Terra Sancta College, Jerusalem, Israel, offered the following prayer:

Almighty and most loving God, look down upon us gathered here before You and listen to our prayer. It is with deepest humility that we call upon You for help. What is decided and done on this floor can and will influence not only the lives of our fellow citizens, but also those of the peoples of the entire Earth. Give us a fuller realization of this fact and help us to rise above mere personal desires and ambitions to serve our fellow man with all our strength. We are weak and helpless without Your gifts of knowledge and courage; knowledge to understand what is right, and courage to act accordingly. Hear our prayer, Almighty Father, for without You we will labor in vain. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 1607. An act to amend title 18 and title 39 of the United States Code to make parallel the exemption from lottery prohibitions granted to newspapers and to radio and television, and

H.R. 6184. An act to amend section 40 of the Bankruptcy Act to fix the salaries of referees in bankruptcy.

The message also announced that the Senate having proceeded to reconsider the joint resolution (S.J. Res. 121) entitled "Joint resolution to provide for quarterly adjustments in the support price for milk, and for other purposes", returned by the President of the United States with his objections, to the Senate, in which it originated, it was resolved, that the said joint resolution do not pass, two-thirds of the Senators present not having voted in the affirmative.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 5512. An act to amend the National Wildlife Refuge System Administration Act of 1966, and for other purposes; and H.R. 10230, an act to establish a science and technology policy for the United States, to provide for scientific and technological advice and assistance to the President, to provide a comprehensive survey of ways and means for improving the Federal effort in scientific research and information handling, and in the use thereof, to amend the National Science Foundation Act of 1950, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to the amendment of the Senate to a bill of the House of the following title:

H.R. 5608. An act to extend until the close of 1983 the period in which appropriations are authorized to be appropriated for the acquisition of wetlands, to increase the maximum amount of such authorization, and for other purposes.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 14. An act to provide cost-of-living adjustments in retirement pay of certain Federal judges;

S. 2129. An act to provide for the definition and punishment of certain crimes in accordance with the Federal laws in force within the special maritime and territorial jurisdiction of the United States when said crimes

are committed by an Indian in order to insure equal treatment for Indian and non-Indian offenders;

S. 2371. An act to provide for the regulation of mining activity within, and to repeal the application of mining laws to, areas of the National Park System, and for other purposes;

S. 2742. An act to dedicate the Chesapeake and Ohio Canal National Historical Park to Justice William O. Douglas in grateful recognition of his contributions to the people of the United States; and

S. Con. Res. 92. Concurrent resolution providing for a conditional adjournment of the Senate from February 6, 1976, until February 16, 1976.

FATHER GODFREY KLOETZLI

(Mr. O'NEILL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. O'NEILL. Mr. Speaker, today we have the Reverend Godfrey Kloetzli with us of the Franciscan custody at the Holy Land in Jerusalem. In Easter week of last year, there was a committee of the House which was on an Interparliamentary Conference with the Israeli legislature, and before that with the Egyptian legislature. By chance we met Father Kloetzli, and he showed us the Holy Land, the historical spots of the Christian, Moslem, and Jewish faiths.

I know that so many of the Members in public life in America and American citizens who have visited Israel have met Father Kloetzli, and have always enjoyed his friendliness and the warmth of his greeting, and the beautiful manner in which he conducts a tour to show visitors the places of the times of Christ and times of early history.

So, Mr. Speaker, may I say how grateful I am that Father Kloetzli, whose home is in Washington and who is back here visiting with his mother for some time, is the Chaplain of the day.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to my colleague from Massachusetts.

Mr. CONTE. Mr. Speaker, I want to join with the distinguished majority leader in expressing our delight at having Father Kloetzli here today to address the House.

It was my pleasure to have first made the acquaintance of Father Kloetzli last year in Israel where the gentleman from Massachusetts (Mr. O'NEILL) and I were cochairing a parliamentary mission to the Mideast. Father Kloetzli provided our congressional delegation with an informative tour of Jerusalem and the Holy Land—a most pleasant and instructive part of our visit.

I thank Father Kloetzli for his thoughts this morning and echo his prayer that what we do in this Chamber be for the benefit of all the peoples of the Earth.

At this time I would like to reciprocate his kindness and extend a very warm welcome to Father Kloetzli and my very best wishes for an enjoyable stay in this country.

ANNOUNCEMENT OF APPOINTMENT OF ADDITIONAL REPUBLICAN OFFICIAL OBJECTOR FOR THE CONSENT CALENDAR

Mr. RHODES. Mr. Speaker, I wish to announce the appointment of the gentleman from Pennsylvania (Mr. SCHULZE) as an additional Republican official objector for the Consent Calendar.

REPORT ON H.R. 11665, RESCINDING CERTAIN BUDGET AUTHORITY

Mr. MAHON, from the Committee on Appropriations, submitted a privileged report on the bill H.R. 11665 to rescind certain budget authority recommended in the message of the President of January 23, 1976 (H. Doc. 94–342), transmitted pursuant to the Impoundment Control Act of 1974 (Report No. 94–808), which was referred to the Union Calendar and ordered printed.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEDGED REPORTS

Mr. MOAKLEY. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CONFERENCE REPORT ON H.R. 11045, REHABILITATION ACT EXTENSION OF 1976

Mr. PERKINS submitted the following conference report and statement on the bill (H.R. 11045) to amend the Rehabilitation Act of 1973 to extend the authorizations of appropriations contained in such act:

CONFERENCE REPORT (H. REPT. No. 94–809)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11045) to amend the Rehabilitation Act of 1973 to extend the authorizations of appropriations contained in such Act, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SHORT TITLE

SECTION 1. This Act may be cited as the "Rehabilitation Act Extension of 1976".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR VOCATIONAL REHABILITATION SERVICES

SEC. 2. (a)(1) Section 100(b)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 720(b)(1)) (hereinafter in this Act referred to as the "Act") is amended by striking out "and" immediately after "1975," and by inserting immediately before the period at the end thereof the following: ", and $740,000,000 for the fiscal year ending September 30, 1977".

(2) Section 100(b)(2) of the Act (29 U.S.C. 720(b)(2)) is amended by striking out "and" immediately after "1975," and by inserting immediately after "1976" the following: ", and $25,000,000 for the fiscal year ending September 30, 1977".

(b) Section 112(a) of the Act (29 U.S.C. 732(a)) is amended by striking out "and" immediately after "1975," and by inserting immediately after "1976," the following: "and up to $2,500,000 but no less than $1,000,000 for the fiscal year ending September 30, 1977,".

(c) Section 121(b) of the Act (29 U.S.C. 741(b)) is amended by striking out "June 30, 1977" and inserting in lieu thereof "September 30, 1979".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR RESEARCH AND TRAINING

SEC. 3. (a) Section 201(a)(1) of the Act (29 U.S.C. 761(a)(1)) is amended by striking out "and" immediately after "1975," and by inserting immediately after "1976" the following: ", and $30,000,000 for the fiscal year ending September 30, 1977".

(b) Section 201(a)(2) of the Act (29 U.S.C. 761(a)(2)) is amended by striking out "and" immediately after "1975," and by inserting immediately after "1976" the following: ", and $25,000,000 for the fiscal year ending September 30, 1977".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR GRANTS FOR CONSTRUCTION OF REHABILITATION FACILITIES

SEC. 4. (a) Section 301(a) of the Act (29 U.S.C. 771(a)) is amended by striking out "and" immediately after "1975," and by inserting immediately before the period at the end thereof the following: ", and September 30, 1977".

(b) The last sentence of section 301(a) of the Act (29 U.S.C. 771(a)) is amended by striking out "July 1, 1978" and inserting in lieu thereof "October 1, 1980".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR VOCATIONAL TRAINING SERVICES FOR HANDICAPPED INDIVIDUALS

SEC. 5. Section 302(a) of the Act (29 U.S.C. 772(a)) is amended by striking out "and" immediately after "1975," and by inserting immediately before the period at the end thereof the following: ", and September 30, 1977".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR SPECIAL PROJECTS AND DEMONSTRATIONS

SEC. 6. Section 304(a)(1) of the Act (29 U.S.C. 774(a)(1)) is amended by striking out "and" immediately after "1975" and by inserting immediately after "1976" the following: ", and such sums as may be necessary for the fiscal year ending September 30, 1977".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR NATIONAL CENTER FOR DEAF-BLIND YOUTHS AND ADULTS

SEC. 7. Section 305(a) of the Act (29 U.S.C. 775(a)) is amended by striking out "and" immediately after "1975," and by inserting immediately before the period at the end thereof the following: ", and September 30, 1977".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR PROGRAMS AND PROJECT EVALUATION

SEC. 8. Section 403 of the Act (29 U.S.C. 783) is amended by striking out "and" immediately after "1975," and by inserting immediately after "1976," the following: "and September 30, 1977,".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR SECRETARIAL RESPONSIBILITIES

SEC. 9. Section 405(d) of the Act (29 U.S.C. 785(d)) is amended by striking out "and" immediately after "1975," and by inserting immediately before the period at the end thereof the following: ", and $600,000 for the fiscal year ending September 30, 1977".

EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SEC. 10. Section 502(h) of the Act (29 U.S.C. 792(h)) is amended by striking out "and" immediately after "1975," and by inserting immediately before the period at the end thereof the following: ", and $1,500,000 for the fiscal year ending September 30, 1977".

CONTINGENT EXTENSION OF PROGRAMS

SEC. 11. (a) Unless the Congress, before April 15, 1977, has passed legislation which would have the effect of extending the authorization of each program and activity the authorization for which is extended through the fiscal year ending September 30, 1977, by the amendments made by section 2 through section 10, each such authorization shall be automatically extended through the fiscal year ending September 30, 1978, in accordance with the amendments made by subsection (b).

(b)(1) The amendments made by this subsection shall take effect at the close of April 15, 1977, unless the Congress has passed legislation in accordance with the provisions of subsection (a).

(2) Section 100(b)(1) of the Act (29 U.S.C. 720(b)(1)) is amended by striking out "and" immediately after "1976," and by inserting immediately before the period at the end thereof the following: ", and $760,000,000 for the fiscal year ending September 30, 1978".

(3) Section 100(b)(2) of the Act (29 U.S.C. 720(b)(2)) is amended by striking out "year ending September 30, 1977" and inserting in lieu thereof "years ending September 30, 1977, and September 30, 1978".

(4) Section 112(a) of the Act (29 U.S.C. 732(a)) is amended by striking out "and" immediately after "1976," and by inserting immediately after "1977," the following: "and up to $2,500,000 but no less than $1,000,000 for the fiscal year ending September 30, 1978,".

(5) Section 201(a)(1) of the Act (29 U.S.C. 761(a)(1)), is amended by striking out "year ending September 30, 1977" and inserting in lieu thereof "years ending September 30, 1977, and September 30, 1978".

(6) Section 201(a)(2) of the Act (29 U.S.C. 761(a)(2)), is amended by striking out "and" immediately after "1976," and by inserting immediately after "1977" the following: ", and $30,000,000 for the fiscal year ending September 30, 1978".

(7) Section 301(a) of the Act (29 U.S.C. 771(a)) is amended by striking out "and" immediately after "1976," and by inserting immediately before the period at the end thereof the following: ", and September 30, 1978".

(8) Section 302(a) of the Act (29 U.S.C. 772(a)) is amended by striking out "and" immediately after "1976," and by inserting immediately before the period at the end thereof the following: ", and September 30, 1978".

(9) Section 304(a)(1) of the Act (29 U.S.C. 774(a)(1) is amended by striking out "year ending September 30, 1977" and inserting in lieu thereof "years ending September 30, 1977, and September 30, 1978".

(10) Section 305(a) of the Act (29 U.S.C. 775(a)) is amended by striking out "and" immediately after "1976," and by inserting immediately before the period at the end thereof the following: ", and September 30, 1978".

(11) Section 403 of the Act (29 U.S.C. 783) is amended by striking out "and" immediately after "1976," and by inserting immediately after "1977," the following: "and September 30, 1978.".

(12) Section 405(d) of the Act (29 U.S.C. 785(d)) is amended by striking out "year ending September 30, 1977" and inserting in lieu thereof "years ending September 30, 1977, and September 30, 1978".

(13) Section 502(h) of the Act (29 U.S.C. 792(h)) is amended by striking out "year ending September 30, 1977" and inserting in lieu thereof "years ending September 30, 1977, and September 30, 1978".

(c) For purposes of this section, the Congress shall not have been deemed to have passed legislation unless such legislation becomes law.

And the Senate agree to the same.

Carl D. Perkins,
John Brademas,
Patsy T. Mink,
Lloyd Meeds,
Shirley Chisholm,
William Lehman,
Robert J. Cornell,
Edward P. Beard,
Leo C. Zeferetti,
George Miller,
Tim L. Hall,
Albert H. Quie,
Alphonzo Bell,
Peter Peyser,
James M. Jeffords,
Larry Pressler,
Managers on the Part of the House.

Jennings Randolph,
Alan Cranston,
Harrison Williams, Jr.,
Claiborne Pell,
Edward M. Kennedy,
Walter F. Mondale,
John Durkin,
Robert T. Stafford,
Bob Taft, Jr.,
Richard S. Schweiker,
J. Glenn Beall,
Jacob Javits,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11045) to amend the Rehabilitation Act of 1973 to extend the authorizations of appropriations contained in such Act, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SECTION 1. SHORT TITLE

The House bill provides that the Act may be cited as the "Rehabilitation Act Amendments of 1975". The Senate amendment provides that the Act may be cited as the "Rehabilitation Act Extension of 1975". The House recedes with a conforming amendment.

SECTION 2. EXTENSION OF AUTHORIZATIONS OF APPROPRIATIONS FOR VOCATIONAL REHABILITATION SERVICES

Both the House bill ($740 million) and the Senate amendment ($720 million) extend the authorization of appropriations for vocational rehabilitation services under section 100(b)(1) of the Act for the fiscal year ending September 30, 1977, and the House bill also authorizes an appropriation ($760 million) for the fiscal year ending September 30, 1978. The conference agreement authorizes an appropriation of $740 million for the fiscal year ending September 30, 1977.

With respect to this and all other extensions of authorizations of appropriations, the conference agreement provides for an additional extension of one year, through September 30, 1978, contingent on the failure of the Congress to act on legislation to extend the authorizations of appropriations for programs under the Act by April 15, 1977. For section 100(b)(1) such contingent authorization is at the level of $760 million.

Both the House bill ($25 million) and the Senate amendment ($42 million) extend the authorization of appropriations for Innovation and Expansion grants under section 100(b)(2) of the Act for the fiscal year ending September 30, 1977, and the House bill also authorizes an appropriation ($25 million) for the fiscal year ending September 30, 1978. The conference agreement authorizes an appropriation of $25 million for the fiscal year ending September 30, 1977, and a contingent authorization at the same level for the fiscal year ending September 30, 1978.

Both the House and the Senate amendment extend the earmark out of special project (section 304) appropriations for client assistance projects under section 112(a) of the Act at a level of up to $2,500,000 but no less than $1,000,000 for the fiscal year ending September 30, 1977, and the House bill also extends such earmark at the same level for the fiscal year ending September 30, 1978. The conference agreement extends such earmark at a level of up to $2,500,000 but no less than $1,000,000 for the fiscal year ending September 30, 1977, and a contingent extension at the same level for the fiscal year ending September 30, 1978.

Both the House bill and the Senate amendment extend the time during which part C of title I (Innovation and Extension Grants) appropriations are available for obligation under section 121. The House bill extends such time for two years, through September 30, 1979, and the Senate amendment extends such time for one year, through September 30, 1978. The Senate recedes.

SECTION 3. EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR RESEARCH AND TRAINING

Both the House bill (such sums as may be necessary) and the Senate amendment ($32 million) extend the authorization of appropriations for research under section 201(a)(1) of the Act for the fiscal year ending September 30, 1977, and the House bill also authorizes an appropriation (such sums) for the fiscal year ending September 30, 1978. The conference agreement authorizes an appropriation of $30 million for the fiscal year ending September 30, 1977, and a contingent authorization at the same level for the fiscal year ending September 30, 1978.

Both the House bill (such sums as may be necessary) and the Senate amendment ($32 million) extend the authorization of appropriations for training under section 201(a)(2) of the Act for the fiscal year ending September 30, 1977, and the House bill also authorizes an appropriation (such sums) for the fiscal year ending September 30, 1978. The conference agreement authorizes an appropriation of $25 million for the fiscal year ending September 30, 1977, and a contingent authorization of $30 million for the fiscal year ending September 30, 1978.

SECTION 4. EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR GRANTS FOR CONSTRUCTION OF REHABILITATION FACILITIES

Both the House bill and the Senate amendment (such sums as the Congress may determine to be necessary) extend the authorization of appropriations for construction grants under section 301 of the Act for the fiscal year ending September 30, 1977, and the House bill also authorizes an appropriation (such sums) for the fiscal year ending September 30, 1978. The conference agreement authorizes an appropriation of such sums as the Congress may determine to be necessary for the fiscal year ending September 30, 1977, and a contingent authorization (such sums) for the fiscal year ending September 30, 1978.

Both the House bill and the Senate amendment extend the time during which construction grant appropriations will remain available for expenditure under section 301 (b). The House bill extends such time for two years, through September 30, 1980, and the Senate amendment extends such time for one year, through September 30, 1979. The Senate recedes.

SECTION 5. EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR VOCATIONAL TRAINING SERVICES FOR HANDICAPPED INDIVIDUALS

Both the House bill and the Senate amendment (such sums as the Congress may determine to be necessary) extend the authorization of appropriations for vocational training services under section 302 of the Act for the fiscal year ending September 30, 1977, and the House bill also authorizes an appropriation (such sums) for the fiscal year ending September 30, 1978. The conference agreement authorizes an appropriation of such sums as the Congress may determine to be necessary for the fiscal year ending September 30, 1977, and a contingent authorization (such sums) for the fiscal year ending September 30, 1978.

SECTION 6. EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR SPECIAL PROJECTS AND DEMONSTRATIONS

Both the House bill (such sums as the Congress may determine to be necessary) and the Senate amendment ($20 million) extend the authorization of appropriations for special projects and demonstrations under section 304 of the Act for the fiscal year ending September 30, 1977, and the House bill also authorizes an appropriation (such sums) for the fiscal year ending September 30, 1978. The conference agreement authorizes an appropriation of such sums as the Congress may determine to be necessary for the fiscal year ending September 30, 1977, and a contingent authorization (such sums) for the fiscal year ending September 30, 1978. The managers expect, not withstanding the elimination of specific dollar authorizations, that special projects be funded at a level comparable to past years' appropriations.

SECTION 7. EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR NATIONAL CENTER FOR DEAF-BLIND YOUTHS AND ADULTS

Both the House bill and the Senate amendment (such sums as the Congress may determine to be necessary) extend the authorization of appropriations for the National Center for Deaf-Blind Youths and Adults under section 305 of the Act for the fiscal year ending September 30, 1977, and the House bill also authorizes an appropriation (such sums) for the fiscal year ending September 30, 1978. The conference agreement authorizes an appropriation of such sums as the Congress may determine to be necessary for the fiscal year ending September 30, 1977, and a contingent authorization (such sums) for the fiscal year ending September 30, 1978.

SECTION 8. EXTENSION OF AUTHORIZATION OF APPROPRIATIONS FOR PROGRAM AND PROJECT EVALUATION

Both the House bill and the Senate amendment (such sums as the Congress may determine to be necessary) extend the authorization of appropriations for program and project evaluation under section 403 of the Act for the fiscal year ending September 30, 1977, and the House bill also authorizes an appropriation (such sums) for the fiscal year ending September 30, 1978. The conference agreement authorizes an appropriation of such sums as the Congress may determine to be necessary for the fiscal year ending September 30, 1977, and a contingent authorization (such sums) for the fiscal year ending September 30, 1978.

SECTION 9. EXTENSION OF AUTHORIZATIONS OF APPROPRIATIONS FOR SECRETARIAL RESPONSIBILITIES (OFFICE FOR HANDICAPPED INDIVIDUALS)

Both the House bill (such sums as the Congress may determine to be necessary) and the Senate amendment ($600,000) extend the authorization of appropriations for carrying out special Secretarial responsibilities (Office for Handicapped Individuals) under section 405(d) of the Act for the fiscal year ending September 30, 1977, and the House bill also authorizes an appropriation (such sums) for the fiscal year ending September 30, 1978. The conference agreement authorizes an appropriation of $600,000 for the fiscal year ending September 30, 1977, and a contingent authorization of $600,000 for the fiscal year ending September 30, 1978.

SECTION 10. EXTENSION OF AUTHORIZATION OF APPROPRIATIONS, ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

Both the House bill (such sums as the Congress may determine to be necessary) and the Senate amendment ($1,500,000) extend the authorization of appropriations for the Architectural and Transportation Barriers Compliance Board under section 502(h) of the Act for the fiscal year ending September 30, 1977, and the House bill also authorizes an appropriation (such sums) for the fiscal year ending September 30, 1978. The conference agreement authorizes an appropriation of $1,500,000 for the fiscal year ending September 30, 1977, and a contingent authorization of $1,500,000 for the fiscal year ending September 30, 1978.

SECTION 11. CONTINGENT EXTENSION OF PROGRAMS

The House bill extends the authorization of appropriations for each of the programs of the Rehabilitation Act of 1973, as well as the time for availability of appropriations under sections 121 and 301(b), for two years. The Senate amendment extends such authorizations for one year. The conference agreement, as indicated in the discussion of section 2 in this joint explanatory statement, establishes a new bill section, section 11, which extends such authorizations for one year, to September 30, 1978, automatically unless legislation to extend such authorities beyond September 30, 1977, has been enacted into law prior to April 15, 1977.

One of the primray concerns of the Senate managers in extending the authorizations of appropriations for the Rehabilitation Act of 1973 for a period longer than one year is that such action might result in an unnecessary delay in the reassessment of the State allocation formula for the basic grant program of section 110 of the Act. The managers on the part of the House and the Senate note that the study of the State allocation formula, mandated in the Rehabilitation Act of 1973, has been completed and pledge to make their best efforts to reassess the equities of the formula and the adequacy of authorization levels, in hearings before the appropriate Committees of their respective bodies at the earliest practicable time.

CARL D. PERKINS,
JOHN BRADEMAS,
PATSY T. MINK,
LLOYD MEEDS,
SHIRLEY CHISHOLM,
WILLIAM LEHMAN,
ROBERT J. CORNELL,
EDWARD P. BEARD,
LEO C. ZEFERETTI,
GEORGE MILLER,
TIM L. HALL,
ALBERT H. QUIE,
ALPHONZO BELL,
PETER PEYSER,
JAMES M. JEFFORDS,
LARRY PRESSLER,
Managers on the Part of the House.

JENNINGS RANDOLPH,
ALAN CRANSTON,
HARRISON WILLIAMS, JR.,
CLAIBORNE PELL,
EDWARD M. KENNEDY,
WALTER F. MONDALE,
JOHN DURKIN,
ROBERT T. STAFFORD,
BOB TAFT, JR.
RICHARD S. SCHWEIKER,
J. GLENN BEALL,
JACOB JAVITS,
Managers on the Part of the Senate.

APPOINTMENT AS MEMBERS OF BOARD OF VISITORS TO THE U.S. NAVAL ACADEMY

The SPEAKER. Pursuant to the provisions of 10 United States Code 6968(a), the Chair appoints as members of the Board of Visitors to the U.S. Naval Academy the following Members on the part of the House: the gentleman from Pennsylvania (Mr. FLOOD), the gentleman from Florida (Mr. SIKES), the gentleman from New York (Mr. HORTON), and the gentleman from New York (Mr. KEMP).

PERMISSION FOR SUBCOMMITTEE ON MONOPOLIES AND COMMERCIAL LAW OF THE COMMITTEE ON THE JUDICIARY TO SIT TODAY DURING 5-MINUTE RULE

Mr. MEZVINSKY. Mr. Speaker, I ask unanimous consent that the Subcommittee on Monopolies and Commercial Law of the Committee on the Judiciary be permitted to sit while the House is reading for amendments under the 5-minute rule today, February 5, 1976.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

QUESTIONS REGARDING CONCORDE

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, Secretary of Transportation William Coleman's outrageous decision yesterday to admit the Concorde to Kennedy and Dulles Airports was against the overwhelming preponderance of evidence produced at hearings over the last year and defies all logic and reason.

Clearly, other administration officials

played a hidden role in this decision. It is simply beyond belief that his decision was arrived at after an objective review of the evidence which was near unanimous in its indictment of the Concorde on environmental, economic, and safety grounds.

We know that the manufacturers of the Concorde have spent significant sums of money on their lobbying efforts in behalf of the SST. Indeed, former Secretary of State William Rogers was a paid lobbyist for the Concorde's manufacturers, and among the strongest supporters of granting the Concorde landing rights were Mr. Rogers' former colleagues in the State Department.

I call on Congress to authorize a full scale investigation into the entire process surrounding the inexplicable Coleman decision. We should learn:

First, who communicated with Secretary Coleman about the Concorde, and with whom did he talk?

Second, who was involved in making the decision?

Third, what role did the Secretary of State play in this decision?

Fourth, what role did the White House play?

Fifth, who were the American agents for the British and French, and how much money was spent by Concorde's manufacturers in promoting the plane here?

Sixth, how was that money spent?

There is credible evidence that hidden decisions were made behind closed doors. The charade of public hearings used to justify this astonishing decision by Secretary Coleman has struck yet another blow at public confidence in Government.

Congress must ferret out all the details of this apparent abuse of public trust. The people have a right to know exactly how this momentous decision was made.

PROVIDING FOR CONDITIONAL ADJOURNMENT OF THE SENATE FROM FEBRUARY 6, 1976, UNTIL FEBRUARY 16, 1976

The SPEAKER laid before the House the Senate concurrent resolution (S. Con. Res. 92) providing for a conditional adjournment of the Senate from February 6, 1976, until February 16, 1976.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 92

Resolved by the Senate (the House of Representatives concurring), That when the Senate adjourns on Friday, February 6, 1976, it stand adjourned until 12 o'clock noon on Monday, February 16, 1976, or until 12 o'clock noon on the second day after its Members are notified to reassemble in accordance with section 2 of this resolution, whichever event first occurs.

SEC. 2. The President pro tempore of the Senate shall notify the Members of the Senate to reassemble whenever in his opinion the public interest shall warrant it or whenever the majority leader or minority leader of the Senate files a written request with the Secretary of the Senate that the Senate reassemble for the consideration of legislation.

SEC. 3. During the adjournment of the Senate as provided in section 1, the Secretary of the Senate be, and he hereby is, authorized to receive messages, including veto messages, from the President of the United States.

AMENDMENT OFFERED BY MR. O'NEILL

Mr. O'NEILL. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'NEILL: On page 1, line 7, strike out the period and all that follows through page 2, line 6, and insert in lieu thereof the following: "; and when the House adjourns on Wednesday, February 11, 1976, it stand adjourned until 12 o'clock noon on Monday, February 16, 1976, or until 12 o'clock noon on the second day after its Members are notified to reassemble in accordance with section 2 of this resolution, whichever event first occurs.

"SEC. 2. The President pro tempore of the Senate and the Speaker of the House of Representatives shall notify the Members of the Senate and House, respectively, to reassemble whenever in their opinion the public interest shall warrant it or whenever the majority leader of the Senate and the majority leader of the House, acting jointly, or the minority leader of the Senate and the minority leader of the House, acting jointly, file a written request with the Secretary of the Senate and the Clerk of the House that the Congress reassemble for the consideration of legislation.

"SEC. 3. During the adjournment of both Houses of Congress as provided in section 1, the Secretary of the Senate and the Clerk of the House, respectively, be, and they hereby are, authorized to receive messages, including veto messages, from the President of the United States."

The amendment was agreed to.

The SPEAKER. The question is on the Senate concurrent resolution.

Mr. BAUMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 327, nays 80, answered "present" 1, not voting 24, as follows:

[Roll No. 36]

YEAS—327

Abdnor
Abzug
Adams
Addabbo
Alexander
Allen
Andrews, N.C.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Barrett
Baucus
Bell
Bennett
Bergland
Bevill
Biaggi
Bingham
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Brown, Calif.
Brown, Ohio
Broyhill
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Byron
Carney
Carter
Cederberg
Chappell
Chisholm
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cornell
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
de la Garza
Delaney
Dellums
Dent
Derrick
Derwinski
Dickinson
Dingell
Downing, Va.
Drinan
Duncan, Tenn.
du Pont
Early
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
English
Erlenborn
Eshleman
Evans, Colo.
Evins, Tenn.
Fary
Fenwick
Findley
Fish
Fisher
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Ginn
Gradison
Grassley
Hagedorn
Haley
Hall
Hamilton
Hanley
Hannaford
Hansen
Harrington
Hays, Ohio
Hefner
Helstoski
Henderson
Hicks
Hillis
Holt
Holtzman
Horton
Howard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Leggett
Lehman
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McDonald
McFall
McHugh
McKay
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Montgomery
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, N.Y.
Murtha
Myers, Pa.
Natcher
Nedzi
Nix
Nolan
Nowak
Oberstar
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Rangel
Rees
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Roncalio
Rose
Rosenthal
Roush
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarbanes
Scheuer
Schneebeli
Sebelius
Seiberling
Sharp
Shipley
Shriver
Simon
Sisk
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Sullivan
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vigorito
Waggonner
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wright
Wydler
Yates
Young, Alaska
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—80

Ambro
Anderson, Calif.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Biester
Blanchard
Brinkley
Broomfield
Buchanan
Burke, Fla.
Carr
Clancy
Cotter
Coughlin
Davis
Devine
Dodd
Downey, N.Y.
Edgar
Emery
Evans, Ind.
Fascell
Fithian
Flynt
Forsythe
Gilman
Goldwater
Goodling
Green
Gude
Guyer
Hammerschmidt
Harkin
Harris
Hayes, Ind.
Hechler, W. Va.
Heinz
Hightower
Hubbard
Jenrette
Kasten
Kelly
Latta
Lent
Litton
McKinney
Miller, Ohio
Mitchell, N.Y.
Moore
Mottl
Myers, Ind.
Neal
Pressler
Randall
Regula
Rogers
Rooney
Sarasin
Satterfield
Schroeder
Schulze
Shuster
Spence
Stuckey
Studds
Thone

Vanik
Walsh
Wampler
Wirth
Wolff
Wylie
Yatron
Young, Fla.

ANSWERED "PRESENT"—1

Anderson, Ill.

NOT VOTING—24

Brown, Mich.
Diggs
Duncan, Oreg.
Esch
Gonzalez
Harsha
Hawkins
Hébert
Heckler, Mass.
Hinshaw
Holland
Howe
Jarman
Jeffords
McEwen
Metcalfe
Murphy, Ill.
Nichols
Obey
Rostenkowski
Rousselot
Sikes
Skubitz
Udall

Mr. BEDELL changed his vote from "present" to "nay."

So the Senate concurrent resolution was concurred in.

The result of the vote was announced as above recorded.

The title was amended so as to read: "Providing for a conditional adjournment of the Senate from February 6, 1976 until February 16, 1976, and of the House of Representatives from February 11, 1976 until February 16, 1976."

A motion to reconsider was laid on the table.

NATURAL GAS EMERGENCY ACT OF 1975

Mr. DINGELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 9464) to assure the availability of adequate supplies of natural gas during the period ending June 30, 1976.

The SPEAKER. The question is on the motion offered by the gentleman from Michigan.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 9464) with Mr. Bolling in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday there was pending an amendment in the nature of a substitute offered by the gentleman from Texas (Mr. Krueger) for the substitute committee amendment; an amendment offered by the gentleman from Texas (Mr. Eckhardt) to the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. Krueger) and a substitute amendment offered by the gentleman from Iowa (Mr. Smith) for the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. Krueger).

Mr. MOTTL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to oppose the perfidious proposal for unlimited decontrol of natural gas prices.

Before casting a vote on this crucial issue, I ask every Member of this House to carefully weigh the consequences for each community, family, individual, and business enterprise in his or her home district.

This week, the American Hospital Association held a conference here in Washington. Several hospital superintendents from my district told me that one of their major financial problems is the skyrocketing cost of public utilities—especially the cost of heating.

I have heard—and I am sure you have, too—similar complaints from school board members and administrators that their budgets have been whacked unmercifully by unexpectedly high heating costs.

The Wall Street Journal recently published a vivid report describing the misery and suffering of millions of Americans—including many senior citizens on modest pensions—who simply cannot afford the high cost of keeping their homes comfortably heated during a cold winter.

There have been tragic reports of people who froze to death because their gas supply was cut off. The Washington Star has reported a sharp increase in such cutoffs in recent weeks.

I am not suggesting that the natural gas industry has any responsibility to heat the homes of people who, for whatever reason, fail to pay their fuel bills.

However, I see no reason to give this industry an unrestricted license to loot the pocketbooks of the American people by billions of dollars a year.

Their own financial reports show that the natural gas industry is flourishing and profitable.

To lift natural gas price controls at this time, and permit this industry to gorge itself with unconscionable profits, would be a disservice to every man, woman, and child in America.

It would also be a disaster for the business community, since it could trigger a new inflationary spiral because higher gas prices would have to be passed along and would result in higher prices for everything else. There would be a Pandora's box of dire consequences unforeseen by the sponsors of this measure.

The impact on our economy of suddenly increasing natural gas prices by as much as $10 billion a year could be as violent as the after-shock of oil price boosts by the OPEC nations.

The campaign for decontrol has been perfectly orchestrated by the greedy interests that would profit the most.

For many years, they have artfully erected fears of a natural gas shortage, and circulated the big lie that the way to increase supply is to let them increase prices—to let them gouge the public.

The issue is clearly whether Congress will respond to the public's need for protection from price gougers, or will yield to the determined propaganda offensive of the natural gas industry.

In closing, let me say that this industry is entitled to a fair profit—but the record shows that it is already extremely profitable without a license to charge unlimited prices.

I submit that decontrol of natural gas prices could have an unsettling effect on our entire fragile economy, and could produce disastrous consequences for the profiteers, as well as for everyone else.

We are all in the same economic boat. Thank you.

PARLIAMENTARY INQUIRY

Mr. ECKHARDT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state the parliamentary inquiry.

Mr. ECKHARDT. Mr. Chairman, do I correctly understand the parliamentary situation in this, that there is, of course, the original bill from the committee as one body of legislation before the House?

The CHAIRMAN. The Chair was unable to hear the inquiry clearly. Would the gentleman restate it?

Mr. ECKHARDT. Mr. Chairman, do I correctly understand the parliamentary situation to be this, that there is before the House as one stem of legislation which may be amended, the original bill from the committee?

There is also the Krueger amendment in the form of a substitute, made in order, of course, by the Committee on Rules as a rule; and there is also another substitute, the Smith amendment, that is before the body, that these three all may be amended; but no more than one amendment to each may be available for consideration of the House at any given time?

The CHAIRMAN. The Chair will state that the gentleman is nearly correct. The basic bill, the basic committee product, has not been read. Therefore, it is not subject to amendment at this point.

The Krueger amendment is subject to amendment, and there is pending to the the Krueger amendment the gentleman's amendment. The Smith substitute for the amendment, and there is pending to Krueger amendment, and it can be amended. There is no amendment pending to the Smith substitute at this time.

Mr. ECKHARDT. Let me put it this way: It would be appropriate to vote on an amendment pending to the Krueger amendment prior to the time a vote would be taken with respect to the Smith substitute?

The CHAIRMAN. That is correct.

Mr. ECKHARDT. In other words, each of the pieces of legislation before us is subject to being perfected before a choice is made between the two?

The CHAIRMAN. That is correct.

Mr. ECKHARDT. I thank the Chair.

Mr. BROWN of Ohio. Mr. Chairman, I move to strike the last word with reference to the Eckhardt amendment.

Mr. Chairman, I think we established yesterday in the colloquy that was held between the gentleman from Texas (Mr. Eckhardt) and myself that the thrust of the Eckhardt amendment is to return the Krueger amendment, in effect, to the status of the Phillips case. The provisions of the Eckhardt amendment would make the production of natural gas subject to full regulation by the Federal Power Commission by going through the pipelines to regulate the producers.

So, in effect, what the Eckhardt amendment does in its quiet way is to emasculate the deregulation proposals of the Krueger amendment. In effect, a vote for the Eckhardt amendment would be a vote to kill the Krueger amendment and, in effect, leave the situation the same as it is now with natural gas being regulated through the Federal Power Commission at a price which will not only discourage its production but encourage its consumption. This would continue the problem that we have currently, that is, the shortage which threatens many parts of the country with unemployment, business closures, and so forth.

Now, I personally do not object to that issue being addressed at this time, because I think the House ought to express itself on whether or not we want to go the natural gas deregulation route on some kind of a gradual basis. I was astounded when the gentleman from Ohio (Mr. HAYS) mentioned yesterday that the word was out that there was going to be an effort to put off consideration of this legislation by the route of many, many amendments, and to discourage our resolution of this problem.

I hope that is not true, and I find it unfortunate if it is true because it seems to me that the country, with cold weather, with snow this morning for the first time in San Francisco in many years, that the country has its eyes on us to see whether or not we can address a problem of this magnitude without fearing the obvious political repercussions of trying to make a rational decision between a couple of unpleasant choices.

The fact of the matter is, we might as well go ahead and indicate our preference for the Krueger amendment in voting down the Eckhardt amendment. I trust that my colleagues on both sides of the aisle will address the Eckhardt amendment on that basis.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Texas.

Mr. ECKHARDT. Let me make it just as plain as I possibly can that this amendment is not intended to alter the Krueger amendment with respect to the Krueger amendment's deregulation of new gas.

Mr. BROWN of Ohio. I am not sure I know what the gentleman intended. But I know what the impact of the amendment that he proposed would be, and it would give to the Federal Power Commission the authority through the vehicle of the pipelines, through sections 4 and 5 of the Natural Gas Act—not the legislation we have before us, specifically, but the Natural Gas Act—to go into the regulation of the producers and thereby maintain the situation just as it is now, the Krueger amendment notwithstanding.

Mr. ECKHARDT. Let me make the gentleman a proposal in order to show my complete good faith in this respect.

In the first place, I do not believe I do that. I do not intend to do that. I would hope if it does that, the conference would change it. But I will make this offer to the gentleman: If the gentleman feels that my amendment does more than I have contended—and all I have contended is that it makes the Krueger amendment consistent with respect to its other treatment—the gentleman can prepare an amendment and I shall ask unanimous consent to withdraw my own.

Mr. BROWN of Ohio. I think it may be just as well, if the gentleman does not mind my being this bold, to go ahead and vote it down. That is what I suggest. I think the gentleman ought to make the arrangements with the author of the amendment, the gentleman from Texas (Mr. KRUEGER).

Mr. STAGGERS. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Texas (Mr. ECKHARDT).

Mr. ECKHARDT. I thank the gentleman for yielding.

Mr. Chairman, let me make it absolutely clear what this amendment is intended to do and what I believe it does do.

The Krueger amendment, in section 25 and in section 24, purports to deal with both old and new gas and to permit certain regulation of the use of old and new gas.

The Krueger amendment purports to permit the Federal Power Commission to deny the use of both old and new gas as boiler fuel under certain conditions. It also purports to give an agricultural priority with respect to both old and new gas. But in the section I amend, the Krueger amendment takes away the authority of the Federal Power Commission with respect to new gas. So if the Krueger amendment is permitted to become law without the Eckhardt amendment to the Krueger amendment, we run into a very severe and difficult ambiguity. If the agricultural users insist that they have a right to priorities on new gas, they may be confronted with the convention in court that the Federal Power Commission has absolutely no power over new gas and they may only be able to extend their reach to old gas.

Mr. Chairman, I do not think the Krueger amendment intends to do that. All I am trying to do is to create consistency between the section of the Krueger amendment that purports to give power to the Federal Power Commission to control certain uses and the section which takes away Federal Power Commission control. And the way I do it is simply to say that that section is subject to the specific provisions of the other sections of the Krueger amendment.

Mr. Chairman, if there is any doubt about that, this gentleman has indicated in this colloquy his intent, and I believe the Members of this body recognize that there is no intent to go beyond that, and that I feel completely bound by my discussion here in good faith to attempt to make that a result. I think it is drawn right. But if in any way it is not drawn right, let somebody come up with another amendment. Although that would not be in order as a substitute at this time or an amendment to the amendment, I would withdraw my amendment. I do not know how I can be more fair to the House.

Mr. Chairman, I do not know how I can be more candid nor more fair with the House. If we do not agree to this, we will greatly jeopardize the agricultural priorities.

Mr. BREAUX. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Louisiana.

Mr. BREAUX. Mr. Chairman, do I understand the gentleman's amendment correctly in that it allows the Federal Power Commission to retain authority to set priorities in the use of natural gas and perhaps the allocation of the use of that natural gas, and it has nothing to do with the price of that natural gas?

Mr. ECKHARDT. The gentleman is correct. It is done only in the same way that the Krueger amendment does it.

Now, here is the problem: There is a commingled stream of new and old gas that may be used both for boiler fuel and for the agricultural priority. If we remove from the Federal Power Commission authority to control new gas, I think that we run into a very, very difficult question as to how the Federal Power Commission can move to regulate either of those under this priority concept in this stream.

I am not trying to do anything about retaining control of price on new gas. The gentleman from Texas (Mr. KRUEGER) has said he does not want that. I am not trying to change that in his amendment. I disagree with his objective, but all I am trying to do is make his amendment work in case it is agreed to.

Mr. BROYHILL. Mr. President, I move to strike the requisite number of words, and I rise in opposition to the Eckhardt amendment.

Mr. Chairman, I am really not sure what the intention of the gentlemen from Texas (Mr. ECKHARDT) is, but the courts, in interpreting this language, will be governed by the language of the amendment. As I read the Krueger substitute, the Krueger substitute is saying that the Federal Power Commission will no longer have any authority to regulate the sale of natural gas. There is one exception to that, and that is subject to the provisions of section 24.

Now, what the gentleman from Texas (Mr. ECKHARDT) would do, would be to add other sections of the Natural Gas Act; authorities that would be continued under the Federal Power Commission. The gentleman from Ohio has correctly pointed out that two of those sections are sections 4 and 5 of the Natural Gas Act that were cited in the Phillips case which gave the FPC the authority over natural gas in the first place.

As I say, Mr. Chairman, I do not know what the intention of the amendment is, but the amendment is poorly drafted and it should be defeated.

Mr. KRUEGER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, this is a very cleverly drafted legislative piece of work. It very cleverly seeks to undo everything else that the substitute seeks to do.

It is said that it grants certain authorities not given in other sections. That is incorrect. The authorities which the gentleman from Texas (Mr. ECKHARDT) implies are not in my bill are in fact in the bill, and what his proposal would do would be simply to extend Federal Power Commission controls back through the pipeline, all the way down to the wellhead, and it would undo the legislation. It would undo the deregulation which the majority seems to favor. If that is not his intent, then the gentleman should know that this legislation nonetheless does that, and it must for that very reason be defeated.

This is precisely the sort of thing we have had too much of already. The country is already suffering natural gas shortages because of this kind of policy, and the authorities are ample in the amendment in the nature of a substitute which I have offered to cover the things which he says they do not cover. There is no question about that.

This is simply a maneuver rather than a genuine attempt to amend, and I think it must be recognized to be so. We cannot avoid the fact that we have a very genuine natural gas shortage. Here we are consuming 3 times as much gas as we are finding, with the best computer model studies suggesting that we will next year face a shortage of immense proportions all across the country—43 percent in the Southeast, 14 percent in the Northeast, very substantial amounts in the Northwest, and 30-odd percent in the North Central States—if we have the present regulations continued.

Mr. Chairman, that is what the amendment of the gentleman from Texas (Mr. ECKHARDT) would do. It would effectively continue the present regulations and continue FPC authority for price controls over the wellhead.

For that reason, Mr. Chairman, the amendment must be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. ECKHARDT) to the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. KRUEGER).

The amendment to the amendment in the nature of a substitute was rejected.

AMENDMENT OFFERED BY MR. EDGAR TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. KRUEGER

Mr. EDGAR. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk reads as follows:

Amendment offered by Mr. EDGAR to the amendment in the nature of a substitute offered by Mr. KRUEGER: After paragraph (11) of section 2 of the Natural Gas Act (as added by section 204) add the following:

"(12) 'Natural gas distribution company' means a person involved in the distribution, transportation, or sale of natural gas for ultimate public consumption for domestic, commercial, industrial, or any other use.

"(13) 'Small residential consumer' means any person who uses natural gas for personal, family, or household purposes in a single or double family dwelling. Such term does not include any person who uses natural gas for decorative purposes.

"(14) 'Non-essential user' means any person, other than a small residential user, whose need for natural gas, in the judgment of the Commission, can practically be fulfilled by the use of an alternative fuel, such as crude oil, petroleum products, or coal."

Section 26 of the Natural Gas Act (as added by section 208) is amended by adding at the end thereof the following:

"(h) No natural gas distribution company shall sell or otherwise supply natural gas to persons who are not essential users or small residential consumers in amounts in excess of the amounts such company was supplying to such persons during calendar year 1975.

"(i) No later than sixty days after the date of enactment of this title, the Commission shall, by rule, establish criteria which it will employ, either upon its own motion or upon petition by a user, to determine whether a user's or class of users' need for natural gas cannot be practically fulfilled by the use of an alternative fuel.

"(j) The Commission may exempt any natural gas distribution company from the restrictions under subsection (h) if the Commission determines that such exemption is necessary to alleviate or prevent severe economic hardship, gross inequity, or a threat to public health or safety.

"(k) Nothing in this section shall impair any requirement in any State or Federal law pertaining to safety or environmental protection. The Commission, in determining whether to grant exemptions under subsection (i), shall not assume that there will be any lessening in any safety or environmental requirement established pursuant to State or Federal law."

Mr. EDGAR. Mr. Chairman, I apologize if the minority does not have a copy of the amendment. I did provide copies of the amendment to both the minority and majority as well as to the gentleman from Texas (Mr. KRUEGER).

Mr. Chairman, I am very concerned about natural gas legislation at this time. I wish that we had the opportunity to have all proposals before us rather than simply the emergency draft of the committee and the Krueger substitute and now the Smith of Iowa substitute.

In fact, Mr. Chairman, I voted against the rule on this bill because I felt that it did not provide us with adequate opportunity to look at all aspects of the natural gas situation.

As I talked with people from the oil and gas industry, and as I have talked with experts on this issue, I have discovered that our reserves of natural gas are finite. Production has been decreasing and demand will continue to increase because alternative fuels are expensive and natural gas is clean burning.

I will agree that probably we need some form of gradual deregulation or at least an increase in prices over a period of time.

It is my personal feeling that we need to focus on the issue of how much natural gas do we have, and what this limited supply of gas should be used for.

The purpose of my amendment is to place reasonable limits upon the increase of natural gas demand among those who can use alternative energy sources.

Despite the threats of curtailment to even essential users, there are new hookups allowed to nonessential users in many States.

I have been told that in some parts of the Midwest, nonessential users are being hooked up to natural gas sources. These include large apartment houses who are using natural gas as boiler fuel.

My amendment encourages nonessential users to convert to other fuels by providing for ceilings upon their natural gas use at a magnitude equal to the level that was allocated to them by the gas distributing company or pipeline in calendar year 1975. Many of these companies are converting to alternative fuels anyway because of both the threat of curtailments and the anticipated increase in the price of natural gas if it is deregulated.

Let me share with the Members of the House the specific things that my amendment does not do.

No. 1, my amendment does not allow the sale of any more gas than that sold in calendar year 1975 by: First, restricting new hookups to nonessential users; and second, restricting increases in gas sales to prevent the increase in nonessential use. Two exemptions, single and double family residences where the gas is used for nondecorative purposes, are exempted under my amendment.

Second, where the Federal Power Commission determines that there would be severe economic hardship, gross inequity, or threat to public safety and welfare, to a nonessential user, my amendment would not prohibit natural gas sales to such users. This provision allows sufficient flexibility for the administration of the amendment.

Mr. CHARLES WILSON of Texas. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from Texas.

Mr. CHARLES WILSON of Texas. What would be the case of, say, a fertilizer plant that could use natural gas but wanted to expand? Would they have to go before the Federal Power Commission and try to infer that this would not mean economic hardship if this company expands?

Mr. EDGAR. A fertilizer company would be determined as an essential user because it is essential in the production of their commodity. Therefore, the plant would not be under the restrictions of this particular amendment.

Mr. CHARLES WILSON of Texas. As I read the amendment, it says where there is severe economic hardship, gross inequity, or a threat to public safety or welfare, and I do not see how, under that language, the gentleman from Pennsylvania could say that the expansion or the failure to expand would create a gross economic hardship.

Mr. EDGAR. If the gentleman from Texas will look at the definitions provided in the first three aspects of the amendment, the gentleman will discover we talk about essential and nonessential users of natural gas. In my opinion fertilizer, glass production, and a variety of other manufacturing processes that need natural gas as a major element in that process would be exempt from prohibitions of being sold an increased amount of natural gas.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. CHARLES WILSON of Texas, and by unanimous consent, Mr. EDGAR was allowed to proceed for 2 additional minutes.)

Mr. CHARLES WILSON of Texas. Mr. Chairman, if the gentleman will yield, can the gentleman from Pennsylvania give us some examples of what his amendment would apply to? If it does not apply to home use or industrial use, what does it apply to?

Mr. EDGAR. It would apply to industrial use where an industrial company could move to an alternative source rather than increase the amount of natural gas that it is presently using. Also any new industrial manufacturing plant that would be established would be asked to set up any kind of energy source other than natural gas. This is to prevent a company from moving into an area, setting up its boiler fuels or its process using natural gas, when coal or petroleum or some other product could be used in that process. I might add that such an industry using natural gas for nonessential purposes is the first class of user to be curtailed, except those with interruptible contracts.

Mr. CHARLES WILSON of Texas. The gentleman does not think that the Krueger amendment goes far enough in the 12-year phaseout on boiler fuel?

Mr. EDGAR. My concern with the Krueger amendment is that it does not focus on essential and nonessential uses of natural gas, and there are many processes involved in industry where natural gas is being used where there is not an essential use of natural gas. Nonessential increases in natural gas demand may result in future curtailments and the purpose of the amendment is to limit such curtailments.

Mr. CHARLES WILSON of Texas. I thank the gentleman.

Mr. BROYHILL. Mr. Chairman. will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from North Carolina.

Mr. BROYHILL. I thank the gentleman for yielding.

I would like to ask the question, Who would administer the provisions of the gentleman's amendment?

Mr. EDGAR. I was going to speak to that when I was asked to yield prior to this. The administration of my amendment is under the Federal Power Commission. The Federal Power Commission has 60 days to determine its criteria for essential users by use or class of user. The exemptions are ruled by the Federal Power Commission.

Mr. BROYHILL. If the gentleman would yield further, I would like to ask another question. What authorities would State utilities commissions have to make differing decisions than may be made by the Federal Power Commission?

Mr. EDGAR. I do not understand the gentleman's question.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. BROYHILL, and by unanimous consent, Mr. EDGAR was allowed to proceed for 2 additional minutes.)

Mr. BROYHILL. If the gentleman will yield further, for example, let us suppose that a utilities commission in a State because of a curtailment of natural gas in that marketing area decides that all new hookups should be prohibited. Could the utilities commission continue that policy under the terms of the gentleman's amendment? As I see the gentleman's amendment, he offers certain exemptions which would prevent the utilities commission in an individual State from taking that conservation effort.

Mr. EDGAR. It is my understanding that if the language of my amendment is tightly drawn, it would provide for a local utility company to make that decision to limit all new hookups. My amendment only relates to those nonessential users of natural gas who either are going to expand their process or come on line with the use of natural gas after January 1 of 1976. It would be an overview regulation of those industries so that we do not permit nonessential use of natural gas in industry or in large apartment complexes when an alternative fuel is available. A local utility company would still have the opportunity and the option to make any more restrictive rules and regulations that they might want to make in this case.

Mr. BROYHILL. I do not know that that is clear because of the exemptions that the gentleman has in his amendment, but I will be glad to study it further.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. EDGAR. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I thank the gentleman for yielding.

I am reading what is in the gentleman's amendment designated as paragraph 14. It says:

> "Nonessential user" means any person, other than a small residential user, whose need for natural gas, in the judgment of the Commission, can practicably be fulfilled by the use of an alternative fuel, such as crude oil, petroleum products, or coal.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. BROWN of Ohio, and by unanimous consent, Mr. EDGAR was allowed to proceed for 2 additional minutes.)

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield further?

Mr. EDGAR. I yield to the gentleman.

Mr. BROWN of Ohio. I have a lot of little towns in my area where the only industry in town is brickmaking. All that brickmaking requires is the clay from the earth around these little towns, hard work and heat to make bricks out of that clay. Practically, one could use wood—they did years ago—or one could use coal, or oil.

The cheapest way is by the use of natural gas. Recently these brickmakers have had some problems getting natural gas even though they would be more than willing to pay double what they are now paying for natural gas. The word practically does not necessarily have any economic connotation.

In other words, it could be "practicable" for them to convert to more expensive coal or oil even though it would not be economically feasible.

Now, the difficulty is that a lot of those brick plants will close up and a lot of my constituents will have nothing else to do for a living.

Mr. EDGAR. Mr. Chairman, if the gentleman will permit me to respond, the gentleman makes an important point. If we go on to read the second page of the amendment, we will discover that the amendment does provide for the Federal Power Commission to make exemptions in terms of hardship, economic or otherwise. It would be my opinion that the Federal Power Commission would make that decision.

But I would like to add a point. The brickmaking industry could practicably find an alternative source, although, you describe, with some difficulty. There are industries other than the brickmaking industry which cannot practicably use an alternative fuel. Even these industries face the severe threat of curtailment, and when gas is cut off, there is absolutely no alternative but for the plant to shut down. This is the purpose of the amendment—to restrict increases in new demand for gas by nonessential users so that industries who must use natural gas as a part of their industrial process, will not face the threat of plant shutdowns.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. BROWN of Ohio and by unanimous consent, Mr. EDGAR was allowed to proceed for an additional 2 minutes.)

Mr. BROWN of Ohio. Mr. Chairman, if I vote for this, as a Representative of those people I have to repose all my confidence in the Federal Power Commission. If the Federal Power Commission then says, "I am sorry, I do not think you ought to use natural gas, you ought to use oil," my little brick company is out of business and some big brick company somewhere else, not employing my constituents, can do the job.

If the gentleman will yield further, let me ask another question. Let us assume your amendment passes and then we have a resurgence of the housing market. My little brick company then wants to expand and to employ more people. Does your amendment have a provision for expansion in that situation?

Mr. EDGAR. Mr. Chairman, the gentleman's little brick company would have to move to alternative sources of energy if they wanted to expand, unless they can convince the Federal Power Commission that they are an essential user, or that natural gas being used at that time is the only source and a hardship would be created.

It is my opinion that there are a number of processes in industry today that could use alternative sources of energy and if, in fact, the Krueger amendment does pass, it is my concern that with the doubling of price, that little brick company may have to pay a price higher than oil and higher than some other source and is going to have a problem of specifically deciding what source to use. We are simply helping them to move toward that alternative source now. If it is not possible, they could bring the case before the Federal Power Commission so they can get an exemption for their use of natural gas.

Mr. BROWN of Ohio. What if I want to start a brick company today?

Mr. EDGAR. If the gentleman wants to start a brick company for which natural gas is not an essential source, they ought to find another source other than natural gas.

Mr. COLLINS of Texas. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, as the gentleman from Iowa (Mr. BEDELL) has just said a moment ago, we do have a shortage of natural gas.

Mr. Chairman, this amendment is typical of many amendments that we are going to have on the floor which have the utopian desirability of providing gas for all homeowners. It is contemplated that homeowners, in turn, are going to be able to gain a low price; but we are all practical people and we know this will not happen. It does not matter how we sell the gas, whether we sell to an individual or we sell it to business, that eventually increased prices all come back to the individual. In other words, the public is going to have to pay for it. If higher priced gas went to industry, then they have higher costs in their energy for manufacturing. If they make shoes, the shoes are going to cost more. Higher prices are coming back to the individual.

Mr. Chairman, the reason we have this gas shortage in America is because only one industry in our country, only one industry, the oil and gas industry, is subject to price control. Shortages are caused by all this price control. What we are trying to do with this amendment is put another control system on the control system we already have. Well, if controls are bad, putting on another control system makes it worse.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I just want to make one observation. Under this amendment, as I understand it, all the folks who work in my little brick company will have gas for their houses, but the company cannot get an exemption, it will not have the gas, and my constituents will not have a job.

They may not be able to pay their gas bill at home, but we will see that they get gas.

Mr. COLLINS of Texas. I thank the gentleman from Ohio, because when I talk to my neighbors back in my district and ask, "What is your No. 1 concern," it seems their No. 1 concern is to have jobs, to have full employment.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, I would like to ask the gentleman whether he has a definition or whether he questions the need for a definition between essential and nonessential users of natural gas.

Mr. COLLINS of Texas. No, I do not see any need for any definition of any type. In other words, the free marketplace will take care of that. It does not matter whether this goes to the homeowner or industry, eventually the homeowner is going to pay for it anyhow.

Mr. EDGAR. Would the gentleman in the well then say that if the market provisions would work, is that also true only if there is adequate supply?

Mr. COLLINS of Texas. Let me talk on that adequate supply subject for a moment.

Mr. BROYHILL. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. I yield to the gentleman from North Carolina.

Mr. BROYHILL. The gentleman was talking about defining the term "nonessential user." If it were public policy for some governmental unit to make definitions, would it not be far better for the State regulatory agencies to make that decision based upon circumstances within each State?

Mr. COLLINS of Texas. That is certainly true, and as we all know, we have too many bureaucratic agencies existing, and too many regulations which further complicate everything.

I want to dwell a little bit on this gas shortage of supply, because it is very, very real. The other day my friend from New York (Mr. KEMP), an impartial, unbiased person, spoke about some statistics he found from the U.S. Bureau of Mines. Mr. KEMP stated that natural gas production in West Virginia—and I am interested in West Virginia because the chairman of our committee is from West Virginia—here are the facts, during the first 9 months of 1975 production was 122 billion cubic feet. This is sharply down from the quantity produced a year ago, which was 156 billion cubic feet. That is a production decline in West Virginia of gas being produced with 21 percent less gas. The reason for the West Virginia decline is because stripper gas wells are being capped as their operating costs continue to soar while the selling price remains fixed too low by the FPC.

What we must do is remember that since 1968, every year America has been consuming more in industry and residential than America is discovering in new gas. But, if we are consuming more than we are producing, we must find a way to produce more. That is why a deregulation bill is absolutely essential. We have to deregulate gas at the wellhead.

If I can, I would like to go into the gas consumption figures in the United States. We talk so much about legal language and small print terminology, but what we ought to talk about is gas. The fact is that we do not have gas, and domestic production in this country from 1973 to 1974 declined 5 percent. Then, this past year, 1974–75, gas production dropped another 7 percent. That might not seem like much to the Members, but what that means is that the true shortage is over 500 million barrels of crude oil, which means that if we do not have gas, we are buying more crude oil as a substitute. That is 500 million barrels of crude oil, in more high priced imports. The growing gas shortage has confused the problem year in and year out.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. I yield to my colleague from Texas.

Mr. ECKHARDT. Did I understand the gentleman from Texas to say that he thought the market would take care totally of the question of where gas is used?

The CHAIRMAN. The time of the gentleman from Texas has expired.

(On request of Mr. ECKHARDT and by unanimous consent Mr. COLLINS of Texas was allowed to proceed for 2 additional minutes.)

Mr. COLLINS of Texas. Natural economics will provide gas if the market price is set right, there not only can be abundant gas but there can be substitute energy such as coal. As the gentleman knows, for the energy of this country we are primarily dependent upon oil and gas, which make up 74 percent of our total energy. We have 20 percent coal, 6 percent hydroelectric and nuclear. What I am saying is that if the price were higher, if gas were $3 Mcf, we could produce gas from coal.

Mr. ECKHARDT. I understand that, but I wonder if the gentleman disagrees with the Krueger amendment in providing in section 25:

> Except to the extent that natural gas supplies are required to maintain natural gas service to residential users, small users, hospitals, and similar services vital to public health and safety . . .

And then it creates in that section an agricultural preference. Does the gentleman agree with that preference or not?

Mr. COLLINS of Texas. I appreciate the gentleman pointing that out. I would agree that the Krueger amendment is not perfect. I do not favor preferential treatment. But in all events, it is the best we have to consider. I do take exception with the section giving priorities. The bill should not provide differentials. It ought to be on an open marketplace basis system for America.

The Krueger amendment is not perfect. It is just the best we have before us.

Mr. ECKHARDT. It defines "industrial purposes" and says:

> Except to the extent that natural gas supplies are required to maintain natural gas service to users specified under subsection (a), the Commission shall exercise its authority under this title to assure, to the maximum extent feasible, the continuance of natural gas service to users using natural gas as a raw material and for purposes other than boiler fuel . . .

So this does not rely on the marketplace in that respect. It does, to a certain extent, what the gentleman object to. Would the gentleman from Texas strike those sections from the Krueger amendment?

Mr. COLLINS of Texas. If I had my way, I would have a completely open marketplace for gas. That is the way it should be. Unfortunately, the gentleman from Texas (Mr. KRUEGER) is trying to make a bill which will be broad enough to be acceptable to this body.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(On request of Mr. BEDELL, and by unanimous consent, Mr. COLLINS of Texas was allowed to proceed for 2 additional minutes.)

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. I yield to the gentleman from Iowa (Mr. BEDELL).

Mr. BEDELL. I thank the gentleman for yielding. Did I understand the gentleman to say that the only answer to our natural gas problem is to produce more?

Mr. COLLINS of Texas. That is the major answer. Or to find substitutes, pricing as an example. If we got the price of gas up to $3 Mcf, we could convert coal into gas.

Mr. BEDELL. If the gentleman will yield further, the gentleman will agree that we have two choices: Either we produce more, or we use less. Does the gentleman agree with that?

Mr. COLLINS of Texas. Both are desirable.

Mr. BEDELL. Do I understand that the purpose of this amendment is to try to bring about a method by which we would consume less?

Mr. COLLINS of Texas. The purpose of this amendment overlooks the incentive plan. In our apartment we keep one-half of the apartment cold and one-half of the apartment warm. The gentleman is raising the question about residential heating. But they do not provide any incentive in this amendment for residents to curtail, which would be another way we could get better balanced supplies.

In our apartment my wife keeps one-half of the apartment cold and one-half of the apartment warm. That is a curtailment and a saving of gas.

If we would have incentives for better use, I think we would have achieved more in the amendment than the way it now stands.

This simply gives preferential treatment to the homeowner. It is going to mean that the industrial user is going to in turn suffer.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. COLLINS of Texas. I yield to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Chairman, I would like to observe that in my district we have an employer who employs about 4,500 people, and that plant was going to be closed down, in part because of the shortage of natural gas.

Letters appeared in the newspaper from automobile dealers, from grocery stores, from private citizens, saying that "We think the most important thing in our community is to keep that plant working, because if the guys do not have jobs, they hardly ever get into the automobile dealership to look at any cars to buy, and for that reason we would like to keep the automobile leadership showroom cold and keep the plant warm and running."

Mr. BREAUX. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I will not take the full amount of time, but I would like to address my remarks to some reasons for opposing the gentleman's amendment, which I do not think have really been touched upon.

Nothing can more effectively destroy an incentive to go out and look for natural gas than the passage of the gentleman's amendment. The amendment starts out by saying that it does not allow the sale of any more gas than sold in the calendar year 1975. It gives two methods by which it does that.

Mr. Chairman, how are we going to encourage gas companies and gas producers to go out and invest the hundreds of millions of dollars necessary to find the new fields and to bring them into production if we start off by telling them that they cannot sell any more natural gas next year than they did in 1975?

That is a complete disincentive to production and exploration.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. BREAUX. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, the gentleman would be correct in his statement only if he also added that a natural gas company could not sell to a nonessential user of natural gas. Their market would be for essential use and small residential use.

Mr. BREAUX. Mr. Chairman, my concern with the gentleman's amendment is that while we spend months and months and perhaps years on litigation in the courts trying to determine whether this is an actual economic hardship or whether this is a gross inequity and a threat to public safety or a threat to public welfare, while we struggle over the terminology and try to determine who is eligible and who is not eligible, we are not going to have any additional investment and we are not going to have any additional exploration. We are going to be sitting down on our hindsides for 2 or 3 years doing nothing while the courts try to make the determinations on all these other matters.

Mr. Chairman, instead of that, I think we ought to be encouraging exploration.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. BREAUX. I yield to the gentleman from California.

Mr. BELL. Mr. Chairman, is it not true also that under some of the provisions, for instance, in the Clean Air Act we cannot switch from gas to other types of fuel or more exotic types of fuel for production? Is that not correct?

Mr. BREAUX. Mr. Chairman, it is absolutely true that some of these businesses are locked in as to what type of fuel they may use under some of the legislation that this Congress has passed.

Mr. BELL. Mr. Chairman, I also wish to point out to the gentleman that we have, geologically speaking, one of the greatest potential reserves for gas located off the coast of Alaska. With gas priced at the present rate, it does not pay them to do any exploratory work out there at all. That is a very expensive operation. That would be tremendously costly under the present circumstances.

Considering the amount of gas there, along with the oil, off the coast of Alaska, it could be another Prudhoe Bay, but they are not going to develop it if there is not sufficient oil. It is likely to be mostly gas, it would not pay them.

Mr. BREAUX. Mr. Chairman, the gentleman is correct. One of the biggest disincentives to additional gas production is that certainly the production is related to the pricing system, and it seems to me what we should be doing is looking 3 or 4 years down the road. I think nothing could be a greater disincentive to further exploration than the adoption of this amendment.

Therefore, Mr. Chairman, I oppose the gentleman's amendment and urge the defeat of it.

Mr. BEDELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not intend to take my full 5 minutes, but I am forced to rise because of the concern that I see about the direction that our debate seems to be taking.

I thought that we had a shortage of natural gas. I thought that was the purpose for this legislation. I thought that we would be concerned about doing what we could to conserve or limit our usage of natural gas.

Now, if we are turning this around to the point where we are going to oppose legislation because it might conserve the use of natural gas and by so doing would not furnish the incentive for people to try to get more gas so we can use more gas, I am extremely disturbed.

If the Members want to argue as to the merits and as to the way the amendment is drawn and that sort of thing, I would have no concern; I would feel that is proper. But when we start to argue that we should not do anything because of the fact that by forcing conservation of natural gas, it will discourage efforts to find more so we can burn more of something which we know is in a finite quantity on the planet Earth, I must say that I cannot understand that argument.

Mr. BREAUX. Mr. Chairman, will the gentleman yield?

Mr. BEDELL. I yield to the gentleman from Louisiana.

Mr. BREAUX. Mr. Chairman, one of the purposes I would hope we could achieve by this legislation is not only to allocate the shortages but to increase production so that we are not going to have any shortages. Of course, if we focus only on one point, that being how we are going to allocate the shortages, we will never solve the problem. Now we need to have increased production, and the reason I oppose the amendment is that it does not do that; it has the opposite effect.

Mr. BEDELL. Mr. Chairman, it seems to me if what the gentleman says is correct, then we do need to attack both points. I see no effort in this amendment to provide that we are not going to search for natural gas. It simply provides one effort to help us conserve, and I would hope, as we look at this, that we would consider both areas and try to accomplish both purposes.

Mr. WAGGONNER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, as the gentleman from Iowa (Mr. BEDELL) has just said a moment ago, we do have a shortage of natural gas.

It would be wrong to criticize any effort to conserve gas if it will have that result, but we are approaching this amendment from the wrong point of view.

What is being proposed here is something that we have had ample experience with in previous legislation. We are attempting, with legislation, to do that which ought to be done by regulation.

Mr. Chairman and Members of the House, the record speaks for itself. When legislative bodies attempt to administer domestic programs and to legislate the detail of the administration of any program, the only thing we wind up with is mismanagement.

We had in the instance of our allocation legislation, as a result of the embargo back in 1973, by amendment, some language added to that allocation legislation, which said simply, in effect: "The President should, in administering this legislation, attempt to provide for equity."

Equity for whom and under what circumstances? We all have a different point of view about what constitutes equity, and we cannot write with the future vision we need those details into a legislative proposal. We have to leave some flexibility in the instance of the regulation so that any legislative proposal can be administered.

For example, how can we here today determine first what constitutes a nonessential user as far as a new customer is concerned? We cannot do it. Everybody who wants new gas has a different idea.

How can we determine the exemptions here today when we say that we will exempt single- and double-family residences where gas is used for nondecorative purposes? What about those people who live in apartment houses where there are three or four families? Can we convince that third or that fourth family that their need is less important than that of the first or that of the second family? Of course, we cannot do it.

How do we, in providing for an exemption, say that there will be an exemption where there is severe economic hardship, gross inequity, or threat to public safety?

Please do not tell me that every American who is denied that exemption is going to feel any less that he has had equity provided for him.

Mr. Chairman, the third point has to do with the administration of the act. It is impossible to administer with any degree of satisfaction.

The purpose of the amendment is noble in its intent. It simply cannot be done legislatively. We should reserve this to the regulation, and I think the amendment should be defeated.

Mr. EDGAR. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from Pennsylvania.

Mr. EDGAR. Mr. Chairman, I thank the gentleman for yielding.

I would draw the gentleman's attention to the same question that the gentleman from Texas (Mr. ECKHARDT) raised a little bit earlier, to the effect that there are four or five provisions in the Krueger amendment which do exactly what the gentleman in the well is now telling us should not be done.

Mr. Chairman, if the gentleman will look at section 25, "Natural Gas for Essential Agricultural Purposes," some of the same language occurs. If the gentleman will look at the next section, which deals with essential industrial purposes, the same language occurs.

If the gentleman will look at the section under Natural Gas Conservation, the same type of language occurs.

Mr. Chairman, the point I am making to the gentleman is that in the Krueger amendment itself, for certain areas we do legislate, as the gentleman is suggesting, some very specific issues, and we focus our attention on those issues.

I think that the gentleman in the well is raising an issue that is important, but that can be dealt with through the Federal Power Commission.

Mr. WAGGONNER. Mr. Chairman, in response to the gentleman's statement, he is correct. The Krueger substitute does, in a broad way, establish some categories, leaving to the Executive maximum administrative authority; but the Krueger substitute does not in great detail establish inflexible priorities.

The CHAIRMAN. The time of the gentleman from Louisiana (Mr. WAGGONNER) has expired.

(By unanimous consent, Mr. WAGGONNER was allowed to proceed for 1 additional minute.)

Mr. WAGGONNER. It does, as the gentleman said, provide most of these things, but not all of what the gentleman's amendment proposes.

My friends, you cannot legislate it. You have to do this sort of thing with regulation. But the Krueger amendment does take cognizance of the fact—and the gentleman's amendment does not do it—that there are some priority industrial uses and we have got to take cognizance of those where they do exist.

I urge that the amendment be defeated.

Mr. BROYHILL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to have the attention of the gentleman from Louisiana (Mr. WAGGONNER). As I read this amendment, it would create a bureaucratic nightmare because it says that no gas can be sold to persons in amounts above that which was suppled in 1975.

Does the gentleman from Louisiana read the amendment that way? Anyone who was operating under curtailments last year, such as my State of North Carolina, where on the average we had a 40-percent curtailment of natural gas, would have to apply to the FPC for permission to use natural gas to the extent of contractual amounts.

If we did have some extra supply it would appear that industries would then have to come in and get exemptions, or apply for exemptions from the Commission in order to be able to do that which they have contracted for.

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I will be glad to yield to the gentleman.

Mr. WAGGONNER. Mr. Chairman, first I want to congratulate the gentleman from North Carolina for learning to read down in North Carolina, it serves his best interests and everybody's best interests to read—and I am not throwing off on North Carolina because my son got his higher education in that great State. I simply want to point out what I have said previously in referring to point 3 of the overall amendment that it is impossible to administer. It is too inflexible. As the gentleman from North Carolina says, there is curtailment of natural gas in North Carolina and his curtailments would be classified as industrial curtailments, and therefore the gentleman's best interests to the people in North Carolina would not be served if this amendment should be adopted. That is one of the reasons it should be defeated.

Mr. BROYHILL. Mr. Chairman, I would like to repeat what I said previously, if that is to be done, let the individual State utility commissions make these decisions based upon the facts and the circumstances that exist in each individual State.

Mr. WAGGONNER. The thing we have got to keep in mind is it might be one area of one State that is affected in a particular way in the winter of 1975–76, but it might be another area of another State affected in a different way in some succeeding year. We have got to provide for all of the flexibility we possibly can. I do not think this amendment does that.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I am glad that we are now talking about education. I have tried to look through this amendment to see if there was any exemption for my public schools that were closed last year when the temperature got down below 20 degrees. I am not sure whether Duke University would have to be closed in North Carolina but there is a good chance that my schools in Ohio would have to be closed down if the temperatures get extremely cold and no new supplies of natural gas come into the interstate market.

Mr. WAGGONNER. Let me congratulate the gentleman from Ohio for having learned to read in North Carolina too, because I believe he got his higher education in that great State.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania (Mr. EDGAR) to the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. KRUEGER).

The amendment to the amendment in the nature of a susbtitute was rejected.

Mr. MOSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, a few mnutes ago from this lectern the gentleman from Louisiana said: How can we here today—and then he propounded a number of questions. I would like to propound one myself. How can we here today—and I reiterate the theme of the last 3 days—know what we are doing? We started in the committee to try to find out why the shortage, and we discovered that in the Continental Shelf there are two figures that are important in considering the production of wells.

There is the maximum rate of production, MPR, and that comes from actual flow data that is supplied to the USGS at least every 6 months and is kept in a computer bank so that it is always current.

Then there is the MER, the maximum efficient rate of production. The MPR is given an assigned value of 110 percent. In other words, we say a well will produce at 110 percent of the MPR, but if they produce at 80 percent of that 110, they are producing at an acceptable level, a level that takes into consideration all of the downtime, all of the excuses for nonproduction. This is the USGS figure that is supposed to be adhered to.

We examined at random using a sampling technique in the committee, which is assigned a 95-percent reliability by USGS, 133 wells. Those are the wells in black here in the coastal area around Louisiana. They are clearly random samplings. We did not know who owned them or anything about them. But then they have been very carefully analyzed, and we have found some interesting facts.

Of the 133 wells in the sample, 10 wells do not have any production or any assigned MPR. Nine wells show production in excess of the MPR range from 103 to 109 percent of the maximum production rate. Forty-six wells have a demonstrated production range from 80 to 100 percent of the MPR. But here is the clincher. Sixty-eight wells show production of less than 80 percent of the MPR range to as low as 12.2 percent. These 68 wells, constituting 55 percent of the sample, were producing at an average of 58.9 percent of the MPR. That comes about because of underproduction, withholding of production. It does not come about because of changing characteristics because the producer of a well can go to the USGS and ask for a change in the MPR at any time he wants. But he must report every 6 months.

This is current production information. It amounts to a withholding of 433 billion cubic feet per year, 133 billion more cubic feet than the currently estimated shortfall.

I ask, how can we possibly legislate when we do not yet have all of the facts we need?

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Moss was allowed to proceed for 2 additional minutes.)

Mr. MOSS. Mr. Chairman, I just want to emphasize, this is not as the result of a breakdown. This is not as a result of storms. This is not as the result of any accidents or uncontrollable incidents, because those are considered in setting the 80-percent factor against which production is made. This is withholding, make no mistake, and it is a record that we can find duplicated time and time again. These are the facts that the industry has fought so vigorously, so diligently, over the years to keep from the U.S. Government, to keep from the U.S. Congress. They are the facts that we as responsible legislators should have before we vote for the Krueger amendment or any other bill.

Mr. Chairman, this is not the time to bring this bill up. This is ill-advised timing. It is irresponsible legislation, as I have said on several previous occasions and for reasons which are abundantly described in the files and investigations in the Oversight Subcommittee of the Committee on Interstate and Foreign Commerce.

Mr. MOFFETT. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I yield to the gentleman from Connecticut.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Moss was allowed to proceed for 2 additional minutes.)

Mr. MOFFETT. Mr. Chairman, would the gentleman explain for our colleagues in more detail what the MPR means? Is that a theoretical figure or is that based on a test of each well?

Mr. MOSS. These are the actual flow figures. These are actual producing wells.

The CHAIRMAN. The time of the gentleman from California has again expired.

(At the request of Mr. MOFFETT and by unanimous consent, Mr. Moss was allowed to proceed for an additional 3 minutes.)

Mr. MOSS. Mr. Chairman, let me read from order No. 11 of the USGS, issued pursuant to an Executive order of former President Nixon. This term is defined as the "approved maximum daily rate at which oil may be produced from a specified well completion or the maximum approved daily rate at which gas may be produced from a specified gas well completion." That is from order No. 11 defining the maximum production rate.

Mr. MOFFETT. Our good friend, the gentleman from Texas, and our colleagues on the subcommittee, have circulated a letter to our colleagues in the House, dated February 3. The gentleman has probably read it. The last paragraph said that there are a variety of reasons for a well not producing at its MPR besides the fact that it is set 10 percent higher than the best test run on the well.

Mr. MOSS. I will say to the gentleman that the gentleman to whom the gentleman from Connecticut is referring is a member of my subcommittee and had an opportunity to challenge the validity of this report on the record and that the gentleman did not do it, nor did he do it successfully.

Mr. MOFFETT. From the map the gentleman presented, it seems clear this is not a case of storms or other severe weather conditions.

Mr. MOSS. The gentleman is correct. It is not a case of severe storms or anything of that nature.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. MOSS. I yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, from what the gentleman has said, it would appear there is not sufficient competition in the production of natural gas.

Mr. MOSS. I believe that is true in the Outer Continental Shelf.

Mr. ECKHARDT. If it were possible to encourage competition by, as the gentleman from Iowa (Mr. SMITH) proposes, the permission of those producing less than 100 million cubic feet of natural gas, could produce without regulation, so that the price of natural gas, whether going into interstate or intrastate markets, which is new natural gas, could go to that position, does the gentleman feel this would enhance competition or in any way affect the situation the gentleman has described?

Mr. MOSS. I think it could enhance competition and that would be beneficial; but it is not possible to do that in the Outer Continental Shelf with the very few who are able to participate, because of the method and handling of the costs incurred.

AMENDMENT OFFERED BY MR. SNYDER TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. KRUEGER

Mr. SNYDER. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. SNYDER to the amendment in the nature of a substitute offered by Mr. KRUEGER: In section 208, following subsection (e) of the new section 26 of the Natural Gas Act of 1938, as amended by the Krueger amendment, add new subsection (f) as follows:

"(f) The Commission shall not issue any order under this subsection which applies to any powerplant which was in existence on June 30, 1975, which during the 12-month period preceding such date did not burn petroleum products, and which the Commission determines will be operated on natural gas only for the purpose of providing electric power which would otherwise be provided by one or more of the base load powerplants of the same electric power system which cannot be operated because of an air pollution emergency or because of an unanticipated equipment outage or an act of God."

Reletter existing subsections (f) and (g) to (g) and (h) respectively.

Mr. ECKHARDT. Mr. Chairman, I wish to reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Texas reserves a point of order.

Mr. SNYDER. Mr. Chairman, let me say first that I have the same amendment pending to the Smith substitute should we be successful with this. I brought this one up first because amendments to the Krueger substitute are to be voted on first. This amendment is identical to an amendment which was accepted by both the majority and minority to H.R. 7014, the Energy Act, which is now law. However, in conference the whole section that gave the Administrator the right to require conversion of boiler plants was dropped, and accordingly, of course, there was no need for the amendment at that point.

The language we have here was drafted at that time by the majority counsel so as to make it appropriate to the situation to which we wanted to address ourselves. Now, here is what we are talking about:

In the Krueger amendment as well as in the Smith amendment, there is the right for the Commission to prohibit boiler fuel use of natural gas affecting commerce if something else can be used. Now, in the situation we have at home, in the Ohio Valley, we generate our electricity with fossil fuel, that is, coal. We want to keep on doing it that way, and there is no problem about that. We do have, however, a couple of small gas standby generators. They used to be used for peaking power.

Under this amendment, they cannot be used for peaking power because the amendment says it has to be operated only to supplant what is normally given by the base load generator. This would allow them to keep these natural gas generators and use them under one of three circumstances:

Number one, an air pollution emergency, which we have occasionally in the summertime for about 3 weeks off and on when we have a temperature inversion. Second, because of an unanticipated equipment outage. That would not cover a planned outage.

That means that if a big generator breaks down, they have standby 150-megawatt generators, but it takes about 12 hours to fire one up on coal. They can get the gas-fired standby online in 10 minutes. They can use it until they get the coal standby generator fired up.

Third, an act of God. I remember in April 1974—as all Members do—when our part of the country was ravaged by a tornado. If we had not had a standby gas generator, we would not have a water supply in the city of Louisville. They were able to get one of these generators to furnish the people of the community with water. This is only for an emergency, only when the base load generator cannot be fired up fast enough, when we have an equipment outage, have an act of God, or a temperature inversion which calls for an air pollution alert.

This amendment was accepted by both the majority and minority to H.R. 7014, and I hope the Members understand that we do come before them with clean hands, asking that they only be given permission to use these under these three circumstances.

They are unanticipated equipment outage, pollution, and an act of God.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky (Mr. SNYDER) to the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. KRUEGER).

The amendment to the amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. SNYDER TO THE AMENDMENT OFFERED BY MR. SMITH OF IOWA AS A SUBSTITUTE FOR THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. KRUEGER

Mr. SNYDER. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. SNYDER to the amendment offered by Mr. SMITH of Iowa as a substitute for the amendment in the nature of a substitute offered by Mr. KRUEGER: In section 8, following subsection (c)(2) of the new section 25 of the Natural Gas Act of 1938, as amended by the Neal Smith amendment, add new subsection (3) as follows:

"(3) The Commission shall not issue any order under this subsection which applies to any power plant which was in existence on June 30, 1975, which during the 12-month period preceding such date did not burn petroleum products, and which the Commission determines will be operated on natural gas only for the purpose of providing electric power which would otherwise be provided by one or more of the base load powerplants of the same electric power system which cannot be operated because of an air pollution emergency or because of an unanticipated equipment outage or an act of God."

Reletter existing subsections (3) and (4) to (4) and (5) respectively.

Mr. SNYDER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD. I will tell the House that it is identical to the other amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SNYDER. Mr. Chairman, I appreciate the courtesy of the Members for their consideration of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky (Mr. SNYDER) to the amendment offered by the gentleman from Iowa (Mr. SMITH) as a substitute for the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. KRUEGER).

The amendment to the substitute amendment for the amendment in the nature of a substitute was agreed to.

AMENDMENT OFFERED BY MR. HUGHES TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. KRUEGER

Mr. HUGHES. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. HUGHES to the amendment in the nature of a substitute offered by Mr. KRUEGER: Section 208 of the Krueger substitute is amended by striking section 25 and inserting in lieu thereof the following:

"SEC. 25. Except to the extent that natural gas supplies are required to maintain natural gas service to residential users, small users, hospitals, and similar services vital to public health and safety, and notwithstanding any other provision of law or of any natural gas allocation or curtailment plan in effect under existing law, the Commission shall, by rule, exercise its authority to assure, to the maximum extent feasible, the availability in interstate commerce of sufficient quantities of natural gas—

"(1) First, to agricultural or industrial users using natural gas as a raw material, and for agricultural or industrial purposes other than boiler fuel for which there is no available substitute regardless of whether such users purchase natural gas under firm or interruptible contracts, and

"(2) Second, for use for any essential agricultural, food processing, or food packaging purpose for which natural gas is essential, including but not limited to irrigation pumping, and crop drying, and to the extent not provided for under subsection (1) use as a raw material feedstock or process fuel in the production of fertilizer and essential agricultural chemicals in existing plants (for present or expanded capacity) and in new plants.

"For purposes of this section, the Secretary of Agriculture shall determine by rule the agricultural, food processing, or food packaging purposes for which natural gas is essential. The Secretary of Agriculture shall also certify to the Commission the amount of natural gas which is necessary for such essential uses to meet the requirements for full food and fiber production."

Mr. HUGHES (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HUGHES. First of all, Mr. Chairman and my colleagues of the House, I want to say to my distinguished colleague, the gentleman from Texas (Mr. KRUEGER), that I take my hat off to him. He has been the leader in this great debate over an issue of central importance to this country, the question of decontrol and deregulation of natural gas. He represents a legitimate point of view. He is a great advocate for that point of view. I do not happen to share his beliefs, but I must say that he has represented his point of view and his constituency well.

Mr. Chairman, the amendment that I have offered to the Krueger amendment is a very simple amendment.

I represent the Second District of New Jersey, which is the south Jersey area. As a matter of fact, we are probably going to be a producer State ourselves very shortly, since exploration is right now being conducted on the Outer Continental Shelf off of our beaches. Within my district is about 20 glass manufacturers that need natural gas for feedstock in the manufacturing process, just as the textile industry needs natural gas in the manufacturing process.

Mr. Chairman, my amendment is directed to section 25, and it says that after taking care of the residential users, small users, hospitals, and similar services vital to public health and safety, that after that, the first order of priority would be all feedstock users, agricultural and nonagricultural. It would include in that class industrial users that need natural gas as a feedstock in the manufacturing process.

Then the second category under my amendment would be the essential agricultural users. I think the change is extremely important.

I have over 15,000 jobs on the line in my own district, with a projected 42-percent shortfall of natural gas this winter.

I know that in South Carolina and many other areas throughout the country we have many industries that are fully dependent on natural gas in the manufacturing process. It only makes sense that they be accorded the right of first priority. I am hopeful that my distinguished colleague, the gentleman from Texas, and the gentleman from Ohio, will join with me in what I consider an essential amendment. It only makes sense to accord high priority to those industrial users who need natural gas in the manufacturing process and who cannot use any other form of energy.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from Texas.

Mr. KAZEN. Mr. Chairman, I agree with the gentleman that his industry should have a priority, but I thoroughly disagree that it should have a higher priority than agriculture. After all, the production of food and fiber comes before industrial use.

Mr. HUGHES. Mr. Chairman, let me just say that this amendment puts them both on the same basis for agricultural and nonagricultural process users. The people in agriculture and the people in industry who need natural gas as a feedstock in the manufacturing process would enjoy the same priority under this amendment.

Mr. KAZEN. For all practical purposes the amendment would be putting them both on the same priority, but I feel actually a priority should be given to agriculture for the production of food and fiber in this country.

Mr. HUGHES. Of course, in the final analysis we can grow all the food we want to, but we must also provide jobs for the people to buy the food. My amendment could insure both.

Mr. KAZEN. If they do not have any food, what do they want to have jobs for?

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, could the gentleman explain to me the difference between the first and second categories in his amendment?

The first category says, "To agricultural or industrial users using natural gas as a raw material, and for agricultural or industrial purposes other than boiler fuel for which there is no available substitute * * *."

The second category provides for irrigation pumping and for crop drying for agricultural purposes.

Now, I do not know very many farms that have a natural gas line running by the front door, but it seems to me that they use natural gas mostly for crop drying, but that is in the second category. In other words, crop drying would come later and not in preference to industrial uses; is that correct?

Mr. HUGHES. No. Mr. Chairman, I have not in any way changed section 25 of the Krueger substitute, except as indicated. The only thing I have done is I have taken the language of the Krueger substitute, and I have put in the industrial users who need natural gas as a feedstock and given them the same priority level as the agricultural feedstock user.

The Secretary of Agriculture under the Krueger substitute would be the one who would designate what would be the essential agricultural users in the second order of priorities in the Krueger substitute. I have done nothing to disturb that.

Mr. BREAUX. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from Louisiana.

Mr. BREAUX. Mr. Chairman, the gentleman, putting industrial users on the same level as agricultural users really prohibits any priority at all, because when we take industrial use of natural gas, which is about 42 percent of all natural gas usage, and we lump that in the same category with agricultural users, we probably end up with 80 to 90 percent of all natural gas used in the United States.

So the effect of the gentleman's amendment is to set no priorities, and it would really not help anybody.

Mr. HUGHES. I disagree. What this amendment does is it makes a distinction.

The CHAIRMAN. The time of the gentleman from New Jersey (Mr. HUGHES) has expired.

(On request of Mr. BROWN of Ohio and by unanimous consent, Mr. HUGHES was allowed to proceed for 2 additional minutes.)

Mr. HUGHES. Mr. Chairman, let me continue to respond to the gentleman from Louisiana (Mr. BREAUX).

This makes a distinction between those users of natural gas who need the natural gas as a feedstock, as a raw material in the processing of materials, in the manufacturing of textiles or glass, for instance and those that can use an alternative source of energy. It makes no other distinctions.

I have taken the Krueger substitute, and all I have done is I have just put the industrial users of gas as a feedstock on the same plane as the agricultural users, who also need natural gas, for instance, in producing fertilizer

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I understand that in the Krueger amendment there is a priority for agricultural users, period. In other words, there is not a two-level priority contained in that amendment for agriculture.

Mr. HUGHES. That is right.

Mr. BROWN of Ohio. Your amendment would set two different levels for agriculture. What I am trying to get from the gentleman is an explanation of why crop drying and irrigation pumping are put in the second category behind agricultural purposes other than boiler fuel. In other words, since the major use of gas on small farms in the Midwest is for crop drying, I do not understand why the gentleman has put crop drying in category 2 when in the Krueger amendment it is in the first category.

Mr. HUGHES. Well, for the reason that it is just my judgment that it only makes commonsense that those industries, whether we are talking about agricultural or nonagricultural, that need natural gas in the manufacturing process should have natural gas as a first order of priority. I should not have to defend the balance of the Krueger substitute. Perhaps my colleague, the gentleman from Ohio, can enlighten me as to the second category, as to why crop drying, for instance, should be included in one category or the other. Or why gas should be used to pump irrigation ditches when perhaps another fuel could be used.

Mr. BROWN of Ohio. Mr. Chairman, the gentleman from New Jersey is the author of the amendment. I am simply trying to get an explanation from him.

Mr. HUGHES. I have just changed the first portion of the amendment—not the portion to which the gentleman from Ohio makes reference.

I have carried the Krueger second portion of his substitute in its original form.

I have merely separated out the agricultural raw material process users as a first priority user along with industrial feedstock uses of natural gas.

The CHAIRMAN pro tempore (Mr. EVANS of Colorado). The time of the gentleman from New Jersey (Mr. HUGHES) has expired.

(On request of Mr. BROWN of Ohio and by unanimous consent, Mr. HUGHES was allowed to proceed for 2 additional minutes.)

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, to proceed with the question about crop drying.

I think that I understand that we need gas for drying feed crops, and that we can lose that crop just as easily by having it mold after it is grown as by never being able to get it in the ground in the first place.

That crop-drying procedure is put in a second category subordinate to the category for agricultural purposes, other than boiler fuel. I do not understand what agricultural purposes other than boiler fuel there are when crop drying and irrigation pumping are put in that second category behind it.

Mr. HUGHES. Mr. Chairman, to respond to the gentleman, as my colleague knows, he is one of the supporters of the legislation; and I just borrowed that language from my colleague's legislation.

We have irrigation pumping as an agricultural use, and I submit that perhaps natural gas is not essential to irrigation pumping. It may be that the Department of Agriculture could and should decide that there are alternative methods; but with regard to the production of glass, there is no substitute for natural gas.

Mr. BROWN of Ohio. There is no substitute for natural gas?

Mr. HUGHES. In the production of textiles, there is no substitute.

Mr. BROWN of Ohio. If the gentleman would yield further, there is no substitute for crop drying either. The gentleman put that in a separate and lower category. It is not in a separate and lower category in the Krueger amendment, as I understand that amendment.

Mr. HUGHES. I have a catchall provision in my amendment. If there is no substitute fuel for crop drying, it would be in the first priority class.

The CHAIRMAN pro tempore. The time of the gentleman from New Jersey (Mr. HUGHES) has expired.

(On request of Mrs. FENWICK and by unanimous consent, Mr. HUGHES was allowed to proceed for an additional one-half minute.)

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I would like to associate myself with the gentleman's remarks and rise in support of the gentleman's amendment.

In New Jersey, as, indeed, in North Carolina, it is significant that 33 percent of all employment in North Carolina is gas-requiring, and 32 percent of all employment in New Jersey is gas-requiring.

There is no substitute in the textile or the glass industry.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I would like to say to the gentlewoman from New Jersey (Mrs. FENWICK) that I hope they will be able to find something to eat if they cannot dry the crops.

Mrs. FENWICK. If the gentleman would yield further, I would like to see the crops dried.

Mr. KRUEGER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the essential question here is, How important is agriculture to us in the circumstances in which we may face shortages of natural gas?

We know that we are likely to face shortages, even if we get progressive deregulation legislation that will give us larger supplies several years from now. However, we still face the possibility of curtailment in the immediate short term.

What we have to do is to try to develop the best strategy for dealing with shortages during this period of time.

Mr. Chairman, the actual effect of this amendment, and I think this is very important, is to reduce the force of the requirement to stop curtailment of gas for agricultural purposes. There is not a farmer in the country to whom anyone would want to go back and say, "I voted for this Hughes amendment."

The Hughes amendment weakens the agricultural priority provision.

Instead of requiring the prohibition of curtailment of natural gas for agricultural purposes, the Commission significantly would look only "to assure to the maximum extent feasible gas for agricultural use."

Beyond this, the second part of the amendment allows purchasers who have only interruptible contracts to be placed on the same basis as people who have firm contracts. This is another change, a very serious change, and it is not one, I think, that we should enter into lightly.

Mr. Chairman, the gentleman from New Jersey (Mr. HUGHES) was kind in saying that I represent my constituents, as indeed we all hope to do; but I hope not only to represent my own district, but also the gentleman's district.

There were 23 agricultural user groups who sent representatives to me to ask me to introduce this legislation, because they thought agriculture was so very important for natural gas and in turn natural gas is so very important for agriculture. But if we accept this amendment then we will weaken substantially the agricultural priority provisions and will open up, I think, the inconsistency of placing certain agricultural undertakings, such as have already been mentioned, crop drying and other things, below the priority of fertilizer plants and below feed stocks.

Mr. HUGHES. Mr. Chairman, if the gentleman will yield. I am not at all downgrading whatsoever the importance of agriculture. I have a great deal of agriculture in my district, but throughout this country we have a great many industries that depend entirely on natural gas. We have not developed any other fuel that can be used such as in the lehr blending process in the glass industry, and in many other industries, for instance the textile industry.

Mr. KRUEGER. That is the reason that the textile industry and the glass manufacturing industry are both supporters of my amendment.

Mr. HUGHES. By the same token, I would not want to go back to my district, and I am sure my colleagues would not want to, either, and explain to the people how we cut off natural gas to the industries in our districts when there was no other substitute form of fuel because only natural gas can be used in those industries, and yet not treat agriculture on the same basis and on the same level. Especially at a time when we are passing public works bills to put people to work, it just does not make sense to cut off the natural gas and shut down the factories.

Mr. KRUEGER. Mr. Chairman, I think the gentleman from New Jersey makes a very good case for the passage of my amendment. I appreciate very much the gentleman's support, because the gentleman makes abundantly clear, I think, the importance of enacting intelligent and long-term legislation that will indeed do something to increase the supply of natural gas. I am delighted to hear the gentleman and I agree in that respect.

We have been trying to argue this case for several days when there are many who seem to wish merely to spread the gas shortage rather than actually doing something about the supply of natural gas.

Mr. WHITTEN. Mr. Chairman, if the gentleman will yield, what is disturbing to me in this debate is that we more and more seem to be treating agriculture merely as another industry when in fact it is a basic industry. In that respect it is not the same as what we do in trying to take care of those other industries and the people who are engaged in those other industries, but it is to enable agriculture to feed the rest of us. The gentleman knows very well that in his own kitchen it is full of agricultural products that are essential for him to have every day.

So, Mr. Chairman, it is exceedingly disturbing to me that we seem to be trying to group those who produce the food we need and the fiber we need. In other words, we keep trying to treat agriculture as just some other industry when in fact it is the basic thing necessary to all, and that is eating.

Mr. KRUEGER. I thank the gentleman from Mississippi. The gentleman has spoken well.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. KRUEGER. I do not want to prolong the debate, but certainly I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, I certainly would like to associate myself with the remarks of the gentleman who just spoke, and also the gentleman who has offered the amendment in the nature of a substitute.

May I say that it is the most important thing in the world to the industry that the gentleman from New Jersey is trying to save, to vote for the amendment, because that is what is going to bring a sufficient supply of natural gas to those glass plants.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

(On request of Mr. KETCHUM, and by unanimous consent, Mr. KRUEGER was allowed to proceed for 2 additional minutes.)

Mr. KETCHUM. It is one of the most important things in the world that that industry be kept going but at the same time this amendment really downgrades agriculture. Representing, as I do, one of the largest agricultural districts in the world, we use very little natural gas in our irrigation, but I do know that in the State of Texas and in other States as well, that there is no other substitute for providing the power for irrigation there than natural gas. Also there is no substitute for the production of petrochemicals than natural gas. But if we do not follow the principles in the Krueger amendment in the nature of a substitute and turn down the Smith substitute, which is abominable, and vote for the Krueger amendment in the nature of a substitute, we will not save those glass industries. Vote for the Krueger substitute and save our glass industries.

Mr. BROYHILL. Mr. Chairman, will the gentleman yield?

Mr. KRUEGER. I yield to the gentleman from North Carolina.

Mr. BROYHILL. I thank the gentleman for yielding.

I want to take just a few seconds to associate myself with the remarks of the gentleman from Texas and rise in opposition to the Hughes amendment. The language which is in the Krueger-Broyhill substitute is the same as that which is in the Senate-passed bill. It has been carefully crafted to take care of the necessary and essential agricultural needs, and we see no need to expand that at this time.

Mr. KRUEGER. I thank the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOFFETT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the gentleman's amendment. I think we need to say once again that if there is any mystery as to why the glass and textile manufacturers support deregulation, it is very simple. They support it not because they have the kind of facts or have done the kind of research that the gentleman from California (Mr. MOSS) was talking about, not because they understand that gas is being withheld. It is because they are at the end of the pipeline and there is a panic created there. That is the real reason.

But with regard to this amendment, I agree with what the gentleman from Mississippi said, and the gentleman from North Carolina, and the gentleman from California who does have a big agricultural district, about the importance of agriculture. I think my brief voting record reflects that. But what about things like cellophane? What about things like plastic that come under this agricultural priority? What about the containers for McDonald's hamburgers? Are they more important than pharmaceuticals, for example?

What the gentleman from New Jersey is trying to do, it seems to me, is not to give priorities to McDonald's hamburger containers, which are made of that styrofoam or plastic or cellophane wrapping. Under the Krueger amendment, as I understand it, those kinds of things would be given priority over some of the more essential industries, pharmaceuticals, and so forth, that the gentleman from New Jersey is talking about.

I would ask the gentleman, am I correct in that appraisal?

Mr. HUGHES. Mr. Chairman, will the gentleman yield?

Mr. MOFFETT. I yield to the gentleman from New Jersey.

Mr. HUGHES. I thank the gentleman for yielding.

The gentleman is absolutely right. Just take the using of pumps for irrigation. It may very well be that it would be essential in some parts of the country, but it seems to me that if we can switch those pumps to gasoline or some other form of energy to keep jobs going where we need natural gas, such as in the textile or glass industries, we are legislating in a commonsense manner. But we are working at cross-purposes under this section of the Krueger substitute.

I am not taking anything away from agriculture. It is extremely important that we protect the farms by insuring that they have an adequate supply of essential natural gas. My amendment does that while at the same time insuring that our industries that need natural gas as a feedstock will have it also.

Mr. BROYHILL. Mr. Chairman, will the gentleman yield?

Mr. MOFFETT. I yield to the gentleman from North Carolina.

Mr. BROYHILL. I thank the gentleman for yielding.

I think the gentleman perhaps has not read the amendment properly, because as I read it, the manufacturer of cellophane to be used by McDonald's hamburgers, if their use of natural gas as a raw material is essential for the production of that product, they would be in the first category. The gentleman, I think, has misspoken or misinterpreted the amendment.

Mr. MOFFETT. I do not think so. I have read the Hughes amendment, and as I understand it, he does give not only flexibility but priority to certain types of agriculture and agricultural uses. Am I mistaken?

Mr. BROYHILL. If the gentleman will yield further, yes, but all of these other products which come before are necessary and essential for agricultural needs.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from New Jersey (Mr. HUGHES) to the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. KRUEGER).

The question was taken; and on a division (demanded by Mr. HUGHES) there were—ayes 21, noes 36.

RECORDED VOTE

Mr. HUGHES. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 131, noes 274, not voting 27, as follows:

[Roll No. 37]

AYES—131

Abzug
Addabbo
Ambro
Anderson, Calif.
Ashley
Badillo
Barrett
Beard, R.I.
Biester
Bingham
Blanchard
Boland
Brademas
Brodhead
Brown, Calif.
Buchanan
Burke, Calif.
Burke, Mass.
Burton, John
Burton, Phillip
Carney
Carr
Chisholm
Clay
Cohen
Conte
Conyers
Corman
Cotter
Coughlin
D'Amours
Daniels, N.J.
Danielson
Delaney
Dellums
Dingell
Dodd
Downey, N.Y.
Drinan
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
Eshleman
Evins, Tenn.
Fenwick
Florio
Ford, Mich.
Giaimo
Gibbons
Green
Gude
Harrington
Harris
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Holtzman
Howard
Hughes
Kastenmeier
Koch
LaFalce
Leggett
Levitas
Lloyd, Calif.
McKinney
Macdonald
Madden
Maguire
Meeds
Meyner
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Nedzi
Nix
Nowak
Obey
O'Neill
Ottinger
Patten, N.J.
Pattison, N.Y.
Peyser
Pike
Rangel
Richmond
Riegle
Rinaldo
Rodino
Roe
Rosenthal
Roybal
Russo
St Germain
Sarasin
Sarbanes
Scheuer
Seiberling
Solarz
Spellman
Stanton, James V.
Stark
Stokes
Stratton
Studds
Sullivan
Thompson
Tsongas
Van Deerlin
Vander Veen
Vanik
Waxman
Whalen
Wilson, C. H.
Wolff
Yates
Zeferetti

NOES—274

Abdnor
Alexander
Allen
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Aspin
AuCoin
Bafalis
Baldus
Baucus
Bauman
Beard, Tenn.
Bedell
Bell
Bennett
Bergland
Bevill
Blouin
Boggs
Bolling
Bonker
Bowen
Breaux
Breckinridge
Brinkley
Brooks
Broomfield
Brown, Ohio
Broyhill
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collins, Tex.
Conable
Conlan
Cornell
Crane
Daniel, Dan
Daniel, R. W.
Davis
de la Garza
Dent
Derrick
Derwinski
Devine
Dickinson
Downing, Va.
Duncan, Oreg.
Duncan, Tenn.
du Pont
Edwards, Ala.
English
Erlenborn
Evans, Colo.
Evans, Ind.
Fary
Fascell
Findley
Fish
Fisher
Fithian
Flowers
Flynt
Foley
Ford, Tenn.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Hayes, Ind.
Hays, Ohio
Hébert
Hefner
Henderson
Hightower
Hillis
Holt
Horton
Howe
Hubbard
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jarman
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kasten
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Krebs
Krueger
Lagomarsino
Latta
Lehman
Lent
Litton
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDade
McDonald
McFall
McHugh
McKay
Mahon
Mann
Martin
Mathis
Matsunaga
Mazzoli
Melcher
Mezvinsky
Michel
Milford
Miller, Ohio
Mills
Mitchell, N.Y.
Mollohan
Montgomery
Moore
Moorhead, Calif.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nichols
Nolan
Oberstar
O'Brien
O'Hara
Passman
Patman, Tex.
Patterson, Calif.
Pepper
Perkins
Pettis
Pickle
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Randall
Rees
Regula
Reuss
Rhodes
Roberts
Robinson
Rogers
Roncalio
Rose
Roush
Rousselot
Runnels
Ruppe
Ryan
Santini
Satterfield
Schneebeli
Schroeder
Schulze
Sebelius
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Sisk
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stuckey
Symington
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Thornton
Traxler
Treen
Ullman
Vander Jagt
Vigorito
Waggonner
Walsh
Wampler
Weaver
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wright
Wydler
Wylie
Yatron
Young, Alaska
Young, Fla.
Young, Tex.
Zablocki

NOT VOTING—27

Adams
Anderson, Ill.
Biaggi
Brown, Mich.
Collins, Ill.
Diggs
Esch
Flood
Harsha
Hawkins
Heinz
Hinshaw
Holland
Jeffords
Landrum
McEwen
Madigan
Metcalfe
Murphy, Ill.
Railsback
Risenhoover
Rooney
Rostenkowski
Skubitz
Staggers
Udall
Young, Ga.

Messrs. DENT, JONES of North Carolina, FRASER, PRICE, and YATRON, Mrs. LLOYD of Tennessee, and Messrs. ALLEN, BRECKINRIDGE, and HANLEY changed their votes from "aye" to "no."

Messrs. SARASIN, McKINNEY, ASHLEY, EMERY, and BUCHANAN changed their votes from "no" to "aye."

So the amendment to the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. BIAGGI. Mr. Chairman, I was inadvertently absent from the House floor for the vote on the Hughes amendment to the Krueger substitute to H.R. 9464, rollcall No. 37. Had I been present I would have voted "nay."

AMENDMENT OFFERED BY MR. WAXMAN TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. KRUEGER

Mr. WAXMAN. Mr. Chairman, I offer an amendment to the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. WAXMAN to the amendment in the nature of a substitute offered by Mr. KRUEGER: Section 208, at subsection (e) of the new section 26 to the Natural Gas Act created by such section, strike the phrase "or for the purpose of alleviating a short-term air quality emergencies or any other danger to the public health, safety, and welfare", and insert in lieu thereof the following: "or prohibit the burning of natural gas by any person who the Administrator of the Environmental Protection Agency certifies to the Commission needs natural gas to alleviate short-term air quality emergencies, or is necessary to prevent a significant risk to public health, or any other danger to the public health, safety, and welfare."

Section 208, at subsection (a) of the new section 26 of the Natural Gas Act created by such section, strike the phrase "in subsection (d)", and insert in lieu thereof the following: "in subsections (d) and (e)".

Section 208, at subsection (b) of the new section 26 to the Natural Gas Act created by such section, strike the phrase "in subsection (d)", and insert in lieu thereof the following: "in subsections (d) and (e)".

Mr. WAXMAN. Mr. Chairman, the amendment I am offering is to section 26(e) of the Natural Gas Act, created by section 208 of the Krueger amendment. It is designed to clarify the intent of the language in the Krueger amendment, with reference to a particular need and concern for the State of California so as to insure that natural gas may continue to be used as a boiler fuel in certain operations in order to protect against significant risk to public health.

This amendment has been worked out in consultation with the California Air Resources Board, the California Public Utilities Commission, and has been reviewed by the staff of the gentleman from Texas (Mr. KRUEGER).

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I will be pleased to yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, I am not sure that I can do this, but, in any event, I will indicate that we here at this table have analyzed the amendment and we find no objection to it.

Mr. KRUEGER. Mr. Chairman, will the gentleman yield?

Mr. WAXMAN. I would be pleased to yield to the gentleman from Texas.

Mr. KRUEGER. Mr. Chairman, I have no objection to this amendment. I think it is a minor correcting amendment regarding particular situations, and I have no objection to it.

Mr. BROWN of Ohio. Mr. Chairman, would the gentleman yield?

Mr. WAXMAN. I am pleased to yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, would the gentleman in the well explain what the amendment does?

Mr. WAXMAN. Mr. Chairman, I will be most happy to do so.

Mr. Chairman, in southern California, continued use of natural gas as a boiler fuel is crucial, not only because it is essential for continued operations—even though most of the State's powerplants and industries have the capability to switch to oil—but because of air quality considerations.

The greatest area of geographic concern on which California's air quality program is based is the South Coast Air Basin. It contains all or parts of six counties—Los Angeles, Orange, Riverside, San Bernardino, Ventura, and Santa Barbara Counties—and has a population exceeding 10 million people.

As most of my colleagues know, the switching from natural gas—which is our cleanest fuel—to low-sulfur oil would greatly increase emissions of sulfur dioxide. The burning of low-sulfur fuel oil produces more than 100 times the quantity of sulfur dioxide emissions as the energy equivalent of natural gas. Should the boiler use of natural gas in the South Coast Air Basin be curtailed or prohibited, the ambient air quality standards for sulfur dioxide would be substantially violated on a frequent, if not chronic, basis.

In order to have satisfactory air quality in California without the use of natural gas, it may be necessary to reduce the maximum permissible sulfur content of fuel oil to one-tenth percent or less. Such measures may entail high economic costs and high energy efficiency costs.

The obvious answer to this problem, which is addressed by my amendment to section 26(e) of the Krueger amendment, is to insure the availability of our cleanest fuel, natural gas, to the area where the burning of dirty fuel has the most serious environmental and public health consequences.

In southern California, sulfur dioxide is not the only problem, however, SO_2 emitted in Los Angeles during the summer months will not remain stable as sulfur dioxide. Rather, it will be very quickly transformed into much more harmful sulfate aerosol. Second, the sulfate aerosol will not be present in southern California air in isolation. It will occur at times when southern California air is simultaneously polluted with high concentrations of nitrates, organic aerosols, and oxidant. Los Angeles has the unfortunate distinction of being the only metropolitan area in the Nation where these peak concentrations occur simultaneously.

The California Air Resources Board asked Dr. Carl Shy, director of the Institute of Environmental Studies at the University of North Carolina at Chapel Hill, and one of the country's leading epidemiologists, to estimate the health effects that would be incurred during the peak summer seasons should the boiler use of natural gas be heavily curtailed in southern California. Dr. Shy's study concluded that during the summer smog seasons of 1978–80, the South Coast Air Basin would experience more than 2,100 premature deaths, more than 2.2 million excess days of aggravation of heart and lung disease among the elderly, and more than 660,000 excess attacks suffered by asthmatics. More importantly, these figures are low estimates; they do not take into account the deleterious health effects that would occur when there are high concentrations of all three pollutants. This study clearly documents a situation which would present a significant, and unacceptable, risk to public health.

The atmospheric transformation of sulfur dioxide into sulfates—which would greatly increase if the use of natural gas was curtailed in California. Many epidemiological studies have established that the reaction product of sulfur dioxide, that is, sulfates, are far more harmful to health than sulfur dioxide itself. To control the sulfate end-product, it is important to limit the amount of its basic component, sulfur dioxide, emitted into the air. Dr. Shy's research concluded that increases in the daily sulfate concentrations resulting from increased reliance on fuel oil would also contribute, in addition to the grim projections outlined above, to other health problems associated with long-term exposures, such as excess acute lower respiratory disease in children and excess risk of chronic bronchitis in adults.

Summer weather in the South Coast Air Basin compounds these problems. Summer meteorological and air pollution conditions in southern California cause sulfur dioxide emissions to be converted to the more harmful sulfate aerosol at an extremely rapid rate. Finally, should California's summertime natural gas needs be unmet, there will be a dramatic increase in sulfur dioxide emission in the summer, since that is the only time now when California's large fuel users have available any substantial supplies of natural gas.

It may be asked why California does not simply require the installation of scrubbers or other pollution control technology instead of seeking an increased use of natural gas. In the first place, there is no technology available to clean up the combustion of low-sulfur oil as nearly as effective as the use of natural gas. Even if a 90-percent reduction of sulfur emissions from burning oil could be achieved, sulfur emissions would remain 10 times higher than what would be experienced by burning an equivalent amount of natural gas. Second, there is not sufficient time, even if the technology were available, to have it mandated by law, installed, and operated by 1980.

The truly unique characteristic of natural gas is that it is an extraordinarily clean fuel. Unless this clean fuel is distributed to the people and areas that truly need it, I fear it may be grossly misallocated—in effect, burning away a precious natural asset. It is important to realize that California's seasonal, summertime need for natural gas will not deprive other areas of the country from receiving gas. California's most acute need during the summer would be at a time when other demands on the supply of natural gas in other parts of the country are at their lowest. The maximum projected third-quarterly shortfall between now and 1980 in California will amount to 227 billion cubic feet. This quantity is only 5 percent of the total amount of gas sold annually in the Texas intrastate market. The gas to meet this environmental concern, in other words, is available.

My amendment, therefore, simply clarifies the intent behind the language in the Krueger substitute. Higher emissions of sulfur dioxide in the South Coast Air Basin, and the subsequent formation in the atmosphere of sulfates, will in all likelihood present a significant risk to public health. This will be the inevitable result if southern California is forced to rely on low-sulfur oil instead of natural gas. Accordingly, my amendment is designed to insure that, under section 26(e) of the Krueger substitute, natural gas shall be available to any person who the Administrator of the Environmental Protection Agency certifies to the Commission needs natural gas to alleviate short-term air quality emergencies, or to prevent a significant risk to health, or any other danger to health, safety, or welfare.

Mr. BROWN of Ohio. Mr. Chairman, I do not believe we have any objection to the amendment on this side.

The CHAIRMAN The question is on the amendment offered by the gentleman from California (Mr. WAXMAN) to the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. KRUEGER).

The amendment to the amendment in the nature of a substitute was agreed to.

Mr. WAGGONNER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time to ask some questions of the author of the substitute, the gentleman from Iowa (Mr. SMITH) or anyone else who might care to answer questions about certain matters contained in the Smith substitute.

I would like to know, Mr. Chairman, first of all, if a producer qualifies as an independent can he produce more than 100 million MCF at unregulated rates?

Mr. DINGELL. The answer is nothing would stop the producers from producing more than the 100 million MCF, but the answer is he becomes regulated as to new contracts after he has crossed the 100 million MCF. But we do not interfere with his old contracts.

Mr. WAGGONNER. That being the case, would producers jump back and forth between regulated and independent status?

Mr. DINGELL. As I understand the amendment, he must fall into that category for 2 years running.

Mr. WAGGONNER. Could the gentleman tell me what impact this would have on production?

Mr. DINGELL. I do not believe it would have any adverse effect on production.

Mr. WAGGONNER. I would like to just comment there that I have every reason to believe that it would have a severely adverse impact on production. FEA says it would be cut by more than half by 1985.

Mr. DINGELL. If the gentleman would yield, I think we ought to observe that it is going to afford a tremendous incentive to the large number of independent producers who will be removed.

The gentleman will observe the effect of the Smith amendment. He will observe that it deregulates about 99.5 percent of the producers of natural gas in this country, and it keeps under regulation only about 30 or 35 producers of natural gas.

Mr. WAGGONNER. Let me comment there.

What it does is keep two-thirds of the gas regulated. It may free, in the gentleman's opinion, 99 percent of the producers, but it keeps regulated two-thirds of the natural gas that is produced in this country.

Mr. DINGELL. Mr. Chairman, will the gentleman yield again?

Mr. WAGGONNER. I will be happy to yield to the gentleman.

Mr. DINGELL. I thank the gentleman for yielding.

I would point out, however, one very important fact about this amendment. I would point out that not only does the Smith amendment change around the number of producers who were subject to regulation as we have already discussed, but it changes the kind of regulation. There are several totally different criteria which are applied with regard to regulation. The gentleman will observe that current regulation of natural gas producers is on the basis of historic costs and past expenditures. The new standards imposed by the Smith amendment would require the FPC to regulate, on the basis of different criteria, first on the basis of prospective costs so as to consider what will be future costs, replacement costs, and so forth; but, second, also on the basis of incentives to the producers to produce and to invest.

Mr. WAGGONNER. Mr. Chairman, I think the Smith substitute does something that we do not want it to do. It establishes a market test in place of the present historic cost test, and that would work to the detriment of production. That is terribly bad.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. WAGGONNER was allowed to proceed for 5 additional minutes.)

Mr. WAGGONNER. Mr. Chairman, let us get this Smith substitute in perspective. The Smith Substitute will for the first time regulate intrastate gas and will continue the regulation of two-thirds of the natural gas production in this country and, further, Mr. Chairman, if current FPC pricing regulations are extended to the intrastate market, aggregate production would be reduced from the 1985 deregulated level as projected by the Krueger substitute, from 22.3 trillion cubic feet to less than 10 trillion cubic feet annually. We simply cannot afford this loss of production.

Now, this substitute has some attraction, because it supposedly is going to help the small producer. Yes, it appears to do that; but to the detriment of the continued production of natural gas in this country. The small producers do not want it.

Now, it has been said that the people who produce natural gas in this country will not supply the information which is needed to make the decisions that we ought to have. Now, here I have a document from FEA which lists the production of the 22 large producers who produce over 1 billion cubic feet annually of net working interest production, and I want to explain how this was arrived at. These people willingly provided this information at the request of the FEA. This shows these people produced, at least in 1972 when the information was asked for during the crisis in 1973, they produced in 1972, 12 trillion, 652 million cubic feet of natural gas.

The following method was used to arrive at these numbers. In 1973, the FPC requested production costs and production volume data from the large producers of the United States to determine a national cost figure for old gas in FPC docket R478 they got this information from the data reported for the year 1972: the volumes reported here were net working interest production volumes, that is gross production less basic royalty volume. These volumes can be considered generally within 2 to 3 percent of market companies marketed production. Summarizing these figures for 22 large companies that reported 100 billion cubic feet of net working interest production for the year 1972 provided the figure of 12.7 trillion cubic feet. Average basic royalty can be considered as about 15 percent.

Now, in the Bureau of Mines marketing production figures report for 1972 was 22.5 trillion cubic feet. Reducing this by 15 percent provides a figure of 20 trillion cubic feet and, my friends, if 22 producers produced 12.7 trillion cubic feet in 1972, that is 64 percent of the adjusted production of 20 trillion cubic feet. So do not be misled by the idea that this Smith substitute deregulates the magic figure of 99 percent of the producers and that much gas too, when two-thirds of the gas is produced by the other 22.

Now, we have got to decide whether we want gas or whether we do not want gas. Do not be misled by thinking that we are doing something for the production of natural gas when we establish a market test in the place of the present historic cost test.

Now, there are some other things I would like to have an answer to.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I would like to give the gentleman a couple answers that came out of the testimony we had before the Energy and Power Subcommittee about the Smith proposal.

The CHAIRMAN. The time of the gentleman from Louisiana has again expired.

(At the request of Mr. BROWN of Ohio and by unanimous consent, Mr. WAGGONNER was allowed to proceed for an additional 5 minutes.)

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield further?

Mr. WAGGONNER. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, I asked about the Smith proposal at our subcommittee hearings. I would like to read from the transcript of those hearings the question I asked:

> I want to address myself to the Smith proposal today which, as I understand, is that all producers of 100 million MCF annually, about 25 top producers, would be regulated as to all their gas interstate and intrastate; and, secondly, the producers of

> less than this amount would be exempt from the Federal Power Commission jurisdiction as to new on-shore gas.

One of the people we had testifying before us was Mr. Johnson of Shell Oil Co., who said this:

> Mr. Brown, I think the whole thing about Mr. Smith's proposal is that it is both an expansion of the regulation and a deregulation proposal.
>
> Our view is that the expansion of regulation has a much more adverse effect on supply than the deregulation part of the proposal will help supply.

Mr. Vaughn, who is with the Natural Gas Supply Committee, said: "Restrictions placed on major producers, as suggested," * * * in the Smith proposal * * * "would result in that major producer being unable to buy 1 acre of leases in any particular State."

Mr. O. Shields of a natural gas distributing company said: "What is needed for new exploration in our judgment is less regulation and not more regulation."

Perhaps most persuasive of all was the comment by Mr. Jack N. Allen, representing the Independent Petroleum Association of America, and speaking for independent producers, who said:

> Congressman Brown, the independents that I am acquainted with are more interested in solving the gas problem than any competitive advantage over some large company, and if the proposal, I didn't hear it all, but as I understand it, it would discourage exploration by the larger companies.
>
> To that extent we think that is the wrong way to solve the gas problem and we would be against it.
>
> You also have the problem that, once you put a limitation on it and say, "If you exceed this amount, you become a large producer," and you will have producers that will be near whatever level you set, they will have to look at it awfully hard before they drill additional wells for which they would then have to take a lower price.
>
> So, I see that you might discourage also some of the very large independents from drilling additional gas wells as well as some major companies.

Mr. WAGGONNER. The gentleman is completely correct. Now, yesterday we heard here that 80 cents was all we needed to get for natural gas, because we would get as much gas at 80 cents as we would at $2 or $2.10 figures. FEA was said to have been the source of that information. I have since that time checked with FEA, and they say that absolutely is not the case in their opinion. They say that 80-cent gas in 1975 constant dollars would produce a net of 11.5 trillion cubic feet of gas annually, whereas $2 gas would produce 19.6 trillion feet.

There is another detrimental effect. We are going to make necessary the further importation of about 3 million barrels of crude oil a day, which increases our vulnerability to imports and to foreign sources. My friends, you are being sold a pig in a poke here.

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I yield to the gentleman from Missouri.

Mr. ICHORD. Mr. Chairman, I am not intimate with some of the production of gas. I am trying to get some idea as to how large the annual production is of a single well.

Mr. WAGGONNER. That is like asking how much a man eats. It depends on who the man is, but the volume varies. It depends upon the reservoir itself and so many other things. It might begin at a high rate of production, and it might dwindle away to nothing. In the instance of natural gas, the life of some of these wells is very short. They change very rapidly. This is the reason that the argument that the gentleman from California (Mr. Moss) advanced earlier about maximum production is no good.

The CHAIRMAN. The time of the gentleman from Louisiana has again expired.

(On request of Mr. Brown of Ohio and by unanimous consent Mr. Waggonner was allowed to proceed for 1 additional minute.)

Mr. BROWN of Ohio. Mr. Chairman, I will ask the gentleman to yield for one question.

Mr. WAGGONNER. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. The Ashland Oil Co., which supplies some products in the area of the country I represent, produces a volume of approximately, 94 million MCF of natural gas. In other words, they are within about 4 million cubic feet of the limit that would be set by the Smith proposal.

My question is: Since they supply some of our area, do I assume that they would be discouraged from trying to develop additional sources for natural gas, because if they got up over that 100 million MCF they would suddenly have their price dropped?

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. Brown of Ohio, and by unanimous consent, Mr. Waggonner was allowed to proceed for 1 additional minute.)

Mr. WAGGONNER. Of course, that is the question that I asked the gentleman from Michigan (Mr. Dingell) earlier, when I asked him about jumping back and forth between regulated and independent status.

Certainly it will serve as a deterrent to any production for those who are approaching that breakpoint, that notch. Certainly it will do it, because he is not going to give away his unregulated status and be saddled with regulation if he gets too much production.

Mr. STAGGERS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, in response to what the gentleman in the well had to say, I would just like to say this, if the gentleman from Louisiana (Mr. Waggonner) will listen for just 1 second.

I would like to tell the gentleman that it is not like a yo-yo, it is not like jumping back and forth. One must maintain production above the cutoff point for a period of 1 year before the execution is lost. But one thing is this: When they approach the one-hundred-million cutoff, they can split and make new companies.

Mr. WAGGONNER. If the gentleman will yield, at the point in time your amendment would become effective, if indeed it ever does, would there be an exemption of the first trillion cubic feet for the large producers?

Mr. STAGGERS. I do not believe this is intended in the bill.

Mr. WAGGONNER. If the gentleman will yield further, then what about the inequity for the man who at one point was considered small because he had a production of less than 1 trillion cubic feet, and then he goes over 1 trillion cubic feet? He does not get an exemption on that over 1 trillion cubic feet. But that man, who initially has a production slightly exceeding 1 trillion cubic feet does not have an exemption.

If we are talking about an inequity, that is a real inequity.

Mr. ALLEN. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Tennessee (Mr. Allen).

Mr. ALLEN. I thank the gentleman for yielding.

Mr. Chairman, I would like to call to the attention of my distinguished colleagues a newspaper column which is signed by the Springfield Gas System and Travis Price, the mayor, which indicates that people can help keep natural gas rates down but there is little time. And in this newspaper article it says:

> If the House also votes for deregulation, it can mean a possible doubling to tripling of the cost of natural gas to you the consumer.

It goes on to say:

> Remember not only your gas rates would go up, but the price of food and manufactured goods dependent upon natural gas.

That article was from the Times, in Springfield, Tenn.

And I also received this morning a telegram from the Commisioner of the Tennessee Public Service Commission, who happens to be the son of the late Gov. Frank Clement, and he is on the Public Service Commission. He says:

> I strongly urge you to vote against the bill to deregulate natural gas. A vote to deregulate natural gas will not only increase consumer gas prices, but since over 3.6 trillion cubic feet of natural gas is used to generate electric power in the United States deregulation will have a devastating effect on the already over burdened consumers of Tennessee. In addition, companies who use natural gas in manufacturing will have to pass any increase in their price paid for gas on to consumers and the result will be an increase in the already high inflation rate. I cannot begin to tell you of the serious consequences which will result from congressional approval of deregulation. Therefore on behalf of the people of Tennessee, I urge that you do everything in your power to stop the bill to deregulate natural gas.

Mr. MOFFETT. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Connecticut.

Mr. MOFFETT. Mr. Chairman, I would like to direct a question to the gentleman from Tennessee (Mr. Allen). I think the gentleman brings an interesting perspective to his colleagues in the House and on the committee because, if I am not mistaken, the gentleman from Tennessee is the most recent Member to go out and face the public in an election.

As I recall from what I have heard about the gentleman's campaign, I understand this issue of natural gas was a very big one in his district, was it not?

Mr. ALLEN. Yes, it was.

Mr. Chairman, if the gentleman from West Virginia will yield further, in fact, during the primary campaign, while I was opposed by the local attorney general and another candidate, the former U.S. district attorney, who is a multimillionaire and has support as a Nashville, Tennessean, and also by one of my colleagues as a representative in the State legislature, I spent 2 weeks before the Public Service Commission working against a $6½ million request for gas rate increases instead of going out and campaigning.

It turned out that although I had the support of no organizational group and no newspaper, I received more votes in that primary campaign than all of my opponents combined.

Mr. BROYHILL. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I would like the attention of the gentleman from Iowa (Mr. SMITH), the author of the substitute, and I will ask him if he can answer a question or two for me about the substitute that he has introduced.

My first question is this: Is it the gentleman's intent by this substitute to establish one national ceiling price applicable to all of those producers who are not exempt under the bill, or is it the intent of the author of the substitute to establish more than one national ceiling price?

Mr. SMITH of Iowa. Mr. Chairman, if the gentleman will yield, with respect to new natural gas, there would be a different price than for old natural gas, as is true also under the Krueger substitute.

Mr. BROYHILL. Under the language in the Smith substitute, I see that it does not track the language of the Krueger substitute, and that is what makes me wonder, because it would appear in the Smith substitute that there would be authority to establish a national ceiling price per producer. In other words, we would have a national ceiling price for each producer of natural gas?

Mr. SMITH of Iowa. No.

Mr. BROYHILL. That is not the intent of the gentleman?

Mr. SMITH of Iowa. Yes. The answer is: No.

Mr. BROYHILL. Let me ask this question, then:

What is the purpose of regulating for the first time intrastate sales of natural gas for only part of the industry?

Mr. SMITH of Iowa. Mr. Chairman, if the gentleman will yield further, it is for this reason: We come to the question now, when we are talking about KRUEGER versus SMITH, as to how to deregulate.

Apparently everybody, including the gentleman from Texas (Mr. KRUEGER), agrees that we cannot have deregulation for everybody tomorrow. Therefore, he proposes to deregulate by continuing to regulate offshore and not regulate onshore and making some other distinguishing characteristics between what should be regulated and what should be deregulated.

I simply think it is more logical to seperate the regulated from the unregulated on the basis of volume, as we have done ever since 1948 when the Taft-Hartley law was passed. We have used that basis not only with relation to labor laws but we have done it with regard to minimum wage and most Federal laws based on the commerce clause. I think we should determine Federal jurisdiction and Federal regulation on the basis of volume rather than on some artificial method such as whether it is produced onshore or offshore or is sold across State lines.

Mr. BROYHILL. Mr. Chairman, does the gentleman from Iowa feel that his measure is constitutional, that it would meet a constitutional test, or does he feel that it would not?

Mr. SMITH of Iowa. Mr. Chairman, I think the Supreme Court cases that came up after passage of the Taft-Hartley law settled that question once and forever. They determined that we cannot only regulate what crosses State lines but what "affects interstate commerce." That has been established for 20 years.

Mr. BROYHILL. I do not believe it is constitutional for the Federal Government to regulate the sale of a product that is produced in a State and sold within the State.

I think just this one provision in here is going to tie up this whole procedure, if it were to pass and become law, this whole act would be in the courts for so long that we would have no action, so that the ultimate result of the Smith of Iowa amendment is no action at all on deregulation.

Mr. SMITH of Iowa. Mr. Chairman, I point out that under a 1972 decision the court also said it can be done on a volume basis with oil which is in this very same industry.

It has been established for 25 years that the volume basis is a proper basis for Federal jurisdiction.

Mr. BROYHILL. Mr. Chairman, may I have the gentleman's attention for another question or two?

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield before he leaves that point?

Mr. BROYHILL. Yes, I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, the gentleman from Iowa (Mr. SMITH) said, I think, that labor under the Taft-Hartley law is regulated by volume.

I was wondering whether it is the application of paragraph 14(b) of Taft-Hartley which allows individual States to make their determination of that by volume?

Mr. SMITH of Iowa. If the gentleman will yield, as the gentleman knows, the Congress decided in that case, despite the fact that the Federal Government could have exerted jurisdiction, not to do so. By a vote of Congress, over the opposition of Senator Taft from your State of Ohio, they decided not to do so; but the ability to use that jurisdiction still resides in the Congress.

Mr. BROWN of Ohio. But they did it by volume, not by State.

Mr. SMITH of Iowa. In that case Congress decided it would not exercise jurisdiction of certain kinds of labor questions.

Mr. BROWN of Ohio. By State?

Mr. SMITH of Iowa. Congress permitted others to exercise it.

Mr. BROWN of Ohio. The determination is a State matter rather than a national matter; is it not?

Mr. SMITH of Iowa. The Congress decided to let the States exert their jurisdiction in that matter.

Mr. BROWN of Ohio. Therefore, that is why we have a difference between the intrastate and interstate regulation of gas?

Mr. SMITH of Iowa. Because we have part of the labor law written in that way, does not mean a gas law must be on the same basis.

AMENDMENT OFFERED BY MR. ECKHARDT TO THE AMENDMENT OFFERED BY MR. SMITH OF IOWA AS A SUBSTITUTE FOR THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. KRUEGER

Mr. ECKHARDT. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. ECKHARDT to the amendment offered by Mr. SMITH of Iowa as a substitute for the amendment in the nature of a substitute offered by Mr. KRUEGER: Paragraph (14) of section 2 of the Natural Gas Act (as added by section 4(a)) is amended by inserting "which shall include as new gas natural gas which is continued in interstate commerce after the date of expiration of a contract by its own terms (and not through the exercise of any power to terminate or renegotiate contained therein) for the sale or delivery of such natural gas existing after such date" after "means a sale of new natural gas".

Mr. ECKHARDT. Mr. Chairman, this amendment has the effect of bringing new natural gas produced by independent producers, out from under contractual restraint so that it may be sold at a higher price.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, I think this is consistent with the basic theory of the amendment that I have introduced, and that is that those who produce less than 1 percent of production have some firm basis on which to really gage their price or their ability to operate in the market.

Mr. Chairman, I think it would be consistent with the overall amendment if the Members were to adopt this amendment.

Mr. ECKHARDT. Mr. Chairman, I thank the gentleman from Iowa.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Chairman, as I understand it, this is an amendment to the Smith of Iowa substitute?

Mr. ECKHARDT. That is correct.

Mr. DINGELL. And it would say that when old contracts expire, that is, old contracts which are between an unregulated producer under the Smith of Iowa amendment, that is, one who produces under 100 million Mcf per year, that the new contracts which will issue on that particular gas or the product of that particular well or wells would then be unregulated; am I correct?

Mr. ECKHARDT. That is correct.

Mr. DINGELL. It does not go any further than that?

Mr. ECKHARDT. That is correct.

Mr. DINGELL. Mr. Chairman, I do not have any objection to that amendment.

I would like to ask the gentleman from Texas, this amendment does not go to the definitions, then, it goes to another section?

Mr. ECKHARDT. That is correct.

Mr. DINGELL. I thank the gentleman.

Mr. Chairman, I do not have any objection to the amendment.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, could the gentleman in the well give us some clue as to where this amendment fits in, in paragraph 14? We are trying to find the right line and we are having difficulty fitting it in. Could the gentleman give us the correct line number?

Mr. DINGELL. Mr. Chairman, if the gentleman will yield, as I observe it, it goes right at the beginning of the paragraph.

Mr. BROWN of Ohio. We have it; I thank the gentleman.

Mr. KRUEGER. Mr. Chairman, I move to strike the last word.

Mr. RONCALIO. Mr. Chairman, would the gentleman from Texas yield for a short question?

Mr. KRUEGER. Yes.

Mr. RONCALIO. Mr. Chairman, I would like to know if my friend, the gentleman from Texas, would be kind enough to accept the identical amendment which is to be offered for the Smith substitute amendment?

Mr. KRUEGER. Not at this time.

Mr. Chairman, I would like to discuss with the gentleman from Texas who offered the amendment the full nature of the amendment. But, first, according to the rules of the House it is my understanding that there are five copies of the amendment at the majority table and up to this time I have not seen a copy of the amendment. Perhaps in the future, if there should be further amendments, a copy might be provided to me in accordance with the House rules.

Mr. Chairman, it is my understanding from what has been said on this amendment that it would take gas from contracts which had expired for producers of 100,000 Mcf annual production, would allow those contracts to be renegotiated without any Federal Power Commission price controls over such gas; is that correct?

Mr. ECKHARDT. If the gentleman will yield, that is correct.

Mr. KRUEGER. Is this not a position somewhat inconsistent with the position the gentleman earlier has taken in which the gentleman made charges, I think, earlier, that this would be, in effect, to deregulate old gas?

Mind you, that is not my position, but I understood it was the gentleman's position.

Mr. ECKHARDT. Is the gentleman from Texas opposed to the amendment?

Mr. KRUEGER. I am trying to find out whether there is a thread of consistent thought that I have not entirely followed.

Mr. ECKHARDT. I feel that if there can be encouragement to the production of natural gas by those who take the maximum risks by virtue of permitting the accumulation of some additional capital for that purpose, I am willing to make that much of a trade with respect to price

That is the simple basis for my presenting this. On the other hand, I would not be willing to permit all old natural gas as it goes out of contract to go to the higher price even if that gas is being produced by producers of gas who are obviously financially able to continue to operate old gas fields.

Mr. KRUEGER. I think I have the answer to this question, which is that the consumers would in no way benefit from this particular provision. That is, to the consumers, the gas burns the same whether they buy it from a major or an independent producer.

Mr. DINGELL. Mr Chairman, will the gentleman yield?

Mr KRUEGER. I will yield to the gentleman in just 1 minute, I should like first to continue the colloquy with the gentleman from Texas, and then I shall be happy to come back to the gentleman from Michigan.

It is rather anomalous, is it not, to saying that when we go to Gibson's we will accept one price but when we go to a small grocery store we should accept a far different price?

Then the gentleman is saying to the consumer of natural gas that if the consumer of natural gas happens to get his gas from one of the independent producers who is not one of the 22 largest suppliers of gas, and 70 percent of the gas is supplied by those companies, he is in the unlucky 30 percent who happens to buy from an independent producer and gets the good fortune of paying a higher price—but not if he is purchasing from one of the majors. I just do not see that there is any real supply response that is going to help consumers in general on this. It is my belief that it does make sense to allow contracts which have expired to be renegotiated at that time at a new price not controlled by the Federal Power Commission.

But I believe that there is a supply response to be got from this, and if there is a supply response to be got from such a policy, it clearly then is in the interest of the consumers of this Nation that we get 100-percent potential supply response and not a 25- or 30-percent supply response from only the independent producers, and not from the majors.

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. KRUEGER. I yield to the gentleman from Texas.

Mr. ECKHARDT. I thank the gentleman for yielding.

The difference is simply this, that all of the 32 producers of natural gas that under the Smith amendment would not be released to unlimited prices of new gas are also heavily in the production of oil. They are discovering gas and oil.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent Mr. KRUEGER was allowed to proceed for 3 additional minutes.)

Mr. ECKHARDT. If the gentleman will yield further, I think this is simply the difference; that is all. I guess the gentleman and I are somewhat different in our views with respect to whether or not there should be an actual encouragement of small producers to compete with large ones. I have been consistent in my view on that throughout.

Mr. KRUEGER. I wonder if the gentleman recognizes that the Independent Petroleum Association of America has today sent a telegram indicating its opposition to the Smith amendment, and that is the identical testimony which we received while we were in the Subcommittee on Energy and Power, that they did not favor this particular exemption.

But the gentleman's argument is that it is somehow to the benefit of Americans in general to give a special higher price only to certain producers and not to all. I should think that in the interest of equity and in the interest of consumers, we should attempt to get them as much gas as we can, and we therefore should allow the renegotiation of all contracts, not simply of a favored few. To allow renegotiation only to independent producers is to promote special interest legislation at the expense of consumers who need enlarged supply.

Mr. ECKHARDT. I simply do not agree to the gentlemen's conclusions.

Mr. KRUEGER. I do not agree to the gentleman's logic.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. KRUEGER. I yield to the gentleman from Iowa.

Mr. BEDELL. I thank the gentleman for yielding.

With somewhat limited knowledge in this area, it would appear to me that the gentleman's amendment as well would be discriminatory according to whether someone happened to be on a gasline where a contract has already existed, or whether there was gas which was deregulated because of the end of those contracts. So it would seem to me that, indeed, the gentleman's amendment also would place the consumer dependence upon the whims of whether he happened to be in something that was continued to be controlled or something that was not controlled.

Mr. KRUEGER. But the alternative to deregulation is not supply, and without supply the person is not going to be better off even if he has an expired contract at a lower price. That expired contract does not burn very well in the furnace.

Mr. BEDELL. I understand that argument, but I have the impression that the gentleman is arguing that there are inconsistencies in this because the price paid was dependent upon other circumstances. Would the gentleman agree as well that in his amendment that would be equally applicable, except it would be different; it would depend upon whether he still was in a position where he would continue to get controlled gas in terms of price, or whether he happened to be where there would be decontrol.

Mr. KRUEGER. There is no particular inconsistency in the fact that some markets have supply and other markets have no supply, and there is no means of adjusting that by legislation. We must recognize that some companies may have been guilty of poor husbandry and may not have planned well in contracting gas for the future. And we need also to recognize the FPC controls on the wellhead price of gas have fostered inadequate supplies.

The CHAIRMAN. The time of the gentleman has expired.

(At the request of Mr. BROWN of Ohio, and by unanimous consent, Mr. KRUEGER was allowed to proceed for 2 additional minutes.)

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. KRUEGER. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, once again I want to take a little time to understand the gentleman from Texas (Mr. ECKHARDT) as this affects the Smith amendment.

Mr. Chairman, as I understand the Smith amendment, the Smith amendment deregulates the production of small producers that is not now held by contract to a certain price; but the Eckhardt amendment assures that when that contract runs out that those small producers can get the market price; is that the idea? I am not clear about the Eckhardt amendment.

Mr. KRUEGER. It is my understanding that the Eckhardt amendment, after contracts have expired, would allow individuals of a certain size to renegotiate their contracts at the market price in order, presumably, to bring on additional supplies; but after a certain point in production, 100,000,000 Mcf, the rules change: "No, tough luck, you don't get it because you are too big." That is the net effect. The net effect is that the consumer is going to get 30 percent of the additional production he might get of the market, but he is going to lose 70 percent, because somehow some people confuse the size of companies that they deal with with the need of the consumer for supplies. Some people get so anxious to get at certain large companies that they fail actually to look to the real needs of the consumer and that is what this amendment would do. It would not really address the real needs of the consumer, because it would limit the amount of gas that could be gotten following the conclusion of an expired contract.

Mr. BROWN of Ohio. As I recall the testimony before the subcommittee, the Smith amendment was favored only by somebody who was on the Commission named Smith and by some economist from Michigan, and everybody else who spoke, including the small producers, were against it.

Mr. DODD. Mr. Chairman, I rise in support of the Smith substitute to the Krueger substitute to the Natural Gas Emergency Act, H.R. 9464.

Mr. Chairman, we have witnessed a great deal of debate these past few days, much of it indicating that the deregulation of natural gas prices is the only opportunity this Nation has to curb the developing shortage of a vital energy resource.

This approach, spearheaded by industry with strong administration backing, and thoughtfully articulated on the House floor, has been successful in gaining support because those who oppose deregulation have been unable to rally around an alternative.

The Smith substitute to the Krueger deregulation plan offers us such an alternative.

This compromise proposal provides for the basic elements which deregulation proponents have declared are essential for increased natural gas exploration and development.

The industry says it needs higher prices to meet rising costs; the Smith proposal seeks to provide those higher prices, but at a level that consumers and the economy can bear.

Industry says it needs higher prices to provide an incentive for future capital investment. The Smith proposal meets that demand as well. By deregulating the price of natural gas for the small producers, revenues for these independents will rise, as will investor interest.

More important, however, the Smith plan will stabilize the interstate market by regulating the intrastate market. No longer will consuming States at the end of the interstate pipeline—such as my home State of Connecticut—be deprived of supplies that are being wasted and hoarded within producing States.

We can all agree that a fair and equitable natural gas price applied to all market areas is a sensible goal to attain. The regulation of the intrastate market, as outlined in the Smith substitute, will certainly achieve such a desired goal.

In effect, the Smith substitute protects the economy from the possibility of 400-percent increases in natural gas prices through deregulation, while providing a price level that gives industry the incentives it says it needs for future exploration and development.

Congress has the opportunity, Mr. Chairman, to do what it can to cut the natural gas shortage, keeping consumer costs to a minimum, and controlling windfall industry profits.

It has not been difficult for the public to believe, Mr. Chairman, that industry will not deliver the goods until it is paid off. And there is every indication that the major producers have been creating artificial shortages, well beyond any that might have arisen through the natural rise in consumption and decrease in reserves.

I think it best at this time to refer to the study done by the Commerce Subcommittee on Oversight and Investigation which showed the extent to which the majors will go to hold back vitally needed supplies in order to increase public sentiment in favor of deregulation and thus, increased profits.

In its study of Garden City, a large natural gas field in south Louisiana, the subcommittee found that—

> The producers have developed the field by drilling a minimum number of wells, the effect of which is to limit the current deliverability of the field.

The study goes on to say that the producers—

> Have failed to undertake deligently the work projects necessary to maintain deliverability from the field and establish production from untapped reservoirs.

Mr. Chairman, this and other studies show, and a report by the Library of Congress explains that the majors will reap great rewards if the holdback reserves for a future day, when prices are possibly deregulated and low-priced contracts have either expired or been revalued.

This is why the Krueger plan to deregulate offshore gas prices over a 5-year period will prove a dismal failure. What is to prevent the majors—who control the great bulk of our Nation's offshore reserves—to continue to hold back exploration and development until they can receive demand prices in 1981, when controls are scheduled to be lifted?

Mr. Chairman, we can put an abrupt halt to this high-stakes speculation, today, if we choose to approve the Smith substitute which will set a reasonable, stable natural gas price.

If natural gas prices skyrocket—as expected—under deregulation, after rejecting an alternative which would guarantee to industry a fair and profitable price, it will not be easy to explain why Congress deregulated the historically regulated price of natural gas.

This is underscored in the majority opinion of the Supreme Court decision in 1954, which upheld Federal regulation of the natural gas industry:

> Production of consumers against exploitation at the hands of the natural-gas companies was the primary aim of the natural gas act.

Mr. Chairman, I strongly urge my colleagues to support the Smith substitute, which will deal swiftly and effectively with the natural gas shortage, and which will uphold previous congressional action seeking to protect the consumer interest.

Mr. PICKLE. Mr. Chairman, I rise in support of my able colleague, Congressman BOB KRUEGER's substitute bill. It seems to me that we all can agree on the basic problem, the need for providing ample supplies of natural gas at the lowest possible price to the consumer. However, we have become divided on how to achieve this result.

For 20 years we have insisted on regulating the price of natural gas at the wellhead for gas in interstate commerce. That price regulation has been so unrealistic that today gas sells in interstate commerce for 0.52 thousand cubic feet and yet that same gas would sell in intrastate commerce in the State that it was produced for an average of $1.52 per thousand cubic feet, sometimes higher. When the market price and the regulated price vary to this degree, something is obviously wrong.

The result of this regulated price, that is far below the market price has meant that shortages would occur. Drilling to produce for the regulated markets has declined dramatically from 1961–68 as we might expect with this unrealistic price. Proven gas reserves are down to a 10 year supply, yet there are large potential reserves. However, in order to get at these reserves we will have to adopt a policy that will encourage capital to develop these reserves.

Deregulation of the wellhead price of new natural gas will provide this economic incentive for finding new gas. However, the price increases will apply only to new natural gas, and therefore the cost impact of deregulation will be moderate and gradual. It has been estimated that the cost to consumers from deregulation would increase the price only about 6 percent a year. The alternative is natural gas supply shortages, which have already occurred, and also to force industries to rely on much more expensive alternative fuels.

If we convert coal to synthetic natural gas, as we are now trying to do, the cost estimate is that such synthetic gas would be $2.50 to $3 per thousand cubic feet.

Many of my constituents feel that this bill does not help Texas. It is true that as long as interstate gas is priced well below market cost, there probably will continue to be plenty of intrastate gas available in Texas. However, I feel that in the long run the price of gas must be deregulated, and I hestitate to accept the provincial goal of keeping the gas in Texas to dictate a vote against the Krueger amendment.

The Krueger bill is a compromise bill. It does not satisfy everybody, but it promises to increase the supply of new natural gas for the benefit of the American consumer. We can no longer afford to try to legislate short-term remedies. It is past time that we talk about the future, and pass a real energy bill.

I have opposed the allocation program for oil because it sets up a system of controls that causes more difficulties than it helps. Likewise, I am opposed to price control for gas. Thus I feel that decontrol is a step in the right direction. This is a form of gradual decontrol, and it is fair to both producers and consumers.

Best of all, this bill will at last ease the uncertainty that plagues the gas industry today. I think that the present uncertainty is the biggest road block that the industry faces. At least with this bill, both producers and consumers, will know what they face, and they can set about to make the system work.

The Smith substitute should not be adopted. It would be a deterrent to production, creating more uncertainty in the industry, more controls given to the FPC, and control of intrastate gas to the FPC. That would be intolerable. Gas producing States cannot live with any such control—and the country will be adversely affected.

Mr. BEDELL. Mr. Chairman, I rise in support of the Smith substitute to Mr. KRUEGER's proposal for natural gas decontrol.

I do recognize that we must make significant changes in the existing system of natural gas regulation. There is much evidence to indicate that the current two-tier natural gas pricing structure is unworkable and, in many cases, blatantly unfair.

However, I am not convinced that total deregulation is necessarily the best answer to this serious problem and I do not believe that the Nation will be well served by ramming through a deregulation proposal without thorough examination of a wider range of options. Unfortunately, as I stated on the floor previously, the rule on H.R. 9464 will not provide us with such an opportunity, and for this I am greatly disappointed.

Nonetheless, I think it is important to define our objectives in this debate. In my mind, the issue is clear. Consumers need adequate supplies of natural gas at fair prices. Producers deserve a reasonable return on their investment in production. This is the balance we should be attempting to achieve. And, in the heat of the moment, I fear that we are losing sight of this goal.

In considering this issue there are several facts which should be kept in mind.

The natural gas industry is intrinsically noncompetitive. In 1972 there were 24 companies whose annual production exceeded 100 million MCF of gas. These companies accounted for 65.7 percent of the total national production. While the remaining companies, numbering somewhere over 5,000, accounted for only 34.3 percent of the production. These are the small independent businessmen in the marketplace. And, these small producers are the ones who take the biggest risks and have the least capital. It is this group of independents that needs relief, not the giant corporations. And it is this vital group which current regulations threaten to drive from the marketplace.

Given this scheme, I support the amendment offered by my colleague from Iowa (Mr. SMITH), which would provide deregulation of prices for all independent gas producers. I hope this will provide a major incentive for exploration and development of new natural gas for these companies which drill 75 percent of all new natural gas.

The price regulations which would continue and be extended to intrastate market on the major natural gas producers are more flexible and incentive-oriented and would take into account prospective as well as actual costs. There will also be consideration for special areas of drilling depth and areas where greater risks are involved.

Limited regulation of the largest producers will also have advantages over the present system in that it should allow the Federal Power Commission to act in a more responsive and rational basis.

I also strongly support the establishment of agricultural priorities contained in the Smith substitute. The importance of food production to this Nation should not be minimized as we deal with the natural gas issue. The legitimate interest of the farmer must be protected in the interest of the entire Nation.

In conclusion, I fear that without passage of the Smith substitute, the American people will quite literally have to pay a terrible price for congressional overreaction to a very serious and complex problem. Our Nation needs a thoughtful and reasoned approach to the long range natural gas issue. I hope that when the Congress work on natural gas is completed the American people will not be shortchanged.

Mrs. BURKE of California. Mr. Chairman, I rise to express my concern that natural gas legislation passed by the Congress pay heed to the severe natural gas problems faced by California. Due to a number of factors, California alone cannot and will not be able to supply the natural gas needs of its citizens. A study prepared by the University of California's Lawrence Livermore Laboratory indicates that California has already produced 45 percent of its associated, or wet, gas, which is gas produced in conjunction with oil. Based on historical gas-to-oil production ratios, this study estimates that approximately 1,200 cubic feet of natural gas have been produced for every barrel of produced California oil, but that this ratio has steadily decreased to 660 cubic feet per barrel of oil by 1973. Furthermore, the National Petroleum Council has estimated a continuing decline to 360 cubic feet per barrel by 1985. Nonassociated, or dry, gas resource estimates indicate that only 22.3 trillion cubic feet of dry gas remain to be produced in California. Taken together, California's wet and dry gas resources will supply only 22 percent of California's gas needs.

Furthermore, natural gas production in California does little to alleviate the problem. Associated gas production, derived from oil production projections, are estimated to be 850 cubic feet per barrel of oil for offshore production and 400 cubic feet per barrel for onshore production. Livermore has estimated that nonassociated gas production will hold constant at 270 billion cubic feet per year for the remainder of this century. This assumes that intrastate natural gas prices will rise sufficiently to increase both exploratory and production drilling for dry gas. Nevertheless, since only about 20 percent of the gas used in California is produced in California, the State will remain a major natural gas importer.

The natural question then becomes, "Where will California obtain the needed gas?" Until recent years, the source has been interstate pipelines. However, the current situation has produced circumstances which have, for all practical purposes, dried up California's interstate pipeline supply. Currently, producers who sell gas for the interstate market are limited, under FPC regulations, to a price of about 52 cents per thousand cubic feet, whereas producers who sell their gas to markets not subject to Federal price regulation can obtain prices ranging up to $1.75–$2 per thousand cubic feet. Given such figures, it is no surprise that nearly all new supplies of gas in recent years have been committed to the intrastate market, producing a monumental shortage for interstate pipelines and a lack of incentive throughout the Nation for exploration and development of new supplies.

Supporters of permanent deregulation

here argue that deregulation is the only solution that will solve California's problems. It is superficially true to say that with deregulation, interstate pipelines could offer higher prices to producers in Texas Permian basin, which is the basic source for California's interstate natural gas. But, since the price now being offered ranges up to $2 per thousand cubic feet, can production increase enough to meet both Texas and California's needs, not to mention the rest of the Nation? Mr. Chairman, I submit that the answer is no. This position is supported by the FPC and experts in the oil and gas industry.

Since it takes time to develop new sources, most experts agree that we cannot expect much of a change in natural gas supply in the next 3 to 5 years. Therefore, for this period, deregulation will mean that California consumers will all pay higher prices for natural gas while not receiving any increased supply. Furthermore, due to market operations, a static insufficient supply will force reduction of demand, which means that some consumers will be forced to give up natural gas as a source. Of course, this is workable only up to a point and, considering the time it will take us to develop alternative energy sources, there is little hope for these hapless consumers. Thus, there is no assurance of new supplies in the next 3 to 5 years through total deregulation, while there is assurance that the price will rise—certainly no benefit to California.

Projecting beyond 5 years from now, the FPC has found that additions to our natural gas reserves have not changed over the years despite higher intrastate prices. The only effect in this area has been that the reserves have remained intrastate rather than interstate.

The FPC has further reported that if we keep natural gas production at constant levels—that is, keep the shortage from worsening—we will have to add to total reserves each and every year the same amount that we produced in 1956, the peak year for gas production. In that year, we added 19 trillion cubic feet of gas to total reserves. Following that year, we added an average of 12 trillion cubic feet to reserves until 1965. Since then, we have added only 5 to 7 trillion cubic feet per year to reserves, despite the fact that natural gas production as a whole has increased dramatically from 6 trillion cubic feet in 1950 to 13 trillion cubic feet in 1960 to a high of 22.3 trillion cubic feet in 1973. In 1975, the production level was 20.5 trillion cubic feet.

Realistically, then, asserting that such production and reserve levels can not only be met but maintained is sheer fantasy. Therefore, total deregulation will not solve California's, or the Nation's, natural gas supply problems. Industries which have already been curtailed will remain curtailed and the shortage will worsen.

Those who offer the promise of new sources of natural gas—from offshore wells, the Alaskan pipeline, and liquefied gas from Indonesia—ignore the fact that these sources will not be useful to us, according to industry experts, until the mid-1980's at least. Furthermore, it is highly unlikely that they will meet the kind of demand that will result if we do nothing to solve the shortage problem in other ways. Even if this were not true, California still faces a critical situation throughout the next decade.

This brings me to the solution that I find most workable and most beneficial not only to California, but to the Nation, and that is alternative energy sources.

Livermore Laboratory in California estimates that, in an effort to offset the increasing shortage, natural gas as a fuel for electrical generation will be completely eliminated in California by 1980. Furthermore, the trend will be to eliminate natural gas as an energy source in all areas but those in which it is used as a raw material, as in the petrochemical industry.

Mr. Chairman, few would disagree that some easing of natural gas regulation is necessary. However, I submit that total and permanent deregulation would ultimately be disastrous not only for California, but for the Nation, and would not ease the natural gas shortage, but only aggravate inflation.

Mr. ROUSSELOT. Mr. Chairman, I rise in support of the Krueger-Broyhill substitute for the Natural Gas Emergency Act of 1975 (H.R. 9464). This is an issue that will have far-reaching effects not only on the energy independence of our country in the years to come, but also on the economic plight of the Nation. The continued control and regulation of the natural gas industry in the United States will only prolong our dependence on foreign energy sources, as well as create increased unemployment at a time when unemployment is already unacceptably high.

Regulation of natural gas has produced a number of undesirable effects in the last several years. These effects were all quite predictable to those who understand the free market system. The artificially low price which the Government imposed on certain sectors of the natural gas industry—interstate transportation of gas—increased consumer demand for that cheaper gas while discouraging increased production by eliminating profit incentives to seek exploration and new production. This made the shortage inevitable. The bill before the House today, H.R. 9464, does not address the basic issue—long term availability of natural gas. Legislation which seeks to assure the "availability of adequate supplies of natural gas during the period ending June 30, 1976" is obviously and ridiculously inadequate.

Federal wellhead price regulation is directly responsible for the sharp decline in our natural gas supplies. The Federal regulations have done two things to turn off the valve: First, reduced the producer's incentive to drill for new gas, and, second, diverted new gas supplies from markets where they are needed to the unregulated intrastate markets with higher prices. These disincentives have existed throughout the last 21 years. The cheaper, easier to find gas reserves have already been discovered. In recent years, then, it has been necessary to drill much deeper or underwater in remote areas to find new gas, and all of these are expensive. As a result, the producers have had reason to avoid Federal regulation and enter the markets that are not regulated. They have devoted their limited capital resources to the search for oil and other more attractive investments. Consequently, consumption of natural gas has been exceeding new supply sources each year.

Natural gas is vitally important to every area of the United States. In my home State of California, 44 percent of all the energy used is derived from natural gas; 87 percent of the homes in the State are supplied with natural gas. Joseph R. Rensch, president of Pacific Lighting Corp., in California, described the plight of southern California's natural gas supplies in an article appearing in the Sunday, February 1, 1976 issue of the Los Angeles Times. Mr. Rensch notes that while costs of natural gas may increase as a result of deregulation, that increase will not be nearly so large as the increase caused by continued regulation and dwindling reserves. He said:

> The most ardent opponents of deregulation cannot deny the fact that Federal price regulation is depriving gas-dependent Southern California of essential energy supplies, so instead they attack deregulation as inflationary. The numbers games used to support the argument of higher costs have produced some incredible results—and as fast as the fallacies are pointed out, new eyecatching numbers appear. Let's look at the cost impact on the consumer if Congress deregulates new gas prices. Since only new gas would be freed from price regulation, the price of gas presently flowing to California would not be affected. Since the "old" gas price remains regulated, the higher new gas price blends in to bring about a gradual—rather than a sudden—price increase.

If Congress does not act in a strong, positive manner to provide deregulation—long-term deregulation rather than the stop-gap measure before us today—our constituents will find themselves in the position of reduced exploration and production of natural gas and higher prices for goods produced in factories which have been forced to switch from gas to some other, more costly energy form.

I urge my colleagues to support the Krueger-Broyhill substitute and give the free market a chance to operate. The free market does work and it works for the benefit of consumers and producers alike. Deregulation of natural gas will stimulate exploration, increase supplies, and contribute to a sound solution to this country's energy "crisis." I will support this substitute and at this point, I would like to bring to my colleagues' attention the following editorial which appeared in the Los Angeles Times on February 3, 1976, urging the House to take quick, affirmative action in passing the decontrol bill.

Gas: In Whose Interest?

> Opponents of legislation to phase out federal price controls on newly discovered natural gas supplies are making a last-ditch effort this week to sidetrack the decontrol legislation. For the sake of consumers and the country's economic health, we hope the effort fails.
>
> Those who oppose the plan for partial deregulation of natural gas say they are acting

in the consumer's interest. But we think the facts are otherwise.

Federal regulations have done a good job of holding down the price of gas moving in interstate commerce. Even with recently approved increases, the going price for new gas is 52 cents per thousand cubic feet—roughly a fourth of what it costs to import an equivalent amount of oil. Unfortunately, the artificially depressed prices have created a growing deterrent to gas production.

For several years natural gas consumption has been far outrunning production. And of the new supplies that are discovered, most are being sold in unregulated interstate markets, where the price is three to four times as high.

Cheap gas won't do consumers much good if there isn't enough to go around. And there won't be enough if the law isn't changed. Already shortages have raised the specter of industrial interruptions in some states, with a consequent threat to stable employment. Unless higher pricing is permitted, the situation will grow steadily worse until even residential consumers are affected.

The Senate, after lengthy consideration, acted sensibly in October by passing a bill that would free newly discovered gas in onshore fields immediately. New gas from offshore fields would be controlled for five more years. And gas sold under existing contracts would not be decontrolled at all.

Although this would mean a sharp increase in the wellhead price of newly discovered gas supplies, the impact on the consumer would not be so sharp or so immediate. Since less than 10% of the natural gas entering interstate pipelines each year is newly discovered, and since "old" gas would still be regulated, the effect would be spread over 10 years or more. In any event, the price received by the producer accounts for less than 20% of the ultimate cost to the consumer. Interstate transportation and local distribution account for the rest.

The public interest clearly calls for early House approval of similar legislation, but the Commerce Committee has pursued dilatory tactics in order to delay action.

We urge California members of the House to back Speaker Carl Albert's move to bring decontrol legislation to a vote on the floor. Either that or return the measure to the committee with specific instructions for quick action.

Mr. DRINAN. Mr. Chairman, it has become increasingly obvious over the last week that momentum is building on the side of those who favor the deregulation of natural gas. An unfair and arbitrary rule was adopted by the House for the consideration of this subject, and its easy passage probably points to the inevitable result on the deregulation question. Before that takes place, however, I would like to note my serious reservations with regard to unregulated gas prices.

I am particularly concerned about two major aspects of the deregulation issue. First, I am greatly troubled by the size of the gas price increases which the average consumer will have to bear. Second, the lack of competition in the natural gas industry is a serious problem, the Supreme Court and Federal Courts of Appeals finding for years that its practices do not bring about true competition among the various companies. For these reasons, I have consistently opposed the deregulation of natural gas. Yet even if the House acts to free these prices, the Congress will still have to face these major questions in the future.

Mr. Chairman, let us first address the very significant price increases which our constituents must face in the next several years should the deregulation of natural gas occur. According to a Library of Congress study just released last December, deregulation will cost consumers between $12.8 and $14.9 billion by the end of 1976 with no extra supplies of gas being generated at all. If a modest supply increase does come about, the upper level cost could easily exceed $20 billion. A homeowner who now pays $60 a month for gas could expect his fuel bill to jump as high as $90 a month, a crippling price increase for most individuals. In all likelihood, the average family of four will be paying an additional $280 a year in higher prices as a result of the action which we take here today.

Apart from the severity of these price increases, the cost hikes seem ill advised from an inflationary standpoint as well. For the first time in several years the magnitude of our national inflation rate has dropped to almost manageable proportions. The latest inflation statistics show prices continuing to rise by approximately 5 percent to 7 percent depending on the month or the quarter. This type of statistic is encouraging, but gas deregulation will surely wreak havoc with these financial indicators. Since natural gas supplies 33 percent of this country's energy needs, doubling or tripling gas prices will add 0.8 to 0.9 of a percentage point to the inflation rate. Ripple effects could enlarge this by at least 50 percent, causing the 1976 inflationary impact to be 1.2 to 1.4 percentage points.

Our economy is such a finely tuned mechanism, Mr. Chairman, that the shock effects of such an action will undoubtedly extend beyond energy prices and inflation. In the same Library of Congress study mentioned above, it was estimated that employment would be several hundred thousand jobs lower than it would have been without this economic shock. At a time when the national unemployment rate is hovering around 8 percent, this deregulation vote could bring about a multitude of adverse effects.

The second major concern which I have with regard to natural gas deregulation is the demonstrated lack of competition in this industry. Opponents of continued price regulation have often said that the market place should be used to determine the price of gas. I do not feel that gas companies are capable of setting fair prices for the consumer. There is ample evidence that the natural gas producing industry is no more competitive today than it was in 1938 when Congress passed the Natural Gas Act. And it is certainly not more competitive now than it was in 1954 when the Supreme Court upheld regulation by the Federal Power Commission. The Court ruled at that time that "to protect consumers against exploitation at the hands of the natural gas companies," sales by producers as well as by interstate pipeline companies must be subject to regulation by the FPC.

The evidence in the marketplace today continues to demonstrate the anticompetitiveness of the gas industry. The eight largest producers in each of the major gas producing areas of the U.S. control between 62 percent and 100 percent of the uncommitted gas reserves. In the Nation's three largest producing areas, control by the largest companies ranges from 61 percent to 86 percent in southern Louisiana, 76 percent to 94 percent in the Permian Basin, and 72 percent to 99 percent in the Gulf Coast area. In terms of uncommitted reserves reported to the FPC by producers, the concentration by eight firms in 1972 ranged from 75 percent in the Federal domain of off-shore Louisiana to 100 percent in Louisiana's off-shore State domain.

Mr. Chairman, anti-competitive practices run throughout the natural gas industry. The largest oil companies control most of the "new" gas supplies. There is a wide network of interlocking relationships and joint ventures between major producers and smaller companies. There are joint ventures between the producers and their pipeline customers. There exist major bidding combines of large producers in recent off-shore Federal lease sales. Major producers are not only sellers of gas to the regulated interstate markets, but are also intrastate purchasers of gas for their own pipeline systems. And gas distribution companies have integrated backwards into gas production.

The lack of competition in the gas industry is further exacerbated by the fact that in their attempts to bring about deregulation, the gas companies have been less than candid with the American public. The Subcommittee on Oversight and Investigations in the House Commerce Committee has revealed some startling practices which make me fear for gas consumers in the future. On January 21, 1976, the Oversight Subcommittee released a study based on U.S. Geological Survey data that indicated that natural gas reserve estimates prepared by the industry may have been understated by as much as 37 percent. On January 29 the same subcommittee released a study which indicated that the majority of the gas wells in the Gulf of Mexico—55 percent—are producing at considerably less than the well operators' own estimates of capacity.

Similar studies have come from the Federal Power Commission. In their own investigation into the Gulf of Mexico gas holdings, the FPC found American Gas Association reports to have understated reserves by at least 54 percent. Later, using subpenaed documents covering the same leases, the Federal Trade Commission found over 100 percent under-reporting by the Gas Association. Apparently, the gas companies think nothing of deceiving the American public as long as these practices will increase the likelihood of natural gas deregulation.

These then are my major concerns with regard to the action which the House is about to take today. However, I think it is incumbent upon the Congress to consider where we go from here should the gas companies be granted their requests.

In view of the fact that huge profits will accrue to the gas industry as a result of this legislation, I feel that it is totally necessary that a windfall profits tax be enacted immediately. This windfall profits tax will prevent the gas companies from unduly benefiting from these deregulation measures. The gas industry has resolutely said that they are not interested in just lining their own pockets, and if this is the case, they should not object to the imposition of such a tax.

I considered attempting to amend the legislation now before the House with an excess profits tax. Unfortunately, however, I have been advised that such a tax is nongermane to the bill which we consider today. But there can be little question that this tax is absolutely necessary and I would suggest that the House Ways and Means Committee start looking into such legislation at once.

The behavior of the Federal Power Commission as the public's guardian in the natural gas area is another subject ripe for attention. In recent years the Federal Power Commission has been much more concerned with trying to bring about gas deregulation than it has in trying to regulate effectively prices and evaluate the merit of existing controls. By its own admission, the FPC has taken numerous actions to aid gas companies in escaping effective regulation, and the public has been the loser.

If the FPC refuses to regulate in the public's interest, then the Congress must find new regulators who can do the job. The great natural gas debate of the past few months has convinced me that perhaps the Federal Government should institute a major Government agency which will develop natural gas supplies on Federal lands. There can be little question that the country is in need of increased energy supplies, and it is quite conceivable that only a program of Tennessee Valley Authority (TVA) proportions could effectively bring about the result which we desire. The Government may not always be an ideal administrator, but at least under a TVA-type program the Congress could insure that the public is protected from the excesses of the huge monopolistic oil and gas companies.

Mr. Chairman, in the end, what are we left with? Through the legislation which we consider today, gas prices will dramatically increase for the average consumer with no guarantee that natural gas supplies will similarly increase. We have been repeatedly told that gas is a natural resource in very limited supply and increasing prices is not going to increase our reserves. The FEA's Project Independence Blueprint report indicated that a price of $.80 per thousand cubic feet (Mcf) produced substantially the same volume as would $2 of Mcf. Consequently, through the over-reaction of deregulation, we will be giving billions of dollars to the gas industry which is unnecessary for the return which will be generated. Again, the consumer will be left holding the bag.

There is a middle position which the Congress can take without the necessity of complete deregulation of "new" natural gas supplies. Under the Smith substitute, which is being offered as an alternative to the Krueger substitute, the Federal Power Commission would be required to set an upper limit on the price of "new" gas. While I feel that even the Smith approach would bring about unjustified cost increases for the consumer, it would at least ameliorate the worst excesses of natural gas deregulation. For that reason, I would urge my colleagues to support the Smith substitute as an alternative to the substitute offered by the gentleman from Texas.

Regardless of what sort of deregulation is going to come about, Mr. Chairman, let us insure that we moderate the impact of this action. Let us insure that an excess profits tax is enacted in the very near future and that the remaining Government energy price regulation will bring about the ends for which it was originally established. Without these minimal gains, I fear that the Congress will have abandoned the interests of the consumer today.

Mr. FRASER. Mr. Chairman, I rise in opposition to the Krueger amendment to the natural gas emergency bill.

H.R. 9464 is an emergency bill designed to relieve for this winter and next, natural gas shortages, which for a variety of reasons have thus far failed to materialize.

Against the express wishes of the Commerce Committee, the Rules Committee took upon itself to propose a rule for this short-term measure which bypasses the normal committee process. The rule has made in order a nongermane amendment offered by the gentleman from Texas (Mr. KRUEGER) to deregulate new natural gas prices permanently.

With even greater injustice, the Rules Committee biased the rule by granting 2 hours of time to the proponents of deregulation—1 hour to the gentleman from Texas (Mr. KRUEGER) and 1 hour to the gentleman from Ohio (Mr. BROWN)—and only 1 hour to any member of the Commerce Committee who might have an opposing view.

I appeared before the Rules Committee on December 16 along with the gentleman from Texas (Mr. KRUEGER). At that time I urged the Rules Committee to permit the Committee on Interstate and Foreign Commerce to devise legislation on this exceedingly complex issue in an orderly and comprehensive fashion.

In fact, the Energy and Power Subcommittee, chaired by the gentleman from Michigan (Mr. DINGELL) began intensive hearings on long-range solutions to natural gas supply problems early in January, even before Congress had reconvened. These hearings are now in progress and should be permitted to continue to their logical conclusion; namely, legislation which would balance long-range natural gas supply needs with consumer interests.

Natural gas shortages are not the result of Government regulation, as the gentleman from Texas (Mr. KRUEGER) would have us believe. These shortages are due to the uncertainty of price, which began with the administration's push for deregulation in 1968; inadequacy of the current regulatory system, which permits the interstate market to lose out to the unregulated intrastate market; and, resource constraints, which will remain no matter how high the price of natural gas. The administration's own Project Independence Report acknowledged that a $2 per thousand cubic feet natural gas price in 1985 would essentially not get the lower 48 States any more natural gas than an 80 cents per thousand cubic feet price would.

A report issued by the General Accounting Office on January 14, 1976, concludes that there is no likelihood that deregulation would bring an increase in natural gas supplies. At best, the steady decline in production might be somewhat slowed. The GAO study confirms that there are constraints on supply which price cannot influence.

In addition to the obstacle of finite resources, there is the obstacle of a noncompetitive situation in the natural gas industry. High prices do not necessarily mean increased production. Increased production follows on higher prices only in a freely competitive market. High oil prices have, as a matter of fact, led to decreased oil production by the OPEC nations in order to maintain the price level.

Gas producers at present would have more than adequate incentive to bring on new supplies if they were not holding out for incomparably larger gains under deregulation. The current system guarantees producers a 15- to 18-percent return on investment, a guarantee given to no other American industry. Regulated gas prices, with the Federal Power Commission stretching its price-expanding authority to the utmost, have risen at an average rate of 30 percent a year since 1971. For that same period, unregulated gas prices have risen roughly 600 percent, or an average of 120 percent a year.

Published data—a chart which appears on page 43 of the Federal Power Commission News of November 14, 1975—shows that while the number of successful exploratory gas wells declined slightly from 1955 to 1972 and then picked up somewhat through 1974, the number of developmental well—that is, holes punched in the ground in areas where producers know there is gas—dropped sharply after 1960.

The inference is clear. It is only reasonable to assume from these figures that producers have been accumulating supplies which can be brought on tap, either by deregulating and giving producers an enormous windfall as the gentleman from Texas (Mr. KRUEGER) proposes, or by removing the possibility of deregulation once and for all as I would prefer to see this body do.

Equally revealing, in the chart to which I have called your attention, is the sharp increase both in successful exploratory drilling and developmental drilling since 1971. There is no mystery in this increase. It was due in part to anticipation of higher FPC-regulated prices, which, as I have pointed out, rose 30 percent a year since 1971 under FPC regulation.

It was due also to expectation of imminent deregulation. And it was due as well to the FPC policy during this period of permitting many producers to reserve offshore gas for their own use. This meant that some offshore gas, which should have sold at the regulated national ceiling price, was free to be sold by the producers to themselves at unregulated prices for use in their own chemical plants, fertilizer plants, and refineries.

It is worth noting that the decline in oil-drilling activity over the same period was almost entirely responsible for the drop in total oil and gas drilling, although oil went unregulated until 1972 and even though oil prices have, historically, always been several times the price of gas on a Btu-equivalency basis. Gas drilling, at regulated prices, stayed about even.

It is striking that these successful gas exploratory efforts did not result in significant additions to proven reserves. Nor did this sharp spurt in successful exploratory and developmental drilling since 1971 result in accelarated production. There has been no appreciable increase in supplies since 1971. In fact, net marketed production has gone down since 1972. According to American Gas Association figures, net marketed production declined from 19.7 trillion cubic feet in 1972, to 18.86 trillion cubic feet in 1974. Net production over the same period declined from 22.78 trillion cubic feet in 1972, to 21.77 trillion cubic feet in 1974.

Again the inference is clear. Commitment of supplies to the market has been managed. The market is noncompetitive.

That is what this is all about today. That is why we need continued regulation. That is why I am asking you to reject the amendment offered by the gentleman from Texas (Mr. Krueger).

One final word. I would like to point out to you what deregulation—the Krueger amendment—would mean to American consumers. It would cost American consumers billions of dollars without assuring them any meaningful increase in supplies.

The General Accounting Office concluded in its January 14, 1976, report that deregulation could mean an increase in energy costs to U.S. consumers of $75 billion by 1985. The peak impact would come in 1980, when the extra cost to gas users would be $13 billion.

I believe these figures err on the low side. GAO has assumed that the price of gas will be set by the price of an equivalent amount of heat produced from a barrel of imported crude oil, at a price of $12 a barrel. But gas consumers cannot burn crude oil. They must turn to fuel oil, which sells for about $16.80 a barrel delivered to homes.

Moreover the peak impact, according to GAO, would come at the worst possible time, just as we might otherwise be achieving full recovery.

The proponents of deregulation claim that if price ceilings were eliminated, the problem of excess demand would disappear: People would use less gas because it would cost more. But these same advocates of deregulation insist illogically that the additional cost would be so slight as to be imperceptible.

In seeking a long-range solution to the natural gas problem, we must first of all protect consumers from "exploitation at the hands of the natural gas companies"—the stated aim of the 1938 Natural Gas Act. We must also recognize that demand will continue to outdistance supply no matter what we do, and that the free market system—if there were a free market in this instance—of rationing by price cannot possibly allocate in an equitable fashion.

For all these reasons we cannot abandon regulation as the gentleman from Texas (Mr. Krueger) proposes that we do. As long as workable competition does not exist in the natural gas industry, it is essential for the public interest that regulation be continued. The alternative is monopolistic domination of a market in which 40 million American families are captive consumers.

What we need to do is not end regulation, as the gentleman from Texas (Mr. Krueger) proposes, but to extend regulation to the intrastate market to help draw gas out of the producing States and let it flow to the rest of the country. I urge that you reject the Krueger amendment.

Mr. HARRIS. Mr. Chairman, I rise to speak in opposition to the deregulation of natural gas prices. Once again, the issues are joined on an important energy vote. Once again, the oil companies are crouching in readiness, as they commence, yet another ruthless raid on the pocketbooks of average citizens and working people in this country. Once again, Congress talks compromise while the American consumer hangs in the balance. Deregulation of natural gas prices, whether for the sake of big oil, little oil, or middle-size oil, will lead to more profits for industry, rather than more energy for the Nation.

Throughout the 94th Congress, we have struggled among ourselves, fought with the administration, and opposed the oil lobby to enact an energy conservation and development program which is fair to consumers, and consistent with economic recovery. Despite our hard-fought victories in eliminating the oil depletion allowance, in preventing the President's plan to decontrol oil prices, consumers remain threatened. We are once again fighting the most powerful lobby in the world. The other side remains aggressive and well organized. Whatever this House decides to do with respect to natural gas pricing and policy, the same test must be met. We must protect the average working family against unreasonable price increases by petroleum potentates, and we must fashion a long-range conservation program which will not set back our recovery from recession. The Krueger amendment obviously fails this test, and the most serious questions about the impact on consumers have to be raised with respect to the Smith amendment to decontrol prices for independent producers of natural gas.

The simple fact is that unregulated prices for natural gas are not subject to free market competition or to the normal forces of supply and demand. Gas is being profitably produced and sold interstate for as little as 8 cents per TCF and up to 52 cents per TCF. Gas in the producer States sells for three times that amount—not because its price is justified, but because no one has stood up to the oil companies and imposed a reasonable limit. The only limit to natural gas prices in the intrastate market, or in the country if we allow decontrol, is the equivalent Btu price for OPEC foreign oil. In the absence of market competition, or of the force of law if we allow decontrol, there will be no mechanism to prevent the international oil company cartel from setting the price for all natural gas produced in this country. The House of Representatives has, in my opinion, a responsibility to prevent the situation from occurring, and the American people have every right to expect that kind of protection from the Congress

I voted for the Smith substitute as the only means of deleting the abusive and expensive Krueger decontrol measure from the bill. This was a clear unequivocal vote against the Krueger amendment. My belief remains that we must impose price restrictions on intrastate gas, and resist the contrary pressure of the oil companies. If the apologists for the oil industry within the administration and the producer-State representatives in this House want to bring forward another string of reckless, high-price proposals for decontrol, they have every right to do so and to take the heat next November. I will not be a party to it, and I hope that the majority of this House will not either.

Mr. FRASER. Mr. Chairman, I rise in support of the Smith substitute. The Smith substitute, like the Fraser substitute, which appeared on pages 1069–1072 of the January 27 Congressional Record, would continue, improve, and extend to the intrastate market regulation of new natural gas wellhead prices for the 25 to 30 major companies that control about 75 percent of new gas production in this country.

The Smith substitute, unlike the Fraser substitute, would deregulate new natural gas wellhead prices for the 3,500-odd independent companies that account for the remaining 25 percent of natural gas production in the United States.

Nonetheless, the Smith substitute offers a viable alternative to the total deregulation proposed by the gentleman from Texas (Mr. Krueger), and I urge you to accept it.

If workable competition existed today within the natural gas industry, then deregulation and the free market might offer a solution to our natural gas supply problems. But this is not the case. Seventy-five percent of natural gas production is in the hands of 25 to 30 major companies. Furthermore, sales of uncommitted gas are overwhelmingly controlled by eight major producers. In 1974, sales by the top eight natural gas producers made up from 60 to 99 percent of new contract sales to interstate pipelines.

The Smith substitute continues regulation where it is most needed. By extending regulation to the intrastate market and by exempting independent producers from this regulation, it would remove the distortions of the current regulatory system and would, at the same time, encourage growth of competition in an industry now dominated by relatively few companies.

The Smith substitute, like the Fraser substitute, sets a firm, uniform pricing policy for the greater part of domestic natural gas supplies. By establishing parity of price between inter- and intrastate prices of most of new natural gas production, it would draw new onshore supplies back to the interstate market. By removing expectation of higher prices and at the same time basing prices on prospective costs and capital-attraction needs, it would remove the present inclination to cap wells and delay new development.

The Smith substitute, like my substitute, establishes firm priorities of use. It would ban boiler-use of fuel where use of alternative fuels is feasible. It would also give top priority to agricultural uses including food processing, food packaging, and feed stocks for fertilizer and essential agricultural chemicals.

Section 24 of the Smith substitute, "New Natural Gas Sales of Regulated Producers," is essentially identical to subsection (g) of section 203 of my substitute. In both, the FPC would be required to establish a national ceiling for new natural gas, based on historic costs, prospective costs, and the need to attract capital for new exploration and development. Adjustments for inflation would be permitted as would adjustments for high-cost production.

Section 25 of the Smith substitute, "Natural Gas Conservation," is essentially the same as section 208 of my substitute.

Section 26 of the Smith substitute, "Natural Gas for Essential Agricultural Purposes," is fundamentally the same as section 209 of my substitute.

As long as workable competition does not exist in the natural gas industry, it is essential for the public interest that regulation be continued. I ask your support for the Smith substitute to the Krueger amendment to H.R. 9464.

Mr. COHEN. Mr. Chairman, despite the fact that I oppose deregulation at this time, I support the Smith substitute only because its approval assures the defeat of the Krueger proposal. My decision to oppose deregulation at this time is the product of countless hours of study and discussion with both proponents and opponents of permanent deregulation, and I would like to share with my colleagues and my constituents the reasons underpinning my position on this critically important issue.

In the first instance, I am opposed to deregulation of natural gas prices at this time because I feel that such a policy is ill-timed and ill-advised, and would only play into the hands of the OPEC cartel. As all of us realize, OPEC prices function as a magnet, ever drawing upward the price of domestically produced alternative fuels. And while it is true that the United States is heavily dependent on the cartel for oil, we must not lose sight of the fact that we ourselves provide for almost 85 percent of our energy needs. To legitimize and, in effect, sanction the extortionate pricing policies of OPEC by inextricably linking our energy destiny to the actions of the cartel would be a grave mistake. No economist, no representative of the energy industry, and no public official can possibly believe that OPEC pricing policies reflect true supply and demand conditions. There is no "free market" price in the world. To the contrary, it is blatantly obvious that OPEC pricing is a political decision. If we truly are interested in insulating our economy and energy destiny from OPEC, then it behooves us to reject policies which will only strengthen the cartel. Let us recognize that we are an energy-rich Nation with a wide range of energy options, and adopt policies to reflect this reality. Let us not let the tail wag the dog by tying our energy future to that of OPEC.

Beyond the issue of OPEC influence, I believe that a number of other factors militate against deregulation at this time. For example, serious questions have been raised and remain unresolved regarding:

The validity of reserve date provided by the industry.

The possibility of underproduction from Federal leases in anticipation of higher prices.

The competitive nature of the natural gas market and the impact that vertical and horizontal integration within the indusry has on price and supply.

Further, there is no consensus regarding the actual economic costs of deregulation. Wide disparities exist between the estimates of the Library of Congress, the General Accounting Office and the American Gas Association. The truth is that no one knows what the actual cost of deregulation or continued regulation will be. This suggests to me that it would be irresponsible to act until accurate and vertifiable information is available. The stakes are too high to do otherwise

It has been suggested that deregulation is in the overall best interest of New England because it would close the price differential between alternative fuels and, in turn, promote economic development in the region. Additionally, it is assumed that without deregulation, New England will have to import significant quantities of high priced liquified natural gas and residual oil at a time when other areas of the country benefit from continued regulation.

As a Member of Congress from Maine, I recognize that these may ultimately prove to be valid considerations. It would be a mistake, however, to operate on the belief that New England's economic problems are solely the result of natural gas regulation, or that they will disappear overnight if the Krueger-Broyhill proposal is adopted. The factors that presently act to retard economic development in the region are many—transportation, labor costs, weather, to name only a few. It is simplistic and self-deceptive to believe that deregulation or reregulation of natural gas will solve the problem.

In my opinion, a major impediment to the formulation of a comprehensive national energy policy is the energy industry's lack of credibility. At a time when the industry and the Federal Government ought to be working together in a spirit of cooperation and candor, rancor and distrust prevail. As long as this poisoned atmosphere exists, it will be impossible to generate a consensus in the country on energy policy.

I strongly believe that the Congress will enact an effective and longrange energy program only when mistrust and suspicion are displaced by frankness and honesty. The sooner this change takes place, the sooner the national interest will be truly served.

Mr. DINGELL. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, I ask unanimous consent that all debate on the Smith amendment and all amendments thereto terminate immediately upon the conclusion of consideration of the amendment offered by the gentleman from Texas (Mr. ECKHARDT).

PARLIAMENTARY INQUIRY

Mr. WAGGONNER. Reserving the right to object, a parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state the parliamentary inquiry.

Mr. WAGGONNER. Mr. Chairman, the gentleman from Michigan (Mr. DINGELL) has made a unanimous consent request that I think I agree with; but the gentleman made reference to the Smith amendment. Does the gentleman mean the Smith amendment in the nature of a substitute?

Mr. DINGELL. Mr. Chairman, that is correct and that is subject to one unanimous consent request, which I shall make at this time.

Mr. BROWN of Ohio. Mr. Chairman, before we have a resolution of that unanimous consent request, I would like to object also and ask the gentleman from Michigan (Mr. DINGELL) to restate the request.

Mr. DINGELL. Mr. Chairman, my unanimous consent request is that all debate end on the Smith amendment, which is part of the current pending business, and all amendments thereto, at the conclusion of the Eckhardt amendment, that all debate on the Smith amendment end and all amendments thereto terminate.

Now, I have asked unanimous consent. I did not move.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DINGELL. Mr. Chairman, I yield to the gentleman from Iowa for a unanimous-consent request.

Mr. SMITH of Iowa. Well, Mr. Chairman, I have an amendment pending at the desk. I do not believe, though, that it can be presented until the Eckhardt amendment is disposed of.

Mr. DINGELL. Mr. Chairman, I ask unanimous consent that the amendment of the gentleman from Iowa (Mr. SMITH) be amended in conformity with the following:

Mr. Chairman, that paragraph 13 of section 2 of the Natural Gas Act as amended by 4 (a) is amended by striking out——

The CHAIRMAN. The gentleman will suspend. The Chair believes that the Committee should dispose of the Eckhardt amendment prior to disposing of that unanimous-consent request.

Mr. BROWN of Ohio. Mr. Chairman, I reserve the right to object, or whatever the proper parliamentary inquiry should be.

The CHAIRMAN. The gentleman from Michigan has the floor.

Mr. DINGELL. There was a printing error in the amendment offered by the gentleman from Iowa. It was shown to the minority, and we are trying to get it corrected.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Chairman, as I understood it, the unanimous-consent request of the gentleman from Michigan (Mr. DINGELL) was that all debate on the Smith substitute amendment cease after the disposition of the Eckhardt amendment. The Eckhardt amendment would be the pending business then, and immediately after the determination of the Eckhardt amendment, we would vote on the Smith amendment. Is that not correct?

Mr. SMITH of Iowa. Mr. Chairman, to facilitate things, I object to the unanimous-consent request.

The CHAIRMAN. Not necessarily, because there could be an amendment to the Krueger amendment, which would be debatable.

Mr. BROWN of Ohio. Mr. Chairman, my question relates not to the Krueger amendment at this moment, but rather to the vote on the Eckhardt amendment and the Smith amendment. As I understand, the vote on the Smith amendment is to come immediately after the vote on the Eckhardt amendment.

The CHAIRMAN. The unanimous-consent request was that all debate on the Smith amendment and all amendments thereto cease.

Mr. DINGELL. Mr. Chairman, is this coming out of my time?

The CHAIRMAN. Will the gentleman yield for a parliamentary inquiry?

Mr. DINGELL. I believe the gentleman from Iowa has objected to my unanimous-consent request.

Mr. BROWN of Ohio. Mr. Chairman, I thought the gentleman's unanimous-consent request had been disposed of.

The CHAIRMAN. The first unanimous-consent request had been disposed of, and the committee agreed to it.

Mr. BROWN of Ohio. Mr. Chairman, it is with reference to the second request of the gentleman that I am trying to make a parliamentary inquiry about the first unanimous consent request.

The CHAIRMAN. Does the gentleman from Michigan yield?

Mr. DINGELL. Mr. Chairman, maybe the gentleman can tell me why he wants me to yield, and then I will consider it.

Mr. BROWN of Ohio. I either want the gentleman to yield or I want to reserve the right to object. I do not care which way it is done.

Mr. DINGELL. I will yield to the gentleman briefly.

Mr. BROWN of Ohio. To address a question to the Chair, I hope.

My concern is whether or not the unanimous-consent request of the gentleman from Michigan was that we have the Eckhardt amendment voted on, and that then there are no more amendments pending to the Smith amendment, and the Smith amendment would ultimately be voted on. Is that correct?

Mr. DINGELL. Mr. Chairman, I respectfully decline to yield further. I ask unanimous consent to vacate my previous unanimous-consent request.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. BROWN of Ohio. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard. The time of the gentleman from Michigan has expired.

PARLIAMENTARY INQUIRY

Mr. BROWN of Ohio. Mr. Chairman, the question is a parliamentary inquiry.

We vote on the Eckhardt amendment, and then on the Smith amendment without the interposition of any amendments other than the Eckhardt amendment to the Smith amendment, is that correct? Now, the timing of the vote on the Smith amendment I am not inquiring about at this moment.

The CHAIRMAN. There are circumstances, the Chair will have to tell the gentleman, where the Chair might entertain unanimous-consent requests between the two votes.

Mr. SMITH of Iowa. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Chairman, as I understand it, we will vote on the Eckhardt amendment. No debate is permitted after that time. However, I have an amendment at the desk which I can call up and have disposed of without debate, is that correct?

The CHAIRMAN. It will require unanimous consent to amend the gentleman's own amendment.

Mr. SMITH of Iowa. I understand. I propose to do that. I thought the gentleman had agreed to it, but if we do not get it done, it is not necessary, I suppose.

Mr. BROWN of Ohio. That is what I am trying to make a determination on, Mr. Chairman.

The CHAIRMAN. Let the Chair add this: the Chair has said it once, and would like to say it again. Before we vote on the Smith substitute, amendments to the Krueger amendment are debatable if offered.

Mr. BROWN of Ohio. I understand that, Mr. Chairman. My questions were with reference only to how we get to the Smith amendment.

The CHAIRMAN. The point that the Chair is trying to make, regardless of what agreements are reached, is that until the Krueger amendment is finally perfected to the satisfaction of the Committee, the Chair cannot put the question on the Smith substitute.

Mr. BROWN of Ohio. The Chair cannot put the question on the Smith amendment?

The CHAIRMAN. The Chair cannot put the question on the Smith substitute until the Krueger amendment is perfected to the satisfaction of the Committee.

There has been no limitation of debate on the Krueger amendment or amendments thereto. The basic parliamentary situation is that we have a substitute amendment for the amendment in the nature of a substitute, the Krueger amendment. Both of those are subject to amendment, but both must be perfected before the Chair can put the question on the substitute for the amendment in the nature of a substitute.

Mr. BROWN of Ohio. With respect to the unanimous-consent request of the gentleman from Michigan (Mr. DINGELL), the Eckhardt amendment is still to be voted upon, and then there are to be no other amendments to the Smith amendment?

The CHAIRMAN. There is to be no further debate on such amendments.

Mr. BROWN of Ohio. No further debate. That is what I understand. I want to understand the parliamentary situation.

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. It is my understanding that the gentleman from Michigan (Mr. DINGELL) asked for unanimous consent, which was granted, that at the conclusion, or when final disposition was made of the Eckhardt amendment, all debate and all amendments thereto to the Smith amendment, which is a substitute for the amendment, in the nature of a substitute, would end. That does not preclude further amendment to even the Smith amendment which is a substitute if they were duly printed in the RECORD, under the rule. If such were the case—and I have not searched the RECORD—they would be permitted. Nor does it permit amendments to the Krueger amendment prior to the vote on the Smith amendment if those amendments are offered.

Mr. BROWN of Ohio. Mr. Chairman, if my time still applies, I would like to ask the Chair to state the circumstances. If I may, before the Chair does that, I would like to ask the question this way: As the situation stands at this moment, the Krueger amendment is still perfectable by amendments under the normal course of time, and there is no limitation on the Krueger amendment.

The Smith amendment, however, can be perfected only by the vote on the Eckhardt amendment, and then if there are other amendments to the Smith amendment there is no debate time remaining on those amendments.

Is that correct?

The CHAIRMAN. Unless they are printed in the RECORD.

Mr. BROWN of Ohio. And if they are printed in the RECORD, the debate time is 5 minutes per side pro and con. Is that correct?

The CHAIRMAN. That is correct.

Mr. BROWN of Ohio. And they must be printed as amendments to the Smith amendment. Is that correct?

The CHAIRMAN. That is correct.

Mr. BROWN of Ohio. I thank the Chairman.

PARLIAMENTARY INQUIRY

Mr. DINGELL. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DINGELL. Mr. Chairman, it is, however, a fact that the gentleman may have an amendment at the desk and it may be voted on without debate under the unanimous-consent request?

The CHAIRMAN. That is correct.

PARLIAMENTARY INQUIRY

Mr. KRUEGER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KRUEGER. Mr. Chairman, there are still those of us who are not certain of the parliamentary situation. I am among them.

Mr. Chairman, my question is this: We will vote first on the Eckhardt amendment to the Smith substitute?

The CHAIRMAN. That is right.

Mr. KRUEGER. Following that, there will then be a vote without further debate on the Smith substitute, or no?

The CHAIRMAN. The Chair cannot say, because if there were amendments printed in the RECORD, there can be both an amendment offered and debate on the amendment. If there were no amendments that were qualified for debate by being printed in the RECORD, they could not be offered and voted on without debate.

But if they are offered to the Krueger amendment in the nature of a substitute, they would both be considered and would be debatable under the 5-minute rule.

Mr. KRUEGER. Mr. Chairman, does the 5-minute rule apply also to any possible amendments to the Smith substitute?

The CHAIRMAN. The 5-minute rule applies only to amendments to the Smith amendment which has been printed in the RECORD. Other amendments to the Smith amendment do not have debate time; they are just voted on.

Mr. KRUEGER. I thank the Chair.

AMENDMENT OFFERED BY MR. GILMAN TO THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. KRUEGER

Mr. GILMAN. Mr. Chairman, I offer an amendment to the Krueger amendment in the nature of a substitute. My amendment has been printed in the RECORD.

The Clerk read as follows:

Amendment offered by Mr. GILMAN to the amendment in the nature of a substitute offered by Mr. KRUEGER immediately after section 26 of the Natural Gas Act (as added by section 208) insert the following:

"TREATMENT OF RATES AND CHARGES FOR NATURAL GAS SOLD TO SENIOR CITIZENS

"SEC. 27. (a) The Commission shall prohibit any natural-gas company from selling or otherwise supplying natural gas to any local natural gas company which increases the rates for natural gas sold to senior citizens for their residences in excess of the rates or charges which applied to such class of persons during calendar year 1975.

"(b) A local natural gas company may increase rates or charges to senior citizens if the regulatory authority having jurisdiction over such local natural gas company determines, upon petition of the local natural gas company, that such additional increase is necessary to assure the local natural gas company will recover the additional costs for natural gas incurred by such company as a result of increases in the price such company pays for new natural gas and that the rates and charges applicable to other classes of users of natural gas supplied by such company cannot reasonably be increased to cover the full amount of such additional costs for new natural gas incurred by such local natural gas company after the effective date of this section.

"(c) For purposes of this section:

"(1) The term 'local natural gas company' means any person (including any governmental entity) which purchases natural gas from a natural gas company for transportation, local distribution, and resale of natural gas users. Such term does not include a natural gas company.

"(2) The term 'senior citizen' means an individual who is 65 years of age or older or who is entitled to benefits based on the attainment of a specified age under title II of the Social Security Act.

"(3) The term 'regulatory' authority means a State regulatory authority or a Federal regulatory authority. The Commission shall be deemed to be the regulatory authority for purposes of subsection (b) if a State agency or a Federal agency which is a local natural gas company has ratemaking authority with respect to its own rates."

POINT OF ORDER

Mr. WAGGONNER (during the reading). Mr. Chairman, I have a point of order.

The point of order lies to the fact that the amendment now being read is to the Krueger amendment in the nature of a substitute and is not in order until there has been a disposition of the Eckhardt amendment to the Smith substitute.

The CHAIRMAN. The Chair has stated that any amendment to the Krueger amendment in the nature of a substitute may now be offered and is debatable.

Mr. WAGGONNER. But, Mr. Chairman, the amendment is not in order until there has been a disposition of the Eckhardt amendment to the Smith substitute which is now under consideration.

The CHAIRMAN. This amendment takes precedence. This amendment takes precedence over the amendment to the substitute amendment. That is what the Chair has been trying to say now, repeatedly. The amendment that has precedence is an amendment to the amendment in the nature of a substitute, and this is the amendment that is now before the committee.

Mr. GILMAN. Mr. Chairman, in the interest of order, I ask unanimous consent that I may be permitted to withdraw the amendment that I have offered.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. ECKHARDT) to the amendment offered by the gentleman from Iowa (Mr. SMITH) as a substitute for the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. KRUEGER).

The question was taken; and on a division (demanded by Mr. ECKHARDT) there were—ayes 33, noes 35.

So the amendment to the substitute amendment for the amendment in the nature of a substitute was rejected.

AMENDMENT OFFERED BY MR. ECKHARDT TO THE AMENDENT OFFERED BY MR. SMITH AS A SUBSTITUTE FOR THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. KRUEGER

Mr. ECKHARDT. Mr. Chairman, I offer an amendment to the amendment offered as a substitute for the amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. ECKHARDT to the amendment offered by Mr. SMITH of Iowa as a substitute for the amendment in the nature of a substitute offered by Mr. KRUEGER: Paragraph (13) of section 2 of the Natural Gas Act (as added by section 4(a)) is amended by striking out "does not exceed 10 percent" and inserting in lieu thereof "exceeds 10 percent".

The last sentence of paragraph (14) of section 2 of the Natural Gas Act (as added by section 4(a)) is amended by striking out "does not include" and inserting in lieu thereof "includes".

Subsection (d) of section 24 of the Natural Gas Act (as added by section 8) is amended by striking out "affiliate." at the end of such subsection and inserting in lieu thereof "producer."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. ECKHARDT) to the amendment offered by the gentleman from Iowa (Mr. SMITH) as a substitute for the amendment offered by the gentleman from Texas (Mr. KRUEGER).

The question was taken; and on a division (demanded by Mr. ECKHARDT) there were—ayes 37, noes 37, and the Chairman voted aye.

Mr. BROWN of Ohio. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment to the substitute amendment for the amendment in the nature of a substitute was agreed to.

The CHAIRMAN. The question is on the amendment, as amended, offered as a substitute by the gentleman from Iowa (Mr. SMITH) for the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. KRUEGER).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DINGELL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 205, noes 201, not voting 26, as follows:

[Roll No. 38]

AYES—205

Abzug
Adams
Addabbo
Allen
Ambro
Anderson, Calif.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Brademas
Breckinridge
Brinkley
Brodhead
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Chisholm
Clay
Cohen
Collins, Ill.
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, N.J.
Danielson
Delaney
Dellums
Dent
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Fisher
Fithian
Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Gaydos
Gilman
Green
Gude
Hall
Hanley
Hannaford
Harkin
Harrington
Harris
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.

Helstoski
Hicks
Holtzman
Howard
Hughes
Hungate
Jacobs
Jenrette
Karth
Kastenmeier
Keys
Koch
Krebs
LaFalce
Leggett
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
McFall
McHugh
Macdonald
Madden
Maguire
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Moorhead, Pa.
Morgan
Moss
Mottl
Murtha
Neal
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Peyser
Pike
Pressler
Price
Rangel
Reuss
Richmond
Riegle
Rinaldo
Rodino
Roe
Rogers
Rose
Rosenthal
Roush
Roybal
Russo
Ryan
St Germain
Sarbanes
Scheuer
Seiberling
Sharp
Shipley
Simon
Sisk
Smith, Iowa
Snyder
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Stokes
Stratton
Studds
Sullivan
Symington
Thompson
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
Wilson, C. H.
Wirth
Wolff
Yates
Yatron
Young, Ga.
Zablocki
Zeferetti

NOES—201

Abdnor
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Bafalis
Bauman
Beard, Tenn.
Bell
Bennett
Boggs
Bowen
Breaux
Broomfield
Brown, Calif.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carter
Cederberg
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Davis
de la Garza
Derrick
Derwinski
Devine
Dickinson
Downing, Va.
Duncan, Tenn.
du Pont
Edwards, Ala.
Emery
English
Erlenborn
Findley
Fish
Flowers
Flynt
Forsythe
Fountain
Frenzel
Frey
Fuqua
Giaimo
Gibbons
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley
Hamilton
Hammerschmidt
Hansen
Hébert
Hefner
Heinz
Henderson
Hightower
Hillis
Holt
Horton
Hubbard
Hutchinson
Hyde
Ichord
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Landrum
Latta
Lehman
Lent
Long, La.
Long, Md.
Lott
Lujan
McClory
McCollister
McCormack
McDade
McDonald
McKay
McKinney
Madigan
Mahon
Mann
Martin
Mathis
Michel
Milford
Miller, Ohio
Mollohan
Montgomery
Moore
Moorhead, Calif.
Mosher
Murphy, N.Y.
Myers, Ind.
Myers, Pa.
Natcher
Nichols
O'Brien
Passman
Patman, Tex.
Pepper
Pettis
Pickle
Poage
Preyer
Pritchard
Quie
Quillen
Railsback
Randall
Rees
Regula
Rhodes
Risenhoover
Roberts
Robinson
Roncalio
Rooney
Rousselot
Runnels
Ruppe
Santini
Sarasin
Satterfield
Schroeder
Schulze
Sebelius
Shriver
Shuster
Sikes
Skubitz
Slack
Smith, Nebr.
Spence
Stanton, J. William
Steed
Steelman
Steiger, Wis.
Stephens
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Thornton
Treen
Vander Jagt
Waggonner
Wampler
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Tex.
Winn
Wright
Wydler
Young, Alaska
Young, Fla.
Young, Tex.

NOT VOTING—26

Alexander
Anderson, Ill.
Ashbrook
Brooks
Brown, Mich.
Chappell
Clancy
Diggs
Esch
Eshleman
Harsha
Hawkins
Hinshaw
Holland
Howe
Jeffords
McCloskey
McEwen
Metcalfe
Mills
Murphy, Ill.
Rostenkowski
Schneebeli
Steiger, Ariz.
Udall
Wylie

The Clerk announced the following pairs:

On this vote:

Mr. Udall for, with Mr. Brooks against.

Mr. Diggs for, with Mr. Chappell against.

Mr. Hawkins for, with Mr. Holland against.

Mr. Murphy of Illinois for, with Mr. Mills against.

Mr. Rostenkowski for, with Mr. Anderson of Illinois against.

Mr. Metcalfe for, with Mr. Clancy against.

Mr. Jeffords for, with Mr. McEwen against.

Mr. GONZALEZ changed his vote from "present" to "no."

Mrs. FENWICK changed her vote from "no" to "aye."

So the substitute amendment, as amended, for the amendment in the nature of a substitute to the committee amendment in the nature of a substitute, was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. KRUEGER), as amended to the committee amendment in the nature of a substitute.

PARLIAMENTARY INQUIRY

Mr. BAUMAN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BAUMAN. Mr. Chairman, it is my understanding that at this stage, since the Smith substitute amendment has been agreed to narrowly, that there are no further amendments to the Krueger amendment in the nature of a substitute since it was a complete substitute, is that correct?

The CHAIRMAN. That is correct.

Mr. BAUMAN. Under the rule which says that a motion to recommit with or without instructions would be in order, would it then be possible for any Member, including the gentleman from Texas (Mr. KRUEGER) to offer a pure substitute as a motion to recommit?

The CHAIRMAN. That is not a decision to be made by the Chairman of the Committee of the Whole.

Mr. BAUMAN. Would it be possible to offer such a motion to recommit under the rules?

The CHAIRMAN. That is the Speaker's determination, not the Chairman of the Committee of the Whole.

Mr. BAUMAN. Would the Chairman tell us whether or not there is anything in the rules which prohibits such a motion?

The CHAIRMAN. The Chairman would reiterate the statement he has twice made. It is not his decision to make or to comment on.

Mr. BAUMAN. The gentleman from Maryland thanks the Chair, and thinks the Chair has answered.

PARLIAMENTARY INQUIRY

Mr. BROWN of Ohio. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BROWN of Ohio. Under the rules of the House, a motion to recommit is the prerogative of the minority, is it not?

The CHAIRMAN. That remains a matter for the House and the Speaker of the House to determine.

Mr. BROWN of Ohio. I thank the Chair.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. KRUEGER) as amended, to the committee amendment in the nature of a substitute.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DINGELL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 219, noes 184, not voting 29, as follows:

[Roll No. 39]

AYES—219

Abzug
Adams
Addabbo
Ambro
Anderson, Calif.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Brademas
Breckinridge
Brinkley
Brodhead
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Chisholm
Clay
Cohen
Collins, Ill.
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels, N.J.
Danielson
Delaney
Dellums
Dent
Derrick
Derwinski
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Ford, Tenn.
Fuqua
Gilman
Grassley
Green
Gude
Hall
Hamilton
Hanley
Hannaford
Harkin
Harris
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Holtzman
Howard
Hughes
Hungate
Ichord
Jacobs
Jenrette
Johnson, Calif.
Jordan
Karth
Kastenmeier
Keys
Koch
Krebs
LaFalce
Leggett
Lehman
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
McCormack
McFall
McHugh
McKay
Macdonald
Madden
Maguire
Mann
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Murtha
Neal
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pike
Pressler
Preyer
Price
Rangel
Reuss
Richmond
Riegle
Rinaldo
Rodino
Roe
Rogers
Rose
Rosenthal
Roush
Roybal
Russo
Ryan
St Germain
Santini
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Simon
Sisk
Smith, Iowa

Snyder
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Stokes
Stratton
Studds
Sullivan
Symington
Thompson
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Waxman
Weaver
Whalen
Wilson, C. H.
Wirth
Wolff
Yates
Yatron
Young, Ga.
Zablocki
Zeferetti

NOES—184

Abdnor
Allen
Andrews, N.C.
Archer
Armstrong
Bafalis
Bauman
Beard, Tenn.
Bell
Bennett
Boggs
Bowen
Breaux
Brooks
Brown, Calif.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carter
Cederberg
Chappell
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collins, Tex.
Conable
Conlan
Conte
Crane
Daniel, Dan
Daniel, R. W.
Davis
de la Garza
Devine
Dickinson
Downing, Va.
Duncan, Tenn.
Edwards, Ala.
English
Erlenborn
Findley
Fish
Flynt
Forsythe
Fountain
Frenzel
Frey
Giaimo
Gibbons
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Guyer
Hagedorn
Haley
Hammerschmidt
Hansen
Hébert
Hefner
Heinz
Henderson
Hightower
Hillis
Holt
Horton
Hubbard
Hutchinson
Hyde
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Landrum
Latta
Lent
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McDade
McDonald
McKinney
Madigan
Mahon
Martin
Mathis
Michel
Milford
Miller, Ohio
Mills
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Mosher
Murphy, N.Y.
Myers, Ind.
Myers, Pa.
Natcher
Nichols
O'Brien
Passman
Patman, Tex.
Pettis
Pickle
Poage
Pritchard
Quie
Quillen
Railsback
Randall
Rees
Regula
Rhodes
Risenhoover
Roberts
Robinson
Roncalio
Rooney
Rousselot
Runnels
Ruppe
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shriver
Shuster
Sikes
Skubitz
Slack
Smith, Nebr.
Spence
Stanton, J. William
Steed
Steiger, Wis.
Stephens
Stuckey
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Thornton
Treen
Vander Jagt
Waggonner
Walsh
Wampler
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Tex.
Winn
Wright
Wydler
Young, Alaska
Young, Fla.
Young, Tex.

NOT VOTING—29

Alexander
Anderson, Ill.
Ashbrook
Broomfield
Brown, Mich.
Clancy
Diggs
Esch
Eshleman
Evans, Colo.
Fraser
Gaydos
Harrington
Harsha
Hawkins
Hinshaw
Holland
Howe
Jeffords
McEwen
Metcalfe
Mottl
Murphy, Ill.
Rostenkowski
Steelman
Steiger, Ariz.
Symms
Udall
Wylie

The Clerk announced the following pairs:

On this vote:

Mr. Udall for, with Mr. Holland against.

Mr. Diggs for, with Mr. Anderson of Illinois against.

Mr. Mottl for, with Mr. Clancy against.

Mr. Jeffords for, with Mr. McEwen against.

Mr. Murphy of Illinois for, with Mr. Symms against.

Mr. Rostenkowski for, with Mr. Wylie against.

Mr. Hawkins for, with Mr. Ashbrook against.

Mr. Metcalfe for, with Mr. Esch against.

Mr. Harrington for, with Mr. Eshleman against.

Mr. Fraser for, with Mr. Broomfield against.

Mr. RAILSBACK changed his vote from "aye" to "no."

Mr. WHALEN changed his vote from "no" to "aye."

So the amendment in the nature of a substitute, as amended, to the committee amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. BOLLING, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill H.R. 9464, to assure the availability of adequate supplies of natural gas during the period ending June 30, 1976, pursuant to House Resolution 937, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. BROWN OF OHIO

Mr. BROWN of Ohio. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BROWN of Ohio. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. BROWN of Ohio moves to recommit the bill H.R. 9464, Emergency Natural Gas Act, to the Committee on Interstate and Foreign Commerce, with instructions to report it back forthwith with the following amendment: Strike all after the enacting clause and insert in lieu thereof the following:

TITLE I—EMERGENCY NATURAL GAS AUTHORITY

SHORT TITLE

SEC. 101. This title may be cited as the "Natural Gas Emergency Standby Act of 1976".

SEC. 102. (a) The Congress finds and declares that the Nation will suffer severe shortages of natural gas during the heating season from November 1975 through March 1976. The Congress further finds and declares that such imminent shortages in our Nation's natural-gas supply constitute an emergency which can be alleviated by providing for limited exemptions from regulation of natural gas and for the prohibition of the use of natural gas as boiler fuel.

(b) The purpose of this title is to grant the Federal Power Commission authority to allow natural-gas companies which transport natural gas in interstate commerce with inadequate quantities of natural gas to meet the requirements of their high priority consumers of natural gas to purchase natural gas from sources not in interstate commerce and from other such companies on an emergency basis free from the provisions of the Natural Gas Act (15 U.S.C. 717 *et seq.*), except for the reporting requirements of such Act; to grant the Federal Energy Administration authority to prohibit the use of natural gas as boiler fuel; and to provide the President with standby authority to allocate propane during periods of actual or threatened severe shortages of natural gas.

DEFINITIONS

SEC. 103. For purposes of this title—

(1) "Natural-gas distributing company" means a person involved in the distribution or transportation of natural gas for ultimate public consumption for domestic, commercial, industrial, or any other use, but such term does not include a natural-gas company as defined in section 2 (6) of the Natural Gas Act (15 U.S.C. 717a (6)).

(2) "High priority consumer of natural gas" means a person so defined by the Commission by rules and regulations.

(3) "Independent producer" means a person, as determined by the Commission, (A) who is not affiliated with a person engaged in the transportation of natural gas in interstate commerce, and (B) who is not a producing division of such a person engaged in the transportation of natural gas in interstate commerce.

(4) "Propane" means (A) the chemical C_3H_8 in its commercial form whether recovered from natural-gas streams or crude oil refining, (B) the C_3H_8 component of raw domestic mixtures containing more than 10 percent of such component by weights, and (C) commercial propane-butane mixes containing by weight more than 10 percent of propane and not more than 5% of constituents other than propane or butane.

(5) "United States" means the States, the District of Columbia, Puerto Rico, and the territories and possessions of the United States.

(6) "Administrator" means the Administrator of the Federal Energy Administration.

(7) "Commission" means the Federal Power Commission.

EMERGENCY EXEMPTIONS

SEC. 104. Section 7(c) of the Natural Gas Act (15 U.S.C. 717(c)) is amended by designating the two unnumbered paragraphs thereof as paragraphs (1) and (2), by deleting the period at the end of paragraph (2) as designated hereby, and inserting in lieu thereof the following: ": *Provided further*, That, within 15 days after the enactment of the Natural Gas Emergency Standby Act of 1975, the Commission shall by regulation exempt from the provision of this Act, except for reporting requirements, any activities, operations, facilities or services relating to the transportation, sale and delivery, transfer or exchange of natural gas from any source, other than any offshore Federal lands, by an independent producer, a natural-gas company which transports natural gas in interstate commerce or a natural-gas producing affiliate of such company, a person who transports natural gas in other than interstate commerce or a natural-gas producing affiliate of such a person, or a natural-gas distributing company to or with a natural gas company which transports natural gas in interstate commerce which does not have or which under reasonably foreseeable circumstances may not have a sufficient supply of natural gas to meet the requirements of its high-priority customers of natural gas and which is curtailing during the heating season from November 1975 through March

1976 pursuant to a curtailment plan on file with the Commission. Exemptions granted pursuant to this proviso shall be for periods of no more than 180 consecutive days. Persons who are exempt under section 1 (b) or (c) of the Natural Gas Act shall not have their exempt status affected in any way by making the sales or deliveries contemplated by this subsection: *Provided further*, That the Commission shall have no power to deny, in whole or in part, recovery by any natural-gas company in its jurisdictional rates of the amount paid by it for natural gas delivered to it pursuant to sales and contracts as described herein, except to the extent that an interstate transporter purchases natural gas from an affiliate at a rate in excess of the price paid by the transporter to nonaffiliated sellers in comparable sales transactions: *Provided further*, That natural gas sold and delivered or transported pursuant to any exemption granted under section 104 of the Natural Gas Emergency Standby Act of 1975 shall not be or become subject to the jurisdiction of the Commission because of such sale or delivery or transportation whether or not such sale is a sale for resale in interstate commerce or such transportation is in interstate commerce.".

PROHIBITION OF THE USE OF NATURAL GAS AS BOILER FUEL

SEC. 105. (a) The purpose of this section is to continue the conservation of natural gas and petroleum products by fostering the use of coal by powerplants and major fuel burning installations, and if coal cannot be utilized, to provide authority to prohibit the use of natural gas when petroleum products can be substituted.

(b) The Administrator may, by order, prohibit any powerplant or major fuel burning installation from burning natural gas if—

(1) the Administrator determines that—

(A) such powerplant or installation had on June 30, 1975 (or at any time thereafter) the capability and necessary plant equipment to burn petroleum products, coal or derivatives thereof.

(B) the burning of petroleum products, coal or derivatives thereof by such powerplant or installation in lieu of natural gas is practicable,

(C) petroleum products, coal or derivatives thereof will be available during the period such order is in effect,

(D) with respect to powerplants, the prohibition under this subsection will not impair the reliability of service in the area served by the plant,

(E) the prohibition under this subsection will result in making natural gas available for sale to a natural-gas company which transports gas in interstate commerce and which does not have adequate quantities of natural gas to meet the requirements of its high-priority consumers and which is curtailing pursuant to a curtailment plan on file with the Commission, and

(2) the Administrator of the Environmental Protection Agency has not certified to the Administrator within 15 days of the issuance of such order that its implementation will violate the Clean Air Act (42 U.S.C. 1857 et seq.) (including applicable implementation plans).

(b) The Administrator may specify in any order issued pursuant to subsection (a) of this section the periods of time during which such order will be in effect and the quantity or rate of use of natural gas that may be burned by a powerplant or major fuel burning installation during such periods including the burning of natural gas to meet peaking load requirements: *Provided, however*, That no order issued pursuant to this section shall extend beyond April 15, 1976.

(c) The Administrator shall exempt from any order issued pursuant to subsection (a) of this section the burning of natural gas for the necesary processes of ignition, startup, testing, and flame stabilization by a powerplant or major fuel burning installation.

(d) The Administrator shall also exempt from any rule under this section the burning of natural gas by powerplants for the purpose of operating pollution abatement systems.

(e) The Administrator shall modify or suspend any order issued pursuant to subsection (a) of this section to the extent necessary to alleviate short-term air quality emergencies or any other danger to the public health, safety, or welfare.

(f) Any order issued pursuant to this section shall provide for just compensation of the facility and transporter affected by such order. Such compensation is (i) to be measured by the increased costs, if any, incurred by a powerplant or major fuel burning installation and the loss of revenue, if any incurred by a transporter as a result of such order and (ii) to be paid ultimately through increased rates and charges by those users, in proportion to the volumes of natural gas consumed by such users, who are determined by the Commission to benefit as a result of such order: *Provided, however*, That nothing contained in this subsection shall be construed to extend the jurisdiction of the Commission under section 2 of the Natural Gas Act, as redesignated by the Natural Gas Act Amendments of 1975 (15 U.S.C. 717). For the purposes of this subsection, the term "users" means high priority consumers of natural gas who consume natural gas transported by that natural gas company which obtains the natural gas supplies made available for nonboiler fuel use by an order issued pursuant to this section.

(g) The Administrator and the Commission shall have authority to issue such rules and orders applicable to any person as the Administrator or the Commission determines are necessary or appropriate to carry out the provisions of this section.

PROPANE STANDBY ALLOCATION AUTHORITY

SEC. 106. (a) Upon finding that shortages of natural gas exist or are imminent and upon finding that such shortages or potential shortages constitute a threat to the public health, safety, or welfare, the President is authorized to issue such orders and regulations as he deems appropriate to provide, consistent with subsection (d) of this section, for the establishment of priorities of use and for equitable allocation and distribution of propane to classes of consumers, who are historical users of propane, and where energy and feedstock needs have historically been met through the use of propane, and equitable pricing of propane, in order to meet the essential needs of various sections of the United States, to lessen anticompetitive effects resulting from shortages of natural gas and to provide sufficient incentive to maximize the extraction and production of propane. Such orders and regulations shall be consistent with the allocation provisions of section 4 of the Emergency Petroleum Allocation Act of 1973, as amended (15 U.S.C. 753).

(b) (1) Whoever violates any order or regulation under this section shall be subject to civil penalty of not more than $2,500 for each violation.

(2) Whoever willfully violates any order or regulation under this section shall be fined not more than $5,000 for each violation.

(3) Any person or agency to whom the President has delegated his authority pursuant to subsection (j) of this section may issue such orders and notices as are deemed necessary to insure compliance with any order or regulation issued pursuant to subsection (a) of this section or to remedy the effects of any such orders or regulations.

(c) There shall be available as a defense to any action brought under the antitrust laws, or for breach of contract in any Federal or State court arising out of delay or failure to provide, sell, or offer for sale or exchange any product covered by this section that such delay or failure was caused solely by compliance with the provisions of this section or with any regulations or any orders issued pursuant to this section.

(d) (1) Subject to paragraphs (2), (3), and (4) of this subsection, which shall apply to any rule, regulation, or order having the applicability and effect of a rule as defined in section 551 (4) of title 5, United States Code, except as to the requirements of sections 552, 553, and 555 (e) of title 5, United States Code.

(2) Notice of any proposed rule, regulation, or order described in paragraph (1) of this subsection shall be given by publication of such proposed rule, regulation, or order in the Federal Register. In each case, a minimum of 10 days following such publication shall be provided for opportunity to comment; except that the requirements of this paragraph as to time of notice and opportunity to comment may be waived where strict compliance is found to cause serious harm or injury to the public health, safety, or welfare, and such finding is set out in detail in such rule, regulation, or order.

(3) In addition to the requirements of paragraph (2) of this subsection, if any rule, regulation, or order described in paragraph (1) of this subsection is likely to have a substantial impact on the Nation's economy or large numbers of individuals or businesses, an opportunity for oral presentation of views, data, and arguments shall be afforded. To the maximum extent practicable, such opportunity shall be afforded prior to the issuance of such rule, regulation, or order, but in all cases such opportunity shall be afforded no later than 45 days after the issuance of any such rule, regulation, or order. A transcript shall be kept of any oral presentation.

(4) The President or any officer or agency authorized to issue the rules, regulations or orders described in paragraph (1) of this subsection shall provide for the making of such adjustments, consistent with the other purposes of this section, as may be necessary to prevent particular hardship, inequity, or unfair distribution of burdens and shall, by rule, establish procedures which are available to any person for the purpose of seeking an interpretation, modification, rescission of, exception to, or exemption from such rules, regulations, and orders. If such person is aggrieved or adversely affected by the denial of a request for such action under the preceding sentence, he may request a review of such denial by the President or the officer or agency to whom he has delegated his authority pursuant to subsection (j) of this section and may obtain judicial review in accordance with subsection (e) of this section when such denial becomes final. The President or such officer or agency shall, by rule, establish appropriate procedures, including a hearing where deemed advisable, for considering such requests for action under this paragraph.

(e) (1) The district courts of the United States shall have exclusive original jurisdiction of cases or controversies arising under this section or under regulations or orders issued thereunder, notwithstanding the amount in controversy; except that nothing in this paragraph or in paragraph (7) of this subsection shall affect the power of any court of competent jurisdiction to consider, hear, and determine any issue by way of defense (other than a defense based on the constitutionality of this section or the validity of action taken by any agency under this section) raised in any proceeding before such court. If in any such proceeding an issue by way of defense is based on the constitutionality of this section or the validity of actions taken under this section, the case shall be subject to removal by either party to a district court of the United States in accordance with the applicable provisions of chapter 89 of title 28, United States Code.

(2) Except as otherwise provided in this section, exclusive appellate jurisdiction is vested in the Temporary Emergency Court of Appeals, a court which is currently in existence, but which is independently authorized by this section. The court, a court of the United States, shall consist of three or more judges to be designated by the Chief Justice of the United States from judges of the United States district courts and circuit courts of appeals. The Chief Justice of the United States shall designate one of such designated judges as chief judge of the Temporary Emergency Court of Appeals, and may, from time to time, designate additional judges for such court and revoke previous designations. The chief judge may, from time to time, divide the court into divisions of three or more members, and any such division may render judgment as the judgment of the court. Except as provided in subparagraph (B) of paragraph (5) of this subsection, the court shall not have power to issue any interlocutory decree staying or restraining in whole or in part any provision of this section, or the effectiveness of any regulation or order issued thereunder. In all other respects, the court shall have the powers of a circuit court of appeals with respect to the jurisdiction conferred on it by this section. The court shall exercise its powers and prescribe rules governing its procedure in such manner as to expedite the determination of cases over which it has jurisdiction under this section. The court shall have a seal, hold sessions at such places as it may specify, and appoint a clerk and such other employees as it deems necessary and proper.

(3) Appeals from the district courts of the United States in cases or controversies arising under regulations or orders issued under this section shall be taken by the filing of a notice of appeal with the Temporary Emergency Court of Appeals within 30 days of the entry of judgment by the district court.

(4) In any action commenced under this section in any district court of the United States in which the court determines that a substantial constitutional issue exists, the court shall certify such issue to the Temporary Emergency Court of Appeals. Upon such certification, the Temporary Emergency Court of Appeals shall determine the appropriate manner of disposition which may include a determination that the entire action be sent to it for consideration or it may, on the issues certified, give binding instructions and remand the action to the certifying court for further disposition.

(5)(A) Subject to subparagraph (B) of this paragraph, no regulation of any agency exercising authority under this section shall be enjoined or set aside, in whole or in part, unless a final judgment determines that the issuance of such agency was in excess of the agency's authority, was arbitrary and capricious, or was otherwise unlawful under the criteria set forth in section 706(2) of title (5), United States Code, and no order of such agency shall be enjoined or set aside, in whole or in part, unless a final judgment determines that such order is in excess of the agency's authority, or is arbitrary or capricious, or is based upon findings which are not supported by substantial evidence.

(B) A district court of the United States or the Temporary Emergency Court of Appeals may enjoin temporarily or permanently the application of a particular regulation or order issued under this section to a person who is a party to litigation before it. Except as provided in this paragraph, no interlocutory or permanent injunction restraining the enforcement, operation, or execution of this section, or any regulation or order issued thereunder, shall be granted by any district court of the United States or judge thereof. Any such court shall have jurisdiction to declare (i) that a regulation of an agency exercising authority under this section is in excess of the agency's authority, is arbitrary or capricious, or is otherwise unlawful under the criteria set forth in section 706(2) of title 5, United States Code, or (ii) that an order of such agency is invalid upon a determination that the order is in excess of the agency's authority, or is arbitrary or capricious, or is based upon findings which are not supported by substantial evidence. Appeals from interlocutory decisions by a district court of the United States under this subparagraph may be taken in accordance with the provisions of section 1292 of title 28, United States Code; except that reference in such section to the courts of appeals shall be deemed to refer to the Temporary Emergency Court of Appeals.

(6) The effectiveness of a final judgment of the Temporary Emergency Court of Appeals enjoining or setting aside in whole or in part any provision of this section, or any regulation or order issued thereunder shall be postponed until the expiration of time for filing a writ of certiorari with the Supreme Court under paragraph (7) of this subsection. If such petition is filed, the effectiveness of such judgment shall be postponed until an order of the Supreme Court denying such petition becomes final, or until other final disposition of the action by the Supreme Court.

(7) Within 30 days after entry of any judgment or order by the Temporary Emergency Court of Appeals, a petition for a writ of certiorari may be filed in the Supreme Court of the United States, and thereupon the judgment or order shall be subject to review by the Supreme Court in the same manner as a judgment of a United States court of appeals as provided in section 1254 of title 28, United States Code. The Temporary Emergency Court of Appeals, and the Supreme Court upon review of judgments and orders of the Temporary Emergency Court of Appeals, shall have exclusive jurisdiction to determine the constitutional validity of any provisions of this section or of any regulation or order issued under this section. Except as provided in this paragraph, no Federal or State court shall have jurisdiction or power to consider the constitutional validity of any provision of this section or of any such regulation or order, or to stay, restrain, enjoin, or set aside, in whole or in part, any provision of this section authorizing the issuance of such regulations or orders or any provision of any such regulation or order, or to restrain or enjoin the enforcement of any such provision.

(f) Whenever it appears to any person or agency authorized by the President pursuant to subsection (j) of this section that any individual or organization has engaged, is engaged, or is about to engage in any acts or practices constituting a violation of any order or regulation under this section, such person or agency may request the Attorney General to bring an action in the appropriate district court of the United States to enjoin such acts or practices, and upon a proper showing, a temporary restraining order or a preliminary or permanent injunction shall be granted without bond. Any such court may also issue mandatory injunctions commanding any person to comply with any such order or regulation. In addition to such injunctive relief, the court may also order restitution of moneys received in violation of any such order or regulation.

(g)(1) An agency or person exercising authority pursuant to subsection (j) of this section shall have authority, for any purpose related to this section, to sign and issue subpenas for the attendance and testimony of witnesses and the production of relevant books, papers, and other documents, and to administer oaths.

(2) Upon presenting appropriate credentials and a written notice to the owner, operator, or agency in charge, any agency or person exercising authority pursuant to subsection (j) of this section may enter any business premise or facility and inspect, at reasonable times and in a reasonable manner any such premise or facility, inventory and sample any stock of energy resources therein, and examine and copy books, records, papers, or other documents in order to obtain information as necessary or appropriate for the proper exercise of functions under this section and to verify the accuracy of any such information.

(3) Witnesses summoned under the provisions of this section shall be paid the same fees and mileage as are paid to witnesses in the courts of the United States. In case of refusal to obey a subpena served upon any person under the provisions of this subsection, the agency or person authorizing such subpena may request the Attorney General to seek the aid of the district court of the United States for any district in which such person is found to compel such person, after notice, to appear and give testimony, or to appear and produce documents before the agency or person.

(h) Any person suffering legal wrong because of any act or practice arising out of this section, or any order or regulation issued pursuant thereto, may bring an action in a district court of the United States, without regard to the amount in controversy, for appropriate relief, including an action for a declaratory judgment, writ of injunction (subject to the limitations in subsection (e) of this section), or damages.

(i) Section 5(b) of the Federal Energy Administration Act of 1974 (15 U.S.C. 763(b)) is amended by adding the word "and" after the semicolon in paragraph 10; by deleting paragraph 11; and by redesignating paragraph 12 as paragraph 11.

(j) The President may delegate the performance of any function under this section to such offices, departments, and agencies of the United States as he deems appropriate.

(k) No law, rule, regulation, order, or ordinance of any State, or municipality in effect on the date of enactment of this title, or which may become effective thereafter, shall be superseded by any provision of this section or any rule, regulation, or order issued pursuant to this section except insofar as such law, rule, regulation, order, or ordinance is inconsistent with the provisions of this section, or any rule, regulation, or order issued thereunder.

EXPIRATION DATE

SEC. 107. (a) This title shall expire on midnight, April 15, 1976.

(b) The expiration of this title and the authority granted under this title shall not affect any action or pending proceedings not finally determined on the date of such expiration, or any action or proceeding based upon any act committed prior to such date.

TITLE II—NATURAL GAS ACT AMENDMENTS

SEC. 201. This title may be cited as the "Natural Gas Act Amendments of 1975".

SEC. 202. The Natural gas Act (15 U.S.C. 717 et seq.) is amended by (1) striking out section 24 thereof (15 U.S.C. 717w); and (2) amending section 1 thereof by redesignating subsections (a), (b), and (c) as subsections (b), (c), and (d), respectively, and inserting therein the following new subsection:

"(a) This act may be cited as the 'Natural Gas Act'."

SEC. 203. Section 1(c) of the Natural Gas Act, as redesignated by this title (15 U.S.C. 717(b)), is amended (1) by deleting "The" at the beginning thereof and by inserting in lieu thereof immediately after "(c)" the following: "(1) Except as provided in paragraph (2) of this subsection, the"; and (2) by inserting at the end thereof the following new paragraph:

"(2) Subject only to the provisions of section 24 of this Act, after the effective date of the Natural Gas Act Amendments of 1975, the authority of the Commission to regulate the sale of natural gas to a natural-gas company for resale in interstate commerce pursuant to this Act shall cease to exist with respect to, and shall not apply to, new natural gas: *Provided, however,* That nothing contined in the Natural Gas Act Amendments of 1975 shall modify or affect the authority of the Commission in effect prior to the date of enactment of such amendments to (A) regulate the transportation in interstate commerce of natural gas or the sale in interstate commerce for resale of old natural gas, or (B) regulate sales for resale of natural gas by any natural gas company which transports natural gas in interstate commerce or by an affiliate thereof which transports natural gas in interstate commerce".

SEC. 204. (a) Section 2 of the Natural Gas Act (15 U.S.C. 717a) is amended by redesignating paragraphs (7) through (9) as paragraphs (12) through (14), and by inserting the following new paragraphs:

"(7) 'Boiler fuel use of natural gas' means the use of natural gas as the source of fuel in a generating unit of more than 25 megawatts rated net generating capacity or in any unit which is part of an electric utilities system with a total net generating capacity of more than 150 megawatts for the purpose of generating electricity for distribution.

"(8) 'New natural gas' means natural gas sold or delivered in interstate commerce (A) which is dedicated to interstate commerce for the first time on or after January 1, 1976, or (B) which is continued in interstate commerce after the expiration of a contract by its own terms (and not through the exercise of any power to terminate or renegotiate contained therein) for the sale or delivery of such natural gas existing as of such date, or (C) which is produced from wells commenced on or after January 1, 1976.

"(9) 'Old natural gas' means natural gas other than new natural gas.

"(10) 'Affiliate' means any person directly or indirectly controlling, controlled by, or under common control or ownership with any other person, as determined by the Commission pursuant to its rulemaking authority.

"(11) 'Offshore federal lands' means any land or subsurface area within the Outer Continental Shelf, as defined in section 2(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1331(a)).".

SEC. 205. (a) Section 4(a) of the Natural Gas Act (15 U.S.C. 717c(a)) is amended by adding at the end thereof the following new sentence: "The rates and charges made, demanded, or received by any natural-gas company for, or in connection with a contract for the sale of new natural gas produced from offshore federal lands shall be deemed to be just and reasonable, if they do not exceed the applicable national ceiling, established by regulation of the Commission or subsequently modified by the Commission pursuant to section 24 of this Act, in effect at the time when such new natural gas is either first sold or first transferred under such contract to a natural-gas company: *Provided, however,* That rates and charges in excess of such national ceiling may be authorized by the Commission to provide special relief to meet extraordinary expenses that could not be anticipated at the time the national ceiling was established or modified.".

(b) Section 4(e) of the Natural Gas Act (15 U.S.C. 717c(e)) is amended by adding at the end thereof the following new sentence: "Notwithstanding the foregoing, the Commission shall have no power (1) to deny, in whole or in part, any rate or charge made, demanded, or received by any natural-gas company for, in connection with, the purchase or sale of new natural gas, or that portion of the rates and charges of such company which relates to such purchase or sale, except (A) to the extent that such rates or charges, or such portion thereof, for new natural gas produced from offshore federal lands exceed the national ceiling, established or modified by regulation of the Commission pursuant to section 24 of this Act, or (B) in any case where a natural-gas company purchases natural gas from an affiliate or produces natural gas from its own properties, to the extent that the Commission determines that the rates and charges therefor exceed the current rates and charges, or portion thereof, made, demanded, or received for comparable sales by any person who is not affiliated with any natural-gas company; or (2) to order a decrease in the rate or charge made, demanded, or received for the sale or transfer of old natural gas by a natural-gas company if such rate or charge shall have been previously determined or deemed to be just and reasonable pursuant to this Act.".

SEC. 206. Section 5(a) of the Natural Gas Act (15 U.S.C. 717d(a)) is amended by striking the period at the end thereof and by adding the following: *Provided further,* That the Commission shall have no power (1) to deny, in whole or in part, any rate or charge made, demanded or received by any natural-gas company for, or in connection with, the purchase or sale of new natural gas, or that portion of the rates and charges of such company which relates to such purchase or sale, except (A) to the extent that such rates or charges, or such portion thereof, for new natural gas produced from offshore Federal lands exceed the national ceiling, established or modified by the Commission pursuant to section 4 of this Act, or (B) in any case where a natural-gas company purchases natural gas from an affiliate or produces natural gas from its own properties, to the extent that the Commission determines that the rates and charges therefor exceed the current rates and charges, or portion thereof, made, demanded, or received for comparable sales by any person who is not affiliated with any natural-gas company; or (2) to order a decrease in the rate or charge made, demanded, or received for the sale or transfer of old natural gas by a natural-gas company if such rate or charge shall have been previously determined or deemed to be just and reasonable pursuant to this Act.".

SEC. 207. Section 14 of the Natural Gas Act (15 U.S.C. 717m) is amended by adding at the end thereof the following new subsection:

(h)(1) The Commission is further authorized and directed to conduct studies of the production, gathering, storage, transportation, distribution, and sale of natural, artificial, or synthetic gas, however produced, throughout the United States and its possessions whether or not otherwise subject to the jurisdiction of the Commission, including the production, gathering, storage, transportation, distribution, and sale of natural, artificial, or synthetic gas by any agency, authority, or instrumentality of the United States, or of any State or municipality or political subdivision of a State. It shall, insofar as practicable, secure and keep current information regarding the ownership, operation, management, and control of all facilities for production, gathering, storage, transportation, distribution, and sale; the total estimated natural gas reserves of fields or reservoirs and the current utilization of natural gas and the relationship between the two; the cost of production, gathering, storage, transportation, distribution, and sale; the rates, charges, and contracts in respect to the sale of natural gas and its service to residential, rural, and commercial and industrial consumers, and other purchasers by private and public agencies; and the relation of any and all such facts to the development of conservation, industry, commerce, and the national defense. The Commission shall report to Congress and may publish and make available the results of studies made under the authority of this subsection.

"(2) In making studies, investigations, and reports under this section, the Commission shall utilize, insofar as practicable, the services, studies, reports, information, and programs of existing departments, bureaus, offices, agencies, and other entities of the United States, of the several States, and of the natural-gas industry, but such studies, investigations, and reports shall be based on information developed, or completely reviewed for accuracy, after the date of enactment of this subsection. Nothing in this section shall be construed as modifying, reassignment, or otherwise affecting the investigative and reporting activities, duties, powers, and functions of any other department, bureau, office, or agency in the Federal Government.

"(3) In order to assist in determining necessary actions to eliminate the national emergency which exists with respect to natural gas supplies the Commission shall carry out and complete, not later than 90 days after the date of enactment of this subsection, an initial such study with respect to the total estimated natural gas reserves of fields and reservoirs and the current utilization of natural gas and the relationship between the two. Such study shall include specific estimates for individual fields and reservoirs but shall not include reserves controlled by small producers. On January 1, 1977, and at the beginning of each calendar year thereafter until December 31, 1981, the Commission shall, within the following 90-day period, complete a review of the previous study and revise the results thereof to the extent necessary. A report of such initial study and each such review shall be made, within the time provided for completion thereof, to the President and the Congress.".

SEC. 208. The Natural Gas Act, as amended by this title, is further amended by adding at the end thereof the following heading and three new sections:

"NATURAL CEILING FOR RATES AND CHARGES

"SEC. 24. (a) The Commission shall, as soon as practicable after the date of enactment of the Natural Gas Act Amendments of 1975, and pursuant to rulemaking procedures under section of 553 of title 5, United States Code, establish by regulation, and may from time to time modify, a national ceiling for rates and charges for the sale or transfer in interstate commerce by any person of new natural gas produced from offshore federal lands on or after January 1, 1976, through December 31, 1980. In establishing such national ceiling the Commission shall consider the following factors and only these factors:

"(1) the prospective costs attributable to the exploration, development, production, gathering, and sale of natural gas;

"(2) the rates and charges necessary to encourage the optimum levels of (A) the exploration for natural gas, (B) the development, production, and gathering of natural gas, and (C) the maintenance of proved reserves of natural gas;

"(3) the promotion of sound conservation practices in natural-gas consumption necessary to contribute to the maintenance of a supply of energy resources at reasonable prices to consumers; and

"(4) the rates and charges that will protect consumers of natural gas from price increases that would, in the absence of a national ceiling during periods of actual or anticipated shortages, exceed the rates and charges necessary to achieve the objectives of paragraphs (1) through (3) of this subsection.

"(b) The Commission shall monitor the national ceiling for rates and charges for the sale or transfer in interstate commerce by any person of new natural gas, and during the period such ceiling is in effect, commencing on July 1, 1976, the Commission shall report to the Congress not less than annually on the effectiveness of such national ceiling in meeting the factors set forth in subsection (a) of this section.

"(c) The Commission may authorize a person to charge an amount in excess of such national ceiling for new natural gas produced from offshore federal lands from any high cost production area or vertical drilling depth as designated by the Commission pursuant to its rulemaking authority. In establishing such amount in excess of such national ceiling, the Commission shall consider the factors set forth in subsection (a) of this section and only those factors.

"(d) Any contract entered into after the date of enactment of the Natural Gas Act Amendments of 1975 for the sale of new natural gas for resale which involves the receipt by the seller of funds in advance of production of the natural gas covered by such contract shall be filed with the Commission at least 60 days in advance of deliveries thereunder. The Commission may thereafter require, after notice and opportunity for hearing, that the sales rate specified in such contract be reduced or modified as necessary to repay in full to the advancing party the principal of the advance and any interest thereon, upon such terms and conditions as the Commission may determine proper in the public interest.

"(e) Within 30 days after the enactment of the Natural Gas Act Amendments of 1975 and on January first of each year thereafter until the establishment of the national ceiling pursuant to subsection (a) of this section by a final Commission order which is no longer subject to judicial review, the Commission shall establish an interim national ceiling for rates and charges for the sale or transfer in interstate commerce by any person of new natural gas produced from offshore Federal lands which shall be equivalent to the average dollar valuation per barrel of crude oil used by the United States Geological Survey or its successor in computing the royalties due to the United States on account of crude oil produced from all federal lands during the calendar month ending 30 days prior to such computation. Such interim national ceiling shall be expressed in one million British thermal units and shall be determined by dividing such average dollar valuation per barrel of crude oil by 5.8. Such interim national ceiling shall cease to have effect on the date of the establishment of the national ceiling pursuant to subsection (a) of this section by final Commission order which is no longer subject to judicial review, such national ceiling shall apply to the sale or transfer in intertsate commerce of all new natural gas produced from offshore Federal lands whether or not contracted for prior to the date of such establishment: *Provided, however,* That the Commission shall have no power to order a reduction in the rates and charges for the sale of new natural gas produced from offshore Federal lands and contracted for prior to the date of the establishment of such national ceiling below the interim ceiling price in effect on such date.

"NATURAL GAS FOR ESSENTIAL AGRICULTURAL PURPOSES

"SEC. 25. (a) Except to the extent that natural-gas supplies are required to maintain natural-gas service to residential users, small users, hospitals, and similar services vital to public health and safety, and notwithstanding any other provision of law or of any natural-gas allocation or curtailment plan in effect under existing law, the Commission shall, by rule, prohibit any interruption or curtailment of natural gas and take such other steps as are necessary to assure as soon as practicable the availability in interstate commerce of sufficient quantities of natural gas for use for any essential agricultural, food processing, or food packaging purpose for which natural gas is essential, including but not limited to irrigation pumping, crop drying, use as a raw material feedstock or process fuel in the production of fertilizer and essential agricultural chemicals in existing plants (for present or expanded capacity) and in new plants. The Secretary of Agriculture shall determine by rule the agricultural, food processing, or food packaging purposes for which natural gas is essential. The Secretary of Agriculture shall also certify to the Commission the amount of natural gas which is necessary for such essential uses to meet requirements for full food and fiber production.

"ESSENTIAL INDUSTRIAL PURPOSES

"(b) Except to the extent that natural gas supplies are required to maintain natural-gas service to users specified under subsection (a), the Commission shall exercise its authority under this title to assure, to the maximum extent feasible, the continuance of natural gas service to users using natural gas as a raw material and for purposes other than boiler fuel for which there is no available substitute regardless of whether such users purchase natural gas under firm or interruptible contracts.

"NATURAL GAS CONSERVATION

"SEC. 26. (a) Except as provided in subsection (d) of this section, the Commission shall by rule prohibit boiler fuel use of natural gas affecting commerce not contracted for prior to January 1, 1976, unless, upon petition by the user, the Commission determines that—

"(1) alternative fuels, other than crude oil or products refined therefrom and propane, are not available to such user; or

"(2) it is not feasible or practicable to utilize such alternative fuels at the time of such Commission determination.

"(b) Except as provided in subsection (d) of this section, boiler fuel use of natural gas contracted for prior to January 1, 1975, shall be terminated by the user of such natural gas at the expiration of such contract or 12 years after the date of enactment of the Natural Gas Act, Amendments of 1975, which ever is earlier, unless, upon petition of such user, the Commission determines that (1) alternative fuels, other than crude oil or products therefrom and propane, are not available to such user, or (2) it is not feasible or practicable to utilize each alternative fuels at the time of such Commission determination. The Commission shall modify or terminate certificates of public convenience and necessity relating to such contracts to the extent necessary to carry out the purpose of this subsection.

"(c) Except as expressly provided in subsection (b) of this section, the Commission or other federal agency, administration or department shall not (1) modify, amend, or abrogate contracts entered into prior to January 1, 1976, for the sale or transportation of natural gas for boiler fuel use; (2) modify, amend, or abrogate certificates of public convenience and necessity authorizing the sale or transportation of natural gas under such contracts, except upon application duly made by the holder of a certificate under section 7 of this Act; or (3) prevent, impair, or limit, either directly or indirectly, the performance of any such contract or certificate: *Provided, however,* That the provisions of this subsection shall not otherwise modify or affect the authority of the Commission under this Act.

"(d) The Commission shall also exempt from any rule under this section the burning of natural gas by powerplants for the purpose of operating pollution abatement systems.

"(e) The Commission shall not prohibit the boiler fuel use of natural gas for the necessary processes of ignition, startup, testing, and flame stabilization by a facility, or for the purpose of alleviating short-term air quality emergencies or any other danger to the public health, safety, or welfare.

"(f) In implementing the provisions of this section, the Commission shall, to the extent necessary, apply the provisions of section 17 of this Act.

"(g) Nothing in this section shall impair any requirement in any State or Federal law pertaining to safety or environmental protection. The Commission, in determining feasibility or practicality where required by this section, shall not assume that there will be any lessening in any safety or environmental requirement established pursuant to State or Federal law.".

SEC. 209. Section 2 of the Natural Gas Act as designated by this Act (15 U.S.C. 717), is amended by inserting at the end thereof a new subsection as follows:

"(d) Nothing in this Act shall prevent the intrastate transportation of natural gas first sold in commerce after the date of enactment of this subsection in an interstate pipeline as long as such intrastate transportation does not prevent service necessary to meet the requirements of interstate consumers and the rates for such transportation reflect the fully distributive costs of the interstate facilities used therein, and the provisions of this Act shall not apply to any such intrastate transportation or the facilities utilized in such service.".

Mr. BROWN of Ohio (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit may be considered as read and printed in the RECORD in order that I may attempt to explain the nature of my motion to recommit.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Speaker, I may not use the full 5 minutes, but I intend to take this moment to explain what is in the Krueger amendment and to reiterate two or three basic things.

Mr. Speaker, as I attempted to explain a moment ago, the choice we have before us now is the Krueger amendment as it was originally proposed, as opposed to the Smith amendment as it was adopted.

The Smith amendment in effect regulates more gas than is regulated at this moment, because it regulates in effect about 75 percent of all of the natural gas used in this country. It regulates that gas by the size of the production of the individual producers.

On the other hand, the Krueger amendment over a gradual period of years deregulates natural gas.

It keeps under regulation offshore natural gas for a period of 5 years. Currently about 65 percent of the natural gas produced and used in the United States is regulated.

The Smith amendment, I hasten to point out, actually regulates more gas than is currently the case, because it goes into intrastate commerce. This raises a question of constitutionality.

Now, if we adopt the Krueger amendment, to which many of my colleagues were committed, then that piece of legislation passed by the House will go to conference with the Pearson-Bentsen legislation and, presumably, between those two pieces of legislation we will have an agreement on the final kind of deregulation that we will have over the next few years.

Mr. KRUEGER. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Texas.

Mr. KRUEGER. Mr. Speaker, I think we should recognize that what the Committee of the Whole has just passed by a margin of 204 to 202 is a bill that was overwhelmingly defeated by the other body and if we genuinely want natural gas legislation, then the proper vote at this time is a vote to recommit, because that which I produced was almost identical to the Senate-passed bill. If we send it to the conference with the Senate, something that the Senate has overwhelmingly rejected, we will be right back where we were before, which is with no energy legislation at all, with a constitutional standoff and with nothing for the people of the United States. If we genuinely want energy, then we have to vote to recommit.

Mr. BROWN of Ohio. Mr. Speaker, what we passed was something presumably for the benefit of the small producers. All the other producers have nothing. This proposal had two advocates; FPC Commissioner Smith and a professor from Michigan University.

Mr. WAGGONNER. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Louisiana.

Mr. WAGGONER. Mr. Speaker, does the gentleman from Ohio feel that those who said they were for the Krueger amendment in the form of a substitute would be entirely consistent by voting for what is now the motion to recommit, because this is the Krueger amendment in the form of a substitute; if we want to vote for Krueger, we want to vote for the motion?

Mr. BROWN of Ohio. Yes; it is entirely consistent to vote for the Krueger amendment as it embraces the motion to recommit.

Mr. DINGELL. Mr. Speaker, I move to strike the requiiste number of words.

Mr. Speaker, the hour is late. We have been a long time here. Members are tired. They have worked hard on a bitter and highly controversial subject. The gentleman from Ohio has offered a motion to recommit, with instructions. My collegaues should know, and I am sure they do know, that this bill does not go back to the committee on this motion; but, rather, we send the Krueger amendment, which has already been repudiated by the committee and by my colleagues here in the House. It should be very plain, first of all, that the Krueger amendment is different from the Pearson-Bentsen bill. All of the consumer protections of the Pearson-Bentsen bill were stricken by the gentleman from Texas (Mr. KRUEGER) before the gentleman introduced that bill.

The procedure allows the passage of the original Krueger amendment without any changes.

Now, let me point out some of the defects on which the committee acted and some identified by the gentleman from Ohio, who now seeks to put this bill together. The propane situation, wherein the Krueger proposal strikes the prohibition against disproportionate price increases being loaded upon propane, to the hurt of farmers and propane users, is put back in by the gentleman from Ohio. Other provisions which the gentleman from Ohio found offensive and in which the gentleman participated in removing, such as the provision which related to boiler fuel, which were surplus and which were rejected, not only by the gentleman from Ohio, but also by of the Administrator of the Federal Energy Agency, are put back in.

Now, my colleagues should know that we probably are going to have to go to conference, and we will try to bring back a good bill. I would hope that we would finally dispose of this issue and move forward and that we could get something on which we do have a chance of having a meaningful conference.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. DINGELL. I yield to the distinguished gentleman from Iowa, who was the author of the Smith amendment.

Mr. SMITH of Iowa. Mr. Speaker, I want to point out that at this point we are talking about how and to what extent to deregulate our gas production in this country. Neither bill deregulates all the gas supply. At the present time, we have an intolerable situation where vast quantities of so-called intrastate gas is held within the State to be sold at any price, and therefore companies from gas deficient States must move to a gas surplus State in order to get that gas. Everybody agrees that is not an efficient way to determine locations for industry.

What the Krueger amendment does is to say that offshore gas will continue to be regulated, but onshore gas will not. Therefore, the resources for drilling will be diverted to onshore drilling. Then, the Krueger amendment permits drilling new holes in old fields, so they will divert that equipment onshore and use it to deregulate old gas. So, any way we look at it, we are going to have less new gas. Instead of drilling those holes offshore where the interstate pipelines move that gas and it can flow back to customers who have used it for years, there will be curtailments.

The amendment of the gentleman from Texas, I think, would also encourage holdbacks of gas during the 5-year control period, 4 or 5 years so it would be more disruptive to an orderly decontrol. Also, let me point out that the 25 majors are left under control here. We release 3,500 independents so the FPC can do a better job and act faster. We keep about 25 majors, but they are given plenty of encouragement to continue to produce because sufficient criteria to encourage production are set up, as follows:

No. 1, they are permitted a reasonable return, which has been determined to be about 18 percent, on their investment. No. 2, they are permitted to use prospective costs so they can consider probable costs during the period of development rather than the costs of a previous period. No. 3, the FPC in setting rates can consider unusual circumstances such as higher risk drilling and higher risk. So, under my bill the majors will have plenty of encouragement to go ahead and produce onshore and offshore both, and to put it into interstate pipelines so that companies can get it on a historical and competitive basis.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

Mr. BROWN of Ohio. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device; and there were—yeas 198, nays 204, not voting 30, as follows:

[Roll No. 40]

YEAS—198

Abdnor
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
AuCoin
Bafalis
Bauman
Beard, Tenn.
Bell
Bennett
Boggs
Bowen
Breaux
Brinkley
Brooks
Brown, Calif.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Butler
Byron
Carter
Cederberg
Chappell
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Collins, Tex.
Conable
Conlan
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Davis
de la Garza
Dent
Derrick
Derwinski
Devine
Dickinson
Downing, Va.
Duncan, Tenn.
Edwards, Ala.
Emery
English
Erlenborn
Findley
Fish
Flowers
Flynt
Forsythe
Fountain
Frenzel
Frey
Fuqua
Giaimo
Gibbons
Ginn
Goldwater
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley
Hamilton
Hammerschmidt
Hansen
Hébert
Hefner
Henderson
Hightower
Hillis
Holt
Horton
Hubbard
Hutchinson
Hyde
Ichord
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Landrum
Latta
Lent
Levitas
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCollister
McCormack
McDonald
McKay
McKinney
Madigan
Mahon
Mann
Martin
Mathis
Michel
Milford
Miller, Ohio
Mills
Mollohan
Montgomery
Moore
Moorhead, Calif.
Mosher
Murphy, N.Y.
Myers, Ind.
Myers, Pa.
Natcher
O'Brien
Passman
Patman, Tex.
Pettis
Pickle
Poage
Pressler
Preyer
Pritchard
Quie
Quillen
Railsback
Rees
Regula
Rhodes
Risenhoover
Roberts
Robinson
Roncalio
Rooney
Rousselot
Runnels
Ruppe
Santini
Sarasin
Satterfield
Schneebeli
Schroeder
Schulze
Sebelius
Shriver
Shuster
Sikes
Skubitz
Slack
Smith, Nebr.
Spence
Stanton, J. William
Steed
Steiger, Wis.
Stephens
Stuckey
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Thornton
Treen
Vander Jagt
Waggonner
Wampler
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Tex.
Winn
Wright
Wydler
Yatron
Young, Alaska
Young, Fla.
Young, Tex.

NAYS—204

Abzug
Adams
Addabbo
Allen
Ambro
Anderson, Calif.
Annunzio
Ashley
Aspin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Brademas
Breckinridge
Brodhead
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Chisholm
Clay
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, N.J.
Danielson
Delaney
Dellums
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Fisher
Fithian
Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Gilman
Gonzalez
Green
Gude
Hall
Hanley
Hannaford
Harkin
Harris
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Holtzman
Howard
Hughes
Hungate
Jacobs
Jenrette
Johnson, Calif.
Jones, Ala.
Karth
Kastenmeier
Keys
Koch
Krebs
LaFalce
Leggett
Lehman
Litton
Lloyd, Calif.
Lloyd, Tenn.
McDade
McFall
McHugh
Macdonald
Madden
Maguire
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Moorhead, Pa.
Morgan
Moss
Mottl
Murtha
Neal
Nedzi
Nichols
Nix
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pike
Price
Randall
Rangel
Reuss
Richmond
Riegle
Rinaldo
Rodino
Roe
Rogers
Rose
Rosenthal
Roush
Roybal
Russo
Ryan
St Germain
Sarbanes
Scheuer
Seiberling
Sharp
Shipley
Simon
Sisk
Smith, Iowa
Snyder
Solarz
Spellman
Staggers
Stanton, James V.
Stokes
Stratton
Studds
Sullivan
Symington
Thompson
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
Wilson, C. H.
Wirth
Wolff
Yates
Young, Ga.
Zablocki
Zeferetti

NOT VOTING—30

Alexander
Anderson, Ill.
Ashbrook
Broomfield
Brown, Mich.
Clancy
Diggs
Esch
Eshleman
Fraser
Gaydos
Harrington
Harsha
Hawkins
Hinshaw
Holland
Howe
Jeffords
McEwen
Metcalfe
Murphy, Ill.
Nolan
Peyser
Rostenkowski
Stark
Steelman
Steiger, Ariz.
Symms
Udall
Wylie

The Clerk announced the following pairs:

On this vote:

Mr. Holland for, with Mr. Diggs against.

Mr. Anderson of Illinois for, with Mr. Hawkins against.

Mr. Wylie for, with Mr. Murphy of Illinois against.

Mr. Ashbrook for, with Mr. Rostenkowski against.

Mr. McEwen for, with Mr. Stark against.

Mr. Steelman for, with Mr. Fraser against.

Mr. Broomfield for, with Mr. Metcalfe against.

Mr. Clancy for, with Mr. Harrington against.

Mr. Eshleman for, with Mr. Jeffords against.

Until further notice:

Mr. Gaydos with Mr. Alexander.

Mr. Esch with Mr. Harsha.

Mr. Howe with Mr. Peyser.

Mr. Nolan with Mr. Symms.

Mr. Steiger of Arizona with Mr. Hinshaw.

Mr. STAGGERS changed his vote from "yea" to "nay."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BROWN of Ohio. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 205, nays 194, not voting 33, as follows:

[Roll No. 41]

YEAS—205

Adams
Addabbo
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Ashley
Aspin
AuCoin
Badillo
Baldus
Baucus
Beard, R.I.
Bedell
Bennett
Bergland
Biester
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Brademas
Breckinridge
Brodhead
Brown, Calif.
Broyhill
Burke, Calif.
Burlison, Mo.
Burton, John
Burton, Phillip
Carney
Carr
Chisholm
Clausen, Don H.
Cohen
Conable
Corman
Cornell
Cotter
Coughlin
Daniels, N.J.
Danielson
Delaney
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
du Pont
Early
Eckhardt
Edwards, Calif.
Emery
Erlenborn
Evans, Colo.
Evans, Ind.
Fascell
Fenwick
Findley
Fisher
Fithian
Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Fountain
Gibbons
Grassley
Gude
Hall
Hamilton
Hanley
Hannaford
Harkin
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Henderson
Hicks
Hillis
Howard
Hughes
Hungate
Ichord
Jacobs
Jenrette
Jones, N.C.
Jordan
Karth
Kastenmeier
Keys
Koch
LaFalce
Lehman
Litton
Lloyd, Calif.
McCloskey
McCormack
McDade
McFall
McHugh
McKay
Macdonald
Madden
Maguire
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Murtha
Neal
Nedzi
Nolan
Nowak
Oberstar
Obey
O'Hara
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Pike
Pressler
Preyer
Price
Railsback
Rangel
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Rodino
Rogers
Rooney
Rose
Rosenthal
Roush
Ruppe
Russo
Ryan
St Germain
Santini
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Sikes
Simon
Smith, Iowa
Snyder
Solarz
Spellman
Staggers
Stanton, J. William
Steiger, Wis.
Stratton
Studds
Sullivan
Symington
Taylor, Mo.
Taylor, N.C.
Thompson
Traxler
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Waxman
Weaver
Whalen
Wilson, C. H.
Wirth
Wolff
Wydler
Young, Ga.
Zablocki
Zeferetti

NAYS—194

Abdnor
Abzug
Allen
Ambro
Annunzio
Archer
Armstrong
Bafalis
Barrett
Bauman
Beard, Tenn.
Bevill
Biaggi
Boggs
Bowen
Breaux
Brinkley
Brooks
Brown, Ohio
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Butler
Byron
Carter
Cederberg
Chappell
Clawson, Del
Clay
Cleveland
Cochran
Collins, Ill.
Collins, Tex.
Conlan
Conte
Conyers
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Davis
de la Garza
Dellums
Derrick
Derwinski
Devine
Dickinson
Downing, Va.
Duncan, Tenn.
Edgar
Edwards, Ala.
Eilberg
English
Evins, Tenn.
Fary
Fish
Flowers
Flynt
Forsythe
Frenzel
Frey
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Green
Guyer
Hagedorn
Haley
Hammerschmidt
Hansen
Harris
Hébert
Helstoski
Hightower
Holt
Holtzman
Horton
Hubbard
Hutchinson
Hyde
Jarman
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krebs
Krueger
Lagomarsino
Landrum
Latta
Leggett
Lent
Levitas
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McClory
McCollister
McDonald
McKinney
Madigan
Mahon
Mann
Mathis
Michel
Milford
Miller, Ohio
Mills
Mitchell, Md.
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Mottl
Murphy, N.Y.
Myers, Ind.
Myers, Pa.
Natcher
Nichols
Nix
O'Brien
Passman
Patman, Tex.
Pettis
Pickle
Poage
Quie
Quillen
Randall
Rhodes
Risenhoover
Roberts
Robinson
Roe
Roncalio
Rousselot
Roybal
Runnels
Sarasin
Satterfield
Schneebeli
Schulze
Sebelius
Shriver
Shuster
Sisk
Skubitz
Slack
Smith, Nebr.
Spence
Stanton, James V.
Steed
Stephens
Stokes
Stuckey
Talcott
Teague
Thone
Thornton
Treen
Vanik
Vigorito
Waggonner
Walsh
Wampler
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Tex.
Winn
Wright
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Tex.

NOT VOTING—33

Alexander
Anderson, Ill.
Ashbrook
Bell
Broomfield
Brown, Mich.
Clancy
Dent
Diggs
Esch
Eshleman
Fraser
Fuqua
Gaydos
Harrington
Harsha
Hawkins
Hinshaw
Holland
Howe
Jeffords
McEwen
Metcalfe
Murphy, Ill.
Peyser
Pritchard
Rostenkowski
Stark
Steelman
Steiger, Ariz.
Symms
Udall
Wylie

The Clerk announced the following pairs:

On this vote:

Mr. Diggs for, with Mr. Jeffords against.

Mr. Holland for, with Mr. Symms against.

Mr. Murphy of Illinois for, with Mr. Wylie against.

Mr. Stark for, with Mr. McEwen against.

Mr. Fraser for, with Mr. Clancy against.

Mr. Fuqua for, with Mr. Ashbrook against.

Until further notice:

Mr. Dent with Mr. Anderson of Illinois.

Mr. Gaydos with Mr. Alexander.

Mr. Rostenkowski with Mr. Howe.

Mr. Harrington with Mr. Brown of Michigan.

Mr. Hawkins with Mr. Broomfield.

Mr. Metcalfe with Mr. Bell.

Mr. Harsha with Mr. Esch.

Mr. Eshleman with Mr. Steiger of Arizona.
Mr. Peyser with Mr. Pritchard.

Mr. THOMPSON changed his vote from "nay" to "yea."

Messrs. RHODES, KREBS, YATRON, ROYBAL, THONE, BIAGGI, and GREEN changed their votes from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on February 5, 1976, the President approved and signed bills of the House of the following titles:

H.J. Res. 406. Joint resolution to provide for the presentation by the United States to Israel of a statue of Abraham Lincoln to be donated by Leon and Ruth Gildesgame, of Mount Kisco, N.Y.; and

H.R. 11510. An act to provide for starling and blackbird control in Kentucky and Tennessee.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 6949. An act to make the film "Wilma Rudolph Olympic Champion," which was produced by the U.S. Information Agency, available for certain limited use within the United States in conjunction with promotion of the 1976 Olympic Games.

The message also announced that the Senate agrees to the amendments of the House to a concurrent resolution of the Senate of the following titles:

S. Con. Res. 92. A concurrent resolution providing for a conditional adjournment of the Senate from February 6, 1976, until February 16 1976, and of the House of Representatives from February 11, 1976, until February 16, 1976.

LEGISLATIVE PROGRAM

(Mr. BURGENER asked and was given permission to address the House for 1 minute).

Mr. BURGENER. Mr. Speaker, I take this time to ask the distinguished acting majority leader about the program for next week.

Mr. McFALL. Mr. Speaker, if the gentleman will yield, I shall be glad to respond to his question.

Mr. BURGENER. I yield to the gentleman from California.

Mr. McFALL. Mr. Speaker, there is no further legislative business for today. Following the announcement of the program for next week, I will ask unanimous consent to go over to Monday next.

The program for the House for next week is as follows: Monday is District day. There are no bills scheduled. H.R. 5808, Animal Welfare Act amendments, under an open rule and with 1 hour of debate, will be considered on Monday.

On Tuesday, we will take up H.R. 11665, third budget rescission, fiscal year 1976; followed by H.R. 11453, emergency employment projects amendments, under an open rule with 1 hour of debate.

On Wednesday, we will consider H.R. 10799, Economic Opportunity Act amendments, subject to a rule being granted.

Of course, conference reports may be brought up at any time. Any further program will be announced later.

The House will adjourn from the close of business Wednesday, February 11, to Monday, February 16, for the reading of Washington's Farewell Address. We would hopefully finish the program early enough on Wednesday so that Members might get their planes, and of course the Members should notice that the business for the Monday following, February 16, is the reading of the Washington Farewell Address.

Mr. BURGENER. Mr. Speaker, I thank the distinguished acting majority leader.

ADJOURNMENT TO MONDAY, FEBRUARY 9, 1976

Mr. McFALL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

SKILLFUL JOB DONE BY CONGRESSMAN KRUEGER

(Mr. OTTINGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OTTINGER. Mr. Speaker, I would like to take this time to give recognition to the really remarkable, skillful, able, and witty job that one of our freshman Members in Congress has done on H.R. 9464, the Natural Gas Emergency Act. While I disagree with him on the substance of the legislation, I think the gentleman from Texas (Mr. KRUEGER) handled himself as a real pro, and I personally would like to offer my congratulations.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Speaker, the gentleman from Texas was a very worthy adversary. He gave us a very hard and clean fight. He is a deserving and worthy Member of this body, and I salute him.

Mr. WIRTH. Mr. Speaker, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Colorado (Mr. WIRTH).

Mr. WIRTH. Mr. Speaker, I wish to associate myself with what I thought were the very accurate comments of the gentleman from New York (Mr. OTTINGER). Although there are Members of the House who disagreed with him on the debate on the Natural Gas Emergency Act, he has done an extraordinary job, a human job, and I think there are probably many older Members in this body who would like to have the kind of impact that the gentleman from Texas (Mr. KRUEGER) has had in the last 14 months that he has been a Member of this body.

Mr. ECKHARDT. Mr. Speaker, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Texas (Mr. ECKHARDT).

Mr. ECKHARDT. Mr. Speaker, I would join the gentleman in his remarks and add that my admiration is mixed with a bit of envy that a Member as a freshman would carry such a heavy vote against such opposition as he had.

Mr. SCHEUER. Mr. Speaker, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from New York (Mr. SCHEUER).

Mr. SCHEUER. Mr. Speaker, I wish to add my voice to those who have expressed admiration to the professionalism with which the gentleman from Texas (Mr. KRUEGER) handled this assignment. He brought his facts, he brought his figures and his decisive analysis. There are great things in the future for our colleague, the gentleman from Texas (Mr. KRUEGER).

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from West Virginia (Mr. HECHLER).

Mr. HECHLER of West Virginia. Mr. Speaker, I would like to add my comments to the comments already made concerning the outstanding work that the gentleman from Texas (Mr. KRUEGER) has done on this bill.

I might point out that, from his rich academic background, one could tell that he was going to perform in an outstanding fashion which indeed he did on this legislation. Now it can be revealed, as the smoke of battle clears, that Mr. KRUEGER is one of our small and intrepid band of Ph. D.'s in the Congress. He was dean of the College of Arts and Sciences at Duke University. With that kind of background, I do not for the life of me know how he could come down on the wrong side of this issue, but he put up a whale of a fight in the process.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Speaker, as one who supported the gentleman from Texas (Mr. KRUEGER) on the votes, I also wish to congratulate him on his noble effort.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Speaker, I am usually not in agreement with professors, but I would also like to join in the accolades for the gentleman from Texas (Mr. KRUEGER).

But I would like to ask the rest of you guys, where were you when he needed you?

Mr. OTTINGER. We are giving our compliments to a very worthy adversary. There were many points on which I was not sure we were going to prevail. On one key vote the margin was only two votes, on another it was six. This accomplishment by a new Member of Congress, deserves the accolades he has received from his opponents as well as from those who supported his amendment.

Mr. KRUEGER. Mr. Speaker, will the gentleman yield?

Mr. OTTINGER. I am glad to yield to the gentleman from Texas.

Mr. KRUEGER. Mr. Speaker, I wish to thank all the Members for this great generosity.

The poet once said:

> Sweet are the uses of adversity;
> Which, like the toad, ugly and venemous,
> Wears yet a precious jewel in his head; * * *

So, Mr. Speaker, I shall enjoy the sweet uses of adversity, and I thank the Members for their kind comments.

SECOND REPORT ON PROGRESS OF CYPRUS NEGOTIATIONS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-361)

The SPEAKER laid before the House the following message from the President of the United States; which was read and referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

Pursuant to Public Law 94-104, I am submitting the second report on the progress of Cyprus negotiations and the efforts this Administration is making to help find a lasting settlement. In my first report, on December 8, 1975, I outlined the Administration's policy toward the complex Cyprus problem, and indicated in detail the major effort we have made to encourage a resumption of the Cyprus negotiations between the Greek and Turkish Cypriot communities.

In that report, I also stated that Secretary Kissinger planned to place special emphasis on Cyprus during his meetings with the Greek and Turkish Foreign Ministers at the NATO Ministerial meetings in Brussels in December. He did this, and in the course of these meetings, he found a desire on the part of both sides to move forward. Indeed, the constructive spirit which characterized those discussions was translated on December 12 into an agreement by the Foreign Ministers of Greece and Turkey to seek the prompt resumption of the intercommunal talks. Acting on instructions from their governments, the Greek and Turkish permanent representatives to the U.N. thereupon called on Secretary General Waldheim to begin a discussion aimed at resolving questions relative to the timing, venue, and content of intercommunal talks. Subsequently, discussions between United Nations officials and the two Cypriot communities were initiated, and have been sustained over the past month. The task of resolving the existing differences was not an easy one, but the efforts of the Secretary General have resulted in the parties indicating their agreement to a resumption of the intercommunal talks in Vienna on February 17.

Throughout December and January the United States has urged upon all the parties the earliest possible resumption of Cyprus negotiations. We have been joined in this effort by our European allies. Major assistance was also provided by Chairman Morgan and members of the House Committee on International Relations who visited Athens and Ankara in mid-January. On January 23 in Brussels Secretary Kissinger again saw the Turkish Foreign Minister who confirmed Turkey's support for the resumption of the intercommunal talks.

The decision to resume the intercommunal negotiations is encouraging, and there have been other positive developments during the past sixty days. The Turkish government announced on January 31 that during the first week in February an additional 2,000 Turkish troops will be withdrawn from Cyprus, thus bringing Turkish troop presence down approximately 12,000 since mid-1974 to a figure below 30,000. Meanwhile, Greece and Turkey have begun a process of reconciliation. Meetings have been organized at various levels in December and January to discuss outstanding Greco-Turkish bilateral differences, including the problems of air space and of resource development in the Aegean. An improved climate between Greece and Turkey will surely have a beneficial effect on the Cyprus question.

Developments in December and January have convinced us that the process of bringing a lasting and just solution to the island of Cyprus is moving in the right direction, though the pace has been slower than any of us desire. The knowledge that thousands of refugees are enduring a second winter in temporary shelters is reason enough to move faster—and try harder. This we intend to do.

I believe it important that the talks which begin later this month provide the basis for the development of a negotiating atmosphere conducive to prompt consideration of all the key issues. I intend to stress this point in the weeks ahead. In this regard I am looking forward to meeting with Foreign Minister Caglayangil of Turkey on February 11. His visit to Washington will provide us with a timely opportunity to review bilateral issues as well as the Cyprus question.

I know that during the recent Congressional recess, members of both Houses visited the Eastern Mediterranean, and came away with a greater appreciation of the complexities of the Cyprus situation and the attitudes and concerns of all the parties. At the same time, these legislators were able to convey our shared conviction that no more time should be lost in the search for a solution.

The action of the Congress on October 2, easing restrictions on military shipments to Turkey, has proved valuable in restoring momentum toward a negotiated Cyprus settlement. If we are to continue to play a key role with the parties, the support and understanding of the Congress is essential. Continued cooperation between the Executive Branch and the Congress on this critical issue will serve the common quest to ensure that the people of Cyprus can build a prosperous future in a secure and stable environment.

GERALD R. FORD.

THE WHITE HOUSE, *February 5, 1976.*

OZONE LAYER

(Mr. DEVINE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DEVINE. Mr. Speaker, in view of the controversial and I think highly proper decision of Secretary Coleman to permit a temporary demonstration period for the Concorde, it seems most appropriate to address the scare stories and bugaboos about destruction of the ozone layer.

I recall the cranberry scare of about 10 years ago and the alarmists who panicked about cyclamates running around in a bottle of soft drinks. I made an inquiry seeking the basis or what fact there might be to support stories of the destruction of the ozone layer—to identify "who said so."

I received a rather scholarly analysis from a responsible source which was primarily related to the panic-stricken set that deplored aerosol propellants. The paper follows:

OZONE LAYER

Last year, a pair of research chemists at the University of California got a lot of publicity following their claim that aerosol propellants damage the ozone layer in the stratosphere. They claimed that the fluorocarbons used as propellants in many aerosols were breaking down the ozone layer which controls the amount of ultraviolet light reaching the earth from the sun. The resultant publicity, heavily larded with media buzz words like "cancer", "climatic changes", "genetic mutations", "doomsday", "destroying the earth's protective shield", and others have been the principal cause of a 25% decline in aerosol production for the first 6 months of this year (1975) as compared to last year.

The "Ozone Flap" would be laughable if it weren't for the seriousness of its impact on a 4 billion dollar industry employing 39 thousand people with an annual payroll of $360 million, paying taxes of about $170 million per year.

In Ohio, alone, there are seven aerosol fillers employing 770 people (about 8% of the industry total) with a value of output at around $200 million per year.

The question is not simply one of aerosols or even of fluorocarbon propellants. First of all, only about half of the aerosols packaged use fluorocarbons. In addition, nearly ⅓ of the fluorocarbons manufactured each year are used in air-conditioning and refrigeration. Finally, there are hundreds of other natural and man-made sources of chlorine, which is the suspect element of fluorocarbons, as well as other elements known to influence ozone destruction. Others include nitrous oxides produced by lightning, chlorine emissions from volcanos, nitrogen compounds from fertilizers, and bromine compounds. Furthermore, only 1½% of the world's chlorine production goes into fluorocarbons, and less than 25% of the estimated chlorine emissions from all types of halogenated hydrocarbons come from fluorocarbons.

The alarmists and proponents of an immediate aerosol, or at least a fluorocarbon aerosol ban, seem to have no problem in getting into the media and you will continue to be bombarded from that point of view. I will limit my comments to a few facts uncontested by leading astrogeophysicists that I hope will set your minds at ease vis-a-vis the hazards of continued use of fluorocarbons in aerosols or otherwise:

1. The thickness, or density, and hence the protective value of the ozone layer against skin cancer, varies from year to year by up to 10%, geographically during any one year by about 30%, and seasonally by as much as 50%.

2. Most scientists feel that three years will be enough time to validate or invalidate the theory, and it is only a theory, that fluorocarbon-supplied chlorine will deplete the ozone layer. During that time span, the maximum depletion that could be attributed to fluorocarbon propellant usage would be only 6/10 of 1%. Compare that to the fact that a 5% reduction in the ozone density is less likely to increase the incidence of cancer than moving from New York City to Miami.

3. Between 1956 and 1970, the ozone layer over the United States increased by between 5 and 10% on the average. These happen to be the years which saw the greatest tonnages of fluorocarbon propellant use of all time.

4. Volcanos are estimated to produce 4 to 8 billion pounds of chlorine compounds even during a quiet year. This is 8 to 16 times the fluorocarbon propellant use of 1974.

5. Finally, we must remember that the ozone layer has existed for millions of years despite the attacks from natural causes which are 64 times as damaging as the theoretical effect of fluorocarbon propellants. In short, Mother Nature, in her own miraculous way, has made the ozone layer self-regenerating

In conclusion, a few observations:

1. Some of the scientists have admitted that their computer-derived predictions were in error and that the impact of the fluorocarbon-ozone theory, if proven, would be less than ⅓ as great as predicted.

2. Aerosols are not the only products involved and not all aerosols are involved.

3. The aerosol industry, including propellant producers, packers and marketers is a responsible one with a commitment to cease using any fluorocarbon propellants if their continued use will increase the incidence of cancer.

4. The risk of awaiting completed research is minimal.

Therefore, I suggest that the Congress, regulators, the media, or anyone else, should wait until the world's scientists have finished their studies and reached their conclusion without, in the meantime, beating this otherwise healthy industry to its knees.

THE NATURAL GAS EMERGENCY ACT OF 1976

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHLEY) is recognized for 5 minutes.

Mr. ASHLEY. Mr. Speaker, the action taken by the House late this afternoon seems to me to be the best compromise possible in our continuing efforts to shape a national energy policy that will be responsive both to the requirements and realities that confront the Nation.

Adoption of the so-called Smith amendment, in the final analysis, is a middle position between those who believe that immediate price deregulation—except for existing contracts—of natural gas is essential to assure further discovery of new reserves, and those who insist that across-the-board regulation is necessary to protect the public from onerous and unjustified prices set in an uncompetitive marketplace.

Frankly, Mr. Speaker, I supported the Smith amendment with reluctance. Representing an industrial area, I am mindful of the need for some degree of assurance of continuity of supply for manufacturing plants and other facilities which rely on natural gas for the jobs they provide.

But I am also mindful that the production of natural gas takes place in an industry dominated by the two dozen major oil companies which market 70 percent of the country's natural gas. In fact, today eight of these giants control three-quarters of all new offshore gas.

I am also mindful of the gradual shift which became a stampede in 1973 as producers began exacting exorbitant cartel prices within unregulated States. I am mindful too that congressional investigations have developed substantial evidence of deliberate under-production, extensive under-reporting of reserves, and massive diversion of natural gas to the unregulated intrastate market, to the disadvantage of customers of curtailed interstate pipelines.

So I find it difficult, indeed impossible, to accept at face value the protestations of the gas industry barons when they assert that they must have unregulated "the-sky's-the-limit" prices in order to continue their historically profitable operations. "The marketplace will protect consumers," they advise us. But it was only a few years ago that they promised these same consumers continuity of supply at then-regulated price levels.

Nor can it be said that the Federal Power Commission has been unresponsive to the needs of the industry. Quite the contrary, the FPC allows a 15–18 per cent return on equity and has routinely granted a series of 30-percent increases in each of the last 5 years based solely on industry representations of insufficient returns and dwindling reserves.

I supported the Smith amendment because it maintains price regulation where it is most needed—on the major producers, both interstate and intrastate, who market most of the country's natural gas. The amendment exempts from regulation between 5,000 and 7,000 independent producers who drill 75 percent of all new gas wells in this country—the smaller operators who produce less than 100 million MCF per year.

This is by no means a perfect or final solution. We all recognize this. But it does protect vulnerable users of natural gas from the certain price gouging that an uncompetitive, unregulated marketplace inevitably produces. By its action today, the House affirmed the necessity for continued Government regulation to keep natural gas prices from reaching the exorbitant levels dictated by the OPEC cartel, and we must now take further steps to insure that the Federal Power Commission exercises its mandate to get shut-in wells and under-producing fields into full operation. If there is indeed a shortage of natural gas, it should be spread around more equitably, and the vote today is a major step toward achieving that goal.

DEMOCRATS ON BANKING COMMITTEE SUPPORT EFFORT TO OBTAIN IMMEDIATE AUDITS OF BANK SUPERVISORS

The SPEAKER pro tempore (Mr. HALL). Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 20 minutes.

Mr. PATMAN. Mr. Speaker, Democrats on the Banking Currency and Housing Committee today agreed to support efforts to obtain an immediate audit of the bank supervisory functions of the Comptroller of the Currency, the Federal Reserve System, and the Federal Deposit Insurance Corporation.

I made these audit requests in letters to the Comptroller General Elmer Staats and the three banking agencies on January 24. At that time, I asked that the agencies voluntarily make available books, records, and other material necessary for the General Accounting Office to give the Banking Committee a thorough evaluation of regulatory performance over the past 5 years.

In today's caucus of committee Democrats, there was agreement to support subpenas if they became necessary for the audit. The subpenas would require a majority vote of the full committee. I hope that the banking agencies—faced with the position of the committee Democrats—will now "voluntarily cooperate with the General Accounting Office and make all of the records available."

The leadership of Chairman REUSS of the full committee and Chairman ST GERMAIN of the Subcommittee on Financial Institution Supervision, Regulation and Insurance was invaluable in gaining support on the subpena question.

Mr. Speaker, I would like to place those January 24 letters in the RECORD:

SUBCOMMITTEE ON
DOMESTIC MONETARY POLICY,
Washington, D.C., January 24, 1974.

Hon. ELMER STAATS,
Comptroller General of the United States, General Accounting Office, Washington, D.C.

DEAR ELMER: This is to request that you conduct a full-scale audit of the bank regulatory functions of the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and the Federal Reserve System over the past five years.

I have today written these three agencies requesting that you have access to all the books, records, documents and other material necessary to carry out such audits. I realize that your office has encountered certain statutory and administrative roadblocks to such audits in the past, but I am hopeful that these agencies—in the public interest—will voluntarily submit to this audit.

As a result of the revelations which have poured forth concerning the banking industry and its Federal regulators in recent weeks, I feel that this audit is vitally needed to clear the air. We need to determine fully what is and what is not being done on banking regulation at the Federal level and only in this manner can public confidence be maintained in the banking system.

I know that you will give this high priority and I thank you in advance for your cooperation.

With best regards, I am

Sincerely,

WRIGHT PATMAN,
Chairman.

SUBCOMMITTEE ON DOMESTIC
MONETARY POLICY,
Washington, D.C., January 24, 1976.

Hon. ARTHUR BURNS,
Chairman, Board of Governors, Federal Reserve System, Washington, D.C.

DEAR MR. CHAIRMAN: As you know, there have been almost daily revelations about "problem" banks over the past two weeks and as a result, there is growing concern about the supervisory responsibilities of our three Federal banking agencies. There have been many comments—most of them emanating from the banking agencies—that these disclosures will erode confidence in the financial system.

While there is obviously room for debate on that point, it is apparent that many questions have been raised about bank regulation at the Federal level as a result of the disclosures in the news media. The ongoing secrecy and the dribbling out of piece-meal information has added to the public confusion and concern about the manner in which the bank supervisory functions are carried out in your agency as well as in the Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation.

The only way that this confusion can be cleared up and the public's confidence fully restored is for a full-scale review of the supervisory responsibilities of these three offices to be instituted. I think such a review would be in the interest of the Federal Reserve as well as the American public.

Therefore, Dr. Burns, I am requesting that you voluntarily allow the auditors of the General Accounting Office to review and evaluate the supervisory responsibilities relating to banks and bank holding companies under the jurisdiction of the Federal Reserve. It will be necessary to make available to the General Accounting Office all of the records, books and documents and other material relating to bank examination and supervisory functions of the Federal Reserve.

In making this request, I am fully aware that the General Accounting Office at the present lacks statutory authority to audit any part of the Federal Reserve but I am asking that you voluntarily submit to such a review because of the possibility of a crisis of confidence developing if the secrecy remains. Much has already been revealed in the press and it is now important that all of it be placed in context and that the public and the Congress be fully assured by an independent audit that regulatory functions are being carried out in an efficient manner and in keeping with the various statutory requirements.

Once again, Dr. Burns, I realize your aversion to auditors, but I hope that you will modify your opposition sufficiently to help alleviate what is rapidly becoming a national problem.

We definitely need to clear the air with an independent evalution. I ask your cooperation.

Sincerely,

WRIGHT PATMAN,
Chairman.

SUBCOMMITTEE ON DOMESTIC
MONETARY POLICY,
Washington, D.C., January 24, 1976.

Hon. JAMES SMITH,
Comptroller of the Currency,
U.S. Department of Treasury,
Washington, D.C.

DEAR MR. SMITH: As you know, there have been almost daily revelations about "problem" banks over the past two weeks and as a result, there is growing concern about the supervisory responsibilities of our three Federal banking agencies. There have been many comments—most of them emanating from the banking agencies—that these disclosures will erode confidence in the financial system.

While there is obviously room for debate on that point, it is apparent that many questions have been raised about bank regulations at the Federal level as a result of the disclosures in the news media. The ongoing secrecy and the dribbling out of piecemeal information has added to the public confusion and concern about the manner in which the bank supervisory functions are carried out in your agency as well as in the Federal Reserve System and the Federal Deposit Insurance Corporation.

The only way that this confusion can be cleared up and the public's confidence fully restored is for a full-scale review of the supervisory responsibilities of these three offices to be instituted. I think such a review would be in the interest of the Comptroller of the Currency's office as well as the American public.

Therefore, I am requesting that you voluntarily allow the auditors of the General Accounting Office to review and evaluate the supervisory responsibilities relating to banks under the jurisdiction of the Comptroller of the Currency's office. It will be necessary to make available to the General Accounting Office all of the records, books and documents and other material relating to bank examination and supervisory functions of your agency.

In making this request, I am aware that the General Accounting Office does not audit the Comptroller of the Currency's office, but I am asking that you voluntarily submit to such a review because of the possibility of a crisis of confidence developing if the secrecy remains. Much has already been revealed in the press and it is now important that all of it be placed in context and that the public and the Congress be fully assured by an independent audit that the regulatory functions are being carried out in an efficient manner and in keeping with the various statutory requirements.

Once again, I hope you will lend your assistance and help us alleviate what is rapidly becoming a national problem. We definitely need to clear the air with an independent evaluation.

Sincerely,

WRIGHT PATMAN,
Chairman.

SUBCOMMITTEE ON DOMESTIC
MONETARY POLICY,
Washington, D.C., January 24, 1976.

Hon. FRANK WILLE,
Chairman, Federal Deposit Insurance Corporation, Washington, D.C.

DEAR MR. CHAIRMAN: As you know, the disclosure about "problem" banks is creating a great deal of public discussions and there have been concerns expressed that the public's confidence in the financial system may be eroding. In any event, it is obvious that the disclosures have raised many questions about bank regulation and the responsibilities of the three Federal bank supervisory agencies. In my opinion, it is important that these questions be cleared up and that the public know fully what is and what is not being done on bank supervision.

This, in my opinion, can only be accomplished through a full-scale review of the bank supervisory agencies and their bank examination and related functions. Therefore, I am requesting that the General Accounting Office make such a review and submit appropriate reports to the Congress. This will provide an independent review and evaluation and should do much to answer the questions which have been raised.

In making this request, I realize that there has been a long-standing dispute between the F.D.I.C. and the G.A.O. concerning what portion of the bank supervisory functions are to be audited from year to year. This dispute over bank examination records precedes your service, but I am requesting that in this instance you forego the F.D.I.C.'s long-held reluctance and cooperate fully with a G.A.O. audit. I think this is very important in the public interest so that the air may be cleared and so that all the facts may be laid on the table. Among all the bank regulators, you have been the most forthright on disclosure and, in my opinion, you have been most cooperative with the Congress and therefore I am hopeful that you will voluntarily agree to this G.A.O. review.

Obviously, to make such a G.A.O. audit successful, it would be necessary that all records, books, documents and other material relating to your supervisory and bank examination functions be made avialable. The same request is going forward to the Federal Reserve and the Comptroller of the Currency.

With very best regards, I am

Sincerely yours,

WRIGHT PATMAN,
Chairman.

PROBLEMS INHERENT IN STUDY OF HMO REIMBURSEMENT MECHANISMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 30 minutes.

Mr. DUNCAN of Tennessee. Mr. Speaker, on December 18 we met to discuss certain amendments to title XVIII of the Social Security Act. One of those amendments, section 107, dealt with grants for certain experiments and demonstration projects. Specifically, it deals with funds to be given to the Sacramento Health Foundation which would be participating in a demonstration project to obtain data on HMO reimbursement mechanisms.

It was my understanding that approximately $700,000 would be involved. However, certain facts have come to my attention and to the attention of some of my colleagues that gives rise to serious concerns as to the programatic problems inherent in the study and to the fiscal ramifications and disbursement of the funds themselves.

We may be, in reality, doing nothing more than subsidizing with Federal funds, the Sacramento Health Foundation. I must add, at this point, that I had serious and grave reservations about this section in the rush of the "Christmas tree" legislation previously coined in the debate on December 18 by my esteemed and honorable colleague, Mr. CARTER. Indeed, I recall that the chairman of the Committee on Interstate and Foreign Commerce, the honorable Mr. ROGERS, also was reluctant about the consideration of this section of the amendments on such short notice. He too was under the impression that the amount of funds involved was only $700,000.

In reality, my fellow Members, the sum involved is $1,600,000. Additionally, it has come to my attention that this Sacramento foundation has already received approximately $4.6 million in payments in excess of what the law allows.

I, and several of my colleagues with whom I have discussed these new facts, have just seen for the first time a report to the Senate Committee on Finance by the Comptroller General entitled, "Deficiencies in Determining Payments to Prepaid Health Plans under California's medicare program," under date of August 29, 1975, which clearly brings out the facts concerning these overpayments. Further, the report indicates that those overpayments be returned and that no additional Federal sharing be allowed under HEW regulations and to recoup or withhold the excess. Yet, fellow Members, here we are adding another $1.6 million for a total of $6.2 million of what is obviously subsidization. Are we now about to embark on a program of subsidizing health foundations?

Now I realize we can say to ourselves that we should have seen that report which brought out these facts. After all, apparently our friends in the Senate must have seen it. Certainly the Senate Finance Committee or at least their staff knew of the report. But does that make it acceptable or right? Are we not permitted the opportunity for a review of any facts that are material and consequential? I believe we are, and these facts I consider serious. Let us not become bound and constricted by precedent or procedure. Let us not be rigid. Let us be flexible. Let us have the right of review, and where and when change is necessary, accomplish that change, even if it means we were wrong or hasty in our deliberations and decisionmaking.

What concerns me also in this particular situation is that here we have a foundation involved in a rate-making study of their own system which has already proven it exceeds fee for service payment. One of the obvious results will be the justification of rates higher in an HMO setting and fee for service. If that becomes a result then the next thing we know we will have to increase the fee for service rate higher than the newly resulting HMO rate. My question then, fellow Members, is where does this spiral end? Are not medical costs high enough? Are not HMO's supposed to reduce these costs? This to me is analogous to asking the Penn Central Railroad to examine their cost and come back to us with the result of how many more billions they will need. We have Penn Central, we have Lockheed, we have New York City. Do we now need Sacramento Foundation?

There are other areas in this grant that deeply concern me. However, I feel that this should become the focus of further review.

We have a deep moral and abiding responsibility to the people—not to business enterprises, no matter what their makeup. Health costs, one of the primary concerns of this grant, relates directly to the health needs of people. Health is the concern of all of us. This fact alone transcends any political consideration. I, along with some of my colleagues who now are aware of the true facts, have requested that the honorable Secretary of Health, Education, and Welfare delay for an appropriate time the release of these funds so that we may have the opportunity of reviewing all the facts, whatever they may be, so that a proper and definitive conclusion may be arrived at. I ask all of you, my fellow Members, to join with me in this request.

SELECTION OF MILITARY HOME OF RETIREMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. FORSYTHE) is recognized for 5 minutes.

Mr. FORSYTHE. Mr. Speaker, late in the first session of the 94th Congress, I reintroduced legislation that would extend from 1 to 3 years the period that members of the uniformed services have following their retirement to select their homes for purposes of travel and transportation allowances to which they are entitled.

At present, a military member retiring from the Armed Forces must choose a home within 1 year of his or her retirement date, otherwise the member loses the entitlement to Government travel and transportation allowances.

On the face of the matter it certainly appears one could select a home of choice within the timeframe provided; however, we must recognize the fact that many members of the uniformed services spend 20 or more years completely removed from the civilian sector. When the time arrives for them to retire, either voluntarily or involuntarily, they must seek and find employment in the civilian job market, relocate families, rent or purchase a new home, enroll the children in new schools, and generally, work to adapt themselves to a foreign environment.

For those choosing to remain near a military installation, few problems will bar a smooth transition, but for those electing to move to an unfamiliar location, many difficulties will be encountered and many decisions will have to be resolved before the actual move is undertaken. For example:

Should the family be moved immediately? Suppose the job is not what it seems to be on the surface?

What of the children in school? Will a move at this time affect their grades, or perhaps their feeling of security? Will the job interfere with their education and choice of schools? Should temporary employment be considered?

Suppose one of the family is undergoing medical treatment locally and cannot be moved for 1 or more years?

Suppose the job requires an extensive training period?

What about going to school for a year or so before seeking employment?

Where can military skills be utilized in the civilian market to the best advantage of the family?

During the 92d Congress, a similar bill, H.R. 16349, was introduced. In commenting on the measure, the military services reported:

> Today many members are being retired at a time when their financial obligations are greatest and they must supplement their incomes. These members face serious problems in seeking a second career in the civilian sector. They are immediately confronted with the task of transferring their skills to a civilian environment and entering a civilian job market against competitors who have been perfecting their job skills while the member has been serving in defense of his country.
>
> Military members have had little opportunity to follow the civilian job market. When they reach that point in life where they must make a career change, many accept jobs on the basis of financial expediency rather than suitability. In addition, many find that their military talents are not readily translated into civilian job skills and they face an uphill struggle to reach the financial status required to support their families. The result frequently is a condition of frustration and dissatisfaction. Consequently, we find that many must and do change jobs and locations to meet the increased financial demands and to more appropriately match their capabilities with civilian job needs.

In certain cases, the secretary of the service concerned can extend the 1-year entitlement, but this is not universally known to the average member. I believe my colleagues can understand the problems that can and might beset the military member when the decision is made to retire. It is only fair that we provide a more reasonable period of time for them to readjust to a new environment, and to determine the move that will be in their best interest.

The legislation I have proposed has been cosponsored once again by my good friend and colleague, the Honorable THOMAS N. DOWNING of Virginia. According to an earlier estimate, Defense officials state that the enactment of the measure would not cause an increase in budgetary requirements.

I hope my colleagues will join me in pursuing an early enactment of this bill.

CHILD AND FAMILY SERVICES ACT

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Alabama (Mr. EDWARDS) is recognized for 5 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, my office has been among the many on Capitol Hill to receive hundreds of letters and petitions from persons opposing the proposed Child and Family Services Act.

First, let me make it emphatically clear that I am opposed to this bill. It is bad legislation and I urge each of you to do all you can to kill this bill in committee. I am encouraged by the report that the

Education and Labor Committee has decided to postpone hearings on this subject. I hope that our colleagues over on the Senate side will make the same decision.

There has been a lot of misinformation being circulated in south Alabama and throughout the country about this legislation. A so-called fact sheet being mailed to religious and civic leaders claims, among other things, that the bill would remove the family's right of authority over the child, would make children totally independent, and would place children under the care of the State. The mimeographed sheet goes on to quote the Congressional Record as saying a Charter of Children's Rights of the National Council of Civil Liberties would be a part of the Child Development Act.

While it is true that a certain part of the quote did appear in the Congressional Record, those who wrote the mimeographed sheet failed to mention that this quote, and several others attributed to the Congressional Record, are not part of H.R. 2966 or the Senate equivalent, S. 626. Actually, the quotes were taken from speeches that were not even referring to anything ongoing in the United States.

The speakers were referring to the rights of a child as outlined in the Charter of Children's Rights of the British Advisory Center of Education and the National Council for Civil Liberties.

There are enough legitimate reasons for me to oppose this bill. President Nixon vetoed a similar bill back in 1971 on grounds that "the intent of the act was overshadowed by the fiscal irresponsibility, administrative unworkability and family-weakening implications." The same holds true of the present act.

The proposed act would duplicate existing Federal, State, and local legislation and programs. Presently, Federal child care assistance is available from some 50 or more Federal sources.

The act not only duplicates these existing authorities and programs, but it does so without attempting to pull them together legislatively.

Simply put, this bill calls for a number of services for the child and the family that are already in existence and nowhere does it address itself to where funds will be found to pay for the new program. In fact, it prohibits reduction in State and local spending for child care.

This legislation has no place in a society such as ours and I will continue to do all possible to see that it does not become law.

COME BACK TO THE HOUSE, "MO"

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. Burke) is recognized for 10 minutes.

Mr. BURKE of Florida. Mr. Speaker, political namecalling and strange doubletalk is not unusual in political campaigns. Nevertheless, I was shocked and surprised to find that one of our colleagues—and now a "so-called" Democratic hopeful for the nomination for President by the Democratic Party, namely Morris Udall would make the statements he made in a prepared speech today in Boston.

I am a supporter of President Ford and very fond of Congressman Udall, but I feel he should come home to the House since it is obvious that in desperation he is reaching the bottom of the ultraliberal pot in charging that both Ronald Reagan and George Wallace are "clever and dangerous" and that "they are not conservatives but are ruled by ambition and ambition drives them to pander to cheap prejudices, fears, and resentments."

It seems to me that both the majority of the whites and blacks in our country recognize as Udall has stated that the busing of children has proved not the best way to achieve quality education. Yet Morris Udall has continually supported the busing of schoolchildren except in Boston where he knows that those he now seeks votes from, are opposed to his votes in favor of busing of schoolchildren.

The truth of the matter is that our friend "Mo" used to be witty, but now his statements although funny are not witty.

Speaking of ambition—is not Morris Udall the same one that sought the post of majority leader a while back and was soundly chastised by the House Members of his own party. Ambition Morris Udall has too, as can be seen by his desperation now.

Another funny thing about Morris Udall and his charges respecting the far right—and by the way he comes from Arizona, a State considered conservative—is that he is categorized as being from the far left. Fortunately he has not been able to sell the socialistic baloney to those to whom he now seeks votes.

I am afraid my colleague was impressed by a recent add by another that advocates socialism through the back door instead of the front door, where the American people can really see what the great do-gooders, by their ideas called reform, will lead us all.

Reform is great if it is truly reform for the good of all Americans. "Mo" come home and help us reform the Congress where the people will be served and not just the far left. My colleague Morris Udall knows what would happen if some of the liberal socialistic Great Society programs were truly investigated as to their cost as compared to the waste and increase of bureaucratic "redtape." Also Mo, we know how the American people would vote, as you are finding during your travels around the country, come back to the House "Mo."

COUNCIL SAYS COMPETITION IN FIRST CLASS MAIL SERVICE WOULD BENEFIT THE ECONOMY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas (Mr. Alexander) is recognized for 30 minutes.

Mr. ALEXANDER. Mr. Speaker, the President's Council on Wage and Price Stability recently issued its recommendations on the sagging financial state of the Postal Service. The Council, in its report, advocates the abolition of the postal monopoly and the injection of competition into the delivery of first class mail.

I would like to share with my colleagues the news release which summarizes the Council's findings and further urge that my colleagues read the full 66-page report of the Council.

Although I am not prepared, at this point, to totally accept the Council's recommendations, I believe it represents another viewpoint depicting the failure of the Postal Reorganization Act.

The news release summarizing the Council's findings follows:

COUNCIL SAYS COMPETITION IN FIRST-CLASS MAIL SERVICE WOULD BENEFIT THE ECONOMY

The Council on Wage and Price Stability today stated "that permitting competition to the Postal Service's first-class [mail] service probably would result in significant benefits to the economy and to the mail user." The Council also urged the U.S. Postal Rate Commission to consider recommending that Congress abolish the Private Express Statutes which prohibit competition in the carriage of all first-class letter mail.

The recommendations were made in a 66-page filing with the Postal Rate Commission, and came in response to the Commission's formal Notice of Inquiry dated October 22 inviting comments on the scope and impact of the Private Express Statutes which authorize the monopoly. The Postal Rate Commission is an independent expert body which Congress authorized primarily to approve or disapprove requests by the Postal Service for rate increases.

The Council's exhaustive filing reflected its concern with three things:

The highly inflationary pace of postal rate increases;

The need for greater managerial efficiency and innovation in the postal service;

The need for greater productivity increases in the postal service.

It was the Council's belief that the introduction of "the prod of competition" would "retard or reverse the upward rush of postal rates" and at the same time lead to more prompt and efficient mail delivery.

At present, the Private Express Statutes provided that:

It is illegal to carry a letter for a profit, and for each letter so carried, the penalties are $50 or 30 days imprisonment;

It is illegal to "knowingly convey" anyone carrying letters for profit, and for each offense the penalty is $150.

It is illegal to give anyone letters to be carried for a profit, and for each offense the penalty is $50;

It is illegal to use a letter box or mail slot for privately carried mail for profit, and for each offense the penalty is $300.

The Council urged the Commission to convene immediately a blue-ribbon expert panel and appraise the potential impact of abolishing the monpoly. The Council said that the Commission should consider five types of impact, namely:

What would be the impact on the consumer, including the cost and quality of service for the metropolitan resident vs. the rural resident, the inner-city apartment dweller vs. the suburban homeowner;

What would be the impact on the Postal Service worker and on workers who would seek jobs with the newly emerging competitors to the Postal Service;

What would be the impact on businesses

which do high-volume, intrametropolitan mailing (e.g. utilities and banks) and would they be able to reduce the costs of their services if their mailing costs were cheapened substantially;

What would be the impact on the managerial efficiency and labor productivity of the Postal Service;

What would be the impact on Postal Service deficits and the level of Federal subsidy and would new direct subsidies be needed to cheapen the cost of first class mail to rural areas.

The Council's filing with the Postal Service Commission included extensive analysis covering:

The Postal Service laws and how a "central purpose" of the Postal Reorganization Act of 1970 was "to achieve self-sufficiency, that is, to balance total revenues and total costs";

The rate of inflation in the cost of postal services;

The ways that competition would increase managerial efficiency;

The different types of competing services that would develop if the first class monopoly were abolished;

How the first class monopoly and the uniform rate structure constitute hidden but costly subsidies;

How breaking the monopoly would increase productivity.

In analyzing these issues, the Council stressed the following points:

Since 1971 first-class postal rates have risen 63 percent; for the same period, the CPI service index has increased 35 percent, or about half as rapidly;

The Postal Service is highly labor intensive, with postal labor costs now accounting for 86 percent of the postal budget;

Were the cost of the Postal Service to be divided up evenly and paid directly, a family of four would have paid nearly $190 in fiscal year 1975, an increase of 73 percent over fiscal 1968;

Private firms competing with the Postal Service probably would require modest capital investment, and initially would capture roughly five percent of the Postal Service's first-class mail business;

United Parcel Service appears to be more efficient than the Postal Service in providing services and managing its work force;

Wage rates for Postal Service workers have gone up 60 percent in the period 1970–75; during the same period wage rates for Federal civilian workers have gone up 38 percent;

Excluding cost of living clauses, negotiated wage increases for Postal Service workers from 1971 to 1975 generally have not been as large as wage increases negotiated for private employees in major collective bargaining units of 1,000 or more employees;

Average hourly pay for postal workers has risen 50.9 percent from 1970 to 1975; average hourly earnings for the private nonfarm economy rose 40.2 percent in the same period;

The agreement between the Postal Service and the unions limits management's ability to utilize the labor force in the most efficient manner, e.g. provisions limiting the use of parttime employees and the no-layoff clause.

CONGRESSIONAL BUDGET TOTALS FOR FISCAL YEAR 1976

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. ADAMS) is recognized for 15 minutes.

Mr. ADAMS. Mr. Speaker, yesterday, I attempted to give the House a general explanation of the binding totals the Congress adopted last session in House Concurrent Resolution 466, the second concurrent resolution on the budget. Today I will discuss in greater detail the current level estimate the Budget Committee is providing to the Speaker on a regular basis.

WHAT IS COVERED BY THE CURRENT LEVEL ESTIMATE?

The estimate for the current level includes four categories of congressional action. First, it covers all enacted budget authority and resulting outlays, whether that authority is a matter of permanent law—such as social security trust funds—or whether it came about from current action on fiscal year 1976 appropriations bills. Second, it covers enacted entitlement legislation that requires further appropriation legislation for fiscal 1976. We need, for instance, additional liquidating funding for mandatory entitlement programs such as school lunch and child nutrition, veterans' disability benefits, veterans' readjustment benefits, AFDC, medicaid, social services, last year's pay increase, and other programs. Third. It covers amounts provided under the continuing resolution for foreign assistance programs, the District of Columbia, and other programs. Fourth. And it covers amounts in conference reports ratified by both Houses but not yet signed into law, such as the defense appropriations bill for fiscal year 1976.

Bills carrying appropriations to liquidate mandatory requirements of entitlement legislation already covered in the current level estimate and bills providing appropriations for programs and activities carried under the continuing resolution will require special scorekeeping treatment. Amounts for these items—discussed under second and third categories above—are already included in the current level estimate, since they do represent spending commitments resulting from completed congressional action. Accordingly, for purposes of scorekeeping against the amount remaining under the ceiling, they should be deducted from bills carrying the liquidating appropriation. At this point, I will insert the most recent ceiling report to the Speaker and a table listing the various programs now included in the current level estimate, including those under the continuing resolution and under entitlement authority requiring further appropriations:

FEBRUARY 5, 1976.

Hon. CARL ALBERT,
Speaker,
U.S. House of Representatives.

DEAR MR. SPEAKER: In my letter of January 30, 1976, I outlined the procedures which the Committee on the Budget has adopted in connection with its responsibilities under Sec. 311 of the Congressional Budget Act of 1974 to provide estimates of the current level of revenues and spending. I am herewith transmitting a revised status report reflecting completed action as of February 4, 1976.

With warm regards,

BROCK ADAMS,
Chairman.

REPORT TO THE SPEAKER OF THE U.S. HOUSE OF REPRESENTATIVES FROM THE COMMITTEE ON THE BUDGET ON THE STATUS OF THE FISCAL YEAR 1976 CONGRESSIONAL BUDGET ADOPTED IN HOUSE CONCURRENT RESOLUTION 466, REFLECTING COMPLETED ACTION AS OF FEBRUARY 4, 1976

[In millions of dollars]

	Budget Authority	*Outlays*	*Revenues*
Appropriate level	$408,000	$374,900	$300,800
Current level	396,705	370,957	301,100
Amount remaining	11,295	3,943	300

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and which exceeds $11,295 million for fiscal year 1976, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in H. Con. Res. 466 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate and which would result in outlays exceeding $3,943 million for fiscal year 1976, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in H. Con. Res. 466 to be exceeded.

REVENUES

Any measure that would result in a revenue loss exceeding $300 million for fiscal year 1976, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in H. Con. Res. 466.

PARLIAMENTARIAN STATUS REPORT SUPPORTING DETAIL, FISCAL 1976, AS OF CLOSE OF BUSINESS, FEB. 4, 1976

[In millions of dollars]

	Budget authority	Outlays
1. Enacted:		
(a) Permanent appropriations:		
CBO estimate (Dec. 19, 1975)	191,228	183,641
Current estimate: No change		
(b) Outlays from balances of prior year appropriations:		
CBO estimate (Dec. 19, 1975)	0	70,917
Current estimate: No change		
(c) Off-setting receipts:		
CBO estimate (Dec. 19, 1975)	52,607	−52,607
Current estimate: No change		
(d) Signed into law:		
1. Appropriation legislation:		
CBO estimate (Dec. 19, 1975)	146,347	94,152
Current estimate: No change		
2. Spending legislation which does not require further appropriation legislation:		
CBO estimate (Dec. 19, 1975)	10,006	2,175
Current estimate: No change		
Subtotal, enacted	(294,974)	(298,278)
2. Entitlement authority requiring further appropriation action:		
(a) New spending legislation (which has been enacted into law) that requires further appropriation legislation:		
Function 050:		
1. Military retired pay (Public Law 94-106)	9	9

PARLIAMENTARIAN STATUS REPORT SUPPORTING DETAIL, FISCAL 1976, AS OF CLOSE OF BUSINESS FEB. 4, 1976

[In millions of dollars]—Continued

	Budget authority	Outlays
2. Entitlement authoirty—Continued		
Function 600:		
2. Foodstamp (Public Law 94-182)	−3	−3
3. School lunch and child nutrition (Public Law 94-105)	713	665
Function 700:		
4. Veterans disability benefits increase (Public Law 94-71)	449	437
5. Medical care and doctors support (Public Law 94-123)	40	40
6. Veterans pension increase (Public Law 94-169)	100	100
Function 800:		
7. Civil Service-National Guard technician retirement (Public Law 94-126)	8	8
llowances:		
8. Salary increase for Federal executives (Public Law 94-82)	50	50
Subtotal	(1, 366)	(1, 306)

	Budget authority	Outlays
(b) Reestimate of existing entitlement authority which requires further appropriation legislation:		
Function 500:		
1. Social services supplemental	789	336
Function 550:		
2. Medicaid program	496	418
Function 600:		
3. AFDC supplemental	640	640
Function 700:		
4. Veterans readjustment benefits	800	745
Function 800:		
5. Civil service retirement fund	175	175
6. Claims and Judgements	225	225
Pay supplemental:		
050—National Defense	2, 013	1, 951
Allowances	575	550
Subtotal	(5, 713)	(5, 040)
Subtotal, entitlement authority	(7, 079)	(6, 346)

	Continuing resolution appropriations	Projected outlays
3. Continuing resolution appropriations:		
CBO estimate:		
Foreign assistance	3, 954	1, 361
District of Columbia	385	324
Miscellaneous items		
Disease control:		
1. General disease	20	20
2. Immunization	5	5
3. Lead paint	4	4
Subtotal, Disease control	(29)	(29)
ational Institute of Health:		
1. Cancer	18	18
2. Dental research	5	5
3. Arthritis	4	4
4. Neurological	8	6
5. Allergy	8	8
6. General medical	41	39
7. Child health	10	9
8. Aging	2	2
9. Heart and lung	21	21
10. Eye	5	5
11. Environmental health	2	2
12. Research resources	(1)	(1)
Subtotal, National Institute of Health	(124)	(119)

	Continuing resolution appropriations	Projected outlays
Alcoholism, Drug Abuse, and Mental Health Administration:		
1. Mental health	15	(1)
2. Drug Abuse—Training	(1)	(1)
3. Drug Abuse—Community programs	109	11
4. Drug Abuse—State grants	35	4
5. Alcoholism—Training	1	(1)
Subtotal, ADAMHA	(160)	(15)
Manpower:		
1. Capitation	101	0
2. Start-up	3	0
3. Financial distress	5	0
4. Special projects	33	8
5. NHS scholarships	23	23
6. Special education programs	53	11
Subtotal, manpower	(223)	(42)
Assistant Secretary for Human Development	148	75
Corporation for Public Broadcasting	62	62
Subtotal, continuing resolution appropriations	(4, 185)	(2, 027)

	Budget authority	Outlays	Revenues
4. Conference Agreement ratified by both Houses:			
(a) Pending signature:			
Department of Defense Appropriations, 1976 (H.R. 9861)	90, 467	64, 306	
Subtotal, conference agreement	(90, 467)	(64, 306)	

	Budget authority	Outlays	Revenues
Current level	396, 705	370, 957	310, 100
2d budget resolution ceilings	408, 000	374, 900	300, 800
Amount remaining	11, 295	3, 943	300

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[1] Less than $500,000.

NATURAL GAS DEREGULATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, we are in the midst of deciding the issue of whether the interstate price of natural gas should be decontrolled. This issue raises some peculiar problems for the people of my district, problems that have hardly been discussed at all, and which are only understood by a very few.

There is but little doubt that the people of San Antonio are paying more today for natural gas than the people of any other place. There may be some towns that are buying liquefied gas and paying more, but there is no city in the country that is paying the price San Antonio is for American natural gas. San Antonio is in a unique position, and deregulation of natural gas will affect the city in a way that it will affect no other city.

Today, interstate pipelines are not trying to buy gas in Texas. They are not permitted by the Federal Power Commission to bid anything remotely close to the intrastate price. Those who have gas to sell in Texas go to extreme lengths to keep their gas out of the interstate market, and to escape the price controls of the Federal Power Commission. After all, the intrastate price is three times the amount that the Federal Power Commission will allow.

The San Antonio gas and electric utility has a contract for gas supply, which calls for delivery of gas at a price of just under 24 cents per thousand cubic feet, or Mcf, as the term goes in the gas business. The pipeline contract is valid up until 1982. The problem is that the pipeline company, Lo-Vaca, has no gas. It is the only pipeline in the intrastate market in Texas that was not able to get enough gas to meet its contract requirements. As a result, Lo-Vaca is not selling gas at the contract price. It is selling gas at whatever it costs them to buy, plus 5 cents per Mcf. That cost in San Antonio today is $1.74. It has run as high as $1.85.

I have not met any responsible observer who has told me that this country will ever again have anything like ample gas supplies, no matter what the price is. That is why San Antonio and other Texas cities are converting their electric utilities for fuels other than gas.

The national shortage of gas is with us, and it is here to stay, no matter what the price becomes. That is why the Krueger amendment, and many other bills concerning natural gas, call for the elimination of gas as a utility boiler fuel. That is why utilities in Texas are being ordered to begin phasing out gas as a boiler fuel.

Given this national shortage, the fact is that putting the interstate pipelines back into the Texas market can only cause prices to increase within that market. And because San Antonio is in a peculiar position, its prices will go up sooner and faster than those of anyone else.

If the price of natural gas should be deregulated, and the price of Texas gas should go up to, say $2 or $2.25, or higher, the San Antonio users would almost immediately see their gas cost that amount. People on other systems, systems that are not so dependent on new gas, or on the kind of renegotiable contracts that San Antonio is affected by, would see their costs increase by much smaller amounts.

San Antonio would not receive a greater supply of gas than is now available to it, under deregulation, for there would be much greater demand.

Deregulation would, of course, provide immense benefits to Texas gas producers. It would bring into the State a freshet of new revenues. But Texans are also users of natural gas, and Texans would pay almost half the cost of the entire country's bill for deregulation, because they use almost half its gas. And of all the people in Texas, those in San Antonio and other communities served by the ill-starred Lo-Vaca pipeline system would pay the most, pay it first, and pay it longest.

I do not favor price controls as a general concept; I voted against price controls a few years ago. All other things being equal, it might be said that price controls in the gas industry were a great mistake, if they induced unwise patterns of use and consumption.

But I am concerned not about the general concept of deregulation. I am concerned about its likely effects on my district, and the people who live there. The likely effects seem to be good for those in the gas business, and not so good for those who must buy and use that gas. The people of San Antonio probably will never realize any more gas than they have available today, deregulation or no; and if deregulation shortens the Texas supply and drives Texas gas prices higher, the people of my district are in a uniquely vulnerable position, more likely than anyone else in the country to suffer economic harm without gaining any real benefit.

It is not an easy question for me to face. Yet on balance, I see no reason to believe that the situation of my own district would be improved by gas deregulation, unless deregulation could be brought about in a way that would protect them from the likelihood of higher intrastate gas prices. I will offer an amendment that is aimed in that direction.

Considering the situation that affects my area, a situation that is perhaps unique in all the Nation, I would have to say that neither H.R. 9464 nor any substitute thus far offered, would in any way benefit my constituents, save those who have interests in oil and gas production. If my district had been served by an honest gas supplier, it would not be so; but the past cannot be undone, and I must deal with the situation as it stands—a situation which, it seems to me, requires me to favor keeping the interstate pipeline out of the Texas gas market.

LEGISLATION TO END USE OF EXCHANGE FUNDS TO ESCAPE INCOME TAXES ON REALIZED CAPITAL GAINS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. CORMAN) is recognized for 5 minutes.

Mr. CORMAN. Mr. Speaker, I have today introduced a bill to put an end to the use of exchange funds as a means of escaping income taxes on realized capital gains on appreciated securities. In 1966 tax-free exchanges of appreciated stock for shares of newly formed mutual funds—so-called swap funds—were brought to an end by an amendment which provided that the tax free provisions of section 351 of the Internal Revenue Code would not apply to transfers to an "investment company." That amendment did not complete the job. For years the Massachusetts Investment Trust, and other mutual funds, have been issuing their shares to acquire all of the stock or assets of family-held personal holding companies, and these exchanges are treated under section 368 as tax-free reorganizations. This is nothing but swap funding to obtain diversification plus a readily marketable security. My bill would make such exchanges taxable and it would also make mergers of two investment companies taxable.

The 1966 amendment did not cover transfers of appreciated stock to a partnership, and the promoters of syndicated swap funds have recently been using limited partnership as the vehicle for tax-free exchanges. In a prospectus filed last month with the Securities Exchange Commission for the registration of units in a limited partnership called the State Street Exchange Fund, it was stated that the purpose of the fund is—

> To provide investors holding susbtantial blocks of low tax basis securities . . . with a method of diversifying their holdings without realizing any gain for Federal income tax purposes at the time of exchanging such securities for Fund shares.

It was also stated that the fund had received a ruling from the Internal Revenue Service that the exchange of appreciated securities for interests in the fund would be tax-free.

My bill provides that the gain realized on such an exchange will be taxable. Enactment of the bill will finish the job started in 1966 against the tax-free swapping of appreciated stocks.

PANAMA CANAL AND CANAL ZONE: SURRENDER WOULD JEOPARDIZE NATIONAL SECURITY AND BE A DISSERVICE TO PEOPLE OF PANAMA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD) is recognized for 5 minutes.

Mr. FLOOD. Mr. Speaker, in many addresses in and out of the Congress, I have described the Isthmus of Panama as a land of endemic revolution in which the U.S. Canal Zone is an "island" of stability. In recent weeks Panama has been the scene of much tension featured by the deportation on January 21, 1976, to Ecuador of some of Panama's respected business leaders. These deportees included a vice president of the Chase Manhattan Bank—Washington Post, January 22, 1976, page A23.

The de facto revolutionary government of Panama, which is closely associated with Soviet Cuba, also prevented the return on January 29 to Panama of a former President who has been living in exile in Miami since his overthrow on October 11, 1968, by the Guardia Nacional of Panama. This is the government with which our Department of State has been trying to negotiate a new Panama Canal treaty that would surrender U.S. treaty based sovereign control over the U.S. owned Canal Zone.

Because of the failure of certain elements in the Department of State to bring about the surrender of our legally impregnable position on the Isthmus, it is fortunate that there are many informed citizens of the United States with knowledge derived from experience. Among them is Gen. Herbert D. Vogel, a greatly distinguished engineer with Panama Canal experience as Lieutenant Governor of the Canal Zone and a former Chairman of the TVA.

In a letter to the editor of the Washington Post on January 23, he appeals for the Department of State to view the situation on the Isthmus through the eyes of those familiar with the subject.

The indicated letter of General Vogel follows:

WASHINGTON, D.C., *January 23, 1976.*

The EDITOR,
The Washington Post,
Washington, D.C.

DEAR SIR: Last August, in reply to a Post editorial, I wrote to tell you that as a former Engineer of Maintenance and Lieutenant Governor of the Panama Canal I was convinced of the friendliness of Panamanians as a whole to citizens of the United States and especially those who run the Canal and live in the Zone. I also told you that there is no responsible constitutional government in Panama at the present time with which a new treaty may be negotiated and signed, and that to relinquish any part of the Canal, or the Zone in which it lies, to the Dictator, Torrijos, would jeopardize our national security and provide a disservice to the people of Panama.

Yesterday I read in your paper—on page 23—a news item referring to "the mildly leftist dictatorship of Gen. Omar Torrijos" as having exiled 14 conservative opponents. I might ask how mild any dictatorship can be considered that exiles its political opponents. And I would also point out that Torrijos' rank was that of Colonel in the Guardia Nacional until he was self-promoted to "General". But leaving all that aside, the news article goes on to state that those exiled are respected business and professional men of Panama, whose crime was "plotting to undermine the economy and current Panama Canal negotiations with the United States."

Those men know that were Panama to be given control of the Zone, life there would become quickly untenable for the United States citizens and Panamanians who now operate the Canal, and they would be soon replaced by political henchmen of Torrijos. As a result, the economic benefits presently received from the Canal by the business community and the people of Panama as a whole would quickly disappear.

Isn't it about time for our State Department to take a second look at the situation through the eyes of someone really familiar with the desires and aims of responsible Panamanians?

Sincerely,

HERBERT D. VOGEL,
Brigadier General, USA, retired.

LEGISLATION DESIGNED TO HELP ECONOMIC SURVIVAL OF SMALL FARMS IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Montana (Mr. BAUCUS) is recognized for 10 minutes.

Mr. BAUCUS. Mr. Speaker, I rise today to introduce legislation designed to help the economic survival of small farms in America.

This bill amends title V of the National Rural Development Act of 1972 to require the Department of Agriculture to identify small farmers, specify their needs and resources, develop and implement a program to upgrade their production and management techniques, evaluate the social and economic effects of this program, and report to Congress on the program's impact.

Title V already authorizes research and extension help for small farmers, but the administration has never implemented it. The intent of this bill is to require that USDA either undertake a substantial new commitment to small farmers or to begin devoting a fair share of its existing programs, such as the Agricultural Research Service, to small farm needs.

WHY IS THIS BILL NEEDED?

While it is becoming clearer each year that the family farm is less and less economically viable, it is not clear that the steady trend toward large farms and corporate agribusiness is either inevitable or in our best national interests.

For example, I do not think that economies of scale necessarily require exceptionally large farms. Excessive concentration is not good for the country as a whole. Nor do I think that concentrated holdings are an economic benefit to rural areas. I am sure that the Federal Government often pursues policies that favor large farm operations and even more often overlooks the small farmer. These policies clearly favor production over people.

On the surface, it might seem unusual that a Representative from Montana is concerned about the disappearance of small farms or their lack of productivity. In fact, although Montana ranks 17th among the States in terms of the average gross sales per farm, and averages over 2,600 acres per farm, everywhere I go in the State there is concern for the small farmer.

Montana is large in every respect, but over half the farms in my State gross less than $20,000 per year. And gross profits of under $20,000 are small by any standards. Preliminary indications from the latest agricultural census are that small family farms in Montana are disappearing at the same rate as in the rest of the country: at least 10 percent have gone in the last 5 years.

If the problem of small farm viability is important in Montana, it is critical in many other parts of the country. For example, the average dollar value of products per farm in Kentucky is only one-quarter of Montana's total. Senator HUDDLESTON has introduced a similar bill in the Senate because there are thousands of farmers in Kentucky who cannot make enough to keep going.

USDA'S FAILURE TO ACT

The Department of Agriculture has made no effort to help keep small farmers in business productively. Its basic approach has been to ignore the problem while doing everything possible to increase the relative economic advantage of large scale and corporate farming.

In response to a GAO report critical of the Department's efforts to help small farmers, Assistant Secretary Robert Long stated:

> If small farms were assisted so that total production were increased, price declines could further reduce incomes of small farmers.

It is inconceivable to me that Mr. Long can care about the effect on prices of helping small farms when the largest third of our farms produces over two-thirds of our farm products. His argument against helping small farms can just as easily be applied to helping large farms, or, for that matter, against funding any agricultural research or development projects whatsoever. What Mr. Long is really saying is that the Department of Agriculture is interested only in technical assistance for large scale corporate operations.

USDA even seems intent on defining the smallest farms out of existence. There will be almost 1 million fewer farms, on paper at least, if the Department's definition of "farm" is changed, as expected, to exclude those operations which gross less than $2,500 a year. Of course, the people on these farms and their problems will not go away, but the Department will be relieved of even its paper responsibility to help the people or solve the problems.

The Department's unwillingness or inabilty to help the small farmer is long standing. A former director of USDA's Office of Science and Education has stated that agricultural research has done very little for small farm operators and that, in fact, the overall impact of agricultural research has threatened their survival.

Six years ago, he strongly recommended that the Department bring together a study group of social and natural scientists who were sensitive to the problems of small farm operators to set out researchable areas to help the small farmer with new technology and business operations. This study group has never been convened.

Further, officials in USDA's Cooperative State Research Service have said that very little has been done to evaluate the economic and social impact of production efficiency or to determine the assistance that small farm operators would need to adjust to changes brought about by research.

This may be due to the fact that the Department of Agriculture sees farming as a big business, rather than as an occupation—much less a way of life. This paves the way for an ever-increasing share of our food dollars going into corporate farm operations and into middleman costs and profits, rather than supporting the individual farmers or farm families who work the land.

AGRICULTURAL CONCENTRATION

Agricultural concentration poses huge problems for both farmers and consumers. Current projections show that fewer than 5 percent of all our farms produce half of the total value of farm products sold. These few big farms receive a disproportionate share of the research and economic development work done by the Department of Agriculture and can exercise increasing control over the agricultural and food consumption patterns of the country. Concentration is increasing in every area of agricultural production and distribution.

For example, about 2,000 feedlots produce over two-thirds of the Nation's beef and many of these lots are under multiple ownership.

At the other end of the farm-size scale, the number of farms with gross annual sales under $20,000 decreased by almost 2 million between 1960 and 1973. About one-third of these got bigger, but the other two-thirds went out of business.

Many small farms are operated by farm families in their productive years who depend primarily on farm income for their livelihood. Many of these families have incomes near or below the poverty level. There are over a million and a half farms with agricultural sales of less than $20,000 and at least a third of these—over a half million—meet the General Accounting Office's definition of "small farmer": a person under 65 years of age who works off the farm for wages less than 100 days of the year and sells less than $20,000 worth of agricultural products annually.

The trend toward bigness is thought to be inevitable because economies of scale make only the largest operations profitable. But the effect of size on profitably has been greatly exaggerated. Some studies show that the advantages of farm size in the Midwest peak out at under a thousand-acre farm.

And other studies show that increased efficiencies are gained in feed lots up to only about 500 steers. After this the advantages of size may not be so much inefficiency, use of resources, or management advantages, but may be the result of either tax advantages or the leverage gained from a large share of the control of an industry in one area. Once these nonfarming advantages are excluded, the ability to use available resources efficiently is probably the most important factor in successful farming and ranching.

One study has shown, for example, that in terms of money earned compared to labor put out, the top quarter of the farmers in each size category earned five times as much as those in the bottom quarter. This held true for very small as well as large farms. Information like this leads me to the conclusion that USDA must get into the business of helping smaller farmers with their productivity. This will help the country as a whole because it will increase our national farm output. It will certainly help the two-thirds of America's farm population that lives on farms grossing less than $20,000 a year.

FEDERAL ACTION

Not only is USDA the appropriate agency to help the small farmer, it is about the only agency specifically charged with looking after rural and small farm interest. Most other agencies devote an inadequate share of their resources to rural America. Health care, transportation, and most other services provided to citizens are less available to rural areas.

The tax laws are especially harmful. They allow large farm firms to deduct their expenditures for land development, soil conservation, irrigation, and other needs against current income. This is the equivalent of an interest-free Government loan.

And the estate tax laws have the effect of directly transferring family farms into corporate or rich nonfarmer hands by making it almost impossible for a parent to give land to children with enough money left over to keep a farm going.

In this regard, I have strongly urged the House Ways and Means Committee to consider raising the estate tax exemptions from their unchanged 1942 level. I also think that there should be additional tax relief for those farm parents who want to keep smaller farms in the family. I think that if inherited small farm are kept in the family for 5 years or more, the entire estate tax should be waived by the Government. We use the tax laws to promote other national interests, such as giving tax breaks for exploring for national resources or giving to charity. It is in the national interest to preserve economically strong small farmers in rural America.

RURAL NEEDS

So far, I have mentioned fairness, benefits to small farmers and benefits to the country as a whole. But there is a major benefit that is "in between" helping individual farmers and helping the country as a whole. That is the benefit to rural areas caused by the improvement of small farm operations. In the last 40 years, over 30 million people have left rural areas for cities. Recent census data shows that this trend may be reversing and people may soon be leaving the cities to return to rural America. If USDA cannot begin to explore ways for farms to use labor productively, these people will be returning to the conditions their parents and grandparents left.

Rural areas may benefit much more directly from several successful small farms than one successful large one. The fewer people spending farm income in smaller communities, the less likely these communities are to provide essential services. And large farms siphon off income from the land and send it to rich individuals and corporations in other parts of the country. In addition, a recent study indicates that small farms, if managed well, give a higher return on cropland than large farms do. Then, total farm income for the area is increased and a greater income generating effect on other economic sectors is provided.

GAO CONCLUSIONS

All the national farm organizations agree that preserving economically viable family farms should be, but is not, a priority with the Department of Agriculture. My contacts with farm leaders in Montana indicate that this is also true for my part of the country. Because of widespread concern about this problem, the Comptroller General of the United States recently reported to Congress that USDA should be doing a far better job helping small farmers. The report was entitled "Some problems impeding economic improvement of small farm operations: what the Department of Agriculture could do." Some of the report's major conclusions were:

> The consensus of knowledgeable Government and nongovernment people is that, although various factors contribute to small-farm operators' having relatively low volumes of farm sales, failure to use available technology and efficient management practices effectively is a primary reason many have lower volumes of farm sales than they might have and a major factor limiting improvements in their farming operations.
>
> Although some publicly supported extension and research projects have related to the needs of small-farm operations, the Department and land-grant colleges have not made a concerted effort to solve problems impeding the economic improvement of small-farm operations. Also they have not adequately (1) evaluated the economic and social impacts of production-efficiency research nor (2) determined the assistance that small-farm operations need to plan for and adjust to changes brought about by such research.
>
> Demonstration projects sponsored by cooperative extension organizations and the Tennessee Valley Authority have shown that some small-farm operators are capable of increasing the productivity of their land and increasing their incomes. The type and intensity of assistance provided, and resulting accomplishments, differed widely between those projects as did the abilities and resources of participating farmers.
>
> More complete data on small-farm operators is needed to determine the type and extent of assistance which would be useful and to provide the basis for planning extension and research programs oriented to the specific, known needs of small-farm operators. Such programs could aid in meeting the world's food and fiber needs as well as increasing these farmers' incomes.
>
> The Department disagreed that it should take actions to intensify its efforts to extend training and technical assistance to small-farm operators.

And GAO recommended that USDA should:

> Identify small-farm operators in their productive years who depend on the farm as their primary source of income and categorize them according to their resources, abilities, educational experiences, and willingness to improve their operations by using available technology and efficient management practices.
>
> Estimate the costs and benefits of programs needed to extend training and technical assistance to small-farm operators having the potential for improvement and present the information to the Congress for its consideration.
>
> Examine the potential for research uniquely designed to improve the economic position of small-farm operators and, if such potential exists, consider the priority of such research in relation to other federally funded agricultural research.
>
> Establish procedures for (1) evaluating the economic and social impacts of future research that could greatly change the productivity, structure, and/or size of existing farms, and (2) determining the assistance small-farm operators would need to plan for and adjust to the resulting changes.

Mr. Speaker, the bill I am introducing today amends title V of the Rural Development Act to provide for small-farm research, extension, and development programs that will implement the suggestions of GAO and of my constituents. I ask unanimous consent that the bill be printed in the RECORD.

H.R. 11733

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 502(c) of the Rural Development Act of 1972 (86 Stat. 657) is amended to read as follows:

(c) Small Farm Extension, Research and Development Programs.—(1) Small farm extension and research and development programs shall consist of the following:

(A) A comprehensive study and survey by the Secretary conducted through the Federal-State Cooperative Extension Services to identify small farmers in each State and to determine their resources, abilities, education, and experience, and the willingness of such farmers to upgrade their farm operations through improved farm management practices, improved agricultural production techniques, improved farm machinery technology, improved products, and improved cooperative agricultural marketing practices.

(B) The development and implementation of a program by the Secretary and the Federal-State Cooperative Extension Services for improving operations of small farmers by means of the measures referred to in subparagraph (A) for upgrading small farmer operations.

(C) The establishment of procedures for evaluating the social and economic consequences of the program described in subparagraph (B).

(D) The establishment of procedures for regular periodic updating of the study and survey provided under subparagraph (A).

(E) Research and development with respect to measures referred to in subparagraph (A) for upgrading small farmer operations.

(F) An annual report by the Secretary to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture and Forestry of the Senate regarding the extent to which the objectives of the program provided for in this subsection are being achieved and the effectiveness with which such objectives are being achieved.

As used in this subsection, the term "small farmer" means any person who depends on farming as his primary source of income, whose gross annual sales from farming operations are less than $20,000 in 1975 dollars, and whose income from nonfarm sources is less than $5,000 in 1975 dollars.

SECRETARY COLEMAN'S CONCORDE DECISION MUST BE OVERCOME BY CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG) is recognized for 20 minutes.

Ms. ABZUG. Mr. Speaker, Secretary Coleman's SST ruling yesterday is a bitter disappointment to those who have spoken out for environmental sanity over irresponsible technology. In allowing four flights a day into Kennedy Airport and two into Dulles, Secretary Coleman will be subjecting hundreds of thousands of our citizens to deafening noise levels and make their homes unsafe and unlivable.

I believe that the negative effects of the Concorde and other aircraft which generate excessive noise levels and are environmentally damaging are of serious importance to the health and well-being of a great many Americans, and are therefore of genuine concern to this Congress.

There has been much debate in the past concerning the possible harmful impacts that the Concorde-SST would have upon the environment.

Through the investigations of the Government Operations Subcommittee on Government Activities and Transportation, on which I serve, it has become clear that the situation is even more serious than originally anticipated and that Congress must take action now to protect the health of our citizens by not permitting the SST or any aircraft with similar objectionable noise and emission characteristics to land.

Although the draft environmental impact statement of the Concorde released in March 1975 by the Department of Transportation stated that:

> The resultant noise levels of the Concorde are not substantially higher than those of transoceanic subsonic aircraft such as the older Boeing 707 and McDonnell Douglas DC-8 types.

An information brief issued previously by the Department of Transportation on December 11, 1973, had concluded that:

> The Concorde and TU-144 aircraft are significantly noisier than civil subsonic aircraft now in commercial operation.

This same 1973 report also showed that with the introduction of the Concorde at JFK, 525,000 people, or an increase of 275,000 over the present number would be residing in areas of 100 decibel noise levels. A level of 90 is considered the maximum acceptable noise level. At a 100 decibel noise level, conversation is limited to a distance of 6 inches using raised voice level.

No one can yet tell the real impact that these loud noises and vibrations produced day in and day out will have on human beings. However, in the final SST environmental impact statement, DOT wrote that—

> Noise has been reported to cause vasconstriction, fluctuations in arterial blood pressure, and even alterations of some functional properties of cardiac muscle.

Dr. L. E. Farr summarized his views of the effects of noise in the final environmental impact statement by stating that—

> In disease states such as anxieties, duodenal ulcers and other so-called tension ills, the additive, deleterious effect of noise is real and immediate.

Noise pollution is not the only problem associated with this aircraft. The emissions from the planes themselves will have a deleterious effect on our atmosphere. The depletion of the ozone layer by the oxides of nitrogen from the planes would remove our only protection from ultraviolet radiation. According to the National Academy of Sciences report on the Environmental Impact of Stratospheric Flight, which was also discussed at the subcommittee hearings:

> The production of 16 Concorde supersonic airlines having present emission indices might lead in the long run to several thousand additional cases of skin cancer per year in the world, of which perhaps a thousand would be in the United States.

Not only is there the danger of producing cancer but climatic changes may also be brought about by the alteration of the ozone layer. The effects of these changes are still being studied and are only vaguely understood; yet with these threats to the environment, Mr. Coleman is apparently prepared to allow flights. It is therefore up to the Congress to prevent these damaging results.

Aside from these safety and environmental questions, energy considerations would also argue against permitting the operation of these aircraft. The Concorde SST, because of its small 100–125 seat capacity, would use two to three times as much fuel per passenger, as the jumbo jet carrying 200–400 people. I hardly think that we should aggravate our energy shortage by allowing use of this luxury aircraft.

If the administration is not prepared to take actions which guarantee the safety, health, and welfare of our citizens, then we in the Congress will have to take that action. We in the House have done this temporarily through the amendment to the ADAP bill which I coauthored with Representative JAMES V. STANTON. We will have other opportunities to make this ban permanent. I will work for, and urge my colleagues to support measures which will accomplish this end.

MR. DODD COSPONSORS VETERANS EDUCATIONAL BENEFITS BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Mr. DODD) is recognized for 5 minutes.

Mr. DODD. Mr. Speaker, I would like to take a few minutes to bring to the attention of my colleagues an important piece of legislation which is being introduced today by the distinguished gentleman from New Hampshire (Mr. CLEVELAND), and which I have cosponsored.

As we all know, the veterans who served between 1955 and 1966, but have not yet taken advantage of the educational benefits due to them, stand to lose eligibility for these programs as of May 31, 1976, because of the time limitation called for by the Vietnam era GI bill. If this limitation is not removed, approximately 2.7 million veterans who have been unable to take advantage of educational benefits to date will stand to lose eligibility.

Mr. Speaker, the 93d Congress recognized this problem, and endeavored to correct it by extending the limitation from 8 to 10 years: Originally, eligibility was scheduled to expire for this unusually large group of veterans on May 31, 1974. The 2-year extension is commendable, and speaks to the discriminating nature of a policy establishing a limitation on eligibility for any group of veterans, but it does not provide a complete solution, and now the same problem once again confronts us. The legislation which is introduced today by Representative CLEVELAND will correct this problem of selective entitlement by removing the time limitation altogether. Otherwise, this problem of selective entitlement will confront us all within 4 months, and will make 2.7 million veterans ineligible for educational benefits. I, therefore, urge my colleagues to give their full support for this important legislation, and to work for its prompt ratification.

FINANCIAL INSTITUTIONS ACT OF 1976

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 10 minutes.

Mr. REUSS. Mr. Speaker, the members of the House Banking, Currency and Housing Committee today received proposed legislation entitled "Financial Institutions Act of 1976," on which hearings will be held starting late this month.

This proposed financial institutions legislation emanates from the months of hearings held by Congressman ST GERMAIN, chairman of our Subcommittee on Financial Institutions.

The following document describes the legislation, on which drafting of a bill will be completed shortly. I include this document in the RECORD for the benefit of all Members:

EXPLANATION OF PROPOSED FINANCIAL INSTITUTIONS ACT OF 1976

The February, 1976 Committee Print, containing the proposed Financial Institutions Act of 1976, relies heavily on the report of the Commission on Money and Credit of 1961, the Hunt Commission of 1971, the Administration's proposed Financial Institutions Act of 1975, S. 1267, passed by the Senate by a 71–14 vote on December 11, 1975, and on staff studies commissioned by the House Committee on Banking, Currency and Housing. The bill reflects testimony and comment on the FINE study (Financial Institutions and the Nation's Economy) discussion principles of November, 1975. Wherever possible, the bill's language follows that of S. 1267.

I. REGULATORY AGENCIES

The bill addresses the present system of overlapping, confusing and sometimes conflicting jurisdictions and policies in bank regulation, by creating the Federal Banking Commission, which will assume the bank chartering, branching, examination, supervision, regulation, and holding company functions which are now in the hands of the Comptroller of the Currency and the Federal Reserve Board. In approving national bank chartering and branching, the FBC will strive to improve competition and prevent any undue concentration of banking resources which would tend to reduce competition.

The FBC will consist of five members, devoted to the public interest, with staggered five year terms, appointed by the President and confirmed by the Senate. One of the five members shall be selected from the membership of the Federal Reserve Board and shall serve on both the FBC and the Federal Reserve Board. None of its members need be members of any political party, and no more than three may belong to the same political party. The Federal Banking Commission will obtain its funding through the normal Congressional appropriation process. The fees it will charge banks for examinations will revert to the general revenues.

The Federal Banking Commission is given increased authority to act quickly on mergers, without the 30-day waiting period, in the case of a failing bank, as recommended by the Federal Reserve System in April, 1975; and to prevent dishonest or negligent banking, as by assessing civil penalties for certain violations of the banking acts, by streamlining procedures for the removal of bank officers, directors, and employees, by broadening the power of the regulator to regulate the non-banking activities of bank holding companies, by broadening the enforcement powers of the Federal Deposit Insurance Corporation—all as recommended by the Federal Reserve Board, the FDIC, and the Comptroller in September, 1975.

The FDIC will be retained in its present form as an insuring agency, as recommended by the outgoing Chairman Frank Willie. The Comptroller will be removed as one of its three members, which hereafter shall be by presidential appointment, confirmed by the Senate, with the same qualifications of devotion to the public interest as obtains for FDIC members, and with the same 6-year terms as FDIC members under present law. It is envisaged that the FDIC will act as an independent umpire between the state and the national banking systems. The FDIC will examine state-chartered insured banks itself until it determines that a particular state bank regulatory agency is capable of adequate examination, in which case the FDIC shall delegate its initial examining role to such state agency. The FDIC will obtain its funding through the normal Congressional appropriation process, and the fees it will charge for examinations will revert to the general revenues.

Federal bank regulation, under the bill, would thus be centered in the FBC and the FDIC. In deference to custom, federal mutual savings bank and savings and loan jurisdiction would be centered in the FHLBB and the FSLIC; federal credit union jurisdiction in NCUA. NUCA will no longer be headed by a single Administrator, but will be replaced by a board of three members, devoted to the public interest, with staggered six-year terms. None of its members need be members of any political party, and no more than two may belong to the same political party.

The FHLBB would be increased in size to five members, devoted to the public interest. None of its members need be members of any political party, and no more than three may belong to the same political party. The FHLBB would obtain its funding through the normal Congressional appropriation process, and the fees it will charge mutual savings banks and savings and loan associations for examinations will revert to general revenues.

II. DEPOSITORY INSTITUTIONS

1. Interest on time and savings deposits

a. *The ceiling*. The bill adopts the formula of S. 1267 with respect to terminating the Regulation Q interest rate ceilings on time and savings deposits. Five and one half years after enactment, which could be approximately January 1, 1982. During this period, the Coordinating Committee (the newly-created Federal Banking Commission, the Federal Home Loan Bank Board, the Federal Reserve Board, and the FDIC) is to administer the ceiling so as to give the small saver a reasonable rate of return, and to prevent undue disintermediation both between the various depository institutions, and away from the depository institutions. The Coordinating Committee is to report to Congress six months prior to the termination date its recommendations and findings as to the effect of termination in the economic environment then prevailing, so as to give Congress an opportunity to continue Regulation Q if to do so would serve the public interest.

b. *The differential*. The bill allows payment of a ¼ of 1 percent premium interest rate on time and savings deposits to various depository institutions which choose to maintain a substantial portion of their assets in residential mortgages (not including construction loans). In order to pay this premium rate, a savings and loan association or mutual savings bank must have at least 70 percent of all new assets it obtains after April 1, 1977, in residential mortgages, and maintain a ratio of residential mortgages (not including construction loans) to total assets no less than the ratio it had on December 31, 1975, or 70 percent, whichever is lower. A commercial bank, which under existing Regulation Q is not eligible to pay the higher rate, will be permitted to do so if it has total assets of under $25 million, has at least 35 percent of all new assets (roughly 70 percent of new time and savings accounts) it obtains after April 1, 1977, in residential mortgages, and maintains a ratio of residential mortgages (not including construction loans) to total assets no less than the ratio it had on December 31, 1975. The purpose of all this is to help all housing-oriented institutions in a manner generally equitable as between classes of institutions. The agency members of the Coordinating Committee shall promulgate appropriate and timely regulations concerning the implementation of this provision.

c. *Reports*. The bill provides that the Coordinating Committee report annually to the Congress on its justification for the maximum allowable rates of interest (e.g. why they were not set higher) which is set for the previous year as well as its recommendation whether the differential permitted during the previous year should be changed up or down.

2. *Interest on Third Party Payment Accounts*. The bill removes the current statutory prohibition against the payment of interest on third party payment accounts, as of January 1, 1978. After this date all financial institutions will be permitted to pay interest on third party payment accounts up to a maximum rate which will be determined by the Coordinating Committee. The Coordinating Committee will have to justify in an annual report to the Banking Committees of the House and Senate the interest rate it has set. It is expected that the Committee will, in increasing the permissible interest rate from its present zero, take into account general economic conditions, the interest of the consumer, and the impact this will have on the financial institutions affected.

3. *Disclosure*. To insure that borrowers and depositors receive sufficient information to make sound judgments regarding banks, the Federal Banking Commission is directed to promulgate regulations within six months of the bill's effective date, requiring appropriate disclosure from all banks and bank holding companies. The Commission may not impose new reporting burdens which are disproportionate to the usefulness of the information to be obtained.

4. *Reserve Requirements*. The power to grant checking accounts by federal credit unions, savings and loan associations, and mutual savings banks entails the obligation of reserve requirements for such accounts. The bill provides that, since these financial institutions will now be in a position to compete equally for third party payment accounts, they should be treated alike on reserve requirements. At the same time, the present law, which allows state banks which choose to escape Federal Reserve reserve requirements to do so, should be amended. Consequently, the Federal Reserve Board is directed to set reserve requirements, to be maintained at a Federal Reserve Bank or in vault cash, for all institutions with more than $15 million in third party payment deposits. For all these additional institutions thus subjected for the first time to reserve requirements, the Board is directed to phase-in the reserve requirements over a five-year period. The bill directs the Federal Reserve to conduct a study, and to report its recommendations to the Congress by December 31, 1977 of the desirability of the Federal Reserve's paying interest on required reserves on both time deposits and third party payment accounts (with special emphasis on time deposits), together with findings on how much of the resulting loss of federal revenues could be recouped by the Fed's charging financial institutions for the service functions it performs for them.

5. *Mutual Savings Banks*. The bill permits de novo chartering and conversion of state-chartered mutual savings banks to a federal charter, upon approval by the Federal Home Loan Bank Board. Upon conversion to a federal charter, a particular state-chartered mutual savings bank may continue all activities carried on by it as of December 31, 1975. In issuing federal charters, the Board is instructed to give primary consideration to the best practices of thrift institutions and the needs of the families, consumers and communities to be served. Federal mutual savings banks are given expanded powers—to accept demand deposits; to engage in expanded consumer lending, including credit cards and revolving lines of credit; to invest in commercial paper, corporate debt, and bankers' acceptances; and to engage in traditional trust department activities, including acting as trustee, executor, administrator, registrar of securities, guardian, and similar activities, upon a finding by the Federal Home Loan Bank Board that the institution has adequate financial and managerial resources and future prospects.

6. *Savings and Loan Associations*. The bill gives federal savings and loan assocations the demand deposit, lending, and investment powers authorized by S. 1267—checking accounts; consumer, development, construction, commercial real estate, and education loans; investments in corporate debt securities, commercial paper, bank deposits, and bankers' acceptances; and trust department activities, including acting as trustee, executor, administrator, registrar of securities, guardian, and similar activities, upon a finding by the Federal Home Loan Bank Board that the institution has adequate financial managerial resources and future prospects.

S. 1267 provides that these expanded powers are available only to a federal savings and loan association with 70 percent of its loan portfolio in housing. This bill contains no similar provision, in the belief that thus limiting the expanded powers provision would be self-defeating. Instead, this bill permits a federal savings and loan association to invest in excess of 30 percent of its assets in other than residential mortgage loans, but if it does so it will not be permitted to pay the interest premium (usually ¼ of 1 percent) on time and savings deposits permitted those institutions which remain primarily housing-oriented.

7. *Credit Unions*. Credit unions are granted a substantial expansion of their powers, as proposed in the Credit Union Financial Institutions Bills of 1975 and in S. 1267, passed by the Senate in December, 1975—the ability to offer checking accounts; to issue share certificates with varying dividend rates and maturities; to make secured and unsecured loans over longer terms and in higher amounts than currently permitted; to offer owner-occupied, residential home mortgage loans (in value not more than 150 percent of the median value of homes in the area); and to engage in trust activities upon approval by the NCUA on the same terms as federal mutual savings banks and savings and loan associations. A central discount fund to deal with emergency liquidity problems of credit unions is established.

III. HOUSING

The bill offers two major means of ensuring an adequate flow of funds for housing. An adequate flow of funds for housing is particularly needed since the housing-oriented thrift institutions are authorized by the bill to diversify their loan portfolios, which taken by itself could mean a dilution of their present housing portfolios.

1. First, as described under II, the bill shapes the interest rate differential of Regulation Q so as to permit depository institutions to pay a higher interest rate on savings and time deposits only to the extent that they maintain a principal orientation toward residential mortgages.

2. Because this permission to pay a differential will not of itself be sufficient to ensure an adequate supply of funds to residential mortgage markets in times of disintermediation and tight money, a second provision of the bill creates a new program. In order to provide funds for housing construction during periods of housing credit

shortage, the bill authorizes the Federal Home Loan Bank Board to expand its current system of five-year "advances" to savings and loans to a system of long-term (up to 30-year) loans to commercial banks, mutual savings banks, credit unions and savings and loans, provided the funds are relent to borrowers for non-luxury housing (not more than 150 percent of the median value of the ownership or rental unit). In periods of tight money, FHLBB would borrow directly in the market, or by using the Federal Financing Bank. The Treasury, or the Federal Financing Bank, would have the power to determine the maturity of their borrowing in the market, but they would have to comply with the FHLBB's request that the borrowing be made. It is hoped that insurance companies and pension funds would be active purchasers of this debt, thus making their long-term funds available for housing which now has to depend too much on short-term sources of credit.

In turn, the Board would make these funds available to financial institutions at cost, plus a charge calculated to cover its administrative costs. The institutions, in turn, would charge their mortgage borrowers an interest rate that would reflect the institutions' costs.

A reasonable portion of these funds would be available for construction loans.

Regulations would assure that the benefits of moderate interest rates would pass through to rentors and to the ultimate purchaser in a construction loan situation.

The advances would be repaid to FHLBB by the financial institution as the residential mortgage loan was amortized; if the loan were sold prior to maturity, the financial institution would be obligated to repay the FHLBB in full.

This provision of the bill aims to ensure that when funds for residential mortgage loans are otherwise insufficiently available, FHLBB will cause such funds to be borrowed in the market (thus "crowding out" credit demands deemed less meritorious). The funds thus obtained would then be relent by the FHLBB to financial institutions for non-luxury residential mortgage loans. The program would be operated without cost to the taxpayer, other than that caused by the additional demand on the credit market.

The mortgage interest tax credit, suggested by the Administration's Financial Institutions Act of 1975, would cost taxpayers an estimated $800 million annually, with no assurance that it would appreciably increase the flow of housing credit. It is believed that the two inducements to housing finance here suggested will be both more effective, and less costly to the taxpayer.

IV. BANK HOLDING COMPANIES

The FBC is required, within 90 days of January 1, 1977, the effective date of this bill, to file with both Houses of Congress its then existing list of permissible bank holding company activities.

Any new permissible activity approved by the Commission would have to be filed within 30 days of promulgation by the FBC and would be subject to veto by resolution of either House of Congress within 90 days.

The existing powers of banking regulatory agencies to regulate transactions between bank holding companies and banks and their subsidiaries and affiliates are conferred on the FBC and extended to cover transactions with other closely related business entities such as real estate investment trusts.

The FBC is authorized to promulgate regulations to assure against public confusion as to the names and separate identities of subsidiaries and related affiliates (including advisory relationships such as with real estate investment trusts) of bank holding companies. These regulations would take effect no later than January 1, 1978, except that the FBC may grant exemptions for an additional two years.

A bank holding company is prohibited from acquiring ownership or control of the share of a savings and loan association.

V. THE FEDERAL RESERVE SYSTEM

The bill makes a number of changes in the present structure of the Federal Reserve System—changes not merely for the sake of change, but to permit the Federal Reserve to focus its energies on the shaping of monetary policy.

The bill retains the present length of terms for the members of the Federal Reserve Board of Governors, and the size of the Board. The date of the four-year term of the Chairman of the Board is changed so that it coincides, with a six-month lag, with the term of the U.S. President, as recommended by Chairman Arthur Burns. The Chairman's appointment will be made by the President, subject to confirmation by the Senate. As present terms expire, the 12 presidents of the regional banks of the Federal Reserve System, because of their importance as regional rotating members of the Federal Open Market Committee, will also be nominated by the President and confirmed by the Senate.

The requirement of ownership of Federal Reserve stock by member banks will be abolished since "member" bank status is abolished. Reserve requirements are imposed on all institutions similarly situated. All institutions that are required to meet reserve requirements would have direct, full and equitable access, under appropriate regulations, to Federal Reserve services, including the discount window and wire transfer system. Those banks which presently own stock in the Federal Reserve banks may either retain this stock, or voluntarily obtain repayment by the Federal Reserve.

The Boards of Directors of the regional Federal Reserve banks will be increased in size from 9 to 12 members. They will be nominated by their regional President, and elected by the Board of Governors in Washington. Six of the members will be representative of the financial institutions which maintain reserves with the Federal Reserve, with due consideration to the diversity of these financial institutions, their size, and their geographical distribution within the Federal Reserve region. The other six members will be selected from the remainder of the public, must be reasonably representative of the population characteristics of the Federal Reserve district, and must offer fair representation to business, farming, labor, education, and consumers.

The bill requires the Federal Reserve Board to pursue policies—maximum production, employment and purchasing power (which means anti-inflationary price stability)—consistent with the policy objectives of the Employment Act of 1946. It also makes permanent the provisions of House Concurrent Resolution 133 of March, 1975, which requires the Federal Reserve Board to consult with the Congressional Banking Committees at quarterly hearings on the monetary goals which the Federal Reserve Board intends to pursue in the next twelve months.

VI. FOREIGN BANKS IN THE UNITED STATES

This provision is intended to establish a national policy on foreign banks entering and operating in the United States, and a system of supervision and regulation of these operations by the Federal Banking Commission. It follows closely the 1975 recommendations of the Federal Reserve Board. It is intended to give foreign banks the same opportunities to conduct domestic banking in the United States that are available to domestic banks, and to subject them to similar supervision and regulation.

The bill requires that all banking branches and agencies of foreign banks established in the United States be chartered by the Federal Banking Commission. Federal charters would also be available to subsidiaries of foreign banks. For these subsidiaries, one third of the directors of a foreign bank can be non-citizens of the United States. Foreign banks would also be permitted to establish Edge Act corporations under the same conditions as apply to such corporations established by U.S. banks. Before such approval is granted, however, the Federal Banking Commission would be required to consult with the Treasury Department and the Secretary of State, and to make a determination that approval of the application would not adversely affect the domestic or foreign commerce of the United States.

The principal distinctions between the bill and the Federal Reserve Board's proposal are three:

1. The Fed's proposal mandates compulsory Fed membership for foreign banks, a requirement not visited on U.S. banks. The bill, on the principle of non-discrimination, rejects compulsory membership.

2. The Fed's proposal requires insurance by the FDIC on the deposits of a domestic branch, agency, or a subsidiary of a foreign bank. The bill, instead, requires that foreign banks maintain a surety deposit with the FDIC, in an amount sufficient to give coverage like that given by FDIC insurance.

3. The Fed's proposal grandfathers the existing ownership of securities underwriting and non-banking companies, and the multistate banking operations of foreign banks. The bill, instead, provides that such activities, not permitted domestic banks, must be phased out within five years of the bill's effective date.

VII. UNITED STATES BANKS ABROAD

The bill gives the Federal Banking Commission authority to regulate the international operations of United States banks and bank holding companies:

1. It requires a bank to seek the approval of the Commission before it can participate in international operations through branches, subsidiaries, affiliates and joint ventures. Before granting such approval, the Commission must make an affirmative decision that the proposed foreign undertaking by the U.S. bank will not endanger the applicant's capital or, directly or indirectly, unduly lessen competition in the United States, or tend to create a monopoly in the United States.

2. It permits U.S. banks to carry out international banking operations, comparable to operations undertaken in foreign branches, through separate departments in the home office of the bank, thus avoiding the need for wasteful and unnecessary offices in the Bahamas or the Grand Caymans.

3. It would permit U.S. banks to establish and operate branches in countries which do not permit the Federal Banking Commission to examine the branch and to have complete access to its records, unless the FBC determines that the capital of the parent would be endangered by such branching activity. The Commission is also authorized to permit banks and bank holding companies to establish subsidiaries or joint ventures only in countries where it can conduct an examination to determine that the capital of the parent or any other participating bank over which it has jurisdiction would not be endangered.

WILLIAM E. COLBY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. HAMILTON) is recognized for 5 minutes.

Mr. HAMILTON. Mr. Speaker, I rise to say a few words about William E. Colby, the outgoing Director of the Central Intelligence Agency, who has just concluded 32 years of distinguished Government service.

Bill Colby ran the CIA during a tumultuous time for American intelligence. He appeared before the Congress on numerous occasions to try to place the CIA's record in perspective. In doing so, he gave this Nation an unprecedented glimpse of how American intelligence worked and how intelligence served the country.

While I have had some differences in viewpoint with Mr. Colby, I have always considered him able, patriotic and dedicated. He was, as much as any bureaucrat I know, a true professional, whose skills were finely honed and made available without reservation to the service of his country.

In matters relating to my work on the Committee on International Relations, the CIA under his leadership has always tried to be helpful and responsive. On more than one occasion I have benefited from the observations and comments of representatives of that agency. Under Bill Colby's leadership, the CIA has maintained its reputation for superior quality information and analytical skills.

Bill Colby's candor and cooperation served a beleaguered Agency well. He worked hard to restore public and congressional confidence in the business of intelligence, and after its period of travail, he began to set the CIA on a course which we all hope will make it the finest and most accountable intelligence gathering agency in the world. It remains for the President and the Congress to insure that the progress he has contributed to importantly will be continued.

I express my appreciation to Bill Colby for his unstinting service to the Nation, and I wish him the best in the years ahead.

TRANSPORTATION FOR THE ELDERLY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KOCH) is recognized for 5 minutes.

Mr. KOCH. Mr. Speaker, the elderly are more reliant than any other segment of the population on transportation for basic services as well as for social activities. There are 22.4 million people in this Nation who are 65 or older. Since 1968, poverty among this group has actually increased, while it has decreased for all other age groups. One-fourth of all older Americans live in households with incomes below the poverty level. The New York State Office for the Aging has found that 9 cents of the elderly citizen's dollar goes to transportation, an amount exceeded only by food and housing.

The problem of providing transportation that is physically and financially accessible is a large one, and I believe the Federal Government is beginning to realize the need for commitment in this area. The White House Conference on Aging in 1971 stated on the subject of transportation that "immediate action is needed:" The Older Americans Act of 1965 represented a breakthrough in recognizing the problems of the aged; and the Biaggi amendment—to the Urban Mass Transportation Act of 1964—included a national policy statement which requires federally funded transportation facilities to plan for the needs of the elderly and handicapped.

The aged and poor do not choose alternative means of transportation when fares increase, rather they are prevented from traveling at all. High transportation fares are greatly due to increased fuel prices, a phenomenon which makes the driving of automobiles too expensive for many. Automobiles do not answer most transportation needs of the elderly for many reasons: Health problems make operation difficult and furthermore only 47 percent of older Americans are licensed drivers. We should improve mass transit instead.

The need for improved facilities is intensified when we expand our focus to the handicapped. The Federal Register of February 26, 1975, reports that over a third of the elderly are handicapped to such a degree that the use of most mass transportation services is difficult or impossible. Such problems of maneuverability discourage and prevent use of the mass transit system by many. And last, the lack of access is a key problem. For those in rural and isolated areas, mass transportation is almost nonexistent. Better facilities are useless if the rider cannot reach a bus stop.

There is a need for a free or low-fare, coordinated, and accessible transportation system. The intent of existing legislation appears very sound, but the concrete results are few. The problems outlined above still exist, with the exception of a few areas in which demonstration programs have been successfully run. There have been suggestions of a separate system for the elderly, but I think that would be a poor use of resources. We must fully utilize all available resources and include the elderly in our mass transit system. Creating easier access to existing facilities by providing ramps and escalators are ways of accomplishing this end. In addition, services feeding into the larger system should be developed for those in heretofore unserved areas and for the severely handicapped.

An effective program in this area requires Federal direction and local implementation. Let us look at some more specific proposals. Possibly the largest program in this field is the Urban Mass Transportation Administration—UMTA—Act. There are several areas for improvement under section 16(b)(2). We must restate our commitment to the aged in stronger terms than by stating that the Secretary "may" set aside funds up to 2 percent of UMTA funds to meet the transportation needs of the elderly and handicapped. This section should be amended to earmark specific allocations for these groups.

I believe we must amend and improve the restrictions on UMTA funds. First of all, there should be a requirement that the private nonprofit agencies which qualify for section 16(b)(2) money formulate and present a transportation plan. However, in requiring such a plan we are logically compelled to make some planning funds available, as is done in other parts of the act that require a plan. Lack of ongoing funds seems to be the chief problem for many good programs around the country. UMTA funds do not address this problem since they are restricted to capital rather than operating funds run up to 80 percent of the cost of transportation. We must increase allocations to cover operating expenses, for if we are lax here, many successful demonstration programs will simply be phased out.

A second major piece of legislation is the National Mass Transportation Assistance Act of 1974, a program which requires public and private grantees of capital assistance funds to reduce fares to the elderly by at least half during offpeak times. This is an excellent idea, except that it does not go far enough. Limitation of reduced fares to offpeak hours denies the elderly access to inexpensive transportation during certain portions of the day. The pace and crowding of rush hour traffic will discourage those who can not wait until offpeak hours to travel.

However, if reduced fares were provided without a time restriction, then those elderly citizens who need to use the buses during peak times can afford to do so. Augmenting this problem is the relatively infrequent service during nonpeak hours.

Our goal must be to make mass transit accessible to the elderly, not to leave them the choice of high fares or long waits. Free fare systems have been tried with success in many areas. In Pennsylvania, a statewide free-fare program was funded by the State lottery. There were over 52 million free elderly passengers at a cost of $10.8 million in 1973–74. I also understand that such a program in Honolulu resulted in a threefold increase in the number of older citizens who availed themselves of mass transportation facilities. If our commitment to meeting the needs of the elderly and handicapped is an earnest one, as I believe it is, then free fares seems an excellent means of making transportation accessible. A policy of reduced fares during peak hours coupled with free fares for nonpeak times might be a viable alternative.

A third use of Federal funds for transportation for the elderly has gone into demonstration programs. But again we see the problem of useful programs running out of funds because money is not available for operating costs. Programs across the Nation have made great strides. In West Virginia, a transportation remuneration and incentive program—TRIP—provided access for elderly and handicapped people by establishing State-wide service based on the person's ability to pay. TRIP ticket holders had access to many forms of transportation, including Greyhound and Trailways buses as well as taxis. Specially equipped vehicles, off-duty school buses, demand responsive service and other techniques have shown that the needs may be met if the proper incentive exists. Such systems have enabled access to health centers, churches, libraries, museums and other social services.

The benefits of planning transportation links to social services are many. First of all, it can avoid duplication of effort by merging schedules or establishing a central dispatching office. Second, vehicles may be purchased on a larger scale, resulting in significant economies. Each local transportation authority that wants to utilize Federal funds should be required to submit a plan to the state DOT office with provision for the elderly and handicapped. Local community agencies must furthermore be included in the planning process, to fully meet the needs of the aged and infirm.

Rural areas feel this need for mass transportation planning more than most others. The existing legislation which addresses these areas is the Federal Aid Highway Act of 1973, specifically section 147, which designates money aimed at developing demonstration projects for rural public mass transportation. Thus far, none of this money has been spent on transportation for the elderly. There is a great need for DOT to make known the amount of money available each year, as well as to suggest types of programs which might be instituted. A recently passed Senate bill, S. 662, a version of which is now pending in the House, would free some of this money for operating costs. I applaud this action as a necessary step toward providing better transportation, in its approach to use of funds as well as its focus on technical studies which must address the needs of the elderly.

The UMTA research and development programs appear to be producing some encouraging results. Prototypes for mass transit buses which can accommodate wheelchairs are being developed, yet there are a number of cases in which the spirit of the law has been circumvented, and cities buy new vehicles with no provision for the old and infirm. I would urge continued oversight in these programs to speed the implementation of long awaited vehicles with provisions for the elderly.

A last piece of legislation which merits attention is section 412 under title III of the Older Americans Act, a program which calls for a study of transportation services for the elderly, and then suitable demonstration programs. Although a study has been released, recommendations are overdue. The program has gone unfunded in fiscal year 1975 and the administration's budget for fiscal year 1976 "does not include one penny to take advantage of section 412," according to the National Council of Senior Citizens, April 1975. I encourage its funding and rapid development of programs for the elderly.

One of the major obstacles to a successful system of transportation for the aged and handicapped is the multiplicity of programs. The coordination which I feel is so important at the local level is just as important at the Federal level. There should be a pooling and subsequent administration of the available resources under one agency, possibly the Department of Transportation. To accomplish this, the roadblock of the conflicting eligibility requirements of the many programs must be resolved.

The need for transportation for the elderly is strong and growing. We can ill afford to wait another year or two to get concrete action. The existing demonstration programs have provided some very successful results and need to be continued. The laws on the books must be implemented. It is unrealistic to think that mass transit facilities can be self-supporting through fare-box receipts alone. Subsidized fares and Federal assistance for operating costs are a necessity if we wish to truly meet the problem and fulfill our commitment to make transportation more accessible to the elderly and handicapped in this country.

LEADERSHIP HAS STRUCK PROPER BALANCE WITH RECESS SCHEDULE FOR SECOND SESSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. LEVITAS) is recognized for 5 minutes.

Mr. LEVITAS. Mr. Speaker, as you and other Members may recall, I, along with several of our colleagues, was critical of the recess schedule which the House of Representatives inflexibly followed last year. While I commended the House leadership for devising a schedule for the 1st session of the 94th Congress which gave us time to work in the legislature coupled with scheduled time to listen to our constituents, I felt that throughout the first session, we were recessing too often and too long and too frequently while at the same time announcing to the country that we had an energy/economic/whatever kind of crisis. I happened to believe that we did indeed have problems of crisis-reaching proportions and wondered, as did many of my constituents and other Americans, how Congress could possibly justify going home just after alarming the country to the unresolved problems at hand.

Last February, we were experiencing great problems with energy conservation and production, pricing, exports, et cetera, and I spoke against the Lincoln's Day recess. Later in the spring, I spoke against the extended Easter-Passover recess when we had yet to complete action on energy, the economy or taxes. In June, I suggested that we not take an extended recess for the Fourth of July, or any other recess, until an effective energy program had been developed and passed.

And again in July, I pointed out, with my good friend and colleague, the gentleman from Connecticut (Mr. McKINNEY) that unless the recess schedule were revised, Congress would meet on only 60 days for the remainder of 1975.

Having now seen the recess schedule for the second session of this Congress, I am heartened because it appears to reflect the concern expressed by myself and others. It appears that our efforts have not been in vain, for we now see that the recesses have been pared considerably, allowing for more days for committee study and floor debate, while still giving Members the opportunity to return to our districts to meet with our constituents, get their views, and exchange ideas.

I believe the leadership has struck a proper balance on this new schedule, and I am optimistic that if we are diligent, Congress will accomplish beneficial results for America during this session. Since I was one who criticized before, I believe it is proper now for me to express my compliments to the leadership for taking those views into account and coming up with a good result.

MUSEUM SURVEY ON RESTORING THE ARTIST'S TAX DEDUCTION

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous mater.)

Mr. KOCH. Mr. Speaker, for several years I have sponsored legislation to restore the artist's tax deduction for the donation of his work to public institutions. The bill, H.R. 585, would permit an artist to take a deduction for 100 percent of the value of his donated work, as allowed prior to the 1969 Tax Reform Act. Presently, the artist can deduct only out-of-pocket costs of producing a donated work of art.

The 1969 law has effected a public policy that insults the living American artist and denies the public of a rich collection of art being produced today. As a result of the 1969 law, only the collector can take a deduction for the full value of the donated work. I believe the collector's deduction privileges should be continued. But, just as we provide this incentive for giving because we believe that art donated to the public arena enriches our cultural resources, we should also want to encourage donations by artists themselves.

In restoring the artist's deduction we would be encouraging the production of art, aiding the artist, and providing additional resources for the public. The tax code as now written asks the American public to wait until the artist dies, or the work of art has passed through the collector's hands, often years after it is produced and at an inflated value, which of course makes the deduction finally taken more costly to the Treasury than had it been taken earlier by the artist. In the meantime, the works of art have not hung in the museums.

Because my bill has received such interest from people in the art community, I decided to poll the major museums last year on the impact of the 1969 act on donations by artists and secure their directors' comments on the bill.

Forty-seven of the one hundred and four museums I contacted responded. A couple of museums indicated they were not affected by the 1969 law because they did not collect the work of living artists; one director charged the artists do not need financial assistance, and the rest were overwhelmingly supportive of restoring the deduction privilege at either 100 percent of fair market value or 75 to 50 percent as proposed by other Members. Most helpful were the comments added by the directors in responding. Many indicated that they were losing potential donations daily because the deduction was not available.

The returns showed conclusively that artists' donations, particularly in the value of the artwork given, have been reduced sharply by the 1969 act. In 1974, 5 years after the watershed year of 1969 when the value of artists' donations to the museums which could provide figures totaled over $440,000, the gifts valued a little more than $130,000, a figure that falls below the total for 1967, the first year recorded in my survey. Most significant has been the fall-off in donations of major works of art, many artists fulfilling their established giving patterns with lower valued prints and drawings.

Fortunately, for the art viewing public, museums have increased their budget allocations for the work of living American artists and the National Endowment for the Arts has made grants to many museums for contemporary work. But one must recognize in the latter instance that Federal dollars are again involved—and indirectly in the case of the former. It would be less expensive for the Federal Government to give the artist even a 100 percent deduction, amounting to some 30 percent in tax revenue loss, than to support the entire purchase of the artwork. In short, the tax dollar lost through the artist's donation will generate art contributions three to four times in value.

Most compelling is the basic inequity and affront to the artist of today's tax policy. In responding to my questionnaire, Stephen Ostrow, director of the Art Museum at the Rhode Island School of Design, made this point:

> It seems most inequitable that a non-artist donating a painting by Jasper Johns can deduct the full and fair market value while Jasper Johns himself could not if he were to donate the painting.

Leslie Judd Allender, curator of the John and Mable Ringling Museum of Art in Florida puts the situation like this:

> This foolish law puts the artist in a position comparable to that of a doctor who would only be allowed to charge for the actual materials he used in treating a patient: a patent absurdity. The artist should be allowed to deduct the fair current market value for any work he creates, since it is the end product of the same sort of long years of work and study that is true of a doctor or a lawyer.

Over and over again museum directors reported that they had "just had lunch" with an artist who could not give a major work to the museum until the artist's deduction is restored. One director, in relating such experience, added:

> We all recognize that it is an immense disservice to the American people—and in fact the hundreds of thousands, perhaps millions of foreign visitors to America's museums—to be deprived of the opportunity to experience great works of art by living artists because the artist is called upon to make de facto major financial sacrifices on behalf of federal revenues.

Another director, Alan Shestack, of the Yale Art Museum, spoke of the past importance of the deduction:

> One year the eminent painter, Robert Motherwell, gave us six of his own works of the highest distinction. These works have been exhibited to the public on a regular basis ever since. Because of Motherwell's elevated reputation and the high price his paintings fetch, we could never have afforded to purchase these works of art. There is no doubt that the incentive to artists to donate their works to museums benefits the public generally.

A particular victim of the 1969 Tax Reform Act has been the teaching related museum. Peter C. Bunnell, director of the Princeton University Art Museum emphasized this loss in his response:

> I feel that American museum collections have declined since the original law was changed and this is especially the case with university related—or teaching related—museums where the emphasis on collections is toward bodies of an artist's work rather than the single masterpiece. Collections of related drawings, studies, documents, etc. are as important to us and our teaching function as is the finished work itself. This is also the sort of material that is difficult to obtain through donor support simply because it is not so "public" or "popular." Museums in the past always relied on the artist's gifts to support this function of the institution.

The National Endowment for the Arts has already indicated its support for restoring the artist's deduction as a means of rectifying the inequities existing under the present law. Furthermore, Chairman Nancy Hanks has stated in a letter addressed to the Ways and Means Committee a couple of years ago that—

> Any adverse effect on the Federal Treasury caused by restoration of the full deduction available to creative artists for the donation of their works would, in our view, be more than compensated for by the salutary benefit to this Nation's artistic community, its cultural institutions, and the massive public audience they serve.

Some argue that enactment of H.R. 585 will burden museums with vast amounts of artwork they do not want or have no need for—at the taxpayers' expense. But this is a specious objection. Even today museums have to refuse works of art by artists who want to have their work in the collection of a museum as a means of achieving public recognition. Where the fall-off in donations has come is from the recognized artist. And the loss has been felt by the major museums as well as smaller museums. It should be remembered that H.R. 585 creates no financial incentive to the museum to accept a work of art; the incentive is directed to the artist. Thus, the museum in deciding to accept or reject a donation, will have to continue to weigh the benefit of the work to the public—versus the cost in storing and showing it.

The enactment of H.R. 585 would insure access to works by native-born artists to present and future generations of Americans. I, personally, can think of no better way of honoring those who contribute to the cultural life of the nation in this, our Bicentennial Year.

As James H. Duff, director of the Brandywine River Museum stated:

> The final benefit would be the public's through the development of collections which would serve as superior documentation of our times.

At this time, Mr. Speaker, I would like to append a listing of the museums which responded to my questionnaire. If any of our colleagues would like additional information on particular responses, I should be glad to provide it.

The list follows:

MUSEUMS RESPONDING TO THE KOCH SURVEY

CALIFORNIA

San Francisco Museum of Art.

The Frederick S. Wight Galleries, University of California.

Huntington Library & Art Gallery.

La Jolla Museum of Contemporary Art.

COLORADO

The Denver Art Museum.

CONNECTICUT

Yale University Art Gallery.

Wadsworth Atheneum.

DELAWARE

Delaware Art Museum.

Winterthur Museum.

DISTRICT OF COLUMBIA

Corcoran Gallery of Art.

FLORIDA

John & Mable Ringling Museum of Art.

Museum of Fine Arts of St. Petersburg.

ILLINOIS

The Art Institute of Chicago.

INDIANA

Indianapolis Museum of Art.

IOWA

Davenport Municipal Art Gallery.

KENTUCKY

J. B. Speed Art Museum.

MASSACHUSETTS

Museum of Fine Arts, Boston.

Fogg Art Museum.

MICHIGAN

The Detroit Institute of Art.

Flint Institute of Arts.

MINNESOTA

Walter Art Center.

MISSOURI

Atkins Museum of Fine Arts.

NEW HAMPSHIRE

The Currier Gallery of Art.

NEW JERSEY

The Newark Museum.

The Art Museum, Princeton University.

The Montclair Art Museum.

NEW YORK

The Metropolitan Museum of Art.

The Solomon R. Guggenheim Museum.

Everson Museum of Art.

Albright-Knox Art Gallery.

Hudson River Museum.

NORTH CAROLINA

North Carolina Museum of Art.

William Hayes Ackland Memorial Art Center, University of North Carolina.

OHIO

Cincinnati Art Museum.

Allen Memorial Art Museum, Oberlin College.

OREGON

Portland Art Museum.

PENNSYLVANIA

Pennsylvania Academy of the Fine Arts.

Brandywine River Museum.

RHODE ISLAND

Rhode Island School of Design Museum of Art.

TEXAS

The Museum of Fine Arts, Houston.

San Antonio Museum Association.

Kimball Art Museum.

Amon Carter Museum.

McNay Art Institute.

VIRGINIA

Virginia Museum of Fine Arts.

WASHINGTON

Seattle Art Museum.

WISCONSIN

Elvehjem Art Center, University of Wisconsin-Madison.

JOB CORPS REWRITES MANUAL ON SEXUALITY

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, on December 22 I received correspondence from the National Gay Task Force containing as an enclosure a letter sent by that organization to John T. Dunlop, former Secretary of Labor. The letter pointed out that the Job Corps Health Program Manual in its supplement entitled "Sexual Deviation" contained material that was inaccurate and discriminatory.

I am pleased to report that a letter received on February 2, 1976 from Pierce A. Quinlan, Administrator of the Office of Comprehensive Employment Development, acknowledges the validity of the objections and sets forth certain changes that will be made. The correspondence follows:

WASHINGTON, D.C., *January 2, 1976.*

Hon. JOHN T. DUNLOP,
Secretary of Labor,
Washington, D.C.

DEAR MR. SECRETARY: I am writing in reference to the Job Corps Health Program Manual Part II Technical Supplement entitled "Sexual Deviation" (TS–J, Revised July 31, 1972).

The American Psychiatric Association has removed homosexuality from their official list of "sexual deviation". The U.S. Civil Service Commission ruled that homosexuality is not sufficient reason to find a person unsuitable for Federal employment. In light of these developments, a policy which outlines the "prevention of sexually deviant behavior" with regard to homosexuality is unscientific as well as discriminatory. I urge you, therefore, to re-examine the policy designed to train job corps staff and counsel enrollees in the area of sexuality. The concept is an admirable one but one which cannot be fulfilled within such a structure of sexual definitions. I believe that the Job Corps has the right to impose restrictions that are deemed necessary—provided they are equally imposed without regard to sexual or affectional preference.

I look forward to hearing from you on this matter.

Sincerely,

EDWARD I. KOCH.

NATIONAL GAY TASK FORCE,
New York, N.Y., December 19, 1975.

Hon. JOHN T. DUNLOP,
Secretary of Labor,
Washington, D.C.

DEAR SECRETARY DUNLOP: We are herewith submitting a formal request for the immediate withdrawal from distribution of Job Corps Health Program Manual Part II Technical Supplement entitled "Sexual Deviation" (TS–J, Revised July 31, 1972), and immediate abandonment of the policy it outlines, to wit "the prevention and management" of homosexuality. (Documents in our possession indicate that this manual was being used as recently as November 12, 1975, at Tongue Point Job Corps Center, Astoria, Oregon.)

Further, we request that you immediately put into effect, via appropriate instructions to all Job Corps centers, a policy declaring that individuals with homosexual lifestyles and modes of behavior shall be treated *in no way differently* from other Job Corps staff and trainees.

We believe that this matter requires your immediate attention since, under the policy outlined in TS–J, young women and men are currently being deprived of job opportunities on alleged medical grounds, where in fact no such grounds exist; medical discharges are given given to Job Corps trainees in instances which, according to TS–J itself, "may or may not require mental health evaluation, and may or may not require medical referral"; and unspecified criteria of "appearance and behavior" are being used which are clearly violative of Civil Service Commission guidelines (attached).

While we question whether prohibitions against either heterosexual or homosexual behavior within the confines of Job Corps centers are either necessary or effective, we do not challenge the Corps' right to impose such restrictions—provided they are equitably imposed without regard to the gender preference of those involved. Nor do we challenge restrictions against "coercive sexual assault," providing this phrase is interpreted no differently for heterosexual and homosexual behavior.

We do, however, strongly challenge the discriminatory policy outlined in TS–J, and its spurious pseudo-scientific biases. For example, the phrase "chronic overt homosexual" is used as if it were a learned diagnosis. But it simply defines those who engage in homosexual behavior. Do you label your heterosexual trainees as "chronic overt heterosexual"?

Since most lesbians and gay men have no doubts about either their gender or their preferences, what reasons are there for suggesting they don't have "a solid sense of sexual identity"? And, since homosexual behavior and same-sex preference are well within the normal range of human responses, what is meant by "normal sexual identity formation"? What is the meaning of "physical contact with members of the same sex may have sexual meaning or not"? Does physical contact with the opposite sex always have "sexual meaning"? What is "sexual meaning"?

Homosexuality is no longer listed under "sexual deviation" or any other category of mental disorder in the nomenclature of the American Psychiatric Association (see attached), so that there is absolutely no reason for medical referrals of homosexual trainees except as the first step in a punitive procedure. Do you refer enrollees who have engaged in heterosexual activity "to the center physician for evaluation"? Do you make an assessment of their "motivation to change (their) behavior"? If you do not, you have neither medical nor legal justification for doing so with gay enrollees.

We applaud the notion, contained in TS–J, that Job Corps staff should be trained "to increase its understanding and responsiveness in the area of sexuality," and that enrollees should be offered an educational program to "include the topic of sexuality." But if these programs are on the level of ignorance and bigotry of TS–J itself, we request an immediate end to such alleged "training and education."

Similarly, we see the value of counseling "dealing with feelings of anxiety and guilt often associated with homosexual acts." But Job Corps counseling, in the context of TS–J, is clearly designed to increase anxiety and guilt by dealing with homosexual feelings and behavior as "deviant" and in need of "prevention." It is essential to see that the societal attitudes expressed in TS–J are the direct causes of anxiety and guilt in young people as they discover their homosexual feelings. We request that "counseling" based on these attitudes be immediately discontinued.

In addition to the enclosures mentioned above, you will find copies of statements deploring the sort of discrimination now evidently practiced by the Job Corps which have been issued by the American Psychological Assn., the American Association for the Advancement of Science, the National Education Assn., the American Personnel and Guidance Assn., the American Federation of Teachers, the American Civil Liberties Union, the National Council of the Churches of Christ, and the National Federation of Priests Councils. We are also including a bibliography of contemporary material on homosexuality which might immediately be used to replace what TS–J refers to as "carefully selected literature regarding sexual deviation" in Job Corps libraries.

Since TS–J clearly suggests that U.S. Civil Service Commission guidelines are being violated with reference to Job Corps staff as well as trainees, in our cover letter to the Commission Chairman, accompanying a copy of this letter, we are requesting an immediate investigation of Job Corps hiring policies.

We hope for your earliest reply.

Sincerely,

BRUCE VOELLER,
Executive Director.

U.S. DEPARTMENT OF LABOR,
Washington, D.C., February 2, 1976.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN KOCH: In response to your letter of January 12, 1976, to then Secretary Dunlop, please be advised that the present policy requirements of the Job Corps regarding homosexuality and heterosexuality are as stated in the Federal Register, October 31, 1975, Part 97a—Job Corps Program under Title IV of the Comprehensive Employment and Training Act. A copy of the Federal Register issue of October 31, 1975, is enclosed.

The section which deals specifically with sexuality is as follows:

"97a.70 Sex Related Issues—The center shall provide counseling and medical services for corpsmembers whose sexual behavior interferes with their ability or the ability of others to participate in the Job Corps program. When resolution of such problems is not possible within Job Corps settings, corpsmembers with such problems shall be medically terminated."

Other sections which may be relevant although not dealing specifically with sexuality, include the following: 97a.30 Recruitment and Screening of Corpsmembers; 97a.31 Selection, Assignment and Enrollment of Corpsmembers; 97a.36 Terminations; 97a.52 Job Corps Basic Education Program; 97a.52(b)(5) Health Education; 97a.61 Health Care and Services; 97a.68 Mental Health; and 97a.76 Counseling.

These regulations were published in draft form in the *Federal Register* of July 21, 1975, with opportunity for all members of the public to comment until August 20, 1975. No comments on section 97a.70 were received.

The technical supplement to which you refer (TS–J, "Sexual Deviation", Revised July 31, 1972) is presently being rewritten to bring it into accordance with the Federal Regulations, and the latest technical findings and attitudes concerning sexuality.

The Supplement will be retitled "Sexuality", and will take into account the current attitudes of the American Psychiatric Association and the U.S. Civil Service Commission, indicated in your letter, that homosexuality per se is not "deviant behavior".

The revision is needed to train Job Corps staff properly in the counseling of corpsmembers with sexual problems, to advise when medical referral and treatment may be indicated, and to state the policy and procedures for termination from Job Corps when necessary.

Your comments concerning the issues are appreciated and will be given full consideration in preparing the revision.

Sincerely,

PIERCE A. QUINLAN,
Administrator, Office of Comprehensive Employment Development.

WASHINGTON, D.C.,
February 5, 1976.

Mr. BRUCE VOELLER,
Executive Director, National Gay Task Force,
New York, N.Y.

DEAR BRUCE: Enclosed please find the response I received from the Department of Labor with regard to the Job Corps Health Manual supplement entitled "Sexual Deviation". I am pleased to note that the supplement is being revised, and I do hope we have had some effect in that regard.

All the best.

Sincerely,

EDWARD I. KOCH.

THE DIESEL ENGINE: USE IN TAXICABS

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the diesel engine is successfully in use in many parts of the world today, including the United States. It has been shown to be a very efficient engine with quite good emission characteristics, whose use has grown especially in those situations where fuel economy and durability are of prime importance. These two factors are necessary considerations of our urban centers. The number of automobiles in see alarming levels of air pollution, in- our cities grows daily. Concurrently we creasing fuel consumption, and high mass transit fares. A partial answer may lie in an environmentally safe, financially sound, mass transportation system including diesel-powered taxicabs.

Cabs are an integral part of the urban mass transit system. Although not in the public financed sector, they do serve a public need. The door-to-door service offered provides an element of safety and convenience not available elsewhere. In New York City alone, cabs serve 800,000 persons each day, according to the New York City Taxi Commission. However, inflation and rising costs pose real problems to cab owners. Since their fares are already high, an increase would prove an unwelcome burden to passengers and lead to a falloff in use. According to the New York Metropolitan Taxicab Board of Trade—MTBOT—if the diesel option were currently available to the taxi industry, reduced fuel expenses alone would not only obviate the need for a proposed fare increase, but would create a sufficient surplus to offset the added cost of the diesel engine as well. What we stand to gain by investigating the diesel for use in taxicabs is a healthier taxicab industry, cleaner air, and lower fuel consumption.

The New York City Taxi Commission counts 24 diesel-powered cabs presently running in the New York metropolitan area. They consist largely of Peugots, a few retrofitted Checker cabs, and several Dodge retrofits. MTBOT reports double to triple the mileage in their diesels "under the most adverse conditions," averaging 18 to 22 miles per gallon of fuel as opposed to the 8.5 to 9.5 miles per gallon of gasoline averaged in the conventional taxicabs.

Other results indicate that this figure may even be bettered. Volkswagen tests on the VW Rabbit equipped with diesel engine show that this car can get 66 miles per gallon in highway driving without a noticeable decrease in performance. The benefits are also apparent in larger cars. In an EPA test, a diesel-powered Mercedes showed a 70 percent advantage in fuel economy over similar size and weight of spark-ignition cars. But a very important factor to consider is that this fuel advantage is greatest at the low to moderate speeds. When the car approaches speeds of 60 to 70 miles per hour, the two engines get comparable mileage. This again reinforces the applicability of the diesel engine to the moderate driving speeds of urban taxi systems. A concurrent savings on energy consumption comes from the type of fuel used. Diesel fuel requires less refining—and hence uses less crude oil—is 4 to 5 cents per gallon less expensive, and works as a lubricant to help extend the car life. Furthermore, the National Academy of Sciences has found that the lower volatility of the fuel gives diesel engines an added safety factor.

Another advantage of the diesel engine is its celebrated "longevity." Two July 1973 publications support this. Auto World says that diesels boast a life span of "easily 150,000 miles," and Trailer Life puts the figure at closer to 200,000 miles "before needing an overhaul." The maintenance advantage is a great one to cab drivers who put so many miles on their automobiles.

Diesel-powered cars are also advantageous for use in urban centers because of their low emissions. Many cities have a serious carbon monoxide—CO—problem, and the diesel emissions of CO are almost half the 1976 limit set by the Clean Air Act (according to Mercedes-Benz figures). EPA tests of a Mercedes diesel found that "hydrocarbon, carbon monoxide and nitrogen oxide levels 30 percent below the 1975 standards"—Auto World, July 1973.

The nitrogen oxide—NO_x—standards, however, may create a problem when the current standard of 3.1 grams per mile—gpm—is reduced to 0.4 gpm for model cars in 1980, in accordance with the Clean Air Act. However, this problem does not appear to be far from a solution. The Clean Air Coalition is confident that this standard may be met, and they point in evidence to the Peugeot 504 diesel, which was certified this year at the already low 0.97 gpm mark. They go on to cite a National Academy of Sciences report which stated that the 0.4 gpm limit can realistically be met and I believe it is important to achieve such standards, especially for highly polluted areas.

I join the environmental community, as represented by the Clean Air Coalition, in opposing a relaxation of this NOx guideline. There is also the drawback of slower acceleration in diesel cabs, but MTBOT has found it to be adequate for the city driving of taxis.

The advantages of a conversion to diesel engines in taxicabs are very clear. The Federal Government must, in its commitment to conserve vital resources and protect the environment, initiate research programs in this area of energy conservation and efficiency. The program which I suggest is threefold. First of all, an immediate data gathering study of diesel cabs is necessary. The Department of Transportation—DOT—has, for almost a year, been promising such a study, and hopefully it will soon be underway. The Urban Mass Transportation Association's—UMTA's—Office of System Development is presently taking bids from taxicab fleets for this program which would compare 70 diesel-powered cabs with 70 gasoline cabs. This DOT-funded effort would last up to 2 years, producing data on the feasibility and advantages of a diesel taxicab. This is a very necessary and good comparison, but it must move more swiftly and must not be seen as the only necessary project. This testing should be part of a larger effort.

A second research project is being planned by ERDA—Environmental Research and Development Administration—which is aimed at developing and evaluating alternative engines—such as the diesel and Stirling engines—judging them on the criteria of fuel economy and pollution levels. There is a controversy as to whether the NOx guidelines may be met by 1980. Hopefully, this research will settle the question. If the prognosis is negative, then we may wish to consider specific regulations consistent with the special duty cycle of a taxicab, just as we have different regulations for heavy duty trucks. These research endeavors must be coordinated and accelerated. Hopefully, a clean, efficient engine will result and be developed for even wider applications.

And last, I feel that we can accomplish immediate results through retrofit, the process of converting existing engines to diesel power. Under a program funded by the Metropolitan Taxicab Board of Trade, diesel engines installed in fleet cabs achieved double mileage and reduced emissions, compared to conventional cabs. October's Taxi News estimates that there are more than 1 million service vehicles in the Nation which could make the conversion. The savings are more than significant: "The taxi industry uses between 45 and 50 million gallons of gasoline a year. It is estimated that installation of diesels will cut that figure in half"—Taxi News, October 1, 1975. However, the cost of a retrofit program on a custom basis is too expensive, even in light of the fuel savings, and no organization does large-scale retrofitting. If large enough numbers of cab owners decided to convert to diesel power, it would then become economical to retrofit. According to an MTBOT estimate, 1,000 cabs a year would be enough to achieve economies of scale. What is needed is an incentive such as a tax credit or abatement, which would encourage a large number to retrofit. This is not a new idea—we already have various forms of subsidies to public carriers which are privately owned.

The taxicab industry is an important segment of our mass transportation system, serving many areas not reached by public mass transit. The safety and convenience offered by a taxi make it appealing to all of us, especially the elderly and infirm. The diesel engine, as more economical, will help salvage the competitiveness of the taxi industry by relieving the need for a fare increase. Furthermore, the diesel engine has lower emissions and consumes less fuel. A program of comparison testing, engine research, and immediate incentives to retrofit will effectively bring about these positive results. In a time when pollution controls, energy conservation, and economy are prime concerns, the diesel engine is an excellent investment.

I am appending correspondence I have had with the major automotive companies, the Department of Transportation, and the Metropolitan Taxicab Board of Trade on the subject of diesel engine on taxicabs.

U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., December 3, 1975.

Hon. WILLIAM T. COLEMAN, Jr.,
Secretary, Department of Transportation,
Washington, D.C.

DEAR BILL: Taxi drivers in the City of New York carry about 800,000 passengers a day, and I am often in one of those taxis. On many occasions the question has been posed by the driver why is it that the major automotive companies do not manufacture a diesel fuel cab. They say it would be cheaper to run, less polluting and conserve more fuel. It seems to me the question is a good one and that the Department of Transportation ought to look into what can be done to encourage the development of such a vehicle. Many of the same cab drivers tell me that one vehicle, the Chequer cab, is diesel fueled but for several reasons some of them are not satisfied with it. One reason they give is that it is not being manufactured by one of the major corporations, parts are not readily available and it is more expensive than other cabs not diesel fueled. I have no expertise on the subject and cannot comment on their opinions; but, the need for a diesel fueled cab seems to be there.

Also, one other matter that should be considered by the Transportation Administration is the fact that while all other modes of public transportation are heavily subsidized, the cabbies point out that they are not and that something should be done to assist them because they are caught up in the high cost energy squeeze. It makes no sense to simply raise fares because that will reduce the fare riding population. These matters should be receiving your department's attention and perhaps they already are, in which case I would be very appreciative if you would provide me with the department's finds.

All the best

Sincerely,

EDWARD I. KOCH.

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., January 27, 1976.

Hon. EDWARD I. KOCH,
House of Representatives
Washington, D.C.

DEAR ED: This responds to your recent letter on behalf of New Yor City taxi operators urging Departmental involvement in the development of a diesel-fueled vehicle.

I agree that diesel propulsion offers attractive possibilities in terms of cost and energy efficiencies for taxi and other paratransit services. The Department's Urban Mass Transportation Administration is currently undertaking a research activity to test and evaluate diesel engines in a taxi fleet. The tests are to acquire data on the performance of the diesel engine in actual service in a large urban city. If the tests establish the suitability of the diesel engine in urban taxi service, we are hopeful that manufacturers will undertake more extensive production of diesel taxis and financial institutions will support taxi operators in purchasing these vehicles.

Your letter also refers to an imbalance of Federal assistance to urban mass transportation modes, specifically, the lack of such assistance to taxi operators. As I pointed out in the Department's recent Statement of National Transportation Policy, there is a need to examine the impact of all Federal subsidies on various transportation modes and a need to eliminate any inequities which may exist. I intend that such reexamination will include an evaluation of the impact of Federal subsidies upon the taxi industry.

I should also point out that Federal capital and operating assistance administered by the Urban Mass Transportation Administration is available to taxi operators who provide certain types of services. Eligible services must be collective in nature and must be provided to the public on a continuing and regular basis (services that can be reserved for the private use of the passenger are not eligible for Federal assistance). Projects must, additionally, be part of the officially-developed areawide mass transportation program. Taxi operators, therefore, should work closely with local officials if they wish to take advantage of any financial assistance that might be available under the Federal mass transportation program.

I hope these comments will prove helpful. If I can provide any further assistance, please feel free to contact me.

Sincerely,

WILLIAM T. COLEMAN, JR.

CHRYSLER CORP.,
December 18, 1975.

Hon. EDWARD I. KOCH,
House of Representatives, Longworth Office Building Washington, D.C.

DEAR CONGRESSMAN KOCH: This is in response to your letter of December 2 addressed to our former Chairman of the Board, Mr. Lynn Townsend.

We have done a good deal of evaluation work on diesel engines in taxicabs and the work is continuing. Since Chrysler does not manufacture diesel engines, it has been necessary to install diesel engines made by other manufacturers in these cabs to evaluate them, both experimentally and in actual use. At one point several years back, we had a fleet of diesel engines in taxicabs running in New York City. In each case so far, the performance of the diesel taxicab has been much more sluggish than the standard cab because all the diesel engines so far available are much heavier and at the same time produce less power and torque. Perhaps the principal problem has been one of cost, since the premium for a diesel engine application in a cab is over $1500. Diesel engines are also inherently much noisier than gasoline powered engines, and noise regulations now being proposed for many cities and states would rule out most diesel engine applications. We also received complaints from the operators on smoke and odor.

With these problems we have experienced up to this point, we have not felt that we could sell diesel-powered cabs against gasoline engine counterparts. However, we have some encouraging developments underway on diesel engines which we hope will be sufficiently successful to make diesel engines in taxicabs and even cars competitive with gasoline engines in the future, since there is no doubt of the inherent fuel efficiency and low pollution characteristics of this kind of an engine.

It is interesting to note, however, that it is generally considered impractical if not impossible to reach emission levels for oxides of nitrogen below 1.5 grams per mile. On this basis, both the present statutory requirements of 0.4 grams of NO_x per mile and the proposed relaxed standards now being considered by Congress of 1.0 grams of NO_x per mile for 1980 and beyond could rule out diesel engines as an alternative future powerplant.

If you have any other questions regarding the application of diesel engines to passenger cars or taxicabs, we would be glad to try to answer them.

Sincerely yours,

CHRYSLER CORP.,
S. L. TERRY,
Vice President, Public Responsibility and Consumer Affairs.

GENERAL MOTORS CORPORATION,
Detroit, Mich., December 17, 1975.

Hon. EDWARD I. KOCH,
U.S. House of Representatives,
Washington, D.C.

DEAR MR. KOCH: I am pleased to respond to your letter of December 2 in which you asked why General Motors does not manufacture a diesel-powered vehicle that would be suitable for taxicab use. I understand that you addressed similar letters to other General Motors executives in Detroit also. This response will be on behalf of all of us.

Under the Arab oil embargo in 1973, there was very little demand in the United States for a diesel-powered cab. Since gasoline was relatively inexpensive, the added cost associated with the diesel, along with its problems of noise, smoke, odor, particulate emissions and cold weather starting constituted disadvantages that outweighed its advantage of higher fuel economy. Had there been adequate demand for diesel-powered cabs to support the high cost of tooling, GM—or other manufacturers—would have produced them. Also, until very recently, the European market has supported only limited production of automotive diesels for taxi and other use.

Since mid-1973, however, the more fuel economical diesel has become relatively more attractive than it was during the period when gasoline prices were low. The diesel cannot be considered at this time a meaningful candidate for U.S. production, however, because of the 0.4 gpm standard for NO_x established by the Clean Air Act amendments of 1970. To our knowledge, no diesel or gasoline engine can meet the 0.4 gpm standard with current technology. So long as that standard remains a future requirement, the commitment of large amounts of capital needed to design and produce an automotive diesel will be discouraged.

Nevertheless, our work on automotive diesels has moved forward. Opel Division of General Motors is currently marketing a small diesel-powered car in Germany. Of course, for a number of years, fuel has been substantially more expensive in Europe than in the United States. Also, in contrast to the United States, there is currently no NO_x standard in Europe. U.S. produced vehicles are already meeting a NO_x standard that represents a 38% reduction from uncontrolled vehicles.

Domestically, Oldsmobile Division is developing a diesel engine for passenger cars and light trucks intended to provide improved fuel economy along with low hydrocarbon and carbon monoxide emissions. Actual production of the Oldsmobile diesel engine, however, depends on whether Congress amends the Clean Air Act to maintain the NO_x standard at the current level of 3.1 gpm or at least to not reduce it substantially below 2.0 gpm, rather than 0.4 gpm, which the law now requires for 1978 model vehicles.

The 0.4 standard was developed originally in error and the Environmental Protection Agency and other scientific sources have repeatedly acknowledged that it should be relaxed. It is GM's belief that revision of the 1978 .4 NO_x standard to 3.1 would present no risk to public health and no threat to achievement of air quality standards for virtually every area of the country.

We hope we can continue to make progress in our research and engineering programs to develop the passenger car diesel engine, but our decision to move forward in plans for production must await necessary decisions by Congress on future emissions standards.

Sincerely,

T. A. MURPHY.

FORD MOTOR CO.,
Dearborn, Mich., December 5, 1975.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: This is in response to your December 2nd letter in which you questioned why Ford Motor Company does not manufacture diesel engine-powered cars when the advantages appear to be obvious.

This is a complicated issue because there are both strong advantages and strong disadvantages to diesel-powered cars. High cost of manufacture and severe weight penalties are the chief disadvantages of diesel engines when compared to gasoline units of equal power. A potential problem is emission of oxides of nitrogen, which is inherently high in diesels (although carbon dioxide and hydrocarbon emissions are relatively low). Smoke and ordor are also problems long associated with diesels.

While the diesel-powered car gets more miles per gallon, and diesel fuel costs about four cents less per gallon than gasoline, the initial high diesel engine cost can be overcome only over many thousands of miles of driving. To date, our studies do not indicate that there is a sufficiently large market for high cost diesel cars to justify the large investment required for high volume production of a passenger car diesel engine family. Nevertheless, we are continuing to evaluate the diesel market, and it is possible that changing conditions could make the production of diesel passenger car engines more attractive in the future, particularly if these changing conditions indicated a potential for increased customer interest.

Best regards,

Henry Ford II.

Metropolitan Taxicab
Board of Trade,
New York, N.Y., January 26, 1976.

Mr. Larry Starfield,
Office of Congressman Edward Koch, Longworth Building, Washington, D.C.

Dear Mr. Starfield: Enclosed is a copy of the presentation paper "The Taxicab Industry—Can It Survive", which was prepared by our staff. We appreciate Congressman Koch's interest in this matter, and for his further information I am enclosing a copy of a letter sent to public officials who attended a demonstration of the ten car fleet of taxicabs which Metropolitan Taxicab Board of Trade converted to diesel engines and which were put on the streets of New York in July, 1975.

At this juncture we are waiting for a government contract which would enable us to operate up to 100 demonstration diesel taxicabs in New York City. However, the real goal, as explained in our form letter, is to receive from the government, either federal or state, necessary subsidies or tax credits to make this entire project worthwhile. I am therefore also enclosing a copy of proposed legislation which would serve to achieve this purpose. Although the enclosed amendments to the tax law apply to New York State, there must be similar laws on the federal books to achieve this goal. I am enclosing a copy of an article which appeared in the publication *Taxi News*, indicating that Senator Buckley, and Representatives Biaggi and Murphy were interested in such legislation.

Sincerely yours,

Bernard Lerner,
Executive Director.

Metropolitan Taxicab
Board of Trade,
New York, N.Y.

I would like to express our industry's appreciation for the interest you have shown in responding to our invitation and attending the meeting regarding our diesel program last Wednesday. All of the individuals who attended (for your general interest, we are attaching a list of some of the guests) generally agreed that what we hoped to achieve, in terms of the objectives stated in our invitation, came through very effectively.

Our next goal is to convert our research, feasibility studies, and small demonstration project into a practical result. Specifically, this means establishing a demand from *all* car users, not just the transportation industry, which will force the development of mass production of diesel engines in Detroit, thereby bringing about a substantial reduction in the cost of diesel engines. The net result would be a viable alternative to the gasoline engine as a source of vehicular power; an alternative, incidentally, which could have a major impact on the national energy crisis as well as the efforts of the various environmental protection agencies. Diesel engines have been found to give more than double the mileage of gasoline engines per gallon of fuel, under the most adverse conditions; our taxicabs, which operate in heavy city traffic almost constantly, were able to average 18 to 22 miles per gallon of fuel, as opposed to 8.5 to 9.5 miles per gallon of gasoline. Projected over a long-range basis, if large numbers of users converted to diesel engines, the potential for fuel conservation is tremendous. In addition, large scale conversion from gasoline to diesel power could have a dramatic impact from the standpoint of environmental protection. Our diesel engines, without any modifications, can meet and surpass the 1975–76 California standards, and in the area of carbon monoxide, particularly, the diesels emit less than two-thirds of the standard!

In order to achieve the increased demand for diesel engines, we feel the first step must be to encourage such conversions by making available tax credits and abatements, as suggested in our legislative memorandum which was distributed at the meeting (copy attached to refresh your memory). We ask that you, in your official capacity, respond to us and offer your support of these goals. With endorsements from you and other leaders of government, industry and academia, as well as labor and other segments of the transportation system, we feel that we have an excellent chance of success in obtaining passage of the necessary legislation in the very near future, so that this entire program can become effective now, when it can benefit so many people.

We hope you will be able to help in this vital area, and look forward to hearing from you very soon.

Sincerely yours,

Bernard Lerner.

CHARITABLE AND RELIGIOUS ORGANIZATIONS

(Mr. KARTH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KARTH. Mr. Speaker, there have been many reports in the news media recently concerning abuses by certain charitable and religious organizations. Most such organizations are legitimate, ethical, and beneficial to our society, and deserve the continued support provided by our current Federal tax laws—tax exemption for the organization, and deduction for contributions. However, those few organizations which abuse the process, by failing to spend enough of their receipts on the charitable purposes for which they are created and operated, or by spending too much on fundraising or administrative costs, need to be brought to the public's attention, and possibly put out of business.

Under present law, charitable and religious organizations may retain their tax-exempt status so long as they are engaged "primarily" in activities to accomplish their exempt purpose. There is no requirement in Federal law that such organizations distribute a minimum portion of their revenues each year for charitable purposes, and the IRS is unable to adequately enforce the present vague standards.

On March 12, 1975, Senator Mondale and I each introduced a bill (S. 1153, H.R. 4689) to require public charities with over $25,000 revenues—other than religious, educational, hospital, and certain other medical research organizations—to distribute at least 50 percent of their revenues for charitable purposes. The bill would require filing information with the IRS concerning this payout requirement, and would require disclosure of certain information to potential contributors at the time and place of solicitation—revenues and the amount and percentage distributed for charitable purposes during the most recent period. A detailed summary of the bill is reproduced in the Congressional Record for March 12, 1975, starting on page 6232.

Mr. Speaker, it is my sincere hope that both the House Ways and Means Committee and the Senate Finance Committee might hold some preliminary hearings early this year concerning the issues presented by the Mondale-Karth legislation. Several basic questions need to be discussed at the outset, such as whether religious and other organizations should be covered by these requirements, whether accounting standards now being developed by the accounting profession can be adopted on a uniform basis, and so on.

At this time, I wish to call the Members' attention to two recently televised reports on abuses by certain charitable organizations. One was an hour-long program featuring Betty Furness, and the other was a part of a Washington, D.C., television news series. This will give an indication of the type of information we are compiling in our files for further discussion when hearings begin on the Mondale-Karth bills:

[WTOP–TV (Washington, D.C.), Mon.,
Dec. 1, 1975, 6 p.m.]

Eyewitness News

Gordon Peterson. Each year we Americans donate billions and billions of dollars to charity. Sometimes we do it without even thinking about where the money is going. Eyewitness News correspondent Pat Collins says that might be a mistake. Tonight Collins begins his series on charities. He calls it Give and Take. (Film clip)

(Doorbell rings)

Pat Collins. Hello. I was wondering if you'd like to donate to the Collins Beneficiary Fund? You know, sometimes we go through life so quickly that we leave our charitable obligations aside. Well, the Collins Beneficiary Fund is organized to take care of that problem.

Most of you know me as Pat Collins, television news reporter. What you don't know is that I'm also Pat Collins, president of the Collins Beneficiary Fund. The Fund allows me to solicit money in the District, and then channel all the money to myself.

* * * * *

Collins. Now, his may look like a shady deal, but I've got a license from the District government to operate my fund. All I had to do was explain the purpose of the organization, set up the by-laws, write a check for $29.00, and the District dutifully sent me a license. As stated in the charter, the Collins Beneficiary Fund will be devoted to aiding the needy, giving shelter to the homeless, buying flowers for the sick and/or elderly, and awarding grants to those who have received little or no acknowledgement for their worthy deeds. That's me.

Now, this may look like my dining room to you, but actually it's the headquarters of Collins Beneficiary Fund. Now, for every dollar we collect we're going to have to use some of it to pay for our operating costs. We'll use about 30 per cent of the money we collect to cover our fund raising costs. The rest go to donations, donations to me.

* * * * *

Collins. So much for that. This is where the Collins Beneficiary Fund became official, the Potomac Building, in the office of licensing. The Director of the office is Norman Russell.

Isn't it true that I could go out and really solicit money for my fund, have a board of directors meeting with my son, decide to give the money to myself, take the money—and I really wouldn't have broken any law?

Norman Russell. I'd have to look at all

the ins and outs on that one. I would really have to look at all the ins and outs on a specific case.

COLLINS. Doesn't that look like a boondoggle to you? I mean, really—after you look at it?

RUSSELL. No, not after I looked at it. When I first looked at it it looked like a boondoggle.

* * * * *

COLLINS. How many charities in the city have lost their license?

RUSSELL. To my knowledge, we have not taken away any.

* * * * *

COLLINS. I never really solicited any money for the Collins Beneficiary Fund. All I wanted to do was establish the most absurd charitable organization I could think of, and get it licensed, to demonstrate the weakness of the law. Charities in the District go virtually unchecked, and there's too much money exchanging hands for things to continue on that way. Tomorrow I'll tell you the tragic story about the fund to aid widows of slain policemen.

* * * * *

[Tues., Dec. 2, 1975, 6 p.m.]

GIVE AND TAKE—PART 2

* * * * *

PAT COLLINS. In these times, police work is tough. It's also very dangerous. Scores of policemen are killed in the line of duty each year. Many times what starts out as a simple arrest ends up with a murder of an unsuspecting police officer. It's the type of thing that spears the heart of every law-abiding citizen, a grievous crime that makes you want to do something to help.

That was the apparent motive of the National Police Officers Association in 1973 when it set up a charitable fund to give money to the widows of slain policemen. The Police Officers Association sought professional help from this man, Patrick Gorman, a fund raiser based in Washington. Gorman has been a fund raiser for ten years. In that time he's collected millions of dollars for various causes.

The letters of solicitation went out, and the money came rolling in; nearly a half million dollars in donations were collected, yet the Police Association says only ten per cent of the money made it to the widows.

Richard Beliles is a lawyer for the Police Association. Recently he talked to Eyewitness News correspondent Gordon Peterson about the Association's fund raising deal with Patrick Gorman.

RICHARD BELILES. Originally, their contract gave them 75 per cent, which is supposed to be for expenses and for their profit. It was changed, and as it worked out, on a so-much-per-mailing-piece, they got approximately, according to the best that I could figure out—approximately 90 per cent.

PETERSON. Pretty good deal for them.

BELILES. Yes, it was a sad experience for the police organization and the widows.

PATRICK GORMAN. Eighty per cent of the cost went to printers, mailers and the Post office for postage, and we just charged our normal fee, which was well under the limit, you know, prescribed for fund raisers.

COLLINS. . . . say the donors to the National Police Officers Association, who think they're giving all their money to the widows of policemen who were killed in the line of duty; yet in reality maybe 80 cents of the dollar goes for the fund raising costs and administrative costs. Do you think that that's fair?

GORMAN. No, I don't think it's fair, and it's not planned that way. It's like any new business, when you go out, you try to look for buyers—in this case, contributors. Many times, you know, most people don't contribute to a mailing, so the costs are proportionately higher in the beginning, before you build up a loyal following.

[Wed., Dec. 3, 1975, 6 p.m.]

GIVE AND TAKE—PART 3

GORDON PETERSON. During the past couple of years, the American Kidney Fund has collected more than two million dollars to help kidney disease patients, but there's some dispute as to where the money actually went. Tonight, in part three of his series, Give and Take, Eyewitness News correspondent Pat Collins takes a look at the Kidney Fund. (Film clip)

PAT COLLINS. The Kidney Fund is located in the Air Rights Building on Wisconsin Avenue. The Kidney Fund is a licensed charity in the District. Its official purpose is to provide financial aid to those people who require dialysis treatment. Over the years the Fund says it has helped hundreds of kidney patients. The Kidney Fund receives most of its money by writing letters of solicitation to the public.

I have here one of the letters, one of the solicitation letters, sent out. In the end it says, one more thing—if you decide not to help, will you try to envision a face, a child you know, a neighbor, a fellow worker or relative, and then say to that face, you can die for all I care. Isn't that sort of high pressure?

* * * * *

HATCH. Well, I would have to say it might possibly be, but again, I don't think we've used this letter in a long time.

COLLINS. Sven Larson [?] was one of the founders of the American Kidney Fund. He lives in a house across the street here in Fairfax County. We tried to talk to him about some of the problems of the Fund, but he refused to meet with us. Up until a few days ago, Larson was the director of the fund; then he was fired by the board of trustees. Two days later they fired his daughter. She also worked for the Kidney Fund on the staff for what was described as a handsome salary.

Larson was not only the founder of the Kidney Fund, he was also one of the founders of a fund-raising company which he hired to do the expensive mail solicitation work for the Kidney Fund. He has since disassociated himself from that company.

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COLLINS. The American Kidney Fund has been barred from soliciting in Pennsylvania because its fund-raising costs are higher than the 35 per cent limit set by the state, and the Attorney General of Ohio has gone to court to prevent the fund from soliciting in his state because, he says, the Kidney Fund claims to spend 30 per cent of its total take for fund raising and administrative costs, when in fact the Fund spends close to 70 per cent of all the money it receives for fund raising and administrative costs.

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COLLINS. The dispute over what the American Kidney Fund really spends for fund raising and administrative costs could be solved rather simply if the District auditor would check their books. But you see, that can't happen, because the District auditor died about eight months ago, and he's never been replaced. So as it stands now, no charities in the District are being audited.

SPEAKER. I don't know when the next time that we will be doing another audit of charitable organizations will be unless we get some additional personnel—

COLLINS. So we don't have an auditor to go out and check anything?

SPEAKER. Not at this point, not available to us ordinarily through our office, through the normal channels.

COLLINS. Well, that sort of limits what you can do.

SPEAKER. That's right, it certainly does.

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PETERSON. Tomorrow Collins will look at some other District charities and some proposed federal laws to regulate them. We should say this: officials of the National Kidney Foundation have asked us to point out that they are a separate group from the American Kidney Fund, the group that Pat was talking about here. The National Kidney Foundation is not connected in any way with the American Kidney Fund.

[Thurs., Dec. 4, 1975, 6 p.m.]

GIVE AND TAKE—PART 4

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PAT COLLINS. While going through the files of charities licensed to operate in the District, we came across some interesting philanthropic operations we thought you'd like to know about.

Daniel Avrutec (?) has licensed himself as a charity. He says 90 cents of every dollar he collects goes to himself; the rest covers his costs. Mr. Avrutec says he uses the contributions to pay for his travel expenses.

Last year the Americans for Effective Law Enforcement hired a professional fund raiser. The fund raiser solicited $198,568 for their cause, but he charged $202,845 to do it.

The Fraternal Order of Police has hired a professional fund raiser to help them collect money for policemen's widows, but the fund raiser gets 50 cents of every dollar he collects.

Jack and Jill is a licensed charity that says its purpose is helping mothers learn more about their children. They hold several fund raising events each year, but 70 per cent of the take goes to cover their operating costs.

Brian Shaughnessy (?) is a prosecutor in the fraud section of the U.S. Attorney's office. He keeps an eye on questionable charities, but he says there's little he can do to regulate them.

BRIAN SHAUGHNESSY. We have been aware of charities in which the administrative fund raising type expenses have gone up as high as 90 and 95 per cent, but so long as this is disclosed, there is nothing we can do about it.

COLLINS. Nothing at all? What do you do?

SHAUGHNESSY. We simply wait for these complaints to come in from the citizens who have been solicited by these charities, and we do what we can. We investigate them, but short of finding a flagrant misrepresentation of the purpose or of the dispersement of the money—and we never find those—we can do nothing.

COLLINS. Senator Walter Mondale is sponsoring legislation to place more controls on charities. He says the government shouldn't tell people who to donate to.

Sen. WALTER MONDALE. I do believe that those who are asked to contribute, and whose money it is—the public's—should be told how much money's being spent for fund raising, and be told that before they're asked to give. And also, I think there should be some very precise accounting standards, with some very tough rules, so that an accountant who certifies a false or misleading audit could lose his license.

COLLINS. Because many charities use national mailings to solicit funds, it's going to take strong federal laws as well as strong local laws to keep charities on the up and up. Now, I didn't do this series to convince you not to contribute to charity. We all have an obligation to help those who are less fortunate than ourselves. But when you give money to a charity, make sure you know where your money's going. Don't be taken in by some gripping letter written by a slick fund raiser. Don't be a sucker.

I'm Pat Collins, Eyewitness News.

[NBC Television, Mon., Dec. 22, 1975, 10 p.m.]

EXCERPTS FROM

"GIVING AND GETTING: THE CHARITY BUSINESS"

BETTY FURNESS. This is the traditional season for giving, but we Americans give the year round. We are the most generous people in the world, and we give so much, that charity has become our third largest industry. It may also be the most privileged, and least regulated. What other business gets reduced rates, lots of free labor, and pays little or no taxes? Last year, despite the recession, you American people, gave twenty-five billion dollars to charity. Tonight we'll show you what some charities do with your money, and how they get it from you.

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FURNESS. Every year the federal government spends billions of dollars on health research. At the same time the charities are raising money from the private sector to fight the same battle against mental illness, lung ailments, heart diseases, kidney disorders. It seems every organ of the human body now has an organization raising money for it. The charities say they must maintain their own programs because government health policies change with every new administration.

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Today raising money for charities has become a major industry. American Fund-raising Services of Waltham, Massachusetts is considered a supermarket. In the business it's called a "one stop shop". It charges clients a flat fee to work up a direct mail campaign; then, drafts the appeal letters, provides the lists of prospective givers, and handles all the mail. It puts out some sixty million pieces of mail each year for its clients. For all charities, raising money has become both an art and a science. All information on givers, past, present, and future is carefully cross-indexed and computerized. Mailing lists are almost a separate industry. Brokers rent them. The going rate is fifty dollars for a thousand names. Add to this impressive buildings, staff payrolls, office rents, and other normal business expenses. It costs money to raise money. There are no federal regulations limiting a charity's expenses, and only thirty-one states have charity laws, some vague, some tough. The United Way with its armies of volunteers spends less than ten cents to collect each dollar. Some inefficient charities can eat up as much as ninety percent of every dollar collected in expenses, with only ten cents going to the cause.

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FURNESS. The rip-off artists sometimes get caught. In Fort Lauderdale, Florida, police raided this illegal boiler room operation. They found fifteen telephone plugs with ten different numbers, also records, showing that nearly two dozen solicitors had been working these phones, selling tickets, and asking donations for non-existent charities.

Police say these operators took a half million dollars out of the community before they were arrested.

If they can't get you on the telephone, some charities come knocking at the door. Few people can turn down a child.

Gerry (?) Winters has built a candy and cookie empire, reaching from Boston where these youngsters are starting out, to thirty-two other cities. The young salesmen are taken miles from their ghetto homes to affluent white suburbs. They sell Winters' products, using a carefully-worded pitch, that strongly suggests the profits go to a charitable purpose, one that benefits them.

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FURNESS. Winters Associates organize these groups, giving them boys-club-sounding names, which are changed when the police investigate.

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WINTERS. I'm a business. I sell merchandise two ways. I sell merchandise to groups that are charities, and I also sell merchandise door to door under an organization called Junior Salesmen of America, which is a private enterprise company; all the literature says it's a private enterprise company.

MAN. We know that he has been stating that he is a business, not a charity; nevertheless, one of his corporations, or I will say, two of his corporations were nonprofit, and acting in the name of charity.

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(After station break).

FURNESS. This is a different Nashville story, about a generous city which trusted too much. Last September, Jack Mayor, board chairman of the local United Cerebral Palsy Chapter appeared in Court, accused of larceny. Charged with him were staff secretary Emmeline Ray, and Gene Stubbs, salaried head of the chapter for many years. All three refused comment to newsmen. They are now awaiting trial.

Part of the scandal involved taking telethon funds for personal use. District Attorney Tom Shriver described some of the charges.

TOM SHRIVER. The telethon that they held in 1974 was reported to have proceeds of two hundred and seventy something thousand dollars. The money which actually got into the hands of cerebral organization here was about eighty thousand dollars. Part of that was used in legitimate expenses. Our criminal charges have to do with larceny or conversion of some twenty-two thousand dollars.

FURNESS. The scandal was uncovered by Larry Brinton, investigative reporter for the Nashville Banner.

LARRY BRINTON. You just don't go around investigating charities; it's just not things that are done all over the country, and I certainly wanted, UCP in Nashville was a very big charity, and there were a lot of influential people on the board.

FURNESS. A lot of people were upset by Brinton's disclosures. The 1975 telethon was cancelled, leaving no money to operate Nashville's Cerebral Palsy treatment center. It was closed. The children were the real losers. They no longer had a place to be treated. Ann Davis, the Center's physical therapist was the last to leave.

ANN DAVIS. This is really a sad day to be moving out. There's been no therapy, no continuing or anything started in school; the parents have been apprehensive, anxious about where their child was going to go to school in the fall, you take away school from a handicapped child, who sits all day in a chair, and you take away his livelihood almost.

MAN. His was really starting to develop. His speech was coming. His muscles were loosening up, and he just—in the year, well, nine months that he was there, he just, he just blossomed.

WOMAN. It was just like crushing all our dreams. We had finally found exactly what we needed. And it was just kind of pulled out from under him. And I, you know, very crushed.

FURNESS. The old Cerebral Palsy Board was pressed to resign by the National Office, and a new group of community leaders was appointed. One of the new board's first actions was to accept a thirty thousand dollar gift from the Gannet Newspaper Chain, which owns the Banner, to re-open the Center.

Then, Brinton and the Banner took a look at the local disabled American Veterans Group.

BRINTON. In Nashville, it was a store called the Nashville Thrift Store, and it was, ostensibly everybody thought it was operated by the Disabled American Veterans, and they were getting all the money out of it. And when I got into the story, and spent some time investigating, I found out that that wasn't it at all. The Disabled American Veterans was only getting just a tip of the money. The store was actually owned by California Management Company, and in three and a half years of operation at that same location, the California Management Company has grossed eight hundred thousand dollars. The DAVs, for their share, was only fifteen thousand, six hundred dollars. In other words, the DAV was just selling their name for just a pittance of the money that they should be getting.

FURNESS. The thrift shop operators had been stocking this store with clothing and furniture donated by the public, who thought is was giving to the DAV.

As a result of Brinton's story, the DAV drew up another contract with the thrift shop operators. Now, the DAV is getting four times as much money for the use of its name.

Even Nashville's Boy Scouts had a scandal. It involved the salaries paid the local scout executive, Ward Akers, and his family.

BRINTON. And I found out that Mr. Akers was making a salary of forty-four thousand, five hundred dollars. I also found out that his wife was his secretary; his mother-in-law was the office manager of the Scout Council Office, and that his step-daughter was the bookkeeper, and I thought this was a bad form of nepotism; and the aggregate amount of their salaries was something like sixty-eight thousand, six hundred dollars a year, and that's a lot of money for one family to take from the Scouts in one area.

FURNESS. Ward Akers and his wife suddenly retired, when an investigating committee issued a report critical of the scouting program.

After the Banner disclosures, the Nashville Council passed a tough law regulating local charities for the first time.

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FURNESS. There is now no federal legislation regulating charities. Minnesota Senator Walter Mondale has been working on a law to do that. What does the IRS do now to protect us?

Senator MONDALE. They have, in fairness to them, very vague rules that they're supposed to enforce. No standards at all. Basically, their job is to find people who are defrauding money that comes to them on a tax-exempt basis; in other words, that narrow group that are really criminals. But they can't deal with the question of well-meaning but wasteful charities.

FURNESS. I know that you've proposed legislation about charities. What was accomplished?

MONDALE. It's designed to do several things. First of all, to require charities, to tell the contributor, before he or she contributes what the fund-raising costs are, so that they can make a wise choice, as to whether they want to spend their money that way. Secondly, it says that if a charity cannot keep its cost below fifty percent of the money collected, then they should no longer be enjoying tax-exempt status—in other words, it tried to do away with the very wasteful charities, as a matter of public policy.

FURNESS. It's hard to believe that some charities give as little as fifty percent to some of the supposed recipients. What kind of figures did you come up with?

MONDALE. Most of the charities we found were efficient, well-meaning, composed of fine people, trying very hard to do a job. I strongly believe in charities. I believe our system of private, voluntary giving, and all of the flexibility and the sense of personal involvement terribly important; so that what I'm talking about are a few that we found; we found the one charity, which was a big one, a million dollars a year, that spent about ninety percent of its money on non-operational costs. Well, that's an awful lot of money going for purposes other than the contributors thought they were contributing to.

FURNESS. Of the charities that give very little to the people that were supposed to get the money, were any of them big names, famous organizations?

MONDALE. The one that ran ninety percent was the Asthmatic Children's Fund, and the one that was running forty-five percent was the Epilepsy Foundation.

FURNESS. Was any pressure put on you when you were investigating this field?

MONDALE. Well, not pressures in, you know, the mean or vicious sense, but there were many charities which said, don't investigate this: it'll just disturb people; it'll be considered by many Americans as an excuse not to give at all, and let's see if we can't handle it quietly. And my answer to that was, I'm not going to try to hurt legitimate charities; as a matter of fact, legitimate charities are the big victims of this; because, when the public gets a whiff of this, and they know about it, they have less confidence in all of them; because there's no way of knowing which is the excellent charity, and which are the few that don't deserve public support. And the way to handle this is to find out what's going on, correct it, and then the public will have the confidence. Finally, some charities get the idea that this money is theirs. It isn't. Under the law, when you contribute to a charity, that charity is a trustee for your money; and they're under the law obligated to do what they promised they would do with it. But some of them get the idea that you give it to them, and it's theirs, and it's none of your business.

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FURNESS. As of now, the only national groups keeping an eye on charities are the Network of Better Business Bureaus and the National Information Bureau, a self-appointed watchdog. People pay a yearly fee to belong to the NIB, which advises its members on how to give wisely.

MAN. We have a great concern in this time when the dollar is harder and harder to get, that the agencies do not deteriorate in their promotional materials or their approach to the contributor; that is, they should not use more and more gimmickry in order to get the contributor's dollar. So we review their promotional materials to see that there is, there are no misleading statements; there are no false statements. We are concerned about the abuses in fund raising. One, of course, is obvious, that there shall be no commissions paid for fund raising. There should be no percentage of the contributions received that go to the fund raiser. The contributors would be very much disturbed, if they knew that the top twenty percent or so of their dollar went directly to a fund raiser. This is the kind of thing that we use in our evaluation.

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FURNESS. How about some of the charities that don't meet your standards?

MAN. The American Kidney Fund does not meet our standards. Others that fall into that category are The American Lebanese Syrian Associated Charities, which is known as ALSAC. It is the fund-raising, national fund-raising arm for St. Jude's Hospital. The Animal Protection Institute of America. Big Brothers of America. The Epilepsy Foundation of America, which is a merger in earlier years of the Epilepsy Foundation, and the Epilepsy Association of America. The Muscular Dystrophy Foundation.

FURNESS. What are your reservations about Muscular Dystrophy?

MAN. Some of the problems with Muscular Dystrophy include the use of government employees as such in their solicitation. Now the contributor may not clearly understand this unless they've had experience with it. The NIB takes the position that it is an unethical practice, it is undue pressure on the contributor of any organization, soliciting contributions from the public to use a government employee in uniform to perform that function.

FURNESS. The NIB expects to go public soon, and start giving its advice free, to anyone asking for it. You can also get free advice from your local Better Business Bureau. It won't tell you whether to give or not, but will tell you if a charity meets its standards. If you live in the right state, you have some protection. Pennsylvania, Ohio, Florida, Illinois, and California have tough regulations. Some others, like New York and New Jersey have laws but not enough money or staff to enforce them properly. Nineteen states don't have any laws at all.

So what can you do to protect your charity dollar?

You can demand that charities give you a financial report that anyone can understand. The way things are now we have to know a lot before we know what questions to ask.

For example, find out if the charity you're interested in has a fund raiser working on commission. If you're a volunteer worker, or serve on a charity's board, don't be a rubber stamp. Go to meetings, and find out what the administrators are up to. Before you give, ask questions everywhere. Insist on answers. It's your charity dollar, and you have a right to know how it will be used. Be generous, but give with your head, not just your heart.

Betty Furness, NBC News.

MEDICARE COVERAGE OF HEARING AIDS AND DENTURES

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, as we all know, the medicare program which was initiated for older Americans in the late 1960's has fallen far short of providing adequate, thorough health insurance coverage for our senior citizens. Although senior citizens now have more health care protection than they did prior to enactment of this program, most of those living on fixed incomes still have great difficulty stretching their meager social security, and/or pension checks to meet basic expenses, especially for health care needs not covered by medicare. Frequently they are forced to forego needed medical attention in order to balance the monthly budget.

Among the physical ravages that advanced age very frequently brings are loss of hearing and a deterioration of dental health that necessitate hearing aids and dentures. Both these ailments can rob an older person of the opportunity to live happily and to continue to be productive. They can also bring financial ruin.

A serious hearing loss can be psychologically devastating to an older person struggling to remain self-sufficient in his or her later years. Loss of the permanent teeth can bring more serious physical consequences, since this condition often forces the elderly to resort to an inadequate diet and can produce other severe health problems.

Medicare presently does not reimburse beneficiaries for expenses connected with either hearing aids or dentures. I consider this to be a serious oversight and am today introducing legislation to correct the situation.

I find this oversight to be especially perplexing in view of the logic that is used to provide coverage for lenses prescribed following cataract surgery. With regard to these lenses, the Social Security Administration has determined that they serve as replacements for internal body organs and can be covered, therefore, as prosthetic devices under medicare, part B. Certainly it is only reasonable that we place dentures and hearing aids in the same category.

Earlier this year the Social Security Administration conducted a study of the costs that would be associated with a proposal of this type and found that medicare expenditures for hearing aids would amount to about $300 million for each of the first 2 fiscal years of operation. No estimate for the cost of dentures was available. It is important to note that medicare expenditures for dentures would be higher in the first year of operation, because of the number of people who would be immediately eligible for coverage, and would decline in subsequent years.

I think it is vitally important that we add these provisions for more equitable health benefits for the elderly, so many of whom cannot afford the expenses of this important care.

Before going into the text of my bill I would like to point out that section 1861 (s) (8) of the Social Security Act defines prosthetic devices and specifically excludes dental devices under the definition. By striking the words "other than dental" my proposal would allow dentures to be included in the definition of prosthetic devices eligible for coverage. Section 1862 of the Social Security Act pertains to exclusion from coverage under parts A and B of medicare and specifically excludes "hearing aids or examinations therefor" and removal or replacement of teeth. My bill would amend this section to make hearing aids and dentures eligible items. The text of the bill follows:

H.R. 11740

A bill to amend Title XVIII of the Social Security Act to include hearing aids and dentures among the items and services for which payment may be made under the supplementary medical insurance program

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1861(s)(8) of the Social Security Act is amended—

(1) by striking out "(other than dental)"; and

(2) by striking out "including replacement of such devices" and inserting in lieu thereof "including hearing aids and dentures, and including replacement of any such devices".

SEC. 2. (a) Section 1862(a)(7) of the Social Security Act is amended by striking out "hearing aids or examinations therefor,".

(b) Section 1862(a)(12) of such Act is amended by striking out "except that" and inserting in lieu thereof "except to the extent permitted under Sec. 1861(s)(8), and except that".

SEC. 3. The amendments made by this Act shall apply only with respect to items and services furnished on or after the first day of the first month which begins after the date of the enactment of this Act.

NATIONAL ASSOCIATION OF COUNTIES LEGISLATIVE WRAP-UP

(Mr. YOUNG of Georgia asked and was given permission to extend his remarks as this point in the RECORD and to include extraneous matter.)

Mr. YOUNG of Georgia. Mr. Speaker, I would like to take this opportunity to share with my colleagues the status of legislation at the end of the first congressional session prepared by the National Association of Counties. This report was part of that organization's weekly publication, County News, which provides in-depth information about issues that affect county government:

STATUS OF LEGISLATION AT END OF FIRST CONGRESSIONAL SESSION

BILL	ISSUES	NACO	STATUS	OUTLOOK
Airport and Airways Development Act (H.R. 9771).	Extends airport grant program and trust fund revenues. Expands eligibility for public use terminal space and land for environmental compatibility. H.R. 9771 provides $465 million annually for air carrier and general aviation development and planning.	Testified in supports in House and Senate and promoted passage.	H.R. 9771 passed House 12/18/75. Senate bill in Commerce Committee markup.	Problems in Senate; five-year bill considered unlikely due to new budget process.
Antirecession Assistance—Local Public Works Capital Development and Investment Act of 1975 (H.R. 5247).	To alleviate effects of recession with funds to stimulate creation of jobs in private sector through construction of needed public facilities, save jobs and prevent service cuts and tax increases in public sector. Includes authorization for: $2.5 billion in 100 percent public works construction grants; $500 million for Title X Job Opportunities grants; $125 million for business loans; $750 million for countercyclical grants to state and local governments with unemployment above 6 percent for 3 consecutive months; $1.4 billion in fiscal '77 for sewage treatment plant construction grants.	Testified before House and Senate economic development subcommittees on public works provisions. Urban Affairs Committee rallied in Washington 7/25/75 urging Senate to adopt countercyclical provisions. Amendment adopted on Senate floor shortly after.	Conference report approved by Senate 12/17/75. House to take up in January 1976.	President Ford expected to veto bill. Override uncertain.
Asphalt—Comprehensive Energy Act (S. 622).	Section 460 gives Federal Energy Administration authority to control costs and allocate supplies.	Initiated asphalt amendment, sponsored by Rep. Paul Rogers (D-Fla.) on House floor.	Final bill passed House 12/15/75; Senate 12/17/75. President Ford signed. 12/22/75. (P.L. 94–163.)	Expected to slow soaring inflation in costs and permit allocation of supplies in event of future shortage.
Collective Bargaining (H.R. 77).	Extends provisions of National Labor Relations Act to Public sector employes. NLRA provides for right to strike.	Platform strongly supports state legislation but opposes federal legislation. Testimony planned for future hearings.	Preliminary House hearings held in fall 1975. No Senate committee action scheduled.	Chairman Frank Thompson (D-N.J.) does not expect passage in 1976; will continue informational hearings. Public employe union-support federal legislation and strongly pushing for enactment H.R. 77 only proposal being considered at present.
Community Action Agencies (H.R. 8578).	Maintains federal support for CAAs at 80 per cent. Under existing law federal support would be reduced to 60 per cent by fiscal '77.	Testified in support of bill.	Passed House 11/19/75.	Senate action not expected until mid 1976.
Community development				
Community Development—Revise formula for block grant program (H.R. 9852).	Amendment proposed in Senate to reduce urban counties' funds in fiscal '77 to maintain "hold harmless" funds for big cities. House provision would have all urban counties and cities share any shortfall in funds.	NACo Rally on 12/9/75 urged Senators to defeat proposal. Later key Senators agreed to compromise similar to House bill.	Senate expected to take up bill shortly after reconvening mid January 1975. Compromise will be offered as a floor amendment by Senators Alan Cranston (D-Calif.) and Edward Brooke (R-Mass.). House passed 10/20/75.	Floor amendment expected to be adopted by Senate and be agreeable to a House-Senate Conference Committee.
701 Comprehensive Planning.	Administration proposed $50 million deferral—Program funded at insufficient levels.	Opposed.	Defeated in Senate 3/75.	

Status of Legislation at End of First Congressional Session—Continued

BILL	ISSUES	NACO	STATUS	OUTLOOK
Criminal justice				
Law Enforcement Assistance Administration (LEAA), Crime Control Act of 1976. (S. 2212; H.R. 9236).	Administration proposing five-year extension at annual $800 million authorization. Congress also will consider new categorical program for courts. Biggest fights will be over dollar level of program and role of state planning agencies.	Hearings held by Senate subcommittee on criminal laws and procedures. House oversight hearings in late January 1976.	Testified in general support of Administration bill in Senate but wanted more independent role for counties and cities; favored repeal of categorical program for corrections; and opposed categorical program for courts.	Doubtful Congress will complete action before summer. Funding levels could be reduced unless there is strong action by states, counties and cities.
Privacy Bill (S. 2008)	Protect the constitutional rights and privacy of institutions where criminal justice information has been collected. Rule-making authority placed in a 13-member commission, requiring agencies to adopt procedures designed to ensure physical security of criminal justice information.	Hearings held in Senate subcommittee on constitutional rights; bill being revised.	Testimony submitted opposing. Exclusive dedication of data processing hardware for criminal-justice information neither guarantees nor helps against misuse and imposes prohibitively costly requirements on state and local governments for new machines, accessories, and programming.	Bill being rewritten in Senate subcommittee. Chances good for enactment in 1976.
Economic development				
(1) EDA Title X (P.L. 93-567).	$500 million for Job Opportunities Program delayed due to bureaucratic wrangling.	Advocated prompt release of monies.	Grants distributed May and Oct. 1975.	
(2) H.R. 5247	Authorizes $2.5 billion for 100 per cent Emergency Public Works Projects Grants designed to stimulate the economy; authorizes $500 million for Title X EDA Priority extended to high unemployment areas.	Supported.	Senate passed 12/17—House to take up in January.	Early House passage expected. Faces possible Presidential veto.
Education Impact Aid	House Appropriations Committeee proposes to cut $97 million from program.	Opposed cuts.	House Appropriations Committee is scheduled to reconsider proposal when Congress returns January 1976.	Committee expected to kill proposal.
Energy				
Comprehensive Energy Bill (P.L. 94-163; H.R. 7014; S. 622).	Contains conservation measures with money for state conservation programs and a gradual price deregulation program for oil.	Initiated amendment to regulate price of asphalt.	President Ford signed 12/22/75.	
Thermal Efficiency Standards (H.R. 8650; S. 1843).	Establishes natural thermal efficiency performance standards for state and local housing codes. Senate bill contain severe sanctions for local governments not adopting standards.	Strongly opposed sanction provision in bill; succeeded in eliminating sanctions in House committee.	H.R. 8650 passed House; S. 1843 reported from committee 12/18/75. Awaiting floor action.	Senate to consider when Congress reconvenes in January 1976. Sanctions probably will remain in Senate bill.
Environment				
Clean Air Act Amendments (H.R. 10498).	Role of local governments in planning and implementing air quality programs of indirect source review, transportation controls and Air Quality Maintenance Plans at stake. Court decision requiring prevention of significant deterioration of air quality in clean air areas of country to be clarified. Retention or relaxation of emission standards for auto industry considered.	Sponsored section requiring states to establish a consultation process with local officials for land use related air programs; urging both House and Senate to require auto industry meet statutory emission standards; opposing move to separate legislation on auto provisions.	Mark up continues in full House and Senate committees.	Auto section must be dealt with by end of January 1976. Entire bill may be postponed till mid March 1976.

STATUS OF LEGISLATION AT END OF FIRST CONGRESSIONAL SESSION—Continued

BILL	ISSUES	NACO	STATUS	OUTLOOK
Fair Labor Standards Act, 1975 Amendments (H. R. 10130).	Increases overtime provisions for county governments' employees covered by provisions of FLSA to 2½ times regular hourly rate.	Strongly opposed in testimony before House Labor Standards subcommittee.	Additional hearings in 1976.	Passage unlikely in 1976. 1974 overtime provisions will not be fully implemented until December 1976. No interest has been shown in Senate.
Federal Land Use (S. 984, H.R. 3510, H.R. 8932).	Provides grants to states for state land use programs.	NACo opposed bill without amendments to guarantee adequate local role. Amendments were adopted in H.R. 8932 and included mandatory pass-through of funds to local governments, majority local government membership on state advisory committees, clarified "regional impact" definition to encourage use of counties for implementing state land use programs.	House Interior Committee defeated motion to report bill to floor; Senate Interior Committee completed hearings.	No further action anticipated in 1976.
Food Stamps (S. 1993, S. 2369, S. 2451, S. 2537).	Numerous bills introduced which would make major changes in the present food stamp program. It is too early to tell which approaches Congress will approve.	Testified in support of changes to streamline and strengthen the program.	Senate hearings completed.	Senate markup to begin early 1976; House action to follow.
General Revenue Sharing (GRS). 16 bills in House and Senate. Administration Bill S. 1625, H.R. 6558.	Many changes proposed. Some would make program permanent; others would add strings and cut government's administration bill. Would renew present program for 5¾ years (Jan. 1977–Oct. 1983) with minor changes.	Rally 11/18/75 brought 1,700 officials to D.C. urging early renewal of present program. Testified in support before House and Senate committees.	98 House Democrats wrote Democratic leadership asking swift action on renewal. House to begin markup in late January. Senate awaits House action.	Major changes in program possible; Budget Act constraints may delay passage until June 9, 1976.
Health-Labor Appropriations (H.R. 8069).	Funds for fiscal '76 basic health, manpower and social services programs. Vetoed on grounds that bill exceeds President's requests. Appropriations lower than fiscal '75 actual levels.	Seeking full funding of all programs; working to override veto.	President vetoed H.R. 8069 on 12/19/75. Override effort scheduled 1/27/76.	Override not certain. County officials should contact Congressmen during Christmas recess; urge them to vote for override.
Health				
Health Insurance (National) (H.R. 1; H.R. 21; H.R. 363; H.R. 5990; S. 1438; H.R. 622; S. 600; S. 2470; H.R. 10028).	Over a dozen national health insurance (NHI) bills introduced. Range from "cradle-to-grave" coverage to status quo. Only one (Long-Ribicoff bill) that federalizes Medicaid and provides catastrophe coverage has a chance of enactment.	Testified in favor of comprehensive approach. NACo Board of Directors approved interim policy supporting bill covering catastrophic care and federalization of Medicaid only.	Bills referred to committee on Ways & Means, Interstate & Foreign Commerce, and Senate Finance. Hearings held in House by both Ways & Means and Commerce.	Chances of adoption of comprehensive NHI in 1976 look doubtful. A jurisdictional dispute exists between House Ways & Means and Commerce Committees. Administration will not propose a bill this year as part of moratorium on any new domestic programs.
Health Revenue Sharing and Health Services—(P.L. 94–63; S. 66).	Authorizes continuation of basic county operated health services.	Strongly supported bill and worked to override Presidential veto July 1975.	Congress overrode veto; measure is P.L. 94–63.	
Health Services Supplemental Appropriations for 1976 (P.L. 94–157; H.R. 10647).	Appropriates $2.2 billion to fund: health services block grants; community health and mental health centers; home health; rodent control; family planning; and others.		President Ford signed 1976 Supplemental Appropriations bill 12/18/75.	
Health Planning (P.L. 93–641).	Establishes a national network of areawide health planning agencies authorized to review and approve usage of all federal health funds at the local level. Agencies can be private, nonprofit or public.	Fought for designation of public agencies along with private ones. Successful in ensuring that public agencies achieved equal status under the law and subsequent Health, Education and Welfare regs.	Regs implementing P.L. 93–641 will be issued January 1976. Application deadline for Health System Agency designation 1/19/76. Health, Education and Welfare will designate agencies by 3/31/76.	Implementation of health planning law off to shaky start. Controversy over which sector (consumers, doctors, local officials) will control agency.

STATUS OF LEGISLATION AT END OF FIRST CONGRESSIONAL SESSION—Continued

BILL	ISSUES	NACO	STATUS	OUTLOOK
Highways — Federal-Aid Highway Act of 1975 (H.R. 8235; S. 2711).	Extends Federal-Aid Highway program and Highway Trust Fund 2 years. H.R. 8235 provides about $8.9 billion annually; it extends existing categories with increased transfer authority. S. 2711 cuts 11 categories, gives broader flexibility in others, provides $7.1 billion annually.	Testified in House and Senate and promoted passage. Assisted in securing House Committee compromise on Metropolitan Planning Organizations (MPOs) to require Department of Transportation study.	S. 2711 passed Senate 12/12/75; H.R. 8235 passed House 12/18/75.	Conference Committee to meet soon after Congress reconvenes 1/19/76. It may take some time to work out differences between House and Senate bills.
Intergovernmental Personnel Act, Amendments (S. 957, H.R. 4415).	Extends 75 percent federal match for additional 3 years, provides for participation of public employe organizations in training programs.	Testified in support of 5 per cent extension before committees in House and Senate.	H.R. 4415 passed House in 9/3/75 without extension of 75 percent federal match. S. 957 currently in Senate Government Operations Committee; expected to be reported with 75 percent federal match extension and veto authority for local government of all applications from labor for participation in IPA programs.	Provisions of S. 957 expected to prevail in conference; enactment expected by March.
Land Use—Coastal Zone Management & Outer Continental Shelf Oil Drilling (S. 521, H.R. 6218, H.R. 3981, S. 586).	Amends the Costal Zone Management Act to provide for planning and development of onshore impacts of OCS activities. Would provide grants for planning and development impacts.	Testified for amendments to include mandatory pass-through of funds to local governments; coordinated with CZM programs to ensure federal consistency, inclusion of secondary impacts and guaranteed local role in planning.	Senate bills adopted. House bills in markup by subcommittee on oceanography by Ad Hoc OCS Committee.	House action anticipated by spring 1976.
Land & Water Conservation Fund (S. 327, H.R. 2763).	Amends the Land and Water Conservation Fund to increase funding for open space acquisition grants; increases grants for urban states and allows grants for park development.	NACo supported both Senate and House bills.	Senate adopted: House bill moves before Interior Committee.	House action anticipated by spring 1976.
Manpower				
Summer Youth Jobs Appropriation (H.J. Res. 492; P.L. 94-36).	Appropriates $473.35 million divided as follows: $456.35 million for summer jobs for disadvantaged youth; $15.3 million for summer recreation; and, $1.7 million for summer transportation.	Supported. Attended Presidential signing ceremony.	Signed by President Ford 6/16/75.	$475 million in budget authority and outlays was made available for the 1976 summer program by the Second Concurrent Budget Resolution (H. Con. Res. 466).
CETA Continuing Appropriation (H.J. Res. 499; P.L. 94-41).	Continues funding of CETA at fiscal '75 levels until enactment of regular fiscal '76 appropriation. Appropriates $1.625 billion for CETA Title VI (public service jobs).	Supported.	Signed by President Ford 6/27/75.	
Labor/HEW Fiscal '76 Appropriations (H.R. 8609).	Appropriates $36 billion for comprehensive manpower assistance, occupational health and safety, maternal and child health, emergency medical service, etc.	Support override.	Fiscal '76 Labor/HEW Appropriations bill vetoed by President Ford 12/19/75.	An override vote in House is scheduled for 1/27/76. If override fails, a new bill must be introduced.
Unemployment Compensation Amendments of 1975 (H.R. 10210).	Extends permanent Unemployment Insurance coverage up to 39 weeks to all state and local government employes except elected officials. Local governments to pay costs of regular contributions plus 100 per cent of extended benefits 27-39 weeks.	No position taken on unemployment insurance. Task force will be formed in early 1976 to develop position.	Reported out by House Ways and Means Committee. No comparable bill in the Senate.	Passage probable in House in early 1976 with Senate action soon after.

STATUS OF LEGISLATION AT END OF FIRST CONGRESSIONAL SESSION—Continued

BILL	ISSUES	NACO	STATUS	OUTLOOK
Extension of CETA Title VI (S. 1695, H.R. 2584, H.R. 11187).	Seeks authorization for fiscal '76 and '77 high enough to achieve viable appropriation level to sustain PSE jobs. Relief needed for materials, supplies and rent and salary increases needed for PSE jobs to $12,000. Provides fair share of PSE jobs for educational and private nonprofit groups. (Project approach to PSE jobs preferred by House members and staff.) Preferential hiring for laid-off police, firefighters and teachers; authorizations triggered and detriggered by unemployment rate. Reserves allocations for other than prime sponsors.	Testified in House and Senate urging continued role of prime sponsors, increased authorizations, increase in allowable salaries and increase in use of funds for materials, supplies and rent. Vigorously opposed efforts to change role of prime sponsors/elected officials and to prioritize hiring for certain laid-off employes.	House and Senate concluded hearings; floor actions early in 1976. House Education and Labor Committee rejected H.R. 2584; bill rewritten as H.R. 11187. S. 1695 to be rewritten.	Chances of early enactment depend on reaching compromise between public interest groups, unions, and education groups. Pressure will build as more prime sponsors exhaust funds during next two months.
Medicaid----------------	Proposal being drafted by Senate Finance Committee to reform Medicaid program. Contains fraud control provisions; requires annual Health, Education, and Welfare evaluation of state and local programs; penalizes states not meeting federal requirements.	Testimony will urge federalization of Medicaid.	Proposal in draft form---	Senate passage highly possible.
New York City Seasonal Financing Act of 1975 (P.L. 94–143, H.R. 10647).	Emergency financial assistance to avert default by New York City which could have severe impact on municipal bond market and economy generally. Authorizes $2.3 billion in short term federal loans; repayable at end of each fiscal year.	Adopted policy supporting federal loan guarantees for taxable municipal bonds under very strict fiscal conditions.	Signed by President 12/9/75. Funding included in H.R. 10647, Supplemental Appropriations Bill of 1976 passed House and Senate 12/15/75; President Ford signed 12/18/75.	
Older Americans (P.L. 94–135).	Extends through June '78 the Older Americans Act with increased authorization (1.7 billion dollars for 3 years). Under grants to states and local governments, sets up 4 priority services: transportation, home services, legal services, and home repair and renovation.	Individual counties testified in support.	Signed by President Ford 11/28/75.	Regs to be proposed soon. Appropriations to be in spring supplemental.
Public lands				
Payments-in-lieu (H.R. 9719).	Provides minimum payments to counties based on the acreage of federal natural resources land within each county.	Assisted in drafting bill; testified at hearings; recommended amendments.	House Interior Subcommittee hearings completed. Markup begun.	House subcommittee action expected in February 1976.
Bureau of Land Management Organic Act (S. 507, H.R. 5224) and Public Land Subcommittee Print.	Provides a land use program for federally owned land administered by Bureau of Land Management.	Testified at Senate and House hearings; recommended amendments to guarantee local role in planning and to require federal consistency with local plans.	Passed Senate Interior Committee. House Interior Subcommittee on Public Lands continuing markup.	Subcommittee action expected in spring 1976.
Forest Service Purchaser road credit transfers (S. 364, H.R. 5077; P.L. 94–154).	Allows purchasers of timber contractors on U.S. Forests to transfer road credits to other sales. Purpose is to stimulate economy in timber producing areas.	Testified at Senate and House hearings; recommended amendments to lessen financial impact on counties.	Signed by President Ford 12/16/75.	

STATUS OF LEGISLATION AT END OF FIRST CONGRESSIONAL SESSION—Continued

BILL	ISSUES	NACO	STATUS	OUTLOOK
Pensions for Public Employes (H.R. 9155).	**Vehicle for deciding whether federal legislation regulating public employe pension programs necessary. H.R. 9155 based upon 1974 law directed toward regulating private sector pension plans.**	**Testified in support of careful study of issue; warned against hasty action which could infringe on constitutional rights of county governments to manage own labor-relations.**	**Field hearings held in 1975; more hearings likely in 1976.**	**No legislation will be reported in 1976. May take several years should Congress determine legislation necessary.**
Postcard Voter Registration (H.R. 1686, S. 1177).	**Calls for mass mailing of postcard registration forms to all eligible voters to enable their registration for federal elections.**	**Strongly opposes legislation because of its cost; the administrative nightmare it would create; its potential to adversely affect registration for local elections.**	**H.R. 1686 sent back to House Administration committee 12/10/75 for revisions. S. 1177 still in Post Office and Civil Service Committee.**	**Good chance to defeat House measure once on floor. Senate committee will not act until full House considers the bill.**
Public Transportation—Urban Mass Transportation Act Amendments (S. 622, H.R. 3155).	**Allows $500 million in existing Section 3 capital set aside for nonmetropolitan areas to be used for operating subsidies; clarifies congressional intent on accessibility of public transit systems to elderly and handicapped.**	**Testified in Senate in support.**	**S. 662 passed Senate 9/15/75. House Committee took no action.**	**House Public Works Committee to consider early in 1976.**
Railroads—Rail Services Act of 1975 (S. 2718).	**Reforms rail regulatory powers of Interstate Commerce Commission; provides funds for Consolidated Rail Corporation (ConRail) to take over bankrupt lines; prohibits discriminatory taxation of rail properties by state and local government.**	**Some of affected counties testified in House and Senate.**	**Final bill passed House and Senate 12/19/75. Submission to President Ford delayed until 1/19/76.**	**Veto expected because of funding levels. Some resolution essential to continue service on bankrupt lines.**
Rural development				
Water & Sewer Grants	**Administration proposed $200 million deferral and rescission of Rural Water & Sewer Grant Program of Farmers Home Administration.**	**Opposed cuts in program; advocate full funding.**	**Deferral defeated in House 12/19/75; rescission pending 45 day waiting period.**	**Deferred funds must be released immediately. Rescission will probably be defeated mid February 1976.**
Housing (H.R. 10481)	**Supplemental Appropriation Bill providing $500 million for Farmers Home Administration Housing Programs.**	**Supported**	**Bill passed 12/17/75. Signed by President Ford 12/19/75.**	
Water pollution				
(H.R. 9569; S. 2710)	**Amendments to 1972 Water Law House bill contains: Extension of 1977 deadline dates for municipal treatment works to meet secondary treatment standards; extension of 100 per cent federal funding for newly designated 208 agencies; authorization of $150 million for each fiscal '76 and '77 for 208 program; state certification for overseeing construction grant program; allowance for communities to use ad valorem tax to finance operation and maintenance of waste treatment plants. Senate bill contains: simple extensions of expiring provisions and extension of 100 per cent funding for 208 programs.**	**Testified in House supporting 208 provisions, extensions or deadline dates, advalorem provisions and state certification program where states are qualified. Urging Senate and House to move quickly on 208 extensions.**	**H.R. 9569 pending full committee action in House; S. 2710 passed Senate 12/1/75.**	**Both House and Senate will begin comprehensive hearings on full water bill construction grant this spring. H.R. 9569 will be considered by House Public Works committee late January 1976.**

STATUS OF LEGISLATION AT END OF FIRST CONGRESSIONAL SESSION—Continued

BILL	ISSUES	NACO	STATUS	OUTLOOK
208 Regulations	U.S. District Court Decision required 208 Planning done nationwide. EPA issued regulations governing this process. Regs require: Governors to identify all areas eligible for designation by 1/27/76. All designations to be finalized and documented to Regional Administrators by 4/26/76.	Successfully urged EPA to require majority elected officials advising state designated 208 agencies.	Regulations issued 11/28/75; effective now.	Program success depends on counties and cities urging early state action.
Welfare				
Regulations for Title XX of Social Security Act Amendments (P.L. 93–647).	HEW final regs to implement P.L. 93–647 announced 6/27/75. Regs considered by many to be restrictive and beyond the intent of Congress.	Asked HEW to rewrite several provisions in the regs.	HEW announced postponements and changes in regs 10/3/75.	New proposed regs to be published February 1976.
Day Care Standards in Title XX (P.L. 94–120).	Delays until Jan. 31, 1976 enforcement of HEW day care center staffing requirement.	Individual counties testified in support.	Signed by President Ford 10/21/75.	Additional postponement of requirements expected.
Supplemental Security Income (SSI; H.R. 8911, H.R. 8912).	Series of amendments to SSI (the 1974 federal takeover of aid to the aged, blind and disabled). Make changes in program.	Testified on recommendation to improve administration of program.	Both bills declared House subcommittee 7/28/75.	Full committee markup not scheduled.
WIN program (S. 2804)	Amends Title IV of the Social Security Act to assure that mandatory registrants in the work incentive (WIN) program would actively seek work. Participation in the new "employment search" program would be a condition of continued eligibility for receiving aid to families with dependent children (AFDC).	Will testify when hearings are scheduled.	Under consideration by Senate Finance Committee.	
Workers Compensation (S. 2108, H.R. 9431).	Federalizes state workmen's compensation laws through a series of minimum standards which exceed those currently existing in any state. Would result in substantial workers compensation cost increases for most counties.	Board of Directors adopted resolution opposing congressional action. Will testify at upcoming hearings.	Hearings will be held in Senate and House in February or March 1976.	Uncertain; similar legislation failed to be reported from committees last year. Measure has some bipartisan support.

NACO BOX SCORE—PRIORITY ISSUES

General Revenue Sharing: House subcommittee markup late January; new congressional budget act may delay until June 1976.

Public Service Jobs—CETA: Floor action both houses early 1976.

Welfare Reform: NACo Task Force issuing report late March 1976.

Criminal Justice: NACo urging LEAA renewal; congressional action by summer 1976.

Antirecession/Public Works: Senate approved conference report; House action January 1976.

Community Development: House passed; Senate action January 1976.

New York City Crisis: Short term federal loans approved by President December 1975.

Health Services: Final planning regs to be issued January 1976.

Rural Development: Water-sewer grant deferral; rescission defeat expected February 1976.

IPA: Three year extension with 75 per cent federal match expected early 1976.

Postcard Voter Registration: House floor action expected February 1976.

Energy: Comprehensive bill signed by President December 1975; thermal standards bill passed House; awaits Senate action.

Payments-in-Lieu of Taxes: House subcommittee action February 1976.

Land Use: No action expected in 1976.

Clean Air: Markup continues in both houses.

Clean Water: Passed Senate; House Public Works late January 1976.

Community Services: House passed; Senate action mid-1976.

National Health Insurance: Adoption in 1976 doubtful.

Collective Bargaining: Unions may still push enactment in 1976.

Highways: In conference; sticky differences.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. JEFFORDS (at the request of Mr. RHODES), for today, on account of death of close personal friend.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PATMAN, for 60 minutes, today, and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. GRADISON) to revise and extend their remarks and include extraneous matter:)

Mr. DUNCAN of Tennessee, for 30 minutes, today.

Mr. FORSYTHE, for 5 minutes, today.

Mr. EDWARDS of Alabama, for 5 minutes, today.

Mr. BURKE of Florida, for 10 minutes, today.

(The following Members (at the request of Mr. OBERSTAR), to revise and extend their remarks, and to include extraneous matter:)

Mr. ALEXANDER, for 30 minutes, today.

Mr. ADAMS, for 15 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

Mr. CORMAN, for 5 minutes, today.

Mr. FLOOD, for 5 minutes, today.

Mr. BAUCUS, for 10 minutes, today.

Ms. ABZUG, for 20 minutes, today.
Mr. DODD, for 5 minutes, today.
Mr. REUSS, for 10 minutes, today.
Mr. PATMAN, for 60 minutes, today.
Mr. HAMILTON, for 5 minutes, today.
Mr. KOCH, for 5 minutes, today.
Mr. LEVITAS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. YOUNG of Georgia, and to include extraneous matter notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $930.

(The following Members (at the request of Mr. GRADISON) and to include extraneous matter:)

Mr. BROOMFIELD.
Mr. JEFFORDS.
Mr. ANDERSON of Illinois.
Mr. COCHRAN in two instances.
Mr. FRENZEL in five instances.
Mr. FINDLEY.
Mr. ABDNOR.
Mr. SEBELIUS.
Mr. ARMSTRONG.
Mr. PEYSER.
Mr. GOODLING.
Mr. RHODES.
Mr. RINALDO.
Mr. DERWINSKI.
Mr. SKUBITZ.
Mr. HYDE.
Mr. EMERY.

(The following Members (at the request of Mr. OBERSTAR) and to include extraneous material:)

Mr. GONZALEZ in three instances.
Mr. ANDERSON of California in three instances.
Mr. ROE in two instances.
Mr. ALEXANDER.
Mr. MCDONALD of Georgia in four instances.
Mr. LEHMAN in 10 instances.
Mr. KASTENMEIER.
Mr. SYMINGTON.
Ms. ABZUG in two instances.
Mr. MAZZOLI.
Mr. CORMAN in five instances.
Mr. SANTINI.
Mr. MATSUNAGA.
Mr. RANGEL.
Mr. ZEFERETTI.
Mr. DRINAN.
Mr. DOMINICK V. DANIELS.
Mr. CONYERS.
Mr. MINETA.
Mr. GAYDOS.
Mr. RIEGLE.
Mr. HUNGATE.
Mr. BOWEN.
Mr. DOWNEY of New York in two instances.
Mr. TRAXLER in two instances.
Mr. LITTON in two instances.
Mr. EILBERG.
Mrs. BURKE of California.
Mr. SIMON.
Mr. ROSENTHAL.
Mr. FAUNTROY.
Mr. DE LUGO.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 14. An act to provide cost-of-living adjustments in retirement pay of certain Federal judges; to the Committee on the Judiciary.

S. 2129. An act to provide for the definition and punishment of certain crimes in accordance with the Federal laws in force within the special maritime and territorial jurisdiction of the United States when said crimes are committed by an Indian in order to insure equal treatment for Indian and non-Indian offenders; to the Committee on the Judiciary.

S. 2371. An act to provide for the regulation of mining activity within, and to repeal the application of mining laws to, areas of the National Park System, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 2742. An act to dedicate the Chesapeake and Ohio Canal National Historical Park to Justice William O. Douglas in grateful recognition of his contributions to the people of the United States; to the Committee on Interior and Insular Affairs.

ENROLLED BILL SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 5608. An act to extend until the close of 1983 the period in which appropriations are authorized to be appropriated for the acquisition of wetlands, to increase the maximum amount of such authorizations, and for other purposes.

ADJOURNMENT

Mr. OBERSTAR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 30 minutes p.m.) under its previous order, the House adjourned until Monday, February 9, 1976, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2469. A letter from the President, Legal Services Corporation, transmitting the Corporation's appropriations request for fiscal year 1977; to the Committee on Appropriations.

2470. A letter from the Secretary of Defense, transmitting a report on the financial conditions and operating results of Working Capital Funds of the Department of Defense for fiscal year 1975, pursuant to 10 U.S.C. 2208; to the Committee on Armed Services.

2471. A letter from the Deputy Secretary of Defense, transmitting a draft of proposed legislation to authorize certain construction at military installations and for other purposes; to the Committee on Armed Services.

2472. A letter from the District of Columbia Auditor, transmitting a report on the City's Financial Report fiscal year 1975, pursuant to section 455 of Public Law 93-198; to the Committee on the District of Columbia.

2473. A letter from the comptroller, Washington Gas Light Co., transmitting the balance sheet of the company as of December 31, 1975, pursuant to 43 District of Columbia Code 313; to the Committee on the District of Columbia.

2474. A letter from the Assistant Secretary of Agriculture, transmitting notice of a further delay in the submission of the evaluation of the Special supplemental food program for women, infants, and children, required by section 17 of the Child Nutrition Act of 1966, as amended; to the Committee on Education and Labor.

2475. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report on recommendations, and actions related thereto, contained in the 1974 Annual Report of the National Advisory Council on the Education of Disadvantaged Children, dated March 31, 1974, pursuant to section 6(b) of the Federal Advisory Committee Act; to the Committee on Government Operations.

2476. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report on recommendations, and actions related thereto, contained in the report of the U.S. Air Force Board of Visitors April 1974 meeting, dated September 12, 1974, pursuant to section 6(b) of the Federal Advisory Committee Act; to the Committee on Government Operations.

2477. A letter from the Deputy Assistant Secretary of the Interior, transmitting a report on the deferment of payments due the United States from the Arch Hurley Conservancy District, Tucumcari Project, New Mexico, pursuant to 73 Stat. 584; to the Committee on Interior and Insular Affairs.

2478. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations; to the Committee on International Relations.

2479. A letter from the Secretary of Commerce, transmitting the annual report for fiscal year 1975 on the activities of the Department of Commerce under the Fair Packaging and Labeling Act, pursuant to section 8 of the act; to the Committee on Interstate and Foreign Commerce.

2480. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation under the authority of section 244(a)(1) of the Immigration and Nationality Act, as amended, together with a list of the persons involved, pursuant to section 244(c) of the act [8 U.S.C. 1254(c)]; to the Committee on the Judiciary.

2481. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the act of June 21, 1940, as amended, to provide for Federal financial assistance in the construction or alteration of bridge protection systems, and for other purposes; to the Committee on Public Works and Transportation.

RECEIVED FROM THE COMPTROLLER GENERAL

2482. A letter from the Comptroller General of the United States, transmitting a report on the Government's role in East-West trade; jointly, to the Committees on Government Operations, Ways and Means, and International Relations.

2483. A letter from the Comptroller General of the United States, transmitting a summary of the report on the Government's role in East-West trade; jointly, to the Committees on Government Operations, Ways and Means, and International Relations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAHON: Committee on Appropriations. H.R. 11665. A bill to rescind certain budget authority recommended in the message of the President of January 23, 1976 (H. Doc. 94–342), transmitted pursuant to the Impoundment Control Act of 1974; with amendment (Rept. No. 94–808). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee of conference. Conference report on H.R. 11045 (Rept. No. 94–809). Ordered to be printed.

Mr. KASTENMEIER: Committee on the Judiciary. H.R. 10799. A bill to amend title 10 of the Economic Opportunity Act of 1964 (Rept. No. 94–810). Referred to the Committee of the Whole House on the State of the Union.

Mr. SISK: Committee on Rules. House Resolution 1024. Resolution providing for the consideration of H.R. 5808. A bill to amend the act of August 24, 1966, as amended, to assure humane treatment of certain animals, and for other purposes (Rept. No. 94–811). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 1025. Resolution providing for the consideration of H.R. 11453. A bill to authorize appropriations for fiscal year 1976, for the period beginning July 1, 1976, and ending September 30, 1976, and for fiscal year 1977 for carrying out title VI of the Comprehensive Employment and Training Act of 1973, and to amend title II and title VI of such act (Rept. No. 94–812). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HAYS of Ohio:

H.R. 11727. A bill to enable the Comptroller General to carry out, until April 30, 1976, the functions of the Federal Election Commission with respect to the public financing of Presidential election campaigns and national nominating conventions; to the Committee on House Administration.

By Mr. ANDERSON of California (for himself and Mr. D'Amours):

H.R. 11728. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Public Works and Transportation.

By Mr. ANDERSON of Illinois (for himself, Ms. Jordan, Mr. Anderson of California, Mr. Andrews of North Dakota, Mr. Ashley, Mr. Bafalis, Mr. Blanchard, Mr. Bolling, Mr. Broyhill, Ms. Burke of California, Mr. Brown of Ohio, Mr. Cederberg, Mr. Cohen, Mr. Conable, Mr. D'Amours, Mr. Derrick, Mr. Downey of New York, Mr. Edgar, Mr. Emery, Mr. Flood, Mr. Florio, Mr. Fountain, Mr. Frenzel, Mr. Gradison, and Mr. Hannaford):

H.R. 11729. A bill to reorganize the executive branch of the Federal Government to eliminate excessive, duplicative, inflationary, and anticompetitive regulation; jointly, to the Committees on Government Operations, and Rules.

By Mr. ANDERSON of Illinois (for himself, Ms. Jordan, Mr. Ichord, Mr. Jeffords, Mr. Jenrette, Mr. Kasten, Mr. Lehman, Mr. Madigan, Mr. Mazzoli, Ms. Meyner, Mr. McCormack, Mr. McHugh, Mr. Mezvinsky, Mr. Nix, Mr. Pattison of New York, Mrs. Pettis, Mr. Pritchard, Mr. Roush, Mr. Runnels, Mr. Russo, Mr. Scheuer, Mr. J. William Stanton, Mr. Stokes, Mr. Bob Wilson, and Mr. Charles Wilson of Texas):

H.R. 11730. A bill to reorganize the executive branch of the Federal Government to eliminate excessive, duplicative, inflationary, and anticompetitive regulation; jointly, to the Committees on Government Operations, and Rules.

By Mr. ANDERSON of Illinois (for himself, Ms. Jordan, and Mr. Wirth):

H.R. 11731. A bill to reorganize the executive branch of the Federal Government to eliminate excessive, duplicative, inflationary, and anticompetitive regulation; jointly, to the Committees on Government Operations, and Rules.

By Mr. AuCoin:

H.R. 11732. A bill to return the privately built and maintained reservoir known as Lake Oswego, Oregon, to its traditional status as a nonnavigable water of the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. BAUCUS:

H.R. 11733. A bill to amend section 502(c) of the Rural Development Act to assist small farmers in upgrading their farming operations; to the Committee on Agriculture.

By Mr. BLANCHARD (for himself and Mr. Mineta):

H.R. 11734. A bill to provide for the elimination of inactive and overlapping Federal programs, to require authorizations of new budget authority for Government programs and activities at least every 4 years, to establish a procedure for zero-base review and evaluation of Government programs and activities every 4 years, and for other purposes; to the Committee on Rules.

By Mr. CORMAN (for himself, Mr. Gibbons, Mr. Mikva, and Mr. Stark):

H.R. 11735. A bill to terminate the use of exchange funds as a means of escaping income taxes on realized capital gains; to the Committee on Ways and Means.

By Mr. FRENZEL (for himself and Mr. Mikva):

H.R. 11736. A bill to amend the Federal Election Campaign Act of 1974 to establish an independent establishment of the executive branch of the Government of the United States, a commission to be known as the Federal Election Commission, and for other purposes; to the Committee on House Administration.

By Mr. FRENZEL (for himself, Mr. Moore, and Mr. Wiggins):

H.R. 11737. A bill to amend the Federal Election Campaign Act of 1971 to establish a program of Federal financial assistance to encourage and assist the States and local governments in voter registration and election administration, and for other purposes; to the Committee on House Administration.

By Mr. HENDERSON (for himself, Mr. Derwinski, and Mr. White):

H.R. 11738. A bill to amend chapter 83 of title 5, United States Code, to bar civil service annuity payments for periods with respect to which an annuitant is entitled to receive salary as a justice or judge of the United States, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HOWARD:

H.R. 11739. A bill to designate a Federal office building in Newark, N.J., as the Peter W. Rodino Jr. Federal Building; to the Committee on Public Works and Transportation.

By Mr. OTTINGER:

H.R. 11740. A bill to amend title XVIII of the Social Security Act to include hearing aids and dentures among the items and services for which payment may be made under the supplementary medical insurance programs; to the Committee on Ways and Means.

By Mr. RINALDO:

H.R. 11741. A bill to amend the Export Administration Act of 1969 to strengthen the antiboycott provisions of such act, to amend the Securities Exchange Act of 1934 to enhance investor disclosure provisions of that act, and for other purposes; jointly, to the Committees on International Relations, and Interstate and Foreign Commerce.

By Mr. SATTERFIELD:

H.R. 11742. A bill to amend section 844 of title 18, United States Code, to provide a mandatory death penalty for certain explosives-related offenses, and for other purposes; to the Committee on the Judiciary.

By Mr. WAMPLER (for himself, Mr. Foley, Mr. de la Garza, Mr. Vigorito, Mr. Jones of North Carolina, Mr. Melcher, Mr. Bowen, Mr. Weaver, Mr. Baldus, Mr. McHugh, Mr. Jenrette, Mr. Thornton, Mr. Sebelius, Mr. Finley, Mr. Thone, Mr. Symms, Mr. Johnson of Colorado, Mr. Madigan, Mr. Peyser, Mrs. Heckler of Massachusetts, Mr. Jeffords, Mr. Kelly, Mr. Grassley, Mr. Hagedorn, and Mr. Moore):

H.R. 11743. A bill to establish a National Agricultural Research Policy Committee, and for other purposes; to the Committee on Agriculture.

By Mr. WAMPLER (for himself, Mr. Teague, Mr. Fithian, Mr. Jones of Tennessee, Mr. Litton, and Mr. Pressler):

H.R. 11744. A bill to establish a National Agricultural Research Policy Committee, and for other purposes; to the Committee on Agriculture.

By Mr. WYDLER:

H.R. 11745. A bill to prohibit certain civil supersonic aircraft from landing at, or taking off from, John F. Kennedy International Airport; to the Committee on Public Works and Transportation.

By Mr. YATRON:

H.R. 11746. A bill to amend the Communications Act of 1934 with respect to the renewal of licenses for the operation of broadcasting stations; to the Committee on Interstate and Foreign Commerce.

By Mr. ARMSTRONG:

H.R. 11747. A bill to repeal the provisions of law allowing automatic cost-of-living adjustments in the salaries of Members of Congress and certain other legislatice, executive, and judicial office and positions; to the Committee on Post Office and Civil Service.

By Mr. CLEVELAND (for himself, Mr. Harrington, Ms. Abzug, Mr. Aspin, Mr. Badillo, Mr. Blanchard, Ms. Burke of California, Ms. Chisholm, Mr. Cochran, Mr. Dodd, Mr. Downey of New York, Mr. Ford of Michigan, Mr. Hannaford, Mr. Hughes, Mr. Hungate, Mr. Kemp, Mr. Ketchum, Mr. Matsunaga, Mr. Mazzoli, Ms. Meyner, Mr. Mineta, Ms. Mink, Mr. Nolan, Mr. Nowak, and Mr. Patten):

H.R. 11748. A bill to amend title 38 of the United States Code to remove the time limitation within which programs of education for veterans must be completed; to the Committee on Veterans' Affairs.

By Mr. CLEVELAND (for himself, Mr. Harrington, Mr. Patterson of California, Mr. Pattison of New York, Mr. Pepper, Mr. Pressler, Mr. Riegle, Mr. Roe, Mr. Studds, Mr. Thompson, Mr. Tsongas, Mr. Weaver, Mr. Whalen, and Mr. Zeferetti):

H.R. 11749. A bill to amend title 38 of the United States Code to remove the time limitation within which programs of education for veterans must be completed; to the Committee on Veterans' Affairs.

By Mr. DERWINSKI (for himself, Mr. Taylor of Missouri, Mr. Collins of Texas, Mr. Lott, Mr. Jenrette, and Mrs. Schroeder):

H.R. 11750. A bill to revise the pay structure of executive positions in the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mrs. FENWICK (for herself, Mr. Mikva, Mr. Howard, Mr. Maguire, Mr. Thompson, Mr. Patten, and Mr. Rinaldo):

H.R. 11751. A bill to establish a Commission on Security and Cooperation in Europe; to the Committee on International Relations.

By Mr. HORTON:

H.R. 11752. A bill to amend title 35 of the United States Code to provide for public examination and review of claims relating to applications for patents; to the Committee on the Judiciary.

By Mr. HYDE:

H.R. 11753. A bill to repeal the Presidential Primary Matching Payment Account Act, and for other purposes; to the Committee on House Administration.

By Mr. LENT:

H.R. 11754. A bill to prohibit commercial flights by supersonic aircraft into or over the United States; to the Committee on Public Works and Transportation.

By Mr. LLOYD of California (for himself, Mr. Anderson of California, Mr. Bafalis, Mr. Edgar, Mr. Grassley, Mr. Hall, Mr. Jenrette, Mr. Krebs, Mr. Levitas, Mrs. Smith of Nebraska, Mr. Yatron, and Mr. Dodd):

H.R. 11755. A bill to abolish certain Federal regulatory agencies and to bring about the abolition of certain Federal regulatory agencies or their successor agencies after a specified period of time, and for other purposes; jointly to the Committees on Government Operation, and Rules.

By Mr. MICHEL (for himself, and Mr. Frenzel):

H.R. 11756. A bill making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies for the fiscal year ending June 30, 1976, and the period ending September 30, 1976, and for other purposes; to the Committee on Appropriations.

By Mr. MILLS:

H.R. 11757. A bill to direct the Secretary of the Army to release certain conditions with respect to certain property previously conveyed to the State of Arkansas by the United States; to the Committee on Armed Services.

By Mr. NIX:

H.R. 11758. A bill to amend title XX of the Social Security Act to provide that no State shall be required to administer individual means tests for provision of education, nutrition, transportation, recreation, socialization, or associated services provided thereunder to individuals aged 60 or older; to the Committee on Ways and Means.

By Mr. PATTERSON of California:

H.R. 11759. A bill to terminate the Airlines Mutual Aid Agreement; to the Committee on Public Works and Transportation.

By Mr. RUPPE:

H.R. 11760. A bill to amend section 502(a) of the Merchant Marine Act, 1936; to the Committee on Merchant Marine and Fisheries.

H.R. 11761. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit for investments in certain economically lagging regions; to the Committee on Ways and Means.

By Mr. ST GERMAIN (for himself, Mr. Beard of Rhode Island, and Mr. Davis):

H.R. 11762. A bill to provide grants to States or political subdivisions thereof or to certain other persons to assist the restoration of historical cemeteries or burial plots, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mrs. SMITH of Nebraska:

H.R. 11763. A bill to authorize the establishment of the Trails West National Historical Park in the States of Nebraska and Wyoming, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STEIGER of Arizona (for himself, Mr. Andrews of North Dakota, Mr. Bevill, Mr. Collins of Texas, Mr. Frenzel, Mr. Ketchum, Mr. Lott, Mr. Miller of Ohio, Mr. Mollohan, Mr. Myers of Indiana, Mr. Pressler, Mr. Regula, Mr. Robinson, Mr. Sebelius, Mr. Steiger of Wisconsin, Mr. Winn, and Mr. Yatron):

H.R. 11764. A bill to amend the Education Amendments of 1972 to provide that Boys State, Boys Nation, Girls State, and Girls Nation conferences conducted by the American Legion shall not be subject to title IX of such act, and for other purposes; to the Committee on Education and Labor.

By Mr. FORSYTHE:

H.J. Res. 795. Joint Resolution designating the week beginning on May 2, 1976, as "National Vandalism Prevention Week; to the Committee on Post Office and Civil Service.

By Mr. HYDE:

H.J. Res. 796. Joint resolution proposing an amendment to the Constitution of the United States guaranteeing the right of life to the unborn; to the Committee on the Judiciary.

By Mr. RINALDO:

H.J. Res. 797. Joint resolution to clarify and reaffirm Government purchasing policies; to the Committee on Government Operations.

By Mr. SISK (for himself, Mr. Murphy of Illinois, Mr. Young of Georgia, Mr. Pepper, Mr. Anderson of Illinois, and Mr. Del Clawson):

H.J. Res. 798. Joint resolution to amend section 499 of the Legislative Reorganization Act of 1970 to eliminate, from the program for the modernization and improvement of gallery facilities in the House Chamber, the provisions requiring enclosure of the House galleries; to the Committee on Rules.

By Mr. BROWN of California (for himself, Mr. Studds, Mr. McCormack, Mr. Ottinger, Mr. Emery, Mr. Pattison of New York, Mr. Patterson of California, Mr. Edgar, Mr. Harrington, Mr. Esch, Mr. Stark, Mr. Hughes, Mr. Ryan, Mr. Beard of Rhode Island, Mr. Rees, Mr. Scheuer, and Mr. Mazzoli):

H. Con. Res. 545. Concurrent resolution expressing the sense of Congress with respect to increased Federal efforts to prove the commercial viability of sailing ships; jointly to the Committees on Science and Technology, and Merchant Marine and Fisheries.

By Mr. BROWN of California (for himself, Mr. Martin, Mr. Hall, Mr. Edgar, Mr. Esch, Mr. Rees, Mr. Pattison of New York, Mr. Hughes, Mr. Mazzoli, Mr. Beard of Rhode Island, Mr. Ryan, Mr. Stark, and Mr. Scheuer):

H. Con. Res. 546. Concurrent resolution expressing the sense of Congress with respect to increased Federal efforts to prove the commercial viability of lighter than air aircraft; jointly, to the Committees on Science and Technology, and Public Works and Transportation.

By Mr. RINALDO:

H. Con. Res. 547. Concurrent resolution relating to the authority of the Federal Trade Commission to prescribe rules preempting State and local laws; to the Committee on Interstate and Foreign Commerce.

By Mr. HAYS of Ohio:

H. Res. 1020. Resolution to provide funds for the expenses of the investigations and studies by the Committee on House Administration; to the Committee on House Administration.

By Mr. MURPHY of New York (for himself and Mr. Fish):

H. Res. 1021. Resolution to provide funds for the expenses of the investigation and study of the exploration and exploitation of the Outer Continental Shelf to be conducted by the ad hoc Select Committee on the Outer Continental Shelf; to the Committee on House Administration.

By Mr. SCHEUER (for himself, Mr. Wolff, Mr. Downey of New York, Mr. Addabbo, Ms. Abzug, Mr. Wirth, Mr. Brodhead, Mr. Florio, Mr. Moffett, Mr. Carney, Mr. Moss, Mr. Ambro, Mr. Bingham, Mr. Beard of Rhode Island, Mr. Mottl, Ms. Schroeder, Mr. Biaggi, Ms. Spellman, Mr. Waxman, Mr. Dodd, Mr. Seiberling, Mr. Ford of Michigan, Mr. Badillo, Mr. Drinan, and Mr. Thompson):

H. Res. 1022. Resolution directing the Committee on Public Works and Transportation to investigate the process by which the Secretary of Transportation reached a decision permitting the Concorde to land at the John F. Kennedy and Dulles International Airports; to the Committee on Rules.

By Mr. SCHEUER (for himself, Mr. Cornell, Mr. Zeferetti, Mr. Simon, Mr. Miller of California, Mr. Hechler of West Virginia, Mr. Nowak, Mr. O'Hara, Mr. Mikva, Mr. Mineta, Mr. James V. Stanton, Mr. Vanik, and Mr. Brademas):

H. Res. 1023. Resolution directing the Committee on Public Works and Transportation to investigate the process by which the Secretary of Transportation reached a decision permitting the Concorde to land at the John F. Kennedy and Dulles International Airports; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. PHILLIP BURTON:

H.R. 11765. A bill for the relief of Edgardo Faro Herrera and Elisa Feliciano Herrera; to the Committee on the Judiciary.

By Mr. DRINAN:

H.R. 11766. A bill for the relief of Harold E. Levine; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

388. The SPEAKER presented a petition of the board of supervisors, El Dorado County, Calif., relative to a postage stamp commemorating "Snow-Shoe" Thompson; to the Committee on Post Office and Civil Service.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 11552

By Mr. FRENZEL:

Page 2, lines 4 and 5, strike out "an elector for President and Vice President,".

Page 2, line 13, strike out "and any election" and all that follows through "delegates to such a convention".

Page 6, lines 1 and 2, strike out "and as the Administration determines appropriate".

Page 6, line 17, immediately after the word "form", strike out lines 17 through 22.

Page 6, line 18, immediately after "an", insert the word "Federal".

Page 6, immediately after line 22, insert the following new subsection:

"(d) Registration forms may be prepared in a language other than English."

Page 6, immediately after line 22, insert the following new subsections:

"(d) Registration forms shall be prepared in a language or languages other than English for each State with respect to which the Administration determines, from the most current and accurate data available, that at least 5 percent of the residents of such State or 50,000 such residents (whichever number is less) do not speak or understand English with reasonable facility. The Administrator shall certify any such State as a bilingual State.

"(e) In any State certified as a bilingual State under subsection (d) bilingual registration forms shall be provided in the predominant foreign language or languages (as determined by the Administrator) and in English, and any instructions, notices, or accompanying materials shall be prepared in such foreign language or languages as well as in English.

"(f) In any State not certified as a bilingual State under subsection (d) registration forms may be provided in a foreign language or languages other than English."

Page 6, line 23, strike out "Distribution" and insert in lieu thereof "Availability".

Page 7, strike out line 2 and line 3, and insert in lieu thereof the following: "Officials with respect to the availability of registration forms in post offices and appropriate Federal, State, and local government offices. Such registration forms shall be generally available, and this section shall not be construed to place any time limitation upon the duration of such availability."

Page 7, strike out line 4 and all that follows through page 8, line 2.

Page 8, line 3, strike out "(d)" and insert in lieu thereof "(b)".

Page 8, line 5, strike out "for the distribution" and insert in lieu thereof "with respect to the availability".

Page 8, strike out line 7 and all that follows through line 11.

Page 13, line 12, strike out "sections 6 and 7" and insert in lieu thereof "section 6".

Page 13, strike out line 13 and all that follows through line 23.

Page 7, line 3, immediately after the word "section", strike out line 3 through line 7.

Page 7, line 11, strike out "a sufficient quantity" and all that follows through "rural or star route" and insert in lieu thereof "one postcard for each person 18 years of age or older".

Page 8, strike out line 7 through line 11.

Page 7, strike out line 22 and all that follows through page 8, line 2, and insert in lieu thereof the following:

"(c) The Postal Service shall distribute the registration forms no earlier than 120 days or no later than 60 days before the close of registration for each biennial general election."

Page 9, line 1, strike out "may" and insert in lieu thereof "shall".

Page 9, lines 2 and 3, strike out "is authorized to" and insert in lieu thereof "shall".

Page 10, line 13, before the word "in", insert the following: "which result in registration of presently unregistered persons or in changes of addresses of currently registered persons."

Page 10, line 13, immediately after "that State." insert the following: "The Administration is authorized to compensate any State which adopts a centralized accounting system for voter registration form processing costs."

Page 10, strike line 14 through line 21.

Page 10, line 22, strike "(c)" and insert in lieu thereof "(b)".

Page 11, line 4, immediately after "state", insert the following: ", or a portion of a state,".

Page 11, strike line 14 through line 25.

Page 12, strike line 1 through line 3.

Page 12, strike line 5 through line 15.

Page 12, line 16, strike "(b)" and insert in lieu thereof "(a)".

Page 12, line 20, strike "(c)" and insert in lieu thereof "(b)".

(Amendment in the Nature of a Substitute)

Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Voter Registration and Election Administration Assistance Act of 1976".

SEC. 2. The Federal Election Campaign Act of 1971 is amended by redesignating title IV as title V; by renumbering sections 401 through 408 as sections 501 through 508, respectively; and by inserting immediately after title III the following new title:

"TITLE IV—ASSISTANCE FOR VOTER REGISTRATION AND ELECTION ADMINISTRATION REFORM

"SHORT TITLE

"SEC. 401. This title may be cited as the 'Voter Registration and Election Administration Assistance Act'.

"DEFINITIONS

"SEC. 402. As used in this title—

"(1) the term 'State' means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States;

"(2) the term 'political subdivision' means any city, county, township, town, borough, parish, village, or other general purpose unit of local government of a State, or an Indian tribe which performs voter registration or election administration functions (as determined by the Secretary of the Interior); and

"(3) the term 'grant' means any grant, loan, contract, or other appropriate financial arrangement for the purpose of voter registration or election administration.

"ESTABLISHMENT OF GRANT PROGRAM

"SEC. 403. The Secretary of the Treasury shall, in accordance with the provisions of this title, make grants to the States to carry out programs to encourage voter registration, education, and participation.

"APPORTIONMENT OF GRANTS

"SEC. 404. Amounts appropriated to carry out the provisions of this title for any fiscal year shall be apportioned to each State in an amount which bears the same ratio to the aggregate amount so appropriated for such fiscal year as the voting age population in such State bears to the total voting age population in all the States.

"DELEGATION OF AUTHORITY

"SEC. 405. The chief election officer of each State shall be charged with responsibility for administering grants made under this title. The chief election officer may, after properly and equitably distributing each grant made under this title in accordance with State law, delegate all or part of his responsibility under this title to appropriate officials of the political subdivisions of the State to which any distribution of a grant is made.

"USE OF FUNDS

"SEC. 406. (a) Each State may, in its discretion, allocate all or part of any grant made under this title to political subdivisions of such State. Each grant made under this title shall be used for programs related to voter registration and election administration, including but not limited to—

"(1) programs to increase opportunities for voter registration, such as mail registration, expanded registration hours and locations, mobile registration facilities, election day registration, re-registration programs, door-to-door canvassing procedures, and other methods which the State may deem appropriate;

"(2) programs to improve election administration procedures, such as the purchase of additional voting machinery, organization and planning of election administration activities, improvements in ballot preparation and absentee ballot procedures, coordination of election activities, and other methods designed to facilitate the efficient functioning of the election administration process;

"(3) planning, evaluating, and designing the use of electronic data processing or other appropriate procedures to modernize voter registration and election administration and make such registration and administration more efficient, with special emphasis on techniques which would allow voter registration closer to election day;

"(4) programs for the prevention and control of fraud;

"(5) education and training programs for State and local election officials;

"(6) establishing nonpartisan programs for the purpose of voter and citizen education; and

"(7) other programs designed to improve voter education and participation that are approved by the States or political subdivisions thereof.

"(b) No State or political subdivision thereof shall use all or part of any grant made under this title to finance any activity funded by such State or political subdivision on April 1, 1976, unless such State or local financing is continued at the same level as existed on such date.

"(c) Nothing in this title shall be construed to require action by any State or political subdivision thereof. In any case in which a State or political subdivision thereof does not use all or part of any grant made under this title to carry out programs authorized under this title, the unused portion of such grant shall be returned to the Secretary of the Treasury at the end of the fiscal year for which the grant was made and the Secretary shall cover the funds so returned into the Treasury as miscellaneous receipts.

"REVIEW OF PROGRAMS BY THE COMPTROLLER GENERAL

"SEC. 407. (a) The Comptroller General shall audit and review annually the programs of at least five States receiving grants under this title.

"(b) The Comptroller General shall disseminate to all the chief elections officers of the States a summary of the types of programs he found to be most effective and found to be least effective.

"(c) The Comptroller General shall collect, analyze, and arrange for the publication and sale by the Government Printing Office of information concerning voter registration and elections in the United States.

"(d) The General Accounting Office shall conduct a study of the reasons for the decline in voter participation and the role of registration obstacles in low voter turnout during the period beginning January 1, 1960, and ending December 31, 1976.

"(e) The Comptroller General shall submit to the President and to the Congress annually a report concerning his activities under this title, together with such recommendations as he may deem appropriate.

"CENTRALIZED VOTER REGISTRATION LISTS AND CONFIDENTIALITY

"SEC. 408. (a) The Federal Government is prohibited from maintaining a centralized voter registration list.

"(b) Nothing in this title shall be construed as allowing the disclosure of information which permits the identification of individual voters.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 409. For the purpose of carrying out the provisions of this title, there is authorized to be appropriated the sum of $35,000,000 for the fiscal year ending June 30, 1976.".

SEC. 3. Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by striking out "title IV" and inserting in lieu thereof "title V".

Amend the title so as to read: "A bill to amend the Federal Election Campaign Act of 1971 to establish a program of Federal financial assistance to encourage and assist the States and local governments in voter registration and election administration, and for other purposes.".

EXTENSIONS OF REMARKS

ARRESTS IN YUGOSLAVIA

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. McDONALD of Georgia. Mr. Speaker, during the past few months large numbers of Croatians have been imprisoned without formal charges or a possibility of obtaining any kind of equivalent to a writ of habeas corpus. This is taking place in the most "liberal" of Communist countries under the direction of Tito, the bemedaled darling of the parlor pinks and leftist media.

The approximately 1,500 detained Croatians include teachers, students, lawyers, farmers, and workers. Among the prominent individuals under arrest are Lav Zindaric, a well-known Catholic intellectual and lawyer in Croatia, and the three lawyers who defended Croatian "counter-revolutionaries" in 1972, Dafienka Vecerina, Mladen Grubisic, and Mile Vukosav. Also arrested are Miroslav Vaupotic, one of the most distinguished professors at Zagreb University and former editor of the now suppressed journal the Croatian Literary Review Kolo, and Tomislav Drazic, an editor of the Zagreb daily newspaper Vjesnik. It would seem fitting for Americans in the bar, in academia, and in the media to demand the release of their colleagues in Croatia.

I would like to invite the attention of my colleagues to a joint communique between the Croatian Liberation Army, on whose program I have previously commented, and the Combat Organization Free Poland. This communique was just published in the December 1975 issue of Free Poland, and reflects a spirit of cooperation among young people of all the captive nations in the fight to remove the oppressive Communist regimes tyrannizing all of these nations. The communique follows:

JOINT COMMUNIQUE

The Croatian Liberation Army (Hrvatska Oslobodileljska Vojska) and the Combat Organization Free Poland (Organizacja Bojowa Wolna Polska) representing resistance forces of our two nations, resolve:

To jointly engage in the armed struggle against the alien, dictatorial regimes oppressing our nations;

To consider the freedom, independence and territorial integrity of Poland and Croatia being essential conditions for both nations;

To jointly demand treatment of our combatants under the rules of the Geneva Convention as Armed Forces of National Liberation Movements;

To increase, through common efforts, the revolutionary spirit of self-confidence within each of our nations;

To further cooperation between our nations on behalf of the principle of self-determination of nations;

Under the banner For Your Freedom and Ours to jointly oppose the alien Communist ideology which is so repugnant to the national and religious feelings of our nations;

The Combat Organization Free Poland recognizes the Croatian Liberation Army as a vanguard in the organized revolutionary struggle of all oppressed nations to establish national independence and freely elected representative government;

Further, as Slavic nations experiencing similar fates we recognize A. I. Solzhenitsyn as a Prophet for our times, who is raising his voice in defense of human rights, and we call on all our intellectuals to do the same, and we call on all young revolutionaries to fight for those rights;

The Combat Organization Free Poland and the Croatian Liberation Army jointly call upon all other National Liberation Movements to join our alliance in order to cooperate and coordinate our actions against the Communist and alien "governments" oppressing our nations;

Both parties make it public that several detailed protocols have been signed governing the conduct of revolutionary operations.

(Duly executed signatures of the representatives of both parties appear on the original of this agreement.)

(Signed on the 4th Day of December, 1975, in Geneva, Switzerland.)

MEXICAN GOVERNMENT PRAISED FOR PROTECTING WHALES

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 4, 1976

Mr. REUSS. Mr. Speaker, unrestricted whaling practices by some nations continue to pose a serious threat to whale populations. Of the nearly 70 species of whales, 8 are listed as "endangered," as determined by the U.S. Government, under the 1973 Endangered Species Act, and by the International Union for Conservation of Nature and Natural Resources.

The United States has taken strong steps to protect whale populations, by prohibiting American commercial whaling and the importation of whale products. The United States is also working closely with the International Whaling Commission, in support of the Commission's establishment of quotas on the taking of whales.

Another leader in the fight to protect whales is the Government of the United Mexican States. I want to bring to the attention of my colleagues the January 26, 1976, letter to Luis Echeverria Alvarez, President of Mexico, from Thomas L. Kimball, executive vice president of the National Wildlife Federation in Washington, D.C., commending the Mexican Government for its efforts to protect the gray whale and to support the conservation efforts of the International Whaling Commission. The text of Mr. Kimball's letter follows:

NATIONAL WILDLIFE FEDERATION,
January 26, 1976.

His Excellency LUIS ECHEVERRIA ALVAREZ,
President of the United Mexican States,
Los Pinos, Mexico, D.F., Mexico.

DEAR MR. PRESIDENT: The National Wildlife Federation wishes to commend you and the Government of the United Mexican States for its continued protection of whales in your territorial waters, particularly the Gulf of California.

Recovery of the gray whale to numbers where the public can reasonably expect to see these impressive mammals as they migrate along the North American coast is due, in large measure, to the enlightened management of the Mexican Government. Protection of the gray whale is recommended by the International Whaling Commission, of which both Mexico and the United States are members, and sound management in your territorial waters is critical. Consequently, we applaud your cooperation in these international efforts.

Members of our organization continue to comment favorably about the fine annual meeting held in your beautiful country in 1972. We learned much about Mexico and its natural resources and feel that the occasion offered us an unusually good opportunity to share ideas and experiences.

Sincerely,

THOMAS L. KIMBALL,
Executive Vice President.

LOSS FOR MICHIGAN

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. BROOMFIELD. Mr. Speaker, the recent announcement by the Commerce Department that the Lakes Survey Office in Detroit is to be closed has understandably caused a great deal of concern in the State of Michigan. The Hillsdale Daily News expressed this concern in a recent editorial which I would like to share with my colleagues:

LOSS FOR MICHIGAN

Michigan has been dealt another economic blow. Small yes, but nevertheless a blow at a time when we can ill afford it. This time the tunnel-visioned Commerce Department has seen fit to close The Lakes Survey Office in Detroit.

It employs some 53 individuals at annual cost of some $400,000. Its task is to maintain records and charts of the Great Lakes System. They have one of the largest if not the largest collection of both air and sea navigation charts which are immensely valuable to those who ply for business as well as recreation the waters and the airways of the Great Lakes System.

It was stated by the Commerce Department that the functions carried on by the Detroit Office were to be transferred to Maryland and Virginia. It was implied that these offices some 600 miles away could function as efficiently and as effectively as the office in Detroit. There would be no impairment of service. These latter two observations we seriously doubt because of the logistics involved and the government's track record as far as "belt-tightening" is concerned.

Frankly, we'd be less than candid if we did not point out that the welfare of the United States citizens is far more important that the dubious results generated by the billions spent on Foreign Aid. We can't feed, clothe, medicate, educate and arm the world, so let's start improving the lives of those who make all this possible.

A step in this positive direction would be to restore the Detroit Lakes Survey Office and effect a corresponding decrease in foreign aid to some unheard of nation situated heavens knows where.

FEDERAL ELECTIONS COMMISSION

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. FRENZEL. Mr. Speaker, yesterday's Washington Star editorial accurately describes the effect of the Supreme Court Election Law decision, and it correctly points out the need for Congress to reestablish the Commission on a sound constitutional basis with the 30-day time limit set by the Court.

The editorial's warning to the House leadership should be well taken. The conduct of Federal elections should be as important as TV football, or even blackbirds.

The editorial follows:

[From the Washington Star, Feb. 4, 1976]

Fix the Campaign Law

The ball on campaign financing is in Congress's court and if the legislators put as much concentration and effort into it as they did when televised football games were at stake, we may get through the presidential election without total chaos.

Some see last week's ruling by the Supreme Court as the beginning of the end for the 1974 campaign reform law enacted during the throes of Watergate. But that need not be so.

There is an ample portion of the law remaining to make at least a stab at carrying out the aim of the legislation, which was to reduce corruption in politics by lessening reliance on big private contributions to candidates.

Three vital parts of the law were upheld: limits on individual contributions to candidates; full disclosure of contributions and expenditures; and the new departure in American politics—public subsidies to presidential campaigns.

The court, with sufficient reason relating to the First Amendment, did throw out the limits on total spending for presidential and congressional campaigns, as well as the limit on the amount a person can spend of his own money on his own candidacy, and the limit on the amount an individual can spend indirectly in behalf of a candidate. The full effect of this lifting of restrictions cannot be assessed at this time, but certainly it does not mean that the sky's the limit.

For example, the court said that if presidential candidates want to get federal campaign subsidies they will have to abide by the total spending limits established by Congress. That undoubtedly means that despite the court's general ruling against a limit on overall campaign expenditures, most of the presidential candidates will in fact limit them because they want the government subsidies. Probably many congressional candidates also will voluntarily abide by the limits that had been set for House and Senate campaigns. And the chances of a Rockefeller buying the presidency for himself or a Stewart Mott or some other fatcat buying it for someone else are pretty remote.

The real danger to the 1974 reform act is not in the court's knocking out some spending limits but in its decision that the Federal Elections Commission, which was set up to administer and enforce the law, was illegally constituted. The court held that enforcement powers could be exercised only by officers of the executive branch, and since the Elections Commission was partially an appendage of Congress it could not enforce the law.

Without an agency to administer and enforce the law, the presidential campaign could degenerate into a shambles. There must be someone to interpret the law, someone to enforce it, someone to authorize the treasury to disburse government campaign subsidies.

The Supreme Court gave Congress 30 days to reconstitute the Elections Commission. Congress will be derelict if it does not.

The simple answer is to amend the law so that all six members of the Elections Commission shall be appointed by the President and confirmed by the Senate. Under the present arrangement, two members are appointed by the President and four by Congress. The White House already has indicated that it will reappoint all the sitting members.

There are two main problems: Some members of Congress want to fiddle with other portions of the law; for example, Senator Kennedy and Senate Republican Leader Scott want to bring congressional campaigns under the federal subsidy program. Others who never wanted a reform law to start with or were lukewarm about it, such as Representative Hays, chairman of the House Administration Committee, would prefer to let the Elections Commission go out of existence.

It seems highly unlikely that the dispute over whether to subsidize congressional elections can be resolved by the March 1 deadline for reconstituting the Elections Commission. Senators Kennedy and Scott surely know that; the cause of election reform would be better served if they put their effort behind the bill introduced by others dealing only with the Elections Commission.

As for Hays, the House leadership ought to get tough with him if he tries to tie up the legislation in his Administration Committee. There is no excuse for the entire Congress kowtowing to a tyrannical chairman like Hays. It was ironical that in regard to Hays, House Democratic Leader O'Neill would say that House leaders are "not one to step on the toes of our chairman" only a few days after the way Speaker Albert stepped all over the toes—and feet and legs—of Commerce Committee Chairman Staggers on the natural gas deregulation bill.

Some on Capitol Hill think that 30 days is just too short a time to fix the Elections Commission. Hogwash. When the legislators wanted to watch Redskin games on television a few years ago, it took only a few days to pass legislation to kill the TV blackout of home games. The conduct of presidential and congressional elections surely is as important as watching football games.

On the day before yesterday the Boston Globe had a similar editorial which stressed the point I had made on the floor Monday—that is: The reconstitution of the Federal Elections Commission is test of the leadership of this Congress.

That editorial follows:

[From the Boston Globe, Feb. 3, 1976]

Moral Test for O'Neill

The American public should, and probably will treat as inexcusable the Congress's threat not to reconstitute the Federal Election Commission in time to meet the Supreme Court's 30-day deadline.

Less than 18 months after the most corrupt campaign practices of the century forced a President to resign, recalcitrant members of the Senate and especially the House are proposing to kill the only mechanism for monitoring campaigns.

Congressional opponents of campaign reform, like autocratic Rep. Wayne Hays of the House Administration Committee, have tried to shift blame to the court decision. But the U.S. Supreme Court upheld the creation of the commission and nearly all of the law it is supposed to enforce. The court merely held that Congress, as a legislative rather than an executive agency, overstepped its constitutional bounds in naming two thirds of the commission membership.

Hays has committed himself to blocking the only sensible response to the court ruling—reaffirmation of the remaining portions of the law, and creation of a new agency whose members would be appointed by the President with the approval of the Senate.

Extension of the law and creation of an executive agency seem acceptable to the Senate, and would surely be so if President Ford committed himself, as he should, to appointing all of the current members to the new agency.

Responsibility lies with Carl Albert of Oklahoma, the House Speaker, and Thomas P. O'Neill of Massachusetts, who hopes to succeed him. If Albert and O'Neill cannot control Hays, and ensure some measure of decency and honesty in campaigns, then neither should be Speaker.

It is not enough to distribute Federal matching funds through some existing office, for example the Comptroller General's staff. Nor does it suffice to retain the FEC as a powerless monitoring agency. The country needs a regulatory body with the legal standing to make regulations, invalidate improper practices, and force disclosures—and the country will be watching the President, the Senate, and especially Reps. Albert and O'Neill.

CAN CONGRESS CREATE JOBS?

HON. ROBERT E. BAUMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. BAUMAN. Mr. Speaker, today's Washington Star gives a good estimation of the ability of the Congress to create employment, especially in an election year. As we are faced with yet another "jobs" bill next week we should consider these editorial thoughts, especially those of my colleagues on this side of the aisle:

Job Creation: A Shaky Idea

The Congressional hosannahs of self-congratulation at the passage last week of a $6.2 billion public works bill to alleviate unemployment will not be diminished by President Ford's expected veto. The hefty 321-to-80 margin by which the legislation passed in the House (after voice-vote approval earlier in the Senate) almost insures that a veto will be overridden. Only 13 Democrats and 67 Republicans in the House voted against the bill.

With unemployment distressingly high, with the economy still wobbly in its recovery and, not least, with elections only months off, a measure to create jobs has high allure. However, it is far from engraved in stone that the $6.2 billion measure is the most efficient mechanism to combat unemployment, despite its high political popularity.

Proponents of the bill claim that it will create 600,000 or more jobs. That is open to doubt. A study by economist Alan Fechter of the Urban Institute suggests that for each $1 billion spent on such programs, only 30,000 to 60,000 jobs will be created. That is a far holler from congressional assertions. Mr. Fechter also suggests that even for the short run, the federal money may displace up to 50 per cent of state and local funds being used to provide public services. "The implication . . . is that public employment programs buy considerably fewer jobs than the nominal number of slots they fund."

There is another worrisome aspect to the legislation. In announcing the President's intention to veto the bill, press secretary

Ron Nessen contended that most of the projects to be triggered by the measure would not begin for 9 to 19 months and it would be nearly two years before the impact of the bill would be felt. Congressional Democrats have retorted that the measure contains a provision requiring that the money is to be spent only for projects already on the drawing board and which can be started within 90 days.

It requires an act of faith to think this acceleration, intent of Congress notwithstanding, can be adhered to in the unsimple procedures of government. Congress proposes and the bureaucracy disposes in this instance, and we are well versed in how slowly the machinery usually moves.

The $6.2 billion jobs bill in part illustrates the philosophic division between President Ford, who advocates improving the private sector as a means to attack unemployment, and a preponderance of Democratic sentiment for significant federal intervention in the economy.

But even a philosophic difference does not account for the 62 House Republicans who voted with the 259 Democrats for passage of the bill. It is not nice in an election year to be on record as opposing the creation of jobs for the unemployed—even if the jobs created may be too little and too late.

ILLEGAL ALIEN PROBLEM REQUIRES NEW IMMIGRATION AGENCY

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. ROSENTHAL. Mr. Speaker, the growing body of evidence clearly shows the futility of trying to solve the perplexing illegal alien problem through more dollars for enforcement.

Most accounts estimate approximately 8 million aliens illegally reside in the United States holding some 1 million jobs. Many of these illegals participate in such Government programs as food stamps, welfare, medicaid, and even unemployment compensation. The cost to taxpayers is at least $13 billion a year.

The magnitude of the difficulties makes a mere dollars approach impractical. One proposed solution—penalizing employers who hire illegal aliens—might help through eliminating an incentive for the arrival of illegals. This idea, however, is stiffly opposed by officials of some States where aliens are an important part of the labor force. Moreover, such a policy is objectionable in that it could encourage some employers to deny work to all members of certain national groups regardless of their immigration status.

There is a solution which would not be subject to the above infirmities—a more careful screening of visa applicants to weed out potential illegals.

As many as 40 percent of the illegals do not sneak across a border but enter legally on a temporary visa and remain after the visa expires. These illegals typically are found outside the States where their cheap labor is a major economic factor. This group includes some 700,000 residing in the New York metropolitan area alone.

Visa violators wreak havoc on local services and job markets. They also are the most difficult to apprehend since they melt easily into the crowded quarters of an innercity. Only 12 percent of all illegals caught in fiscal year 1974 came from this group.

The point at which this aspect of the illegal alien problem must be met is the American consulate. The consular official reviews visa applications for accuracy and assesses the likelihood of an applicant complying with visa terms. Unfortunately, he often does a poor job in both tasks. About 10 percent of the 6 million foreigners annually issued tourist visas become illegal aliens.

There are several reasons for this. The first is the character of the State Department's Visa Office. The consular service is the least prestigious of State's divisions. The service has had repeated difficulty recruiting and keeping personnel. As long as the Department maintains a single hiring system for its units, bright, young officers will be attracted to the diplomatic assignments and shun the less glamorous and more bureaucratic duties of the consular service.

The consular service also suffers from State's budget priorities. For fiscal year 1977, the Bureau of Security and Consular Affairs, which includes the Visa Office, recommended State requests OMB to fund 68 new consular positions. While acknowledging the need for these personnel, the Department rejected this recommendation and requested no new positions. The Department apparently felt that additional dollars should be spent in areas more immediately connected with the foreign policy functions of the Department.

Further, State's operating procedures are often poorly adapted to the needs of a visa issuance system. The shortage of skilled consular personnel is aggravated by the Department's employee rotation system. With one-third of the consular service shifting posts each year, there is a great loss of productive time. More seriously, expertise gained in handling applicants from particular regions is lost as the consular official moves to another region or to nonvisa work.

Finally, the foreign policy implementation function of State often interferes with its visa issuance function. The pressures of foreign governments become a factor in reviewing visa applications. This violates the spirit of, and fosters a disregard for, the immigration laws.

In brief, the requirements of an essentially bureaucratic and administrative visa issuance operation are incompatible with the diplomatic and policymaking functions of the State Department.

The second reason for the deplorable record of visa overstays and violations is the split of responsibility for aliens between State and Justice's Immigration and Naturalization Service. A serious lack of cooperation and coordination marks relations between these two agencies. For example, INS does not make regularly available to State information on apprehended illegal aliens. Conversely, State does not typically send INS information on visa issuances until the alien arrives at the U.S. port of entry. Symptomatic of this absence of collaberation is the fact that, while both INS and State are computerizing their information operations, the two systems will be incompatible. Such antagonism prevents improvements in the visa application review process.

The only solution to these fundamental problems is the creation of a separate, independent visa and immigration agency having the combined functions of the INS and the Visa Office. Such an agency would alone have the unified policies, procedures, and perspectives required to cope with the massive illegal alien problem. This idea has been endorsed in private by officials of both departments.

I have introduced a bill, H.R. 10182, which would establish just such an agency. This bill affords an excellent opportunity to increase the efficiency and economy of Government while saving the Nation many of the great costs connected with illegal aliens. I urge and invite my colleagues' support in the prompt passage of this legislation.

CONGRESS SHOULD DRAW THE LINE

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. ARMSTRONG. Mr. Speaker, Congress has never been noted for its restraint—particularly when dealing with its own prerequisites and privileges—or the size of the Federal Government.

Last October Federal employees received a 5-percent pay raise. Such cost-of-living increases have been common in recent years, reflecting the inflationary price increases which have plagued the Nation. What is noteworthy about the latest raise is that it is the first which includes Members of Congress, certain high-level executive branch employees, and Federal judges in the automatic escalator plan.

Until recently, the only way Members of Congress could get a pay raise was by standing up and publicly voting on the issue, an action often resented by voters at home. This was a good system, far better than the copout of an automatic cost-of-living escalator system which permits Members of Congress to avoid taking a hard stand on this sensitive issue.

The skittishness of Congress was illustrated again last September when the House considered the latest pay raise resolution. The procedure became so convoluted that it is no wonder our constituents think Congress is deliberately trying to obscure the basic issue. To recap what happened:

Congress passed the law providing for automatic cost-of-living increases for Federal employees. Later Congress amended the law to include the Members themselves in this automatic pay raise scheme. Under the act, the increases go into effect automatically unless the President modifies recommendations submitted to him. President Ford did modify the latest recommendation. He reduced it from 8.6 to 5 percent. Some Members of Congress sought to override the President's action by adopting a resolution in opposition to 5 percent and, thereby, restoring 8.6 percent.

So the September vote was literally a choice between a 5-percent increase—an "aye" vote—or an 8.6 percent—a "no" vote. There was no opportunity to vote on the larger question of whether the increase should be denied altogether.

My opposition of pay increases to Members of Congress has nothing to do with the individual worth or merit of the Members as human beings or as legislators. It is not based on my estimate of the value of their service. Some Members make a contribution which would easily justify a higher salary than they are now paid; by the same token, many other Members are overpaid at the old salary of $42,500. But that is not, I repeat, the main issue. My opposition to the pay increase is based on three considerations:

First, I object to the idea of automatically increasing a Members' pay without a vote. Now that Congress has tied its salary to—what is misleadingly termed—a cost-of-living basis, Members will never again be required to vote on the issue. We can undoubtedly expect therefore that the salaries of Members will rise every year, year after year, forever and forever.

Second, I am concerned about the example which we have set for the Nation. This country's economic system has been seriously, perhaps permanently, damaged by the excesses of Federal spending. We are not yet recovered from a recession and the accompanying high unemployment caused by excessive Federal spending, and already we are seeing grim signs that continued deficit financing threatens to touch off a new round of double digit inflation. Under such circumstances, this is a time for restraint, perhaps for sacrifice. But instead of giving people of this country a demonstration of prudence, we have given them an example of self-indulgence.

Finally, I believe that if and when salary increases are justified, such increases should be deferred until after the ensuing election. In Colorado, and many other States, constitutional prohibitions limit the right of elected officials to raise their own salaries during the term of office for which they have been elected. Under the Colorado system, officials have to face the voters before getting a pay raise. This is a seemly and proper approach, in my opinion.

For these reasons, I am introducing legislation to repeal the automatic cost-of-living legislation for Members of Congress and other high-ranking Federal officials.

This automatic escalator never should have been adopted—and now that Americans have had a chance to learn the full story, I am hopeful that this repeal bill will be adopted later this year.

OPPOSED TO H.R. 2966

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. RHODES. Mr. Speaker, in recent weeks I have received a substantial volume of phone calls and correspondence regarding H.R. 2966, the Child and Family Services Act of 1975. While the emotional characterization of this legislation has not always been accurate, I would like to categorically state that I opposed this original proposal in 1971 and remain strongly opposed.

There have been extensive headings held on this legislation in the House Education and Labor Committee, but I am informed that the subcommittee will take no further action on this legislation this year. In addition to the substantive issues of the legislation, the cost of the bill is estimated to be astronomical, ranging into the billions. With all of the pressing problems facing this Nation I cannot envision any more shortsighted or ill-conceived effort than to get into this particular bill, with all its related problems and controversies, at this time.

MILK PRICE SUPPORT VETO HURTS FARMERS AND CONSUMERS

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. PEYSER. Mr. Speaker, as both ranking member of the Agriculture Family Farms Subcommittee and a longtime defender of consumers in the State of New York, I regret both the veto of Senate Joint Resolution 121 and the Senate's vote to sustain it. Once again important legislation which would have benefited our farmers and consumers, legislation which would have restored stability to the dairy industry and assured consumers a steady supply of milk, has been thwarted.

Senate Joint Resolution 121 was designed to establish milk support prices at 85 percent of parity and to provide for quarterly adjustments in maintaining that 85 percent of parity. Without it, milk producers will continue to go out of business, production will decline, and consumers will be left with less product and higher prices.

Opponents of this legislation argued that assistance to the dairy industry, the second largest sector of our agricultural community, costs too much. Let me ask you, what is the cost of increasing numbers of unemployed farmers and high prices?

New York State ranks third in the Nation in dairy products. Yet, our family farms have been going out of business at an alarming rate and milk prices continue to rise. This phenomenon is consistent with the national pattern. The number of dairy farmers in the United States decreased 40 percent in the last 5 years.

At a time when farmers are faced with rapidly rising costs and decreasing prices for their products, the only result of not enacting Senate Joint Resolution 121 can be to drive more and more dairy farmers out of business. And this in turn will mean more of our people out of work and their increased dependence on Federal spending in the form of social programs. For me, these costs are too high for our farmers and our Nation.

We all have a vital interest in maintaining fair support prices for our family farms. Senate Joint Resolution 121 attempted to do that. It is tragic that this legislation will not now be enacted.

KUHFUSS SERVED THE FARMER WELL

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. FINDLEY. Mr. Speaker, during the recent American Farm Bureau convention, Allan Grant of Visalia, Calif., succeeded William Kuhfuss of Mackinaw, Ill., as president. Mr. Kuhfuss has served the American farmer well, first as president of the Illinois Farm Bureau and later for 6 years as president of the American Farm Bureau Federation.

Illinois and its people, both rural and city, can take pride in the record compiled by Mr. Kuhfuss. Under him, the national organization grew to its greatest membership—2.5 million farm families. It remained a strong and respected spokesman for farm interests.

Mr. Kuhfuss was forthright, honest, and factual. His leadership helped to enlarge the membership at a time when farm numbers are declining. During this time, the Farm Bureau continued to enlarge upon its regional diversity of membership—a fine tribute to the midwesterner.

A salute to this Illinois farmer and his work on behalf of the American farmer is in order. I am inserting several editorials praising him.

In addition, I want to add my personal appreciation. During my 15 years in Congress, I have always looked to Mr. Kuhfuss as a trusted friend and counselor. During the early years he headed the State organization, then later became national president. I could always count on him to respond to my inquiries and to be absolutely reliable and candid. When he disagreed with my position he was always considerate and fairminded. I will continue to look to him for counsel.

My colleagues often referred to him, and always in complimentary terms. He deserves credit for effective leadership.

Government control of farming has been reduced. Individual farmers have freedom to plant a greater range of commodities than at any time in 40 years. Foreign markets are the best in history. By any standard, the U.S. farmer is the most efficient in the world. Export of agricultural products represents our most substantial and reliable means of earning foreign exchange.

The able leadership of Bill Kuhfuss has contributed greatly to these accomplishments:

[From the Peoria (Ill.) Journal Star, Jan. 17, 1976]

KUHFUSS DID HIS JOB

(By C. L. Dancey)

It strikes me that if the American Farm Brueau had not grown so rapidly in the last four years under the leadership of William Kuhfuss, he would probably still be the president of it.

The Farm Bureau has, indeed, reached its apex of members and of influence during this time. Just as it has hit that peak, dramatically demonstrated by the President of the United States both in his presence and the nature of his remarks in St. Louis, Bill Kuhfuss is outvoted for the Presidency—on a regional vote.

Kuhfuss had built the Farm Bureau into such a solid national institution with such a numerous and far-flung membership that the Midwest domination of it was overturned by delegates from the South and West.

Thus, in a sense, the election was a backhanded tribute to the extraordinary success of his leadership!

The Farm Bureau has long been a great institution, but during the last four years, at a time when the number of farms and farmers in America has been going down, its membership has been going up spectacularly.

Why were such numbers of farmers joining the banner? Because they felt, obviously, that the Farm Bureau was speaking realistically and responsibly to the needs of agriculture, and speaking effectively.

That spokesman was Kuhfuss.

Those facts are inescapable and those accomplishments real.

It is a mere human circumstance that Illinois has so long dominated the leadership that when the breadth of the organization made it "politically" possible to break that regional chain, they did so.

It may well be that the Farm Bureau will be stronger than ever, ironically, both because of this evidence of its breadth and because it was so effectively served for the past four years.

Surely, that is what Kuhfuss, himself, would want.

He did his job. The membership spread that cost the job goes to prove how well he did it. That's irony for you.

[From the State Journal-Register, Springfield, Ill., Jan. 15, 1976]

Farm Bureau Election

For the first time in more than 20 years the American Farm Bureau Federation will be headed by someone other than a person from Illinois as president.

In a surprise move at the St. Louis convention, the Federation elected Allan Grant of Visalia, Calif., as president, unseating incumbent William Kuhfuss, of Mackinaw. Kuhfuss advanced from president of the Illinois Agricultural Association to Farm Bureau president in 1970 succeeding Charles B. Shuman of Sullivan, who retired after heading the bureau for 16 years.

The reasons for the rejection of Kuhfuss remain unclear at this stage. He apparently lacked southern support. The Farm Bureau has traditionally been thought of as a midwestern-based organization and the fact that it is now to be headed by a Californian reflects the changing patterns of our times.

Illinois and its people, either rural or city, can take pride in the records compiled by two of its citizens in so important a post as Farm Bureau president.

Under Kuhfuss the organization rose to its greatest membership of 2.5 million farm families. As under Shuman, the Bureau has remained a strong and respected spokesman for farm interests.

It is to be hoped that Kuhfuss will remain active in agriculture affairs. With this background he has much to contribute.

[From the Quincy Herald-Whig, Jan. 20, 1976]

Farmer's Notebook—Kuhfuss Served the AFBF Well

(By Keith L. Wilkey)

Two familiar personalities that have occupied leadership roles in the American Farm Bureau Federation have been replaced. They are William J. Kuhfuss, president, and Roger Fleming, secretary-treasurer. Many persons in and out of Farm Bureau were surprised.

Fleming made himself look foolish in front of 8,500 people in Kiel Auditorium during the recent convention in St. Louis. While some news writers see a deep, dark plot and predict an upheaval in the organization, we see the upheaval as only a faint ripple.

Fleming took an hour to whine and complain about the way the people who employed him were running things; even injected personal matters that were in poor taste. We expect few tears were shed now that he has gone. His veiled threat to resign made it easy for incoming AFBF president Allen Grant to push him on out and close the door.

Bill Kuhfuss' departure was an entirely different matter. There was no dissatisfaction with the way Kuhfuss was running things but he was a victim of the old philosophy, "It's time for a change."

We can find no quarrel with the way Allen Grant replaced the Minier, Illinois, Angus breeder. The Midwest has dominated the presidency of AFBF since 1945 and the Southern Region now has the largest membership in the nation. Were the tables turned, we in the Midwest would feel the same way our Dixie brethren did.

Kuhfuss, true to his character and personality, took his defeat in good grace. He warmly congratulated Grant and we don't think he did it for show. His gracious overtures are identified with his general demeanor and character. Bill deserves the respect of the organization he ably served, and we feel he has it.

For 17 years, Kuhfuss has led state and national Farm Bureau. Each time he came to power he was caught off balance, with no time for preparation. This calls out the finest qualities in a man.

In 1958, shortly after having been elected vice president of the Illinois Agricultural Association (Illinois Farm Bureau), president Otto Steffey unexpectedly died. Kuhfuss was catapulted into leadership of the 185,000-member organization.

Veteran newsmen have told us that some of his early news conferences were anything but spectacular productions. That proved only that Kuhfuss was a normal human being.

In the closing hours of the annual meeting in Houston in 1970, Charles Shuman dramatically resigned in mid-term. Again Bill Kuhfuss was thrust into the top leadership role with no time for orientation. Despite the fact that he was following another Illinois president, Kuhfuss was elected over Iowa's Merrill Anderson, so the board must have had a considerable measure of confidence in him.

Kuhfuss was never a flashy or colorful leader of either the IAA or the AFBF. He moved cautiously and at times seemed to be playing a very low key. He made few, if any, dramatic pronouncements and his speeches, while filled with facts and logic, were not the epitome of dramatic production nor something that left his listeners gasping for water. But they were forthright, honest and factual.

But Bill Kuhfuss led Farm Bureau well. So we would like to take this "bottom line" to tell him we think he did a good job; both state-wide and nationally. Farm Bureau prospered and grew under his leadership and he never did or said anything in poor taste or that could cause him or his organization shame, disgrace, or even embarrassment.

We know of few accolades that are more meaningful than a sincerely expressed, "Bill, you did a good job."

[From the Drovers Journal, Jan 22, 1976]

Is Farm Bureau Embarked on a Policy Change Course?

The unseating of William J. (Bill) Kuhfuss as president of the nation's largest farm organization in convention at St. Louis was startling, even to members who have been close to the center of things in the American Farm Bureau Federation. The news of his defeat in favor of 69-year-old Californian Allan Grant, who wasn't even running for the post, broke with shock waves that went deep and started an immediate discussion of what was behind it all.

What does it mean? Is Farm Bureau suddenly in revolt against the policies which have prevailed so strongly for 20 years under President Kuhfuss and his predecessor, Charles B. Shuman? Is AFBF leaning toward a more liberal course in farm policies?

Final answers to those questions may not be apparent for some time. But on the basis of what can be gleaned from the comments of those who know the situation best, it would appear that pressure for change—at least a moderating of the strong free enterprise policy of AFBF—may have been behind Kuhfuss's defeat. Some members are expressing concern that it will mean a veering away from the traditional policy stance on federal farm programs. And if it is true that the revolt against Kuhfuss was indeed engineered by southern crop interests, that concern may well be justified.

It may be significant that a southerner, Robert Delano, of Warsaw, Va., was elected vice-president. One observer's guess is that Grant was elected first to assure a measure of stability for the organization while the groundwork is laid for changes which are possibly on the way. It is well known that southern AFBD members, primarily the growers of tobacco, peanuts and cotton, are heavily dependent on government programs and have an entirely different economic and political philosophy than do many AFBF members in other parts of the nation. Under Kuhfuss and Shuman, AFBF policy has been strongly militant in favor of a hands-off government role for agriculture. It is this stance which dissident members may be hoping to modify.

Whatever happens, AFBF and agriculture will miss Bill Kuhfuss and his well-reasoned approach to every problem. By no means a rabble-rouser, Kuhfuss was a steadying influence in the farm scene while at the same time pressing the cause of free enterprise stoutly. He never wavered from the yardstick of what he believed was best for the nation as well as for farmers, and conducted the affairs of his office with a quiet dignity that was a credit to himself and the Farm Bureau.

Prairie Farmer Says: Political Forces End Kuhfuss Presidency

Last month, William J. Kuhfuss, Mackinaw, Ill., stepped down as president of the American Farm Bureau Federation. The event marked the end of a remarkable 21 years of Illinois leadership of the nation's largest farm organization.

Kuhfuss succeeded Charles B. Shuman, Sullivan, Ill. Shuman retired in 1970 after 16 years at the AFBF helm. In an organization often turbulent with regional jealousies, it was a tribute to Kuhfuss to be elected on the heels of another Illinois farmer.

Even so, the South has often been reluctant to follow the Shuman-Kuhfuss pattern of resistance to government control and subsidy programs for agriculture. This attitudue is still obvious in the old-style programs the South has hung on to for tobacco, peanuts, and rice. Many would like to add cotton.

In recent years the South has surpassed the Midwest in Farm Bureau membership. It is now in a position to take over the presidency and this it seems intent on doing. The new president, Allan Grant, former president of the California Farm Bureau, is 69 and a compromise candidate.

The South is expected to marshal its power 2 years from now to replace Grant with a Southerner, perhaps Robert B. Delano, president of the Virginia Farm Bureau.

Other complications bedeviled Kuhfuss,

mainly the loss of millions in Farm Bureau insurance funds by the embezzlement of a dishonest employee. Kuhfuss had nothing to do with it, but the buck stops at the president's desk.

Kuhfuss' record speaks for itself. During his term of office, AFBF membership increased by half a million members. He spoke out clearly and forcefully for greater freedom for farmers and against government interference on the farm and in international channels of trade. He leaves the AFBF at the peak of its prestige, influence, and membership.

At 64, Bill Kuhfuss may think it's time to retire to the peace and quiet of his Tazewell county farm. Still youthful and vigorous, we trust that he will continue to give agriculture the benefit of his experience and counsel.

H.R. 5247

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. RINALDO. Mr. Speaker, a week ago, the House passed its first major piece of legislation of the second session: H.R. 5247, the Public Works Employment Act of 1975. As one of the original sponsors of this bill, I hope the President will sign it.

This legislation would be a boon to New Jersey, providing up to 50,000 jobs through the title I program of grants to States and localities. This title alone authorizes $2.5 billion; title II, the so-called "countercyclical" program, authorizes $375 million for each quarter until June 30, 1977, if unemployment stays near present levels. This money will go directly to States and local governments to maintain vital services such as police, fire, and health protection.

Although many economic indicators show increasing strength in the economy, these same guides illustrate that the most important factor—unemployment—still stands at 8.3 percent. In the human equation, this means about 7 to 8 million people.

The most discouraging implication in these unemployment forecasts is that we are being asked to live with this level of unemployment for several more years. We are being asked to tolerate 7 or 8 percent unemployment—rates almost unthinkable just a few years ago. During the Kennedy administration, economists agreed that full employment implied 4 percent or less unemployment; the Nixon administration raised this figure to 5 percent. Today, many economists, regardless of their political affiliation, are trying to tell us that 6 percent unemployment is probably the lowest the Government can attain without stirring up inflation.

But at the same time, the Federal Government spends almost $40 billion annually on welfare, food stamps, and unemployment compensation. Something is wrong with our priorities if we are willing to pay this amount of money to people who do not have jobs, and then withhold less than 10 percent of that amount to put people to work on worthwhile, long-lasting projects of a truly beneficial nature.

Mr. Speaker, this antirecession package is only the second major jobs bill to appear before the 94th Congress. The first, as we all know, was vetoed by the President and that veto was sustained. In the meantime, the Congress has passed and the President has signed into law tax reduction incentives which will encourage business growth. I have supported these initiatives, because in the end the private sector, not the Government, should be the producer of jobs.

But these incentives have no immediate effect. Unemployment in 1975 averaged 8.5 percent—the highest in 34 years; and the administration has announced it does not expect unemployment to drop below 5 percent before 1980. The Congress should not ask these 8 million Americans to wait that long.

The country needs this jobs bill. There are millions of Americans who want work, who are willing to work, and who do not want to remain on the public dole.

FINANCIAL DATA FOR CALENDAR YEAR 1976

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. FRENZEL. Mr. Speaker, as required by House rules, I have recently filed the statement of certain financial interests and associations and certain other financial data covering calendar year 1976.

Because some of my constituents may be interested in what is essentially a listing of personal assets of over $5,000, the information shown on part A of the required report is shown below:

Business entity, instrument of ownership, and position of management

American Express, common stock, none.
Dart Industries, Inc., common stock, none.
Edison Bros. Stores, Inc., common stock, none.
Tampax, Inc., common stock, none.
Bristol Myers Co., common stock, none.
Digital Equipment, common stock, none.
IBM, common stock, none.
Union Pacific Corp., common stock, none.
Nortronics Co., Inc., common stock, none.
General Electric Co. (spouse), common stock, none.
IBM (spouse), common stock, none.
Northwest Banco (spouse), common stock, none.
Honorarium received from University of Rochester, $1,000.

Prior to the issuance of advisory opinions on the subject of honoraria by the Federal Elections Commission, it was my custom to suggest to certain groups who wished to do so that they make contributions to various charities in lieu of paying honoraria. Those contributions are as follows:

Brookings Institute (to Minnesota Association for Retarded Children) ----	$150
Printing Industry of Twin Cities (to Children's Health Center) ----------	200
Minneapolis Rotary (to Rotary Service Foundation) ----------------------	50
J. C. Penney Co. (to Children's Health Center) --------------------------	500
Macalester Taft Institute (to Macalester Scholarship Fund) --------------	250

THE CONTINUING MYSTERY OF AMERICAN PRISONERS OF THE COMMUNISTS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. McDONALD of Georgia. Mr. Speaker, in spite of the recent denials by various official U.S. Government sources, my strong feeling is that we need to get to the bottom of the reports that American fliers shot down in 1950 by the Soviet Union are still alive and in some forced labor camp in Siberia. Further than that, the whole matter of Americans held behind the Iron Curtain may need looking into by the Congress. They may number in the hundreds. In this connection, a New York Times article of January 5, 1954 estimated that the total number of Americans held by Communist countries exceeded 5,000 at that time. This was based upon a Department of State estimate. The article from the New York Times follows:

THE OTHER PRISONERS

While world attention has been focused on the Korean war prisoners comparatively little heed has been paid to many other prisoners from many nations who languish in Communist jails or are being worked to death in Communist slave labor camps. Their plight has been brought into the news again by the experiences of the two Americans, Homer H. Cox and Leland Towers, who have just been freed by the Soviets, and of Arnold M. Kiehn, the American businessman released from a Shanghai prison suffering from partial paralysis and beriberi.

All three confirm that the Soviet bloc and the Chinese Communists are holding in their jails and slave camps many foreigners, including soldiers and civilians, women and children. Cox and Towers, who were freed because they had been identified by returning Austrian prisoners, have identified at least four more Americans and reported on six others. But, according to State Department figures, the total number of Americans held by the Soviets and their Europeans satellites exceeds 5,000, in addition to several times that number who are possible claimants to American citizenship, and the Chinese Communists are known to hold about 100 Americans. The latter figure may be increased by those unidentified prisoners of the Korean war reportedly deported to China.

Many of these Americans, like many West Europeans, were residents in the Iron Curtain countries caught by the Communist tide; others were deported from German war prisoner camps; some, like Cox, were simply kidnapped. How many have since died is uncertain, but the known death toll among German and Japanese war prisoners tells its own grim tale. It would be some comfort to think that their imprisonment was the work of Beria and that the latter's liquidation might bring them freedom in keeping with Premier Malenkov's New Year's wishes to the American and all Western people. But with the Communist regimes nothing can be taken for granted, and it is the duty of the American Government to use all available means through diplomatic channels and the United Nations, to press for their liberation.

Again, it is also instructive to recall what John Noble, whom I previously mentioned, had to say about Americans being held in the Soviet Union, when he was interviewed at a press conference in Berlin on January 11, 1955. A partial transcript of that press conference follows as reported in U.S. News & World Report of January 21, 1955:

Q. How many Americans did you see in the Soviet Union?

A. Actually I only saw two, one, William Warchuk who returned with me and the other, William Verdine.

Q. How was Verdine's condition?

A. Verdine is not in the best shape. He is slim-built. Not that he has any sickness of any kind, but he's very weak.

Q. Did you hear of any others?

A. One was Chapman. I don't know his first name. He was up in Camp Department Number 10.

Q. In Vorkuta?

A. In Vorkuta, yes.

Q. How long has Chapman been there?

A. I cannot say exactly. Approximately three years, three and one half years, some thing like that.

Q. What is his age?

A. His age was about 35.

Q. Was he a soldier or what?

A. I cannot say.

Q. Was he in good shape?

A. Yes, he was, physically, in fair shape. I only saw him several times because I was in his tent very little.

Q. Are there many Germans in that camp?

A. Yes, there are a great deal. It's hard to say—several thousand.

Q. Were these camps mainly for foreigners?

A. No. They were Russian camps. At first when we came, they were partly for political prisoners and partly for criminals; but later on, more and more the criminals were taken out of these camps.

Q. Could you describe the living conditions?

A. The living conditions were very, very poor.

Q. Did you live in barracks?

A. In barracks, yes. Straight barracks.

Q. Were there any Frenchmen there?

A. Yes, in one camp there was one Frenchman. René Feret was his name, I guess.

Q. Would you say these prisoners were given any kind of brutal treatment, torture, beating and that sort of thing?

A. I personally was not tortured any time, but other people were tortured around me.

Q. Have you heard of any other Americans who were interned?

A. I have heard of some but not their names and not the exact place where they stayed. I heard of some pilots who were shot down over the Baltic Sea as well as some Koreans or some American soldiers from Korea.

TAKING ISSUE WITH SECRETARY KISSINGER

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. BIAGGI. Mr. Speaker, yesterday, in the cold climate of Laramie, Wyo., Secretary of State, Henry Kissinger, delivered a blistering address on the role of Congress in conducting foreign policy. Our role, he contended, has helped to create an "atmosphere of suspicion in this country, which is depriving our Nation from being fully capable to respond to Communist challenges abroad."

I must agree with his criticism about unauthorized leaks regarding our intelligence operations. It is well taken. I, and many others in the House, have been critical of these leaks and feel they are counterproductive to the efforts of the committee investigating CIA operations. But, the Secretary's full-scale denunciation of the Congress cannot, and should not go unchallenged by the Members of the House of Representatives.

Kissinger's comments have a much deeper and dangerous underlying theme—namely, his continued belief that the management of foreign policy is primarily, if not exclusively, within the domain of the executive. Neither the advice, nor the consent of Congress is requested or accepted.

Secretary Kissinger, during his tenure as our chief foreign policy spokesman, has himself helped to create basic suspicion among the American people by his obsession with conducting foreign policy in secret, as well as pursuing foreign policy courses which are clearly not in the best interest of this Nation.

I will cite but a few, of the numerous examples one has to draw upon. Henry Kissinger's early "claim to fame" was his role in secret negotiations which led to the end of our involvement in the Vietnam war. The American people and Congress were kept in the dark regarding the provisions of the agreement, but were advised that it was a "peace with honor." A scant several years later, the peace agreement collapsed, Vietnam was overrun and conquered by the Communists, and the United States had to endure the humiliation of losing a war. Today, we still have more than 5,000 missing and captured Americans in Southeast Asia. You can be sure that their return would have been a condition which this Congress would have made essential to any peace agreement, had we been consulted.

Our dealings with the Soviet Union, another one of Kissinger's self-professed high cards, have come under heavy fire recently. Détente has been shown to be a policy of concession on the part of the United States. The SALT agreements, including the most recent accord, have been characterized by many, including a former Chief of Naval Operations, as causing the United States to lose its superiority in strategic arms over the Soviet Union. The Soviet Union has reached, and exceeded parity with the United States in a number of key offensive and defensive weaponry causing this Nation to reevaluate the feasibility of détente.

In addition, our long established interest and support for the efforts of captive peoples to enjoy the right of self-determination, has taken a back seat to détente. This is one of the most profound tragedies of détente which has added further tarnish to its effectiveness as the foreign policy of the future.

Finally, fresh in our memories, was Kissinger's handling of the Cyprus crisis. Here, we found the Government of Turkey illegally invading and occupying the island of Cyprus, using American military aid in explicit violation of the Foreign Assistance Act, and Secretary Kissinger constantly thwarting congressional efforts to have our foreign policy adhere to principles of integrity.

What all this proves is that neither the Executive nor the Congress, should enjoy carte blanche privileges with respect to determining foreign policy. Our Federal Government system was established with a method for checks and balances to prevent extreme powers from being vested in any one of the three branches. Secretary Kissinger continues to assume that Congress has no right to interfere in foreign policy. We must not allow the intent of our Founding Fathers to be arbitrarily interpreted by any one person. Cooperation, and not antagonism, should be the calling card in relations between the Executive and Congress in directing foreign policy. I should like to remind Mr. Kissinger, that we are here to serve in the best interests of the American people and not our own. This essential fact cannot be overlooked.

JANUARY, THE TIME OF FIRE

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. KASTENMEIER. Mr. Speaker, with the month of January just behind us, we are all looking forward to the spring with anticipation.

Four years ago, I read a moving free-form poem printed in the New York Times which brought back many memories of my home State of Wisconsin and winters past. I am sure that many of my colleagues will share my feelings about the strength of Larry Van Goethem's "January, the Time of Fire," which has since been included in one of his books, "The Fifth Horseman Is Riding":

JANUARY, THE TIME OF FIRE

(By Larry Van Goethem)

JANESVILLE, WIS.—January is the valley of winter, a depression in the year when the northern earth lies dead, buried in the clammy grip of snow and ice.

January is the deep sleep of the long shadows and a sun that does not warm. January is a month of despair when chimneys spew out lava-like plumes of smoke into freezing air.

But most of all January is a time of fire—the flame that lies hidden in twenty-below-zero air. There is fire in ice, a flame that consumes. It burns and then there is the long rest, just like the other fire.

Earth lies cold as a casket, dead as a cadaver, its heartbeat—the frog's rumble, the cicada's song and the robin's call—seemingly stilled forever. This is a month when no one really believes spring will come again.

This is when the forest is silent except for soughing wind, brushing branches and, when it's really cold, trees exploding, their juices popping under the intense cold that freezes them so that the expanding ice blows a limb open.

There is silence beneath the silence, a stillness so bleak a rifle shot is a palpable shock in the air, the grating roar of a snowmobile only a temporary intrusion into the heart of it.

Snowmobiles think they have conquered winter—noisy machines that penetrate all of the forest wastes—but their invasion into a trout stream valley is illusive. After they leave the stillness creeps back.

Winter in Wisconsin is a cold chapel, scene of many funerals and baptisms. This is the end of it all and yet this is where life begins. Because life survives.

There were ancient peoples who regarded each spring as a miracle; they could not believe it was happening, winter had seemed so final.

Now we know better. Because spring will come again.

This month at day's end the falling sun drives long rays from the western horizon where it festers redly on the barren prairie, oozing into the earth.

One can almost envision it far out in space, a low roar growing as it spins out of its lighted web across vast reaches, popping, spitting and crackling—a thunder in a vacuum, its flames reaching out tens of thousands of miles to lick into the darkness.

It goes away from the northern earth in January so that winter, icy vestige of the great glaciers, cloaks the land in the annual stillness.

But the ancient patterns continue as they have for so long, and life survives in the forest humus, in trees and in the roots of dead plants, in the bottoms of ice-covered lakes, in the muck of rivers and the deep mud of swamps and bogs, in rabbit warrens and in hollow trees.

In north woods deer yards deer glide silently past trees, easy prey for wolves, coyotes and hunger. The does will drop their fawns soon and if the winter is especially harsh the fawns will die, bellies distended.

So will fish deplete their oxygen in the shallower lakes until they too die, all victims to eternal January.

But always as long as the sun obeys its distant laws and rolls northward above the Equator eternal spring will follow January. Then June will follow January, April will follow March and spring will ride to Wisconsin on a warm wind on a vagrant day.

Spring will soar on a south wind and the weatherman will say that there is no mystery about it—that she rides the sun, traveling a certain distance which the astronomer measures each day.

But if you have seen January then even modern man must view spring as a miracle so that he will ponder in January: What things will come again, with spring?

The lilacs will come again, billowing white and lavender in backyards all over Wisconsin, their thick scent suffusing the senses on balmy evenings, bringing a dream of summer.

When come the lilacs? They come in spring after a starving February moon, after the ancient season of disease and epidemics, after the long shadows fall haggard on the land.

WARMTH AND COMPASSION IN THE WHITE HOUSE

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. ABDNOR. Mr. Speaker, in Sunday's Washington Post, columnist Jack Anderson provided us with something of an informal look at an informal and very human President, Gerald Ford.

I think Mr. Anderson's column is right on the mark in this review of the President's personal qualities. I think it is a report—considering some of the adverse commentaries I have read—which ought to be made part of the public record simply because it tells us something of the man we have dealing with the public's business.

Mr. Speaker, Mr. Anderson's excellent column speaks for itself. I will let it do so now:

[From the Washington Post, Jan. 25, 1976]

MR. FORD, BACKSTAGE

(By Jack Anderson)

The experience of ascending the pinnacle of power can change a man.

At the President's beck, civilian and military leaders gather to listen to his counsel. Assistants materialize at the press of a buzzer; military aides attend him; servants cater to his whims. It is enough to turn the head of a saint.

We consulted our backstairs White House sources, therefore, to find out what effect his heady experience has had on Gerald Ford. He is still the same plodding, unpretentious guy.

There is an average-American quality about him, an easiness of manner, an engaging sincerity. He hulks through the White House corridors, full of friendliness, taking a personal interest in the lowliest secretaries and domestics.

In the backrooms, he has an easy, locker-room camaraderie with men, a courteous graciousness toward women. During the social hour, he often mixes drinks for his guests rather than wait for a White House steward to serve them.

Ford's favorite pet is a golden retriever named Liberty. On Christmas Day, 1974, Liberty had an accident on the presidential rug. Stewards rushed to clean up her mess, but Ford waved them away. He got up from his Christmas dinner and cleaned the rug himself. "No one should have to clean up after someone else's dog," he said.

White House workers like to take Liberty out for walks, but the President doesn't feel dog-walking is part of their job. When other family members don't walk Liberty, Ford tries to do it himself.

Once, in the middle of the night, the President of the United States, with a massive staff at his call, quietly slipped out of bed, put on a bathrobe and led Liberty outside to answer nature's call.

Ford's worst two days in the White House began on the dark, rainy Friday that his wife went into the hospital for a cancer operation. Out of a sense of duty, the President sat through an economic conference he could have avoided.

He also kept a commitment to speak at the closing session the following morning while his wife underwent surgery. His only concession to his personal feelings was to cut the speech short. Between visits to the hospital, he also kept appointments with important foreign dignitaries.

Our sources remember it was a gloomy, depressing time, with the President scarcely hiding his anxiety. At the end of his most arduous hours, he was escorted to the White House elevator by Richard Keiser, his Secret Service look-alike, and Major Robert Barrett, the military aide. Both men shared the same grim mood.

Still, just before the elevator door shut to take the President upstairs to the living quarters, he interrupted his personal thoughts and spoke quietly to his two escorts. "Thank you, Bob. Thank you, Dick," murmured Gerald Ford.

At the end of a presidential flight, he makes it a point to poke his head into the cockpit and thank his pilots. On a trip back from Detroit, it was raining too heavily at Andrews Air Force base for the President to take the customary helicopter hop to the White House. He headed for the backup limousine for the drive to the White House.

Suddenly, he noticed the helicopter, which had been standing by. He turned abruptly, walked through the rain to the helicopter and thrust his head inside to thank the astonished crew for waiting.

Those who know Ford intimately say he is a most considerate and compassionate person. On a visit to Los Angeles, he stayed in an upper floor of the Century Plaza hotel. During a ride downstairs to a press conference, the elevator began to malfunction, shuttling up and down. The President's aides grew nervous, and the elevator operator was terrified. Ford calmed him down, saying quietly: "Don't worry, it will work. You'll get us there."

When Sen. Ted Kennedy's son went to the hospital for a bone cancer operation, the President placed a private call to Kennedy to inquire about the outcome and to express his personal good wishes.

When Jordan's King Hussein visited the White House on April 29, 1975, Ford invited Sen. George McGovern, D-S.D., to the formal state dinner. McGovern, a pariah to previous White House occupants was deeply moved by Ford's gesture.

During the dinner, the Republican President went to McGovern and told the 1972 Democratic standard bearer: "No matter what, this house belongs to everyone, now more than ever."

During the Greek-Turkish crisis, the President visited Chicago to speak to the Veterans of Foreign Wars. Greek-Americans who disagreed with his foreign policy gathered outside his Chicago hotel to chant their disapproval. Upstairs in the presidential suite, an associate remarked to Ford: "That must really bug you."

"No," replied the President as he watched the protesters, "they're good people. I can understand their feelings. They are my friends."

There is nothing suave or subtle about Gerald Ford—none of those sophisticated mannerisms which Americans are inclined to distrust. One of the first pictures the White House released of him showed the new President working with one foot propped on his desk. Most of his predecessors took themselves much too seriously to permit a picture of such relaxed informality. But Ford has brought a warmth to an office which in less than a decade had gone from the chicness of Camelot to the deviousness of Byzantium.

TARNISHING CAMELOT

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. SANTINI. Mr. Speaker, I wanted to share with my colleagues some observations from the editor of the Ely Daily Times in Ely, Nev. I thought they were particularly poignant and appropriate. The editorial examines the present day preoccupation with demeaning, undermining, and tainting the public image and impression of former President, John F. Kennedy.

It appears to this Member that these critical and exploitive commentaries are exceeding any bounds of rational review or propriety. They seem propelled upon two basic—or base—motivations. The more apparent stimulus is the long-standing human devotion and instinct for promoting a fast buck. The second impetus evolves around sensationalism for its own sake rather than for any constructive redress in the future.

I believe Editor Parker's comments are worthy of review:

[From the Ely Daily Times, Jan. 23, 1976]

TARNISHING CAMELOT

"Ask not what your country can do for you—but what you can do for your country."

And with those ringing words on a bitter Jan. 20, 1961, John F. Kennedy, 43, took up residency at the White House.

The transition ushered in a new era and gave a distinctive and refreshing image to American politics.

The new man behind the Oval Office desk was the youngest ever elected to this nation's highest office.

He brought with him a bubbling exuberance—a somewhat irrelevant attitude to the stolid dictims of the past—and a mop of unruly hair which had a mind of its own.

The new president was an authentic war hero. The Washington crowd sported PT-109 tie clips. The musical version was a hit record and a movie was in the works.

The Irish blarney flowed in his viens. He laughed a lot, had an ever present twinkle in his eye and a smile which melted the heart's of the nation's fairer sex—both young and old.

He gathered around him young, brilliant and talented aides who were collectively tabbed the "Irish Mafia."

He was the offspring of a millionaire parent. He possessed the necessary qualifications to make a jet-setting playboy—but was ingrained with the discipline to set a lofty goal and work to achieve it.

He spoke with an "R-less" accent, delivered in a style of individuality, and handled the brash Washington press corps with the ease of a teacher conducting a kindergarten class.

Wherever he went, he sparked crowds, drew an army of worshippers and evoked the adjective "charisma."

To complete the picture was Jacqueline. She was attractive, gracious and set the country's fashion trend.

She redecorated the White House, made it accessable to the people and adorned it with the artifacts of the nation's heritage.

Together they created a life which glittered and glistened. They were without question, America's first family.

They had transformed the dreariness, of Washington, D.C., into Camelot.

When the bullet from Harvey Oswald's rifle shattered his skull, on Nov. 22, 1963, it left a stunned, shocked and saddened America—and world. The magic balloon had been burst. Life had returned to the mundane.

We mourned, as we had never mourned before. We had lost our prince—a man who had captured America's fancy—as no other had done before.

But, his memory was destined to burn like the eternal flame, which marked his final resting place.

Today, we have tarnished that memory.

We've now told it all. The likes of Judith Campbell Exner have sallied forth bearing lurid stories of the female conquests of JFK.

His name has been linked remotely to mafia mobsters, including one involved in a CIA assassination plot to kill Fidel Castro.

And what have these revelations proved?

Some will find enjoyment knowing there are no heroes in the real world.

Some will say, "I told you so."

And some are saddened to see a pleasant memory destroyed—especially when the destruction merits no real worth—except the selling of newspapers and future books.

It's a shame. First we assassinated this vibrant man at the peak of his life. Now we are assassinating his character, knowing there is no way he can answer back.

There seems to be no room for Camelot in today's world.

THE CHILD AND FAMILY SERVICES

HON. THAD COCHRAN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. COCHRAN. Mr. Speaker, during the past few weeks I have received a high volume of mail and numerous telephone calls from citizens in my home State of Mississippi expressing their strong opposition to the Child and Family Services Act which is H.R. 2966, and its companion bill in the Senate, S. 626.

These expressions of sentiment should not be taken lightly by the Congress. One reason for taking this time on the floor is to insure that citizen opinion is brought to the attention of this House.

Many of my constituents have been informed that if this legislation should pass, the responsibility of parents for raising their own children would be taken away and placed instead in the control of bureaucrats in a new Office of Child and Family Services in the Department of Health, Education, and Welfare. On the other hand, the proponents of the bill emphasize that the bill would only provide additional day-care and health services for children and that all aspects of the program are voluntary.

My constituents have been further advised that this legislation would establish within the Department of HEW a child advocacy arm that would lead to appointment of specialists empowered to enter homes and direct the education of children where it had been determined by the Government—HEW—that the parents had not been providing proper training or had been indoctrinating their children in a particular religious or moral belief that is contrary to what HEW has decided to be proper.

The proponents of this legislation, however, point out that there is no language in the bill that could even be remotely interpreted as leading to the establishment of such a child advocacy function within the Department of Health, Education, and Welfare. The proponents further argue that this bill contains specific provisions that prohibit the infringement upon or ursurpation of the moral and legal responsibilities of parents and guardians regarding their children.

From my review and research in response to this issue, I have found that there has been an apparently widespread distribution of misleading information regarding the provisions of this bill. Most of the objection raised by constituents in their communications with me have cited language that is not contained in the bill.

However, I believe that some of the fears expressed in regard to the supposed or intended implications of this legislation should not be considered as though they were based only on inaccurate information. It seems obvious to me that there is a very sound reason for the strong sentiment among my constituents, and I expect among those of a great many of my colleagues, and I join them in the opposition to the continued expansion of the Federal Government's role into every nook and cranny of the daily lives of the individual citizen in this country. We have seen in recent years an expansion of Government regulation that has stifled individual initiative and in its place encouraged, and in some cases forced, the average citizen to look to Government at the Federal level for answers to all his problems. This is not good.

The Child and Family Services Act, in my view, is another example of the attempt to provide a Federal solution to what is and always has been primarily a family responsibility—the proper upbringing of children as individuals within their own family units without interference from Washington, or anyone else for that matter. There are abundant State laws which protect the rights of children.

I believe that any additional health services that may be needed, which this bill seeks to provide, are best determined at the local level with financial support being derived, as needed, from block grants such as revenue sharing funds. In the Congress we should strive to reduce the size of the Federal bureaucracy and use the resulting savings to increase our revenue sharing payments to local governments or reduce the Federal tax burden to allow more flexibility for local initiatives.

I believe the controversy surrounding the Child and Family Services Act points up what recent polls would tend to confirm—the American taxpayer is tired of paying through the nose for inefficient and wasteful programs, and would instead prefer less government and bureaucratic controls, from the Federal level in particular. The proponents of H.R. 2966 are probably acting in what they believe to be a legitimate cause to provide additional services to children and families. However, their assurances that the language of the bill would provide no cause for alarm like that expressed by many citizens of my district, gives me little solace when I consider the numerous instances of continually expanding and meddling regulations that have come about in recent years that were likewise based on well intended legislation.

HAUPPAUGE ENVIRONMENT PROGRAM

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. DOWNEY of New York. Mr. Speaker, finding a solution to the accumulation of waste is a prevalent problem facing suburban America. Some concerned citizens of Hauppauge, N.Y. in my congressional district seem to have taken significant steps in the right direction.

High school students organized a corps, the Hauppauge Environmental

Program to combat the increasing amount of garbage.

Below is an article from the Islip News, which explains this commendable example of a community response to an ever present problem:

HAUPPAUGE ENVIRONMENTAL PROGRAM

It's Sunday morning, time for Bill LuPone to get cracking. On go the mittens, boots, scarf, hat and jacket with "Hauppauge Environmental Program" emblazoned on the back. In the rear of his pickup go rakes, brooms and shovels. At 10 a.m., LuPone pulls away from his Northport home, heading for Hauppauge and a day full of garbage.

He's been making this trip five years, ever since starting Hauppauge High students collecting old bottles, newspapers and all-aluminum cans for recycling. Now, one landscaping project and several awards later, the school's media specialist vows he's in the twilight of his quasi-career as HEP project manager.

"This started out as a senior class project," he says, shivering at the wheel as the truck bucks southward. "I was class advisor and thought we should do something besides hold a sale or a dance. In nine months we made $1,400 recycling glass. Since then we've collected for recycling enough newspapers to make two stacks five and a half miles high. They would dwarf the World Trade Center. We've collected enough bottles to stretch end to end 280 miles."

HEP has also donated $9,100 to the high school to landscape its courtyard, a project undertaken by the students themselves and scheduled for completion in the spring. It will award $1,000 in scholarships this year as well as $400 in "community appreciation" prizes and $400 to the school's media center. It has provided summer employment for students who earn $1 per hour in gift certificates . . . "A way to keep the program going," says LuPone.

The fluctuating (between 40 and 90) numbers of HEP workers enjoy parties, rock concerts, and have even seen "Chorus Line" in which LuPone's twin brother is the male lead.

And, as of Sunday, it appears the group may have its own chorus, submitted melodiously by 14-year-old Troy Jensen of 10 Gaymore Road, Hauppauge, who, as snow fell over the quonset hut HEP headquarters, sang to colleagues holding their ears:

"We are happy HEPPERS,
Bright and shiny faces;
Come along and sing a song,
Away we go.
Bottles, cans and paper too,
We will do it all for you."

What HEP does for Smithtown, LuPone says, is reserve landfill area by sending refuse to New Jersey for recycling. Seven thousand area residents participate in the program, washing out their old bottles and setting them out for weekend collection along with aluminum cans and newspapers.

HEP picks up the trash, sorts the glass by color, crushes it and loads it aboard Smithtown sanitation trucks to be taken to New Jersey. The town has contributed $5,000 per year in wages and gasoline costs to the effort. The tolls, LuPone says, are HEP's treat.

Arriving at the huts across from the high school, LuPone swings out of the pickup, grabs a broom stump and begins sweeping broken glass from the drive, dumping the pieces in one of a dozen trash cans brimming with glass bits.

"The market for glass has always been steady," he observes. "One cent per pound. We had to stop taking paper for awhile because the brokers had a glut. We're getting back into paper again, however. There seems to be a market developing again. Paper sells for anywhere from $8 to $12 to $20 per ton. Aluminum cans go for 15 cents per pound. Takes a lot of aluminum to make a pound."

Cars carrying "HEPPERS" pull into the drive and soon the unheated hut's phone rings with requests for pickup. Several of the 20 or so adult participants are present and LuPone eyes them with pleasure.

"In another six months the students and their parents will be running the program," he says. "I've spent about 1,500 hours a year doing this. We've won awards from the Environmental Protection Agency and Keep America Beautiful. We're putting money back into the community and cutting energy costs as well as prolonging the life of the landfill site. The students are hopefully coming away with a sense of responsibility toward the environment. The program's strong enough so that I won't be indispensable."

A few commands here, a phone call there and LuPone's back in the truck and off into the swirling snow to begin collection. Years ago the recycling drive was so fashionable HEP had to contend with "thieves" pirating away waiting bundles. Contemplating all those bundles ahead that long day, LuPone squints through the cascading snow. "Where are you, thieves," he thinks, laughing, "now that we need you?"

REPEAL PRESIDENTIAL PRIMARY MATCHING FUNDS

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. HYDE. Mr. Speaker, I have today introduced legislation which would repeal the matching funds provision of the Campaign Reform Act of 1974.

In its zeal to fashion an acceptable campaign finance law in the post-Watergate mood of the country, Congress has "created a monster" instead.

With respect to the "matching funds" provision of the Campaign Reform Act, though the Congress was well-intentioned when this law was passed, it has turned out to be, actually, a "Frankenstein."

I am appalled at the amount of tax money being expended on Presidential aspirants before the primaries, with others—including unknown single-cause candidates—about to qualify. The total to date is over $7 million to 12 different candidates.

We now have 10 "self-anointed apostles" of the Democratic Party running all over the country with their separate road shows telling the American people how they can save the country from the "devil." Their version of the "devil" in this case is the present Republican administration.

These same candidates may enjoy having their ambitions subsidized by tax funds, as they scurry around preaching the same old gospel of spend, spend, spend, but the net result is to encourage a proliferation of minor league candidates whose one common theme is to attack the administration. This can only anesthetize the voters at a time when serious candidates should be discussing serious issues.

Instead of restoring confidence in the political process, we have given the American people more reason to view political activity with cynicism and disgust. This money could be put to much better use on behalf of the taxpayers than subsidizing a myriad of political campaigns.

Let us face it. Congress goofed. And it is now time to own up to it. The Campaign Reform Act desperately needs some reform itself, and we can make a good start by discontinuing the taxpayers' subsidy of Presidential primary campaigns.

I invite my colleagues cosponsorship of this legislation.

REGIONAL GOVERNMENT

HON. JERRY LITTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. LITTON. Mr. Speaker, I have received a large volume of mail in recent months regarding regional governance and its increasing emphasis. The constituent mail has varied from those vehemently opposed to the regional government "takeover" to those joyously proclaiming it as the heavenly savior of American Government. I cannot buy either extreme, and must point to somewhere in between as the true answer to the role of regional government.

First, let us throw this conspiracy theory out the wndow. I think it is silly that people cry "conspiracy" with every action by their State and Federal Governments, and quite frankly, I am tiring of this cry of "wolf." I would go so far as to say that even though all governmental representatives are not lambs, the majority are certainly not sheep in wolves' clothing either. And, although many examples of bureaucracy and even lunacy can be found in government operations and policies, this is not the prime goal of governmental representatives. I will admit there are glaring exceptions which disgust me as much as anyone else.

It is important to keep in mind that there are two forms of regional governance: (First, interstate—whereby States are grouped together into regions and second, intrastate—whereby counties, townships, or parishes—are grouped together into regions within the State. The prime mover in the formation of both forms of regional government is increased efficiency of governmental functioning. This is the only reasonable excuse, and especially on the Federal level it has proven quite sensible. The record of regional planning commissions, housing authorities, and area governmental units is not yet as clear, for these regional forms are newer and as yet not nearly as available to detailed assessment.

The regionalization of the Federal Government's function became a necessity because of the growth of this Nation. When the framers of the Constitution met to write the Constitution which would tame the unwieldly 13 colonies it is important to remember they were trying to federalize the functions of 13 "State" governmental entities with a total population of 3,929,214. This Nation has now grown to 50 States and 11 territories with a total population of 215 million people. Aside from the fact that we have too many Federal programs, it still would be impossible to efficiently manage the Federal Government from Washington, D.C. It makes much more sense to make the attempt to personalize Federal programs by localizing the administrative structure somewhat. As a Missouri businessman and agriculturalist, I preferred dealing with Kansas City, Kansas or Omaha, Nebraska, over Washington, D.C. bureaucrats. I believe that officials who live and do business and send their children to schools in the area are forced to be more responsive and sensitive to their region's needs.

I am not certain that the responsiveness concept is true for regional units within the State. In fact, in this regard the opposite is true, as counties are lumped together—some of which have little in common as far as needs and character. In Missouri, for example, Cass County has little in common with Jackson County, other than geography; the same is true with Franklin County as compared to St. Louis County. I know my friends in mathematics will have a fit with me but my gut feeling is that Federal regionalism tends to break down the unwieldy total, whereas intrastate regionalism seems to have the effect of conglomerating unnecessarily. County and local governments have the ability to carry out State programs with their own elected officials who are directly responsible to the citizens. Believe me, in the age of tight money, 1976, there are not going to be too many mayors, city managers, county court judges, or county supervisors who will survive if they are dwindling State money away or failing to obtain programs, grants, and loans for which they are eligible. They are likely to be tarred and feathered—not necessarily in that order—if they fail to administrate responsibly.

The vital difference between Federal regionalism and most plans of regionalism within States is that the Federal regions are administrative arms of the Federal Government, whereas intrastate regions are not purely administrative arms of State governments: they are, in my opinion, another layer of government. Every tennis player knows that one can have too much fuzz on his tennis ball and then his strokes lose their zing. The same is true of government.

I will admit that I sympathize with the new grant philosophy of benefiting as many people as possible by disseminating programs as widely as possible within a State. So, I must concede a gold star for intra-State regional councils, et cetera, in this regard. I do believe these same inducements can be accomplished as grant proposal stipulations, however. I am sure a natural sharing will occur if this is a condition to receiving benefit.

There is one final fallacious argument which demands refutation: that is, that the United States is going to be overrun by regional dictators in time of emergency. This is absurd. Federal regional governmental units are not policymakers, they are administrative branches which carry out policies already formulated by Federal representatives. In a time of national emergency I really cannot imagine region 7 forming its own militia under a Bureau of Outdoor Recreation despot in an attempt to take over those States and eventually the Nation. I will admit there are seemingly "armies" of Federal bureaucrats, but not in literal terms. I fully support the regional governmental units' preparedness plans in cases of possible national crisis.

That gives me a much safer feeling than the thought of having to rely on Earl Butz to take a train to Trenton, Mo., to make sure Grundy County's Farmers Home Administration Office executes its duties to encourage full production. Nor would I want Frank Zarb snooping around the gas station—there is only one—at Blythedale, Mo., to make sure there is gas coming out of the pumps. Some departments would have real difficulty taking complete direction from Washington, D.C., as there are oftentimes three signs which hang on the doors of cabinet secretaries: Employee wanted, do not disturb, or out of order. Besides, everything else aside, it is so much handier, less costly—long distance telephone calls—and more personal to yell and scream at the regional office people than the Feds in Washington.

THE CIGARETTE TAX LESSON

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. FUQUA. Mr. Speaker, in light of S. 2902, a bill introduced by Senators HART and KENNEDY to increase the tax on cigarettes by 30 cents per pack, consideration of the following article from today's Wall Street Journal is most appropriate:

THE CIGARETTE TAX LESSON

The City of New York has a new budget director, Donald David Kummerfeld, a 41-year-old financier out of First Boston Corporation. He comes bright-eyed and eager to face the challenge of "helping restore the city's fiscal health." We like his looks so much that we are willing to overlook the fact that he studied at the London School of Economics and offer him some free advice.

As a first step in reviving the city's economy and financial condition, he should campaign to cut the combined state-city cigarette tax to 10 cents a pack from the current 26 cents. In itself, admittedly, this would not solve all of the city's problems. But from the experiment, both he and the people of the city would learn a big reason why New York is in such poor health. Indeed, the cigarette tax lesson could be applied not only by officials in New York but also those in Washington.

Through our browsings in the United States Tobacco Journal we have learned of estimates that half the cigarets smoked in New York City are smuggled in from North Carolina, where the tax is two cents a pack. State Sen. Roy M. Goodman, a Manhattan Democrat, says the state and city are losing $93 million a year in this fashion. The smugglers load 40-ft. trailers with 60,000 cartons purchased legally at $2.40 each and peddle them in the city via the organized-crime network for $3.75, which is $1.25 or more below legitimate retail.

Mr. Goodman recommends a one-year suspension of the city's eight-cent-a-pack tax in order to break up the smuggling, plus an increase in the state enforcement field staff to 250 from the current 50, plus five years in jail for anyone caught smuggling 20,000 cartons or more. Last year only nine smugglers were jailed, each for a few months, with the common penalty $10 or $15.

If Mr. Goodman's solution were adopted, at the end of the year the smugglers would be back, and the state would have a bigger bureaucracy. More smugglers would be caught, more judges and bailiffs and clerks would have to be hired, more jails would have to be built and more jailers hired. The wives and children of the jailed smugglers would go on welfare.

Cutting the tax to 10 cents avoids all that. It immediately becomes uneconomic to smuggle. The enforcement staff of 50 can be assigned to more useful work, the state saving $1 million a year on that count alone. The courts would be less clogged with agents and smugglers, and the taxpayers would save court costs, as well as the costs of confining convicted smugglers and caring for their families.

The city and state would appear to face a loss of $50 million or $60 million in revenues, but of course smokers would now buy their cigarets through legitimate channels and the 10 cents a pack would yield about as much in revenues as 26 cents a pack yields now. But that's not all. Legitimate wholesalers would double their cigaret sales, earning higher business profits and personal income that the city and state then taxes.

And don't forget the impact on the millions of cigaret smokers who would save 16 cents a pack. At a pack a day, that's $58.40 per year. At average marginal tax rates, a smoker has to earn more than $80 before federal, state and city taxes are deducted to get that amount. He can thus maintain his or her standard of living on $80 less in gross wage demands per year, which means it becomes economic for the marginal employer to do business in New York, increasing the number of jobs of all varieties and reducing cost and tax pressure on social services.

Among other benefits, the industrious smugglers would have to find legitimate employment. It might be argued that they would be thrown on the welfare roles. But if we know New York City, they are already on the welfare roles, and would be forced to get off once they have visible jobs.

Of course, once these general principles are learned from experimenting with the cigaret tax, they can be applied to all the other taxes. You're welcome, Mr. Kummerfield, and good luck.

REGULATORY REFORM ACT OF 1976

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. ANDERSON of Illinois. Mr. Speaker, today the gentlewoman from Texas (Ms. JORDAN) and I are reintroducing the Regulatory Reform Act of 1976 with a bipartisan group of 47 cosponsors. We first introduced this bill as H.R. 11450 back on January 22, 1976. An identical measure, S. 2812, was introduced in the Senate by Senators CHARLES PERCY and ROBERT BYRD on December 18, 1975.

The purpose of our bill is to eliminate excessive, duplicative, inflationary, and anticompetitive regulations by forcing the President and Congress to act on comprehensive reform of the Federal regulatory system over a 5-year period, 1977–81. Under the terms of the bill, the President would submit to Congress by March 31 in each of those years a separate reform plan; the bill specifies the areas and agencies to be covered in each plan as well as the conditions to be met. The committees to which a plan is referred would clear it for floor action by September 15. The committees would be authorized to report a modified or alternative version. If a plan has not been enacted by December 31, and neither House has voted to disapprove the President's plan, it would automatically take effect. If either House disapproves the President's plan within that 9-month time frame but Congress fails to enact an alternative plan by the following June 31, all powers of the agencies covered by that plan would terminate on that date. We feel this action-forcing mechanism and set timetable is necessary if Congress is to effectively tackle comprehensive regulatory reform. Our experience with the new budget process timetables argues strongly for the wisdom of this approach.

At this point in the RECORD, Mr. Speaker, I include a list of our cosponsors and a summary of our bill.

HOUSE COSPONSORS OF THE REGULATORY REFORM ACT OF 1976

Mr. Anderson of Illinois, Ms. Jordan, Mr. Anderson of California, Mr. Andrews of North Dakota, Mr. Ashley, Mr. Bafalis, Mr. Blanchard, Mr. Bolling, Mr. Broyhill, Ms. Burke of California, Mr. Brown of Ohio, Mr. Cederberg, Mr. Cohen, Mr. Conable, Mr. D'Amours, Mr. Derrick, Mr. Downey, Mr. Edgar, Mr. Emery, Mr. Flood, Mr. Florio, Mr. Fountain, Mr. Frenzel, Mr. Gradison and Mr. Hannaford.

Mr. Ichord, Mr. Jeffords, Mr. Jenrette, Mr. Kasten, Mr. Lehman, Mr. Madigan, Mr. Mazzoli, Ms. Meyner, Mr. McCormack, Mr. McHugh, Mr. Mezvinsky, Mr. Nix, Mr. Pattison, Mrs. Pettis, Mr. Pritchard, Mr. Roush, Mr. Runnels, Mr. Russo, Mr. Scheuer, Mr. J. William Stanton, Mr. Stokes, Mr. Bob Wilson, Mr. Charles Wilson of Texas, Mr. Wirth.

BRIEF SUMMARY OF THE "REGULATORY REFORM ACT OF 1976" (H.R. 11450)

TITLE

SECTION 1. The "Regulatory Reform Act of 1976."

FINDINGS AND PURPOSES

SEC. 2. (a) Congress finds that government economic regulation has too often become more of a burden than benefit to American businesses, consumers, and the economy.

(b) It is the purpose of this Act to require Presidential submission of and Congressional action on regulatory reform plans over a period of five years to eliminate unnecessary or harmful regulation which has resulted in inflation, reduction in competition or disruption of a free enterprise system.

(c) Each plan shall establish more efficient organizational and administrative forms for the regulation of commerce, the encouragement, development and enunciation of broad policy guidelines, a lessening of repetitious, costly and inefficient case-by-case decisionmaking, and increased regulatory agency accountability and responsiveness to the public interest.

(d) Each plan shall include appropriate provisions to merge, modify, or abolish existing agencies and functions to eliminate overlapping jurisdictions, conflicting mandates and anticompetitive and duplicative regulations.

DEFINITIONS

SEC. 3. The words "agency" and "rule" are defined in accordance with 5 U.S.C. 552(e) and 551 respectively.

AGENCY REORGANIZATION PLANS

SEC. 4. Not later than March 31st of each of the years specified, the President shall submit to the Congress regulatory reform plans for the following areas:

(1) Banking and finance—1977;

(2) Energy and environment—1978;

(3) Commerce, transportation and communications—1979;

(4) Food, health, safety and unfair or deceptive trade practices—1980;

(5) Labor, housing, government procurement and small business—1981.

(b) Each plan shall include provisions relating to such other agencies as the President may choose or the Speaker of the House or President pro tempore of the Senate may require.

(c) Each plan submitted by the President shall include recommendations for (1) the transfer, consideration, modification, or elimination of functions; (2) for organizational, structural and procedural reforms; (3) the merger, modification, establishment or abolition of Federal regulations or agencies; (4) eliminating or phasing out outdated, overlapping or conflicting regulatory jurisdictions or requirements of general applicability; and (5) for increasing economic competition.

(d) If the President has not submitted an appropriate plan or has submitted an inadequate plan by the date specified in each of the years, the committees having appropriate jurisdiction along with the Committee on Government Operations shall prepare a plan which shall become the pending business in each body no later than September 15th.

CONGRESSIONAL REVIEW

SEC. 5. (a) The President shall submit the required plans to the Speaker of the House and President pro tempore of the Senate.

(b) Each plan shall be jointly referred to the committees having appropriate jurisdiction and the Committees on Government Operations of the House and Senate.

(c) The committees to which the plans have been referred shall review the plans and report a bill approving or disapproving each bill in whole or in part with such amendments as are deemed appropriate.

(d) If no comprehensive plan is enacted by December 31st of the year in which it is submitted, the President's plan as originally submitted shall become effective unless either House of Congress specifically disapproves the plan.

SUSPENSION AND TERMINATION

SEC. 6. (a) If no comprehensive plan is enacted, all rules of any agency described in each plan shall be of no force or effect after the last day of June in the calendar year following the year in which the plan has been submitted unless other appropriate provision is made by Congress.

(b) Within nine months after the date of enactment of this Act the President shall transmit to the Congress a detailed listing of all agency rules of general and specific applicability which would be rendered of no further force or effect in the event that no comprehensive regulatory reform legislation is enacted with respect to a designated area.

YORK IS NATION'S FIRST CAPITOL

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. GOODLING. Mr. Speaker, during the time of our Bicentennial, Americans are taking time to look into our past more closely. We have been publicizing many events of our history which have been ignored or forgotten over the past two centuries.

J. F. Rauhauser, Jr., Esq., president of the York County Bicentennial Commission, has written an essay calling one such event to our attention—the establishment of the United States in York, Pa., On November 15, 1777.

I would like to remind the Members of the House of this event by presenting his essay, "The Secret History of the Birth of the Nation," for the RECORD:

THE SECRET HISTORY OF THE BIRTH OF THE NATION

(By J. F. Rauhauser, Jr., Esq.)

The facts are unassailable and the law irrefutable.

In fact, and by law, The United States of America was created,—born, if you will—on November 15, 1777, in Yorktown, Pennsylvania.

Not in Boston; nor even in Philadelphia.

Not on July 4, 1776 by the Declaration of Independence; nor yet by the Constitutional Convention on September 17, 1787.

But instead, The United States of America first came into being, as a sovereign independent nation, by action of the Continental Congress, duly convened in the colony of Pennsylvania, and in the town of York, which thus became the nation's first capital.

It happened this way.

Representatives of the thirteen colonies, sitting as the Second Continental Congress in Philadelphia, received news that a great force under British General Howe was approaching that city. Bundling their public papers into guarded wagons, the representatives agreed, on September 18, 1777, to move to the town of Lancaster just east of the Susquehanna River. A brief entry in the Journals of the Continental Congress indicates some members of Congress did stop in Lancaster on September 27, but it was then quickly decided "to repair to the town of York, in Pennsylvania," thus affording to the Congress the added protection of the broad expanses of that river. Congress thereafter convened in York from September 30, 1777 until June 1778, when it returned to Philadelphia, only then evacuated by the British.

Among the Resolutions adopted by the Congress on July 2, 1776, before it left Philadelphia, was one which proposed that a plan for the permanent binding together or confederation of the 13 newly independent colonies should be prepared. John Dickinson of Pennsylvania, as Chairman, and delegates from each of the other colonies served on the committee to carry out this resolve. A draft of the Articles of Confederation was shortly submitted to the delegates, but only limited consideration was given to the matter until it was taken up in almost daily debate after the Congress convened in York.

Then it was, on November 15, 1777 that the Articles of Confederation were officially adopted. Then it was that the participating colonies agreed ". . . hereby severally (to) enter into a firm league of friendship with each other, for . . . common defense, the security of . . . liberty and . . . mutual and general welfare. . . ."

By Article I it was established that "The stile of this confederacy shall be 'The United States of America'."

Until that moment The United States of America did not exist.

True it is that the 13 colonies declared their separate independence from Great Britain on July 2, 1776 in Philadelphia, but in that same Declaration of Independence they solemnly declared themselves to be "free and independent states" with the right retained by each to do "all acts and things which independent states may of right do."

That Declaration did not create a union of any sort. It created 13 independent states.

True it is that each independent state or colony thereafter had to ratify the act of its authorized delegates in the adoption of the Articles of Confederation, but, by definition, the term ratification gives assent as of the time of the original event. The original event was the adoption of the Articles on November 15, 1777, in York, Pennsylvania, which created The United States of America.

True it is, also, that the present Constitution of the United States of America was adopted in Philadelphia on September 17, 1787, but its preamble states the purpose for its adoption to have been "to form a more perfect union," or, in other words, to improve on the union that theretofore existed.

In brief, The United States of America was officially created on November 15, 1777 and thereafter, upon ratification, operated throughout the American Revolution under the Articles as its First Constitution. The experience gained under the first charter dictated the necessity of having a government with more centralized power. And although the delegates met in Philadelphia for the avowed purpose of improving, by amendment, The Articles of Confederation, they did in fact adopt an entirely new and second Constitution.

It is perhaps a little known, infrequently told, almost secret history. But it is true—in fact and in law.

It happened in Pennsylvania.

In the Capital City of Yorktown.

On November 15, 1777.

Then and there The United States of America was born.

BOOSTING THE FOOD PRICES

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. GAYDOS. Mr. Speaker, our governmental economists, I fear, may be helping maintain the inflation problem by their incessant warnings of higher and higher prices in the future.

These people never seem content to accept a price reduction. Rather, they note it and then hurry on to tell us it cannot last and, in due time, we will be paying more than ever. Have they been right? Generally, they have not compiled a good record over the last several months.

I cite this for an example. The Agricultural Department economists tell us now that, despite the declines in the rate of food price boosts in 1975, costs this year will go up from 4 to 5 percent with gains of around 1 percent in each of the year's first two quarters. I quote these figures from an Associated Press report.

But how correct are they? From what I hear, supermarkets have cut some prices and may be planning to drop more. Joyce Gemperlein of the Pittsburgh Post-Gazette keeps tab on these matters and reported the other day that food costs in her community actually went down in January from the level of December.

Her "market basket" of 25 selected items had 17 of them unchanged from December through January, 4 increased and 4 lowered. The total cost, however, was down two-tenths of 1 percent, a figure which reflects stability at the moment and contradicts the Agriculture Department's forecast of a gain.

What concerns me in this is the possibility that the official forecasts of price increases may turn out to be one reason for bringing them about? What food handler can remain oblivious to such talk from Washington. If raises are expected, then why should not he get in line and raise his prices too? I suspect that this has happened more often than not and could happen again.

It may be important to be warned in advance of food price hikes. But the score on those who make these predictions, economists both in Government and without, is nothing for them to brag about. I quote Time magazine:

> The nation's leading economists . . . failed as a group to predict the nature of the recession or anticipate its depth.

Why then, should we have them worrying the food-buying housewife now when their competency is in question?

Food costs depend on many unpredictable factors. Will this year's harvests be plentiful or disappointing? Only the weather will tell and no one can judge the weather very long in advance. Will the international grains market be strong? The answer, as we have learned in past seasons, rests largely in Moscow and who knows the thinking there? The point is that no economist, on the Federal payroll or off it, can be sure of himself. So why isn't this admitted and the marketplace allowed to do its job without interference by inflation forebodings?

SAGINAW STUDENT CONSTITUTION IS RATIFIED

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. TRAXLER. Mr. Speaker, the students of Saginaw County have completed their constitution. They have worked since early in the school year to provide us with their idea of how America should be run. This event cosponsored by the Saginaw County Bicentennial Committee and the Saginaw News has been for me the most significant way to commemorate our 200 years as a nation.

Today I present three additional articles from the Saginaw News. These articles present what the students have done, the people to whom the activity matters, and a complimentary note to the 148 students who have participated in the Con-Con.

The first article by John Puravs tells us what we have been waiting to hear: the new constitution has been ratified. The article gives us a brief history of the final days of the Con-Con and a glimpse at some of the provisions of this constitution. The students have a very keen sense of understanding the way our current Constitution operates, and the article shows that we can clearly know that our future will be preserved with the same democratic ideals we hold essential to our way of life.

The second article provides us with the final details of drawing up a professional document. It most notably reports that the event has been recognized by the national news media which await the final document. We in the House of Representatives are also waiting to see this work of historic significance.

The final article is a fitting conclusion to the news coverage of the Saginaw Student Con-Con. Although the article was printed earlier in the development of the Con-Con, it is the best way of describing the reasons why the students undertook the task of reviewing the U.S. Constitution, and a glimpse at the thinking of the students involved.

Mr. Speaker, I am sure that all of us will agree with the article from the Saginaw News in that these students deserve strong applause for their efforts.

The articles follow:

STUDENTS RATIFY NEW "CONSTITUTION"

(By John A. Puravs)

The United States of America has a new Constitution for its Bicentennial year.

The Founding Fathers of 1787 would not be ashamed.

For more than 20 hours spread over three days, 148 Saginaw County High school students debated, argued, shouted, pleaded, wrote, revised and amended.

Their greatest single dispute, on capital punishment, was not resolved until closing moments of the convention Thursday.

But at 4:30 p.m., in the hush of a nearly deserted Saginaw Civic Center, youthful delegates to the Student Bicentennial Constitutional Convention of 1976 proudly raised their arms in unanimous ratification of a document they believed would best serve their nation as it embarks on the continuing adventure of a third century.

And those beliefs, as reflected in the product of the three days, leaned not so much toward adventure as toward a carefully crafted realignment of power to take it from the government and return it to the people.

Thursday's major effort on a revised Bill of Rights showed, as did previous passage of judicial, executive and legislative sections, not a radicalizing but a balancing of the power relationship.

The cheer as delegates voted final approval of their nine-month odyssey of understanding vocalized a clear feeling they had met a monumental challenge—and conquered it.

In the third and final day of this gathering of 148 young people from all 19 Saginaw County high schools, the challenge was the Bill of Rights.

And those who cherish liberty found nothing to fear Thursday, as delegates proved they, too, care enough for individual freedoms to re-establish them as a permanent American heritage.

Freedom of speech, of religion, of the press, of assembly, the right to petition, the sanctity of the home, protection against unreasonable searches, the right to due process, to a public jury trial, and to equal protection of the law: All were preserved intact.

Indeed, they were in some instances strengthened.

In a surprisingly swift vote, the delegates asserted the privilege to own firearms, thus clearing current debate on the vague meaning of the First Amendment in that respect.

But they also provided for government regulation of the privilege with the plain intent to promote public safety.

The Fourth Amendment's search-and-seizure protection was expanded to outlaw unauthorized "bugging," by including the word "monitoring" among prohibitions.

An accused person's right to legal counsel was affirmed on behalf of the poor; the student Constitution says counsel "will be provided by the courts" if a person cannot afford it.

The Bill of Rights was cut down to 13 articles from the present 26. A reading of the existing Constitution shows, however, no rights were thereby abridged. Instead they were condensed, with one article providing the right to vote at 18 will not be denied on account of sex, color, creed, religion or previous condition of servitude.

As Frederick Wheeler Jr. of Saginaw High, president of the convention, explained, "One of our purposes was simply to modernize the Constitution, to bring it up to date."

By leaving most Bill of Rights liberties intact, in only slightly changed form from the original wording, delegates accepted advice against getting involved in specifics.

Left to court interpretation, as now, were such contentious points as prayer in public schools, definition of obscenity, and clarification of conflict between free press and fair trial.

If there was a trend, it was to leave well enough alone by avoiding constitutional intrusion into matters capable of legislative settlement.

The delegates emphasized freedom of the press and of speech by refusing to include exceptions for libel or slander cases.

A proposal to write "freedom of expression" into the First Amendment also failed.

Although some argued this would extend freedom to electronic media, one delegate, Bill Bow of Douglas MacArthur, snorted it would also allow "streaking through Times Square."

The vaunted Equal Rights Amendment found little favor among these delegates.

The equal rights it would mandate, they argued, are covered by an article establishing due process of law and equal protection of the law to all persons.

The assembly's legal counsel, volunteered by the Saginaw County Bar Association, helped shoot down a proposal to use "he or she" pronouns throughout the student Constitution.

Attorney Patricia Learman told the convention "he" is legally construed to mean a person of either sex—and that was that.

Also failing was a proposal for popular referendum on decisions of leaders at any level of government and within any labor union.

"Government should be responsible to the people," continued supporters, many of them from Arthur Hill. "The people should be able to compel the Government to follow the wishes of the majority."

"The right to petition covers it," retorted one delegate.

"This will cause chaos," snapped Lewis Mahoney of Chesaning. "This is totally unacceptable."

Those whose amendments failed did not always accept the outcome easily.

Some delegate eyebrows rose at this proposal: "The government of the U.S. shall neither be a party to nor an advocate of any communistic regime."

Opponents argued this would crimp detente and foreign trade, but the measure failed by only a slight margin.

Four supporters, however, took pains to insist delegates didn't come to terms with the issue of communism. "They were afraid of it," said Jon Steele of Arthur Hill, who was joined by Aaron Moore and Tad Veremis, also of Arthur Hill, and Rick Slachta of St. Stephen's.

Other controversies were dealt with, though, if only by implication.

Approved was a preamble reflecting the tenor of the entire document in maintaining individual freedoms against government infringement.

It named the purposes of government as protection of citizen rights and privileges, and to provide for the common defense and to promote the general welfare.

But the preamble also insisted, "the government is never to protect the individual from himself."

Several delegates said this phrase was intended to solve the euthanasia issue, but others noted it could cover matters ranging from marijuana to so-called victimless crimes.

The final day of the convention dispelled fears the delegates would not finish on time.

After final provisions of the legislative section were disposed of, the convention took four and one-half hours to enact its Bill of Rights and leave time for ratification statements.

The final hour-plus allowed delegations just five minutes each to offer last amendments to clear up earlier omissions and missteps.

In quick succession, a clause banning deficit spending and insisting on speedy repayment of the national debt was rejected, then reinstated.

Rejection came when Eisenhower High pointed out that debt repayment would wipe out the proceeds of two years' taxes, leaving no money to run the country.

But St. Stephen's succeeded in reinstating the balanced-budget clause by moving to pay off the debt at a rate of two per cent a year.

At the behest of Michigan Lutheran Seminary, the convention changed an executive-section clause to allow election of a president with only a plurality.

The previous article insisting on a majority, the delegates agreed, could throw elections into the House of Representatives if minor-party balloting prevented a majority for any one candidate.

"This is the leader of the people, and the people should elect him," one delegate explained.

And finally, the ratification process brought resolution of the capital-punishment issue that had consumed three-fourths of debate time spent on the Bill of Rights.

With that sole exception, the ratification went quickly and quietly, with a tension that seemed to combine relief at the conclusion of a vast assignment and exhilaration at the approach of ultimate success.

STUDENTS REALLY "WRITING" NEW CONSTITUTION

After a new Constitution has been written, someone still has to—well, write it.

The task of organizing, numbering, and paragraphing the new U.S. Constitution ratified by the student Bicentennial Constitutional Convention last week fell to student and faculty Con-Con leaders Monday.

A "style Committee" of delegate leaders labored at Douglas MacArthur High School to put the document in a final form to be signed by all 148 delegates from the county's 19 high schools.

"We had to incorporate all the amendments and changes approved at the end," explained Robert A. Fitzgerald, chairman of the faculty advisory committee.

Students on the committee included Carl R. Tinsley of Saginaw High School; Tommy L. Ford and Jackie Robinson of Buena Vista; Thomas Ulmer of Bridgeport, and Michael Smith of St. Charles.

Assisting along with Fitzgerald was advisor Duane Wartenberg of Swan Valley.

Impatient requests for the students' Constitution, rewritten as a Bicentennial project under co-sponsorship of The Saginaw News and the Saginaw County Bicentennial Commission, are pouring in, Fitzgerald reported.

He cited inquiries from several state legislators, U.S. Rep. J. Bob Traxler, D-Bay City, Bicentennial officials, and various local and national news media.

Fitzgerald predicted the Constitution, with delegate signatures affixed, would be ready Thursday.

NEW CONSTITUTION

(By John A. Puravs)

"Statesmen who dared to seize control of their own destiny."

It was an uncertain destiny, certainly, for those about whom historian Clinton Rossiter coined the above accolade, the 55 delegates to "the general convention" which wrote the United States Constitution of 1787.

A fledging United States of America, shaky and less-than-united under temporary Articles of Confederation, had emerged wearily from years of war that won independence but could not guarantee the future.

The nation-makers at Philadelphia could not foresee—but they could guess—that the future was to be full of tension, turmoil and agony, and to them fell the task of designing a mold that would cement the states in a fashion that would withstand the wrenchings of history.

That experiment of 1787 was only the child of 1776. And 200 years after the birth of the nation, another group of delegates has the opportunity to judge again, with the benefit of hindsight and the vigor of youth, how well the Constitutional mold has survived.

They are the 148 students from 19 Saginaw County high schools who have embarked on the creation of a new U.S. Constitution, one that will reflect not only the light out of the past but also stand as a beacon for the nation's third century.

Their project, to culminate in a convention Jan. 27-29 at the Saginaw Civic Center, is co-sponsored by The Saginaw News and the Saginaw County Bicentennial Commission.

The mandate given the 148 young people shown on these two pages is to produce a new guiding document in their own words, portraying their own beliefs on what sort of law of the land should prevail if the American experiment is to continue and grow.

The document their efforts yield may well render high praise for their predecessors of 1787. Some of the student delegates have termed the Constitution "beautiful" just as it stands.

On what basis each delegate will pursue their quest for a perhaps impossible national perfectibility cannot be known. It may not matter: As good as the original Constitution is, one historian says it was written by men described as "everything from selfless instruments of Divine Intent to selfish agents of Economic Interest."

Those would be high-flown phrases to apply to these high school students. Justification enough for their endeavor, the sponsors have said, can be found in the lessons they will learn about history, democracy, government, philosophy, the push and pull of constitutional theory and practice.

Yet the opportunity is before them to do more. And only after this January will it be known if, to paraphrase Rossiter, "the heroes of Saginaw County deserves study as well as applause."

PATRIOTISM IN BICENTENNIAL YEAR

HON. KEITH G. SEBELIUS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. SEBELIUS. Mr. Speaker, the national commander of the American Legion is Harry G. Wiles, a native Kansan from Kansas, a man I am privileged to know as a friend and as a fellow legionnaire dating back from the days when I had the privilege of serving as commander of the Kansas American Legion.

Recently Commander Wiles made an address before concerned legionnaires in Los Angeles. In his speech, he touched on the need for patriotism in our Bicentennial Year. He also discussed some of the concerns that are on the minds of a great many citizens in our Nation today. These same concerns have also become the focal point of debate within this body.

I commend the following address to the attention of my colleagues and do so with the hope it will provide them with insight and perspective:

ADDRESS BY HARRY G. WILES

America's Bicentennial comes at an appropriate moment.

This is a time for the nation to make choices, to assess its place in the world, its relationships with other countries, its course for the future.

The Bicentennial has added another dimension—an evaluation of the American experiment. Doomsayers preach that the United States has already passed its zenith, that the rot and decay that felled ancient Rome and other civilizations is already eating at the heart of our nation.

I reject that premise. The American Legion rejects that premise. But there are men and nations who would rejoice at our demise, who rejoice right now as we question our power, security and moral standards.

There is nothing wrong with the foundations on which America was built. There is nothing wrong with honest soul-searching. It's healthy so long as over-ambitious men are not permitted to destroy that which they claim to protect. For example, the recent examinations of our intelligence community can strengthen these vital arms of government; but if pursued with vengeance or hypocrisy they can weaken us in a major area of national security. What is needed today is good will, common sense and some old-fashioned patriotism.

Note that I said "patriotism," not nationalism. In 1976 we Americans have a charge that goes beyond the defense of our national borders, beyond the selfish development of our own wealth and well-being. Our forefathers left us a legacy of freedom and an admonition that "all men are created equal"—not just those lucky enough to be born in the USA.

As 200 years whirled past and technology brought all men closer together, the meaning of equality has grown stark and clear. Each development has made us more interdependent—the steamship, telegraph, cable, telephone, railroad, automobile, airplane, television, space—and finally the advent of atomic weapons and intercontinental missiles.

As the sheer magnitude of this inter-dependence becomes obvious, some would cower and shrink away from the inherent responsibilities of the United States. Some would appease evil forces. Some would rationalize away basic tenets of the American experiment.

In Tom Paine's day it was easier to identify issues and heroes. As George Washington's ragged, beaten army retreated across New Jersey in December of 1776, Paine wrote his immortal "American Crisis." New York was lost. Boston was isolated. The British were closing in on Philadelphia, then our largest city. London was already celebrating its victory.

"These are the times that try men's souls," Paine wrote. "The summer soldier and the sunshine patriot will, in this crisis, shrink from the service of his country, but he that stands it now deserves the love and thanks of man and woman."

Those words inspired Washington's Christmas night crossing of the Delaware and the attack on Trenton that saved his army and the nation. America has never known a darker night or a brighter dawn.

In the 200 years that followed no outside force has ever dictated the internal affairs of the United States. Individual and collective freedoms blossomed and a civilization was built that is the model—or at least the envy—of men everywhere.

It wasn't easy. During those two centuries more than a million Americans laid their lives on the altar of freedom—not just for freedom at home, but for freedom on every continent.

The roots of 1776 went deep. The government they created and nourished has withstood every form of adversity. The nation has grown 10 times in area, 100-fold in population. It has been molded in the crucible of war. It has suffered the agony of civil strife. It has survived economic adversity and it has learned to accept social diversity. Several times it has weathered unexpected changes in the highest office in the land.

As each crisis was overcome we emerged a stronger people, more confident in the institutions we struggled to preserve.

William Harvard said it well: "The greatest glory of a freeborn people is to transmit that freedom to their children."

The American Legion had this in mind when it sponsored the Bicentennial Freedom Bell aboard the Freedom Train that is now touring Southern California, and when it launched its campaign to support cancer research.

When the train completes its journey around the country the Bell will be placed on permanent display in Washington as a gift to the children of tomorrow. God willing, our cancer campaign may help protect these same children against a scourge of our generation.

But we must try to protect them, too, against other enemies who would deny them the right to continue the American experiment.

For 60 of our 200 years a cancer called Communism has been infecting the world. For the last 30 years it has challenged us in a bitter contest. The tide has ebbed and flowed, the tactics have changed but the enemy has never disguised his ultimate ambition—world domination and the destruction of free choice everywhere.

The struggle ranges across the world. In Indochina recently we tasted defeat. But the loss of a battle has always intensified American determination to win the war.

Vietnam, however, left a disturbing residue. A few have despaired and now regard a Communist victory as inevitable. More have turned inward. In a day of instant communication when news is often discouraging, a lot of people have grown tired of constant crisis. They would like to turn the world off for awhile and get some rest. Unfortunately, that's luxury our enemies will not permit us.

As social and economic reforms come to developing nations, we see many men of high principle—honest reformers often inspired by our own history—under attack. To Communists times of change are opportunities. You will recall that Lenin's Bolsheviks did not lead the Russian revolution. They stole it from Alexander Kerensky and other democrats who hoped to build a democratic government.

The Kerensky pattern is a warning today as so many developing countries try to find middle roads out of an autocratic or dictatorial past.

We must recognize that our defeat in Indochina was not inevitable. Without opening old wounds, the Communists won because of indecision and retreat here in the United States. Once Hanoi, Moscow and Peking knew Congress had lost patience with the struggle the fate of Saigon, Phnom Penh and Vientiane was sealed.

We tired. They didn't.

Besides the tragic results for the people of Indochina, we lost a strategic foothold in Asia and an even more important hold on the minds of people around the world. We still enjoy tremendous reservoirs of good will, but for the first time in our history others question our guarantees. For the first time we committed men and treasure in a struggle against authoritarians and lost.

That must never happen again. This Bicentennial offers a golden opportunity for the strengthening of America's national will. Patriots must act while patriotism is popular again.

No American fighting men must ever again be sent into combat doubting the national will to victory. The theories of "gradualism" practiced in Indochina cannot continue.

Today's catchword is "detente."

In the language of the diplomats it means a lessening of tension. In the language of the propagandist it has been sold as "peace." Neither definition applies to the current situation in Soviet-American relationships. The continuing use of the word is alarming to The American Legion.

Where is the lessening of tension, the lessening of Soviet pressure? Where is there evidence of a Soviet desire for real peace:

In the Middle East where Moscow has allied itself with radical Arab forces?

In Portugal where Communists attempt to steal a NATO ally?

In Angola where the Soviets bid for a strategic foothold on the Atlantic coast of Africa?

In Thailand where fears mount over Moscow-Hanoi intrigue?

At sea where the Russian navy conducts global operations?

In the Caribbean where Cuban-trained provocateurs threaten the tranquility of Puerto Rico and the security of the Panama Canal?

Inside Russia where intellectuals are treated as enemies of the state, and persecution has become more subtle but no less efficient?

At the United Nations where Soviet delegates hypocritically brand Zionism as racism, while pursuing their own vicious neo-colonialism?

No, behind the facade of "detente" the struggle goes on. The Soviets' desperation grain purchases and their insatiable appetite for western technology does not change the basic fact—the Soviets continue to seek world domination, not by nuclear war that would incinerate the treasures and talents they covet, but by establishing unquestioned military-nuclear superiority that would permit global blackmail.

How are the Soviets faring in this race for overwhelming military superiority? Let me direct your attention to a few figures from a brochure entitled "Bicentennial Operation Alert," published by the American Security Council.

In every single category, save one, of those listed in the areas of offensive and defensive strategic weapons, conventional ground force weapons, military manpower and defense expenditures, the Soviet Union now outstrips the United States. The United States has an edge in helicopter strength of 9,000 to 2,000, but listen to some other figures from this same brochure:

Russia has 314 sub launched long range cruise missiles; The United States has none. The Soviet Union has 9,800 surface to air missiles; the United States has none. The United States has 9,000 tanks as compared to Russia's 40,000. The United States has

291 major surface combatant ships and submarines and the Soviet Union has 546—and the list goes on and on.

The newest phase in this struggle is being waged at the ornate conference tables of the Strategic Arms Limitation Talks and in the halls of our own Congress.

The American people cannot be lulled by the siren song of detente when Soviet Communist party secretary Leonid Brezhnev holds this view of the meaning of the word, and I quote: "Peaceful coexistence does not mean the end of the struggle of the two world powers. The struggle between the proletariat and the bourgeoisie, between world socialism and imperialism will be waged right up to the complete and final victory of Communism on a world scale," (End of quote).

Washington must not be lulled by "detente." It must maintain our national security. It must support a military program that promises any enemy instant, overwhelming retaliation and guarantees the conventional strength needed to carry out our commitments to our friends and allies. This strength the Legion advocates.

If we are to achieve a true lessening of tensions with the Communist world, it will come only against a backdrop of clear strategic and conventional capability supported by national resolve. This capability The American Legion demands.

Numbers alone no longer measure military strength in this complex technological world. We of The American Legion do not propose any specific number of men, missiles, planes, ships, etc. We do insist that the United States have *enough* men, missiles, planes and ships to get the job done—whatever or wherever it is.

We are categorically opposed to concessions to the Soviets in the area of cruise missiles, medium and long-range bombers, submarine weapons or multiple warhead rockets.

There are crucial areas of American technological advantage.

We must not trade away the B-1 bomber, the Trident submarine and other new weapons systems for Soviet promises. History has taught us too often the value of a Soviet promise. Already we are learning about their violations of SALT One agreements.

As far as The American Legion is concerned, the issue is not whether Doctor Kissinger is right or Mr. Schlesinger is right; it is not whether liberals or conservatives are right; Republicans or Democrats. The issue is that nothing and no one can be allowed to threaten the continuation of the American experiment.

If "the greatest glory of a freeborn people is to transmit that freedom to their children," no American can shrink from our mutual responsibility.

IS THE AP IGNORING THE AMERICAN BLACK PRESS?

HON. RON DE LUGO

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. DE LUGO. Mr. Speaker, in light of the noncoverage of the Associated Press during the National Newspaper Publishers Association's—NNPA—recent convention in the Virgin Islands, certain questions demand to be asked—and answered—concerning AP's attitude toward the American black press.

When some 250 representatives of black-owned newspapers gather on American soil to discuss the role of the black press and black executives in white-owned American businesses, one may legitimately ask why not one AP reporter showed up to cover any aspect of the 4-day convention. One may also legitimately wonder whether the Associated Press is guilty of suppressing or ignoring news of the black press.

As host of the NNPA convention in St. Thomas, the Daily News, the foremost daily newspaper in the Virgin Islands and an AP subscriber, raises some perceptive, and hopefully, embarassing questions. Because of the significant contribution of the black press to American journalism, I am inserting the Daily News' February 3, 1976 editorial in the CONGRESSIONAL RECORD:

IGNORING THE BLACK PRESS

As a member of the National Newspaper Publishers Association (NNPA), we have long been aware that the nation's major news media devote a minimum of attention to black-owned newspapers. That fact was really driven home to us last month, though, when the Associated Press totally ignored what certainly was a genuinely newsworthy event—the NNPA's midwinter workshop in the Virgin Islands.

We also happen to belong to the American Newspaper Publishers Association (ANPA) and are well acquainted with the coverage given that organization's activities by the news media. Should the ANPA have had a convention here last month, AP's home office would not only have expected but would have demanded very heavy coverage of the event. Yet, when the nation's black newspaper publishers held a meeting in the Virgin Islands, their first ever outside the mainland states, the Associated Press carried not a single word on it, and the local AP reporter, so far as we know, never bothered to turn up at even one of the many events surrounding the four day meeting.

We are well aware that not everything that occurs in the Virgin Islands, or everything concerning the black press, is front page news elsewhere. However, when some 250 representatives of black-owned newspapers gather on an American island in the West Indies to discuss the role of the black press, journalism schools, new approaches to writing and editing, the role of black executives in white-owned businesses and similar topics we do believe that is newsworthy.

The Daily News is not alone in believing the NNPA meeting was a newsworthy event, even the Associated Press does—now that it's all over and done with. The AP's Caribbean service manager, in a letter sent to The Daily News after we had complained of the lack of coverage, stated, "You are absolutely right, the conference was a newsworthy event and merited substantial coverage." Then came the excuses: nobody told the AP's local reporter about it in time, he couldn't get any information about the meeting, and in order to guarantee coverage we should tell AP in advance about any newsworthy events.

In order to accept these excuses we would have to believe that AP reporters are unable to find things out on their own and that AP cannot cover wars, shipwrecks, plane crashes and other such things unless they have advance notice. As this is obviously not the case, we are forced to conclude there is another reason for AP's ignoring of the NNPA meeting, and in view of past experience, we find it difficult to discount the possibility that the Associated Press simply wishes to ignore America's black newspapers.

It is hard to believe that such a thing could be going on in this day and age, yet AP has consistently ignored or downplayed the existence of the black press and in this case has admitted that it did not cover a newsworthy event concerning black publishers. Such things raise the ugly spectre of censorship for racial purposes by the news media itself, and it is now up to AP to prove, through its future performance, that it is not guilty of deliberately suppressing news of the black press.

BUREAUCRATS SELDOM LOSE A WAR

HON. THAD COCHRAN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. COCHRAN. Mr. Speaker, on January 21, 1976, the editorial page of the Clarion-Ledger, one of my State's leading newspapers, contained the nationally syndicated column by James J. Kilpatrick entitled "Bureaucrats Seldom Lose a War."

This column pays tribute to the legislative efforts made last year to get more control over the Federal bureaucracy. He specifically commends our colleague, JOHN CONLAN of Arizona, who was at the forefront of the battle both in the committee and on the floor of the House.

We will soon be confronted with legislation from the Committee on Science and Technology which will again deal with the authority of Congress to control the use of tax dollars by such agencies as the National Science Foundation. Hoping that this column will refresh our memory of the difficulty facing us, I commend it to my colleagues:

BUREAUCRATS SELDOM LOSE A WAR

(By James J. Kilpatrick)

WASHINGTON.—Military observers in our town, interminably assigned to the unending conflict, long ago laid down a rule for all ages: The bureaucrats may lose an occasional battle, but they seldom lose a war.

The rule is about to be tested one more time in the continuing struggle between the National Science Foundation and its foes in congress. Experience suggests a pessimistic piece of advice: If you want to bet, bet on the NSF. But this time it may be different.

The opposing generals are Dr. H. Guyford Stever, director of the NSF, and Congressman John B. Conlan, a representative from Arizona. Stever is a 59-year-old veteran of a thousand skirmishes in academic thickets; he can summon massive reserve forces from the scientific community. Conlan is a 45-year-old lawyer now serving his second term in the House. About the best that can be said for Conlan is that his strength is as the strength of ten, because his heart is pure.

This is war for survival, and within the mazes of the NSF, the instincts for survival are keenly honed. Conlan's purpose is to abolish one of the foundation's major functions—the development and promotion of school curriculum programs. Conlan sees no valid reason, under the sun or under the Constitution, for an agency of the federal government to spend public funds on the preparation of textbooks and teaching materials. This he regards as a proper function of the private sector, in cooperation with state and local authorities.

The conflict thus involves a fundamental question of the role of the federal government in a free society. Virtually all conservatives (and some liberals also) support Conlan's view. Virtually all liberals (but very few conservatives) support the NSF. In a Congress dominated by liberal Democrats, Conlan's cause appears hopeless.

All is not lost. Last fall Conlan zeroed in on a fat target. The NSF had spent some $7 million of the taxpayers' money on the development and sales promotion of "Man: A Course of Study." Known as "MACOS," the fifth-grade teaching materials had aroused passionate controversy across the country. Some teachers thought MACOS tremendous; many parents found it outrageous.

Conlan is no dummy. He has pretty fair intellectual credentials in his own right (Harvard Law, Fulbright scholar, Graduate studies in international law). He tore into MACOS and other NSF curriculum innovations. He offered an amendment to the NSF budget authorization to stop the foundation's promotion and marketing activities. He lost the battle, but he didn't lose by much: 196 to 215. And when he carried the fight to the Appropriations committee, he won a substantial victory.

Stever's forces have regrouped. The foundation is conducting a kind of flanking operation. Last month it staged a series of beat-the-drum meetings in Chicago, Atlanta, Dallas, Denver, San Francisco, Boston and Washington. This month it is inviting bids on $750,000 worth of contracts for studies of pre-college curriculums in science, mathematics and social science. These are skillful maneuvers containing no hint of retreat.

Conlan is on the right side of the fundamental issue. It is clear now, in retrospect, that the NSF's vaunted "New Math" was a blunder. With NSF backing, the giddy innovators of "New Math" succeeded in imposing their untested techniques on schools across the nation. The innovators disdained old-fashioned memorization of arithmetical skills; they reared a generation of young men and women who can't make change for a five-dollar bill.

The MACOS affair was another blunder. How many such fiascoes, Conlan asks, must be tolerated? In his view, private publishing houses and unsubsidized textbook writers are entirely capable of producing all the teaching materials our schools require. With good reasons, he fears the supremacy of an elite intellectual network having access to millions of tax dollars. He wants the federal government out of the textbook business.

Congressmen come and go, it is noted, but bureaucrats stay on forever. Conlan has a whale of a fight ahead. But if parents who share his apprehension will put pressure on their own congressmen, he just might win.

A NEW DEVELOPMENT IN THE OZONE DEPLETION CONTROVERSY

HON. DAVID F. EMERY

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. EMERY. Mr. Speaker, we have all heard over the last year considerable controversy regarding possible detrimental effects of fluorocarbons in the upper atmosphere. A recently released study conducted by Drs. N. D. Sze and M. F. Wu of Environmental Research and Technology, Inc—ERT—of Concord, Mass. indicates that the hypothesis which gave rise to this controversy may have overestimated the possible adverse effects of fluorocarbons on the atmosphere by fivefold or more.

In the study, Drs. Sze and Wu developed a chemical model which incorporated existing knowledge of fluorocarbon concentrations in the atmosphere, including the recent findings made by Prof. David Murcray of the University of Denver and published in December 1975. The Sze-Wu model raises the possibility that massive natural removal mechanisms for fluorocarbons are present in a level of the atmosphere below the ozone-rich stratosphere, and that these sinks may destroy 80 percent or more of the fluorocarbons released into the atmosphere before they reach the ozone layer.

The possible existence of these sinks is significant because it would substantially undercut the calculations of ozone depletion developed under the current hypothesis, which assumes that the only natural removal mechanism operating on fluorocarbons in the atmosphere is the chemical reaction of photolysis. Under the photolytic reaction, it is postulated that fluorocarbons are broken down by sunlight, releasing free chlorine atoms; these atoms, then interact with the ozone layer in a way which allegedly depletes the ozone level. However, such effects of fluorocarbons on the ozone layer would necessarily be reduced if, as indicated by the Sze-Wu work, natural sinks other than photolysis exist for fluorocarbon removal.

Consequently, the Sze-Wu work suggests that the current long-term predictions of ozone depletion could be reduced by as much as 80 percent, even if the other key assumptions in the current hypothesis are ultimately proven to be valid. This would mean that on an annual basis, the amount of ozone reduction allegedly resulting from fluorocarbons would be at a far lower level than theretofore predicted. According to the MCA press release:

> For the same fluorocarbon usage, the model shows that there would be a 1.2 percent ozone depletion by the year 2100 rather than the approximately 10 percent depletion predicted by most current theoretical calculations which assume photolysis to be the only removal mechanism [for fluorocarbons].

The Sze-Wu study underscores the vital need for further research on complex stratospheric phenomena so that the true impact, if any, of fluorocarbons on the ozone layer can be assessed.

The Committees on Science and Technology and Interstate and Foreign Commerce have held extensive hearings on the ozone depletion problem, and it is my hope that this important study will be carefully considered in future committee action.

THE DROPSIE UNIVERSITY: A UNIQUE EDUCATIONAL MISSION

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. EILBERG. Mr. Speaker, much of America's cultural and scholarly strength is the result of the richness and variety of its sources. The masters who have contributed to American higher education have come from every nationality, race, and creed.

One pioneer in the development of pure scholarship in Hebrew, Biblical, and Rabbinic literature was Moses Aaron Dropsie. In 1909, he established in Philadelphia a nonsectarian, postgraduate institute for Jewish studies.

The establishment of Dropsie University was motivated by two factors: The absence of a learning center for this type of higher education in America, and the need to spread knowledge of Jewish culture and history to the American democracy.

Dropsie's ideas for such a specialized university were unique in America. Many such centers of traditional Jewish learning had long been established in Poland, Lithuania, and Russia. Dropsie could hardly have imagined how important the American center for Jewish learning would become after the destruction of all Jewish educational centers in Eastern Europe during the First and Second World Wars.

The Dropsie College for Hebrew and Cognate Learning received a charter in June 1909. As a small institution with a well-defined mission, Dropsie has always been a mirror of Jewish scholarly creativity, reflecting the strongest aspiration of Jewish studies in America.

Today its singleness of purpose remains the same. Students admitted to the Dropsie University are devoted to lives of scholarship. Faculty members all have doctoral degrees in Hebraica, Judaica, or near-eastern studies. Ancient documents of Hebrew literature are a major source for the study of both religion and history.

The importance of the institution goes beyond the understanding of religious documents. By illuminating the historical foundations of Judaism, the Christian and Islamic religions are also more fully understood. Scholars from throughout the world, both Jews and non-Jews, have been attracted to the mission of Dropsie.

In recent years there has been an expansion of religious communication through the Center for the Study of Man's Humanity. In 1973, a colloquium on the Holocaust was sponsored in conjunction with Villanova University, a Catholic school, for the study of such topics as "Sources of European Nihilism" and "Sources of Spiritual Resistance." Hundreds attended the seminars, including His Eminence John Cardinal Krol, archbishop of Philadelphia. Faculty and administrators from both Dropsie and Villanova spread the results of their scholarly findings to wide academic audiences throughout the nation and abroad.

In the last decade, Dropsie has joined American schools of Oriental studies for an archaeological expedition at Khirbet Shema in Israel. This area, known to have been populated by both Jews and Christians in early centuries, has been vital in acquiring and preserving primary source materials.

Scholars of every faith have long recognized the influence Hebrew culture has had on western civilization. The link through many faiths has been the Bible. An Alexandrian Jewish philosopher, Philo Judaeus (20 BCE–50 CE) explained this strong link:

> The laws of Moses alone remain steady... Not only Jews but all other people who care for righteousness adopt them. Let all men follow this code and the age of universal peace will come about, the Kingdom of God on earth will be established.

And, as current Dropsie president Dr. Abraham I. Katsh explained, those laws live on today:

> Here are the materials with which man toughened the fiber of his character, emancipated himself from the bondage of idolatry and emptiness, and rose to moral triumph and spiritual excellence.

The Dropsie University has been important as a source for traditional Jewish linguistic and grammatical material, but it has also contributed greatly to the understanding of literature which has evolved from the original Hebrew sources. All modern literatures have borrowed from the Scriptures, and from later commentaries and literature of Hebrew scholars and interpreters.

This Philadelphia institution continues to serve a unique purpose for religious and historical scholarship in the United States. Dropsie students, through their reinterpretation of ancient languages and documents, are helping to establish the events of yesterday as guidelines to what may happen tomorrow.

IS THE MELTING POT WORKING—AND SHOULD IT?

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. MINETA. Mr. Speaker, this year, in which we celebrate the American Revolution Bicentennial, marks a most fitting time to reflect upon the contributions of the many heritages which have comprised our unique national character. Nowhere is this "unity through diversity" more evident than in the Congress of the United States, where one can look on the floor of the House or the Senate and witness Members who, in representing their constituencies, also reflect the wide spectrum of those ethnic heritages.

On January 25, 1976, Family Weekly magazine printed interviews with 11 Members of the House and/or Senate whose ancestors immigrated to this country to achieve a better life through hard work and dedication to those ideals which have made this country great. Their words, which I now submit for the RECORD, eloquently demonstrate how our country continues to reflect, in 1976, the motto, "E Pluribus Unum,"—"Out of many, one."

The article follows:

IS THE "MELTING POT" WORKING—AND SHOULD IT? 11 LEADERS ON THE PAIN, STRUGGLE AND FIERCE PRIDE OF BEING "THEM" AND "US" AT THE SAME TIME

As America faces its 200th birthday, it is natural to wonder how well we have adjusted to our own identity as a land composed of many ethnic groups. FAMILY WEEKLY went to leading Congressmen and Senators of ethnic origin to find out how they answer some provocative questions like: Have you suffered slights or harassment because of your ethnic background? Should America continue to be a land of multi-heritage, or should there eventually be just a single heritage? Is there a conflict between the "melting pot" tradition and the concept of preserving one's ethnic identity? How does your ethnic background make you and America stronger?

REPRESENTATIVE FRANK ANNUNZIO (ILLINOIS)

(On Capitol Hill, they call Frank Annunzio "Mr. Ethnic." One of his crusades, the legalizing of Columbus Day as a national holiday, became part of an omnibus bill on legal holidays.)

I grew up interested in ethnic problems. My father was a tradesman. I worked my way through night school and earned a master's degree in education at DePaul University in Chicago. Like all children growing up in a large city, I had Irish, Jewish and black neighbors—and I had my share of fights. They'd call me "dago" or "wop"—and I'd slug them. All ethnic groups have had to battle slurs.

Growing up in a mixed neighborhood has made me a very strong American. We were a close-knit family. A deeply religious family. We commingled all the American and Italian holidays and customs, and I still do the same today. As a matter of fact, every Sunday I become an Italian cook and make all the recipes my mother brought over from the old country—braciola, flank steak in parsley and garlic, meat balls, spare ribs in sauce, spaghetti.

Now we have enriched the family with a little Irish blood. One daughter married an O'Donnell. But I'm happy to say last Columbus Day parade found the little O'Donnell grandchildren marching right along with their Italian cousins. That's my idea of America as it should be!

SENATOR ABRAHAM RIBICOFF OF CONNECTICUT

(Senator Ribicoff was the first Jew to be elected governor of a New England state.)

Preserving the melting-pot approach is a matter much on my mind lately. I worry that this philosophy may be endangered by those who now stress isolation of cultures.

As the son of Jewish emigrants from Poland, I am always aware of my ethnic background. I was fortunate to grow up in the small-town atmosphere of New Britain, Conn. As a boy, I was subject to religious slurs, but these instances were rare and had no lasting impact. What did leave a lasting impression was the belief of my parents that you will be accepted for what you are, regardless of background.

My friends came from all ethnic and religious backgrounds. I went to their homes at Christmas. They came to mine at Chanukah.

During my first gubernatorial race, I faced anti-Semitic smear tactics. I decided to confront them. I said, "Anybody, regardless of race, creed or color, has the right to aspire to public office. It is not important whether I win or lose. The important thing is I'm not here to repudiate the American dream, and I know that the American dream can come true." I won the race.

REPRESENTATIVE YVONNE BRATHWAITE BURKE OF CALIFORNIA

(Mrs. Burke is the first black woman ever elected to the House from California.)

As a child, I don't suppose I suffered any more than any other black children in the Los Angeles area. But, I did become aware that I was expected to fit a certain mold. When I was 10, I was admitted to a special school where I was the only black. I was subject to a lot of personal abuse. Later I went to a high school that was only 10 percent black. To prevent my being classified again, I became very much involved in student activities. I was vice president of the student body and graduated with honors.

In a way, I feel that my background has given me an advantage. The drawbacks normally associated with being black and being a woman only challenge me to overcome them. This has made me a stronger person, and I feel that if other minority groups would take the same attitude, it would add to our country's strength.

SENATOR JAMES ABOUREZK (SOUTH DAKOTA)

(The only Arab ethnic in Congress, Senator Abourezk has championed another minority group—the American Indians.)

I know about bigotry. As a kid, I was called a Jew by classmates who knew I was somehow different but didn't know what that difference was. It only makes me feel closer to my Jewish colleague, Abe Ribicoff, who must have experienced something of this catcalling.

Even so, I still think our different ethnic backgrounds are a good thing for America. Non-conformity makes anything stronger. With a divergence of ideas, one is bound to come up with a better result.

Why my interest in Indians? Well, they've always been a special ethnic group to me. I was born on the Rosebud Reservation. My father had immigrated to the U.S. from Lebanon, and he was a pack peddler in that area, carrying a heavy load as he went from house to house with his wares. Success for him was saving enough money to buy a horse. Eventually, he saved enough to start a store. He was one of the few white men who didn't exploit the Indians. In fact, during the Great Depression, he never turned down a grocery order, even when he knew he would never be repaid. It brings tears to my eyes to remember how, when he died, the Indians lined the streets and mourned with us.

I don't want the good things of the Indian way of life to disappear, just as I don't want the good things of my own Lebanese background to fade from memory. To keep my own heritage alive, I speak a little Arabic and I have taken two of my three children to Lebanon with me. Both stayed on with relatives and came back with new pride in their ethnic heritage.

SENATOR EDMUND S. MUSKIE (MAINE)

(Senator Muskie was Democratic nominee for Vice President in 1968.)

With only three Polish families in my hometown of Rumford, Me., I was distinctly in a minority. I can still remember the sting of such ethnic references as "Polack." I also remember the burning of crosses of the Ku Klux Klan.

My father gave me important advice. He told me to be proud of my strong Polish background but to think of myself as an American first. He was a tailor named Stephen Marciszewski, who came to America when he was 20. The reason he came was that his father was determined that he grow up in a free society.

There is no conflict between America's "melting pot" tradition and the preservation of my ethnic identity. The "melting pot" distills the best traditions into something distinctly American.

In my family today, we still talk about the customs and traditions of my parents because I enjoy them and associate them with fond memories of childhood.

SENATOR JOSEPH M. MONTOYA (NEW MEXICO)

(As a college student of 21, Montoya ran for and was elected to the New Mexico House of Representatives. On Capitol Hill he became famous as a member of the Watergate Committee.)

Until the turn of the century, no one had ever heard of a melting pot in America. It has only been recently that the idea of melting us all down into identical carbon copies of some mythical and generally Anglicized American caught the imagination of the public.

My own family came to this continent in 1958. We have always treasured our heritage and kept our ability to speak Spanish as well as English. I was lucky to be born in New Mexico, where nearly half the population is bilingual, and where there is a deep and warm understanding of our multicultural traditions.

We do not feel that there is anything "ethnic" or foreign about names like Sierra Nevada or Los Angeles or Montana or New Orleans or Albuquerque or Sante Fe. We all understand and use words like ballet or rodeo. We all eat things like pizza or chili or liverwurst or crepes. So, you see, our American culture is really rich with the words and ways of many groups.

REPRESENTATIVE JAMES A. BURKE (MASSACHUSETTS)

(Congressman Burke is a member of the prestigious Ways and Means Committee and chairman of the Committee on Social Security.)

The other day, on the floor of the House of Representatives, a colleague called me an Irish-American Congressman. I rose and said, "I am not an Irish-American Congressman. I am an American Congressman of Irish descent."

I am tired of being a hyphenated American. The sooner we get through with hyphenated Americans, the better off America will be! I was in World War II, and I can tell you the blood of every ethnic group you could name was spilled on those beaches, but nobody was saying, "There is an Irish-American and there is an Italian-American." They were all Americans.

Of course I'm proud of my Irish ancestry. I grew up in a Boston neighborhood concerned with ethnicism. I was the kid who went around the neighborhood lighting gas stoves for Jewish neighbors who could not light their own on the Sabbath for religious reasons. It was not a part-time job. My mother sent me around. It was *her* good-neighbor policy.

I still keep one Irish habit my mother taught me. I say a few words to the good Lord every night, and I do so again in the morning. And then I read the newspapers, and if my name is not in the obituaries, I shower and shave and go to the office.

REPRESENTATIVE TED RISENHOOVER (OKLAHOMA)

(Barely 41, Risenhoover is one of the youngest members of Congress.)

During the dark hours of World War II, a Navy munitions ship exploded in San Francisco Bay, and my father, a Navy enlistee, was killed. It was a bitter loss for a nine-year-old boy. My widowed mother moved us to a small town in Oklahoma. There, I quickly discovered, the name "Risenhoover" was considered German. Was I an American, or was I part of Germany's fascism?

Playmates taunted me and called me a Nazi. I faced them squarely. The red, white and blue of my patriotism was matched by red noses, white rage and blue bruises—some of them mine. Eventually I made a great discovery—that bullies are more interested in trying one's patience than in testing one's patriotism.

We all matured together as we grew older. I gradually turned to debate and won them over. My battlers became my buddies, and I can say with affection and pride, they are my staunchest supporters today.

I really believe that the people in America are growing in tolerance. Today, ethnic names are seldom handicaps: in fact, they are usually assets. Excuses of race, sex, creed or national origin just don't wash any more. They are especially meaningless to a person named Risenhoover who suffered—but survived—World War II.

SENATOR DANIEL K. INOUYE (HAWAII)

(A holder of a dozen decorations, Senator Inouye lost his right arm in fierce combat during the closing days of World War II. He is Assistant Majority Whip.)

Many of today's young voters weren't alive when, as an infamous sequel to the infamous Pearl Harbor attack, the Federal Government rounded up tens of thousands of Japanese and placed them in barbed-wire concentration camps.

But what progress we've made! Today, three members of the House and one member of the Senate are of Japanese descent. Thousands of other Japanese-Americans have reached high professional levels. The lesson I draw from all of this is that there is a melting pot process at work in America—but the process is neither automatic nor painless.

I grew up in a predominantly Japanese neighborhood in Honolulu. Ours was really a fairly happy existence. But I do recall "English standard schools." These were public schools for those students who could meet a rigid standard of spoken English. In other words, they were schools for Caucasian children.

I suppose this Hawaiian version of cloaked segregation did stir some resentment in me, but I didn't really let it bother me. I was convinced that I could do as well and learn as much in the public schools.

I became a father at the relatively late age of 40, and I was concerned that I wouldn't have the opportunity to sit down and tell my son of his ancestry, of how his great-grandfather came to this country, of the sacrifices his grandfather made for his son. So I decided to put everything into a letter, which eventually grew into a book, "Journey to Washington."

REPRESENTATIVE E. "KIKA" DE LA GARZA (TEXAS)

(Representative de la Garza served in both World War II and the Korean conflict. He is fluent in Spanish, French, Italian and Portuguese.)

I'm proud that the Spaniards sent out the first expedition that discovered America. We started it all. And as for my Mexican ancestors who were already here, they gave us a cvilization which created pyramids greater than those of the Nile, a calendar, zoological gardens, libraries, and medicine so advanced that they even performed surgery!

I was very fortunate in not having experienced any intended slights or harassment worth mentioning in the area of Texas where I grew up. As a fourth-generation Democrat from down on the banks of the Rio Grande in Mission, Texas, I made it to the Congress of the United States by the grace of God and our system of government.

There is to my mind no conflict at all between the melting pot tradition and the concept of preserving one's ethnic identity. That's what America is all about. Each person can be his own self—old world, new world. If one wishes to wear a yarmulka, a Homburg, a cowboy hat or a sombrero, he can do it and no one will say him nay.

REPRESENTATIVE F. EDWARD HÉBERT (LOUISIANA)

(Congressman Hébert—pronounced "A-bear"—is intensely proud of his French origin and does not let his colleagues forget it.)

Although my family comes from the Cajun country in Louisiana, I never learned to speak French. To do penance, I am involved in a program to keep our French heritage and the language alive in Louisiana.

I feel very strongly that ethnic identities should be preserved in America. Having Cajun blood has never hurt my career. In fact, I feel it has been my strength. I remember once when my daughter Dawn tried to give me some political advice. I said to her, "Listen, honey chile, I didn't study journalism and I did all right in the newspaper business, and I didn't study political science and I have done all right in politics—so let me do things my own way."

Growing up in Louisiana, of course, I didn't face the problem of name calling or of being considered "different." Nearly all of us were of French heritage. But after coming to Washington, I have on occasion had to face some ribbing because I am a Cajun. It doesn't bother me until someone makes a serious accusation against my people. Then I let them know how I feel.

UNFAIR COMPETITION FOR SOYBEAN PRODUCERS

HON. JERRY LITTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. LITTON. Mr. Speaker, there are rightful grumblings among this Nation's soybean growers because of the unfair competition of imported palm, coconut, olive, and linseed oils. The problem is particularly acute with regard to palm oil. At a time when soybean producers of the United States are finding themselves with a surplus of their product, the U.S. Department of Agriculture is allowing the duty-free importation of palm oil. In fact, a point which I find most ironic is that many of these vegetable exporting nations' palm oil industries are being subsidized by the United States. That is carrying our benevolence a bit too far.

There are many reasons why the United States should adopt a policy that is favorable to its own soybean growers. Not all are strictly plusses on the side of the farmer alone; there are also consumer and health rationales for such a stance. I am enclosing a copy of a letter I recently sent to the Honorable Alexander M. Schmidt, Commissioner of the Food ond Drug Administration, which discusses a recent FDA regulation change which has a very favorable impact—if only this regulation would be implemented sooner. My comments are consistent with my sincere effort since coming to Congress to educate and unite the agricultural and consumer communities—for the good of all.

Hon. ALEXANDER M. SCHMIDT,
Commissioner, Food and Drug Administration, Washington, D.C.

DEAR MR. SCHMIDT: I was quite pleased to see that your agency has promulgated new regulations regarding the declaration of food ingredients on labels of food products. I am specifically referring to the requirement that all oil ingredients be required to identify by specific source name, rather than general class, the oil(s) contained therein.

I have long felt that the soybean industry of this country and the American consumer could mutually benefit from such a specification for fat and oil ingredients of foods. In fact, I have been working on legislation which would do specifically what your regulations have accomplished. I am pleased that the legislative process now appears unnecessary. The FDA seems to have recognized the problem that has existed with the present policy of general "vegetable oil" enumerations, rather than specifying individual oils. The consumer does not know that soybean oil is only 14% fat content, while imported coconut oil, palm oil, and palm kernel oil have fat amounts ranging from 52% to 90%. The consumer has not known what he has been getting.

The farmer has known very well, but his words of disapproval have fallen on deaf ears. Of course, his concern includes the alarm he registers from the massive foreign oils, such as palm, linseed, coconut oils, etc. which are being shipped to this country. When there is such an abundant source of soybean oil which can serve nearly all of the same functions as these imported oils, it seems a bit silly to allow them to glutton our markets. I have high hopes that the FDA's new regulations will be a prominent first step for our domestic producers to regain this market to the benefit of our consumers' health.

In addition to complimenting you on this fine action, my letter serves one further purpose: I feel quite strongly that this proposed regulation should be moved up to a much earlier date. The legislation I was writing specified an October 1, 1976, compliance date. But an implementation date of January 1, 1978—two full years from now—is a senseless delay. The excuse of backlogs of label inventories is the only one I have been given by FDA officials to date. A two year backlog of such labels is incomprehensible.

I believe strongly that even the hulky machinery of our federal government can move more swiftly than this. If an improvement is recognized, it seems that a two year delay in implementation is self-defeating. On behalf of the American agricultural community and all of our nation's consumers, I urge that this date be moved up.

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BICENTENNIAL SALUTE TO REV. DR. WILLIAM L. TURLEY

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. FAUNTROY. Mr. Speaker, as this great Republic celebrates its Bicentennial, and we reflect upon the virtues of the Founding Fathers of our Nation, I think it is most appropriate that we pay tribute also to those who today carry on in the best tradition of the faith and the works of the Fathers of our country. Here in our Nation's Capital, we are privileged to have one such man, whose life and works are the very embodiment of the faith, the sense of conscience and the response to duty that has endeared the Founding Fathers to us all. I speak of the Reverend Dr. William L. Turley, pastor of Mount Gilead Baptist Church.

History, Mr. Speaker, is nourished by instructive example. The instructive example of the life of the Reverend Dr. William L. Turley has indeed enriched the public service, exalted the public life and added luster to the work of the church in America.

Affectionately known by his devoted members as the "shepherd of Mount Gilead," Reverend Turley is respected and revered as a soldier who never grows tired of serving in God's army. He began his career in the ministry in 1923 when he assumed the leadership of a small house of worship on 6th and Trumbull Streets in our Nation's Capital. A skilled organizer and a man who perhaps more than any other man recognizes the economic potential of the Black church, Reverend Turley has for 53 years been a catalyst of economic growth and social development of Washington's inner city communities.

Under his leadership, the Mount Gilead congregation bought a new church building at 1625 13th Street, N.W., and in 14 short years, the members completed the task of paying off their mortgage. Four years later, the economic genius of Reverend Turley resulted in the founding of the federally chartered credit union. Today that credit union has loaned over $200,000 to inner city residents, many of whom were turned away from commercial credit institutions and facing financial disaster. The Mount Gilead Credit Union stands as a symbol of Reverend Turley's financial wisdom and his belief that in serving the least among us we bestow glory upon the House of God.

A graduate of Howard University and holder of the honorary doctor of divinity degree from Virginia Seminary and College, in Lynchburg, Va., Reverend Turley is one of the most prominent figures in churchdom in the tristate area. Since 1953, he has led the Mount Bethel Baptist Association of Washington, Maryland, and Virginia.

Washingtonians celebrating our Nation's Bicentennial see reflected in Rev. Dr. William L. Turley, the sterling qualities that endear the Founding Fathers to all Americans.

As the patriots recognized the financial genius of Alexander Hamilton, the Nation's first Secretary of Treasury, so do we in Washington recognize the financial foresight of Reverend Turley for establishing the Mount Gilead Credit Union that today offers to the citizens of Washington, D.C., low cost services for Loan Protection Insurance, Life Saving Insurance, Major Medical Policies, and other financial counseling services.

Like Benjamin Franklin, whose timely words of wisdom held the Continental Congress together in times of stress, Reverend Turley's humble yet provocative commentary won him the praise and admiration of his fellow clergy when he served as moderator of the Mount Bethel Baptist Association.

The political charisma of a George Washington is reflected in the dynamic personality of Reverend Turley that enabled him to hold his small congregation together during the early years of the founding of Mount Gilead. Today, Mount Gilead is one of Washington's leading churches.

As I reflect upon the work of Reverend Turley, I recall visiting the Mount Gilead Church which is located only a few blocks from my home. Reverend Turley would always speak of the vital contribution that the presence of Mount Gilead would make in improving our neighborhood. His eloquent support of the church's involvement in the social well-being of our community reminded me of the courage of Patrick Henry, who called upon the colonists of 1776 to join together in a crusade to build a free and better society for all Americans.

As the patriots of 1776 rallied around the bold rhetoric of Thomas Paine and looked to him as the inspirational leader of the revolution so did the elders of Mount Gilead look to Reverend Turley when, as a young minister, he preached his very first sermon. Selecting as his topic: "The Church, the World's Hope," Reverend Turley instilled the congregation with a new enthusiasm for the great crusade that God calls us all to join.

I consider it a privilege to submit this testimonial in recognition of Rev. Dr. William L. Turley, a great American who has earned by his deeds the respect and admiration of the citizens of our Nation's Capital, as a founding father of religious leadership.

ALPINE LAKES WILDERNESS AREA

HON. JOE SKUBITZ

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. SKUBITZ. Mr. Speaker, H.R. 7792, establishing an Alpine Lakes Wilderness area and for other purposes, has been reported by the Subcommittee on National Parks and Recreation to the full Interior Committee. As presently drafted the Department of Agriculture is strongly opposed to H.R. 7792.

For the benefit of my colleagues I am inserting in the RECORD a letter from the Department of Agriculture outlining its opposition to H.R. 7792. The text of the letter follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., January 28, 1976.

Hon. JAMES A. HALEY,
Chairman, Committee on Interior and Insular Affairs, House of Representatives.

DEAR MR. CHAIRMAN: We would like to offer our views on H.R. 7792 as reported to the Full Committee by the Subcommittee on National Parks and Recreation. This bill would establish in the State of Washington an Ice Peaks-Enchantment Area including an Alpine Lakes Wilderness and a management unit which in turn includes areas of intended wilderness.

This Department strongly recommends that H.R. 7792 as reported not be enacted.

We reported and testified on H.R. 7792 on June 17, 1975. H.R. 7792 as originally introduced embodied the Administration's proposal. However, as reported, substitute language has been inserted following the enacting clause. We testified on our concerns with this substitute language on November 7, 1975, and further by letter to the Subcommittee dated November 13, 1975. Although several changes were made during Subcommittee markup, a number of unacceptable provisions are contained in H.R. 7792 as reported. The Ice Peaks-Enchantment Area that would be established would consist of two entities—a wilderness area of approximately 302,000 acres, and a management unit of approximately 618,000 acres that would surround the wilderness and be similar in concept to a national recreation area.

Certain areas within the management unit are identified as "intended wilderness lands;" however, except for acquisition of private land the intended wilderness is not treated differently. Within the management unit, restrictions would be placed on our existing land acquisition authorities, planning flexibility, and management priorities. An accelerated timber management effort and a transportation system with new modes of access would be required. An advisory board would be established to assist in preparing and implementing a multiple use plan which would be subject to a 90-day "disapproval" period by either House of Congress; however, changes would not require referral to Congress. Within the intended wilderness, the Secretary would be directed to acquire all non-Federal lands within 5 years and provide compensation for loss of timber value that might occur prior to acquisition. The land acquisition in the management unit must not substantially impair the programmed timber harvest on the two National Forests involved.

H.R. 7792 as reported would legislate a management unit which is essentially the planning unit we have designated in our land use planning process. We are clearly on record as to how the area will be managed to meet the public interest following extensive public involvement and application of the National Environmental Policy Act process. We believe that the priorities established through this process are reasonable and desirable, and that they are preferable to the priorities which would be established by H.R. 7792 as reported. Moreover, sections 2, 6 and 7 provide conflicting direction, and it is not clear which has priority. This is discussed further in the attached supplemental statement.

A number of changes in our authorities for land acquisition are contained in section 3. These changes would so constrain management flexibility that it is doubtful the purposes of the Act could be met. The supplemental statement discusses this in detail.

We believe it would be a serious error to establish in law the multiple use plan as required by section 5. If such were done, it would become extremely difficult, if not impossible, to be adequately responsive to the public interest, and to carry out provisions of other laws applicable to National Forest System lands. The provision for disapproval of the plan by either House of Congress would place an unnecessary burden on both the Congress and ourselves without adding to the oversight authorities already available to the Congress. In addition the Department of Justice has consistently held that such provisions infringe on the constitutional responsibility of the Executive Branch.

H.R. 7792, as reported, would authorize the appropriation of $20,000,000 for land acquisition and $5,000,000 for plans and studies. This would fall far short of the total needed for acquisition which we estimate to be $56,300,000. It is also apparent that section 6(a) would involve substantial development, program, and administrative costs.

The President recently urged Congress to work more closely with the Executive Branch on proposed National Forest additions to the National Wilderness Preservation System. A great amount of careful study goes into Administration proposals to define manageable boundaries and to reflect reasonable tradeoffs among various possible resource uses. H.R. 7792 as reported would be very costly both in direct Federal acquisition and administrative expenditures and in opportunities foregone relative to the additional values obtained.

The Office of Management and Budget advises that there is no objection to the presentation of this report and that enactment of H.R. 7792 as reported would not be in accord with the Administration's objectives.

Sincerely,

JOHN A. KNEBEL,
Acting Secretary.

Enclosures.

USDA SUPPLEMENTAL STATEMENT ON H.R. 7792 AS REPORTED PERTAINING TO THE ALPINE LAKES AREA

LAND ACQUISITION—(INTENDED WILDERNESS)

Several limitations would be imposed on acquisition of non-Federal lands.

The intention in section 2(d) that the "intended wilderness lands" become wilderness is clear. Section 2(d) also indicates that these lands will remain a part of the "management unit" until the acquisition program is completed. However, section 2(b) directs that the management of National Forest land in the management unit include utilization and disposal of natural resources such as timber, forage, and minerals, "insofar as their use and disposal will not substantially impair the purposes for which the management unit is established." Since these purposes are different than for wilderness, compliance with section 2(b) could force us to engage in activities which would render the National Forest lands unsuitable for wilderness. Ironically, similar activities on the private lands would lead to condemnation.

Within the intended wilderness, completion of acquisition would be required, by section 3(d)(1) "no later than five years after enactment." Also, "as such parcels are acquired, the land shall become part of the Alpine Lakes Wilderness." Since the intention that these lands become part of the wilderness is quite clear, we would feel obliged to exercise condemnation if a private landowner attempted to develop or utilize his land in any manner inconsistent with wilderness. This could also place a limitation on activities of private landowners prior to acquisition. Extensive use of condemnation could lead to serious escalation in acquisition costs. Also land values continue to increase so that private owners would generally expect higher prices in 5 years. Consequently, substantial condemnation would be likely, accompanied by significantly increased costs over our estimate of present values of the involved lands. Also, the requirement that certain tracts of "intended wilderness lands" become wilderness as they are acquired could result in isolated tracts of wilderness adjacent to private land in such fashion that management for wilderness would be unrealistic. There is no indication as to when the Federal lands in the intended wilderness become wilderness during the 5-year period.

Sec. 3 (d)(2) directs Federal payment of compensation for "the loss, if any, of commercial timber value" that might occur between January 1, 1976, and date of acquisition, on lands to be acquired by the Federal Government. The value of the commercial timber on both dates would "be determined at the market price of such timber prevailing at that time." Unless an expensive survey of timber quality and quantity was conducted immediately following passage of the Act, it would be extremely difficult to reconstruct values as of January 1, 1976, for acquisition cases in the future.

LAND ACQUISITION (MANAGEMENT UNIT)

The Act would provide that within the management unit, but outside the intended wilderness lands, land exchanges must not substantially impair the programmed timber harvest of the two National Forests involved. In effect, this would negate our ability to accomplish land exchanges and force the vast majority of the acquisition within the management unit to be accomplished by purchase. Acquisition would be further limited to only 10 percent of the non-Federal lands, and condemnation limited to land where the uses are incompatible with the purposes of the Act, or not in accordance with local zoning, or would create a severe impairment of the resources. Since the majority of the management unit is checkerboard ownership where 50 percent of the land is privately owned, we would expect that more than 10 percent of that acreage might need to be acquired in order to properly administer the intermingled Federal lands to carry out the purposes of the Act. Difficulties in defining "severe impairment of the resources" can also be anticipated in condemnation cases under that authority.

WILDERNESS MANAGEMENT

Sec. 2(c) would provide for exceptions to wilderness management as it is directed in the Wilderness Act (78 Stat. 890). We feel it would be undesirable to amplify the management direction for the proposed Alpine Lakes Wilderness to make it different from other units of the National Wilderness Preservation System.

The Secretary would be authorized to permit mechanized equipment in the proposed wilderness to facilitate operation and maintenance of local water supply projects which existed prior to enactment. We feel this would be an undesirable precedent. It goes beyond our present authority, which provides for such use when consistent with the wilderness resource, and could lead to other uses or activities within wilderness which did not conform to the principles of the Wilderness Act.

The Wilderness Act presently provides authority to prohibit activities in conflict with the wilderness resource. Although we would not normally expect to exercise this authority in regard to fish stocking, we feel it would be undesirable to limit our authority as is done in the second proviso of sec. 2(c).

MULTIPLE USE PLAN GUIDELINES

Section 6 would legislate the specifics which would be included in our planning. This would so limit the flexibility of planners as to essentially negate the entire planning process, and would presume to establish, prior to the beginning of planning, the specifics of such planning. Further, in one program area, timber management, the direction provided extends beyond the designated area established by the bill and includes the remainder of the two National Forests involved.

It directs an accelerated effort "to obtain regeneration after harvesting and to reforest non-stocked or poorly stocked areas of the Mount Baker-Snoqualmie and Wenatchee National Forests including lands in the management unit." We feel it is undesirable to provide piece-meal program direction outside the congressionally designated area in view of the interrelationship between our various programs. This would severely limit our ability to coordinate and thereby optimize our management effort for the two National Forests involved and between them and the other forests in Washington and Oregon. This specific direction for one program on two National Forests would conflict with existing legislation applicable to the National Forest System in general, and would be far more complex to administer than a specially designated area where all programs are modified to meet the specific purposes of the area. The cost of such an effort could not be determined without an in-depth study and analysis; however, it would necessarily be a significant increase over existing program costs.

ADMINISTRATIVE GUIDELINES

The stated intention of the guidelines in section 7 is to permit normal timber sales. However, the requirement for Secretarial rules and regulations and the specifics of their content would generally place timber sales outside of normal practices.

Some of the guidelines in sections 6 and 7 would conflict with the management direction in section 2 which presumably provides the purpose of the Area. Priorities would need to be established before we could respond to the specific, conflicting direction. For example, section 7 would direct the Secretary to permit and encourage the economic use of renewable resources while section 2 seems to indicate that public outdoor recreation benefits are first priority. The requirement in section 6(a)(5) for designation of areas for rockhounding within the wilderness would conflict with section 2 which directs that the wilderness be managed in accordance with the bill and the Wilderness Act whichever is more restrictive. Since the Wilderness Act is the more restrictive, that part of section 6(a) (5) would be negated. We feel it is far more desirable to treat the specifics in our planning process rather than in law.

PROGRAM COSTS

Administration of the wilderness and management unit would be quite expensive due to the various management restrictions, time limits, development requirements, and program emphasis. We have no estimate of this cost since considerable additional planning would be necessary to develop a program.

WALL STREET JOURNAL PRAISES ELKHART (IND.) TRUTH

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. BRADEMAS. Mr. Speaker, I want to call the attention of Members of the House to a story in yesterday's Wall Street Journal entitled "Small Indiana Paper Flourishes as Others Its Size Founder or Die."

The Elkhart Truth, one of five daily newspapers in my congressional district, is an outstanding example of American journalism, and I am pleased that the Wall Street Journal has recognized it in this way.

The article follows:

HOMETOWN NEWS: SMALL INDIANA PAPER FLOURISHES AS OTHERS ITS SIZE FOUNDER OR DIE—THE ELKHART TRUTH STRETCHES ITS STAFF TO LIMIT, STEPS ON PROMINENT TOES—GULPING DOWN ALKA-SELTZER

(By Stephen Grover)

ELKHART, IND.—A few years back, Walter Beardsley, retired chairman of the Miles Laboratories Inc., a former Republican National Committeeman from Indiana and scion of one of this town's oldest families, was stopped by police and given a speeding ticket.

The incident was duly covered by the hometown newspaper, The Elkhart Truth. Though as 46% owner of the paper Mr. Beardsley might have hoped for gentler treatment, the item actually ran on two successive days owing to an editorial oversight. Mr. Beardsley stood behind the paper's coverage of the incident, but admits that he was a little miffed when the story ran a second time. "That was overdoing it," he says.

More recently, the 70-year-old Mr. Beardsley was among a group of corporate executives asked by the Senate Watergate Committee if their firms had made illegal contributions to former President Nixon's 1972 reelection campaign. Again, the Truth gave the story prominent play. (As it turned out, Miles—the maker of Alka-Seltzer and Elkhart's largest single employer—hadn't made any gifts to the campaign, and Mr. Beardsley's personal contribution of more than $10,000 involved no wrongdoing.)

Mr. Beardsley was philosophical about his second brush with embarrassing publicity. "The news comes first," he says, "irrespective of whose toes get stepped on."

SURVIVING THE TIMES

A willingness to step on toes—even those in high places—is what makes the Truth, an afternoon daily with a circulation of 30,000 a lively and engaging newspaper, one of the best of its size in the nation. In an era when many such papers have lost readers to television or have gone downhill as they were merged into newspaper chains of indifferent quality, the Truth has flourished, proving that there is still a market in the small towns of America for news that is presented factually and fairly.

Given its limited resources—the paper's editorial staff of 39 includes only 13 reporters—the Truth can't compete with big-city dailies in covering national and international news. For these stories, it relies almost exclusively on reports from the nation's two wire services, The Associated Press and United Press International. What it does instead, according to I. W. Cole, dean of the Medill School of Journalism at Northwestern University (and a friend of John F. Dille Jr., editor and 54%-owner of the Truth), "is to cover the community it serves in as painstaking a manner as it can."

Because it considers itself a paper of record for the citizens of Elkhart County, Truth reporters attend a myriad of government, school-board and civic-club meetings. "They are also told," says John J. Gillaspy, the managing editor, "that they aren't to base their stories on handouts or to accept the mayor or other city officials as the sole source of news. We want to know if something is true, and how it will affect the community. That means asking questions."

COVERING THE RECESSION

The paper also gives close scrutiny to local business news. Elkhart, a community of nearly 50,000 located 100 miles east of Chicago, is more than just the headquarters of Miles Laboratories. It's the nation's center for the manufacture of mobile homes, and, as such, was badly battered by the recent recession. Its unemployment rate of over 12% was well above the nation's average, and Truth reporters probed what this meant, both in economic and human-interest terms. (Among those hurt by the recession was the Truth itself. Circulation dropped to 29,000 from 31,000, and it has only recently inched back to the 30,000 mark.)

Truth reporters have their hands full, what with local news, sports events and helping to fill a weekly magazine, a four-page Saturday section for teenagers and special annual sections on topics like business and finance, basketball and the county fair. "We would like our reporters to have more time to background or strengthen a story," says Stan Lewallen, the city editor, "but we're not always in a position to do this realistically."

Nor is there much spare time for pursuing enterprising investigative stories. But occasionally, the paper produces a first-rate community expose. Last August, Truth reporter Dave Overton disclosed that federally funded manpower crews had been used on ditchdigging projects for which the county was paying a private contractor. After the story appeared, Elkhart County's surveyor, who allegedly had close ties to the contracting firm, was indicted for theft of labor and services and conflict of interest.

MANNING THE GOSHEN BUREAU

Reporting the story took longer than it might have, however, because Mr. Overton had to track it down in his spare time. "In the meantime," Mr. Overton says, "word got back to people about what I was up to. And that made the digging even more difficult." The 34-year-old reporter mans the paper's only bureau, in the county seat of Goshen.

Though it describes itself as politically "independent," the Truth editorial page generally mirrors the conservative sentiments of its readers. It has, however, supported liberal Democrats, including Indiana Congressman John Brademas, who is chief deputy to the majority whip in the House of Representatives, and Daniel E. Hayes, the incumbent in last November's mayoralty election. (Despite the Truth's endorsement, Mr. Hayes lost his bid for reelection. "One reason he got beaten," says Mr. Beardsley, who disagreed with the paper's stand, "is that he hadn't been able to clean up the stink of the sewage system.")

James P. McNeile, the paper's publisher, says: "It has to be painful to Mr. Beardsley that we sometimes support Democrats. But he's never tried to interfere with our decisions." Mr. Beardsley says: "I'll argue with them, but that's all."

Nor does the Truth flinch from publishing stories unfavorable to Miles or to other local employers. Two years ago, when the U.S. Food and Drug Administration raised safety questions about Alka-Seltzer, the story, including Miles' response, rated several columns on page one. "We usually try extra hard to make sure that something about Miles that might affect the business community gets into the paper," says reporter Steve Bibler.

Mr. Bibler also recently wrote a story about how nearby residents objected to the stench emanating from what he called "the Miles dump,"a 53-acre site northwest of Elkhart where the company dumps calcium sulphate, a by-product of the manufacture of citric acid. Though it pointed out that the substance is harmless and inert, the story said it "smells atrocious."

In 1972, when a local mobile-home manufacturer barred a group of activists then working for Ralph Nader from an inspection tour of its plant, the Truth played the story on page one, noting that another company in the area had given the group free access to its plant.

Mr. Gillaspy admits that the Truth sometimes gets pressure from advertisers asking for favorable treatment in the news columns, but he says, "We don't consider it very seriously." Reporters, he says, routinely tell callers that there's no relation between the news department and the advertising department. "(Advertisers) aren't always happy with that reply, but that's the way it is," Mr. Gillaspy says, adding that he can't recall a single incident in which a company withdrew advertising in a dispute over news coverage.

Almost everyone in Elkhart who reads a newspaper subscribes to the Truth, Mr. Gillaspy says. Some people get the morning Chicago papers, but the paper in nearby South Bend, he says, provides "next to no competition."

"DEAR EDITOR . . ."

Town leaders give the Truth high marks. Michael A. Cosentino, prosecuting attorney for Elkhart County, says, "The Truth is not only objective, it's very accurate—and that's as important as being objective. Trials are regularly covered by the reporters, and I've never known one to make a mistake."

One indication that the Truth carries weight in the community is the number of letters to the editor it receives. Of the 1,200 letters that reach its offices each year, it prints about 1,000 on the editorial page. According to John F. Dille III, Mr. Dille's son and the paper's general manager, the Truth's letters-to-the-editor column "carries more letters than any paper I see of this size." Like the editorials, letters tend to concern local and state issues. "The abstract doesn't have that much appeal," says Robert W. Schnuck, editorial-page editor and a 25-year veteran of the paper.

The Truth is also widely respected by its own staff, which isn't true of papers everywhere. "I'm really proud of that paper," says reporter Sue Fisher, who began work here six years ago at age 17 in the accounting office of the Goshen bureau. "We're becoming a better product all the time."

A FREE HAND

One thing that attracts and keeps a good staff is the paper's willingness to give reporters a relatively free hand in what they do. Mr. Bibler, who investigated the connection between Mr. Beardsley and the Nixon reelection campaign, says: "I didn't get any kind of hassle from upstairs (meaning the executive offices). It was understood I had a story to do."

Though it doesn't disclose financial results, Mr. Dille, the general manager, says that the Truth gets a "reasonable return, although it's by no means heavy on profits." He adds: "We choose not to squeeze every cent out of the paper, but to reinvest in the product."

The minimum salary for a reporter with four years' experience is only a little over $10,000, but that's still more than most papers of this size pay. "I'd be on beer and beans, I guess, if I were living in Chicago" says Mark Hadley, a 22-year-old reporter who joined the paper early last year. "But here the pay is adequate."

There is considerably more grumbling, however, about the long hours reporters are expected to work. Most have a 7 a.m.-to-3 p.m. shift and are on call to work nights and weekends without prior notice. It's no coincidence, perhaps, that all but two reporters are under 30 and only one is married.

NO MERE WAY STATION

Nevertheless, with fewer jobs than ever available on major metropolitan newspapers, the Truth and papers like it no longer find themselves mere way stations for young reporters willing to suffer the long hours and low pay in exchange for experience. "Three years ago," Mr. Gillaspy says, "I was lucky if I had a half-dozen enquiries a year from journalism-school graduates. Now I've got so many I can't count them all."

The Truth has been a vital part of Elkhart since its first issue appeared on Oct. 15, 1889. The paper was founded by one C. G. Conn, owner of a band-instrument company that still bears his name. (It's now a subsidiary of Macmillan Co.) Mr. Conn set the tone of things in the first issue, when he declared that "Truth must manifest itself in every word published, and no falsehoods shall be printed if the writer can avoid it." (In choosing the paper's name, Mr. Conn could not have known that the only major newspaper in the world to bear that name would be the Soviet Communist Party newspaper, Pravda.)

In the early days, the ties with Miles were closer than today. Alka-Seltzer actually got its start in the Truth newsroom. Mr. Beardsley recalls that reporters were once encouraged to consume a mixture of aspirin tablets and bicarbonate of soda to ward off colds in winter. "My father noticed during the flu epidemic in 1918 and again in 1927–1928 that almost no one at the Truth got sick."

So, the elder Mr. Beardsley had a Miles chemist work up a tablet containing a mixture of the two ingredients. The result, of course, was Alka-Seltzer. "Word got around that it was effective in treating acid indigestion and upset stomach," Mr. Beardsley says. Word also got around, he admits, that it was good for hangovers, a condition not unknown to newspapermen. "Barflies have big mouths," he says.

REVISE AND AMEND EXECUTIVE PAY IN THE POSTAL SERVICE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. DERWINSKI. Mr. Speaker, I am today introducing legislation, with five cosponsors, to revise and amend the pay structure of executive positions in the U.S. Postal Service.

The bill I propose would reestablish the salary linkage between Postal executives and executives in the rest of the Federal Government and would place limits on the number of postal executives in each of the top pay levels.

Under existing postal law, the only salary limit in the Postal Service is that no employee may be paid more than the pay for executive level I—the head of a Department—which is $63,000. Under its authority, the Postal Service has established an executive pay system with salaries in the upper $40,000 and $50,000 range. There are no comparable salaries in any other department of the executive branch.

Presently, there are about 125 executive positions in the Postal Service which pay more than $38,000, and of these, 58 positions pay $40,000 or more. These salaries are not in balance with other Government agencies.

By way of comparison, the executive pay schedule under title 5, United States Code, authorizes a total of 22 positions in the entire executive branch to be paid the salary of executive level II, which currently is $44,600. The Postal Service, under its salary system, has 15 positions paying $44,000 or more.

My bill would authorize a total of 25 positions for the Postal Service at the equivalent of executive levels I through V, and would result in approximately $210,000 savings in payroll, most of it in the headquarters office. A more important result, I believe, would be a trimming of bureaucratic layers of fat and a more efficient executive operation.

Admittedly, the overall savings would be small when measured against a $14 billion operating budget, but I do think this is an important first step. It will signal a congressional willingness to demand economic and efficient Postal Service operations from top to bottom.

Even with the new 30 percent increase in first-class postage rates and increases for other classes which average out to 26 percent, the Postal Service expects to end the current fiscal year with a deficit of approximately $1.4 billion. I think it is worth noting that the hefty deficit is anticipated despite the fact the Postal Service already has received in excess of $1.5 billion in appropriated funds for the current fiscal year.

If the cycle of endless postal rate increases is to be broken, we must insist on a more efficient operation. Since postal reorganization, first-class mail rates have increased 63 percent. In the same period, the CPI service index has increased 35 percent.

In the weeks ahead, there will be considerable debate and honest differences of opinion as to the proper level of Federal spending for the next fiscal year. In that atmosphere, all expenditures will be scrutinized, but in many instances we will be able to little more than "view with alarm" since there are vast expenditures in the budget which are automatic. Of course, I am referring to expenditure items mandated by law—items over which we have no control.

When we debated amendments to the Postal Reorganization Act (H.R. 8603) last fall, it was obvious that a majority of the Members wanted more, not less, fiscal responsibility from the U.S. Postal Service. My bill continues that process.

Passage of this bill will mean Congress will be serving notice on the Postal Service that there is no justification for rewarding its palace guard with premium pay. In short, we will be telling Postal Service management that it will have to make do with the same salary schedule applicable to other Federal employees in the managerial class. That is the way things were in prepostal reorganization days. It is the way things should be in 1976.

While my bill centers on the concept of comparable pay for comparable work, it also will result in comparable Federal pensions for postal managers. It does not require an arithmetic formula to gage the severe impact of premium postal salaries on the civil service retirement trust fund.

Right now, there are those in postal management who can compute their annuities on a "high three" salary in the $50,000 to $55,000 range. In other agencies, employees with similar responsibilities settle for an annuity which now is computed on a high-three average of $37,800.

Before postal reorganization, an employee in the Postal Service had his annuity computed on a salary schedule comparable to other agencies. Now, the Postal Service has its own salary schedule with a built-in invitation for fiscal irresponsibility. Let us take the case of a military officer who retires after 20 years of service and then obtains a top managerial job in the Postal Service. After 5 years on the job, he would be guaranteed an annuity based on a high-three salary average in the $50,000 range and 25 years of service.

Considering the number of high-paid executives in the Postal Service, it is easy to see they will represent a sharp drain on a retirement fund that now is confronted with a $90 billion unfunded liability. It is worth noting that staggering total is based on static assumptions which leave no leeway for future inflation. If inflation continues at its present pace, the unfunded liability of the trust fund can be expected to quadruple in the foreseeable future. This is one place where we can exercise some fiscal restraint and deal with an item which does add significant costs to financing the retirement program.

My bill would authorize the Postmaster General to be paid at executive level I. This is presently the salary of the Postmaster General and is the traditional salary for that position.

The remaining executive level positions authorized by my bill are as follows:

Executive level II, $44,600: the Deputy Postmaster General.

Executive level III, $42,000: six Assistant Postmasters General.

Executive level IV, $39,900: the general counsel, the Chief Postal Inspector, and five regional postmasters.

Executive level V, $37,800: 10 positions to be authorized by the Board of Governors of the Postal Service.

In addition, my bill would limit the salary of all other positions in the Postal Service to the rate of pay that applies to GS–18, which is the top pay for employees under the general schedule in the executive branch. This salary currently is $37,800, the same as executive level V.

So that there will be no hardship to any current employee of the Postal Service, my bill allows any person being paid at a rate in excess of these limitations to continue at that salary so long as he continues to perform the duties of his position. Therefore, by attrition, the new salary limitations would take effect.

PUNISHING TERRORISM

HON. LEO C. ZEFERETTI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. ZEFERETTI. Mr. Speaker, in recent years the world has witnessed a series of almost unspeakable crimes, all committed in the name of one or another allegedly noble cause. Families have been wiped out, children murdered, and facilities destroyed because some terrorist organization or other thought it could make a point with the world by butchering innocent people. Now, such acts of terrorism have come home to us in this country in the most direct and devastating manner.

The bombing of the air terminal at LaGuardia Airport just after Christmas was an incredible act of terror, unacceptable on its face and criminal in conception. A number of totally innocent bystanders and passengers were killed and many others mutilated or maimed for life. A new element of horror was added to our national life. Any society has a right to defend itself against such acts, and ours should be no exception. We should not react with mere emotion. But we most assuredly should act swiftly to insure that the people of the United States are not subjected to repetitions of this ghastly event.

That act of destruction was, among other things, a violation of Federal law. Yet the maximum penalty is a $20,000 fine or 20-year sentence; hardly an adequate punishment or deterrent to potential perpetrators of similar crimes. Legislation has been introduced in the House in the form of H.R. 11386 which would make the death penalty mandatory in the event of any bombings or other sabotage resulting in death. I feel that passage of this bill is necessary and I am joining in cosponsorship of the measure.

With many crimes, a fair argument can be made that rehabilitation is the correct answer for society to make. With terrorism, however, I must reject such an argument, and with regret do so. The death penalty is the ultimate harsh response of any society. It must be inflicted only in the most serious situations. My feeling is that anyone who, with malice and knowledge beforehand, would plant a powerful bomb in a public place, knowing of the destruction that will inevitably follow, declares himself outcast from any society.

This bill extends the death penalty for terror bombings to any area subject to the jurisdiction of the Congress. Certainly there may be voices raised opposing any further reimposition of the death penalty. With regret I must state that I disagree with such well-meaning but erroneous objections. Society has a right to defend itself against this kind of action, which, because it has largely gone unpunished in recent years, has grown in appeal to terrorist groups. Once and for all, we must make it plain to such groups that we shall not tolerate further acts of violence committed at random and affecting innocent citizens.

LET'S DEFEDERALIZE IT ALL

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. HUNGATE. Mr. Speaker, Jack McCarthy, reporter for the St. Louis Post-Dispatch, has a suggestion for following the logical implications of defederalization.

The article follows:

LET'S DEFEDERALIZE IT ALL

(By Jake McCarthy)

Now that President Ford and challenger Ronald Reagan are tripping over each other on promises to end federal spending in the social welfare field, it is time for America to consider my plan to turn defense spending over to the states, too. This would have many advantages.

For one, if we split the 101.1 billion-dollar defense pie proposed for this budget year into 50 equal pieces, each state would get 2 billion for defense alone this year, and could then decide for itself if it wanted to be defended.

Among Mr. Ford's budget proposals is an outlay of a billion and a half dollars to buy 108 F-15 Eagles from McDonnell Douglas Corp. here, a tidy sum considering that the plane has been designed and created through federal subsidy in the first place. This year $51,000,000 more is proposed for "research and development."

The price amounts to $13,790,740.74 per airplane, plus tax, I assume. Under my plan, Illinois could decide, for example, to buy two or three F-15s to use in case the East Side airport controversy escalates any further, and have plenty left for bombs or landing craft. All these things would still be available for lease to the Federal Government in case an emergency actually developed. Some states on the coasts may prefer submarines or tugs.

Under my proposal, if a state decided, say, not to buy any poison gas and spend a little extra on cleaning up its slums, that would be its right. Any constitutional problems could be solved by an amendment. The main thing is that the federal bureaucracy would be further reduced.

Under this plan, if McDonnell Douglas or Northrup or Lockheed, or tank manufacturers or the people who make napalm bombs sell their wares to Yugoslavia or Spain or Saudi Arabia or Israel, and make big profits from products that were developed with taxpayers' funds, they would have to give some of the profit back to the states whose people footed the bill for it. After all, if the Federal Government's current income, 39 cents on every dollar comes from individual income taxes, and only 13 cents from corporation income taxes, my plan thus provides for equalization.

Further, instead of Henry Kissinger dropping by Spain and suggesting more than one billion dollars in "military and economic aid," as he did last week, Governors Bond and Walker would have a few billion with which to negotiate some helpful foreign alliances. If Missouri and Illinois actually got to some real fighting, for instance, it would be nice to know that one could count on Spain and the other on Portugal, just as it is over there. Or Gov. Bond could negotiate a lease arrangement for Lambert Field with the Albanians or somebody, while Gov. Walker could get Iran to send enough aid to build Columbia-Waterloo without the interference of Big Government.

Of course, what former President Dwight D. Eisenhower called the "military-industrial complex" would not take lightly to defederalizing defense, even if each state could promise to produce something—missiles, defoliants—to the common defense. So my plan will probably have tough sledding in Congress, and no presidential candidate to my knowledge has yet adopted it.

But if Reagan can propose shifting responsibility for 90 billions in federal social service programs to the states without worrying too much about it, and Mr. Ford can counter with 10 billions in health programs in the belief it will come off, there's no reason to think the states wouldn't behave with equal responsibility in providing arms. Even to save Angola for the oil industry or to keep dictators happy in the copper and banana countries.

The argument in the Pentagon, of course, would be that defense is the most important thing in America, and you couldn't count on the states when it came right down to it. That's one of the reasons the feds got into the social welfare and human rights fields in the first place, so they might be right.

All I know is that, if people keep losing jobs and getting hungrier and sicker and taking more drugs and robbing more groceries, and our schools can't afford enough teachers and the cities keep crumbling, pretty soon there won't be all that much to defend.

Unless it's the corporations and their holdings and sales overseas. That protection is still federalized, and costs us more than anything.

"DID YOU SHOOT MY HEART OUT?"

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. CONYERS. Mr. Speaker, debates on gun control tend to camouflage through the use of reams of statistics the human tragedy of gun deaths. These bloodless, impersonal figures are, of course, useful in evaluating aggregate social behavior, but they obscure the human meaning behind events. If we are to deal effectively with gun-related death and destruction, particularly the frequency of accidental gun deaths in our society, it is necessary for us to move beyond statistics to the tragedies themselves.

While the Congress was in recess, another pointless shooting took place in

College Park, Md. A 13-year-old boy accidentally shot his best friend, 12 years of age, while he was showing his friend his father's gun which he believed was broken. Mary Ann Kuhn in the January 13 issue of the Washington Star tells in a few words what we try to interpret with a mountain of statistics.

Such accidental killings as well as gun deaths that result from quarrels within families or between friends could have been avoided if it were not for the easy availability of guns. The frequency of such happenings is increasing daily as more and more people are turning to handguns as a means of buying protection. The sad fact is, however, what such people are purchasing is not protection, but the greater likelihood of harm and death done to those closest to them. The family handgun, whatever the reason for its existence, is six times more likely to be used against a member of the family than against an intruder. And behind such statistics is a story such as the one involving Kevin Wilhite. These stories are particularly devastating because they are avoidable. And such stories are reason enough for the Congress to deliberate on proposals to ban possession of handguns.

[From the Washington Star, Jan. 13, 1976]

Two Curious Boys—A "Broken" Gun—A Tragedy

(By Mary Ann Kuhn)

He is only 13 years old and when he talks about the tragedy in his parents' bedroom last Friday—when a gun he was showing his best friend accidentally went off and killed him—he seems painfully aware that he will have to live with it the rest of his life.

"Mom tells me to realize it was an accident," said the teen-ager, his eyes getting watery. "She says when you are feeling bad, tell the Lord. She says the Lord knows and you know it was an accident."

He looked frightened. His face seemed puffy from crying. Friends of the family said he had gone into shock Friday night and blankets had been wrapped around him to keep him warm.

His best friend, 12-year-old Kevin Wilhite, is dead. Kevin, who was affectionately nicknamed "Little Bit," is constantly on the teen-ager's mind. So are Kevin's dying words: "Did you shoot my heart out?"

He won't ever forget. When he's stretched out on the living room floor trying to watch television, he blurts to his mother:

"Here I am watching TV and Kevin will never watch TV again."

The two boys had been friends for 10 years. They were a year apart in Beltsville Junior High School. They grew up only a few doors apart in a middle-class College Park neighborhood.

The youngster, dressed in blue and yellow plaid slacks, a dark blue shirt and a blue denim jacket, walked into his parents' upstairs bedroom last night. He told what had happened Friday morning, after he and Kevin missed the school bus at the corner and went back to the house, where they were alone.

The teen-ager said he called his mother on Friday at her office to find out whether he should begin the half-hour walk to school in the biting cold with his bandaged knee hurting or stay at home. His mother told him to say in the house and lock the door. He didn't tell her Kevin was with him.

The two boys went upstairs.

"Kevin was standing here," the youngster said. He pointed to the left of the brown dresser in his parents' bedroom. "And I was here," he said, pointing to the right.

"There was this knife in the bowl here on top of the dresser." He lifted out a hunting knife from a large white bowl overflowing with knickknacks. "We were just looking at it.

"I knew Dad had another knife in his drawer so I opened the drawer. I was going to show Kevin the knife."

But an old .22 caliber pistol was in the same top drawer and when the youth saw it, he picked it up and showed it to Kevin. The youth didn't know it was loaded. He thought it was broken.

"It went off," he said. "Kevin stood there. We were just standing there. I don't think Kevin even knew he was shot. There was no blood.

"I asked him, 'Did I hit you?'

"Kevin said 'U-u-u-u-uh . . .' and he fell on the floor.

"Kevin asked, 'Did you shoot my heart out?'

"I said, 'No, it was the other side.' He pointed to the right side of his chest.

"I dragged him to the top of the stairs and I saw . . . I saw a bullet hole in his chest. I called the ambulance. I was trying not to black out. I sometimes do that. The ambulance was trying to tell me there was no such block in College Park and I kept saying I know there is. I live here.

"Then I called my mom. When I was waiting to talk to my mom—waiting for the extension, I started throwing up on the floor."

As the youth stood by the dresser talking, his words coming out quickly and with detail as though the picture of that morning was firmly embedded in his mind, his mother sat on the brown bedspread listening. She interrupted at this point to say that when she got on the line, her son was saying over and over:

"Mom, come home. I've shot Kevin. Mom, come home, I've shot Kevin."

The youth went on.

"By the time I called the ambulance and my mom, Kevin had crawled down the steps.

"He said, 'Call the ambulance.' I told him I did.

"I felt the blood rushing to his head and I pulled him over to the couch in the living room and sat him up against it. He was breathing hard. Then I didn't hear him breathing any more.

"His mouth was stuck shut. I put my finger in it to open it.

"When the ambulance and police arrived, they knocked on the door and had guns out. Then they put them back in the holster."

Kevin Wilhite was taken by ambulance to a waiting helicopter and taken to Johns Hopkins Hospital in Baltimore. He died before he got there, according to his family.

The mother of the youth who showed Kevin the gun feels that what happened "should be a lesson to everybody—never have a loaded gun around."

She said the gun had been loaded since November, when her husband took it with him to get it repaired when he went deer hunting.

"We just want it dropped," said the mother. "It's something we can't help now and that's what hurts. I hope we are all better from it and it will make better people of us.

"The first thing you say is, 'Why?' God must have wanted Kevin. I told my son the only thing you've got is God and he knows you didn't mean to do it. It's an awful thing to have to live with."

Her son said when he prays about what has happened, "I tell him he knows I didn't mean it. And I ask him to help the Wilhite family to get through it, especially Mrs. Wilhite."

Prince Georges police who investigated the shooting said it was accidental, a spokesman said yesterday. He added that the investigators have turned over their report to the State's Attorney Office for review.

Joseph Wilhite, the father of Kevin, a former federal government employe and a retired accountant, said he "never had a gun in my home—because of the children."

He said the shooting "was strictly an accident between two good friends. They were the best of friends. My wife and I feel no malice.

"My wife told the boy that he is always welcome. She told him, 'You will now be our young adopted son.' She told him never to stop coming by the house. My wife and I feel very sorry for the young boy."

Last night, after the teen-ager had told how the gun went off, he was leaving his parents' bedroom when he turned and walked quickly back to the bureau and opened the second drawer.

"What are you doing now?" his mother asked.

"Getting a handkerchief for tomorrow."

That's when the funeral and burial are scheduled.

INVOCATION BY RABBI HERTZ

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. RIEGLE. Mr. Speaker, I recently had the pleasure to hear Rabbi Richard C. Hertz, senior rabbi of Temple Beth El in Birmingham, Mich., deliver a most eloquent invocation.

His invocation was delivered to the Detroit Economic Club February 2, the day that organization featured Israel's Prime Minister Rabin. I include the full text of this wise and moving invocation for the interest of my colleagues:

Invocation Delivered by Dr. Richard C. Hertz

Almighty God and Father of us all, Thou Who art the Master of the universe, Who guidest the destinies of men and nations, we beseech Thy Divine guidance as our thoughts turn to that part of the world that has cradled civilization and become sacred to the heritage of Jew, Christian and Moslem. We pray for the peace of Jerusalem. We ask for an extra portion of Thy wisdom, patience and understanding, that controversies may be resolved through reason instead of passions and the conflicting claims of those who seek security and tranquillity for each sovereign state may be reconciled peacefully.

We are grateful that our own beloved America has a steadfast ally in the State of Israel as a bastion of democracy and freedom, in whose security lies our own security and whose vital interests coincide with our own. We are grateful too that refugee men and women who have risen Phoenix-like out of the ashes of baking ovens could rebuild with their own blood and sweat a new freedom, a new nation, "conceived in liberty and dedicated to the proposition that all men are created equal"—in the right to peace and security, "in the right to life, liberty and the pursuit of happiness." Now we are engaged in a great threat to the peace of the world. We implore Thy prophetic wisdom: "Let justice roll down as waters and righteousness as a mighty stream . . . Let nation not make war against nation, neither learn war any more." But let a new spirit of peace and conciliation come to those entrusted with the awesome responsibilities of sovereign government.

We ask Thy special blessing upon him whom we have come to honor with our presence today and upon whose shoulders rests the crushing burden of seeking peace when there is no peace. May our presence here give him renewed strength and courage from the people of this land. That he may return home knowing his mission for peace has not been in vain.

Let the word go forth from this place, where the Detroit River divides two sovereign nations, that peace between neighboring countries is possible if there is a will to peace, if men and women will learn to live together side by side in mutual respect and dignity.

Humbly we pray in the words of our common Scriptures: May the words of our mouths and the meditations of our hearts be acceptable in Thy sight, O Lord, our Rock and our Redeemer. Amen.

FEDERAL EXPENDITURES: THE GOOD NEWS

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. DOWNEY of New York. Mr. Speaker, in the early months of each year, Members of Congress and the American people are deluged by reports, analyses, and criticism of the Federal budget. We see graphs and charts on Federal spending, massive deficits, interest on the Federal debt, et cetera.

Rarely do any analysts take a broader historical view of our national finance, and that is why I am particularly pleased that Robert Reno, the Newsday economics writer has come forward with a sensible article which puts much of today's rhetoric into its proper perspective.

Mr. Reno's article is inserted below, and it is worth reading:

[From Newsday, Jan. 25, 1976]

THE FEDERAL BUDGET GETS BETTER AS IT GETS WORSE: BURGEONING BUREAUCRACY GETS SMALLER AS IT GETS WORSE

(By Robert Reno)

President Ford's proposed budget is the highest in the history of the world, up $21 billion above last year and in the red by $43 billion, which would be the third-biggest peacetime deficit in history. The budget includes funds to pay 2,797,000 bureaucrats in the executive branch alone or 12.9 employees for every 1,000 men, women and children in the United States

Seemingly inescapable fact: Federal spending is out of control, the national debt and the interest on it are going to swallow us all while the federal employees eat us out of house and home.

It's a sturdy myth, perpetuated by generations of politicians and generally swallowed whole by the public which in turn continues to elect the politicians who turn out these budgets.

No one seems ever to stop and think that the budget gets bigger every year for a good reason. The United States gets bigger every year and so, by and large, does its economy. Just as a family gets bigger and richer, so does its income, so do its debts and so does its expenditure. But that doesn't make for good rhetoric at election time.

True, Ford would provide for 2,797,000 federal employees compared with the 2,083,000 that Harry Truman was able to get along with in 1947. But Truman was serving 144,698,000 people while Ford is the President of 216,814,000 souls.

To put it in the best perspective, the ratio of federal civilian employees to the population as a whole has generally declined or held steady under the last six Presidents, Republican and Democrat. It is currently 13.2 per thousand compared with 14.4 per thousand in 1947. It would be 12.9 per thousand under Ford's proposed budget.

But surely, federal taxes are eating us up at a faster rate than they did in 1947, what with all the money being shoveled out by social programs that didn't even exist in 1947. Truman collected some $38 billion in taxes while Ford proposes to take some $351 billion from us in the next fiscal year.

But Truman was taxing a much smaller economy than Ford has to draw from. To measure the true federal tax burden it is necessary to measure federal tax receipts as the percentage of the gross national product. Truman's taxes amounted to 19.2 per cent of the GNP. In 1957, Eisenhower took in taxes amounting to 18.7 per cent of the GNP. Under Johnson in 1967 tax receipts totaled 18.9 per cent of the GNP. And Ford, the archfoe of big spending, would take the biggest percentage of all even if the 19.9 per cent he proposed is only an insignificant increase over the level of 30 years ago.

Well, how about the national debt? Certainly we can't go on borrowing like this forever.

Another myth. In terms of debt, the United States is now in excellent shape, especially considering the excessive borrowing that has been necessary to make up for lost revenues during the recent recession.

It is true that the publicly held national debt has risen from $224 billion in 1954 to more than $484 billion today and that it would reach, $558 billion in the next fiscal year if Ford has his way. And the interest alone on that debt, which came to only $5.2 billion in 1954 will cost us more than $29 billion this year and $36 billion under Ford's proposed budget.

But the burden of all debt is best measured by the ability of a debtor to carry it. For this reason, a family making $30,000 a year can always get a much bigger mortgage than one making $10,000 a year.

In those terms, the GNP of the United States has risen from $363 billion in 1954 to nearly $1.6 trillion today and is expected to average $1.8 trillion in fiscal 1977.

In 1954, the publicly held national debt, although much smaller, totaled fully 61.8 per cent of the GNP. Today it amounts to only 30.4 per cent of the GNP and would remain at the same ratio under Ford's budget.

The interest we must pay on this debt does not use up a significantly larger share of the GNP than it used to. In 1954, the interest equaled 1.42 per cent of the GNP and it has only risen to 1.83 per cent since then. Under Ford's budget the figure would be 1.96 per cent.

It is the federal government that traditionally has taken most of the popular rap for the cancerous growth of bureaucracy. It is an issue which Ronald Reagon has made an article of faith in his campaign to return government activity to the states and localities.

Yet bureaucratic growth since 1947 has taken place almost entirely at the state and local level. Federal civilian employment grew from 2 million to 2.8 million in the last 30 years. The work force of state and local governments went from 3.5 million to 12 million in the same period.

The federal government accounted for nearly 39 per cent of all governmental employees in the United States in 1947. It now accounts for only 18 per cent compared with 82 per cent who work for states and localities.

In the area of debt, the federal government's role has also been steadily diminishing. At the end of World War II 62 per cent of all the debt in the nation was owned by the federal government. Its share of the total debt has been falling ever since, particularly since 1953. Between 1953 and 1974, publicly held federal debt rose 59 per cent but state and local debt was up 570 per cent and private debt rose 561 per cent. The latest figures show only 13 per cent of the nation's debt owed by the federal government. States and localities owe about 10 per cent while 77 per cent is privately owed.

Also of interest in Ford's proposed budget is who will be paying the $351 billion in taxes that he proposes to collect. In 1947, personal income, estate and gift taxes provided about the same share of receipts as business taxes while Social Security taxes amounted to a relatively insignificant share. But the last 30 years things have changed radically. In 1947, personal taxes amounted to 8.4 per cent of the GNP, business taxes 8.3 per cent and Social Security taxes, 2.5 per cent.

Under Ford's budget, personal taxes would equal 8.7 per cent of the GNP, business taxes only 4.5 per cent and Social Security taxes, 6.6 per cent. Some lower income families already pay more in Social Security taxes than they do in income taxes and at the present rates of growth the Social Security tax will soon be a bigger burden to most Americans than the income tax.

RETIREMENT FETE SET FOR MRS. BERNICE WHITE OF LOS ANGELES, CALIF.

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mrs. BURKE of California. Mr. Speaker, Mrs. L. L. (Bernice C.) White will be honored at a retirement dinner, Saturday, February 7, 1976. The dinner will be held at 11 a.m. in the Blue Ribbon Room of the Music Center in Los Angeles, Calif.

Mrs. White is being honored for her 28 years of service to the Los Angeles Unified School District.

The former first lady of Holman United Methodist Church is the wife of 41 years of Dr. L. L. White, district superintendent of the Pasadena District of the Southern California-Arizona Conference of the United Methodist Church.

A native of Galveston, Tex., Mrs. White grew up and was educated in the District of Columbia. She is a graduate of Dunbar High School and attended Miner Teachers College in Washington, D.C. She received her bachelor of science degree from USC.

A kindergarten teacher, Mrs. White began her profession at the 96th Street School and is retiring from the West Vernon Avenue School.

Much of her life has been church oriented. She served with her husband in Washington, D.C., Montgomery County, Md., Roanoke, Va., Los Angeles, and currently in Pasadena, Calif.

The Whites have four children. The eldest son, Lanneau, Jr., and the second son, Franklin, are both administrative officers with the Los Angeles postal system. Leslie Robert, a third son, is with the city recreation department and is also the author of an unpublished book. Joy, the only daughter, is a student at Loyola University. They also have six grandchildren.

Mrs. White's colleagues and parents of her pupils characterized her as being "warm, compassionate, and excellent teacher with original ideas and a fine sense of humor." Dr. White speaks of her as his best critic and his most constant means of support.

ANGOLA AND AMERICAN FOREIGN POLICY

HON. RALPH S. REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. REGULA. Mr. Speaker, I rise to protest the usurpation of the podium of the United Nations by groups which are so opposed to the views of the United States as to be incapable of reason and discernment in their judgment.

I protest the Soviet Union's abuse of our initiatives toward harmonious relations between our two countries.

The recent debate on the situation in Angola has highlighted these two problems. The United States must make our case before the U.N. more forcefully, and use the tools of persuasion and sanction where necessary.

In the past several weeks the United States has moved to preserve the integrity of the people of a small nation, whereas the Soviets continue a policy of aggression. Angola is a signal to the third world nations that their interests can be alined with those of the United States; Angola should be a warning to them to be wary of the intentions of the Soviet Union.

I voted to halt further aid to Angola. I did so because I do not believe that sending $28 million at this point would do more than needlessly prolong that tragic civil war.

The great hope which accompanied independence in Africa during the decades following the Second World War was for African autonomy; it was hoped that no longer would the crucial decisions affecting the nations of the continent be made in the capitals of Europe. If the United States becomes involved in the civil conflict in Angola, it would signal the active reentry of the rivalries of the great powers to the continent.

Angola is an African problem; as was eloquently stated by President Kuanda, it is up to the OAU and the African people to determine a solution and the means of implementing it. Unfortunately there is one party which stands in the way, which yet threatens to embroil the nations of Africa in the maelstrom of world politics—the Soviet Union. The continued Soviet presence makes Angola a problem for our relations with the Soviets and a test of the policy which we call détente.

We have made a contribution to peace in Angola by refraining from active involvement; however, it remains our responsibility, as well as the responsibility of the Africans, to see to it that the Soviets do so as well.

I understand that the Soviets have sent over $200 millions in aid to the MPLA faction in Angola and that there are now over 12,000 Cuban troops in the country, equipped with the latest in weaponry.

A political dialog is always preferable to civil war. Outside intervention, whether by the United States or by the Soviet Union, needlessly exacerbates the conflict and makes any dialog leading to a rapprochement that much harder to achieve. If we are concerned about the Angolans, we must give them the opportunity to deal with their political problems by themselves. If we are concerned about our future well-being, we must show the Soviets that we will not tolerate their unwarranted intervention around the world. It is incumbent upon us to place considerable pressure upon the Soviets to remove their mercenaries, money, and arms. Their continued presence is an insult to our policy of détente and to the African people.

I do not share the feelings of many that the Soviet Union has noble intentions toward the rest of the world. A debate on Angola, such as we have had, would not take place in the Kremlin, nor would the Tunney amendment have passed the Politburo.

There are two ways to deal with Soviet aggression in Angola: The first is to match the Soviets, dollar for dollar and gun for gun. To our credit, we have chosen to forgo this course. The second is to use the weapon of persuasion, backed by a willingness to impose sanctions. This is the tool which we should use to counter the Soviet presence in Angola. The use of sanctions, coupled with a willingness to cooperate where cooperation is merited, is what will make détente with the Soviet Union in our interest.

We can no more accept Soviet adventuring and aggression than we can an endless sapping of our resources in jungle warfare. Fortunately, as I have indicated, there is a way to deal with the former without recourse to the latter.

In 1975 we exported 13.1 tons of grain to the Soviet Union at great cost to our consumers and economy. The Soviets need our food and technology. It was one thing for them to create a heavy industrial base as Stalin did during the thirties and forties by using slave labor; it is quite another to create an integrated, consumer-oriented economy. The Soviet Union cannot accomplish this without help from the West. The regime in Moscow is under great pressure from the citizens of the Soviet Union to provide more consumer goods; their domestic political imperatives are our foreign policy opportunities. It is here that we can exact concessions on issues such as Angola.

We have a unique opportunity to play a leadership role in the world which we have not had since we began to get ensnarled in Vietnam in the 1960's. We have shown that we are capable of exercising prudence and restraint in this instance. However, our restraint will be meaningless, both to the world and to the Angolans, unless the Soviet Union is forced to withdraw from the conflict.

We are in the position of standing for the self-determination of the Angolan people, whereas the Soviets are the interlopers in the affairs of a small nation. We must use this instance to show that the United States has learned from its experience in Vietnam and is capable of standing for the true interests of the uncommitted and developing nations, while at the same time exhibiting some of the fortitude which is needed to make détente work.

LETTER CARRIERS ADVOCATE HATCH ACT REFORM

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. CLAY. Mr. Speaker, debate on reform of the Hatch Act now moves into the realm of the Senate which will soon be considering amending the existing repressive law. The debate will focus on H.R. 8617 which seeks to modify the Hatch Act and permit 3 million Federal civilian and postal employees the right to actively participate in the political life of this Nation.

An article entitled, "Does Hatch Act Reform Have Hidden Evil" recently appeared in the Federal Times. The author is Joseph Vacca, executive vice president of the National Association of Letter Carriers. Mr. Vacca speaks from experience in advocating Hatch reform since he represents 200,000 postal employees who are politically restricted.

In addition to Mr. Vacca's comments, I want to share with my colleagues the personal views of one letter carrier, Tony Seed, who lives in Hobart, Ind. Mr. Seed describes how he has been personally affected by the Hatch Act and calls for its reform.

The article and letter follow:

DOES HATCH ACT REFORM HAVE 'HIDDEN EVIL'?

(By J. Joseph Vacca)

In the next few weeks, the Hatch Act reform bill will be brought before the Senate for a vote. Under the name "The Federal Employees Political Activities Act of 1975 (H.R. 8617)," it has already passed the House by an overwhelming majority, 288 to 119.

These majority congressmen received an aggregate of almost 23 million votes from their constituents, and it was these voters they were representing when they voted for H.R. 8617.

A vote equal to that or more will be represented when (and if) the Senate passes the bill after the holiday recess.

Certainly such a demonstration of public sentiment for enactment should end there. But it probably won't because President Ford has already indicated he will veto this legislation.

What hidden evil is apparent only to the President that this vast majority of Americans cannot see? What, indeed, is the evil lurking behind this bill? What does it really do?

HR 8617 modifies the Hatch Act by permitting over three million postal and federal employees the right to participate voluntarily and as private citizens in the political life of this nation so long as those activities *do not even appear* to compromise the integrity of the merit system or the impartial administration of the functions of government.

In the form the bill passed the House, there are ten major provisions designed to strengthen the protection of the employee against coercion, while restoring to the employee the Constitutional rights denied by the ambiguities of the current Hatch Act. The provisions:

State that postal and federal employees are encouraged to exercise their right to voluntary political participation.

Prohibit the use of official authority, influence, or coercion with the right to vote, not to vote, or to otherwise engage in political activity.

Prohibit use of funds to influence votes; solicitation of political contributions by superior officials; and making political contributions on government rooms or buildings.

Prohibit political activity while on duty, in federal buildings, or in uniform.

Prohibit the extortion of money for political purposes from postal and federal employees.

Provide leave for candidates for elective office. Employees who seek full-time elective office must take leave 90 days prior to election.

Authorize the Civil Service Commission to investigate alleged violations of law. Limits investigation of prohibited activities to 90 days.

Establish an independent board whose function is to adjudicate alleged violations of the law and provide judicial review of adverse decisions.

Subject violators of law to removal, suspension, or lesser penalties at the discretion of the board.

Require that the Civil Service Commission conduct a program for informing postal and federal employees of their rights of political participation and report annually to the Congress on its implementation.

Certainly this is no return to the "spoils system." On the contrary, HR 8617 adds to and strengthens those meritorious features of the Hatch Act by providing federal civilian and postal employees and the public with even greater protection against any recurrence of the spoils system.

Further, it updates the Hatch Act by removing those parts which are no longer applicable. In effect, the reform measure strengthens the prohibitions against abuse, and removes the prohibitions which denied Constitutional freedom.

Surely, none of us believe that any democratic form of government, and especially ours, was designed or intended to be a prohibitive society. Neither was it envisioned as a class-oriented society, with certain privileges available to only a few. As a nation, we have gone to great lengths to preserve this concept.

Even before the Constitution was framed, the privileges and duties of the right of franchise were extended beyond the limitation of property holders. In 1865, it was further expanded to include the vast, newly freed slave population.

In 1918, despite dire predictions of national disaster, women were admitted to the political scene. The recently adopted Twenty-Sixth Amendment admitted 18-year-olds to the fraternity of full citizenship.

All these forward looking steps were accomplished by Congress in order to broaden the base of political participation—to bring into being a form of government more truly representative of the people. To further this end, during the past few years additional civil rights amendments have been passed, congressional redistricting has been put into effect, and the "one-man-one-vote" concept has been expanded.

In all, it has indeed been an impressive record of dedication to individual freedom. Except for one thing—the Hatch Act of 1939.

As a result of this law, over three million citizens continue to be deprived of their Constitutional right. We cannot, and we should not continue to condone the erosion of full rights of citizenship currently denied to such a large segment of our population.

Apparently, most of our forebears agreed with us. From 1791 until 1939, no one felt the need to remove political rights from any segment of our society. On the contrary, for 138 years the whole thrust was toward the expansion of those rights. Even upon its founding in 1883, the Civil Service Commission felt no need to curtail Constitutional rights. It immediately issued CSC Rules I and II. They read as follows:

Rule I. No person in said service shall use his official authority or influence either to coerce the political action of any person or body or to interfere with any election.

Rule II. No person in the public service shall for that reason be under any obligation to contribute to any political fund, or to render any political service, and he will not be removed or otherwise prejudiced for refusing to do so.

That just about said it all. And for almost 56 years, it was almost all that was needed. But just to make sure, in the early 1900's, the Lloyd-LaFollette Act was passed asserting the right of every federal employee to communicate directly with Congress. Thus, this act construed "political activity" by federal employees as both appropriate and legal. And the sleeping dogs of denial remained at rest for well over another decade.

But in 1938, the political excesses of another administration resurrected the "Spoils System." Congress was quick to react—or to overreact.

Beset by the tenor of the times—an unprecedented third-term President—impending war abroad—Communist and Bund scares at home—Congress quickly forged together and passed the Hatch Act. Forged, perhaps, is too strong a word. Fused or melted together might be more appropriate.

For instance, membership in a party advocating overthrow of our constitutional form of government was prohibited. Today, many such parties are legal. References to subversion of the public welfare either for ideological, political or economic reasons has already been defined by statute and interpreted by the courts. Also thrown into the pot were some 3,000 CSC "political activity" decisions handed down over the 56-year period the commission had been in existence.

Their applicability, even in 1939, was often vague, extraordinarily broad and occasionally capricious. In the somewhat brighter light of 1975, many of its definitions and interpretations have done more than remain clouded—they've become totally obscure.

The ultimate result has been to create an atmosphere of uncertainty and fear that results in something that seems to be a form of coerced apathy. It is not surprising.

As an example, one paragraph of the act (Item 13(b), Section 733.11) states that:

"All employees are free to engage in political activity to the widest extent consistent with the restrictions imposed by law and this subpart."

Then, after listing information concerning permissible activity, it concludes with a typical ambiguity:

"If participation in the activity would interfere with the efficient performance of official duty, or create a conflict of interest"—the head of the agency may prohibit or limit the participation in activities otherwise declared permissible.

It is a statement that does indeed fill what seems to be the requirements of the current Hatch Act. It is vague, broad, capricious and sufficiently clouded.

We think the Hatch Act reform bill will go a long way toward "unclouding" the issue. It may well determine whether over three million persons are—in truth—citizens, or are to remain "half-class" citizens. To be sure the reform bill doesn't make anyone a "good citizen." But it does give them the right to be a "good citizen." The current Hatch Act does not!

The negatives, of course, have been numerous—but not always intelligent or accurate. In a recent Washington Post article, Rep. Gilbert Gude, R-Md., said: "The Hatch Act is what lets government workers say 'No' . . . to partisan attempts to sway the day-to-day decisions that affect all our lives."

He neglects to add, however, that it also prohibits them from saying either "yes" or "no" to decisions that affect their lives.

The congressman, along with most other opponents of the bill points out, apparently with great pride, that government workers are free to take part, or even be candidates in "nonpartisan" elections.

That is indeed a strong dose of confusion. Surely an election, in order to be truly nonpartisan, would have to also be unopposed. It would also seem, from the Hatch Act viewpoint, this unopposed candidate would be constrained from expressing any opinions, lest he be guilty of a violation.

Fortunately, the best minds in our country (federal and postal workers included) do have opinions. According to supporters of the Hatch Act, opinions require strict legislative control. They seem to think that an unaspirated opinion is a dangerous thing—especially if it is allowed to become public knowledge.

In presenting the reform act bill to the Senate Committee on Post Office and Civil Service, Rep. William L. Clay, D-Mo., said:

"Prohibiting voluntary off-duty political activity of government employees . . . treads on thin ice and flies in the face of the guarantees of the First Amendment. When we attempt to prohibit or regulate these activities we deny free speech and free association. For this body, or any other body of government to do that, there must be a compelling interest and overwhelming justification."

The "overwhelming justification" in the eye and from the mouth of the Civil Service Commission is the totally negative attitude that postal and federal employees can't be allowed to keep inherent citizenship rights because neither employees nor their superiors can be trusted to leave partisan politics outside the work place. Surely public employees are as capable as those in the private sector of separating their political views from their work.

If morality and integrity within the work force can only be maintained by strict legislation, by denial of rights and prohibitions, then it can't be maintained at all. The 18th Amendment proved that.

Laws cannot be allowed to deny rights—they can only curb abuses. The Hatch Act reform measure will address both these needs and should be passed either without, or over any Presidential veto. For two hundred years, political freedom has been America's commitment. It should remain so.

National Association of
Letter Carriers,
Hobart, Ind., January 22, 1976.

J. Joseph Vacca,
Executive Vice President,
N.A.L.C.

Dear Joe: Congratulations! I am refering to your article in the Forum column of the Federal Times. I am one of many letter carriers who have yearned to take part in the real issues of the political process down through the years, but denied this right by the Hatch Act.

Years ago while campaigning for my wife (who was running for city clerk) I was told to cease and desist, or my job would be in jeopardy, by two inspectors from the Hammond, Ind. area.

I have written personal letters to Congressman Madden & Fithian and Senators Bayh & Hartke. I hope the vote in the Senate is enough to overide the expected veto.

I hope to retire next year, Apr. 1, 1977, which won't give me much time to enjoy the freedoms your ten provisions published in the article would give me.

However I would carry a warm glow with me, to know that even in a small way I had contributed to the removal of the shackles that have bound all Civil Service workers for too long.

If this gainfull right is restored I know it will be used wisely and for the betterment of all letter carriers.

TONY SEED,
Steward, Local 3032, N.A.L.C.

JEAN DUFFY: A VICTIM OF SEX DISCRIMINATION

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Ms. ABZUG. Mr. Speaker, I would like to share with my colleagues the experiences of Jean Duffy of Omaha, Nebr., who filed a sex discrimination complaint against her employer in 1970. Her story illustrates the limitations of our equal employment laws and especially their enforcement. Today, 6 years later, Ms. Duffy is still unable to obtain another job.

The following article from the Lincoln Star on February 20, 1974, summarizes her story:

"JUSTICE IS A SOMETIMES THING"

(By Nancy Hicks)

She calls her story the "Requiem of an American Dream." It is the story of one woman's battle, through the legal system, to prove discrimination.

"I was naive. I was an idealist and a dreamer. I had a dream that democracy had a meaning for me, a dream of equal justice for all," said Jean Duffy, whose case was the first sex discrimination charge to go to the Nebraska Supreme Court.

That was three years and nine months ago. Much has happened during that time to destroy Jean Duffy's dreams, her idealism.

During that time as her case traveled through the slow channels of the judiciary process, first through the process established under the Nebraska Equal Opportunity laws and then into the civil courts, Jean Duffy found employment doors closed to her; watched as her savings was spent on day-to-day living and listened as others tore down her personality and character.

This is the story of Jean Duffy's frustration, her growing concern about lengthy delays, indifferent political leaders, agencies, and attorneys, who Miss Duffy feels cared more for their own glory and wallet than her rights.

"Democracy for all is not so; justice is a bitter charade. Can you comprehend the anguish of the spirit that this brings?" she asked.

Jean Duffy asked to tell her story after the Supreme Court ruled against her, in a decision which has ramifications for others who file discrimination charges with the state, a decision which some experts feel could "severely hamper" the Nebraska Equal Opportunity Commission (NEOC).

And so, in her tiny Omaha apartment, surrounded by piles of legal documents, copies of correspondence and handwritten notes, Miss Duffy told her story, her way.

On June 19, 1970, Miss Duffy, then an Auditor I with Physicians Mutual Insurance Co., filed a sex discrimination complaint with the NEOC alleging that the company paid her less money for doing work comparable to that of her male partners, who were classified as Auditor II's. The following day the company terminated her employment.

In October, 1970, after investigating the complaint, the NEOC found "probable cause" that discrimination had occurred.

A conciliatory hearing, held by the NEOC in November, 1970, failed to bring any results. By this time Miss Duffy had hired an attorney, Benjamin Wall, who had been recommended by an NEOC staff member.

On Feb. 25, 1971, a formal complaint was filed against Physicians Mutual Co. The filing was delayed two months, first because the Commission did not meet in December, and second, after the company asked for a month's extension.

Public hearings on the discrimination charge were held on four days, March 25, 29 and April 10 and 12, 1971.

With three witnesses, Miss Duffy's testimony took one day and filled 84 pages. Physicians Mutual, with 19 witnesses, spent three days on the stand and had 277 pages of testimony. Mrs. Betty Jean Holcomb Keller was hearing examiner.

During the hearings Miss Duffy listened as former co-workers attacked her personality, saying she was hard to get along with. Only her "faith in God" sustained her during these "character assassinations," she said.

Three months after the hearing was completed, the transcript, typed by the NEOC, were finally ready and the attorneys prepared their briefs.

For months Miss Duffy waited . . . "patiently for affirmative action." Nothing happened.

In mid April, 1972, one year and 10 months after the original complaint and more than one year after the hearing, Miss Keller, the hearing examiner, ruled in Miss Duffy's favor. The ruling said that discrimination did exist, but that there was no deliberate attempt by the company to discriminate.

In June, 1972, attorneys for the two parties gave oral arguments before the NEOC on the issue of back pay.

In August, 1972, the commission reaffirmed Mrs. Keller's decision and awarded Miss Duffy roughly $22,000 in lost pay from the time she left the company to the time of the ruling.

During those two years and two months, Miss Duffy learned much about the judicial process.

When she first filed the complaint, Miss Duffy believed that the commission would merely have to go through the company records, pull the files, see what everyone made. She believed that within a few months she would have her old job back or be working at another job. She planned to give half of whatever settlement she received to the Madonna Home for retarded children.

Instead, the process dragged on. Her 22 weeks of unemployment insurance ended. She watched as her savings was depleted, her car sold. And there was no job in sight.

She applied at eight employment agencies and dozens of companies. All she found was a part-time job during Christmas. One employment agency would not even let her fill out the initial forms; others advised her that she would experience difficulties since employers "stick together."

Because of the derogatory testimony about her, presented during the hearings, and because her former boss called her "paranoid" three times in a notarized statement, Miss Duffy was afraid the company was giving her bad references, despite the fact that her supervisor had rated her performance as "exceeding requirements."

As early as November, 1970, Miss Duffy and her attorney asked Reid Devoe, then executive director of NEOC, to investigate the possibility of issuing a cease and desist order to stop the company from giving unfavorable work references. Neither the attorney nor Devoe informed Miss Duffy that she would have to file a new complaint so that the commission could investigate a cease and desist order. Nothing was ever done.

The NEOC ruling, as she already knew, was merely the beginning of a continued battle in the civil courts.

In late summer of 1972, Physicians Mutual appealed the case to district court.

On March 7, 1972, Judge John Murphy of District Court 2, reversed the NEOC ruling stating that the evidence did not support a ruling of discrimination and that the company did not "deliberately intend" to discriminate.

"I was sitting here in this chair," said the dark-haired woman, "ready to go to mass, and I picked up the evening paper. That was how she learned of the decision. The next day she received the decision in the mail.

In March, 1972, Miss Duffy's attorneys asked to withdraw from the case and on March 20 were granted the right to withdraw by the courts. Miss Duffy was never notified of the time for oral arguments on the withdrawal, and thus feels her civil rights were violated.

During the next few months, Miss Duffy contacted state and local politicians, the legal aid society and the federal Equal Employment Opportunity Commission in an attempt to get help to obtain another attorney.

On at least five occasions, she served as her own attorney. She obtained three time extensions from the court through letters, drew up and filed the legal document which appealed the case to the Supreme Court, and filed a legal document which allowed her to proceed without funds.

In the spring of 1972, through help from the federal EEOC offices, Miss Duffy found an attorney, Dana Badgerow of Kansas City, who represented her before the Supreme Court.

The Equal Opportunity Commission also filed a brief in support of Miss Duffy with the state Supreme Court.

On January 31, 1974, the Supreme Court upheld the lower court's decision, a bitter blow to Miss Duffy who, after three years and eight months, still had hope.

The ruling that Miss Duffy had to show that the company intentionally discriminated against her on the basis of sex, was also a blow to others concerned with the effectiveness of the NEOC.

The Nebraska law is modeled after federal legislation. But federal law states that the mere existence of a policy which has a discriminatory effect is adequate grounds for sustaining a complaint. No deliberate bias must be proved.

And so Miss Duffy's battle at the state level ended. She feels that nothing will be gained by reappealing the state court's decision. Her attorney is currently checking to see if any federal recourse is available.

Why did Miss Duffy continue to fight for almost 4 years?

Miss Duffy, with her shortly cropped, dark hair neatly combed, her green eyeshadow and lipstick carefully applied, does not look like the image of a militant. A soft-spoken woman in her mid-forties, she does not sound like a militant.

"I don't belong to any women's rights groups. In fact she finds many women who cry "women's rights and pound the table, 'sterile.' "

So why did she initiate the case, and why after the months and years and warnings from friends, "that even if I won, they (the company) would destroy me," did she continue?

"I filed it for equal pay and I fought it for self preservation—against character assassination," she says. Only her faith in

God and the support of a few remaining friends has sustained her through the almost four years, she said.

But the years have changed Miss Duffy, who says she began as a woman-child. "Thus a militant is born, out of the frustration, out of the indifference," she says.

She now feels that her civil rights have been violated, that most people are indifferent and that "Justice is a sometimes thing."

Miss Duffy feels her civil rights were violated on the following occasions:

During the NEOC hearing, Mrs. Keller, the hearing examiner, noted that all women had received pay raises since Miss Duffy's case was filed. She asked the company for a complete listing of the salaries and raises. However, for some reason the listing, which could have helped show the Company's discrimination, never got in the record.

Miss Duffy also notes that two of these women who received raises and one man all gave her money following the NEOG hearings. All three had testified against her at the hearings.

Miss Duffy feels her right to file the case with the federal government was not protected by her attorney—who delayed filing with the federal government—nor by personnel at the Wage and Hour office, which she visited several times in the summer of 1970.

One man at the wage and hour office told her that a federal complaint would make the company more angry and the company "would ruin her through subterranean channels," Miss Duffy said.

She was not notified of the day for oral arguments when her attorneys asked to drop her case.

The NEOC and her attorney failed to protect her rights when no one followed through on investigating a cease and desist order to stop the company from giving bad work references.

Miss Duffy has also lost faith in "indifferent" government officials. Her appeals to such leaders as the governor, the attorney general's office, city leaders and state senators went either unanswered or were answered with what she calls "Dear Jean" letters.

She also lost her belief that attorneys "knew so much more than me and had integrity." She found many instances where her attorney failed to see and point out discrepancies in testimony. The hearing testimony now stands undisputed.

And she rages against what the four years have done to her personally. Miss Duffy—an intelligent woman who often took notes for her attorney, did elaborate cross referencing of testimony and salary charts, and who acted as her own attorney on several occasions—can't understand, "why I'm unemployed."

And throughout the four years it is she who has borne the "unemployment and the slander." Her father, a supportive man, who died in August 1971, in the midst of her legal battle, told Jean Duffy, "to keep up my appearance so that no one would know the depths of my desolation and despair."

"I'm not sure I can do that (keep up the warrior image) any longer," she said in her apartment this month. "For I feel they have killed me as much as if they had taken a gun and shot me."

She kept on fighting, hoping that "the world would come to my terms . . . that one person standing alone and telling the truth could survive . . . that there would be justice."

But the system and the human indifference have diminished Miss Duffy's former world, and in her moments of despair she says, "I've lost my innocence; I no longer believe in goodness."

FOOD SUPPLY

HON. JAMES W. SYMINGTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976.

Mr. SYMINGTON. Mr. Speaker, in these days of world food shortages when agricultural planning is of paramount importance, it is fitting to know those who are leaders in shaping this Nation's food policies.

Recently, the University of Missouri Alumnus, in its January 1976 issue, paid tribute to Dean Elmer Kiehl, longtime dean of the University of Missouri's College of Agriculture, who now finds himself in a key position to help develop this country's food policies.

Dean Kiehl is deeply concerned with the problem of food production and how to feed people throughout the world now and in the future.

Kiehl considers the problems of providing greater incentives and training for third world farmers to be the most urgent necessities. "In the game of catchup, they need our 1920's farm technology now." He cautions the world though to remember that many of the resources used in farming are not inexhaustible, and that if the U.S. agricultural technology is adopted around the globe, there will simply not be enough of these resources to go around.

This "gentle agricultural scholar" has served as a member of former President Kennedy's National Advisory Commission on Agricultural Policy and as U.S. representative to the World Food Congress in Rome. His current duties include being chairman of the Division of Agriculture of the National Association of Land Grant Colleges and State Universities, cochairman of the International Science and Educational Council, and a member of the 36-person advisory Committee on World Trade and Negotiations.

I insert this statement to be printed in the RECORD:

AG DEAN ELMER KIEHL IS TELLING THE HUNGRY WORLD

(By Cordell Tindall)

Grey-haired, soft-spoken, pipe-smoking and addicted to slightly rumpled tweeds—this was the college professor prototype of a couple of decades ago, before the beards and long hair. Elmer R. Kiehl, veteran dean of Mizzou's College of Agriculture, fits that mold even today.

But scratch a little deeper and you discover a most uncommon academician: a Missouri farm boy having lunch with U.N. Ambassador Patrick Moynihan; a Mizzou alumnus in the Oval Room of the White House, an ag economist chairing a session of his peers in national Land Grant College meetings. And a landowner tending to the chores on his Boone County farm.

Modest Elmer Kiehl is playing a leadership role in developing this Nation's food policies—policies that literally can mean life or death for millions of persons. And just about everybody is trying to get into the act—environmentalists, politicians, labor leaders, intellectual and even the irrepressible Secretary of State.

Just as we say that education is too important to leave to the educators, it would appear the public now thinks food is too important to leave to the agriculturists.

The low-key dean's credentials to speak out on matters of food production are impressive. His first really big assignment came when he was appointed by President Lyndon Johnson to the nation's 15-member Food and Fiber Commission. Earlier President Kennedy had named him to the President's National Advisory Commission on Agricultural Policy.

In 1974 he served as an official United States representative to the World Food Congress in Rome. He presently is chairman of the Division of Agriculture of the National Association of Land Grant Colleges and State Universities. He is co-chairman of the international Science and Education Council, a newly formed group working closely with Middle Eastern oil-producing nations.

Kiehl's most recent appointment was by President Gerald Ford to the 36-person advisory committee on World Trade and Negotiations. This group—representing government, labor, industry, agriculture, business, and consumer interests—will develop policy and strategy for U.S. trade negotiations.

In serious conversation with Dean Kiehl it soon becomes obvious he is a well informed scholar on world food problems and production. He has read—and understands—most of the current rash of books published on the subject.

A compelling, dramatic speaker he is not. More flamboyant personalities with fewer facts and far less knowledge of the situation are more likely to grab the headlines. Elmer Kiehl is at his best in a one-on-one situation, in informal dialogue after the organized sessions.

His quiet manner makes him a somewhat unlikely candidate to lead a spirited crusade for more funds for agriculture research, now being urged by vocal agricultural leaders in Missouri. His friends may sometimes yearn for a more vigorous approach, but his dedication and sincerity are never questioned.

He has quietly made moves in his long-range plan to reorganize the staff of Missouri's College of Agriculture. He likes to cut across traditional departmental lines to organize teams of scientists to tackle agricultural problems.

Avoiding dramatic actions that would have "rocked the boat," he has worked patiently to achieve many of his goals.

This is the man from Missouri who now finds himself in a key position to help shape this country's food policies. And just about everybody agrees it's high time we work out ways and means to cash in on America's tremendous capacity to produce food.

But growing grain in this country to sell abroad is not the long-range solution to the world's hunger problems, Kiehl warns. At the moment, grain sales, particularly soybeans and wheat, are chiefly responsible for a favorable balance of trade, despite rising costs for petroleum.

But over the long pull, excessive exports would require using up far too much of the unrenewable resources now used in our sophisticated system of farming—fuel (energy), phosphorus and other minerals. Thus far, the technological advances in agriculture invariably have called for more energy, more exhaustible resources. "Can the United States maintain access to the world's minerals?" the dean asks.

If something similar to this country's agricultural technology should be adopted around the globe, there simply would not be enough resources to go around. It's a sobering thought.

Kiehl, speaking in his role as an economist, also suggests that America's ever-expanding economic base has made democracy work in this country. Can we cope with the prospects of a static economic state? "Growth may no longer be in the cards," he says. How would we fare with a zero GNP with continued population growth? Kiehl indicates this could only mean a lower standard of living.

So this country must change its value system, the dean believes, from a high-consumption society to one with high investment—saving our capital for things that will ultimately save us.

But it's not an entirely pessimistic picture painted by Kiehl. He says that the United States and most of the Western World should have plenty of food until the end of the century. Short of war, that is, drastic climatic changes, or colossal bungling by governments. The possibility of a complete shutoff of energy resources by the "third world" also is frightening.

Something needs to be done about population control. That's basic and obvious.

But meanwhile, there are "some chores to do" in helping the underdeveloped countries do a better job of feeding themselves. Kiehl currently supports the Findley-Humphrey legislative proposal that would extend the "county agent" system to the third world. In the game of catch-up, they need our 1920's farm technology now.

(If you are concerned about sharing our science and technology with the "enemy," such as the Soviets or China, consider the more frightening alternatives of mass starvation and, possibly, war.)

More also could be done to encourage food production, to provide third-world farmers with greater incentives to produce. Too often, elitist groups in these countries hold down food prices so they can give handouts to the city's poor, but provide farmers with no reason to grow more food. Agricultural successes in Korea and Taiwan suggest that such incentives will work.

The urgency of such moves is underlined by Kiehl's estimate of some 800 million people now in trouble when it comes to food. As population growth gets closer and closer to the maximum food production line, every ripple—bad weather, mismanagement, distribution problems—causes a crisis. Governments can fall, and have in the cases of Chile and Ethiopia.

In this country food concerns are more likely to be expressed in the supermarkets. Our society appears inclined to place restrictions on farm production by banning DDT, legislating new environmental regulation. The Army Corps of Engineers is flirting with regulations that would require permits for cutting or filling in small tributaries of streams reaching up to fields and barnlots. Farmers fear they soon will need a permit to plow their land.

Certainly, there are valid concerns for the environment, but, Kiehl says, they must be balanced with the need for survival.

To meet the situation, new approaches in ag research are required. Energy research should get top priority. But we need to know more about such things as proteins, particularly in oils (soybeans). We do not know enough about nutritional requirements of humans. Water is a key resource and may prove to be one of the first limiting factors in food production. Basic knowledge on plant growth and reproduction is needed. Soybean researchers, for example, have as yet been unable to break longtime yield barriers. We should know more about aquatic food sources and management of natural resources.

All these challenges are coming at a time of retrenchment in ag research. Ag experiment stations just have not been funded to get many of these new proposals moving.

Some progress is being made, of course. At Mizzou, better use of animal wastes has been developed. At a newly-organized test farm in Northeast Missouri (in Knox County) methane is being produced from manure. A large-scale research effort is tackling the soybean problem, for soybeans can provide much needed protein for a hungry world.

At the moment nitrogen, made chiefly from natural gas, is in short supply and is expensive. Legumes now are suggested for grass plantings, to gather nitrogen from the air. Developing cereal crops that have the legumes' ability to gather their own nitrogen offers a far-out answer to the fertilizer problem.

But who knows what ideas will be suggested by the students now enrolled in agriculture, soon to join the forces working to produce more? Only 10,000 agricultural scientists are to be found in this country, and Kiehl predicts that in another 10 years, 25 percent of today's aggies will be working in international agriculture.

It's a big assignment for future ag scientists. And if they are to enjoy some measure of success in averting worldwide turmoil and war prompted by starvation, they can give some of the credit to the gentle agricultural scholar from Missouri. His blend of farm boy "horse sense" and humanitarian awareness just might point the way to survival for mankind on the planet earth.

PROF. CHARLES BLACK CONCLUDES HIS ADDRESS ON EXECUTIVE VETO POWER

HON. ROBERT F. DRINAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. DRINAN. Mr. Speaker, in the final portion of his address, "Some Thoughts on the Veto," Prof. Charles L. Black, Jr., of Yale Law School offers some tentative suggestions as to what can be done to slow the growing incursion of the President into the legislative sphere through the vehicle of the veto. The fact that Professor Black is unable to posit any miracle solution to this pervasive problem demonstrates the magnitude of the task which we in Congress face. I commend all of Professor Black's incisive historical analysis to my colleagues:

EXCERPT: HISTORICAL ANALYSIS

With the expansion of the conventionally acceptable range of reasons for veto, and with growth in the frequency of its use, these considerations apply to all policy matters, and not simply to constitutional and invasion-of-function matters. When Congress acts on pure policy within its scope of authority, the President may veto the action. When the President acts on pure policy, within the scope of the "executive power", Congress may not veto the action, unless a two-thirds vote in each House can be mustered for override—the probability of which we have already evaluated.

The asymmetry-of-veto may go far to explain the growth of the President's powers through history. When the President acts, as in the destroyer deal, he himself largely controls, by the known possibility of veto, any official reaction in Congress—any reaction having legal force. Thus one more uncontradicted precedent of successful assertion of Presidential power is created. But when Congress acts on any matter of policy, the President may veto that action.

Take another example, more or less at random—the 1817 "executive agreement" with Canada for reduction of armament on the Great Lakes.[17] This has always seemed to me a less than satisfactory example of the pure "executive agreement"—first, because it was actually submitted to the Senate, and approved there, though after it had gone into effect, secondly because neither party had or has any motive to violate it (so that its binding character internationally cannot be tested) and thirdly because, under the most expanded concepts of "standing", no party has or ever had sufficient interest to question it in court (so that its force in municipal law cannot and could not be tested). But, letting all that pass, suppose Congress had wanted to disaffirm it. The President could and would have vetoed the disaffirming action.

Or take the function of the President in "recognizing" or not "recognizing" foreign countries, a function not expressly given him in the Constitution. There was trouble about this early along. If Congress had been disposed to "recognize" a country, the President could have vetoed the bill or Joint Resolution doing this. But if Congress attempted to disaffirm a presidential recognition of a country, the President could and would veto the Joint Resolution or bill.

It is against this background that one must consider the oft-repeated formula that goes to the general effect that the President's powers, insofar as they derive from the general "executive power", are interstitial and tentative, since Congress may undo what the President has done. True, in a sense. But not very important, since the disaffirming Congressional action is subject to veto. Not true at all, if what one means is that majorities of, say, 65% in each House—an enormous preponderance— may effectively disapprove and annul the Presidential action. The result of this asymmetry is that the President, with what might be thought meager textual powers, is institutionally almost untrammeled, since he may veto disapproving action by the very body to which he is supposedly subject, while that body, textually empowered to an enormous degree, is institutionally bound toe and neck by the veto. This institutional reason for the development of Presidential power must be added to the one I have developed elsewhere[18]—the structural suitability of the Presidency for the exercise of power, as contrasted with the built-in manyheadedness of Congress.

On this aspect of the veto power—its peculiar and paradoxical disabling of Congress to speak in those cases where the President has power only because Congress has not spoken, I have said at another place:

"While I am on the veto, I would like to make one somewhat subsidiary but I think very important point. Let me take you back to the question of the existence of a general "executive power." Without going into details, let me just say that I join the school of thought which would make the extent of such a power or even its existence in most cases, depend largely on the presence or absence of a Congressional determination covering the same policy ground. I take it that if one counts judges, instead of puzzling over the question why some judges who obviously did not believe in it joined the majority opinion, that is the general teaching of the Youngstown Steel case.[19]

"Mr. Justice Jackson's opinion in that case[20] makes the distinctions most clearly. He discerns an ever-narrowing ambit of "executive" power as one progresses from the case where Congress has authorized or supported the presidential action, through the case where Congress has not spoken, to the end-case of express congressional disapproval of the presidential action. This seems to me a sensible spectrum for its purpose. But it leaves unanswered one question: Suppose "Congress", in the narrow sense of "House and Senate", disapproves of some Presidential action, and expresses its disapproval unambiguously either in a Joint Resolution which is vetoed and not passed by override, or in a Concurrent Resolution which simply

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Footnotes at end of article.

expresses congressional opinion, without having the force of law, and so is not submitted for veto.

"What if anything does this do, in Justice Jackson's frame of reference, to the "executive power"? I think it arguable that independent executive power ought to be seen as greatly constricted under these circumstances. I think it too hasty a dismissal to say that this view violates Article I, Section 7, in that it gives force as law to a "Resolution" of Congress not approved by the President. I know the question is a close one, but I believe that the view just mentioned confuses the issue. The final question, after all, is whether the President's independent exercise of "executive power" is to have the force of law. The affirmative argument for its having this force usually has to be that Congress has formulated no policy for dealing with the presented subject matter. If the Senate and House actually have formulated and agreed on policy, even to the extent of disapproving a presidential step, then this seems to me, veto or no veto, necessarily to alter the factual and political background out of which the presidential power must emerge.

"I think occasion might well arise when this could be tried. If it is, and if a justiciable case arises, I would hope that a court would hold that the fact of congressional disapproval, in the narrow sense I have mentioned, had great effect on the propriety of independent presidential action. If this is not so, then the President is in the (to me) paradoxical position of being able to claim the necessity of interstitial or emergency action because of congressional inaction, when he himself, by his veto, has produced this situation.[21]

I would only add to this one further thought—that there is another possible use of the Concurrent Resolution that might be a useful weapon in Congress's hands, even where no justiciable law case can be made. Such a Resolution, needing only a simple majority and not subject to veto, might be used in an appropriate case formally to express Congress's disapproval or protest over a presidential claim and exercise of some power which in Congress's view the President does not possess—or even to record Congress's disagreement on policy. If (to take the most conspicuous and most tragic example) Congress had at any time passed such a Resolution formally expressing abhorrence of the Viet Nam War, it is hard for me to believe that that war could have continued very long thereafter. In any case, such a Resolution, expressing merely the sense of Congress, could always prevent the fixing into place of yet one more uncontradicted precedent supporting the existence or the mode of use of the "executive power".

On the whole, Congress, tied down by the veto power, ought to explore fully the use of the Concurrent Resolution. A formal expression of views is, for one thing, a conspicuous event, putting Congress, to some degree, in the newsworthy position which the President automatically and continuously occupies. And the moral effect of such Resolutions could be great—to the point actually of influencing public opinion and therefore presidential action. In the most serious cases, such a Resolution could amount to a solemn warning—by the body ultimately charged with the relevant responsibility—that the question of impeachment may be coming into view.

All this is, of course, only a very partial answer to the veto problem. I cannot now think of any complete answer.

One possibility is constitutional amendment. Such an amendment could lower the majority necessary for override, or even perhaps expressly lay upon President some limitation of grounds for veto—limitations which would in the first instance have to be policed very largely by his own political morality, though evident transgression would probably make override more likely. I shrink, even now, from fundamental amendment of a Constitution that has worked as well as ours has, overall. (This feeling once so full-hearted, fades these days—yet I cling to it.) Specifically, I fear the dismantling of any mechanism of leadership, unless and until an alternative appears—and it is the veto, far more than anything else, that makes the President a leader as to legislation.

Footnotes at end of article.

Short of constitutional amendment, I would recommend first, that Congress—pari passu with its development of leadership capacity in itself—take heart and use freely any one of its present powers through which it may indirectly affect the veto power. The rider should be used with discrimination but unabashedly—not as a mere trick, but as a means of restoring constitutional balance. Congress has the ultimate power—the power of the purpose—and it is not impossible that, before the historians of the twenty-second century pick up their, to us, unimaginably well-engineered pens, Congress may have become emboldened enough, and have developed leadership enough, to use it.

Two recent developments may contribute to making this appropriate. The Twenty-second Amendment has now brought it about—foolishly, in my view—that in any President's second term the veto power, with all the other Presidential powers, is employed without any possible responsibility or accountability to any electorate, with nothing to gain or lose. The Twenty-fifth Amendment (probably more foolish than the Twenty-second, though it is hard to strike the balance of folly between them) has brought it about that the Presidency may be occupied, as it is now occupied, by someone never elected either to that office or to the Vice-Presidency. Someone never elected to anything, someone who never even held public office, could become President by appointment.

I find I have written entirely on the veto, though with attention to its relations with other powers. It is, as Wilson saw so clearly, by far the greatest of the President's powers. It stimulates the growth of all the others, for it makes nearly impossible congressional pruning-back of that growth. The mere possibility of its exercise cuts deep into the legislative process, affecting that process from the beginning.

I am irresolute, as I have shown, as to remedy. But I am resolute on one thing. The American people should be brought to understand this power in all its reach; out of such understanding some remedy may come—perhaps by way of a new convention, enforced by public opinion, as to the proprieties of the exercise of this ultimate weapon. It may seem impossible now, but over decades it may come to be perceived, by the public and by Congress, that government by veto is an undesirable thing in itself, quite apart from the merits of any particular bill. If this should happen, then it might be that Congress, urged on or at least freed by public opinion, would develop a convention of override on pure policy votes. Such a convention could be implemented without outrage to any individual conscience, for override requires only a two-thirds vote on those *present*, provided there is a quorum,[22] and these conditions could be met by the mere absence of Members of Congress and Senators who could not conscientiously cast a vote for the bill.

(A coda on the "pocket veto": In seminar, a student of mine, Richard Zuckerman, Yale Law '75, did a study on this, and whatever learning I have on it comes from him. The modern question, however, seems to me to need no learning. My summary and decided opinion is that, under modern conditions, a necessary element in the pocket veto—that Congress by adjournment *"prevent"* the return of the bill—is plainly missing, if each House, during adjournments (which now are always fairly short), has designated an agent to receive vetoed bills and messages. The "pocket veto" was put into Article I to prevent *Congress's* frustrating the President's veto power by adjournment. When Congress sets up arrangements which *eliminate* that effect of adjournment, there is no reason why the "pocket veto" should continue to have force; indeed, it no longer has any warrant in the literal text, if one reads that text freshly. The text does not say, or necessarily imply, that adjournment will always "prevent" return; it provides only for the case where it does. The pocket veto is an absolute veto not subject to override, and no reasons need to be given for it; such an institution should be treated *stricti juris*, and if return is in fact *not* "prevented", then that should be good enough.)

FOOTNOTES

[17] Mathews, *The Constitutional Power of the President to Conclude Executive Agreements*, 64 Yale L. J. 345, 355 (1955).

[18] Black, *The Working Balance of the American Political Departments*. Hastings Constitutional Law Quarterly 13 (1974).

[19] Youngstown Sheet and Tube Co. v. Sawyer, 343 U.S. 579 (1952).

[20] 343 U.S. at 634.

[21] From my Tucker lecture at Washington and Lee last May, shortly to appear in 34 Washington and Lee L. Rev. at p. 841.

[22] Missouri Pacific Ry. Co. v. Kansas, 248 U.S. 276 (1919).

POST CARD BILL A "HORROR"

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. FRENZEL. Mr. Speaker, proponents have cited experience in Minnesota, Maryland, New Jersey, and Texas as proof positive that postcard registration is the greatest thing since indoor plumbing. Actually those four States had a poorer voting performance in 1974, as compared to 1970, than the average of all States.

A letter from an experienced local registrar, Mrs. Merrill Montgomery, clerk of Little Falls Township, Passaic County, N.J., follows:

LITTLE FALLS, N.J., *April 16, 1975.*

Hon. WILLIAM FRENZEL,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: John Hunnewell, Executive Director of the International Institute of Municipal Clerks, called me last week with a progress report on the present position of the proposed legislation setting up postcard registration on a federal level. Since New Jersey has its own system for such registration, he suggested I write to you regarding some of the problems we have encountered in our state.

I have read the proposed federal bill and, while I, in common with most of my fellow Clerks, am opposed to any sort of postcard registration, I must say that our New Jersey bill, for all its faults, is a gem of simplicity and a model piece of legislation compared to the federal, which is an absolute horror. However, I am sure it is not necessary to point out its flaws to you as I understand you are also opposed to it.

Briefly, these are some of the problems we encountered in our first year of postcard registration in New Jersey:

1. No proof of age is required to register by mail. We had a number of registrants under the age of 18 (in three cases, they were 14 years of age) who registered in this manner, received in due time written verification that they were registered voters and proceeded to use their voter card as proof of age in order to purchase liquor. They were only apprehended because they presented themselves in person before a County Clerk who suspected their youth because of their appearance. How many more are registered, who will vote by Absentee Ballot, never appearing in person to be challenged by precinct checkers?

2. No proof of citizenship is required to register by mail. How many aliens are now registered to vote in the State of New Jersey?

3. By the use of Absentee ballots, an unscrupulous party could register hundreds of non-existent persons by mail whose votes would never be challenged because they would vote by mail. The fact that no such cases came to light last year does not mean it has not already happened; it only means they haven't been caught.

4. Less serious, but annoying and frustrating to would-be voters: new residents living on the edge of the dividing line between two voting districts have misstated their address in all innocence and have thus been placed in the wrong district. This means that on Election Day there is no record of them at the polling place and, while it can be straightened out by the Municipal Clerk, it takes time and many voters simply storm away indignantly and do not vote at all, blaming the system.

5. Which brings us to the major point—there was no significant increase in the number of persons who *voted*. Our governor proudly points to the increase in registration in New Jersey (not all that great) but perhaps forgot to mention that we are also sending Deputy Registrars into the high schools to register the students on the spot. This has resulted in many more young people being registered BUT they do not vote.

Of course, personally, I object to the principle of postcard registration because I feel the right to vote is a precious privilege, for which a great many men have died, and to cheapen it by practically force-feeding registration to a reluctant electorate is not going to accomplish anything but apathy to the whole electoral process. People have no difficulty finding Town Hall when they need a dog license, when they want a street map and, certainly, when they want to complain about something. I have had elderly people totter in on the arms of grandchildren; handicapped people on crutches or in wheelchairs; and when I protest that I would have been glad to come to their homes to register them they are indignant. These people take their voting seriously, which is as it should be.

In addition to the confusion that would be caused by this federal bill—I understand it would apply only to federal elections—the costs have got to be astronomical. Plus which there will be boundless opportunities for fraudulent registration on a massive scale.

But of course, you have doubtless considered all these factors and more. I can only hope that Congress in its wisdom will give very careful thought to such potentially dangerous legislation and leave these matters to the States where they belong.

Good luck to you in your efforts to defeat this bill.

Very truly yours,

Mrs. Merrill Montgomery,

Township Clerk, Chairman, Subcommittee on Postcard Registration, International Institute of Municipal Clerks.

Mrs. Montgomery, who obviously knows a turkey when she sees one, describes the Federal postcard registration bill as an "absolute horror." Anyone who takes the trouble to peruse H.R. 11552 can only admire her restraint.

In a rare outburst of enlightenment, we voted down a rule on the postcard bill in 1974. We can save a lot of valuable floor time, and thrill hores of local registrars like Mrs. Montgomery by doing the same this year.

HAWAII CHAMBER OF COMMERCE URGED TO SEEK DÉTENTE WITH GOVERNMENT

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. MATSUNAGA. Mr. Speaker, the Chamber of Commerce of Hawaii recently concluded its 1976 annual meeting in Honolulu. The principal address at that meeting was delivered by Lawrence S. Pricher, president of Alexander and Baldwin, Inc. Mr. Pricher addressed a problem which, I believe, concerns us all in this time of inflation and high unemployment, when young and old alike appear to have lost faith in our public officials and have even begun to question our 200-year-old system—the need for increased communication between Government and the business community.

We are already aware of Government's growing need for information and understanding about the business community in an ever increasingly complex society. Mr. Pricher addressed the problem from a point of view seldom expressed—the business community's need for a better understanding of the Government. Pointing to recent indication of the "polarization" of business and Government, he urged his colleagues to stop "isolating" themselves from Government and to seek constructive methods of communicating with their government representatives at all levels.

I commend Mr. Pricher for his recognition of the problem and his suggestions for solving it, and I hope that my colleagues and other subscribers to the Congressional Record will have an opportunity to read the full text of his action-provoking speech, which I submit for insertion in the Record at this point:

Business and Government—It's Time for Détente

(By Lawrence S. Pricher)

A few months ago, several of our management people attended the premiere of a new film on the Hawaiian Sugar Industry produced by the HSPA.

It is a very good film, explaining the role sugar plays in our community. The premiere was held at the State Capitol, and members of the legislature were invited to attend, along with the press and people in the industry.

Unfortunately, not many of the legislators attended. One who did sat with one of our senior vice presidents and said some interesting things.

He said that the legislators didn't attend because they figured a film, followed by cocktails and pupus was just "pap." That wasn't what they wanted.

He went on to ask—why don't you get together with us and tell us about sugar in depth? Tell us your problems and what you are doing about them. Tell us your needs. Answer our questions. That would be meaningful.

Like a lot of you in this room, we had been wrestling with how to do just what this legislator was suggesting. So we didn't waste any time in jumping at the opportunity.

A few weeks later, we invited 15 legislators to visit our Maui plantation for two days of straight talk about sugar, primarily combined with visits to key parts of the plantation.

It was one of the most stimulating and gratifying events I have participated in in many years. We at A&B learned a great deal, and I have a strong feeling that our guests did too.

One thing we learned was that we have a whole new generation of legislators—young, bright, capable. Few of them, however, have business experience; some of them are uninformed about the economics of a business—its needs, its goals. They are, by and large, conscientious representatives of the people—eager to understand, motivated to do a good job. It is our responsibility to help them.

I mention our Maui meeting because it illustrates one small effort to achieve détente between government and business, a goal that many of us seek.

The dictionary defines "détente" as a lessening of tensions, and, as it has come to be applied in international relations, it involves meeting with former or potential adversaries to explore common interests and reduce traditional animosities. It is the opposite of standing apart from one another and firing off predictable statements of your differences in a cold war environment.

I don't think it is extreme to say that the relationship between government and business in our state has tended to be an adversary relationship. This fact was crystallized in the first minutes of our Maui meeting. I had no sooner finished with my brief opening remarks than a legislator asked:

"Mr. Pricher, how can you rationalize government and labor sitting down with you when your whole purpose is increasing profits?"

It was a hell of a start. I am afraid I stumbled through an inadequate answer, at that moment, but during the next two days I came back to that legislator with what I hope was an answer he could accept.

Of course, our primary goal is to make a profit—that is the way the system works—that is the way we attract and create the capital that creates a sugar industry with its 9,000 jobs. What must be understood by government and labor and business alike is that our profits are their interest too. That the 5 percent or so a business earns in a good year is the life blood of our economy.

I need only point to Kohala, where profits could not be produced in the face of rising costs and poor agricultural conditions. Once profits dry up, Kohala becomes everyone's problem—business, labor, government—the whole community.

How does it occur that we have this adversary relationship with so little understanding of how our system operates?

Part of the problem is that businessmen have tended to isolate themselves from direct communication with government—I am certainly no exception, but I am trying to play catch up. I believe all of us must change if we are to maintain the vitality of our system.

There are a lot of reasons for our isolationism. We haven't wanted to get involved with "politics"—this has been a dirty word to some of us—just as "business" has been a dirty word to some people in government. Our détente efforts must seek awareness that both politics and business are essential and complementary parts of the world's greatest socio-economic system.

There is genuine concern on the part of some businessmen that direct, personal contact with government leaders will be regarded as attempts to influence solely for self interest. They shy away from the publicity that may attend private or public statements on public issues.

There was publicity on our Maui meeting, and we knew there would be. As reporters will, there were implied questions about the propriety of businessmen and legislators meeting together. The press is also part of our system, and thank God it is. We businessmen should learn to have thicker skins. Our friends the politicians learned this a long time ago.

Most often, perhaps we businessmen have failed in our responsibilities to aid government, thereby helping to create polarization, because we are too busy. Running a successful business—large or small—is time-consuming, sometimes exhausting. So is running a government—or a trade union. Big companies have plenty of dialogue with unions—either at the bargaining table, the picket line or, as is more often the case in Hawaii, in informal personal discussions. And it is certainly fair to say that unions have done a better job than business of establishing détente with government. It is up to business to make the time to communicate its needs and interests to government in like measure.

The fault, of course, does not lie entirely with us. Busy legislators don't always bother to get the business viewpoint on legislation. They don't always know how to go about it. They too sometimes shy away from contact with businessmen. (No politician wants it hinted that he is in bed with business.) I believe, however, if we can stand the gaff of public scrutiny, they can too.

The continued vitality of our society requires that the interests of business, labor and government be kept in balance. Serious, continuing communication among us is vital.

You may ask, what do we have to talk about? Certainly there is one common subject of vital interest to all of us—employment. This is the thread that holds our society together.

Our history books are filled with accounts of major revolutions. Always the root of these revolutions has been the misery of people. Misery caused by hunger, near slavery or other forms of exploitation.

The U.S. has been free of outright revolutions although the great depression and the social upheavals of the 1960s and 1970s brought us closer than we like. Our nation has been blessed with great natural resources. By and large we have used them with some enlightenment. The record is uneven, but our average over 200 years is fairly high. As a result, our people enjoy a high standard of living and, in general, have greater means to do more things in freedom than any other people in the world.

The basic reason for this better than average society is that people have had jobs. With the advent of collective bargaining, these jobs have become the envy of working men all over the world. Not only are basic wages higher, but they carry with them shorter working weeks, holidays, vacations with pay, medical and health benefits, life insurance and retirement plans.

Business has absorbed these added costs through better production methods and higher production efficiency—thanks to increased investments of capital—so that necessary goods are obtainable by nearly everyone.

Steady employment brings with it a great measure of security. A family whose working members can continuously bring home paychecks is free from the worries and miseries of hunger and debt. And, importantly, that family is not a burden to its community.

The working family also supports those services required by the community. The supermarkets, retail stores, radio and television shops, automobile dealers, drive-ins, movies, ice cream parlors and on and on. When a family does not have steady employment it creates a domino effect throughout the community.

Carrying this point further, a healthy business community maintains a positive chain reaction. When a business is strong and healthy it can make a community hum with activity. When a business fails, the machinery slows down. Insecurity replaces security. Worry replaces happiness.

What then follows? Society attempts to replace that business. We live in an age and nation where poverty is not tolerated. Loss of income from gainful employment requires that income be provided by the community. But every time that happens more money must be provided by fewer sources. An employed person pays taxes. An unemployed person not only ceases to pay taxes, but starts to withdraw from the general funds of the community.

The same is true of business. A healthy business pays taxes and creates employment. A failing business pays no tax and adds to unemployment.

What separates a healthy business from failing business? The ability to make a profit.

As I have said, when businesses fail and people are unemployed, society—that is the government—attempts to replace that lost income by creating new jobs or paying unemployment compensation or welfare, and there are some who contend that government should take over more and more of the responsibility of providing jobs or otherwise guaranteeing incomes.

Perhaps you have recently read of the subtle change now taking place in England, which embraced a modified system of socialism after the war. More effort is now being made by the government to encourage capital investment, to revive private business and reduce government-provided social services. Why? High unemployment rates, backbreaking taxes, a decaying industrial system and a miserable level of productivity. In short, an economy that is dead in the water.

Socialism, with government replacing business as the manager of capital and the provider of services, is of course an alternative to our free enterprise system. I sincerely hope that the lesson of its failure in England is not lost on us or our representatives. To prevent the destruction of private enterprise here must be the fundamental goal of our detent efforts.

Now, how can we go about effecting this detente?

Businessmen must take the initiative in discussing issues and making their views known to government. We must not be content only with supporting the Chamber of Commerce, whose public affairs programs are being expanded and improved. We cannot and should not be content only with occasional testimony at public hearings. We must not be content only with the efforts of agencies employed to lobby for us. On the contrary, we must begin to understand more completely the workings of our representative government. We must begin to cultivate acquaintances with our elected representatives. On a personal basis. We must acknowledge that compromise is sometimes necessary to achieve progress. We can no longer take knee-jerk, negative positions on everything emanating from the government. Just as we want our voices heard, so should we listen and help to find effective solutions to community problems. We should suggest and work on legislation in its formative stage instead of waiting to fight those acts which we had no part in creating.

We can take these steps as individuals, companies, or group of companies, but take them we must.

Hopefully, if we can learn to change and communicate effectively, government can too. I am sure our government leaders agree that all truly good decisions and good legislation start with maximum knowledge of the problem. Informed judgments can be made only on the basis of good information. In the light of good information, they may well accept the challenge that not all decisions will be popular with their constituents. Long range effects must be studied and balanced against the exigencies of the moment.

I believe that honest and regular communication between government and business can engender mutual respect and confidence. We are not in a contest to win everyone over to a particular point of view. It isn't them and us. It's all of us.

(If business won every debate with government, I am fairly sure that wouldn't be so good either. Back in the 1920s, business and government didn't debate much at all. The next thing you knew, we had the great Depression.)

So far, I have attempted to identify a problem and suggest some means of solving it, or at least reducing its significance. Perhaps, like every other speaker who approaches this subject, I have merely produced another set of platitudes.

In an effort to go beyond platitudes, I would like to devote the remainder of my time to some specific examples of situations in which the exchange of ideas between local business people and our legislature is desirable. Two of them bear in varying degrees on the interests of A&B (and I should point out that we have been and are continunig to make our viewpoints known directly to the government and not just in speeches). The third is not directly related to activities of A&B. All of them, I believe, are important to the community as a whole.

Number one is the proposed Inter-Island Ferry System. Number two is ocean transportation between the mainland and Hawaii. Number three is diversified agriculture.

NO. 1—THE PROPOSED FERRY SYSTEM

The state now has four basic, private inter-island transportation links for passengers and cargo.

1. Matson (mainland cargo only).
2. Barge lines (local cargo only).
3. Hydrofoil service (passengers only).
4. Airlines (passengers and cargo).

The ferry system represents a potential fifth link—publicly operated. The ferry system would not directly replace any of the other four and, at least for a time, all five would continue to exist. However, the ferry system would compete directly with three private systems using taxpayers money. It would not compete with Matson because Matson only carries cargo originating on the mainland or destined for the mainland between the islands.

(It has been said that up to 70 percent of the ferry system would be financed with Federal funds, so Hawaii's taxpayers would not have to pay for it to that extent. This logic escapes me. I am still paying taxes to the Federal government and assume the rest of you are as well.)

At first, it was said the system would pay for itself (except for those Federal funds) but this has been amended and it is now acknowledged that the system would not be self supporting. In other words, the users would not pay for this service. All of us, plus some of our fellow citizens on the mainland, would.

This taxpayer subsidized ferry system would hurt the barge, airline and hydrofoil service—none of which to my knowledge are extremely profitable. With their business down, how do they raise money for new equipment? If there is no new equipment, how long will service continue?

Recently, at a public hearing, a university professor said that our inter-island transportation was "a lousy total system." Will the proposed ferry cure it or compound the problem? Why not see what has to be done to make the existing system better before adding problems?

NO. 2—OCEAN TRANSPORTATION BETWEEN THE MAINLAND AND HAWAII

This question, of course, is more directly a matter for our concern at A&B, but I submit that it is emphatically a matter of vital interest to this state. In fact, it is no exaggeration to say that Matson's health—translate that as profitability—is as much a concern of the citizens of Hawaii as it is of the stockholders of A&B. If we and/or our competitors consistently lose money in this business we, at the last extremity, have the option of disposing of our assets, cutting our losses and getting out of the business. This state does not have the option of doing without ocean transportation.

Now Matson does make money, and having been here nearly a century, is not likely to get out. But it could happen if conditions worsen. Seatrain got out, and so have many other shipping firms over the years.

And conditions are worsening. Matson's profits are totally inadequate in relation to its needs. How much are those profits? In the last 10 years, Matson's return on its investment in the Hawaiian trade has averaged less than 7 percent. There are other safer investments than that. And the returns have declined in each of the last two years. The Federal Maritime Commission said 15 years ago when interest rates were much lower, that a 10.5 percent return would not be excessive for Matson. More recently, expert testimony at rate hearings said a 14.1 percent rate would now be appropriate. Matson has missed that by a mile.

Now, why are these higher profits needed? Here is an example: In 1968 and 1969 Matson bought two new containerships built specifically for the Hawaii trade. These ships cost about $23,000,000 apiece. The Enterprise and Progress are among the best containerships in the world. Unfortunately, not all of the fleet is of this calibre. A number of the other Matson ships are of World War II vintage and, lie people and automobiles, are wearing out. The logical replacement is a current model Enterprise or Progress. But today the price tag, including interest, is $65,000,000, nearly three times the 1969 figure. Would you make an investment like that for a return of less than 7 percent—and declining.

OK, if profits are down why don't we raise rates? Well, you see the headlines when we try. The Federal Maritime Commission must approve shipping rates, and we recently applied for a 5.4 percent increase to offset our rising costs and attempt to halt the decline in profits. It was not allowed to become effective but was suspended by the FMC for four months. We may not get it at all; we may get a part of it.

Now we get to the point: the key to the suspension of this increase was the opposition to it by the State of Hawaii. Here we have one of those cases I spoke of earlier where the long-range effects of an action must be balanced with the short-term effect. It is relatively easy for our state government to act in the short-term interest of the people to postpone or eliminate a 5.4 percent increase in shipping rates. It is relatively hard to make the long-term decision that helps preserve this state's vital shipping links with the mainland.

This is another point of view we are attempting to convey to the legislature and the administration.

NO. 3 AND LAST—DIVERSIFIED AGRICULTURE

Here is a subject you hear a lot about. Everyone seems to support it. Master planning embraces it. Land developments become embroiled in it. Even the ferry system proposal promises to benefit it. Yet year after year the development of diversified agriculture as a significant component of our economy eludes us.

Now lest I sound like a person who has all the answers, let me assure you I don't. But I do know there are a number of questions that need to be asked and if possible, answered.

First of all, what is it? I know part of the answer to this one. Diversified agriculture apparently is any crop but sugar or pineapple. Beyond this, it breaks down into two major components. Those tropical crops grown primarily for export to the mainland or elsewhere (papayas, guava, macadamia nuts, etc.), and on the other hand, those crops intended for our own supermarkets—lettuce, tomatoes, potatoes.

Over many years, the state's major agriculture companies have researched potential export crops. It is in our interest and the state's to minimize our dependence on one or two export crops and to utilize more land productively. Would you believe A&B at one time tried growing rubber trees?

Several basic points emerged from these studies:

1. Hawaii's climate and soil can grow a variety of products.

2. Large agricultural companies are not likely to raise produce for local markets for two fundamental reasons. (1) Small farms geared to the size of the local market cannot be efficient enough to compete profitably with the fantastically efficient farm industry of California, for example. (2) Should a large California-type farm operation be developed here, it would quickly oversaturate the market, and the surplus could scarcely be shipped to California profitably—coals to Newcastle.

3. Certain tropical products like papaya and macadamia nuts not grown on the mainland have an attractive potential. Indeed, they are being pursued. The development of these businesses has not been an easy one. (A&B's papaya business is not yet profitable after five years of effort and a significant investment. Hopefully, it will be in another year.) And, it is not just an agricultural problem. Our own problems with papaya illustrate this point.

We raise papaya on Maui, where we own land. Unlike the Big Island, where many more papayas are grown, Maui has no direct air service to the mainland. So we cannot ship our papayas to market by air as Big Island farmers do. The costs and delays of transhipment via Honolulu or Hilo are unacceptable.

To get around this transportation problem, A&B experimented and is developing systems to ship papayas to the mainland by ocean carrier. Because of lower rates (free to Honolulu) transshipment via Honolulu is economical, but the delay is much greater. By developing a delicately balanced system of harvesting, treatment of the fruit and packaging and containerization with proper temperature and humidity controls, we feel confident that Maui papayas shipped by ocean can be delivered to West Coast markets at lower cost and with comparable shelf life to those flown from Hilo. Now we are still experimenting with various methods of marketing the fruit once it gets there.

I hope this illustrates how diversified agriculture is not just an agricultural problem—processing, packing, transportation and marketing are all part of the business. Weakness in any part can destroy the whole business. So it isn't enough to say, we can grow rutabagas or kumquats on Maui or Kauai, so let's do it. Farmers, large and small, must be prepared to deal with the whole system.

Now let's turn to the other part of diversified agriculture—the raising of the fresh fruits and vegetables we eat here in Hawaii. I am sure we have all asked at one time or another "Gee, in a place where you can grow practically anything all year around, why do we have to ship in our produce from the mainland?"

I have given you the big farmer's answer. Because of economies of scale, California and other mainland growing areas can deliver produce here more economically and more regularly than we could—even with a 2,500-mile trans ocean trip.

But what about the small, family-owned farm or truck garden? Is there a place for it here? Can it hope to supply local consumers with a larger part, or all their produce requirements? I would like to think so. I sure like my sweet corn, lettuce and tomatoes fresh.

But here we come up with the total system problem. Our small farmer is not well prepared to take on the problems of transportation, marketing, etc. He is basically an agriculturist. Perhaps he could produce the crops if he had assistance in production scheduling, marketing, transportation and the coordination of his efforts with those of other farmers—in essence a cooperative to supply those capabilities the individual farmer does not have.

To develop a system for coordinating and assisting small farming ventures would require the answers to a number of questions.

1. How much produce do we import? What is the mix of varieties?

2. What should we grow here?

3. Can the local retailer depend on our local farmers for a consistent supply?

4. Would the retailer buy locally if he were assured of a continuing supply and at a competitive price?

5. If there were coordination and assistance in transport and marketing or even in agricultural technology, would local farmers cooperate and participate in an effort to assure consistent supplies of the right varieties?

6. Can the State or County governments make land available to new farmers with farm loans?

7. Most importantly—where is land available relative to the center of population?

8. Is there enough labor? Do people want to work on farms?

Developing diversified agriculture in Hawaii is a complex socio-economic problem—not a business problem—and I believe the state government must take the lead in this environment. However, many of us in business have experience that could be helpful to the state. Are we offering it? On the other hand, is government asking for it?

I believe this is another area where frank communication between business and government is needed for the common good of the community. I am sure you can think of many others. I hope our legislators and other state officials can think of some too.

We as individuals, our businesses and government have some fundamental things in common. The economics of a family, a business and a government are all basically the same. We must all have enough income to meet expenses. When any of the three continually spend more than they take in, there is trouble. If income is fixed, expenses better be cut. If expenses are fixed, then we better find ways to increase income. We ought to be able to agree on these things.

Ladies and gentlemen, there is no "them" and "us," only "us," in the long run. Don't wait for your elected representative to call you. Call him or her. Don't fight the system, learn to work with it. We have something to offer—let's offer.

And to those representatives who are interested in doing an outstanding job I ask—keep an open mind—get the facts. In the final analysis, we're all shooting at the same target—the best kind of Hawaii we can—together—achieve.

FIRST DISTRICT VOTERS SPEAK OUT

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. ALEXANDER. Mr. Speaker, I am fortunate to represent people who so plainly and accurately speak their minds. I would like to share with my colleagues a sampling of mail that exhibits what Arkansans are saying about the state of the Union today:

Dear Congressman: I am getting more confused every day, also frightened. I am an old lady who will be 72 in March. I am a widow who lives alone and tries to stay informed of what is going on. Now, I don't know.

Was it necessary for our President to go to China? To spend all the money for he and his family? Jack Anderson tells some frightening things about our Government's doings. This morning on the Good Morning program (ABC) they discussed the frightful debt of our Postal Service and now we will soon pay more for mailing letters. It seems all the government people has their hand in the till while we people at home get the debts to pay and as ltitle to live on as possible.

My husband was a World War I veteran who was in the Battle of the Argonne. He passed away in 1973 and left me a home with 58 acres of land and no debts. We worked hard to pay for this farm and we had other debts to pay. Our first child had Polio at the age of three. We did everything we could to help her, she had to wear braces and use crutches. In those days we received no help from any source.

We have never gotten welfare from any place. I still don't and don't want it. The Veteran's Administration can't even afford to give but a very small amount of widows pension to me because the higher up want to feather their nest. With the last social security raise I get $136.20 per month, $40.80 from V.A. I use Propane to heat with. It costs so much that with repair of my home I barely get by. I'm not begging for more, I just want to see our government stop giving away so much. We have such lazy people that won't work and cheat every way they can. Some live near me.

Please read the December Readers Digest article "Wake Up! Wake Up! Is our Presidency Too Powerful?" and "Let's Stop the Unemployment Compensation Rip-Off". Please try to do all you can about it.

I have a lot of confidence in you.

Yours truly,

V.S.

Walnut Ridge, Ark.

Dear Sir: I am not anti anything you have on your list; however, with more controls and insuring monies are spent as intended; i.e., food stamps for the needy go to the needy, monies allocated for school lunch programs are used as a supplement to and not a replacement for state luncheon programs, that monies allocated for rural areas are spent on rural areas throughout the state without political favor, I believe we can reduce spending without hurting the needy.

We have lived with all surface country roads for a number of years and can live with them for many more—one consolation is that there are few that violate the 55 mph Federal speed limit over them.

I am strongly opposed to any and all foreign aid destined for Communistic, Pro-Communist and OPEC countries. Especially Vietnam! Let them sell their military Equipment and cease operations elsewhere (Laos, Cambodia, Thailand, etc.) and obtain their monies elsewhere—if we provide them food, their dollars can go for arms.

I am strongly opposed to the millions that are spent on Government investigating Government and nothing happening excepting that our security is weakened, when the Adam Clayton Powell's are doing the investigating.

I am opposed, if the news media stories are true, that drug enforcement agencies are setting up buys and sales of narcotics to entrap pushers and handlers instead of closing the point of entry it appears that we are legally making that point of entry a little larger. If we can close the point of entry, regardless of convictions, and can reduce the source then we have helped our young people. As long as the source is there and money is involved someone will sell it. It seems we go all around the root of problems to harass instead of dealing primarily with the subject. The drug, not the pusher is our main problem. Control the first, you've got the latter beat, then if we can't control the first, ensure the second gets a stiff penalty, vice a six year jail sentence (four suspended, and out on parole in eight months).

Excuse me for bending your inquiry. I would hate to see anything cut for cutting's sake. I would just for once like to see some "Management" in our Government and believe that once it catches on that the cuts, if they had to be made would come from the various agencies themselves instead of by Congressional request or axe. I have seen in the past memo's passed requesting money expenditures so the next years allotment would not be cut! Seems Congress could reward those agencies returning monies other than axing that sum from the next fiscal year budget.

Thanking you,

D. F.

Mammoth Spring, Ark.

Dear Bill: Please permit me to again express my opinion.

What can Congress be thinking about—triple overtime and $3 Minimum Wage? Allow one disgruntled man to shut down an entire job? I wish I had the ability to express myself and gain a following. It is no wonder George Wallace is popular. This trend scares me to death and I feel so hopeless.

The $3.00 minimum is going to put millions on Welfare. The small businessman hires more people than all industry combined. There are menial jobs that are not worth as much as skilled jobs. There is no one to do them. You can't pay $3.00 per hour for in home caretaker, baby sitter, etc. They will have to shut down.

We tried to get someone to stay with my wife's parents to help them (live in) around the house. They are old and can't take care of themselves at times and they wanted $2.00 per hour or $48 per day. Just one example.

Everytime the minimum wage goes up the welfare rolls are increased, and they act like they don't know why we have inflation and unemployment. There are literally millions of jobs going begging and no one to do them. Congress has no right to vote a minimum wage in the first place. They do not have a right to tell me what to pay nor how many hours they should work. It is not legal under our Constitution.

If the minimum wage is $3.00 for unskilled menial labor or $24.00 per day plus $9.00 per hour or $72.00 for Saturday work that is about $220.00 per week for a truck driver—mind you that this is the lowest we can go. What will we have to pay skilled labor? What will this do to the cost of all goods? They will go up. This will cause the cost of living to go up then the wages are tied to cost of living. The stupidity of the whole thing makes my blood pressure go up when I realize how helpless we are in the grip of the labor unions who care nothing for this country or the people they represent.

I get burned up when I see our free enterprise completely destroyed. I wish I had the ability to get on radio and television and plead for a little sanity. We are going in a direction that means bankruptcy. When this happens so many will find out what we went thru in 1933. When people like New York City prefer to be out of a $9.00 per hour job than work for $7.00 we are in trouble. Most do not prefer this but a labor leader told the City of New York that they would rather see 7,000 policemen go on welfare as to give up a requested wage increase. The implications of this are so far reaching. It spells out why we have inflation, unemployment, and rising crime. The list of problems are unending.

It would be nice if there were good wages for everyone and everyone was willing to work and produce for a good days pay. Being a realist I know this can't be but an idealist thinks they can legislate this.

Our federal government does not owe me a job. They owe us an atmosphere where I can practice my ability to convince someone that I can do a job. They owe us free enterprice and protection from criminals to practice our trade.

Please protect us from this idiotic Congress and the powerful labor unions.

The fall of New York City could be a blessing in disguise in the long run if it wakes some people up.

D. B.

Blytheville, Ark.

WALLY CARSON RETIRES FROM POSTAL SERVICE

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. SIMON. Mr. Speaker, as a new Member of Congress on the House Post Office and Civil Service Committee. I have had my share of problems with the U.S. Postal Service. In fact, I have recently learned to my chagrin and amazement of their plans to close an additional five rural post offices within my congressional district. However, for the last year, my staff and I have been guided through the postal maze by the Service's fine senior representative, Wally Carson.

I am sorry to report that Wally is resigning from the Postal Service effective Friday. He has decided to make use of his legal abilities in the private practice of law. His leaving is a real loss to the Postal Service. It is a time in which the Postal Service must seek new and creative answers to the many problems they face. Confronting them is a financial crisis, and the loss of public confidence. And management has failed to implement practical measures to improve the level of service provided. Quality people like Wally Carson make the hard decision to leave the Postal Service. I hope it is not because they could not impress upon their seniors the need to work with Congress to arrive at means to save the Postal Service. The Postal Service will miss Wally, as will the hundreds of residents of my congressional district whose postal problems he helped to solve. And I will remember with gratitude the assistance he gave to this freshman Member.

CONGRESS AND FISCAL POLICY: STRONG NEED FOR CONGRESSIONAL LEADERSHIP IN FISCAL YEAR 1977

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. DOMINICK V. DANIELS. Mr. Speaker, there has been much discussion lately on the subject of the budget, and the words "fiscal responsibility" have become the slogan of both Congress and the executive branch.

Of course, this is certainly appropriate, given the antispending mood of the American people in general—but it would be a mistake to assume that we can solve the Nation's economic problems by a simple substitution of parsimony for sound economic planning.

As Dr. Walter W. Haller points out today in an article in the Wall Street Journal, "fiscal responsibility is not synonymous with fiscal restraint."

Our complex economy cannot be controlled like an automobile out of control by simply putting on the brakes. Indeed, if that were to happen, all the passengers in the economic vehicle would be injured—some fatally.

However, that is precisely what is going to happen if the President's will prevails on the fiscal 1977 budget. Professor Heller maintains that "the combined tax and spending changes in the President's budget would add up to a withering fiscal drag on economic expansion during fiscal 1977."

Dr. Heller further warns that hitting the fiscal brakes as the President proposes when unemployment and economic slack are still legion and inflation is ebbing would be "fiscally irresponsible."

Clearly, Congress must exercise leadership in the vital area of fiscal policy. We must carefully interface tax and spending policies to encourage orderly economic recovery. We must get the unemployed back to work through the development of programs that will provide jobs in the public service sector while the private sector regains its vitality. After all, unemployment is draining the economic resources of the Nation—both through loss of tax revenue and the need to provide compensation and other social welfare benefits to the jobless.

As my colleagues are aware, the Education and Labor Committee has reported out my emergency employment projects bill, H.R. 11453, which will extend funding for CETA title VI programs, under a newly designated VI(A) category, as well as adding a new section VI(B) providing public-service jobs in special employment projects.

Mr. Chairman, this legislation is a component of the economic fine tuning that must be done by the Congress to restore vitality to our economy. This legislation is a prime example of a responsible net stimulus cited by Dr. Heller in his thoughtful essay on the President's faulty budget proposals.

Mr. Chairman, Dr. Heller's essay is included at this point in my remarks:

FORD'S BUDGET AND THE ECONOMY

(By Walter W. Heller)

Policy developments of the past few months have cleared the track for a respectable rate of recovery this year. Interest rates have backed down, the 1975 tax rates have been extended, gradual rather than abrupt decontrol of oil prices is in prospect and New York City has been pulled back from the brink of bankruptcy.

Rising business and consumer liquidity, ebbing inflation, accelerating retail sales and a surging stock market all contribute to the atmosphere of expansion. All told, it is an encouraging backdrop for reaffirming the bullish forecast of a 7% advance in real GNP in 1976 that George Perry and I first ventured in October.

But President Ford's budget and economic policy messages cast an ominous shadow over late-1976 and 1977 economic prospects. His Economic Report resolves all economic doubts in favor of subdued expansion in 1976 lest we agitate the inflationary beast within us. And his budget sets the fiscal dials to "hard astern" for 1977. If Congress and the Federal Reserve respond with fiscal and monetary restriction this year, recovery could be imperiled next year long before the country reaches anything resembling full prosperity.

So the outcome of the Bicentennial battle of the budget will have profound implications not only for social policy but for economic performance. Where are the battle lines drawn for fiscal 1977? Given increasing budgetary caution and discipline in Congress and a conservative but not Neanderthal President in the White House, one can safely say that the range of outcomes is not bounded by wild election-year spending on one hand and a $90 billion cut on the other. Much more likely—giving proper weight to the President's budget cutting initiatives (and veto powers) and the shift toward sobriety-in-spending in Congress, both reinforced by the public's anti-spending mood—is a battle arena bounded at the upper end of a maintenance-of-services or hold-the-line budget of $414 billion and at the lower end by the President's $20-billion-cutback budget of $394 billion.

When the President first proposed his 28–28 program last October, he was operating from a "current services budget" benchmark of $423 billion. But after downward revisions in the light of more accurate information and "congressional increases threatened but not passed," the figure was scaled down to $414 billion. That is the level of spending that would be required in fiscal 1977 (starting Oct. 1, 1976) to maintain services and commitments at fiscal 1976 levels. Mr. Ford would whittle $20 billion off this revised "current-services budget" by holding social programs $10.5 billion below prevailing levels; civilian and military pay, $3.5 billion below; other defense, $1.5 billion; and "all other," $4.5 billion.

A COMPARISON

Another way of looking at the 1977 Ford economy-model budget is to compare it with "normal" budgetary growth. The $21 billion increase over the fiscal 1976 budget is just half the average increase of the three preceding years. (After factoring in the three months' hiatus—with its own "transition quarter" budget—before fiscal 1977 begins, the applicable rate of increase comes to only $17 billion.)

Some $15 billion of the $21 billion increase represents the actual growth in defense and interest costs. This seems to leave only $6 billion for all other programs. But, as recovery continues, an added $5 billion becomes available through the automatic shrinkage of unemployment compensation and other "cyclical" transfer payments. Thus $11 billion is available to finance increases in all other "non-cyclical" civilian programs. Normal growth in these programs, consisting of a 6% allowance for inflation and 4% real expansion, would come to $31 billion. By this measure, too, the Ford budget represents a $20 billion scaling back of government programs. So both the overall cutbacks and its impact on the level of social services are severe by any recent budgetary standards.

On the tax side, the President proposes extending the present $18 billion tax cut, plus another $10 billion cut in personal and corporate taxes effective July 1, 1976—all conditional on appropriate cuts in projected spending. His proposed increases in payroll taxes, effective next Jan. 1, will offset nearly $8 billion (at annual rates) of the additional $10 billion.

The combined tax and spending changes in the Ford budget would add up to a withering fiscal drag on economic expansion during fiscal 1977. The high-employment surplus would rise by $19 billion for the fiscal year, with the restrictive pressure growing sharply and steadily during calendar 1977.

That the Congress will fully accept either the restrictive economic policy or the Spartan social policy implicit in Mr. Ford's budget is highly unlikely. True, no spending spree is in prospect. But a reasonable working assumption is that the pulling and hauling on the budget will bring spending up to about $410 billion for fiscal 1977. And after another noisy struggle, a further extension of the present $18 billion cut seems to be a good bet.

This policy projection implies little fiscal constriction until after the election. But even if spending winds at $410 billion, fiscal policy will tighten in fiscal 1977. The tightening would be very modest, if the proposed income and payroll tax changes are not enacted. But if the payroll tax cuts are accepted while the added income tax cuts are rejected, the net result would be an $11 billion restrictive impact on a 1977 economy still operating far below reasonable target levels.

Monetary policy, after a year of puzzles and surprises, is even more difficult to sketch into the mosaic of the 1976 outlook. But a reasonable person, with fingers crossed, could assume that the Federal Reserve would not overreact to a strengthening recovery unless the inflation outlook suddenly darkens. In other words, a monetary policy that produces a mild rather than sharp rise in interest rates is a reasonable projection. This implies that short-term rates, after some further easing, will move up only moderately as the year progresses. Long-term rates are not likely to rise until later in the year, and then only after giving some further ground in the next few months, especially in the mortgage area.

Given only moderately accommodative fiscal and monetary policy for 1976, where do Perry and I find the expansionary strength to support a forecast of 7% real GNP growth? Primarily in a more upbeat view of consumption and business capital spending (and, in the accompanying year-over-year advance of $25 billion in inventory investment) than most forecasters are projecting.

The sparkling performance of corporate profits will be the chief spur and lubricant for the revival of business fixed investment. Productivity advances and rising sales should generate a one-third rise in after-tax profits in 1976 on top of a striking jump during 1975. From 1975's first quarter to 1976's fourth, they should rise from $60 billion to over $100 billion at annual rates.

In a little longer—and "quality-corrected"—perspective, the profits boom is even more impressive. After inventory valuation adjustment (IVA)—that is, allowing for inventory replacement at current prices—profits in 1976 will be half again as high as in 1974. This will go a long way toward restoring corporate profitability, which had hit—a postwar low of 8.1% of corporate product in 1974.

Led by the profit surge, internal cash flow this year will reach historically high levels relative to business fixed investment. Add to this the incentive of a more generous investment credit and the ability to draw on reinvigorated capital markets, and upward revisions of capital spending plans should be the order of the day. They are not yet reflected in plant and equipment surveys and capital appropriations. But the sensitive index of capital goods orders has been rising impressively since April. An "optimistic-realistic" expectation for this year, then, is an 11% rise in business fixed investment. Barring unexpected setbacks in the consumer sector, this advance should accelerate during 1976 and into 1977 and become a primary driving force for expansion.

FOUR PLUSES

The rise in consumer spending that started after the first quarter of 1975, stimulated first by tax reductions and then by rising payrolls, will continue during 1976 in response to (1) a continued rise in real disposable income as employment rises and wage gains outpace the inflation in living costs, (2) an improved consumer buying mood as buying power grows and the threat of layoffs recedes, (3) stock market advances and the rising backlog of demand for durable goods and (4) strengthened consumer liquidity growing out of a $100 billion-plus rise in consumers' liquid assets for 1975, together with only modest increases in installment debt. A rise of 11.5% in overall consumption—with autos and other durables as the star performers—is in the cards.

Housing at 1.5 million starts, a moderately declining net export balance, and a lackluster government sector—especially at the state-local level—round out the 1976 prospects. It all adds up to a 1976 GNP advance of $196 billion, to a total of $1,695 billion (using the new Commerce Department GNP benchmarks). For the first time in four years and only the second time since 1968, more than half of the advance will represent a real gain, less than half, inflation.

Inflation will continue to moderate in 1976. With a good 1975 harvest in hand and average crude oil prices scheduled to come down moderately, neither food nor fuel should add materially to the rate of inflation this year. And although rising demand will generate some added pressures on raw materials prices and on price margins, the moderate pace of recovery in the industrial world in 1976, coupled with pervasive slack in the U.S. economy, should hold these pressures in check this year. Thus the crux of the matter is the behavior of wage costs.

With 4½ million workers involved in major wage negotiations this year, the outcome will be crucial in determining price performance in 1976 and the later '70s. As a result of cost-of-living escalators, several of the unions involved in the forthcoming negotiations have enjoyed wage advances considerably above the economy-wide average. If the government could influence these negotiations to set a pattern of moderation, the national goal of slowing the rate of inflation would be well served.

These settlements would be a logical place to begin a gradual unwinding of the wage-wage and price-wage spirals. A reasonable expectation—even assuming that the big contracts, front-loaded as usual, will average 10% in the first year—is that economy-wide compensation per manhour will rise about 8% this year.

Given the abatement of food and fuel inflation, the modest impact of demand pressures, and an 8% average pay increase, the rise in the GNP price deflator this year should ease to about 5¾%, or three points less than last year.

An inflation rate of less than 6%, coupled with a 7% advance in real output, is cause for considerable satisfaction but no complacency. Despite the above-trend gain in output, the end of the year will still see recession-like levels of unemployment at 7¾%; of capacity utilization rates in manufacturing, at about 80%; and of economic slack, with actual output still running nearly $125 billion below the economy's potential (as measured at 5% unemployment).

DEFINING 'FISCAL RESPONSIBILITY'

Congress rightly prides itself on its more prudent fiscal posture and procedures. But if the new politics of fiscal responsibility, or austerity, simply leads to budget parsimony and willy-nilly economic restraint, its benefits will be swamped by its costs. Congress should vividly bear in mind that massive swings toward fiscal restraint in 1959–60 and 1973–74 exacted a huge toll in lost jobs and output.

To hit the fiscal brakes, as Mr. Ford proposes, when unemployment and economic slack are still legion and inflation is ebbing would be fiscally irresponsible. "Fiscal responsibility" is not synonymous with "fiscal restraint." Rather, it calls for an intelligent fitting of tax and spending positions to the needs of the economy. With its new budget procedures and staff, the Congress is now equipped to do this. Given the will, it can become a major force in effecting a new fiscal policy of responsible net stimulus in a lagging or sagging economy, and responsible net restraint in a prosperous but inflation-prone economy.

OCTOBER LEAGUE HOLDS FIGHT BACK CONFERENCE

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. McDONALD of Georgia. Mr. Speaker, the October League, Marxist-Leninist—OL—a Maoist Communist group which is organizing secret cadre cells of professional revolutionaries and is preparing to go underground and operate illegally to forment a revolution, held a national meeting in Chicago, December 28–29, 1975, to consolidate a new front organization to be used as a basis for recruitment.

Approximately 1,000 Maoist activists and their supporters crowded the meetings held at the McCormack Inn in downtown Chicago. The OL claims 1,300 persons attended, but observation indicates that figure is somewhat inflated. It was clear to those attending that the October League had spared no expense in preparing for the meeting which was termed the "National Fight Back Conference." Many conference rooms at the McCormack Inn were rented and free housing for out-of-town delegates was provided at the Essex Inn and the Ascot Hotel, two other large downtown Chicago facilities.

A confidential internal October League document distributed among OL district organizers in December made clear the total control by the October League of the new National Fight Back Organization—NFO—created at the Chicago conference. The document, "Report from the Meeting of the Standing Committee (of the Central Committee)," November 1975, signed by Eileen Klehr, was basically an evaluation of the OL's party-building efforts in its attempt to form a new Maoist Communist Party in the United States. In part the report stated:

> In the past months, our work in building the Workers' Fightback Committees has moved froward throughout the country. * * * The process of winning the masses of working people to a communist-led fightback against the imperialist (economic) crisis is a protracted one requiring years of work and, most importantly, a revolutionary party. We have made important gains in beginning this work by forming the local fightback committees and drawing around them a core of dedicated workers who are committed to building the fightback and forming a national fightback organization.

In a plain English translation sans rhetoric, the October League has admitted in that passage that they have created the local network of fightback committees as a first step toward creation of a new Communist Party and that the core of these local committees is composed of persons already following the OL line, in other words, OL cadre. Klehr's report on the Standing Committee of the Central Committee continued:

> This stage of our work will be culminated in the National Fightback Conference in December. *The main purpose of the conference will be to establish the basic framework of this National Fightback Organization and to consolidate this strong core of workers who will play a major role in building and expanding it throughout the country.* [emphasis in original]

Klehr then defined the nature of the fightback front and the role of the October League in it:

> The character of the conference and the national organization will be a broad united front. We should continue to draw into it many forces * * * that may not agree with the October League's full program, but are interested in building the fightback.
>
> * * * It is very important for we, as communists, to exercise independence and initiative by doing education about party-building and socialism with the workers * * *. This should be done within the context of the broad united front we are building, mainly through individual contact work, our newspapers and literature.

Klehr ordered that the OL cadres exercise the leadership of the Fightback Conference's speeches and workshops by formulating "a clear program for the fightback" and by guiding "the formation of the national organization itself."

Klehr further provided directions to to October League's District Organizers that—

> Each factory unit (cell) should assign one or two people to attend the (local) Fightback meetings.

And each cadre cell was directed to "develop a special plan including agitation" to bring "workers from the plants into the Fightback Committees and to the conference."

Immediate preconference planning was handled by the National Fight Back Committee from Post Office box 7646, Chicago, Ill. 60680. Committee coordinators included such well-known OL figures as Jeff Berger of Chicago—312/472-6802 or 341-9740; Arlene Schumache of Los Angeles; and Larry Miller, the Baltimore organizer.

The National Fight Back Conference—"the fightback must be aimed against the imperialist system itself, not just this or that employer or city administration," stated Klehr—was convened shortly after 10:30 a.m. on December 28 by Mary Joyce Johnson, vice president of the National Lawyers Guild. Johnson, an Atlanta attorney, has exhibited a marked affinity for the October League during the past 3 years. She serves on the board of the Southern Conference Educational Fund—SCEF—which is dominated by the OL, and acts as attorney for several OL Atlanta fronts including the Atlanta Workers Committee to Fight Back and the Desi X Woods and Cheryl Todd Defense Committee.

Johnson, described as the "Master of Ceremonies' by the OL which cares little for the feminist movement's sensibilities, introduced the speakers at the opening session. Mary Emerson spoke first. She was a short-notice replacement for Fred Walters, president of the Gulfcoast Pulpwood Association—GPA—of Mississippi which has worked closely with SCEF organizers for several years. Walters was reported detained by developments in Mississippi.

Emerson spoke about the role of the October League in providing support for striking Sloan rubber workers in Los Angeles. She denounced the United Rubber Workers Union leadership for having provided what she termed "token assistance" to the Sloan strikers. On the other hand, said Emerson, the October League promoted "unity of white and Chicano workers" and provided "training" for the Sloan strikers.

Odis Hyde, 69, an open member of the October League Central Committee, next gave an emotional speech on his experiences involving racial "oppression."

A special supplement of "The Call," which states on the masthead that it is "the political newspaper of the October League," distributed at the conference stated that Odis Hyde joined the Communist Party, U.S.A., during the 1930's and was active in the Communist Party-led strike in 1937 at Republic Steel. He served the CPUSA as an organizer on Chicago's Southside and worked for Procter and Gamble from 1942 to 1962. The Call noted:

> But after the CP abandoned the revolutionary struggle of the Black people, and became revisionist, he quit. Mr. Hyde joined the October League in 1972 and today is on the Central Committee.

What the OL newspaper does not say is that Hyde's quitting the CPUSA was actually due to his support for a faction known as the Proletarian Organization Tendency, a mainly Negro group of Communist Party activists which continued to support Stalin's hard line policies after the official disclaimers and which wanted the Marxist-Leninist revolutionaries to take a much more militant stance than the Communist Party was willing to take in the late 1950's. Since the Communist Chinese still revere Stalin, it was natural that Hyde should eventually gravitate into the Maoist Communist camp.

The third speaker was Starbisha Weusi, 29, active with the Congress of Afrikan People—CAP. CAP was founded and is headed by LeRoi Jones, who calls himself Amiri Baraka. In 1974, Jones transformed his organization from "black nationalist" to Maoist Communist. Weusi serves on the editorial board of CAP's newspaper, Unity and Struggle, on CAP's Women's Commission, and as a leader of CAP's women's front, the Black Women's United Front—BWUF.

Weusi called for women in the economic fight back movement against capitalism to "expose bourgeois feminism" and denounced the Coalition of Labor Union Women—CLUW—for "falling more and more under the bureaucrats." "Not men, but imperialism—the highest stage of capitalism—is the cause of women's sexual oppression," she asserted. Weusi provoked some comments from OL's women's cadre who have become a major force in CLUW chapters in several cities, including Atlanta. Jill Gemmil of the OL Central Committee has served on CLUW's national board.

After a lunch break, the conference broke up into a dozen workshops. Topics included:

Tenants Struggles—the fight for decent housing.

Busing and school desegregation.

Jobs or Income Now—organizing the unemployed.

Deportations—anti-Rodino bill and INS.

Welfare Rights.

Senate Bill 1 (S-1)—"an attack on our democratic rights."

The world situation today—the danger of a new world war; support for the third world.

The economic crisis and the workers fight back.

The fight in the unions—rank and file caucuses.

The role of the youth—Jobs for youth campaign.

Women in the fight-back struggle.

Repression and resistance—police brutality, the prison system.

Organize the unorganized.

Working with the military and the veterans.

Special oppression of nationalities.

Education—cutbacks and the struggle for a decent education.

A feature of the conference plenaries was a simultaneous translation of speeches into Spanish. The October League is attempting to recruit new members of Spanish background, concentrating in Los Angeles and Denver on Mexican Americans, or Chicanos as the radicals term them, and on splinter groups of Puerto Rican revolutionaries. The OL's approaches have been rejected by the Puerto Rican Socialist Party, which recently purged many of its Maoist members who opposed accepting international support from Cuba and the Soviet Union.

After a late afternoon break for a demonstration of self-defense tactics, the conference broke up into a number of caucuses on rank-and-file movements in the United Auto Workers, United Steelworkers of America, and United Rubber Workers unions. Other meetings were held on the Coalition of Labor Union Women, legal defense, health care, and "Why there is no economic crisis in China,"—slaves are never idle.

Saturday evening was devoted to "cultural activities." These featured a performance by Ann Romaine, organizer of the so-called Southern Cultural Folk Revival Tour, a spinoff of the old Southern Students Organizing Committee—SSOC—the southern arm of Students for a Democratic Society, in which many of OL's white leaders were formerly active. Romaine is also a SCEF board member and has performed at many OL-organized affairs, including the preliminary Southern Fight Back Conference.

Other "entertainers" included the CAP Anti-Imperialist Singers featuring Starbisha Weusi; La Casa del Barrio Teatro—Slum House Theater—of Denver; and Betty Fikes, formerly active with the Student Non-Violent Coordinating Committee—SNCC.

Sunday morning's international speakers opened with Norberto Cintron Fiallo. The October League is attempting to recruit the Maoist faction of the Puerto Rican Socialist Party. Because of the current intensity of the quarrel between the Russians and the Chinese Communists, the OL must work against the Soviet and Cuban supported PSP and try to build its own Puerto Rican revolutionary movement. The Klehr Standing Committee report noted:

> The fightback against the imperialist crisis must be built on the firm basis of proletarian internationalism. A key aspect of that is the struggle for Puerto Rican Independence and for full democratic rights for Puerto Ricans in the U.S.
>
> In this light, the Standing Committee decided to adopt the proposal of the National Puerto Rican Commission to build a national defense for Federico Cintron Fiallo, leader of the militant Movimiento Obreros Unidos (MOU) in Puerto Rico.

The report then noted the facts of the Soviet interference in Puerto Rican affairs with admirable clarity:

> The island of Puerto Rico is the most hotly contested arena for superpower influence in Latin America. In the face of waning influence [of the United States] * * *, the Soviet Union is pouring millions of dollars into and accelerating its efforts to step into the U.S.'s colonial shoes. Within the United States, the centrist Puerto Rican Socialist Party (PSP), hand in hand with the revisionist CPUSA, has been the main force promoting the influence of the Soviet Union within the Puerto Rican movement.

Norberto Cintron spoke to the Fight Back Conference representing the Committee To Defend Federico Cintron-Fiallo. Federico Cintron, Norberto's brother, executive secretary of the MOU, a labor front of the PSP, was arrested in Puerto Rico on August 13, 1975, by Puerto

Rican law enforcement and FBI agents on bank robbery charges.

The second featured international speaker was a woman member of the Zimbabwe African National Union—ZANU—a Maoist terrorist organization waging guerrilla war in Rhodesia. The woman, Sarudzai Churucheminzwa, is the author of a pamphlet, "Why I Joined the ZANLA Women's Detachment." ZANLA is the Zimbabwe African National Liberation Army, the military arm of ZANU.

This woman guerrilla, is touring the United States with Tapson Mawere, ZANU's New York representative, organizing funds and material support to be sent to this Chinese-backed terrorist movement.

Despite, or perhaps because of the top-down centralist organization, the conference ran very late and most of the proposed resolutions were not formally adopted.

A national structure for the new front, the National Fightback Organization (NFO) was adopted. The NFO Organizing Committee was chosen including Larry Miller, Baltimore; Dave Howell, Chicago; Arlene Schumache, Los Angeles; Willa Mae Frye, Detroit; Frank Solomon, Chicago; and Ron Carter, Atlanta.

The October League cadres controlled the fightback conference with a heavy hand. Despite that, a major dispute developed with Congress of Afrikan People representatives over the schoolbusing issue. CAP argued that while the "racist" antibusing groups should be opposed, busing itself was an error.

Resolutions submitted included:

LIST OF RESOLUTIONS

Resolution on the World Situation, submitted by the October League, M-L; not acted on; in accordance with the political line of the People's Republic of China, denounces the U.S. and USSR as the "two superpowers * * * locked in a deadly competition for world domination." The OL resolution, which will probably be adopted by the National Fight-Back Organization (NFO) Steering Committee, said in part: "We have formed the National Fight Back Organization because we recognize that our problems are rooted in the imperialist system. Our concern with world affairs is based upon the understanding that we have brothers and sisters around the world fighting against our common enemy, imperialism and the oppression and exploitation it brings. Their victories are our victories, and our victories in the U.S. are theirs."

Resolution on Unemployment, submitted by the Motor City Fight Back, Detroit; not acted upon. "The NFO and every local organization must take up the struggle for JOBS OR INCOME NOW, paid for out of the pockets of the giant imperialist corporations. We must raise the demand for JOBS, NOT WAR. * * * We stand for * * * the forging of a powerful united front against the system of imperialism that is the cause of unemployment, hunger and war."

A resolution supporting a Jobs for Youth Campaign was submitted by the October League's youth group, the Communist Youth Organization (CYO) which operates from P.O. Box 5698, Chicago, IL 60680. "* * * young people can become a mighty force within the fight back movement to end this crisis and the system that causes it."

The resolution on Police Repression, accepted by the conference, claimed there was "a nationally planned scheme of the ruling class" against the working class, and that as part of this scheme the police are serving "as armed guards of the state to keep the working class and oppressed nationalities bounded (sic) to the chains of exploitation."

Groups attending the October League's National Fight Back Conference were overwhelmingly from local OL-created Fight Back Committees and OL-dominated caucuses and communist groups. The OL listed as sponsors of the conference, by State:

ALABAMA

Black Pride Collective, Marion Federal Prison

CALIFORNIA

Los Angeles Labor Unity Organization

Fight Don't Starve Committee, San Francisco/Oakland

Unity Caucus, Oil, Chemical and Atomic Workers Local 490, Alameda

Mexican-American Political Association (MAPA), San Gabriel Valley

La Raza Unida Party (LRUP), LaPuente Chapter

Marxist-Leninist Organizing Committee, San Francisco

DISTRICT OF COLUMBIA

Save the People

Alliance for Labor and Community Action

Enlisted People's Organizing Committee

FLORIDA

Tampa Workers Committee

Student Anti-Imperialist League, Tallahassee

GEORGIA

Edgewood Action Group, Atlanta

East Lake Meadows United Senior Citizens and Recreation Club, Atlanta

Atlanta Workers Committee to Fight Back

Perry Homes Defense Committee, Atlanta

Mrs. Dorothy Cutts (mother of murder defendant Cheryl Todd)

Mrs. Nanny Washburn, October League, Atlanta

Ron Carter, chairman, Atlanta Workers Committee to Fight Back

ILLINOIS

October League, Chicago (national)

Harry Haywood, OL Central Committee

Communist Youth Organization, Chicago (national)

Pro/Law, Menard Prison

Mother Jones Caucus, Chicago chapter, Coalition of Labor Union Women

Chicago Workers Solidarity Committee

James Jackson Defense Committee

James Jackson

Mrs. Ethel Jackson (mother of James Jackson, accused murderer)

INDIANA

Steeled in Struggle Caucus, Youngstown Steel Corp.

KENTUCKY AND WEST VIRGINIA

Mountain Workers Unity Organization

Southern Conference Educational Fund

Bob Zellner, executive director, Southern Conference Education Fund

LOUISIANA

New Orleans Workers Fight Back Committee

MAINE

Concerned Workers Caucus, United Rubber Workers Local 984, Boston

East Boston People's Rights

Dorchester People United

Haitian Patriotic Committee, Boston

Boston Workers United to Fight Back

MARYLAND

Baltimore Fight Back Committee

Baltimore Welfare Rights Organization

MICHIGAN

Motor City Fight Back Committee, Detroit

MISSISSIPPI

Gulfcoast Pulpwood Association

NEW JERSEY

Congress of Afrikan People, Newark (national

Black Women's United Front, Newark (national)

NEW YORK

Harlem Fight Back

May 18 Revolutionary Movement

United Workers Committee (Comite de Obreros Unidos)

Committee for the Defense of the Rights of Haitian Workers (Comite de Defense des Droits des Travailleurs Haitiens)

Association of Haitian Workers (Association des Travailleurs Haitiens)

New York Coalition Against Repression

Connecticut Street Storefront Association, Buffalo

NORTH CAROLINA

Durham Organizing Committee

OHIO

Workers United for Jobs and Justice, Cincinnati

TEXAS

Houston Fight Back Committee

People United for Justice to Prisoners, Dallas

WASHINGTON

Seattle Fight Back

Alaskan Cannery & Fishery Workers Association, Seattle

WISCONSIN

People's Union to Fight the Crisis, Milwaukee

Troubleshooters Caucus, United Auto Workers Local 248, Milwaukee

Movement of Haitian Marxist-Leninists

Cambridgeport Home Owners and Tenants Association

It is clear that the hardline Communists of the October League who are infiltrating America's principal industries and disrupting its labor organizations pose a substantial threat to our internal security. I have been provided with extensive documents on the fightback meeting by patriotic working women and men who strongly oppose the October League's attempt to exploit ethnic and racial differences to gain recruits for "Mao-Think."

The Judiciary Committee has not attempted to fulfill its mandate to investigate threats to internal security. I will be happy to make these documents available to investigators should that committee appoint a subcommittee with jurisdiction in this area.

CONGRESS: COURAGE OR COWARDICE

HON. DAVID R. BOWEN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. BOWEN. Mr. Speaker, recently this body voted against allowing any U.S. aid for the pro-Western, democratic forces who are under intense military pressure from heavily armed Cuban and Russian invaders in Angola. The issue may come before the Congress again in the near future.

Some of us who apparently are in the minority on this issue have warned of the short-sightedness of this country in isolating ourselves from the international arena while the Soviet Union pursues an aggressive policy of expanding its control and influence in Africa and elsewhere.

The editor of the Greenwood Commonwealth in my own Second Congressional District of Mississippi wrote and published a very excellent editorial on this subject in the February 2, 1976, edition.

Entitled "Congress: Courage or Cowardice," Editor John Emmerich certainly states the case very well. His editorial reads as follows:

Congress: Courage or Cowardice

We have a high school debating team in the tall tower on East River where the United Nations is headquartered.

There are some smart and dedicated leaders in the United Nations organization but they are outnumbered by irresponsible opportunists and propagandists.

Why is it that the basic purpose of the United Nations is not being applied to the Angola tragedy?

The Soviet Union, using Fidel Castro's puppet soldiers, are taking part in a civil war. At a time when colonialism has just been dissolved around the world this combination of aggressors, the Soviet Union as the manipulators and the Cubans as the activists, are about to start the process of colonialism all over again.

Meanwhile we have a 100-billion-dollar federal defense budget which supports the world's mightiest military machine which stands idly by as the aggressors move in to stay.

Meanwhile, because of an unpopular war in Vietnam and mistakes of the past, Congress, in an election year, refuses any effort to deter the Soviet Union in Angola.

The United Nations, sensing the fear of Congress to meet the challenge, refuses to face up to its responsibility.

Meanwhile the CIA, our intelligence agency, is being bombarded by a senate committee, which on television daily, would bare all of our national secrets.

President Gerald Ford has pleaded with Congressional leaders to lend aid to the anti-Soviet forces in Angola. The Secretary of State has warned of the dangers there to the United States which could return the anxieties of the Cold War.

Why is the United Nations not concerned with the international problems in Angola?

By no means do we advocate sending our armed forces into that far away African state. But we do resent the complete lack of concern in the United Nations and in the U.S. Congress.

The Soviet Union can be restrained short of war. U.S. arms can meet Soviet Arms without manpower.

How unfortunate it is that the Angola conflict happens in an election year.

There is a shortage of leadership in the nation today because too many people in political places are afraid to act. The next election to many is more important than the destiny of our country.

Why spend 100 billion dollars to maintain a balance of power in the world while deliberately permitting this balance to be upset by such conflicts as in Angola?

Think of Fidel Castro, the pawn of the Soviet Union, using his troops to gain control of a nation far away in Africa. U.S. arms should be used to offset the arms of the Soviet Union. And again, why is so little concern for the explosive Angola conflict being manifested in the United Nations?

Arms can be supplied without U.S. men. The Soviet Union is not sending her manpower into Angola. And she could be halted if the U.S. Congress was manifesting courage instead of cowardice. By no means is this a call for war God forbid. It is a call for U.S. concern—concern for American interests.

We are supplying arms to Egypt, to Israel, to Western Europe, to Japan. Why not to Angola?

TRAVESTY OF JUSTICE OCCURS IN MARYLAND

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. BIAGGI. Mr. Speaker, I wish to bring to the attention of my colleagues a recent article from the Washington Star which discussed a case in the State of Maryland where an admitted police killer was spared the death penalty through plea bargaining.

In 1972 in the case of Furman versus Georgia, the Supreme Court rendered a decision calling the death penalty unconstitutional because of its capricious administration. Since that point more than 30 States have drafted new statutes providing for restoration of the death penalty for certain crimes. Maryland was one of these States and they cited eight specific crimes which if a person was convicted, would be subject to the death penalty. Yet this case points to the continuing need to more specifically draw up statutes closing all possible loopholes while still overcoming the objection of the Supreme Court.

I have introduced legislation in the Congress which would reimpose the death penalty on a mandatory basis for certain crimes including the killing of a policeman. I intend to add to my legislation a proviso which would prohibit courts from suspending sentences.

In each of the past 3 years more than 100 law-enforcement personnel have been killed in the line of duty. This shocking trend will continue as long as there are no meaningful deterrents to these crimes. The intent of the States to reimpose the death penalty is commendable and it would be tragic if their efforts proved ineffective due to technicalities in legislative drafting.

I was pleased to learn that the Supreme Court has scheduled March 30 as the date they intend to reexamine the death penalty issue. It is my fervent hope that the Court will reverse their earlier ruling and allow the death penalty to be reinstated for serious crimes.

The Star article entitled "Was a Policeman's Killer Spared by Weak Law?" follows:

Was a Policeman's Killer Spared by Weak Law?

(By Gloria Borger)

ANNAPOLIS.—A plea bargain that spared the life of an admitted murderer of a policeman has left some legislators here doubting the effectiveness of Maryland's new capital punishment laws.

In a deal between state's sttorneys in Queen Annes County and counsel for Richard (Buddy) Patterson, 29, the mandatory death penalty for killing a police officer was dropped in exchange for testimony about two other suspects charged in the same homicide.

The deal leaves may legislators here concerned about the value and even the constitutionality of the law they pushed through the General Assembly late last March.

In exchange for testimony at trials beginning in March, Patterson was allowed to plead guilty to a general charge of first-degree murder in the slaying of Maryland state trooper Sgt. Wallace Mowbray last August on Maryland's Eastern Shore. He also pleaded guilty to related rape and kidnaping charges. He remains subject to a possible life sentence.

Legislators here rewrote Maryland law last year to provide specifically that crimes such as Patterson's be punishable by death. After a 1972 Supreme Court decision declared state death penalty laws unconstitutional because they allowed juries to impose sentences without any uniform guidelines, the law carefully was reworked.

"In writing the law we tried to be as judicious as possible, pigeonholing categories, trying to leave no room for any loopholes, following the Supreme Court ruling to the letter," said Thomas V. (Mike) Miller Jr., D-Prince Georges, co-sponsor of the bill, which passed by narrow margins in both the House and Senate.

The law Miller and fellow legislators say they labored over to "cover all possibilities" restores the death penalty in eight specifically listed cases of first-degree murder committed by persons 18 years or older.

Patterson, who pleaded guilty to firing the single shotgun blast that killed Mowbray in the dirt parking lot of a Kent Island liquor store, could have been sentenced to death under a provision that every person convicted of first-degree murder be sentenced to the gas chamber if the murder occurred during an attempt to escape law enforcement officers.

In this first test case, however, the death penalty served as a bargaining point for a state's attorney still hoping to convict the other men charged in Mowbary's slaying.

Queen Annes State's Atty. John Clark refused to comment because of litigation pendother men charged in Mowbray's slaying.

But Miller, upset at the implications of the plea bargaining, claimed that Clark's actions "may give some credence to what the opposition said on the floor last year—that even this law could quite possibly be unconstitutional because of non-uniformity.

SAGINAW STUDENTS TACKLE THE HARD ISSUES

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. TRAXLER. Mr. Speaker, capital punishment is one of the most trying questions facing us. There is a significant need to determine if capital punishment is a just policy, and if in fact it offers a significant deterrent to crime. The students at the Saginaw Constitutional Convention have realized the importance of this matter and have incorporated provisions within their constitution to deal with it.

The first article in today's series from the Saginaw News presents the highlights of the debate surrounding the decision of these very concerned high school students. Having gone through the classic considerations of capital punishment, the students have decided that capital punishment shall be inflicted in such cases as Congress shall provide. Again, this decision was reached in the basic manner of democratic ruling—mutual compromise.

The second article today provides an indication of how resource conscious these students are by saving all paper to be recycled. It also shows that the student delegates had a higher degree of involvement in their proceedings than the original delegates in 1787.

Finally, Mary Lawrence Foreman provides an excellent recap of the convention activities with her article on the concluding banquet of the Saginaw Con-Con. This affair brought together all of those who have so diligently worked with the Con-Con. All convention officers and chairmen received Bicentennial coin collections. Burrows Morley, chairman of the Saginaw County Bicentennial Committee and Raymond L. Gover, editor of the Saginaw News received Bicentennial flags signed by all of the delegates and faculty advisers in a demonstration of appreciation for these gentlemen initiating the Con-Con.

Mr. Speaker, the proceedings have concluded. The students have demonstrated that they understand the need for the basic provisions of a constitution in order to fully develop a governmental system. I invite you and all of my colleagues to read the following articles:

Capital Punishment Debate Sparks Student Con-Con

(By John A. Puravs)

The emotion aroused by the issue of capital punishment took voice in more than three hours of debate at Thursday's Student Bicentennial Constitutional Convention.

By far the longest single argument during the three-day assembly, the debate remained unresolved until the final moments.

And like much convention business, the answer turned out to be a compromise.

A motion offered by Swan Valley, the last school called on during ratification proceedings, affirmed the evident sentinent favoring the ultimate penalty—but with its application reserved to the judgment of Congress, the representatives of the people.

"Capital punishment shall not be outlawed," read the measure approved by a 69–64 vote, "but shall be inflicted in such cases as Congress shall provide.

That statement was preceded by insistence on capital punishment for the taking of human life, counterpointed by pleas on behalf of life for even the lowest among us.

From 10:40 to 2:15 p.m., three-fourths of the time taken by Bill of Rights consideration, the argument raged, punctuated by parliamentary maneuvers that confused even the most conscientious delegates.

Without question the debate provided the best show of the convention for the 1,000 or so students and adults in the Civic Center's Wendler Arena stands.

There were early hints that capital punishment was the main issue dividing the 148 student delegates from Saginaw County's 19 high schools.

The compromise proposal, enacted quietly under the no-debate rule of ratification, appeared to gain the acceptance of even the most vociferous advocates.

And it came in virtual privacy beneath tiers of almost deserted blue and orange seats.

Ironically, the compromise, written by Robin Elder of Eisenhower High, had been among a spate of capital punishment proposals rejected in earlier balloting.

At different times, two separate proposals, both imposing mandatory death penalties for specific crimes, had been adopted.

One called for capital punishment for premeditated murder, kidnappings involving serious personal harm, and for treason threatening the safety of the people of the U.S.

It was adopted, 71–68, at 12:15, just before the convention recessed for lunch.

But when delegates returned, a series of procedural maneuvers culminated in approval, by 69–67, of mandatory death for premeditated murder, second conviction for rape, and kidnapping resulting in "cruel and unusual harm" to the victim.

Submitted as a minority proposal by a group favoring precise definition of capital crimes, it was signed by Jeff Hansen, Aaron Moore and Daniel Maas, all of Arthur Hill.

Debate and floor demonstrations had marked a prevailing favor for capital punishment.

But every vote on the issue was tight because staunch opponents of death sentences joined with supporters who disliked particular provisions.

Debate surrounding the series of votes served as an example of the classic arguments employed on an issue now confronting the Supreme Court.

From the outset, Robin Elder established the point on which she finally prevailed. "We should not set up specifics," she argued, "but leave it up to Congress."

This failed to satisfy delegates, such as Hansen, who contended an executed killer could not kill again.

Moore insisted the appeals process gives accused killers enough of a break. Such criminals, he declared, "are not people, they're not human beings, and should not be considered as such."

Pete Sprung of Douglas MacArthur asked the convention, "Can you take another person's life? Or have it on your conscience that you took an innocent person's life?"

One delegate retorted, "What gives someone the right to take a life in the first place?"

Freeland's Mariann Brubaker insisted, "Only God has that right. The death penalty has been misused in the past. I don't think we can sit here and say it would be misused in the future."

Pat Furlo of Arthur Hill agreed, "By killing a murderer, we're doing what he did." Susan Beyerlein of Frankenmuth added, "You cannot right a wrong by committing another wrong."

But the most intriguing point came from Tommy Ford of Buena Vista, who blamed violence on its constant repetition on television.

"Stop putting so much violence on your television shows," Ford urged.

He declared, "I would prefer, explicit sex on television to people killing each other on television."

That remark brought a buzz of amusement from both floor and stands—but it also produced a splash of applause.

At least three times, Convention President Frederick Wheeler Jr. refused to let the debate continue until delegates returned to order.

Compounding the confusion was a parliamentary traffic jam involving, according to the most careful evaluation possible, a division of the house on a motion to revote on a motion to reconsider a defeated motion to recall a previously approved amendment.

"Most delegates want capital punishment," said Lee Henning of Michigan Lutheran Seminary, "but they can't get together on what form we want it in."

At one point, a group including Marc Nearing of MacArthur, Sprung, Andrew Peitsch and Terry Ellison of Carrollton and Lewis Mahoney of Chesaning contemplated their differing votes and concluded the complexities of debate had exhausted them.

Debate tactics included distribution of photos of execution victims, causing one proponent to declare, "No one's passing around pictures of the people they killed."

Opponents also assembled literature detailing arguments against the death penalty.

After that, the final compromise seemed an anticlimax.

Marc Nearing summed up, "I don't know why I ever voted any other way."

Con-Con Briefs

If the Bicentennial Con-Con delegates want to do it all over again, they can—using the same paper.

A diligent investigation by delegates discovered the duplicating paper contributed by 3M Co. for the convention can be recycled. And company officials told them they'd follow through.

"Save your paper," Sylvia Olvera of Carrollton bubbled. "They're going to recycle it. Isn't that fantastic?"

It will be just about as fantastic, probably, as the amount of paper the students consumed in coming up with a new Constitution.

The final count: 15,000 sheets of paper consumed in writing a 14-page document.

Student Con-Con delegates outperformed the original Founding Fathers in at least one respect: Devotion to duty.

For the 1787 convention in Philadelphia, states assigned something like 73 representatives. Only 55 survived to sign the document.

A check with faculty advisers to the 1976 student convention showed consistent attendance by 147 of the 148 delegates representing Saginaw County's 19 high schools.

Their signatures, too, will be affixed when a "clean" copy of the student Constitution is distributed to schools next week.

Banquet Lauds Convention Delegates

(By Mary Lawrence Foreman)

It was all over except for final signing of the completed Constitution for delegates to the Student Constitutional Convention who gathered for a banquet celebration Thursday night at the Saginaw Civic Center.

The banquet concluded three days of activities surrounding their efforts to rewrite the United States Constitution. The task was finally completed Thursday afternoon by 148 delegates from 19 county high schools.

The student convention was co-sponsored by The Saginaw News and the Saginaw County Bicentennial Committee.

With all the politicking behind them the students, joined by local and state leaders, were congratulated and awarded for their work. Special bicentennial coin collections were presented all convention officers and chairmen. A special memento was also presented Lee Henning, of Michigan Lutheran Seminary and Terry Ellison of Carrollton High School, voted by the delegation as the most outstanding convention delegates.

All convention delegates, sponsors and each high school received a copy of Michigan congressional resolution 424 adopted Jan. 20 by state legislators. The resolution applauds the Saginaw County effort as a "telling and rewarding experience."

The resolution was presented the delegation by State Rep. James E. O'Neill, (D-Saginaw) on behalf of the State of Michigan. "The student convention is an indication of what is in store for the nation in the future," O'Neill said.

Rep. O'Neill was joined in congratulating the delegation by two of the sponsors of the convention, Burrows Morley, chairman of the Saginaw County Bicentennial Committee and Raymond L. Gover, editor of The Saginaw News. Both Gover and Morley were thanked by students for their assistance and presented with bicentennial flags signed by all delegates and faculty advisors. The commemorative flag was also presented to Robert Fitzgerald, chairman of the faculty advisory committee.

In his congratulations to students, Gover offered a brief history of how the student convention idea was first conceived, developed, and first suggested to the county's school superintendents in 1974. Gover said at first there wasn't much response to the idea so he filed it away until the fall when he mentioned the idea to Morley who was "turned on" by the idea of a student constitutional convention.

Gover said his first hopes for the convention then began to take shape and were completed in the past three days. "This community should take heart and great pride in what you young men and women have accomplished. And to those in government who are here tonight, I say look around you, what you see most likely is your competition a few years down the road. I don't envy the future campaigns you are going to wage if you are to retain office."

A special tribute was paid to the convention's parliamentarian, Fred I. Chase, of Lansing who guided the convention through procedural haggles throughout. The entire banquet gathering stood and honored Chase with a pre-birthday song salute. Chase will be 79 in March.

Students will sign the completed Constitution next week when circulated to them at individual high schools. Today they have removed their convention delegates' hats and returned to classes, but as one delegate said as she donned her coat to leave convention center, "This has been something I will remember all my life."

IN MEMORIAM TO THE HONORABLE HENRY REDYKE, OUTSTANDING CITIZEN, MISSIONARY PILOT AND GREAT AMERICAN

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. ROE. Mr. Speaker, 2 weeks ago Henry ReDyke was killed in a plane crash in South America and this Sunday afternoon residents of my congressional district will assemble to commemorate the legacy of this outstanding citizen, missionary pilot, and great American who relinguished his worldly goods to seek life's fulfillment and purpose in service to God and his fellowman. Memorial services will be held at the Hawthorne Gospel Church, Hawthorne, N.J.

Mr. Speaker, I know that you and our colleagues here in the Congress will want to join with me in memoriam to Henry ReDyke and extend our most sincere condolences to his wife, Margaret; their sons, James of Tulsa, Okla., and Jerry of Wichita, Kans.; their daughter, Mrs. Jill Crawford of Jamaica Plains, Mass.; their grandchildren; his brother, Peter D. of Fairlawn, N.J.; his sisters, Mrs. Betty FitzGerald of Teaneck, N.J.; Mrs. Trina Livingston of Mahwah, N.J.; and Mrs. Martha Cummings of Ballston-Spa, New York, N.Y.

During this Bicentennial year as we celebrate the history of our wonderful country and the purpose and progress that its people have forged to achieve preeminence of our representative democracy among all nations throughout the world, may we take a moment to reflect upon the achievements and exemplary good works of Henry ReDyke. His way of life was noble in cause, rich in wisdom, and far reaching in its effect on the way of life of millions of people—truly symbolic of a great American and all of the ideals and traditions we hold so dear in the American way of life and the "American Dream."

Mr. Speaker, 10 years ago Henry ReDyke, foresaking all things, became a missionary pilot flying missionaries and their supplies into remote corners of jungles and mountainous regions of the globe. During the past 5 years he piloted mercy and medical flights and transported seminary teachers and students to classes, aiding 2½ million Quechua Indians and 1¼ million Aymara Indians living in small villages, without roads, hidden deep in the valleys and the mountainous slopes of the Andes Mountains of Bolivia.

With your permission, Mr. Speaker, I would like to insert at this point in our historical journal of Congress Henry ReDyke's story as related to me by his good friend Bert Nawyn of Prospect Park, N.J., a most adroit news correspondent and executive secretary of the Eastern Christian School Association, as follows:

HENRY REDYKE'S STORY

Henry ReDyke of Wyckoff, New Jersey was a man who sacrificed all that he had to become an active disciple of his Lord and Savior. He was not an ordinary man; on the contrary, he was a man of extraordinary talents; a man whose personality was alive with concern for his fellowman. He wanted to bring them the gospel.

It was in the service of his fellowman that he was killed in an airplane crash on January 20, 1976 when his plane smashed into the Andes Mountains in the jungles of Bolivia.

Henry ReDyke was a successful businessman and as a contractor-excavator he became affluent. Just about ten years ago he realized that there was more to life than being involved in the business, social and civic areas. He must make life worthwhile, he decided.

Selling his business and his luxurious home in Wyckoff, he and his wife, Margaret, began learning the language spoken by the Bolivian native. His next step was to purchase a $50,000 airplane. The remainder of his funds he distributed to charity.

For the past ten years Henry ReDyke has been busy on missions of mercy in Bolivia. Landing strips were hewn out of the Bolivian jungle and Henry ReDyke delivered medical supplies from outpost to jungle camp. He transported missionaries so that the gospel could be brought to the natives. He brought provisions when natives were sick. Daily he busied himself on errands of mercy. Margaret, his wife, was the perfect mate for him. She busied herself daily helping native women.

Henry ReDyke died in the service of his Lord. There is no question that he will be missed but the work of the Lord will go on. There is no way that the gospel can ever be stopped from reaching eager and receptive hearts.

Mr. Speaker, I appreciate this opportunity to memorialize in the annals of Congress Henry ReDyke's meritorious service to mankind. We do indeed salute him and extend our Nation's gratitude for all of his good works. I trust that his wife, Margaret, and his family will soon find abiding comfort in the faith that God has given them and in the knowledge that Henry is now under His eternal care. May he rest in peace.

SENATE—*Friday, February 6, 1976*

The Senate met at 8:45 a.m. and was called to order by Hon. Wendell H. Ford, a Senator from the State of Kentucky.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, who in times past hast watched over this Nation and brought us to the opening of a new century, we rejoice in that revolution which was first in the hearts of the people and then consummated as one nation under God.

Make our hearts grateful for the achievements of the past. Clarify our vision of the unfinished task. Spare us from fondling old failures or from lugging into the future the memory of sins long forgiven. Let Thy refining fire sweep through our Nation, rekindling our faith, mending our divisions, cleansing the roots of national life.

Grant to the President strength to lead, to the Congress wisdom to legislate, and to the people a sense of civic responsibility. Lead us from strength to strength in the power of the Spirit and in the creation of an order akin to Thy kingdom on Earth.

In Thy holy name, we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Eastland).

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, D.C., February 6, 1976.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. Wendell H. Ford, a Senator from the State of Kentucky, to perform the duties of the Chair during my absence.

James O. Eastland,
President pro tempore.

Mr. FORD thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, February 5, 1976, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The Senator from Michigan is recognized.

Mr. GRIFFIN. Mr. President, I do not wish to use the time allocated. But if the Senator from Wyoming desires any time, I will be glad to yield to him.

Mr. MANSFIELD. If he desires additional time, he may have my time.

Mr. HANSEN. Thank you.

The ACTING PRESIDENT pro tempore. The Senator from Wyoming is recognized.

REQUEST TO VITIATE ALL ACTION OF THE SENATE YESTERDAY

Mr. HANSEN. Mr. President, I ask unanimous consent that all of the actions of the Senate yesterday be vitiated.

Mr. MANSFIELD. Mr. President, I object.

The ACTING PRESIDENT pro tempore. Objection is heard.

The Senator from Montana is recognized.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order of proceeding as between the Senator from Kentucky and the Senator from Florida be reversed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Kentucky is recognized.

A NEED FOR ADDITIONAL FEDERAL JUDGES

Mr. HUDDLESTON. Mr. President, the Federal courts are in serious trouble because they lack sufficient judges, and it is incumbent upon Congress to move with the utmost speed to provide the necessary relief.

This is not a new problem. In 1972, the U.S. Judicial Conference recommended the creation of 52 new Federal judgeships based upon its quadrennial survey of the district courts. By request, the distinguished Senator from North Dakota (Mr. BURDICK) introduced the omnibus judgeship bill, S. 597, which was representative of this recommendation. The following year, the Subcommittee on Improvements in Judicial Machinery conducted a thorough and exhaustive round of hearings and reported a bill to the full Committee on the Judiciary calling for the creation of additional judgeships. Unfortunately, S. 597 died at the end of the 93d Congress.

One year ago, Senator BURDICK again introduced legislation, S. 287, to provide the badly needed judgeships. As reported in September of last year, that bill would create 45 new Federal district judgeships—4 years and 7 judges behind anticipated needs.

We all realize that Congress has an unusually large number of pressing issues facing it. There are still serious economic problems for which we must find solutions; some fundamental problems relating to energy remain unresolved; and true tax reform has to be instituted if we are not to be confronted with a taxpayer revolt.

These issues, and others, are vitally important and time consuming. However, in dealing with them we cannot and must not overlook other matters that are just as vital in the long run to the continuation of a viable democratic form of government. The effective and efficient operation of the judicial system is one of those matters which we cannot afford to ignore.

The urgent need for new district judges is patently clear. There have not been any new judgeships created since 1970. However, statistics show that total case filings increased 26.2 percent between fiscal year 1970 and 1975. Total filings per judge jumped from 317 to 402 during the same period. And, in many districts the situation is even more serious. A prime example is the eastern district of Kentucky. The report of the Director of the Administrative Office of the U.S. Courts reveals that civil filings in the eastern district increased 114.8 percent between fiscal year 1970 and 1975 making this district fourth in the Nation insofar as percentage change in total filings. Because of the crushing load of cases last year, the Federal judges in this district were forced to suspend temporarily the setting of civil cases for trial. S. 287 would provide one additional district judge for the eastern district.

Recently passed legislation, such as the Speedy Trial Act of 1975, scheduled to begin taking effect this year, will place new stresses on the already overtaxed and understaffed Federal court system. This act sets time limits on the delay between arrest and trial, and exceeding the limits could result in dismissal of valid cases. Attempting to meet the time limits with inadequate staffs will undoubtedly reduce the quality of Federal justice.

Furthermore, changing economical and sociological conditions are placing new and unique burdens on the Federal judiciary. Citizens are looking to the judiciary for the redress of wrongs, such as environmental damage, which would not have been litigated a few years ago. Unless the judiciary can deal fairly and rapidly with these issues, confidence in our democratic form of government will be further undermined. Given the present mood of the American people, we cannot afford to have the confidence gap widen any further.

Mr. President, for many months I have been calling for the immediate consideration of S. 287 by the full Senate. It is my opinion that this bill is one of the more important pieces of legislation pending in Congress and there is substantial evidence that many others agree. On January 7, 1976, the Washington Post summarized Chief Justice Burger's yearend report on the state of judiciary. The editorial concluded "that Congress is, once again, letting the Federal courts drift towards serious trouble" by not promptly providing the additional judges for the district courts.

Mr. President, I ask unanimous consent that this editorial be printed in the RECORD following my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HUDDLESTON. I have always believed that a basic principle of our system of government is the right of prompt judicial action without unnecessary and unreasonable delay. At a time when we are experiencing such delays, the Congress cannot dally any longer. Chief Justice Warren Burger has stated that the judiciary stands ready to do the job if they have the tools. I am urgently recommending again today that we begin giving them the tools by calling up S. 287 for consideration as soon as possible when the Senate returns from its recess.

I thank the Chair.

EXHIBIT 1

THE STATE OF THE JUDICIARY

Chief Justice Warren E. Burger's "year-end report" on the state of the judiciary is a useful reminder that Congress is, once again, letting the federal courts drift towards serious trouble. By failing to act on repeated requests for additional judges, higher salaries and changes in jurisdictional requirements, Congress is helping to create a situation in which congestion and delayed justice will become commonplace in the federal judicial system. Indeed, the Chief Justice would have been warranted in using far sharper words to characterize the current problems of the courts.

In 1972, for example, the judiciary presented to Congress, at its request, projections of how heavy the judicial business would be through 1976. Those projections suggested that the judiciary needed almost immediately 52 additional judges in the district courts and 13 in the courts of appeal. It is now 1976 and the projections have come true. Yet Congress has still not created a single new judgeship. Absurd as it may seem, the same law which required the judiciary to submit projections in 1972 now requires it to submit projections through 1980. Maybe, if the country is lucky, sometime before 1980 the courts will be given the number of judges they should have had in 1972.

The numbers cited by the Chief Justice bear out his plea for help. Since judges were last added to the federal district courts in 1970, the number of cases pending per judgeship has increased from 285 to 355 even though the existing judges have increased the number of cases each disposes of each year by 27 per cent. At the appellate level, the number of cases per judge has risen from 282 to 515 since 1968 when the number of appellate judgeships was last increased. As a result, the number of appeals awaiting disposition increased from 6,615 in 1968 to 12,128 in 1975.

Congress has shown precisely the same kind of indifference to the problem of judicial salaries. Active federal judges, in common with 12,000 other high-level federal officials, have received a pay increase of only 5 per cent since 1969 because that's as much as congressmen dared increase their own salaries for fear of political reprisals. Retired federal judges have received the same amount even though almost all other retired federal employees have received a 69 per cent increase in their pensions. Because of this, more federal judges have resigned to return to private practice in the last two years than in the preceding 35 years. And highly qualified replacements for them are becoming increasingly difficult to find because of the severe cut in income they would have to take if they chose to go on the federal bench.

The third area in which Congress should act to aid the courts concerns their jurisdiction. The Chief Justice recommends the abolition of the remaining category of three-judge federal district courts and the removal of all diversity cases from those courts. The former should clearly be done; three-judge courts from which appeals go directly to the Supreme Court may once have been useful. But the press of business now requires that these cases be handled like all others with appeals going first to the circuit courts. On diversity cases, we are not as sure as the Chief Justice is that all of these should be turned over to the state courts—though certainly the vast majority should be. These cases are in the federal courts only because the parties involved are citizens of different states, not because questions of federal law are involved. This jurisdiction was created when the Constitution was written because of the fear of local prejudice against out-of-staters in local courts. While it may have been vital to handle those cases in federal courts during the early years of the nation's history, it makes little sense now, for instance, to have an automobile accident case tried in federal court solely because one driver lives in Maryland and another in Virginia. There may be some narrow categories of cases in which local prejudice could still be a factor but Congress should sort those out and force the remainder of diversity cases into the state courts where they belong.

Congress should address these matters promptly. There is much truth in Chief Justice Burger's concluding comments: "No nation has done more to protect private freedoms while conducting successfully the experiment of self-government begun in 1776. As we try to look forward into what another century will bring, we can be optimistic about the prospects of justice in this country provided we relate the burdens placed on the courts to their capacity to perform and provide the necessary tools and personnel."

Mr. HUDDLESTON. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. STONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Florida (Mr. STONE) is recognized for not to exceed 15 minutes.

BROADENED INTERNATIONAL AGGRESSION REQUIRES NEW POLICY RESPONSES

Mr. STONE. Mr. President, many nations throughout the world are striving to achieve self-determination, and a realization of their national potential. It is wrong, therefore, for outside forces to openly and jubilantly storm into these nations and attempt to alter and control the course of their destiny through armed intervention and terrorism—a new dimension in international aggression.

Yet, the armed forces of Cuba are spreading in unprecedented numbers throughout Africa, the Middle East, and other parts of this globe. Cuban troops in Angola now number approximately 11,000. They have doubled in strength since mid-December alone. Our United Nations delegation has confirmed that Cuban troops are present in six other African nations as well: Somalia, the Congo, Nambia, Guinea, Equatorial Guinea, and Guinea-Bissau. It has now been confirmed that Cuban troops fought in Syria against Israel in 1973 and may still be there. Press and intelligence reports suggest that there are 300 Cubans in Algeria training troops fighting against Morocco in the disputed Spanish Sahara. The Special Consultative Committee on Security of the Organization of American States has concluded that Cuba's Embassies in Europe are spearheads for Castro's intelligence activities directed against NATO forces. Only yesterday the Associated Press reported that secret reports have been submitted to members of NATO by their own intelligence and security agencies.

They confirmed that an international terrorist network is operating globally. This network receives its support from Syria, Iraq, Libya, South Yemen and Cuba. Recent speeches by Castro and his spokesmen indicate "satisfaction and pride" with his policy of open worldwide Cuban military involvement.

What has been the response of our Government? Up until recently we were embarked full speed ahead on a program seeking renewed relations with Castro. Now, after the world has finally seen the tip of the iceberg in Angola, Secretary Kissinger is reported to have concluded that Cuba is again in the business of "exporting revolution" on its own initiative throughout the world. He recently remarked "I believe the Cubans went in there with flags flying." Even a Soviet official remarked last week—referring to Angola: "We didn't even have to twist their arms. The Cubans wanted to go in." The very phrase "export of revolution" emanated from Cuban activities in Venezuela in 1964. Secretary Kissinger and President Ford have finally spoken out against Cuba's conduct in Angola and other parts of Africa. They finally realize that armed Cuban intervention is no longer imaginary—it is reality.

What is Secretary Kissinger's proposal other than deploring this conduct? What of the possible threat to our facilities in Panama from increased Panamanian-Cuban relations evidenced by General Torrijos' recent triumphant showcase in Havana. What does the administration propose to do about it if 5,000 Cuban troops turn up as advisers in Panama? What does the administration propose to do about it if the 500 Cuban military personnel now in the Sahara suddenly escalate to 5,000 or 10,000—enough to prevent peace from settling into this troubled region. There is a new shape to the table. Angola is not an isolated event. There is a new dimension to the menace of exported terrorism and aggression.

The question which must now be asked to those who are in direct charge of our foreign policy is: What do you propose to do in light of your own declarations? It is time for the State Department and the President to outline for Congress and the American people a reasonable plan for blocking, combating, and overcoming the expanding export of revolution and terrorism which has become the official, unchallenged policy of the Cuban regime. All that Secretary Kissinger and the President have done thus far is complain that Congress did not respond to their requests for covert assistance which was too little, too late, and focused on only one part of the problem in an improper manner. The problem is much greater. I, for one, suggest to Mr. Kissinger: Give us specific proposals that can overcome this new overall problem; do not just complain about it. Give us proposals that face up to the full scope of the threat and make these proposals openly and in full view of the American people.

For example, can the administration not consider the effectiveness of shutting off economic assistance and private trade to the aggressor, terrorist nations while compensating Americans for the loss of interrupted contracts? Could we not interrupt our grain sales to the Soviets—part of which, for all we know, may be feeding Soviets and Cubans in Angola? Such an interruption would allow us to obtain a larger grain reserve, a potentially necessary objective if our winter wheat forecast does not improve, and would act as insurance against rising prices to consumers.

Can we not openly commit to support people and nations resisting such terrorism or military aggression by providing sufficient equipment, training and financial support to overcome or deter their attackers—and without committing American troops?

Are there not other means known to the administration which could prove effective in the deterrence of such aggression, and which will not draw us into the quicksand of another Vietnam?

Secretary Kissinger is known for his creative policy proposals. He has won a Nobel Peace Prize. He is respected for his ingenuity and his willingness to speak out.

Congress and the American people are listening.

Mr. President, I ask unanimous consent that the following excerpts from a report entitled "Present Marxist-Leninist Subversive Activities in America," which was prepared by the Special Consultative Committee on Security of the Organization of American States, be printed in the RECORD, together with an article published in this morning's Washington Post.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXCERPTS

PAGE 14

If we pass over the events like the "Cultural Congress", the "Declarations of Havana" and the meetings held by the Latin

American Continental Organizations of Students, between 1966 and the beginning of the seventies, taking notice of the apparent "inactivity" in Cuba, and disregarding the remaining areas of the globe, where we have indications that the menace still remains, we could conclude that the Marxist-Leninist danger ceased to exist in America.

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But it happens ... that in the middle of this year, in the so-called "inactive" Cuba, a Congress of the Latin American communist parties took place, during which it was decided to raise the revolutionary activities to a new level, on the [Latin American] Continent. And the Congress took place in Cuba, that redeemed Cuba, because the international circumstances, which required sanctions, have changed....

PAGE 16

In the middle of July 1975, Cuban diplomacy got seriously implicated in the "Carlos Affaire" (Illich Ramirez Sanchez, the Venezuelean) and because of it three Cuban diplomats, accredited at the Quai d'Orday were asked to leave France. Great Britain asked to recall the Second Secretary of the Cuban Embassy in London. They all were implicated in this affaire.

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Fidel Castro and its government foment numerous movements in Latin America and export terror and subversion activities to this area of the American Continent as they do to the United States, Africa and the Middle East, though to a lesser degree.

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It must be mentioned that the Headquarters of the Cuban Intelligence (D.G.I.) have been under the control of the Soviet K.G.B. during the last few years and that consequently, the K.G.B. supervises more or less directly the terrorists activities operating from Havana.

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At this time we observe, the Communist parties which respond to the Soviet line, follow its directives and present themselves, on the international scene as fervent followers of "peaceful coexistence". Yet in secret they foment armed struggle, terror or guerrilla warfare, etc. especially from the satellites like Cuba.

PAGE 32

There exist in Cuba many schools for training in subversive activities, under the direction of experts from the Soviet Union, Czechoslovakia and from Cuba itself. In these schools hundreds of Latin Americans (men and women) are taught subversive tactics and terror and guerrilla activities in urban and rural areas.

Cuba is the headquarters of the Tupamoros refugees and the training and supply center for subversive and terror activities on the American Continent.

The Communist aid to terrorist and guerrilla groups in Argentine is channeled through Castro's Cuba....

One of the most ominous events with eventually dire consequences for all our countries was the transfer made by Castro of the Cuban Intelligence Headquarters to the Soviet Secret Police, the K.G.B., Castro's agents have infiltrated Latin America and the United States, employing Latin American and United States agents for their spying and sabotage activities, in full cooperation with the K.G.B. agents and representatives.

A cooperation between Cuba and the Soviet Union on the military field presents a serious menace to the security and peace in the countries of America.

PAGE 34

The Cuban military connection with an extra-continental power, as imperialist and aggressive as the Soviet Union, calls for preventive measures. . . .

PAGE 40

There is an overwhelming evidence that Cuba, through its diplomatic missions, continues to serve as a springboard for spreading revolution in America.

All countries, except Cuba, condemn subversive and terrorist activities. . . .

World Terrorists Help Arab Radicals

(By Peter Niesewand)

Baghdad, Iraq.—Militant Palestinian Rejection Front organizations are strengthening their links with revolutionary groups in Europe and Latin America in a move likely to bring increased international guerrilla activity.

Delegations were sent abroad last year to make contact with Arab groups and "freedom-seeking movements," and Rejection Front sources here made it clear that foreign participation in the Palestinian struggle is welcome.

This is expected to bring an increase in raids on Israeli and international targets—not only attacks masterminded by foreigners, such as the kidnaping in Vienna of the Organization of Petroleum Exporting Countries' oil ministers by Venezuelan guerrilla leader Carlos Martinez and his group, but also actions by one organization on behalf of another.

A young leading member of the Popular Front for the Liberation of Palestine, whose code name is "Talal," said: "There are numerous revolutionary groups not unknown to Europe or America that are ready to offer facilities to whoever wants to carry out an operation which will serve the interests of both parties in their struggle against imperialism.

"On the Arab and international levels, we have raised the slogan of chasing the enemy everywhere, and consequently all imperialist interests in the Arab area and outside are exposed to the attacks of our rebels."

The determination of the Rejection Front organizations to resist any recognition of Israel, or to contemplate establishing a Palestinian state on the West Bank of the Jordan, is undiminished. The guerrilla actions they plan now are part of a policy to wreck any attempt by the Palestine Liberation Organization leadership to compromise with Zionism; they remain convinced that, ultimately, armed force will topple the Israeli structure.

The official position of the Iraqi government is some distance behind that outlined by the PFLP and other Rejection Front sources.

Iraqi Information Minister Tariq Aziz said recently that in his opinion as a revolutionary, the Rejection Front would be better employed fighting within the occupied lands, and organizing the masses outside by a process of political education.

"You start now, and you gain victory in 20 or 30 years," he said. "In Iraq, we started our revolutionary struggle in the 1950s when we were all students organizing demonstrations and fighting with the police in the streets of Baghdad and other Iraqi cities, going to prison, publishing pamphlets and so on."

Although the Iraqi government publicly criticized international guerrilla operations, such as the Vienna siege and many hijackings, it understands the emotions and sentiments that lie behind them, Aziz said.

"I think the solving of the Zionist problem will be an extremely long one. You need time. You need more organization of the masses, more theoretical and political work. You need more armed struggle in the occupied lands," he said.

The Rejection Front groups themselves say they choose their targets "responsibly," and don't hit out indiscriminately. Yet there are powerful sub-groups—such as the Carlos organization—whose links with the main Rejection Front bases are obscure, and who are understood to select their own targets for operations undertaken in their own time.

The Rejection Front groups decide on the basis of the results whether to give Carlos public support, or condemn a particular operation as harmful to the Palestinian cause.

It is a convenient situation for many of them. If a guerrilla action goes sour and provokes unpleasant international repercussions, there is nothing more than suspicion to link Carlos with their organizations.

It seems clear, however, that the Carlos group maintains fairly close links with the PFLP. While other Rejection Front organizations have still not finally decided whether to support the Vienna operation, the PFLP spokesman, Talal, had no doubts.

"We should fight against the surrendering regimes and give our masses a lesson in calling this leadership to account. We calculate everything before calling them to account, and we believe that the Arab nationalist movement has the foremost duty of liberating itself and getting rid of these reactionary regimes."

Talal said that the PFLP is never ashamed or afraid of carrying out any operation it considers in its interests, but added that the Popular Front had already declared it had no connection with Carlos. "Some of the younger people could be expected to cooperate with any groups which carry out operations serving our nationalistic aspirations," Talal added.

"The OPEC operation served our struggle and is an expression of our people to all surrendering regimes. We must not forget that OPEC is not a revolutionary system but a mixture of progressive and reactionary regimes in which imperialists make a direct contribution."

Abu Nidal, the head of the Rejection Front branch of the Fatah organization, said in Baghdad that the OPEC siege was "a kind of protest in the Palestinian style."

It could, he said, lead to a reassessment of support for the rejection forces by some of the less-committed Arab oil states.

"We believe the Kuwaiti minister of oil was very pleased with this operation," Abu Nidal said. "Those who carried it out put him next to the Iraqi and Algerian and Libyan ministers. They were able to explain to him what the Rejection Front's point of view is."

This wry touch obviously amused the Palestinian militants.

Abu Nidal said that the aim of the OPEC siege was not to raise a ransom from the "reactionary" oil states but to express dissatisfaction.

"Financial support is not a crucial factor for the Palestinians," he said. "After all, the Palestinians have the ability to destroy all the Arab wells. We have easy access to financial support."

NATO Report Cites Terrorist Network

London, Feb. 5.—Secret NATO reports say an international terrorist network is operating globally with help from radical governments.

A summary shown confidentially to the Associated Press claims the terrorist network counts on support from Iraq, Syria, Libya, South Yemen and Cuba, and has access to arms from Eastern Europe.

A major force in the network reportedly is the Popular Front for the Liberation of Palestine headed by George Habash. This Middle East link reportedly has supplied funds, East European arms, training and escape routes.

ORDER OF BUSINESS

Mr. STONE. Mr. President, I suggest the absence of a quorum.

Mr. HANSEN. Mr. President, if the

Senator from Florida will withhold that request, I should like to make a brief statement on a matter totally unrelated to that which has been the basis for his remarks.

The ACTING PRESIDENT pro tempore. The Chair advises the Senator from Wyoming that unanimous consent is required for him to make a statement.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator from Wyoming be allocated the time which would have been alloted to the joint leadership.

The ACTING PRESIDENT pro tempore. Without objection, the Senator from Wyoming is recognized.

EXPLANATION OF SENATOR HANSEN'S REQUEST TO VITIATE ALL ACTION OF THE SENATE ON YESTERDAY

Mr. HANSEN. Mr. President, I express my appreciation to the distinguished majority leader for his unfailing kindness and thoughtfulness. I also appreciate his efforts and those of the Democratic leadership generally in making it possible for me to be here when the bill on Santa Monica, which was introduced by the Senator from California (Mr. TUNNEY), was considered and acted upon, as it was yesterday.

Because of the illness and subsequent death of my mother, I was not able to be here earlier, after we returned from the Christmas recess, as I had hoped to be. Only because of the constantly generous nature of the majority leader and of people generally on the majority side was I accommodated.

Earlier today, during the morning hour, I asked unanimous consent that all actions taken by the Senate yesterday be vitiated. There was objection to that unanimous-consent request. I think I owe it to the Senate to explain why I made the request I did.

I alluded earlier to the Santa Monica bill. I know that a number of Senators have been keenly interested in that bill, one of whom is my good friend, the chairman of the Subcommittee on Parks and Recreation, the junior Senator from Louisiana (Mr. JOHNSTON). Mr. JOHNSTON and I, personally and through our staffs, from time to time, have discussed different elements in that bill, and we have tried as best we could to work out a resolution of our problems.

I suggested yesterday, following a meeting with members on the majority staff of the Senate Committee on Interior and Insular Affairs and Harrison Loesch, the minority staff director for that same committee, that language be worked out that I hoped would be acceptable to Senator JOHNSTON. During hearings on the Shenandoah National Park wilderness proposal yesterday morning, I knew that Senator JOHNSTON and I were not in complete accord on the language in the amendment that I had suggested to him. I was called yesterday afternoon—I do not recall the precise time, but I suspect that might be documented if there is any merit in its being documented—to come to the floor, because the Santa Monica bill—as I got the message—was then the pending business. I came directly to the floor. I do not recall who may have been on the Democratic side. I know that the distinguished majority leader (Mr. MANSFIELD) was there, as was Senator TUNNEY of California, the sponsor of the Santa Monica bill. Absent was Senator JOHNSTON of Louisiana.

I did not make inquiry as to Mr. JOHNSTON's whereabouts, because the bill was introduced by Senator TUNNEY. I suspected that arrangements had been worked out—I had no reason to think that arrangements had not been worked out—on that side of the aisle. Certainly, whatever Senator TUNNEY did, inasmuch as it was his bill, I presumed had the tacit approval of the members of the Committee on the Interior, or at least, particularly, Senator BENNETT JOHNSTON.

By unanimous consent, an amendment offered by Senator TUNNEY, which I cosponsored, was made the pending business and was approved. An amendment I offered, which was cosponsored at the time by Senator TUNNEY, was made the pending business through unanimous consent. Both of these actions were taken prior, as I recall, to the approval en bloc of the committee amendments. Any objection, of course, could have been raised to the consideration of the Tunney amendment, cosponsored by me, and the Hansen amendment, cosponsored by Senator TUNNEY, prior to the approval of the committee amendments en bloc had we failed in getting unanimous consent.

Following third reading of the bill and its approval, Senator TUNNEY, as I recall, moved that the action of the Senate be reconsidered. I moved that that action be laid on the table. The vote was taken on the motion to lay on the table and the bill was passed and the motion to reconsider was duly tabled. At that time, I left the floor and returned to my office to do some other work.

At just about the time, as I recall, that we adjourned—it may have been a few minutes before, but just about that time, I received a call from the distinguished minority whip, informing me that the distinguished majority leader had made a unanimous-consent request asking that the action that had been taken with respect to the Santa Monica bill be vitiated.

I was informed—I have not read that part of the RECORD—that there was no objection, and the action upon the Santa Monica bill had been vitiated.

I was surprised that the action would have been taken as it was. I was, I must admit, a little bit hurt to think that I would not have been notified that such an action was contemplated. Not knowing what the situation was on the Democratic side, if my good friend, my very good friend, the distinguished majority leader, had apprised me that things had not been worked out on the Democratic side, I certainly would not have objected to the vitiation of yesterday's action, because, by all means, I am fully aware of the thoughtfulness and the willingness always to go an extra mile that is unfailingly displayed by the majority leader.

I did feel, since the action taken by the Senate seemed to me to conform in every respect with the way we pass bills around here and the way motions are offered to reconsider and those motions are duly tabled, that I did deserve to be notified. I was not, and it was because of the situation that arose yesterday that I ask unanimous consent, as I have done earlier this morning, that all action taken by the Senate yesterday be vitiated.

The point I was trying to make in offering that unanimous-consent request was to call attention of the Senators generally to something that I know has been one of the cardinal principles always displayed by the distinguished majority leader. That is that, whatever else we may be, we are men of honor. If we give our word or if we have a commitment to somebody, we keep that. That, of course, is the glue that holds this body together and, I think, more than any one thing, obliterates and obscures party lines. I know, from long experience, that every commitment, every assurance that the distinguished majortiy leader has ever made to me, he has kept.

I am trying to say that, not being aware that things, apparently, had not been worked out on the Democratic side, as I now conclude was the case, I felt that I did deserve at least a phone call before action was taken. The point is that if we were not to follow what I think seems to me to be a pretty clearcut case of what honorable men might expect from their colleagues, then this body, of course, could be reduced to a complete mockery insofar as the legislative process goes.

If all that was necessary in order to void the action that was duly taken was to wait until Members of the opposite party were not present and then ask unanimous consent that an action be vitiated, I am certain that the distinguished majority leader would be the first to assert that nothing could be more destructive and more damaging to this process and this great institution that he so dearly loves and to which he has contributed so much.

I thank the majority leader for his kindness.

Mr. MANSFIELD. Mr. President, may I say that everything the distinguished Senator from Wyoming has enunciated is correct. I do feel that I owe him an apology, because, not thinking about my action on yesterday, I did forget to notify the distinguished Senator from Wyoming, which is the usual procedure in this body.

May I say that I had hoped it would be possible for the interested parties to get together to see if something could be worked out. But that is neither here nor there as far as the action taken on yesterday was concerned. But I do hope it will be possible to work out a solution to the situation which confronts us and, may I say to the distinguished Senator from Wyoming, I sent for the Senators from California and Louisiana, hopeful that they will get together with the Senator from Wyoming so that this matter can be thrashed out if at all possible.

Again I want to express my deep apologies to the Senator for not being aware of my responsibilities at the time I made the unanimous-consent request on yesterday, and to assure him I do not intend to let such an event occur again.

Mr. HANSEN. Mr. President, may I say to my good friend from Montana he has done nothing that lessens one bit my great admiration, respect, and real affection for him. I appreciate it more than I can say. I thank the Senator.

Mr. MANSFIELD. I thank the Senator.

ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Is there a morning hour? Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business for not to exceed beyond the hour of 9:45, and that there be a time limitation of 5 minutes attached to speeches and statements made therein.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. TOWER. Mr, President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. GOLDWATER addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Arizona.

INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT OF 1976

Mr. GOLDWATER. Mr. President, it is necessary that I absent myself from the Chamber for possibly an hour and a half this morning. I would like to ask my colleague, the Senator from Texas, if he will be here during the full morning period.

Mr. TOWER. The Senator from Texas plans to stay here until some disposition is made of S. 2662, or some agreement arrived at to put it over for action until after the recess.

Mr. GOLDWATER. I appreciate that. I would like to make a request of my friend from Texas. My staff is busy preparing quite a few amendments to this bill which I offer. I do not want any time agreements entered into during my absence. In fact, I would hope that we can convince the leaders of this bill that the Armed Services Committee, not having seen this bill nor heard of it—although we might be derelict there a bit—should see it because there are some items in the bill that have very far-reaching effects on the future of the preparedness of our country.

There are items in this bill which will cause more unemployment in this country than we have experienced in many years. There are items in this bill which will allow other nations now becoming competitive with the United States to be very competitive to the point of hurting us in the only area where we now dominate the rest of the economic world, and that is the airframe and engine industy.

I would appreciate it if my friend from Texas, or someone he sees fit to appoint during his absence, would object to any unanimous-consent agreements relative to controlled time. This bill must not be passed today. In fact, as far as I am concerned, until we have had further full explanation of it so that the whole Senate can understand it, I think we must resist it, although I understand the moralistic background of those people who are proposing it.

I would fully hope that progress could be made as a result of our meeting yesterday, which I believe the Senator from Minnesota would agree was very friendly. I wrote him a letter last night and said I would not oppose the passage of this bill if we had time to learn something about it, to hear from some people who might be affected by it.

As I said before the Senator arrived in the Chamber, I have to be away for about an hour and a half but I will be back. During that time, I ask my friend from Texas to object to any unanimous-consent agreements.

Mr. TOWER. If I may respond to the Senator from Arizona, I will certainly protect his interests in the matter of any time agreements on today's debate and will notify him if any such time agreement is in the offing. I would suggest to the Senator from Arizona that hopefully we can work out an arrangement whereby we will put the bill over until after the recess and then agree on controlled time after the recess, in which to deal with amendments and deal with the bill.

Mr. GOLDWATER. I would have no objection to that. I might say I was planning to go home to be with my wife this afternoon, but I have canceled that trip. I want the Senator from Minnesota to know that when I cancel a trip to Arizona, I am cemented in concrete right here.

Mr. HUMPHREY. Will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. HUMPHREY. If I had known the Senator was going to cancel his trip, that would have been the most persuasive argument for me to arrive at some understanding here. I know how much it means to the Senator from Arizona to go to his home and his lovely wife, and I would not want to stand in the way of anything like that.

Mr. GOLDWATER. I know the Senator would not.

Mr. HUMPHREY. I would suggest that the Senator firm up his reservations. My heart goes out to him.

Mr. GOLDWATER. I canceled the reservations last night in spite of the fact that my wife said, "Appeal to Hubert. He will understand. Muriel will understand."

Mr. HUMPHREY. Yes, she would.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. FORD) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT OF DEFERRALS OF BUDGET AUTHORITY AND REVISIONS TO A RESCISSION PROPOSAL AND DEFERRALS PREVIOUSLY TRANSMITTED—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. FORD) laid before the Senate the following message from the President of the United States, which was referred jointly to the Committee on the Budget, the Committee on Appropriations, the Committee on Banking, Housing and Urban Affairs, the Committee on Agriculture and Forestry, and the Committee on Interior and Insular Affairs, pursuant to the order of January 30, 1975:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report three new deferrals of budget authority and revisions to a rescission proposal and four deferrals previously transmitted.

New estimates increase by $2 million the amounts associated with my earlier proposal to rescind the uncommitted balances of the Rehabilitation Loan Fund administered by the Department of Housing and Urban Development. Other reestimates cause a net reduction of $8.7 million in deferrals previously reported for the General Services Administration and the Departments of Agriculture and Interior. The new deferrals total $37.6 million in budget authority which would be used beyond 1976 to fund three programs of the Departments of Agriculture and Interior.

The details of the revised rescission and the revised and new deferrals are contained in the attached reports.

GERALD R. FORD.

THE WHITE HOUSE, *February 6, 1976.*

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. FORD) laid before the Senate the following letters, which were referred as indicated:

PROPOSED LEGISLATION TO AUTHORIZE CERTAIN CONSTRUCTION AT MILITARY INSTALLATIONS

A letter from the Deputy Secretary of Defense, transmitting a draft of proposed legislation to authorize certain construction at military installations and for other purposes (with accompanying papers); to the Committee on Armed Services.

PROPOSED LEGISLATION TO AMEND THE FOREIGN SERVICE BUILDINGS ACT

A letter from the Assistant Secretary for Congressional Relations, Department of

State, transmitting a draft of proposed legislation to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations (with accompanying papers); to the Committee on Foreign Relations.

Reports of the Comptroller General

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a secret report entitled "The Government's Role in East-West Trade—Problems and Issues" (with an accompanying secret report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "The Government's Role in East-West Trade—Problems and Issues" (with an accompanying report); to the Committee on Government Operations.

Report of the Federal Energy Administration

A letter from the Administrator, Federal Energy Administration, transmitting, pursuant to law, a report on mandatory petroleum price regulations (with an accompanying report); to the Committee on Interior and Insular Affairs.

Report of the National Academy of Sciences

A letter from the President, National Academy of Sciences, transmitting, pursuant to law, the Annual Report of the National Academy of Sciences for fiscal year 1975 (with an accompanying report); referred to the Committee on Labor and Public Welfare, and ordered to be printed.

Report on Age Discrimination in Employment

A letter from the Secretary of Labor, transmitting, pursuant to law, a report on age discrimination in employment (with an accompanying report); to the Committee on Labor and Public Welfare.

Proposed Legislation To Provide for Federal Financial Assistance in Construction or Alteration of Bridge Protection Systems

A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the act of June 21, 1940, as amended, to provide for Federal financial assistance in the construction or alteration of bridge protection systems, and for other purposes (with accompanying papers); to the Committee on Public Works.

PETITIONS

The ACTING PRESIDENT pro tempore (Mr. Ford) laid before the Senate the following petitions which were referred as indicated:

A resolution adopted by the Statewide Committees Opposing Regional Plan Areas, State of Oregon, relative to redress of grievances under section 5 of rule VII, U.S. Senate. Referred to the Committee on Government Operations.

A resolution adopted by the General Assembly of the State of Georgia; to the Committee on the Judiciary:

[General Assembly of the State of Georgia]

"H.R. No. 469-1267

"A resolution applying to the Congress of the United States to call a convention for the purpose of proposing an amendment to the Constitution of the United States; and for other purposes.

"Be it resolved by the General Assembly of Georgia:

"That this body respectfully petitions the Congress of the United States to call a convention for the specific and exclusive purpose of proposing an amendment to the Constitution of the United States to require a balanced federal budget and to make certain exceptions with respect thereto.

"Be it further resolved that this application by the General Assembly of the State of Georgia constitutes a continuing application in accordance with Article V of the Constitution of the United States until at least two-thirds of the legislatures of the several states have made similar applications pursuant to Article V, but if Congress proposes an amendment to the Constitution identical in subject matter to that contained in this Resolution before January 1, 1977, this petition for a Constitutional Convention shall no longer be of any force or effect.

"Be it further resolved that the Clerk of the House of Representatives is hereby authorized and instructed to transmit a duly attested copy of this Resolution to the Secretary of the Senate of the United States Congress, the Clerk of the House of Representatives of the United States Congress, to the Presiding Officer of each House of each State Legislature in the United States, and to each member of the Georgia Congressional Delegation."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HRUSKA, from the Committee on the Judiciary, without amendment:

S. 2447. A bill to amend title 4 of the United States Code to make it clear that Members of Congress may not, for the purposes of State income tax laws, be treated as residents of any State other than the State from which they were elected (Rept. No. 94-631).

By Mr. STEVENSON, from the Committee on Banking, Housing and Urban Affairs, with an amendment:

S. 953. A bill to amend the Export Administration Act of 1969 to clarify and strengthen the authority of the Secretary of Commerce to take action in the case of restrictive trade practices or boycotts (together with additional views) (Rept. No. 94-632).

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. PASTORE, from the Joint Committee on Atomic Energy:

Galen L. Stone, of the District of Columbia, to be the Deputy Representative of the United States of America to the International Atomic Energy Agency, with the rank of Ambassador.

By Mr. PROXMIRE, from the Committee on Banking, Housing and Urban Affairs:

Mitchell P. Kobelinski, of Illinois, to be Administrator of the Small Business Administration.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. JAVITS:

S. 2943. A bill to amend the Higher Education Act of 1965 to provide for information activities by institutions of higher education and eligible institutions to recipients of Federal student financial assistance programs, to provide payments to such institutions for administrative expenses of carrying out such information activities, and other expenses associated with administration of Federal student assistance program authorized by title IV of that act, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. JACKSON (for himself and Mr. Fannin) (by request):

S. 2944. A bill to amend the Pennsylvania Avenue Development Corporation Act of 1972 to authorize appropriations and further borrowings for implementation of the development plan for Pennsylvania Avenue between the Capitol and the White House, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. HUGH SCOTT:

S. 2945. A bill to amend the act of October 15, 1966 (80 Stat. 953; 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations for the Smithsonian Institution for carrying out the purposes of said Act. Referred to the Committee on Rules and Administration.

S. 2946. A bill to amend the act of July 2, 1940, as amended, to remove the limit on appropriations. Referred to the Committee on Rules and Administration.

By Mr. METCALF (for himself and Mr. Hatfield):

S. 2947. A bill to amend the Federal Advisory Committee Act and for other purposes. Referred to the Committee on Government Operations.

By Mr. JAVITS:

S. 2948. A bill for the relief of Milos Forman. Referred to the Committee on the Judiciary.

By Mr. HUGH SCOTT:

S. 2949. A bill to authorize the Smithsonian Institution to construct museum support facilities. Referred to the Committee on Public Works.

By Mr. MONDALE (for himself, Mr. Hugh Scott, Mr. Glenn, Mr. Williams, Mr. Humphrey, Mr. McGovern, Mr. Metcalf, Mr. Curtis, Mr. Moss, Mr. Ribicoff, Mr. Philip A. Hart, Mr. Griffin, Mr. Case, Mr. Mansfield, Mr. Hartke, Mr. Eagleton, Mr. Stafford, Mr. Abourezk, Mr. Taft, Mr. Ford, Mr. Pell, Mr. Clark, Mr. Culver, Mr. Hruska, Mr. Weicker, and Mr. Muskie):

S. 2950. A bill relating to the construction and operation of a natural gas pipeline from the North Slope of Alaska across Canada to domestic markets, and for other purposes. Referred jointly to the Committee on Commerce and the Committee on Interior and Insular Affairs, by unanimous consent.

By Mr. PHILIP A. HART:

S. 2951. A bill to authorize the documentation of the vessel, Barbara Ann, as a vessel of the United States with coastwise privileges. Referred to the Committee on Commerce.

By Mr. BROOKE (for himself and Mr. McGee):

S. 2952. A bill to amend the Foreign Assistance Assistance Act of 1961, and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. WEICKER:

S.J. Res. 167. A joint resolution to amend the Railroad Revitalization and Regulatory Reform Act of 1976. Considered and passed.

By Mr. HUGH SCOTT:

S.J. Res. 168. A joint resolution to provide for the reappointment of James E. Webb as a citizen regent of the Board of Regents of the Smithsonian Institution. Referred to the Committee on Rules and Administration.

By Mr. MOSS:

S.J. Res. 169. A joint resolution to authorize and request the President to issue a proclamation designating the first Monday in May of each year as "National 70 Plus Day." Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JAVITS:

S. 2943. A bill to amend the Higher Education Act of 1965 to provide for information activities by institutions of higher education and eligible institutions to recipients of Federal student financial assistance programs, to provide payments to such institutions for administrative expenses of carrying out such information activities, programs authorized by title IV of that act, and for other purposes.

STUDENT CONSUMER INFORMATION ACT OF 1976

Mr. JAVITS. Mr. President, I introduce for appropriate reference a bill, the Student Consumer Information Act of 1976. This new act would provide all appropriate information about student aid programs seeking to advance their education. Currently, a student wishing to know more about available assistance is faced with a jumble of information sources which sometimes overlap, sometimes contradict, and sometimes omit vital facts. It is the purpose of this bill to enable students to be informed and intelligent consumers of educational services. I strongly believe that students and prospective students can make intelligent choices about financing their education only if they have sufficient information. For many young people, education after high school represents the largest expenditure they have ever made. With the information provided through the mechanism of this bill, a prospective student becomes a well informed "comparison shopper" in the educational marketplace.

The bill would achieve these goals by providing educational institutions with financial and administrative assistance in providing prospective applicants and current students with complete and accurate information on available student aid. My bill would provide funds to schools based on the number of students participating in Federal aid programs. It would also mandate that the U.S. Office of Education provide technical assistance to schools, including a uniform statement of student rights and responsibilities regarding student aid. Complete disclosure and understanding of students' rights and responsibilities in participating under Federal aid programs should result in reduction of the abuses which are damaging these programs.

NEED FOR PROGRAM

Some schools have been improving their own dissemination and counseling efforts but most schools lack sufficient funds to provide an exemplary information effort. Budget stringency on many campuses is forcing schools to reduce these services, in spite of a clear necessity that they be expanded.

In December, the Senate Committee on Government Operations completed an extensive series of oversight hearings on administration of the Federal student aid programs. I took particular interest in these proceedings, because I am the single member of this committee who also serves on the Labor and Public Welfare Committee, which is responsible for the authorizing legislation for student aid programs. The central finding of these hearings was a case study of how an unscrupulous school operator can cheat students and the Federal Government through improper, and allegedly criminal, participation in Federal aid programs. These hearings focused on the causes of program abuse. Testimony included numerous citations of poor program administration.

One unconscionable abuse illustrated in testimony was that some students are provided with a federally guaranteed loan, but are misled to believe they are receiving a Federal grant. My bill would eliminate this and similar abuses by assuring that every student was fully aware of his own rights and responsibilities when participating in a Federal loan program, and that schools can afford to provide these services.

Some Federal student aid programs already pay administrative allowances to participating educational institutions. Currently, the two largest programs, the guaranteed student loan program and the basic educational opportunity grants program, have no such allowances. Schools of participating students in these two programs must undertake significant administrative tasks, but receive no direct compensation for their services. A persuasive argument can be made that schools are the ultimate recipient of funds available under Federal student aid programs, and thus need no additional compensation. However, experience has shown that schools currently lack the resources to provide adequate informational services to their students, the educational consumers. Throughout the country, colleges are experiencing the unwelcome necessity of reducing expenditures to meet lower levels of available resources. Recognizing that education is their primary mission, schools inevitably reduce administrative and support services before they reduce direct educational services.

BENEFITS TO STUDENTS

The Student Consumer Information Act would assure that every student participating in Federal aid programs had full knowledge of the following important facts: First, financial aid programs available at his institution; second, how awards are made; third, how to apply; fourth, rights and responsibilities of students and institutional participants including schools and private lending organizations; fifth, costs of attendance; sixth, refund policy; seventh, descriptions of the school's programs, faculty, facilities, and program completion data; and eighth, whom to contact to answer their questions. My bill for the first time will make this data available in a relatively uniform format. By requesting this information from a number of alternative educational institutions, the student consumer can wisely spend his education dollar based on realistic comparisons of costs and benefits.

In some cases a student has difficulty in gathering necessary information because it is available only from several separate offices in his institution. My bill provides for full-time availability of the officials who will be responsible for carrying out this program of information dissemination. Small schools need not have a full-time person, but must designate the individuals who have these responsibilities. Because designated Federal funds are provided to assist institutions in carrying out these duties, the students have a right to an adequately staffed office which is the source of student aid information.

Often the greatest need for student aid information is among people who are not yet enrolled, who want to compare alternative courses of study and their costs prior to enrollment. This bill provides that any person considering enrollment who specifically requests student aid information will receive the complete disclosure described above. Thus, my bill will advance an important purpose of Federal student aid programs in encouraging all qualified persons to pursue postsecondary education.

My bill directs that the Commissioner of Education spell out in a uniform manner a full description of available Federal student aid programs. In addition, the Commissioner will publish in the Federal Register a statement of the rights and the responsibilities of students and institutional participants in these programs. While these statements shall not be Federal regulations, I anticipate that the Commissioner will engage in a participatory process with affected parties while developing these materials. Specifically, I intend that a draft statement covering this requirement be published in the Federal Register for a period of public comment proceeding any final version.

This process, which is similar to the current HEW procedures for developing regulations, will insure that the statements of rights and responsibilities reflect the advice and consideration of all affected parties. This provision will have a positive effect on clarifying issues in the administration of aid programs which are currently confusing to participants. I am confident that such clarification will have a significant impact on reducing program abuses, particularly in the student loan programs.

BENEFITS TO INSTITUTIONS

A number of leaders in higher education have recently drawn attention to what has been characterized as unnecessary Federal Government intrusion into the affairs of educational institutions. I believe these warnings highlight the important issue that Federal legislation must be drawn in full recognition of its implications for the autonomy of our educational system. One of the benefits of the Federal Government providing support through the means of student aid is that control of educational institutions is minimized. As financial resources tighten at colleges and universities, they are less able to provide necessary services in spite of their desire to do so. In light of these considerations, my bill includes several provisions which enable institutions to carry out their responsibilities of fully informing students about aid programs.

It is estimated that this bill would

provide between $60 and $70 million in administrative cost payments for students at current appropriation and program participation levels. This roughly doubles previously available funds for administration of these programs. It is important to note that this significant sum is a very small proportion of the total program funds, which currently exceed $2 billion per year. Reduction of abuses in student loans could save more than the amount expended in these administrative allowances. I believe that schools need help in carrying out their intention to provide these services. My bill will guarantee that assistance, both financial and administrative, is available to these schools. Many schools are already providing this information but can use additional funds to expand their services to students. This will be particularly helpful where information already assembled is not adequately disseminated to students and prospective students.

Schools of small size or with small numbers of aid program participants are permitted a waiver from the requirement for a full-time availability of the student aid officer. While schools must provide adequate services, funds would not be wasted where a full-time person is unnecessary. Rather than each school assembling its own definitions of available programs and rights and responsibilities, they will be assisted by materials published by the U.S. Office of Education. This will increase the uniformity of information now being distributed and clarify policy issues which are now a cause of confusion within the student aid community. Because no school can immediately comply with the new provisions of a law, a 1-year period following enactment is provided for schools to comply with provisions of the bill.

I firmly believe that the provisions of the Student Consumer Information Act have carefully measured the impact on educational institutions, and provided much needed aid to schools in carrying out exemplary programs of disseminating information to students, the consumers of education.

SUMMARY

In conclusion, Mr. President, the Student Consumer Information Act provides benefits to all persons interested in the Federal student aid programs. Current and prospective students will have accurate and clear information readily available to them. Education institutions are provided with the means to establish strong programs of information dissemination. Through greater clarity as to rights and responsibilities of participants, abuses of student and programs will be reduced. I intend to seek to incorporate the provisions of my bill in the omnibus education bill currently under consideration in the Labor and Public Welfare Committee. I am hopeful that my Senate colleagues can support this much needed effort to improve ability of students to participate responsibly as informed consumers in Federal student aid programs. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2943

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) this Act may be cited as the "Student Consumer Information Act of 1976".

(b) Statement of Findings and Purpose: The Congress recognizes that—

(1) students who participate as educational consumers in Federal programs of financial assistance require information on rights and responsibilities of both student and institutional participants in order to make intelligent choices among education programs and available forms of financial assistance,

(2) educational institutions enrolling students who participated in Federal programs have a responsibility to provide such information to students, and

(3) the goals of the Federal student assistance programs will be advanced by providing educational institutions with financial support and technical assistance to enable these institutions to provide students and potential students with fully adequate consumer information.

Therefore, it is the purpose of this Act to provide payments to eligible institutions to support programs of consumer information for students, and to support other necessary costs of administering Federal student aid programs.

SEC. 2. (a) Section 411 of the Higher Education Act of 1965 (hereinafter in this Act referred to as "the Act") is amended by adding at the end thereof the following new subsection:

"(c) In addition to payments made with respect to entitlements under this subpart, each institution of higher education shall be eligible to receive from the Commissioner the payment of $15 per academic year for each student enrolled in that institution who is receiving a basic grant under this subpart for that year. Payments received by an institution under this subsection shall be used first to carry out the provisions of section 493A of this Act and then for such additional administrative costs as the institution of higher education determines necessary."

(b) Section 428 of the Act is amended by adding at the end thereof the following new subsection:

"(e) Each eligible institution shall be eligible to receive from the Commissioner the payment of $10 per academic year for each student enrolled in that institution who is in receipt of a loan described in paragraph (1) of subsection (a) of this section, for that year. Payments received by an institution under this subsection shall be used first by the institution to carry out the provisions of section 493A of this Act and then for such additional administrative costs as that institution determines necessary."

SEC. 3. (a)(1) Section 493 of the Act is amended by inserting "(1)" following "1958," and by inserting a comma and the following new clause before the period: "and (2) shall be used by such institution to carry out the provisions of section 493A of this Act".

(b) Subpart 1 of part F of title IV of the Act is further amended by inserting immediately after section 493 the following new section:

"INSTITUTIONAL AND FINANCIAL ASSISTANCE INFORMATION FOR STUDENTS

"SEC. 493A. (a)(1) Each institution of higher education and each eligible institution which receives payments under sections 411(c), 428(e) or 493 of this title, as the case may be, shall carry out information dissemination activities to prospective students and to enrolled students who request information regarding financial assistance under parts A, B, C, and E of this title. The information required by this section shall be disseminated in written form as well as personal interviews, where reasonable. The information required by this section shall accurately describe—

"(1) the student financial assistance programs available to students who enroll at such institution,

"(2) the methods by which such assistance is distributed among student recipients who enroll at such institution,

"(3) any means, including forms, by which application for student financial assistance is made and requirements for accurately preparing such applications and the review standards employed to make awards for student financial assistance,

"(4) the rights and responsibilities of students receiving financial assistance under parts A, B, C, and E of this title,

"(5) the cost of attending the institution, including (A) tuition and fees, (B) books and supplies, (C) estimates of typical student room and board costs or typical commuting costs, and (D) any additional cost of the program in which the student is enrolled or expresses a specific interest,

"(6) the refund policy of the institution for the return of unearned tuition and fees or other refundable portion of cost, as described in clause (5) of this subsection,

"(7) the academic program of the institution, including (A) the current degree, other educational and training programs, (B) the instructional, laboratory, and other physical plant facilities which relate to the academic program, (C) the faculty and other instructional personnel, and (D) data regarding student retention at the institution and, when available the number and percentage of students completing the programs in which the student is enrolled or expresses interest.

"(8) the person or persons designated under subsection (b) of this section, and the methods and locations in which any person so designated may be contacted by students and prospective students who are seeking information required by this subsection.

"(2) For purposes of this section, the term 'prospective student' means any individual who has contacted an institution of higher education or an eligible institution requesting information for the purpose of enrolling in that institution, and who has specifically designated an interest in receiving information on financial assistance.

"(b) Each institution of higher education or eligible institution, as the case may be, which receives payments authorized under section 411(c), or 428(e) or section 493 of this title shall designate an employee or group of employees who shall be available on a full time basis to assist students or potential students in obtaining information as specified in the preceding subsection. The Commissioner may waive, by regulation, the requirement that an employee or employees be available on a full-time basis for carrying out responsibilities required under this section whenever an institution of higher education or eligible institution, as the case may be, in which the total enrollment, or the portion of the enrollment participating in programs under this title at that institution, is too small to necessitate such employee or employees being available on a full-time basis. No such waiver may include permission to exempt any such institution from designating a specific individual or a group of individuals to carry out the provisons of this section.

"(c)(1) The Commissioner shall establish such regulations as he deems necessary to carry out the provisions of this section, and to ensure that institutions of higher education and eligible institutions receiving payments under this section expend such payments in a manner which is consistent with the provisions of this section.

"(2) The Commissioner shall make available to instituions of higher education and eligible institutions, by way of publication in the Federal Register and by other means he deems appropriate, descriptions of Federal student assistance programs including the rights and responsibilities of student and institutional participants, in order to (1) assist students in gaining information through institutional sources, (2) assist institutions in carrying out the provisions of this section, and (3) create greater uniformity in the administration of programs assisted under this title so that individual and institutional participants will be fully aware of their rights and responsibilities under such programs.

"(d) During the one year period following the date of enactment of the Student Consumer Information Act of 1976, the Commissioner may waive any provision of this section whenever the institution of higher education or the eligible institution, as the case may be, provides, in the manner and at the time he shall request, assurances satisfactory to him that the institution is making progress in compliance and will fully comply with the provisions of this section within such one year period."

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 2944. A bill to amend the Pennsylvania Avenue Development Corporation Act of 1972 to authorize appropriations and further borrowings for implementation of the development plan for Pennsylvania Avenue between the Capitol and the White House, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, by request, I send to the desk on behalf of myself and the Senator from Arizona (Mr. FANNIN) a bill to amend the Pennsylvania Avenue Development Corporation Act of 1972 to authorize appropriations and further borrowings for implementation of the development plan for Pennsylvania Avenue between the Capitol and the White House, and for other purposes.

Mr. President, this draft legislation was submitted and recommended by the chairman of the Pennsylvania Avenue Development Corporation, and I ask unanimous consent that the executive communication and section-by-section analysis accompanying the proposal from the chairman be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD as follows:

PENNSYLVANIA AVENUE
DEVELOPMENT CORP.,
Washington, D.C., January 26, 1976.

Hon. NELSON A. ROCKEFELLER,
President, U.S. Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Transmitted herewith for referral to the appropriate committee is a draft bill prepared by the Pennsylvania Avenue Development Corporation "To amend the Pennsylvania Avenue Development Corporation Act of 1972 to authorize appropriations and further borrowings for implementation of the development plan for Pennsylvania Avenue between the Capitol and the White House, and for other purposes". The proposed legislation is designed to authorize the capital funding needed to carry out the comprehensive plan for revitalizing the Avenue and its northern environs between Third Street, Northwest, and the Executive Precinct. The draft bill would also update the Corporation's enabling act through minor technical amendments.

The Pennsylvania Avenue Development Corporation was established as a wholly owned instrumentality of the United States by Act of Congress on October 27, 1972. It is vested with powers both to prepare a development plan and to carry it out by acquiring and managing property, regulating development, and undertaking projects for public improvements. After completing preparation of the "Pennsylvania Avenue Plan—1974", the Corporation submitted it with supporting documents to Congress for review. The plan was approved effective May 19, 1975.

In summary, the draft bill would amend the Pennsylvania Avenue Development Corporation Act of 1972 (Pub. L. 92-578, 86 Stat. 1266, as amended) in the following ways: (1) The provision of section 6 which authorizes borrowings from the United States Treasury would be amended to increase the debt limit from $50 million to $200 million and, the period during which the Corporation may borrow would be revised to terminate at the end of fiscal year 1990, rather than 1980; (2) A new paragraph would also be inserted in section 6 to authorize the Corporation to make construction loans; (3) A new paragraph would be added to section 17 to authorize the appropriation of up to $130 million to carry out public development activities and projects in accordance with the development plan; and (4) Several minor amendments would be made in the PADC Act to reflect organizational changes in the local government under the District of Columbia Home Rule Act of 1973.

Specifically: references to the Commissioner of the District of Columbia would be changed to references to the Mayor of the District of Columbia; reference to the Chairman of the District of Columbia Redevelopment Land Agency would be changed to reference to the Director of the District of Columbia Department of Housing and Community Development; and, references to the Redevelopment Land Agency would be deleted.

A comprehensive section-by-section analysis of the enclosed proposed legislation will be forwarded shortly, under separate cover.

The authorizations proposed in this draft bill are necessary to allow full capital funding of the Pennsylvania Avenue Plan, including the requests made in the President's Budget for Fiscal Year 1977. The proposed legislation would have no budgetary impact on Fiscal Years 1975 and 1976 and the period July 1, 1976 through September 30, 1976. If enacted, the proposed legislation would result in the following net outlays (figures in thousands):

Fiscal year 1977	$24,835
Fiscal year 1978	28,847
Fiscal year 1979	35,213
Fiscal year 1980	25,819
Fiscal year 1981	30,870

The Office of Management and Budget has advised that, there is no objection to the submission of this draft legislation and that its enactment would be in accord with the program of the President.

Sincerely,

E. R. QUESADA,
Chairman.

SECTION-BY-SECTION ANALYSIS

(To accompany a bill to amend the Pennsylvania Avenue Development Corporation Act.)

Section 1. The first section of the bill proposes a number of technical amendments, primarily to conform the language of the Pennsylvania Avenue Development Corporation Act of 1972 (the "Act") to organizational changes made in the District Government by the District of Columbia Home Rule Act of 1973. Specifically, references to the Commissioner of the District of Columbia would be changed to references to the Mayor of the District of Columbia; reference to the Chairman of the District of Columbia Redevelopment Land Agency would be changed to reference to the Director of the District of Columbia Department of Housing and Community Development, and references to the Redevelopment Land Agency would be deleted. Additionally, the erroneous citation in section 4(a) of the Act to a provision of Title 5, United States Code, would be corrected.

Section 2. This section of the bill would increase from $50,000,000 to $200,000,000, the authority of the Corporation in section 6 of the Act to borrow from the United States Treasury. It would also extend the period during which borrowing may take place from June 3 [sic], 1980, to September 30, 1990. Other aspects of the borrowing provision are unaffected. For example, actual borrowings may only be in the amounts included in appropriation Acts; and, the terms of each borrowing are to be set by the Secretary of the Treasury. The amendment would provide the Corporation with borrowing capacity necessary to carry out the development and financial program approved by Congress in the "Pennsylvania Avenue Plan—1974." Sums to be borrowed are to purchase, assemble, and prepare land for re-sale or lease to private developers. All borrowed money would be repaid by the Corporation out of the lease and sale revenues and would be secured by the land. The use of the borrowed money to prepare and lease development parcels is expected to generate private investment of approximately $350 Million, as projected in the approved Plan.

Section 3. This section of the bill would: (1) eliminate paragraph (9) of section 6 of the Act, which provides for the preparation of certain financing analyses as part of the development plan to be submitted to Congress (action which has been completed and renders the provision obsolete); (2) redesignate present paragraph (10) to paragraph (9); and adds a new paragraph (10). The new paragraph would authorize the Corporation to use up to $50,000,000 of the $200,000,000 which may be borrowed from the Treasury, to make construction loans to private developers (in such amounts as may be authorized in appropriations acts). The loans would be made, under limited terms and conditions for periods of up to five years, to developers undertaking projects in accordance with the development plan.

Authority in this new paragraph would furnish the Corporation with another financial tool to encourage investments in development by private enterprise. By making construction loans, the Corporation could: speed the development of key parcels if necessary; provide incentive for a developer to provide special amenities on a particular site; and encourage the participation of minority entrepreneurs. The paragraph provides that loans may not be made if financing is otherwise available on reasonable terms, including under other Federal programs. This limitation will prevent the Corporation from competing with private financial institutions willing to make construction loans, and avoid redundancy with other Federal programs which make similar assistance available. The Corporation's loan agreements must require a substantial equity investment by the borrower of 20%, or more, of total project cost. The substantial investment minimum is in accord with applicable tax provisions, and will prevent the borrower from casually withdrawing from the enterprise, once committed. Other provisions of the paragraph require the Corporation to use good commercial practice and to secure loans through a first lien. Loans made by the Corporation may not be at a rate lower than the cost of the money to the Corporation, including the expenses related to making loans.

Section 4. This provision of the bill would establish a new revolving fund within the Treasury of the United States (the "Pennsylvania Avenue Development Fund"), into which all funds appropriated to the Corporation, borrowed by it, or derived through receipts, are to be deposited (except salaries and expenses). Activities of the Corporation, including payments of interest to the Treasury, would then be financed by withdrawals from this fund. This section of the bill does not add to the substantive authority of the Coporation or effect the amounts of money to be appropriated or borrowed under other sections of the Act. It does provide a financial management tool for the Corporation to conduct its activities in a business-like manner, and to comply with the accounting and budgetary requirements of the Government Corporation Control Act.

Section 5. The last section of the bill would amend the authorization of appropriations section of the Act to authorize up to $130,000,000 for public development projects and activities. Amounts appropriated under this new authority could remain available without fiscal year limitations, until September 30, 1990. The authorization proposed by this amendment would make available the full funding for public improvements detailed in the approved plan. Money appropriated under this authority is to remain available over the project lifetime of plan implementation—twelve to fourteen years.

By Mr. HUGH SCOTT:

S. 2945. A bill to amend the Act of October 15, 1966 (80 Stat. 953; 20 U.S.C. 65a), relating to the National Museum of the Smithsonian Institution, so as to authorize additional appropriations for the Smithsonian Institution for carrying out the purposes of said act. Referred to the Committee on Rules and Administration.

NATIONAL MUSEUM ACT

Mr. HUGH SCOTT. Mr. President, the authorization of appropriations for the National Museum Act will expire at the end of fiscal year 1977 and it is proposed that authority for further appropriations be sought.

Since its founding in 1846 the Smithsonian Institution, as custodian of the national collections, has endeavored, within the limits of its resources, to be responsive to the needs of other museums. In the early days these efforts consisted of exchanges of information and publications and in more recent times have included short-term training of museum professionals, consultation services on specific problems, and small grants for special studies.

The National Museum Act of 1966 reaffirmed the Smithsonian's traditional role of assisting museums with specific reference to the continuing study of museum problems and opportunities; training in museum practices; the preparation of museum publications; research in museum techniques; and cooperation with agencies of the Government concerned with museums.

In 1970 legislation providing for a 3-year extension of National Museum Act funding was approved. The extension authorized appropriations not to exceed $1,000,000 annually through fiscal year 1974, of which $300,000 each year was specifically allocated to be expended for training programs, in one-third shares, by the National Endowment for the Arts, the National Endowment for the Humanities, and the Smithsonian. An additional amendment clarified grant and contract authority for training in museum practices.

In fiscal year 1972, the first year in which funding was available, $600,000 was appropriated and a modest program was initiated. In fiscal year 1973 $798,000 was appropriated, and $901,000 was appropriated in fiscal year 1974. In each year the required transfers totalling $200,000 were made to the endowments.

In 1974 an additional 3-year extension was enacted, which eliminated the transfer requirement, but carried the proviso that not less than $200,000 annually was to be allocated to research on and development of museum techniques with particular emphasis on museum conservation.

$802,000 was appropriated in fiscal year 1975; $769,000 in fiscal year 1976; and $807,000 is being requested in the fiscal year 1977 budget.

Funds appropriated to the Smithsonian for the implementation of the National Museum Act are made available, primarily by grants and contracts, to museums, professional associations, and individuals. Such funding is made after review by the National Museum Act Advisory Council, appointed for this purpose by the Smithsonian. The membership of the Advisory Council encompasses the principal museum disciplines—art, science, and history—and is broadly representative of the various regions of the United States. The Council advises and assists the Secretary of the Smithsonian Institution in determining priorities and assessing the quality of individuals and programs seeking support under the act. In funding proposals the Advisory Council has insisted that all proposals clearly demosntrate how the project will improve the profession—its techniques, methods and approaches.

Among the major activities supported recently under the National Museum Act is the National Conservation Advisory Council, a body composed of leading figures in the field, which has undertaken a series of studies and reports on the current status of museum conservation in America. Its primary report focuses on the training of conservators, education of users, scientific support, standards, and facilities, and includes a proposal to meet national conservation needs.

The Smithsonian Institution, the National Endowment for the Arts, and the National Endowment for the Humanities, through their respective offices of museum programs, regularly consult and review programs and proposals in order to prevent duplication and to meet, insofar as possible, the increasing needs of museums and museum professionals from the point of view of their individual programs. The programs of the endowments focus on the public aspects of specific museums such as exhibitions, renovations, catalogs, and purchases, while those that the Smithsonian administers under the National Museum Act are designed to serve the needs of the museum profession generally.

By Mr. HUGH SCOTT:

S. 2946. A bill to amend the act of July 2, 1940, as amended, to remove the limit on appropriations. Referred to the Committee on Rules and Administration.

BARRO COLORADO ISLAND

Mr. HUGH SCOTT. Mr. President, the act of July 2, 1940 (54 Stat. 724), which set aside Barro Colorado Island in the Canal Zone in order to preserve and conserve its natural features for research purposes, authorized the appropriation of $10,000 for necessary administrative and maintenance expenses related to the island. Subsequently, Public Law 89-280, approved October 20, 1965, amended the authorization to $350,000.

Although current obligations are within the statutory limit, increasing costs and needed improvements suggest that the limit will be reached in the near future.

To meet the requirement of the Congressional Budget Reform Act of 1974 of obtaining authorization a year ahead of appropriations, to provide flexibility in appropriations requests, and to avoid the necessity of repeated amendments the proposed legislation seeks to eliminate altogether the ceiling on appropriations authorized.

By Mr. METCALF (for himself and Mr. HATFIELD):

S. 2947. A bill to amend the Federal Advisory Committee Act and for other purposes. Referred to the Committee on Government Operations.

FEDERAL ADVISORY COMMITTEE ACT AMENDMENTS OF 1976

Mr. METCALF. Mr. President, today I introduce the Federal Advisory Committee Act Amendments of 1976, 3 years and 1 month after the effective date of the Federal Advisory Committee Act—Public Law 92-463.

That act set standards and prescribed uniform procedures to govern the establishment, operation, administration and duration of the committees, boards, commissions, councils, task forces and other citizen panels which advise the President or agencies or officers of the Federal Government. It also stipulated that each advisory committee meeting be open to the public unless it is "concerned with matters" which the Freedom of Information Act exempts from mandatory disclosure.

The amendments I introduce today would extend the act's coverage to additional units of Government, open the advisory committee membership selection process to public scrutiny, delete exemption 5 of the FOIA—dealing with interagency or intragency memorandums or letters—as grounds for closing an advisory committee meeting, and, in the fashion of the FOIA, provide for administrative review and court challenge of a determination to hold a closed advisory committee meeting.

I also announce that the Subcommittee on Reports, Accounting and Management will hold hearings on these amendments on March 8, 9 and 10 in room 3302 Dirksen Senate Office Building. The amendments embody considerable thought and experience, yet are offered in the spirit of a discussion draft. The subcommittee would like to receive as wide a range of comment and suggestion as possible, and persons wishing to testify are invited to communicate with subcommittee staff.

Mr. President, the subcommittee has watched over the Federal Advisory Committee Act from the beginning. It conducted oversight hearings in 1973–74, and last summer held a hearing on the role of energy advisory committees in general and that of the President's Labor-Management Committee in particular. Appendixes to the printed hearing on energy advisory committees contain virtually all of my correspondence with departments and agencies from January through September, 1975, on administration of the act, as well as a summary of separate correspondence with 43 agencies on balancing advisory committee membership and opening advisory committee meetings.

Other examples of congressional oversight of the act include the recent report by the House Committee on Government Operations on the use of advisory committees by the Food and Drug Administration, based on a study by the Intergovernmental Relations and Human Resources Subcommittee, and the report by the Congressional Research Service in April 1975, on the role of advisory committees in U.S. foreign policy, prepared at the joint request of the Senate Committee on Foreign Relations and the House Committee on International Relations.

THE FACA AFTER 3 YEARS

In general, the administration of advisory committees has improved substantially since the Federal Advisory Committee Act took effect on January 5, 1973. The agencies have lived up to their responsibility to designate an Advisory Committee Management Officer to exercise control and supervision over the establishment, procedures and accomplishments of the agency's advisory committees. Most agencies now routinely publish meeting notices 15 days in advance in the Federal Register, and some—most notably the Department of Health, Education, and Welfare—consistently provide 30 days or more advance notice.

Over the 3 years the Office of Management and Budget has improved its performance of the duties assigned it by the act. OMB rewrote and simplified the administrative guidelines it prescribes for agency handling of advisory committees, and it has strengthened its Committee Management Secretariat, which is responsible by law for all matters relating to advisory committees. The Committee Management Secretariat functions more as a traffic manager than a policeman, but is trying to exercise all the authority that goes with the job. Meanwhile, OMB's budget examiners are becoming increasingly active in quizzing agencies about their advisory committee operations.

For all the improvement, there are persistent problems. For example, from December 31, 1972, when the first advisory committee inventory was taken to May 1, 1975, a span of 28 months, the number of advisory committees fell to 1,250 from 1,439, a net decrease of 189. Since 525 or more advisory committees were newly created or belatedly discovered during that period, the act in its first 28 months actually disbanded or forced the merger of more than 700 advisory committees. However, there has been a resurgence, and as of October 1, 1975, the total stood at 1,341, a net increase of 99 from the 1974 year-end total of 1,242.

Further, the open-meeting average for all advisory committees seems mired at about 55 percent, with 20 percent of all meetings wholly closed, and the remaining 25 percent partially closed—which can mean anything from 15 minutes to 8 hours. The average has been stuck at that level from the start, and there is no evidence of significant improvement during 1975, although the figures are still being compiled. This contrasts mightily with the performance of congressional committees, which, according to the annual survey by Congressional Quarterly, "opened their doors to the public and press in record numbers in 1975," opening 93 percent of their meetings.

Mr. President, in drafting these amendments I have tried to avoid the pitfall of codifying an administrative remedy for all of the problems encountered in 3 years of close oversight of the Federal Advisory Committee Act. That could easily compound the problems instead of solving them.

EXTENDING THE ACT'S COVERAGE

These amendments would extend the act's coverage to advisory committees of the Federal Reserve System, which at present is expressly exempted, to the advisory committees of the National Railroad Passenger Corporation and the U.S. Postal Service, and to those of the various units of the legislative branch, apart from the Congress itself, including the General Accounting Office, Library of Congress, Office of Technology Assessment, Government Printing Office, Congressional Budget Office, and the Architect of the Capitol.

They would open up the advisory committee membership selection process, about which we still do not know enough, by requiring that members be publicly solicited and that the charter which is filed when an advisory committee is established specify the number of members to be appointed, the method of selection and appointment of these members, and the qualifications to be sought.

I might note that the Consumer Product Safety Commission, the FDA, the Department of Housing and Urban Development, and the Coast Guard, among others, seek public recommendations and nominations of advisory committee members. This is a healthy development which can take some of the mystery and delay out of the selection process, and the practice should be expanded by statute to all advisory committees.

DELETING FOIA EXEMPTION 5

Among the FOIA's nine exemptions from mandatory public disclosure which the Federal Advisory Committee Act recognizes as lawful justification for closing advisory committee meetings, the one least applicable to meetings—and the one most often abused—is exemption 5, dealing with interagency or intraagency memorandums or letters. In attempting to apply an exemption meant for agency documents to committee discussions to be held in the future, the original OMB/Department of Justice guidelines implementing the act indulged in some bureaucratic embroidery which handed agency officials an all-purpose alibi for barring the public from meetings.

The subsequent rewrite of the guidelines, as OMB Circular No. A–63, Revised, rescinded and superseded the offending language, but you would never know it to read the regulations and closed meeting rationales of such agencies as FDA, the National Endowment for the Arts and the Nuclear Regulatory Commission. That discredited and discarded language should have disappeared in the more than 22 months since the revised circular was issued, but it has not.

Furthermore, four district court decisions have laid the wood to exemption 5, the most recent—by Judge Charles B. Richey on October 31, 1975, in Wolfe against Weinberger—holding that exemption 5 is inherently inapplicable to advisory committees. Despite the verdicts and clear reasoning behind them, agencies are still using exemption 5 to shield advisory committee deliberations.

The only solution appears to strike the exemption. If there is valid reason for closing an advisory committee meeting, the case should be made and justified under some other exemption, although all agencies and their committees should be reminded that the exemptions are permissive, not mandatory, and are to be used sparingly. The act says and means that each advisory committee meeting shall be open to the public.

SEEKING TO OPEN A CLOSED MEETING

Witnesses at the subcommittee's oversight hearings and other persons have urged that the Federal Advisory Committee Act provide for administrative review of a determination to close an advisory committee meeting, in the same way that the FOIA provides for such review of a denial of access to agency records. There are two difficulties in providing for parallel procedure:

First. Even when an agency provides a full 15 days notice of a closed meeting in the Federal Register, there is not much time for a citizen to learn of the meeting, obtain from the agency a copy of the required written determination justifying closure, and then make the strongest possible case for an administrative remedy.

Second. Under FOIA, the agency head reviews a citizen appeal from a denial of access to records, but under the Federal Advisory Committee Act it is the agency head who authorizes the closed meeting in the first place. It would be somewhat optimistic to expect the same bureaucrat who made the closure determination to reverse himself on appeal.

To adjust for these differences, the amendments provide, first, that 30 days public notice be given of a closed meeting. The agencies already realize, of course, that it is simpler and cheaper to arrange an open meeting than a closed one, and they will not welcome the administrative stretchout required to meet this statutory definition of timely notice of a closed meeting. Nonetheless, the additional time is necessary if there is to be a meaningful administrative remedy.

The amendments also provide that there can and will be a review by the agency head if he delegated the power to make the original determination to close a meeting. Where a subordinate made the determination, the agency head himself will review the matter.

Then, if either the agency head himself made the original determination, so that review is not feasible, or if he is eligible to make the review but does not act to open the meeting, the citizen challenger is given a direct statutory right of action in the same fashion that it is given under the FOIA.

Mr. President, these amendments as introduced are silent on a number of problems—for example, that of advisory committees which permit invited guests to attend a closed meeting while barring other members of the public, or that of letting business competitors sit in on a session that is closed to others on grounds that FOIA exemption 4—dealing with trade secrets and commercial or financial information obtained from a person and privileged or confidential—applies to the matters to be discussed. That is not to mention that agencies gain an advantage by quoting the exemptions, leaving it to the reader of the notice of closed meeting to find out whether court interpretations of the exemptions have limited their applicability with respect to the subject matter of the meeting.

It is my hope that these and other related issues will be explored fully at the subcommittee's hearings on March 8, 9, and 10, to insure the emergence of a solid set of amendments.

Mr. President, I ask unanimous consent that the text of the Federal Advisory Committee Act Amendments of 1976 be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2947

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Advisory Committee Act Amendments of 1976".

Sec. 2. Paragraph (2) of section 3 of the Federal Advisory Committee Act is amended—

(1) by inserting after "thereof" the following: ", or any ad hoc group, including any group which has any responsibilities of an administrative, executive, or operational nature within an agency other than providing advice and information,";

(2) by inserting after "Federal Government," the following: "and, without regard to the means of establishment, which provides advice or information to or is utilized by the United States Postal Service, the General Accounting Office, the Library of Congress, the Office of Technology Assessment, the Government Printing Office, the Congressional Budget Office, the Architect of the Capitol, or the National Railroad Passenger Corporation, or any other entity which provides information to or advises the Congress,"; and

(3) by striking out ", (ii) the Commission on Government Procurement, and (iii)" and inserting in lieu thereof "and (ii)".

Sec. 3. Section 4(b) of the Federal Advisory Committee Act is amended by striking out all after "by" and inserting in lieu thereof "by the Central Intelligence Agency.".

Sec. 4. Section 5(b) of the Federal Advisory Committee Act is amended—

(1) in paragraph (2)—

(A) by inserting after "to be" the first place it appears therein the following: "publicly solicited and"; and

(B) by inserting before the semicolon the following: "and require at least one-third of the membership to be drawn from citizens in private life who shall represent the interests of the public with respect to the subject matter before the advisory committee";

(2) in paragraph (4) by striking out "; and" and inserting in lieu thereof a semicolon;

(3) by striking out the period at the end thereof and inserting "; and"; and

(4) by adding at the end thereof the following new paragraph:

"(6) require that the names and business affiliations of advisory committee members be publicly announced at the time they are appointed.".

Sec. 5. Section 6 of the Federal Advisory Committee Act is amended—

(1) in subsection (b)—

(A) by striking out "public" both places it appears; and

(B) by adding at the end thereof the following new sentence: "Subsequently, at least once every year, the President shall report to the Congress on the status of actions taken or proposed to be taken to carry out accepted recommendations. A final report shall be submitted when all such recommendations have been carried out to the extent practicable within the President's authority."; and

(2) by adding at the end thereof the following new subsections:

"(d) The President shall maintain in the Committee Management Secretariat in the Office of Management and Budget a comprehensive and complete and current list of the names of all members, past and present, of all advisory committees together with such indices as will contain cross references by the name, business affiliation, occupation, and membership on an advisory committee of such members. The list of all current members together with all indices of such members shall be published in the annual report required under subsection (c).

"(e) At the same time the report required under subsection (c) is transmitted to the Congress the President shall transmit to the Congress a report covering the same period as the report required under subsection (c) and containing the names and affiliations of all persons employed as consultants or experts under section 3109 of title 5, United States Code, or under any other provision of law other than experts employed for the purpose of providing testimony on behalf of the Government in cases before the courts of the United States or agencies.".

Sec. 6. (a) Section 7 (b) of the Federal Advisory Committee Act is amended—

(1) in clause (4) by striking out "is" and inserting in lieu thereof "it";

(2) in the fourth sentence by inserting before the period a comma and the following: "and shall include therein a comprehensive review of every advisory committee the duration of which is less than one year"; and

(3) by inserting between the fourth and fifth sentences the following: "Such an annual review shall include a determination as to whether an advisory committee has any responsibilities of an administrative, executive or operational nature, other than providing advice or information, and shall list all such advisory committees and state whether each such advisory committee has filed a charter as required by section 9(c).".

(b) Section 7 of such Act is amended by adding at the end thereof the following new subsection:

"(f) At the time an advisory committee is established, but before any members are appointed and before an advisory committee charter is filed as required by section 9(c), the Director shall determine whether any such advisory committee has any responsibilities of an administrative, executive or operational nature other than providing advice or information. Such a determination shall be published in the Federal Register not later than 10 days before any member is appointed.".

Sec. 8. Section 9(c) of the Federal Advisory Committee Act is amended—

(1) by striking out "with the standing committees of the Senate and of the House of Representatives having legislative jurisdiction of such agency" and inserting in lieu thereof the following: "with the Congress by transmitting a copy of such charter to the President pro tempore of the Senate and the Speaker of the House of Representatives";

(2) in clause (I) by striking out "and" after the semicolon;

(3) in clause (J) by striking out the period and inserting in lieu thereof "; and"; and

(4) by adding the following new clause:

"(K) the number of members to be appointed, the method of selection and appointment of any such members, and the qualifications to be sought.".

Sec. 9. Section 10 of the Federal Advisory Committee Act is amended—

(1) in subsection (c) by inserting "(1)" after "(c)" and by adding at the end thereof the following new paragraph:

"(2) A complete audio or audio and visual recording shall be made of every advisory committee meeting which is closed. Every such recording shall be deposited with the Librarian of Congress not later than twenty-four hours after the closed meeting has been completed. At the request of any member of any advisory committee which has met in a closed session the recording of the closed session may be reduced to typescript which shall be deposited with the Librarian of Congress.";

(2) in subsection (d)—

(A) by inserting "(1)" after "(d)";

(B) by striking out "section 552(b)" the first time it occurs therein and inserting in lieu thereof the following: "paragraphs (1) through (4) or (6) through (9) of section 552(b)"; and

(C) by striking out the second and third sentences thereof and adding at the end thereof the following:

"(2) Any such determination shall be in writing, shall contain the reasons for such determination, and shall be published in the Federal Register at least 30 days before the proposed date of any such advisory committee meeting.

"(3) Any such determination made by a delegate of the President or a delegate of the agency head shall be reviewed by the President or the agency head, as the case may be, upon application of any person, not later than 48 hours after such application is received. If any such application for review is received later than 48 hours before any such meeting, such meeting shall be delayed to permit the review and determination by the President or the agency head and notification of the person applying for such review. The President or the agency head shall advise the person applying for review in writing of his determination to require that any such meeting be held in open session or to sustain or modify the determination made by the delegate. The President or the agency head may direct that any such meeting be held in open session.

"(4) If a determination is made to close any portion or all of any meeting of an advisory committee such advisory committee shall file a report of its activities including setting forth a summary of its activities, a detailed list of its meetings, and such related matters, including a detailed agenda for each meeting as would be informative to the public consistent with the policy of this section no later than the last day of the quarter immediately following any quarter during which a meeting of any such advisory committee is closed and in each of the next three succeeding quarters.

"(5) On complaint the District Court of the United States in the district in which the complainant resides, or has his principal place of business, or in which the advisory committee routinely holds its meetings or may hold its meetings, or in the District of Columbia, has jurisdiction to enjoin the closing of the meeting of any advisory committee. In such a case the court shall determine the matter de novo, and may conduct an inquiry in camera to determine whether any meeting of any advisory committee should be closed under any of the provisions of this subsection and the burden is on the agency to sustain its action.

"(6) Notwithstanding any other provision of law, the defendant shall serve an answer or otherwise plead to any complaint made under this subsection within 10 days after service upon the defendant of the pleading in which such complaint is made, unless the court otherwise directs for good cause shown.

"(7) Except as to cases the court considers of greater importance, proceedings before the district court, as authorized by this subsection, and appeals therefrom, take precedence on the docket over all cases and shall be assigned for hearing and trial or for argument at the earliest practicable date and expedited in every way.

"(8) The court may assess against the United States reasonable attorney fees and other litigation costs reasonably incurred in any case under this section in which the complainant has substantially prevailed.

"(9) Whenever the court orders any advisory commitee meeting to be held open and assesses against the United States reasonable attorney's and other litigation costs, and the court additionally issues a written finding that the circumstances surrounding the closing of any such meeting raise questions whether agency personnel or advisory committee members have acted arbitrarily or capriciously with respect to the closing, the Civil Service Commission shall promptly initiate a proceeding to determine whether disciplinary action is warranted against the officer or employee or member who is primarily responsible for the closing. The Commission, after investigation and consideration or the evidence submitted, shall submit its findings and recommendations to the administrative authority of the agency concerned, and shall send copies of the findings and recommendations to the officer, employee, or member or his representative. The administrative authority shall take the corrective action that the Commission recommends with respect to officers or employees and shall refer the matter to the Department of Justice for appropriate disposition if any member of the advisory committee with respect to whom corrective action appears necessary is not an employee or officer of the Federal government.

"(10) In the event of noncompliance with the order of the court, the district court may punish for contempt the responsible employee or member and in the case of a uniformed service, the responsible member.

"(11) The Attorney General shall submit an annual report on or before March 1, of each calendar year which shall include for the prior calendar year a listing of the number of cases arising under this section, the matters involved in each case, the disposition of such case, and the cost, fees, and penalties assessed thereunder. Such report shall also include a description of the efforts undertaken by the Department of Justice to encourage agency compliance with this section.".

By Mr. HUGH SCOTT:

S. 2949. A bill to authorize the Smithsonian Institution to construct museum support facilities. Referred to the Committee on Public Works.

MUSEUM SUPPORT FACILITIES

Mr. HUGH SCOTT. Mr. President, on September 19, 1975, the President signed into law Public Law 94–98 authorizing the Regents of the Smithsonian Institution to prepare for museum support facilities which will be designed to restore as much Mall building space as possible to public use; provide for the long-range needs of the Institution's collections; and to integrate them and associated work space with activities on the Mall. The facilities would also incorporate space for on-site research, computer support for documentation, exhibits preparation, registrarial functions, document distribution, conservation, and maintenance support. Being requested in the budget is $500,000 for fiscal year 1977 to initiate architectural and engineering planning for the facilities.

The Smithsonian's activities in the Washington area are concentrated around the Mall, an area dedicated to the use, education, and enjoyment of the American public. These activities, which encompass exhibits, education, collections, conservation, research, and support, fully occupy available Mall space. Despite deliberate and selective acquisition policies, the national collections of specimens and artifacts continue to grow and to compete for space on the Mall with the public functions of the Institution.

Availability of the collections for study and exhibition requires documentation and preservation, activities which also require space. While space economies are being pursued the continuation and expansion of public services indicate a need for additional facilities to house the necessary but less visible services of collections management, conservation, documentation and publication.

A suitable site is being assembled adjacent to the Institution's current holdings at Silver Hill, Md. Thirty five acres currently under the jurisdiction of the General Services Administration are immediately available for transfer to the Smithsonian. Full deveopment of the entire site is viewed as a 25-year program, successive stages of which would be constructed when approved by Congress. The posed legislation seeks construction authority for the initial phase of this program.

By Mr. MONDALE (for himself, Mr. Hugh Scott, Mr. Glenn, Mr. Williams, Mr. Humphrey, Mr. McGovern, Mr. Metcalf, Mr. Curtis, Mr. Moss, Mr. Ribicoff, Mr. Philip A. Hart, Mr. Griffin, Mr. Case, Mr. Mansfield, Mr. Hartke, Mr. Eagleton, Mr. Stafford, Mr. Abourezk, Mr. Taft, Mr. Ford, Mr. Pell, Mr. Clark, Mr. Culver, Mr. Hruska, Mr. Weicker, and Mr. Muskie):

S. 2950. A bill relating to the construction and operation of a natural gas pipeline from the North Slope of Alaska across Canada to domestic markets, and for other purposes. Referred jointly to the Committee on Commerce and the Committee on Interior and Insular Affairs, by unanimous consent.

ALASKAN NATURAL GAS PIPELINE AUTHORIZATION ACT OF 1976

Mr. MONDALE. Mr. President, I am pleased to introduce today, on behalf of myself, Senators Hugh Scott, Metcalf, Glenn, Williams, Curtis, Moss, Humphrey, Ribicoff, McGovern, Philip A. Hart, Griffin, Stafford, Case, Abourezk, Mansfield, Taft, Hartke, Ford, Eagleton, Pell, Culver, Hruska, Clark, Weicker and Muskie, a bill relating to the construction and operation of a natural gas pipeline from the North Slope of Alaska across Canada to domestic markets in the United States.

Briefly, this bill would direct Federal agencies promptly to issue necessary governmental authorizations to the arctic gas project, to construct the Alaskan and various "lower 48" portions of the system. With similar approvals from the Government of Canada, the project will transport northern Alaska gas to the "lower 48," and deliver Mackenzie Delta gas to markets in Canada.

Under this proposal, the Federal Power Commission would be directed to issue necessary authorizations within 60 days of enactment, while the Secretary of the Interior would similarly be directed to issue a right-of-way permit over Federal lands. Finally, the period and grounds for judicial review would be limited, using the same approach adopted in the Trans-Alaska (Oil) Pipeline Act.

Over the past year, there has been intensive debate in the Congress about what our national policy should be with respect to natural gas pricing and distribution; however, on three major points, there has been almost no disagreement.

First, natural gas is our premium energy source. We pay the least environmental price to produce it from wells, transport it through buried pipelines and make use of its clean-burning characteristics.

Second, more natural gas is needed. This gas is required not only for environmental reasons, but also so that we can reduce the economic and strategic costs associated with America's reliance on imported oil.

Third, northern Alaska contains the largest proven, and most readily available, source of natural gas in the United States. After only limited exploration, more than 24 trillion cubic feet of natural gas have been proven in the Prudhoe Bay field alone. This represents more than 10 percent of our Nation's known gas reserves. Potential reserves in northern Alaska are estimated at 100 to 200 trillion cubic feet, which could be enough to double America's present gas supply.

Given the desirability and need for North Slope gas, it is our duty to find the fastest, most environmentally sound, inexpensive, reliable and energy-efficient method of transporting northern Alaskan gas to consumers in all regions of the United States.

After intensive study, I believe that the transportation method which meets each of these standards is a conventional buried natural gas pipeline which would run from northern Alaska directly to markets in the Northwest, West, Midwest, and East. This same pipeline could carry Canadian gas from the Mackenzie Delta to consuming provinces in Canada.

First, consider the benefits to the United States of a joint United States-Canadian pipeline if Canada decides to participate with us in a cooperative project. The pipeline would be the quickest and least expensive way for both Canada and the United States to obtain access to their natural gas in the Arctic. If both countries grant approval to such a pipeline system this year, gas could be flowing to markets in both countries by 1981. In 1974 dollars, it is estimated that U.S. consumers would pay several hundred million dollars less annually in transportation charges, than the cost of the alternative LNG tanker method. A major factor responsible for the savings is the higher volume of gas that can be carried in a joint United States-Canada pipeline, reducing the unit transportation costs.

Next, the conventional pipeline uses far less gas to power the transportation system. Estimates reveal that the liquefaction-LNG tanker method would consume over 78 percent more energy in transportation than the pipeline. The savings of gas would provide enough additional daily energy to supply the residential needs of any one of 38 States in America.

When many of our States are desperately short of natural gas, we should pay special attention to the way in which gas from nothern Alaska is distributed. The pipeline we are proposing today would bring gas directly to consuming regions throughout the Nation. It would serve the Pacific northwest, the west coast, the Midwest and East through pipelines to major delivery centers. The LNG tanker alternative, on the other hand, would rely on a vast system of displacement that has yet to be shown legally possible or technically feasible except at great cost. Under this system, gas from the Southwest would be diverted to areas that lack access to Prudhoe Bay Gas. The cost of the displacement method must be measured not only in the new pipelines that would have to be built immediately, but also the construction that will inevitably be required as supplies from Texas and New Mexico dwindle. These costs have not yet been fully evaluated, but I believe it would be a very poor bet for any major consuming region to rely entirely on displacement for its future gas supplies.

The pipeline approach also provides greater reliability and security of supply than the liquefaction tanker method The buried gas pipeline involves conventional engineering and technology, the reliability of which has been proven over many years. The LNG tanker system involves construction of a highly complicated liquefaction plant to be located on the southern Alaskan coast in one of the world's most sensitive earthquake zones. This plant would be several times the size of any that has yet been built, stretching the technology beyond present limits. The ocean-going LNG tankers will be much larger than any now in operation and would be exposed to the hazards of navigating in difficult international waters. These tankers would have to be unloaded on the southern California coast, raising serious environmental and safety problems. The liquid would then have to be converted back to gas. It is this process of converting gas to liquid, hauling it by tanker and reconverting it back to gas that creates less efficient use of gas.

In my judgment, there are also serious doubts about the reliability of such a system. Should America depend, for 10 percent or more of the gas we need, upon a system that could be disrupted for several months or more by a major failure in the plant, by an earthquake, or by a breakdown in the system for bringing the gas on shore?

There is virtually no risk of significant interruption of gas flows through an underground pipeline. But those with a special interest in the LNG option have raised the bogus issue of Canada's reliability in a cooperative Canada.

The Government and people of Canada must, of course, reach their own decision about whether they would like to join in a cooperative pipeline project. Canada has its own procedures for reaching a decision on pipeline permits and an application for approval of the Canadian arctic gas pipeline, as well as a competing application are now under consideration by the National Energy Board and by the Department of Indian Affairs and Northern Development. The bill we are introducing today is in no way intended to prejudge what the Canadians will do.

Nonetheless, should the Canadians decide that they would like to cooperate with us, it is absurd to charge that they would then impose discriminatory taxes or otherwise unfairly treat American gas that is destined for the United States.

To underscore this point, I would add that a new treaty was just initialed on January 29, 1976, by officials of our State Department and of the Canadian Ministry of External Affairs. This treaty should soon be submitted to the Senate for ratification. It contains provisions by which both nations would agree never to interrupt the transit of the other's oil and gas across their respective sovereign territories; would agree never to tax the oil and gas of the other Nation while in transit, and; would agree never to discriminate against such international transit systems in taxation or regulation of those systems.

The treaty would bind the Federal Governments of both countries. Once it has been ratified, the existing laws of both Canada and the United States would prevent either States or Provinces from discriminating in taxation or from regulating such an international pipeline system.

While Canada has given no official indication of what final action will be taken on the pipeline applications, I believe there are a number of compelling reasons why she would want to participate in a joint project with the United States. A report last July of the National Energy Board highlighted Canada's need to obtain access to its own frontier gas reserves, particularly in the Mackenzie Delta. Proven and probable reserves in this region are now estimated at 6 trillion cubic feet, well below the level regarded by experts as necessary to make feasible a Canada-only pipeline.

Without the added Delta reserves, the NEB estimates that by 1985 Canadian demand will exceed Canadian supply by roughly 1 trillion cubic feet. That is almost the exact level of exports of natural gas from the Canadian provinces to the United States, exports which contribute $2.6 billion to Canada's balance of payments and provide a major energy source for the Northwest and upper Midwest in the United States. Thus, it is likely that Canada will further curtail exports to the U.S., unless a way can be found to develop the frontier gas reserves.

Obviously, both Canada and the United States must reach independent decisions on the basis of what is best for their own people. Accordignly, the Alaskan Natural Gas Pipeline Act which we are introducing today would provide a vehicle by which the Government of the United States would express its finding that a cooperative Trans-Canada pipeline is in the best interests of the United States. This bill would merely say to Canada: If, at the conclusion of your proceedings you decide such a project is in your national interest, we are ready to proceed with its construction.

I'd like to take a minute to discuss the environmental aspects of this bill. I realize that the Sierra Club, the Friends of the Earth and other environmental organizations are deeply concerned about the consequences of this pipeline for wildlife in northern Alaska and also about preserving the integrity of the National Environmental Policy Act—NEPA. I have a great deal of personal respect for those organizations, and I certainly do not take their concerns lightly.

The bill we are introducing today is not attempting to abandon NEPA. Unlike the sponsors of the rival Alaska LNG system, the gas companies that propose to build the pipeline have applied to the Secretary of the Interior for right-of-way permits. Several months ago, the Department of Interior issued a draft Environmental Impact Statement—EIS—on these permits, public hearings were held, and the comments of interested parties have been considered at length. The final EIS will be issued shortly, well in advance of any dtae the Congress could act on this bill.

In future congressional deliberations on this issue, it is my hope that it will be possible for me personally, and for the Senate as a whole, to work closely with concerned environmental groups to insure that any serious environmental problems are not overlooked. I have attempted to review as carefully as possible the environmental questions that have been raised thus far. There is obviously no perfect solution. Undoubtedly, construction of the pipeline will have an effect on the Arctic National Wildlife Range. But the use of a chilled, buried pipeline, use of temporary ice road and limitations on construction to the winter season when animals are not present, can help to minimize these effects.

A much longer route has been suggested by way of Fairbanks. This route would disturb more terrain, cross a more complex and delicate mountainous environment and cut through areas with high animal population density. Beyond these effects, this route could add $2.5 billion to the cost of the project, lessen the Canadian interest in a joint venture, and make financing impossible.

The LNG tanker alternative, in my judgment, is much more alarming from an environmental point of view. It will disturb new areas in Alaska's interior where more wildlife is found than in the far north. A liquefaction plant would be constructed in a major fault zone at great risk to both the environment and the security of America's energy supply. Worse yet, a large fleet of LNG tankers will be added to the already heavy traffic of oil vessels serving the Alaska pipeline. As a representative of a Midwest State that is desperate to gain access to Alaskan oil, I have found no community actively seeking the opportunity to have those tankers dock near its beaches. Environmentalists in the State of California have told me that the last thing they want is a major docking facility to handle these highly explosive tankers.

I have considered these arguments as I have considered the costs to the Nation's consumers of delay in approval of this pipeline system. Applications have been pending before the Federal Power Commission—FPC—since March of 1974. Unfortunately, delay is unavoidable if proceedings before the Federal Power Commission, with the inevitable litigation that would follow are permitted to work their slow way through to completion. The costs of that delay would fall on the American consumer, a cost of 8 to 10 percent more each year. To these costs must be added the national cost of continuing to buy OPEC oil to meet the energy demands which gas from Alaska would satisfy—over $2 billion per year.

The Commission recently told a committee of the House that they might be able to complete their proceedings before the end of this year. However, experts who are experienced with FPC hearings doubt that schedule can be met. Their doubt is supported by the history of major contested applications since World War II. In a letter dated November 12, 1974, former Chairman Nassikas advised Senator Jackson that the average time in the FPC for certification proceedings for such applications has been 3½ years. To the FPC time must be added the time for court appeals. That same letter advised that the average time for court appeals has been about 1 year. With respect to this project, appeal time might extend to 2 or 3 years.

With respect to delay, it is also important to note that the pipeline project contemplated in this act can be put in place at least a year earlier than the alternative liquefaction-LNG tanker system. It will be built by a group of United States and Canadian companies These transmission companies would be the same firms that would have to reorganize to build the liquefaction-LNG tanker system if that method were forced upon them. We are not confronted by a major dispute between competing private interests. The same private companies will inevitably be involved in construction of either alternative. However, the vast majority of these companies have reached a judgment regarding the system that makes the most sense from an economic and technical point of view.

It is clear that the national interest of the United States lies in fast approval by Congress of a pipeline system to carry Alaskan gas to markets all across this country. That is why we are introducing this bill today. While the Government and people of Canada will await the outcome of their own regulatory and governmental processes process in deciding whether they would like to join in this cooperative project, and while this legislation makes clear that we have no intention of interfering in those processes, I am hopeful her Government will reach a favorable ruling. In the interim, Congress should make clear our readiness to proceed as quickly as possible when and if a favorable decision is reached at Ottawa.

Mr. President, I ask unanimous consent that the text of the bill and a section-by-section analysis be printed at this point in the Record.

There being no objection, the bill and analysis were ordered to be printed in the Record, as follows:

S. 2950

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

Section 1. This Act may be cited as the "Alaskan Natural Gas Pipeline Authorization Act of 1976".

CONGRESSIONAL FINDINGS

Sec. 2. The Congress finds and declares that:

(1) A natural gas supply shortage exists in the United States.

(2) Such natural gas supply shortage, unless corrected, threatens the economic and environmental well-being of the Nation through higher levels of unemployment, diminished economic activity, increasingly adverse effects upon the Nation's international balance of payments, increased reliance upon energy produced in other countries, and greater utilization of less environmentally desirable alternatives to this clean-burning energy source.

(3) There exists in the northern areas of the State of Alaska large proven and potential reserves of natural gas which can reduce significantly the Nation's natural gas shortage if a transportation system for delivery of such natural gas to the United States markets is constructed and placed into operation.

(4) A natural gas pipeline system from northern Alaska, across Canada, to the lower 48 States is the most efficient and economical method available for the transportation of northern Alaskan natural gas to domestic markets. Compared to alternative methods proposed for transporting such natural gas, such pipeline system will distribute this essential source of energy more directly to consumers, provide the lowest cost of transportation of the natural gas, consume less natural gas in the transportation process, and provide similar benefits to Canada, all of which effects are in the national interest of the United States.

(5) Immediate construction of a natural gas pipeline system to transport natural gas from northern Alaska across Canada to the contiguous United States is required by the national interest.

(6) A cooperative effort with the people and Government of Canada would advance the development of United States energy resources and could offer substantial return benefits to Canada; and the Congress clearly recognizes that it is the responsibility of the appropriate Canadian authorities to make their own determinations regarding Canada's interests in any cooperative project and this Act is in no way intended to interfere with the decision-making process of the Government of Canada.

(7) The procedures provided in the Natural Gas Act (15 U.S.C. 717 *et. seq.*) and the Mineral Leasing Act of 1920 (30 U.S.C. 185), if complied with fully, will not allow the authorization and construction of a transportation system for natural gas from northern Alaska as promptly as is required by the public convenience and necessity, the national interest, and the requirements of international cooperation.

(8) It is appropriate and necessary for the Congress, in the interest of furthering national energy policy, national economic and environmental well-being, and international relations, to authorize the expeditious construction of a transportation system for natural gas from northern Alaska.

DECLARATION OF PURPOSE

Sec. 3. The purpose of this Act is to insure that, in view of the extensive governmental and other studies already made of the Alaskan Natural Gas Pipeline, as defined herein, and the national interest in the earliest feasible delivery of natural gas from northern Alaska to domestic markets, the Alaskan Natural Gas Pipeline be constructed promptly, without further administrative or judicial delay or impediment. To accomplish this purpose, it is the intent of the Congress to exercise its constitutional powers to the fullest extent in the authorizations and directions herein made, and in limiting judicial review of ths Act and of actions taken pursuant thereto.

DEFINITIONS

Sec. 4. As used in this Act:

(a) The term "Secretary" shall mean the Secretary of the Interior.

(b) The term "Commission" shall mean the Federal Power Commission.

(c) The term "Alaskan Natural Gas Pipeline" shall mean that natural gas pipeline system described in the applications filed with the Federal Power Commission which are listed hereinbelow, identified by date of filing thereof and Federal Power Commission Docket Number assigned thereto, including any amendments thereto filed more than thirty days prior to the enactment of this Act, and shall include the facilities lying within the United States of the natural gas pipeline system across northern Alaska, to connect with a pipeline in Northern Canada, and from border points between the United States and Canada to market areas in the contiguous United States, described therein, shall include the therein proposed natural gas pipeline facilities at such border points, shall include the export from the United States, at a point on the border between the State of Alaska and Canada, of natural gas to be transported by such natural gas pipeline system, and the import of such natural gas into the United States at points on the border between Canada and the States of Idaho and Montana, which has been proposed in docketed proceedings before the Federal Power Commission which have been consolidated with the docketed proceedings listed hereinbelow more than thirty days prior to the enactment of this Act, shall include the facilities, transportation and sales proposed in applications, including amendments thereto filed more than thirty days prior to the enactment of this Act, by purchasers of gas to be transported by such pipeline system for authorization to construct and operate facilities to transport, and to sell, such gas and the sale of such gas to such purchasers by the owners thereof, and shall include such other facilities and activities as shall be necessary for the transport and sale of the natural gas to be transported by such pipeline system.

(1) Application for Certificate of Public Convenience and Necessity filed May 14, 1974, in Docket No. CP74–239;

(2) Application for Certificate of Public Convenience and Necessity filed March 21, 1974, in Docket No. CP74–241;

(3) Application for Certificate of Public Convenience and Necessity filed May 14, 1974, in Docket No. CP74–290;

(4) Application for Certificate of Public Convenience and Necessity filed May 14, 1974, in Docket No. CP74–292.

CERTIFICATION AND RELATED ACTIONS

SEC. 5. The Congress hereby authorizes and directs the Commission, within sixty days after the date of enactment of this Act, to issue to the Applicants involved in the Alaskan Natural Gas Pipeline, and their successors, to take all necessary actions to administer and enforce, all certificates, permits, and other authorizations necessary for or related to the construction, operation, maintenance and implementation of facilities and activities of and relating to the Alaskan Natural Gas Pipeline. The holders of such certificates, permits and other authorizations shall also have the powers of eminent domain provided by section 7(h) of the Natural Gas Act to holders of a Certificate of Public Convenience and Necessity issued pursuant to section 7(c) of such Act. Such provisions of the Natural Gas Act as may be inconsistent with this Act shall not apply with respect to the Alaskan Natural Gas Pipeline. In all other respects, including rate regulation, the provisions of the Natural Gas Act shall apply.

RIGHTS-OF-WAY

SEC. 6. The Congress hereby authorizes and directs the Secretary and other appropriate Federal officers and agencies not otherwise specified in section 5 herein, within sixty days after the date of the enactment of this Act, to issue and take all necessary actions to administer and enforce all rights-of-way, permits, leases and other authorizations necessary for or related to the construction, operation, and maintenance of the Alaskan Natural Gas Pipeline: *Provided, however*, That the rights-of-way, permits, leases, and other authorizations issued pursuant to this Act by the Secretary shall be subject to the provisions of section 28 of the Mineral Leasing Act of 1920, as amended, except subsections (h), (j), (k), (q), (s), (u), and (w) (2) thereof.

SUSPENSION OF ADMINISTRATIVE PROCEEDINGS

SEC. 7. (a) All authorizations issued by the Secretary, the Commission, and other Federal officers and agencies pursuant to this Act shall include the terms and conditions required by the provisions of law that would otherwise be applicable if this Act had not been enacted, and may include those terms and conditions, including those required for the protection of the environment, which are permitted by such provisions of law so long as such terms and conditions do not change the basic nature and route of the Alaskan Natural Gas Pipeline and are not inconsistent with the purposes of this Act. The Secretary, the Commission and such other Federal officers and agencies may waive any procedural requirements of law or regulation which they deem desirable to waive in order to accomplish the purposes of this Act, and may grant requests of any person which shall construct or operate any portion of the Alaskan Natural Gas Pipeline for modifications of the route or facilities thereof which are not inconsistent with the purposes of this Act.

(b) The directions contained in section 5 and section 6 of this Act shall supersede the requirements and provisions of any law or regulation relating to or prerequisite to an administrative determination as to whether the authorizations for construction and operation of the Alaskan Natural Gas Pipeline shall be issued.

JUDICIAL REVIEW

SEC. 8. The actions of Federal officers or agencies taken pursuant to this Act, and the legal or factual sufficiency of any environmental statement prepared relative to the Alaska Natural Gas Pipeline pursuant to the National Enivronmental Protection Act (42 U.S.C. 4321, et. seq.) shall not be subject to judicial review under any law, except that claims alleging the invalidity of this Act may be brought within 60 days following its enactment, and claims alleging that any such action will deny rights under the Constitution of the United States, or that any such action is beyond the scope of authority conferred by this Act, may be filed within sixty days following the date of such action. A claim shall be barred unless a complaint is filed within the time specified. Any such complaint shall be filed in a United States district court, and such court shall have exclusive jurisdiction to determine such proceeding in accordance with the procedures hereinafter provided, and no other court of the United States, or any State, territory, or possession of the United States, or of the District of Columbia, shall have jurisdiction of any claim raised in such complaint, whether in a proceeding instituted prior to, on or after the date of enactment of this Act. Any such proceeding shall be assigned for hearing at the earliest possible date, shall take precedence over all other matters pending on the docket of the district court at that time, and shall be expedited in every way by such court. Such court shall not have jurisdiction to grant any injunctive relief against the issuance of any certificate, right-of-way permit, lease, or other authorization pursuant to this Act except in conjunction with a final judgment entered in a case involving a complaint filed pursuant to this section. Any review of an interlocutory or final judgment, decree, or order of such district court may be had only upon direct appeal to the Supreme Court of the United States.

INTERNATIONAL COOPERATION

SEC. 9. This Act recognizes that approval by the government of Canada, in addition to that of the government of the United States, will be necessary in order to implement the Alaskan Natural Gas Pipeline. It is therefore a purpose of this Act to declare it to be in the national interest of the United States to cooperate with the government of Canada in authorizing the construction of the international pipeline system contemplated by this Act, in the event that the government of Canada determines that it should approve, on a compatible basis, the construction and operation of that portion of such international pipeline system located in Canada.

ANTITRUST LAWS

SEC. 10. The grant of a certificate, right-of-way, permit, lease, or other authorization pursuant to this Act shall grant no immunity from the operations of the Federal antitrust laws.

SEPARABILITY

SEC. 11. If any provision of this Act, or the application thereof, is held invalid, the remainder of this Act shall not be affected thereby.

SECTION-BY-SECTION ANALYSIS

ALASKAN NATURAL GAS PIPELINE AUTHORIZATION ACT OF 1975

The basic purpose and result of the Act is to direct federal agencies promptly to issue necessary governmental authorizations to the Arctic Gas Project, to construct the Alaskan and various "lower 48" portions of the system. The Arctic Gas Project will transport northern Alaskan gas to the "lower 48," together with gas from the Canadian Arctic areas.

Section 1. This section sets forth Congressional findings concerning the need for natural gas from northern Alaska and the desirability of transporting it in a joint U.S.-Canadian pipeline.

Section 2. This section contains findings which stress the need for the gas and desirability of the proposed pipeline system. As stated, legislation is required because progress through the normal regulatory procedures has been and will be far too slow.

Section 3. This section declares the purpose of the Act and expresses the intent of Congress to utilize its full powers to achieve those purposes.

Section 4. This section defines the proposed pipeline system and related aspects and activities which require federal authorization and other terms.

Section 5. This section directs the Federal Power Commission to issue necessary authorizations within 60 days after the Act becomes law, but leaves the Natural Gas Act in effect to the extent not inconsistent with this Act.

Section 6. This section directs the Secretary of the Interior and other federal authorities similarly to issue a right-of-way permit over federal lands, and other necessary authorizations, subject to several provisions of the Mineral Leasing Act.

It should be noted that the Department of Interior plans to complete its final Environmental Impact Statement, relative to the Arctic Gas Project, in February, 1976. Thus, the procedures of the National Environmental Protection Act will be followed.

Section 7. This section directs the federal agencies to impose conditions required by law and allows those not inconsistent with this Act, including conditions providing for environmental protection. Applicants may also request amendments which are not inconsistent with the Act. The provisions of the Act supersede other provisions of law.

Section 8. This section shortens the period for, and grounds for, judicial review of the Act and the authorizations directed, using the basic language enacted as part of the Alyeska oil pipeline legislation.

Section 9. This section states that this Act shall grant no immunity from Federal antitrust laws.

Section 10. This section recognizes the sovereignty of Canada and the necessity for its approval, as well as that of the United States, of this international pipeline.

Section 11. This section is the standard severability clause.

Mr. JOHNSTON subsequently said:

Mr. President, I ask unanimous consent that a bill introduced earlier by Senator MONDALE (for himself and others), entitled the Alaskan Natural Gas Pipeline Authorization Act of 1976, be referred jointly to the Committee on Commerce and the Committee on Interior and Insular Affairs.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

By Mr. PHILIP A. HART:

S. 2951. A bill to authorize the documentation of the vessel, *Barbara Ann*, as a vessel of the United States with coastwise privileges. Referred to the Committee on Commerce.

Mr. PHILIP A. HART. Mr. President, the private relief bill which I am introducing today would allow the *Barbara Ann*, a 100-foot diesel vessel built at Balboa, Canal Zone in 1936 and sold by the

U.S. Government in 1970 to Mr. Keith Malcolm of Marine City, Mich., to be documented a vessel of the United States with the privileges of engaging in coastwise trade.

I urge speedy consideration of this bill so that the vessel, which will be used for towings, can begin operation in the Great Lakes and help stimulate the depressed Michigan economy.

By Mr. BROOKE (for himself and Mr. McGee):

S. 2952. A bill to amend the Foreign Assistance Act of 1961, and for other purposes. Referred to the Committee on Foreign Relations.

LEBANON RELIEF AND RECONSTRUCTION ACT OF 1976

Mr. BROOKE. Mr. President, today I am introducing, with Senator McGee, a bill to authorize funds for relief and reconstruction in Lebanon. The conflict in Lebanon has disrupted the lives of the Lebanese people, regardless of their ethnic or religious background. With the present cease-fire, there finally is hope that a lasting resolution of this unfortunate conflict is at hand.

I believe it appropriate that the United States make a positive gesture to all of the Lebanese people by helping them rebuild their lives and homes. It is also in our interest to see stability reestablished in Lebanon, an essential element in achieving a lasting settlement in the Middle East.

My bill will authorize such sums as may be necessary for providing relief and contributions to reconstruction activities in Lebanon. The bill urges the President to provide this assistance in concert with other donors and to establish a consortium of donors—especially the Arab and Western European nations. This provision emphasizes the importance of a cooperative, collaborative approach to the reestablishment of a viable Lebanon by the parties whose interests are most affected by developments in the Middle East.

The bill also permits extension of guaranties for U.S. investment in a housing reconstruction program in Lebanon up to a total of $20 million over roughly a year and a half.

By Mr. MOSS:

S.J. Res. 169. A joint resolution to authorize and request the President to issue a proclamation designating the first Monday in May of each year as "National 70-Plus Day." Referred to the Committee on the Judiciary.

A NATIONAL 70-PLUS DAY TO HONOR OUR SENIOR CITIZENS

Mr. MOSS. Mr. President, for the past few years the citizens of my State have observed 70-Plus Day in high school. In each of the past 3 years senior citizens have been invited to visit high schools in Utah and interact with teenagers.

These observances have proven to be beneficial to both the old and young alike. So much so that Utah's Governor, the Honorable Calvin L. Rampton recently designated October 22 as "70-Plus Day in High School." A State legislator, my good friend Weldon Mathews, introduced a concurrent resolution in the State legislature to make this observance an annual event.

The enthusiasm for this project has been so great in my own State that I am introducing this Senate joint resolution which would authorize the President to issue a proclamation designating the fourth Wednesday in October of each year as National 70-Plus Day.

I would like to urge the adoption of this resolution to honor our senior citizens.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 2446

At the request of Mr. Church, the Senator from Minnesota (Mr. Mondale), the Senator from Iowa (Mr. Culver), the Senator from Minnesota (Mr. Humphrey), the Senator from North Dakota (Mr. Burdick), the Senator from Wyoming (Mr. McGee), the Senator from South Dakota (Mr. McGovern), the Senator from Montana (Mr. Metcalf), the Senator from South Dakota (Mr. Abourezk), the Senator from Indiana (Mr. Hartke), the Senator from Florida (Mr. Chiles), the Senator from Vermont (Mr. Stafford), the Senator from Indiana (Mr. Bayh), and the Senator from New Jersey (Mr. Case) were added as cosponsors of S. 2446, a bill to amend the Social Security Act to freeze medicare deductibles.

S. 2679

At the request of Mr. Case, the Senator from Maryland (Mr. Beall) was added as a cosponsor of S. 2679, a bill to establish a Commission to monitor the Helsinki agreement on security and cooperation.

S. 2832

Mr. MANSFIELD. Mr. President, at the request of the Senator from Maine (Mr. Muskie), I ask unanimous consent that the Senator from Florida (Mr. Stone) be added as a cosponsor to S. 2832, a bill to amend the Internal Revenue Code of 1954 with respect to lobbying by certain types of exempt organizations.

The ACTING PRESIDENT pro tempore. Without objection it is so ordered.

S. 2845

At the request of Mr. McIntyre, the Senator from Pennsylvania (Mr. Schweiker) was added as a cosponsor of S. 2845, a bill to reorganize the activities of the executive branch of the Federal Government to insure greater participation by small business concerns and individual inventors in the activities of the Energy Research and Development Administration, and for other purposes.

S. 2869

At the request of Mr. Randolph, the Senator from Kentucky (Mr. Huddleston) was added as a cosponsor of S. 2869, a bill to amend the Federal Nonnuclear Energy Research and Development Act of 1975.

S. 2910

At the request of Mr. Schweiker, the Senator from Minnesota (Mr. Humphrey) was added as a cosponsor of S. 2910, a bill to establish the National Diabetes Advisory Board and to insure the implementation of the long-range plan to combat diabetes.

S. 2912

At the request of Mr. Clark, the Senator from Hawaii (Mr. Inouye) was added as a cosponsor of S. 2912, a bill to abolish the office of member of the Federal Election Commission, to establish the office of member of the Federal Election Commission appointed by the President by and with the advice and consent of the Senate, to provide public financing of primary elections and general elections to the Senate, and for other purposes.

S. 2926

At the request of Mr. Randolph, the Senator from South Dakota (Mr. McGovern) was added as a cosponsor of S. 2926, the National Forest Timber Management Reform Act of 1976.

S. 2939

At the request of Mr. Schweiker, the Senator from Massachusetts (Mr. Brooke), the Senator from Minnesota (Mr. Humphrey) and the Senator from Missouri (Mr. Symington) were added as cosponsors of S. 2939, a bill to provide for financial assistance to Opportunities Industrialization Centers in order to provide 1 million new jobs and job training opportunities, and for other purposes.

SENATE JOINT RESOLUTION 76

At the request of Mr. Dole, the Senators from California (Mr. Cranston and Mr. Tunney), the Senator from Maryland (Mr. Beall), the Senator from Massachusetts (Mr. Kennedy), the Senator from South Carolina (Mr. Thurmond), the Senator from Tennessee (Mr. Baker), and the Senator from Utah (Mr. Moss) were added as cosponsors of Senate Joint Resolution 76, a joint resolution to designate a "National Beta Sigma Phi Week."

SENATE CONCURRENT RESOLUTION 86

At the request of Mr. Church, the Senator from Pennsylvania (Mr. Schweiker), the Senator from Nevada (Mr. Cannon), the Senator from Indiana (Mr. Bayh), the Senator from South Dakota (Mr. Abourezk), the Senator from Wyoming (Mr. McGee), the Senator from South Dakota (Mr. McGovern), the Senator from West Virginia (Mr. Randolph), the Senator from Rhode Island (Mr. Pastore), the Senator from Michigan (Mr. Philip A. Hart), the Senator from Massachusetts (Mr. Brooke), the Senator from Illinois (Mr. Stevenson), the Senator from Indiana (Mr. Hartke), the Senator from California (Mr. Tunney), the Senator from Florida (Mr. Chiles), the Senator from Minnesota (Mr. Mondale), the Senator from Montana (Mr. Mansfield), the Senator from Florida (Mr. Stone), the Senator from Vermont (Mr. Stafford), the Senator from Montana (Mr. Metcalf), the Senator from Iowa (Mr. Culver), the Senator from Hawaii (Mr. Inouye), the Senator from New Hampshire (Mr. Durkin), and the Senator from Washington (Mr. Jackson) were added as cosponsors of Senate

Concurrent Resolution 86, a concurrent resolution to express congressional opposition to proposals to increase out-of-pocket payments by medicare beneficiaries.

SENATE RESOLUTION 383—SUBMISSION OF A RESOLUTION AUTHORIZING ADDITIONAL EXPENDITURES FOR THE COMMITTEE ON APPROPRIATIONS

(Referred to the Committee on Rules and Administration.)

Mr. MANSFIELD (for Mr. McCLELLAN) submitted the following resolution:

S. RES. 383

Resolved, That the Committee on Appropriations is authorized to expend from the contingent fund of the Senate, during the Ninety-fourth Congress, $200,000 in addition to the amounts, and for the same purposes specified in section 134(a) of the Legislative Reorganization Act of 1946, and in Senate Resolution 138, 94th Congress, agreed to May 14, 1975.

SENATE RESOLUTION 384—SUBMISSION OF A RESOLUTION AUTHORIZING PRINTING OF "SPECIAL BRIDGE REPLACEMENT PROGRAM, FIFTH ANNUAL REPORT TO THE CONGRESS"

(Referred to the Committee on Rules and Administration.)

Mr. RANDOLPH submitted the following resolution:

S. RES. 384

Resolved, That the annual report of the Secretary of Transportation to the Congress of the United States (in compliance with section 144, title 23, United States Code) entitled "Special Bridge Replacement Program, Fifth Annual Report," be printed, with illustrations, as a Senate document.

SEC. 2. There shall be printed 500 additional copies of such document for the use of the Committee on Public Works.

SENATE RESOLUTION 385—SUBMISSION OF A RESOLUTION DISAPPROVING THE DEFERRAL OF CERTAIN BUDGET AUTHORITY RELATING TO THE YOUTH CONSERVATION CORPS

(Referred to the Committee on the Budget, the Committee on Appropriations, and the Committee on Labor and Public Welfare, jointly, pursuant to the order of January 30, 1975.)

Mr. ABOUREZK (for himself, Mr. JACKSON, and Mr. MAGNUSON) submitted the following resolution:

S. RES. 385

Resolved, That the Senate disapproved the proposed deferral of budget authority for the Youth Conservation Corps (numbered B 76-101).

YCC IMPOUNDMENT EXAMPLE OF ADMINISTRATION MISUSE OF BUDGET LAW

Mr. ABOUREZK. Mr. President, earlier this week Director James Lynn of the President's Office of Management and Budget, was before our Budget Committee. He took the opportunity to repeat again his assurance that this administration fully supports the new congressional budget process. I am sure we should welcome that expression of support and I suppose it is churlish to suggest that we could do with more tangible evidence of it. But; frankly, I find some of the administration's actions completely inconsistent with those expressions of support for the congressional budget process. Specifically, I have in mind the administration's continuing record of impoundments and of its refusal to accept the results of that congressional budget process for which it says it has such strong support.

There are several aspects of this record on impoundments that I think can fairly be said to be in contradiction of the congressional budget process. First, there is the scale of the impoundments. The cumulative report on impoundments filed by Mr. Lynn early in January showed more than $2 billion in rescission proposals and more than $3 billion in deferrals as pending at that time. Since then, two more special messages from the President have added about $1 billion in rescission proposals and $1.5 billion in deferrals—to bring the grand total of current impoundments to more than $8.7 billion—and that is not counting another $1 billion in earlier impoundments for this fiscal year which have since been overturned. I submit that continued impoundment of congressionally approved funds on a scale of this magnitude is excessive and amounts to a deliberate refusal to accept congressional spending decisions.

Second, the character of many of the impoundments underscores the latter point. I do not know precisely how many of the pending impoundments are reruns of earlier impoundments or of earlier administration recommendations which have been considered by Congress and rejected, but I know that it is a very large share of them and quite probably a large majority. I notice, for example, that at least 8 out of 13 pending rescission proposals affecting the Department of Agriculture are of a "rerun" character.

In the case of the water bank program, the forestry incentive program, the rural community fire protection grants, the rural water and sewer grants, the farm labor housing program, and the self-help housing program, they are second, third, and fourth reruns. Time after time after time, the administration has proposed cutting back or completely terminating these programs and time after time after time Congress has rejected the President's recommendation. Still, he refuses to accept our decision and I submit that it is impossible to square that refusal with any protestation of support for the congressional budget process.

More relevant at the moment, the impoundment of Youth Conservation Corps funds reported now—albeit rather belatedly—is another rerun. We voted more funds for this program than the President recommended; he tried to impound some of them last summer; we overturned that impoundment; we voted still further increases in the program to underscore our rejection of his recommendation; and now he is back again impounding YCC funds. At what point, we must ask, does his supposed support for the congressional budget process extend to accepting its results?

There is a third—and admittedly less clear—aspect of the impoundment picture which disturbs me. The chronic delays which seem to affect appropriations bills and spending programs with which the administration is not in sympathy seem to me so frequent as to suggest the possibility of deliberate footdragging. They at least strike this Senator as contrary to the spirit and the intent of the Antideficiency Act and the Impoundment Control Act. I note, for example, that in the case of four of this year's appropriations bills—those for Agriculture, HUD, State, Justice, and Commerce, and for Public Works, the President waited until the last day permissible under section 7 of article I of the Constitution to sign the bills into law. Whether this is the result of sluggish procedures or the reflection of a desire to wait until the last moment, I do not know.

But I do know that in virtually every case where the administration plans to impound funds, they wait the maximum 30 days permitted by the Antideficiency Act to carry out the apportionment of funds required by that act. Thus, what was intended as a maximum, becomes a minimum whether the full time is needed or not. I doubt that this is really in accord with the spirit of the Antideficiency Act.

And, having squeezed every available minute of delay out of the law before formally executing an impoundment—an impoundment, I might add, which all too frequently had been decided on even before the Congress completed action on the appropriation process—the Office of Management and Budget then takes another week or even two before it formally notifies Congress of the impoundment as required under the Impoundment Control Act. All of this might seem minor, Mr. President, except that every day of delay in the process is a day of delay in permitting the operation of the legislative procedures for overturning the impoundment. Again, the impression I get is that the administration prefers to take advantage of every formal and informal leeway to achieve its impoundment goals. While that may be understandable, I do not think it can be claimed as evidence of support for the congressional budget process.

In the final analysis, Mr. President, what is at issue is a fundamental aspect of our system of government. It is the aspect that is the whole point of the congressional budget process and the Impoundment Control Act. The President heads the executive branch. As an executive and as the nationally elected head of his political party, the President has a responsibility to make policy recommendations to the Congress on spending as on other governmental matters. But the legislative responsibility is with the Congress. When we have rendered our considered judgment on his recommendations then the President's responsibility is to implement those judgments, not to thwart them. The point of the new congressional budget process is to improve our machinery for considering his recommendations and making our decisions and the point of the Impoundment Control Act is supposed to be to improve our ability to secure implementation of our decisions. Misuse of the provisions of the latter in order to avoid implementation of those decisions is a strange way indeed to exhibit support for the principles of the former.

I am submitting today a resolution to reject the proposed deferral of funds for the Youth Conservation Corps. I am pleased to be joined by Senators Jackson and Magnuson as cosponsors.

The Youth Conservation Corps is one of the most successful of all Government programs. Run jointly by the Forest Service and the Department of the Interior, the YCC has provided summer jobs for thousands of high-school-age young people doing needed conservation work in our national forests and on other public lands—Federal, State, and local. The benefits reach every State through the "State grant" program, administered by State and local governments.

Most of the young people who participate in the YCC would otherwise be unemployed for the summer. But unlike some other grueling, low-paying, short-term jobs, the YCC attracts a large number of able and deserving applicants from families of all economic levels. With sufficient leadtime, the Forest Service and Department of the Interior have indicated they could easily expand the program over what it has been in previous years, and provide rewarding, productive jobs for high school students who might have a hard time finding other work this summer.

Recognizing this, the Congress voted to significantly increase the appropriation for this summer's Youth Conservation Corps. In fact, the final figure is somewhat less than the amount passed by the Senate November 20. Now, the administration has recommended a cut of more than half of the fiscal year 1976 funds, $23.68 million, leaving only $16 million for this summer's youth jobs. With the very impressive ratio of one new job created for every $1,500 of appropriated funds, the YCC deserves our continued confidence and support.

AMENDMENTS SUBMITTED FOR PRINTING

AIRPORT AND AIRWAYS DEVELOPMENT ACT AMENDMENTS OF 1976

AMENDMENT NO. 1390

(Ordered to be printed and to lie on the table.)

Mr. WEICKER (for himself, Mr. Bayh, Mr. Case, Mr. Proxmire, Mr. Ribicoff, Mr. Buckley, and Mr. Brooke) submitted the following amendment:

Amendment No. 1390

At the appropriate place, add a new section as follows:

PROHIBITION OF COMMERCIAL OPERATION OF CIVIL SUPERSONIC AIRCRAFT IN THE UNITED STATES

Sec. 17. Section 303(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1344(a)) is amended by striking the (.) at the end thereof and adding the following: *"And provided further,* That except in an emergency, or unless hereafter expressly authorized by Act of Congress, no expenditures may be made to take any action to authorize or permit the operation of a civil supersonic aircraft in air transportation in the United States."

Mr. WEICKER. Mr. President, when the full Senate considers the Airport and Airways Development Act Amendments of 1976, I intend to introduce an amendment to prohibit the operation of civil supersonic aircraft in air transportation in the United States. The Senate Commerce Committee is scheduled to report out this legislation on February 17.

During committee consideration, this amendment was defeated by a vote of 9 to 10. Specifically, this amendment would prohibit any expenditure of funds authorized under section 303 of the Federal Aviation Act, to be made that would authorize or permit, except in an emergency, the operation of civil supersonic aircraft in the United States.

On February 4, Secretary Coleman decided to allow the Anglo-French Concorde to land at J. F. K. and Dulles Airports on a limited basis for the next 16 months.

In testimony before Secretary Coleman, the Environmental Protection Agency concluded that—

> Introduction of Concorde service runs directly counter to the noise abatement and other environmental policies and programs of the United States. Such service will subject people to significant environmental impacts and will undermine and negate essential abatement efforts now underway.

Serious questions still remain with respect to the environmental impact of SST flights in the United States. The Concorde is noisier and dirtier than conventional jet aircraft. According to the environmental impact statement, the noise levels produced by the Concorde will be perceived as at least twice as loud as the Boeing 707 or the McDonnell Douglas DC–8. The SST ranks as one of the worst polluters of all time. On the average, the Concorde exceeds proposed EPA emission standards—which all planes must meet by 1979—by almost 250 percent.

The decision by Secretary Coleman to permit Concorde landings opens the door to health and environmental dangers which we deemed unacceptable when we stopped the American development of the SST 2 years ago.

Until those dangers are arrested, Congress should go on record in opposition to the operation of the Concorde in the United States.

This amendment is not an attempt to thwart technological progress. The amendment specifically prohibits the operation of civil supersonic aircraft "in air transportation" in the United States. As defined in the Federal Aviation Act of 1958, air transportation would "mean the carriage by aircraft of persons or property as a common carrier for compensation or hire." Thus, the amendment would continue to allow for flights to test any technological improvements in the Concorde.

Should the Congress become satisfied that Concorde can operate in an environmentally sound manner it can take specific action authorizing the operation of this plane in the United States.

INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT OF 1976—S. 2662

AMENDMENT NO. 1391

(Ordered to be printed and to lie on the table.)

Mr. KENNEDY. Mr. President, I am submitting an amendment to the pending International Security Assistance and Arms Export Control Act of 1975, to clarify the provision in section 101 that says the President "shall take into account"—in giving aid—"the positions taken by such countries in international organizations which affect important U.S. interests."

My amendment indicates that such considerations "shall not be taken into account in determining the level of humanitarian and related developmental assistance authorized in this or any other act." It is repugnant to me, and I know many Americans, to suggest that how a country votes in the U.N.—such as an African nation facing starvation—will affect American food aid and humanitarian relief assistance.

This amendment is in keeping with the clear intent of the Congress in passing H.R. 9005, the International Development and Food Assistance Act. As stated in the report of the Foreign Relations Committee:

> The resources provided for in this bill are not to be regarded as tools for the pursuit of short-term political objectives.

My amendment will reinforce this intent of the Senate.

Mr. President, I ask unanimous consent that the text of the amendment be printed in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

Amendment No. 1391

On page 42, line 13, immediately after the period insert the following:

"These matters shall not be taken into account in determining the level of humanitarian and related developmental assistance authorized in this or any other act."

NATIONAL RESOURCE LANDS MANAGEMENT ACT—S. 507

AMENDMENT NO. 1392

(Ordered to be printed and to lie on the table.)

Mr. HANSEN submitted an amendment intended to be proposed by him to the bill (S. 507) to provide for the management, protection, and development of the national resource lands, and for other purposes.

ANNOUNCEMENT OF HEARINGS ON TRANSPORTATION OF ALASKAN NATURAL GAS

Mr. JACKSON. Mr. President, I wish to announce that the Senate Commerce and the Senate Interior and Insular Affairs Committees will conduct a joint oversight hearing on issues relating to the transportation of Alaskan natural gas to markets in the lower 48 States.

The hearing will begin at 9:30 a.m. on February 17 in room 3110 of the Dirksen Senate Office Building. Witnesses will include representatives from the Federal Power Commission, the Federal Energy Administration, and from the Departments of the Interior, State, Treasury, Transportation, and also the State of Alaska. Other persons are invited to submit written statements for the RECORD.

Any person wishing to submit such a statement or seeking further information on the hearings should contact Henry Lippek at 224-9351 or Thomas Platt at 224-0611.

ANNOUNCEMENT OF HEARINGS ON THE ERDA AUTHORIZATION REQUEST

Mr. CHURCH. Mr. President, for the information of the Senate and the general public, the Senate Interior Committee's Subcommittee on Energy Research and Water Resources will conduct 3 days of hearings on the fiscal year 1977 request for the Energy Research and Development Administration. The hearings have been scheduled for February 23, 25, and 27, to be held in room 3110 of the Dirksen Senate Office Building beginning at 10 a.m. The Administrator of ERDA, Dr. Robert Seamans and his associates will present testimony on the first day and expert witnesses will be invited to testify on the 2 succeeding days.

Anyone wishing to present oral or written testimony to the subcommittee should get in touch with the subcommittee counsel, Ben Yamagata at (202) 224-9894.

MEDICAID FRAUD HEARINGS

Mr. MOSS. Mr. President, on February 16 my Subcommittee on Long-Term Care will conduct hearings on possible medicaid fraud and abuse. These hearings continue our present series of examining problems related in one way or another to long-term care. The specific subject is clinical laboratory services.

The hearing will be held in room 318 of the Russell Senate Office Building beginning at 9:30 a.m.

The subcommittee investigations have focused on the States of New Jersey, Illinois, Michigan, and California. A witness list will be announced directly.

ANNOUNCEMENT OF HEARINGS ON FEDERAL ELECTION CAMPAIGN ACT

Mr. PELL. Mr. President, I wish to announce that the Subcommittee on Privileges and Elections of the Committee on Rules and Administration will hold hearings on Wednesday, February 18, and if necessary on Thursday, February 19, 1976, on proposals to amend the Federal Election Campaign Act of 1971 as amended in 1974, as a result of the January 30, 1976, decision of the Supreme Court in Buckley against Valeo.

The hearings will include, but will not be limited to, consideration of S. 2911, S. 2912, and S. 2918 and will be held at 10 a.m. in room 301 of the Russell Senate Office Building.

Interested persons are requested to contact the subcommittee staff in room 310, Russell Senate Office Building, telephone: 224-5647.

NOTICE OF HEARINGS

Mr. PROXMIRE. Mr. President, the Committee on Banking, Housing and Urban Affairs will hold hearings on the role of the Irving Trust Co. in the General Cable Co. proposed tender offer for stock of Microdot, Inc. and the effectiveness of Federal regulation of banks involved in corporate takeovers.

The hearings will be held on February 16, 1976, at 10 a.m. and 3 p.m. in room 5302, Dirksen Senate Office Building.

For further information, please get in touch with Clifford Alexander at 224-9150.

DISTRICT OF COLUMBIA COMMITTEE TO HOLD HEARINGS ON DEMOGRAPHIC AND ECONOMIC PROJECTIONS FOR AREA

Mr. EAGLETON. Mr. President, I wish to announce that the District of Columbia Committee will begin a series of hearings on the financial problems which are facing the District of Columbia on Tuesday, February 17, 1976, at 9:30 a.m. in the committee hearing room 6226, Dirksen Senate Office Building.

ADDITIONAL STATEMENTS

SALT AND THE DEFENSE BUDGET: DANGEROUS ASSUMPTIONS

Mr. HARRY F. BYRD JR. Mr. President, under questioning by me in a Senate Armed Services Committee hearing on Thursday, January 29, Secretary of Defense Rumsfeld asserted that the new defense budget presupposes an arms limitation agreement with the Soviet Union.

On page 44 of the official transcript is this colloquy with Secretary Rumsfeld:

> Senator BYRD. Is this budget based on the assumption that there will be a Salt Agreement?
>
> Secretary RUMSFELD. The answer is "yes."

At a Finance Committee hearing on Friday, January 30, I queried Secretary of State Kissinger, our chief negotiator with the Soviets, and he, likewise, confirmed that the new budget is predicated on obtaining an agreement with Russia.

To me, it is startling that the defense budget recently submitted to the Congress is based on the assumption that there will be an arms agreement with our chief adversary, Russia.

How can our defense budget be based on an agreement which it is assumed will be forthcoming, unless the substance of such an agreement is known?

Secretary Kissinger denied that an agreement has already been reached. Perhaps our negotiators already have decided what concessions they will make to achieve agreement?

Press reports have indicated that the administration will not submit any new SALT treaty to the Senate for ratification until after the November elections.

Yet the Congress is being asked to approve a defense budget that is based on the outcome of these negotiations.

For some time I have had concern that in the name of détente unmatched concessions would be made to the Russians by our State Department negotiators.

My concern is increased when the Congress is being asked to approve a defense budget that is based on the outcome of negotiations with Russia.

This puts the Secretary of State in a position to whipsaw Congress by saying, "Either you must approve what I negotiate, or the administration will seek additional appropriations."

THE PRESS AND CONFLICT OF INTEREST

Mr. GOLDWATER. Mr. President, it seems to me that some segments of the liberal press in this country will go to no ends in attempting to dredge up little instances of conflict of interest between public officials, Members of Congress and corporate entities. All you have to do these days is accept an invitation to go duck hunting and you stand a great chance of being pictured in the public press as the guy eager and willing to sell his country's interests to a defense contractor. I submit that it is becoming dangerous to send a Christmas card to someone doing business with the Government. Half of the time I find myself afraid to say hello to an individual I know to be a registered lobbyist or a manufacturer's representative.

Now, Mr. President, as I explained at the beginning, the liberal press has been having a field day with this kind of trivia. You would almost think its members had been constituted by an official authority of the Creator to ride herd on corporations who have the temerity to be polite, courteous, and helpful to their friends on Capitol Hill and in Government.

So where does the press stand? Is it so pure that it never accepts a gratuity or a kindness from people or organizations interested in what they publish? I say "baloney." I say the press in many instances has its hand out for favors quicker than any other group. But do not take my word for it. I would merely ask my colleagues to read the following account of parties and freebies and other questionable tactics—by the liberal press' standards—which attended the celebration of Super Bowl X. I urge the Members to read about the gourmet dinners, the free Hertz automobiles, and other things supplied in endless quantities for the press by the National Football League. It is well to remember this story appeared in the "bible" of the American newspaper industry, the magazine Editor and Publisher. The story is highly instructive and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IN THE PRESS BOX AT SUPER BOWL X

(By Carla Marie Rupp)

Super Bowl X is over, but the memories linger on: the cooler than usual temperatures in Miami, the Friday night feast with stone crabs, beef and many other assorted goodies, all the drinks you would down in the Press Lounge at the Konover Hotel, a more exciting game than usual for 1,735 NFL accredited press people and free use of NFL-arranged Hertz cars—if you could get one, if not—being bussed everywhere—to press conferences with coaches and players.

It was, of course, a big week again for sportswriters. A glorious one. A tiring one. It might have looked like fun, but there was work to get out; stories to write daily: new angles of pictures to shoot, these guys are pros, or they wouldn't have made it to Super Bowl. Most writers worked in the wee hours after the January 18 game.

A few hundred typewriters clacked away in the press workroom of the Konover. Writers who missed seeing the end of the game still grumbled. With five to six minutes left, 200 or so writers left the Upper Press Box area to go downstairs to the locker room and interview areas.

On the way down about half of the writers lost contact with their guide. Many writers missed Steeler Lynn Swann's long touchdown. When they got to the interview area, the television monitors set up to see the end of the game weren't working so a number of writers stood in a big drafty area without knowing what was happening on the field. Some managed to jam into the end zone in a mob scene with fans. A New York writer and one from Dayton ducked into a side room labeled UPI Audio and huddled over a small set.

The Miami Herald did a lavish job of covering Super Bowl. Twenty-plus from the Herald covered; seven sports writers, nine photographers, two cityside persons, and two editors—including sports editor Ed Storin and also Ken Finkel—handling pictures at the game. After a check with Pittsburgh and Dallas newspapers, it was confirmed the Herald had the largest Super Bowl-covering contingency. "We got the best seats in the house, other than CBS' Pat Summerall," Storin said. He sat in the photo booth on the 50-yard line. "We had our own game plan. We tried to saturate the Orange Bowl. Everybody knew exactly what they had to do." There was a man on Chuck Noll, one on Tom Landry, one each to the Cowboy and Steeler players and a swing man who would cover the winning team. Sports editor Edwin Pope did analysis of the game. Gary Long stayed in the Press Box doing a factual account of the game.

Less than two hours after the game ended, the first edition came out with Long's lead story, several pages of color and B&W pictures, and a "Super Bowl notebook" by Bill Bracher. The second copy deadline was 9 p.m. and the Herald edition coming out at 10:30 p.m. contained a dozen stories and six large color pictures positioned on page one and throughout the sports section, and eight B&W's. The next edition at 4 a.m. was grabbed up by tourists off newsstands around Miami winding down from partying.

Writers recalled previous years' Super Bowl press party bashes. In '73, the party was on the Queen Mary in Long Beach, Calif., the next year writers entered the Houston Astrodome through saloon swinging doors on a carpet of red sawdust and feasted on spitted steers and hog. Last year in the New Orleans' Convention Hall, big enough to hold six football fields, the party cost $150,000.

But this year, at the Friday press conference Commissioner Pete Rozelle said that of about $500,000 spent to put on the Super Bowl, $75,000 was spent on the Friday night promotion. Don Weiss, director of public relations for the NFL, said it's "primarily a celebration for the people who mean so much to pro football." Some sportswriters confessed they slipped out as many bottles as they could of champagne and wine.

Photographer Don Stetzer of the *Pittsburgh Press* really felt the pressure after the game. With his rolls of film and some of Al Herrman Jr.'s (who sent most of his via UPI), Stetzer had a police escort from the game to the Miami airport to try to make his plane to deliver the rolls to the paper. He had made a dry run of the drive on Saturday. Sweating Stetzer caught the right plane Sunday evening, but it was late anyway and he got to Pittsburgh about 1 a.m.

The Press put out a "souvenir edition" Monday (January 19) which had 13 pages of sports. Color, seldom used, brightened a cartoon, and there were 20 Super Bowl pictures. Because the Steelers were victorious last year, there was also a special edition, with 60,000 extra copies sold. So this year it was expected that between 70 to 75.000 extras would be bought. But the Press was still getting orders by the middle of this past week.

Don Dillman, Press executive sports editor, worked all night Sunday making up pages. Sportswriter Mike Marino tended the pages in composing at 6 a.m., and Ray Kienzul read for typos at 7 a.m. Monday. Sam Spatter, real estate editor—who happened to be at a convention in Dallas, sent in a story on reaction to the game there. The newspaper's editor, John Troan, was in Miami at the game for the week, but didn't have to work. Four sportswriters, including sports editor Pat Livingston, who did a daily column, covered in Miami, with Phil Musick eyeing the Steelers and Glenn Sheeley tailing the Cowboys. On the game, they each did five or six stories. Former sports editor Roy McHugh, now a columnist-at-large, did a sidebar column Tuesday through the following Monday. Four city reporters did Super Bowl-related stories out of Pittsburgh the night of the game. And there were photos on about 12 pages of the news section of celebrations in Pittsburgh on a 11-degree night with 6,000 turning out and 171 arrests. Next day 100,000 turned out to celebrate in a continuing story.

The Pittsburgh Post-Gazette sent three writers to Miami, with Vito Stellino doing the game story, Al Abrams a column and Dave Finkl on sidebars. When the paper went to press at noon on Monday (the 19th), there were Steeler helmets in gold and black in each corner of the front page, with "Steelers Steal Super" in 120 pt. type and "Champs Whip Dallas in Cliffhanger-21-17" in 60 pt. Stellino's story followed, with an index to Super Bowl stories on six other pages. Toward the end of the week, the paper was delving into investigations of the bilking of local fans by travel agency representatives.

Dallas newspapers sent their share of reporters to Miami, also. For instance, the Dallas Times Herald had sports editor Blackie Sherrod, whose column ran page one January 19 on the game, and Cowboy beat man Frank Luksa's story led off the sports section, while Randy Harvey had focused on Pittsburgh. The writers went to Miami Monday (January 12), but the three photographers and a city reporter arrived on Friday. An "epilogue" column covered different facets—"key play," "quarterback" say, "coaches corner" and "player quote-hanger."

Paul Zimmerman, New York Post, runs an annual "Writers Pool" at the Super Bowls. It's $1 a man, winner take all, but you must pick the score. Before this year Zimmerman had taken 9,243 different predictions and no sportswriter had ever picked the right score. But in Miami, for the first time, a guy from Sports Illustrated beat the newspapermen out and guessed the actual score. Zimmerman had collected $104, with 162 writers signing up: 18, he said had "stiffed." The first year he engaged the writers in the "pool," Zimmerman got into a little trouble with the NFL: in the 1968 Super Bowl in Miami, the league's office tried to ban it because offcials said it was "gambling." But they couldn't make the ban attempt stick.

Last year six sportswriters had their pockets picked at the Super Bowl in New Orleans. So this year at the two league championship games the NFL gave all of the writers heavy suede wallets two weeks before the Super Bowl so they'd be prepared with wallets that would create friction so the thieves couldn't get the wallets out of their pockets. Some of the writers were sporting their new wallets.

Zimmerman was one of the writers who had his wallet lifted, but he had gotten it back later last year minus $130 in "Pool" money. He ended up paying Bruce Lowitt of the AP out of his own pocket in a personal check.

A bartender was on duty from noon to early morning in the press hospitality room. Complimentary tickets to horse racing, jai-alai and other events were available. There was a press-celebrity golf tournament January 15, sponsored by Schick. Besides the free wallet, every accredited media person was given a $24 wrist watch—and few were rejected.

"We're not trying to buy anyone," said Don Weiss, the NFL's director of publicity who, along with Rozelle masterminds the public relations operation.

"We're just giving people a souvenir of the game. People need a press kit. We think it's a service to provide you with a briefcase. We're not going to buy anyone with a watch. I respect the people who are here, and nobody's on our payroll. We don't tell anyone what to write. That's not why we do it," Weiss said.

Even so, there are some reporters who never set foot in an interview room and never talk to a player relying instead on NFL handouts or quotes from local papers, according to Leonard Shapiro, Washington Post.

Practice sessions of the teams were closed to press, except on Tuesday (January 13).

Shapiro, Washington Post, views the closing of practice sessions as "one of the major obstacles to enterprise reporting."

The NFL issues brief practice reports, posted daily on the press-room bulletin board. The information, Shapiro said, is provided by the NFL press people, who report what the coaches tell them to report.

Shapiro believes that there have been legitimate news stories at past Super Bowls. "But a vast majority," he noted, "deal with personalities, analyses of the shotgun or the flex and other assorted 'featurettes.' "

"The whole scene is orchestrated by the league, designed to give football the most exposure and it succeeds," Hal Bock, AP reporter, commented. It brings the teams on Monday before the Sunday game, and "so the wires have to be here." If I were a sports editor, there's no way I'd send a man here until Thursday or Friday. It's foolishness; there's not that much to write. Anything of any newsworthiness is covered by the wires.

Wick Temple, AP sports editor, who arrived Friday ready to do the editing for the Sunday coverage, said AP had six writers besides himself and a photo crew headed by Tom Di Lustro, four of the writers were from New York and three from the Miami bureau. While Bock wrote for the A.M.s, Bruce Lowitt, the other regular pro football writer wrote for P.M.s. "This may sound strange," said Temple, "but we have these two guys competing with each other. Lowitt must do something fresh for the afternoon papers. We don't want Bruce to do a rehash of a.m. stories. Morning papers get the break, so the guys on the P.M.s must be more imaginative."

Milt Richman, UPI sports editor and columnist, said UPI tries to do its best job on Super Bowl, because even though many papers are represented, "It's not economically feasible for some papers to send men. As a columnist I try to get stories that may be overlooked."

Richman assigned Joe Carnecelli and Rick Gosselin out of New York and Mike Rabun, SW division sports editor out of Dallas to help the UPI Miami bureau, and three photographers—Doug Roberts, John Anderson and Peter Cosgrove—assigned. "Overkill," is the word Richman uses to describe Super Bowl coverage. "I would be in favor of us spending less time and energy on the Super Bowl. Time is a far more precious commodity than money. I'd say 800 million Chinese communists couldn't give a damn whether this game is even played or not."

The only black sportswriter visible in the press workroom was Huel Washington, an editorial writer for the *San Francisco Chronicle,* who has taken a vacation from the Chronicle for the past five Super Bowls so he can cover for the *San Francisco Sun Reporter,* a twice-a-week paper on which he is sports editor. He had written four stories by Thursday. Writing editorials at the Chronicle is a lot harder, he noted.

From one of the smaller papers at the Super Bowl and sitting next to E&P in the press section was Will Price, of the *Meridian* (Miss.) *Star,* who had arrived Wednesday before the game. After attending five Super Bowls, he said he thinks the NFL "really goes all out to improve each one and make the media feel at home."

Leo Pinckney, sports editor of the *Auburn* (N.Y.) *Citizen-Advertiser,* in covering his eighth Super Bowl, said, "It's getting better every year. The party was great. I love the hospitality and that the press is treated real good."

BUDGET RECEIPTS, EXPENDITURES, AND DECEITS

Mr. CHURCH. Mr. President, on February 4 Dr. Alice Rivlin, Director of the Congressional Budget Office, complimented the administration on its articulate budget presentation for fiscal year 1977. Dr. Rivlin's compliment was obviously addressed to the form rather than the substance of the Ford budget.

Fortunately for the Congress and the taxpayers of the country, our distinguished colleague, the junior Senator from South Carolina (Mr. Hollings), a member of the Senate Budget Committee, was paying attention to the substance of the budget. He was able to obtain a memorandum and table, in a plain white wrapper, prepared by an Assistant Secretary of Defense, which summarized the President's decisions on defense budget increases. Under "Explanation of Increases," there was a $3 billion item for "cut insurance—as a cushion for congressional action." For as yet unexplained reasons, that line item was not set forth in the budget document reviewed by Dr. Rivlin; the budget document printed for the Congress and the public.

This hidden padding of the budget comes from the same administration which has repeatedly condemned welfare and food stamp cheats and their cost to the taxpayer. It comes from an administration whose budget objectives ask the poor and the unemployed to carry the burden of inflation; from a President whose economic analysis projects an unemployment rate in excess of 5 percent into 1981.

Mr. President, I commend Senator Hollings' diligence in uncovering this flagrant attempt to subvert the new budget process, and the hard efforts of Congress to make it work. Were this not so serious, I would suggest that we consider adding a line item in the Federal budget for deceit.

TRANS-ALASKA PIPELINE

Mr. STEVENS. Mr. President, earlier this week Senator Mondale and 10 other Senators said that they plan to introduce a bill today to provide for the speedy approval of a pipeline to carry Alaska natural gas from Prudhoe Bay across Alaska's Arctic Wildlife Range through Canada to the Midwest.

I have urged my other colleagues not to cosponsor this proposal because I am convinced from my discussions with Canadian Members of Parliament and with Canadian petroleum officials that Canada will not permit the construction of a trans-Canadian pipeline within the time frame that is required for the delivery of Alaska oil and gas to the lower 48 States.

Not only could Canadian natural gas not be delivered in the time frame essential for the delivery of Alaska oil and gas to meet American needs but the fact is that it is unclear if the Canadian people and their government even want a pipeline carrying Alaska natural gas to the Midwest to cross their sovereign nation.

Late last year Canada's National Liberal Party, the party now in power adopted a strongly worded resolution at its national convention giving top priority to gasline proposals that are totally Canadian in ownership and which are designed to meet the needs of the Canadian public first.

Today, the position of the National Liberal Party appears to be gaining support in all parts of Canada. I believe that this is the case because Canadians are discovering that their interests are better served by an all Canadian route. There are several reasons for Canada's increasing interest in and support for an all Canadian route, which could deliver Canadian gas from the Mackenzie Delta fields to Canadians through existing Canadian gas lines.

Many Canadians believe that an all Canadian line is preferable to a joint Canadian-United States route from the perspective of financing, environmental quality, costs to Canadian consumers and Canada's desire to maintain Canadian control over Canadian resources.

Even if the Canadians supported a trans-Canada pipeline, which is, as I have pointed out, highly questionable, a trans-Canada pipeline could not be of benefit to the United States because it simply could not be built in the time frame necessary to allow the delivery of Alaska's gas to any market in the United States—whether it be the North, South, East, West, or even the Midwest.

A number of factors contribute to the infeasibility of a trans-Canadian line. Of paramount importance is the fact that a decision to go ahead requires lengthy consideration and review which could well cause length delays which would be fatal to the transmission of Alaska gas. In fact, The Globe and Mail of Toronto reported recently that hearings by the National Energy Board concerning the possible transmission of natural gas across Canada to the United States are expected to take at least a year. Following that, assessments by the Canadian Cabinet, the House of Commons could mean a delay of about 3 years.

Another factor which has not been examined at length, but is of critical importance, is the fact that no pipeline will be built until the Canadian Native claims issue has been completed—my colleagues might recall that it took 10 years for the United States to settle its Native claims and the Canadian settlement could even take longer. In fact, Canadian Natives have stated that they are prepared to die to block the trans-Canada pipeline that would cross the Mackenzie Valley.

Mr. President, it should be clear that even if the United States wanted a trans-Canadian line, it is highly questionable whether the Canadians would even permit such a line to be built and if they agreed to construction, it is even more doubtful whether such a line could be built in the necessary timeframe.

Mr. President, having already pointed out developments in Canada which would delay or discourage the building of a trans-Canadian gas pipeline as proposed by Arctic Gas Co., there are a great many reasons why the all-American route is preferable to a gas pipeline running through Canada, even if the staggering problems in Canada which I just described did not exist.

First, I believe that Americans should consider the environmental implications of the competing proposals. The Alaskan-Canadian Arctic gas line would span 2,600 miles, across Alaska's Arctic Wildlife Range and many hundreds of miles of virgin territory in Canada. Of course, access roads and camps would be required in these areas to support the construction of the line. Already over 14 major environmental groups in the United States and Canada oppose the construction of the trans-Canada line. My staff and I have met with representatives of the Sierra Club and Friends of the Earth, who have been most adamant in their opposition to the trans-Canada line. I would like to quote from the Arctic Gas Pipeline Position Statement endorsed on March 5, 1975, by a coalition of 14 environmental groups:

> The proposals of Arctic Gas will destroy or severely damage most of these values. Contrary to some claims you may have heard, the pipeline proposed to cross either the Northern Coastal Plain, or the foothills south of the Brooks Range, is not just some "thin sliver" which will scarcely be noticed in the vastness of the Arctic North. The combination of the compressor stations, the air strips, the work camps, the noise and the lights, the continuing surveillance and patrols that will follow in the footsteps or be a necessary part of this operation will completely transform large portions of the Range from a wilderness and a wildlife habitat to just another industrial operation. These facts cannot be glossed over; they are real and they exist. Our presentation will document this in more detail.

This same environmental coalition is also concerned with the damage that will be forced upon the Canadian wilderness that this line must cross. The groups which endorsed the above statement include the Alberta Wilderness Association, Canadian Arctic Resources Committee, Canadian Environmental Law Association, Canadian Nature Federation, Federation of Ontario Naturalists, Friends of the Earth, Izaak Walton League of America, National Audubon Society, Natural Resources Defense Council, Pollution Probe, Prairie Environmental Defense League, Sierra Club, The Wilderness Society, Western Canada Chapter, Sierra Club.

The trans-Alaska Line, on the other hand, would for the most part follow the trans-Alaska oil pipeline corridor. The marine leg of the project will require careful supervision but can be conducted safely and without an adverse effect on the environment. Just these environmental factors alone mandate the construction of a trans-Alaska line. Why commit severe and unnecessary acts of environmental degradation when there is a viable alternative.

The time factor is one other compelling reason that dictates the construction of the trans-Alaska line. America needs to increase its domestic supply of gas now. Each year we delay represents an additional drain on our balance of payments and leaves us at the mercy of foreign sources for the precious natural resource.

The trans-Alaska line can be built at least 2 years earlier than the trans-Canadian alternative.

The Congress can dictate time factors in the United States, although I think this is ill advised, but we cannot tell our Canadian neighbors to resolve the problems I have described above.

In Alaska our Native land claims are settled. In Alaska there are support facilities costing $1 billion on the proposed route already completed and in place. It took 1½ years to build the roads, air strips, construction camps and communications facilities necessary for the construction of the Alyeska oil pipeline. Tons of this equipment and material could be reallocated for the construction of an all-American gas pipeline. It makes no sense to start anew this entire process in areas of yet untouched beauty when it is not necessary.

From an economic and employment point of view an all-American pipeline would mean millions of dollars for U.S. companies and the U.S. Treasury while providing thousands of jobs for U.S. workers.

Why at a time of severe unemployment and a time when we are trying to pull ourselves out of recession should we turn over this great economic opportunity to Canada when we desperately need it here at home? An all-American gas pipeline could add nearly $13 billion to the U.S. Treasury and would provide 24,000 Americans with productive employment.

The cost benefits to our country—and to the U.S. consumer—are far better with a U.S. line than with a trans-Canadian line.

Even if we ignore the fact that there is a better way to bring in our needed gas, the bill is woefully inadequate. It contains numerous provisions that are unwise if not dangerous.

Section 7 of the bill provides that the Secretary of the Interior and the Federal Power Commission and any other Federal officer can waive any procedural requirement of law or regulation which they deem desirable to waive in order to accomplish the purposes of the act.

Shall we waive the procedures of the Clean Air Act to avoid delay; shall we waive the procedures of the Federal Water Pollution Control Act to avoid delay; or perhaps the OSHA regulations? I submit, Mr. President, the bill would waive Congress. What is our purpose if we relinquish the procedures we have worked so hard to establish? I agree we need the natural gas quickly, but we need our laws too. We must not be stampeded into tossing the baby out with the bath water.

The bill I introduced in December also recognizes the need for prompt action, but it does not destroy procedural law. It requires approval of the Alaskan line but in accordance with all applicable laws. I think we have seen too much of the usurpation of power by the executive branch.

The Senate will remember the bill we enacted to build the oil pipeline. It contained similar provisions, but that measure was enacted only after extensive judicial review of the impact statement all the way to the Supreme Court.

Mr. President, the other bill to provide for transportation of gas from the North Slope is S. 2778. It does not contain these provisions. It does not end judicial review. It does not throw the courts into chaos. It does not end the process of deliberate appellate review. I think we need action to bring Alaska's gas to market, but we do not need panic.

Section 9 of the proposal by Senator MONDALE and others recognizes that Canadian approval will be necessary for the project and declares that it is in the national interest of the United States to cooperate with Canada if they approve the project. It appears that my colleagues have put the cart before the horse. We cannot build two ends of the project and hope the Canadians will approve the middle. We cannot ratify a treaty before it is submitted. I suggest we wait to declare it in our national interest to cooperate until we find out the terms of the recently initiated treaty. We should then ratify it and then it might be appropriate to start this project if it were the better option. It is not the best option, but we must not authorize a project we cannot complete. Let's make sure it is possible before we start.

Above all, let us find out the terms of our neighbors before we grant them a blank check.

Our purpose must be to make Alaska's energy resources available to our citizens in the shortest time possible at the lowest cost practicable. The Canadian route will require a United States subsidy to complete—the Alaska route will not.

This subject must be thoroughly examined—and it cannot become a political football.

A FEDERAL ADVISORY COMMITTEE ACT FUGITIVE: THE NATIONAL COUNCIL ON EDUCATIONAL RESEARCH

Mr. METCALF. Mr. President, in 1972 the Senate and House Committees on Government Operations acknowledged in their reports on what became the Federal Advisory Committee Act that there are instances in which advisory committees also have operational functions.

The distinction has been somewhat troublesome. The act makes plain that no agency may establish an advisory committee which is anything more than advisory, but it is possible for the President or the Congress to do so. The Senate and House committee reports of 1972 cited different examples of what they had in mind, and neither made it entirely clear what tests should be applied if the question arose in the future.

Most importantly, neither report stipulated that the Congress be informed when the distinction had to be made, and who had made it. Through the cooperation of the Office of Management and Budget and the Department of Justice, the Subcommittee on Reports, Accounting and Management has been apprised of several instances in which the question was asked and answered.

One major mystery remains, however, and that is the case of the National Council on Educational Research, first listed as an advisory committee, then delisted. The Department of Justice has no record of ever having been consulted in the matter. The NCER began life in 1973 with five closed, unannounced meetings, and to this day it remains a fugitive from the Federal Advisory Committee Act.

In June of 1972, the education amendments which created the 15-member NCER as part of the National Institute of Education gave it the responsibility of advising the executive and legislative branches on the status and needs of educational research. They also said the NCER "shall establish general policies for" the NIE, and that the director of NIE "shall perform such duties and exercise such powers" as the NCER, under the supervision of the Department of Health, Education, and Welfare, "may prescribe."

No members were appointed immediately, but the NCER was listed in the First Annual Report of Federal Advisory Committees, covering calendar year 1972. HEW's report on the NCER, at pages 1547–48 of part 2 of the data on individual committees, said its function was "policy." Where NCER members should have been identified was written, "All membership pending." The NCER was an advisory committee, albeit unfinished.

The NCER held its first meeting, a closed session, on 10 July, 1973. The minutes explain that:

> The Federal Advisory Committee Act was discussed and the following resolution was adopted by unanimous voice vote: Resolution on Inseparability of Council's Operational and Advisory Functions—Be it resolved that the Council will perform its ad-

> visory functions inseparably from its operational and other functions.
>
> During the discussion of this resolution, it was suggested that the NCER address the questions of how and when the Council will choose to hold open or closed meetings. It was stressed throughout the proceedings that a "spirit of openness" should be reflected in all NCER affairs.

That "spirit of openness" promptly became mere memory, and the NCER met in closed, unpublicized session again in August, September, November, and December. The NCER did not meet publicly until January 30, 1974, when it adopted a public meeting policy that mandates one closed executive session per meeting and permits closed sessions for various reasons.

The minutes of that meeting record that Thomas K. Glennan, Jr., then director of the NIE, reviewed some key points leading to the proposed change in meeting policy. One of them was that because of the resolution it had adopted the previous July, "the Council is not considered to be bound on this matter by the Federal Advisory Committee Act."

When asked at later House Labor-HEW Appropriations Subcommittee hearings about the justification for closure, Glennan replied:

> The Council met entirely in closed session for its first six months, and we recognize that that, for exactly the reasons you are talking about, caused the lack of public understanding of what we were doing and was having potentially deleterious effects although it may have been quite legal.

Mr. President, the NCER simply fled the jurisdiction of the Federal Advisory Committee Act. Whatever the merits of the NCER position in the first 6 months of its existence, and I suggest they were nil, it is evident in commonsense and law that the NCER lacked authority to rule on the advisory-operational distinction in its own behalf.

If the NCER had returned to the advisory committee fold, or just mended its ways, this history could perhaps be forgotten. Unfortunately, the NCER lives today as it lived yesterday.

On January 6, 1976, for example, the Federal Register noticed a meeting of the NCER to be held on January 15–16—just 9 days' notice—whereas the Federal Advisory Committee Act provision for timely public notice is interpreted to mean at least 15 days. The notice included the definitionally true statement that "this meeting will be open to the public except for the closed sessions."

Of 9½ hours of sessions scheduled over the 2 days, 5½ hours were to be closed to the public and 4 hours open. That is a 58-percent closed meeting, which I suppose is not wholly incompatible with a meeting described as open except when it is closed.

More recently, on January 27, President Ford announced his intention to nominate five persons to be members of the NCER for terms expiring on June 11, 1978. Council members are appointed with the advice and consent of the Senate, and I propose that the Senate determine, as a minimum, whether the nominees will insist on asking OMB to rule on NCER's status under the Federal Advisory Committee Act.

I believe that a procedure for making and then telling Congress of the advisory-operational distinction can be worked out for the future. That leaves the NCER as the leading example of how to circumvent an open-meeting law.

Mr. President, I ask unanimous consent that the NCER meeting notice from the Federal Register of January 6 be printed in the RECORD, together with the President's announcement from the February 2 edition of Presidential Documents and the current NCER roster.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Federal Register, Jan. 6, 1976]

[Department of Health, Education, and Welfare, National Institute of Education]

NATIONAL COUNCIL ON EDUCATIONAL RESEARCH MEETING

Notice is hereby given that the next meeting of the National Council on Educational Research will be held on January 15 and 16, 1976, at the National Institute of Education, 1200—19th Street NW., Washington, D.C., in Room 823. The meeting will convene at 9:30 a.m. and adjourn at 4:30 p.m. on both days.

The National Council on Educational Research is established under section 405(b) of the General Education Provisions Act (20 U.S.C. 1221e(b)). Its statutory duties include:

(a) Establishing general policies for, and reviewing the conduct of the Institute;

(b) Advising the Assistant Secretary for Education and the Director of the Institute on development of programs to be carried out by the Institute;

(c) Recommending to the Assistant Secretary and the Director ways to strengthen educational research, to improve the collection and dissemination of research findings, and to insure the implementation of educational renewal and reform based upon the findings of educational research.

This meeting will be open to the public except for the closed sessions. The tentative agenda includes:

January 15, 1976

Convene open session	9:30
Approval of minutes of Nov. 21, 1975, meeting	9:30–9:35
Director's report	9:35–10
Staff briefings on followup to Sept. 18, 1975, resolutions	10–11
Pending legislation on NIE authorization and other considerations bearing on the fiscal year 1977 budget	11–12
Luncheon	12–1
Closed session: fiscal year 1977 budget	1–3:30
Recess	3:30

January 16, 1976

Convene: Closed session	9
Fiscal year 1977 budget	9–12
Luncheon	12–2
Open session: Review of council actions and identification of issues for further reviews	2–3:30
Adjourn	3:30

Members of the public are invited to attend the open sessions. Written statements relevant to an agenda item (or to any other item considered of interest to the Institute) may be submitted at any time and should be sent to the Chairman and the Executive Secretary of the Council at the address shown below.

Requests to address the Council meeting should be submitted in writing to the Chairman and the Executive Secretary at least ten days in advance of the meeting. The Chairman will determine whether a presentation should be scheduled.

[From Presidential Documents, Feb. 2, 1976]

NATIONAL COUNCIL ON EDUCATIONAL RESEARCH—ANNOUNCEMENT OF INTENTION TO NOMINATE FIVE MEMBERS OF THE COUNCIL. JANUARY 27, 1976

The President today announced his intention to nominate five persons to be members of the National Council on Educational Research for terms expiring June 11, 1978. They are:

Tomas A. Arciniega, of San Diego, Calif., dean, School of Education, San Diego State University. He will succeed William O. Baker whose term has expired.

Chester E. Finn, Jr., of Dayton, Ohio, research associate in governmental studies, the Brookings Institution, Washington, D.C. He will succeed W. Allen Wallis, whose term has expired.

D. J. Guzzetta, of Akron, president, the University of Akron. This is a reappointment.

Robert G. Heyer, of Minneapolis, Minn., physical science teacher, Johanna Junior High School, St. Paul, Minn. He will succeed Charles LeMaistre whose term has expired.

Charles A. Nelson, of Croton-on-Hudson, N.Y., principal, Peat, Marwick, Mitchell and Co. He will succeed Terrell H. Bell whose term has expired.

The Council was established by Public Law 92-318 of June 23, 1972 (Education Amendment of 1972) and consists of 15 members appointed by the President, with the advice and consent of the Senate, together with the Director of the National Institute of Education and such other ex officio members who are officers of the United States as the President may designate.

The purpose of the Council is to establish policies for the National Institute of Education and advise the Assistant Secretary for Education and the Director of the National Institute for Education on development of the Institute's programs. The Council reports annually to the President and to the Congress.

CURRENT NCER ROSTER

(10 Members, 5 Vacancies)

Ralph M. Besse.
Edward E. Booher.
Dr. John E. Corbally.
Dr. Larry A. Karlson.
Dr. Arthur M. Lee.
James G. March.
Mrs. Ruth H. Minor.
Carl H. Pforzheimer, Jr.
Dr. Wilson C. Riles.
Dr. John C. Weaver.

PAUL ROBESON, 1898–1976

Mr. SCHWEIKER. Paul Bustill Robeson, a runaway slave's son who cultivated a tremendous national and international following through a wide variety of careers, died late last month in Philadelphia at age 77.

Robeson used his great talents to become first a professional athlete, then a lawyer, actor, singer, and civil rights activist.

Robeson became only the third black man to enter Rutgers University, and graduated valedictorian in 1919. In addition to his scholastic achievements, Robeson was named an all-American football player in both 1917 and 1918.

From Rutgers, Robeson went to Columbia University Law School, graduating in the class with Supreme Court Justice William O. Douglas and New York Gov. Thomas Dewey. His law studies were financed by playing professional football on weekends.

He joined a prominent New York City law firm but quit after deciding he was viewed as only a token black at the firm. He turned to acting, and played major roles, including Emperor Jones and Othello in motion pictures and on Broadway. During World War II, he spent much of his time performing for American soldiers.

Robeson was selective in his choice of dramatic roles, never accepting a role that he felt was demeaning to black people.

After the war, Robeson devoted more and more of his time to civil rights issues. He also defended the Soviet Union, a stance that brought him a great deal of criticism during the cold war.

In his book, "Here I Stand," Robeson talked about the civil rights struggle:

> To be free—to walk the good American earth as equal citizens, to live without fear, to enjoy the fruits of our toil, to give our children every opportunity in life—that dream which we have held so long in our hearts is today the destiny that we hold in our hands.

Paul Robeson was a singular individual—truly a man for all seasons. His life may have passed, but his memory will live on for many years.

Mr. President, I ask unanimous consent that the following article from the Philadelphia Inquirer be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Philadelphia Inquirer, Jan. 24, 1976]

P. ROBESON, SINGER, ACTIVIST DIES

(By Steve Neal)

Paul Bustill Robeson, a runaway slave's son who became one of the most celebrated singers and actors of his time, died yesterday at Presbyterian-University of Pennsylvania Medical Center. He was 77.

He was admitted to the hospital on Dec. 28 for treatment of what was described as a "mild stroke." Later tests showed that he was suffering from cerebral vascular disorders. He had been in declining health for many years.

Mr. Robeson fit the Renaissance model of the universal man. He sang folk songs and spirituals in more than 20 languages. Before he started his artistic career, he distinguished himself as an All-American football player. Later in life, he made contributions as a political activist and cultural theorist.

During the 1930s, Mr. Robeson was the best-known black figure in the United States. With his diverse talents and rich, booming voice, he also cultivated an enormous international following.

His early commitment to the black liberation movement and his controversial political views led to his professional downfall. Mr. Robeson was a prime target of the McCarthy era's anti-Communist witchhunts, and the State Department revoked his passport in 1950, charging him with pro-Communist sympathies. On his American concert tours, he was boycotted, attacked by angry mobs, and then ignored.

Mr. Robeson was treated like an outcast by the black community during the hysteria of the 1950s. Even the NAACP, then at its boldest, shunned him.

The isolation from his own people was perhaps the greatest injustice done to Mr. Robeson, for years before the civil rights movement, before black militancy, he defiantly fought racial bigotry.

Mr. Robeson ended a lucrative motion-picture career when American and British studios broke promises to eliminate type-casting of black performers. Sidney Poitier says, "Before Paul Robeson, no black man or woman had been portrayed as anything but a racist stereotype."

When detente began and the Cold War tensions softened, Mr. Robeson's role was reappraised, and he was acclaimed as "the great forerunner" of the black liberation struggle. In 1972, Ebony magazine listed him as one of the 10 greatest figures in black America's history. That same year, Rutgers University named its student center in his honor. He also received the National Urban League's first annual Whitney M. Young Memorial Award for his pioneer civil rights efforts.

By that time, however, Mr. Robeson was an invalid and unable to appear at public ceremonies. From 1965 until his death, he lived with his sister, Mrs. Marion Forsythe, in a corner rowhouse at the intersection of 50th and Walnut Streets in West Philadelphia.

Hardened by the persecution he suffered, Mr. Robeson declined frequent requests for interviews, seeing only his immediate family and his physicians.

Mr. Robeson was born April 9, 1898, in Princeton, N.J., the son of Anna Louisa and William Drew Robeson, a runaway slave who had become a Methodist minister.

TURNS TO LAW

The younger Robeson at first hoped to follow his father into the ministry, but his interests changed and he planned a career in law.

Mr. Robeson was the third black man to enter Rutgers University. He was tapped for Phi Beta Kappa in his junior year and was valedictorian of the class of 1919.

In addition, Mr. Robeson was an athletic star who won 12 varsity letters in track, baseball, basketball and football. Football made him a national celebrity. He was named first team All-American end in 1917 and 1918.

Walter Camp, the originator of the All-America teams, described Mr. Robeson as the greatest athlete he had seen.

After graduating from Rutgers, Mr. Robeson attended Columbia Law School. Among his classmates were future Supreme Court Justice William O. Douglas and future New York Gov. Thomas E. Dewey.

Mr. Robeson financed his law studies by playing professional football on weekends. One of the biggest names in the fledgling National Football League, Mr. Robeson starred for the Akron Steels in 1920 and 1921, then for the Milwaukee Badgers in 1922.

A group of businessmen offered Mr. Robeson $1 million to fight Jack Dempsey for the heavyweight boxing championship. After considering their offer for several days, Mr. Robeson decided instead to retire from professional sports.

BARS TOKENISM

He joined a prominent New York City law firm soon after law school, but he quit when it became apparent that its senior partners viewed him as a token black.

At the suggestion of his wife, the former Eslanda Cardozo Goode, Mr. Robeson began a theatrical career. While at Columbia, he had performed in an amateur production that caught the attention of Eugene O'Neill, a young man who was to become America's most acclaimed playwright.

O'Neill offered Mr. Robeson, who was still practicing law, the lead in his play, "The Emperor Jones." Mr. Robeson turned him down, but shortly afterward, Mr. Robeson consented to appear in "Taboo," playing opposite Margaret Wycherly. The play was a disaster, but Robeson's performance received favorable reviews.

Mr. Robeson then told O'Neill that he had changed his mind about playing in "The Emperor Jones," and O'Neill agreed if he alternated in "All God's Chillun Got Wings."

"Chillun" was O'Neill's daring critique of American racism. Mr. Robeson, playing the heroic Jim Harris, was again well-received. Laurence Stallings of the New York World wrote, "Ability in application to Robeson's work as the Negro in All God's Chillun is a wretched word. The man brings genius to the piece."

"The Emperor Jones" was another artistic triumph. Mr. Robeson played Brutus Jones, the Pullman porter who murders a man over a crap game, kills a white guard on the chain gang, and escapes to a Caribbean island where he makes himself emperor.

O'NEILL SATISFIED

O'Neill later wrote of Mr. Robeson's performance: "I have found the most complete satisfaction an author can get—that of seeing his creation born into flesh and blood. I found not only complete fidelity to my intent under trying circumstances, but beyond that, true understanding and racial integrity."

It was in "The Emperor Jones" that Mr. Robeson emerged as a powerful baritone. A scene in the play called for whistling and, because he could not whistle, he sang.

The audience responded enthusiastically, and after a highly favorable column by Heywood Broun, Mr. Robeson was on his way to prominence as a concert singer.

His acting performances became less frequent as he increased his concert and radio appearances. Oscar Hammerstein and Jerome Kern dedicated their song, "Ol' Man River," to him.

Mr. Robeson, who made more than 300 recordings, said of his style: "I have never been much interested in vocal virtuosity. I have never tried to sing an A-flat while the audience held on to the edge of its collective seat to see if I could make it."

Mr. Robeson appeared in nine motion pictures, either as the star or in supporting roles. These included "The Emperor Jones," "Showboat," "Sanders of the River," "King Solomon's Mines," "Song of Freedom," "Jericho," "The Proud Valley," and "Tales of Manhattan."

PLACE IN HISTORY

Although his film career was brief, his effect was major. Donald Bogle, in his book, "Toms, Coons, Mulattoes, Mammies, and Bucks: An Interpretive History of Blacks in American Films," wrote: "Today, as we sit in theaters and watch Jim Brown or James Earl Jones or Poitier walking tall with eyes straight forward, we think of the young Robeson . . . his influence on other black actors has been incalculable."

Mr. Robeson was selective in the kind of dramatic parts he would play, believing that he could not separate his position as a champion of black equality from his position as an artist. He retired when he could not reconcile the two roles.

"I thought I could do something for the Negro race in films—show the truth about them and other people, too," he said. "I used to do my part and go away feeling satisfied, thought everything was okay. Well, it wasn't. The industry is not prepared to permit me to portray the life or express the living interests, hopes, and aspirations of the struggling people from whom I come.

The crowning achievement of Mr. Robeson's career was his portrayal of Shakespeare's "Othello" on Broadway in 1943. He was the first black actor to play the role in a cast of whites in the U.S. Some skeptics claimed that the play would fail because it had never before succeeded in 20th-century America.

But Mr. Robeson's Othello ran for 296 performances, a record for a Shakespearean play on the New York stage. The reviewers, and audience after audience, paid tribute to Mr. Robeson.

DRAWS RAVES

Howard Barnes of the New York Herald Tribune said, "Robeson's color as much as his fine acting skill brings a rather tricky melodrama into sharp and memorable focus. Lines which meant nothing when a white man played the part of the Moorish soldier of fortune who became a great Venetian general, married the fair-skinned Desdemona and then let himself be led into a homicidal frenzy, loom impressively in the Schubert offering, giving a motivation for murder which has been obscure to most of us in the past."

Another critic, Burton Rascoe of the New York World Telegram, called Mr. Robeson's Othello "one of the most memorable events in the history of the theater. . . . There never has been and never will be a finer rendition of this tragedy."

This play was Mr. Robeson's last appearance on Broadway. During World War II he spent much of his time performing at concerts for American soldiers.

Mr. Robeson devoted more and more of his energies to civil rights issues. With W. E. B. DuBois, the black historian, he organized the Council on African Affairs, a group whose activities included raising funds for Third World causes and organizing lectures on African culture. He spoke several African languages and was an ardent scholar of African culture. He asserted that Africa's contributions to civilization were as vital as the West's.

LEADS PICKETS

After the war, Mr. Robeson testified before congressional committees against segregationist laws. He led picket lines at the White House, carrying a "Jim Crow Must Go" sign, and he founded the American Crusade to End Lynching. In September 1946, Mr. Robeson met with President Harry S. Truman, urging an end to mob violence. He hotly disputed Truman's claim that the U.S. was the "last refuge" of freedom.

When New Dealer Henry Wallace began his liberal third party campaign against Truman, Mr. Robeson joined forces with him. Wallace suggested Mr. Robeson as his running-mate, but Mr. Robeson made it clear that he was not interested.

Mr. Robeson's defense of Communism and of the Soviet Union caused little controversy during the war, but they became controversial indeed when the Cold War chilled U.S.-Soviet relations. He had a deep affection for the Soviet Union, which had named a mountain in his honor and celebrated his achievements.

His concerts began to be interrupted by right-wing hecklers in the U.S. Sometimes the anti-Robeson demonstrators provoked violence. During the summer of 1949, two Robeson concerts turned into riots. Both took place in Westchester County, New York. A New York Times editorial compared the events to "a lynch mob in darkest Georgia."

The House Un-American Activities Committee (HUAC) said Mr. Robeson was "invariably found supporting the Communist Party and its front organizations." One member, Richard M. Nixon of California, suggested that people who bought Mr. Robeson's records were Communists or fellow travelers.

UPHELD BY COURT

Mr. Robeson's refusal to sign an affidavit stating whether he was or had been a member of the Communist Party prompted the State Department to revoke his passport in 1950. Eight years later a Supreme Court ruling held that the affidavit requirement was unconstitutional, and Mr. Robeson's passport was restored.

At a time when many HUAC witnesses recanted in humiliation, Mr. Robeson proudly fought his adversaries. "I am being tried for fighting for the rights of my people who are still second-class citizens," he boldly told the committee.

Asked if he had made a pro-Stalin speech in Moscow, Mr. Robeson responded, "You are responsible and your forebears for 60 million to 100 million black people dying in the slave ships and on the plantations, and don't you ask me about anybody, please."

Mr. Robeson took the offensive again when a HUAC member asserted that he might be happier in Russia. "My father was a slave, and my people died to build this country, and I am going to stay and have a piece of it just like you. And no fascist-minded people will drive me from it. Is that clear?"

In 1958, with his hard-won passport, Mr. Robeson acted in England and made frequent trips to Soviet-bloc countries, where he sang off and on until he became ill in 1961.

HEALTH DECLINES

He returned to the U.S. in December, 1963, a sick and aging man. Mr. Robeson, suffering from what his family termed a "circulatory ailment," made no public appearances after a testimonal dinner in his honor on April 22, 1965.

Mr. Robeson's health never recovered sufficiently to return to the concert stage or political affairs. When his wife reported him missing from their New York City apartment in October 1965, he was found lying in a clump of weeds in a vacant lot.

Mrs. Robeson died in December, 1965, and it was shortly afterward that Mr. Robeson moved to Philadelphia.

He broke his long silence on April 15, 1973, when he taped a message for a gala 75th birthday party held by his admirers at Carnegie Hall. Mr. Robeson told them, "I want you to know that I am the same Paul, dedicated as ever to the worldwide cause of humanity for freedom, peace and brotherhood . . .

"Though ill heath has compelled my retirement, you can be sure that in my heart I go on singing—

"But I keeps laughing
  Instead of crying
I must keep fighting
  Until I'm dying,
And Ol' Man River
  He just keeps rolling along!"

VOLUNTEER DAY

Mr. GLENN. Mr. President, the Greater Cleveland Chapter of the American Red Cross recently informed me of its effort, in cooperation with other local civic groups, to draw attention to designating February 29 as Volunteer Day, commemorating the contributions made by volunteers to our society.

In an age increasingly marked by materialism and a "What's in it for me?" attitude, it is, I feel, both commendable and necessary to note our national pride and thanks for those who creatively use their free time to help others, with little prospect for reward beyond the personal satisfaction of a job well done.

Our public and private charitable institutions find themselves in a tighter and tighter financial situation, Mr. President, pinched as they are by severe inflationary pressures and increased requests for services. In many instances, the presence of loyal, sacrificing volunteers has been the difference between severe service cutbacks and continuation of adequate programs.

It is particularly fitting, I feel, that the effort to draw attention to Volunteer Day coincides with our Nation's Bicentennial. Were it not for those original volunteers, and millions of others since, there would be no United States of America to fete at all. Ours has been a history of voluntarism, and that legacy is perpetuated today in every community of our land, from the smallest village to the largest city, by activists of concern for their fellow humans.

The Greater Cleveland Red Cross chose February 29—the leap year's extra day—as "Volunteer Day" to symbolize the extra time volunteers give society. In fact, however, every day in our land is Volunteer Day to those in need who are touched by those who care.

CLEVELAND'S BLACK RECOGNITION DAY

Mr. GLENN. Mr. President, on February 12, 1976, the city of Cleveland, the Cleveland Board of Education, the NAACP, and the Urban League will join to celebrate Black Recognition Day. February is Black History Month and these groups have properly chosen this time to recognize black students who exemplify excellence in academics, the arts, and athletics.

The day's activities will be held in the Cleveland City Hall Rotunda. The day will feature speeches by noted leaders of Cleveland's black community and the participation of a wide range of youth representatives and award winners from the black community.

I would like to take this opportunity to applaud Black Recognition Day and to wish it every success. There is a tremendous amount of young black talent in this country. Too often in the past that talent has gone unrecognized and unnoticed. It is most appropriate that this special day come during Black History Month. Just as young black talent has not been properly recognized, the entire history of blacks in this Nation has also been largely unrecognized and unappreciated.

Black History Month attempts to properly focus attention on the vital and integral part that blacks have played in history and to honor some of the tremendous achievements and accomplishments of a unique people. Cleveland's Black Recognition Day should help fill a deep void and properly draw attention to the accomplishments, achievements, and contributions to greater Cleveland that black youth are making.

I hope that Black Recognition Day will prove to be a great day for the city of Cleveland.

SENATOR HANSEN CALLS FOR STRONG DEFENSE

Mr. BUCKLEY. Mr. President, Senator HANSEN and I share a strong belief in the need for a military establishment sufficient to meet any plausible threat. The threat grows yet we keep reducing our military strength relative to that of the Soviet Union.

The Senator from Wyoming addressed his subject with great force in an address delivered last Monday before the National Security Seminar in Sheridan, Wyo.

I ask unanimous consent that his address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR CLIFFORD HANSEN

NATIONAL DEFENSE IN AMERICA'S THIRD CENTURY

As this country embarks on its third century, serious questions are being raised at home and abroad about our ability to maintain a position of leadership as the world's most powerful and prosperous nation.

Partly because of the tragic events in Southeast Asia, people from all walks of life—here and abroad—are taking a second look at our role in the world. Some say we should reduce our involvement in world affairs, while others fear that we will do just that.

The fact is, there is no other nation capable of leading the Western World. America remains preeminent in wealth, technology and productivity. We have obligations to ourselves and our friends, and it is essential that we retain our position of world leadership. This can only be done by maintaining a defense capability second to none.

But a number of disturbing conditions and trends of late cast doubt on our ability to maintain a position of preeminence and leadership.

There is an unfortunate tendency toward isolationism, with many Americans saying we should shun involvement in the affairs of the world.

Such an approach ignores some important realities. We live in a world still dominated by a fierce competition between two basically antagonistic ways of life and thought. The United States and other nations of the Free World have chosen to organize societies, economies and political systems in ways which honor the freedom of the individual to live his life free from the tyranny of the state.

The goal of the Soviet Union, on the other hand, is best described by an excerpt from the writings of Nobel Prize Winner and former Soviet citizen Alexandr Solzhenitsyn. He said:

"The communist ideology is to destroy your Society. This has been their aim for 125 years and has never changed; only the methods have changed. When there is detente, peaceful coexistence and trade, they will still insist that the ideological war must continue! And what is ideological war? It is a focus of hatred, a continued repetition of the oath to destroy the western world."

Although the Soviet objective of world domination is soft-pedaled in these days of what the Russians call "peaceful coexistence," their goal is unchanged. Meanwhile, we continue to drift toward isolationism, a chronic condition . . . which, if not treated, is terminal. One of the most dangerous symptoms of this sickness is our failure to maintain our own defense capabilities.

Some argue that defense spending is no longer a national priority. They say more military spending is not compatible with our desire for peace and tranquility, as though Soviet intent on world domination will simply disappear if ignored.

Defense critics say the savings from cutting defense spending are needed for pressing domestic needs—like higher and more social welfare payments, more aid to cities, cleaning up the environment, and so on.

The fact is that more than half of every federal dollar is spent for direct payments to individuals and state or local governments. But the isolationists are not impressed. The fact is that defense spending accounts for less than 25 cents of every federal dollar. But the isolationists say this is too much.

This attitude is alarming and dangerous. How can we address pressing domestic problems if we, as a nation, are weak and vulnerable to the aggressions of other powers?

What difference will it make how much we paid out for child welfare programs or schools or the environment if our very system is lost because we refused to defend it?

The number one priority of every nation is survival.

To be compassionate and socially responsive in an age when hope and peril run side by side, we must survive, and to survive, we must be strong. Goals are not achieved from weakness, as the Soviets know. They see absolutely no contradiction in enhancing their military strength while at the same time pursuing a policy of so-called detente with the United States.

And how have we responded? The Congress has reduced the defense budget in each of the past seven years. Let's look at the simple arithmetic:

Ten years ago, the United States had clear superiority over the Soviets in the number of intercontinental ballistic missiles. We had more than 800, and they had only about 200. Now, they have almost 600 more ICBMs than we have. The same imbalance exists with submarine-launched ballistic missiles;

Today, the Russians have more than four million men under arms, compared to our two million;

Almost six million Russians serve in their military reserve. The United States has less than two million reservists;

In terms of our troop deployment, we have gradually reduced our overseas forces so that today, we have 100,000 fewer men than were deployed prior to Vietnam;

The Russians have 40,000 tanks. We have 9,000.

They have more than 300 submarines, compared to our 116;

They have 81 naval destroyers, while we have 70;

The Soviet military budget grows by approximately four percent every year, regardless of the international political climate. But U.S. defense spending has declined by nearly 50 percent since 1968, and by about 20 percent since 1964, prior to Vietnam. The share of public spending for defense is the smallest since the Great Depression.

I am also concerned about the growing interference of the Congress in the day-to-day conduct of foreign affairs. Congress has certain legitimate foreign policy responsibilities, such as general oversight and budgetary authority, ratifying treaties, and confirming Presidential appointees in the foreign affairs field. But I doubt that the extremes of late can be characterized as "oversight."

Examples of harmful legislative interference in foreign policy conduct which have pushed us further toward isolationism have been votes on Angola, U.S. aid to Turkey, and the tenor of the CIA investigations.

Secretary of State Henry Kissinger pointed out a couple of months ago that Soviet intervention in Angola had "introduced great power rivalry into Africa for the first time in 15 years." Both Secretary Kissinger and President Ford have pointed out the contradiction in what the Soviets say about detente, and what they're doing in Angola. The Soviets have shrugged it off by merely denying that there is any connection between detente and their support for the "national liberation struggle" in Africa.

And by its action to prohibit even the most minor role in Angola, the U.S. Congress has said to the Soviet Union: "There is no risk in being more activist while continuing to pay lip service to detente."

I want to stress at this point that I am not advocating U.S. troop involvement in Angola. Vietnam taught us the consequences of participating in a conflict we did not consider important enough to win.

But there is a vast difference between military and political support and actual participation in situations which affect our interests.

An earlier example of Congressional interference in the conduct of foreign policy was the self-defeating cut-off of military aid to Turkey. As a result of this short-sighted action, the United States ceased military aid to one of our most important NATO allies, and lost the use of U.S. intelligence-gathering capability at some 25 American bases which the Turks then took over.

The U.S. intelligence-gathering installations in Turkey had provided vital information on Soviet Missile tests and military movements in southern Russia. They helped us monitor Soviet nuclear tests and watch movements of the Soviet Black Sea Fleet operating in the Mediterranean and beyond. There are no suitable replacements for these installations, and without them, we are partially blind. What would happen in the event of a fresh world crisis, or a new Middle East War? How can we expect to check on Soviet adherence to any SALT agreements?

Even though the ban on aid has been partially lifted, the Turks still retain control of the bases.

The aid embargo was meant to pressure the Turks into taking a more conciliatory position on Cyprus. If anything, it had the opposite effect. Far-sighted Greek citizens recognized the only chance of the U.S. playing a meaningful role in the Cyprus negotiations was through continued rapport with Turkey.

Another example of Congressional ineptitude has been the long, drawn-out abuse of the Central Intelligence Agency.

We have given our enemies valuable information about our national security. We have crippled the effectiveness of our intelligence agencies, and endangered the lives of Americans serving their country. A number of foreign intelligence services now avoid exchanging sensitive information with the CIA for fear of reading about it the next day in the newspaper.

Necessary secret activities abroad cannot be legislated by Congressional committees. There are some activities that must remain under cover if they are to be worthwhile. Now, I know there have been some abuses by intelligence agencies, and these must be stopped. But it is time we worked toward solutions to our problems, rather than concentrating on the few mistakes of the past.

America is led by good and honest people. They deserve our support in sorting out our problems. Some recent remarks by Secretary of State Kissinger seem relevant here. He suggested we outgrow the idea that we are always being taken in by foreigners; the fear that military aid to allies always leads to involvement, rather than substitutes for it; the pretense that defense spending is wasteful; the delusion that American intelligence activities are immoral; and the impression that peace can be achieved by an ivory-tower notion of purity, for which history offers no example.

Detente, instead of reducing conflict in areas important to both sides, has simply been ignored by the Soviets when it does not fit in with their objectives. Detente has allowed the Soviets to move from a position of nuclear inferiority to one of equality . . . and even superiority in some important areas.

As for claims that detente helps to reduce conflict we have only to look at Angola or Somalia.

We owe it to ourselves, the rest of the free world, and our children, to maintain a strong defense. Former Secretary of Defense James Schlesinger said it best when he warned us that: "In a world that is dominated by two superpowers, if the United States were to drop the torch of leadership, there is no one else to pick it up."

America is a great nation. One of the reasons for Dr. Kissinger's effectiveness is because he is speaking for the most powerful nation on earth.

It is America, and what it stands for, that gets the attention of the world.

When I was Governor of Wyoming, I was very much impressed by the motto of the Strategic Air Command. It was: "Peace is our Profession." The best way to prevent war is to be strong enough to leave no doubt in the mind of any adversary as to the outcome of a military confrontation with America.

All of us want peace for our nation and for future generations of Americans. The way to guarantee this most desirable goal is to insure an adequate national defense. There can be only one place for America in the community of nations—and that is out front!

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, today I continue my refutation of the argument that our ratification of the Genocide Convention will endanger American nationals overseas. You may recall that yesterday I demonstrated why the status of American civilians would in no way be altered by the convention. Now I want to show why the convention would present absolutely no new dangers to American Armed Forces and prisoners of war.

The United States is presently a party to an international agreement which seeks to protect prisoners of war. However, an enemy power can accuse American prisoners of any crime which it chooses to trump up. The Genocide Treaty will not expose our fighting men to any new hazards. Whether or not we sign the convention, adversary nations can imprison our men and try them within their own borders.

If a foreign nation fabricated genocide charges against American prisoners of war, our ratification of the convention would actually provide additional protection for them. Article IX of the convention stipulates that—

> Disputes between the Contracting Parties relating to the interpretation, application or fulfillment of the present Convention . . . shall be submitted to the International Court of Justice at the request of any of the parties to the dispute.

As a signator, the United States would have access to the International Court to appeal the trial of the prisoners. The absurdity of the charges would be highlighted before an international forum, and our adversary would be unable to justify its actions. The prevailing climate of world opinion might dissuade that nation from pursuing its intended plan. In the absence of U.S. ratification, world opinion might show little sympathy for a nation which inexplicably chose not to join others in the condemnation of genocide.

THE HAZARDS OF MOTORCYCLE USE

Mr. STAFFORD. Mr. President, at the request of representatives of the Department of Transportation, I am placing in the Record an editorial of May 29, 1974, which was carried in the Washington Post, as well as a column by Colman McCarthy which appeared in the Washington Post on January 17, 1976.

It is my belief that my colleagues in the Senate will find the material in these two columns of assistance in reviewing the matter of the use of helmets by motorcyclists, a matter which continues to be current and will be especially current at the time the conferees agree to and report back to the House and Senate a conference report on the Federal highway authorizations.

I ask unanimous consent that the column and editorial mentioned above be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

HELMETS, MOTORCYCLISTS AND THE LAW

Stubborn and strange thinking has always been a part of the American highway. It is illustrated in such ways as speeding drivers who believe they are immune from the laws of the police and the laws of gravity, or highway designers who persist in building in roadside booby traps. A current example of such thought comes from California. Its legislature, backed by state highway officials, has not only refused to enact a motorcycle helmet law but it is now locked in philosophical combat with the federal Department of Transportation. California officials have been taking the hard line that they will even refuse federal highway safety money rather than comply with the DOT's mandate.

On the surface, the issue appears to be the familiar one of personal liberties vs. federal authority, i.e., does the government have the right to protect a citizen from himself. The issue is not without complexity, although it is often heard in matters of highway safety that the DOT somehow takes delight in lording it over common citizens, requiring them, in this case, to strap on helmets before mounting their awesome machines. This is an absurd simplification. DOT has gone to considerable trouble in litigation alone to establish safety standards for motorcyclists. It is significant that to date court decisions in 26 states have been made regarding the constitutionality of the DOT's requirement and 25 of those decisions have been favorable to the department. It appears that judicial sentiment is not only on the side of highway safety but also supports the right of the federal government to require it whenever possible.

One of these decisions occurred in 1972 in Massachusetts. The federal district court's decision is worth noting: "While we agree with the plaintiff that the act's only realistic purpose is the prevention of head injuries incurred in motorcycle mishaps, we cannot agree that the consequences of such injuries are limited to the individual who sustains the injury . . . The public has an interest in minimizing the resources directly involved. From the moment of injury, society picks the person up off the highway; delivers him to a municipal hospital and municipal doctors; provides him with unemployment compensation if, after recovery, he cannot replace his lost job, and, if the injury causes permanent disability, may assume the responsibility for his and his family's sustenance. We do not understand a state of mind that permits plaintiff to think that only he himself is concerned."

Regarding the hazards of motorcycle use, the statistics are alarming. According to the DOT, an estimated 2,700 were killed in 1972, with the figure rising to 3,200 in 1973; already for January and February of this year there is a 20 per cent increase in fatalities over those months for last year. As for whether helmets are effective, a recent federal comparative study between Illinois, which had no helmet law, and Michigan, which did, revealed that there were three times more fatal or serious head injuries in Illinois than Michigan.

The California dispute may be settled without going to the brink. Its highway safety officials, in their odd notions about personal liberties, still have a few more months to get in line with the rest of the country and begin offering protection to its share of the nation's 4,000,000 motorcycle users.

SHOULD THE HELMET BE OUTLAWED?

(By Colman McCarthy)

A few months ago, a band of angry motorcyclists varoomed their engines and went tooling through Washington on their way to the U.S. Capitol. The easy and hard riders gained attention for their few hours of impressive revving, but after that they skidded-out and vanished. The issue that brought them here—compulsory helmet laws—has not vanished. Instead, this group and others made their point so well that they now have a number of allies in Congress pushing bills to repeal the law. The motorcyclists who rode into town that day may have confirmed the prevailing but highly mistaken stereotype of them—beer-busting, leather-jacketed nomads—but in fact the anti-helmet lobby is as sophisticated as any other group out to make its case against government intrusion. The compulsory helmet laws have already involved the courts. Congress and the executive branch; in the months of debate ahead, anyone who uses public highways and pays taxes will have something at stake also.

The argument against forcing the nation's 15 million cyclists to encase their heads was stated by Sen. Jesse Helms (R-N.C.) when he introduced his bill in early September: "The government has no business telling the individual when he can or cannot wear a helmet when only the individual's personal safety is involved. Even if it is true that helmets reduce traffic injuries and fatalities, the fact remains that the decision to wear a helmet should be left to the individual, using his own judgment and not having the government doing his thinking for him. The individual has a right to be left alone when his actions do not affect the public health, safety, morals, and the general welfare." Helms on helmets is backed up by other voices: one is that of Roger Hull, the editor of "Road Rider" magazine, who alerted his fellow riders: "Right now we've got to scream our mandatory helmeted heads off to stop the Feds and their murderous 'safety' drive."

The temptation in arguing against Helms, Hull and those for whom they speak is to equate them with the Hells Angels mystique. The screaming Mr. Hull aside, the temptation should be resisted. Otherwise the dialogue becomes so emotional that logic and facts count for little and useless "sides" are created: for or against the motorcycle. Anti-motorcycle propaganda is based on any number of cliches, forged from isolated personal experiences in which a cyclist was rude, noisy or law-breaking. Actually, motorcycles are a low-cost, low-polluting and low-energy means of transportation, with many citizens using them in high rationality because they have had it with high-cost, high-polluting and high-energy cars. No one has ever documented that motorcyclists are either more surly or more enlightened than anyone else on the Nation's highways.

In coming to Congress to repeal the compulsory helmet laws, motorcyclist groups have a record of failure in the State legislatures. The odds against them in the State—all but three have helmet laws—is high because repealing can be costly. The DOT is authorized to withdraw all Federal highway safety funds and 10 per cent of highway construction money if a State repeals the mandatory law. This may lead writers in the motorcycle magazines to blast "the feds" but the Government cannot be charged with picking aimlessly on this group. In one recent California study—financed in part by the Insurance Institute for Highway Safety—severe head injuries were said to have accounted for 12 per cent of the injuries observed but to have represented half the fatalities. Another institute study of vehicles in fatal crashes found that motorcycles have "markedly higher rider death rates than other vehicles—three-and-a-third times those of the smallest car. The very high rate of involvement of motorcycles in fatal crashes per years registered is especially worthy of note because their average exposure, in terms of miles traveled, is substantially less than that of cars and trucks."

Many who oppose the mandatory law concede the dangers of motorcycling and acknowledge that the unseasoned and the untrained are especially vulnerable to killing themselves and others. That isn't the issue, they say. Instead, as a recent editorial in The Richmond News Leader argued. "No Government should succumb to the superficially seductive argument of paternalistic protectionists forever declaiming their commitment to 'safety.' Taking care of one's self is the self's—not the Government's—concern.

That is the essence of the case against mandatory helmet use, articulated by everyone from senators like Jesse Helms to such motorcycle groups as ABATE (A Brotherhood Against Totalitarian Enactments). It is an appealing case, perhaps, but not an especially strong one. Motorcyclists may boldly tell helmet law advocates to mind their own business—the "I-have-a-right-to-kill-myself" argument—but this overlooks the fact that the helmet advocates may not be worried at all about the safety of the cyclists; they are concerned with losses other than the cyclists' life or scalp. This position was expressed in a 1972 decision by a federal district court in Massachusetts which upheld the constitutionality of the state's helmet law: "While we agree with plaintiff that the act's only realistic purpose is the prevention of head injuries incurred in motorcycle mishaps, we cannot agree that the consequences of such injuries are limited to the individual who sustains the injury . . . The public has an interest in minimizing the resources directly involved. From the moment of the injury, society picks the person up off the highway, delivers him to a municipal hospital and municipal doctors; provides him with unemployment compensation if, after recovery, he cannot replace his lost job, and if the injury causes permanent disability, may assume the responsibility for his and family's subsistence. We do not understand a statement that permits plaintiff to think that only he himself is concerned."

That gets near the heart of the matter. It it is still just a measure short, the reason is that it has yet to be documented—and may never be—exactly what are the costs of "picking the person up off the highway." The assumption made by the DOT and the court is that citizens prefer not to spend their money—in increased taxes, higher insurance premiums, higher hospital costs—on maimed motorcyclists who chose not to be bothered by helmets. The antihelmet lobby can fume through its immense mufflers that it doesn't want the protection of Big Brother, but until this lobby creates its independent highway system and network of ambulances, hospitals, doctors, unemployment benefits, welfare, and so on, then its cries of government interference are hollow.

If the motorcyclists feel put upon, this is another issue—and they are partly justified. The government has imposed a law upon them which has much the intention of the defeated move to require the wearing of seat belts. The government walked away from that issue, even though the societal costs of caring for the unbelted crash victims can only be many times the cost of attending the motorcycle victims.

For now, it appears that Congress may again be shifting into reverse. A bill is now in a conference committee that would allow states to repeal their mandatory helmet laws, with no fear of federal reprisal. Oddly, the legislation is being offered by such men as Jesse Helms and Rep. Sam Steiger (R-Ariz.), precisely those who might be expected to appreciate the logic expressed by the Massachusetts court: the public's money should not be spent on private mistakes. It is true that we don't know how many millions of dollars are lost each year in this area, but is it necessary to put precise dollar figures on the gore of shorn, battered and unhelmeted heads?

UNITED STATES HAS NO TALENT FOR PLANNING

Mr. GARN. Mr. President, in a most perceptive talk to the American Economic Association in Dallas last December, Henry C. Wallich of the Federal Reserve Board assessed the talent that the United States has for comprehensive economic planning. He attributes the limited role for planning in the U.S. economy partially to the fact that our political process and our national character make planning especially difficult.

Governor Wallich contrasts the American experience with that of Germany and Japan where planning has been most successful in the postwar period. However, he notes that the Germans, who operated a tightly planned economy during most of the 1930's, backed away very deliberately from that system after the war. Although there are some traces of public planning in the modern German economy, it is essentially market oriented.

In Japan the orientation has been stronger toward public planning. However, the environment in which Japan found itself after World War II has favored effective planning for rapid growth. But, Dr. Wallich observes that during the postwar period the Japanese technique for group decisionmaking and the economic opportunities which Japan encountered helped to make economic planning effective.

The Japanese experience is contrasted with ours. Compared to the highly structured and closely knit world of Japan, ours is wide open. As contrasted with the principle of consent in Japan, our public decisionmaking proceeds from competition and confrontation. Accordingly, this process makes effective planning difficult. For example, under our system, the competing political sides are compelled to make extreme promises and expectations are likely to be created that exceed possibilities of fulfillment. The attempt to fulfill these demands creates an inflationary bias. Other features of American political life tend to enhance these propensities. Our political framework has a very short-time horizon and thus Members of the House and Senate who run for office quite frequently are prone to make promises which exacerbate the problem. Thus, planning in the United States would be principally for consumption whereas in Germany and Japan it has been for production. By way of contrast, the market processes have been appropriate to the American environment, except in war time.

Because the virtues of national planning are daily extolled on the floor of this body, it is important that the fresh views of Governor Wallich be given equal exposure. I ask unanimous consent that this speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

No Talent for Planning

(By Henry C. Wallich)

To question planning is like questioning common sense. We all plan as individuals. Why then fail to make the fullest use of this commonsensical procedure at the national level?

We are not likely to settle this issue in the abstract. Theory tells us that under ideal conditions planning can generate efficient solutions to economic problems. Theory also tells us that under certain conditions markets can fail to provide efficient solutions to the economic problem. In the United States the role of planning, except in war time, has been limited largely to patching up what are perceived to be market failures. In my remarks today I would like to develop the thesis that aside from judgments concerning the efficiency of an ideal planning process this limited role for planning in the U.S. economy is partly accounted for by the fact that our political process and our national character make planning especially difficult.

In particular, I would like to draw upon the planning experience of the two economies that perhaps have been most successful in the postwar period—Germany and Japan. The Germans, who operated a tightly planned economy during most of the 1930's, backed away very deliberately from that system after the war. This is not to say that there are no traces of public planning in the German economy. A systematic and orderly people would have a hard time not engaging in such activities to some degree. But the ideology and, in good measure, the reality have been market oriented. One is tempted to attribute this decision in good part to the historic association of central planning with an obnoxious political regime. But it is worth noting that the Germans explain their preference for the market not only in terms of insurance against a political relapse, but quite specifically also on the grounds of the favorable performance characteristics of the market system. The results achieved, as we know, do not contradict that view.

Japan, despite the small size of its public sector, can be regarded as a country where public planning plays a very considerable role. Whether we think of the policy of doubling GNP in 10 years, or of the pervasive influence of the Ministry of Industry and Foreign Trade (MITI), or of the deliberate means employed by the Ministry of Finance and the Bank of Japan in channeling financial flows, the ubiquitous role of the public planner is very apparent. By methods very different from those of Germany, a postwar economic performance even more impressive has thus been realized.

As in Germany, the political context of the Japanese orientation toward public planning is important. In this case, however, it is not

Japan's political history, but its political process that is the key to understanding Japan's planning. Students of the Japanese way of life refer to Japan as a consent society. That is to say, the predominant mode of group decision making, both public and private, is through consensus rather than confrontation or competition. The interest and opinions of all parties are taken into account. A great effort is made to avoid overruling or outvoting anybody. This pattern seems to prevail both in private corporations and in the bureaucracy. The process often is slow, conveying to the outsider an impression of hesitancy and indecision. But once everybody has signed off on a decision, action is general and forceful.

The environment in which Japan found itself after World War II has favored effective planning for rapid growth. One must suppose that, even if market forces had been allowed to hold sway unmitigated by public planning, Japan would have found itself moving rapidly in the direction of big industrial power status. What the Japanese did was to accelerate considerably this nearly inevitable trend. This tendency to plan along the grain of market forces, rather than against it, seems to have been characteristic of Japan's public policies in both the real and the financial sector. Thus, during the postwar period, the Japanese technique of group decision-making and the economic opportunities which Japan encountered helped to make economic planning effective.

For the United States, the salient facts of the matter seem to be that neither our political processes nor the general condition of the country favor effective public planning. Compared to the highly structured and closely knit world of Japan, ours is wide open. As contrasted with the principle of consent in Japan, our public decision-making proceeds by competition and confrontation. It is a familiar dictum, of course, that politics is the art of compromise. But compromise, in the American framework, often comes only after bruising battles, and it need not carry any further than the point where one side manages to get 51 per cent of the vote. The winner takes all; the loser's consent is not solicited.

This, I submit, is a process that makes effective public planning difficult. Confrontation, the effort to achieve a majority, absence of a need to consult the wishes of the minority, suggest severe strains. In the effort to assemble a majority, the competing sides are compelled to make extreme promises. Expectations are likely to be created that exceed possibilities of fulfillment. Demands made on resources tend to exceed the supply. The hallmark of a planned economy under a decision-making system such as ours is likely to be excess demand.

Inflationary propensities of this kind are likely to be enhanced by the technology of planning. Efficiency, getting the biggest bang for a buck, is bound to be the dominant motivation of competent technicians. Good technocrats abhor waste. But a free economy requires a degree of slack, some unutilized supply elasticity, if prices are not to be always rising. Directing a larger share of productive capacity toward planned activities in the American environment, therefore, is likely to lead, first to inflation and later on, perhaps even to price and wage controls.

Other features of our political life tend to enhance these propensities. Our political framework has a very short time horizon. All members of the House, one-third of the Senate, face re-election every two years, the President every four. By most international comparisons, these are short periods. Our public attention span also seems to be short. A review of our rapidly shifting public concerns over the last 15 years readily documents this—with growth, the environment, consumerism, energy independence and others following and often superseding one another. When the time span during which a national goal can command nationwide attention falls short of the time required to install the corresponding technology, planning, as opposed to more flexible private decision-making processes, in response to rapidly shifting goals will produce disorder and waste.

Finally, and once more in contrast to postwar Japan, the United States today confronts a set of circumstances not conducive to effective economic planning. In Japan, planning essentially was for production. Resources were withheld from consumption and channeled into productive investment. Consumption was allowed to take care of itself as income grew rapidly.

Plannig in the United States, I suspect, would be principally for use. Ours has always been a high consumption and low investment economy, in comparison to other leading industrial countries. Today, if I read the signs right, consumption even more than in the past outranks production as a national concern.

Production does not rank high in our national scale of values. It is pretty much taken for granted, as concepts like "post-industrial" and maybe "post-economic" society indicate. Our principal concerns are with the old, the young, the unemployed, the welfare recipients, the sick, the consumer—all of them having in common that they are non-producers. The producer pays.

His job of producing, moreover, is made more difficult by rapidly mounting regulations favoring the environment, health and safety, and a variety of other highly desirable and most worthwhile purposes, all of which have in common the unfortunate feature that they burden the producer. The adversary role in which he is cast is matched by the diminished public esteem in which business is held. The picture of "Japan, Inc.," the intimacy between government and business in France and Germany, contrasts distinctly with the business-government relationship prevailing in the United States.

These circumstances support my hypothesis that planning in the United States would be oriented more toward use than toward production. This orientation would enhance the tendency toward excess demand, with the ensuing probable consequences of inflation and controls.

In summary, proposals for planning in the United States seem to me to propose the wrong thing in the wrong country at the wrong time. Given the American way of making group decisions, given our excessive emphasis on short-run objectives that shift frequently, and given the unsympathetic treatment meted out to the producer, I see little good coming from intensified public planning. It is not surprising that, until recently at least, Americans have tended to favor the free market as a solution to the problem of deciding what is to be produced. The market turns competition into a constructive force while in politics it becomes a divisive one. The market avoids confrontation by substituting anonymous decision-making by the consumer. Private processes of profit and utility maximization help to reconcile competing and shifting objectives with technological and financial limitations.

Market processes, rather than planning, have been appropriate to the American environment, except in wartime. Other countries may be better suited for the application of planning techniques. In the United States, an effort at comprehensive planning is likely to lead to severe political conflict, to excessive demands upon the economy, and to inefficient use of resources as divergent and shifting demands fail to be reconciled.

LABOR-HEW APPROPRIATIONS BILL

Mr. SCHWEIKER. Mr. President, I supported the motion to override the President's veto of the Labor-HEW appropriations bill. One reason was that the bill incorporates a provision I feel merits the attention and strong support of the Senate. I am referring to the improvement that the pending appropriations bill makes in the nutrition program for the elderly.

As most Members probably realize, the nutrition program for the elderly has become one of the finest social programs in the country. Under the program, aged persons who need nutritional assistance have the opportunity to join with their contemporaries at group feeding sites. Recreational and counseling services are also provided to the elderly participants. In addition, funds are made available for transportation so that aged persons can be brought to the feeding sites. Moreover, many local feeding sponsors provide Meals-on-Wheels to people who are unable to travel to the congregate feeding sites. In Pennsylvania approximately 8,772 elderly persons participate daily in 43 projects throughout the State.

I am pleased to point out that the final bill includes an important and praiseworthy compromise on the appropriations for this program which was reached in the Senate-House Conference Committee.

The Senate, in mid-September, passed the Labor-HEW appropriations bill and appropriated $125 million in funds for fiscal year 1976. Included in the bill was a directive that the program's fiscal 1976 "level of operations" must be $200 million. Thus, we mandated that $75 million in previously unspent carry-over funds should be spent, together with the $125 million appropriated, so that the program's expenditures this year totaled $200 million. No such directive was contained in the House bill.

In conference, the House receded to the Senate's expenditure requirement but modified the total amount of spending during this year to $187.5 million. This was the only change made in conference on this section of the appropriations bill. Consequently, approximately $62.5 million of carry-over funds will have to be spent by State and local agencies together with the $125 million appropriated in this bill.

As this body voted to override the President's veto, we expect the HEW Secretary to act quickly on this appropriations mandate. He immediately should adjust the program's annualized rate of expenditure to the amount necessary so that the $187.5 million is actually spent during the course of the fiscal year ending June 30, 1976. This will permit the program to expand in a modest and responsible manner, thereby allowing additional senior citizens to participate in this health-vital program. I believe that this appropriations improvement is vital for the program, and I, therefore, am pleased that my colleagues enacted this bill over the President's veto.

WATER POLLUTION

Mr. GLENN. Mr. President, over the years it has been my pleasure and honor to know and work with Mr. Joseph P. Tonelli, president of the United Paperworkers International Union. That union represents 350,000 workers, and has been a rapidly growing and forward-looking union that is deeply concerned not only with day-to-day representation of the membership, but also with the longer term issues facing our Nation.

Mr. Tonelli recently delivered a speech on the important subject of water pollution before the National Commission on Water Quality. His remarks reflect an awareness of the complexities of this issue, and the suggestions he makes have merit. I believe, Mr. Tonelli's remarks should be brought to the attention of my colleagues, and I ask unanimous consent that his testimony be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Joseph P. Tonelli

Mr. Chairman, my name is Joseph P. Tonelli. I am president of the United Paperworkers Union, which represents 350,000 workers in the pulp and paper manufacturing and related industries in the United States and Canada.

May I emphasize that this figure is the total membership which we represent in the paper industry. The entire industry employment of approximately 700,000 is affected by our contract negotiations.

Our membership is very greatly concerned about the quality of our environment. We recognize that the quality and purity of our air and water are important factors contributing to the overall comfort and well-being of our members. At the same time we believe that it is vital that environmental policies and programs should be reconciled with the urgent need to promote and preserve employment and to restore health to today's floundering economy.

I am here today because I believe that this concern of ours is much the same as the task assigned to this commission: To study the economic, social, and environmental effects of achieving the water quality goals set by the Congress for 1983.

We recognize the remarkable contribution the paper industry has made and is continuing to make to our national goal of cleaner waters. Many mills have already come into substantial compliance with the 1977 water quality standards and are progressing toward the 1983 goals. All of this has been done at great cost. To meet both the 1977 and 1983 requirements it is estimated that the paper industry will spend nearly 3½ billion dollars . . . the equivalent of more than a dozen new mills. It will cost another 150 million dollars per year to operate and maintain the pollution abatement equipment, producing an estimated 10,000 new jobs in the paper industry.

Congress in 1972 took a very important initiative, and one which showed remarkable foresight. But that foresight could not be perfect. They could not have known of the technological developments, the downturn of the national economy, the bureaucratic delays and presidential impoundments which would all come to bear on the realization of these water quality goals.

We recognize that a number of adjustments are necessary now in order to promote clean water and to do so without frustrating efforts in other areas of social and economic progress. I would now like to outline a number of adjustments which we believe are in order.

We understand that publicly owned treatment plants are lagging several years behind industry in progress toward eliminating water pollution. This is due to a combination of delays in planning and grant administration, inadequate appropriations by the Congress of matching funds for construction, and the effects of past impoundment of matching funds. It is in the best interests of the country to see that this construction is accelerated to the fullest extent possible, to reap the benefits both of improved water quality and of the badly needed boost which the program will supply to employment.

Some of this acceleration may be obtained through streamlined administrative procedures. But the main push will have to come in the form of Federal appropriations for matching grants large enough and soon enough to fund every acceptable proposal. It makes little sense for the Federal Government to require industry to commit large amounts of capital to pollution control over a relatively small number of years, and then to turn around and refuse to commit its own funds with the same sense of urgency.

Substantial portions of several industries are considered "marginal." This is a condition we are well acquainted with in the paper industry. We have many mills, especially in the northeastern part of the country, which are very old. Their profitability is so slim that a sizeable drop in prices or rise in costs could put them out of business virtually overnight. We recognize that as time brings new technology and the building of newer, more efficient mills, these older mills' days are numbered.

But we think they should be allowed to die a natural death, in order to avoid as much as possible of the pain that will come to the workers they employ and the communities which, in many cases, they sustain. They should not be sacrificed unnecessarily for the sake of a relatively small improvement in water quality.

I beg to refer to testimony by our UPIU local No. 1 President Raymond Beaudry, Holyoke, Massachusetts, before the House Public Works Committee in 1971.

He testified that in a period of 18 months, when our economy was in far better shape than presently, local No. 1 lost 245 jobs in the paper industry. He identified "water control standards" as one of the main reasons for the job loss. Especially significant in his testimony was the age distribution among this group: 121 were 50 years of age or over, 47 were 40 to 50 years of age, 77 were under 40 years of age.

It is hard enough today to find a job, and it is even harder when you are in your sixties, or fifties, or even forties.

This is the experience of only one out of our 1,350 local unions throughout the continent. Many of our locals are working jointly with management and their municipalities to plan and build sewage treatment plants that will meet the needs of the town as well as the needs of the paper industry.

We need Federal legislation which will implement this tripartite effort—not impede it.

We are suggesting here four ways in which the present water pollution program can be modified slightly, in order to lighten the burden on industry and especially on those marginal segments without significantly affecting overall progress toward our water quality goals.

The first is for the Environmental Protection Agency to give greater weight to the age of facilities and of their process technology in establishing its effluent limitations guidelines.

The second way involves a recognition of the fact that many if not most marginal mills will be small facilities which will tie into municipal treatment plants. Their fate will hang on the way EPA draws its pretreatment standards. We urge special care here to assure that these standards will be only as stringent as absolutely necessary to substantially fulfill the goals of the program.

At a seminar on the environment conducted by this international union we learned of at least one State—Wisconsin—which allows liberal tax credit for pollution abatement expense. Expanded on a national basis this would provide another source of relief for industry. This is our third suggestion.

Our fourth suggestion would also benefit all industry, marginal or not. That is for a re-evaluation of short-run effluent limitations which require either a very high degree of reliability or back-up controls. There appears to be a point of diminishing return here where the last increment of progress toward perfection carries a cost which is out of all proportion to the benefit.

Mr. Chairman, we believe most industries want to help clean up the environment. The members of the United Paperworkers International Union want clean air and clean water—but we also want jobs.

We believe we can have all three.

In conclusion, I wish to commend the Commission for holding these hearings and also to express my thanks to the Chairman and Commission members for allowing me to present our viewpoint.

PROBLEMS OF THE HANDICAPPED

Mr. STAFFORD. Mr. President, for the edification of my colleagues, I would like to call to their attention an editorial in Vermont's largest newspaper, the Burlington Free Press, which appeared on January 29, 1976, and which I believe quite poignantly points up some of the many problems faced by our handicapped citizens, not only in Vermont, but throughout the Nation and the world.

As the editorial so accurately states, Mr. President, society is most often unwilling to offer these people the basic services that all of us take so much for granted. This despite all the legislation we pass, all the outreach efforts, and all the affirmative action plans on the Federal, State, and local level that we implement that allege to encourage handicapped individuals to work, or return to work after a catastrophic disability strikes. They should be the ultimate cynics of our society, and yet generally they are not.

We cannot, however, expect them to be content with the crumbs that are left over forever. Certainly, none of us would be.

Mr. President, I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Problems of Handicapped

While civil libertarians in Vermont and around the country zealously pursue the evils of discrimination, whether on the grounds of age, race or sex, the handicapped, who are consistently discriminated against no matter how much a sympathetic public may cluck its tongue at their predicament, remain largely neglected by civil liberties' groups.

For the handicapped, each day is another painful effort to overcome some of the obstacles that are strewn in their path by a society which has geared itself to the needs of people with ordinary physical ability.

Persons in wheelchairs discover that doors to private and public buildings are too narrow to accommodate them or open in such a way as to prevent their passage. They learn that many elevators are too small to hold them. They find they are unable to use public restrooms. Time after time, they are confronted by stairs that block their access and they know they must be assisted when using curbs.

For several months of the year, for instance, they are virtually barred from the streets in downtown Burlington because of the perilous condition of city sidewalks. In the more pleasant months, other barriers prevent them from using the city's facilities. The time must come when they feel that they are living only on the fringes of a society which excludes them and segregates them from the mainstream of life. That they do not adopt a cynical outlook toward its pretensions of help is a credit to their stamina and their character.

While many of them are encouraged to work and want to work, they find that the environment in many businesses is just as hostile to them as the public climate. If they must commute, they must find special transportation facilities, since such service is not offered by public transit systems. Those who drive find that compact cars are too small to carry them and their wheelchairs and they have to use larger, less economical cars.

Certainly the time has come for Vermonters and other Americans to take a good, hard look at the problems of the handicapped and pledge to take steps to help them by eliminating the barriers that block their participation in the activities of life which the rest of us take for granted.

SOLAR ENERGY IS COMING, SLOWLY

Mr. McINTYRE. Mr. President, I ask unanimous consent that an article appearing in this month's issue of Fortune magazine be printed in the RECORD at the end of my remarks.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

(See exhibit 1.)

Mr. McINTYRE. The article, entitled "Solar Energy Is Here, But It's Not Yet Utopia," by Edmund Faltermayer, states quite clearly that there is a growing number of firms in this country that are manufacturing, installing and operating solar heating and cooling equipment but that there are still changes necessary to insure that the market for this equipment grows.

Mr. Faltermayer makes several cogent points in this article which should interest the Members of this Congress. He says:

> At the local level, zoning laws need to be amended to protect "sun rights," lest building owners one day find their solar installations shaded by newly built structures. States can help by mandating or permitting local laws that would waive property taxes on solar installations; a dozen States have done so. The Federal Government's role ought to be to prosecute the fraudulent operators who are moving into solar energy, and to help set standards that will enable a purchaser of a solar system to know what he is getting; the government is already busy in both areas.

I should like to note that there have been a number of initiatives undertaken in this area.

My State of New Hampshire, for instance, has already passed a local option that provides that tax assessors need not assess the value of a solar installation in assessing a home for property taxes if the town or city for whom he works agrees.

Further, on the issue of Government standards, I wrote to Secretary of Housing and Urban Development, Carla Hills, last spring following hearings before the Select Committee on Small Business that I chaired with Senators HATHAWAY and NELSON, to request development of standards for use by the Veterans' Administration, the Federal Housing Administration, and the Farmers Home Administration in insuring home mortgages. Mrs. Hills informs me that these standards should be implemented late this spring.

To help small businesses develop solar energy, I introduced legislation on January 19, 1975, S. 2845, the Energy Research and Development Free Enterprise Act of 1976, that would greatly increase Government aid going to small business in solar energy and increase the activities of the Small Business Administration's technology assistance program. Twenty-two Senators are now cosponsoring that legislation.

Work is progressing on solar energy. The Energy Research and Development Administration will have an increased budget for research and development this year. There will be standards. Private industry is moving ahead. Solar energy is coming, but slowly.

EXHIBIT 1

SOLAR ENERGY IS HERE, BUT IT'S NOT YET UTOPIA

(By Edmund Faltermayer)

In many momentous ways, solar energy seems the perfect answer to our energy problems. It is completely benign to the environment. It falls in everyone's backyard, where no cartel can touch it, and it is everlastingly abundant. In just one year the radiation reaching the surface of the U.S. exceeds the total amount of fossil energy that will *ever* be extracted in this country.

With attributes like those, sun power is arousing plenty of excited speculation these days, and a fair amount of bumper-sticker faddism as well. If enthusiasm were all that mattered, solar energy would already be moving toward stardom on the energy stage. Unfortunately, it has some inherent limitations and problems.

Unlike fossil or nuclear fuels, solar energy cannot be stored for long periods or hauled to sun-deficient regions, such as the Pacific Northwest or the downtown canyons of big cities. The earliest hope for transporting sunshine lies in converting it to electricity for the utility grid, with devices like the experimental "heliostat" on the opposite page. But big solar power stations are at least ten years off. For now, solar energy must be used within a very short distance of a surface receiving sunlight, which for most purposes means it must be used within the occupied areas beneath the roof of a building.

The bigger problem is the high cost of gathering the sun's free energy. While the total national "rainfall" of solar radiation is staggering, it comes as an intermittent drizzle on a given rooftop. This means that a very large portion of that roof must be covered with special materials or devices to capture the energy needed for most tasks, and that usually takes a lot of money. More is needed for special storage units that can hold the solar energy needed to tide consumers through the night. When the high front-end investment is taken into account, the use of solar energy generally turns out to be more expensive than the use of conventional fuels, in some cases ten times as expensive.

But the important news lies in some noteworthy exceptions that now exist. Thanks to the inflation in energy prices over the last three years, sun power has crossed the threshold of economic competitiveness in a number of specific situations. Merely by exploiting these situations, the country's embryonic solar-energy industry, highlighted in the portfolio beginning on page 107, could win a percent or two of the energy market. It could do so, moreover, largely without subsidies or tax advantages, which are being widely proposed. Each 1 percent shift of the nation's energy usage to sun power would entail a capital investment of at least $20 billion by energy consumers. This flow of money would support the further work that must be done by the new solar industry to shrink those heavy front-end costs.

If those costs could be brought down, the move to solar energy just might grow into the biggest economic development since the automobile revolution. A third of the nation's energy, including a shocking amount of our dwindling natural gas, is used merely to provide low-temperature heat, in the form of hot water or air ranging from 90 to 200 degrees. The sun, beating down right now on the rooftops of the buildings in which Americans live and work, could provide the bulk of that heat. Another fourth of the country's energy is used to make electricity. Much of that, too, could be supplied right from consumers' roofs.

THE CASE FOR GOING "PASSIVE"

Solar energy has already found customers at each of its three levels of technological complexity. The simplest technology relies mainly on architecture to achieve "passive" solar heating; buildings are simply designed to soak up lots of sun. More complex are "active" heating systems based on so-called flat-plate collectors mounted on rooftops. These systems involve fairly elaborate methods of collecting heat and transferring it to storage units. At the top of the technology spectrum are various systems for focusing sunlight optically to get the high-temperature heat needed for some industrial uses or for turning sunlight directly into electric current.

In the best-known passive system, whose basic concept has been around for decades, huge south-facing windows allow sun to pour in during daytime in the cold months. With today's insulating materials, including special curtains that are drawn at sunset, homes with passive systems are able to hold most of their heat at night. As with any solar space-heating system, a conventional furnace provides warmth during cloudy spells. A few latter-day Jeffersonians, intent on self-sufficiency, fall back on wood-burning stoves supplied with fuel from their own acreage.

There are problems with passive systems, but these do not involve economics. Passive systems usually add little or nothing to the cost of a new home and, according to some studies, can deliver—even in areas as far north as New York—as many British thermal units as far costlier "active" systems using rooftop collectors. The problems, instead, concern matters of comfort. The sunshine that pours in can be blinding during the day and can drive interior temperatures to oppressive levels.

A "passive" approach developed in the 1950's by Felix Trombe, France's leading solar authority, addresses both problems—though perhaps creating others involving aesthetics. In Trombe-type houses, the entire south wall consists of thick masonry with very few windows or none at all. Faced with glass or some other material that allows sunlight to pass through to the masonry but inhibits the reradiation of heat outward, the south wall accumulates heat during the day and gives it up gradually to the interior of the house at night. Natural convection helps to circulate the heat. A number of Trombe-type houses are being built around the U.S., and a growing market for them may develop. But many Americans would probably object to the loss of a view to the south.

IN ZERO WEATHER, 200 DEGREES

The middle band of the technology spectrum, which is getting the lion's share of attention these days, is occupied by the "active" systems that employ flat-plate collectors. Usually mounted in large groups on rooftops, these devices are used to heat both water and the interiors of buildings.

A flat-plate collector is merely a shallow box with an "absorber plate"—generally sheet steel, copper, or aluminum—whose black-painted surface converts sunlight to heat. In a typical collector, perhaps six feet long and three feet wide, two glass covers and a backing of insulation help to trap the heat, which, even in zero weather, can reach 200 degrees on a cloudless day. In all active systems this heat is mechanically moved elsewhere. In some collectors, it is transferred to water, which heats up as it is pumped through small tubes attached to the absorber plate; the water then goes to a heating system or storage tank. Air is the medium for heat transfer in other systems, including the one diagrammed on the facing page.

The competitiveness of all these systems depends on the number of BTU's gathered per dollar invested in them. Hoyt C. Hottel of M.I.T., an energy expert who has been involved in solar heating for decades and who is an authority on the flat-plate collector, stresses the device's modest output. "A range of 100,000 to 250,000 BTU's per square foot per year brackets the output of anything I can design or choose in a good part of the country," he says. To put that into perspective, each square foot of collector surface annually saves the equivalent of only one to 2.5 gallons of heating oil, assuming this is burned in a basement furnace that is 70 percent efficient. These days, that fuel is worth from 40 cents to $1.

FORGET NOT "HOTTEL'S LAW"

If the investment in a flat-plate collector system is to be recouped within a reasonable period, Hottel argues, the system cannot cost more per square foot than ten times the yearly fuel saving. When heating oil is the alternative, the limit for the complete system, counting collectors and storage, is therefore $4 to $10 per square foot of collector surface. Many of the systems being installed these days cost far more, Hottel notes, particularly those used for space heating. A recipient of international awards for his solar research, Hottel has lately peppered his acceptance speeches with admonitions that the present "unreserved enthusiasm" about solar energy may later be remembered as a "period of midsummer madness brought on by the sun."

Despite these caveats, Hottel believes the flat-plate collector now has an edge here and there. One promising market, he believes, is solar heating of backyard swimming pools, which has indeed begun to catch on. Swimming-pool heating has a number of advantages when it comes to gathering BTU's from the sun. Very low temperatures are demanded of the heaters, just enough to take the chill off the water and extend the swimming season. Consequently, the absorber plates used in a typical collection system never become hot enough to lose a significant part of their heat through re-radiation back to the atmosphere; thus they need neither expensive glass covers nor a backing of insulation. No elaborate pumping and heat-storage components are necessary, since the systems rely on pumping equipment that swimming pools need anyway, and on the pools themselves for heat storage.

The largest maker of solar heating systems for swimming pools, Fafco, Inc., of Menlo Park, California, uses very inexpensive rooftop collectors that are merely panels of black plastic resembling corrugated board, containing tiny ducts through which water is pumped. These collectors retail for only $2.50 a square foot, with installation and other hardware bringing the total cost to around $4.

The flat-plate collector also makes sense in many homes, right now, as a means of heating water. The market is large; hot water in the home accounts for a very respectable 4 percent of the nation's energy consumption. Hot-water systems require fancier flat-plate collectors than those used to heat swimming pools. But this cost disadvantage is partly offset by the excellent load factor on a hot-water system, which is used the year round. Furthermore, no special storage unit is necessary. Sun-heated water flows to a standard type of basement hot-water tank, whose regular heating element switches on during cloudy weather. Rooftop hot-water heaters were fairly common in Florida until the 1950's, when cheap natural gas became available and production stopped. Now W. R. Robbins Roofing Co. of Miami is selling hot-water systems again and several other Florida companies have entered the business.

Solar hot water has also begun to find a brand-new market in the Northeast. A Connecticut company called Sunworks Inc., headed by Everett M. Barber, Jr., engineering professor at Yale, is one of the new companies selling hot-water systems. Barber believes that solar hot-water heating is "going to be in all over the country very quickly." Any existing home with a reasonably steep roof facing south, Barber maintains, can meet most of its hot-water needs with only forty to eighty square feet of flat-plate collectors.

Sunworks' hot-water systems, costing between $1,000 and $1,600, are said to pay for themselves in less than ten years in most homes that have electric hot-water heaters, as two-fifths of the country's homes do. In New York City and parts of Westchester County, where residential electric rates run to a sky-high 8 cents a kilowatt-hour, the payback comes in only three years.

SLEEPING ON A BED OF ROCKS

Space heating, though presenting an opportunity of tantalizing proportions, is a much tougher game for the flat-plate collector. One major problem is the poor load factor on a solar space-heating system, which may sit idle half the year. As a general proposition, the active space-heating systems now on the market are economic only if used as a secondary source of warmth, in which case the investment is minimal. It probably pays right now, for example, to install flat-plate collectors to preheat ventilating air for schools and other buildings that are occupied mainly during daylight hours. "You might save only 25 percent of your heating bill in that way," says Roger Schmidt, who heads Honeywell's large solar-research program, "but you'd recoup your investment in less than five years."

Such quick returns are seldom available when flat-plate collectors are used as a *principal* source of heat, particularly in a building that must be warmed round the clock. A large expanse of collectors is needed in those situations. In northern states, where good sunlight is available only six hours on clear winter days, a house with 2,000 square feet of living space needs at least 500 square feet of collectors. Space-heating systems also require large heat-storage systems, in the form of a bed of rocks or a hot-water tank. These storage units add another layer onto front-end costs.

It is particularly expensive to "retrofit" a space-heating system into an existing home, though some homeowners are doing it. Even in new homes a rooftop array with 500 square feet of collectors, plus a storage unit and all the associated hardware and labor, will typically add a forbidding $10,000 to the home's price. And that system will normally provide only about three-fourths of the building's heat. It costs dearly to install a big enough collector surface and a large enough storage unit to tide the home through, say, an entire week of rainy weather.

NOT AN IMPOSSIBLE DREAM

Nevertheless space heating has a small place in—well, the sun. A growing number of the country's new homes are being built in areas where new natural-gas hookups are no longer allowed, and in which there is no dependable supplier of heating oil or propane either. Faced with this problem, more and more builders are installing electric heat of the familiar "resistance" type. But such heat is very expensive in many areas. In situations where electricity costs more than about 3½ cents a kilowatt-hour—the equivalent of a dollar a gallon for heating oil—the flat-plate solar collector can save money. Even where it cannot, a solar heating system may provide peace of mind, particularly for owners of industrial plants and warehouses who fear natural-gas curtailments or cutoffs in the years ahead.

If space-heating systems are ever to become commonplace, their cost will surely have to fall—probably to well below $10 a square foot. That is by no means an impossible dream. Good aluminum storm windows cost about $1.50 a square foot installed. It is hard to see why, in a solar industry grown to comparable maturity, a decent flat-plate collector should cost much more than three times that amount, or why a complete installed system with storage should run much above $7 a square foot.

But that is off in the future. Just how far off is suggested by the economics of manufacture at Solaron Corp. of Denver, a company counting itself as the first publicly held enterprise exclusively in solar energy. The materials alone for Solaron's air-type collector, when purchased in carload lots at the most favorable prices, cost over $3 a square foot. These include sheet steel for the absorber plate, special insulation that will not decompose under the fierce temperatures that collectors reach when idle in summertime, heat-resistant gasketing materials, and high-strength tempered glass of the "low-iron" type that allows a very high percentage of sunlight to pass through. By the time other costs are added in, plus a profit for manufacturer and distributor, the retail price just for the collector climbs to about $11 a square foot. Storage and installation costs bring the total price of the system to $17 per square foot.

Solaron's manufacturing processes are already fairly efficient, with factory labor amounting to less than a tenth of production cost. The company's president, John C. Bayless, foresees no dramatic reductions as volume rises, only steady incremental savings of 2 to 6 percent a year. The high price on Solaron's products, it should be noted, has not prevented the company from selling fifty-five of its systems for homes, commercial buildings, and even a new branch of a savings-and-loan bank. Solaron expects to be in the black by the second half of this year, sooner than most of its struggling competitors.

NEEDED: MORE BTU'S FOR A BUCK

The only way to bring down the cost of space heating right now, given today's production volumes, is to use cheaper materials or to redesign collectors to wring more BTU's from them. Harry E. Thomason of suburban Washington, D.C., is the leading exponent of a no-frills approach. In Thomason's collectors, which retail at only $4 a square foot ready for mounting, water trickles down open grooves in sheets of black-painted corrugated aluminum covered with a single pane of untempered glass.

The solar fraternity splits right down the middle on Harry Thomason. "Thomason's is just about the most economically viable system I know of," declares John I. Yellott of Arizona State University, one of the world's leading authorities on solar energy. But others in the field contend that the use of open troughs causes water condensation on the inside of the glass cover; the phenomenon, they say, lowers efficiency and makes the Thomason system a poor bet for space heating in regions with very cold winters. "I'll bet he's losing half his heat that way," snorts a member of the anti-Thomason faction. The condensation was apparent to a visitor recently touring a Thomason home, but the inventor denied that it impaired performance. Thomason, who does not mind when admirers compare him to Thomas A. Edison, just might have the right concept, at least for mild climates.

The other path to the promised land is the dogged pursuit of improvements in design that would raise the efficiency of flat-plate collectors. At midday in cloudless weather, at central latitudes in the U.S., about 300 BTU's of solar radiation per hour strike a square foot of surface facing the sun. But only about 120 BTU's are drawn off as useful heat from most collectors now on the market. This output could be nearly doubled by various means. More light gets through a collector's glass covers if they are acid-etched to cut reflection. And less heat is reradiated from the metal absorber plate if its black paint is replaced by a black "selective coating" applied by chemical or electroplating techniques. The efficiency of a collector can also be raised about 50 percent by creating a vacuum inside it that virtually eliminates heat loss. Owens-Illinois has begun selling Sunpak collectors based on the vacuum principle; these consist of banks of tubes resembling fluorescent lights.

The chief drawback of many of these design improvements is their high cost. Owens-Illinois has introduced the Sunpak, for example, at a Tiffanyesque $20 to $25 a square foot. But the company hopes to bring the price down to $10 within two or three years as volume rises and development costs are written off. At that price, Owens-Illinois believes, the collector can compete with fossil fuels because of its high efficiency and because it can be used for several special applications.

One of these is summer air conditioning, which holds the promise of improving the load factor on solar heating systems and hence their economics. Gas-fired cooling systems of the "absorption" type can be modified to run on water heated to 220 degrees by the sun. But the heat from most of today's solar collectors is not quite high enough for this purpose. A sun-powered cooling unit recently installed at an Atlanta school under a federal demonstration grant, for example, can handle only two-thirds of its nominal cooling load.

A UNION MADE IN HEAVEN

The final way to improve the chances of the flat-plate collector is to marry it up with the amazing machine known as the heat pump, an electric-powered device that is already used in almost a million American homes for space heating. The heat pump is simply a device for moving heat "against the current" in the thermal sense, i.e., from a cold place to a warm place. Refrigerators are simple heat pumps that move heat from their interiors to the rest of the kitchen. In the case of space heating, the heat being moved is extracted from the out-of-doors, specifically, from the sun-derived heat that is present in any outside air that is above absolute zero. In a sense, then, the heat pump is a "solar" device.

The flat-plate collector and the heat pump, it would seem, were made for each other. The efficiency of heat pumps falls sharply when the outside temperature drops below 20 degrees, which helps explain why they have not caught on north of the Mason-Dixon line. However, the pumps work beautifully in the far north if they can draw heat from water or air warmed to a modest 50 degrees or so by flat-plate collectors. These, in turn, function more efficiently if they do not have to bear the entire heating load on bitter-cold days.

Studies have shown that a home with a hybrid solar and heat-pump system will use only a quarter as much electricity for winter heating, or even less, as it will with electric heating of the resistance type. The only drawback in a hybrid system is that its rooftop collectors may sit idle in summer when, in most cases, the heat pump is reversed to function as a conventional air conditioner. Still, the heat pump and the flat-plate collector may have a big future together. One of the largest solar buildings in the world, a new 25,000-square-foot building at New Mexico State University in Las Cruces, has a hybrid system. Its designer, Frank Bridgers, a well-known engineer in solar-heating circles, plans to incorporate such systems in larger buildings on which he is now working.

Much of the higher-technology side of solar energy involves research on promising ways to concentrate the sun's rays by optical means. Northrup, Inc., a Hutchins, Texas, company that makes conventional heating and cooling equipment, recently brought the first concentrating collector to market. By focusing sunlight on a water-filled tube, the collector easily heats the water to the temperatures needed for air conditioning. On a clear day the Northrup collector is said to put out twice as many BTU's per square foot as a flat-plate collector.

The offsetting disadvantages are two. Virtually all collectors that focus sunlight, Northrup's among them, must swing to follow the sun as it crosses the sky. This means motors and parts that can malfunction. The second problem is that concentrating collectors cannot use diffuse solar radiation, as flat-plate collectors can. In the Northeast, with its hazy autumn days and its muggy summers, up to half the sun's energy is diffuse rather than direct. Nevertheless, the Burger King chain is optimistic about a Northrup system that it is testing in New Jersey.

The price of Northrup's collectors might also be considered a drawback; they run as high as $24 a square foot, counting installation and heat storage. But educational institutions, as well as corporations, are showing a lot of interest. Trinity University in San Antonio, Texas, is seriously considering the Northrup collectors for a building whose heating and air-conditioning costs have jumped eightfold in the past two years.

THE PROFITS IN PHOTOVOLTAICS

Photovoltaic cells offer the only solar electricity available today. These cells, which have no moving parts, are made of two thin layers of material, one of them a semiconducting material such as silicon, the other a metal such as aluminum or silver. Light stimulates the flow of electrons across the layers to generate current that is then drawn off in wires. Photovoltaic cells can be used for any purpose requiring electricity; they even recharge solar wristwatches.

The price of photovoltaics has plunged to $17 a watt from $200 only five years ago. That still leaves them far too expensive for general use. But they can provide electricity at a tenth the cost of flashlight batteries, and they have already found a commercial market in powering machines and instruments in remote areas off the electric-utility network.

The price of photovoltaics is bound to keep falling; the only question is how fast and how far. Right now most photovoltaics are made from expensive, chemically pure silicon rods that can be sliced to the necessary thinness only by costly methods. But a joint venture run by Tyco Laboratories Inc. and Mobil Oil Corp. reports steady advances in a radical new method for growing long thin ribbons of pure silicon suitable for photovoltaic panels. Another company, Solar Energy Systems, Inc., which has substantial backing from Shell Oil, is making the cells from cadmium sulfide, a cheaper material. By the mid-1980's, some optimists say, a further fifty- or hundred-fold price reduction is possible in the price of photovoltaics. That might put cells on everyone's roof.

A SOLAR PORK BARREL

Since solar energy already has a small and valid commercial role, the last thing the country needs is a giant new federal program to help bring it along. Yet that is precisely what is taking shape. The Energy Research and Development Administration and other federal agencies are now spending $100 million a year on solar programs, and there is talk in Washington of billion-dollar appropriations levels a few years hence. Unfortunately, some of this money is even now being spent on demonstrations of solar heating and cooling system known to be overpriced, and on what might be termed "technological welfare": research on futuristic solar contrivances by surplus aerospace engineers. Much of the government money, moreover, has gone not to the small inventors and entrepreneurs who have done much of the innovating and taken most of the risks, but to large corporations schooled in research grantsmanship. The country, in short, may be getting another pork barrel.

Clearly, some amount of federally financed research is needed. But many of the governmental actions required at this time are less glamorous and costly than some Congressman eager to "do something" would care to hear. At the local level, zoning laws need to be amended to protect "sun rights," lest building owners one day find their solar installations shaded by newly built structures. States can help by mandating or permitting local laws that would waive property taxes on solar installations; a dozen states have done so. The federal government's role ought to be to prosecute the fraudulent operators who are said to be moving into solar energy, and to help set standards that will enable a purchaser of a solar system to know what he is getting; the government is already busy in both areas.

Even if government were to do practically nothing, the new solar industry would benefit simply from the passage of time. In another two or three years, homeowners with trouble-free solar heating systems will be boasting to neighbors about their low fuel bills. More companies will develop do-it-yourself solar-heating kits, which will enable sun-minded homeowners to save on installation costs. Finally, more experience will be gained in the manufacture and distribution of solar collectors. Possibly they can best be mass-produced in a few locations. But small operators, producing on the scale of aluminum storm-window fabricators and selling directly to builders and homeowners, might be able to offer lower prices. If solar energy really takes off, it thus might give birth to hundreds of small- and medium-size companies, instead of creating another Detroit.

SENATE RESOLUTION 104

Mr. BROCK. Mr. President, yesterday the Senate Rules Committee's Subcommittee on Standing Rules of the Senate held hearings on Senate Resolution 104, which would provide limited legislative authority for the Select Committee on Small Business.

This resolution was introduced by the Senator from Maine (Mr. HATHAWAY) and myself. We have now been joined by 70 of our colleagues in this effort. I was pleased to testify in support of the resolution at yesterday's hearing along with the Senator from Maine. Joining us in testimony in favor of this proposal were the Senator from Wisconsin (Mr. NELSON), the Senator from New York (Mr. JAVITS), the Senator from New Hampshire (Mr. DURKIN), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Iowa (Mr. CLARK), the Senator from Ohio (Mr. TAFT), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Vermont (Mr. STAFFORD), the Senator from Hawaii (Mr. INOUYE), the Senator from Wyoming (Mr. MCGEE), the Senator from Maryland (Mr. BEALL), the Senator from South Dakota (Mr. ABOUREZK), the Senator from Kentucky (Mr. FORD), the Senator from New Mexico (Mr. MONTOYA), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. FONG), the Senator from North Dakota (Mr. BURDICK), the Senator from Rhode Island (Mr. PELL), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Oregon (Mr. HATFIELD), the Senator from South Carolina (Mr. THURMOND), and the Senator from Colorado (Mr. HASKELL).

In view of this strong showing of bipartisan support for Senate Resolution 104, I am sure that all my colleagues would want to review the testimony given by the Senator from Maine. For their benefit, I ask unanimous consent that this statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TESTIMONY OF SENATOR WILLIAM D. HATHAWAY

As the cosponsor of S. Res. 104, I am pleased to take this opportunity to present my views on this legislation to the Rules Committee.

The design of S. Res. 104 is quite straightforward. It grants to the Select Committee on Small Business legislative jurisdiction over bills concerned with the Small Business Administration only, without affecting the jurisdiction of other committees over subject matters within their purview. This is a very limited grant of jurisdiction to the small business committee, and the language of the proviso in S. Res. 104 makes it clear that when legislation concerns the Small Business Administration and also relates to matters extraneous to the SBA, the Chairman of any affected committee may have the bill referred to his committee prior to floor consideration.

S. Res. 104 is a modest and logical step recognizing the importance of the small business community in the efficient functioning of our economy. Men and women of the small business community provide a wide array of the products and services crucial to our economy, and they are responsible for many of the innovative and technological advances which have taken place throughout our history. The person with only an idea and a shoestring has much to gain if he can develop and market that idea successfully; and a strong small business community helps assure all of us that there will be a more competitive market which will be responsive to new ideas and technologies.

The overall significance of the small business community may be well illustrated by a few brief figures: there are over 12 million small business concerns; small business employs over 50 percent of all working Americans; goods and services provided by small businesses account for 43 percent of the gross national product. These figures speak eloquently for themselves.

In 1953 Congress recognized the importance of fostering a strong and healthy small business community and the need to focus on the problems unique to that community when the Small Business Administration, an independent agency, was established. Last year as part of its overall committee reform effort, the House of Representatives also recognized the need to restructure its committee system to reflect this emphasis and accordingly, the House provided its Small Business Committee with legislative authority. S. Res. 104 would, in a carefully limited manner, merely bring the Senate up to date with these prior actions.

Because of the limited grant of jurisdiction involved, I would urge that S. Res. 104 receive favorable consideration by your committee regardless of any decision on S. Res. 109, which calls for a complete study of the Senate committee structure. Such a study, which I do fully support, could obviously be time-consuming and there are substantial reasons for an independent judgment to be made on the merits of S. Res. 104 itself. If we can take the House decision as an example on restructuring, it seems apparent that a Senate study would grant jurisdiction to the Small Business Committee to the extent provided in S. Res. 104. The decision on S. Res. 104 should be made now and incorporated into such a study.

The history of this proposal to give legislative jurisdiction to the Small Business Committee is extensive. In 1949 the Rules Committee did in fact favorably report to the floor of the Senate a more far-reaching resolution than the one being considered today. That resolution of nearly three decades ago would have created a Committee with jurisdiction over "all proposed legislation relating to the problems of American small business enterprises." When that resolution finally came to a vote on the Senate floor in 1950, however, there was great debate and opposition to so extensive a grant of legislative authority. An amended resolution was passed creating the present Select Committee on Small Business with investigative authority, but with a specific prohibition on any grant of legislative authority. That situation remains today.

Ironically, the Rules Committee report on the original 1949 resolution pointed out that there had been opposition to the establishment of a Small Business Committee without legislative authority and that one argument against such a committee had been "that a special committee (without legislative authority) . . . cannot act directly on legislation for small business, once its studies and investigations on a subject have been made." Accepting the logic of this argument against a Select Committee the Rules Committee had reported out its resolution granting such legislative authority accordingly.

The issue then is not new to this Committee or to the Senate; what is new is the specific approach which is taken in S. Res. 104. Recognizing the objections of many members to any diminution in the authority of existing legislative committees, we have drafted a carefully circumscribed resolution which gives the present Select Committee on Small Business exclusive legislative jurisdiction only over matters relating to the Small Business Administration. This conforms to the overall Senate committee structure, which reflects the concerns of many different groups and classes and develops expertise in the needs and problems of those interest groups. S. Res. 104, then, will grant to the small business community, which is so integral a part of our economy, the same recognition and visibility which other groups have in our present committee structure—groups such as veterans, farmers, and labor interests.

In terms of existing legislative jurisdictions, S. Res. 104 would affect the jurisdiction of the Banking, Housing, and Urban Affairs Committee. As a former member of that same committee, I shall not belabor the obvious that jurisdiction over the Small Business Administration is only a very minor part of the broad sweep of affairs with which the Banking Committee is necessarily concerned. Nor shall I belabor the point that, at minimum, small business concerns might frequently seem to be directly at odds with the concerns of other interests which come under the jurisdiction of that Committee.

In fairness to the Banking Committee, of course, small business problems necessarily cannot always be at the forefront of their concern as they consider the varied pieces of legislation which are referred to them. At the very least, rightly or wrongly, the small businessman sees himself being treated as a second-class citizen in terms of the structural organization and the estimation of the Senate, when he compares this body's treatment of small business legislation with its treatment of legislation affecting other sectors of the economy.

S. Res. 104, while granting limited legislative jurisdiction to the Small Business Committee, does not change that committee's investigative powers over all subjects affecting the welfare of independent small enterprise. The energetic and judicious use of that power will enable the committee to relate effectively the functions and powers of the SBA itself to the whole range of governmental agencies with small business problems.

Looking at the record of the Small Business Committee during fiscal year 1975 reveals the strong interest and concern in that committee for furthering small business interest. Sixty-three days of public hearings were held during 1975, looking into such problems as the survival of family farms, the effect of EPA regulations on small farmers, the role of small business in energy research and development, the reduction of Federal paperwork burdens on small business, the economic problems of the fishing industry, competitive problems of small business in the drug industry, the role of small business in Federal procurement, inquiries into the Federal effort toward creating a viable minority business community, and the effect upon small business of bank giveaways and sale of merchandise by financial institutions. This overview of the activity of the Small Business Committee points up the kinds of problems which small busnessmen face, many of them the result of deliberate governmental decisions and policies which affect small business in a substantially different way than they do larger, diversified and integrated corporations.

The results of this work by the Small Business Committee are reflected in several legislative efforts, including the Tax Reduction Act of 1975, introduction of a Small Business Estate and Gift Tax Reform bill, and other bills proposing increases in the estate tax exemption, proposals for a credit for employment taxes, simplified pension reporting, and a bill providing set-asides in Federal energy R & D programs. While there have been substantive results from the present grant of investigative authority to the committee, a grant of legislative authority over the agency dealing exclusively with small business programs, i.e., the Small Business Administration, would enhance the visibility and focus on the unique problems and needs of the small businesses.

The House of Representatives has recognized the legitimacy of according legislative authority to the Small Business Committee; here in the Senate, S. Res. 104 has been cosponsored by 72 members. I hope that this Committee will agree with these judgments and act favorably on S. Res. 104.

LABOR SUPPORTS PROMOTION OF NUCLEAR ENERGY DEVELOPMENT

Mr. GLENN. Mr. President, voices of American labor have continually called for stepped-up development of new energy sources, fully realizing that energy bankruptcy can only further adversely impact their own economic well-being.

The endorsement of nuclear energy progress by the United Rubber, Cork, Linoleum, and Plastic Workers of America, AFL–CIO–CLC, is an example of labor's particular interest in the development of nuclear plants.

The union has strongly endorsed all proposals to help promote development of the nuclear energy industry at the earliest possible date.

It has been my pleasure and honor to know and work with the international president of the Rubber Workers, Mr. Peter Bommarito, for a number of years. Mr. Bommarito has not only represented his membership in the usual union activities, but has also been an eloquent spokesman here and around the world in concerns of health and safety in the workplace; indeed, one of the first to voice the dangers of PVC—polyvinyl chloride.

At the 40th anniversary convention of the Rubber Workers, Mr. Bommarito addressed himself to the subject of energy supply and jobs, which I am pleased to call to the attention of my colleagues. I ask unanimous consent that his remarks be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Rubber Workers Urge Step Up Nuclear Plants To Foster Employment and Thwart Energy Starvation for United States

ENERGY SUPPY AND JOBS

We are actually worse off today in meeting our nations energy needs than when the Arab countries imposed their oil boycott two years ago. To meet our requirements, we're importing more foreign oil now than in 1973. And we are more vulnerable than ever to the threat of a future boycott.

We conceivably could reduce our daily requirements for oil from 58 to 51 million barrels daily in 1985 by a comprehensive conservation program. But we still would have to reply on 11 million barrels a day of foreign oil—at a cost of about $45 billion, based on current prices.

Therefore, in the next 10 years, we must get 200 nuclear reactors on line, double our coal production and increase our oil and gas output by 25 percent.

Nuclear power is particularly significant because it is the only non-fossil source of energy we have. If we can get those 200 nuclear generating stations going by 1985, well reduce our oil requirements by six million barrels a day. Thats just about the quantity of oil were importing today.

Furthermore, the economic advantage of nuclear power over oil and coal is well established. In 1974, only seven percent of our electricity was generated by nuclear reactors—yet this limited use of nuclear fuel saved American consumers $810 million. This year's estimated savings will spiral to $1¼ billion.

Questions about the safety of nuclear power plants have been answered to the satisfaction of all but the most rabid of nuclear power opponents by the publication of the exhaustive Rasmussen Reactor Safety Report.

The facts also indicate the opponents of nuclear progress are grossly exaggerating the danger of radiation exposure as they stridently criticize present regulations of the Nuclear Regulatory Commission as being too liberal. The facts show that the danger of radiation exposure from nuclear plants is almost infinitesimal for the average person, compared to his exposure from other sources including medical treatment and aircraft travel.

Yet another problem plaguing the nuclear power industry is concern about safeguarding Plutonium before it is recycled into nuclear reactors and about radio-active waste. But recycling and radio-active waste problems could be solved if government stopped draggiing its feet on licensing even the first nuclear reprocessing plant.

Also of critical concern is that nuclear plants have limited capacity to store discharged fuel—and time is running out. Without reprocessing facilities, many operating plants probably will be forced to shut down in the next few years—an uninviting prospect in view of our burgeoning energy plight.

It seems to me nobody has a greater stake in solving our energy problems than our members. It's been calculated that for every million barrels of oil that we need and don't have, 900,000 jobs will be lost. The building of the new plants will create 190,000 new construction jobs. About 240,000 more jobs will be created to operate those plants. Some 570,000 more jobs will be required in the industries that supply the equipment, steel, copper, cement, aluminum and other materials required to build the plants.

Clearly, America needs more energy and it needs more jobs. Government inaction or indecision on nuclear energy are major obstacles to meeting these twin goals. Many of the snags to nuclear power development have got to be removed in Washington. The time to move is now.

NUCLEAR RESOLUTION

Whereas the national energy shortage of oil, fossil and other exotic forms of energy threaten the future employment both direct and indirect of our members; and

Whereas the welfare of our members and nation require energy independence free from the dominance of OPEC nations; and

Whereas the raw material requirements of rubber, plastic and other components essential to the employment of our members require maximum conservation of oil and natural gas resources and maximum development of substitute energy.

Therefore be it resolved that we urge:

1. Prompt action by the Congress and other government agencies to extend the Price Anderson Indemnity Act as proposed by the Administration,
2. Expansion of the nation's nuclear fuel enrichment capacity,
3. Closing the nuclear fuel cycle,
4. Reforming the cumbersome and lengthy licensing proceedings which are delaying the construction of new nuclear power plants.

And further be it resolved that we endorse the several administrative and legislative measures set out in the recent report of the President's Labor-Management Committee with respect to both coal and nuclear and emphasize any support for the establishment of a task force of labor and management experts to assist in expediting the completion of electric utility plants in a timely fashion.

CORRUPTION IN THE GRAIN TRADE —THE GROWING CONSENSUS FOR FEDERAL INSPECTION

Mr. CLARK. Mr. President, on January 27, 1976, William Robbins of the New York Times reported that—

> The General Accounting Office soon will urge creation of an all-Federal grain inspection system, saying that nothing short of complete reform can prevent scandals of the kind exposed in a broad investigation of corruption in the industry.

Mr. Robbins also wrote that the GAO report, due to be submitted to the Senate and House Agriculture Committees on February 15, "is said to urge combining in a single agency responsibility for grading grain and for monitoring the weighing of grain."

I find this report extremely encouraging, Mr. President. The recommendations the GAO apparently will make should provide the impetus for the sweeping changes that are obviously needed and that have been advocated by myself and several of my colleagues.

In recent days, the demand for Federal grain inspection has been heard in other quarters as well. On January 23 the Des Moines Register—which originally reported the grain inspection scandal last May—reiterated its position, saying:

> The problems of the present grain inspection system are too extensive to be eliminated by partial reform. A fully federalized grain inspection system is necessary to achieve honest inspection.

An editorial in the January 26 Washington Star expressed similar concerns, concluding that:

> The United States' reputation in international commerce is too important to allow it to be damaged further by shortweighing, misgrading and even the deliberate contamination of grain exports. If it takes a closely controlled, all-federal inspection system to put an end to the abuses, this should be provided.

On July 31, I introduced the Federal Grain Inspection Act, which calls for: First, the establishment of an all-Federal grain inspection system; and second, the establishment of a new agency in the Department of Agriculture with authority over both grain grading and weighing. Congressman John Melcher has introduced the identical bill in the House of Representatives as H.R. 9697.

The distinguished chairman of the Foreign Agricultural Policy Subcommittee, Senator Hubert H. Humphrey, has called hearings for February 20 to review the GAO report and begin consideration of permanent legislation. As a member of the subcommittee, I shall continue to press for the adoption of S. 2256.

Mr. President, I ask unanimous consent that the Register and Star editorials and a summary of the Federal Grain Inspection Act be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Des Moines Register, Jan. 23, 1976]

Spreading Grain Scandal

Three inspectors employed by a state grain inspection agency in Louisiana have been indicted by a federal grand jury for bribery and conspiracy in the misgrading of export grain shipments. The indictments are the first to implicate grain inspectors working for a state inspection agency.

The grain inspection scandal previously had resulted in the indictment of 57 grain inspectors, grain firms and grain company employes from Louisiana and Texas. The indictments involved the private grain inspection system and centered on corruption in the grain export trade.

Under the present system, the inspecting, grading and weighing of grain is performed by federally-licensed inspectors working for either private or state inspection agencies. Federal grain inspectors supervise the private and state inspectors and conduct appeal inspections.

The earlier indictments led some congressmen to argue that effective reform of the grain inspection system could be achieved by eliminating private inspection agencies at export points.

The broadening of the grain scandal to a state inspection agency indicates that such partial reform is not likely to restore integrity to grain inspection. Moreover, the unfolding grain scandal gradually is involving grain inspection at inland terminals.

Probes of possible corruption at major inland terminals have been launched by the FBI and the U.S. Department of Agriculture's Office of Investigation. The General Accounting Office already has established that many country elevators lack confidence in grain inspection and that there is a 10 per cent error rate nationally in grain grading.

Despite the indictments and probes of corruption in the grain inspection system, federal inspectors last week found strong evidence that a 3.2 million-bushel corn shipment bound for Poland had been willfully misgraded by private inspectors. The incident is a glaring example of the disregard for the law which has fostered corruption in grain inspection.

The problems of the present grain inspection system are too extensive to be eliminated by partial reform. A fully federalized grain inspection system is necessary to achieve honest inspection.

[From the Washington Star, Jan. 26, 1976]

POLICING GRAIN EXPORTS

The General Accounting Office is expected to recommend a network of federally employed inspectors to assure the proper quality and quantity of grain shipped abroad. This would appear to be the surest way of combatting the problem of cheating in the filling of orders for foreign purchasers of American agricultural staples.

Recent scandals, particularly at Gulf ports, have involved grain that was subject to certification by privately employed, federally licensed inspectors or by inspectors working for state agencies. Through whatever combinations of venality, conflict of interest and intimidation, the system did not work. Supervision of the inspectors by the U.S. Department of Agriculture was not up to the task. Complaints by foreign buyers that they were not getting what they paid for became a serious embarrassment to this country in its program of building foreign markets for American agricultural products—a big element in our currently healthy trade balance.

The Ford administration says that tougher federal supervision of the private and state inspectors is all that is needed. We are persuaded that a more radical reform is needed, because mere supervision failed in the past and the pattern of corruption has been so pervasive in some grain-shipping areas.

The GAO investigators, answerable to Congress, are reported to have concluded that, for supervision to be effective, a federal supervisor would have to be assigned to watch every inspector. If this is only half true, it would be far more efficient to have the inspection itself done by federal employes beholden only to the government and the public. Even so, stern measures would be necessary to make these inspectors bribe-proof and protect them from pressures to fudge their findings or turn a blind eye to abuses.

The United States' reputation in international commerce is too important to allow it to be damaged further by shortweighting, misgrading and even the deliberate contamination of grain exports. If it takes a closely controlled, all-federal inspection system to put an end to the abuses, this should be provided.

BASIC PROVISIONS OF THE FEDERAL GRAIN INSPECTION ACT—S. 2256

I. FEDERAL GRAIN INSPECTION AGENCY

A. Reorganizes the Department of Agriculture to establish a new Federal Grain Inspection Agency, which shall be solely responsible for carrying out the provisions of the U.S. Grain Standards Act.

B. Provides that the Director of the new Agency be appointed by the President, subject to the consent of the Senate.

C. Stipulates that all authority under the U.S. Grain Standards Act previously granted to the USDA (and in practice exercised by the Grain Division of the Agricultural Marketing Service) and the Secretary of Agriculture shall be in the hands of the Agency and its Director.

II. DUTIES OF THE DIRECTOR

A. To establish all policies, guidelines and regulations for administering the U.S. Grain Standards Act, including the setting of standards regarding the inspection of grain and—for the first time—the weighing of grain.

B. To establish procedures for the Agency to inspect and test all weights and scales used in the weighing of grain sold in interstate and foreign commerce.

C. To establish procedures for the Agency to inspect, monitor and standardize all grain grading equipment.

D. Within six months of enactment, to thoroughly review and re-draft where necessary the criteria for the grading and weighing of grain in order to:

1. Encourage and reward the production, maintenance and delivery of high quality grain;

2. Assure that U.S. grain is competitive in reputation for quality in the world market, and

3. Discourage the addition of foreign materials to grain.

E. To report to the Congress within 30 days any official complaint or contract cancellation related to the export of more than 100,000 bushels of any commodity, and the action taken by the Agency with respect to any such complaint or cancellation.

F. To investigate any complaint or contract cancellation regarding any official transaction with which the U.S. Grain Standards Act is concerned.

III. FEDERAL INSPECTION OF GRAIN

A. All U.S. grain exports must be inspected by licensed personnel of the Federal Grain Inspection Agency at the point of departure.

B. All U.S. grain exports must be inspected by licensed Agency personnel at the point of destination, unless the Director Judges such inspection to be impractical in specific cases.

C. Inspection of domestic grain by licensed Agency personnel shall be made available upon request of any interested person.

IV. GRAIN COMPANY REGISTRATION

A. Any business firm engaged in the buying for sale or in the handling, weighing or transporting of grain for sale in interstate or foreign commerce must register with the Director of the Federal Grain Inspection Agency.

B. Firms that only occasionally or incidentally engage in such business shall not be required to register.

C. Firms required to register shall have to provide the Director with the firm name and principal address; names of all directors, principal officers and persons in a control relationship; lists of locations where the firm conducts substantial operations, and any other information the Director deems necessary to carry out this Act. Firms shall be required to renew their registrations annually, and to report any changes in the required information within 30 days.

D. The Director may suspend or revoke the certificate of registration of any firm found to be in violation of the U.S. Grain Standards Act. The Director shall revoke the certification of any firm convicted of a second violation of the Act for at least six months.

V. CRIMINAL PROVISIONS

A. Defines as criminal actions: deceptive weighing of grain, adulteration of grain, offering of bribes to federal grain inspectors (accepting bribes is already a crime under the U.S. Grain Standards Act), killing USDA employees (not now a federal offense).

B. Establishes the following penalties:

1. Persons who intentionally or knowingly violate the provisions of the U.S. Grain Standards Act shall be guilty of a felony, with a maximum penalty of 5 years imprisonment, a $10,000 fine, or both.

2. Persons recklessly violating the provisions of the Act shall be guilty of a misdemeanor, with a maximum penalty of 1 year/$5,000.

3. Persons who, through gross negligence, violate the Act shall be guilty of a misdemeanor, with a maximum penalty of 6 months/$3,000.

VI. FUNDING

The Federal Grain Inspection Agency will be funded through the assessment of inspection fees, which shall be set by the Director so as to cover the costs of the Agency incident to the performance of its duties.

VII. FEDERAL INSPECTION PERSONNEL

A. The Director shall issue licenses to Agency inspection personnel to ensure their competence. No person may perform official inspections unless he or she holds a valid license.

B. No Agency personnel may be financially interested in, employed by, or accept gratuities from any firm engaged in the merchandising of grain.

C. The Director may adopt rules to require the periodic rotation of Agency inspection personnel.

VIII. EMERGENCY POWERS

For one year, the Director is authorized to:

A. Issue regulations regarding improved sampling equipment and installation of electronic monitoring equipment in export elevators, and

B. To establish standards and procedures for the loading of export grain.

IX. OTHER PROVISIONS

Authorizes the Director to purchase grain grading and testing equipment at fair market value from private and state inspection agencies, if he determines such equipment to be useful in carrying out the provisions of the U.S. Grain Standards Act.

THE MERCHANTS OF GRAIN

Mr. CLARK. Mr. President, in an address on January 5, 1976, before the American Farm Bureau Federation, President Ford laid down the cornerstone of his administration's farm policy. He said:

> You (the American farmer) must export if we are to keep a favorable balance of U.S. international trade. You must export if you are to prosper and the world is to eat.
>
> Food, as all of you know, is now our number one source of foreign exchange. Farm exports last year totaled nearly $22 billion. Our favorable $12 billion balance in international agricultural trade offsets deficits in nonagricultural trade. It strengthens the American dollar abroad. This helps to pay for the petroleum and other imports that are vitally essential to maintain America's high standard of living.

I certainly agree with President Ford that farm exports are essential to the health and prosperity of the U.S. economy. What I am less certain of is just how the President has decided to promote these exports. Is it through bilateral grain agreements, threats of withdrawal of food assistance to traditional aid recipient countries, and periodic, unpredictable commodity embargoes like the one in September against Poland?

Equally important and as yet undefined by the President or any other qualified Government official—is just how these exports should be handled in a way which will benefit broad-based American economic interests. The preference at the moment seems to be to steer all the export business to a few grain trading houses, three of which control at least 45 percent of all our grain exports. Perhaps this trend is just the result of enterprising firms drumming up business wherever they can, but I am inclined to think that there are other reasons why all our grain exports are handled by so few companies.

In a most interesting series of articles appearing in the Washington Post, entitled "Merchants of Grain," the author, Dan Morgan, outlines the major American grain exporting companies' wide field of operations. The articles point up the tremendous impact these few companies can have on the price of U.S. grain. Furthermore, they suggest that in executing large package sales with customers like the Soviet Union, a considerable amount of politics comes into play.

As good as these and other recent articles are, they merely scratch the surface of what is involved in the U.S. grain trade. The Senate Foreign Relations Subcommittee on Multinational Corporations, of which I am a member, has been conducting an intensive investigation of how our trading system works and what the role of the multinational exporting houses is, both in the functioning of this system and in certain critical foreign policy matters. I look forward to learning the results of this investigation, for it is my expectation that it will result in the first comprehensive disclosure of what really takes place in America's multibillion dollar grain export business.

Mr. President, I ask unanimous consent that Mr. Morgan's excellent series be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

GIANT GLOBAL COMMODITY FIRMS LOSING CLOAK OF OBSCURITY

(By Dan Morgan)

The global grain companies that vitally influence food prices and policies in this country are slowly losing their long-held ability to conduct business under a cloak of obscurity.

How much grain and soybeans the giant companies export, to whom they sell commodities and at what price—these are matters that affect food costs at home and the diets of hundreds of millions of people abroad.

In many respects the firms perform the same function as the huge international petroleum companies, the "Seven Sisters." Like them, the grain firms are a handful of companies engaged in moving an essential commodity from the few countries that have more than enough to the many that have far too little.

Yet, the names Cargill, Continental, Cook, Bunge, Dreyfus, and Garnac—the "Big Six"—are far less known to most Americans than any of the major oil companies.

The grain moguls seem to prefer it that way.

They seldom discuss their activities on television or in the newspapers, and certainly never suggest to anyone, "We want you to know."

Large sales of grain to Russia, arranged by the private firms, had consequences last summer for the American economy, detente and the political prospects of Gerald R. Ford.

The grain firms also are deeply involved in the economic affairs of the developing countries of the Third World. The United States is the major supplier of wheat to all but a few of these nations, and most of that wheat moves through the distribution system of the global grain giants. At the same time, the companies handle much of the agricultural exports of those poorer countries—export that raise cash to pay for the grain imports.

When the senior executives of some of the most powerful firms fly off on grain-selling missions, their whereabouts often are kept secret even from their own senior employees so that an untimely leak won't tip off a competitor to some impending grain sale coup.

The telephone operator at the Louis Dreyfus Corp. in New York City answers calls with a cryptic "1–5–1–5"—the last four digits of the Dreyfus phone number. And the firm's president, Gerard Louis Dreyfus, confesses candidly that he is "scared to death of the press."

The Continental Grain Co., which handles a quarter of all the grain traded among the world's nations, has yet to publish a brochure for the general public—and the family that runs the firm, the Fribourg grain dynasty, has been in business for 162 years.

Five of the six largest grain conglomerates are closely held, private firms controlled by a few individuals or families. They don't publish any detailed financial information. The only one of the big six that does, Cook Industries, Inc., of Memphis, is required by law to do so because it has public stockholders, and Cook's outspoken boss, Edward W. Cook, in any case shows considerable contempt for the reclusive ways of his competitors.

Washington cognoscenti are even hard pressed to identify a grain company lobbyist here.

A former New York City grain trader explains that the companies "don't need to have powerful lobbyists—for they have no regulation."

Only a few years ago, most policymakers were content to let the firms continue operating freely in the shadows of American commerce. The United States had huge, unsold stocks of grain, and the prevailing view was that if the companies could find some way of disposing of it abroad, that was all to the good.

Today, the conditions that made secrecy in the private grain trade tolerable have disappeared.

The American grain stockpile is gone, and international negotiators have not yet been able to create any new system, such as global food reserves, to protect nations from the cycle of scarcity and surplus that causes prices to rise and fall wildly.

"The five large corporations that sell and ship almost all the grain exported by the United States (and many other countries) operate under conditions of notable confidentiality, license and oligopoly," writes Emma Rothschild, an authority on world food policy, in the January edition of Foreign Affairs quarterly.

Revelations about pervasive corruption at grain export terminals used or operated by the big companies in New Orleans have detailed glaring flaws in the nation's system of grain distribution.

And the huge profits which the companies admit to having earned since 1972 have raised questions about fair return.

While American grain exports were almost doubling from 41 million tons in 1970 to a projected 76 million tons last year, the major companies were ringing up profits described by a New York securities analyst as "almost ungodly."

Cook Industries increased its yearly profits 15-fold between 1972 and 1974. Others doubled or tripled their net worth, according to reliable trade sources. And the firms launched expansions into new ventures and new markets all over the world.

In many respects, the grain companies are the most perfect expression of the multinational business world of the 1970s. Their operations cut across every geographic and political border, and are linked by a network of affiliates and subsidiaries that often bewilder bureaucrats and tax collectors accustomed to functioning within national boundaries.

The question asked of the international petroleum companies, the "Seven Sisters," can be asked of the grain companies as well: do they serve the interests of the United States or of themselves?

During the American government's embargo of grain sales to Russia last July 24 to Oct. 20, overseas affiliates sold Moscow millions of tons of those commodities from other grain-producing countries. Cook and Continental, both American-based firms, reportedly contracted in that period to ship the Russians 1.5 million tons of Brazilian soybeans.

Continental Grain has sold Cuba 90,000 to 100,000 tons of South American and Italian rice, even though American rice exports to the Communist nation are still embargoed. American rice growers, who are stuck with unsold surpluses were furious at the Treasury Department for approving the sale.

Continental Grain is the Australian government's exclusive agent for selling Australian wheat in South America—where American wheat sometimes competes for the same markets.

International grain companies also speculate on, and profit from, the European Common Market's system of protectionist import duties on grain—the same system that American negotiators tried for years to get dismantled. The firms speculate on the size of the duties, which float up and down in step with changes in world grain prices. Time differences between European and American commodity exchanges help them stay a step ahead of changes in the duties posted in Brussels.

The protectionist duties have contributed to expanded production and exports of European grain and to a decline in shipments of American farm products to the continent.

Yet, all this means to the grain firms is that they handle larger West European exports to make up for fewer American imports.

American grain and agribusines firms also have invested heavily in the Brazilian "soybean miracle"—a development that worries American soybean growers.

Aided in at least one case by U.S. government financing, they have built processing plants that soybean experts here say have cut into America's $2 billion a year soybean sales abroad.

In late 1971, officials of the Overseas Private Investment Corp., a U.S. agency, approached executives of Cargill, Inc., in Minneapolis and encouraged them to seek a loan for the new crushing plant being built by the firm's Brazilian subsidiary, Cargill Agricola.

The next year, OPIC extended a $2.5 million loan to the firm.

At that time, Ralph T. Jackson, executive vice president of the American Soybean Association, said he had no objection because it appeared most of the processed meal and vegetable oil would be used in Brazil.

According to Dennis Blankenship, director of market development for the Association, that is not the way it worked out.

"Our government shouldn't be financing this kind of thing," he said. "I don't see any way for the expansion of the processing industry in Brazil to help the United States.

Most of the soybean meal and half the soybean oil that Brazil processes is exported, he said. This year, Brazil will ship 2.2 million tons of the 3 million tons of meal it processes. Much of the processing will be done by grain company subsdiaries, such as Cargill Agricola, Dreyfus, Bunge and Archer-Daniels Midlands.

Brazilian government tax rebates of $23 a ton on meal selling for $160 a ton have helped promote the exports. Blankenship blames the processing boom in part for last year's drop in the volume of American meal shipped to West Europe, which increased its buying from Brazil.

Cargill's loan proposal to OPIC stated that the processing plants offered "the only opportunity for U.S. firms to engage in and benefit from the expansion of Brazilian soy production."

But the extent to which Cargill, or other grain conglomerates can be termed "U.S. firms," or associated with any particular country, is questionable.

Bunge, among the largest six firms, is involved in commodities, finance and shipping on every continent. It is virtually stateless, with all its stock held by a holding company called Los Andes, in Curacao, Netherlands Antilles.

Garnac, the littlest of the big six, is Swiss-owned, and operates "as smooth as a Swiss watch," traders say.

Dreyfus has headquarters in Paris, where it is run by two cousins, Jean and Pierre Dreyfus, who have extensive interests in shipping and banking.

The three major American-based grain conglomerates, Cargill, Continental and Cook, all operate financial and trade subsidiaries in Geneva or Panama City. Cook's shipping arm, Cherokee, Ltd., is located in the Bahamas.

Tradax, Inc., Cargill's Geneva based overseas financing and trade arm, is probably one of the world's largest grain companies in its own right. It has been in Geneva since 1956 and now has offices in 14 countries.

Tradax buys grain from Cargill at American ports and markets it to governments, flour mills, feed processors and food merchants. According to Hubert Sontheim, a Tradax vice president, one of Geneva's attractions is "reasonable taxation."

Cargill started as a frontier grain company in mid-19th Century and grew in step with the country's expansion westward. As railroads penetrated into the American grain belt, Cargill built grain elevators along the tracks. Today, it is believed to be the largest privately owned American company. But its reach extends far beyond the United States.

Cargill's shipping bookings for a single day, last Nov. 18, suggest the scope of its global undertakings. Its shipping arm, Greenwich Marine, Inc., was seeking vessels that day to haul grain from Brazil to the Adriatic, from South Africa to Portugal and from Australia to Europe. It was also advertising for vessels to carry pig iron from Canada to Houston, Tex.; soybeans from Canada to Japan and sugar from India to Tunisia.

Cargill's list of interlocking relationships with governments and businesses all over the world goes on and on. One example illustrates these elaborate connections: The Taiwan government's sugar corporation owns a 40 per cent interest in Cargill's Taiwanese subsidiary; and that subsidiary in turn makes two-thirds of all its sales to the Taiwanese sugar corporation.

The Continental Grain Co., Cargill's main rival as well as the world's largest grain firm, operates through some 200 overseas affiliates and subsidiaries. In peak periods, 25 or more ships owned or leased by Continental are afloat carrying at least 500,000 tons of grain to destinations abroad.

The grain traders say that they operate the most efficient system ever devised for moving grain. They have colossal expertise," says a Canadian government official knowledgeable about the trade. "If you're on the coast of Eritrea and find a guy who wants 2,000 tons of sorghum, they have the price and they have the vessels," he said.

"The use of the affiliates abroad advances a number of (United States) national objectives," according to a Cargill position paper.

The overseas investment of the affiliates in transportation, food storage and food and feed processing helps create larger markets for American grain and soybeans.

Also, the ability of the grain firms to operate globally and with lightning speed means they can shave their margins and make American grain competitive on world markets, senior traders say.

Traders concede their profits have been substantial since 1972, but say they are needed to finance hundreds of millions of dollars of investments in new grain elevators, barges, ships and railroad cars which will benefit consumers in the long run by streamlining food distribution.

The very fact that the grain firms have operated in obscurity indicates an important difference between the handful of big merchants and the handful of petroleum giants.

The global petroleum companies pump oil from the ground, ship it and sell it as gasoline to drivers at their highly visible company service stations. The oil companies have an obvious interest in stable prices.

That interest is less obvious in the case of the grain middlemen, who neither grow grain nor sell processed and labeled grain products to consumers in supermarkets.

For all the flaws, grain executives insist that Lincoln's definition of democracy also could apply to the function they perform: it is the worst system in the world—except for all the others.

"If you told me you could set up some world wide organization to distribute food in the fairest possible manner. I might be philosophically in favor," says Dreyfus general counsel Merton Sarnof. "Right now, there's no real alternative."

INFORMATION KEY TO GRAIN PROFITS

(By Dan Morgan)

"Information is everything," says a young wheat trader who never wants to be far from his Telex machine.

"To me, a scoop is getting commercial or political information ahead of the competition and selling a cargo of grain before the others catch on. That really turns me on."

Setting grain prices is a process that takes place out of sight of the general public, in the trading rooms of the major companies.

Whether the location is the regal chateau outside Minneapolis that serves as the headquarters of Cargill, Inc., or the skyscraper offices of the Continenttal Grain Co. in Manhattan, the process is roughly the same.

Each day, the agents on the "wheat desks," "corn desks" or "oilseed desks" of the companies buy and sell thousands of tons of grain. They may sell a few thousand tons to a European flour miller, or 200,000 tons to a foreign government. Or they may sell grain to a competing company that needs it to put aboard a ship in the Gulf of Mexico.

In the highly specialized business of grain trading, a fractional change in the value of a bushel of American wheat can mean thousands of dollars in the price of a 1 million bushel cargo, delivered to grain depots in, say, the Dutch port of Rotterdam.

And these shifts can be caused by far away events that might seem trifing to anyone uninitiated in the rites of the grain trade. To a wheat trader, a snowstorm in Kansas or the West German Bundesbank's interest rate today can be significant information.

And it is the private grain trade, not the government, that sets the prices of grain grown by farmers. It is the grain trade that allocates grain among countries, establishes prices months in the future and, directly or indirectly, affects the diets of millions of people all over the world.

Cargill keeps tabs on its global operations from the unlikely setting of a 63-room French-style chateau in the Minneapolis suburbs.

Ian Fleming, creator of agent 007, could hardly have invented a more intriguing setting. In a paneled former dining room soybean price quotations click into place on an electronic board. The former butler's pantry contains banks of electronic equipment and Telex machines. Those machines receive the cables from representatives abroad: the essential world news roundup of the grain trade. Traders start the day each morning by studying the reports.

They list information about the price of grain cargoes that arrived in Rotterdam while the traders were asleep; bids by the Japanese food buying agency; European import duties; gold prices; weather conditions; foreign exchange and interest rates; the costs of chartering ocean-going vessels and, often, tips on political conditions.

It was of interest to traders in early December, for instance, that the Soviet Ukraine and South Africa had received excellent rainfall for their crops of winter wheat and maize, a variety of corn.

So was a 9-inch snowfall in Kansas and Oklahoma, which delayed the loading of grain cars and interrupted the flow of winter wheat to ports at Houston and New Orleans. As port elevators began to run out of wheat, exporters bid up the price in scrounging grain to load aboard incoming vessels.

When the grain traders haggle over prices, they seal deals of millions of dollars with a terse "I accept" on the telephone, or an "OK" tapped out on the keyboard of a Telex machine.

When the New York City representative of a European flour miller goes to work in his cramped office in the morning, he checks the prices at which a dozen grain companies are offering wheat.

"We get the cheapest one and give their man a bid on the phone," he explains. "We bid back and forth and maybe they give a little. I say, 'I'll call you back with a reply in five minutes'—they don't want to be out of the market longer than that. Or maybe they'll say, 'We'll counter you in three.' Now maybe the guy on the other end just puts his finger in his mouth and sticks it in the air. Or maybe he'll call around to grain elevators in the interior to check on the price of spring wheat or get a reading on the price in the last 3 minutes of trading in Chicago. Or we'll sit on the Telex line hookup for an hour putting together a deal with all the elements."

Many grain traders spend sleepless nights at home, after office hours, making long distance deals with company representatives in Japan or Europe.

Through this process, grain grown by American farmers flows into the worldwide pipeline.

Grain traders say it is the most finely tuned system ever devised for allocating wheat, corn, soybeans and other commodities to places they are needed.

"The object of the exercise isn't to shoot craps," said one trader. Instead, he said, grain companies make their margins by earning tiny profits on a long string of variables involved when grain is sold abroad: ocean shipping rates, storage fees in grain elevators, foreign exchange and interest rates, and the difference between the buying and selling price of the grain.

Grain traders insist that they do the job of transferring vital resources from one country to another far more efficiently than an international body could.

They say their risks are substantial. Edward W. (Ned) Cook, chairman of Cook Industries, Inc., in Memphis, has claimed he lost money selling Russia 3 million tons of grain last summer.

Continental Grain Co. reportedly lost money in 1974 in Swiss franc transactions. The company contracted to sell Turkey several hundred thousand tons of wheat for Swiss francs with delivery in early 1975.

Continental's monetary experts switched an equivalent amount of francs into dollars in anticipation of getting paid this spring. But Turkey canceled the deal and withheld its Swiss franc payment. In the meantime, the dollar had weakened against the franc.

Grain companies offset their risks by an intricate system called hedging. When a grain company sells quantities of wheat for delivery next March, it buys like amounts in the commodity exchanges for delivery the same month. If the price of wheat goes above the price they contracted to sell it, they are protected because they have contracted in advance to buy the grain they need for the sale at a price that should still give them a profit on the transaction.

Grain traders say, however, that it is impossible to eliminate all the risks. The prices of "futures" contracts in the major commodity exchanges don't always reflect the true price of grain trading locally at elevators, railroad sidings and export terminals in the vast reaches of the United States.

Last summer, exporters had to pay a 90-cents-a-bushel premium for wheat with a high protein content. That kind of wheat was in short supply, and exporters who had commitments to deliver it to European flour mills had to pay extra to fulfill these contracts.

Spokesmen for farmer-owned cooperatives which had large volumes of that kind of wheat in storage say they "milked" the exporters for several weeks. Strikes, floods, snowstorms, railroad snarls and other factors all can hike the price of grain in local areas and hit trading companies with losses. The companies also are exposed to an insider's game called "plugging" in which one company will store grain in another company's elevator and leave it there, plugging up the competitor's distribution system.

For all these risks, the grain firms rolled up huge profits between 1972 and 1974 as exports boomed.

Cook Industries' retained earnings leaped from $47 million on May 31, 1973, to $110 million two years later. As of May 31, 1974, profits as a percentage of shareholder equity—a common gauge of a company's profitability—was at a whopping 40 per cent.

Cook reported that profit margins on the goods it handled widened because of "the substantial increase in worldwide demand for U.S. agricultural commodities."

Reliable sources say similar financial gains took place throughout the grain export business.

Cargill reportedly doubled its earnings and net worth since 1972, and used the profits and unusually heavy long-term borrowing to finance hundreds of millions of dollars worth of new investments.

Continental Grain Co.'s American operation alone reportedly had retained earnings of close to $30 million in 1974.

Bunge, which is owned by a holding company in the Netherlands Antilles, reportedly tripled its net worth between 1973 and 1975.

The enormous volume of grain that moves through a grain company's distribution system enables the firm to more than pay for operating a transportation network and grain elevators (which cost up to $12,000 a day to run).

The global facilities of the firms also enable them to slough off risks in a way that no farmer in the United States or ordinary citizen dabbling in the grain markets could hope to do.

To protect against price shifts, an international company may make a long-range purchase of South African maize, to hedge a long-range sale of American wheat. The hedging works because both wheat and maize respond to the same global price pressures, and if the company loses money selling the wheat, it should recoup its losses when it buys the maize.

Grain companies which feel they have accumulated too much grain can unload huge quantities by selling to other grain companies, in a complicated operation called "stringing." Or they can skirt the government-regulated commodity exchanges in the United States and hedge whole 20,000-ton cargoes of grain by selling them to Italian commodity speculators—without any buyer or seller of futures contracts being the wiser.

International Grain traders also have devised a way to speculate and profit from the European Common Market's protectionist import duties against grain.

Hubert Sontheim, vice president of Cargill's Geneva subsidiary, Tradax, Inc., described this operation as "an art and science of evaluation."

The import duties indicate the difference between the world prices of grain and the price which the Common Market guarantees European farmers for the wheat and barley they sell.

These duties change every few days, in step with shifts in world prices. As the world price of grain increases, the duty shrinks; as the world price slides downward, the levy grows to increase the protection for the West European farmers.

When grain companies think world prices will decline, they assume the import levies will go up; so they register to import cargoes of grain at the current posted duties.

Tradax and other affiliates of international grain firms often offer European flour mills and feed processors discounts on grain of several dollars a ton and then make this back by speculating on the floating import duties posted by the Common Market.

Brokers say the grain firms can stay a step ahead because the trading in Chicago that signals the movement in world prices takes place after Brussels already has posted the import duties for the next 24 hours, at 5 p.m. European time.

If the prices slide downward in the trading in Chicago, company strategists in New York City or Minneapolis order their representatives in the trading pits to buy enough commodities at the prevailing low prices to meet commitments to European buyers.

At the same time, the strategists calculate that the Common Market will hike the duties the next day to compensate for the cheaper grain circulating in world markets. So they have affiliates in Europe register to import grain at the prevailing duties.

The operation can give a skillful grain merchant a built-in profit of up to 20 cents a bushel, according to one broker. That amounts to about $7.34 a ton and $14,080 on a 20,000-ton cargo.

Such trading devices are not, of course, available to American farmers, small-scale grain elevator operators, or persons who buy and sell futures contracts.

For they require an agility and transatlantic reach that only larger grain concerns can muster.

CORRECTION

In Friday's editions of The Washington Post a paragraph was inadvertently dropped from the first article in a series about international grain companies. The correct version should have read:

"That interest (in stable prices) is less obvious in the case of the grain middlemen, who neither grow grain nor sell processed and labeled grain products to consumers in supermarkets.

"There are a few exceptions, such as Continental's Orowheat bread and Polo Food frozen dinners which are sold to the public. But mostly the grain farmers are the middlemen between hundreds of thousands of farmers and tens of millions of consumers. Financial analysts say they make the most money when grain prices are rising sharply."

LOSING, RECOUPING $100,000 IN GRAIN

Mistakes can be expensive in the grain trade and even the best traders make them. "By the time you reach the top you have no ego left," said one broker.

One trader recalls how he lost $100,000 one morning and recovered it a few hours later. The New York agent of an Asian food buyer had called to get bids on 100,000 tons of corn. The young merchant jotted down some numbers, did some quick multiplying and made an offer.

The buyer accepted quickly—too quickly. The trader rechecked his figures and discovered an awful mistake. He had quoted the price in metric tons (2,206.4 pounds) rather than long tons (2,240 pounds). It meant the company would have to supply 33.6 pounds of corn free for every ton shipped. The miscalculation would cost the company $100,000.

Desperate, the trader asked the Asian customer to delay reporting the sale or booking the ocean vessels for a few hours. The young merchant knew that word of freight bookings would spread quickly through the grain trade.

News of a big freight booking tends to boost grain prices, as the grain trade takes note of stronger world demand. The Asian buyer held off booking the freight, to help his merchant friend. As the morning wore on, corn prices dropped—a penny a bushel, another penny, a third penny, a fourth penny. When corn was down four cents a bushel, the young merchant acted. He had the company's agents in the commodity exchanges cover the 100,000-ton corn sale to the Asian by buying grain for future delivery.

By waiting, the merchant had saved four cents a bushel, and recovered the money he had lost through carelessness earlier.

[Third in a Series]

GRAIN DYNASTIES THRIVE AMID RISK

(By Dan Morgan)

For a few days in early October, 1974, it seemed that grain merchant Edward W. (Ned) Cook may have taken one risk too many.

On the night of Oct. 4, Cook learned from Treasury Secretary William E. Simon that the U.S. government was embargoing his sale of 2.2 million tons of wheat and corn to Russia because it was not in the national interest.

Cook had already acquired the grain. But with news of the government embargo, the bottom dropped out of the American grain markets. Cook knew that if the embargo stuck, he would have to unload the grain at tremendous losses, probably exceeding $25 million.

As the lanky southerner shuttled between his offices in Memphis, the White House and the Senate to plead his case, the fate of his company hung in the balance.

"What will happen if the market continues to fall," Sen. Henry M. Jackson (D-Wash.) asked Cook during one tense hearing on grain sales.

"I guess I will be out of a job, senator," he replied.

The government finally let Cook sell most of the grain to the Soviets and the chairman of Cook Industries, Inc., one of the world's six largest grain firms, was spared.

But the affair provided a glimpse of the adventure and risks that often seem to characterize the lives of the moguls of the global grain trade.

To many in that trade, Cook embodies the qualities most admired by grain merchants; a readiness to take big, if calculated, gambles; competitiveness, and a dislike of government regulations.

A close associate says Cook has a "risk mentality," which has enabled him to prosper in the grain marketplace "where only the fittest survive."

Much of what can be said about him could also be said of Michel Fribourg of Continental Grain; the Dreyfus family that controls the Paris-based company of that name; the descendants of the two brothers who founded the House of Bunge in Amsterdam in 1817; the Cargill and MacMillan families who built Cargill, Inc.; Gilbert Vigier of Garnac and Alfred C. Toepfer, the West German grain tycoon whose transatlantic operations are expanding rapidly.

These grain dynasties often seem to have been hewn more from the distant era of unfettered entrepreneurial pioneering than from the corporate world of 1976.

While the big oil, aircraft and automobile companies seem to be governed more and more by business technocrats, or committees, most of the big grain firms still are stamped unmistakably with the free enterprise personalities of the few individuals or families who rule them with autocratic authority.

For Ned Cook, the rise into that select group has been rapid, as well as illustrative of the qualities that make for survival in the world of commodities.

Fifty years ago, Everett R. Cook (who died at 70 in 1974) set out with a mule and wagon and began buying cotton from southern farmers. After World War II, his son Ned, returned from piloting a bomber, got a Yale education, and began learning his father's growing cotton business, in Memphis.

In the late 1950s Ned Cook felt that pressure from foreign cotton suppliers and domestic synthetic fiber would limit the growth of the family enterprise. He decided to plunge into soybeans even though his more conservative father resisted and withheld financial backing.

Now, Cook sells soybeans worldwide.

In 1972, Ned Cook quietly engineered the first of several commercial coups with the Soviet Union by quietly selling more than a million tons of soybeans to Kremlin buyers while most commodity dealers were concentrating on wheat and corn.

Cook is fond of telling everybody that "I am a grain merchant. I am not a statesman."

In fact, he has dazzled and often outmaneuvered the competition in a market that requires a high degree of statesmanship: the Soviet Union. For reasons that are not entirely clear, Cook quickly won over the Russians after 1972. Oldtime grain merchants such as Michel Fribourg and the Dreyfuses had cultivated the Soviets for years. Yet Cook, a relative upstart, moved into the top ranks of the Russian trade. Last July, his company sold 3 million of the 9.8 million metric tons of grain purchased by Moscow. Only Fribourg topped that.

People in the grain trade hypothesize that the Russians simply like Ned Cook's dash and respect him as a capitalist entrepreneur par excellence.

That is exactly what Cook sounds like when he throws his feet on his desk in his modern Memphis headquarters and explains his views.

"The worst thing that's happening in our country today is the overriding obsession for a riskless society. Safety, security. To hell with all that. That's a helluva way to run a country. They've got that in England and look at them.

"I'd just as soon compete. What's wrong with my losing money? Is that bad? That's my privilege to make money and lose money. If I lose money, tough luck; if I make money, that's great. The assumption of risk is what made this country. It's what everybody's trying to get away from. You should take your raps without being a cry baby. What's wrong with firms going broke? If New York's going belly up, let it go. I think if I made a bad decision and Cook Industries went broke . . . tough."

It is hard to imagine such sentiments coming from executives of Lockheed, or other businesses which are far more dependent on the federal government for help than the grain firms

Michel Fribourg, who presides over the Continental Grain Co. from art-bedecked residences in Manhattan, Paris and Connecticut, and retreats at the Riviera or the Alps, is far different from Cook in style and personality.

Fribourg is a naturalized American who fled from the Nazis with other family members in 1940 and was serving as a private in the U.S. Army while Cook was flying bombers.

While Cook is blunt, outspoken and accessible, Fribourg is shy and elusive. While Cook has been trading grain a relatively short time, the House of Fribourg has been handling grain ever since Michel's great-great-grandfather started a small trading business in Arlon, Belgium, in 1813.

Yet Fribourg, the courtly aesthete, and Cook, the outgoing southern gentleman, share a common instinct for the jugular when they smell big grain deals in the offing.

In the dry years of Soviet-American grain trading in the 1950s and 1960s, Fribourg cultivated top Russian purchasers, sometimes offering small services such as selling Russian grain when they had some to export. Fribourg got to know Nikolai Belousov, chairman of Exportkhleb, the Soviet grain-buying agency, long before Moscow came to America for massive purchases of grain in 1972.

When the Soviets moved, it was Fribourg who Belousov invited to his suite at New York City's Regency Hotel.

After 36 hours of marathon negotiating, Fribourg and Belousov sealed with a handshake and a toast of vodka a deal that committed Continental to sell $460 million worth of grain, possibly the biggest deal ever negotiated by a private businessman.

It paved the way for a series of sales that resulted in Continental's selling Russia more that 10 million metric tons of grain through 1975.

Like Cook, the Fribourg house started small and grew steadily, surviving and prospering through war, famine, economic collapse and recovery.

"We have survived by working with our wits," Fribourg says.

In 1848, during a famine in Belgium, his great grandfather went to Bessarabia with bags of gold to buy wheat for the stricken country. When anti-Semitism threatened the family at the outset of World War II, Michel's father Jules had a Fribourg-owned freighter diverted to Lisbon to pick up the family and bring it to America.

Today the Michel Fribourg empire covers dozens of countries and at least 100 companies, embracing shipping, agribusiness, real estate, finance and cattle ranching.

Only Cargill, Inc., the diversified conglomerate in Minneapolis that handles about a quarter of this country's grain exports, departs somewhat from the centralized, one-man rule of the other big companies. The chairman of the board, Erwin E. Kelm, and the chairman of the company's overseas financing and trade subsidiary, Tradax, Walter Gage, are both company career men.

Yet even Cargill bears some resemblance to the other firms. The Cargill and MacMillan families which trace their roots to the 19th century founding of the frontier grain business, control 90 per cent of the stock and help manage the company.

Over the years, the closed and exclusive society of the big grain traders has often functioned like a private club, with its own privileges, protections and protocol.

Competing against one another for business, the grain traders of the past could be ruthless and deceptive. Grain men tell stories of company representatives abroad donning disguises and faking trips by showing up at airports and then exiting through a side gate without boarding a plane in order to throw competitors off the scent of an impending deal.

Through the years the dynasties of Bunge, Dreyfus and Fribourg treated one another like royal families—fighting wars while taking in the children of their adversaries.

As with other corporate ingroups, the grain dynasties use the word "friends" with an old-world flair. It means associates you trust.

"If you have a son who is traveling abroad, you send out a telegram to one of your 'friends,' " said one source. "He may be a competitor, but immediately the reply comes back that your son is invited to be his personal guest and that there is a position with the firm if he would like to get some experience. It is a very sophisticated kind of apprenticeship."

And the trade still has a special romantic appeal. When Gilbert Vigier, the French-born executive vice president of Garnac describes his entry into the business, he recalls that he asked himself, "What kind of business would make me travel? This one, I decided."

Grain executives still trade nationalities almost as fast as they trade grain. Seattle born Walter Gage, chairman of Cargill's Swiss subsidiary, Tradax, for example, is now a Swiss citizen.

But the grain trade is changing. The days of one-man rule, when the head of a grain house knew all his employees and personally rewarded them, may be numbered.

Companies such as Continental and Cargill now have thousands of employees. They are also becoming concerned about their public image.

Cargill recently brought in a young Rhodes scholar, Robbin Johnson, to head its public relations department, and other grain firms are doing the same.

Cook's operations rely more on computers and a new breed of corporate whiz kids whose style is quite different from the free-wheeling older men in the global grain trade. Willard R. Sparks, 38, one of Ned Cook's right-hand men, is from an Oklahoma farm and has a doctorate degree in agricultural economics.

Gerald Louis Dreyfus, nephew of the two cousins who head the Paris company, comes from Duke University and a New York law firm.

As Cook's exploits have shown, there is still plenty of room for initiative and risk-taking. It is, in the words of Dreyfus counsel, Merton Sarnoff, "the last refuge of free enterprise."

Grain traders still recall the heyday of high rollers, when a rich young man from New York named Joseph Leiter could risk his fortune in 1898 trying to corner the Chicago wheat market. He failed because of heroic counterplays by his competitors, who blasted open frozen rivers to keep the wheat moving to the markets and Leiter from setting his own price.

All that seems to be changing, too. The U.S. government to investigating numerous aspects of the grain trade, from corruption at port grain terminals to relationships with grain company affiliates abroad. More supervision, if not regulation, seems to be in the offing.

Though it goes against their image to admit it, the grain companies also have depended on federal government largesse.

Before the American grain stockpile was depleted by heavy Russian and other foreign buying in 1972, the big companies earned billions of dollars storing surplus grain held by the government.

Between 1949 and 1972, the government also paid out $4.3 billion to subsidize exports of American wheat, to balance the difference between lower world prices and higher prices for which the grain was selling at home. This made it worthwhile to export grain.

The companies also benefited from the government's Food for Peace program of food aid to hungry nations. The program enabled the companies to sell millions of tons abroad that otherwise would have been kept in storage in this country. The sales were financed by the government.

In 1972, for instance, Cargill, Continental, Cook, Dreyfus, Bunge and Garnac collected $166 million in sales made under the Food for Peace program.

For that reason alone, many members of Congress say that the time has come to take a more detailed look at the way the public is served by "the last of the free enterprisers."

[Last in a series]

GRAIN REGULATION DEBATED—END TO DRASTIC PRICE FLUCTUATIONS SOUGHT

(By Dan Morgan)

When investment banker Nathaniel Samuels was deputy under secretary of state in 1972, "there wasnt a soul who didn't think Russia's grain buying was manna from heaven," he recalls.

Nearly four years later, Samuels is on the outside, looking in at U.S. food policies that restrict sales of wheat and corn to Moscow and discourage grain companies from automatically selling as much as they want to whomever they want.

Samuels now is chairman of the Louis Dreyfus grain company in New York City, one of the major exporters of American what, corn, barley and soybans. And, although he is not overly pleased with the federal government's deepening involvement in grain markets, he thinks it is probably permanent.

"There's not much doubt that we're moving toward greater regulation as the food supply becomes more of a public issue," he says. "My guess is that the grain companies will just have to put up with it, even though they are as pure free market advocates as you can find."

Members of Congress, who are pressing several investigations of the grain business, agree. They say that any business that can affect foreign policy, food prices at home, and the diets of tens of millilons of people all over the world is too important to be left to the private traders alone.

Of all the countries in the world, only the United States has operated what amounts to an open supermarket in which foreigners can shop for grain on the same terms as American buyers.

For example, the European Common Market employs a system of rigid controls on both grain imports and exports. Canada and Australia sell their wheat abroad through governmental boards, though the private grain companies assist as commissioned middlemen.

By contrast, the United States "is the last bastion of free enterprise," as a New York City commodity broker put it. No fewer than 36 private companies export wheat from the United States; six of them handle three-quarters of it. Many of the 36 companies are not American at all but Japanese, Swiss, French, West German, or Dutch.

Every day, the whole world looks to the commodity exchanges in Chicago as the guide to the "real" price of grain— the price at which buyers and sellers trade it in the market place.

Economists and politicians seem to agree that there are real dangers in tampering with such a sensitive system—particularly as even small adjustments are likely to be felt around the world.

Grain company executives say they operate the most efficient system in history for transferring food from where there is more than enough to where there is too little. Any fundamental changes would ultimately result in higher costs to consumers and nations abroad, they insist.

Five times since 1973, a President has imposed some kind of government controls on commercial grain and soybean exports, as supplies grew tight. The Soviet Union, Poland and members of the oil producers' cartel all were singled out for stoppages at one time or another. And in 1973 the United States placed a general embargo on soybean exports.

Never in recent history have world grain prices fluctuated up and down as wildly as they have since 1972. They have done so in a period when Agriculture Secretary Earl L. Butz was defending his economic doctrine of an uncontrolled free market in agricultural products, and maximum exports. The price swings have had a severe impact on consumers, farmers, livestock raisers who feed corn and soybeans to animals and poultry, and on foreign nations at the end of the American food pipeline.

Many of those nations are poor and ill-suited to adjust to the higher prices.

The United States exports at least $8 billion worth of agricultural products annually to developing countries—almost 40 per cent of the entire value of farm sales abroad.

Advocates of grain trade reform say the price shocks of the last four years could have been avoided by allocating commodities to customers abroad through long-term government agreements and by creating an international grain reserve to soften the impact of scarcity and surplus.

The five-year Soviet-American grain agreement, signed Oct 20, was a step in that direction. It established maximum and minimum annual purchases for the Soviets.

A more drastic step would be to nationalize grain exports by having the federal government instead of private firms market wheat and corn abroad.

Rep. Jim Weaver (D-Wash.) has introduced legislation in Congress which would do that.

A government marketing board could prevent private companies from reaping speculative profits at the hands of farmers and consumers and it would end the possibility of raids on American food supplies by big government buyers abroad.

Washington would gain tremendous political and economic leverage over adversaries if the government controlled this country's surplus food. Central Intelligence Agency analysts, for instance, already envision the United States regaining world dominance through its food power. The Kremlin would have to come directly to Washington to buy grain, as it must now do with Canada.

Some CIA analysts note that the Soviet Union isn't likely to destroy the United States while the United States is providing a sixth of Soviet grain requirements, as it is now.

For all its attractions, agricultural economists say the idea of an American government grain board has its drawbacks.

Such boards in other countries have been "well meaning," but have tended to encourage over-production, surpluses and high production costs, says Prof. Ray Goldberg, an agribusiness specialist at the Harvard Business School.

Goldberg says government bureaucrats are far less capable of setting prices in grain deals with foreigners than merchants in the marketplace. Abolishing the free enterprise grain market would deprive the world of the benchmark it uses to ascertain grain prices, he notes. If a government board was handling the export deals, bureaucrats would be picking prices out of the air and the open American supermarket would become a thing of the past, Goldberg argues.

Harald Malmgren of the Woodrow Wilson International Center for Scholars says that the government should avoid getting directly involved in selling grain because "political pressures from farmers and consumers would be so intense. You'd end up using such an agency as the Export-Import Bank has been used—as a political tool.

While farmers would be pressuring for all-out food exports, consumer representatives would want to limit them to keep supplies abundant at home and food prices low, he adds.

Governmental tampering with food exports can have domestic political repercussions. American farmers and farm state congressmen reacted angrily to the administration's embargo of grain and soybeans against Russia last summer. Farm organizations are still angry at the long-term agreement signed Oct. 20.

"We treated the Russians shabbily," said Joseph Halow of Great Plain Wheat Co., Inc., Washington. "They backed off when we applied the pressure. We should have sold them as much wheat as possible to increase their dependence on us. We did just the opposite."

Between the extremes of laissez-faire agriculture trade and government management, there are opportunities for many reforms, according to Malmgren and Goldberg.

The grain companies are anxious to avoid the most radical ones: export controls or creation of a United States government grain board.

So they are positioning themselves for change by indicating they would accept some forms of greater management of the grain trade. Position papers issued by Cargill, Inc., of Minneapolis support an international grain reserve that would gather grain in various countries when it is plentiful and cheap and sell it off when it becomes scarce and expensive.

On the question of bilateral agreements, Edward W. (Ned) Cook, chairman of Cook Industries, says he approves of the recent long-term pact with Russia because it took the "emotionalism" out of grain sales to the Kremlin.

In fact, individual nations have already taken measures to reduce some of the volatility that has characterized the grain markets in the last four years.

Japan, Russia and Romania all have signed grain buying agreements with the United States. Even under the Soviet-American agreement, the Russians could still swoop in and buy as much as eight million tons of grain in a day. But they could then buy no more that year without U.S. government approval.

The Soviet Union reportedly has invested several billion dollars building grain storage facilities and improving transportation so it could be able to stockpile grain when it is cheap. That development should be good for American farmers because it means the Kremlin will help support American farm prices when they fall low.

"We can live with any system as long as we know what the rules are," says Clarence Palmby, vice president of Continental Grain Co.

In Malmgren's view, more rules are needed. "We need regulation in terms of more disclosure about the companies. They're in a special business," he says.

The Department of Agriculture has long been protective of the secrets of the grain companies. For instance, it refuses to give out any detailed information about the hundreds of overseas affiliates of the companies. Without that information the global operations of the firms cannot be fully assessed.

Sen. Dick Clark (D-Iowa) has introduced an amendment to require much greater financial disclosure by the firms. Only one of the "Big Six" grain firms, Cook, regularly makes public its financial data.

Comptroller General Elmer B. Staats reported in 1973 that the links between grain companies and their affiliates abroad could have been used to manipulate the size of the export subsidies, which are paid by the American taxpayers.

A 1973 report said that "preferential pricing relationships" with the affiliates could cause the government to pay unnecessarily high subsidies. The wheat subsidies were suspended in September, 1972.

Despite that report, which contained numerous recommendations and cited many flaws in the wheat subsidy program, the Department of Agriculture has not drawn up a contingency plan in the event the subsidies are to be paid again.

Grain company executives say privately they are sure they will be able to succeed in business even with much more regulation.

Much more threatening to the merchants would be a decline in American agricultural exports. The United States now exports 60 per cent of its wheat and rice, nearly half its soybeans, a quarter of its grain sorghum and nearly a quarter of its corn. Between 1970 and 1975 grain exports jumped from 41 million to 76 million metric tons. The boom benefited the grain companies, which make money when volume is strong.

The exports earned enough money to pay for six months of U.S. petroleum imports.

Yet critics of present farm policy say that the administration's continued push for all-out food production and maximum exports is a mistaken one.

They say there are costs, as well as benefits, in those policies. For one thing, they require maximum use of energy, including hugh amounts of natural gas from which anhydrous ammonia fertilizer is made.

The sheer cost of farming today—farming to reach the goals set in Washington—is changing the American countryside.

Although the United States is still a nation of family farmers, they no longer fit the old image of farmers—they have, perforce, become big businessmen. They spend a staggering $96 billion a year on fertilizer, pesticides, herbicides, seed, fuel and other necessities.

The Department of Agriculture has conceded that if the present goal of maximum production and maximum use of energy in farming were stretched to the year 2010, American family farming would virtually disappear because only big corporations and wealthy individuals would have the capital to finance farming operations.

Also, "food prices and farm income would be subject to disturbing fluctuations," according to a recent department study. The same study found that food costs would not be all that much lower than if the government sought to preserve family farming.

The "maximum efficiency" agricultural future assumes massive growing exports to soak up surpluses.

Some critics wonder whether that is good either for the United States or for countries abroad, which tend to postpone building up their own farming whenever cheap American imports are readily available.

Of the "maximum efficiency" agricultural future, Susan Sechler, of the public interest Agribusiness Accountability Project says: "It's an uncreative, limited vision. When the whole concern is exports, then you do things for the companies rather than thinking of what's good for the country."

It is questionable "whether agricultural free enterprise is in the self-interest of the United States," writes food authority Emma Rothschild in the January edition of Foreign Affairs quarterly. "A world food market characterized by chaos and crisis is hardly the best circumstances for the development of agricultural trade."

ON THE IMPORTANCE OF FORESTS

Mr. HUMPHREY. Mr. President, at times one might think that the forest problems of the United States are unique and, even more, that they revolve around the federally operated national forests. The London Times for January 27, 1976, contains, as a part of a comprehensive review of the pulp and paper industry of Europe, a significant analysis of forest developments in Scandinavia.

Of the three nations involved, Sweden's pattern of forest ownership—with one-half held by small private owners, a fourth by industry, and another fourth by government—comes closest to our situation. In terms of the proportion of forested land area, we come closest to matching Norway. However, in total forest acres and in inherent productivity, the forests of the United States, along with those in Canada and the U.S.S.R., dominate the world's softwood forests.

In contrast to many other nations, the Scandinavian countries have long been considered among the forerunners in enlightened resource conservation. Under both private and public forests, resource abuses have been a thing of the far distant past with sustained conservation programs starting well over two centuries ago.

Scandinavian forestry, in the popular mind, has been conservatively managed, relying on practices such as tree selection and small cuttings coupled with higher utilization of cut trees than we attain.

Thus, the London Times report that the vast timber reserves of Scandinavia have been reduced to a critical level is one that deserves our concern as we view our own forests and their future. It is estimated that intensive development and investment is vital. The view is also expressed that it is not a case of the forests having been liquidated. Demand exceeds growth, growth needs to be and can be enhanced, investments in forestry need to be intensified, and the effective utilization of cut trees increased.

For example, a 20-percent increase in tree utilization could be secured by utilizing tree tops and material now left in the woods. In Sweden the increased use of automatic logging machinery has brought about startling increases in worker productivity. In 1960 it took 60 man-days of labor to produce 100 cubic meters of wood. In 1975 it took only 8.8 man-days.

The forests of Scandinavia cover 125 million acres, equal to a fourth of the commercial forest area of the United States. Timber is the chief raw material in Northern Europe. These three nations are a most important factor in the international trade in forest products, and the forests are a vital part of the environment of Scandinavia.

It is most interesting that the Scandinavian countries look on North America and U.S.S.R. as wood surplus areas. In Scandinavia, however, Norway imports significant amounts of wood from Sweden.

The United States has imported substantial quantities of wood for a number of years. Our principal source is Canada, which supplies significant quantities of our paper, pulp, and softwood lumber needs.

Here in the United States we face severe problems. Our forests are not growing wood at nearly their ability. We have regional raw material dislocation—great strains on our Western softwoods and a strong renewal of our important Southern forests. In the Lake States, which have only moderate rates of growth, we have large and as yet largely unrealized opportunities to enhance the economic and environmental qualities of our great forests.

The current recession and its effect on housing has temporarily muted and masked the supply-demand pinches we were feeling a few years ago. Hardwood and softwood lumber consumption levels receded, and in early 1975 the pulpwood consumption level declined due to falling paper and board demand. Prices, however, due to inflation and cutbacks in supply, have not dropped as much as production.

The longer term outlook, according to knowledgeable U.S. experts, is one of continued and rapid growth in demand for most timber products. Timber supplies are not forecast to rise significantly unless we expand our efforts and strengthen our determination to meet opportunities with improved forest management efforts, increased utilization and expanded research.

We can do much more to increase supplies and minimize the undesirable impacts of high prices. Our private and public forests have the capacity—given time—to grow substantially more timber than we are now growing and to increase utilization.

The situation that we find ourselves in is not unlike that of Scandinavia. The uncomfortable fact is that our best source of supply, our best chance for success, and the best hope for effective results lies right here in our own United States.

The Forest and Rangeland Renewable Resources Planning Act of 1974 is a contribution that we in the Congress have made to enable this Nation to develop the abundant, well-managed renewable resources which we need. After the Congress, following a full year's consideration, enacted this law, President Ford signed it with warm approval.

Upon signing this law on Aug. 17, 1974, he said:

> One of the essential lessons of the recent energy crisis is that if we are to prevent shortages of natural resources in the future, we must plan for the future today. Our resources, however abundant, are not inexhaustible. They must be conserved and replenished.
>
> The Forest and Rangeland Renewable Resources Planning Act provides us the means for planning national programs now that will assure future generations of adequate supplies of forest and related resources.

President Ford then quoted John Muir:

> The forests of America, however slighted by man, must have been a great delight to God; for they were the best He ever planted.

On this note, President Ford pledged:

> This act proves that Americans intend never again to slight our forests.

Well, this message shot out over the White House on such a high trajectory that its thought never hit the Office of Management and Budget. The first assessment and program that were to be presented to the Congress when it convened last month were designed to fulfill the President's pledge that we would never again slight our forests. But they are locked in the death hug of OMB. OMB is studying the matter—studying it to death.

Americans concerned about the future use and development of our renewable resources are looking to the implementation of this act to chart a sound course.

Mr. President, I ask unanimous consent that a letter I addressed to the Director of the Office of Management and Budget be printed in the RECORD along with the January 27, 1976, article from the London Times on forestry in Scandinavia.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C., February 5, 1976.

Hon. JAMES T. LYNN,
Director, Office of Management and Budget, Executive Office Building, Washington, D.C.

DEAR MR. LYNN: On August 17, 1974 President Ford signed the Forest and Rangeland Renewable Resources Planning Act, Public Law 93–378, which was quickly codified as 16 U.S.C. 1601–10. The first Assessment and Program required under this law was to have been submitted to the Congress on the date it first convened in 1976. This date is now well behind us, the Budget of FY 1977 has been submitted, and yet the Assessment and Program, which will guide policy for the fiscal years 1977–1980, have not yet been presented to Congress.

Earlier drafts of these documents were given wide public dissemination and there has been useful citizen participation in the formulation process.

I am deeply concerned about reports that your staff has scheduled a series of special separate meetings with various concerned groups to discuss the material developed by the Department of Agriculture. One of the important goals of this Act is to bring people together with divergent views in an open forum so that issues can be laid on the table for discussion and resolution. If we are to set goals wisely and act responsibly we need to draw the public into the policy development process. Your advice concerning the actions underway in the Office of Management and Budget would thus be appreciated.

The new Budget Act places further emphasis on improving the processing of budgets, and it sets up time requirements. The Renewable Resources Act is closely tied to this process, and thus delays in submission endanger sound consideration both of the Program and the regular budget.

On numerous occasions as I have discussed this Act, I have pointed out that especially with this first Assessment and Program we will be more interested in securing better bases for decisions than we will be in specific decisions. The act is a case study in improving the policy making of government.

The date for the submission required by law is now long past. It is my hope and my urgent request that your office act to expedite the presentation of the reports as required by this law. Your views on the particular resource issues as well as on the process issues, if presented on a timely basis, would be most welcome.

Sincerely,

HUBERT H. HUMPHREY.

[From the London Times, Jan. 27, 1976]

FORESTERS' EYES ON RESERVES

The tremendous explosion in the Scandinavian forest products industry over the past two decades in an attempt to satisfy Europe's insatiable appetite for paper and packaging has reduced timber reserves in the vast northern forests to a critical level.

It appears that throughout Sweden, Finland and Norway companies have been painfully aware that forest resources have been eroded to a point where the introduction of drastic and expensive measures is of paramount importance.

The growth of the pulp and paper-making industries is almost totally dependent upon how successful the Nordic countries can be in increasing the yield from their forests without reducing beyond acceptable levels the growing stock.

If present cutting rates throughout Scandinavia are allowed to continue without intensive forest development and investment, the vital forest industry will in the space of a generation have to be run down dramatically.

Yet in spite of the gloomy forecasts, the Scandinavians feel that there is a great deal of misunderstanding and hysterical doom-watching by ill-informed observers. The difficulty, they say, is not that they are running out of trees; it is a complicated one of sustaining growth and balancing forestry investments against expected future demand and export price levels, of assessing how costs and forest improvements will be affected by environmental considerations.

It is essentially and obviously, a long-term difficulty; forestry men talk not in terms of a few years but in decades and centuries.

Mr. Lauri Kirves, managing director of the Central Association of Finnish Forest Industries, emphasizes that the forest resources that helped growth in the 1960s are no longer to be found in Scandinavia.

"However, the bottleneck that the supply of raw material constitutes does not, of course, mean the cessation of growth but setting its pace at a level permitted by the increase in domestic forest resources, the chances of obtaining raw materials from outside the area and the different methods by which wood can be utilized more effectively than before."

Timber is the chief raw material in northern Europe, the "green gold" that has the supreme advantage over the yellow kind in that it is regenerative. Forest lands, not all of them productive, are huge, accounting for a total of almost 125 million acres. Trees cover 62 per cent of Finland, 57 per cent of Sweden and 21 per cent of Norway.

Forestry in the three countries varies considerably and each has developed differently. Norway, for example, is faced with the difficulties of harvesting timber from its many steep-sided valleys while Sweden has a larger percentage than the others of older trees and a relative shortage of 20 to 40 year old stands.

The annual forest increment varies from 78 million cu metres in Sweden to 56,900,000 cu metres in Finland and 14 million cu metres in Norway. Ownership patterns, too, radically affect forest management and the availability of funds for improvements.

In Finland more than 65 per cent of forest lands are in private hands while companies own just 7.4 per cent. In Norway 78 per cent are privately owned and only 5 per cent by companies, while in Sweden half are held privately and companies own 25 per cent.

In all these countries, extensive study is in progress, some of it on a joint basis, to try to increase forest yield. Finland has had its MERA forest improvement programmes, never entirely successful and now backed by a World Bank loan of about £10m, and Sweden is still in the process of investigating all sorts of possibilities to avoid the predicted massive timber deficit.

Meanwhile, most of the planned expansion of the Scandinavian forest products industries has been postponed until the picture on wood supplies is clarified, many developments being blocked by banks and governments.

The Bank of Finland has clamped down on loans for the pulp and paper sector unless it can be shown that there are sufficient long-term supplies of extra wood available for new plants. In Sweden one of the few ways companies can expand their operations is by importing the additional wood needed and proving to the authorities that this has been done.

Finland imports about 10 per cent of its timber requirements, mostly softwood from Russia, and in recent years has become a net importer of raw wood. Norway has been importing wood chips from Sweden which, in turn, has been forced to buy some of its needs abroad.

Mr. Matts Carlgren, president of the Swedish MoDo group, points out that there is a wood surplus in North America and Russia. He reckons that, assuming 10 per cent of the wood surplus under present transport conditions is available, this would give access to not less than 50 million cu metres of softwood a year.

The Swedish situation is particularly worrying for Norway, which imports about 8 million cu metres annually, mainly from its neighbor. The Norwegian Government has thus been forced to adopt a very restrictive policy toward future expansion.

In spite of the restrictions, Scandinavian companies have been able to increase output without cutting more trees, mainly, as in the case of Finland, by better use of wood residues, cutting exports of roundwood and halving the amount of wood used as fuel.

There have also been startling increases in productivity in the forests, brought about by large investments in automatic logging machinery. Figures just issued by the Swedish company Stora Kopparberg show that the number of man days needed to produce 100 cu metres of wood fell from 60 in 1960 to 8.8 in 1975.

In Sweden it is generally estimated, as a result of research by the Royal College of Forestry and the state commission studying forestry, that by just using the tops of trees and those left in the forests, a possible 13 million to 15 million cu metres could be added to the present figure of 73 million cu metres removed from the forests annually.

Other developments such as the so-called "whole tree utilization" project, a joint Swedish-Finnish investigation which aims to quantify the possibility of using bark, stumps and roots, the introduction of fast growing species like the Canadian lodgepole pine (*pinus contorta*) which has already been shown to grow twice as fast in northern

Sweden as the indigenous pine, and better fertilization and drainage could all help to sustain and eventually raise the possible cut.

BLACKBIRD CONTROL

Mr. PHILIP A. HART. Mr. President, in approximately 10 minutes last week, the Senate and the House, without hearings or floor debate passed by unanimous consent a bill to provide an exemption from the National Environmental Protection Act and the Federal Insecticide Fungicide and Rodenticide Act to permit the killing of an estimated 70 million blackbirds in Kentucky and Tennessee. President Ford signed the bill on the same day, despite protests from environmental and conservationist groups and veto recommendations from EPA, the Council on Environmental Quality, and the Office of Management and Budget.

In passing NEPA and the Federal pesticide control law, the Congress established procedures by which the risks and benefits from this type of lethal control of blackbird populations could be responsibly assessed. Surely it is not responsible behavior to casually cast aside these procedural safeguards without hearings or floor debate or any practical opportunity for concerned Senators to voice their objections.

In hearings before the House Subcommittee on Fisheries and Wildlife Conservation and the Environment which were hastily convened after the blackbird bill had passed Congress on consent, Dr. Melvin Dyer, a leading avian ecologist from the Natural Resource Ecology Laboratory in Colorado, testified that mass killing of blackbirds may make the problem "infinitely worse" by upsetting the ecological balance to the detriment of farmers—blackbirds are major predators of insects and weed seeds—and may actually increase the number of starlings, one element of the blackbird population which also includes redwings, grackles, and cowbirds. There may be risks to public health from these blackbird concentrations which would justify the killing, although this hazard has not been established by the Center for Disease Control in Atlanta. The point is that we do not know what the consequences of this bird slaughter will be, for good or ill, or whether it is needed. NEPA and FIFRA were designed by Congress to provide procedures to make sure we think before we act to disrupt the environment. The sleight of hand with which exemptions to these acts were slipped through the Senate suggests that their sponsors did not have enough confidence in the merits of the case for killing the birds to risk a Senate debate on its merits. I ask unanimous consent that statements from Dr. Dyer; the distinguished wildlife journalist, Ann Cottrell Free, and the Rachel Carson Living Trust be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

TESTIMONY OF DR. MELVIN I. DYER ON BLACKBIRD CONTROL

Mr. Chairman and Members of the Subcommittee: My name is Dr. Melvin I. Dyer, Associate Professor of Fisheries and Wildlife Biology and Research Associate, Natural Resource Ecology Laboratory (NREL), Colorado State University, oFrt Collins, Colorado. I have been asked to attend these hearings by the National Audubon Society and as such am giving testimony from the basis of my own experience. Thus, I do not represent Colorado State University *per se* in this respect.

My background in working with avian ecology dates back some 15 years to graduate studies at the University of Minnesota, Minneapolis, an appointment with the University of Guelph, Guelph, Ontario, Canada, an appointment with the U.S. Fish and Wildlife Service, and my work on Granivorous Birds for the International Biological Program while at the NREL, Colorado State University. I am also currently involved in investigations of the roosting problem in Kentucky and Tennessee. I have various publications in national and international journals regarding blackbird ecology and am currently working on three chapters of a book on Granivorous Birds for IBP that will be published within the year by Cambridge University Press.

One condition which likely has brought about an apparent greater number of birds across the southeast is a change in weather. While such an analysis is fraught with difficulty, one cannot escape the notion that recently these birds have responded to increased temperatures by tending to winter slightly farther north than in the past. Actually, the phenomenon may be cyclical, being driven by major weather shifts. Temperatures in Christian County, Kentucky, thought to be responsive of both the problems and environmental conditions, show an increase since 1967–68.

The apparent increase cited above is particularly important. It has been widely assumed that blackbird population size has been growing perceptibly in the past two decades. This possibility must not be ruled out, but recent evidence contradicts this hypothesis. Quite the opposite might actually be the case. Survival rates of blackbirds from the Lake Erie basin, many of which winter in Tennessee and Kentucky, and production values belie any increase. Rather, it is possible the population is decreasing and perhaps has been for a decade. Clearly, *if* the population is already decreasing, and one subjects it to further mortality, unimagined difficulties could emerge. When we look to other situations for help in assessing what might occur, we learn that by the time a decrease can be recognized much environmental damage has already occurred and it is a moot point whether reasonable recovery can be expected.

WHAT ARE THE DANGERS OF MASSIVE LETHAL CONTROL?

For the most part, we must depend on other examples to provide answers to this question. In most cases, where massive lethal control has been practiced, subtle conditions have emerged to thwart the program. In short, lethal control programs are unsucessful in addition to being very costly in the short run. Entomologists now recognize that lethal control alone has serious shortcomings in insect pest management. In addition, rats have been poisoned, for decades. Pigeon control in cities has not eliminated the pigeons or associated problems, and in Africa several hundreds of millions of *Quelea quelea* are killed with organophosphates each year. Usually what happens is that the control program simply crops the excess (called replacive mortality). Such work means a waste of time, effort and money.

There are also other dangers possible. Experimental and theoretical models in ecology tell us that there is a fine point between a negative feed-back system where members are replaced in the population quickly, and the positive feed-back system where rate of removal becomes so accelerated that extinction is possible. We can ill afford to test this hypothesis in nature using the blackbirds as an example!

As stated previously, blackbirds are important in food webs of eastern agricultural ecosystems. On theoretical grounds, the system cannot withstand the perturbing effects of their loss. From a practical sense, they are predators of insects and weed seeds objectionable to agriculture. Unfortunately, no systematic study has been conducted to obtain such information. One outcome of massive lethal control with tergitol is that the overall problem could be made worse. This hypothesis states that massive removal of one or more species which leaves one species behind exacerbates the problem. The most probable candidate benefiting from such action is the European starling. By knowing dietary overlap we can determine the degree of competition among these species. Using data from the FEIS, and Dr. H. Horn's R_0 statistical method, I have determined there is considerable overlap for blackbirds and starlings. It is entirely possible that we can affect the blackbird population more than the starling and prepare the way for a starling increase. It would be disappointing to ecologists and the public alike to learn that the problem they thought was being solved was becoming infinitely worse. Again, we can ill afford to test this hypothesis with indiscriminate use of tergitol in winter roosts of the southeast.

BYE, BYE, BLACKBIRD

(By Ann Cottrell Free)

Sometimes I wonder whatever happened to the blackbird that struck my shoulder the night of February 19, 1975, then careened off into the darkness. It was one of those millions seen at dusk a few hours earlier, coming home to roost in the small grove of loblolly pines near Fort Campbell's parade grounds. They covered the heavens there on the Kentucky-Tennessee border, not only overhead, but from horizon to horizon. We were in a world of blackbirds. Racing across the sky, they came at more than a mile a minute, swooping in flocks, turning and twisting as if one bird instead of thousands, soon, millions. Arriving from foraging grounds up to 60 miles away, they came in battalions of dark beauty, guided, it would seem, by one great intelligence. Zooming into the grove, twittering excitedly, the flutter of wings brushing the air, they finally settled down for what should have been just another night before spring migration.

But that was not to be.

The confused blackbird whamming into me must have been one of the first to realize that this was no ordinary night. For it was flushed by the first pass over the roost of the Tergitol-spraying Huey helicopter operated by a captain of the 101st Airborne. Did that bird return to the familiar security of the roost and then, exposed to more sprayings of detergent and hosing down of water until stripped of protective insulation, fall and die? Was it to become one of the "walking dead" I was to see the next morning? Staggering, fluttering, falling, they tried to get into the open fields so the sun could melt the ice encrusted on their wings.

Without doubt several million birds survived the spraying, but for days the bodies of the less hardy ones were found up to 90 miles away. I wonder if "my" bird made it, healthy and free, and is still a part of nature's cycle, devouring insects and weed seeds in the summer fields of Ohio, Michigan, Ontario. I will never know.

I do know that it was one of 20 million grackles, redwings, starlings, cow-birds caught up in "Operation Hysteria" that permitted four slaying-sprayings and gave the green light to two others in the last weeks of February at Kentucky and Tennessee roosts. They were targets of a new kind of death, in what, indeed, may be the largest deliberate killing of wildlife ever planned or attempted in the U.S.A. or anywhere else. As it turned out, not more than nine million were actually sprayed. The rest were saved by nature's unwillingness to provide the proper weather conditions necessary for the efficiency of the operation.

And what was their crime that they should be so punished? They had been judged guilty of doing millions of dollars' worth of agricultural damage, being potential spreaders of disease, and, in the case of Fort Campbell, being a threat to aircraft safety.

The blackbird-killing campaign was masterminded by politicians in Hopkinsville, Kentucky, and Clarksville, Tennessee, small towns close to Fort Campbell, where from four to five million birds were roosting. Near the Milan, Tennessee, Army Ammunition Plant were another seven to eight million birds.

The political leaders, looking ahead to the next elections, no doubt, sought to please their constituents by slaying the dragon, even if they had to pump a little fire and venom into it first. The blackbirds were the dragon. The campaign, out of Daniel Boone country, seemed to outfox the Pentagon, the President's Council on Environmental Quality, the Environmental Protection Agency, the Interior Department, and even the federal courts.

An almost medieval hysteria developed. It somehow confused blackbirds, that roosted in that section of the Ohio River Valley from time immemorial, with the black plague. Ironically, it was the hysteria that spread far more than any diseases attributed to the birds. Other parts of the nation have become infected with blackbird-killing fever and are seeking approval to spray roosts.

Consider for a moment the following scene at the check-out counter at the Big K Variety store on Highway 41–A near Hopkinsville, Kentucky, not far from Fort Campbell's controversial roost. And realize—if you can—that, because they didn't know the *whole* truth, men sitting in final judgment on the birds' fate were nearly as impressionable as the young woman, hair in pink curlers, with whom I stood in line.

"Are you for the blackbirds?" she demanded angrily. "They are spreading disease. It will get into our wheat. It will get into our flour. It will get into the bread we eat." And finally, she almost shouted, "What about our unborn children? They will die. . . ."

It was that kind of unmitigated fear, based on half-truth and misinformation, that led to that first helicopter pass at 7 p.m. that partially moonlit Wednesday night. The disease so greatly feared was histoplasmosis. It became the campaign's scare word.

"There was no proof to justify the slaughter," said the United States Public Health Service's leading expert on histoplasmosis, Dr. Libero Ajello of the USPHS's Disease Control Center in Atlanta, Georgia. He told me that "misconception of the birds' role in spreading disease was stirred up by the community."

This part of Kentucky and Tennessee has been histoplasmosis country for years. Between 70 and 90% of the people tested in the region show exposure to the disease which is caused by ingestion of spores of soil fungus fertilized by droppings of poultry, bats, and blackbirds/starlings. It is rarely spread by the birds themselves. It usually affects the lungs, but most people feel no ill effects.

While talking to Dr. Frank R. Pitzer, chairman of the Christian County Board of Health, on the day of the Fort Campbell slayings, I ran into what may be the source of many of the local illnesses. These were the *pigeon* droppings in the belfry of the Hopkinsville First Baptist Church. "It was an 18-inch accumulation," he told me, "and the two house painters, who spent two days in October 1973 removing the stuff, became quite ill with histoplasmosis."

Many times while in Hopkinsville, I heard people blame the lung problems of these men on the blackbirds. Also, other cases blamed on the birds were traceable to the Child Day Care Center across the street from the church. Frequently, I was to hear of a man whose eyesight had been damaged by the "histoplasmosis-carrying blackbirds." But when I interviewed him, he admitted the trouble started in his youth—long before the birds came to Fort Campbell.

Clearly, some of Fort Campbell's roosts contained infected soil, but to date no Army personnel at the post has been treated or hospitalized by the disease. But the potential is always there. The University of Kentucky's epidemiologist, Dr. Coy Smith, believes the birds should be dispersed because they "will be blamed for every case of histoplasmosis in the area whether justly or unjustly."

After hearing the panicky fears about disease and agricultural damage, I could understand, in a way, why the local people looked to the Tergitol-spraying helicopters as angels of deliverance—especially from the campaign's whipping boy, the starling. Though starlings accounted for about half the birds killed at Fort Campbell, the Army estimated they were greatly outnumbered by other species—grackles, cowbirds, and redwings. The original Army estimate for birds at Fort Campbell and Milan was about 10 to 25% starlings.

When the choppers finished their spraying that night, fire hoses were brought up as a substitute for the missing rain that would wash away the protective oils. For hours, with temperatures in the twenties, they doused the eight acres with its estimated three million birds.

I walked along the edge of the smaller grove listening to the strange twitterings of the birds, now too badly affected by the cold to leave. When the hosing finished in certain sections, I noticed a haze rising above the trees. It was heat from the birds' bodies turning to steam. Soon, after much persuasion, a Fort forester entered the grove (press was not admitted) and returned with two handfuls of limp, dead birds.

"They are falling constantly," he said. He assured all would be dead soon. Fortunately, he was mistaken.

We looked for the missing officials from the Interior Department's Fish and Wildlife Service who, the Army told us, were on hand. Their agency had developed Tergitol for bird control, but yet had severely criticized the Army's justification for the killing in a document mysteriously missing from the Army's final environmental impact statement. Clearly these men were on the spot.

These same officials from the Wildlife Service (formerly the predator control branch) were missing from the sprayings at Paducah, Kentucky, and Greenbrier, Tennessee, though they had given them the "green light" originally.

I had visited the Greenbrier site two days earlier, so the sight of dead birds at Fort Campbell was not a new experience—but just as ghastly. We reached the silent scene of that massacre by climbing through strands of barbed wire and slogging through ground muddy from water shot high in the air by irrigation equipment brought in just for the big event. There I saw nearly a million birds piled in heaps beneath the trees. Red-winged blackbirds festooned the branches like grotesque Christmas ornaments.

Had the agricultural damage by these birds been so great as to exact so dreadful a punishment? Most people in the area thought so, with the possible exception of the *Nashville Tennessean* that tried to buck the hysterical tide. "Must Be a Better Way" it captioned an editorial a few days earlier, suggesting that "alternatives are available. Better farming methods, cleaning up feedlots and thinning the trees in the populated areas are some of them."

But farmers like Christian County's Henry Lilly disagreed. For it was with him the whole campaign started. "We've been fighting these birds ever since they came to Fort Campbell and Milan in 1969," he told me as we strolled past his cattle feed troughs. I noticed that the birds were eating as much fallen waste grain as from the troughs.

I asked him why he didn't screen off part of the feed troughs, but he dismissed all suggestions. He felt that the hardship worked on farmers in other areas to the north by insect explosions could be "taken care of by pesticides."

"They have been eating our wheat, our corn and spreading T.G.E.—that's transmissable gastroenteritis—to our pigs," he complained. "Washington didn't help us when we asked them, so we turned to our local groups." With the help of the Kentucky Department of Agriculture, they worked up their damage claims against the birds. Many of these claims were so exaggerated that the Army would not accept any particular figure when it prepared its final statement seeking justification for the kill.

At first the Army thinned trees and used flares and harmless explosives—but only succeeded in moving the birds from roost to roost within the post. Killing the birds was offered as the solution. But how? Dynamiting was too messy. Most of the potent sprays were not registered as environmentally safe. Enter Tergitol.

The Department of Interior has been using it experimentally for ten years and held out some hope for it if it met EPA registration requirements. Chemically, it is linear alcohol ethoxylate, known variously as LAE or PA 14. Manufactured by Union Carbide, it is sold as detergent under the trade name of Tergitol. The drive for registration began in 1972, but Interior did not feel certain enough to approach EPA until January 30, 1974.

If the birds were to be sprayed before spring migration, EPA would have to move fast. To help matters along, Kentucky governor Wendell Ford—soon to be successfully running for the U.S. Senate—declared Christian County to be in a state of "emergency." He cited a two-million-dollar annual economic loss. Three weeks later—in record time—on February 25, 1974, EPA registered the substance as an "avian stressing agent." The label warned of danger to eyes, skin, internal consumption or use over any body of water, for it would kill fish. Also, it should be used only under the supervision of government agencies trained in bird control.

Now local politicians could assure voters of the first bloodletting thrust in the side of the dragon. But there was a cloud on the horizon: The Army might have to satisfy the requirements of the National Environmental Protection Act. This meant the preparation of an environmental impact statement justifying a "major Federal action significantly affecting the quality of the human environment." It also meant waiting at least 90 days for the proper review period to pass. Before the first drop of Tergitol could descend, the birds would have left on spring migration

A quick powwow was held two days later, on February 27, in Washington. Present: many members of the Lower Cumberland Cooperative Improvement Council, Kentucky and Tennessee congressmen, Fort Campbell and Pentagon brass, an EPA man, and the man from the President's Council on Environmental Quality. The latter agency was the key to immediate killing of blackbirds, for it had sole authority over the easing of environmental impact statement (EIS) requirements. Mississippi's Representative Jamie Whitten honored the group with a pep talk. He is chairman of the subcommittee holding the purse strings for the Agriculture Department—and, at that time, of both EPA and CEQ. Also his book *That We May Live* is considered to be the pesticide industry's answer to Rachel Carson's *Silent Spring*.

CEQ apparently got the message. Citing the Kentucky governor's state of emergency proclamation, it waived the lengthy EIS requirement and settled for a quickie assessment. On March 10, 1974, birds were sprayed at Fort Campbell. But the weather wasn't right. Zero birds killed.

All set to go the next winter, the would-be assailants were foiled again! The Environmental Defense Fund and the Humane Society of the United States threatened suit in November if an EIS wasn't forthcoming. On December 16, CEQ decided the spraying justified an EIS. But ever obliging, it cut down the usual 90-day review time to 30 days for the first circulated draft and seven days for the final statement.

Pentagon decision makers—who had been pushing for the sprayings—could decide on February 3, 1975, whether to approve the statement and issue the "Go" or "No go" order. This time, surely, the Army could catch the birds before spring migration.

The draft EIS was issued on Christmas Eve. Comments from concerned agencies and organizations were due by January 24. The final EIS was released on January 27. Strangely missing was a statement from the Interior Department, highly critical of the Army's claims of the birds' agricultural damage. In fact, it tore to shreds many of its claims. The Army received the comments in time to make some corrections for the final EIS, but it did not print the devastating full text. Not only were the birds shortchanged, the entire NEPA system received a body blow. The weak excuse given was the failure to receive the official "signed" copy in time for the deadline.

On February 3, the blackbird drama moved to the U.S. Courthouse in Washington, D.C. Public interest lawyer Bruce Terris, representing the New York-based Society for Animal Rights and Citizens for Animals, and several individuals asked for a restraining order pending argument for a temporary injunction. This stopped the Army from making its decision on that deadline day.

Terris appeared before Federal Judge William B. Bryant on February 7, charging that NEPA had been violated by both the Department of Defense and the Department of the Interior. Also he argued that it was "capricious and an abuse of discretion" to kill the birds on the eve of spring migration departure. He maintained that the EIS had not "adequately" considered the environmental impacts of the killings or considered the alternative of thinning the trees in the roosts. Interior, he claimed, should have filed an EIS on each "go ahead" to the Kentucky and Tennessee communities planning to kill the birds with Tergitol.

Hopkinsville was hopping mad. Its mayor threatened to enjoin New York City from killing its rats. The hat was passed to pay lawyers appearing in court against Terris. And the Christian County Board of Health voted to ask Kentucky to quarantine Fort Campbell's 20,000 troops.

Judge Bryant denied the injunction. Terris moved to the Court of Appeals where, to me, his most memorable words were: "We are messing with nature. This kind of mass destruction is what NEPA is supposed to stop." Again, injunction denied. But that three-man court, in a six-page opinion, virtually invited him back to argue the case, in the larger sense, on its merits. It also suggested the Army get impartial scientific opinion on certain effects of Tergitol and the leaving of carcasses to rot on the ground.

Next, a request for a stay of execution, until the case could be argued on its merits, was taken to the Supreme Court Chief Justice Warren Burger. Denied!

By February 18, the media had moved in on Fort Campbell to witness the big kill. On the night of February 19, the spraying began.

After a few hours sleep, many of us were back at the killing site. To our surprise, we discovered that only about 500,000 of the several million birds had been killed. But many were fluttering helplessly, trying to keep alive until the sun could melt the ice that had unexpectedly acted as an insulator.

At an on-site press conference, the Fort's deputy commander, Brigadier General John M. Brandenburg, said in reply to my question: "If you ask me whether I am upset by the sight of the dead and dying birds, the answer is 'no'." The Army sprayed again on February 25 with indifferent results. Weather conditions were never just right for the Milan facility which had no fire hose equipment.

The sprayed birds could be the first of continued mass slayings of blackbirds, unless a national policy on these birds is enunciated soon by the federal government, possibly through the courts. Certainly the birds cannot look to the Federal Migratory Bird Act for protection. It permits killing of blackbirds thought to be causing agricultural damage. And it exempts starlings completely. The policy should be based on the birds' beneficial as well as detrimental effects on our ecosystem. In short, does the good these birds do, such as eating insects and weed seeds, outweigh the bad? One ecologist, for example, estimates that ten million blackbirds would consume 110,000 tons of insects and weed seeds in a year. Until this is decided—based on solid research—the lives of 340 million blackbirds remain in jeopardy.

Statement by Samuel S. Epstein, President, and Shirley A. Briggs, Executive Director, of the Rachel Carson Trust for the Living Environment, Inc. on Questions Raised by the Passage of H.R. 11510

The unusual means by which H.R. 11510 passed both Houses of Congress this past week constituted a serious assault on the integrity of the procedures and principles of the National Environmental Policy Act, of the Federal Insecticide, Fungicide, and Rodenticide Act, and thus of the authority of the Federal government to administer pesticide control. It has not been shown that the circumstances warranted any departure from usual procedures, but if they had, adequate emergency measures are available under the law.

The States of Kentucky and Tennessee claim that they have a very serious problem, and that it is confined within their borders so that no action they propose to take will affect anyone else. In fact, the birds in question are migratory species, and they will go to Illinois, Indiana, Ohio, Michigan, and Ontario in a few weeks, where their insectivorous summer feeding habits are considered beneficial in many areas. (This point was made in the Environmental Impact Statements on this issue last year. We suggest that this committee study especially the statement submitted at that time by the Department of the Interior. This was not included in the final EIS from the Department of the Army, that purported to be the complete survey of available evidence.)

If large scale spraying with toxic chemicals takes place, it is also not possible to assure that none of this will drift across state lines. But the main impact on the rest of the nation can come from the weakening, by such stratagems, of the law and the agencies that are supposed to protect us all from misuse of pesticides.

The magnitude of the emergency is also open to serious question. According to the blackbird experts of the U.S. Fish and Wildlife Service, there has been no appreciable change in the size of the blackbird population in Kentucky and Tennessee in the last 25 to 30 years. The birds shift from place to place on occasion, and as people move out into rural areas they may find themselves living close to a roost. As wooded areas are cut, birds will move to new roost sites, especially the pine stands planted in recent years. But the present crisis comes from a change of attitudes rather than a change in the physical circumstances. People have now been led to believe that the birds constitute a menace to health and property. Other witnesses will deal with these matters in more detail. Our understanding is summarized as follows:

Alleged health hazards from birds: It is claimed that the blackbirds create a hazard because of instances of the presence in accumulated bird droppings of the fungus that causes histoplasmosis. This can be a serious disease, but it is usually a mild respiratory ailment. From 70 to 90 percent of the people in areas in question show positive skin test evidence of exposure to the fungus, but most do not develop symptoms. The disease has been endemic in these states, as in many other areas, for a good many years. Most serious cases, where diagnosis is definite, come from intense or prolonged exposure to chicken, pigeon, or bat droppings. Only when these droppings in a blackbird roost have accumulated for at least three successive years and have reached a depth of some inches is the Histoplasma capsulatum apt to occur. It does not present a problem to anyone who does not approach or enter the roost area and disturb the droppings. Bulldozing or similar massive disturbances may send the fungus off in the wind to somewhat greater distances. But even the removal of all birds and roosts, including all the droppings, would not appreciably reduce the possibility of exposure of the human population, since there are many other sources in chicken houses, buildings where pigeon droppings accumulate, or caves or buildings where bats roost. The birds and animals themselves are not the source of any infection. Some people believe that the blackbirds flying about in the daytime carry the disease. Scattered fresh droppings do not contain the fungus, nor has it been found in fresh roosts. We do not find any plans to eliminate all the accumulated droppings at the roosts, which will continue to be just as much of a problem after the birds are either killed or move.

Were the killing methods successful, sanitary disposal of the dead birds can present a difficult and perhaps insoluble problem as well. Where roosts near urban areas may present more of a human health hazard than those at some distance, so also will any chemicals used, and problems caused by masses of dead birds be greater.

Histoplasmosis is not considered a disease serious enough to require that all cases be reported to the Center for Disease Control of the Public Health Service. If this were a real medical emergency, it would seem reasonable to believe that public health authorities would report cases. In the last annual summary of disease occurrence, issued by the Center's Morbidity and Mortality review for 1974, we find a total of 4 cases of histoplasmosis in Kentucky and none in Tennessee. The recent 9-year average is 77 annual deaths from histoplasmosis in this nation. Most were people who worked in poultry houses or similar places ideal for development of the fungus. In the figures submitted this year by Logan and Christian Counties, Kentucky, we do not find conclusive evidence that other possible sources of exposure were sought. Also, only a few of the diagnoses were "absolutely confirmed by positive cultures."

Before a blackbird roost can be considered a possible source of the disease, it must be shown to be in a place where people cannot avoid exposure, where the droppings have accumulated for at least three years, and where the fungus is actually present. It is our understanding that the roosts at Russellville, Kentucky, where the Department of the Interior has just granted an exemption to the restriction on the use of Tergitol, has not been tested for the fungus. Two conclusions can be drawn from this episode: 1) existing procedures are responsive to requests for special consideration, and indeed may be in need of some tightening. Necessity for the drastic legislation now passed is not shown here. 2) we are not as confident now of Interior's inclination to be sure that exemptions granted are really needed, or might not create a health hazard themselves.

Public health hazards from proposed control measures: Proposals to use toxic chemicals to kill the birds should be closely scrutinized. Reasonable alternative methods that take advantage of the natural behavior of the blackbirds include thinning trees and bushes at the roost, discouraging establishment of new roosts with noise and other repellants, and changing agricultural methods to minimize losses to foraging birds. In contrast, the proposed use of toxic chemicals can introduce serious health hazards, both to people and to the environment, far in excess of the possible problems from the birds. Hazards in the use of Tergitol have been well documented in the recent court action, D.D.C. Civil Action No. 75–0159. We have heard also that blackbirds have already been sprayed with fenthion in one area, in advance of Federal action in this case, and in defiance of current pesticide registration regulations.

Fenthion is a highly toxic organophosphate, acutely poisonous to mammals (including humans) through either oral, dermal, or inhalation exposure. It is relatively persistent, keeping this level of toxicity for two to three months. It is even more toxic to birds, fish, and bees, and is classed as a biocide. Spraying of the kind required to treat a large roost will disseminate the poison widely. People who are especially susceptible to this poison because of age, illness, or exposure to other chemicals or drugs with synergistic effect may suffer from even a slight amount through aerial drift or touching tainted surfaces.

The bill does specify that pesticides used must be those registered for bird control. There are pesticides so registered only for use in controlled situations, which could be very hazardous if used in the massive outdoor spraying under consideration, or other broad-scale application. As the wording now stands, it would be possible for the state authorities to use such materials as Starlicide or Avitrol that are designed for indoor or very limited feed lot application. EPA would have no recourse to the provisions of FIFRA to require use according to the label.

We are also intrigued by the provision that would ask Interior to tell Kentucky and Tennessee where the roosts of over 500,000 birds are. Surely if they are so severe a problem someone out there must have noticed them.

Agricultural damage has also, as far as we can determine, been vastly exaggerated. Remember that these blackbirds have been wintering in these states for at least the last 30 years. Impartial checks last year did not produce evidence of large-scale agricultural damage, either to winter wheat or to grain in feed lots. To the extent that agricultural practices have encouraged large concentrations of blackbirds, changes in methods may help to disperse them. There are measures possible to mitigate such problems, and the Fish and Wildlife Service stands ready to advise, survey, and develop new angles. Blackbird damage to any summer crops, if it exists, would of course not be affected by killing the birds in roosts that are winter residents only.

Large blackbird roosts also occur in the other southern states from Louisiana up through the Carolinas into Virginia and Maryland. They seem to find no sudden emergency on their hands.

IN CONCLUSION

Past experience shows that effective and otherwise harmless means of killing most of the blackbirds in these roosts have not been devised. We must accept in such cases our position as one among many species of living creatures in a complex world. Our interrelationships may sometimes be troublesome and not subject to the "instant fix."

The wildly inaccurate notions that some of the public have been given of the health hazards involved, and of the possible property damage, should have been corrected by responsible officials rather than encouraged by the tactics of the state authorities. We have seen a continuing pattern of attempts to erode the pesticide control authority of the Federal Government, seizing upon one trumped-up issue after another. Whether this comes from an organized campaign by irresponsible agribusiness interests or other factions, or arises from chance misunderstandings growing upon themselves, the possible effect for all of us from ignorant or selfish abuse of our environment and fellow creatures can be most serious. We must depend on the integrity of these environmental laws. The responsibility of this committee is for the welfare of fish, wildlife, and the environment. By acting firmly to uphold this mandate and by seeking the veto of H.R. 11510, you will be acting in the national interest, and also will advance the real welfare of Kentucky and Tennessee.

We feel that many of the officials involved, both in the states and in Congress, have been gravely misled, and that their zeal to protect their citizens from health and property damage is commendable in its broad purpose but unfortunate in its methods and factual basis. We hope that this hearing can increase understanding of the actual situation. We especially commend to the attention of the committee the testimony of such experts as Dr. Ajello and the witnesses for the Fish and Wildlife Service, today and in previous testimony.

There are many unanswered questions about this whole episode. Congress might find it desirable to investigate the whole background and circumstances that led to this situation, perhaps with the assistance of the Government Accounting Office.

MILITARY ASSISTANCE TO AFRICA

Mr. CLARK. Mr. President, I am concerned about the amount and nature of U.S. military assistance to Africa. In each case, the U.S. assistance is going to countries which border on recipients of substantial Soviet military assistance. In two cases—Ethiopia and Zaire—the United States is providing military assistance to countries actively engaged in conflicts.

Angola appears to be the most extreme of a number of situations in Africa where the United States and the Soviet Union are aggravating tensions and intensifying conflicts with military assistance. If this continues, it will increase the chances of superpower confrontation on the African continent, heighten instability in various parts of Africa, and come at great cost to the African people. There must be some alternative. In the wake of Angola, the United States should make a serious effort to negotiate with the Soviet Union some kind of mutual restraint on military assistance to Africa.

The countries to which we are providing military assistance in Africa are very poor. Ethiopia, to which the United States will be providing $16.2 million in military grants, credit sales, and training, has a per capita GNP of $82. Zaire, which will receive $19.6 million in credit sales and training, has a per capita GNP of $151. Kenya has a per capita GNP of $182; and Liberia $248. These countries cannot afford to devote their scarce resources to military buildups.

During the coming year, the African Affairs Subcommittee will thoroughly investigate each of these areas of tension and conflict in Africa where the United States is providing military assistance. We will seek to determine whether attempts to arrive at diplomatic solutions to these problems have been encouraged or hampered by American military assistance. There is reason to believe, for example, that the United States has not applied sufficient pressure on the Ethiopian government to reach a negotiated settlement of the Eritrean conflict. American military assistance could easily prolong this costly struggle. Military assistance to Zaire could make accommodation with the government of Angola more difficult to achieve and prolong the MPLA's dependence of the Soviet Union and Cuba for military assistance.

The Organization of African Unity has over the years made every effort to negotiate settlements to conflicts in Africa. In many cases, it has been remarkably successful. Yet, when the United States and the Soviet Union are arming opposite sides in a conflict, the OAU's job becomes much more difficult. The Administration has recently expressed its commitment to African solutions to African problems and keeping superpower confrontation out of Africa. In this spirit, Congress should take a hard look at American military assistance to Africa

SAVING MEDICARE FROM "CATASTROPHIC" COMPLICATIONS

Mr. CHURCH. Mr. President, on January 22 I introduced Senate Concurrent Resolution 86, opposing President Ford's proposal to increase out-of-pocket payments for medicare beneficiaries.

At that time I was joined by Mr. Kennedy, Mr. Humphrey, Mr. Clark, Mr. Williams, and Mr. Ribicoff as cosponsors.

Today I am happy to report that the resolution now has 24 additional sponsors. They are: Senators Schweiker, Pell, Cannon, Bayh, Abourezk, McGovern, Randolph, Pastore, Philip A. Hart, Brooke, Stevenson, Hartke, Tunney, Chiles, Mondale, Mansfield, Stone, Stafford, Metcalf, Culver, Inouye, Durkin, Jackson, and McGee.

Such immediate and emphatic support says a great deal about the so-called "catastrophic" medicare proposals advanced by President Ford in his budget last month.

It expresses the deeprooted congressional conviction that the Ford plan makes matters worse; it would have a devastating effect on the vast majority of elderly medicare participants.

President Ford says he wants to provide protection against catastrophic health costs that still occur, even under medicare.

That is, there would be a ceiling of $500 on patient's liability for covered hospital services for any one benefit period.

And for doctors' and other medical services under part B of medicare, the limit would be $250 each calendar year.

But the President did not stop there: He also threw in other provisions which would be very bad news indeed for the aged and disabled under medicare:

First, he would significantly increase the amount most medicare patients would pay for hospital services. Now, a medicare beneficiary pays a $104 deductible charge upon entering a hospital and nothing else on covered services until the 61st day. And most medicare patients are discharged from the hospital well before the 60 days have passed.

Mr. Ford's plan would still require the $104, and lots more as well: 10 percent of all eligible hospital charges then incurred. For a person hospitalized for 30 days at $125 a day, the Ford plan would cost $488.40, as compared to the $104 now paid.

Second, in addition, the part B supplementary medical insurance deductible cost would be increased from $60 to $77, and it would go up every time a cost-of-living adjustment is made in social security. And a part B coinsurance payment of 10 percent would be imposed for the first time on hospital-based physician and home health services.

Third, even the so-called catastrophic ceilings would not stand firm at $500 and $250. They would be adjusted downwards every time social security goes up—amounting to a built-in penalty for cost-of-living increases.

As chairman of the Senate Committee on Aging and as author of the 1972 provision which established the cost-of-living adjustment under social security, I am firmly opposed to any erosion of its effectiveness. That was true in 1975, when I fought President Ford's efforts to keep the social security increase to 5 percent instead of the 8 percent due under law. That is still true in 1976, when the President tries to reach a similar destination by a different route.

President Ford advanced a similar proposal last year and got nowhere with it, just as was true with President Nixon for 2 years running.

Why, then, does he persist in dusting off this regressive package?

Because he looks at medicare only in terms of budgetary politics and not in terms of what it can and should do for elderly people.

It is as though he were unaware of the harsh fuel and food inflation which is taking so huge a bite from retirement income.

Moreover, the President seems not to realize that his plan would also do major damage to medicare's social insurance philosophy, in that it would require workers to pay the same contributions into the medicare trust fund, but for reduced coverage.

And that, Mr. President, is exactly what should not be happening to medicare.

I could say a great deal more about the administration proposals from my vantage point here in Washington.

But fortunately the Senate Committee on Aging is getting information at the grassroots wherever possible. To investigate cost-of-living issues, I have conducted field hearings recently in Oregon, Tennessee, and Massachusetts.

And at another such hearing—in Providence, Rhode Island, on January 26—I received an emphatic appraisal of Mr. Ford's catastrophic health care plan.

The witness was Mary Mulvey, a vice president of the National Council of Senior Citizens, a former director of the Rhode Island agency on aging, and current chairperson of the Rhode Island Committee for National Health Security.

Dr. Mulvey had worked with Aime Forand and John Fogarty in their historic efforts to advance medicare. Since enactment of that program, she has been an ardent advocate of a stronger medicare program as one essential step toward a health program protecting all Americans of all ages.

What is her opinion of the administration proposals? At the hearing in Providence, Dr. Mulvey said:

> These changes are a hoax on the elderly. In reality it imposes upon the elderly $2 billion more than they are paying now, and provides a paltry $500 million rebate in the form of catastrophic coverage, the result being a Federal budget saving of $1.5 billion at the expense of the elderly sick and disabled. Implications are that the Federal Budget will be balanced on the backs of the elderly, sick and poor.

Dr. Mulvey, certainly one of the strongest voices raised in Rhode Island and the Nation on behalf of medicare in its early days, recognizes—as I do—that it is far from perfect. For example, medicare now covers only 38 percent of health care expenditures for older Americans. It leaves out of its coverage several essential items, including out-of-hospital prescription drugs, eyeglasses, and hearing aids. Its charges to participants, including premiums and deductibles, keep going up as health care costs in general go up.

But these defects would not be overcome at all by the President's latest proposals. Instead they would be magnified.

I am proud that Mary Mulvey urged the Senate Committee on Aging to prevail upon Congress to oppose the President's proposals. And I certainly welcome her congratulations for the introduction of Senate Concurrent Resolution 86.

It seems to me that such support and such clear recognition of the real issues should persuade President Ford and his advisers to seek more feasible means of reducing the budget.

President Ford, after all, has changed his mind on another matter. In 1976, he will not oppose the full social security cost-of-living increase due this year, as he opposed the one paid in 1975. If he can see the error of his thinking on that matter, perhaps he can be persuaded to see what is wrong with his "catastrophic" plan.

In any case, the Congress, through Senate Concurrent Resolution 86, should make its sentiments unmistakably clear.

Mr. President, I ask unanimous consent to have printed in the RECORD the entire text of Dr. Mulvey's statement before the Committee on Aging. In addition to her comments about the medicare proposals, she also makes several notable suggestions for improving health care of older Americans.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

STATEMENT BY MARY C. MULVEY

Senator Church, Senator Pell, honored guests and senior citizens of Rhode Island. As Vice President of the National Council of Senior Citizens (NCSC) and Director of the Rhode Island Council (RICSC), I am very much involved with issues concerning a better life for Seniors. And, the cost of maintaining good health directly relates to the quality of life.

I am deeply moved by the plight of the senior citizen living on a fixed income in these inflationary times, who can be financially devastated when faced with overwhelming health problems. Hospital and medical costs are soaring faster than all other items in the Consumer Price Index.

As Chairperson of the Rhode Island Committee for National Health Security, I am convinced that the only way to resolve health care problems for seniors, indeed for all Americans, is through passage of the Health Security Act (S3, HR 21), the Kennedy-Corman Bill.

President Ford promised a national health insurance program for this year in his 1975 State of the Union address; and he now declares that we cannot afford national health insurance. Yet, 20 million Americans have no health insurance, and another 30 million have inadequate insurance.

The way is not through the Catastrophic Health Insurance proposed by President Ford which would require the elderly to pay $500 out of pocket for qualifying hospital expenses, and a $250 limitation annually for medical services. These amounts would increase proportionately with cost-of-living increases in Social Security. This would be catastrophic—indeed a disaster for most of our elderly!

The Rhode Island Committee for National Health Security has statewide support for S3, HR 21, the Kennedy-Corman Bill. With us are: the entire R.I. Congressional delegation, state administration, leaders of community action and senior groups, labor, civic, student and religious organizations.

It is important also to note that the prestigious Cambridge Survey, conducted by Patrick Caddell, and released quarterly, revealed (Parade Magazine, 11/30/75) what many of us have known for a long time: "The people of this country are fed up with the usual way of paying for health care!"

We are finished with the old approaches. The Cambridge Survey asked for a response to four different health proposals. The results present such dramatic evidence of public thinking, I will read the four proposals and the percentage for each one as reported in the Cambridge Survey.

four proposals and the percentage for each one as reported in the Cambridge Survey.

1. Keeping things as they are today—only 13%!

2. A small system where poor people are given medical insurance and everyone is protected against sudden major illness—23%.

3. A system of national health insurance which guarantees every person as much care as he or she needs—35%!

4. An amazing 22% lined up behind the most radical alternative—a totally nationalized system where not only is everyone guaranteed as much health care as he or she needs, but doctors and hospitals are taken over by the government and prices are regulated—22%!

Yes, the people of this country are overwhelmingly in favor of a big change in health care—"a system of national health insurance which guarantees every person as much care as he or she needs"—and that would be the Kennedy-Corman Bill! 57% of the population (totalling items No. 3 and 4) is for a national health insurance bill at least as comprehensive as the Health Security Bill!

Kennedy-Corman makes everyone in the U.S. eligible for coverage. The program would pay nearly all personal health care services including catastrophic coverage. Covered would be physicians' services, inpatient and outpatient hospital services, home health care, optometry and podiatry services, devices and appliances, prescription drugs, some psychiatric services and nursing home care. It would cover, at the outset, dental care for children up to age 15, and eventually the entire population. And, most important, it would establish pilot projects to determine the feasibility of home maintenance care for the chronically ill or disabled. Remember, even if a nursing home is good, most people can be better rehabilitated in their own homes with proper care!

Preventive care could be emphasized, as well as early diagnosis and medical rehabilitation through a vastly improved health care delivery system—pointing toward organized arrangements for patient care, such as HMO's (health maintenance organizations) and other prepaid group practice plans, such as the Rhode Island Group Health Association (RIGHA)! RIGHA is unique and has received national recognition for its innovative practices.

Other National Health Security aspects include: administration by the Social Security Administration; financing through a Health Security Trust Fund created by a tax on employers, employees and the self-employed, with the amount matched by Federal general revenues; a quality control commission to develop cost control features, including national standards for health care providers; consumer input in policy, administration and development of Health Security on national, state and local levels; public accountability; and a resources development fund to support innovative health programs in manpower, education, and group practice development.

We have had Medicare for nine years; and we are grateful for what it has accomplished. But Medicare covers only 38% of health care expenditures for older Americans. National Health Security is the answer; but even if enacted now, it could not become fully operative for several years. Therefore, I subscribe to the position of the national Council of Senior Citizens for prompt changes in Medicare, not only to close the loopholes, but also to conduct a "mini" Health Security Program for the older segment of the population as a prelude to, and demonstration for, extension to all segments.

Our recommendations are to merge Medicare and Medicaid in a Federally-administered program covering all persons, 65 and over, and all other Medicare and SSI beneficiaries. Part A and Part B would be combined so that premiums now charged under Medicare Part B would be terminated and beneficiaries would no longer have to meet these payments out of limited and fixed incomes.

Benefits now under Medicare would be expanded and payable without co-insurances or deductibles. Nursing home services, regardless of prior hospitalization, would be covered up to 120 days, and without limit if furnished in a nursing home affiliated with a hospital. Other benefits would include out-patient drugs, care of eyes, ears and feet.

Some portion of the cost of coverage would be borne by general revenues, and the remainder by payroll taxes—the same for employee and employer.

The need for these changes in Medicare is great because of the ever-increasing costs to Medicare beneficiaries—the latest being from $92 deductible charge to $104 for the first day of a hospital stay up to a 60-day period—plus increases in co-payments. No! Poor, sick, elderly and disabled people cannot bear additional out-of-pocket payments for medical treatment such as those proposed in President Ford's Medicare Catastrophic Health plan.

Many sources have labelled President Ford's Medicare Catastrophic Health Insurance proposal a fraud perpetrated on the elderly! He proposes to increase the out-of-pocket payments for Medicare beneficiaries by requiring them to pay a co-insurance charge of 10% of all daily hospital charges, following the first day for which they pay the full cost; to impose a 10% co-insurance charge on hospital-based physician and home-health services; and to raise the Part B supplementary medical insurance deductible from $60 to $77 in 1977, increasing thereafter proportionately with social security cost-of-living increases. These measures would wash out future social security cost-of-living increases.

These changes are a hoax on the elderly. For example, under present law, the patient pays $104 the first day in the hospital and no more for 60 days; but the President's plan would increase the cost for the Medicare patient upwards of $250 for an 11-day stay, which is the average Medicare patient hospital stay. Medicare patients will pay 10% day after day until they spend $500.

It is estimated that this proposal would not offer a savings until after a patient had been hospitalized for 75 days! Yet, only 1 out of 1,000 remains 75 days in a hospital; so the President's plan will benefit only one out of 1,000 Americans under Medicare—not the millions of senior citizens who are sick and infirm.

Actually, the President's catastrophic program for Medicare beneficiaries must be looked at within its devious context: in reality it imposes upon the elderly $2 billion more than they are paying now, and provides a paltry $500 million rebate in the form of catastrophic coverage, the result being a Federal Budget saving of $1.5 billion at the expense of the elderly sick and disabled. Implications are that the Federal Budget will be balanced on the backs of the elderly, sick and poor.

We urge the U.S. Senate Committee on Aging to prevail upon Congress to oppose the Medicare catastrophic health insurance proposal of the President and to consider our recommendations for improvement of Medicare until such time as the National Health Security is enacted. We congratulate you, Senator Church, on your initial step toward this goal through the submission of Concurrent Resolution No. 86 "Opposing Increases in Medical Costs for the Elderly."

Equally objectionable is President Ford's proposal to lump Medicaid with 15 other Federal programs, and give the states $10 billion in block grants with no strings attached for state matching funds. This revenue-sharing plan represents less money than before for those who need it the most since, under the present program, the Federal Government provides $11 billion and the states must provide $8 billion in matching funds. Furthermore, the Administration has expressed alarm over the 25 percent rise in Medicaid costs last year; but, if Medicaid costs should increase at even half the rate of last year, with only a $10 billion budget for all health programs for the poor, serious cutbacks in some programs and elimination of others would result.

Revenue-sharing could seriously affect such categorical programs as community neighborhood health centers which serve the poor of all ages, SPOC (Special Project for Older Citizens) which specializes in resocialization and de-institutionalization of older hospitalized persons, and other medical services to meet the needs of those who can least afford the costs—the poor, the elderly, the medically indigent, the underserved, and those who require mental health care.

Categorical grant programs were established to define problem areas, furnish Federal support to help deal with the problems, provide direction and control of funds as Congress intended, and establish priorities and standards of administration to assure quality and responsiveness. So, President Ford's proposal to consolidate categorical programs is a giant step backward!

Older persons have never received their rightful portion from revenue-sharing and other consolidated programs because they have had to compete with more vocal programs in the power structure; and this is the basic reason for our establishing categorical programs, including elderly housing, Medicare, Medicaid, the Older Americans Act of 1965 (authored by the late Rhode Island Congressman, John E. Fogarty), and its subsequent amendments. Incidentally the President already proposes cutbacks in the nutrition program for the elderly under the Title VII of the Older Americans Act. Again, as in the proposed Medicare cutbacks, the President's proposal is a well-planned method of cutting health care specifically designed to help the underprivileged to survive in the abyss of poverty.

The logical solution is to scrap the patchwork approach to health care through enactment of S3, HR 21, The Kennedy-Corman Bill—not only for the elderly but for all Americans! Our objective is a better life for everyone. It is everyone's right to have the best of health care in our society. We are the only industrialized nation which still makes adequate health care a privilege of those who can pay for it.

We speak of our freedoms in this country. If we are to hold up our heads among other industrial countries in the world, we must affirm one more freedom—the freedom from fear of ill-health and its financial consequences for the old and the young, poor and affluent, employed and unemployed. Comprehensive health care for all our people must be established as a matter of right—like the right to education and the right to vote! Thank you for giving me the opportunity to present this statement.

PALM OIL IMPORTS HURTING AMERICAN SOYBEAN PRODUCERS AND PROCESSORS

Mr. HUMPHREY. Mr. President, imports of palm oil into the United States have been growing at a rapid rate in the past few years, reaching an estimated 400,000 tons in 1975. The Department of Agriculture estimates that this level could triple by 1985.

American soybean and cotton farmers have become extremely concerned over these duty-free imports. The Department of Agriculture has been opposing additional credits through international lending institutions, but the State Department has supported such loans in recent years.

Our soybean producers are extremely concerned over this development and particularly since the Government seems unresponsive to their situation. The sales embargo of last fall put a crimp on their market, and now they are being forced to compete with relatively cheap palm oil—which originates mainly from Southeast Asia.

In Mankato, Minn., one of our farm cooperatives owns and operates a soybean oil processing plant, Honeymead, Inc.

This processing plant, among others, has been injured by the importation of palm oil, and, of course, the earlier estimates on which this plant was built are no longer current.

I had earlier written to the Department of Agriculture expressing my concern over the importation of palm oil and the lack of any effective protection for our producers.

I have now written to the President outlining my concerns regarding these imports. It appears that the position of the Department of Agriculture has been overruled in favor of other considerations.

I am well aware of the need for the developing countries to expand their exports, but, at the same time, we cannot allow our country to become a dumping ground for cheap imports. We need to consider carefully the impact of these trends on our own domestic producers.

Mr. President, I wish to share with the Senate the letter which I sent to the President on this subject along with an article from the Washington Post entitled "Agricultural Department Asks a Halt to Palm Oil Aid." Accordingly, I ask unanimous consent that these two items be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COMMITTEE ON FOREIGN RELATIONS,
Washington, D.C., February 5, 1976.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I am writing to you to express my deep concern over the rising volume of imported palm oil and the impact which it is having on our domestic soybean markets.

Our soybean producers have grown extremely concerned over the threat of duty free imports which reached an estimated 400,000 tons in 1975. Combined with last fall's embargo on exports and the 1972 embargo on sales to Japan, this situation has caused grave concern over the future of our soybean markets. I understand that the Department of Agriculture has been bringing these matters to your attention, but other foreign policy considerations have been given a higher priority than our own domestic producers and processors.

I realize that this issue relates to our efforts to improve trade opportunities for less developed countries. However, it hardly seems fair to leave this sector of our agricultural economy completely without protection.

I am hopeful that you will give this matter your urgent attention and take steps to give increased protection to our soybean producers and processors.

Sincerely,

HUBERT H. HUMPHREY.

AGRICULTURE DEPT. ASKS A HALT TO PALM OIL AID

(By Dan Morgan)

A sharp increase in the volume of palm oil imported into the United States has caused the Agriculture Department to recommend that the government reverse a long-standing policy of helping poor, tropical countries plant palm trees and build processing plants.

The department has warned that duty-free imports of the relatively cheap palm oil will severely hurt U.S. soybean and cotton farmers whose products also are used to make shortening, margarine and cooking oil.

In November, the National Advisory Council, a little-known interagency body that sets government loan policy, gave support to an $11.3 million loan by the Asian Development Bank to Indonesia for a new palm oil processing plant.

The Agriculture Department opposed supporting the credit, but the State Department argued that this would create a poor political climate for President Ford's visit to Indonesia in December, according to informed sources.

However, a Treasury Department official said last week the government would look with "skepticism" on any new requests, pending the completion of an Agriculture Department study of the impact of the global palm oil boom.

Government officials conceded last week that the palm oil situation has posed a dilemma for policymakers.

The United States is committed to helping poorer countries abroad expand their agricultural production so they can feed themselves and raise cash for economic development.

But to the extent this cuts into American food exports or limits the ability of farmers at home to sell their products at profitable prices, such an aid policy leads to domestic political strains.

American assistance in palm tree planting and building processing plants has been given mainly through international lending institutions such as the World Bank and the Asian Development Bank. The United States contributes to the capital of those banks and appoints a director who has a say in loan decisions. Since 1965, international banks have extended 46 credits for palm oil development.

Many of the trees planted since 1965 have just begun to produce oil, and many more will not reach maturity until 1980.

Most of the expansion took place in Malaysia, where rubber producers suffering from a decline in prices switched to oil palms.

Duty-free imports of palm oil into the United States have been rising rapidly, with Malaysia and Indonesia providing the lion's share. Palm oil is also produced in a number of African countries, including Nigeria, Zaire, the Ivory Coast and Cameroon.

The imports reached an estimated 400,000 tons in 1975 and could triple by 1985, the Agriculture Department estimates.

American food manufacturers have begun to substitute palm oil for cottonseed oil in making margarine. A paper prepared by the Foreign Agriculture Service in January warned cottonseed oil sales could be nearly wiped out by 1985 if imported palm oil keeps underselling them. Officials said a disadvantage of palm oil is that it is highly saturated and may be less desirable than soybean oil for persons on low-cholesterol diets.

In addition to the edible oil, the oil palm fruit also yields kernels which are crushed to produce an oil that is used in soap manufacturing to produce lather.

Cotton and soybean organizations have asked the Agriculture Department to try to halt new palm oil loans, and some members of Congress have asked that the government reappraise its agricultural aid policies, sources said last week.

Deputy special trade representative Clayton K. Yeutter said it would be extremely difficult to impose duties on palm oil imports at this time because the United States has pledged to seek "special and differential treatment" for less-developed countries in the current international trade negotiations in Geneva.

The situation is exacerbated by changes in the world economy, which have decreased demand for vegetable oils, at least temporarily. The support for the palm oil expansion came when vegetable oil was in short supply.

The United States has a huge surplus of expensive peanut oil, and some countries abroad have complained the United States has been dumping this surplus on the depressed world market under the guise of the Food for Peace program.

Vegetable oil is also an issue in the relations between the United States and the Philippines. At their meeting last year President Ford and Philippine President Ferdinand Marcos agreed to discuss the American duty on coconut oil, now running around a penny a pound.

Philippine officials claim the import duty is unfair considering the zero tariff on palm oil.

NEXT STEPS IN THE FIGHT FOR CLEAN ELECTIONS

Mr. CLARK. Mr. President, in Wednesday's edition of the Washington Post, David S. Broder comments on the recent decision of the Supreme Court regarding the Federal Election Campaign Act. In his column, Mr. Broder concludes:

> The Supreme Court decision saved what was useful in Congress' first try at a campaign finance reform law and discarded what is most dangerous. Now, the Congress has the opportunity to build onto that sound foundation—by reconstituting the Federal Election Commission as a genuinely independent body, and by ending the anomaly of providing public financing for the presidential candidates, who need it least, but not for the congressional candidates, who need it most.

On Monday, Senators EAGLETON, PHILIP A. HART, KENNEDY, MATHIAS, HUGH SCOTT, and I introduced S. 2912, the Federal Election Commission Reform Act of 1976. That bill calls for:

First, a six-member Federal Election Commission appointed by the President with the advice and consent of the Senate; and

Second, comprehensive public financing of both primary and general elections for the Senate. We intend to press for Senate adoption of this legislation in the immediate future.

Mr. President, I offer Mr. Broder's column to our colleagues for their consideration, and ask unanimous consent that the full text of the column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNDOING HAYS' MISCHIEF

(By David S. Broder)

Of the many ways in which it is possible to commend the Supreme Court decision on the Federal Election Campaign Act of 1974, perhaps the simplest is to say that the high court systematically undid the mischief of Rep. Wayne Hays.

The Ohio Democrat—who heads both the House Administration Committee and the Democratic Congressional Campaign Committee—had used his strategic legislative position to assure the well-being of his fellow Democratic incumbents when the post-Watergate campaign finance bill was going through Congress.

By bottling up the measure in his committee for months, Hays managed to extract a high price from the bill's Senate sponsor—so high a price that some observers, including this reporter, concluded that the legislative cure was worse than the Watergate disease.

The bill the Senate sent to Hays set stiff disclosure requirements for campaign finances, to be enforced by an independent Federal Election Commission. It limited the size of private campaign contributions and provided substantial public financing for all federal offices.

When that bill reached the House Administration Committee, Hays—one of the few surviving autocrats of the gavel—went to work gutting it on behalf of the incumbents' club.

The first casualty was the provision giving public funds to candidates for the House and Senate. Hays was not about to allow the challengers to compete effectively against the incumbents by assuring them a parity of financial resources.

Instead, he moved in the other direction—putting a low ceiling on how much private money House candidates could spend on their races. Incumbents enjoy more than half-a-million dollars' worth of taxpayer-financed staff assistance, travel, mailing and publicity services each term. But Hays tried to limit expenditures by congressional candidates to a fraction of that sum, finally agreeing to an allowable maximum for a House race of only $70,000—substantially less than the average expenditures for those challengers who were able to oust incumbents in 1972 or 1974.

As a final fillip, Hays insisted that the majority of the members of the "independent" Federal Election Commission be appointed by Congress—hoping to assure that they would be dominated by the very people they were supposed to police.

It was those Hays-inspired revisions that the high court struck down in its decision last week while approving the basic and much-needed reforms.

The justices sustained the constitutionality of the disclosure requirement and the limitation on private contributions. They also validated the principle of public financing for presidential campaigns. While they could not command Congress to extend that financing to House and Senate elections, they certainly gave an impetus to that effort by their decision.

The court cracked down hard—and rightly so—on the spurious arguments for expenditure limitations that had been concocted by Hays and his allies and accepted in the court of appeals.

The phoniest of those rationalizations was that campaign expenditures are too high or are increasing too rapidly. The majority opinion challenged the factualness of that claim and said, "In any event, the mere growth in the cost of federal election campaigns in and of itself provides no basis for governmental restrictions . . . the First Amendment denies government the power to determine that spending to promote one's political views is wasteful, excessive or unwise. In the free society ordained by our Constitution, it is not the government but the people . . . and candidates . . . who must retain control over the quantity and range of debate on public issues in a political campaign."

In addition to that strong affirmation of the practical reality that in modern society, freedom of speech requires the free expenditure of funds, the justices took measured but effective cognizance of the fact that the Hays' provisions had turned the supposed "reform law" into an incumbents' security bill.

"The equalization of permissible campaign expenditures through tight-spending ceilings," they observed, "might serve not to equalize the opportunities of all candidates but to handicap a candidate who lacked substantial name recognition or exposure of his views before the start of the campaign," i.e., a challenger.

In a final demonstration of good sense, the high court told Mr. Hays that the Constitution forbids his clever scheme to have Congress name the majority of the commission members.

The Supreme Court decision saved what was useful in Congress' first try at a campaign finance reform law and discarded what is most dangerous. Now, the Congress has the opportunity to build onto that sound foundation—by reconstituting the Federal Election Commission as a genuinely independent body, and by ending the anomaly of providing public financing for the presidential candidates, who need it least, but not for the congressional candidates, who need it most.

It would be nice to think this effort will have the assistance of chairman Wayne Hays. But nobody should be on it.

INTERNATIONAL HEALTH—PROBLEM OF THE THIRD WORLD

Mr. KENNEDY. Mr. President, on February 18, 1976, the Subcommittee on Health will hold a hearing on the subject of international health.

Among the problems that afflict mankind, few cause so much pain and suffering, few impede the world's search for peace, and few interfere with the struggle of developing nations to improve their lot as much as the major diseases which ravage much of the world today. Among these, the tropical infectious diseases exact a fearful toll of mankind, even in this technological age.

Great numbers of people now living in many regions of the tropical world are afflicted not only by most of the well-known diseases of temperate climates, but also by a whole range of vicious and often fatal tropical infections. The burden of disease affects every aspect of human life. At the individual level, it slows down or stops work, and so accentuates poverty and starvation. At the community level, the threat of disease often determines where people live and what they do. This causes large fertile areas to be abandoned; land which might otherwise help to solve the other major problems of the world, malnutrition, and starvation. At the national level, health and economic improvements are obviously interdependent. Nevertheless, health budgets are frequently low, because so many of these countries are poor and pessimistic about whether any in-road into the disease is possible. It is difficult for those living in temperate climates with good standards of public health and medical care to realize the impact of disease on rural communities in the tropics.

Two points deserve special emphasis at the outset. The first is that economic development in the third world is inextricably related to the improvement of the health of their peoples. Without a healthy and well-nourished population, no nation can hope to make significant economic progress. The second point concerns the cost of programs to fight diseases of the types that plague these countries. At this level of health care, it is not an expensive fight, and its cost-effectiveness is remarkable. Beyond this, a Nation like the United States, with its broad pool of basic scientists and health experts could contribute most effectively to the fight by contributing not so much its dollars as its knowledge and the expertise of its research scientists and health professionals.

The World Health Organization has identified six infectious diseases which are major contributors to individual suffering, family and community dislocations, national underdevelopment, and international unrest throughout much of the world: These six diseases are susceptible to alleviation by a rational approach through basic scientific research and the development and application of the scientific advances aimed at preventing the disease before it strikes or effecting a cure before too much damage has been done.

Three of these diseases, malaria, filariasis, and schistosomiasis, each now affect over 200 million people throughout the world, numbers comparable to the entire population of the United States—that is 1 person in 20 of the world's inhabitants. In Africa alone, malaria kills some 1 million children a year. In some parts of Africa, 1 person in 10 is blind due to filarial worms which cause river blindness, or onchocerciasis. Schistosomiasis is another insidious and subtle disease, also caused by worms, which undermines health by causing damage to many organs of the body, and which not infrequently kills its victim.

Only in terms of total numbers are the remaining three diseases less serious. Throughout the world, well over 10 million people are infected with trypanosomiasis or with leprosy, and a somewhat smaller number with leishmaniasis. Chagas disease, the South American form of trypanosomiasis, damages the heart and may be fatal and is, unfortunately, presently incurable. Sleeping sickness, the African form of this infection, threatens epidemics of brain damage, which lead to a lingering and degrading death. Leprosy erodes and scars and distorts, especially the face and extremities. The list goes on and on, a litany of some of the major problems facing mankind.

Mr. President, the United States, as the richest and most advanced Nation in the world, owes a humanitarian obligation to the rest of the world to contribute to the solution of these serious disease problems. But even beyond purely humanitarian motives, there are strong selfish reasons why we should participate in a worldwide battle against disease. The world grows ever smaller, and no American traveler abroad, or even an American at home, can feel fully protected from the spread of these infectious diseases. Further, any contribution to the improvement of the health of the people of the world must inevitably contribute to a reduction in national and international tensions, and thus to enhancing the prospects for world peace which will benefit us all.

Above all, Mr. President, it is right and appropriate that the United States involve itself in the fight against these diseases, just as it is right that we involve ourselves in the equally important fight against malnutrition and famine. We have here in the United States the world's leading biomedical research establishment, and the fruits of its medical progress should be shared with the rest of the world. A nation that so generously shares its riches with others in the form of foreign aid must continuously reassess the form which that aid takes, and should be wise enough to recognize that dollar for dollar, aid in the area of international health and the solution of important disease problems must inevitably have more significant and lasting effect, and bring more thanks from the recipients of that aid, than many of the foreign aid mechanisms in which we are now engaged.

Mr. President, the seriousness of the world's health problems and the importance of our contribution to their solution has been ably pointed out by Prof. Barry Bloom of the Albert Einstein College of Medicine in an article last October in the New York Times. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONSIDER THE ARMADILLO

(By Barry R. Bloom)

Try to imagine the quality of life of the people of New York City if every man, woman and child suffered from malaria, 40 per cent had tuberculosis, one in 30 were afflicted with leprosy, and 4 in 10 children died before age 5 from measles. This is the quality of life, differing only in detail, endured by 500 million people in parts of Africa, Asia and Latin America.

In large areas of Africa, half the population suffers from schistosomiasis,. a chronic disease caused by a parasite harbored in snails that thrive as arid lands are irrigated.

One in ten might suffer from filariasis, caused by tiny worms that clog the circulation, thereby leading to elephantiasis of the limbs. Or the worms, which are water-borne, may invade the eye, causing what is known as river blindness. And then there is sleeping sickness and yellow fever spread by insect bites.

In Latin America, Chagas disease, caused by a parasite that invades heart tissue, causes death at an early age. There is also the disease called *espundia* in Spanish (the scientific name is leishmaniasis), in which the soft tissues such as the nose and mouth are progressively eaten away until the victims are literally faceless. Cures for most of these diseases are yet unknown.

In recognition of the tremendous medical problems in developing countries, the General Assembly of the World Health Organization, an agency of the United Nations, has voted to undertake a unique experiment, a Special Program in Tropical Diseases, designed to improve methods to control some of these diseases based on greater scientific knowledge. This will require basic research by scientists in developed countries, training in sophisticated medical techniques in developing countries, and ultimately a network of collaboration linking the basic laboratories and the patients.

If awareness can be awakened in developed countries and the priorities for research on tropical diseases can be raised, real hope exists for the development of effective vaccines and drugs. The annual cost will be about $15 million, less than the price of a single jet fighter.

The United States has the most advanced biochemical research establishment in the world and the capacity to make enormous contributions toward eliminating communicable diseases.

The National Institute for Allergy and Infectious Diseases could be given more funds to support research on immunity and infectious diseases; the Agency for International Development should contribute to the World Health Organization special program. What is needed is the support of the Administration, the Congress and the public.

From some quarters there is bound to come the objection that such a program will only exacerbate the population problem. The fact is that the six major diseases identified by the World Health Organization are primarily debilitating diseases, the elimination of which could lead to significant improvement in economic productivity and quality of life. Improvement in the standard of living is a crucial element in acceptance of population-control measures.

Even more fundamental, perhaps, is a kind of myopia that dictates that we commit only a negligible fraction of our expertise and wealth to support research on diseases that do not afflict Americans. It is common sport both in and out of the Congress to be skeptical of research programs that appear to have no "relevance" to targeted goals or American problems. But the essence of fundamental research is that no one can predict what area of knowledge may contribute crucially to long-range progress in another.

A case in point is the armadillo. Absurd as it may seem to believe that study of the armadillo could have any practical relevance, it has become clear that the lowly armadillo holds the key to the possible eradication of leprosy.

Probably because of its low body temperature, the armadillo is the only animal in which the human lepra bacillus grows in sufficient quantities to be potentially useful for the production of a vaccine against leprosy.

For those who demand relevance closer to home, it may be added that cancer researchers believe that leprosy patients will provide insights into the failure of cancer patients to reject their tumors.

Why should the United States give of its intellectual, technical and financial resources? Because it is right, and because we have the opportunity—at a cost far lower than providing arms—to ease the suffering of the poor.

The question of "relevance," as we should by now have discovered, is as problematical at the level of national policy as it is in science. One has only to reflect on our failures in foreign and domestic policy in recent years to appreciate that commitments made on a moral basis may well be of greater and more enduring relevance than those based on perceptions of immediate self-interest.

FEDERAL SPENDING AND AMERICAN WORKERS

Mr. HUMPHREY. Mr. President, last fall the Joint Economic Committee asked for the advice of many budget experts in formulating its evaluation of the current services budget. I was very pleased that so many outstanding people were willing to devote their time to helping the committee and its staff. Some of the recommendations we received found their way into the staff evaluation of the Current Services Budget published last December; others are being studied more fully. We have asked the Congressional Budget Office to assist the committee in evaluating some of the suggestions we have received.

Last week I received a very thought-provoking letter from Prof. Robert Hartman at the University of California, Berkeley. Because of his expertise in the area, I had earlier asked Dr. Hartman for his thoughts concerning the relationship between Federal spending and education. In his letter and the attached memorandum, Dr. Hartman goes much further. He begins by discussing two questions that I think disturb every person in this country and should disturb every Senator in this body. First, why are people so down on Federal spending? And second, what accounts for the rise in Federal spending? I want to share his thoughts with you and will request that the full letter and memoranda be made a part of the RECORD.

Dr. Hartman suggests that a prime reason people are so down on Federal spending is that the American workers' ability to purchase goods and services has risen very little in the last decade. Following a decade of prosperity, this has caused great disappointment. In 1954 the average spendable weekly earnings of the American workers were about $111.65. By 1964 this had risen to $131.27. That is a 17.8 percent increase in 10 years. In other words the average worker found $2 more in his weekly paycheck each year between 1954 and 1964. In 1974 average spendable weekly earnings were $134.37. Thus, while earnings went up $20 per week between 1954 and 1964, they only went up $3 per week between 1964 and 1974.

Dr. Hartman goes on to discuss the rise in Federal spending. He says:

> Before embarking on a crusade for budget cuts, it seems proper to look at the sources of growth in Federal spending over the last decade or so.

As he shows, for every dollar of growth in spending between 1966 and 1974 about 28 cents went to social security benefits, 13 cents went to medicare and medicaid, 15 cents went to pay and related items in national defense, 13 cents went to interest on the debt, 8 cents went to welfare programs, 6 cents went to veterans programs, and 2½ cents went to education. And as Dr. Hartman points out:

> Big money savings will be possible only by directing attention to those areas where the big money is: social security, defense personnel, medicare and medicaid.

Dr. Hartman's comments contain some cogent advice both for a Congress and a President trying to economize in the budget. It is, first, to concentrate on the big-ticket items, and second, to be patient. "A maintainable long-term diet is a better program for reducing the waistline than is pulling your belt three notches tighter."

I ask unanimous consent that the letter and memoranda referred to be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BERKELEY, CALIF.,
January 13, 1976.

Hon. HUBERT H. HUMPHREY,
Chairman, Joint Economic Committee,
Washington, D.C.

DEAR SENATOR HUMPHREY: I am delighted to respond to your request of November 5, asking for my views on eliminating waste, inefficiency and duplication of federal programs without reducing the real level of services, especially in the area of higher education.

I have found it useful to put my thoughts on this matter into two general contexts:

Why the sudden interest, even on the part of the common person, in paring back federal spending? I conclude that the primary answer is not to be found in soaring federal spending, nor in the loss of faith in the specific elements of expenditure that have expanded, but in the standstill in real wages over the last decade in the face of growing productivity of the average worker. Since people (correctly) perceive that economic mismanagement by the federal government is to blame for their problems, they are hitting out in the only way they know: to deny "them" their spending and to demand a return of taxes to be spent by "us."

What does account for the rise in federal spending? Federal spending doubled between fiscal years 1966 and 1974. For every dollar of increase, 34 cents is attributable to national defense (mainly pay and related items), veterans' programs and interest on the debt; another 42 cents is attributable to income security programs (mainly social security); another 15 cents to health programs (mainly Medicare and Medicaid). All of federal education spending accounted for 2.5 cents of the rise in federal outlays. Even if every economy and efficiency imaginable had been achieved in the area of federal education spending, the effect on overall federal outlay trends would have been imperceptible. To make a real dent in expenditure growth, the Congress must look to the big ticket items: defense manpower costs, social security, and health service programs. While I am not an expert in these areas, I believe that economies saving billions without significant real service losses can be achieved provided that sufficient advance planning is undertaken.

In the higher education budget, there is clearly a costly duplication of federal student aid programs at present. But some justification can be made for duplication on the grounds that particular programs have been underfunded. Thus we have added programs—or refused to eliminate old ones—in response to under spending in other programs. The only way out of this box that is responsible both to taxpayers and to higher education is to set forward goals to fully fund the key programs and to simultaneously phase out the duplicating and overlapping budget lines.

I have spelled out these views in some detail in the attached memorandum. I would be happy to expand on these ideas if you wish.

Sincerely,

ROBERT HARTMAN.

MEMORANDUM—REQUEST FOR VIEWS ON BUDGET

Before offering some suggestions for revision of the federal government's higher education assistance programs, I would like to offer some background views, if only to put my own biases on display. Accordingly, this note is devoted, first, to two background issues: (1) Why are people down on federal spending? (2) Why has federal spending grown so much? and then to: (3) Reform of federal higher education aid.

(1) Why are people down on federal spending?

Working on the theory that successful politicians are ones who strike a responsive chord in the electorate, it appears that antagonism to governmental solutions to social problems is widespread. Certainly, there has been plenty of denigration of big government in recent years. As a working hypothesis, I am willing to accept the notion that the public has grown increasingly distrustful of the government recently. The question is why?

Aside from blaming obvious phenomena like Vietnam and Watergate, social commentators have begun to weave sophisticated theories for growing alienation. These range from the contention that there has always been a latent conservatism among the majority, but the majority is quiescent (until riled up) to the notion that the public did and does believe in governmental solutions to social problems, but even these liberals have lost faith because of an alleged manifest of government botching of every problem it has turned to.

There is no doubt some truth to all these views (even when they seem contradictory—there are a lot of different "people" in the "public"), but I believe that there is a simpler, more old-fashioned explanation that has been overlooked in the rush to find new causes of the bad news.

The old-fashioned explanation is simply that:

(1) Between 1964 and 1974 (before the full effects of the current recession took hold), the spendable weekly earnings of the average American worker hardly rose at all—in terms of his ability to purchase goods and services—in contrast to the previous decade of growth. Only a small portion of this freezing of real wages is attributable to a growing federal tax burden; wages, before taxes, have barely kept up with rising prices.

Table 1 illustrates these trends in earnings, showing the slowdown in growth of real wages in the late 60's and the halt in growth since 1969. Coming after a decade of prosperity—the average worker found $2 more (in 1974 dollars) in his weekly paycheck each year between 1954 and 1964—the last decade's economic fruits—the average worker's weekly check went up $3 (in 1976 dollars) in the entire decade—have been, understandably, very disappointing. Moreover, since output per man-hour has been increasing in the past decade, workers do not blame themselves for their inability to realize larger real earnings, but they blame the government.

TABLE 1.– EARNINGS AND PURCHASING POWER OF THE AVERAGE WORKER IN PRIVATE NONFARM INDUSTRIES, SELECTED YEARS 1954–74

	1954	1964	1969	1974	Percent growth 1954–64	Percent growth 1964–74
Average gross weekly earnings	64.52	91.33	114.61	154.45	41.6	69.1
Less withholding of taxes [1]	3.67	8.76	14.62	20.08	138.7	129.2
Equals average spendable weekly earnings	60.85	82.57	99.99	134.37	35.7	62.7
Average spendable weekly earnings in 1974 dollars	111.65	131.27	134.57	134.37	17.8	2.4
Consumer prices (1974=100)	54.5	62.9	74.3	100.0	15.4	58.9

[1] Worker with 3 dependents.

Source: Economic Report of the President, February 1975, pp. 285, 300.

(2) The growth of federal spending—and taxing—accounts for only a small portion of the failure of the average worker's real wages to rise. Almost the entire increase in the growing public sector share of national income is attributable to state and local government spending growth. Moreover, two-thirds of the increase in federal spending since 1966 is accounted for by rising outlays for national defense, veterans' programs, interest on the debt, social security and Medicare programs—all expenditures that the general public supports.

(3) The public seems unaware of the great benefits to our society that have been attained through the growth in domestic transfer payment programs. Poverty rates for the elderly have been reduced enormously by the growth in social security spending. The well-being of disadvantaged groups is obviously enhanced by over $30 billion in federal spending for food stamps, Medicaid, Medicare, housing assistance, and child nutrition programs—expenditures that are not even counted as income in poverty statistics. The public seems swayed, instead, by social critics' bemoaning of the "failures" of the 60's (including the failure of these programs to reduce inequility in incomes, a result that is statistically necessary because, as noted, these expenditures are not counted as income to beneficiaries).[1]

I feel certain that if national economic policy were again to turn toward full employment goals, thus raising real take-home pay, if the public were made aware of what the bulk of federal spending is all about, and if social critics were to tell the truth about the social programs of the sixties,[2] public distrust of federal spending would dissipate. Moreover, it is likely that the forces that drove up state and local spending in the last decade have run their course; if so, even a rapidly growing federal budget is compatible with a reduced public sector share of national income.

(2) What accounts for the rise in federal spending?

Before embarking on a crusade for budget cuts, it seems proper to look at the sources of growth in federal spending over the last decade or so.

Between fiscal years 1966 and 1974, federal spending doubled (Table 2). A good part of this increase merely reflects inflation; according to OMB, outlays in constant dollars rose only 24 percent over the same period. (See "The Budget in Constant Dollars," OMB Technical Staff Paper BRD.FAB 75–3 p. 12).

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[1] On the importance of in-kind transfers and other distortions in our inequality statistics, see M. Paglin, "The Measurement and Trend of Inequality," American Economic Review (September 1975), pp. 598–609, and Blechman et al., Setting National Priorities: The 1975 Budget (Brookings, 1974), Chapter 7.

[2] The truth is that the programs performed about as well as the Washington Redskins: cumbrous, not pretty to watch, often confusing, with a large payroll—but many more wins than losses.

TABLE 2.—BUDGET TRENDS, 1966-74

[Outlays in billions of dollars]

	Fiscal year—		Amount of change 1966–74	Percent of total change 1966–74
	1966	1974		
National defense and international affairs	$60.4	$82.2	$21.8	16.3
Pay and related items [1]	(31.5)	(51.3)	(19.8)	(14.8)
Other	(28.9)	(30.9)	(2.0)	(1.5)
Veterans' benefits and services	5.9	13.4	7.5	5.6
Interest	11.3	28.1	16.8	12.6
Income security	28.9	84.4	55.5	41.5
General retirement	(21.4)	(58.6)	(37.2)	(27.8)
Federal employee retirement	(1.7)	(5.6)	(3.9)	(2.9)
Unemployment insurance	(2.3)	(6.1)	(3.8)	(2.8)
Public assistance	(3.4)	(14.1)	(10.7)	(8.0)
Health	2.6	22.1	19.5	14.6
Health care services	(1.2)	(18.5)	(17.3)	(12.9)
Other	(1.4)	(3.6)	(2.2)	(1.6)
Education, manpower, and social services	4.1	11.6	7.5	5.6
Education	(2.7)	(6.1)	(3.4)	(2.5)
All other functions	21.5	26.6	5.1	3.8
Total outlays	134.7	268.4	133.7	100.0

[1] Subfunctions: military personnel, retired military personnel, operations and maintenance.

Source: The budget of the U.S. Government, fiscal year 1976, table 17.

As shown in Table 2, for every dollar of growth in spending in the 1966–74 period:

About 28 cents went to social security cash benefits.

13 cents went to Medicare and Medicaid.

15 cents went to pay and related items in national defense.

13 cents went to interest on the debt.

8 cents went to "welfare."

6 cents went to veterans.

2.5 cents went to education.

Most of these increases were in programs that "entitled" a larger number of people to larger benefits. Even though such entitlements are difficult to reduce, projections of future expenditures based on present law do not imply a runaway growth in Federal spending.[3] Nonetheless, the Congress may wish to make cuts in existing programs to provide more elbow room in future budgets.

I know that the Joint Economic Committee is receiving expert opinion about potential budget savings in most of these budget areas, but I would like to make a few general observations:

"Big money savings" will be possible only by directing attention to those areas where the big money is: social security, defense personnel, Medicare and Medicaid. In each of these areas, there are well-known escalatory factors that should be scrutinized carefully.[4] These include the excessive coupled system for compensating for inflation in social security, the excessive numbers of support personnel in the defense establishment, and the inability of the federal government (or anyone else) to gain control over escalating medical care prices. New legislation dealing effectively with these issues may save tens of billions of dollars and are, accordingly, a proper focus for intense Congressional scrutiny. I emphasize these points because I think the temptation is great to chip away at less basic (and less costly) elements in these and other programs.

The savings that can be realized in the big ticket programs will all take time to materialize and the one-year-at-a-time focus of most budget-cutting exercises is most inappropriate in generating a list of sensible cuts. Thus, the dollar savings next year if social security were "decoupled" and if an effective reimbursement system were implemented in Medicare and Medicaid would be very, very small. Attempts to realize large defense manpower savings in one year would not only result in small outlay savings, but in positive harm to the efficiency of the military establishment.

My counsel to the Congress is, thus, a) to concentrate on the big-ticket items and b) to be patient. A maintainable long-term diet is a better program for reducing the waistline than is pulling your belt three notches tighter.

(3) Saving budget dollars in higher education.

As noted in Table 2, all of federal education aid accounted for only 2.5 cents of every dollar expansion in federal spending in the 1966–74 period. Higher education accounted for less than a penny increase per dollar of federal spending growth, expanding from about $700 million in fiscal 1964 to $1.35 billion in 1974,[5] while total federal outlays grew by $134 billion. Although federal expenditures for higher education have accelerated in growth since 1974, the general point—higher education expenditures account for a very small part of recent federal expenditure growth—would still hold. Thus no amount of economizing in the federal higher education programs of the past decade would have significantly affected today's federal spending total.

Having put higher education spending in some perspective, let me now note that this certainly is an area of duplication and likely waste of federal resources. Over 80 per cent of federal obligations incurred in 1974 were devoted to various forms of student assistance, and it is in that area that most of the duplication occurs.

The duplication and overlap can best be illustrated by looking at the different programs under which a particular student may receive a "grant," in the broad sense of a federal subvention that need not be repaid. Under present law, such aid is available in the form of:

Basic Educational Opportunity Grants: Cash grants based on a national financial needs test.

Supplementary Educational Opportunity Grants: Cash grants allocated by institutions.

National Direct Student Loans: Free interest in-school and below market rate during repayment constitutes the grant; allocated by institutions.

Guaranteed Loans: Free interest in-school and some subsidy of interest thereafter constitutes the grant; allocated by lenders, mostly banks.

Incentive Grants for State Scholarships: Cash grants from the state; federal government pays half above a base period sum; allocated by states.[6]

It is hard to believe that the five programs of grants listed are necessary to fulfill the federal government's goals in providing student aid. The duplication came about, in part, because when the Congress observed a need for additional aid, it added programs instead of revising existing programs. The upshot has been a system in which students who are equally situated from the point of view of need for aid are treated in vastly different ways. Some receive multiple benefits; some none. Moreover, the paperwork, administrative and psychological costs of this system are much higher than is necessary. However, the very inefficiency of this student aid system makes it difficult—and meaningless—to answer the question whether there is too much federal spending for higher education. While some college-age people receive too little, other expenditures are wasted. The waste in the system consists of those federal dollars that overcompensate some students, or pay for the unnecessary administrative and paperwork burden that this duplicative system evokes.

The road to reform consists of carefully delineating federal objectives in higher education student aid, redrawing and funding existing programs to meet these goals, and eliminating programs that are unneeded. Such a procedure must be done as a "package" since the justification for elimination of program A will be the greater efficiency of program B. In addition, overall spending for higher education student aid might rise in the near term because redesign and full funding of the consolidated list of aid programs might be more costly in the transition than maintaining the present inadequate hodge-podge system. In the long-run, such reform should, however be cheaper than maintaining our present system.

Reform and streamlining of federal student aid involves answering some key questions about the role of the federal government in higher education. There are many different views on this question; what follows is my personal view.

Almost everyone now accepts the idea that the federal government has a role to play in equalizing the chances of access to postsecondary institutions. This means that for low-income students, who might attend a tuition-free institution, the federal government should provide funds to allow such students to have enough money for non-institutional expenses—room, board, books, commuting costs, etc. Such equalization of access is clearly a federal responsibility in that "leaving it to the states" would result in the greatest burden being placed on those states that can least afford it.

Second, there is a clear federal role in broadening students' choice among institutions. Since students would have very limited access to capital markets absent intervention, very little choice would be possible. This kind of market imperfection can best be solved by federal intervention, although state participation may be helpful as well.

These two federal objectives are, I believe, widely shared and they imply two federal programs:

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[3] See Blechman, et al., Setting National Priorities: The 1976 Budget, Chapter 7.

[4] In defense, see M. Binkin's The Military Pay Muddle (Brookings, 1975) and Blechman, et al., Setting National Priorities: The 1976 Budget (Brookings, 1975), pp. 137–140. On social security, see Blechman, et al., ibid., pp. 175–184. On Medicare and Medicaid, see K. Davis, National Health Insurance (Brookings, 1975), Chapters 2, 3, and 7 and sources cited therein.

[5] These are OMB functional account 502 expenditures only; they do not include veterans' education or social security payments on behalf of surviving students which are classified elsewhere.

[6] I have omitted from this list College Work-Study in which the federal government pays 80 per cent of student wages on the grounds that this is more a form of subsidy to employers, rather than to students.

First, a grant program based on a student's financial need. The grant maximum would be based on non-instructional cost and would be independent of actual charges incurred. The Basic Educational Opportunity Grant Program comes very close to this description, needing only amendments to remove the "half-cost" provision.

Second, a loan program open to all students, regardless of need, in which students pay the full cost of the loans. Annual loan extensions would be limited by the total costs of attendance or a lesser amount if Congress decided that some self-help is essential. This program could be implemented by phasing out interest subsidies in the guaranteed loan program and revising its annual loan limits (as well as bolstering the Student Loan Marketing Association, "Sallie Mae," to play a larger role).

The above two objectives/two program strategy leaves unanswered a major question for the Congress. The question is:

What is to be the role of the federal government in encouraging or discouraging state policies on low tuition charges and support of the private sector?

The failure to address this question directly has probably contributed to some of the observed waste and duplication in existing programs. Most of the college-based aid programs [7] disproportionately aid private institutions and this constitutes one reason for their continuance.

I believe that a case can be made for federal encouragement of the maintenance of low net tuition (net tuition is tuition minus student aid) charges for low-income students in public and private institutions. The attainment of this goal is best handled by federal assistance for state-scholarship programs; the existing state incentive grant program could probably be revised to fill this bill.

Beyond inducing states to offer low net tuitions to low income students, I believe (somewhat less firmly) that the federal government should, somehow, induce states to treat private and public institutions more evenhandedly. The motive here would be to ensure that a student choosing between a public and private institution would be basing his choice on a meaningful set of relative prices (ones that reflect relative costs) rather than on the basis of the distorted, anti-private, price relations that exist today. There are a wide variety of possible state programs that could accomplish this objective ranging from income tax credits to a program of state grants to private institutions. To my knowledge there is no existing or proposed federal program that would induce states to pursue such assistance while simultaneously limiting federal aid to just such support. In any case, it is clear that the duplicative federal student programs do not provide incentives for the states to treat their educational sectors more evenly. They are simply inefficient responses to a general feeling that something should be done for the private sector.

From these observations, a fairly straightforward reform proposal for federal aid to postsecondary education emerges. The basic programs are a complementary package of—

Basic Grants.

Unsubsidized Loans.

State Scholarship Support.

These might be supplemented by a program to help states spread subsidies more evenly over private as well as public institutions.

This package would vastly simplify the present hodge podge system of aid. In the long-run, it will allow Congress to consciously control the degree to which it wishes to aid higher education and will ensure that such aid is economically (that is, without waste) provided.

Let me close with two caveats:

Moving to a consolidated system all at once—say, by terminating all existing student aid programs except the ones listed—would be a mistake. Institutions of higher education, especially private ones, cannot adjust overnight to a withdrawal of federal funds that may now be supporting over half of their student aid budget. Neither can students, who are presently receiving subsidies but will lose eligibility under a reformed program, adjust quickly to new circumstances. A careful plan phasing in full funding over a four or five year period would most likely take care of the transition needs.

The reform package will, therefore, probably cost the federal government more in the short-run than a do-nothing policy. First, some recipients of aid under duplicative programs will have to continue to receive aid during the transition, while newly entitled recipients are also added to the rolls. Second, the current interest subsidies under the guaranteed loan program largely pay for loans issued several years ago. There is no way to eliminate outlays for this program even if subsidies on future loans are terminated immediately.

The federal budget dollar savings in this plan come in the future. The size of such savings depends on how Congress will respond to the inequities its own programs now create. If there is a lesson from all this it is that it would be better to consolidate and fully fund efficient programs now than to wait and see how large an unwieldly set of programs becomes.

NATIONAL HEALTH INSURANCE

Mr. PELL. Mr. President, on January 19, President Ford announced that he was proposing major changes in this Nation's medicare program through which we provide health and hospitalization insurance to our senior citizens. The President's proposal combined a $500 million program of Federal support for long term catastrophic illness insurance, with a $2 billion decrease in coverage for short and average term illness costs.

Just one week after the President announced his proposal, the Senate Special Committee on Aging, of which I am a member, held a hearing in Providence, R.I., on "Future Directions in Social Security: Increases in the Cost of Living." Almost every one of the witnesses who testified before us that day, as well as many persons in the audience, argued persuasively that President Ford's proposal was wrong, ill-conceived, and not what this Nation's senior citizens urgently need in the way of national health insurance. I agree with them entirely.

Particularly insightful and forceful was the testimony of Dr. Mary C. Mulvey, a Providence, R.I., resident and vice president of the National Council of Senior Citizens, who noted that:

> These changes are a hoax on the elderly. For example, under present law, the patient pays $104 the first day in the hospital and no more for 60 days; but the President's plan would increase the cost for the Medicare patient upwards of $250 for an 11-day stay, which is the average Medicare patient hospital stay. Medicare patients will pay 10% day after day until they spend $500.
>
> It is estimated that this proposal would not offer a savings until after a patient had been hospitalized for 75 days! Yet, only 1 out of 1,000 remains 75 days in a hospital; so the President's plan will benefit only one out of 1,000 Americans under Medicare—not the millions of senior citizens who are sick and infirm.
>
> We speak of our freedoms in this country. If we are to hold up our heads among other industrial countries in the world, we must affirm one more freedom—the freedom from fear of ill-health and its financial consequences for the old and the young, poor and affluent, employed and unemployed. Comprehensive health care for all our people must be established as a matter of right—like the right to education and the right to vote!

In fact, medicare truly needs to be improved. But the improvement should be in the direction of providing broader and more rational coverage, and lifting a greater percentage of this burden from the elderly, rather than in the President's direction of cutting back on coverage.

Last year, medicare only covered 38 percent of the health care costs of our older Americans. This is a smaller piece of the pie, and less adequate coverage, than when medicare was first enacted into law.

Under the President's proposal, an elderly person would pay three times as much for an average, noncatastrophic hospitalization, than he or she would pay this year.

I cannot accept the President's proposal: and I have joined with Senator CHURCH, the chairman of the Senate Special Committee on Aging, in cosponsoring Senate Concurrent Resolution 86, a resolution opposing increases in medical costs for the elderly.

It is my hope that our message will ring clear to the President: "Do not try to balance the Federal budget on the backs of our elderly citizens. Medicare and national health insurance must be our goals, not our political footballs!"

CHILD AND FAMILY SERVICES ACT

Mr. CULVER. Mr. President, in recent weeks my office and those of other Members of Congress have been receiving letters and telephone calls from constituents who are very concerned about S. 626, the Child and Family Services Act.

Their concern is largely based on unsigned mimeographed literature which falsely claims that this measure would lead to the "Sovietization of the American family" by giving Government parental responsibility for millions of children, prohibit parents from providing religious training to their children, and give children the legal right to disobey their parents without "fear of reprisal." These inflammatory allegations are absolutely and totally false.

The material also states that a "Charter on Children's Rights," from the British Advisory Center for Education and the National Council of Civil Liberties in Great Britain, and the so-called "Child Advocacy Clause" are part of the Child and Family Services Act. This claim is again completely unfounded and untrue. Neither of these documents nor any part of them is included in S. 626.

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[7] Supplementary Educational Opportunity Grants, National Direct Student Loans and College Work-Study.

S. 626, a bipartisan bill, would make available parent-controlled voluntary basic health, education, and other child care services. It authorizes a flexible system which would allow communities to develop their own programs according to their own needs on a totally voluntary basis. It would provide services for working people who need child care programs and want these opportunities for their children, but often cannot afford them.

This legislation is widely supported by over 100 religious and civic organizations including the PTA, the National Education Association, the U.S. Catholic Conference, the United Methodist Church, and the Child Welfare League of America.

There is, of course, room for legitimate disagreement on such legislation, but it is unfortunate that the organized attack against the bill is largely based on misrepresentation of the provisions and purposes of the Child and Family Services Act.

For this reason, I feel that Members of Congress and the public should judge this measure on its merits, based on the facts; and I think it might be of interest for those concerned to read an editorial from the Cedar Rapids Gazette and one from the Minneapolis Tribune, which was reprinted in the Des Moines Tribune. These editorials set the record straight on the misconceptions that have been created.

I ask unanimous consent that the editorials be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Cedar Rapids (Iowa) Gazette, Feb. 1, 1976]

CHILD CARE DISTORTION

One of several possibilities for better day-care service being studied by congress is a bill called the child and family services act. It would provide federal funding for a new program of comprehensive services of care for children whose parents are away at work—all on a completely voluntary basis.

The bill proposes an expansion of federal spending at a time when budget cutting and election-year considerations overshadow other kinds of concerns. It faces a veto if enacted. The timing is doubtful and prospects of passage are currently dim.

In view of all this background, plus the basically good motive of providing better lives and opportunity for youngsters otherwise confronted with neglect or deprivation, another thing about the bill is most surprising: why it has come under fire as the worst threat to American ideals since Marx put communism on the board.

Legitimate objections from reasonable critics paint the day-care promotion, understandably, as a weakening of family fabric; a move toward government control in the rearing of children. Printed fliers circulating widely in this part of the country—unmarked as to source—distort that to a point that strains the credibility.

To quote one example, allegedly drawn from the Congressional Record:

"As a matter of the child's rights, the government shall exert control over the family because we have recognized that the child is not the care of the parents, but the care of the state. We recognize, further, that not parental but communal forms of upbringing have an unquestionable superiority over all other forms."

Manifestly, that is utter fabrication. No congressman could sponsor such a piece of infamy, let alone vote for it, and ever pull two dozen votes again. Factually, the bill itself asserts that nothing in it can be "construed or applied in such a manner as to infringe upon or usurp the moral and legal rights and responsibilities of parents or guardians" or to permit "any invasion of privacy otherwise protected by law."

Realistically, the child care proposal answers a need, raises no dire threat and grows out of respectable motives but stands little chance of going far very soon on its merits, all pressures considered. What bids to be the biggest lie since Goebbels masterminded Hitler's is a useless contribution to debate, deserving nothing but contempt from earnestly concerned Americans on either side of the issue.

[From the Minneapolis Tribune, Feb. 2, 1976]

FALSEHOOD, FEAR IN ATTACKS ON CHILD-CARE BILL

Attacks on Senator Walter Mondale's child-care bill are being circulated more widely than ever, cropping up with increasing frequency in Minnesota. They're generating more letters to members of Congress and to newspapers; Mondale's office, in fact, has received a record volume of mail on the bill.

But as the attacks mount, they also sink—to new lows of irresponsibility and falsehood. They are, Mondale complains, "based on distortion, falsehood and fear." And they're anonymous, making it impossible for the bill's supporters to confront and refute their opponents.

The object of the attacks is a bill called the Child and Family Services Act of 1975, sponsored by Mondale in the Senate and by Representative John Brademas (Dem., Ind.) in the House. Its intent is "to provide a variety of quality child and family services in order to assist parents who request such services. . . ." It would provide funds for local communities and parent organizations to set up such services as prenatal care, medical treatment to detect and remedy handicaps, nutrition assistance and day-care programs for children of working mothers.

ORIGIN OF ATTACKS

The attacks seem to have originated in Texas and Oklahoma and moved northward and eastward. A Houston Chronicle reporter, trying to trace their origin, was unsuccessful. All he could find was a retired director of a Kansas Bible camp who said he reprinted and circulated about 1,000 copies of one version—but quit when he found that the information in it was misleading.

The versions now appearing in Minnesota are nearly identical—and equally anonymous. A letter from a LeRoy, Minn., man to the Austin Herald is typical. Using the language of the unsigned fliers, it contends that the bill would "take the responsibility of the parents to raise their children and give it to the government," going on to cite four examples of how it would do so.

A similar argument was made in a letter from a Marietta, Minn., woman that became the basis for an editorial in a Madison, Minn., weekly shopper. That version, however, actually attributes to Mondale one of the false statements of what the bill would do.

In fact, the bill would carefully protect the rights of parents. Participation in any program would be completely voluntary; children could not be included without the specific request of their parents or guardians. The bill would prohibit anything that would "infringe upon or usurp the moral and legal rights and responsibilities of parents or guardians."

CURTIS SPEECH

What, then, of the four examples of usurpation of parents' rights cited by the LeRoy letter-writer? And what of the anonymous fliers' contention that what they contain is true because it appeared in the Congressional Record? The examples, it appears, are taken from something called the Charter of Children's Rights of the National Council of Civil Liberties. But no such charter is included in the bill. It first surfaced in 1971, during Senate debate on another bill that contained child-care provisions.

Senator Carl Curtis of Nebraska, who opposed that bill, said that in England "child-development advocates have gone so far as to draft a charter of children's rights," which he then read—and which has been picked up by opponents of the Mondale bill. But the so-called charter, if it ever existed, had nothing to do with the 1971 bill, much less the current Mondale proposal. Still, irrelevant though it was, the Curtis speech was indeed reported in the Congressional Record, giving the authors of the anonymous fliers a false claim to authenticity.

The allegations contained in the anonymous attacks "are false and misleading" and contain a wealth of inflammatory information and untruth," according to the Baptist Standard. Archbishop John Roach of the Archdiocese of St. Paul and Minneapolis, writing for the board of directors of the Minnesota Catholic Conference, said that the attacks "are dishonest, and we, as bishops of Minnesota, deplore them."

Charges about the child-care bill are being given wide currency. We hope that Minnesotans will look beyond the anonymous attacks, however, and will base their judgments of the bill on what it actually contains. On that basis, the bill stands up well—and it deserves support.

LABOR UNIONS AND POLITICAL CONTRIBUTIONS

Mr. GOLDWATER. Mr. President there has been a lot of moralistic breast beating in this Chamber in the last few days about what corporations do with their money, or what generals and admirals do at duck hunting establishments, and with all of this I have not heard a word said about the continuing growing control by the labor unions of this body in which we serve. To try to prove my point, I put together the other night just a few items picked up from available sources to indicate that what the political contributions of the unions come to is not exactly small potatoes. For example, in just a matter of 5 months $34,200 was given to one announced candidate for the Presidency and this came from 27 different unions across this country. Other notations are similarly interesting and I ask unanimous consent that a compilation of these items that I have collected be printed at this point in my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FEBRUARY, 1976

It is interesting to note that the Communications Workers Union—C.O.P.E. gave $1,000 to each of the following Presidential candidates: Bayh, Bentsen, Carter, Harris, Jackson, Sanford, Shriver, Shapp and Udall.

* * * * *

The United Auto Workers' political arm raised $585,383.02 and spent $141,214.33 in

1975. As of 12/31/75 they had cash on hand of $683,904.42. Several contributions of interest were as follows:

December 5, 1975—Democratic National Committee, $10,000;

June 2, 1975—Democratic National Committee Telethon, $25,000; and

February 28, 1975—Matt Reese & Assoc. (for Congressional Study Project) $2,500.

* * * * *

It would appear that organized labor is setting up a special task force for the Senate campaigns. The U.A.W. sent $5,000 on 8/15 to the A.F.L.-C.I.O. C.O.P.E. Marginal Senate Campaign (perhaps for Durkin (N.H.) campaign). The check was returned and reissued to the A.F.L.-C.I.O. C.O.P.E. Political Action Dept.

* * * * *

The United Steelworkers—Political Action Fund raised $299,360.86 and spent $71,075.15 in 1975. They had cash on hand 12/31/75 of $458, 225.07. In 1975 they gave $15,000 to the Democratic Congressional Dinner Committee on March 13.

Mr. GOLDWATER. Now there is nothing wrong with any group in this country wanting to have a better Congress, but it seems strange to me that on neither of the floors of the Congress, nor in the media of this Capital City, do we ever read about the millions of dollars spent legally or illegally by the labor unions on political efforts.

MR. JUSTICE WILLIAM O. DOUGLAS

Mr. KENNEDY. Mr. President, the Senate has unanimously passed legislation dedicating the C. & O. Canal to Justice William O. Douglas. Similar legislation is pending in the House of Representatives and action on that bill is expected soon. I can think of no more appropriate honor for this extraordinary man than the dedication of the canal to his achievements.

When the canal and the great scenic beauty bordering it were threatened with destruction, two decades ago, it was Justice Douglas who brought leadership and commitment to the cause of protecting the canal and saved this precious landmark.

If we are to single out the one person most responsible for awakening this Nation to the hazards of inaction while our natural resources dwindled and decayed, it is to Justice Douglas that we owe our deepest gratitude.

And it has been our great good fortune during the most hazardous period of our constitutional history to have Justice Douglas guard our most precious first amendment freedoms with a fervor and courage unequaled in the history of this Nation.

The extraordinary gifts and talents of Justice Douglas has led neither to arrogance nor narrowness. His spirit is as broad as this land he loves and as limitless as the individual freedom he cherishes.

Our language is too pale to describe our love and respect for Justice Douglas. He illuminates the finest qualities of our people—humor and energy and compassion and courage. It is our privilege to share these years with him; it is our sadness that we cannot share the pain that caused his retirement.

THE CONCORDE

Mr. CASE. Mr. President, I was distressed Wednesday to learn that Secretary of Transportation William Coleman had decided to allow British and French supersonic transports to use Dulles and Kennedy International Airports—for what he terms a 16-month trial period.

In my view, the Secretary has failed to provide any substantial basis for allowing these planes to land at our airports.

Congress spoke decisively on the issue of the SST in 1971 and nothing in the intervening years has convinced me that our earlier decision was wrong.

The Concorde/SST is noisy; it pollutes the air; it wastes fuel; it is not economical; it depletes the ozone. In short, the Concorde—as presently designed—is a menace.

I am glad to join Senator WEICKER in sponsoring legislation to ban the Concordes, and I fully intend to support all additional legislative efforts which will accomplish this same purpose.

EARTHQUAKE IN GUATEMALA

Mr. KENNEDY. Mr. President, more complete reports are now available on the extent of the massive earthquake which struck Guatemala on Wednesday—leaving behind an awesome trail of destruction and death and human misery.

Registering 7.5 on the Richter scale, it was one of the most destructive earthquakes of this century in Central America. Although reports are still scattered, the Guatemalan Government, disaster relief teams, and journalistic accounts all report a tragic toll in human life—at least 3,000 to 4,000 persons dead, and 8,000 known injured. But as the rubble is cleared, the death toll will surely climb.

For those still alive, many thousands are homeless—living in the streets or fields. Entire communities have been cut off, with roads destroyed and communications severed in many areas. Although the center of Guatemala City has been spared, the surrounding residential areas and, typically, the poorest sections of the city, have been hardest hit. Once again, those who can least afford it have lost everything.

Mr. President, as chairman of the Subcommittee on Refugees, I express my deep sympathy and concern to the people and government of Guatemala, and to urge our Government, in concert with international relief agencies, to spare no effort in responding to the urgent humanitarian needs of the devastated people of Guatemala.

From a report the subcommittee received this morning from officials in the Office of Disaster Relief in the Agency for International Development—AID—our Government has, to date, made a commendable response to the emergency needs in Guatemala. In just over 24 hours, some $525,000 in disaster relief funds have been obligated, and more is available as relief needs are identified.

AID has dispatched a 100-bed hospital with necessary support facilities and medical supplies, including 500 pints of blood, and penicillin for 5,000 people. In addition, 500 family tents have been flown in for temporary shelter, along with first aid supplies, and 12 3,000-gallon water tanks. An AID disaster assessment team has also been flown to Guatemala City for a first hand report. American voluntary agencies are also mobilizing relief supplies.

Mr. President, I commend AID's Disaster Relief Office for its rapid response to the Guatemala earthquake, and to urge its full cooperation with other international relief efforts now underway. Hopefully, the United Nations Disaster Relief Office, with the full support of our Government and the international community, will serve as the focal point for international disaster assistance in Guatemala.

Mr. President, yesterday's massive earthquake in Guatemala represents another link in the chain of natural and man-made disasters which have circled the globe in recent years—once again putting the ability of the international community to respond on trial. I know our Government, in concert with others, will help meet the challenge.

THE MAJOR OIL COMPANIES ARE LOYAL TO OPEC

Mr. McINTYRE. Mr. President, the largest major oil companies have used their great size and vertical integration to keep prices artificially high, costing the public billions of dollars a year.

In addition, since the upheaval of the Arab oil embargo and the unilateral raising of prices by the Organization of Petroleum Exporting Countries, the biggest majors—known as the seven sisters—have become concubines of the OPEC countries.

Naturally, the oil companies refute these assertions. They say that their vertical structure brings about "efficiencies" that lower prices. They say that they are not slavishly attached to their hosts in the Persian Gulf.

I ask unanimous consent to have printed in the RECORD two recent statements before the Senate Subcommittee on Antitrust and Monopoly, whose chairman is the most distinguished Senator from Michigan (Mr. PHILIP A. HART.)

One statement is that of Frederick M. Scherer, Director of the Bureau of Economics of the Federal Trade Commission. A distinguished economist, Mr. Scherer refutes the major companies' claim that vertical integration brings about money-saving economies.

The other statement is that of world-renowned journalist, Anthony Sampson, author of "The Seven Sisters." Mr. Sampson has interviewed the very people who run OPEC—such leaders as the Shah of Iran and his oil minister, Dr. Amouzegar. These OPEC leaders themselves say that the oil companies help operate the cartel smoothly.

I urge all my distinguished colleagues to study these documents carefully.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

TESTIMONY OF F. M. SCHERER BEFORE THE SENATE SUBCOMMITTEE ON ANTITRUST AND MONOPOLY, COMMITTEE ON THE JUDICIARY, JANUARY 30, 1976

It is a pleasure and an honor to appear before the Subcommittee today. I should note at the outset that I have been asked to testify as individual author of a recently published book on industrial scale economies,[1] rather than in my role as director of the Federal Trade Commission's Bureau of Economics. Therefore, with one exception which will be identified as such, I draw only upon evidence which I had already accumulated before joining the FTC. And of course, the views I express are strictly my own and not necessarily those of the Commission, other Bureau of Economics staff, or my co-authors.

The issue I address is a straightforward one: what impact would structural reorganization, horizontal and/or vertical, have on the efficiency of the United States petroleum extraction, refining, and distribution industry? It has been suggested that structural divestiture would propel the nation into an era of one dollar per gallon gasoline. Is there any reason to believe that reorganization would in fact lead to inefficiencies of that or even a lesser but appreciable magnitude?

The question of structural fragmentation vs. industrial efficiency is of longstanding interest. It surfaced frequency early in this century when Theodore Roosevelt and others were debating what the nation's policy should be toward "the trusts." It reappeared in the perennial conflict over expanded enforcement or statutory toughtening of Sherman Act Section 2. As is often the case, these important deliberations had to go forward without a solid base of theory and evidence on the economic advantages of corporate size.

To help fill that knowledge gap, several colleagues, students and I embarked more than six years ago upon a major research effort exploring the nature and magnitude of scale economies, or advantages of size, in twelve significant industries. In addition to petroleum refining, the industries covered were brewing, cigarettes, fabric weaving, paints, shoes, glass bottles, cement, steel, anti-friction bearings, refrigerators, and storage batteries. To maximize insight into the character of scale economies under diverse market conditions, our empirical research investigated those twelve industries in six nations—the United States, Canada, the United Kingdom, West Germany, France, and Sweden.

The research had three main thrusts: we extended the theory of scale economies, carried out statistical analyses, and developed qualitative information through interviews with 125 producers in the six nations and twelve industries. The book summarizing our findings was published in December under the title,

The economics of multiplant operation

The title reflects what I consider the most unique of our contributions—a thorough exploration of the economic advantages realized by firms operating multiple plants, rather than just one. Considerable prior work had been done by economists and engineers on the advantages of large scale within a single plant, but there was little systematic evidence on the advantages derived from controlling numerous plants, each perhaps of the most economical internal size. What was known when we started, and what lent urgency to remedying the remaining knowledge gaps, was that in most industries the leading firms in fact operate multiple plants and owe much of their overall size to their multi-plant posture. Thus, if one seeks to understand the structure of manufacturing industries, or what might happen if structural fragmentation took place, one must understand the economies of multi-plant operation.

THE EXTENT OF MULTI-REFINERY OPERATION

This generalization clearly applies to the U.S. petroleum industry. All of the leading eight domestic refiners operate multiple refineries at widely scattered U. S. locations, as the following listing derived from Department of the Interior data for 1969 indicates:

NUMBER OF DOMESTIC REFINERIES WITH AVERAGE CRUDE OIL INPUT

Company	At least 30,000 barrels per day	At least 120,000 barrels per day
Exxon	[1] 5	3
Texaco	8	2
Shell	7	3
Standard/Indiana	9	2
Mobil	8	1
Standard/California	6	3
Gulf	4	2
Atlantic-Richfield	4	3

[1] Includes Exxon's Benicia, Calif., refinery, which came on stream with a small output in the reporting period ending Sept. 30, 1969.

Some changes have occurred since 1969 through the closure or expansion of refineries near my 30,000 bbl/day size cutoff, but the basic conclusion remains unaltered: the size of the leading U.S. petroleum refiners is attributable in significant measure to multi-plant operation. And of course, most operate numerous additional refineries in other parts of the world.

THE CONSEQUENCES OF INCREASED PLANT SIZE

The sizes of the refineries operated by the domestic industry leaders vary widely both between firms and between locations within a given corporation. Exxon had in 1969 the largest single refinery (at Baton Rouge, Louisiana) among the eight, averaging 415,450 barrels per day crude input. California Standard's largest refinery (at El Segundo), on the other hand, processed only 153,000 bbl/day. Only eleven of the refineries operated domestically by the Big Eight had a capacity in 1969 of 200,000 barrels per day or more—the volume which, my co-authors and I found, was necessary to achieve all significant economies of scale at the single-plant level, assuming 1965 technology and economic conditions.[2] [3] We estimated that in a plant with only one-third that capacity, 1965 processing costs per barrel (including capital and crude oil input costs) were roughly 4.8 percent higher than in a 200,000 bbl/day refinery. Most refineries of the Big Eight have been built at scales considerably smaller than 200,000 bbl/day because of limited market absorption potential and/or because the cost savings from operating larger, less decentralized refineries would be more than offset by increased product transportation costs except where excellent water or product pipeline transportation facilities exist.

Before turning to the evidence on multi-plant scale economies, I should like to note one further consequence of size at the individual plant level. Social psychologists have in recent years accumulated an impressive amount of evidence that workers' satisfaction with their jobs, and especially with the challenge their jobs offer, declines at the size of the plants in which they work increases.[4] Job satisfaction is particularly low in establishments with 500 or more employees—a threshold surpassed by 56 domestic petroleum refineries in 1967. Employers evidently compensate their workers for the lower psychic satisfaction large-plant jobs offer by paying premium wages. There is also evidence that the large plant/small plant wage differential is rising over time, suggesting that the incremental level of job dissatisfaction which must be overcome in large plants has been increasing. We know far too little about this dimension of the plant scale problem, which may have potent implications for the kind of society in which we shall live in coming decades.

THE ADVANTAGES OF MULTI-REFINERY OPERATION

Given the sizes of a particular collection of petroleum refineries appropriately distributed over the map, what advantages flow from having them controlled by a single firm, as compared to the situation which would prevail if each refinery operated as an independent corporate entity? Again, this was a prime question addressed by colleagues Kaufer, Bougeon-Maassen, Beckenstein and Murphy and myself.

We found that multi-plant operation did offer certain economic advantages under the conditions existing in the U.S. petroleum refining industry as of 1970. The nature of those advantages is quite complex, so the most we could conclude was that a firm operating only one efficient-sized refinery experienced anywhere from a very slight to moderate price/cost handicap relative to a firm enjoying all the benefits of multi-plant operation. "Very slight" was defined to mean a price or unit cost handicap of less than one percent, and "moderate" a handicap of two to five percent. Where in this range the single-plant refiner fell depended upon its regional market position (e.g., whether its sales were concentrated in a small area or widely dispersed) and its access to crude oil. We concluded too that to experience price-cost handicaps of not more than about one percent, a firm needed to operate two to three refineries of minimum optimal scale—that is, with capacities of roughly 200,000 barrels per day each. Although the complication is not discussed in our original work, the disadvantages of single-plant as compared to multi-plant size would not differ appreciably if the comparison were between a firm operating one 120,000 bbl/day refinery and a company operating multiple refineries with individual or average capacities of 120,000 barrels. To be sure, some "plant-specific" cost advantages would be sacrificed, but the multi-plant cost and price relationships would remain nearly invariant.

The advantages of multi-refinery operation identified in our study were distributed across a number of functional areas. Table 1 estimates in eleven categories the extent to which single-plant refiners were handicapped relative to multi-plant firms and the number of efficient-sized refineries needed to enjoy all observed benefits of multi-plant operation. In developing this table, it should be noted, no attempt was made to quantify in any standard way the meaning of "slight," "moderate," etc., as they were quantified for the overall summary assessment above. Among the perceived detailed advantages associated with multi-plant size, four appeared to be of paramount importance: those involving vertical integration into key inputs (notably, crude oil production), optimal investment staging, access to capital, and advertising and image differentiation. Each of these four warrants more detailed analysis in the context of a proposal to restructure the U.S. petroleum industry.

Footnotes at end of article.

TABLE 1.—ESTIMATED EXTENT TO WHICH EFFICIENT SINGLE-PLANT REFINERS WERE DISADVANTAGED AND THE NUMBER OF REFINERIES REQUIRED TO REALIZE ALL MULTI-PLANT ECONOMIES UNDER U.S. MARKET CONDITIONS, CIRCA 1970[1]

Category	Handicap of single-plant refiner	Number of efficient refineries needed to realize all advantages
Advertising and image differentiation.	Slight to moderate.	1-4
Access to markets and distribution channels.	None	1
Procurement of materials	No evidence; probably none.	[2] 1
Vertical integration into key inputs.	Moderate	2-5
Outbound transport pooling	None	1
Peak spreading, risk spreading, and other massed reserves.	Slight	2.3
Acquisition of capital	Moderate	(3)
Optimal investment staging	Slight to moderate.	2-3
Product specialization and lot-size economies.	Little or none	1
Managerial and central staff economies.	(4)	(4)
Research, development, and Technical services.	Slight	2-4

[1] Source: Scherer et al., The Economies of Multi-Plant Operation, pp. 334-335.

[2] Questionable.

[3] No clear limit.

[4] Multiplant size probably disadvantageous.

VERTICAL INTEGRATION

When we made the summary subjective evaluations of Table 1 nearly four years ago, we assigned high weight to the possibility that single-plant refiners might suffer significant crude oil access difficulties, reflected either in a price squeeze or the inability to obtain adequate crude supplies in a tight market. Our conclusion differed from that of Professor Joe S. Bain in a 1950's study using similar methodology.[5] Attempting to reconcile the difference, we wrote:

". . . For petroleum refining [Bain] finds no significant economies of multi-plant operation while we do. We share his judgment where crude oil markets function competitively and competitive product market transactions make optimal internal multi-plant investment staging redundant. The rising scale requirements for crude oil exploration as inland reserves have become exhausted, the imposition of mandatory import quotas from 1959 to 1973 and the more recent tightening of domestic crude markets, and the rise of national television advertising directed toward increasingly mobile consumers may represent sufficient changes to explain the differences in our evaluations." [6]

Since our field research was virtually completed in 1972 there have been further radical changes: the enormous OPEC-led increase in crude prices, the elimination of percentage depletion for large producers and the end of mandatory import quotas, and the institution of pervasive industry regulation by the Federal Energy Administration.

These events have changed the imperatives for vertical integration in complex ways. To summarize briefly, after some initially counterproductive steps, FEA regulation has lessened the danger of a crude oil price or quantity squeeze on non-integrated refiners; the rise in crude prices and further depletion of inland reserves has escalated exploration costs and risks; and the abolition of percentage depletion has removed what we considered to be the principal inducement to squeezes on non-integrated refiners.[7]

When and if FEA controls are stripped away, the last of these effects will assume critical importance. With no percentage depletion, the risk of a crude oil squeeze will be greatly reduced. Further assurance would undoubtedly come from a restructuring of the industry which lessened the concentration of crude oil production. Indeed, one of the strongest generalizations that emerged from our twelve-industry study in this: the more prone input markets are to a breakdown of price competition, the stronger is a firm's incentive to integrate upstream. Or obversely, workable competition in an input market substantially lessens the incentives to integrate.

It is conceivable that refiners might nevertheless prefer the extra security that integration into crude oil production confers. If integration were permitted under reorganization but other industry institutions remain the same, the risks of offshore and Alaskan slope exploration would be severe and perhaps prohibitively high for a firm of efficient single-refinery scale. One possible solution is joint exploration ventures, but they almost surely enhance respect for mutual interdependence among firms and hence lessen the likelihood of achieving workable competition. To advance an alternate solution, I am forced to draw upon knowledge acquired in my duties at the Federal Trade Commission. Last October the staffs of the Bureaus of Economics and Competition issued a joint report on Federal energy land leasing policy, including an intensive analysis of oil and gas tract leasing methods.[8]

We concluded that the bonus bid system used for offshore oil tract leasing had magnified the risks and capital barriers to the independent entry of smaller producers, among other things increasing thereby the concentration of offshore reserves, and that the problem appeared likely to become even worse with the rise in crude oil prices and the movement to new exploration frontiers. We also proposed various alternative leasing methods—most notably, a two-stage competitive bidding approach—which would significantly reduce exploration risks and hence encourage small-firm exploration while enhancing the Federal Government's leasing revenues. I have seen nothing since then to suggest that our analysis was wrong, and the disappointing results of the California offshore lease sale last December lend support to our findings.

In short, by declining to provide special tax immunities for crude oil production, by reforming government oil land leasing policies, by deconcentrating existing crude oil reserves, and by discouraging joint crude exploration and production ventures, it would be possible to eliminate most, if not all, of the integration advantage multi-plant refiners have enjoyed over efficient single-plant firms. Thus, one of the most important scale-increasing propensities identified in our multi-plant operation study could be attenuated greatly.

Persistent economies of scale tend to make petroleum pipeline operations between two points a "natural monopoly." Regulation has been imposed to combat market failure problems, but the regulation has been rather ineffective, largely because of provisions relating the allowable profit to *total* capital thus encouraging high debt leveraging. This and certain other features have spurred companies to integrate into pipeline ownership, thus increasing the capital costs required of a single-refinery firm. More effective regulation, perhaps coupled with vertical divestiture making pipelines truly independent comomn carriers, would enhance the viability of single-plant refiners.

OPTIMAL INVESTMENT STAGING

Another potentially significant advantage of multi-refinery petroleum companies is the ability to expand capacity in more efficient stages at refineries linked by good product transportation networks. Very briefly, a firm experiencing demand growth in the natural market territories of its refineries A, B, and C can first expand in a large lump at refinery A, simultaneously cutting back on the shipping radii of refineries B and C and taking up the slack by shipping the increased output from A over a broader area. In later stages it then effects similar expansions and territorial redistributions centered on sites B and C. Through such investment staging it may be possible to build larger plant increments at any given stage, and hence to realize the advantages of plant scale more fully, while reducing the amount of excess capacity carried following major expansions.

Nevertheless, the generalization identified earlier with respect to vertical integration also applies to such multi-region horizontal investment integration. Specifically, the more effectively competition in petroleum product markets is working, the less beneficial the multi-plant coordination of investments in different regions becomes. My colleagues and I found sufficient competition in petroleum product markets that reliance upon market transactions often proved a good substitute for intra-firm investment staging. To the extent that horizontal and vertical reorganization improves the workability of product market competition, the incremental investment phasing advantages associated with multi-refinery operation will be rendered correspondingly less important. They are not apt in any event to be as substantial as they have been in the past, since the demand growth which calls forth plant expansions will undoubtedly be curbed by rising crude oil and product prices as controls are removed and (over the much longer run) as high-grade crude reserves are gradually depleted.

CAPITAL ACQUISITION COSTS

Largely because of greater risk-spreading ability, transaction cost savings when securities are issued in large blocks, and their higher public visibility, large corporations are able to raise additional capital at a lower cost per dollar than small companies. This is an advantage of large scale which appears to persist out to very high levels of multi-plant operation, all else equal. Studies which would permit precise estimation of single-plant firm's capital cost-rising handicap have not, to the best of my knowledge, been carried out. Extrapolating from an analysis of size-related debt cost differentials out to average corporation sizes of only $1 billion,[9] I estimate that the capital raising advantage of a petroleum firm with assets of $30 billion over an equally integrated firm operating one 200,000 bbl/day refinery would be somewhere between 0.3 and 0.6 cents on the incremental pertroleum product wholesale sales dollar. Of course, for entities formed through structural reorganization, this effect would be relevant mainly to securities issues for expansion, and not to the capital they inherit from the reorganization.

ADVERTISING AND IMAGE DIFFERENTIATION

Multi-plant, multi-region petroleum companies are also able to derive certain advantages in brand recognition and in the cost of advertising their products. For one, they can advertise their products on nationwide network television—an option effectively denied single-plant firms selling in only one geographic region. They may also spread virtually fixed advertising preparation costs over a larger advertising dollar volume. Although the evidence is meager, I estimate that these savings from network advertising and preparation costs spreading could not have amounted to more than one-tenth of a cent per dollar on petroleum products sold during the late 1960's.

If the leading petroleum companies were broken up horizontally, they would no longer be positioned to sell gasoline in all or most parts of the United States. Therefore, they would lose the brand recognition advantage which comes when, say, a New York resident travels to California and sees the familiar Exxon sign. Since our interviews revealed that most gasoline consumers exhibit only weak brand preferences, it is unlikely that such a change would have much adverse impact on either consumers or the refining companies. If I am wrong on this judgment, the loss of nationwide brand coverage could be remedied by voluntary or compulsory brand name licensing at very low royalties.

SUMMARY

In sum, the studies by my colleagues and me suggest that the advantages enjoyed by large multi-plant refiners over efficient single-plant firms have been modest in the past, and they would be even less significant if competition in crude oil production and refined product sales were enhanced through structural reorganization. If large petroleum firms are at best not much more efficient than single refinery operators, it follows that the fragmentation of multi-refinery companies into smaller units operating only a single large refinery or a few smaller refineries would cause little efficiency loss. To be sure, there might be transitional inefficiencies if the reorganization were carried out with a heavy hand. But once the industry had adapted to its new structure, the sacrifice of multi-plant operating economies would be modest—almost surely not more than one percent of sales, or about one-tenth the probable free market impact on gasoline prices, had a full $3.00 tariff on imported crude oil come into effect. And this, I believe, is a rather pessimistic estimate. The market, if kept competitive but otherwise left unfettered, is a robust diciplinary mechanism. Enterprises which once enjoyed certain efficiencies through multi-plant operation would undoubtedly adapt after reorganization and find new opportunities for achieving the same result through competitive purchases and sales in the marketplace. This, at least, is one of the most powerful lessons we learned in our interviews with 125 U.S. and foreign companies, some with extensive multi-plant operation and many others with only one or a very few plants. It seems to me then that the feared social costs of petroleum industry reorganization ought, if assessed correctly, to be only a minor deterrent to action. The more important question is what kind of industrial power structure and hence, ultimately, what kind of society we wish to have. That fundamental value judgment must be resolved either by Congress or the judicial system.

FOOTNOTES

[1] F. M. Scherer, Alan Beckenstein, Erich Kaufer, and R. Dennis Murphy (with the assistance of Francine Bougeon-Maassen), *The Economics of Multi-Plant Operation: An International Comparisons Study* (Harvard University Press, 1975).

[2,3] See the appended analysis of the technological bases of petroleum refinery scale economies, drawn from F. M. Scherer, *Economies of Scale at the Plant and Multi-Plant Levels* (privately published, 1975), pp. 15–19.

[4] See F. M. Scherer, "Industrial Structure, Scale Economics, and Worker Alienation," in Robert Masson and P. David Qualls, ed., *Essays on Industrial Organization in Honor of Joe S. Bain* (Ballinger, forthcoming).

[5] Joe S. Bain, *Barriers to New Competition* (Harvard University Press, 1956), especially pp. 85–88, 137–138, and 152–154.

[6] Scherer et al., pp. 341–342.

[7] *Ibid.*, p. 263.

[8] Federal Trade Commission staff report, *Federal Energy Land Policy: Efficiency, Revenue, and Competition* (October 1975).

[9] Scherer, *Economies of Scale at the Plant and Multi-Plant Levels*, pp. 126–133.

APPENDIX—SCALE ECONOMIES IN PETROLEUM REFINING

A petroleum refinery is in essence an aggregation of plumbing, much of which conforms over broad ranges to the two-thirds rule: as throughput and hence processing vessel volume increases, vessel surface area and hence (roughly) materials and fabrication costs rise by the two-thirds power.

Refineries extract and transform from crude petroleum a variety of products, including gasoline, fuel oil of various densities, kerosene, jet and Diesel fuels, propane gas, lubricating oils (after further processing, often at separate plants), asphalt, coke, and various petrochemical feedstocks such as benzene, xylene, and propylene. The mix of products depends partly upon the composition of the crude oil processed but mainly upon the processing equipment and operating modes selected. Refineries may emphasize gasoline, fuel oils, feedstocks, or various combinations thereof. U.S. refineries tend to be more gasoline-oriented than northern European refineries, where fuel oil is the leading product. Average 1967 gasoline yields were 48 percent in the United States compared to 17 percent in Germany, France and England combined.

The most basic processing unit at a refinery is the distillation stage, consisting of a furnace to boil the crude oil and a fractionation tower to separate components of diverse boiling points and densities. The emerging distillation fractions tend for most crude oil inputs to be rich in fuel oil and lean in gasoline. U.S. refineries therefore require fairly intensive further processing, while European refineries need much less. Major post-distillation units may include catalytic crackers or hydrocrackers, in which heavy fractions (e.g., fuel oils) are exposed to a catalyst under heat and pressure to break down their molecules into lighter gasoline-like components; catalytic reformers, in which naptha molecules are rearranged in the presence of hydrogen to form high-octane gasoline or other light products; alkylation units combining gaseous hydrocarbon molecules to form liquid gasoline; coking units, in which very heavy residual fractions are heated and broken down into fuel oil, gasoline, and coke; hydrogen or chemical treating units for desulfurization; and blending units to combine fractions and additives (such as tetraethyl lead) into end products with the desired chemical properties. Few refineries incorporate all these processes. Processes are chosen to satisfy a particular market's product mix demands. All else equal, the more processes a refinery includes, the more gasoline-rich its end product mix will be and the more flexibility it will have in adjusting to changing crude oil input characteristics and end product mix demands.

Investment scale economies are realized out to substantial unit sizes in nearly all the major refining processes. Since all crude oil inputs must pass through it, the distillation unit plays a key role in determining the minimum optimal scale. In principle the two-thirds rule holds approximately for fractionation towers even larger than any constructed to date, but many design and metallurgical problems must be solved in building larger units, and "first-time" versions of a new scaled-up unit tend to cost considerably more per barrel of capacity than simple extrapolation by the two-thirds rule would suggest. Progress has been unrelenting, however, and by the mid-1960's single distillation units capable of processing 200,000 (42 U.S. gallon) barrels of crude oil per day, or roughly 10 million metric tons per 365-day year, had been developed to the point of having lower capital costs per barrel than facilities of lower capacity.

This fact was decisive in several firms' estimates of the minimum optimal scale. Nevertheless, there is some risk in putting all one's eggs in a single basket susceptible to catastrophic failure, so a refinery with two smaller 150,000 barrel per day distillation units might have lower perceived cost per unit, including a risk premium for lost sales, than one with a single "best practice" furnace and tower. Since this risk cost is strictly private, since supply interruption risks can also be reduced by operating multiple refineries spaced within tolerable shipping distances of one another or through market transactions, and since many firms in fact appear willing to operate refineries with only one distillation unit, we have not considered such hedging to be essential in determining an MOS refinery's size.

None of the major "downstream" processes requires throughputs as large as the distillation unit to achieve all known scale economies. However, most receive only a part of the still's output as input, and for units such as catalytic crackers and cokers, scale economies persisted out to throughputs of 40–50,000 barrels per day with mid-1960's technology or as much as 80,000 barrels per day in the early 1970's. Complicated least common multiple problems therefore arise. There is no single best combination; much depends upon the desired product mix. For a U.S.-type refinery with a high gasoline yield, all or nearly all scale economies are likely to be attained in downstream processing 000 barrels of crude oil per day, and indeed, some replication might occur. The amount of units when total refinery inputs reach 200,- replication again depends upon the technology vintage. There has been more or less continuous progress in scaling up not only major units such as catalytic crackers but also high-flow valves, compressors, and other components. As of 1965, the main advantage other than risk-spreading enjoyed by a U.S.-type refinery with more than 200,000 barrels per day capacity was ability to dovetail individual units somewhat more effectively, thereby minimizing the sacrifice of scale economies on units processing only a small fraction of total refinery throughput. For a European refinrey with a much lower gasoline yield, installing full-size crackers is more difficult at distillation capacities of 200,000 barrels per day.

The cost of certain refinery overhead facilities such as administrative offices, a control center, a quality control laboratory, and perhaps an electrical generating plant also rises less than proportionately with throughput, with some (probably minor) savings continuing beyond 200,000 barrel per day capacities. More important are possible crude oil receiving and storage scale economy possibilities. The laid-down cost of crude oil was in 1965 four to six times in-plant processing costs for a typical refinery. By 1973 it was seven to ten times as costly. Obtaining crude oil at the lowest possible cost is therefore vital. If deep-draft tankers can be used, they are likely to be the least-cost medium, with shipping costs per ton mile one-fifth to one-tenth as high as large-diameter pipelines. There was a sharp jump in best-practice tanker sizes from 105,000 deadweight tons in 1960 to 367,000 tons in 1971, and 500,000 ton ships were under construction in the early 1970's. Tanker unloading facilities require a substantial investment almost invariant with respect to capacity. A 250,000 ton tanker takes about 30 hours to unload but can supply a 200,000 barrel per day refinery for nine days. Much larger refineries served by supertankers utilize their unloading facilities more fully, achieving lower dock investment carrying costs per barrel.

Nevertheless, it is common for several refineries located in the same geographic area to share the use of a single unloading facility, in which case smaller plants are not necessarily disadvantaged. Also, less crude oil storage capacity (increased by replication of tanks at constant unit cost) is required per barrel of refinery throughout when the interval between tanker calls is short. Except with extremely large tankers, however, this scale economy is probably exhausted at refinery capacities near 200,000 barrels per day, since some reserve against supply interruptions must be carried in any event, and the risk to be minimized is apt to be more closely correlated with time (and hence with total usage) than with the capacities of individual ships. Moreover, many refineries are simply not in a position to be supplied by supertankers—e.g., because their markets lie too far inland, or in the case of U.S. eastern seaboard refineries, because port channels were deep enough to accept tankers no larger than 80,000 deadweight tons.[1] Thus, the scale economies associated with receiving crude oil from deep-draft tankers apply only in a special, limited set of cases.

Our emphasis thus far has been on investment economies, which in the capital-intensive refining industry are particularly important. Many overhead work force requirements also expand less than proportionately with throughput, and for functions directly linked to the operation and routine maintenance of specific processing units, employment may come close to being fixed, irrespective of size.[2] Still our interviews revealed that many other jobs, especially in the maintenance area, increase with scale, perhaps even proportionately as further capacity expansion begins to require unit replication. There was also reason to believe that larger refineries had less taut staffing standards than small works, in part because the geographic expanse of a sizeable refinery is so vast that it is hard to keep track of what roving maintenance personnel are doing. Quantitative analysis of this phenomenon is complicated by the tendency of refineries to pursue widely varying policies with respect to the amount of non-routine maintenance work contracted out.

Bringing together the various strands, we conclude that significant scale economies persisted out to a capacity of at least 200,000 barrels crude input per day for 1965-vintage refineries, and it is there that we have pinpointed our minimum optimal scale estimate. Slight low-volume process balance and overhead economies may have continued into higher capacity ranges, perhaps more in refineries with characteristically European than American product mixes. More important ship unloading facilities economies may not be exhausted even at Shell's 500,000 barrel per day complex at Pernis near Rotterdam—the world's largest refinery as of 1970. We ignore the deep water port case in part because deep-draft tankers were only beginning to appear in 1965 and partly because joint use of port facilities minimizes the disadvantage of smaller size when several refineries are clustered in the same general area.

There have been several published analyses of scale economies in refining. Not all have attempted to identify a single size as the minimum optimal scale. McLean and Haigh, for example, made no explicit MOS judgment in their study of scale economies for 1950-vintage U.S. Gulf Coast refineries, but they show declining long-run unit costs out to a capacity of 200,000 barrels per day—the largest scale to which their estimates were carried.[3] A 1962 United Nations analysis extended only up to capacities of 140,000 barrels per day, showing unit costs declining at a diminishing rate up to that volume.[4] Bain placed the MOS for an early 1950's seaboard refinery at 120,000 barrels per day.[5] Ostensibly employing an MOS definition similar to ours, but dismissing the savings shown by McLean and Haigh in the 100–200,000 barrel range as insubstantial, Eastman and Stykolt pinpointed the MOS under Canadian conditions for 1956 at a capacity of 100,000 barrels per day.[6] The 1965 study by Pratten and Dean also analyzed the behavior of costs only up to capacities of 200,000 barrels.[7] In his 1971 addendum Pratten fixed his MOS estimate at 200,000 barrels, using an MOS definition conceptually analogous to Cockerill's. He noted that recent technological advances permitted 400,000 barrel refineries to operate at unit costs (including crude oil inputs introduced at constant unit cost) roughly 1.2 percent lower than a 200,000 barrel plant.[8] In general, our estimates appear to lie in the same range as those of other analysts after differences in the technology vintage assumed are taken into account.

FOOTNOTES

[1] See "No Superports for Supertankers," *Business Week*, May 20, 1972, pp. 108–110.

[2] Cf. Lau and Tamura, "Economics of Scale, Technical Progress, and the Nonhomothetic Leontief Production Function," *Journal of Political Economy*, Nov.–Dec. 1972, pp. 1180–1183.

[3] John G. McLean and Robert V. Haigh, *The Growth of Integrated Oil Companies* (Boston: Harvard Business School Division of Research, 1954), p. 567.

[4] *Techniques of Petroleum Development*, Proceedings of a United Nations Interregional Seminar (New York, 1962), cited in Gunnar Ribrant, *Stordriftsfördelar inom Industriproduktionen* (Stockholm: Statens offentliga utredninger, 1970), pp. 249–250).

[5] *Barriers to New Competition, op. cit.*, pp. 76–80 and 233.

[6] H. C. Eastman and Stefan Stykolt, *The Tariff and Competition in Canada* (Toronto: Macmillan, 1967), pp. 311–313, and 56–57.

[7] C. Pratten and R. M. Dean, *The Economies of Large-Scale Production in British Industry* (Cambridge: University Press, 1965), pp. 83–96. A survey of other estimates is included by the authors.

[8] *Economies of Scale in Manufacturing Industry, op. cit.*, pp. 33–36.

STATEMENT BY ANTHONY T. S. SAMPSON BEFORE THE SENATE SUBCOMMITTEE ON ANTITRUST AND MONOPOLY OF THE COMMITTEE ON THE JUDICIARY

My name is Anthony Sampson. I am a writer and journalist, and author of several books about politics, current affairs and multinational corporations, the last of which, *The Seven Sisters*, was concerned with the international oil corporations and their relationships with governments.

I am honored, as an Englishman, to be invited to testify to your subcommittee. I would like to emphasize that I appear before you simply as an individual, representing no organization, government, or newspaper. I do not claim to be an economist or oil specialist. But as a writer and student of politics, I have enjoyed some freedom of access to some of the principal policy-makers on all sides of oil diplomacy, and I have been to some pains to try to assemble evidence from different viewpoints. I hope my observations may be of some help to your subcommittee.

What concerns me particularly are the relationships of the major oil companies with the Middle East, especially with Saudi Arabia, Iran and Kuwait. It is with this area that the Western world is likely to be more and more concerned: To quote Exxon's latest projections, published last month, "By the late 1980's OPEC could well be looked on to provide some 45–50 million barrels a day of production" and "the burden of balancing world oil requirements will fall increasingly on Saudi Arabia."

It is in the Middle East, I believe, that we are faced with a quite new kind of problem in dealing with the major oil companies, and particularly with the so-called "Seven Sisters." The new problem is not only that the price of oil has quadrupled; it is also that the balance of the world has changed. A group of thirteen countries have suddenly emerged with the power to fix the price of the fuel on which the whole western world is dependent.

Two years ago, many economists, experts and administrators predicted that, once the oil consumption began falling, the OPEC cartel would begin to fall apart. Dr. Milton Freidman confidently announced the impending collapse of OPEC. Dr. Kissinger proclaimed that the high oil price was intolerable. William Simon predicted its imminent fall. Thomas Enders publicly announced the intention of the State Department to break up OPEC.

But, in fact, as we all know, OPEC put up the price still further. And gradually the line of the State Department and the Treasury—at least as far as I could perceive it—began to change. In the first place, many experts came round to the view that perhaps the price of oil was not, after all, much too high.

And secondly, the State Department began to become less antagonistic to OPEC. So that only a few weeks ago (December 4th). Mr. Parsky told us that OPEC would continue to determine the world oil prices for at least 2 to 3 years; that its power would only be eroded through the development of alternative sources of energy; and that to try to break it up through other means would only be counter-productive.

But it is important to distinguish very clearly, I think, between these two separate changes in policy. It is one thing to decide that perhaps the right price for oil is the one that OPEC happens for the time being to have fixed. It is quite another thing to accept that the price of oil will continue to be fixed by a group of thirteen countries.

The fact that the petrodollar surplus in the OPEC countries has proved much smaller than expected, and that the West has been able to export a good deal in return for the oil, does not alter the fact of this great shift of economic power. Indeed it must not be forgotten that we have paid for some of this oil with a very dangerous currency—with huge sales of arms.

The sudden shift of power is without precedent in the recent history of the West. Perhaps it might be compared to the influence of the Middle East on the Roman Empire in the second century AD. The question to which I want to address myself is this: what role are the international oil companies playing in this new development, and how far is it in the Western interest?

I have seen no convincing evidence that the big oil companies deliberately engineered the price increase in 1973 to increase their own profits and resources. I do not believe there was any kind of secret conspiracy between the companies and OPEC.

But I do believe that it would have been very much more difficult, perhaps impossible, for the OPEC countries to organize their cartel and maintain it so effectively if a few companies had not been dominant in the main producing countries, serving as the machinery for maintaining the OPEC cartel. And those companies now find themselves in a position of being closer in their interests to the producing countries than to the Western consumers.

This partnership is not sudden. It was planned and foreseen by the Arab oil producers in the aftermath of the Six-Day War, in 1968. It was then that Sheikh Yamani described how he aimed to create an "indissoluble marriage" to unite the oil companies and the producing countries. This was the intention behind the whole policy of "participation," as opposed to nationalization, a policy which would make the companies the partners of the producing governments in running the oilfields. And even though these governments, since 1973, have been asking for a hundred percent participation, they have taken care to ensure that the major oil companies will still be bound to them by long-term contracts, attracted by preferential prices and by guaranteed access to oil.

The producing countries, from everything that they have done and said, have shown that they are still very anxious to keep the major oil companies close to them—not only for their technical expertise, but in order to ensure the smooth working and marketing of their oil; in fact, to act as agents for their cartel.

It's important to remember that the OPEC members have never been able to agree among themselves as to how to ration their production of oil. In the sixties, they tried several times to produce systems of pro-rationing or programming, and each time they failed. They needed the companies—and particularly the big companies—to make sure that there would not be a sudden glut of Saudi oil, or Libyan oil, or Abu Dhabi oil, which might flood the marekt and bring the price down.

Traveling through the Middle East last year, I was very impressed by the extent to which the leaders in the oil producing countries felt a sense of dependence on the international companies. The Shah, for instance, described to me how OPEC first established its effective cartel: "with the seven sisters controlling everything," he said, "once they accepted, everything went smoothly." I asked him specifically: "Will you be prepared to cut production in order to maintain the price, even if that diminishes your total revenue?" He replied: "Yes, we will do that, but the companies are doing it for us." And the Shah's oil minister, Dr. Amouzegar, enlarged on this theme: "The Shah was right. Why abolish the Majors if they can find markets for us and regulate them. Iran can just sit back and let the Majors do it for them."

The OPEC countries could only operate their cartel on their own if they could agree on their own pro-rationing. To quote Professor Neil H. Jacoby, in his book on Multinational Oil (p. 271):

"To succeed, the OPEC must become another Texas Railroad Commission, prorating allowable output among its members to levels the market will absorb at the price it has established.

But OPEC has never succeeded in becoming a Texas Railroad Commission, and Shiekh Yamani himself explained to me why: "They could not agree on the basis of the rationing; whether it should be in terms of capacity, or of population, or of need." So how does OPEC survive, without being able to proration? Because, I submit, the oil companies do it for them.

I don't want to simplify the problem of how the OPEC cartel has held together. Of course, OPEC has a very great advantage over other potential cartels: namely, that its strongest member, Saudi Arabia, is in a position to cut back or expand production as it wishes. It is not in grave need of the money, and has huge potential production.

As Sheikh Yamani described it to me: "Usually any cartel will break up, because the stronger members will not hold up the market to protect the weaker members. But with OPEC, the stronger members do not have an interest to lower the price and sell more."

But OPEC as a whole derives great strength from the fact that its key members—Saudi Arabia, Iran, Kuwait—are dealing predominantly with a few giant companies who can guarantee their markets and help maintain their prices. This affinity between the companies and countries has been commented on by many oil economists. Only recently, Dr. Paul Frankel of *Petroleum Economics* in London has re-stated the problem:

"The fact that OPEC is not confronted with a multitude of miscellaneous buyers but by a limited number of takers makes easier, nay perhaps is what makes possible, the maintenance and control of prices and terms."

It is this relationship, I maintain, which introduces a new dimension to the old problem of controlling the international oil companies. For the earlier cartel of the companies that was evident in the 1950's now has taken shape in a cartel of foreign producing nations, with the companies operating in the background to help them maintain it. And the companies find themselves with heavy obligations and commitments to foreign countries, which raise recurring questions about their true loyalties.

Moreover, these overseas commitments are likely to become greater rather than less. For while the big companies may eventually become less important in running the Middle East oil fields, in other fields they will become more important. The governments in the Persian Gulf area are desperately concerned to develop themselves industrially, to build their own power-plants, petrochemicals, agriculture, infrastructure. And for this huge development most of them look to the great companies with whom they have worked for the past forty years.

Nowhere is this more marked than in Saudi Arabia, where the four oil companies that make up Aramco have already played a crucial role, not only in discovering and exporting the oil, but in developing the whole country.

The role of Aramco in the next years, as universal contractors to the Saudis, is likely to become much greater. They know the country, they are trusted, and they have the expertise. When I was in Saudi Arabia a year ago, the Minister of Planning, Hisham Nazer, stressed that much of his huge development plan would depend on Aramco. And the President of Aramco, Frank Jungers, explained to me that his problem was not how to distance himself from the Saudis, but how to get still closer.

But, of course, there will be conditions. The Saudis will look to the four parent companies as their allies—perhaps their chief allies—not only in the Middle East, but in the American domestic, political scene. And the Saudis will not want the companies to do anything that might disrupt the smooth working of the OPEC cartel.

The question will thus continually be asked of the oil companies: where exactly do their true loyalties lie? And it will become more difficult to answer.

Moreover, it is not just from the Western side that the companies will find themselves under fire. Within the producing countries, too, their position is delicate. In Saudi Arabia the basic alliance is not so much between two nations; it is between one company and one family. The Saudi government's dependence on a single consortium may eventually make them more vulnerable to attack from radicals within, or from jealous neighbours.

There is an important warning in past history. Twenty-five years ago in Iran there was a comparable relationship between a single government and a single company—the British Anglo-Iranian company—now called BP. By 1950 the company had become the target and the scapegoat for all radicals and nationalists in Iran, while the BP monopoly of Iranian oil was bitterly resented by other consuming countries. The nationalist leader Dr. Mossadeq in 1951 nationalized the oil fields and expelled BP and later the Shah. They were eventually both reinstated, but with great difficulty, and at a cost for which we have paid heavily.

Likewise, I believe, the close relations between Aramco and the Saudi government present a position of great political danger for the four Aramco partners. Much of their future growth, as well as their chief product, comes from a single foreign country whose own foreign policy is bound to be continually controversial.

Even without the Arab-Israel conflict this dependence would be tricky enough. But with it, it is explosive. The more the Arab Israel conflict is fought inside the United States, the more the Aramco partners will find themselves in the front line of the political battlefield.

It can be argued that the companies' predicament is only part of the whole predicament of American foreign policy, and that the companies are simply their scapegoats for the national quandry. I do not wish to belittle this argument: with or without the companies, the United States finds itself more and more dependent for its vital oil supplies on the Middle East.

The State Department or the Treasury will instinctively be reluctant to do anything to break up the great companies which are helping to forge this critical relationship. The whole security of the West, they claim, will be threatened for the sake of some idealistic trust-busters.

This argument has a very familiar ring. It sounds very like the argument that raged through Washington twenty years ago, at the time of another great crisis in the American policy towards oil and the Middle East.

It was then that the antitrust movement had once again come to a peak, with the publication of the famous 1952 report of the Federal Trade Commission on the International Petroleum Cartel. It was then that Dean Acheson, as Secretary of State, insisted that nevertheless the oil companies must be encouraged to form a new consortium in Iran, to ensure the stability of Middle East supplies and to provide a bulwark against communism.

The arguments that followed between the State Department and the Justice Department went to the fundamental issues. Dean Acheson, in an outspoken memorandum, maintained that the oil companies were "for all practical purposes instruments of our foreign policy towards these countries." Attorney General McGranery replied that "the world petroleum cartel is an authoritarian, dominating power over a great and vital world industry, in private hands."

Today again we have an apparent conflict between antitrust policy and defense and foreign policy. But the issues have become very different and more critical, in the face of the special relationships between the companies and OPEC. For antitrust policy has now become intimately linked not only with foreign policy, but world economic policy. And the critical question today, I believe, is this: Is the price of supporting these great companies, with their heavy foreign commitments, worth paying in view of the political problems they create? Are they entitled to diplomatic and fiscal support, at a time when their real loyalties are in doubt? Or would the interests of the West be better served by a multiplicity of companies, who can represent a less exclusive interest, and provide a more diversified, and thus less vulnerable, commitment?

Of course the companies have been unfairly blamed for many of the faults of governments and consumers. But for many of their troubles, I believe, the companies have only themselves to blame. They have insisted on keeping control of their global organizations in the hands of very unrepresentative boards, who have been far too slow to face up to a changing world.

It would have been possible, I believe, to have made these great corporations into much more genuinely international companies, much more accountable and open in their dealings with the public. Instead, they have tended with each crisis to close their ranks.

The current scandals about bribes, I suggest, is part of the price that is being paid for their secrecy. Bribes are a problem for all companies, national or multinational, of whatever nation, dealing with certain parts of the world. But the payment of big bribes, within the closed world of a giant company, raises the whole question of the accountability of multinationals. If a company can conceal $50 million dollars paid to Italian parties from its shareholders and auditors, what else can it not conceal? And how can it establish its credibility with the public or politicians?

For this reason and others, I have felt there is quite a good case for legislation to insist that companies beyond a certain size should have a public director on the board, directly accountable to the government, or better to Congress. Such a scheme has often been put forward, and strongly opposed by the companies. But I am not sure they are sensible to oppose it. If there had a public director on the boards of each of the international companies over the past few years, reporting to Congress, enforcing greater disclosure, they might have avoided some of the disastrous scandals about bribes; and might now be more credible. And I simply do not believe that the giant companies can hope to regain the trust of Congress, or shareholders, or client nations, with a narrow representation on their boards.

I suggest that if they remain unreformed the giant oil companies are likely to become an increasing embarrassment not only to Congress but to government, too. For as long as they retain their unpopularity and noncredibility, they must be an obstacle to calm consideration of sensible energy policies. The problem of developing alternative energy sources, like the problem of relations with the Middle East producers, will be muddled, not simplified by the presence of these all-too-visible giants.

I am not convinced that nationalization provides the answers to a more efficient oil industry. I have enough experience of the limitations of nationalization in my own country, and it has to be said that governments have made a fairly poor showing in their past handling of oil problems.

I am not convinced that by breaking up the integrated companies within the United States into their four components you would do much to bring down the price of oil. I believe that the most crucial area for increasing competition is between the producers and buyers of crude; and it is here that the integrated oil companies present a threat to the consumer.

This threat is most serious in the case of production abroad, and particularly in the Middle East. The case for governmental control is here doubly strong; for the relationships of the integrated companies with the OPEC cartel raise questions not only of antitrust policy, but of foreign policy commitments.

In the interests both of diplomacy and of free enterprise, I believe the companies should be kept at arm's length from the producing countries. I see a strong case for legislating to prevent the companies making long-term contracts with the producers and for establishing a freer market at the production end. There is an even stronger argument for preventing the same companies that are concerned with the worldwide distribution of oil from being the industrial partners of the producers.

There is no reason why American companies should not be permitted to become the general contractors for the Saudi government, but there are strong reasons why this operation, which carries such a large political commitment, should not be undertaken by four oil companies which have such an important influence on world oil policy, and such a large stake in the domestic American oil market. The same is true of British and other European companies operating in other countries.

I don't believe that such legislation should be regarded as a threat to the oil industry as a whole, or an interference with free enterprise. In fact, it is opposite. Much of the dynamism of the industry has come from smaller companies exploring at home and abroad. And I believe the restriction of the links between the majors and the producing countries would bring greater opportunities to the independents. A limitation of the giants might well help to revive the whole industry—as happened you will recall, after Standard Oil was broken up in 1911.

The huge expansion of the international oil companies was not a simple question of heroic free enterprise. Any reading of oil history will show that it is misleading to suggest, as some oilmen maintain, that "like Topsy, they just growed." They were encouraged, prodded, and often protected by their governments, as the favored purveyors of cheap oil. As Acheson said, they were regarded as instruments of foreign policy.

Professor Neil Jacoby, in his book *Multinational Oil*, has rightly stated: "In the end, governments determine the number of firms in the industry and how vigorously they compete. Nations have gotten as much or as little competition as they deserve."

I submit that the United States government, and other Western governments, today deserve to have much greater competition in dealing with the producing countries than exists at present. The structure of the great consortia in the Persian Gulf, with a few integrated companies working in harmony, may earlier have served Western interests, in the short term, when they were able to bargain effectively with the producers. But now the whole mechanism of the integrated company has been turned round, to serve the interests of a foreign cartel.

What we do about the oil companies must eventually depend on what we want to do about the price of oil and about OPEC. Do we want to get the oil price down? Or to keep it up? If the second, do we really want to break up altogether the OPEC cartel, which is the instrument for keeping it up? Or do we want to keep some kind of controlling system, modified and expanded to give representation to the rest of the world?

I think myself that we want this last objective. I think in the long run it will not be tolerable for the rest of the world to have its oil supplies controlled by thirteen countries—or fifteen or sixteen, even if they include Britain.

It will be not just because the cartel will keep prices high, but perhaps more important they—or at least some of them—could push prices down. This was always the deadliest weapon in the armoury of the first oil monopolist, John D. Rockefeller. Whenever faced with a potential rival, he could afford to bring his price down to rock bottom, until he had undercut and destroyed the opposition. And this is still the nightmare of investors in shale oil or tar sands.

Moreover, it is possible, I believe, that some of the members of OPEC may themselves become increasingly aware of the strains of their own isolation. Many of them, after all, are in very exposed parts of the world, up against unfriendly neighbours, and some of them are already beginning to show some signs of millionaires' neurosis, worrying about not being loved, and being alone in the world.

The members of OPEC may themselves become more aware of the perils of being rich nations surrounded by poor ones, and they may seek more anxiously to find allies and props in the West. There is every reason why the West should benefit from this insecurity to establish a broader base for controlling the world's oil supplies, in which the consuming countries and the third world will have a say.

But this brings us back to the problem of the international oil companies. For one of the chief effects of their agreements in the Middle East, their apparently indissoluble marriages, is to reassure their partners. But these close relationships are not, in the end, I maintain, in the interests of either Western security or the Western consumers. It is not simply that they are underpinning the self-contained OPEC cartel, and giving hostages to the producing countries. They are providing bridges that are altogether too brittle, too short term and too vulnerable. The more companies that can be involved as the buyers and distributors of oil from the key producing countries, the less vulnerable we, and they, will be to political resentments and upheavals.

So I submit that we are not now faced with the old problem of a conflict of interest between antitrust policy and Western security. I think both interests now converge, and should come together to devise a system to limit the connections and long-term contracts between the international giants and the producers. If this were to be done, the oil might not necessarily be cheaper, but our oil policy in America and in Europe, would be more competitive, more flexible, and in the long term more secure. And the democratic interests of antitrust policy would be much better served.

MANAGEMENT-EMPLOYEE COOPERATION IN THE CONTROL OF INFLATION

Mr. CANNON. Mr. President, 1975 was not a good year for the scheduled airlines generally and it is now a foregone conclusion that America's five largest airlines will report a combined loss of more than $200 million for the calendar year, 1975.

Continuing inflation and specifically the skyrocketing costs of fuel and labor have added enormously to the cost burden.

Eastern Airlines—one of our major carriers which has been severely impacted by these pressures—has been able to reach final agreement with its employees and unions this past weekend which could well be one of the most significant actions taken this year by any corporation and group of employees to control inflation.

The Air Line Pilots Association, the International Association of Machinists, the Air Transport Division of the Transport Workers Union and the majority of Eastern's nonunion employees have agreed to a wage freeze which will save that carrier $46 million in 1976.

This action helps the airline and the employees at a time when the most important consideration is to keep jobs and to bring the carrier through its crisis period.

In these times of economic stress the unions and management and employees of Eastern Airlines are to be congratulated on their demonstration of statesmanship and cooperation for an achievement without parallel in the industry.

INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT OF 1976

Mr. KENNEDY. Mr. President, when the Senate reconvenes after the recess, we will return to consideration of S. 2662, the International Security Assistance and Arms Export Control Act of 1976. This is one of the most important pieces of legislation that we will consider this year, and I commend members of the Foreign Relations Subcommittee on Foreign Assistance—and particularly its distinguished chairman, Senator

HUMPHREY—for the thorough painstaking, and constructive work they have done on this measure.

For more than 2 years, several of us in this Chamber have tried to understand administration policy toward the sale of weapons abroad, as we have watched this program soar to nearly $12 billion annually. In a dozen different ways, we have sought to clarify and understand that policy, and have urged the administration to set criteria and guidelines that would enable us as a Nation to gain some real control over weapons sales. No such policy has been forthcoming from the administration; no real rationale, no justification, for an indiscriminate purveying of arms that truly makes us the arms merchants to the world.

At any time in the past 2 years, the administration could have come to us, sought to work with us, in devising real policies on arms sales that make sense. But it has failed to do so. This legislation is the result. It is a comprehensive bill, dealing with some of the most controversial aspects of our arms sales practices. It will provide Congress with the information we need to be able to make our own judgments—based on our constitutional responsibilities—about arms sales policies. In particular circumstances—where sales are contemplated in excess of $25 million—we would have 30 days in which, by concurrent resolution, to exercise a veto. I should point out that at the moment we have such a provision, for a 20-day period.

Since that amendment was passed—at the urging of the distinguished Senator from Wisconsin (Mr. NELSON)—we have chosen to exercise our prerogative only once, out of total sales of close to $10 billion. Thus Congress has already shown that it will act responsibly, that it is not capricious in seeking greater definition and understanding of weapons sales policies.

Mr. President, if anything, this legislation does not go far enough. While it will for the first time require the administration to provide a real rationale for weapons sales, it does not appreciably increase congressional control over those sales. At least it is a beginning, a useful beginning. For we all realize that the United States is not really uninvolved in potential conflict abroad, simply because we supply arms instead of our own forces. Conflict begun and sustained with our arms—perhaps in a volatile area like the Persian Gulf—could still affect U.S. vital interests, and could still raise the risk of our being dragged into conflict we do not want.

When S. 2662 comes before the Senate again, after the recess, I will offer some amendments to strengthen the bill, and then will strongly support its passage. But that must not be the end of our efforts. We must use what limited authority it will provide; we must exercise the oversight; we must examine the details of administration policy; we must continue to press for real efforts to secure control of the flow of arms to volatile parts of the world. I am gratified that two of my amendments were accepted by the subcommittee—broadening the effort at arms control—with seller and buyer nation alike—requiring the Arms Control and Disarmament Agency to provide Congress with arms control impact statements about the effects of arms sales.

Mr. President, during the recess, I urge our colleagues to study this bill very carefully, along with the committee report. I am sure that they will agree with my belief that Senator HUMPHREY and his colleagues on the committee have done excellent work; and I am sure that we in the Senate will be able to make a substantial contribution to the shaping of sane and sensible foreign policies for our Nation in this vital area.

AMENDMENT TO THE CLEAN AIR ACT AMENDMENTS BAN ON AEROSOL SPRAY PRODUCTS

Mr. PACKWOOD. Mr. President, I am entering today an amendment to the Clean Air Act amendments that were voted to be reported out of the Committee on Public Works yesterday afternoon. The Clean Air Act amendments contain a specific part dealing with ozone protection, which I and several of our colleagues drafted last fall and had adopted by the Committee on Public Works. However, the specific section legislating a prohibition, or ban, on a date certain for the use of aerosol products containing halocarbons was not added in committee. While there was support for this action, and a number of our colleagues support such an action, I believe we shall need to address this issue before the Senate. Therefore, once the Clean Air Act amendments have been reported to the Chamber, and we commence debate on the bill, I shall offer this amendment to the ozone protection section to ban the manufacture, production, export and import of aerosol products containing halocarbons after January 1, 1978.

At this point I ask unanimous consent that the text of the amendment I intend to offer banning aerosol spray products be printed at this point in the RECORD.

There being no objection, the text of the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT

"SEC. 153. (a) On and after January 1, 1978, except as provided in subsection (b), it shall be unlawful for any person to manufacture, produce, import or export from the United States, aerosol containers containing halocarbons.

"(b) The Administrator shall consider the available reports, consult with appropriate Federal agencies and scientific entities, and afford the opportunity for public hearing, and if he then

"(1) finds that no significant risk to the public health, safety, or welfare is, or may be posed by the discharge of halocarbons into the ambient air from aerosol containers, then he shall, by rule, modify or rescind the prohibition in Sec. 153 (a) in whole or in part consistent with that finding, or

"(2) determines that a particular use of halocarbons in aerosol containers is essential for the public health or welfare and an adequate substitute for halocarbons is not available, he may grant specific permits for the use of small quantities of halocarbons in aerosol containers in such situations. Essential uses may include but are not limited to, some of the various applications of halocarbons in the pharmaceutical and electrical industrial industries.

"(c) From time to time the Administrator may revise any of the regulations issued pursuant to this section in the light of new evidence as to the need for such regulations.

Mr. PACKWOOD. My efforts to see a ban enacted on aerosol products has involved testimony before the Senate Aeronautical and Space Sciences ad hoc Subcommittee on the Upper Atmosphere, and numerous statements in the RECORD on this vital issue of concern to the country.

My reason for pursuing an outright ban on aerosol products is based on three specific reasons for this action to be taken now. The first, there is a nearly 10-year lag time between the release of halocarbons and their impact on the ozone layer. Even if a ban were in force today, the deleterious effects due to ozone depletion would continue for a decade; of potential damage we cannot anticipate with certainty.

Second, consider the degree of certainty, often absolute, which some say must be demonstrated before aerosol controls are initiated. Again, let me reiterate the preponderance of evidence which monthly, for the last year, has made the probability of ozone depletion more likely and closer to certain. I question how long we can await proof positive while risking the sizeable, unforeseen impacts to our environment.

Third, I seriously doubt that the consequences of controlling halocarbons as I have proposed imposes any undue or inequitable hardships on the public or industry. On balance, recognizing the great risks we take by waiting longer to restrict the present level of emissions, by waiting longer for research results that may be years away, and by not realizing the reasonable alternatives to halocarbon propellants now, we may be making a grievous error.

SENATOR GLENN CLARIFIES POSITIONS ON WEDNESDAY VOTES

Mr. GLENN. Mr. President, on Wednesday of this week, the Committee on Government Operations began a symposium on long-range policy planning by Government, under the title of "Our Third Century: Directions." Because of my interest in this subject, Chairman RIBICOFF was kind enough to designate me ad hoc chairman of the committee for purposes of the symposium. Our discussions began with a presentation by Vice President ROCKEFELLER, who, because of his lengthy experience in all levels of government and his work on the Commission on Critical Choices, is uniquely qualified to speak on the subject matter being addressed by the committee.

In the middle of his testimony we were notified of a vote on an amendment proposed by Senator STEVENS to S. 2371 which would have excluded from the provisions of the bill certain sections of the Glacier Bay National Monument. Had I voted on that amendment, I would have had to interrupt the Vice President and recess the session of the committee.

In view of the tightness of the Vice President's time schedule, and my view of the importance of what he had to say, I chose not to do so. My vote would have been against the amendment which was rejected by the Senate by 33 yeas to 53 nays. My decision not to vote was based in part on indications that the amendment would be defeated handily in spite of my absence.

The press of business of Wednesday was also responsible for my vote on the veto override of the milk price support bill. I voted to override that veto. I had been advised the bill did not exceed our budget limits but at the time of my vote I had not been advised that a letter had been issued by the Senate Budget Committee shortly before the vote indicating that enactment of the legislation would have been inconsistent with the second concurrent congressional budget resolution. Had I known that, I would have voted to sustain the President out of concern for fiscal responsibility, despite my sympathy with the objectives of the bill. I am pleased that the Senate as a whole decided to sustain the veto and adhere to the budgetary principles which we have established and are obligated to observe.

SENATOR KENNEDY'S ROLE IN HEALTH

Mr. SCHWEIKER. Mr. President, I call our colleagues' attention to an article in the New England Journal of Medicine which points out the outstanding leadership of the chairman of the Senate Subcommittee on Health and the Special Subcommittee on the National Science Foundation, Senator EDWARD M. KENNEDY, in the area of scientific and medical affairs. These issues are not ones which gain high public interest but they do have a great impact on our society. The Senator is to be commended for such outstanding leadership. I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MEDICINE AND PUBLIC AFFAIRS

(By Daniel S. Greenberg)

(Kennedy—He Has Assumed a Major Role in Scientific and Medical Affairs.)

Amidst the abundance of defects and virtues that are publicly ascribed to Edward M. Kennedy, sparse notes has been taken of the Senator's enduring and influential presence in national policymaking on scientific and medical affairs.

Within the Congress, the field, though not empty, is not crowded with competitors, probably because the issues are mostly esoteric and low in public interest and political profit. Kennedy's motives for involvement will thus evoke a variety of theories, ranging from base to noble. But let us sidestep such stuff and take inventory of the role—a generally constructive one, it seems to this observer—that Kennedy has assumed on matters that are usually below the threshold of general press notice.

During 1976, at least five particular items of importance to the scientific and medical communities will, let us call it, go critical in Washington. On four of them, Kennedy has been a prime mover, while on the fifth, his presence is of major importance to the parties involved. In all cases, his vantage point for involvement has been one or another of two subcommittees that he chairs on the Labor and Public Welfare Committee—the subcommittee on health and the special subcommittee on the National Science Foundation. By and large, the issues involved are centered on the ground rules for the federal government's relations with the two professional communities. But serious questions of public policy are clearly involved, and Kennedy has tended to focus on these. Let's look at the five items:

1. April is the scheduled delivery time for what is supposed to be a major contribution toward clarifying the government's confused and unraveling responsibilities toward biomedical research. At Kennedy's prompting, and following laborious dickerings with the Administration, the White House last year finally created the President's Biomedical Research Panel to undertake an examination of the biomedical research programs of the Department of Health, Education, and Welfare, which mainly means, of course, the National Institutes of Health. The political geneses of this creation are complex and covered by the debris of many upheavals in the upper echelons of NIH and HEW, but the issues persist.

Among them are the need for some policy guides on the purpose, scope, and scale of federal support of biomedical research, the wisdom of privileged positions for cancer and heart research in the NIH complex, and the extent of federal responsibility for training researchers. The study is the first of its kind in over a decade, and, assuming that it is persuasive, is likely to have a major effect on Congressional and Executive dealings with virtually all aspects of this nation's vast biomedical research enterprise. Kennedy has said that his health subcommittee will hold hearings on the Panel's report, and, on the basis of his past performance, it may be expected that the hearings will be long, detailed, and illuminating. The imminence of the report has already had an affect on Congressional deliberations concerning NIH. When an effort was made in September to pare down a budgetary increase for the National Cancer Institute, and spread some of the funds to other parts of NIH, the Panel's inquiry was cited as an argument for leaving things as they are until the report can be taken into consideration. Whatever it is that results from the Panel's work, it is to be noted that if Kennedy had not conceived of the study and bargained it out with a resistant Administration, there would be no Panel.

2. The same can be said of the National Commission for the Protection of Human Subjects of Biomedical and Behavioral Research, which was created by the National Research Act of 1974. The genesis of the Commission was in the emotion-ridden controversy that has been generated by fetal research. As pressures grew for banning federal support for such research, Kennedy effectively cooled the dispute by proposing a temporary moratorium while the newly created Commission concentrated its initial efforts on drafting guidelines for HEW. The result is a matter of dispute among various contenders on this issue: the prohibitionists contend that the rules allow too much, while some researchers believe that the rules are too restrictive.

But considering the lunatic mood that was beginning to take over the debate, and the legal perils that confronted many researchers, the Commission maneuver probably accomplished as much of a salvage operation as could be hoped for. The Commission, which has since turned its attention to other aspects of human experimentation, is due to expire at the end of this year. Kennedy, however, has introduced legislation (S. 2515) that would make it permanent and extend its jurisdiction—now restricted to HEW—to all government agencies. The inspiration for this was the hearings that Kennedy recently held on the Army's and CIA's experimentation with hallucinogenic drugs on unwary subjects.

Many researchers regard the Commission as a dangerous intervention into freedom of research. It may, in fact, turn out to be just that. But, composed as it is of physicians and scientists who are at least informed about the peculiar problems involved in human experimentation, the Commission is surely preferable to leaving the issue to the public-relations ploys of various interest groups. Its products are advisory rather than mandatory; thus, there is no danger that it will write unappealable rules. Presumably, however, it will take a wide body of fact and opinion into consideration. The same cannot be said of the interest groups that are deployed around this complex subject.

3. Kennedy is only one of several legislators who have investigated and exposed the infirmities of the Food and Drug Administration. Rep. L. H. Fountain (D-N.C.) and Senator Gaylord Nelson (D-Wisc.) were on the scene long before him and merit praise for important work well done. But when it comes to the FDA's performance and nonperformance, there's plenty to go around to keep all inquiries occupied, and Kennedy has found much to ferret out. While the investigation by his legislative colleagues have produced reforms in the FDA, Kennedy's inquiries have prodded the Secretary of HEW into setting up what is described as the most far-reaching study yet made on how the agency goes about its task of assuring the safety and efficacy of drugs. This study titled the Secretary's Review Panel on New Drug Regulation, was initiated after a group of past and present FDA employees and consultants charged before Kennedy's health subcommittee that FDA is excessively accommodating to the interests of the pharmaceutical industry. The head of FDA has denied this following a study that he made of the charges, but the Review Panel, in an interim report, has rejected his findings. The Panel's final report is scheduled to be delivered in June and will almost certainly be examined by Kennedy in public hearings.

4. On the amorphous issue of national science policy, whatever that might be, and the specific issue of White House science advice, Kennedy has long been the most influential figure in the Senate. Three years ago, he sponsored a bill that, among other things, would have made it national policy to assure employment for all scientists, engineers, and technicians; the bill would also have required that federal spending on "civilian" research and development be brought up at least to the level of military R & D—a matter of three or four billion dollars. There was never a chance of the bill making it through both houses, though in 1974, the Senate passed a pared-down version, apparently out of deference to Kennedy's interest in the subject.

Since the House showed no interest in the measure, the bill was becalmed after that, but it was placed on center stage this month because one of its provisions concerns the restoration of the White House science office that Nixon abolished in 1973. The House, in close collaboration with the Administration, passed a bill in November that would create an Office of Science and Technology Policy whose director would also serve as presidential science adviser. The Administration, working through Vice-President Rockefeller, urged the Senate to approve the House version. Kennedy, however, balked on the grounds that the House-passed version fails to give the director sufficient authority for assuring that scientific and technical advice is integrated into policymaking. Kennedy insists that the director of the office should also serve on the National Security Council and the Domestic Council, and that his office should report annually to the Congress—provisions not contained in the House bill. Their importance is that the council memberships would take the director deep into policy deliberations, if only as a witness, and the annual report would give the Congress an opportunity to take a close look at White House decision making on science and technology. Backers of the House version point out that the President traditionally has had the right to work out his own staff procedures; furthermore, they argue, there is no way to require the President to heed advisers who have been forced upon him by Congress. At this writing, the matter is not settled, but Kennedy is deeply involved with it and is working to persuade his Senate colleagues that his formula is the one they should support.

5. Finally, there is the issue of peer review on research proposals. The two major users of peer review, the National Science Foundation and the National Institutes of Health, are periodically beset with charges that the method encourages backscratching, enrichment of the already rich, and reinforcement of scientific orthodoxy. They reply, in effect, that it may be a problem-ridden system for giving out research money, but it's better than all the others. As chairman of subcommittees with jurisdiction over both agencies, Kennedy has been providing them with defensive support against their more primitive right-wing assailants. This has been particularly useful for NSF, which has been having a bad season in Congress.

At the same time, however, Kennedy has been thumping on the issue of getting broader public involvement into science-policy decisions, in which he would include the granting process. The Senator is yet to spell out in any detail just how he would cut the general public into deciding which grant application on molecular biology is most meritorious. But NSF, always eager to please Congress, has already responded with a series of meetings around the country at which representatives of public interest and citizens groups, as well as just plain citizens, will have an opportunity to discuss science policy matters. The forums are NSF's own creation, but directions to broaden citizen participation were written into NSF's authorization bill last year by Kennedy.

Skeptics will point out that the deeds attributed above to Kennedy are, for the most part, actually the work of his large and able staff—which is true. But then, any Senator can hire a large and able staff. They are all large, but Kennedy's is, by general agreement, one of the most able in the Congress. Furthermore, he is usually there throughout the long and often tedious hearings that take up these matters, and he comes across as being well informed and alert about the complex issues involved.

None of this washes out the stain of Chappaquiddick or tells us whether the Senator someday ought or ought not to be President, or why he is bothering with these less-than-cosmic issues that most of his colleagues consider beneath serious notice. This report is simply to take note of the generally neglected fact that on matters concerning science and medical affairs—including several not cited above, such as national health insurance and medical-school finances—Kennedy has been deeply involved and responsible, more so than any of his 99 colleagues in the Senate.

THE DOMINION OF NEW ZEALAND NATIONAL DAY

Mr. HARTKE. Mr. President, geographically isolated but generally prosperous, New Zealand places great importance on the United Nations and its role in the world organization.

New Zealand, composed of two major islands is situated about 1,200 miles southeast of Australia, was populated many centuries ago by a sturdy race of Polynesians called Maoris; however, it was not until 1642 that the world knew of the existence of these islands. New Zealand's foreign policy orientation is chiefly toward the developed democratic nations and Southeast Asia, with special concern for the South Pacific. While the maintenance of Commonwealth ties remains one of the major guiding principles in its international relations, New Zealand has also established a close working relationship with the United States to attain the common objectives of the two countries.

New Zealand has a parliamentary system of government closely patterned on that of the United Kingdom and is a fully independent member of the British Commonwealth of Nations. It has no written constitution. Executive authority is vested in the 16 member Cabinet, led by the Prime Minister—the leader of the political party or coalition of parties that holds the majority of seats in Parliament. All Cabinet ministers must be Members of Parliament and are collectively responsible to it.

The unicameral Parliament—House of Representatives—has 87 Members, four of whom must be Maoris who are elected on a separate roll. Representatives are elected for 3-year terms.

The judiciary consists of the Court of Appeal, the Supreme Court, and the Magistrates' Courts. The law applied in the courts has three principal sources—the common law of England, certain statutes of the British Parliament enacted before 1947, and statutes of the New Zealand Parliament. In interpreting the common law, the courts have been concerned with preserving uniformity with the common law as interpreted in the United Kingdom. This unity is insured not only by the existence of the Privy Council as the final court of appeal but also by the practice of the judges of following English decisions, even though they are, in theory, not bound by them.

Such a good neighbor deserves an ovation from the American people on its National Day.

LEBANON

Mr. KENNEDY. Mr. President, little more than 2 months ago, in a statement to the Senate, I expressed the concern of many Americans over the human and political tragedy of Lebanon. As chairman of the Subcommittee on Refugees, I was especially concerned over the mounting humanitarian problems resulting from the civil strife, and made a number of suggestions for American policy and action, including strong support for the humanitarian efforts being made by the International Committee of the Red Cross—ICRC.

At the time, another cease-fire had been declared, and there was new hope in many quarters that meaningful efforts were underway by all parties concerned to bring peace and relief to the Lebanese people. Developments since then are a matter of record, however, and last month saw some of the heaviest fighting of the long civil strife.

A short time ago a new cease-fire was announced. Although the situation remains critical, and new fighting is predicted by some, reports suggest for now that conditions are stabilizing and that all parties are working to promote a separation of forces and an equitable resolution of the political issues at stake. And this morning's report of meetings between the Presidents of Lebanon and Syria is a hopeful sign for the future.

But in the aftermath of many months of civil strife, we must not forget the very serious humanitarian problems resulting from the tragic conflict—especially after the heavy fighting earlier this year.

Field reports on the full extent of humanitarian needs are still sketchy, and assessments are continuing by the Lebanese Government, the ICRC and others. But at least four problems deserve our immediate interest and concern.

A major problem relates to displaced persons, most of whom lost their homes and possessions. They are in urgent need of blankets, clothing, shelter, medicine, and other necessities of life. Conservative estimates put the number of displaced persons at some 10,000 in an area of greater Beirut, and some 150,000 more in the rest of Lebanon, mainly in the south. A good share of the latter group is now found in make-shift camps on the outskirts of Beirut. The number of displaced persons within the country is continuing to mount, however, as Lebanese who fled the country in recent months return to find their houses destroyed.

A second problem concerns the proper care and treatment of uncounted thousands who were wounded in the fighting. Medical supplies and equipment, as well as hospital beds, are in very short supply, and the Lebanese Government has made special appeals through the ICRC and other channels for immediate assistance in this area of urgent need. Compounding the situation is the breakdown of normal medical services in Lebanon, as a result of the civil strife.

A third problem, of special concern to many Americans, relates to the continuing desire of many Lebanese nationals, including displaced persons, to leave their country, most often to join close family members in the United States and elsewhere. No figures are available on the number of those wishing to leave. But I bring it to the attention of the Senate, because of many appeals in their behalf which have been made to the Subcommittee on Refugees.

Finally, Mr. President, apart from the general humanitarian problems of Lebanese nationals outlined above, there is also a very special problem relating to some 2,000 Middle East refugees who are currently in transit in Beirut and who are eligible or slated for entry into the United States under the seventh preference of the immigration and nationality laws. These refugees are under the mandate of the United Nations High Commissioner for Refugees—UNHCR.

The bulk of these refugees are Assyrians, but they also include several hundred Armenians. And nearly all of them have family members or friends in the

United States. Reports from the voluntary agencies working in the field indicate these refugees are an especially vulnerable group, and their care and protection is a matter of very urgent concern.

Our Government has known this for many months. But, despite the emergency, for unknown reasons it has failed to move expeditiously on the processing of those refugees requesting resettlement in the United States. The time is long overdue for immediate action in this matter of concern to many Americans.

Mr. President, the agenda for Lebanon is clear.

First, I strongly recommend that the President make an immediate contribution, from available funds, to the ICRC. The humanitarian services of the ICRC have been indispensable in helping to bring peace and relief in many areas of the world. And today in Lebanon the efforts of the ICRC—in cooperation with the Lebanese Red Cross, Palestinian Red Crescent, and other groups—deserve the full support of concerned governments in a position to help.

An ICRC appeal to our Government has been pending for nearly 2 weeks. Although I fully recognize that we have been sending medical supplies to Lebanon through the American University Hospital in Beirut, it distresses me that we can treat so lightly an appeal for aid from the ICRC. Humanitarian needs among the people of Lebanon are urgent today, and I strongly recommend an immediate contribution to the ICRC.

Second, in the interest of family reunion, I recommend that the Department of State thoroughly review the situation of Lebanese nationals wishing to emigrate to the United States, and do what it can to facilitate the processing of their visa applications under the immigration and nationality laws.

Third, I recommend that the Department of State and the Immigration and Naturalization Service immediately dispatch to Beirut sufficient personnel to expedite the processing of in transit refugees who are under the mandate of the UNHCR. The UNHCR is prepared to assist this movement, but the major key to resolving the current problem of these refugees lies in Washington.

And, fourth, I am hopeful that S. 2941—the Lebanese relief bill introduced yesterday by Senators ABOUREZK and HUMPHREY and myself—will be acted upon very soon with the full support of the administration.

Mr. President, I have briefly outlined some urgent humanitarian problems in Lebanon and the kinds of efforts our country should be making. Peace and relief are needed in Lebanon today. And hopefully all concerned with the human and political tragedy of Lebanon will work to accomplish these ends.

SHEILA YOUNG—GOLD MEDAL WINNER

Mr. GRIFFIN. Mr. President, I take pride in bringing to the Senate's attention the fact that a courageous, young lady from the State of Michigan is the U.S. first gold medal winner in the XII Winter Olympiad. I speak, of course, of Olympic speed-skater Sheila Young of Detroit, who today won the first-place Gold Medal in the 500-meter race in Innsbruck, Austria. Sheila's remarkable accomplishment came only one day after she surprised all competitors by winning a second-place Silver Medal in the grueling 1,500-meter race. Only last week, Sheila had set a new world women's record for 500 meters during a pre-Olympic race in Switzerland.

Olympic speed-skating victories are somewhat of a Michigan tradition. It is interesting to note that at the 1964 Winter Olympics also held at Innsbruck, Austria, there was another Michigan speedskater—Terry McDermott of Essexville—who won the only Gold Medal for the United States in the men's 500-meter event.

Mr. President, I ask unanimous consent that an article about Sheila Young's great victories which appeared in today's Washington Star be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SHEILA SKATES TO RECORD GOLD MEDAL FOR U.S.

INNSBRUCK.—Speed skating star Sheila Young of Detroit added a gold medal to her previous silver by winning the 500-meter speed skating race at the 12th Winter Olympics Games today.

Young, who set a world record of 40.91 for the 500 meters at Davos, Switzerland last Saturday, broke the Olympic record today with a clocking of 42.76.

Cathy Priestner of Canada won the silver medal and Tatiana Averina of the Soviet Union took the bronze. Averina also won the bronze medal in the 1,500-meter race.

Young, a 25-year-old powerhouse, won the silver medal Thursday in the 1,500 meters and moved into the gold medal class by winning her specialty today.

Young's victory put the second dent in the Soviet Union's gold medal domination. Earlier today, the Russians won their third gold medal of these young games when Nikolay Kruglov won the 20-kilometer biathlon race at nearby Seefeld in 1 hour 14 minutes 12.26 seconds.

The Russian skier-shooter had only two minutes in penalties added to this racing time for misses from the targets to give the Soviet Union its third gold medal of these games. Austria's Franz Klammer won the men's downhill Thursday for the other non-Russian gold medal.

Heikki Ikola of Finland won the biathlon silver medal in 1:15:54.10, also with a two-minute penalty. Aleksandr Elizarov of the Soviet Union was third in 1:16:05.57 for the bronze.

Margit Schumann, East Germany's reigning world champion, set a new track record on the 870-meter-long run and took over the lead today by winning the third of four heats in the women's singles luge.

The East German gold medal favorite slashed down the course in 42.28 seconds for an aggregate three-run time of 2 minutes 7.96 seconds and jumped from fifth to first place.

Elisabeth Demleitner kept West Germany's hopes alive with a run of 42.38 seconds for a second-place overall time of 2:08.06. She also eclipsed her old record of 42.53 on this track.

Kathleen Homstad of Goleta, Calif., was the top American finisher, ending up 18th in the run at 44:85 for a three-run time of 2:16.00 that left her in 21st place.

In Thursdays results, Young and Bill Koch confounded the experts, including themselves, while Klammer, the Austrian folk hero, confirmed the opinion of the experts and the faith of an entire country in outstanding performances at the 12th Winter Games.

Young, who said she "wasn't really expecting a medal," struck a surprising silver in the 1,500-meter speed skating event Thursday and Koch of Guilford Vt., whose goal was finishing in the top 10, wound up No. 2 to win the silver medal in the 30-kilometers (18.6 mile) cross country ski event.

ALISTAIR BUCHAN

Mr. KENNEDY. Mr. President, Alistair Buchan, who died Wednesday at his home in England, was a remarkable man. British by birth, he was perhaps as well known—and respected—in the United States and around the world as he was in his native land. He had a major impact on modern thinking about international politics; indeed, many of the key elements of our own Nation's search for control over the weapons of war owe much to his analysis, judgment, and leadership.

As the first director of the Institute for Strategic Studies in London, Mr. Buchan recognized early that a revolution in military technology also required a revolution in understanding the strategic implications of this technology; and a revolution in means to place military power and strategy firmly under the control of foreign policy and civilian leaders.

In Mr. Buchan's decade as the ISS, it became the leading institute in the world for the study of these vital problems. It brought together leaders from dozens of countries, and produced much of the world's original thinking in strategy, arms control, and foreign policy. One annual publication he founded—the Military Balance—has long been the standard reference in its field: Quoted widely in such different places as Washington and Moscow.

Mr. Buchan himself was a gifted writer and speaker. The clarity and precision with which he expressed his thoughts—and the historical vision he brought to all his work—illuminated the most difficult issues, and raised the level of debate both within governments and in public discussion. He also had a rare ability to gather talented people together, inspiring them with his own insight and seriousness of purpose.

Mr. President, I doubt whether there is any serious student of foreign affairs—or leader in foreign policy, both here and elsewhere—who was not affected by the force of Alistair Buchan's mind and personality. For everyone concerned about the pursuit of peace, his death is a great loss. I ask unanimous consent that an obituary about Mr. Buchan, from yesterday's Washington Post, be printed in the RECORD.

There being no objection, the obituary was ordered to be printed in the RECORD, as follows:

ALISTAIR BUCHAN, 58, DIES, SCHOLAR, MILITARY EXPERT

(By Stephen Klaidman)

Alistair Buchan, 58, Montague Burton professor of international relations at Oxford

University and a founder of the Institute for Strategic Studies, died yesterday after a heart attack at his home in Brill, Buckinghamshire, England.

Mr. Buchan, the first civilian to serve as a commandant of the Royal College of Defense Studies in London, was a world-renowned expert on international relations and military affairs.

He also was well known as a writer on strategic affairs, and perhaps most of all for his 1959 biography, "The Spare Chancellor: The Life of Walter Bagehot." Bagehot was a 19th century editor, economist and political philospher whose book on British politics, "The English Constitution," became a classic.

Other books by Mr. Buchan include "China and the Peace of Asia," "War and Modern Society," "A World of Nuclear Powers," "Europe's Futures; Europe's Choices" and "Power and Equilibrium in the 1970s."

As the titles suggest, his arena was the world of nuclear strategy and superpower rivalry. He dealt in the major themes of postwar diplomacy. Stephen S. Rosenfeld reviewing "Power and Equilibrium in the 1970s" in The Washington Post wrote:

"To Buchan, the world is essentially an integrated political unit, or at least its medium and big powers compose such a unit."

To better understand the power balance in the world, Mr. Buchan joined in founding the Institute for Strategic Studies in 1958. The institute's staff analyzes strategic data and publishes annually what is generally considered the most reliable unofficial compilation of military information available anywhere. Mr. Buchan served as director of the institute from 1958 to 1969.

Mr. Buchan was the son of novelist John Buchan, later Lord Tweedsmuir, governor general of Canada.

He served in Europe with the Canadian Army during World War II, rising to the rank of lieutenant colonel.

In 1948, he joined the Economist Weekly in London as an assistant editor. Three years later he went to work for The Observer as diplomatic and defense correspondent, and from 1953 to 1955 he represented the newspaper as its Washington correspondent.

When he returned to London he continued covering international affairs. In 1958, Mr. Buchan left The Observe to start the Institute for Strategic Studies.

He served as head of the Royal College of Defense Studies, which is roughly equivalent to the U.S. National War College, from 1969 to 1972.

Mr. Buchan, who was made a commander of the Order of the British Empire in 1968, was a fellow of the Woodrow Wilson International Center for Scholars of the Smithsonian Institution during the 1973–74 academic year.

Survivors include his wife, the former Hope Gordon Gilmour of Brill; two sons, David and Benjamin of London; a daughter, Anna Virginia of Brill; two brothers, John Lord Tweedsmuir, and William, and a sister, Alice Lady Fairfax-Lucey.

SUPPORT GROWS TO SAVE FEC

Mr. SCHWEIKER. Mr. President, on Monday I introduced S. 2911, which is now sponsored by Senators Beall, Cranston, Haskell, Humphrey, Mathias, Metcalf, Mondale, Pearson, and Stafford.

This measure would reconstitute the Federal Election Commission in a valid constitutional fashion, by providing for Presidential appointment of Commissioners, with Senate confirmation. I think it is vital that this be accomplished prior to the Supreme Court-imposed deadline at the end of this month, in order to insure that election law enforcement is not splintered into pieces and randomly scattered throughout the Federal bureaucracy during this election year.

The following articles demonstrate the growing public support for prompt action on this measure. I ask unanimous consent that these articles be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Washington Star, Feb. 4, 1976]

Fix the Campaign Law

The ball on campaign financing is in Congress's court and if the legislators put as much concentration and effort into it as they did when televised football games were at stake, we may get through the presidential election without total chaos.

Some see last week's ruling by the Supreme Court as the beginning of the end for the 1974 campaign reform law enacted during the throes of Watergate. But that need not be so.

There is ample portion of the law remaining to make at least a stab at carrying out the aim of the legislation, which was to reduce corruption in politics by lessening reliance on big private contributions to candidates.

Three vital parts of the law were upheld: limits on individual contributions to candidates; full disclosure of contributions and expenditures; and the new departure in American politics—public subsidies to presidential campaigns.

The court, with sufficient reason relating to the First Amendment, did throw out the limits on total spending for presidential and congressional campaigns, as well as the limit on the amount a person can spend of his own money on his own candidacy, and the limit on the amount an individual can spend indirectly in behalf of a candidate. The full effect of this lifting of restrictions cannot be assessed at this time, but certainly it does not mean that the sky's the limit.

For example, the court said that if presidential candidates want to get federal campaign subsidies they will have to abide by the total spending limits established by Congress. That undoubtedly means that despite the court's general ruling against a limit on overall campaign expenditures, most of the presidential candidates will in fact limit them because they want the government subsidies. Probably many congressional candidates also will voluntarily abide by the limits that had been set for House and Senate campaigns. And the chances of a Rockefeller buying the presidency for himself or a Stewart Mott or some other fatcat buying it for someone else are pretty remote.

The real danger to the 1974 reform act is not in the court's knocking out some spending limits but in ts decision that the Federal Elections Commission, which was set up to administer and enforce the law, was illegally constituted. The court held that enforcement powers could be exercised only by officers of the executive branch, and since the Elections Commission was partially an appendage of Congress it could not enforce the law.

Without an agency to administer and enforce the law, the presidential campaign could degenerate into a shambles. There must be someone to interpret the law, someone to enforce it, someone to authorize the treasury to disburse government campaign subsidies.

The Supreme Court gave Congress 30 days to reconstitute the Elections Commission. Congress will be derelict if it does not.

The simple answer is to amend the law so that all six members of the Elections Commission shall be appointed by the President and confirmed by the Senate. Under the present arrangement, two members are appointed by the President and four by Congress. The White House already has indicated that it will reappoint all the sitting members.

There are two main problems: Some members of Congress want to fiddle with other portions of the law; for example, Senator Kennedy and Senate Republican Leader Scott want to bring congressional campaigns under the federal subsidy program. Others who never wanted a reform law to start with or were lukewarm about it, such as Representative Hays, chairman of the House Administration Committee, would prefer to let the Elections Commission go out of existence.

It seems highly unlikely that the dispute over whether to subsidize congressional elections can be resolved by the March 1 deadline for reconstituting the Elections Commission. Senators Kennedy and Scott surely know that; the cause of election reform would be better served if they put their effort behind the bill introduced by others dealing only with the Elections Commission.

As for Hays, the House leadership ought to get tough with him if he tries to tie up the legislation in his Administration Committee. There is no excuse for the entire Congress kowtowing to a tyrannical chairman like Hays. It was ironical that in regard to Hays, House Democratic Leader O'Neill would say that House leaders are "not one to step on the toes of our chairman" only a few days after the way Speaker Albert stepped all over the toes—and feet and legs—of Commerce Committee Chairman Staggers on the natural gas deregulation bill.

Some on Capitol Hill think that 30 days is just too short a time to fix the Elections Commission. Hogwash. When the legislators wanted to watch Redskin games on television a few years ago, it took only a few days to pass legislation to kill the TV blackout of home games. The conduct of presidential and congressional elections surely is as as important as watching football games.

[From the New York Times, Feb. 4, 1976]

Campaigns Unlimited

By abolishing all restraints on political expenditures by individuals and organizations, the Supreme Court in its decision last week opened wide the doors to a return of the evils that the 1974 Federal Campaign Reform Law was intended to prevent.

The Court upheld the limit of $1,000 on individual contributions to a candidate but probably rendered the limit a nullity by permitting a contributor to spend unlimited amounts on behalf of a specific candidate as long as he did not coordinate his expenditures with the candidate's own campaign committee.

The Court tries to deal with this seeming contradiction in two ways. On practical grounds, it argues that "such independent expenditures may well provide little assistance to the candidate's campaign and indeed may prove counterproductive." Yet few big contributors are likely to share this view. If they place newspaper or television advertisements or rent space on a thousand billboards carrying the message. "Elect Candidate Jones," most will be reasonably sure that Mr. Jones will not consider their efforts "counterproductive" or of "little assistance."

Secondly, the Court notes that, if such expenditures can be shown to be controlled or coordinated by the candidate, they should be treated as if they were direct contributions and be subject to the $1,000 limit. But can control or coordination be proved? That will be difficult at best; it will be impossible unless there exists a Federal Election Commission with a large, well-trained staff capable of policing this gray area.

Since the Court declared that the existing commission had been appointed in a constitutionally defective way, it is imperative that Congress in the next thirty days adopt legislation establishing a new commission on a sound basis. Without such action, there will be no one to carry out the important sections of the law that the Court upheld—public financing of Presidential candidates, full disclosure of campaign contributions and the limit on the size of contributions.

Representative Wayne Hays of Ohio and other enemies of the law won a substantial victory in the Court's ruling last week. That victory will be greatly enlarged if Congress now defaults on re-establishment of the election commission. The leadership of the House has a responsibility to see that no such default occurs.

[From the Philadelphia Inquirer,
Feb. 3, 1976]

CAMPAIGN REFORM RULING: FEC NEEDS QUICK REPAIR

The Supreme Court's opinion on the Federal Election Campaign Act of 1974 ran 227 pages. Like the law itself, and those major portions of it which the court confirmed as being constitutional, the opinion will require the passage of time and the experiences of the 1976 national political campaigns to find and reveal all its practical meaning.

In broad terms, however, the court appears to us to have pondered earnestly and ruled responsibly. The elements of the campaign spending reform law which it struck down or severely limited were found wanting for their implicit conflict with the free-speech guaranteed of the First Amendment. This is a righteous concern; free expression of ideas is the most vital of all foundation stones of democracy.

The court did light a fuse on a dangerous bomb, however, in striking down the constitutionality of the Federal Election Commission. The FEC was found wanting not in its function, its authority—or even in the rulings it has issued thus far as the watchdog-enforcer of the campaign reforms. The Supreme Court ruled that it was unconstitutionally *selected,* by the Congress's granting itself the appointment power, classically an executive function.

The court left the Congress 30 days in which to remedy that failing. It should do so with all deliberate speed.

Enemies of the whole concept of the act's reform, which is an effort of fundamental soundness to limit severely the influence of wealthy private interests on the democratic process, already are planning to try to block the reconstitution of the FEC. If they succed, it would cripple the entire effort, leaving the law ostensibly enforceable, but unenforced.

To allow such a spoiling effort to succeed would be to capitulate to the pernicious forces which would prefer to leave American politics, and major elements of American government, at the mercy of those with the greatest amount of money to throw on the table.

The requirement that all contributions and other financial aid to candidates be publicly disclosed was left standing firm by the Supreme Court's ruling. No single provision, or combination of provisions, is as important as disclosure. The patience even of voters hardened by cynicism is limited.

Largely for that reason, although we supported all of the act's provisions and believed them sound, we are not dismayed by the prospective effect of the court's striking down the ceiling on spending by a presidential candidate who declines federal matching funds. Nor does it strike us as fatal that the court prevented limitation on what a candidate can spend on his own campaign from his own wealth.

Certainly, the idea of a candidate "buying" the White House, or a seat in the Congress or in a city council, for that matter, is repugnant. But it seems unlikely that private wealth alone could be that potent at the national level.

In rejecting as an unconstitutional abridgment of free expression the law's limits on what a private citizen may spend in supporting a candidate (but not in contributing to the candidate's own fund), the Supreme Court demonstrated a heartening sensitivity to the First Amendment. In doing so, however, it re-opened the possibility of massive munificence by special-interest pleaders.

The guard against excesses of that sort lurks in the disclosure requirement—and its enforcement by a strong Federal Election Commission.

That is one more reason, among many, that the Congress should move swiftly to redefine the FEC in constitutionally acceptable terms within the 30 days specified by the Supreme Court.

[From the Baltimore Sun, Feb. 3, 1976]

CAMPAIGN REFORM: CONGRESS' TURN

The Supreme Court's ruling upholding most but not all of the wide-ranging campaign reform amendments of 1974 has justified those who believed this terribly complex issue can be dealt with in a rational way. But that may not be true for long unless Congress now shows it can put aside jealousy and act with speed on what the court has decreed.

The court upheld the principle that contributions to candidates for public office may be limited. But the court was not willing to approve that part of the law that forbid individuals from spending their own money in behalf of candidates, themselves included. In other words, John Doe can contribute not more than $1,000 to candidate Smith's campaign in any one election, but Doe can spend all he chooses of his own money on ads, brochurses and other mind-formers to convince citizens to vote for Smith. (If Doe himself is a candidate he can spend every cent he has on his own campaign). This must truly be an *individual* exercise of the First Amendment's freedom of speech, not a covert campaign contribution. It could be quite a loophole. One thing that gives us hope that it won't be is that the law's very strict reporting of expenditures section was upheld by the court. Fat cats may fear to tread, knowing their spending will be made public. Congressmen should watch the developments in this year's campaign closely. If the court's bow to the First Amendment proves to have allowed special interests to operate as usual, some tightening up of the law would be in order.

But that can wait. What cannot wait is Congressional action to salvage the Federal Election Commission. The Commission was created by the 1974 amendments in order to make sure illegal campaign practices were promptly dealt with by a non-political agency. Previously policing of corrupt practices was left to employees of elected officials, who had a very obvious conflict of interest in carrying out the law, and who in fact did not carry it out. The new FEC has members appointed by Congress as well as by the President, an arrangement the court says violates the Constitutional requirement that law enforcement be left to executive appointees. Congress ought immediately to rewrite the law to make the FEC an executive agency, and President Ford should immediately nominate all current members of the commission, including those previously selected by Congress. Otherwise there will be sheer chaos at the crucial beginning of the campaign process, if not throughout it. It is distressing to hear Speaker Carl Albert and other senior Democrats on the Hill saying "no" to this. They seem to be unwilling to let a President have a power in the political arena that they can't share. Any individual who is that small minded doesn't deserve a leadership role or a committee chairmanship.

Meanwhile, some members of Congress say that since the Supreme Court upheld that other controversial section of the 1974 act—federal subsidies for presidential candidates—a new law should be quickly written to give congressional candidates subsidies. We oppose that. Direct campaign subsidies of this sort are a new departure. They may help purify politics but they may not. It would be better to see how the presidential subsidies work out this year before making a decision on extending them to candidates for other federal offices.

ITALY

Mr. PELL. Mr. President, I would like to draw the attention of my colleagues to the very precarious and disturbing situation in Italy where the weakness of the democratic parties threatens to result in an increase in Communist strength. As we all know, Italy has played a vital role in the development of Western civilization and the spread of the Christian religion and ethic.

I am sure that my colleagues remember, as I do, the courage of Horatio at the bridge defending Rome from invasion; Cicero for his personal virtue and development of republican values; St. Thomas Aquinas for his monumental elaboration of Christian thought; Dante, who embodied medieval civilization and yet was the precursor of humanism; Leonardo da Vinci, whose intellect and artistry ennobled him as the Renaissance Man; Garibaldi, who fought for universal freedom as well as nationalism in his own country; Croce the towering 20th century liberal and idealist philosopher; DeGasperi who led Italy back to democracy after a generation of fascism; and John XXIII, the ecumenicalist who combined Christian faith with a unique sensitivity to the problems of modern society.

It would be sad indeed if this tradition and the values represented by these men should be swept away and replaced by a new and autocratic tradition which denies basic human and religious values. Such a development would be sad, not only for the people of Italy but also for America and the entire Western World. We in America have strong ties of kinship, culture, and commerce with Italy. Moreover, we have been partners in the North Atlantic Alliance since 1949 and have engaged in scores of cooperative efforts for our joint defense and for the preservation of shared democratic and humanistic values.

As one who knows and loves Italy and her people on both sides of the Atlantic, I wish to express my solidarity with those citizens of Italy who are striving to insure that the greatness which is Italy is not allowed to dissipate; who are seeking to preserve Italy's Western orientation; and who are striving to maintain and strengthen Italy's traditional ties with the United States and other democracies. Unless they succeed, the world as we know it will be sorely jeopardized.

I wish to recall some words of the famous apostle of Italian unity, Mazzini, who over a century ago said:

> Worship freedom. To what use is a fatherland if the individual should not find in it

and its collective strength the guarantee of his own free life.

UNITED STATES-SOVIET RELATIONS

Mr. KENNEDY. Mr. President, of all the issues confronting our Nation's foreign policy, relations with the Soviet Union remain paramount. Despite progress made in recent years, the strategic arms race continues; there has been little progress in negotiating mutual and balanced force reductions in Europe; the conflict in the Middle East continues to fester; there has been no reduction—and even an increase—in Soviet military expenditures; there has been no slackening of domestic repression of the Soviet Union; and we are now concerned about the Soviet role in Angola.

Yet something has been achieved: there is now a mutual recognition that there must be no nuclear war, or a confrontation between our two countries that could raise the threat of such a war. There must be progressive efforts to bring the nuclear arms race under control, and to evolve relations between the two superpowers that will enable us to end the threat of conflict between us, and to secure other benefits in our Nation's interest.

These policies have characterized the last several administrations; and they must continue to guide America in the future.

Mr. President, no Member of the Senate is better qualified to speak about United States-Soviet relations than the distinguished Senator from Minnesota (Mr. HUMPHREY). And few statements on this subject can compare with the address he gave on January 27 before a conference sponsored by the Center for Strategic and International Studies of Georgetown University. It is sober, sensible, and practical—and sets the right tone for continuing U.S. debate on this issue. I am particularly struck by one of Senator HUMPHREY's concluding thoughts:

> If inflammatory rhetoric or exaggerated promises become the coinage of a Presidential campaign in discussing Soviet-American relations, we only aid and abet those Soviets who want a return to the Cold War for their own purposes.

Mr. President, I ask unanimous consent for Senator HUMPHREY's address to be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR HUBERT H. HUMPHREY

DÉTENTE AND EAST-WEST RELATIONS

Any discussion of détente brings to mind the English adage: "The King is dead. Long live the King."

Détente, with all of its symbolism and great expectations, was a phenomenon of the late 1960's and early '70's. It now is passing into history. But the ice has been broken in U.S.-Soviet relations. The two super powers now are focusing on specific issues in their relations. Devoid of theatrics and dramatics, the Soviet-American dialogue must be based on an on-going political process as well as on solid accomplishments.

It is the issues at the heart of the East-West relationship which I want to address today. By focusing on concrete problems, we avoid windy generalities about East-West relations which obscure rather than clarify reality. In focusing on these problems, we need to keep two central facts in mind.

First, businesslike U.S.-Soviet efforts to resolve problems of common concern must continue. I say "must continue" because the process will reduce risks of war.

It will contribute to sensible reductions in the vast and costly arsenals which both nations possess.

It may help to promote stability at a time of growing international violence and anarchy.

And it hopefully will cause both superpowers to recognize their obligations and responsibilities to the rest of humanity.

But it also is important to realize that these efforts will not soon radically change the international situation. This becomes more clear if we note that the benefits which were to flow quickly from improved Soviet-American relations have not materialized.

Détente has not brought an end to Soviet support of liberation movements in the Third World or the established Communist parties in industrialized nations.

It has not meant a bonanza for the American business community.

It has not caused a liberalization to any degree of Soviet suppression of internal dissidents.

It has not produced a reduction of Soviet defense expenditures.

And it has not meant that we cease to regard each other as strong competitors and political adversaries.

Failure to realize these expectations is at the heart of much of the current frustration and disenchantment with Soviet-American relations in the United States and in Europe. But, quite frankly, the expected benefits from détent were oversold. These basic conditions have not changed and will not soon change.

These things taken together—the need for continuing U.S.-Soviet cooperation in problems of common concern and the unlikelihood that these efforts soon will produce radical change in the Soviet system—should provide the basis for a more mature relationship with the Soviets.

It should be a relationship that will embrace both competition and cooperation as instruments for peaceful change; a relationship shed of any illusion that a conservative Communist nation is going to abandon completely its ideology, goals and tactics because its main adversary expects it to do so.

To say this, however, is not to say that a constructive Soviet-American relationship means that we must be morally indifferent to the denial of human rights within the Soviet Union. Such an attitude was sadly evident when the President refused to see Mr. Solzhenitsyn.

I recognize the substantial limitations of fundamentally altering Soviet internal policies quickly by means of our relationship. But this is no excuse for turning our backs on those who express outrage at Soviet policies of suppression and denial of Human Rights.

To this end, I believe it imperative that we insist on scrupulous fulfillment of the Helsinki agreement through careful monitoring of the manner in which the Soviets treat its dissidents and how the question of freedom of movement is administered.

Normalized relations with the Soviets should not mean that we acquiesce through our silence to Soviet internal policies and practices.

It is one thing to say that we cannot soon alter these policies and practices. It is another to say that Soviet-American relations should be an end in themselves to preserve the status quo. If we must abandon the long-term goal of peaceful change within and without the Communist system as the price of the U.S.-Soviet relationship, it can never endure.

The inflated rhetoric of summit diplomacy should, therefore, now cease. The time has come for American politicians to speak far more realistically of what can and cannot be gained in East-West relations.

Let us now move from the general to the particular. Let's talk about the specific areas of the U.S.-Soviet dealings.

There are three priority areas which are at the core of a more realistic Soviet-American relationship.

The first is to continue the SALT process and obtain in the near future a meaningful and acceptable agreement.

I want to say quite explicitly that my remarks today are not meant to prejudge the tentative proposals which Secretary Kissinger discussed in Moscow.

I have only read news reports of the Secretary's discussions with the Soviet leadership. I have not received a Department of State briefing concerning the specifics. The reduction of the Vladivostok ceilings is an encouraging sign of progress.

I am less certain about the proposals on the cruise missile issue because of the lack of information in the press accounts.

What I am about to say is my own personal view of the way we should handle some of the very difficult issues facing us in the negotiations.

I stress the word "meaningful" when discussing SALT because we are now past the point where we must sign a document with the Soviets to demonstrate our fidelity to the concept of more normalized relations. The qualitative content of the agreement—not the agreement itself—is the real measure of progress in the field of arms limitations.

What is the pivotal element in a meaningful SALT II agreement?

Unless testing and deployment of strategic or intercontinental range cruise missiles can be avoided, it will be difficult to secure a substantial arms control agreement.

The strategic cruise missile is an arms control nightmare. Its verification problems would be immense because of its characteristics and the fact that there would likely be great numbers deployed. The only way to avoid this problem is to prevent its testing. A ban on testing of strategic range missiles might be verifiable.

If further studies indicate that this is the case, concluding agreement on such a ban should be a high priority of negotiations. And while the negotiations are underway, we should not prejudice their outcome by proceeding with the development and testing of strategic range cruise missiles ourselves.

I am convinced that America is strong enough by any measure—militarily, economically, politically, socially—to forego the addition of a costly new system of air and sea-launched strategic cruise missiles to its nuclear arsenal.

Let us not fool ourselves. America's lead in cruise missile technology is only temporary.

If the ceilings on strategic arms established a Vladivostok should be raised to include the strategic cruise missile, a new SALT agreement will be of limited value, since its provisions with respect to cruise missile deployment could not be adequately verified. And I predict such an agreement could have a very difficult time in the Senate.

If we take the arms control process seriously and believe that it is in our national interest, we must strive to avoid the testing and deployment of those weapons systems that cannot be measured with certainty. If this is not done, future negotiation to obtain reductions will be far more difficult to achieve.

I don't believe Secretary Kissinger or President Ford can afford to jeopardize the SALT process by allowing the testing and deployment of strategic range cruise missiles to occur.

SALT is at the top of our arms control agenda. However, there are several other critical items which merit attention:

The task of reducing tension and confrontation in Europe must continue with renewed vigor at the MBFR negotiation.

The cooperation we have elicited from the Soviets in the field of nonproliferation should continue and be expanded in view of the dangers from the spread of nuclear weapons.

The threshold for the Test Ban Treaty recently negotiated should be renegotiated at a lower, meaningful level. The ultimate goal here should be a comprehensive nuclear test ban.

Finally, we should initiate discussions with the Soviets on conventional arms limitations building on our expertise and cooperation in the nuclear field.

The second area for U.S.-Soviet negotiation is economic. The key issue here is food.

Though the Soviets' grain purchases are the single most important variable in the world wheat market, their unwillingness to accept and cooperate in the establishment of an adequate food and fiber information system which reveals supply and future needs is disruptive and injurious to our bilateral economic relationship. This has been eased somewhat by the agreement that provides for long term U.S. exports on a systematic basis.

There already is some concern that the recent U.S.-Soviet grain agreement leads the Soviets to believe they can ignore their many responsibilities as a significant element in the international food system. International norms in many fields are there for the Soviets to see. Western trading partners must be more insistent in their demands that these norms be obeyed.

Let me be more specific.

Consultations about an international system of grain reserves are taking place in the wake of the Rome World Food Conference. Success in this endeavor will be impeded if the Soviets do not cooperate. If they refuse to join in building up reserves, and must therefore go into the world market every time their production falls below domestic need and demand, the world grain market will be subject to endemic instability.

If we can get agreement of like-minded countries to create a system for building up these reserves, it should be made clear to the Soviet Union that non-participating countries will enjoy lower priority than others with respect to exports and reserves of participating countries in time of global food shortage.

If the Soviet Union expects to reap the advantages of an interdependent international economic system, it will have to accept the responsibilities that go with those benefits.

It is important that American policymakers should not underestimate the critical importance of food in the Soviet-American relationship. Shed of any illusions that grain exports will overnight produce political miracles, I have every reason to believe that Soviet behavior will be moderated by their continued dependence on America for food commodities.

A third area that I wish to discuss is the formation of a more enduring political relationship where cooperation moderates competition.

There are no easy methods or secret formulas to achieve this goal. Tough and business like negotiations are the best route to progress in East-West relations. This means, for example, trying to persuade the Soviet Union to join with the United States in exercising a moderating, rather than an inflammatory, influence in the Middle East.

This kind of successful negotiation involving a specific threat to peace is more important to improved relations than general declaration or atmospherics.

These three specific areas—arms control, economic policy and political negotiations—will be the focus of East-West relations in the period ahead. Success in each of them is important.

We need a limitation on armaments.

We need a system of international grain reserves.

We need progress toward peace in the Middle East.

It will be difficult enough to make progress in each of these areas individually. If we limit them and make progress in one dependent on progress on all, the task may be impossible. And if we make one-sided concessions in one of these areas in an effort to persuade the Soviets to change their stance in another, we will only expose our naivete.

We should signal clearly to the Soviet leaders that they can achieve solid benefits by cooperation in each of these areas. A strategic arms race, an unstable world food market, tension and conflict in the Middle East and elsewhere—none of these are in their interest.

They can work with us to avoid these dangers. But we must also make clear to them that progress can only be achieved if they, no less than we, are prepared to make concessions. Agreements must be based on a solid mutuality of interests.

In about a month the 25th Party Congress will occur. During this meeting important decisions will be made concerning the future direction of Soviet foreign policy. Looking further ahead, it is clear that the Soviets are on the threshold of a generational turnover among the Party leadership and hierarchy.

By actions and statements which make clear to the Soviets the principles that we believe should govern the East-West relationship, we may have a unique opportunity to influence the development of a Soviet foreign policy of restraint and responsibility and the emergence of a less repressive domestic society. This can be achieved not by being soft or compromising in any way our national interests.

Firmness is in order. But we must couple this attitude with encouragement of the forces of moderation in Soviet society against the ideologues, nationalists and the military.

To achieve this, American political leaders should focus on the three areas that I have described—seeking concrete progress, on the basis of the principles that I have outlined, that will serve the interests of both countries.

All this will be hard to do in an election year unless both political parties approach this issue in a realistic and responsible manner.

I want to see the Soviet-American relationship discussed and debated in the coming Presidential election.

But I want the candidates to use restraint. If they do not, and if demagoguery is substituted for sensible discussion, great harm could be done to the cause of influencing the evolution of a less aggressive Soviet foreign policy.

If inflammatory rhetoric or exaggerated promises become the coinage of a Presidential campaign in discussing Soviet-American relations, we only aid and abet those Soviets who want a return to the Cold War for their own purposes.

I urge candidates in both parties to take the high road of reasoned statesmanship, speaking honestly to the East-West issues that must now be tackled. In this way progress in our relations with the Soviet Union can continue even while we go about the process of choosing America's new leadership.

If we seek world peace, there are no alternatives to a constructive Soviet-American relationship. If we wish to have America turn its attention and energies to urgent domestic problems and pressing world responsibilities, the process of normalizing relations with the Soviet Union must continue.

ENVIRONMENTAL MODIFICATION

Mr. PELL. Mr. President, I would like to draw the attention of my colleagues to a very timely and important article on environmental modification by Lowell Ponte, which appeared in the Los Angeles Times of January 29. Mr. Ponte is an editor of Skeptic magazine, and his new book, "The Cooling," which will be published in May, concerns the Earth's changing climate and those who would modify it. I had the honor of writing a foreword to that book.

In his Los Angeles Times article, Mr. Ponte discusses the outstanding issues which have yet to be resolved in the Geneva disarmament negotiations in order to develop a treaty prohibiting the military or any other hostile uses of environmental modification techniques. He also reviews the background leading up to those treaty negotiations including the Senate's passage in 1973 by an overwhelming 82 to 10 vote of a resolution which I introduced calling for such negotiations.

As Mr. Ponte correctly points out, many ambiguities and weaknesses exist in the current draft treaty. It was with a view toward clarifying and improving the treaty that the Foreign Relations Subcommittee on Oceans and International Environment, of which I am chairman, held hearings on January 21, 1976. During the course of those hearings, the subcommittee was particularly interested in knowing whether the draft treaty might be strengthened by deleting the language limiting the prohibition against environmental warfare to those instances in which the effects are "widespread, long-lasting, or severe."

As a result of the hearings, I have urged the administration to re-examine these criteria as well as other areas of ambiguity in the treaty with a view toward making the treaty a more effective means of arms control.

Mr. President, I ask unanimous consent that Mr. Ponte's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WEATHER WARFARE FORECAST: PARTLY CLOUDY

U.N. TREATY WOULD PERMIT "PEACEFUL" ENVIRONMENTAL RESEARCH BY MILITARY

(By Lowell Ponte)

In 1957, then-Sen. Lyndon B. Johnson (D-Tex.) was enchanted—as were a number of lawmakers—by the fantasies of Department of Defense researchers who would use weather as a weapon of war. "From space," he said, "one could control the earth's weather, cause drought and floods, change the tides and raise levels of the sea, make temperate climates frigid."

A decade later, as President, he made some of those fantasies spring to life by authorizing massive rain making, defoliation and other kinds of environmental warfare in Southeast Asia.

As congressional inquirers have subsequently learned, the Pentagon secretly spent at least $3.6 million a year between 1967 and

1972, seeding clouds over North and South Vietnam, Laos and Cambodia. The expressed purpose of such seedings, which in one instance increased rainfall by 30 percent, was to muddy vital supply trails, thereby hampering enemy troop and supply movements. Pentagon spokesmen called the seedings a failure, but defended the project as humane: "Raindrops don't kill people, bombs do."

The Department of Defense has denied that its cloud seeding over North Vietnam in 1971 caused that country's heaviest rains and worst flooding since 1945, when more than a million Vietnamese had perished from flood and subsequent famine. But the Pentagon does make this admission: Just prior to the 1971 floods, it carried out a concerted policy of bombing flood-control dikes in North Vietnam.

Still, U.S. leaders have long professed that war aimed at civilian populations is wrong. With this in mind, as well as the unknown hazards of massive tampering with natural processes, Senator Claiborne Pell (D.R.I.) introduced a 1973 resolution calling for an international treaty to prohibit environmental warfare "or the carrying out of any research or experimentation directed thereto." On July 11, 1973, the Senate approved Pell's measure, 82 to 10.

Partially in response to the resolution, the United States joined Russia in proposing a treaty to ban "military or any other hostile use of environmental modification techniques." Submitted in August to the 31-nation U.N. Conference of the Committee on Disarmament in Geneva, the draft agreement is expected to win Senator ratification by this fall.

Pell's subcommittee on oceans and the international environment began hearings on the proposed treaty last week, though it is a far cry from what he originally wanted.

His chief objection is that the treaty would not ban military research or experimentation with environmental modification—"ENMOD," as it is called by a growing Pentagon bureaucracy dedicated to its study. Quite the contrary, the treaty clearly allows any "peaceful" research—even when conducted by a military organization.

The trouble comes when you try to define "peaceful."

The Pentagon, for example, contends that its Climate Dynamics program is essentially peaceful, because it is defensive in nature. Researchers in this program use elaborate computer models to study means of melting polar icecaps, generating hurricanes or otherwise utilizing "key environmental instabilities" to release vast amounts of potentially destructive energy. (These researchers have already discovered subtle ways that this country could, secretly from space, disrupt weather in the Soviet Union, thereby wrecking harvests and keeping that country dependent on U.S. grain imports.)

Pentagon officials say the program is necessary to detect any secret Soviet environmental tampering aimed at wrecking weather in North America. Indeed, because the proposed treaty makes no mention of forming an international agency to inspect or regulate climate modification programs, the Defense Department is likely to request even more money for the Climate Dynamics program—so the United States will be better able to detect treaty violations.

As the document now stands, enforcement provisions are in fact rather meager. Leaders of nations who believe their environment is under attack may present evidence to the U.N. Security Council. However, the council would be put in a severe bind should such a case come before it, because any evidence intended to show "weather warfare" would be highly debatable.

Climatology is an infant science, full of unknowns. Our planet's climate is already in a period of severe instability (whether from human or natural causes is uncertain). As a result, many countries will suffer terrible weather, drought and crop failures, and many will try weather and climate modification as remedies.

In 1975, the National Academy of Sciences even raised the possibility that a new Ice Age may be upon us within a century—a threat that certainly could prompt the United States and the Soviet Union to try global climate modification, not as an instrument of war but as a new form of "cold war." So what is clearly needed, in addition to this treaty, is some form of international agreement on inspection, assessment and reparation guarantees for countries injured by environmental modification. Another weakness of the proposed treaty is that it prohibits only those environmental modification techniques by the military that have "widespread, long-lasting or severe effects harmful to human welfare." Would this have kept the United States from modifying weather in Vietnam? Perhaps not, for, as one Pentagon analyst said, "People in Southeast Asia are used to heavy rains." But how prolonged would rains have to be in a monsoon-belt nation to be called "long-lasting and severe?"

Indeed, what is a "hostile" act, as banned by the treaty? The Rusians are now busy reversing rivers that flow into the Arctic Ocean and creating inland seas. Experts say this action will alter world climate, but the treaty as written excludes "peaceful" environment modification from coverage.

Some lawmakers fear the treaty would even encourage potentially dangerous military research into environmental modification by helping it gain legitimacy and funds. Pell—along with Representatives Gilbert Gude (R-Md.) and Donald M. Fraser (D-Minn.)—would eliminate this risk by putting all U.S. government research into weather and climate modification, including that of the military and the Central Intelligence Agency, under control of a civilian authority answerable to Congress

Next month, the Geneva disarmament conference will resume discussions on the treaty. It is expected to consider adding a prohibition on research into weather warfare—which would meet Pell's chief objection. Without such a restriction, the proposed treaty would have only limited value.

NATIONAL SCIENCE POLICY

Mr. JAVITS. Mr. President, S. 32, the National Policy, Organization, and Priorities for Science, Engineering, and Technology Act of 1976, approved by the Senate Wednesday was reported by the Labor and Public Welfare Committee, the Committee on Commerce, and the Committee on Aeronautical and Space Sciences. A committee of conference will soon be appointed to work out the differences between our measure and H.R. 10230, the House-passed measure. With this in mind, I think it would be most helpful to review the major differences between the Senate bill and H.R. 10230.

Both measures set forth a national science policy. Both measures establish in the Executive Office of the President an office of science policy. Both measures call for a full review of the overall Federal effort in science and technology.

The Senate measure establishes in its title IV a Federal coordinating group for science, engineering, and technology. This group is envisioned as quite similar to the Federal Council for Science and Technology presently established pursuant to Executive Order 10807. The House measure has no similar provision.

Title V of S. 32 establishes an Intergovernmental Science, Engineering, and Technology Advisory Panel charged with the responsibility of "identifying and defining civilian problems at the State, regional, and local levels to whose solution or amelioration the application of science, engineering, and technology may contribute." Title V further establishes a grant program to be administered by the Director of the National Science foundation in consultation with the Intergovernmental Panel, to assist the States in establishing or strengthening State offices of science, engineering, and technology within the executive and legislative branches of their governments. The House measure has no comparable provision.

The committee on conference must examine title V in light of two factors which, in my view, are central to the appropriateness of the provision. First, is the issue whether the title V program duplicates or overlaps the intergovernmental science program presently administered by the National Science Foundation and funded for fiscal year 1976 at $3,568,400. I note that the President has requested $3,600,000 for this intergovernmental science program for fiscal year 1977. Second, the administration indicated its disapproval of the title V grant program because it places the Director of the National Science Foundation in the position of approving the organization of State science offices. I am not persuaded that these arguments are compelling as to either item but rather favor both.

Mr. President, the central purpose of this legislation is to provide the President with the best possible mechanism for receiving competent and appropriate advice on science and technology matters. It is my judgment that S. 32 will accomplish this purpose. As a result, for the first time in several years, the President of the United States will have available to him appropriate advice and expertise in the area of science and technology to assist him in making the often complex and far-reaching decisions demanded by that office.

One may legitimately ask how the status of science advice in the office of the President became so reduced as to require legislation such as this in the first place? In order to assist my colleagues and others interested in these issues, I refer at this point in the RECORD to a speech given by William T. Golden of New York City, in April 1975. This paper provides an excellent review of the rise and decline of science and technology advice for the President. It will also be of use in beginning the discourse on another important question for the near future—that of the nature and qualifications of the man to be chosen by the President as his Science Adviser.

Mr. Golden's views are, I feel, all the more noteworthy because his suggestions have come so close to the provisions embodied in H.R. 10230 and S. 32. His suggestions with respect to the qualifications necessary for the Science Adviser are thoughtful and constructive. The ultimate choice of the man to fill this position rests, of course, with the President. Mr. Golden's candidate is a man whose name will certainly come up in the future as the President reviews the position. It is my hope that Mr. Golden's speech, his suggestions, and his ideas, will assist others to continue a constructive and meaningful discourse over these issues.

I ask unanimous consent to include excerpts in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

WHAT CAN YOU SCIENTISTS AND ENGINEERS DO FOR ME: OR, WHY SHOULD THE PRESIDENT WANT A SCIENTIFIC ADVISER?

(Lecture by William T. Golden)

The subject of science advice for the President, long an interest of mine, is once again a timely one; and it is gratifying to see, by your presence, evidence of your concern.

Let me reveal at once, first, that I believe it to be virtually self-evident that the President needs science advice and, second, that it is not nearly as obvious that he needs a Science Adviser. This will be discussed.

PRESENT SITUATION

We have seen that the Presidential science advisory apparatus was created by President Truman early in 1951 under the strong stimulus of the Korean War; that it was reinvigorated by President Eisenhower in 1957 responsive to another stimulus, the launching of Sputnik by the Russians; and that it was dissolved by President Nixon in 1973, in some measure as a consequence of the divisiveness in American society produced by the Vietnam war.

Since 1973 the Director of the National Science Foundation, Guy Stever, has also had limited responsibility for providing non-military science advice to the President. Military science and technology are completely separated. Fragmentary fission products of the PSAC and Office of Science and Technology organizations have, fortunately, been attracted to other units of the Executive Office of the President, particularly the National Security Council, and the National Science Foundation. So all is not lost. However, the influence of scientific and technological counsel on policy formation in the upper levels of government has been downgraded, diminished, and dispersed.

Unlike the situation at the Korean War and Sputnik periods, there is no strong stimulus at this time to spur the President to create a new mechanism for providing science and technology information to him and to high levels of the government. However, the mounting domestic and international problems facing the nation have served to keep the issue very much alive.

There has been growing debate and pressure from the intellectual world generally, including the political and other social scientists as well as the physical and biological scientists, to re-establish a more effective and prominent focus for science and technology in the government structure, particularly in the Executive Branch. Congress has established its own Office of Technology Assessment under the directorship of the capable and experienced Emilio Q. Daddario, who was Mr. Science in Congress during his years as a Representative from Connecticut. But, this agency is not designed to and cannot fulfill the leadership function of the Executive Branch.

Congress is aware of this, as has been evidenced by the hearings of the Teague Committee on Science and Astronautics in the House of Representatives in 1973 and 1974 (in which many distinguished individuals testified at length) and by the activity of Senator Kennedy of Massachusetts. The latter, with associates, recently introduced a bill, S. 32, which would establish a Council of Advisers on Science and Technology in the Executive Office of the President.

The Teague Committee, with its recent change of name to Committee on Science and Technology, has just introduced a complex bill of its own, H.R. 4461, which also provides for a Council of Advisers on Science and Technology and in addition would create a Department of Research and Technology Operations headed by a Secretary of cabinet rank. However, with engaging modesty the Committee proclaims that the bill has been proposed only as a basis for discussion and refinement.

A number of article sand proposals from throughtful and qualified sources have also appeared within the last year or two. I will mention the principal ones. The specialists among you are familiar with them. For the benefit of others who may wish to pursue this subject further, I have given Bill Bevan and John McKinney a brief selected reference list, which you may find useful. These papers, many of which were published in *Science*, include the recent White Paper of the American Association for the Advancement of Science, written by William D. Carey (our new Executive Officer, who succeeded Bill Bevan) with assistance from Richard A. Schribner; one by George Kistiakowsky, of Harvard, entitled "Science and Technology in Presidential Policymaking"; one by Eugene Skolnikoff, of M.I.T., and Harvey Brooks, of Harvard, entitled "Science Advice in the White House? Continuation of a Debate"; and two papers previously mentioned: the National Academy of Sciences' report of June 1974, prepared by a distinguished committee under the chairmanship of Dr. Killian, and the historical review by Detlev Bronk. Mention should also be made of the article by David Beckler in the Summer 1974 issue of *Daedalus*, entitled "The Precarious Life of Science in the White House." Derived from some twenty years of experience as Executive Officer of PSAC, his essay constitutes an essential history of the second phase of Presidential science advice, as Dr. Bronk's did of the first. And his keen analysis and sensitive insights to the realities of the top levels of government in Washington provide wise counsel to those thinking of the phase to come.

Each of these papers, except Dr. Bronk's and Dr. Beckler's, proposes a mechanism for providing an input for science and technology fact and opinion to the Presidential level. And each proposes, in one form or another, the creation of a Council on Science and Technology of three or more members, supported by staff. Further, the February 1975 issue of the Federation of American Scientists' Public Interest Report, under the heading "Unanimity in Favor of a Council on Science and Technology," cites many distinguished scientists as having supported this concept in testimony before the Teague Committee and elsewhere.

President Ford has shown some interest. A few months ago he assigned to the newly confirmed Vice President Rockefeller the task of evaluating the need and studying mechanisms for providing inputs from the voices of science and technology to the highest levels of government. It is known that Vice President Rockefeller and his staff have been proceeding thoughtfully and thoroughly.

It is well to be mindful of the differences between the present situation and those prevailing in 1951 and 1957. In the 1950's and most of the 1960's there was strong emphasis in Washington on defense aspects of science and technology. But over the past decade or so, the value judgments and aspirations of our society increasingly have stressed our peaceful needs: the standard of living; factors of the environment; pollution consciousness; responsibilities to generations yet unborn; concerns about the growth of population and the message of Malthus; food supply and food quality; energy, about which Phil Abelson spoke here recently with authority and about which all of us seem to speak daily with concern; the advancement of medicine and the provision of health care for all the people; the human needs of the developing countries, and political tensions arising from their development.

But whether we like it or not, military and defense issues remain crucial to our society and command more than half of the $21-billion research and development budget of our federal government. And arms control and disarmament progress can only be achieved with the combined thinking of the military, the physical and biological scientists, the social scientists, and the practicing politicians.

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So much for background. What shall we do?

It is evident that sicence and technology are an integral part of modern life; that no government, least of all our own, can improve its people's living standards, promote domestic tranquillity, and defend its borders without encouraging the growth of science and technology. But government must do more than that. Science and technology play an important role in the operation of virtually every department of government, whether it be the Department of Defense or the Department of Agriculture, the Department of Commerce or the Energy Research and Development Administration, ERDA.

Science must be considered at these operating levels, but it must also be considered in the development of national and international policies at the highest level. This is obviously true for military policy; obviously true for disarmament policy; and equally, although perhaps not quite so obviously, true for energy policy with its international involvements, for urban affairs, and for agriculture.

And there is always the vexatious but vital year-to-year competition for funds among the several departments of government. Who shall be the arbiter of the science and technology component?

And, even more important, who shall provide intellectual guidance for long-range policy for domestic and foreign affairs, in which policies for science, technology, and related education can play so vital a role?

It may be useful, at this point, to recall the functions of the Science Advisory organization that served five Presidents from 1951 to 1973. As outlined in President Truman's letter of invitation to Dr. Buckley, these functions included being available:

"To provide independent advice on scientific matters especially as regards the objectives and interrelations of the several Federal agencies engaged in research of defense significance, including relevant foreign relations and intelligence matters."

"For transmitting the views of the scientific community of the country on research and development matters of national defense significance."

This brings us to the title of this talk and to the question: What would I do if I were President Ford? How would I utilize scientists and engineers to help me do my job better?

First, if I were President Ford, I would start by not wanting an additional person reporting to me directly. There are too many already. So I wouldn't be seeking some great scientist who would feel he should, or even had the right to, come to see me frequently to report on (and perhaps plead for) science and government. Before hearing the views of my staff and of objective outsiders, and before considering the complex of issues involved, I would have wanted science advice but not a Science Adviser.

I would be interested in technology, because that would produce short-term results and as President, in fact, as any politician (and I use the term descriptively, not pejoratively), my focus would be on the short term: say from now to the next election. Of course, I'd also be patriotic, with a public spirit and a conscience, and I'd be aware that the long term is important too (even way out yonder beyond my next term); so I'd know that science and the next generation should not be ignored.

I would want, first, lively activity in and support of science and technology in the individual Departments of the Executive Branch. That would be the responsibility of each member of my cabinet. Then, I'd want consideration to be given to matters of technology and science (in that order) at staff levels in the Executive Office of the President. This would mean in the Office of Management and Budget, in the National Security Council, in the National Science Foundation, and in the Domestic Council; and of course in the immediate White House staff. That is, I'd want all of these close subordinates to be mindful of technology and science matters as well as of fiscal, political, economic, and other elements in their consideration of all issues coming up for ultimate Presidential decision. I would want science worked into the fabric of policy debates. I would think of technology and science as a part of my staff's work, not as a thing apart.

I would come to recognize that this integration of technology and science with national policies and programs might best be achieved by establishing a specific staff group in the Executive Office organization. This could be a revived Office of Science and Technology. Such a re-creation would, however, probably be resisted by the existing Executive Office agencies, such as the Office of Management and Budget and the National Security Council, on grounds that they are themselves capable of serving this function, particularly now that they have adopted, if not absorbed, parts of the former PSAC and OST organizations.

Next, I would be mindful that the Director of the National Science Foundation is and should be the protagonist for basic science. I would also be aware that the NSF is itself a major applicant for funds and therefore in competition with the cabinet departments. Hence, one person cannot successfully continue to serve both as Director of the National Sicence Foundation and as an impartial science adviser to the President.

Finally, therefore, in recognition of the differences of opinion regarding the adequacy of representation of the voices of technology and of science, in a manner independent of departmental rivalries, at the highest levels of the Executive Branch, I would change from my starting position and would decide to attract a senior and respected scientist or technologist to my staff. He or she would have to recognize that his responsibility runs to the President, that he should be responsive and courageous but not instrusive, and that he should select and supervise a small Office of Science and Technology staff, to give him broader coverage and credibility in fields beyond his own technical expertise.

Note that it is one exceptional individual I would seek, not a Council of three or more. With all due respect for the mass of advice to the contrary, and mindful that Councils are in vogue currently and are indeed effective for some functions, I would prefer an individual for this job. Here are some of my reasons: the single role will attract a more distinguished person than will membership in a group of three or more; one exceptional man is better than several almost-as-capable; with several, competition and temptations for mischief are implicit; the undivided responsibility of one man will carry greater prestige in dealing with other members of the White House Office and the Executive Branch generally, will facilitate access to the National Security Council and the highest levels of the military, and will promote superior performance and communication.

With this background, I now come to the prescription which I promised in the beginning. With appropriate humility, I make a modest proposal, by which I mean a proposal for a modest beginning of restoring a continuing intimate staff input to the President from the disciplines and communities of science and technology.

I would establish at this time a Presidential Office of Science and Technology (POST) to consist of a Director appointed by the President, with a staff, minuscule by Federal standards, of perhaps ten professionals selected by the Director. It would be well to include a medical doctor and one or more social scientists among the disciplines represented.

The Director would come with an established but not necessarily pre-eminent position in science or technology. Beyond his immediate discipline, he or she should be a person of broad culture, with ability to look through a telescope as well as a microscope. He would have to be practical and understand industry. It would be essential that he come with experience in and an understanding of the realities of federal government processes. He should recognize that the Pentagon is here to stay, and that head-on battles with the established bureaucracy are likely to end with a head-off administrator. He must be courageous but not foolhardy. Indeed, were he not courageous, he could not effectively serve his President. The prestige he brings with him will be enhanced by his Presidential appointment, and his usefulness and survival will depend on his wisdom.

It will be equally essential that members of his staff, qualified in other scientific disciplines, understand the workings of the federal bureaucracy and that their personal qualities be such that they will be able to work effectively with, even when they oppose, the staffs of the other Executive Office agencies.

While these qualities of personality and experience are not commonplace, neither are they excessively rare. Many scientists and engineers have by now had experience in government agencies. With the years, their numbers should increase, among other reasons because of the science fellowship programs in the federal government which, under the leadership of the AAAS and with the active participation of several professional societies, have been showing increasing vigor, particularly in the Legislative Branch. Certain of the young men and women who have served as such Congressional Science Fellows in recent years would be outstandingly well qualified for POST staff roles.

Brains without knowledge of tribal customs in the bureaucracy will surely fail; a Nobel Prize-winner who enters the Executive Office without awareness of the minefields will of a certainty strike one ere long and with a bang—or a whimper.

So I'd start with a low-profile Director and a small staff. I would thus follow the precept of Occam's Razor and the Principle of Parsimony, because the very act of re-creation will be tangible and encouraging evidence of progress; because individuals of superior ability can be attracted to a small staff since each member will have a greater responsibility; and because a small group will be able better to establish its beachhead promptly than will a large apparatus. It can prove its worth and will incur less resentment and opposition. If it does well and needs to be larger, it can be expanded.

The Presidential Office of Science ad Technology would seek (and give) cooperative assistance from time to time from established government agencies such as the National Science Foundation and would create ad hoc Commissions or Task Forces, as needed, to work on specific problems and issues. This fluid structure would take the place of the former PSAC with its relatively tenured organization. The prestige of Presidential status and the importance of the issues would attract the most able scientists and engineers, from academia and from industry and on loan from other government agencies. The fact that each project would have a beginning and an end would enhance its attractiveness. When a report is completed, the Task Force or Commission would be dissolved. The reward to its members would be a sense of accomplishment, and letters of thanks from the Director and from the President.

The Director might or might not be given the title of Science Adviser to the President (SAP!). As previously indicated, there are some arguments against. If he starts without the title, it could be added later.

However, after weighing all factors, I have come strongly to favor starting with the title of Science Adviser, or Science Counselor, to the President. His stature inside and outside the government would be enhanced by this symbol of Presidential intimacy, and he could do his job more easily and better. It would facilitate recruiting him; and he could more readily attract the staff of his choice.

As in all such matters, the selection of the person to head the agency is perhaps more important than the organizational arrangement. Nevertheless, both are important. The Director must have the requisite qualities and must also wear a uniform with sufficient stripes.

Such an organization could be established promptly by Executive Order and would not require statutory action by the Congress. However, Congressional endorsement would be advantageous on general grounds and specifically to provide operating appropriations. In any event it is important that Congress have appropriate access to the Director on occasion, as indeed in its current strength it now does to top-level Executive Branch officials generally. This is a matter of mutual respect, judgment, and forbearance.

The President himself would not have to see, indeed should not see, his Science Counselor, the Director of the Presidential Office of Science and Technology, very often. But he would be sensitive to his work and would see him from time to time if appropriate issues arose. The Director should be made a member of the Domestic Council. He might also become a member of the National Security Council, though this seems less likely, at least initially. It is, of course, essential that he have the requisite clearances, and he surely should sit with both Councils when appropriate issues are under consideration.

One would hope that a congenial rapport would develop between the President and his Science Counselor, the Director of POST; indeed this will be essential for optimal benefit. This suggests as one possibility, for example, that the President might ask Guy Stever, with whom he has become acquainted to some extent, who knows his way around Washington, and who is respected by the scientific and engineering communities, to undertake the role of Science Adviser or Science Counselor to the President and Director of the Presidential Office of Science and Technology; and to relinquish the Directorship of the National Science Foundation. The latter position is with a going organization and can more readily be filled successfully. The Presidential advisory role would be more challenging, more exciting, and more hazardous.

There you are. That's what I would do if I were President Ford.

Now, as each of you has as much right as I have to impersonate President Ford, maybe more so since some of you may know him, each of you can write a no less legitimate prescription. I hope you will do so. And in due course we'll all see what happens!

AMERICAN BANKING

Mr. JAVITS. Mr. President, the various revelations about the increased numbers of U.S. banks now receiving more than normal supervisory attention have naturally given rise to a good deal of concern for the strength of our banking system. While it is essential to examine these problems in detail and take whatever steps may be necessary to rectify faults in the banking system, it is necessary to view these problems in their proper perspective. Sometimes it is helpful to examine problems from a trans-Atlantic perspective, and no one performs this function with more consistent perception than the Economist of London.

The latest edition contains an excellent article on American banking. The article points out three mistakes that should be avoided by the critics of the banking system. First, the disclosure that up to 360 banks are being watched more closely by the regulators should be reassuring, not the reverse. As the article points out, the United States is coming out of the worst recession since the Depression, and bank problems in such circumstances are not unexpected. Second, it would be a mistake to infer that the condition of the banks is deteriorating. On the contrary, it is better than it was in the autumn of 1974. Third, too much concern for artificial rules about capital ratios might force banks into unnecessarily restrictive lending policies, with undesirable effects on the potential for economic recovery.

Mr. President, I ask unanimous consent that the article from the Economist be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Bashing at the Americans Banks

For better or worse, and it could be mainly for the better, the unamazing revelation that banks with too many doubtful loans have been put on problem lists by American regulators is going to cause changes in the American banking system. The Congress will see to that.

It is silly to expect politicians to be apolitical. The New York financial establishment and the Washington regulatory establishment ought not to lambast Congressmen for political opportunism. Real estate that should never have been built is wasting away; and tankers nobody wants are rusting in lay-up yards (see next article). The financially numerate ought to concentrate on seeing that the would-be reformers do not get hold of the wrong end of the stick.

The first mistake of the critics is to be made nervous by the disclosure that up to 360 banks are being more carefully watched by the regulators than the others. There are 14,800 banks in the United States, and the country is emerging from its second deepest slump this century. It is reassuring—not the reverse—that the Comptroller of the Currency, the Federal Reserve Board, the Federal Deposit Insurance Corporation (FDIC) and others with a duty to shepherd banks have a beady eye on banks.

The second mistake is to infer that the financial condition of banks is deteriorating. It is better than it was in the autumn of 1974, after Franklin National and US National of San Diego had failed in the United States, I.D. Herstatt in Germany. A flight of money into the safest banks and the safest monetary instruments caused a split in domestic and international money market rates. Morgan Guaranty could get relatively cheaply far more funds than it needed, while the First National Bank of Boot Hill had to pay usurious rates. To head off the possibility of a liquidity crisis, the Fed expanded the money supply.

Since then worriers have shifted their gaze from where the banks have sought their money to where they have lent it. They discern watery loans to real estate investment trusts (see page 87), European tanker owners and shipyards, Brazil (over $22 billion of foreign debt) and other poor countries without oil, and to some companies (including airlines) which may yet crash. But the third mistake of the worriers is to look too much at artificial rules about capital ratios and the like, while forgetting what the real criteria for "sound control of a banking system" should be.

The idea is that banks which lend recklessly in a speculative boom should suffer a bit in the subsequent recession, but not so much that they all become too cautious in their lending at just the wrong moment of that recession. By that criterion control of the American banking system in 1974–76 has been able and astute—especially compared with the recession of 1930–33 when bank control (ie, the orders from bank examiners that banks with unsatisfactory balance sheets must not lend more) was largely responsible for the cut by one-third in American money supply which caused the great depression.

In this recession of the 1970s the bankers have not been forced into that sort of silliness, but they are not being given too comfortable a life. Provision for loan losses among the 10 largest American banks more than doubled in 1975 to almost $1.5 billion. Banks concede they are under-capitalised—or over-committed. For too long the bank holding companies have used the same capital to support a widening range of activities and thus increase shareholders' earnings. They will have to queue up for new equity and near-equity capital, but will find difficulty in raising it until price/earnings ratios on bank shares improve. These p/es are low precisely because everyone knows the banks are short of capital.

For a while capital repair will depend on more retained earnings, or on private placements with insurance companies and pension funds. A start has been made. Marine Midland has defied the post-1930s taboo against a dividend cut by a big bank. Loss reserves are being built up. Citibank, the bank that has most influence in setting the prime lending rate, is not being challenged on price: it is successively changing its prime rate formula—most recently last week—to widen the interest spread (ie, profit-margin) between commercial paper and prime rate.

Congress may now be eager to tidy up the apparently messy bank regulatory system. A superstructure of federal regulation has developed on top of state regulation: the Comptroller of the Currency supervises nationally-chartered banks; the Fed supervises state-chartered member banks, all bank holding companies, and so-called Edge Act corporations (international banking subsidiaries of US banks); and the FDIC (which insures nearly all banks) supervises state-chartered banks that are not members of the Federal Reserve system. But, eg, the Fed, which regulates bank holding companies, does not usually regulate the bank involved. There are other anomalies. Sensible concentration on clearing these up, as well as hearings on how the bank loan officers made whoopee during the late 1960s and early 1970s, could make the banking system simpler and stronger. But not, please, too rigidly rule-book-bound by a committee of nannies.

BUSINESS HALL OF FAME

Mr. JAVITS. Mr. President, over 50 years ago, Junior Achievement, the Nation's oldest youth economic education program, was founded to teach high school students the principles of the private enterprise system by helping them establish and run their own miniature businesses. This year over 192,000 achievers are active in 7,500 Junior Achievement Companies across the country. These "miniature companies" are scaled down, but detailed operations which closely simulate the functions of a modern corporation. By performing such corporate duties as electing officers, selling stock, keeping books, and publishing an annual report, the student is provided an opportunity to create, experience, and participate in a miniature private enterprise system. To this end, I commend Junior Achievement for encouraging and cultivating the business leaders of tomorrow.

While Junior Achievement looks to the future, they have not forgotten the labors of the business leaders of yesterday and today. Last year, Junior Achievement asked the board of editors of Fortune magazine to undertake a selection of business leaders—some from the past and some from recent years. The 1975 nominees included outstanding men such as J. C. Penney, Henry Ford, and J. P. Morgan, pioneers in their respective fields, who provided direction and inspiration which encouraged the development of the free enterprise system. The 1976 inductees, presented in the current issue of Fortune, were honored at the second annual National Business Hall of Fame Awards banquet in Dallas, Tex., on January 30, 1976.

George Moore, formerly chairman of the First National City Bank of New York and one of those nominated to the Business Hall of Fame, offered some inspirational remarks on the future of the private enterprise system.

I ask unanimous consent that the text of his remarks be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

Notes for Junior Achievement Dinner, Dallas, January 30, 1976

(By George S. Moore)

I am grateful to receive this greatest honor of my life, from such a worthy organization as Junior Achievement—because I am a fair example of the truth of the goals of Junior Achievement—of your belief in the opportunities that our free enterprise society offers to every young man and woman.

I am especially grateful to my colleagues in Citicorp, and the editors of FORTUNE for their generosity in attributing to me an extravagant share of the credit for Citicorp's success in my generation; it was a team job, like everything else, except perhaps weight lifting, and most of Citicorp's home runs were scored after my retirement.

In my brief remarks, let me urge you young people not to lose faith in our country, or its promise, despite all the flagellation we seem to enjoy inflicting on ourselves, and the criticism elsewhere reflected in the remarks of a European critic who recently said that our country is going through the life cycle of growth and great promise, and then decline, without ever reaching its peak.

Don't believe a word of this. The American dream is more true today than it ever was, and it is a better dream. We can enjoy it with a better conscience because the rewards of the American way of life now reach almost everyone in our country.

When I graduated from college 50 years ago, no one spoke of social justice, of equal rights, or of the right of underdeveloped countries and to be free and to enjoy the good life. In 1927 the good life, the free life, went to the few and the strong, and the name of the game was get going, get wealth and power, or lose.

I assure you that my generation, our country 20th century, has nothing to be ashamed of. In fact, the great Spanish sculptor, Enrique Monjo, who did a mural for the lobby of Citicorp on Park Avenue entitled "America Twentieth Century" characterized this mural on Spanish television as being the most important work of his life. He said this is true because the 20th century belongs to America. He predicted that in centuries to come, history would so acknowledge. He reminded his Spanish listeners that the USA had entered late and won two world wars against totalitarianism which Europe was losing, and had then paid for most of the cost of reconstruction with the Marshall plan. He said that America had stopped and discredited communism as a social and economic system. He said that America has also provided the financial and commercial, and technological capability and impetus for the vast improvement in the economic well being of the masses of today's world in this century.

To the extent that many countries have not yet achieved this well being, much of the blame goes to leaders who have not yet learned how to use these capabilities wisely to meet these goals.

Junior Achievement recognizes the contribution of private initiative and enterprise, and of the much maligned multinationals, to the betterment of our world in this century. It recognizes that business has been in the forefront leading the remarkable economic and social progress we have had. Business has brought capital, and know-how, and enterprise to the far corners of the world, and provided jobs and markets. It has helped the developing world to use its resources, material and human, and has provided the leadership to develop them.

The need for this leadership and help, which only the multinationals can give is greater today than ever before. It is not popular or easy for nationalistic governments to admit this or to act wisely enough to attract and keep this needed capital and know-how. The breakdown in morality, in dealing with foreign investors, is probably the greatest deterrent today to needed recovery in investment and growth around the world. Ironically, the countries who need this help most are often those who treat investors worse and encourage them least.

The media of today have convinced many Americans that many leaders in government and business and finance are corrupt, and that our free competitive system is not functioning properly.

We know this is not so. And I can assure you that the moral and ethical standards of business are higher in the USA today than ever before in our history, and higher than anywhere else in the world. There are rotten apples in any basket, but this generalization is true.

Junior Achievement has done America a great service in believing in the American dream and in the contribution of American business to this dream. Without business it would be an impossible dream.

Thank you again for honoring me.

NEED FOR FUNDING FOR HYPERTENSION PROGRAMS

Mr. JAVITS. Mr. President, I authored the provision in law (Public Law 94–63) which provides funding authority for the screening, detection, diagnosis, prevention, and referral for treatment of hypertension.

While I urged adequate appropriations to launch a national commitment to attack hypertension, no funds were provided in the House passed Labor/HEW appropriation bill (H.R. 8069). To the great credit of Senator MAGNUSON, chairman of the Labor/HEW Appropriations Subcommittee, the Senate passed bill did provide funds to implement this vital program. And, under his leadership the House/Senate conference appropriated $3,750,000 for hypertension programs under Public Law 94–63.

While the President vetoed the Labor/HEW appropriation bill, the vote to override the veto—which I supported—was successful.

Now the President has transmitted a message proposing the recission of $103,159,000 in the fiscal year 1976 budget authority for health services programs—including a recission of $3,750,000 for hypertension programs.

I believe that in view of the extensive evidence submitted during the past year to encourage the development of prevention and treatment programs for persons suffering from hypertension, these funds are vital if we are to launch a successful comprehensive effort to treat all who are in need of medical attention for hypertension. The Assistant Secretary for Health, Dr. Theodore Cooper, has estimated that through such an effort "200,000 lives a year could be saved."

A recent article in the Medical Tribune entitled "Study Shows Hypertension No Longer a 'Silent Epidemic' " points out that Dr. Robert Levy, Director of NIH's National Heart and Lung Institute has found that—

> More than 9 million of the nation's estimated 23 million adult hypertensives—while aware of having the disorder—are receiving no treatment whatsoever or not enough.

I commend the article to the attention of my colleagues and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STUDY SHOWS HYPERTENSION NO LONGER A "SILENT EPIDEMIC"

BETHESDA, MD.—Hypertension no longer deserves the designation of a "silent epidemic," according to data suggesting that both patients and physicians have become more aware of the disorder and its dangers since the advent of the National High Blood Pressure Education Program in 1972.

The data—based on the National Disease and Therapeutic Index—show that the number of patients making their first visit to a doctor for the specific purpose of getting a blood pressure reading has increased 38% since the government-sponsored program began and that total patient visits for hypertension or hypertensive heart disease have jumped more than 40% in the same period of time.

SIX MILLION UNAWARE

This, Dr. Robert Levy told a news conference at the National Heart and Lung Institute, indicates greater awareness of hypertension as a reason for seeing a doctor than all other causes combined.

Dr. Levy, Director of the NHLI, also reported the results of a 14-community study—thought to be representative of the nation as a whole—made in 1973–74. If indeed the survey is representative, he said, only 29% of the 23 million adult Americans thought to have hypertension are now unaware of it, compared with the 49% found by surveys in the early 1960s and in 1971.

Dr. Levy was quick to point out, however, that an estimated 6 million citizens still are hypertensive without knowing it and that the problem appears to be more prevalent among males than among females, particularly in the black community. By contrast, he said, 80% of women, regardless of race, apparently have their blood pressure regularly checked.

Turning from detection to therapy, Dr. Levy reported that the number of patients receiving sufficient treatment to keep their blood pressure within normal limits has almost doubled since 1971. But, he said, more than 9 million of the nation's estimated 23 million adult hypertensives—while aware of having the disorder—are receiving either no treatment whatsoever or not enough.

In these categories, he said, are both those who choose to ignore the problem because the risks of renal, cardiovascular or cerebrovascular complications seem remote and those who discontinue their medication once they begin to feel better in the mistaken belief that the danger has passed. Still others—having experienced side effects from the drugs—want no further part of a regimen that makes them feel worse than they did before, he explained.

In this connection, Dr. Levy and members of the High Blood Pressure Coordinating Group who were present endorsed the concept of "therapeutic alliances between patients and their physicians to help patients help themselves." Of particular importance, they said, are:

Adequate explanations for dietary instructions such as the need to restrict salt intake and lose weight;

Prompt attention to side-effects such as gout whose expression is often prompted by thiazide diuretics;

A willingness to try substituting other drugs in the hypertension armamentarium when those first prescribed—for whatever reason—prove less than ideal;

Ongoing efforts to impress on patients that hypertension is a chronic disorder requiring life-long therapy and that, for each 10 points of increase of diastolic pressure over normal limits there is a concomitant increase of risk.

Equal emphasis on the fact that adequate control of hypertension can add as much as 18 years to life expectancy.

More than 150 lay and professional organizations—such as the American Medical Association, the National Medical Association, the American Hospital Association, the American Osteopathic Association, the American College of Cardiology and the American Heart Association—participate in this outreach and educational program which is coordinated by the NHLI.

The program's future plans include educational efforts directed at high school students and a detailed cost-benefit analysis of hypertension control to refine the planning process in the years ahead.

THE NATION'S BANKS

Mr. JAVITS. Mr. President, there has been a good deal of publicity recently about the problems of our Nation's banks and the ability of our Government supervisory agencies to deal with them. The publicity touches on some very sensitive issues. Reading through letters from my constituents, I am struck by the alarm with which they view any news which casts aspersions on our Nation's banking system. The issues which they regard as important are basically two: The adequacy of our bank regulatory agencies; and, the extent to which the public should know about the kinds of loans which a bank has outstanding.

As to the adequacy of our bank regulatory agencies I am heartened to see that the appropriate committees in both the House and Senate are actively looking into the problem. I welcome the initiative which seems to be taking place in the Congress to take a fresh look at our whole bank regulatory structure.

With regard to the second issue, specifically, I refer to the issue of so-called classified loans, which has become a point of contention since the existence of such loans may reflect on the financial condition of the bank. According to some, the public has a right to know about the financial condition of such banks and in particular of the amounts of types of classified loans.

This issue is very clearly explained in a recent article in the New York Times by Walter B. Wriston, the chairman of one of our Nation's largest banks. Mr. Wriston gives a banker's opinion, but he introduces arguments into the debate over the responsibility of banks and bank regulatory agencies which I believe should be heard. For example, he notes quite correctly that not all classified loans represent a significant impairment of the bank's own finances; a headache, for example, is not the same as a case of leukemia. He also makes the vary valid point that if banks simply made loans on the basis of highest credit risk, the circle of credit extended by banks would contract until it included only AAA securities and would drop down our economy.

I commend this article by Mr. Wriston to my colleagues and ask unanimous consent that it be inserted in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ON CLASSIFIED LOANS

(By Walter B. Wriston)

Like all other industries, banking is a business. It moves money from where it is available to where it is needed and provides whatever services are required to get it there. The banking business also has a larger responsibility and that is to assure the functioning of our economy when other markets falter.

In the discharge of this national obligation, banks can and do take calculated risks. They provide credit to individuals temporarily fallen upon hard times and to businesses pinched between inflation and recession.

Like all human institutions, the banking system is always subject to improvement. Throughout the first recession in 40 years, however, the system has performed its function and emerged strong and viable.

The current journalistic voyeurism regarding "classified loans" deserves comment. This attack does very little to improve the general state of our country and, more important, does nothing to encourage the banking system to continue to supply the credit needed by business and governments to keep people at work.

The current buzzword, "classified loan," has been floated about as if it were some kind of Typhoid Mary. Classifying loans as to their relative health has been part of the management and regulatory process of the banking system for many years. It is nothing more or less than a diagnostic tool used to help determine future action. An individual gets a cold and takes an aspirin. The second step can be the prescription of antibiotics. The third step is hospitalization. And the final remedy may be intensive care or radical surgery where the outcome could go either way. Just as there are all gradations of illness there are also all shades of management and regulatory opinion about individual loans.

What front-page sensationalism forgets is that one man's classified loan is another man's hope for the future.

The fact is that Citibank's experience since 1812, as well as the experience of banks generally, prove conclusively that the overwhelming percentage of those hopes are realized as long as companies and individuals are permitted to work out their problems consistent with the American tradition of the right to privacy.

Over the years there have been dozens of industries supplying millions of jobs that have been nursed back to health by the banking system.

It was not very long ago that the pundits of the press were administering the last rites to the utility industry. The problems of that industry were compounded by the petroleum crisis that forced up costs, the slowness of regulators to permit the pass-through of these costs to the consumer, and the skepticism of the capital markets in receiving new utility offerings.

In this situation, the banks stepped up to their responsibilities. Our management process at Citibank revealed that the percent of loans classified to the utility business soared as did the amounts outstanding, but it also revealed we have not lost one dollar from meeting our obligations to this important sector of our economy. The lights kept burning across this land and people kept their jobs.

After the management and regulating process has delineated the aspirin loans and the temporary hospitalization loans, we get down to the classification of loans that are and should be treated as uncollectable and eliminated from the bank's balance sheet by a charge against earnings.

There are no secrets here. These loan write-offs are reported in great detail by all banks. As a matter of prudence, these write-offs are taken immediately, but Citibank's experience is that about $40 is eventually recovered for every $100 written off.

In short, the process of loan classification is a specialized diagnostic tool used by the banks and regulators alike. The raw data of loan classification shed no more light than a summary of Merck's Manual of Diagnosis and Therapy.

One of the side effects of this sensationalism is to promote innuendos that somewhere there is a vast body of secret information that is withheld from the Congress and the public, the revelation of which would serve some public purpose. Yet there is probably more information available about banking than anybody knows what to do with. The banking system reports in one way or another to the Federal Reserve Board, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the state bank examiners, the Securities and Exchange Commission, the Federal Trade Commission, the Federal Communications Commission, the Equal Employment Opportunity Commission and to numerous other state and Federal agencies.

The obligation of the banking system is to continue to supply the credit and service that are needed in good times and in bad to produce the jobs our country needs. If a bank had no classified loans, it would not be doing its job, because the circle of credit would contract until it included only the Triple A names of the world. The medium and small businesses or any industry, large or small, temporarily beset would grind to a halt. New businesses would never get off the ground. People who are denied credit because their loan might be classified and that classification might appear on the front page would be understandably irate and their unemployed workers even more so.

Representative Wright Patman, interviewed in the spring 1971 issue of The Bankers Magazine, said: "I criticized the banks one year when they had no losses at all. I said they were not doing their duty. If they are carrying out the private enterprise system, they'd have some losses. They can't be perfect on everything." Mr. Patman has said it all. Banking, like any industry, takes risks in performing its function. As long as those risks are kept within its risk-taking capability, banking is validating its charter in helping make the economy operate. By every measure the system can be proud of its record.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT OF 1976

The ACTING PRESIDENT pro tempore. Under the previous order the Senate will now resume consideration of the unfinished business, S. 2662, which the clerk will state by title.

The assistant legislative clerk read as follows:

A bill (S. 2662) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

The ACTING PRESIDENT pro tempore. The pending question is the amendment of the Senator from California (Mr. CRANSTON).

The Senator from Minnesota.

Mr. HUMPHREY. Mr. President, it is our hope that during the day some of the amendments that Senators have in mind could be called up, and that we could dispose of as many of them as possible. I recognize the situation which prevails in the Senate, the concern that some of my colleagues have over what they would call any rapid action on this bill. Let me say with equal candor that this bill has been aired, ventilated, refurbished, rehabilitated, and rewritten about four times.

I do not think there has been a piece of legislation that has come to this body that has had more consultation given to it, more attention paid to it by witnesses, by committee members, by professional staff, or by the Department of Defense and the Department of State, than this particular piece of legislation. It is incredible to me that there has to be delay in this matter, particularly when it is no surprise piece of legislation. It has been written about in the press, copies of the bill have been available; as I have said, I think there have been three drafts of the bill, simply because different Senators have come to us and asked for consideration of proposals and amendments, because the administration wanted to have modifications. I am pleased to observe that while there seems to be opposition to the bill here in the Senate, I do not think it is substantial. I think we have the votes for passage of this bill, but it is questionable whether or not we have the time between now and this evening to complete action.

Here is a bill that has basic administration support, after 2 months of work and negotiation. Here is a bill that was reported out of the committee with but one dissenting vote, and I believe that even that one dissenting vote recognizes that this is legislation that is probably considerably better than anything we have had in the past.

But, Mr. President, having been in this body now a longtime—this is my 22d year—I can count, and I know also the ability to engage in extended debate, and the parliamentary maneuvers which are possible, the rollcalls which can be asked for, the quorum calls which can be sought——

Mr. TOWER. Mr. President, will the Senator yield?

Mr. HUMPHREY. And the motions that can be made. I now yield to my delightful friend from Texas, who is a master in everything I have talked about, a superb strategist and a tactician second to none, as well as a very dedicated and concerned U.S. Senator. At no time have I ever questioned his motives; I have only admired his ability.

Mr. TOWER. Mr. President, I would simply say that the Senator from Texas is deeply wounded if the Senator from Minnesota would suggest that he would resort to any of the dilatory tactics that were mentioned.

Mr. HUMPHREY. Mr. President, I did not call them dilatory. I said they were fairly within the province of any Senator. They are provided for by the Rules of the U.S. Senate, and I would say that second to the Bible, nothing commands my deeper respect than do the rules of this body.

Mr. TOWER. I sometimes suspect that some Senators pay more attention to the rules of this body than they do to the Bible, which is an unfortunate circumstance.

Mr. HUMPHREY. And I would say that in some cases both are ignored, which is the most unfortunate.

Mr. TOWER. Let me say to the Senator from Minnesota that there are some concerns I think the numbers the Senators from Minnesota speaks of that are available to pass the bill would probably be even greater if we could have a little time and Senators would have an opportunity to vent their concerns and at least talk about them, if not get favorable action on amendments they propose, so that legislative history can be made.

There is no question in my mind but that this bill will pass, and by a substantial margin; but there are some of us who would like to have a crack at it through the amending process. If we fail, we will fail, and take our licking in good grace. But it would occur to me that conventional wisdom would dictate that we put it over until after the recess and get an agreed time on it which is sustainable, and everyone will go home happy.

Mr. HUMPHREY. I understand that last evening the staff of the Armed Service Committee, in cooperation with the staff of the Committee on Foreign Relations, did work out some amendments which appear to be reasonable and acceptable.

Mr. TOWER. The staff did work into the night. I have not had a chance to consult with some of the staff members involved, but they did work into the night and they have been working this morning. The extent to which they have arrived at conclusions or come up with amendments I cannot say at the moment, but we should know that within the next few minutes or an hour or so, and we can see what can possibly be disposed of now.

I am certainly willing to dispose of amendments everyone agrees to by voice vote. There may be some that will be controversial. I am certain there will be some that will be controversial, and those should probably be disposed of after the recess.

I might point out that we have a high rate of absenteeism today, for one reason or another.

Mr. HUMPHREY. It is the weather.

Mr. TOWER. Yes; they cannot get here, because of slick streets, and I think in their interests it would be wise to put it over on their account.

Mr. HUMPHREY. Mr. President, I respectfully suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. PASTORE. Mr. President, I ask unanimous consent that during the debate on S. 22, the copyright bill, Mr. Joseph Fogarty and Mr. James Graf, staff members of the Communications Subcommittee of the Committee on Commerce, be granted the privilege of the floor.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PASTORE. I thank the Chair. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT OF 1976

The Senate continued with the consideration of the bill (S. 2662) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

Mr. HUMPHREY. Mr. President, I wish to introduce into the RECORD certain material that will be helpful in clarifying certain features of the bill before us, S. 2662.

In the interest of clarifying the committee's intent in regard to section 514 of S. 2662 having to do with stockpiles, I ask unanimous consent that a statement that I have prepared be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY MR. HUMPHREY

Subsection (c) of the amended section 514 of the Foreign Assistance Act of 1961, dealing with stockpiles of defense articles for foreign countries, provides that no such stockpiles may be located outside the boundaries of a United States military base or a military base used primarily by the United States—except for stockpiles located in NATO countries. This prospective prohibition is not intended by the Committee to require the disestablishment of any stockpiles now in existence which are located outside of United States military bases. This interpretation is predicated upon the assurance received from the Department of Defense that the only such existing off-base stockpiles are located in Korea. Future Administration proposals to add to these off-base stockpiles in Korea, or to establish new on-base stockpiles or additions to on-base stockpiles in any non-NATO country, would be reviewed by the Congress in the security assistance authorizing legislation for each fiscal year in determining the annual ceiling, if any, for stockpiles located in foreign countries.

Mr. HUMPHREY. I also ask unanimous consent that a compilation of statistics relating to foreign military sales, "25 companies and their subsidiaries listed according to net value of military prime contracts for fiscal year 1975," be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FOREIGN MILITARY SALES, 25 COMPANIES AND THEIR SUBSIDIARIES LISTED ACCORDING TO NET VALUE OF MILITARY PRIME CONTRACT AWARDS FISCAL YEAR 1975

Rank Companies	Amount (thousands)	Percent of FMS Total
Foreign military sales total	$3,657,095	100.00
Total, 25 companies and their subsidiaries	3,128,244	85.54
1. McDonnell Douglas Corp	418,966	11.46
2. Grumman Corp	3,112	
Grumman Aerospace Corp	294,772	
Total	297,884	8.15
3. Northrop Corp	288,869	
Northrop Worldwide Aircraft Services, Inc	4,285	
Warnecke Electron Tubes, Inc	212	
Total	293,366	8.02
4. Textron, Inc	248,561	6.80
5. General Electric Co	208,609	5.70

Rank Companies	Amount (thousands)	Percent of FMS Total
6. United Technologies Corp	191,407	
Pratt & Whitney Aircraft of West Virginia, Inc	354	
Total	191,761	5.24
7. Raytheon Co	163,936	
Raytheon Educational Systems Co	7,831	
Raytheon Service Co	22	
Total	171,789	4.70
8. Lockhead Aircraft Corp	111,236	
Lockheed Electronics Co., Inc	1,079	
Lockheed Missiles & Space Co., Inc	59,387	
Total	171,702	4.70
9. Hughes Aircraft Co	156,453	4.28
10. Boeing Co	129,134	3.53
11. American Motors Corp: AM General Corp	105,648	
Total	105,648	2.89
12. LTV Corp: LTV Aerospace Corp	89,812	
Total	89,812	2.46
13. General Motors Corp	88,767	2.43
14. Vinnell Corp	78,964	2.16
15. General Dynamics Corp	73,072	
Stromberg Carlson Corp	64	
Total	73,136	2.00
6. FMC Corp	69,039	1.89
17. Ford Motor Co	561	
Aeronutronic Ford Corp	58,731	
Total	59,292	1.62
18. Rockwell International Corp	50,163	1.37
19. Hercules, Inc	41,238	1.13
20. Martin Marietta Corp	19,765	
Martin Marietta Aluminum Sales, Inc	16,339	
Total	36,104	.99
21. Harsco Corp	33,139	.91
22. Clabir Corp.: Flinchbaugh Products, Inc	32,363	
Total	32,363	.88
23. Ex-Cell-O Corp.: Cadillac Gage Co	31,455	
Total	31,455	.86
24. Litton Industries, Inc	2,777	
Litton Systems, Inc	24,048	
Total	26,825	.73
25. Norris Industries, Inc	24,074	.66

Mr. HUMPHREY. Mr. President, since filing the committee report, we have noted a few inaccuracies and oversights in the section-by-section analysis of section 111 of the committee bill, the human rights provisions. This analysis, of course, is provided in the report on the bill.

In order to provide a better description of the provisions in section 111, Mr. President, I ask unanimous consent that there be printed in the RECORD a revised section-by-section analysis of section 111, which replaces description as it appears on pages 29 through 31 of the committee report, with changes made indicated by italic type.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

REVISED SECTION-BY-SECTION ANALYSIS

SECTION 111. HUMAN RIGHTS

This section revises Section 502B of the Foreign Assistance Act. The Committee feels strongly that human rights considerations should be a key factor in determining both the recipients and levels of security assistance. While the Committee recognizes that the United States has other national interests that are served by such assistance, it believes that where *the* proposed recipient is a gross violator of human rights, the burden of proof is on those who wish to provide the assistance, not those who want to terminate it.

Subsection (a)(1) states that it is the policy of the United States that security assistance not be provided to any country the government of which engages in a consistent pattern of gross violations of human rights (*such as those enumerated in subsection (a) (3)*), except in accordance with provisions *set forth* in this section. Subsection (a)(2) specifies that a principal goal of U.S. foreign policy shall be to promote the increased observance of internationally recognized human rights. In furtherance of this policy subsection (a) (3) directs the President to formulate and conduct international security assistance programs so as to accomplish that objective. This subsection also directs that such programs be conducted in a manner which does not identify the U.S. Government with gross violations of human rights, including those enumerated in this subsection.

The new subsection (b) requires that the Director of the Office of Human Rights in the Department of State (a new position created by *amendments made in* subsection (b)(1) of section *111 of the bill*) transmit a full report on the human rights practices of each proposed recipient of security assistance as part of the Congressional presentation materials each year. The Director shall take into account findings of international and regional organizations, and the extent of cooperation given such organizations in their investigations, in preparing the report.

The first such report shall be submitted in conjunction with the fiscal year 1977 security assistance request or, in the event such requests are submitted prior to the enactment of this legislation, promptly following its enactment.

Subsection (c)(1) requires that the *Director of the Office of Human Rights,* upon request of the Senate or House of Representatives, or of the Committee on Foreign Relations of the Senate or the Committee on International Relations of the House, transmit a statement within thirty days after receipt of such request setting forth:

A detailed description of the human rights practices of the recipient

The steps taken by the United States (1) to discourage practices inimical to human rights and (2) to call attention to and to disassociate any assistance provided from such practices.

Whether, notwithstanding such practices, *the Secretary of State is of the opinion that exceptional circumstances require the continuation of assistance and a description of those circumstances and the extent of such continued assistance.*

Paragraph (2) provides that a resolution to request a *statement* under *paragraph* (1) shall be considered in accordance with the expedited procedures outlined in Section 301 (b) of the bill.

Paragraph (3) states that if a *statement* requested pursuant to *paragraph* (1) is not transmitted within thirty days of this request, no security assistance shall be delivered to that country *except as Congress provides otherwise specifically as to that country or unless and until the statement requested has been submitted.*

Paragraph (4) provides that Congress would have thirty days of continuous session, as defined in Section 301(b)(1) of the bill, after receipt of a requested *statement* to terminate or restrict the provision of assistance to such country by concurrent resolution. Restrictions short of termination may be directed against particular kinds of assistance and may also limit the amount of financial support provided by the United States to such country. Any such resolution shall be considered in accordance with the provisions of Section 301 *of the bill.*

Subsection (b)(1) of section 111 of the bill amends *section 624 of the Foreign Assistance Act to establish* in the State Department **an Office of Human Rights, the Director to be** appointed by the President and subject to Senate confirmation.

Subsection (b)(2) outlines the responsibilities of the Director—continuous review of all foreign assistance programs for the purpose of:

Gathering detailed information on the observance of human rights by each recipient of security assistance; preparing the annual presentation to Congress required by Subsection (b) and *statements* requested under Subsection (c).

Determining whether such assistance is being furnished in compliance with this section and Section 116 of the Foreign Assistance Act.

Making recommendations to the President, the Secretary of State, and the Administrator for the correction of any deficiencies in compliance.

The committee anticipates that in exercising its role with respect to the administration of section 116 of the Foreign Assistance Act of 1961 the Director will concentrate his attention on the gathering of information and the identification of repressive practices. Program design responsibility remains the province of the Administrator who is charged under section 116 with insuring that aid reaches needy people and reporting to the Congress in the manner described in section 116(b).

Subsection (b)(3) provides that prior to the establishment of the Office of Human Rights, any report or statement required by this section shall be submitted by the Secretary of State.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—S. 2662

Mr. MANSFIELD. Mr. President, I am about to propound a unanimous-consent request.

I ask unanimous consent that there be a time limitation of 1 hour on all amendments to the pending bill, one-half hour on amendments to amendments, motions, and appeals, 6 hours on the bill, and that the vote on final passage occur not later than 5 p.m. Wednesday afternoon, February 18, under the usual rules.

Mr. HUMPHREY. With no nongermane amendments, do I understand?

The ACTING PRESIDENT pro tempore. That is the usual rule.

Mr. HUMPHREY. Mr. President, will the distinguished leader yield?

Mr. MANSFIELD. Yes.

Mr. HUMPHREY. That is that we come in on Tuesday at 11 a.m.

Mr. MANSFIELD. To start in on the bill.

Mr. HUMPHREY. On the bill.

Mr. MANSFIELD. On Tuesday.

Mr HUMPHREY. At 11 a.m.

Mr. MANSFIELD. May I point out to the Senate that though Washington's

Birthday will be observed, by the distinguished Senator from Indiana giving the Farewell Address, in accord with the usual custom of the Senate, immediately upon the completion of that address we will then turn to what is now the pending business.

Mr. HUMPHREY. Mr. President, let me clarify this because I am manager of the bill. The Joint Economic Committee has field hearings in Boston on Monday, and we scheduled them on the basis of Washington's Birthday, feeling we could be away.

Might I suggest, if I may most respectfully, that we start the discussion of this bill on Tuesday. We could do it even earlier than 11 a.m., as far as I am concerned, and proceed with the discussion of the bill, let us say, I say to the majority leader, at 10 a.m. on Tuesday, which could give us more time.

Mr. MANSFIELD. Fine.

Mr. HUMPHREY. And the time that the leader has outlined would be evenly divided, that is, an hour on each amendment, evenly divided, and a half hour on all motions and amendments thereto evenly divided.

Mr. MANSFIELD. Yes; between the sponsors of the amendment and the manager of the bill.

Mr. HUMPHREY. And the 6 hours on the bill that I could have will be available to parcel out if we need it for additional——

Mr. MANSFIELD. That will be under the control of the manager of the bill and the minority leader or whomever he may designate.

Mr. HUMPHREY. With that, I am fully in agreement, and I believe the Senator from Texas has indicated his agreement.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. TOWER. Mr. President, reserving the right to object, in the usual form nongermane amendments will not be acceptable, but germane amendment may be offered at any time; is that correct?

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. STENNIS. Mr. President, will the Senator yield me 1 minute?

Mr. MANSFIELD. I yield.

Mr. STENNIS. I especially commend the Senator from Minnesota, the Senator from Texas, and, of course, our distinguished majority leader for having worked out an agreement on this very matter.

Our Committee on Armed Services was involved, and the Senator from Minnesota was very kind and timely to come down there yesterday afternoon and give us the benefit of his thoughts on this matter. It was a fine demonstration where men are trying to work together and get an agreement and move a matter along. I especially agree.

Mr. HUMPHREY. I wish to say in behalf of the chairman of the Committee on Armed Services, so the record may be clear, I have had consultations with the chairman all along the way, and he has been very cooperative. I wish the Senate to know that. He has come to me in reference to this bill, and I have gone to him, so we could talk about it, and he assigned members of the committee to work with us. We now have been working with the staff of the Committee on Armed Services.

I have not the slightest doubt we will be able to process a good piece of legislation and get it behind us and make a distinct contribution to the law as relating to arms sales.

Mr. TOWER. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I yield.

Mr. TOWER. I understand it is the intention of the Senator from Montana to set aside the pending business until Tuesday morning, February 17, at 10 a.m.

Mr. MANSFIELD. That is correct.

Mr. President, I make that a part of the unanimous-consent request.

The PRESIDING OFFICER (Mr. BURDICK). Is there objection?

Mr. MANSFIELD. I ask unanimous consent.

Mr. HUMPHREY. Did we get that unanimous consent?

Mr. MANSFIELD. This other was agreed to.

Mr. HUMPHREY. Has the consent agreement been agreed to?

The PRESIDING OFFICER. Yes; without objection, it is agreed to.

The text of the unanimous-consent agreement is as follows:

> *Ordered*, That on Tuesday, February 17, 1976, at the hour of 10 a.m., the Senate resume consideration of S. 2662 (Order No. 579), a bill to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes, with debate on any amendment in the first degree to be limited to 1 hour, to be equally divided and controlled by the mover of such and the manager of the bill, and with debate on any amendment in the second degree, debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate to be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: *Provided*, That in the event the manager of the bill is in favor of any such amendment, motion, appeal, or point of order, the time in opposition thereto shall be controlled by the Minority Leader or his designee: *Provided further*, That no amendment that is not germane to the provisions of the said bill shall be received.
>
> *Ordered further*, That on the question of the final passage of the said bill, debate shall be limited to 6 hours, to be equally divided and controlled, respectively, by the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Pennsylvania (Mr. SCOTT), or his designee: *Provided*, That the said Senators, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, appeal, or point of order.
>
> *Ordered further*, That the vote on final passage of the bill occur no later than 5 p.m. on Wednesday, February 18, 1976.

ORDER TO LAY ASIDE S. 2662 UNTIL 10 A.M., FEBRUARY 17, 1976

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily, to be taken up next at the hour of 10 a.m. on Tuesday, February 17.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE COPYRIGHT LAW REVISION OF 1975

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to consideration of Calendar No. 460, S. 22, which will be the pending business for the rest of the day, though I do not think much in the way of activity vis-a-vis votes can be expected, but it will also be the pending business when we return on Monday, February 16.

Mr. STENNIS. Mr. President, will the Senator yield to me for an inquiry?

Mr. MANSFIELD. I yield.

Mr. STENNIS. Has the Senator from Montana taken up the executive calendar this morning?

Mr. MANSFIELD. It has not been printed yet.

Mr. STENNIS. The Senator expects to do so?

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

> A bill (S. 22) for the general revision of the Copyright Law, title 17, of the United States Code, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause and insert the following:

TITLE I—GENERAL REVISION OF COPYRIGHT LAW

SEC. 101. Title 17 of the United States Code, entitled "Copyrights", is hereby amended in its entirety to read as follows:

TITLE 17—COPYRIGHTS

Chapter
1. SUBJECT MATTER AND SCOPE OF COPYRIGHT ____ 101
2. COPYRIGHT OWNERSHIP AND TRANSFER ____ 201
3. DURATION OF COPYRIGHT ____ 301
4. COPYRIGHT NOTICE, DEPOSIT, AND REGISTRATION ____ 401
5. COPYRIGHT INFRINGEMENT AND REMEDIES ____ 501
6. MANUFACTURING REQUIREMENT AND IMPORTATION ____ 601
7. COPYRIGHT OFFICE ____ 701
8. COPYRIGHT ROYALTY TRIBUNAL ____ 801

Chapter 1.—SUBJECT MATTER AND SCOPE OF COPYRIGHT

Sec.
101. Definitions.
102. Subject matter of copyright: In general.
103. Subject matter of copyright: Compilation and derivative works.
104. Subject matter of copyright: National origin.
105. Subject matter of copyright: United States Government works.
106. Exclusive rights in copyrighted works.
107. Limitations on exclusive rights: Fair use.
108. Limitations on exclusive rights: Reproduction by libraries and archives.
109. Limitations on exclusive rights: Effect of transfer of particular copy or phonorecord.
110. Limitations on exclusive rights: Exemption of certain performances and displays.
111. Limitations on exclusive rights: Secondary transmissions.
112. Limitations on exclusive rights: Ephemeral recordings.

113. Scope of exclusive rights in pictorial, graphic, and sculptural works.
114. Scope of exclusive rights in sound recordings.
115. Scope of exclusive rights in nondramatic musical works: Compulsory license for making and distributing phonorecords.
116. Scope of exclusive rights in nondramatic musical works: Public performances by means of coin-operated phonorecord players.
117. Scope of exclusive rights: Use in conjunction with computers and similar information systems.
118. Limitations on exclusive rights: Public broadcasting of nondramatic literary and musical works, pictorial, graphic, and sculptural works.

§ 101. Definitions

As used in this title, the following terms and their variant forms mean the following:

An "anonymous work" is a work on the copies or phonorecords of which no natural person is identified as author.

"Audiovisual works" are works that consist of a series of related images which are intrinsically intended to be shown by the use of machines or devices such as projectors, viewers, or electronic equipment, together with accompanying sounds, if any, regardless of the nature of the material objects, such as films or tapes, in which the works are embodied.

The "best edition" of a work is the edition, published in the United States any time before the date of deposit, that the Library of Congress determines to be most suitable for its purposes.

A person's "children" are his immediate offspring, whether legitimate or not, and any children legally adopted by him.

A "collective work" is a work, such as a periodical issue, anthology, or encyclopedia, in which a number of contributions, constituting separate and independent works in themselves, are assembled into a collective whole.

A "compilation" is a work formed by the collection and assembling of pre-existing materials or of data that are selected, coordinated, or arranged in such a way that the resulting work as a whole constitutes an original work of authorship. The term "compilation" includes collective works.

"Copies" are material objects, other than phonorecords, in which a work is fixed by any method now known or later developed, and from which the work can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. The term "copies" includes the material object, other than a phonorecord, in which the work is first fixed.

"Copyright owner," with respect to any one of the exclusive rights comprised in a copyright, refers to the owner of that particular right.

A work is "created" when it is fixed in a copy or phonorecord for the first time; where a work is prepared over a period of time; the portion of it that has been fixed at any particular time constitutes the work as of that time, and where the work has been prepared in different versions, each version constitutes a separate work.

A "derivative work" is work based upon one or more preexisting works, such as a translation, musical arrangement, dramatization, fictionalization, motion picture version, sound recording, art reproduction, abridgement, condensation, or any other form in which a work may be recast, transformed, or adapted. A work consisting of editorial revisions, annotations, elaborations, work consisting of editorial versions, annotations, elaborations, or other modifications which, as a whole, represent an original work of authorship, is a "derivative work."

A "device," "machine," or "process" is one now known or later developed.

To "display" a work means to show a copy of it, either directly or by means of a film, slide, television image, or any other device or process or, in the case of a motion picture or other audiovisual work, to show individual images nonsequentially.

A work is "fixed" in a tangible medium of expression when its embodiment in a copy or phonorecord, by or under the authority of the author, is sufficiently permanent or stable to permit it to be perceived, reproduced, or otherwise communicated for a period of more than transitory duration. A work consisting of sounds, images, or both, that are being transmitted, is "fixed" for purposes of this title if a fixation of the work is being made simultaneously with its transmission.

The term "including" and "such as" are illustrative and not limitative.

A "joint work" is a work prepared by two or more authors with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole.

"Literary works" are works other than audiovisual works, expressed in words, numbers, or other verbal or numerical symbols or indicia, regardless of the nature of the material objects, such as books, periodicals, manuscripts, phonorecords, or film, in which they are embodied.

"Motion pictures" are audiovisual works consisting of a series of related images which, when shown in succession, impart an impression of motion, together with accompanying sounds, if any.

To "perform" a work means to recite, render, play, dance, or act it, either directly or by means of any device or process or, in the case of a motion picture or other audiovisual work, to show its images in any sequence or to make the sounds accompanying it audible.

"Phonorecords" are material objects in which sounds other than those accompanying a motion picture or other audiovisual work, are fixed by any method now known or later developed, and from which the sounds can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. The term "Phonorecords" includes the material object in which the sounds are first fixed.

"Pictorial, graphic, and sculptural works" include two-dimensional and three-dimensional works of fine, graphic, and applied art, photographs, prints and art reproductions, maps, globes, charts, plans, diagrams, and models.

A "pseudonymous work" is a work on the copies or phonorecords of which, the author is identified under a fictitious name.

"Publication" is the distribution of copies or phonorecords of a work to the public by sale or other transfer of ownership, or by rental, lease, or lending. The offering to distribute copies or phonorecords to a group of persons for purposes of further distribution, public performance, or public display, constitutes publication. A public peformance or display of a work does not of itself constitute publication.

To perform or display a work "publicly" means:

(1) to perform or display it at a place open to the public or at any place where a substantial number of persons outside of a normal circle of a family and its social acquaintances is gathered;

(2) to transmit or otherwise communicate a performance ~~or display of~~ the works to a place specified by clause (1) or to the public, by means of any device or process, whether the members of the public capable of receiving the performance or display receive it in the same place or in separate places and at the same time or at different times.

"Sound recordings" are works that result from the fixation of a series of musical, spoken, or other sounds, but not including the sounds accompanying a motion picture or other audiovisual work, regardless of the nature of the material objects, such as disks, tapes, or other phonorecords, in which they are embodied.

"State" includes the District of Columbia and the Commonwealth of Puerto Rico, and any territories to which this title is made applicable by an act of Congress.

A "transfer of copyright ownership" is an assignment, mortgage, exclusive license, or any other conveyance, alienation, or hypothecation of a copyright or of any of the exclusive rights comprised in a copyright, whether or not it is limited in time or place of effect, but not including a nonexclusive license.

A "transmission program" is a body of material that, as an aggregate, has been produced for the sole purpose of transmission to the public in sequence and as a unit.

To "transmit" a performance or display is to communicate it by any device or process whereby images or sounds are received beyond the place from which they are sent.

The "United States," when used in a geographical sense, comprises the several States, the District of Columbia and the Commonwealth of Puerto Rico, and the organized territories under the jurisdiction of the United States Government.

A "useful article" is an article having an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information. An article that is normally a part of a useful article is considered a "useful article."

The author's "widow" or "widower" is the author's surviving spouse under the law of his domicile at the time of his death, whether or not the spouse has later remarried.

A "work of the United States Government" is a work prepared by an officer or employee of the United States Government as part of his official duties.

A "work made for hire" is:

(1) a work prepared by an employee within the scope of his employment; or

(2) a work specially ordered or commissioned for use as a contribution to a collective work, as a part of a motion picture or other audiovisual work, as a translation, as a supplementary work, as a compilation, as an instructional text, as a test, as answer material for a test, as a photographic or other portrait of one or more persons, or as an atlas, if the parties expressly agree in a written instrument signed by them that the work shall be considered a work made for hire. A "supplementary work" is a work prepared for publication as a secondary adjunct to a work by another author for the purpose of introducing, concluding, illustrating, explaining, revising, commenting upon, or assisting in the use of the other work, such as forewords, afterwords, pictorial illustrations, maps, charts, tables, editorial notes, musical arrangements, answer material for tests, bibliographies, appendixes, and indexes. An "instructional text" is a literary, pictorial, or graphic work prepared for publication with the purpose of use in systematic instructional activities.

§ 102. Subject matter of copyright: In general

(a) Copyright protection subsists, in accordance with this title, in original works of authorship fixed in any tangible medium of expression, now known or later developed, from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. Works of authorship include the following categories:

(1) literary works;

(2) musical works, including any accompanying words;

(3) dramatic works, including any accompanying music;

(4) pantomimes and choreographic works;

(5) pictorial, graphic, and sculptural works;

(6) motion pictures and other audiovisual works;

(7) sound recordings.

(b) In no case does copyright protection for an original work of authorship extend to any idea, plan, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work.

§ 103. Subject matter of copyright: Compilations and derivative works

(a) The subject matter of copyright as specified by section 102 includes compilations and derivative works, but protection for a work employing pre-existing material in which copyright subsists does not extend to any part of the work in which such material has been used unlawfully.

(b) The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the pre-existing material employed in the work, and does not imply any exclusive right in the pre-existing material. The copyright in such work is independent of, and does not affect or enlarge the scope, duration, ownership, or subsistence of, any copyright protection in the pre-existing material.

§ 104. Subject matter of copyright: National origin

(a) Unpublished Works.—The works specified by sections 102 and 103, while unpublished, are subject to protection under this title without regard to the nationality or domicile of the author.

(b) Published Works.—The works specified by sections 102 and 103, when published, are subject to protection under this title if—

(1) on the date of first publication, one or more of the authors is a national or domiciliary of the United States, or is a national, domiciliary, or sovereign authority of a foreign nation that is a party to a copyright treaty to which the United States is also a party; or

(2) the work is first published in the United States or in a foreign nation that, on the date of first publication, is a party to the Universal Copyright Convention of 1952; or

(3) the work is first published by the United Nations or any of its specialized agencies, or by the Organization of American States; or

(4) the work comes within the scope of a Presidential proclamation. Whenever the President finds that a particular foreign nation extends, to works by authors who are nationals or domiciliaries of the United States or to works that are first published in the United States, copyright protection on substantially the same basis as that on which the foreign nation extends protection to works of its own nationals and domiciliaries and works first published in that nation, he may by proclamation extend protection under this title to works of which one or more of the authors is, on the date of first publication, a national, domiciliary, or sovereign authority of that nation, or which was first published in that nation. The President may revise, suspend, or revoke any such proclamation or impose any conditions or limitations on protection under a proclamation.

§ 105. Subject matter of copyright: United States Government works

Copyright protection under this title is not available for any work of the United States Government, but the United States Government is not precluded from receiving and holding copyrights transferred to it by assignment, bequest, or otherwise.

§ 106. Exclusive rights in copyrighted works

Subject to sections 107 through 117, the owner of copyright under this title has the exclusive rights to do and to authorize any of the following:

(1) to reproduce the copyrighted work in copies or phonorecords;

(2) to prepare derivative works based upon the copyrighted work;

(3) to distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending;

(4) in the case of literary, musical, dramatic, and choreographic works, pantomimes, motion pictures and other audiovisuals works, to perform the copyrighted work publicly;

(5) in the case of literary, musical, dramatic and choreographic works, pantomimes, and pictorial, graphic, or sculptural works, including the individual images of a motion picture or other audiovisual work, to display the copyrighted work publicly.

§ 107. Limitations on exclusive rights; Fair use

Notwithstanding the provisions of section 106, the fair use of a copyrighted work, including such use by reproduction in copies or phonorecords or by any other means specified by that section, for purposes such as criticism, comment, news reporting, teaching scholarship, or research, is not an infringement of copyright. In determining whether the use made of a work in any particular case is a fair use the factors to be considered shall include:

(1) the purpose and character of the use;

(2) the nature of the copyrighted work;

(3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and

(4) the effect of the use upon the potential market for or value of the copyrighted work.

§ 108. Limitations on exclusive rights: Reproduction by libraries and archives

(a) Notwithstanding the provisions of section 106, it is not an infringement of copyright for a library or archives, or any of its employees acting within the scope of their employment, to reproduce no more than one copy or phonorecord of a work, or distribute such copy or phonorecord, under the conditions specified by this section, if:

(1) The reproduction or distribution is made without any purpose of direct or indirect commercial advantage;

(2) The collections of the library or archives are (i) open to the public, or (ii) available not only to researchers affiliated with the library or archives or with the institution of which it is a part, but also to other persons doing research in a specialized field; and

(3) The reproduction or distribution of the work includes a notice of copyright.

(b) The rights of reproduction and distribution under this section apply to a copy or phonorecord of an unpublished work duplicated in facsimile form solely for purposes of preservation and security or for deposit for research use in another library or archives of the type described by clause (2) of subsection (a), if the copy or phonorecord reproduced is currently in the collections of the library or archives.

(c) The right of reproduction under this section applies to a copy of phonorecord of a published work duplicated in facsimile form solely for the purpose of replacement of a copy or phonorecord that is damaged, deteriorating, lost, or stolen, if the library or archives has, after a reasonable effort, determined that an unused replacement cannot be obtained at a fair price.

(d) The rights of reproduction and distribution under this section apply to a copy, made from the collection of a library or archives where the user makes his request or from that of another library or archives, of no more than one article or other contribution to a copyrighted collection or periodical issue, or to a copy or phonorecord of a small part of any other copyrighted work, if:

(1) The copy becomes the property of the user, and the library or archives has had no notice that the copy would be used for any purpose other than private study, scholarship, or research; and

(2) The library or archives displays prominently, at the place where orders are accepted, and includes on its order form, a warning of copyright in accordance with requirements that the Register of Copyrights shall prescribe by regulation.

(e) The rights of reproduction and distribution under this section apply to the entire work, or to a substantial part of it, made from the collection of a library or archives where the user makes his request or from that of another library or archives, if the library or archives has first determined, on the basis of a reasonable investigation that a copy or phonorecord of the copyrighted work cannot be obtained at a fair price, if:

(1) The copy becomes the property of the user, and the library or archives has had no notice that the copy would be used for any purpose other than private study, scholarship, or research; and

(2) The library or archives displays prominently, at the place where orders are accepted, and includes on its order form, a warning of copyright in accordance with requirements that the Register of Copyrights shall prescribe by regulation.

(f) Nothing in this section—

(1) shall be construed to impose liability for copyright infringement upon a library or archives or its employees for the unsupervised use of reproducing equipment located on its premises, provided that such equipment displays a notice that the making of a copy may be subject to the copyright law;

(2) excuses a person who uses such reproducing equipment or who requests a copy under subsection (d) from liability for copyright infringement for any such act, or for any later use of such copy, if it exceeds fair use as provided by section 107;

(3) in any way affects the right of fair use as provided by section 107, or any contractual obligations assumed at any time by the library or archives when it obtained a copy or phonorecord of a work in its collections;

(4) shall be construed to limit the reproduction and distribution of a limited number of copies and excerpts by a library or archives of an audiovisual news program subject to clauses (1), (2), and (3) of subsection (a).

(g) The rights of reproduction and distribution under this section extend to the isolated and unrelated reproduction or distribution of a single copy or phonorecord of the same material on separate occasions, but do not extend to cases where the library or archives, or its employee:

(1) is aware or has substantial reason to believe that it is engaging in the related or concerted reproduction or distribution of multiple copies or phonorecords of the same material, whether made on one occasion or over a period of time, and whether intended for aggregate use by one or more individuals or for separate use by the individual members of a group; or

(2) engages in the systematic reproduction or distribution of single or multiple copies or phonorecords of material described in subsection (d).

(h) The rights of reproduction and distribution under this section do not apply to a musical work, a pictorial, graphic or sculptural work, or a motion picture or other audiovisual work other than an audiovisual work dealing with news, except that no such limitation shall apply with respect to rights granted by subsections (b) and (c).

§ 109. Limitations on exclusive rights: Effect of transfer of particular copy or phonorecord

(a) Notwithstanding the provisions of section 106(3), the owner of a particular copy or phonorecord lawfully made under this title, or any person authorized by him, is entitled, without the authority of the copyright owner, to sell or otherwise dispose of the possession of that copy or phonorecord.

(b) Notwithstanding the provisions of section 106(5), the owner of a particular copy lawfully made under this title, or any person authorized by him, is entitled, without the authority of the copyright owner, to display that copy publicly, either directly or by the projection of no more than one image at a time, to viewers present at the place where the copy is located.

(c) The privileges prescribed by subsections (a) and (b) do not, unless authorized by the copyright owner, extend to any person who has acquired possession of the copy or phonorecord from the copyright owner, by rental, lease, loan, or otherwise, without acquiring ownership of it.

§ 110. *Limitations on exclusive rights: Exemption of certain performances and displays*

Notwithstanding the provisions of section 106, the following are not infringements of copyright:

(1) performance or display of a work by instructors or pupils in the course of face-to-face teaching activities of a nonprofit educational institution, in a classroom or similar place devoted to instruction, unless, in the case of a motion picture or other audiovisual work, the performance, or the display of individual images, is given by means of a copy that was not lawfully made under this title, and that the person responsible for the performance knew or had reason to believe was not lawfully made;

(2) performance of a nondramatic literary or musical work or display of a work, by or in the course of a transmission, if:

(A) the performance or display is a regular part of the systematic instructional activities of a governmental body or a nonprofit educational institution; and

(B) the performance or display is directly related and of material assistance to the teaching content of the transmission; and

(C) the transmission is made primarily for:

(i) reception in classrooms or similar places normally devoted to instruction, or

(ii) reception by persons to whom the transmission is directed because their disabilities or other special circumstances prevent their attendance in classrooms or similar places normally devoted to instruction, or

(iii) reception by officers or employees of governmental bodies as a part of their official duties or employment;

(3) performance of a nondramatic literary or musical work or of a dramatico-musical work of a religious nature, or display of a work, in the course of services at a place of worship or other religious assembly;

(4) performance of a nondramatic literary or musical work otherwise than in a transmission to the public without any purpose of direct or indirect commercial advantage and without payment of any fee or other compensation for the performance to any of its performers, promoters, or organizers, if:

(A) there is no direct or indirect admission charge, or

(B) the proceeds, after deducting the reasonable costs of producing the performance, are used exclusively for educational, religious, or charitable purposes and not for private financial gain, except where the copyright owner has served notice of his objections to the performance under the following conditions:

(i) The notice shall be in writing and signed by the copyright owner or his duly authorized agent; and

(ii) The notice shall be served on the person responsible for the performance at least seven days before the date of the performance, and shall state the reasons for his objections; and

(iii) The notice shall comply, in form, content, and manner of service, with requirements that the Register of Copyrights shall prescribe by regulation;

(5) communication of a transmission embodying a performance or display of a work by the public reception of the transmission on a single receiving apparatus of a kind commonly used in private homes, unless:

(A) a direct charge is made to see or hear the transmission; or

(B) the transmission thus received is further transmitted to the public;

(6) performance of a nondramatic musical work in the course of an annual agricultural or horticultural fair or exhibition conducted by a governmental body or a nonprofit agricultural or horticultural organization;

(7) performance of a nondramatic musical work by a vending establishment open to the public at large without any direct or indirect admission charge, where the sole purpose of the performance is to promote the retail sale of copies or phonorecords of the work and the performance is not transmitted beyond the place where the establishment is allocated;

(8) performance of a literary work in the course of a broadcast service specifically designed for broadcast on noncommercial educational radio and television stations to a print or aural handicapped audience.

§ 111. Limitations on exclusive rights: Secondary transmissions

(a) CERTAIN SECONDARY TRANSMISSIONS EXEMPTED.—The secondary transmission of a primary transmission embodying a performance or display of a work is not an infringement of copyright if:

(1) the secondary transmission is not made by a cable system, and consists entirely of the relaying, by the management of a hotel, apartment house, or similar establishment, of signals transmitted by a broadcast station licensed by the Federal Communications Commission, within the local service area of such station, to the private lodgings of guests or residents of such establishment, and no direct charge is made to see or hear the secondary transmission; or

(2) the secondary transmission is made solely for the purpose and under the conditions specified by clause (2) of section 110; or

(3) the secondary transmission is made by any carrier who has no direct or indirect control over the content or selection of the primary transmission or over the particular recipients of the secondary transmission, and whose activities with respect to the secondary transmission consist of providing wires, cables, or other communications channels for the use of others: *Provided*, That the provisions of this clause extend only to the activities of said carrier with respect to secondary transmissions and do not exempt from liability the activities of others with respect to their own primary or secondary transmission; or

(4) the secondary transmission is not made by a cable system but is made by a governmental body, or other nonprofit organization, without any purpose of direct or indirect commercial advantage, and without charge to the recipients of the secondary transmission other than assessments necessary to defray the actual and reasonable costs of maintaining and operating the secondary transmission service.

(b) SECONDARY TRANSMISSION OF PRIMARY TRANSMISSION TO CONTROLLED GROUP.—Except as provided in subsection (a) and (c), the secondary transmission to the public of a primary transmission embodying a performance or display of a work is actionable as an act of infringement under section 501, and is fully subject to the remedies provided by section 502 through 506, if the primary transmission is not made for reception by the public at large but is controlled and limited to reception by particular members of the public, Provided, however, That such secondary transmission is not actionable as an act of infringement if the carriage of the signals comprising the secondary transmission is required under the rules, regulations, or authorizations of the Federal Communications Commission.

(c) SECONDARY TRANSMISSIONS BY CABLE SYSTEMS.—

(1) Subject to the provisions of clause (2) of this subsection, secondary transmissions to the public by a cable system of a primary transmission made by a broadcast station licensed by the Federal Communications Commission and embodying a performance or display of a work shall be subject to compulsory licensing upon compliance with the requirements of subsection (d) in the following cases:

(A) Where the signals comprising the primary transmission are exclusively aural and the secondary transmission is permissible under the rules, regulations or authorizations of the Federal Communications Commission; or

(B) Where the community of the cable system is in whole or in part within the local service area of the primary transmitter; or

(C) Where the carriage of the signals comprising the secondary transmission is permissible under the rules, regulations or authorizations of the Federal Communications Commission.

(2) Notwithstanding the provisions of clause (1) of this subsection, the willful or repeated secondary transmission to the public by a cable system of a primary transmission made by a broadcast station licensed by the Federal Communications Commission and embodying a performance or display of a work is actionable as an act of of infringement under section 501, and is fully subject to the remedies provided by sections 502 through 506, in the following cases:

(A) Where the carriage of the signals comprising the secondary transmission is not permissible under the rules, regulations or authorizations of the Federal Communications Commission; or

(B) Where the cable system, at least one month before the date of the secondary transmission, has not recorded the notice specified by subsection (d).

(d) COMPULSORY LICENSE FOR SECONDARY TRANSMISSIONS BY CABLE SYSTEMS.—

(1) For any secondary transmission to be subject to compulsory licensing under subsection (c), the cable system shall at least one month before the date of the second transmission or within 30 days after the enactment of this Act, whichever date is later, record in Copyright Office, a notice including a statement of the identity and address of the person who owns or operates the secondary transmission service or has power to exercise primary control over it together with the name and location of the primary transmitter, or primary transmitters, and thereafter, from time to time, such further information as the Register of Copyrights shall prescribe by regulation to carry out the purposes of this clause.

(2) A cable system whose secondary transmissions have been subject to compulsory licensing under subsection (c) shall, during the months of January, April, July, and October, deposit with the Register of Copyrights, in accordance with requirements that the Register shall prescribe by regulation—

(A) A statement of account, covering the three months next preceding, specifying the number of channels on which the cable system made secondary transmissions to its subscribers, the names and locations of all primary transmitters whose transmission were further transmitted by the cable system, the total number of subscribers to the cable system, and the gross amounts paid to the cable system irrespective of source and separate statements of the gross revenues paid to the cable system for advertising, leased channels, and cable-casting for which a per-program or per-channel charge is made and by subscribers for the basic service of providing secondary transmissions of primary broadcast transmitters; and

(B) A total royalty fee for the period covered by the statement, computed on the basis of specified percentages of the gross receipts from subscribers to the cable service during said period for the basic service of providing secondary transmissions of primary broadcast transmitters, as follows:

(i) ½ percent of any gross receipts up to $40,000;

(ii) 1 percent of any gross receipts totalling more than $40,000 but not more than $80,000;

(iii) 1½ percent of any gross receipts totalling more than $80,000, but not more than $120,000;

(iv) 2 percent of any gross receipts totalling more than $120,000, but not more than $160,000; and

(v) 2½ percent of any gross receipts totalling more than $160,000.

(3) The royalty fees thus deposited shall be distributed in accordance with the following procedures:

(A) During the month of July in each year, every person claiming to be entitled to compulsory license fees for secondary transmissions made during the preceding twelve-month period shall file a claim with the Register of Copyrights, in accordance with requirements that the Register shall prescribe by regulation. Notwithstanding any provisions of the antitrust laws (as designated in section 1 of the Act of October 15, 1914, 38 Stat. 730, Title 15 U.S.C. section 12, and any amendments of such laws), for purposes of this clause any claimants may agree among themselves as to the proportionate division of compulsory licensing fees among them, may lump their claims together and file them jointly or as a single claim, or may designate a common agent to receive payment on their behalf.

(B) After the first day of August of each year, the Register of Copyrights shall determine whether there exists a controversy concerning the statement of account or the distribution of royalty fees. If he determines that no such controversy exists, he shall, after deducting his reasonable administrative costs under this section, distribute such fees to the copyright owners entitled, or to their designated agents. If he finds the existence of a controversy he shall certify to that fact and proceed to constitute a panel of the Copyright Royalty Tribunal in accordance with section 803. In such cases the reasonable administrative costs of the Register under this section shall be deducted prior to distribution of the royalty fee by the tribunal.

(C) During the pendency of any proceeding under this subsection, the Register of Copyrights or the Copyright Royalty Tribunal shall withhold from distribution an amount sufficient to satisfy all claims with respect to which a controversy exists, but shall have discretion to proceed to distribute any amounts that are not in controversy.

(e) DEFINITIONS.—

As used in this section, the following terms and their variant forms mean the following:

A "primary transmission" is a transmission made to the public by the transmitting facility whose signals are being received and further transmitted by the secondary transmission service, regardless of where or when the performance or display was first transmitted.

A "secondary transmission" is the further transmitting of a primary transmission simultaneously with the primary transmission or nonsimultaneously with the primary transmission if by a "cable system" not located in whole or in part within the boundary of the forty-eight contiguous States, Hawaii, or Puerto Rico: *Provided, however,* That a nonsimultaneous further transmission by a cable system located in a television market in Hawaii of a primary transmission shall be deemed to be a secondary transmission if such further transmission is necessary to enable the cable system to carry the full complement of signals allowed it under the rules and regulations of the Federal Communications Commission.

A "cable system" is a facility, located in any State, Territory, Trust Territory or Possession that in whole or in part receives signals transmitted or programs broadcast by one or more television broadcast stations licensed by the Federal Communications Commission and makes secondary transmissions of such signals or programs by wires, cables, or other communications channels to subscribing members of the public who pay for such service. For purposes of determining the royalty fee under subsection (d)(2)(B), two or more cable systems in contiguous communities under common ownership or control or operating from one headend shall be considered as one system.

The "local service area of a primary transmitter" comprises the area in which a television broadcast station is entitled to insist upon its signal being retransmitted by a cable system pursuant to the rules and regulations of the Federal Communications Commission.

§ 112. Limitations on exclusive rights: Ephemeral recordings

(a) Notwithstanding the provisions of section 106, and except in the case of a motion picture or other audiovisual work, it is not an infringement of copyright for a transmitting organization entitled to transmit to the public a performance or display of a work, under a license or transfer of the copyright or under the limitations on exclusive rights in sound recordings specified by section 114(a), to make no more than one copy or phonorecord of a particular transmission program embodying the performance or display, if—

(1) the copy or phonorecord is retained and used solely by the transmitting organization that made it, and no further copies or phonorecords are reproduced from it; and

(2) the copy or phonorecord is used solely for the transmitting organization's own transmissions within its local service area, or for purposes of archival preservation or security; and

(3) unless preserved exclusively for archival purposes, the copy or phonorecord is destroyed within six months from the date the transmission program was first transmitted to the public.

(b) Notwithstanding the provisions of section 106, it is not an infringement of copyright for a governmental body or other nonprofit organization entitled to transmit a performance or display of a work, under section 110(2) or under the limitations on exclusive rights in sound recordings specified by section 114(a), to make no more than thirty copies or phonorecords of a particular transmission program embodying the performance or display, if—

(1) no further copies or phonorecords are reproduced from the copies or phonorecords made under this clause; and

(2) except for one copy or phonorecord that may be preserved exclusively for archival purposes, the copies or phonorecords are destroyed within seven years from the date the transmission program was first transmitted to the public.

(c) Notwithstanding the provisions of section 106, it is not an infringement of copyright for a governmental body or other nonprofit organization to make for distribution no more than one copy or phonorecord for each transmitting organization specified in clause (2) of this subsection of a particular transmission program embodying a performance of a nondramatic musical work of a religious nature, or of a sound recording of such a musical work, if—

(1) there is no direct or indirect charge for making or distributing any such copies or phonorecords; and

(2) none of such copies or phonorecords is used for any performance other than a single transmission to the public by a transmitting organization entitled to transmit to the public a performance of the work under a license or transfer of the copyright; and

(3) except for one copy or phonorecord that may be preserved exclusively for archival purposes, the copies or phonorecords are all destroyed within one year from the date the transmission program was first transmitted to the public.

(d) The transmission program embodied in a copy or phonorecord made under this section is not subject to protection as a derivative work under this title except with the express consent of the owners of copyright in the the pre-existing works employed in the program.

§ 113. Scope of exclusive rights in pictorial, graphic, and sculptural works

(a) Subject to the provisions of clauses (1) and (2) of this subsection, the exclusive right to reproduce a copyrighted pictorial, graphic, or sculptural work in copies under section 106 includes the right to reproduce the work in or on any kind of article, whether useful or otherwise.

(1) This title does not afford, to the owner of a copyright in a work that portrays a useful article as such, any greater or lesser rights with respect to the making, distribution, or display of the useful article so portrayed than those afforded to such works under the law, whether title 17 of the common law of statutes of a State, in effect on December 31, 1976, as held applicable and construed by a court in an action brought under this title.

(2) In the case of a work lawfully reproduced in useful articles that have been offered for sale or other distribution to the public, copyright does not include any right to prevent the making, distribution, or display of pictures or photographs of such articles in connection with advertisements or commentaries related to the distribution or display of such articles, or in connection with news reports.

(b) When a pictorial, graphic, or sculptural work in which copyright subsists under this title is utilized in an original ornamental design of a useful article, by the copyright proprietor or under an express license from him, the design shall be eligible for protection under the provisions of title II of this Act.

(c) Protection under this title of a work in which copyright subsists shall terminate with respect to its utilization in useful articles whenever the copyright proprietor has obtained registration of an ornamental design of a useful article embodying said work under the provisions of title II of this Act. Unless and until the copyright proprietor has obtained such registration, the copyright pictorial, graphic, or sculptural work shall continue in all respect to be covered by and subject to the protection afforded by the copyright subsisting under this title. Nothing in this section shall be deemed to create any additional rights or protection under this title.

(d) Nothing in this section shall affect any right or remedy held by any person under this title in a work in which copyright was subsisting on the effective date of title II of this Act, or with respect to any utilization of a copyrighted work other than in the design of a useful article.

§ 114. Scope of exclusive rights in sound recordings

(a) The exclusive rights of the owner of copyright in a sound recording are limited to the rights specified by clauses (1), (2) and (3) of section 106, and do not include any right of performance under section 106(4).

(b) The exclusive rights of the owner of copyright in a sound recording to reproduce it under section 106(1) is limited to the right to duplicate the sound recording in the form of phonorecords that directly or indirectly recapture the actual sounds fixed in the recording. This right does not extend to the making or duplication of another sound recording that is an independent fixation of other sounds, even though such sounds imitate or simulate those in the copyrighted sound recording.

(c) This section does not limit or impair the exclusive right to perform publicly, by means of a phonorecord, any of the works specified by section 106(4).

§ 115. Scope of exclusive rights in nondramatic musical works: Compulsory license for making and distributing phonorecords

In the case of nondramatic musical works, the exclusive rights provided by clauses (1) and (3) of section 106, to make and to distribute phonorecords of such works, are subject to compulsory licensing under the conditions specified by this section.

(a) Availability and Scope of Compulsory License.—

(1) When phonorecords of a nondramatic musical work have been distributed to the public under the authority of the copyright owner, any other person may, by complying with the provisions of this section, obtain a compulsory license to make and distribute phonorecords of the work. A person may obtain a compulsory license only if his primary purpose in making phonorecords is to distribute them to the public for private use. A person may not obtain a compulsory license for use of the work in the duplication of a sound recording made by another, unless he has first obtained the consent of the owner of that sound recording.

(2) A compulsory license includes the privilege of making a musical arrangement of the work to the extent necessary to conform it to the style or manner of interpretation of the performance involved, but the arrangement shall not change the basic melody or fundamental character of the work, and shall not be subject to protection as a derivative work under this title, except with the express consent of the copyright owner.

(b) Nature of Intention to Obtain Compulsory License; Designation of Owner of Performance Right.—

(1) Any person who wishes to obtain a compulsory license under this section shall, before or within thirty days after making, and before distributing any phonorecords of the work, serve notice of his intention to do so on the copyright owner. If the registration or other public records of the Copyright Office do not identify the copyright owner and include an address at which notice can be served on him, it shall be sufficient to file the notice of intention in the Copyright Office. The notice shall comply, in form, content, and manner of service, with requirements that the Register of Copyright shall prescribe by regulation.

(2) If the copyright owner so requests in writing not later than ten days after service or filing of the notice required by clause (1), the person exercising the compulsory license shall designate, on a label or container accompanying each phonorecord of the work distributed by him, and in the form and manner that the Register of Copyrights shall prescribe by regulation, the name of the copyright owner or his agent to whom royalties for public performance of the work are to be paid.

(3) Failure to serve or file the notice required by clause (1), or to designate the name of the owner or agent as required by clause (2), forecloses the possibility of a compulsory license and, in the absence of a negotiated license, renders the making and distribution of phonorecords actionable as acts of infringement under section 501 and fully subject to the remedies provided by sections 502 through 506.

(c) Royalty Payable Under Compulsory License.

(1) To be entitled to receive royalties under a compulsory license, the copyright owner must be identified in the registration or other public records of the Copyright Office. The owner is entitled to royalties for phonorecords manufactured and distributed after he is so identified but he is not entitled to recover for any phonorecords previously manufactured and distributed.

(2) Except as provided by clause (1), the royalty under a compulsory license shall be payable for every phonorecord manufactured and distributed in accordance with the license. With respect to each work embodied in the phonorecord, the royalty shall be either two and one half cents, or one half cent per minute of playing time or fraction thereof, whichever amount is larger.

(3) Royalty payments shall be made on or before the twentieth day of each month and shall include all royalties for the month next preceding. Each monthly payment shall be accompanied by a detailed statement of account, which shall be certified by a Certified Public Accountant and comply in form, content, and manner of certification with requirements that the Register of Copyrights shall prescribe by regulation.

(4) If the copyright owner does not receive the monthly payment and statement of account when due, he may give written notice to the licensee that, unless the default is remedied within thirty days from the date of the notice, the compulsory license will be automatically terminated. Such termination renders the making and distribution of all phonorecords, for which the royalty had not been paid, actionable as acts of infringement under section 501 and fully subject to the remedies provided by sections 502 through 506.

§ 116. Scope of exclusive rights in nondramatic musical works: Public performances by means of coin-operated phonorecord players

(a) Limitation of Exclusive Right.—In the case of a nondramatic musical work embodied in a phonorecord, the exclusive right under clause (4) of section 106 to perform the work publicly by means of a coin-operated phonorecord player is limited as follows:

(1) The proprietor of the establishment in which the public performance takes place is not liable for infringement with respect to such public performance unless:

(A) he is the operator of the phonorecord player; or

(B) he refuses or fails, within one month after receipt by registered or certified mail of a request, at a time during which the certificate is required by subclause (1)(C) of subsection (b) is not affixed to the phonorecord player, by the copyright owner, to make full disclosure, by registered or certified mail, of the identity of the operator of the phonorecord player.

(2) The operator of the coin-operated phonorecord player may obtain a compulsory license to perform the work publicly on that phonorecord player by filing the application, affixing the certificate, and paying the royalties provided by subsection (b).

(b) Recordation of Coin-Operated Phonorecord Player, Affixation of Certificate, and Royalty Payable Under Compulsory License.—

(1) Any operator who wishes to obtain a compulsory license for the public performance of works on a coin-operated phonorecord player shall fulfill the following requirements:

(A) Before or within one month after such performances are made available on a particular phonorecord player, and during the month of January in each succeeding year that such performances are made available in that particular phonorecord player, he shall file in the Copyright Office, in accordance with requirements that the Register of Copyrights shall prescribe by regulation, an application containing the name and address of the operator of the phonorecord player and the manufacturer and serial number or other explicit identification of the phonorecord player, he shall deposit with the Register of Copyrights a royalty fee for the current calendar year of $8 for that particular phonorecord player. If such performances are made available on a particular phonorecord player for the first time after July 1 of any year, the royalty fee to be deposited for the remainder of that year shall be $4.00.

(B) Within twenty days of receipt of an application and a royalty fee pursuant to subclause (A), the Register of Copyrights shall issue to the applicant a certificate for the phonorecord player.

(C) On or before March 1 of the year in which the certificate prescribed by subclause (B) of this clause is issued, or within ten days after the date of issue of the certificate, the operator shall affix to the particular phonorecord player, in a position where it can be readily examined by the public, the certificate, issued by the Register of Copyrights under subclause (B), of the latest application made by him under subclause (A) of this clause with respect to that phonorecord player.

(2) Failure to file the application, to affix the certificate or to pay the royalty required by clause (1) of this subsection renders the public performance actionable as an act of infringement under section 501 and fully subject to the remedies provided by section 502 through 506.

(c) Distribution of Royalties.—

(1) During the month of January in each year, every person claiming to be entitled to compulsory license fees under this section for performances during the preceding twelve-month period shall file a claim with the Register of Copyrights, in accordance with requirements that the Register shall prescribe by regulation. Such claim shall include an agreement to accept as final, except as provided in section 809 of this title, the determination of the Copyright Royalty Tribunal in any controversy concerning the distribution of royalty fees deposited under subclause (a) of subsection (b)(1) of this section to which the claimant is a party. Notwithstanding any provisions of the antitrust laws (as designated in section 1 of the Act of October 15, 1914, 38 Stat. 730, Title 15 U.S.C. section 12, and any amendments of any such laws), for purposes of this subsection any claimants may agree among themselves as to the proportionate division of compulsory licensing fees among them, may lump their claims together and file them jointly or as a single claim, or may designate a common agent to receive payment on their behalf.

(2) After the first day of October of each year, the Register of Copyrights shall determine whether there exists a controversy con-

cerning the distribution of royalty fees deposited under subclause (A) of subsection (b)(1). If he determines that no such controversy exists, he shall, after deducting his reasonable administrative costs under this section, distribute such fees to the copyright owners and performers entitled, or to their designated agents. If he finds that such a controversy exists, he shall certify to that fact and proceed to constitute a panel of the Copyright Royalty Tribunal in accordance with section 803. In such cases the reasonable administrative costs of the Register under this section shall be deducted prior to distribution of the royalty fee by the tribunal.

(3) The fees to be distributed shall be divided as follows:

(A) To every copyright owner not affiliated with a performing rights society the pro rata share of the fees to be distributed to which such copyright owner proves his entitlement; and

(B) To the performing rights societies the remainder of the fees to be distributed in such pro rata shares as they shall by agreement stipulate among themselves, or, if they fail to agree, the pro rata share to which such performing rights societies prove their entitlement.

(C) During the pendency of any proceeding under this section, the Register of Copyrights or the Copyright Royalty Tribunal shall withhold from distribution an amount sufficient to satisfy all claims with respect to which a controversy exists, but shall have discretion to proceed to distribute any amounts that are not in controversy.

(4) The Register of Copyrights shall promulgate regulations under which persons who can reasonably be expected to have claims may, during the year in which performances take place, without expense to or harassment of operators or proprietors of establishments in which phonorecord players are located, have such access to such establishments and to the phonorecord players located therein and such opportunity to obtain information with respect thereto as may be reasonably necessary to determine, by sampling procedures or otherwise, the proportion of contribution of the musical works of each such person to the earnings of the phonorecord players for which fees shall have been deposited. Any person who alleges that he has been denied the access permitted under the regulations prescribed by the Register of Copyrights may bring on an action in the United States District Court for the District of Columbia for the cancellation of the compulsory license of the phonorecord player to which such access has been denied, and the court shall have the power to declare the compulsory license thereof invalid from the date of issue thereof.

(d) CRIMINAL PENALTIES.—Any person who knowingly makes a false representation of a material fact in an application filed under clause (1)(A) of subsection (b), or who knowingly alters a certificate issued under clause (1)(B) of subsection (b) or knowingly affixes such a certificate to a phonorecord player other than the one it covers, shall be fined not more than $2,500.

(e) DEFINITIONS.—As used in this section, the following terms and their variant forms mean the following:

(1) A "coin-operated phonorecord player" is a machine or device that:

(A) is employed solely for the performance of nondramatic musical works by means of phonorecords upon being activated by insertion of a coin;

(B) is located in an establishment making no direct or indirect charge of admission;

(C) is accompanied by a list of the titles of all the musical works available for performance on it, which list is affixed to the phonorecord player or posted in the establishment in a prominent position where it can be readily examined by the public; and

(D) affords a choice of works available for performance and permits the choice to be made by the patrons of the establishment in which it is located.

(2) An "operator" is any person who, alone or jointly with others:

(A) owns a coin-operated phonorecord player; or

(B) has the power to make a coin-operated phonorecord player available for placement in an establishment for purposes of public performance; or

(C) has the power to exercise primary control over the selection of the musical works made available for public performance in a coin-operated phonorecord player.

(3) A "performing rights society" is an association or corporation that licenses the public performance of nondramatic musical works on behalf of the copyright owners, such as the American Society of Composers, Authors and Publishers, Broadcast Music, Inc., and SESAC, Inc.

§ 117. Scope of exclusive rights: Use in conjunction with computers and similar information systems

Notwithstanding the provisions of sections 106 through 116, the title does not afford to the owner of copyright in a work any greater or lesser rights with respect to the use of the work in conjunction with automatic systems capable of storing, processing, retrieving, or transferring information, or in conjunction with any similar device, machine, or process, than those afforded to works under the law, whether title 17 or the common law or statutes of a State, in effect on December 31, 1976, as held applicable and construed by a court in an action brought under this title.

§ 118. Limitations on exclusive rights: Public broadcasting of nondramatic literary and musical works, pictorial, graphic, and sculptural works

(a) Notwithstanding the provisions of section 106, it is not an infringement of copyright for a public broadcasting entity to broadcast any nondramatic literary or musical work, pictorial, graphic, or sculptural work under the provisions of this section.

(b) Public broadcasting of nondramatic literary and musical works, pictorial, graphic, and sculptural works by a public broadcasting entity shall be subject to compulsory licensing up compliance with the requirements of this section. The public broadcasting entity shall—

(1) record in the Copyright Office, at intervals and in accordance with requirements prescribed by the Register of Copyrights, a notice stating its identity, address and intention to obtain a license under this section; and

(2) deposit with the Register of Copyrights, at intervals and in accordance with requirements prescribed by the Register, a statement of account and the total royalty fees for the period covered by the statement based on the royalty rates provided for in subsection (c).

(c) Reasonable royalty fees for public television and radio broadcasts by public broadcasting entities shall be established by the Copyright Royalty Tribunal. Such royalty fees may be calculated on a per-use, per-program, prorated or annual basis as the Copyright Royalty Tribunal finds appropriate with respect to the type of the copyrighted work and the nature of broadcast use, and may be changed or supplemented from time to time by the Copyright Royalty Tribunal. A particular or general license agreement between one or more public broadcasting entities and one or more copyright owners prior or subsequent to determination of applicable rates determined by the Copyright Royalty Tribunal may be substituted for a compulsory license provided in this section.

(d) The royalty fees deposited with the Register of Copyrights under this section shall be distributed in accordance with the following procedures:

(1) During the month of July of each year, every person claiming to be entitled to compulsory license fees for public broadcasting during the preceding twelve-month period shall file a claim with the Register of Copyrights in accordance with the requirements that the Register shall prescribe by regulation. Notwithstanding any provision of the antitrust laws (as defined in section 1 of the Act of October 15, 1914, 38 Stat. 730; 15 U.S.C. 12, and any amendments of such laws), for purposes of this paragraph and claimants may agree among themselves as to the proportionate division of compulsory license fees among them, may lump their claims together, and may designate a common agent to receive payments on their behalf.

(2) On the first day of August of each year, the Register of Copyrights shall determine whether there exists a controversy regarding the statement of account or distribution of royalty fees. If the Register determines that no such controversy exists, the Register shall, after deducting reasonable administrative costs under this section, distribute such fees to the copyright owners entitled, or to their designated agents. If the Register finds the existence of a controversy, the Register shall certify to such effect and proceed to constitute a panel of the Copyright Royalty Tribunal in accordance with section 803. In such cases, the reasonable administrative costs of the Register under this section shall be deducted prior to distribution of the royalty fees by the Tribunal.

(3) During the pendency of any proceedings under this subsection, the Register of Copyrights or the Copyright Royalty Tribunal shall withhold from distribution, an amount sufficient to satisfy all claims with respect to which a controversy exists, but shall have discretion to proceed to distribute any amounts that are not in controversy.

(e) The compulsory license provided in this section shall not apply to unpublished nondramatic literary or musical works or to dramatization rights for nondramatic literary or musical works.

(f) As used in this section, the term—

(1) "public broadcasting" means production, acquisition, duplication, interconnection, distribution, and transmission of educational television or radio programs (as defined in section 397 of the Federal Communications Act of 1934 (47 U.S.C. 397)) by or for noncommercial educational broadcast stations (as defined in section 397 of the Federal Communications Act of 1934 (47 U.S.C. 397)), except as may be otherwise exempted under sections 110(2), 111(a) (2), and (4), 112(b), and 114(a); and (2) "public broadcasting entity" means any licensee or permittee of a noncommercial educational broadcast station, or any nonprofit institution or organization engaged in public broadcasting.

Chapter 2.—COPYRIGHT OWNERSHIP AND TRANSFER

Sec.
201. Ownership of copyright.
202. Ownership of copyright as distinct from ownership of material object.
203. Termination of transfers and licenses granted by the author.
204. Execution of transfers of copyright ownership.
205. Recordation of transfers and other documents.

§ 201. Ownership of copyright.

(a) INITIAL OWNERSHIP.—Copyright in work protected under this title vests initially in the author or authors of the work. The authors of a joint work are co-owners of copyright in the work.

(b) WORKS MADE FOR HIRE.—In the case of a work made for hire, the employer or other persons for whom the work was prepared is considered the author for the purposes of this title, and, unless the parties have expressely agreed otherwise in a written instrument signed by them, owns all of the rights comprised in the copyright.

(c) CONTRIBUTIONS TO COLLECTIVE WORKS.—Copyright in each separate contribution to a collective work is distinct from copyright in the collective work as a whole, and vests initially in the author of the contribution. In the absence of an express transfer of the copyright or of any rights under it, the owner of copyright in the collective work is presumed to have acquired only the privilege of reproducing and distributing the contribution as part of that particular collective work, any revision of that collective work, and any later collective work in the same series.

(d) TRANSFER OF OWNERSHIP.—

(1) The ownership of a copyright may be transferred in whole or in part by any means of conveyance or by operation of law, and may be bequeathed by will or pass as personal property by the applicable laws of interstate succession.

(2) Any of the exclusive rights comprised in a copyright, including any subdivision of any of the rights specified by section 106, may be transferred as provided by clause (1) and owned separately. The owner of any particular exclusive right is entitled, to the extent of that right, to all of the protection and remedies accorded to the copyright owner by this title.

(e) INVOLUNTARY TRANSFER.—When an individual author's ownership of a copyright, or of any of the exclusive rights under a copyright, have not previously been transferred voluntarily by him, no action by any governmental body or other official or organization purporting to seize, expropriate, transfer, or exercise rights of ownership with respect to the copyright, or any of the exclusive rights under a copyright, shall be given effect under this title.

§ 202. Ownership of copyright as distinct from ownership of material object

Ownership of a copyright or of any of the exclusive rights under a copyright, is distinct from ownership of any material object in which the work is embodied. Transfer of ownership of any material object, including the copy or phonorecord in which the work is first fixed, does not of itself convey any rights in the copyrighted work embodied in the object; nor, in the absence of an agreement, does transfer of ownership of a copyright or of any exclusive rights under a copyright convey property rights in any material object.

§ 203. Termination of transfers and licenses granted by the author

(a) CONDITIONS FOR TERMINATION.—In the case of any work other than a work made for hire, the exclusive or nonexclusive grant of a transfer or license of copyright or of any right under a copyright, executed by the author on or after January 1, 1977, otherwise than by will, is subject to termination under the following conditions:

(1) In the case of a grant executed by one author, termination of the grant may be effected by that author or, if he is dead, by the person or persons who, under clause (2) of this subsection, own and are entitled to exercise a total of more than one half of that author's termination interest. In the case of a grant executed by two or more authors of a joint work, termination of the grant may be effected by a majority of the authors who executed it; if any of such authors is dead, his termination interest may be exercised as a unit by the person or persons who, under clause (2) of this subsection, own and are entitled to exercise a total of more than one half of his interest.

(2) Where an author is dead, his or her termination interest is owned, and may be exercised, by his widow (or her widower) and children or grandchildren as follows:

(A) The widow (or widower) owns the author's entire termination interest unless there are any surviving children or grandchildren of the author, in which case the widow (or widower) owns one half of the author's interest;

(B) The author's surviving children, and the surviving children of any dead child of the author, own the author's entire termination interest unless there is a widow (or widower), in which case the ownership of one half of the author's interest is divided among them;

(C) The rights of the author's children and grandchildren are in all cases divided among them and exercised on a per stirpes basis according to the number of his children represented; the share of the children of a dead child in a termination interest can be exercised only by the action of a majority of them.

(3) Termination of the grant may be effected at any time during a period of five years beginning at the end of thirty-five years from the date of execution of the grant; or, if the grant covers the right of publication of the work, the period begins at the end of thirty-five years from the date of publication of the work under the grant or at the end of forty years from the date of execution of the grant, whichever term ends earlier.

(4) The termination shall be effected by serving an advance notice in writing, signed by the number and proportion of owners of termination interests required under clauses (1) and (2) of this subsection, or by their duly authorized agents, upon the grantee or his successor in title.

(A) The notice shall state the effective date of the termination, which shall fall within the five-year period specified by clause (3) of this subsection, and the notice shall be served not less than two or more than ten years before that date. A copy of the notice shall be recorded in the Copyright Office before the effective date of termination, as a condition to its taking effect.

(B) The notice shall comply, in form, content, and manner of service, with requirements that the Register of Copyrights shall prescribe by regulation.

(5) Termination of the grant may be affected notwithstanding any agreement to the contrary, including an agreement to make a will or to make any future grant.

(b) EFFECT OF TERMINATION.—Upon the effective date of termination, all rights under this title that were covered by the terminated grant revert to the author, authors, and other persons owning termination interests under clauses (1) and (2) of subsection (a), including those owners who did not join in signing the notice of termination under clause (4) of subsection (a) but, with the following limitations:

(1) A derivative work prepared under authority of the grant before its termination may continue to be utilized under the terms of the grant after its termination, but this privilege does not extend to the preparation after the termination of other derivative works based upon the copyrighted work covered by the terminated grant.

(2) The future rights that will revert upon termination of the grant become vested on the date the notice of termination has been served as provided by clause (4) of subsection (a). The rights vest in the author, authors, and other persons named in, and in the proportionate shares provided by, clauses (1) and (2) of subsection (a).

(3) Subject to the provisions of clause (4) of this subsection, a further grant, or agreement to make a further grant, of any right covered by a terminated grant is valid only if it is signed by the same number and proportion of the owners, in whom the right has vested under clause (2) of this subsection, as are required to terminate the grant under clauses (1) and (2) of subsection (a). Such further grant or agreement is effective with respect to all of the persons in whom the right it covers has vested under clause (2) of this subsection, including those who did not join in signing it. If any person dies after rights under a terminated grant have vested in him, his legal representatives, legatees, or heirs at law represent him for purposes of this clause.

(4) A further grant, or agreement to make a further grant, of any right covered by a terminated grant is valid only if it is made after the effective date of termination. As an exception, however, an agreement for such a further grant may be made between the persons provided by clause (3) of this subsection and the original grantee or his successor in title, after the notice of termination has been served as provided by clause (4) of subsection (a).

(5) Termination of a grant under this section affects only those rights covered by the grant that arise under this title, and in no way affects rights arising under any other Federal, State, or foreign laws.

(6) Unless and until termination is effected under this section, the grant, if it does not provide otherwise, continues in effect for the term of copyright provided by this title.

§ 204. Execution of transfers of copyright ownership

(a) A transfer of copyright ownership, other than by operation of law, is not valid unless an instrument of conveyance, or a note or memorandum of the transfer, is in writing and signed by the owner of the rights conveyed or his duly authorized agent.

(b) A certificate of acknowledgement is not required for the validity of a transfer, but is prima facie evidence of the execution of the transfer if:

(1) in the case of a transfer executed in the United States, the certificate is issued by a person authorized to administer oaths within the United States; or

(2) in the case of a transfer executed in a foreign country, the certificate is issued by a diplomatic or consular officer of the United States, or by a person authorized to administer oaths whose authority is proved by a certificate of such an officer.

§ 205. Recordation of transfers and other documents

(a) CONDITIONS FOR RECORDATION.—Any transfer of copyright ownership or other document pertaining to a copyright may be recorded in the Copyright Office if the document filed for recordation bears the actual signature of the person who executed it, or if it is accompanied by a sworn or official certification that it is a true copy of the original, signed document.

(b) CERTIFICATE OF RECORDATION.—The Register of Copyrights shall, upon receipt of a document as provided by subsection (a) and of the fee provided by section 708, record the document and return it with a certificate of recordation.

(c) RECORDATION AS CONSTRUCTIVE NOTICE.—Recordation of a document in the Copyright Office gives all persons constructive notice of the facts stated in the recorded document, but only if:

(1) the document, or material attached to it, specifically identifies the work to which it pertains so that, after the document is indexed by the Register of Copyrights, it would be revealed by a reasonable search under the title or registration number of the work; and

(2) registration has been made for the work.

(d) RECORDATION AS PREREQUISITE TO INFRINGEMENT SUIT.—No person claiming by virtue of a transfer to the owner of copyright or of any exclusive right under a copyright is entitled to institute an infringement action under this title until the instrument of transfer under which he claims has been recorded in the Copyright Office, but suit may be instituted after such recordation on a cause of action that arose before recordation.

(e) PRIORITY BETWEEN CONFLICTING TRANSFERS.—As between two conflicting transfers, the one executed first prevails if it is recorded, in the manner required to give constructive notice under subsection (c) within one month after its execution in the United States or within two months after its execution abroad, or at any time before recordation in such manner of the later transfer. Otherwise the later transfer prevails if recorded first in such manner, and if taken in good faith, for valuable consideration or on the basis of a binding promise to pay royalties, and without notice of the earlier transfer.

(f) PRIORITY BETWEEN CONFLICTING TRANSFER OF OWNERSHIP AND NONEXCLUSIVE LICENSE.—A nonexclusive license, whether recorded or not, prevails over a conflicting transfer of copyright ownership if the license is evidenced by a written instrument signed by the owner of the rights licensed or his duly authorized agent, and if:

(1) the license was taken before execution of the transfer; or

(2) the license was taken in good faith before recordation of the transfer and without notice of it.

Chapter 3.—DURATION OF COPYRIGHT

Sec.

301. Pre-emption with respect to other laws.
302. Duration of copyright: Works created on or after January 1, 1977.
303. Duration of copyright: Works created but not published or copyrighted before January 1, 1977.
304. Duration of copyright: Subsisting copyrights.
305. Duration of copyright: Terminal date.

§ 301. Pre-emption with respect to other laws

(a) On and after January 1, 1977, a legal or equitable rights that are equivalent to any of the exclusive rights within the general scope of copyright as specified by section 106 in works of authorship that are fixed in a tangible medium of expression and come within the subject matter of copyright as specified by sections 102 and 103, whether created before or after that date and whether published or unpublished, are governed exclusively by this title. Thereafter, no person is entitled to any such right or equivalent right in any such work under the common law or statutes of any State.

(b) Nothing in this title annuls or limits any rights or remedies under the common law or statutes of any State with respect to:

(1) subject matter that does not come within the subject matter of copyright as specified by sections 102 and 103, including works of authorship not fixed in any tangible medium of expression; or

(2) any cause of action arising from undertakings commenced before January 1, 1977; or

(3) activities violating legal or equitable rights that are not equivalent to any of the executive rights within the general scope of copyright as specified by section 106, including rights against misappropriation not equivalent to any of such exclusive rights, breaches of contract, breaches of trust, trespass, conversion, invasion of privacy, defamation, and deception trade practices such as passing off and false representation; or

(4) sound recordings fixed prior to February 15, 1972.

(c) Nothing in this title annuls or limits any rights or remedies under any other Federal statute.

§ 302. Duration of copyright: Works created on or after January 1, 1977

(a) IN GENERAL.—Copyright in a work created on or after January 1, 1977, subsists from its creation and, except as provided by the following subsections, endures for a term consisting of the life of the author and fifty years after his death.

(b) JOINT WORKS.—In the case of a joint work prepared by two or more authors who did not work for hire, the copyright endures for a term consisting of the life of the last surviving author and fifty years after his death.

(c) ANONYMOUS WORKS, PSEUDONYMOUS WORKS, AND WORKS MADE FOR HIRE.—In the case of an anonymous work, a pseudonymous work or a work made for hire, the copyright endures for a term of seventy-five years from the year of its first publication, or a term of one hundred years from the year of its creation, whichever expires first. If, before the end of such term, the identity of one or more of the authors of an anonymous or pseudonymous work is revealed in the records of a registration made for that work under subsection (a) or (d) of section 407, or in the records provided by this subsection, the copyright in the work endures for the term specified by subsections (a) or (b), based on the life of the author or authors whose identity has been revealed. Any person having an interest in the copyright in an anonymous or pseudonymous work may at any time record, in records to be maintained by the Copyright Office for that purpose, a statement identifying one or more authors of the work; the statement shall also identify the person filing it, the nature of his interest, the source of his information, and the particular work affected, and shall comply in form and content with requirements that the Register of Copyrights shall prescribe by regulation.

(d) RECORDS RELATING TO DEATH OF AUTHORS.—Any person having an interest in a copyright may at any time record in the Copyright Office a statement of the date of death of the author of the copyrighted work, or a statement that the author is still living on a particular date. The statement shall identify the person filing it, the nature of his interest, and the source of his information, and shall comply in form and content with requirements that the Register of Copyrights shall prescribe by regulation. The Register shall maintain current records of information relating to the death of authors of copyrighted works, based on such recorded statements and, to the extent he considers practicable, on data contained in any of the records of the Copyright Office or in other reference sources.

(e) PRESUMPTION AS TO AUTHOR'S DEATH.—After a period of seventy-five years from the year of first publication of a work, or a period of one hundred years from the year of its creation, whichever expires first, any person who obtains from the Copyright Office a certified report that the records provided by subsection (d) disclose nothing to indicate that the author of the work is living, or died less than fifty years before, is entitled to the benefit of a presumption that the author has been dead for at least fifty years. Reliance in good faith upon this presumption shall be a complete defense to any action for infringement under this title.

§ 303. Duration of copyright: Works created but not published or copyrighted before January 1, 1977

Copyright in a work created before January 1, 1977, but not theretofore in the public domain or copyrighted, subsists from January 1, 1977, and endures for the term provided by section 302. In no case, however, shall the term of copyright in such a work expire before December 31, 2001; and, if the work is published on or before December 31, 2001, the term of copyright shall not expire before December 31, 2026.

§ 304. Duration of copyright: Subsisting copyrights

(a) COPYRIGHTS IN THEIR FIRST TERM ON JANUARY 1, 1977.—Any copyright, the first term of which is subsisting on January 1, 1977, shall endure for twenty-eight years from the date it was originally secured: *Provided*, That in the case of any posthumous work or of any periodical, cyclopedic, or other composite work upon which the copyright was originally secured by the proprietor thereof, or of any work copyrighted by a corporate body (otherwise than as assignee or licensee of the individual author) or by an employer for whom such work is made for hire, the proprietor of such copyright shall be entitled to a renewal and extension of the copyright in such work for the further term of forty-seven years when application for such renewal and extension shall have been made to the Copyright Office and duly registered therein within one year prior to the expiration of the original term of copyright: *And provided further*, That in the case of any other copyrighted work, including a contribution by an individual author to a periodical or to a cyclopedic or other composite work, the author of such work, if still living, or the widow, widower, or children of the author, if the author be not living, or if such author, widow, widower, or children be not living, then the author's executors, or in the absence of a will, his next of kin shall be entitled to a renewal and extension of the copyright in such work for a further term of forty-seven years when application for such renewal and extension shall have been made to the Copyright Office and duly registered therein within one year prior to the expiration of the original term of copyright: *And provided further*, That in default of the registration of such application for renewal and extension, the copyright in any work shall terminate at the expiration of twenty-eight years from the date copyright was originally secured.

(b) COPYRIGHTS IN THEIR RENEWAL TERM OR REGISTERED FOR RENEWAL BEFORE JANUARY 1, 1977.—The duration of any copyright, the renewal term of which is subsisting at any time between December 31, 1975, and December 31, 1976, inclusive, or for which renewal registration is made between December 31, 1975, and December 31, 1976, inclusive, is extended to endure for a term of 75 years from the date copyright was originally secured.

(c) TERMINATION OF TRANSFERS AND LICENSES COVERING EXTENDED RENEWAL TERM.—In the case of any copyright subsisting in either its first or renewal term on January 1, 1977, other than a copyright in a work made for hire, the exclusive or nonexclusive grant of a transfer or license of the renewal copyright or of any right under it, executed before January 1, 1977, by any of the persons designated by the second proviso of subsection (a) of this section, otherwise than by will, is subject to termination under the following condition:

(1) In the case of a grant executed by a person or persons other than the author, termination of the grant may be effected by the surviving person or persons who executed it. In the case of a grant executed by one or more of the authors of the work, termination of the grant may be effected, to the extent of a particular author's share in the ownership of the renewal copyright, by the author who executed it or, if such author is dead, by the person or persons who, under clause (2) of this subsection, own and are entitled to exercise a total of more than one half of that author's termination interest.

(2) Where an author is dead, his or her termination interest is owned, and may be exercised, by his widow (or her widower) and children or grandchildren as follows:

(A) The widow (or widower) owns the author's entire termination interest unless there are any surviving children or grandchildren of the author, in which case the widow (or widower) owns one-half of the author's interest;

(B) The author's surviving children, and the surviving children of any dead child of the author, own the author's entire termination interest unless there is a widow (or widower), in which case the ownership of one half of the author's interest is divided among them;

(C) The rights of the author's children and grandchildren are in all cases divided among them and exercised on a per stirpes basis according to the number of his children represented; the share of the children of a dead child in a termination interest can be exercised only by the action of a majority of them.

(3) Termination of the grant may be effected at any time during a period of five years beginning at the end of fifty-six years from the date copyright was originally secured, or beginning on January 1, 1977, whichever is later.

(4) The termination shall be effected by serving an advance notice in writing upon the grantee or his successor in title. In the case of a grant executed by a person or persons other than the author, the notice shall be signed by all of those entitled to terminate the grant under clause (1) of this subsection, or by their duly authorized agents. In the case of a grant executed by one or more of the authors of the work, the notice as to any one author's share shall be signed by him or his duly authorized agent or, if he is dead, by the number and proportion of the owners of his termination interest required under clauses (1) and (2) of this subsection, or by their duly authorized agents.

(A) The notice shall state the effective date of the termination, which shall fall within the five-year period specified by clause (3) of this subsection, and the notice shall be served not less than two or more than ten years before that date. A copy of the notice shall be recorded in the Copyright Office before the effective date of termination, as a condition to its taking effect.

(B) The notice shall comply, in form, content, and manner of service, with requirements that the Register of Copyrights shall prescribe by regulation.

(5) Termination of the grant may be effected notwithstanding any agreement to the contrary, including an agreement to make a will or to make any future grant.

(6) In the case of a grant executed by a person or persons other than the author, all rights under this title that were covered by the terminated grant revert, upon the effective date of termination, to all of those entitled to terminate the grant under clause (1) of this subsection. In the case of a grant executed by one or more of the authors of the work, all of a particular author's rights under this title that were covered by the terminated grant revert, upon the effective date of termination, to that author or, if he is dead, to the persons owning his termination interest under clause (2) of this subsection, including those owners who did not join in signing the notice of termination under clause (4) of this subsection. In all cases the reversion of rights is subject to the following limitations:

(A) A derivative work prepared under authority of the grant before its termination may continue to be utilized under the terms of the grant after its termination, but this privilege does not extend to the preparation after the termination of other derivative works based upon the copyrighted work covered by the terminated grant.

(B) The future rights that will revert upon termination of the grant become vested on the date the notice of termination has been served as provided by clause (4) of this subsection.

(C) Where an author's rights revert to two or more persons under clause (2) of this subsection, they shall vest in those persons in the proportionate shares provided by that clause. In such a case, and subject to the provisions of subclause (D) of this clause, a further grant, or agreement to make a further grant, of a particular author's share with respect to any right covered by a terminated grant is valid only if it is signed by the same number and proportion of the owners, in whom the right has vested under this clause, as are required to terminate the grant under clause (2) of this subsection. Such further grant or agreement is effective with respect to all of the persons in whom the right it covers has vested under this subclause, including those who did not join in signing it. If any person dies after rights under a terminated grant have vested in him, his legal representatives, legatees, or heirs at law represent him for purposes of this subclass.

(D) A further grant, or agreement to make a further grant, of any right covered by a terminated grant is valid only if it is made after the effective date of the termination. As an exception, however, an agreement for such a further grant may be made between the author or any of the persons provided by the first sentence of clause (6) of this subsection, or between the persons provided by subclause (C) of this clause, and the original grantee or his successor in title, after the notice of termination has been served as provided by clause (4) of this subsection.

(E) Termination of a grant under this subsection affects only those rights covered by the grant that arise under this title, and in no way affects rights arising under any other Federal, State, or foreign laws.

(F) Unless and until termination is effected under this section, the grant, if it does not provide otherwise, continues in effect for the remainder of the extended renewal term.

§ 305. Duration of copyright: Terminal date

All terms of copyright provided by sections 302 through 304 run to the end of the calendar year in which they would otherwise expire.

Chapter 4.—COPYRIGHT NOTICE, DEPOSIT, AND REGISTRATION

Sec.
401. Notice of copyright: Visually perceptible copies.
402. Notice of copyright: Phonorecords of sound recordings.
403. Notice of copyright: Publications incorporating United States Government works.
404. Notice of copyright: Contributions to collective works.
405. Notice of copyright: Omission of notice.
406. Notice of copyright: Error in name or date.
407. Deposit of copies or phonorecords for Library of Congress.
408. Copyright registration in general.
409. Application for registration.
410. Registration of claim and issuance of certificate.
411. Registration as prerequisite to infringement suit.
412. Registration as prerequisite to certain remedies for infringement.

§ 401. Notice of copyright: Visually perceptible copies.

(a) General Requirement.—Whenever work protected under this title is published in the United States or elsewhere by authority of the copyright owner, a notice of copyright as provided by this section shall be placed on all publicly distributed copies from which the work can be visually perceived, either directly or with the aid of a machine or device.

(b) Form of Notice.—The notice appearing on the copies shall consist of the following three elements:

(1) the symbol © (the letter C in a circle), the word "Copyright," or the abbreviation "Copr.";

(2) the year of first publication of the work; in the case of compilations or derivative works incorporating previously published material, the year date of first publication of the compilation or derivative work is sufficient. The year date may be omitted where a pictorial, graphic, or sculptural work, with accompanying text matter, if any, is reproduced in or on greeting cards, postcards, stationery, jewelry, dolls, toys, or any useful articles;

(3) the name of the owner of copyright in the work, or an abbreviation by which the name can be recognized, or a generally known alternative designation of the owner.

(c) Position of Notice.—The notice shall be affixed to the copies in such manner and location as to give reasonable notice of the claim of copyright. The Register of Copyrights shall prescribe by regulation, as examples, specific methods of affixation and positions of the notice on various types of works that will satisfy this requirement, but these specifications shall not be considered exhaustive.

§ 402. Notice of copyright: Phonorecords of sound recordings

(a) General Requirement.—Whenever a sound recording protected under this title is published in the United States or elsewhere by authority of the copyright owner, a notice of copyright as provided by this section shall be placed on all publicly distributed phonorecords of the sound recording.

(b) Form of Notice.—The notice appearing on the phonorecords shall consist of the following three elements:

(1) the symbol P (the letter P in a circle);

(2) the year of first publication of the sound recording;

(3) the name of the owner of copyrights in the sound recording, or an abbreviation by which the name can be recognized, or a generally known alternative designation of the owner; if the producer of the sound recording is named on the phonorecord labels or containers, and if no other name appears in conjunction with the notice, his name shall be considered a part of the notice.

(c) Position of Notice.—The notice shall be placed on the surface of the phonorecord, or on the phonorecord label or container, in such manner and location as to give reasonable notice of the claim of copyright.

§ 403. Notice of copyright: Publications incorporating United States Government works

Whenever a work is published in copies of phonorecords consisting preponderately of one or more works of the United States Government, the notice of copyright provided by section 401 or 402 shall also include a statement identifying, either affirmatively or negatively, those portions of the copies or phonorecords embodying any work or works protected under this title.

§ 404. Notice of copyright: Contributions to collective works

(a) A separate contribution to a collective work may bear its own notice of copyright, as provided by section 401 through 403. However, a single notice applicable to the collective work as a whole is sufficient to satisfy the requirements of sections 401 through 403 with respect to the separate contributions it contains (not including advertisements inserted on behalf of persons other than the owner of copyright in the collective work), regardless of the ownership of copyright in the contributions and whether or not they have been previously published.

(b) Where the person named in a single notice applicable to a collective work as a whole is not the owner of copyright in a separate contribution that does not bear its own notice, the case is governed by the provisions of section 406(a).

§ 405. Notice of copyright: Omission of notice

(a) Effect of Omission on Copyright.—The omission of the copyright notice described by sections 401 through 403 from copies or phonorecords publicly distributed by authority of the copyright owner does not invalidate the copyright in a work if:

(1) the notice has been omitted from no more than a relatively small number of copies or phonorecords distributed to the public; or

(2) registration for the work has been made before or is made within five years after the publication without notice, and a reasonable effort is made to add notice to all copies or phonorecords that are distributed to the public in the United States after the omission has been discovered; or

(3) the notice has been omitted in violation of an express requirement in writing that, as a condition of the copyright owner's authorization of the public distribution of copies or phonorecords, they bear the prescribed notice.

(b) Effect of Omission on Innocent Infringers.—Any person who innocently infringes a copyright, in reliance upon an authorized copy or phonorecord from which the copyright notice has been omitted, incurs no liability for actual or statutory damages under section 504 for any infringing acts committed before receiving actual notice that registration for the work has been made under section 408, if he proves that he was misled by the omission of notice. In a suit for infringement in such a case the court may allow or disallow recovery of any of the infringer's profits attributable to the infringement, and may enjoin the continuation of the infringing undertaking or may require, as a condition for permitting the infringer to continue his undertaking, that he pay the copyright owner a reasonable license fee in an amount and on terms fixed by the court.

(c) Removal of Notice.—Protection under this title is not affected by the removal, destruction, or obliteration of the notice, without the authorization of the copyright owner, from any publicly distributed copies or phonorecords.

§ 406. Notice of copyright: Error in name or date

(a) Error in Name.—Where the person named in the copyright notice on copies or phonorecords publicly distributed by authority of the copyright owner is not the owner of copyright, the validity and ownership of the copyright are not affected. In such a case, however, any person who innocently begins an undertaking that infringes the copyright has a complete defense to any action for such infringement if he proves that he was misled by the notice and began the undertaking in good faith under a purported transfer or license from the person named therein, unless before the undertaking was begun:

(1) registration for the work had been made in the name of the owner of copyright; or

(2) a document executed by the person named in the notice and showing the ownership of the copyright had been recorded.

The person named in the notice is liable to account to the copyright owner for all receipts from purported transfers or licenses made by him under the copyright.

(b) Error in Date.—When the year date in the notice on copies or phonorecords distributed by authority of the copyright owner is earlier than the year in which publication first occurred, any period computed from the year of first publication under section 302 is to be computed from the year in the notice. Where the year date is more than one year later than the year in which publication first occurred, the work is considered to have been published without any notice and is governed by the provisions of section 405.

(c) Omission of Name or Date.—Where copies or phonorecords publicly distributed by authority of the copyright owner contain no name or no date that could reasonably be considered a part of the notice, the work is considered to have been published without any notice and is governed by the provisions of section 405.

§ 407. Deposit of copies or phonorecords for Library of Congress

(a) Except as provided by subsection (c), the owner of copyright or of the exclusive right of publication in a work published with notice of copyright in the United States shall deposit, within three months after the date of such publication:

(1) two complete copies of the best edition; or

(2) if the work is a sound recording, two complete phonorecords of the best edition, together with any printed or other visually perceptible material published with such phonorecords.

This deposit is not a condition of copyright protection.

(b) The required copies or phonorecords shall be deposited in the Copyright Office for the use or disposition of the Library of Congress. The Register of Copyrights shall, when requested by the depositor and upon payment of the fee prescribed by section 708, issue a receipt for the deposit.

(c) The Register of Copyrights may by regulation exempt any categories of material from the deposit requirements of this section, or require deposit of only one copy or phonorecord with respect to any categories.

(d) At any time after publication of a work as provided by subsection (a), the Register of Copyrights may make written demand for the required deposit on any of the persons obligated to make the deposit under subsection (a). Unless deposit is made within three months after the demand is received, the person or persons on whom the demand was made are liable:

(1) to a fine of not more than $250 for each work; and

(2) to pay to the Library of Congress the total retail price of the copies or phonorecords demanded, or, if no retail price has been fixed, the reasonable cost to the Library of Congress of acquiring them.

§ 408. Copyright registration in general

(a) Registration Permission.—At any time during the subsistence of copyright in any published or unpublished work, the owner of copyright or of any exclusive right in the work may obtain registration of the copyright claim by delivering to the Copyright Office the deposit specified by this section, together with the application and fee specified by sections 409 and 708. Subject to the provisions of section 405(a), such registration is not a condition of copyright protection.

(b) Deposit for Copyright Registration.—Except as provided by subsection (c), the material deposited for registration shall include:

(1) in the case of an unpublished work, one complete copy or phonorecord;

(2) in the case of a published work, two complete copies or phonorecords of the best edition;

(3) in the case of a work first published abroad, one complete copy or phonorecord as so published;

(4) in the case of a contribution to a collective work, one complete copy or phonorecord of the best edition of the collective work.

Copies or phonorecords deposited for the Library of Congress under section 407 may be used to satisfy the deposit provisions of this section, if they are accompanied by the prescribed application and fee, and by any additional identifying material that the Register may, by regulation, require.

(c) Administrative Classification and Optional Deposit.—

(1) The Register of Copyrights is authorized to specify by regulation the administrative classes into which works are to be placed for purposes of deposit and registration, and the nature of the copies or phonorecords to be deposited in the various classes specified. The regulations may require or permit, for particular classes, the deposit of identifying material instead of copies or phonorecords, the deposit of only one copy or phonorecord where two would normally be required, or a single registration for a group of related works. This administrative classification of works has no significance with respect to the subject matter of copyright or the exclusive rights provided by this title.

(2) Without prejudice to his general authority under clause (1), the Register of Copyrights shall establish regulations specifically permitting a single registration for a group of works by the same individual author, all first published as contributions to periodicals, including newspapers, within a twelve-month period, on the basis of a single deposit, application, and registration fee, under all of the following conditions:

(A) if each of the works as first published bore a separate copyright notice, and the name of the owner of copyright in the work, or an abbreviation by which the name can be recognized, or a generally known alternative designation of the owner was the same in each notice; and

(B) if the deposit consists of one copy of the entire issue of the periodical, or of the entire section in the case of a newspaper, in which each contribution was first published; and

(C) if the application identifies each work separately, including the periodical containing it and its date of first publication.

(3) As an alternative to separate renewal registrations under subsection (a) of section 304, a single renewal registration may be made for a group of works by the same individual author, all first published as contributions to periodicals, including newspapers, upon the filing of a single application and fee, under all of the following conditions:

(A) the renewal claimant or claimants, and the basis of claim or claims under section 304 (a), is the same for each of the works; and

(B) the works were all copyrighted upon their first publication, either through separate copyright notice and registration or by virtue of a general copyright notice in the periodical issue as a whole; and

(C) all of the works were first published not more than twenty-eight or less than twenty-seven years before the date of receipt of the renewal application and fee; and

(D) the renewal application identifies each work separately, including the periodical containing it and its date of first publication.

(d) Corrections and Amplifications.—The Register may also establish, by regulation, formal procedures for the filing of an application for supplementary registration, to correct an error in a copyright registration or to amplify the information given in a registration. Such application shall be accompanied by the fee provided by section 708, and shall clearly identify the registration to be corrected or amplified. The information contained in a supplementary registration augments but does not supersede that contained in the earlier registration.

(e) Published Edition of Previously Registered Work.—Registration for the first published edition of a work previously registered in unpublished form may be made even though the work as published is substantially the same as the unpublished version.

§ 409. Application for registration

The application for copyright registration shall be made on a form prescribed by the Register of Copyrights and shall include:

(1) the name and address of the copyright claimant;

(2) in the case of a work other than an anonymous or pseudonymous work, the name and nationality or domicile of the author or atuhors and, if one or more of the authors is dead, the dates of their deaths;

(3) if the work is anonymous or pseudonymous, the nationality or domicile of the authors or authors;

(4) in the case of a work made for hire, a statement to this effect;

(5) if the copyright claimant is not the author, a brief statement of how the claimant obtained ownership of the copyright;

(6) the title of the work, together with any previous or alternative titles under which the work can be identified;

(7) the year in which creation of the work was completed;

(8) if the work has been published, the date and nation of its first publication;

(9) in the case of a compilation or derivative work, an identification of any pre-existing work or works that it is based on or incorporates, and a brief, general statement of the additional material covered by the copyright claim being registered;

(10) in the case of a published work containing material of which copies are required by section 601 to be manufactured in the United States, the names of the persons or organizations who performed the processes specified by subsection (c) of section 601 with respect to that material, and the places where those processes were performed; and

(11) any other information regarded by the Register of Copyrights as bearing upon the preparation or identification of the work or the existence, ownership, or duration of the copyright.

§ 410. Registration of claim and issuance of certificate

(a) When, after examination, the Register of Copyrights determines that, in accordance with the provisions of this title, the material deposited constitutes copyrightable subject matter and that the other legal and formal requirements of this title have been met, he shall register the claim and issue to the applicant a certificate of registration under the seal of the Copyright Office. The certificate shall contain the information given in the application, together with the number and effective date of the registration.

(b) In any case in which the Register of Copyrights determines that, in accordance with the provisions of this title, the material deposited does not constitute copyrightable subject matter or that the claim is invalid for any other reason, he shall refuse registration and shall notify the applicant in writing of the reasons for his action.

(c) In any judicial proceedings the certificate of a registration made before or within five years after first publication of the work shall constitute prima facie evidence of the validity of the copyright and of the facts stated in the certificate. The evidentiary weight to be accorded the certificate of a registration made thereafter shall be within the discretion of the court.

(d) the effective date of a copyright registration is the day on which an application, deposit, and fee, which are later determined by the Register of Copyrights or by a court of competent jurisdiction to be acceptable for registration, have all been received in the Copyright Office.

§ 411. Registration as prerequisite to infringement suit

(a) Subject to the provisions of subsection (b), no action for infringement of the copyright in any work shall be instituted until registration of the copyright claim has been made in accordance with this title. In any case, however, where the deposit, application, and fee required for registration have been delivered to the Copyright Office in proper form and registration has been refused, the applicant is entitled to institute an action for infringement if notice thereof, with a copy of the complaint, is served on the Register of Copyrights. The Register may, at his option, become a party to the action with respect to the issue of registrability of the copyright claim by entering his appearance within sixty days after such service, but his failure to do so shall not deprive the issue.

(b) In the case of a work consisting of sounds, images, or both, the first fixation of which is made simultaneously with its transmission, the copyright owner may either before or after such fixation takes place, institute an action for infringement under section 501, fully subject to the remedies provided by sections 502 through 506. If, in accordance with requirements that the Register of Copyrights shall prescribe by regulation, the copyright owner—

(1) serves notice upon the infringer, not less than ten or more than thirty days before such fixation, identifying the work and the specific time and source of its first transmission, and declaring an intention to secure copyright in the work; and

(2) makes registration for the work within three months after its first transmission.

§ 412. Registration as prerequisite to certain remedies for infringement

In any action under this title, other than an action instituted under section 411(b), no award of statutory damages or of attorney's fees, as provided by sections 504 and 505, shall be made for:

(1) any infringement of copyrignt in an unpublished work commenced before the effective date of its registration; or

(2) any infringement of copyright commenced after first publication of the work and before the effective date of its registration, unless such registration is made within three months after its first publication.

Chapter 5.—COPYRIGHT INFRINGEMENT AND REMEDIES

Sec.

501. Infringement of copyright.
502. Remedies for infringement: Injunctions.
503. Remedies for infringement: Impounding and disposition of infringing articles.
504. Remedies for infringement: Damages and profits.
505. Remedies for infringement: Costs and attorney's fees.
506. Criminal offenses.
507. Limitations on actions.
508. Notification of filing and determination of actions.
509. Seizure and forfeiture.

§ 501. Infringment of copyright

(a) Anyone who violates any of the exclusive rights of the copyright owner as provided by sections 106 through 117, or who imports copies or phonorecords into the United States in violation of section 602, is an infringer of the copyright.

(b) The legal or beneficial owner of an exclusive right under a copyright is entitled, subject to the requirements of sections 205 (d) and 411, to institute an action for any infringement of that particular right committed while he is the owner of it. The court may require him to serve written notice of the action with a copy of the complaint upon any person shown, by the records of the Copyright Office or otherwise, to have or claim an interest in the copyright, and shall require that such notice be served upon any person whose interest is likely to be affected by a decision in the case. The court may require the joinder, and shall permit the intervention, of any person having or claiming an interest in the copyright.

(c) For any secondary transmission by a cable system that embodies a performance or a display of a work which is actionable as an act of infringement under subsection (c) of section 111, a television broadcast station holding a copyright or other license to transmit or perform the same version of that work shall, for purposes of subsection (b) of this section, be treated as a legal or beneficial owner if such secondary transmission occurs within the local service area of that television station.

§ 502. Remedies for infringement: Injunctions

(a) Any court having jurisdiction of a civil action arising under this title may, subject to the provisions of section 1498 of title 28, grant temporary and final injunctions on such terms as it may deem reasonable to prevent or restrain infringement of a copyright.

(b) Any such injunction may be served anywhere in the United States on the person enjoined; it shall be operative throughout the United States and shall be enforceable, by proceedings in contempt or otherwise, by any United States court having jurisdiction of that person. The clerk of the court granting the injunction shall, when requested by any other court in which enforcement of the injunction is sought, transmit promptly to the other court a certified copy of all the papers in the case on file in his office.

§ 503. Remedies for infringement: Impounding and disposition of infringing articles

(a) At any time while an action under this title is pending, the court may order the impounding, on such terms as it may deem reasonable, of all copies or phonorecords claimed to have been made or used in violation of the copyright owner's exclusive rights, and of all plates, molds, matrices, masters, tapes, film negatives, or other articles by means of which such copies or phonorecords may be reproduced.

(b) As part of a final judgment or decree, the court may order the destruction or other reasonable disposition of all copies or phonorecords found to have been made or used in violation of the copyright owner's exclusive rights, and of all plates, molds, matrices, masters, tapes, film negatives, or other articles by means of which such copies or phonorecords may be reproduced.

§ 504. Remedies for infringement: Damages and profits

(a) IN GENERAL.—Except as otherwise provided by this title, an infringer of copyright is liable for either:

(1) the copyright owner's actual damages and any additional profits of the infringer, as provided by subsection (b); or

(2) statutory damages, as provided by subsection (c).

(b) ACTUAL DAMAGES AND PROFITS.—The copyright owner is entitled to recover the actual damages suffered by him as a result of the infringement, and any profits of the infringer that are attributable to the infringement and are not taken into account in computing the actual damages. In establishing the infringer's profits, the copyright owner is required to present proof only of the infringer's gross revenue, and the infringer is required to prove his deductible expenses and the elements of profit attributable to factors other than the copyrighted work.

(c) STATUTORY DAMAGES.—

(1) Except as provided by clause (2) of this subsection, the copyright owner may elect, at any time before final judgment is rendered, to recover, instead of actual damages and profits, an award of statutory damages for all infringements involved in this action, with respect to any one work, for which any one infringer is liable individually, or for which any two or more infringers are liable jointly and severally, in a sum of not

less than $250 or more than $10,000 as the court considers just. For the purposes of this subsection, all the parts of a compilation or derivative work constitute one work.

(2) In a case where the copyright owner sustains the burden of proving, and the court finds, that infringement was committed willfully, the court in its discretion may increase the award of statutory damages to a sum of not more than $50,000. In a case where the infringer sustains the burden of proving, and the court finds, that he was not aware and had no reason to believe that his acts constituted an infringement of copyright, the court in its discretion may reduce the award of statutory damages to a sum of not less than $100. In a case where an instructor, librarian or archivist in a nonprofit educational institution, library, or archives, who infringed by reproducing a copyrighted work in copies or phonorecords, sustains the burden of proving that he believed and had reasonable grounds for believing that the reproduction was a fair use under section 107, the court in its discretion may remit statutory damages in whole or in part.

§ 505. Remedies for infringement: Costs and attorney's fees

In any civil action under this title, the court in its discretion may allow the recovery of full costs by or against any party other than the United States or an officer thereof. Except as otherwise provided by this title, the court may also award a reasonable attorney's fee to the prevailing party as part of the costs.

§ 506. Criminal offenses

(a) CRIMINAL INFRINGEMENT.—Any person who infringes a copyright willfully and for purposes of commercial advantage or private financial gain shall be fined not more than $2,500 or imprisoned not more than one year, or both, for the first such offense, and shall be fined not more than $10,000 or imprisoned not more than three years, or both, for any subsequent offense, provided however, that any person who infringes willfully and for purposes of commercial advantage or private financial gain the copyright in a sound recording afforded by subsections (1), (2) and (3) in section 106 or the copyright in a motion picture offered by subsections (1), (3), and (4) in section 106 shall be fined not more than $25,000 or imprisoned for not more than three years, or both, for the first such offense and shall be fined not more than $50,000 or imprisoned not more than seven years, or both, for any subsequent offense.

(b) FORFEITURE AND DESTRUCTION.—When any person is convicted of any violation of subsection (a), the court in its judgment of conviction shall, in addition to the penalty therein prescribed, or the forfeiture and destruction or other disposition of all infringing copies or phonorecords and all implements, devices, or equipment used or intended to be used in the manufacture, use, or sale of such infringing copies of phonorecords.

(c) FRAUDULENT COPYRIGHT NOTICE.—Any person who, with fraudulent intent, places on any article a notice of copyright or words of the same purport that he knows to be false, or who, with fraudulent intent, publicly distributes or imports for public distribution any article bearing such notice or words that he knows to be false, shall be fined not more than $2,500.

(d) FRAUDULENT REMOVAL OF COPYRIGHT NOTICE.—Any person who, with fraudulent intent, removes or alters any notice of copyright appearing on a copy of a copyrighted work shall be fined not more than $2,500.

(e) FALSE REPRESENTATION.—Any person who knowingly makes a false representation of a material fact in the application for copyright registration provided for by section 409, or in any written statement filed in connection with the application, shall be fined not more than $2,500.

§ 507. Limitations on actions

(a) CRIMINAL PROCEEDINGS.—No criminal proceeding shall be maintained under the provisions of this title unless it is commenced within three years after the cause of action arose.

(b) CIVIL ACTIONS.—No civil action shall be maintained under the provisions of this title unless it is commenced within three years after the claim accrued.

§ 508. Notification of filing and determination of actions

(a) Within one month after the filing of any action under this title, the clerks of the courts of United States shall send written notification to the Register of Copyrights setting forth, as far as shown by the papers filed in the court, the names and addresses of the parties and the title, author, and registration number of each work involved in the action. If any other copyrighted work is later included in the action by amendment, answer, or other pleading, the clerk shall also send a notification concerning it to the Register within one month after the pleading is filed.

(b) Within one month after any final order or judgment is issued in the case, the clerk of the court shall notify the Register of it, sending him a copy of the order or judgment together with the written opinion, if any, of the court.

(c) Upon receiving the notifications specified in this section, the Register shall make them a part of the public records of the Copyright Office.

§ 509. Seizure and forfeiture

(a) All copies or phonorecords manufactured, reproduced, distributed, sold, or otherwise used, intended for use, or possessed with intent to use in violation of section 506(a), and all plates, molds, matrices, masters, tapes, film negatives, or other articles by means of which such copies or phonorecords may be reproduced, and all electronic, mechanical, or other devices for manufacturing, reproducing, assembling, using, transporting, distributing, or selling such copies or phonorecords may be seized and forfeited to the United States.

(b) All provisions of law relating to (1) the seizure, summary and judicial forfeiture, and condemnation of vessels, vehicles, merchandise, and baggage for violations of the customs laws contained in title 19, United States Code, (2) the disposition of such vessels, vehicles, merchandise, and baggage or the proceeds from the sale thereof, (3) the remission or mitigation of such forfeiture, (4) the compromise of claims, and (5) the award of compensation to informers in respect of such forfeitures, shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this section, insofar as applicable and not inconsistent with the provisions of this section; except that such duties as are imposed upon the collector of customs or any other person with respect to the seizure and forfeiture of vessels, vehicles, merchandise, and baggage under the provisions of the customs laws contained in title 19 of the United States Code shall be performed with respect to seizure and forfeiture of all articles described in subsection (a) by such officers, agents, or other persons as may be authorized or designated for that purpose by the Attorney General.

Chapter 6.—MANUFACTURING REQUIREMENT AND IMPORTATION

Sec.

601. Manufacture, importation, and public distribution of certain copies.

602. Infringing importation of copies or phonorecords.

603. Importation prohibitions: Enforcement and disposition of excluded articles.

§ 601. Manufacture, importation, and public distribution of certain copies

(a) Except as provided by subsection (b), the importation into or public distribution in the United States of copies of a work consisting preponderantly of nondramatic literary material that is in the English language and is protected under this title is prohibited unless the portions consisting of such material have been manufactured in the United States or Canada.

(b) The provisions of subsection (a) do not apply:

(1) where, on the date when importation is sought or public distribution in the United States is made, the author of any substantial part of such material is neither a national nor a domiciliary of the United States or, if he is a national of the United States, has been domiciled outside of the United States for a continuous period of at least one year immediately preceding that date; in the case of work made for hire, the exemption provided by this clause does not apply unless a substantial part of the work was prepared for an employer or other person who is not a national or domiciliary of the United States or a domestic corporation or enterprise;

(2) where the Bureau of Customs is presented with an import statement issued under the seal of the Copyright Office, in which case a total of no more than two thousand copies of any one such work shall be allowed entry; the import statement shall be issued upon request to the copyright owner or to a person designated by him at the time of registration for the work under section 408 or at any time thereafter;

(3) where importation is sought under the authority or for the use, other than in schools, of the government of the United States or of any State or political subdivision of a State;

(4) where importation, for use and not for sale, is ought:

(A) by any person with respect to no more than one copy of any one work at any one time;

(B) by any person arriving from abroad, with respect to copies forming part of his personal baggage; or

(C) by an organization operated for scholarly, educational, or religious purposes and not for private gain, with respect to copies intended to form a part of its library;

(5) where the copies are reproduced in raised characters for the use of the blind;

(6) where, in addition to copies imported under clauses (3) and (4) of this subsection, no more than two thousand copies of any one such work, which have not been manufactured in the United States or Canada, are publicly distributed in the United States.

(c) The requirement of this section that copies be manufactured in the United States or Canada is satisfied if:

(1) in the case where the copies are printed directly from type that has been set, or directly from plates made from such type, the setting of the type and the making of the plates have been performed in the United States or Canada; or

(2) in the case where the making of plates by a lithographic or photoengraving process is a final or intermediate step preceding the printing of the copies, the making of the plates has been performed in the United States or Canada; and

(3) in any case, the printing or other final process of producing multiple copies and any binding of the copies have been performed in the United States or Canada.

(d) Importation or public distribution of copies in violation of this section does not invalidate protection for a work under this title. However, in any civil action or criminal proceeding for infringement of the exclusive rights to reproduce and distribute copies of the work, the infringer has a complete defense with respect to all of the nondramatic literary material comprised in the work and any other parts of the work in which the exclusive rights to reproduce and distribute copies are owned by the same person who owns such exclusive rights in the nondramatic literary material, if he proves:

(1) that copies of the work have been imported into or publicly distributed in the United States in violation of this section by or with the authority of the owner of such exclusive rights; and

(2) that the infringing copies were manufactured in the United States or Canada in accordance with the provisions of subsection (c); and

(3) that the infringement was commenced before the effective date of registration for an authorized edition of the work, the copies of which have been manufactured in the United States or Canada in accordance with the provisions of subsection (c).

(e) In any action for infringement of the exclusive rights to reproduce and distribute copies of a work containing material required by this section to be manufactured in the United States or Canada, the copyright owner shall set forth in the complaint the names of the persons or organizations who performed the processes specified by subsection (c) with respect to that material, and the places where those processes were performed.

§ 602. Infringing importation of copies or phonorecords

(a) Importation into the United States, without the authority of the owner of copyright under this title, of copies or phonorecords of a work that have been acquired abroad is an infringement of the exclusive right to distribute copies or phonorecords under section 106, actionable under section 501. This subsection does not apply to:

(1) importation of copies or phonorecords under the authority or for the use of the government of the United States or of any State or political subdivision of a State but not including copies or phonorecords for use in schools, or copies of any audiovisual work imported for purposes other than archival use;

(2) importation, for the private use of the importer and not for distribution, by any person with respect to no more than one copy or phonorecord of any one work at any one time, or by any person arriving from abroad with respect to copies or phonorecords forming part of his personal baggage; or

(3) importantion by or from an organization operated for scholarly, educational, or religious purposes and not for private gain, with respect to no more than one copy of an audiovisual work solely for its archival purposes, and no more than five copies or phonorecords of any other work for its library lending or archival purposes.

(b) In a case where the making of the copies or phonorecords would have constituted an infringement of copyright if this title had been applicable, their importation is prohibited. In a case where the copies or phonorecords were lawfully made, the Bureau of Customs has no authority to prevent their importation unless the provisions of section 601 are applicable. In either case, the Secretary of the Treasury is authorized to prescribe, by regulation, a procedure under which any person claiming an interest in the copyright in a particular work may, upon payment of a specified fee, be entitled to notification by the Bureau of the importation of articles that appear to be copies or phonorecords of the work.

§ 603. Importation prohibitions: Enforcement and disposition of excluded articles

(a) The Secretary of the Treasury and the United States Postal Service shall separately or jointly make regulations for the enforcement of the provisions of this title prohibiting importation.

(b) These regulations may require, as a condition for the exclusion of articles under section 602:

(1) that the person seeking exclusion obtain a court order enjoining importation of the articles; or

(2) that he furnish proof, of a specified nature and in accordance with prescribed procedures, that the copyright in which he claims an interest is valid and that the importation would violate the prohibition in section 602; he may also be required to post a surety bond for any injury that may result if the detention or exclusion of the articles proves to be unjustified.

(c) Articles imported in violation of the importation prohibitions of this title are subject to seizure and forfeiture in the same manner as property imported in violation of the customs revenue laws. Forfeited articles shall be destroyed as directed by the Secretary of the Treasury or the court, as the case may be; however, the articles may be returned to the country of export whenever it is shown to the satisfaction of the Secretary of the Treasury that the importer had no reasonable grounds for believing that his acts constituted a violation of law.

Chapter 7.—COPYRIGHT OFFICE

Sec.

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§ 701. The Copyright Office: General responsibilities and organization.

(a) All administrative functions and duties under this title, except as otherwise specified, are the responsibility of the Register of Copyrights as director of the Copyright Office in the Library of Congress. The Register of Copyrights, together with the subordinate officers and employees of the Copyright Office, shall be appointed by the Librarian of Congress, and shall act under his general direction and supervision.

(b) The Register of Copyrights shall adopt a seal to be used on and after January 1, 1977, to authenticate all certified documents issued by the Copyright Office.

(c) The Register of Copyrights shall make an annual report to the Librarian of Congress of the work and accomplishments of the Copyright Office during the previous fiscal year. The annual report of the Register of Copyrights shall be published separately and as a part of the annual report of the Librarian of Congress.

§ 702. Copyright Office regulations

The Register of Copyrights is authorized to establish regulations not inconsistent with law for the administration of the functions and duties made his responsibility under this title. All regulations established by the Register under this title are subject to the approval of the Librarian of Congress.

§ 703. Effective date of actions in Copyright Office

In any case in which time limits are prescribed under this title for the performance of an action in the Copyright Office, and in which the last day of the prescribed period falls on a Saturday, Sunday, holiday or other non-business day within the District of Columbia or the Federal Government, the action may be taken on the next succeeding business day, and is effective as of the date when the period expired.

§ 704. Retention and disposition of articles deposited in Copyright Office

(a) Upon their deposit in the Copyright Office under sections 407 and 408, all copies, phonorecords, and identifying material, including those deposited in connection with claims that have been refused registration, are the property of the United States Government.

(b) In the case of published works, all copies, phonorecords, and identifying material deposited are available to the Library of Congress for its collections, or for exchange or transfer to any other library. In the case of unpublished works, the Library is entitled to select any deposits for its collections.

(c) Deposits are selected by the Library under subsection (b), or identifying portions or reproductions of them, shall be retained under the control of the Copyright Office, including retention in Government storage facilities, for the longest period considered practicable and desirable by the Register of Copyrights and the Librarian of Congress. After that period it is within the joint discretion of the Register and the Librarian to order their destruction or other disposition; but, in the case of unpublished works, no deposit shall be destroyed or otherwise disposed of during its term of copyright.

(d) The depositor of copies, phonorecords, or identifying material under section 408, or the copyright owner of record, may request retention, under the control of the Copyright Office, of one or more of such articles for the full term of copyright in the work. The Register of Copyright shall prescribe, by regulation, the conditions under which such requests are to be made and granted, and shall fix the fee to be charged under section 708(a)(11) if the request is granted.

§ 705. Copyright Office records: Preparation, maintenance, public inspection, and searching

(a) The Register of Copyrights shall provide and keep in the Copyright Office records of all deposits, registrations, recordations, and other actions taken under this title, and shall prepare indexes of all such records.

(b) Such records and indexes, as well as the articles deposited in connection with completed copyright registrations and retained under the control of the Copyright Office, shall be open to public inspection.

(c) Upon request and payment of the fee specified by section 708, the Copyright Office shall make a search of its public records, indexes, and deposits, and shall furnish a report of the information they disclose with respect to any particular deposits, registrations, or recorded documents.

§ 706. Copies of Copyright Office records

(a) Copies may be made of any public records or indexes of the Copyright Office; additional certificates of copyright registration and copies of any public records or indexes may be furnished upon request and payment of the fees specified by section 708.

(b) Copies or reproductions of deposited articles retained under the control of the Copyright Office shall be authorized or furnished only under the conditions specified by the Copyright Office regulations.

§ 707. Copyright Office forms and publications

(a) CATALOG OF COPYRIGHT ENTRIES.—The

Register of Copyrights shall compile and publish at periodic intervals catalogs of all copyright registrations. These catalogs shall be divided into parts in accordance with the various classes of works, and the Register has discretion to determine on the basis of practicability and usefulness, the form and frequency of publication of each particular part.

(b) OTHER PUBLICATIONS.—The Register shall furnish, free of charge upon request, application forms for copyright registration and general informational material in connection with the functions of the Copyright Office. He also has authority to publish compilations of information, bibliographies, and other material he considers to be of value to the public.

(c) DISTRIBUTION OF PUBLICATIONS.—All publications of the Copyright Office shall be furnished to depository libraries as specified under section 1905 of title 44, United States Code, and, aside from those furnished free of charge, shall be offered for sale to the public at prices based on the cost of reproduction and distribution.

§ 708. Copyright Office fees

(a) The following fees shall be paid to the Register of Copyrights:

(1) for the registration of a copyright claim or a supplementary registration under section 408, including the issuance of a certificate of registration, $10;

(2) for the registration of a claim to renewal of a subsisting copyright in its first term under section 304(a), including the issuance of a certificate of registration, $6;

(3) for the issuance of a receipt for a deposit under section 407, $2;

(4) for the recordation, as provided by section 205, of a transfer of copyright ownership or other document of six pages or less, covering no more than one title, $10; for each page over six and for each title over one, 50 cents additional;

(5) for the filing, under section 115(b), of a notice of intention to make phonorecords, $6;

(6) for the recordation, under section 302(c), of a statement revealing the identity of an author of an anonymous or pseudonymous work, or for the recordation, under section 302(d), of a statement relating to the death of an author, $10 for a document of six pages or less, covering no more than one title; for each page over six and for each title over one, $1 additional;

(7) for the issuance, under section 601, of an important statement, $3;

(8) for the issuance, under section 706, of an additional certificate of registration, $4;

(9) for the issuance of any other certification, $4; the Register of Copyrights has discretion, on the basis of their cost, to fix the fees for preparing copies of Copyright Office records, whether they are to be certified or not;

(10) for the making and reporting of a search as provided by section 705, and for any related services, $10 for each hour or fraction of an hour consumed;

(11) for any other special services requiring a substantial amount of time or expense, such fees as the Register of Copyrights may fix on the basis of the cost of providing the service.

(b) The fees prescribed by or under this section are applicable to the United States Government and any of its agencies, employees, or officers, but the Register of Copyrights has discretion to waive the requirement of this subsection in occasional or isolated cases involving relatively small amounts.

§ 709. Delay in delivery caused by disruption of postal or other services

In any case in which the Register of Copyright determines, on the basis of such evidence as he may by regulation require, that a deposit, application, fee, or any other material to be delivered to the Copyright Office by a particular date, would have been received in the Copyright Office in due time except for a general disruption or suspension of postal or other transportation or communications services, the actual receipt of such material in the Copyright Office within one month after the date on which the Register determines that the disruption or suspension of such services has terminated, shall be considered timely.

§ 710. Reproductions for use of the blind and physically handicapped: Voluntary licensing forms and procedures

The Register of Copyrights shall, after consultation with the Chief of the Division for the Blind and Physically Handicapped and other appropriate officials of the Library of Congress, establish by regulation standardized forms and procedures by which, at the time applications covering certain specified categories of nondramatic literary works are submitted for registration under section 408 of this title, the copyright owner may voluntarily grant to the Library of Congress a license to reproduce the copyrighted work by means of Braille or similar tactile symbols, or by fixation of a reading of the work in a phonorecord, or both, and to distribute the resulting copies or phonorecords solely for the use of the blind and physically handicapped and under limited conditions to be specified in the standardize forms.

Chapter 8.—COPYRIGHT ROYALTY TRIBUNAL

Sec.
801. Copyright Royalty Tribunal: Establishment and purpose.
802. Petitions for the adjustment of royalty rates.
803. Membership of the Tribunal.
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805. Compensation of members of the Tribunal: Expenses of the Tribunal.
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807. Effective date of royalty adjustment.
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§ 801. Copyright Royalty Tribunal: Establishment and purpose

(a) There is hereby created in the Library of Congress a Copyright Royalty Tribunal.

(b) Subject to the provisions of this chapter, the purpose of the Tribunal shall be: (1) to make determinations concerning the adjustment of the copyright royalty rates as provided in sections 111, 115, 116 and 118 so as to assure that such rates are reasonable and in the event that the Tribunal shall determine that the statutory rate, or a rate previously established by the Tribunal, or the basis in respect to such rates, does not provide a reasonable royalty fee for the basic service of providing secondary transmissions of the primary broadcast transmitter or is otherwise unreasonable, the Tribunal may change the royalty rate or the basis on which the royalty fee shall be assessed or both so as to assure reasonable royalty fee; and (2) to determine in certain circumstances the distribution of the royalty fees deposited with the Register of Copyrights under sections 111, 116 and 118.

§ 802. Petitions for the adjustment of royalty rates

(a) On January 1, 1980, the Register of Copyrights shall cause to be published in the Federal Register notice of the commencement of proceedings with respect to the royalty rates as provided in sections 111, 115, 116 and 118.

(b) During the calendar year 1990, and in each subsequent tenth calendar year, any owner or user of a copyrighted work whose royalty rates are specified by this title, or by a rate established by the Tribunal, may file a petition with the Register of Copyrights declaring that the petitioner requests an adjustment of the rate. The Register shall make a determination as to whether the applicant has a significant interest in the royalty rate in which an adjustment is requested. If the Register determines that the petitioner has a significant interest, he shall cause notice of his decision to be published in the Federal Register.

§ 803. Membership of the Tribunal

(a) In accordance with Section 802, or upon certifying the existence of a controversy concerning the distribution of royalty fees deposited pursuant to sections 111, 116, and 118, the Register shall request the American Arbitration Association or any similar successor organization to furnish a list of three members of said Association. The Register shall communicate the names together with such information as may be appropriate to all parties of interest. And such party within twenty days from the date said communication is sent may submit to the Register written objections to any or all of the proposed names. If no such objections are received, or if the Register determines that said objections are not well founded, he shall certify the appointment of the three designated individuals to constitute a panel of the Tribunal for the consideration of the specified rate or royalty distribution. Such panel shall function as the Tribunal established in section 801. If the Register determines that the objections to the designation of one or more of the proposed individuals are well founded, the Register shall request the American Arbitration Association or any similar successor organization to propose the necessary number of substitute individuals. Upon receiving such additional names the Register shall constitute the panel. The Register shall designate one member of the panel as Chairman.

(b) If any member of a panel becomes unable to perform his duties, the Register, after consultation with the parties, may provide for the selection of a successor in the manner prescribed in subsection (a).

§ 804. Procedures of the Tribunal

(a) The Tribunal shall fix a time and place for its proceedings and shall cause notice to be given to the parties.

(b) Any organization or person entitled to participate in the proceedings may appear directly or be represented by counsel.

(c) Except as otherwise provided by law, the Tribunal shall determine its own procedure. For the purpose of carrying out the provisions of this chapter, the Tribunal may hold hearings, administer oaths, and require, by subpoena or otherwise, the attendance and testimony of witnesses and the production of documents.

(d) Every final decision of the Tribunal shall be in writing and shall state the reasons therefor.

(e) The Tribunal shall render a final decision in each proceeding within one year from the certification of the panel. Upon a showing of good cause, the Senate Committee on the Judiciary and the House of Representatives Committee on the Judiciary may waive this requirement in a particular proceeding.

§ 805. Compensation of members of the Tribunal: Expenses of the Tribunal

(a) In proceedings for the distribution of royalty fees, the compensation of members of the Tribunal and other expenses of the Tribunal shall be deducted prior to the distribution of the funds.

(b) In proceedings for the determination of royalty rates, there is hereby authorized to be appropriated such sums as may be necessary.

(c) The Library of Congress is authorized to furnish facilities and incidental service to the Tribunal.

(d) The Tribunal is authorized to procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code.

§ 806. Reports to the Congress

The Tribunal immediately upon making a final determination in any proceeding with respect to royalty rates, shall transmit its decision, together with the reasons therefor, to the Secretary of the Senate and the Clerk of the House of Representatives for reference to the Judiciary Committees of the Senate and the House of Representatives.

§ 807. Effective date of royalty adjustment

(a) Prior to the expiration of the first period of ninety calendar days of continuous session of the Congress, following the transmittal of the report specified in section 806, either House of the Congress may adopt a resolution stating in substance that the House does not favor the recommended royalty determination, and such determination, therefore, shall not become effective.

(b) For the purposes of subsection (a) of this section

(1) Continuity of session shall be considered as broken only by an adjournment of the Congress sine die, and

(2) In the computation of the ninety-day period there shall be excluded the days on which either House is not in session because of an adjournment of more than three days to a day certain.

(c) In the absence of the passage of such a resolution by either House during said ninety-day period, the final determination of royalty rates by the Tribunal shall take effect on the first day following ninety calendar days after the expiration of the period specified by subsection (a).

(d) The Register of Copyrights shall give notice of such effective date by publication in the Federal Register not less than sixty days before said date.

§ 808. Effective date of royalty distribution

A final determination of the Tribunal concerning the distribution of royalty fees deposited with the Register of Copyrights pursuant to sections 111 and 116 shall become effective thirty days following such determination unless prior to that time an application has been filed pursuant to section 809 to vacate, modify or correct the determination, and notice of such application has been served upon the Register of Copyrights. The Register upon the expiration of thirty days shall distribute such royalty fees not subject to any application filed pursuant to section 809.

§ 809. Judicial review

In any of the following cases the United States District Court for the District of Columbia may make an order vacating, modifying or correcting a final determination of the Tribunal concerning the distribution of royalty fees—

(a) Where the determination was procured by corruption, fraud, or undue means.

(b) Where there was evident partiality or corruption in any member of the panel.

(c) Where any member of the panel was guilty of any misconduct by which the rights of any party have been prejudiced.

TRANSITIONAL AND SUPPLEMENTARY PROVISIONS

SEC. 102. This title becomes effective on January 1, 1977, except as otherwise provided by section 304(b) of title 17 as amended by this title.

SEC. 103. This title does not provide copyright protection for any work that goes into the public domain before January 1, 1977. The exclusive rights, as provided by section 106 of title 17 as amended by this title, to reproduce a work in phonorecords and to distribute phonorecords of the work, do not extend to any nondramatic musical work copyrighted before July 1, 1909.

SEC. 104. All proclamations issued by the President under sections 1(e) or 9(b) of title 17 as it existed on December 31, 1976, or under previous copyright statutes of the United States shall continue in force until terminated, suspended, or revised by the President.

SEC. 105. (a) (1) Section 505 of title 44, United States Code, Supplement IV, is amended to read as follows:

"§ 505. Sale of duplicate plates

"The Public Printer shall sell, under regulations of the Joint Committee on Printing to persons who may apply, additional or duplicate stereotype or electrotype plates from which a Government publication is printed, at a price not to exceed the cost of composition, the metal, and making to the Government, plus 10 per centum, and the full amount of the price shall be paid when the order is filed."

(2) The item relating to section 505 in the sectional analysis at the beginning of chapter 5 of title 44, United States Code, is amended to read as follows:

"505. Sale of duplicate plates."

(b) Section 2113 of title 44, United States Code, is amended to read as follows:

"§ 2113. Limitation on liability

"When letters and other intellectual productions (exclusive of patented material, published works under copyright protection, and unpublished works for which copyright registration has been made) come into the custody or possession of the Administrator of General Services, the United States or its agents are not liable for infringement of copyright or analogous rights arising out of use of the materials for display, inspection, research, reproduction, or other purposes."

(c) In section 1498(b) of title 28 of the United States Code, the phrase "section 101(b) of title 17" is amended to read "section 504(c) of title 17".

(d) Section 543(a)(4) of the Internal Revenue Code of 1954, as amended, is amended by striking out "(other than by reason of section 2 or 6 thereof)".

(e) Section 3202(a) of title 39 of the United Sates Code is amended by striking out clause (5). Section 3206(c) of title 39 of the United States Code is amended by striking out clause (c). Section 3206(d) is renumbered (c).

(f) Subsection (a) of section 290(e) of title 15 of the United States Code, is amended by deleting the phrase "section 8" and inserting in lieu thereof, the phrase "section 105".

SEC. 106. In any case where, before January 1, 1977, a person has lawfully made parts of instruments serving to reproduce mechanically a copyrighted work under the compulsory license provisions of section 1(e) of title 17 as it existed on December 31, 1976, he may continue to make and distribute such parts embodying the same mechanical reproduction without obtaining a new compulsory license under the terms of section 115 of title 17 as amended by this title. However, such parts made on or after January 1, 1977, constitute phonorecords and are otherwise subject to the provisions of said section 115.

SEC. 107. In the case of any work in which an ad interim copyright is subsisting or is capable of being secured on December 31, 1976, under section 22 of title 17 as it existed on that date, copyright protection is hereby extended to endure for the term or terms provided by section 304 of title 17 as amended by this title.

SEC. 108. The notice provisions of sections 401 through 403 of title 17 as amended by this title apply to all copies or phonorecords publicly distributed on or after January 1, 1977. However, in the case of a work published before January 1, 1977, compliance with the notice provisions of title 17 either as it existed on December 31, 1976, or as amended by this title, is adequate with respect to copies publicly distributed after December 31, 1976.

SEC. 109. The registration of claims to copyright for which the required deposit, application, and fee were received in the Copyright Office before January 1, 1977, and the recordation of assignments of copyright or other instruments received in the Copyright Office before January 1, 1977, shall be made in accordance with title 17 as it existed on December 31, 1976.

SEC. 110. The demand and penalty provisions of section 14 of title 17 as it existed on December 31, 1976, apply to any work in which copyright has been secured by publication with notice of copyright on or before that date, but any deposit and registration made after that date in response to a demand under that section shall be made in accordance with the provisions of title 17 as amended by this title.

SEC. 111. Section 2318 of title 18 of the United States Code is amended to read as follows:

"§ 2318. Transportation, sale or receipt of phonograph records bearing forged or counterfeit labels

"(a) Whoever knowingly and with fraudulent intent transports, causes to be transported, receives, sells, or offers for sales in interstate or foreign commerce any phonograph record, disk, wire, tape, film, or other article on which sounds are recorded, to which or upon which is stamped, pasted, or affixed any forged or counterfeited label, knowing the label to have been falsely made, forged, or counterfeited shall be fined not more than $25,000 or imprisoned for not more than three years, or both, for the first such offense and shall be fined not more than $50,000 or imprisoned not more than seven years or both, for any subsequent offense.

"(b) When any person is convicted of any violation of subsection (a), the court in its judgment of conviction shall, in addition to the penalty therein prescribed, order the forfeiture and destruction or other disposition of all counterfeit labels and all articles to which counterfeit labels have been affixed or which were intended to have had such labels affixed.

"(c) Except to the extent they are inconsistent with the provisions of this title, all provisions of section 509, title 17, United States Code, are applicable to violations of subsection (a).".

SEC. 112. All causes of action that arose under title 17 before January 1, 1977, shall be governed by title 17 as it existed when the cause of action arose.

SEC. 113. If any provision of title 17, as amended by this title, is declared unconstitutional, the validity of the remainder of the title is not affected.

TITLE II—PROTECTION OF ORNAMENTAL DESIGNS OF USEFUL ARTICLES

DESIGNS PROTECTED

SEC. 201. (a) The author or other proprietor of an original ornamental design of a useful article may secure the protection provided by this title upon complying with and subject to the provisions hereof.

(b) For the purposes of this title—

(1) A "useful article" is an article which in normal use has an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information. An article which normally is a part of a useful article shall be deemed to be a useful article.

(2) The "design of a useful article", hereinafter referred to as a "design", consists of those aspects or elements of the article, including its two-dimensional or three-dimensional features of shape and surface, which make up the appearance of the article.

(3) A design is "ornamental" if it is intended to make the article attractive or distinct in appearance.

(4) A design is "original" if it is the independent creation of an author who did not copy it from another source.

DESIGNS NOT SUBJECT TO PROTECTION

SEC. 202. Protection under this title shall not be available for a design that is—

(a) not original;

(b) staple or commonplace, such as a standard geometric figure, familiar symbol, emblem, or motif, or other shape, pattern, or configuration which has become common, prevalent, or ordinary;

(c) different from a design excluded by subparagraph (b), above only in insignificant details or in elements which are variants commonly used in the relevant trades; or

(d) dictated solely by a utilitarian function of the article that embodies it;

(e) composed of three-dimensional features of shape and surface with respect to men's, women's, and children's apparel, including undergarments and outerwear.

REVISIONS, ADAPTATIONS, AND REARRANGEMENTS

SEC. 203. Protection for a design under this title shall be available notwithstanding the employment in the design of subject matter excluded from protection under section 202 (b) through (d), if the design is a substantial revision, adaptation, or rearrangement of said subject matter: *Provided*, That such protection shall be available to a design employing subject matter protected under title I of this Act, or title 35 of the United States Code or this title, only if such protected subject matter is employed with the consent of the proprietor thereof. Such protection shall be independent of any subsisting protection in subject matter employed in the design, and shall not be construed as securing any right to subject matter excluded from protection or as extending any subsisting protection.

COMMENCEMENT OF PROTECTION

SEC. 204. The protection provided for a design under this title shall commence upon the date of publication of the registration pursuant to section 212(a).

TERM OF PROTECTION

SEC. 205. (a) Subject to the provisions of this title, the protection herein provided for a design shall continue for a term of five years from the date of the commencement of protection as provided in section 204, but if a proper application for renewal is received by the Administrator during the year prior to the expiration of the five-year term, the protection herein provided shall be extended for an additional period of five years from the date of expiration of the first five years.

(b) Upon expiration or termination of protection in a particular design as provided in this title all rights under this title in said design shall terminate, regardless of the number of different articles in which the design may have been utilized during the term of its protection.

THE DESIGN NOTICE

SEC. 206. (a) Whenever any design for which protection is sought under this title is made public as provided in section 209(b), the proprietor shall, subject to the provisions of section 207, mark it or have it marked legibly with a design notice consisting of the following three elements:

(1) the words "Protected Design", the abbreviation "Prot'd Des." or the letter "D" within a circle thus Ⓓ;

(2) the year of the date on which the design was registered; and

(3) the name of the proprietor, an abbreviation by which the name can be recognized, or a generally accepted alternative designation of the proprietor; any distinctive identification of the proprietor may be used if it has been approved and recorded by the Administrator before the design marked with such identification is registered.

After registration the registration number may be used instead of the elements specified in (2) and (3) hereof.

(b) The notice shall be so located and applied as to give reasonable notice of design protection while the useful article embodying the design is passing through its normal channels of commerce. This requirement may be fulfilled, in the case of sheetlike or strip materials bearing repetitive or continuous designs, by application of the notice to each repetition, or to the margin, selvage, or reverse side of the material at reasonably frequent intervals, or to tags or labels affixed to the material at such intervals.

(c) When the proprietor of a design has complied with the provisions of this section, protection under this title shall not be affected by the removal, destruction, or obliteration by others of the design notice on an article.

EFFECT OF OMISSION OF NOTICE

SEC. 207. The omission of the notice prescribed in section 206 shall not cause loss of the protection or prevent recovery for infringement against any person who, after written notice of the design protection, begins an undertaking leading to infringement: *Provided*, That such omission shall prevent any recovery under section 222 against a person who began an undertaking leading to infringement before receiving written notice of the design protection, and no injunction shall be had unless the proprietor of the design shall reimburse said person for any reasonable expenditure or contractual obligation in connection with such-undertaking incurred before written notice of design protection, as the court in its discretion shall direct. The burden of proving written notice shall be on the proprietor.

INFRINGEMENT

SEC. 208. (a) It shall be infringement of a design protected under this title for any person, without the consent of the proprietor of the design, within the United States or its territories or possessions and during the term of such protection, to—

(1) make, have made, or import, for sale or for use in trade, any infringing article as defined in subsection (d) hereof; or

(2) sell or distribute for sale for use in trade any such infringing article: Provided, however, That a seller or distributor of any such article who did not make or import the same shall be deemed to be an infringer only if—

(i) he induced or acted in collusion with a manufacturer to make, or an importer to import such article (merely purchasing or giving an order to purchase in the ordinary course of business shall not of itself constitute such inducement or collusion); or

(ii) he refuses or fails upon the request of the proprietor of the design to make a prompt and full disclosure of his source of such article, and he orders or reorders such article after having received notice by registered or certified mail of the protection subsisting in the design.

(b) It shall be not infringement to make, have made, import, sell, or distribute, any article embodying a design created without knowledge of, and copying from, a protected design.

(c) A person who incorporates into his own product of manufacture an infringing article acquired from others in the ordinary course of business, or who, without knowledge of the protected design, makes or processes an infringing article for the account of another person in the ordinary course of business, shall not be deemed an infringer except under the conditions of clauses (i) and (ii) of paragraph (a)(2) of this section. Accepting an order or reorder from the source of the infringing article shall be deemed ordering or reordering within the meaning of clause (ii) of paragraph (a)(2) of this section.

(d) An "infringing article" as used herein is any article, the design of which has been copied from the protected design, without the consent of the proprietor: *Provided, however*, That an illustration or picture of a protected design in an advertisement, book, periodical, newspaper, photograph, broadcast, motion picture, or similar medium shall not be deemed to be an infringing article. An article is not an infringing article if it embodies, in common with the protected design, only elements described in subsections (a) through (d) of section 202.

(e) The party alleging rights in a design in any action or proceeding shall have the burden of affirmatively establishing its originality whenever the opposing party introduces an earlier work which is identical to such design, or so similar as to make a prima facie showing that such design was copied from such work.

APPLICATION FOR REGISTRATION

SEC. 209. (a) Protection under this title shall be lost if application for registration of the design is not made within six months after the date on which the design was first made public.

(b) A design is made public when, the proprietor of the design or with his consent, an existing useful article embodying the design is anywhere publicly exhibited, publicly distributed, or offered for sale or sold to the public.

(c) Application for registration or renewal may be made by the proprietor of the design.

(d) The application for registration shall be made to the Administrator and shall state (1) the name and address of the author or authors of the design; (2) the name and address of the proprietor if different from the author; (3) the specific name of the article, indicating its utility; and (4) such other information as may be required by the Administrator. The application for registration may include a description setting forth the salient features of the design, but the absence of such a description shall not prevent registration under this title.

(e) The application for registration shall be accompanied by a statement under oath by the applicant or his duly authorized agent or representative, setting forth that, to the best of his knowledge and belief (1) the design is original and was created by the author or authors named in the application; (2) the design has not previously been registered on behalf of the applicant or his predecessor in title; and (3) the applicant is the person entitled to protection and to registration under this title. If the design has been made public with the design notice prescribed in section 206, the statement shall also describe the exact form and position of the design notice.

(f) Error in any statement or assertion as to the utility of the article named in the application, the design of which is sought to be registered, shall not affect the protection secured under this title.

(g) Errors in omitting a joint author or in naming an alleged joint author shall not affect the validity of the registration, or the actual ownership or the protection of the design: *Provided*, That the name of one individual who was in fact an author is stated in the application. Where the design was made within the regular scope of the author's employment and individual authorship of the design is difficult or impossible to ascribe and the application so states, the name and address of the employer for whom the design was made may be stated instead of that of the individual author.

(h) The application for registration shall be accompanied by two copies of a drawing or other pictorial representation of a useful article having one or more views, adequate to show the design, in a form and style suitable for reproduction, which shall be deemed a part of the application.

(i) Where the distinguishing elements of a design are in substantially the same form in a number of different useful articles, the design shall be protected as to all such articles when protected as to one of them, but not more than one registration shall be required.

(j) More than one design may be included in the same application under such conditions as may be prescribed by the Administrator. For each design included in an application the fee prescribed for a single design shall be paid.

BENEFIT OF EARLIER FILING DATE IN FOREIGN COUNTRY

SEC. 210. An application for registration of a design filed in this country by any person who has, or whose legal representative or predecesor or successor in title has previously regularly filed an application for registration of the same design in a foreign country which affords similar privileges in the case of applications filed in the United States or to citizens of the United States shall have the same effect as if filed in this country on the date on which the application was first filed in any such foreign country, if the application in this country is filed within six months from the earliest date on which any such foreign application was filed.

OATHS AND ACKNOWLEDGMENTS

SEC 211. (a) Oaths and acknowledgments required by this title may be made before any person in the United States authorized by law to administer oaths, or, when made in a foreign country, before any diplomatic or consular officer of the United States authorized to administer oaths, or before any official authorized to administer oaths in the foreign country concerned, whose authority shall be proved by a certificate of a diplomatic or consular officer of the United States, and shall be valid if they comply with the laws of the state or country where made.

(b) The Administrator may by rule prescribe that any document to be filed in the Office of the Administrator and which is required by any law, rule, or other regulation to be under oath may be subscribed to by a written declaration in such form as the Administrator may prescribe, such declaration to be in lieu of the oath otherwise required.

(c) Whenever a written declaration as permitted in subsection (b) is used, the document must warn the declarant that willful false statements and the like are punishable by fine or imprisonment, or both (18 U.S.C. 1001) and may jeopardize the validity of the application or document or a registration resulting therefrom.

EXAMINATION OF APPLICATION AND ISSUE OR REFUSAL OF REGISTRATION

SEC. 212. (a) Upon the filing of an application for registration in proper form as provided in section 209, and upon payment of the fee provided in section 215, the Administrator shall determine whether or not the application relates to a design which on its face appears to be subject to protection under this title, and if so, he shall register the design. Registration under this subsection shall be announced by publication. The date of registration shall be the date of publication.

(b) If, in his judgment, the application for registration relates to a design which on its face is not subject to protection under this title, the Administrator shall send the applicant a notice of his refusal to register and the grounds therefor. Within three months from the date the notice of refusal is sent, the applicant may request, in writing, reconsideration of his application. After consideration of such a request, the Administrator shall either register the design or send the applicant a notice of his final refusal to register.

(c) Any person who believes he is or will be damaged by a registration under this title may, upon payment of the prescribed fee, apply to the Administrator at any time to cancel the registration on the ground that the design is not subject to protection under the provisions of this title, stating the reasons therefor. Upon receipt of an application for cancellation, the Administrator shall send the proprietor of the design, as shown in the records of the Office of the Administrator, a notice of said application, and the proprietor shall have a period of three months from the date such notice was mailed in which to present arguments in support of the validity of the registration. It shall also be within the authority of the Administrator to establish, by regulation, conditions under which the opposing parties may appear and be heard in support of their arguments. If, after the periods provided for the presentation of arguments have expired, the Administrator determines that the applicant for cancellation has established that the design is not subject to protection under the provisions of this title, he shall order the registration stricken from the record. Cancellation under this subsection shall be announced by publication, and notice of the Administrator's final determination with respect to any application for cancellation shall be sent to the applicant and to the proprietor of record.

(d) Remedy against a final adverse determination under subparagraphs (b) and (c) above may be had by means of a civil action against the Administrator pursuant to the provision of section 1361 of title 28, United States Code, if commenced within such time after such decision, not less than 60 days, as the Administrator appoints.

(e) When a design has been registered under this section, the lack of utility of any article in which it has been embodied shall be no defense to an infringement action under section 220, and no ground for cancellation under subsection (c) of this section or under section 223.

CERTIFICATION OF REGISTRATION

SEC. 213. Certificates of registration shall be issued in the name of the United States under the seal of the Office of the Administrator and shall be recorded in the official records of that Office. The certificate shall state the name of the useful article, the date of filing of the application, the date of registration, and shall contain a reproduction of the drawing or other pictorial representation showing the design. Where a description of the salient features of the design appears in the application, this description shall also appear in the certificate. A renewal certificate shall contain the date of renewal registration in addition to the foregoing. A certificate of initial or renewal registration shall be admitted in any court as prima facie evidence of the facts stated therein.

PUBLICATION OF ANNOUNCEMENTS AND INDEXES

SEC. 214. (a) The Administrator shall publish lists and indexes of registered designs and cancellations thereof and may also publish the drawing or other pictorial representations of registered designs for sale or other distribution.

(b) The Administrator shall establish and maintain a file of the drawings or other pictorial representations of registered designs, which file shall be available for use by the public under such conditions as the Administrator may prescribe.

FEES

SEC. 215. (a) There shall be paid to the Administrator the following fees:

(1) On filing each application for registration or for renewal of registration of a design, $15.

(2) For each additional related article included in one application, $10.

(3) For recording assignment, $3 for the first six pages, and for each additional two pages or less, $1.

(4) For a certificate of correction of an error not the fault of the Office, $10.

(5) For certification of copies or records, $1.

(6) On filing each application for cancellation of a registration, $15.

(b) The Administrator may establish charges for materials or services furnished by the Office, not specified above, reasonably related to the cost thereof.

REGULATIONS

SEC. 216. The Administrator may establish regulations not inconsistent with law for the administration of this title.

COPIES OF RECORDS

SEC. 217. Upon payment of the prescribed fee, any person may obtain a certified copy of any official record of the Office of the Administrator, which copy shall be admissible in evidence with the same effect as the original.

CORRECTION OF ERRORS IN CERTIFICATES

SEC. 218. The Administrator may correct any error in a registration incurred through the fault of the Office, or, upon payment of the required fee, any error of a clerical or typographical nature not the fault of the Office occurring in good faith, by a certificate of correction under seal. Such registration, together with the certificate, shall thereafter have the same effect as if the same had been originally issued in such corrected form.

OWNERSHIP AND TRANSFER

SEC. 219. (a) The property right in a design subject to protection under this title shall vest in the author, the legal representatives of a deceased author or of one under legal incapacity, the employer for whom the author created the design in the case of a design made within the regular scope of the author's employment, or a person to whom the rights of the author or of such employer have been transferred. The person or persons in whom the property right is vested shall be considered the proprietor of the design.

(b) The property right in a registered design, or a design for which an application for registration has been or may be filed, may be assigned, granted, conveyed, or mortgaged by an intrument in writing, signed by the proprietor, or may be bequeathed by will.

(c) An acknowledgement as provided in section 211 shall be prima facie evidence of the execution of an assignment, grant, conveyance, or mortgage.

(d) An assignment, grant, conveyance, or mortgage shall be void as against any subsequent purchaser or mortgagee for a valuable consideration, without notice, unless it is recorded in the Office of the Administrator within there months from its date of execution or prior to the date of such subsequent purchase or mortgage.

REMEDY FOR INFRINGEMENT

SEC. 220. (a) The proprietor of a design shall have remedy for infringement by civil action instituted after issuance of a certificate of registration of the design.

(b) The proprietor of a design may have judicial review of a final refusal of the Administrator to register the design, by a civil action brought as for infringement if commenced within the time specified in section 212(d), and shall have remedy for infringement by the same action if the court adjudges the design subject to protection under this title: *Provided, That* (1) he has previously duly filed and duly prosecuted to such final refusal an application in proper form for registration of the designs, and (2) he causes a copy of the complaint in action to be delivered to the Administrator within ten days after the commencement of the action, and (3) the defendant has committed acts in respect to the design which would constitute infringement with respect to a design protected under this title.

INJUNCTION

Sec. 221. The several courts having jurisdiction of actions under this title may grant injunctions in accordance with the principles of equity to prevent infringement, including in their discretion, prompt relief by temporary restraining orders and preliminary injunctions.

RECOVERY FOR INFRINGEMENT, AND SO FORTH

Sec. 222. (a) Upon finding for the claimant the court shall award him damages adequate to compensate for the infringement, but in no event less than the reasonable value the court shall assess them. In either event the court may increase the damages to such amount, not exceeding $5,000 or $1 per copy, whichever is greater, as to the court shall appear to be just. The damages awarded in any of the above circumstances shall constitute compensation and not a penalty. The court may receive expert testimony as an aid to the determination of damages.

(b) No recovery under paragraph (a) shall be had for any infringement committed more than three years prior to the filing of the complaint.

(c) The court may award reasonable attorney's fees to the prevailing party. The court may also award other expenses of suit to a defendant prevailing in an action brought under section 220(b).

(d) The court may order that all infringing articles, and any plates, molds, patterns, models, or other means specifically adapted for making the same be delivered up for destruction or other disposition as the court may direct.

POWER OF COURT OVER REGISTRATION

Sec. 223. In any action involving a design for which protection is sought under this title, the court when appropriate may order registration of a design or the cancellation of a registration. Any such order shall be certified by the court to the Administrator, who shall make appropriate entry upon the records of his Office.

LIABILITY FOR ACTION ON REGISTRATION FRAUDULENTLY OBTAINED

Sec. 224. Any person who shall bring an action for infringement knowing that registration of the design was obtained by a false or fraudulent representation materially affecting the rights under this title, shall be liable in the sum of $1,000, or such part thereof as the court may determine, as compensation to the defendant, to be charged against the plaintiff and paid to the defendant, in addition to such costs and attorney's fees of the defendant as may be assessed by the court.

PENALTY FOR FALSE MARKING

Sec. 225. (a) Whoever, for the purpose of deceiving the public, marks upon, or applies to, or uses in advertising in connection with any article made, used, distributed, or sold by him, the design of which is not protected under this title, a design notice as specified in section 206 or any other words or symbols importing that the design is protected under this title, knowing that the design is not so protected, shall be fined not more than $500 for every such offense.

(b) Any person may sue for the penalty, in which event, one-half shall go to the person suing and the other to the use of the United States.

PENALTY FOR FALSE REPRESENTATION

Sec. 226. Whoever knowingly makes a false representation materially affecting the rights obtainable under this title for the purpose of obtaining registration of a design under this title shall be fined not less than $500 and not more than $1,000, and any rights or privileges he may have in the design under this title shall be forfeited.

RELATION TO COPYRIGHT LAW

Sec. 227. (a) Nothing in this title shall affect any right or remedy now or hereafter held by any person under title I of this Act subject to the provisions of section 113(c) of title I.

(b) When a pictorial, graphic, or sculptural work in which copyright subsists under title I of this Act is utilized in an original ornamental design of a useful article, by the copyright proprietor or under an express license from him, the design shall be eligible for protection under the provisions of this title.

RELATION TO PATENT LAW

Sec. 228. (a) Nothing in this title shall affect any right or remedy available to or held by any person under title 35 of the United States Code.

(b) The issuance of a design patent for an ornamental design for an article of manufacture under said title 35 shall terminate any protection of the design under this title.

COMMON LAW AND OTHER RIGHTS UNAFFECTED

Sec. 229. Nothing in this title shall annul or limit (1) common law or other rights or remedies, if any, available to or held by any person with respect to a design which has not been registered under this title, or (2) any trademark right or right to be protected against unfair competition.

ADMINISTRATOR

Sec. 230. The Administrator and Office of the Administrator referred to in this title shall be such officer and office as the President may designate.

SEVERABILITY CLAUSE

Sec. 231. If any provision of this title or the application of such provision to any person or circumstance is held invalid, the remainder of the title or the application to other persons or circumstances shall not be affected thereby.

AMENDMENT OF OTHER STATUTES

Sec. 232. (a) Subdivision a(2) of section 70 of the Bankruptcy Act of July 1, 1898, as amended (11 U.S.C. 110(a)), is amended by inserting "designs," after "patent rights".

(b) Title 28 of the United States Code is amended—

(1) by inserting "designs," after "patents," in the first sentence of section 1338(a);

(2) by inserting ", design," after "patent" in the second sentence of section 1338(a);

(3) by inserting "design," after "copyright," in section 1338(b);

(4) by inserting "and registered designs" after "copyrights" in section 1400; and

(5) by revising section 1498(a) to read as follows:

"(a) Whenever a registered design or invention is used or manufactured by or for the United States without license of the owner thereof or lawful right to use or manufacture the same, the owner's remedy shall be by action against the United States in the Court of Claims for the recovery of his reasonable and entire compensation for such use and manufacture.

"For the purposes of this section, the use or manufacture of a registered design or an invention described in and covered by a patent of the United States by a contractor, a subcontractor, or any person, firm, or corporation for the Government and with the authorization or consent of the Government, shall be construed as use or manufacture for the United States.

"The court shall not award compensation under this section if the claim is based on the use or manufacture by or for the United States of any article owned, leased, used by, or in the possession of the United States, prior to, in the case of an invention, July 1, 1918, and in the case of a registered design, July 1, 1978.

"A Government employee shall have the right to bring suit against the Government under this section except where he was in a position to order, influence, or induce use of the registered design or invention by the Government. This section shall not confer a right of action on any registrant or patentee or any assignee of such registrant or patentee with respect to any design created by or invention discovered or invented by a person while in the employment or services of the United States, where the design or invention was related to the official functions of the employee, in cases in which such functions included research and development, or in the making of which Government time, materials, or facilities were used."

TIME OF TAKING EFFECT

Sec. 233. This title shall take effect one year after enactment of this Act.

NO RETROACTIVE EFFECT

Sec. 234. Protection under this title shall not be available for any design that has been made public as provided in section 209(b) prior to the effective date of this title.

SHORT TITLE

Sec. 235. This title may be cited as "The Design Protection Act of 1975".

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, on September 9, 1974, the Senate by a vote of 70 to 1, passed the legislation for the general revision of the copyright law. It was then anticipated that the House of Representatives would not have time to consider the bill in the remaining weeks of the 93d Congress, and that it would be necessary for the Senate to again consider the copyright legislation in the 94th Congress.

The Committee on the Judiciary has reported by unanimous vote substantially the same bill passed by the Senate in 1974. That is the pending bill. Floor debate focused then on two issues—the creation of a performance right in sound recordings, and the carriage of sporting events by cable television systems. By rollcall votes the Senate decided not to include language on those issues in the bill. No provisions on these subjects are found in the pending bill.

This legislation has been under extensive consideration by the Subcommittee on Copyrights for a number of years. During this period the subcommittee held 19 days of hearings and received testimony from approximately 200 witnesses. Unfortunately, the progress of this legislation was necessarily delayed because of events beyond the control of the subcommittee.

The adoption of copyright legislation is one of the powers of the Congress specifically enumerated in article I of the Constitution. Our first copyright law was enacted in the very first session of the Congress in 1790. Since then it has been generally revised on only three occasions, the last being in 1909.

Although this legislation provides for a complete revision of title 17 of the U.S. Code, only a few sections of S. 22 are still controversial.

While it is understandable that our debate should center on those sections, it should not obscure the many beneficial provisions of this legislation, which are not in dispute.

The Constitution makes clear that the purpose of protecting the rights of an author is to promote the public interest. But, as stated in the committee report on the Act of 1909—

> The granting of such exclusive rights, under the proper terms and conditions, confers a benefit upon the public that outweighs the evils of the temporary monopoly.

Some of the most important provisions of this legislation are found in chapter 3 relating to the duration of copyright. The existing statute provides for an initial term of 28 years with the option of a renewal for a second term of the same duration. S. 22 establishes a general copyright term for the life of the author and 50 years after his death. The adoption of this term will bring U.S. law into conformity with the generally recognized international standard. As life expectancy has increased, the existing 56-year term does not insure that an author and his dependents will receive reasonable monetary recognition throughout their life. More and more authors are seeing their works fall into the public domain during their lifetimes. However, even with the revised copyright term, the treatment of authors under this legislation is less favorable than in the copyright legislation of most major nations of the western world.

With respect to the use of copyrighted materials for nonprofit purposes, the bill in the judgment of the committee provides a carefully structure balance between the legitimate rights of the creators, and the reasonable needs of users. Particular attention has been given to the concerns of classroom teachers and public libraries. A detailed discussion of these subjects is contained in those portions of the committee report devoted to an explanation of sections 107 and 108 of S. 22. The committee is satisfied that the provisions of this legislation will not interfere with the reasonable needs of education and libraries. I can assure the Senate that the committee carefully considered the scope of all the educational and library exemptions. I hope that the Senate will not disturb the delicate balance achieved on these issues by the committee.

Members of the Senate have received considerable correspondence recommending or opposing changes in section 108 relating to photocopying by public libraries. This section of the bill supplements the doctrine of fair use contained in section 107, and nothing in section 108 is intended in any way to prevent such photocopying as may be permissible under the criteria of section 107. Section 108 contains a series of limitations on the exclusive rights of authors for the benefit of the patrons of public libraries. To protect the rights of authors from gradual erosion by wholesale photocopying, subsection (g) provides that the reproduction rights do not apply to the "concerted" or "systematic" reproductions of certain materials.

In order that the legislative intent of this section may be clear, it may be useful to describe the relationship between the several limitations on exclusive rights and the language of subsection (g). Particular interest has been manifested in the relationship between subsections (d) and (g). During the final subcommittee hearings, the representatives of the library associations proposed the inclusion in section 108 of a specific provision stating that it was not an infringement of copyright for a library to furnish a patron with a single copy of one article from a periodical, or a small part of an entire work. This proposal was considered at great length in the subcommittee markup of this legislation. The subcommittee examined whether particular library photocopying practices could reasonably be considered as the making of a single copy. It was concluded that certain practices did not come within the scope of what is now subsection (d). Illustrative of these practices are the examples of "systematic copying" set forth in the committee report discussion of section 108.

It is thus erroneous to contend that the reference to "systematic" reproduction in subsection (g) takes away reproduction rights intended to be authorized by subsection (d). The inclusion of subsection (g) is appropriate so that the statutory provision provides a reasonable balancing of the rights of authors, and the needs of libraries and their patrons.

Neither a statute nor legislative history can specify exactly which photocopying practices constitute the making of "single copies" as distinguished from "systematic reproduction." The committee has therefore recommended that the representatives of authors, book and peridical publishers and other owners of copyrighted material meet with the library community to formulate photocopying guidelines to assist library patrons and employees. As to library photocopying practices not exempted by this legislation, the committee has recommended that workable clearance and licensing procedures be developed.

The National Commission on Libraries and Information Science has adopted a resolution urging the Congress at the present time to provide only an interim resolution of the photocopying issue, and to require a review of the statutory provisions and related matters in 1980. I not only fully support the objectives of the National Commission on Libraries, but on my initiative, the Congress already has acted to provide the mechanism for the ongoing review desired by the National Commission. When it became apparent that action on the revision project could not be concluded in the 93d Congress, I introduced legislation which became Public Law 93-573 to establish a National Commission on New Technological Uses of Copyrighted Works. The Commission has been given the assignment of studying copyright law and procedures in light of developing technology and to make appropriate recommendations to the Congress. I specifically included in my bill authorization for the Commission to conduct whatever further study of the library photocopying questions that may be necessary. Thus, the Congress already has provided in the National Commission on New Technological Uses of Copyrighted Works the mechanism for further study of this issue.

Other than for minor clarifying amendments, section 111 of the bill relating to secondary transmissions by cable television systems is identical to the bill passed by the Senate in the 93d Congress. The provisions of section 111 were reviewed in the last Congress by the Committee on Commerce. At the completion of that review, the chairman of the Communications Subcommittee of the Commerce Committee advised the Senate on September 6, 1974, that the Commerce Committee does not have any further reason to deal with that matter and the Judiciary Committee could assume exclusive jurisdiction.

Section 111 undertakes to resolve the coyright liability of cable television systems in a manner consistent with the regulatory scheme adopted by the Federal Communications Commission. This legislation does not determine what signals may be carried by cable television. It grants such systems a copyright compulsory license to carry such signals as are authorized by the Commission. As a condition of the compulsory license, all cable systems would be required to pay a reasonable copyright royalty, the initial schedule of which is established by this legislation.

Section 115 continues the existing compulsory license for the making and distribution of phonorecords. Current law provides a statutory royalty rate, known as the mechanical royalty, of 2 cents for each record manufactured. The bill passed by the Senate in 1974, and the bill reported by the subcommittee in 1975, increased the statutory mechanical royalty to 3 cents. During the consideration of S. 22 in the committee, an amendment was proposed to fix the statutory rate at 2½ cents. I believe that a statutory rate of 3 cents per work is appropriate at the present time, but the committee by majority vote determined on the 2½ cent rate.

Section 118 of S. 22 is entirely new. It is the result of an important amendment proposed by Senator MATHIAS to create a copyright compulsory license for the use by public broadcasting of certain categories of copyrighted works. The subcommittee considered at great length the Mathias amendment and encouraged the interested parties to reach private agreements so as to avoid the difficult policy and procedural issues necessarily presented by a statutory provision. Substantial progress was made on a number of issues and the subcommittee concluded that the issues still in dispute could be resolved if the parties seek reasonable accommodations.

The committee report summarizes the

arguments advanced in support and in opposition to the Mathias amendment. I voted against the adoption of this amendment in the committee, but it was approved by a majority vote of the committee. The Register of Copyrights testified in the House of Representatives that the Copyright Office recommends that the Congress reject the entire revision bill if section 118 is retained in its present form. The Register of Copyrights has objected to the loss of control by authors over the use of their work in a major communications medium, and the dangers of State control and loss of freedom of expression implicit in the proposed system.

One of the most significant provisions of this legislation is chapter 8, which I originally proposed, and which was also contained in the bill passed by the Senate in 1974. Chapter 8 establishes the Copyright Royalty Tribunal to provide a mechanism for the periodic review of the statutory royalty rates, and for the resolution of disputes concerning the distribution of royalty fees. Significant changes in this chapter have been made concerning the cable television and jukebox royalty review procedures.

The bill as passed by the Senate in 1974 directed almost immediate review of the royalty rates, and subsequent reviews at 5 year intervals. The committee has amended S. 22 to provide that the initial review of the rates commence 3 years after the effective date, and that the subsequent reviews be at 10 year intervals.

When the copyright bill in the 93d Congress was referred to the Commerce Committee for review of the provisions related to their jurisdiction, the committee adopted, without any study or hearing, an amendment to freeze the royalty rate paid by jukebox operators. Under the rules of the Senate, the copyright status of the jukebox industry comes exclusively within the jurisdiction of the Committee on the Judiciary. Because of the complicated parliamentary situation prevailing in the Senate when the revision bill was considered in 1974, it would have been difficult to obtain a clear expression of the Senate will on this subject. I thus refrained from requesting a rollcall vote on the Commerce Committee jukebox amendment.

Although the Committee on the Judiciary believes there is no justification for the jukebox amendment adopted in the Commerce Committee, our committee has taken this development into account and I believe the provision now in chapter 8 provides a fair compromise. While the jukebox royalty rate will not be exempted from the review procedures of chapter 8, the date of the initial review and any possible adjustment has been delayed for several years so that the Tribunal can give careful consideration to the impact of the copyright payments on the viability of the jukebox industry.

Mr. President, I shall conclude by quoting two paragraphs from my remarks opening the debate on the copyright revision bill in the 93d Congress. I believe these comments are as valid today as when I originally made them:

As one who has struggled with this bill for many years, I can assure my colleagues that it is impossible to satisfy everyone. Whatever we do will disappoint some interest. It would, perhaps, have been more popular for me to have adopted different positions on some issues in this legislation, or to abandon good faith commitments when circumstances changed.

The Judiciary Committee has tried to resolve each issue by applying the standard of what best promotes the constitutional mandate to encourage and reward authorship. Some may disagree with the conclusions we have reached. All that I ask of them is that they also resolve these issues on the basis of what is right for the country, and not just for the various interests.

Mr. President, the printed copy of Senate Report 94–473 on S. 22 omits one page of the text which I filed in the Senate on November 20, 1975. In order that the complete report of the committee be available, I ask unanimous consent that the omitted page of the printed report be printed at this point in the RECORD.

There being no objection, the excerpt from the report was ordered to be printed in the RECORD, as follows:

The provision also provides that if there is an admission charge the copyright owner may prevent a public performance of his work under this provision by serving a notice stating his objections at least seven days in advance.

Mere reception in public

Unlike the first four clauses of section 110, clause (5) is not to any extent a counterpart of the "for profit" limitation of the present statute. It applies to performances and displays of all types of works, and its purpose is to exempt from copyright liability anyone who merely turns on, in a public place, an ordinary radio or television receiving apparatus of a kind commonly sold to members of the public for private use.

The basic rationale of this clause is that the secondary use of the transmission by turning on an ordinary receiver in public is so remote and minimal that no further liability should be imposed. In the vast majority of these cases no royalties are collected today, and the exemption should be made explicit in the statute.

While this legislation has been under consideration in the Congress, the Federal courts have considered several issues relevant to this exemption in the context of the Copyright Act of 1909. This clause has nothing to do with cable television systems and is not intended to generally exempt performances or displays in commercial establishments for the benefit of customers or employees. Thus, this exemption would not apply where broadcasts are transmitted by means of loudspeakers or similar devices in such establishments as bus terminals, supermarkets, factories and commercial offices, department and clothing stores, hotels, restaurants and quick-service food shops of the type involved in *Twentieth Century Music Corp.* v. *Aiken*. The exemption would also be denied in any case where the audience is charged directly to see or hear the transmission.

Agricultural fairs

Clause (6) provides that the performance of a nondramatic musical work or of a sound recording in the course of an annual agricultural or horticultural fair or exhibition conducted by a Government body or a nonprofit organization is not an infringement of copyright. This exemption extends to all activities on the premises of such fairs or exhibitions.

Retail sale of phonorecords

Clause (7) provides that the performance of a nondramatic musical work or of a sound recording by a retail establishment open to the public at large without any direct or indirect admission charge where the sole purpose of the performance is to promote the retail sale of the work is not an infringement of copyright. This exemption applies only if the performance is not transmitted beyond the place where the establishment is located and is within the immediate area where the sale is occurring.

Handicapped audience

Clause (8) was not included in the bill passed by the Senate in 1974. It has been added to facilitate the special services provided by various noncommercial radio and television stations to a print or aural handicapped audience. It provides that it is not an infringement of copyright to perform a literary work in the course of broadcasts "specifically designed" for a print or aural handicapped audience.

Mr. TUNNEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TUNNEY. Mr. President, I first compliment the distinguished Senator from Arkansas (Mr. McCLELLAN), chairman of the subcommittee, for the work that he has done in bringing this bill to the Chamber. It is clear to all of us that the copyright amendments are about as complicated a proposal as we have had before the Senate in many years. The trouble is that there are many different interests which are affected directly financially and economically by any change in the existing law, and Senator McCLELLAN has for years been holding hearings and doing the necessary spadework to make it possible to bring the bill to the Chamber.

The Senate passed a copyright revision bill a year ago, but unfortunately, we were not able to get the House of Representatives to move on it.

So, here we are back again with this work product which represents literally thousands of hours of effort on the part of Senator McCLELLAN, his staff, other members of the subcommittee, and witnesses who came to testify.

I happen to believe that the product, by and large, represents an equitable balancing of interests, between the various parties affected. Representing as I do the State of California, I have found that there are a number of parties directly affected by the bill, and these parties find themselves frequently on opposite sides of the fence. As a result, it would take the wisdom of Solomon to try and balance the equities, when we have two conflicting viewpoints, such as exists between the motion picture industry and the cable television industry, the broadcasters and the record companies, the musical composers and publishers and the record companies, and the various parties affected by the public broadcasting section. There is no easy solution to any of these problems. I am convinced there is no absolute right or absolute wrong way in which to draft the legislation in its particulars so as to satisfy all parties. I simply do not think that it can be done.

But I think that Senator McCLELLAN has done a superb job of bringing together the parties who held opposite viewpoints on the multitude of separate issues that are involved in this legislation and tried to arrive at some equitable formula for resolving their economic differences. We thrashed out this legislation in the Judiciary Committee. A number of amendments were offered. Some of them carried; some of them were defeated. I know that there are going to be many amendments that are going to be offered in the Chamber when we start voting a week from now.

I simply say that I think the final product that was brought out by Senator McClellan represents the best that we could have hoped for.

I am going to have an amendment myself which some would perhaps suggest is controversial. I do not think that it should be that controversial. However, I expect some serious opposition to it when I bring it up.

One of the things that this bill does is to create a Royalty Tribunal to make royalty adjustments in the area of compulsory licenses. The legislation builds into the law certain royalty rates that the users of copyrighted work must pay for the use of that material when compulsory licenses are applicable. From the time the law first passed in 1909 to today, we have had built into the law a specific royalty that should be paid for certain types of copyright material. The amount of that royalty has not been changed in 67 years. The creation of the Royalty Tribunal will insure that the copyright owners will have a fair and impartial body to address the merits of the economic arguments at set intervals.

It was clear to us, as we were attempting to resolve the differences among the various parties to the numerous disputes that arose as to what was fair in royalty payments, that Congress was ill-equipped to resolve this private economic problem. There ought to be some better way of developing expertise to arrive at fair compensation for use of copyrighted material, rather than having Congress once every 50 or 60 years try in its Solomonic wisdom to reach a judgment on actual dollars and cents payments.

So what we did in the committee was to create a Royalty Tribunal.

There was a great deal of discussion in the committee as to whether the interval of tribunal review should be 5 years or 10 years, or perhaps even a shorter period of time.

The way the bill was reported, it would require the Royalty Tribunal to make its adjustments every 10 years. The cycle would be every decade. My amendment would require that there be a review every 7 years.

It seems to me that with the changing economic circumstances that exist in this country, the way we can have a rapid movement in revenues from one year to the next, it is not fair to have a 10-year delay between reviews of the royalties by the Tribunal.

So I am going to offer an amendment that is very simple. It would cut back the period from 10 years to 7 years that the Tribunal would be making these adjustments.

Initially, when a vote was taken in the Committee on the Judiciary—if my memory is correct—a majority of the committee was in favor of 5 years. Then, at the last moment—actually, after some of us thought that the bill had been reported out of the committee—another vote was taken; and by one vote, as I recall, the 5-year figure was scrapped and a 10-year figure was substituted.

So, inasmuch as there was that closeness in the vote between those who felt it should be 5 years and those who felt it should be 10 years, I am offering, as a compromise, a 7-year proposal. I suppose that, like most compromises, it does not satisfy everyone absolutely. But it is my hope that by offering this compromise, the parties who feel that a 10-year review is going to be unacceptable will not be hurt as badly as the bill provides with the 10-year review.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATE TAXATION OF DEPOSITORIES ACT

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2672.

The PRESIDING OFFICER (Mr. Burdick) laid before the Senate the amendment of the House of Representatives to the bill (S. 2672) to extend the State Taxation of Depositories Act.

(The amendment of the House is printed in the Record of December 16, 1975, beginning at page 40803.)

Mr. GARN. Mr. President, I support this amendment as an effort to prompt passage of S. 2672 in both the Senate and the House and move the bill to the President's desk for signature.

S. 2672 contains a number of important provisions which should be promptly written into law.

The first section will extend the effective date of the State Taxation of Depositories Act to September 12, 1976. This act sought to defer the imposition of all types of "doing business" taxes in States other than the States in which depositories have their principal offices until such time as uniform and equitable methods could be developed for determining jurisdiction to tax and for dividing the tax base. The Advisory Commission on Intergovernmental Relations completed its report on the subject on September 12, 1975. Since the moratorium in the act expired on January 1, 1976, Congress has not had time to implement the recommendations of the Commission. This amendment will extend the moratorium to September 12, 1976, which is a necessary step to avoid confusion and chaos in this complicated situation.

The second provision of S. 2672 was offered by Senator Brooke on the floor of the Senate to extend NOW accounts to Connecticut, Rhode Island, Maine, and Vermont.

Another section of the bill would amend section 167 of the Truth in Lending Act to remove an unintended liability from those credit-card issuers whose participating merchants opt for some form of two-tier pricing. Under the laws of a number of States, discounts imposed at the point of sale may be counted as part of the finance charges for the purposes of the State's usury laws.

Other House amendments to S. 2672 in effect prohibit a merchant from offering a surcharge to a cash customer in lieu of the use of a credit card, but allow a discount in any amount. The amendment now before us would restore the current 5-percent limitation on the amount of a discount which can be offered and would limit the effectiveness of the surcharge provision to 3 years to enable Congress to take a later look at the problem. Since the surcharge issue is surrounded in controversy and the hearings before the Senate Subcommittee on Consumer Affairs were quite limited, I feel that it is most appropriate to give Congress the opportunity to review the matter at a later date.

A most needed House amendment to S. 2672 which I fully support revises section 130(f) of the Truth in Lending Act to authorize the Federal Reserve Board to delegate to an official or employee of the Federal Reserve System the power to issue binding interpretations of the Truth in Lending Act. Under the current section 130(f) a creditor is exempted from liability under truth in lending when he acts in good faith in conformity with any rule, regulations, or interpretation by the Federal Reserve Board. This amendment will encourage the Board to aid those acting in good faith to comply with the law. It is particularly needed in the case of small businesses that do not have expensive legal talent to aid them in conforming with this complex law.

Mr. President, although I am not in accord with every provision of this legislation, I do feel that on balance it is necessary and its prompt passage is in the public interest. I wish to commend both the chairman of the full Banking Committee and the chairman of the Consumer Affairs Subcommittee for their diligent efforts in working out the differences that existed between the House and the Senate on this legislation.

Mr. MANSFIELD. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

(Later in the day the following proceedings occurred:)

Mr. PROXMIRE. Mr. President, I move that the action of the Senate in concurring to the House amendment to S. 2672 be reconsidered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. I move that the Senate concur in the House amendment, with the following amendments, which I send to the desk.

The PRESIDING OFFICER. The amendments will be stated.

The assistant legislative clerk read as follows:

> On page 2 of the House engrossed amendment, strike out lines 22 through 24 and insert in lieu thereof the following:
>
> "(2) The amendment made by paragraph (1) shall cease to be effective upon the expiration of 3 years after the date of enactment of this Act.'
>
> At the end of the House engrossed amendment, add the following:
>
> "SEC. 4. The first section of the Act takes effect on January 1, 1976."

Mr. PROXMIRE. Mr. President, there are two provisions of S. 2672 which are critical and need passage by the Congress at this time. The first of these is an extension of the moratorium on interstate taxation of depository institutions until September 12, 1976, so that the Congress may have time to consider legislation recommended by the Advisory Commission on Intergovernmental Relations pursuant to Public Law 93–100. To have the moratorium expire before Congress considers the basic legislation would be disruptive.

The other provision relates to allowing all Federal financial institutions in the six New England States to offer NOW accounts. Federal institutions may offer NOW accounts at present only in Massachusetts and New Hampshire. However, other New England States are permitting State institutions to offer NOW accounts. Federal financial institutions will be competitively disadvantaged without passage of this bill.

The House and Senate are in full agreement on the content and urgency of these provisions.

The original Senate-passed version of this bill also included a provision amending the Fair Credit Billing Act, to exempt from State usury laws any merchant discounts offered to consumers who pay by cash rather than by credit card. This exemption provision was noncontroversial on both sides of the Congress, and is continued in the House amended bill.

But the House version contained several new items. It would eliminate the 5-percent limit on permissible cash discounts, and would specifically prohibit the imposition of surcharges on credit card customers. In addition the House amendment would authorize the Federal Reserve Board to delegate to its staff the authority to issue interpretations or approvals that would have binding effect in subsequent litigation over violations of the Truth in Lending Act. That is, compliance with such an interpretation would constitute an absolute defense to a creditor until that interpretation was reversed by higher authority.

There is clearly some difference of opinion between the House and some Members of the Senate on the merits of these provisions. The responsive amendments I have just offered are intended to reduce the differences between the two Houses sufficiently to get this important bill passed.

The amendments I offer would reinstate the 5-percent limit on permissible discounts, to assure that creditors are not tempted to lure customers with large, artificial "discounts" based on inflated cash prices. These amendments would also put a 3-year limit on the ban against surcharges, so that the Congress would be forced to review this matter again within that time. That review obviously could consider not only the question whether both discounts and surcharges should be permitted but also whether the 5-percent limit should be retained or whether other adjustments are needed in the rules on two-tier pricing.

The Senate in turn would be accepting the House provision concerning the delegation to Federal Reserve Board staff of the authority to issue binding interpretations of the law and regulations.

Mr. President, there are important provisions in this bill which should not be delayed. I have every reason to believe that the House will be agreeable to the amendments I am offering in a spirit of compromise, and I urge the Senate to accept them.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nominations will be stated.

DEPARTMENT OF DEFENSE

The assistant legislative clerk read the nomination of Frank A. Shrontz, of Virginia, to be an Assistant Secretary.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

UNIFORM SERVICES UNIVERSITY OF THE HEALTH SCIENCES

The assistant legislative clerk proceeded to read sundry nominations in the Uniform Services University of the Health Sciences.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

U.S. AIR FORCE

The assistant legislative clerk proceeded to read sundry nominations in the U.S. Air Force.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

U.S. ARMY

The assistant legislative clerk proceeded to read sundry nominations in the U.S. Army.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

U.S. NAVY

The assistant legislative clerk read the nomination of Earl F. Rectanus to be a vice admiral.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

NOMINATIONS PLACED ON THE SECRETARY'S DESK—AIR FORCE, ARMY, NAVY, AND MARINE CORPS

The assistant legislative clerk proceeded to read sundry nominations in the Air Force, the Army, the Navy, and the Marine Corps which had been placed on the Secretary's desk.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate resume the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILL KOCH WINS OLYMPIC SILVER MEDAL

Mr. LEAHY. Mr. President, as an avid cross-country skier, I want to bring to the attention of my colleagues the achievement of a fellow Vermonter. Bill Koch's cross-country skiing ability resembles mine in about the way a jet plane resembles a Piper Cub. Nonetheless, it is with a great deal of pride that I salute his achievements.

It is something that makes all Vermonters proud, and I know that it is seen with pride by Members of the Senate and all Americans.

His winning of a silver medal, the first time an American has in the 12th Olympics—in fact, the first American to win such a medal—in Nordic cross-country skiing is a matter that should be noted, I believe, on the floor of the Senate.

Mr. President, I ask unanimous consent that an article from this morning's Washington Post sports section—in fact, the lead article in that newspaper—be printed in full in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

KOCH STUNS NORDIC SKIERS, KLAMMER

(By Leonard Shapiro)

INNSBRUCK, Austria, February 5.—Bill Koch is supposed to be America's best cross-country skier. But what does that mean when there are barely a hundred of his countrymen who compete regularly in his grueling specialty?

To Koch, it meant very little at all. "I'm not satisfied with being No. 1 in the U.S.," he told an interviewer recently. "I want to finish consistently in the top 10 internationally."

Today, Koch is satisfied. On a rolling cross-country course in the nearby town of Seefeld, he skied the race of his life in the Olympic 30-kilometer cross-country competition. He won himself a silver medal for finishing second behind a Soviet soldier, Sergei Savaliev.

No American in the long history of Olympic Nordic skiing had ever accomplished that feat. No American, in fact, had ever finished among the top 10.

But then, Koch, a 20-year-old resident of Guilford, Vt., is not like many Americans. For one, he doesn't mind a little pain. Or even a lot of it. And cross-country skiing at 30 kilometers—18 miles, give or take a few meters—can hurt a lot.

"Ninety-five per cent of this sport is mental," he said today. "The main thing you have to do is keep your concentration. When you're going hard, the physical pain can really mess you up.

"Every muscle in your body hurts. You can easily start to feel sorry for yourself."

That did not happen to Koch today at Seefeld. He wound up leaving the starting gate seventh in a 67-man field, and when he received that number, "I couldn't believe it. It's always been my lucky number. I had a feeling this was going to be my day."

In Olympic cross country, competitors go off at 30-second intervals. Each man is timed individually and even though there is frequent passing of other skiers along the route, no one knows for certain who the winner is until the whole field has come home.

"We had checkpoints set up at 5.5, 11.1, 15.3 and 20 kilometers," said Marty Hall, Koch's coach. "We could see that he was doing well, although he was flipping up and down a bit at the start. We yelled at him a few times to get him stabilized.

"At 20 kilometers, he was 10 seconds ahead of the third-place man and, at 23 kilometers, he had increased his margin to 26 seconds. I knew then he should get the silver, even though the last seven kilometers has some rough terrain."

"I didn't save anything for the end," Koch said. "You can't at my age (20) or you're not doing your job. You give it all you have and you either die or you do it."

Koch has been doing it most of his life. He was raised on a 100-acre farm in the backwoods of Vermont and said he learned to ski cross country out of necessity. "That's how I got to school. It was about 10 kilometers away, through the woods. We had a path, and I used it."

His father competed often in local ski-jumping events and Koch tried that sport, as well. "I kept going to the meets and I saw them have this cross-country competition. I just decided to try it.

"In 1973, I started a five-year plan. I felt then that when I reached 22 in 1978, I would be at my peak. I guess right now I'm just a little ahead."

Koch admits that his parents support him financially "and they will as long as I do well," he said. He was accepted to Middlebury College in Vermont in 1973, and will enroll when he is through with ski-racing. But that may not happen very soon the way he talks about it.

"Why do I do it? Well, it could be a form of expression. It's always been a way of life for me. It feels so good to train. I enjoy it. I'm kind of a loner, anyway, and most of the time it really isn't that painful.

"It's a very lonely sport. But it feels good to me to have my mind do the best it can do and my body do the best it can do. That to me is an accomplishment."

Koch's achievement here is expected to give a major lift to cross-country skiing in the U.S. Many Americans are taking up the sport, preferring the lonely and lovely treks through woods and rolling hillside to the endless lift lines at downhill areas.

"I would be very happy about that," he said before heading back to the Olympic Village and more training in preparation for Sunday's 15-kilometer event, his specialty.

"But that's not why I'm here. I race to satisfy myself. That's what I consider most important. I'm very proud of that medal. I still can't believe this has happened. But I think I can do better."

Mr. LEAHY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR EMPLOYEE OF THE OFFICE OF SENATOR JACKSON TO APPEAR AS A WITNESS

Mr. MANSFIELD. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 382) authorizing Gene Tollefson, an employee in the office of Senator Jackson, to appear as a witness in the case of United States v. Edward Joseph Britt and James Paul Britt.

The Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 382

Whereas in the case of *United States of America v. Edward Joseph Britt and James Paul Britt* (No. 75–385 Criminal), pending in the United States District Court for the District of New Mexico, a subpena has been issued by the court and addressed to Gene Tollefson, an employee in the office of Senator Jackson, directing him to appear, to give testimony, and to bring with him certain reports and letters in the office files of Senator Jackson: Now, therefore, be it

Resolved, That by the privileges of the Senate of the United States no evidence under the control and in the possession of the Senate of the United States can, by the mandate of process of the ordinary courts of justice, be taken from such control or possession but by permission of the Senate.

SEC. 2. By the privileges of the Senate, information secured by officers and employees of the Senate pursuant to their official duties may not be revealed without the consent of the Senate.

SEC. 3. When it appears that testimony of an officer or employee of the Senate is needed for use in any court for the promotion of justice, the Senate will take such order thereon as will promote the ends of justice consistently with the privileges and rights of the Senate.

SEC. 4. Gene Tollefson, an employee in the office of Senator Jackson, is authorized, in response to a subpena issued by the United States District Court for the District of New Mexico in the case of United States of America v. Edward Joseph Britt and James Paul Britt, to appear as a witness and to testify in such case.

SEC. 5. The Secretary of the Senate shall transmit a copy of this resolution to the United States District Court for the District of New Mexico.

RECESS UNTIL 12:30 P.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 12:30 this afternoon.

There being no objection, the Senate, at 11:21 a.m., recessed until 12:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. WEICKER).

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination reported earlier today.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER (Mr. MORGAN). The nomination will be stated.

INTERNATIONAL ATOMIC ENERGY AGENCY

The legislative clerk read the nomination of Galen L. Stone, of the District of Columbia, to be the Deputy Representative of the United States of America to the International Atomic Energy Agency, with the rank of Ambassador.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I request that the President be notified.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

Mr. HANSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. WEICKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE JOINT RESOLUTION 167—TO AMEND THE RAILROAD REVITALIZATION AND REGULATORY REFORM ACT OF 1976

Mr. WEICKER. Mr. President, I send to the desk a joint resolution to amend the Railroad Revitalization and Regulatory Reform Act of 1976, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution will be stated by title.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 167) to amend the Railroad Revitalization and Regulatory Reform Act of 1976.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration, and, without objection, the joint resolution will be considered to have been read the second time at length.

Mr. WEICKER. Mr. President, this joint resolution merely makes three technical amendments to S. 2718, which was signed into law by the President yesterday. These amendments have been agreed to by all concerned. They are needed to assure a smooth certification procedure before the special court on February 17, if necessary.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement by the Senator from Indiana (Mr. HARTKE).

The PRESIDING OFFICER. Without objection, it is so ordered.

STATEMENT BY MR. HARTKE

This joint resolution merely makes three technical amendments to S. 2718, which was signed into law by the President yesterday. These amendments have been agreed to by all concerned, and are needed to assure a smooth certification procedure before the Special Court on February 17, if necessary.

The first amendment is a technical amendment to correct the subsection lettering in section 301 of the Regional Rail Reorganization Act of 1973, as amended by the Railroad Revitalization and Regulatory Reform Act of 1976.

The second amendment relates to the date on which the Association has to certify the transfer of properties to the Special Court.

The Railroad Revitalization and Regulatory Reform Act of 1976 amended the Regional Rail Reorganization Act of 1973 to provide that the time for delivery of a certified copy of the final system plan may be extended to a date prescribed in a notice filed by the United States Railway Association no later than February 10, 1976. However, based on the actual date of enactment of the 1976 Act, profitable railroads to whom rail properties might be conveyed pursuant to the final system plan under the 1973 Act may accept or decline to accept the offers after February 10. The decision of these profitable railroads could affect the ability of the Association to provide for an efficient and orderly conveyance of rail properties under the 1973 Act. Accordingly, it is proposed to extend the latest date for the Association to provide such notice from February 10 to February 17.

The third amendment is to correct a technical error made in the Concurrent Resolution which itself contained technical amendments to the Railroad Revitalization and Regulatory Reform Act of 1976.

Item 37 in the Concurrent Resolution inadvertently changed the word "Association" to "Corporation", as it previously had appeared in the phrase "in his capacity as a director of the Association". To carry out the intent of the Conferees requires changeing the world "Corporation" back to "Association".

The joint resolution (S.J. Res. 167) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 612(m) of the Railroad Revitalization and Regulatory Reform Act of 1976, Public Law 94–210, is amended by striking "(h)" and inserting in lieu thereof "(i)" and by striking "(i)" and inserting in lieu thereof "(j)".

SEC. 2. Section 209(c)(4) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 719(c)(4) is amended by striking "February 10, 1976" and inserting in lieu thereof "February 17, 1976."

SEC. 3. Section 301(i) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 741 (i)) is amended by striking "in his capacity as a director of the Corporation" and inserting in lieu thereof "in his capacity as a director of the Association".

SUBSTITUTION OF SENATOR BUCKLEY FOR SENATOR PEARSON AS A CONFEREE—H.R. 200

Mr. WEICKER. Mr. President, I ask unanimous consent that the Senator from New York (Mr. BUCKLEY) be appointed a conferee in lieu of the Senator from Kansas (Mr. PEARSON) for the conference on H.R. 200.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 2 P.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until 2 p.m. today.

There being no objection, the Senate, at 12:36 p.m. recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. BEALL).

AUTHORITY FOR THE SECRETARY OF THE SENATE TO MAKE TECHNICAL AND CLERICAL CORRECTIONS IN ENGROSSMENT OF SENATE JOINT RESOLUTION 167

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of Senate Joint Resolution 167.

The PRESIDING OFFICER. Without objection, it is so ordered.

SANTA MONICA MOUNTAINS AND SEASHORE URBAN RECREATION AREA

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration again of Calendar No. 559, S. 1640.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1640) to provide for the establishment of the Santa Monica Mountains and Seashore Urban Recreation Area in the State of California, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments, as follows:

On page 1, in line 4, after "natural," insert "archeological,".

On page 2, in line 7, after "management" insert "and preservation".

On page 4, in line 3, after "region" insert "and the Secretary shall appoint four representatives from the public-at-large as nonvoting citizen advisers: *Provided further,* That, if the State of California adopts comprehensive planning legislation for the Santa Monica Mountains, such legislation provides for a Commission to develop a plan for the area, and the Secretary determines the plan will be implemented, the Secretary shall appoint the members of such Commission in lieu of the procedure established by this section."

On page 4, beginning in line 19, after "(1)" strike out "the development of public recreational facilities; (2) preservation of significant natural, cultural, or historical values, including areas which because of their local, regional, or other ecological importance, should be preserved in their natural state".

And insert "preservation of significant natural, cultural, or historic values, including areas which because of their local, regional, or other ecological importance, should be preserved in their natural state; (2) the development of public recreational facilities;".

On page 5, in line 14, after "include", insert "acquisition of fee or less than fee interests in land and/or waters;".

On page 5, in line 19, after the semicolon, strike out "acquisition of fee or less than fee interests in land and/or waters;".

On page 6, beginning with line 7, strike out:

SEC. 8. The Secretary and the heads of other Federal agencies shall cooperate with the Commission in the formulation of the plan upon the request of the Commission and to the extent of available funds.

And insert:

SEC. 8. The Secretary, acting through the National Park Service, shall assist the Commission in (1) identifying specific areas which are suitable for recreational facilities and areas of significant natural, historical, or cultural values, (2) developing appropriate methods by which such areas may be preserved for public benefit, and (3) interpreting the significant natural, historical, or cultural values identified in the plan. In addition, the Secretary and the heads of other Federal agencies shall cooperate with the Commission in the formulation of the plan upon the request of the Commission and to the extent of available funds.

On page 8, in line 7, after "to" insert "implement the plan" and strike out "carry it out".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds, (a) there are significant scenic, recreational, educational, scientific, natural, archeological, and public health values provided by the Santa Monica Mountains and adjacent coastline area, (b) there is a national interest in protecting and preserving those values for the residents of and visitors to the area, (c) the primary responsibility for the provision of recreational, educational, and scientific opportunities, the preservation of scenic and natural areas, and the safeguarding of the health of the public who live, work, and play in or visit the area rests with the State of California and the various local units of government having jurisdiction over the area, (d) in recognition of the multi-State and National significance of some of the recreational values, the Federal Government has an interest in the management and preservation of the resources and should assist the State of California and its local units of government in fulfilling their responsibilities, and (e) the State of California and its local units of government have authority to prevent or minimize adverse uses of the Santa Monica Mountains and adjacent coastline area and can, to a great extent, protect the health, safety, and general welfare by the use of its authorities.

SEC. 2. The purposes of this Act are (1) to provide for the preservation of the outstanding natural features and open undeveloped land and water resources of the Santa Monica Mountains and nearby seashore areas in California, (2) to assure the protection of the public health by preserving the airshed of the region, and (3) to provide adequate outdoor recreation facilities and opportunities for the people of the Los Angeles metropolitan area.

SEC. 3. There is hereby established the Santa Monica Mountains and Seashore Urban Recreation Area (hereinafter referred to as the "recreation area"). The boundaries of the recreation area shall be those generally depicted as "Study Area Boundary" on the maps comprising appendix B of the report prepared by the Pacific Southwest Region of the Bureau of Outdoor Recreation, Department of Interior, published in 1973, entitled "Santa Monica Mountains Study", which shall be on file and available for public inspection in the offices of the Department of Interior, Washington, District of Columbia. The boundaries of the recreation area may be revised from time to time by the commission established in section 4 of this Act in the same manner as set forth herein for preparation and approval of land use plans except that the total area within the recreation area may not exceed two hundred and five thousand acres.

SEC. 4. PLANNING COMMISSION.—Within one year of the date of enactment of this Act, the Secretary of the Interior (hereinafter referred to as the "Secretary") shall establish a planning commission for the recreation area (hereinafter referred to as the "Commission").

SEC. 5. The Commission shall be composed of not more than twelve members appointed by the Secretary from recommendations submitted to him by the Governor of the State of California and the chief executive officers of such local units of government, including counties and municipalities, which have jurisdiction over the recreation area: *Provided,* That the Secretary shall insure a balance in representation between State and local jurisdictions and appropriate representation from jurisdictions having major responsibilities in the region and the Secretary shall appoint four representatives from the public at large as nonvoting citizen advisers: *Provided further,* That, if the State of California adopts comprehensive planning legislation for the Santa Monica Mountains, such legislation provides for a Commission to develop a plan for the area, and the Secretary determines the plan will be implemented, the Secretary shall appoint the members of such Commission in lieu of the procedure established by this section. The Secretary shall designate a member of the Commission to serve as Chairman.

SEC. 6. The function of the Commission shall be to develop a plan for the development (if any) and use of the land and water resources of the recreation area.

SEC. 7. The plan shall include, but need not be limited to—

(a) an identification of specific areas which are suitable for (1) the development of public recreational facilities; (2) preservation of significant natural, cultural, or historical values, including areas which because of their local, regional, or other ecological importance, should be preserved in their natural state; and (3) public or private uses which are compatible with and which would not significantly impair the scenic, natural, recreatonal, educational, and scientific values present in the area and which would not have a significant adverse effect on the air quality of the Los Angeles-Santa Monica area;

(b) provision for the preservation of and public access to beaches and costal uplands, undeveloped inland stream drainage basins, and existing park roads and scenic corridors;

(c) a specific land use program to be implemented which may include acquisition of fee or less than fee interests in land and/or waters; the use of the constitutional authority of the State to regulate the use of land and water; other noncompensatory land use regulations which may be appropriate; compensatory land use regulations; tax incentives; acquisition of fee or less than fee interests in land and/or waters; or any combination of land use methods which the Commission deems will best accomplish the purposes of this Act; and

(d) the identification of the units of State or local government which will be responsible for implementing the program: *Provided,* That the plan may not propose an expenditure of Federal funds greater than $50,000,000 exclusive of funds available under other Federal programs including, but not limited to, section 701 of the Housing Act of 1954, as amended, the Land and Water Conservation Fund Act, and the Historic Preservation Act of 1966.

SEC. 8. The Secretary, acting through the National Park Service, shall assist the Commission in (1) identifying specific areas which are suitable for recreational facilities and areas of significant natural, historical, or cultural values, (2) developing appropriate methods by which such areas may be preserved for public benefit, and (3) interpreting the significant natural, historical, or cultural values identified in the plan. In addition, the Secretary and the heads of other Federal agencies shall cooperate with the Commission in the formulation of the plan upon the request of the Commission and to the extent of available funds.

SEC. 9. (a) Members of the Commission who are employees of a State or local government shall serve without additional compensation as such. All other members shall receive $100 per diem when actually engaged in the performance of the duties of the Commission.

(b) The Secretary shall reimburse all Commission members for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Commission.

(c) Financial and administrative services (including those relating to payment of compensation, budgeting, accounting, financial reporting, personnel, and procurement) shall be provided by the Department from the funds appropriated to carry out the provisions of this Act.

(d) The Commission shall have the power to appoint and fix the compensation of such additional personnel and such temporary and intermittent services as may be necessary to carry out the duties, without regard to the provisions of the civil service laws and the Classification Act of 1949, and it shall have the power to hold hearings and administer oaths.

(e) The Commission shall act by affirmative vote of a majority thereof. Vacancies shall be filled in the same manner as the original appointment.

SEC. 10. (a) The Commission shall submit its plan to the Secretary who shall, within one hundred and eighty days of the day it is submitted to him, either approve or disapprove the plan.

(b) The Secretary shall approve the plan if he finds that (1) the Commission has afforded adequate opportunity in the metropolitan area for public comment on the plan, and such comment was received and considered in the plan or revision as presented to him; (2) the State and local units of government identified in the plan as responsible for implementing its provisions have the necessary legislative authority to implement the plan, and the chief executive officers of the State and local units of government have indicated their intention to utilize such authority in implementation of the plan in accordance with the program established by the Commission; (3) the plan, if implemented, would preserve significant natural or historical values and provide increased outdoor recreation opportunities for persons residing in the urban areas; and (4) implementation of the plan would not have a serious adverse impact on the air quality of the Los Angeles-Santa Monica region. Prior to making his finding on the air quality impact of the plan, the Secretary shall consult with the Administrator of the Environmental Protection Agency.

(c) If the Secretary disapproves the plan or revision he shall advise the Commission of the reasons therefor together with his recommendations for revision. The plan, following its disapproval, may be resubmitted to the Secretary for his approval in the discretion of the Commission.

(d) Upon approval of the plan, the Secretary shall publish a notice thereof in the Federal Register and shall transmit copies of the plan together with his comments to the

President of the Senate and the Speaker of the House of Representatives.

(e) No revision to an approved plan may be made without the approval of the Secretary. The Secretary shall either approve or disapprove a proposed revision within one hundred and eighty days from the date on which it is submitted to him. Whenever the Secretary approves a revision, he shall publish notice thereof in the Federal Register.

SEC. 11. (a) Upon approval of the plan, the Secretary shall make grants in the total amount of $50,000,000 to the State or local units of government identified in the approved plan for the recreation area as having responsibility for implementing its provisions. Such grants shall be made upon application of such State or local units of government, shall be supplemental to any other Federal financial assistance for any purpose, and shall be subject to such reasonable terms and conditions as the Secretary deems necessary to effectuate the purposes of this Act.

SEC. 12. There is hereby established a special account in the Treasury of the United States for the purpose of holding moneys to be used for grants, pursuant to section 11 of this Act, to the State or local units of government. There shall be covered into such special account, $50,000,000 from revenues due and payable to the United States under the Outer Continental Shelf Lands Act (67 Stat. 462) as amended and/or under the Act of June 4, 1920 (41 Stat. 813) as amended, which would be otherwise credited to miscellaneous receipts of the Treasury. Moneys covered into the account shall be used only for grants made pursuant to section 11 of this Act and shall be available for expenditure only when appropriated therefor.

SEC. 13. APPROPRIATIONS.—They are authorized to be appropriated to defray the expenses of the Commission established pursuant to section 3, including salaries and other expenses incident to the preparation or revision of a land-use program, such sums annually as may be necessary, and for grants to the State and local units of government to implement a land-use program approved pursuant to section 10 of this Act, $50,000,000 from the special account created in section 12 of this Act.

AUTHORITY FOR COMMITTEES TO FILE REPORTS ON FEBRUARY 12, 1976

Mr. MANSFIELD. Mr. President, I ask unanimous consent that during the adjournment of the Senate pursuant to Senate Concurrent Resolution 92, all committees be authorized to file their reports on Thursday, February 12, 1976, between 10 a.m. and 3 p.m., with the Secretary of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SANTA MONICA MOUNTAINS AND SEASHORE URBAN RECREATION AREA

The Senate continued with the consideration of the bill (S. 1640) to provide for the establishment of the Santa Monica Mountains and Seashore Urban Recreation Area in the State of California, and for other purposes.

Mr. JOHNSTON. Mr. President, this legislation proposes a new direction in our national commitment to preserve and protect our natural heritage for the benefit of the American people. The traditional approaches have all been basically one-dimensional. Either State or local governments, occasionally with Federal financial support, have acted or the entire burden has been placed on the Federal Government. Only rarely have all levels of government joined in exercising their authorities and expertise to protect an area. This legislation mandates just such a joint effort.

Overreliance on the Federal Government or sole reliance on State and local governments threatens both our national heritage and national and local resources. Increasingly, the Federal Government is being asked to preserve urban open land because local governments are unwilling or unable to act. Local governments, on the other hand, are beset by a multitude of critical urban demands and are hard pressed to devote needed resources to major recreation and conservation projects.

We now need a Federal commitment to assist those State and local units of government which are willing to make the difficult urban planning decisions which must be made if our urban areas are not to strangle on their own growth.

The decisions to call a halt to unplanned and haphazard development and to pursue the preservation of open space and recreation areas rather than to develop an increased tax base are hard ones to make. But if we are to avoid the mistakes of the past, we must begin to act at all levels of government to preserve what remains and recover what we have lost.

This is not to say that our conservation and recreation history consist solely of defeats. The victories which have been won in preserving something of our heritage are impressive: The Redwoods, the Everglades, the Grand Canyon and other units of the National Park System are prime examples. But the price has been high.

If there were no inflation, no land price escalation, and no new additions to the National Park System, it would take 10 years at current rates of funding to complete the present backlog of land acquisition for authorized units of the National Park System. For acquisition of natural forest areas, the prospect is even more bleak. Current estimates for land acquisition for forest areas are approximately $1.4 billion. The total Federal recreation land acquisition backlog for the Bureau of Land Management, the Fish and Wildlife Service, the Forest Service, and the National Park Service is in excess of $3 billion. That $3 billion backlog, however, is dwarfed by the $40 billion needs of State and local governments for acquisition of recreation and preservation areas.

The land and water conservation fund was created to provide a source of funding for Federal recreation land acquisition and for a matching grant program of assistance to States. Almost from its inception, the fund's resources have been outdistanced by the demands placed on it. At present, $300 million a year is deposited in the fund. Of that amount, $70 million is allocated to the National Park Service which is not enough to match inflation and land price escalation, much less to cut into the backlog of acquisition needs of the National Park Service.

During the last Congress, and again this Congress, the Senate has passed legislation which I introduced to increase the level of funding to the land and water conservation fund. That legislation was and is critically needed, but it is not the entire answer. The pressures on our national and local park and recreation areas is intense and the day may soon be upon us when we will have to restrict visitation to these places which were preserved for our people.

Overcrowding in Yosemite by people trying to escape our cities threatens to destroy one of the first areas the Federal Government sought to protect. In an era when unemployment spreads through our cities, when the poor and even the middle class find the soaring costs of essential products curtailing their available income, when urban sprawl and development gnaws away at our remaining open space, there is a pressing need for accessible recreation areas for our urban residents.

If we are to provide a decent environment for our children and future generations it is imperative that all levels of government fully exercise their authorities. Too often States have sought the easy approach of Federal action rather than the more difficult approach of making the hard local decisions necessary to preserve areas of our natural environment.

Our urban history, with some notable exceptions, has been a history of lost opportunities. Opportunities to intelligently plan for growth and development while preserving open space and recreation areas have not been pursued, and only when the cities cry out from their own excesses have we acted.

Large metropolitan centers are prodigious users of land and water resources. These population centers draw on woodlands and watersheds from their earlier uses and transform them into building sites, streets, shopping centers, school yards, expressways, and airports. This process of resource transformation often has not followed any planned sequence or orderly procedure. Consequently, the resulting patterns of resource utilization are not always likely to provide efficient satisfaction of the needs for outdoor recreation generated by a metropolitan society.

In a 1930 report to a citizens committee, the outdoor recreation portrait of Los Angeles was already grim:

> The facts are so complicated that condensed statistical comparisons, without personal knowledge of local conditions, can be very misleading. But when the situation in the Los Angeles region is measured carefully and patiently by the crude but common sense method of comparison with experience elsewhere, four conclusions become unmistakably clear:

1. There is a serious shortage of park-system facilities in this region, even for the present population.
2. There has been a serious lack of increase of such facilities in comparison with the rapid increase of population.
3. These shortages seem quite unreasonable considering the agreeable climate, the economic prosperity, and the exceptionally favorable social conditions here.
4. They appear not only unreasonable, but positively reprehensible, because of the very close and direct influence of agreeable living conditions on the continued health of the people and the prosperity of the community.

The problems of precipitous growth in Los Angeles are well known. Four Corners, Navajo, Mojave—the entire Southwest powerplant complex is a result directly or indirectly of the consuming growth of Los Angeles. Because Los Angeles is unable to survive with any more pollution, powerplants are built in New Mexico to provide power to the city.

Air quality is by far the most critical form of pollution in the Los Angeles region. Levels of air pollution are most severe over the northern half of the Los Angeles basin. Fresh air to dilute this zone comes in off the Pacific over the length of the Santa Monica Mountains. Further contamination of this airshed will result in worse smog conditions over the cities at the eastern end of the range. Protection of this area is not just a question of recreation, but is almost a question of survival.

With a resident population of approximately 10 million and annual visitation of approximately 8 million, existing recreational resources for the Los Angeles area are overcrowded and inadequate. The Santa Monica Mountains may well offer the last chance for recreation areas in the region.

Over the years, the forces of nature and man have left their marks on the proposed recreation area. The result is a rich variety of environments, varied land forms, spectacular geological formations, areas of great natural beauty, fossils from earlier epochs, and the artifacts and inhabitations of Indian, Hispanic and early California cultures. As tangible links to the past, these fragile phenomena offer an enrichment of present day living and are well worth preserving.

While the State of California has made great strides in planning at both the State and local level, the impetus for sprawling development remains strong. The county of Los Angeles recently set a precedent by negotiating one of the largest open space easements in the United States for 41,000 acres of Santa Catalina Island. The recent completion of the California coastal plan offers the promise that a plan for the entire Santa Monica area can be expeditiously devised.

Mr. President, with this legislation I propose an increased commitment by the Federal Government to explore new policies and programs to improve the quality of life for the American people. To preserve and improve the environment of our urban areas will require new initiatives in the areas of historic preservation and restoration of our cities, acquisition and protection of open spaces, development of intelligent zoning and land use, and improvement of our transportation systems.

This legislation proposes a commitment by the Federal Government to participate actively with the local and State governments to create a unique natural area. I believe that the combined resources of the Federal, State, and local governments, and the private sector insure a realistic and efficient preservation of the Santa Monica Mountains and seashore area.

This legislation has been carefully planned to fit the situation of the Santa Monica Mountains and seashore area. It has the support of the State of California and I urge its adoption.

Mr. TUNNEY. I appreciate the fine statement of the distinguished Senator from Louisiana and would like to express my gratitude for his outstanding efforts in developing this legislation to protect and preserve this area. There are two elements of this legislation which I feel should be clarified and those relate to the purposes for which the $50 million authorization will be used and to the time framework in which a plan should be developed. I think we are all concerned over the inordinate delays in land acquisition in the National Park System and the yearly increase in the land acquisition backlog. I would like to clarify that the Senator shares my concern that there would not be great delay in the development of a plan for the Santa Monica Mountains and that the authorized funds included in this legislation should be immediately available to proceed with the implementation of the approved plan.

Mr. JOHNSTON. I thank the Senator from California and would like to state that he has eloquently expressed my views on this legislation. The State of California and its local subdivisions have made great strides in preservation and protection, and in the development of appropriate planning documents to guide the future growth of that great State. I have little concern that the State will not respond to the enactment of this legislation. With the progress of the legislation in the California Assembly, introduced by Assemblyman Berman, I believe there is ample evidence of the interest and desire of the people of California to preserve and protect this area. There are several planning studies already completed which will be of inestimable value to the Commission in its formulation of a plan. The bureau of outdoor recreation, Ventura County, and the Coastal Zone Commission have all looked at parts of this area and their findings and contributions and recommendations should be of great assistance. It is my expectation that, barring unforeseen delays, an approved plan should be submitted to the Secretary of the Interior within 2 years from the date of enactment of this act. Hopefully, a plan can be completed sooner, but I would be very surprised if full and complete agreement cannot be achieved within 2 years.

Mr. TUNNEY. I share the Senator's expectations and I agree wholeheartedly with him that the State of California has done an outstanding job in the planning and management of its natural areas. Some concern has been expressed that the funds authorized under this legislation might be diverted toward development of some inconsistent use rather than for acquisition of land or interests in land in accordance with an approved plan. I do not believe this is likely, but I would appreciate the Senator's comments.

Mr. JOHNSTON. There is no limitation on the use of the authorized funds in this legislation aside from the fact that they must be expended in accordance with an approved plan and subject to appropriate terms and conditions by the Secretary of the Interior. Our expectation is that implementation of the commission's plan will require funds far in excess of the $50 million authorized in this legislation. Surely, the commission will need funds from sources other than the Federal Government to completely implement their plan. The funds authorized in this bill are intended to be "seed" money which constitutes a statement of Federal commitment to and an impetus for the preservation of this area.

Mr. TUNNEY. Clearly, all of the $50 million authorized in this bill will be needed for land acquisition and acquisitions of interests in land sufficient to preserve and protect this area. The Senator is familiar with the studies which have already been completed, such as the Bureau of Outdoor Recreation's early study, the Ventura County study, and the recently completed California coastal plan. It is clear from all these studies that enormous commitment of funds will be necessary if this area is to be preserved. Does my distinguished colleague from Louisiana agree that the $50 million authorized in this bill will need to be used for land acquisition and acquisition of interests in land?

Mr. JOHNSTON. Yes, I agree with the Senator from California that, in this instance, all of the money authorized in this bill will need to be used for land acquisition and acquisitions of interests in land.

Mr. TUNNEY. I believe it will be useful in this bill to limit use of the authorized funds to the acquisition of land and interests in land so that we in the Congress will be assured that the Secretary of Interior will not authorize grants for nonacquisition purposes.

Mr. JOHNSTON. On this measure, I believe the suggestion of the Senator from California is appropriate. However, this should not be construed as a precedent should the concept of this bill be applied to other areas.

Mr. President, I will yield to my distinguished colleague from Wyoming who, I believe, has an amendment to offer.

Mr. HANSEN addressed the Chair.

The PRESIDING OFFICER. If the Senator will suspend, the committee amendments have to be acted on first.

Mr. JOHNSTON. Mr. President, I move the adoption of the committee amendments.

The PRESIDING OFFICER. Does the Senator move adoption of the amendments en bloc?

Mr. JOHNSTON. En bloc.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments en bloc.

The committee amendments were agreed to en bloc.

Mr. HANSEN. Mr. President, I thank my distinguished colleague from Louisiana. Let me just take a moment to pay tribute to him for the extremely effective and penetrating work he has done on this legislation. I know he has conducted hearings in the State of California. He has been most diligent as chairman of the Subcommittee on Parks and Recreation on which I have the honor to serve under him.

I think he has made a very fine contribution toward those goals to which, I assume, almost all Americans can wholeheartedly subscribe. I think he has done yeoman service for our country, and it has been my pleasure and privilege to work with him, and I salute him for most effective work.

Mr. JOHNSTON. I thank my colleague.

Mr. HANSEN. I would like to call up my amendment and ask that it be stated.

The PRESIDING OFFICER. The clerk will report the amendment.

The second assistant legislative clerk read as follows:

The Senator from Wyoming (Mr. Hansen) proposes an amendment on page 10, after line 9, insert a new section 13 and renumber accordingly.

Mr. HANSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. Hansen's amendment is as follows.

Sec. 13. Any final judgment, raising a justicible issue under the fifth or fourteenth amendments to the Constitution of the United States, which has been rendered by the highest appropriate court of the State of California and which is adverse to a property owner whose property is located within the boundaries of the recreation area may be appealed by such property owner to the United States Court of Appeals for the Ninth Circuit, which Circuit Court shall have the same jurisdiction for review as the United States Supreme Court. The United States Supreme Court shall have the same jurisdiction to review a decision of the Court of Appeals under this section as it would have over a final judgment by the highest court of the State of California. Any property owner who prevails in such appeal before the circuit court or the Supreme Court shall be awarded his costs plus reasonable attorney fees incurred in such appeal.

Mr. HANSEN. Essentially my amendment provides access through the normal administrative and judicial channels available to citizens in any State for relief if they feel their rights as an owner of real property may have been diminished by action that could conceivably be taken under this bill; with the further proviso that they may take their case, if it has not been decided to their satisfaction, to be heard by the circuit court, as I recall, in the Ninth Circuit in California.

Mr. JOHNSTON. Yes.

As I recall, the effect of this amendment is to allow a property owner—it would be in California.

Mr. HANSEN. I meant to say in California, right. It applies only to this bill.

Mr. JOHNSTON. It would allow a property owner to appeal or seek certiorari, as the case may be, to the Ninth Circuit once he has exhausted all of his remedies in the State court in California, and in that appellate procedure to be awarded costs and attorney's fees if he prevails and reverses the decision against him in the California courts.

Mr. HANSEN. Yes.

Mr. JOHNSTON. Mr. President, I have discussed this with my distinguished colleague from Wyoming, who has been a great champion of private property rights in the Interior Committee, a sentiment which I share very strongly with my colleague from Wyoming.

Frankly, I was a little hesitant to take this amendment, not because I did not want all of those protections for a property owner which this would give, but rather because I did not want to set a precedent for other parks. I thought we should treat all parks alike, Santa Monica and all the rest.

However, in this case, because this is a new concept, we are plowing new ground in this case, I will accept it because it will give some assurance to the property owners that their rights will not be trod upon, so I will accept the amendment.

Mr. HANSEN. I thank my colleague from Louisiana very much for his consideration and for his support.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming.

The amendment was agreed to.

Mr. TUNNEY. Mr. President, I have two amendments which I send to the desk and ask for their immediate consideration.

The PRESIDING OFFICER. Does the Senator ask that they be considered en bloc?

Mr. TUNNEY. I ask unanimous consent that they be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the amendments.

The second assistant legislative clerk read as follows:

The Senator from California (Mr. Tunney) proposes two amendments.

Mr. TUNNEY. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. Tunney's amendments are as follows:

Page 2, line 24 of the reported bill, after "Urban" and before "Recreation" insert "Park and".

Page 8, line 1 of the reported bill after "opportunity" insert ", including public hearings,".

Page 8, beginning on line 11 of the reported bill, delete "('3) the plan, if implemented, would preserve significant natural or historical values and provide increased outdoor recreation opportunities for persons residing in the urban areas;" and insert in lieu thereof, "(3) the plan, if implemented, would preserve significant natural, historical, and archeological values and, consistent with such values, provide increased outdoor recreation and education opportunities for persons residing in the urban areas;".

On page 9, line 15, of the reported bill insert the following: After the word "provisions" strike the period and insert in lieu thereof ": *Provided*, That such grants shall only be made for the acquisition of land and/or interest in land."

Mr. TUNNEY. Mr. President, I would just like to say, first of all, that the Senator from Louisiana is more responsible than anyone else for having this legislation come before this body today.

The Senator brought the committee hearings to California and he showed a tremendous interest in doing it, sat through many hours of hearings. He has worked long, hard hours here in Washington trying to find an acceptable formulation so that we can get a Santa Monica Park in California.

I can understand a Senator taking a very active interest in parks in his own home State, but it is rare that you find a Senator or anyone prepared to spend the many hours that Senator Johnston did coming to California, working on a park in someone else's State, and I am very deeply appreciative of the consideration he has given this bill which Senator Cranston and I introduced together.

These two amendments I have are self-explanatory. One of them makes sure that the $50 million will be used for land acquisition. The other amendment—they are technical amendments which have been cleared with the staff of the Interior Committee.

With those words of explanation I again express my appreciation to the distinguished chairman of the subcommittee.

Mr. JOHNSTON. Mr. President, I thank my colleague from California.

Without engaging in what may appear to be too much hyperbole, let me just state as a fact that we would not be here on this bill today had it not been for the distinguished junior Senator from California. This has been his bill, his baby.

While it is a very important project, it is in some sense a marginal project as far as Federal involvement is concerned. But not only the Senator's insistence but his persuasiveness in presenting the case for Santa Monica caused us on the Parks and Recreation Subcommittee to come up with a brand new concept to cover this very park which we believe will serve as a model for future parks.

Mr. President, I would like to explain this concept in the hope that this explanation will help guide the Secretary of the Interior in his dealing with this legislation and, particularly, in regard to his interpretation of this amendment.

Mr. President, we heard testimony on this bill that acquisition costs might run as high as a half billion dollars, and one estimate was as high as $1 billion, acquisition cost of all of the Santa Monica lands. In our judgment there was no Federal interest sufficient to justify the creation of a park that would take that much money. As a range of priority, as a recreation area, it simply is not important enough to take $1 billion in Federal money away from all the multitudinous projects awaiting funds around this country and spend that kind of money.

We did recognize that there was a Federal interest if for no other reason than because 10 million people live in the Los Angeles Basin that not only need recreation but need clean air as well. This is what is referred to as the air shed for Los Angeles County, that tract of land lying between the seashore and Los Angeles County, already polluted, already subject to some of the heaviest smogs in the country. Unless we did something to preserve and protect this air shed for Los Angeles County we would indeed present a serious hazard to the people of Los Angeles County.

So what we have done in this legislation, Mr. President, is to provide some serious seed money from the Federal Government, some very serious seed money, $50 million.

It is our intention, our thought and our general direction to the Secretary of Interior that he approve a plan which is basically perfected by the local governments, all of those local governments concerned who will have representatives on the commission, and that they come up with a plan which will preserve all of those values which are detailed in the legislation, including recreation values as well as clean air.

It is our thought that it is going to take considerably more than $50 million to do it. Frankly, if it can be done for only $50 million, we have been mistaken and misled by the tone of the testimony which we have heard. I believe it will take more than that.

So with that in mind, and only with that understanding, I will accept this amendment, Mr. President.

When I say accept this amendment, I will accept the amendments en bloc, but particularly that one which says "provided the grants may be used only for acquisition."

It has been a concern of our friends in the Sierra Society that perhaps the $50 million would be used to build recreation areas and not all be used for land acquisition or easement acquisition.

Mr. President, if that were done, with or without this language it would be in diametric opposition to the whole intent of this bill. The intent of this bill is that $50 million is only the seed money, only the important starting money, and that either the State of California or Los Angeles County, or any of the other local governing bodies, will do their share and provide their part in producing this total recreational and historic area as a park to be run by the State.

Quite frankly, Mr. President, I had serious resistance to this amendment at first because I thought the amendment was capable of being read in a sense that perhaps the $50 million was the whole package, as far as the park was concerned, and the question was how we were going to build a park with $50 million, whether on the one hand we were going to simply acquire land or whether on the other hand we were going to acquire land and build a park. Either one of those interpretations would be wrong if it is premised upon the fact that $50 million is the whole package.

Fifty million dollars is decidedly not the whole package, but the rest of the package should be put up by the State or by the local governing authority.

I believe the Secretary of the Interior will so interpret the law as he approves the plan to be perfected by the local governing authorities.

I have one other point before I call for the approval of the amendments.

One of the reasons for this new concept, Mr. President, is our conviction that we must stretch our Federal recreation dollar. We have over $3 billion worth of authorized but unfunded projects waiting to be funded right now. It has been the custom in the past to authorize a project by authorizing the fee acquisition of the total interest in land whenever we had a park involved. Frankly, this has been a waste of Federal dollars in many instances because we do not need the fee for many of the urban parks. What we are after is either an easement of view, an easement of drainage, or a land restriction to prevent some kind of pollution, as in the case of a watershed that would flow into a lake, or some other specific value that we are trying to preserve which, in many instances, can be preserved without acquiring the fee.

In some instances it can be preserved by acquiring an easement, as an easement of drainage. In other instances it can be preserved by a very ordinary and pedestrian kind of zoning regulation.

It is not the intent of this bill to force some new kind of land use planning that goes beyond the limits of the 5th or 14th amendments, but, rather, to require and to urge the State and the local governing bodies that they use their powers and that they use this money as well as other moneys to come up with an innovative, new plan for the whole of the Santa Monica area, in some instances to acquire the fee where recreation would be needed; in other instances to acquire an easement of view, if that is the particular value in a particular area to be preserved; in other instances to have a zoning prohibiting too much density of building, perhaps, which is a usual kind of zoning pattern long accepted in this country. With this combination of land use tools, compensated where appropriate under the 5th and 14th amendments, we will come up with a plan for the Santa Monica Mountains and seashore that will work, that will be within the means of the local governing bodies as well as the United States, and that will produce a truly outstanding park.

So, Mr. President, I will accept these amendments and do so with sincere commendation to my colleague from California, without whose leadership this park would not be built. I say that very sincerely because we could not afford to build it in the traditional way. We simply could not afford to put up $.5 billion or $1 billion to acquire this whole fee. It has been only because of his leadership that we have been able to come up with this new concept, specifically tailored for Santa Monica, and which concept I hope will serve as a model for other parks, particularly other urban parks, throughout the country.

Mr. TUNNEY. Mr. President, I deeply appreciate the remarks that the distinguished junior Senator from Louisiana has made. I do think that it ought to be clear to everyone in the Senate that this new concept is uniquely the product of the imagination and work of the Senator from Louisiana, who is the one who has worked so hard, as chairman of this subcommittee, to develop a plan whereby we can afford to bring new parks into our system despite the fact that we have a terrible financial crunch now, and there are inadequate funds available, with escalating land prices and other demands for the dollar, to purchase acreage that is needed to provide recreation for future generations of Americans.

There is no doubt in my mind that an enormous commitment of funds is going to be needed above and beyond the $50 million to make this park an adequate facility for the people of the area. We have studies, the Bureau of Outdoor Recreation study, the Ventura County study, and the California coastal plan study, all of which demonstrate that there is going to have to be a substantial increase in funds above and beyond the $50 million, and although this amendment directs that the money be applied to land acquisition, it is clear to me that the State and local governments are going to have to put up a substantial amount of additional money above and beyond the $50 million, not only for recreational purposes and for management of the park system, but also for land acquisition.

I might add that the State has put up a lot of money already and a lot of land has been acquired for the park area.

Again I commend the Senator from Louisiana for his efforts in behalf of this measure.

Mr. JOHNSTON. I thank my colleague.

Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is; Shall it pass?

The bill (S. 1640) was passed, as follows:

S. 1640

An act to provide for the establishment of the Santa Monica Mountains and Seashore Urban Park and Recreation Area in the State of California, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress finds, (a) there are significant scenic, recreational, educational, scientific, natural, archeological, and public health values provided by the Santa Monica Mountains and adjacent coastline area, (b) there is a national interest in protecting and preserving those values for the residents of and visitors to the area, (c) the primary responsibility for the provision of recreational, educational, and scientific opportunities, the preservation of scenic and natural areas, and the safeguarding of the health of the public who live, work, and play in or visit the area rests with the State of California and the various local units of government having jurisdiction over the area, (d) in recognition of the multi-State and national significance of some of the recreational values, the Federal Government has an interest in the management and preservation of the resources and should assist the State of California and its local units of government in fulfilling their responsibilities, and (c) the State of California and its local units of government have authority to prevent or minimize adverse uses of the Santa Monica Mountains and adjacent coastline area and can, to a great extent, protect the health, safety, and general welfare by the use of its authorities.

SEC. 2. The purposes of this Act are (1) to provide for the preservation of the outstanding natural features and open undeveloped land and water sources of the Santa Monica Mountains and nearby seashore areas in California, (2) to assure the protection of the public health by preserving the airshed of the region, and (3) to provide adequate outdoor recreation facilities and opportunities for the people of the Los Angeles metropolitan area.

SEC. 3. There is hereby established the Santa Monica Mountains and Seashore Urban Park and Recreation Area (hereinafter referred to as the "recreation area"). The boundaries of the recreation area shall be those generally depicted as "Study Area Boundary" on the maps comprising appendix B of the report prepared by the Pacific Southwest Region of the Bureau of Outdoor Recreation, Department of Interior, published in 1973, entitled "Santa Monica Mountains Study", which shall be on file and available for public inspection in the offices of the Department of Interior, Washington, District of Columbia. The boundaries of the recreation area may be revised from time to time by the commission established in section 4 of this Act in the same manner as set forth herein for preparation and approval of land use plans except that the total area within the recreation area may not exceed two hundred and five thousand acres.

SEC. 4. PLANNING COMMISSION.—Within one year of the date of enactment of this Act, the Secretary of the Interior (hereinafter referred to as the "Secretary") shall establish a planning commission for the recreation area (hereinafter referred to as the "Commission").

SEC. 5. The Commission shall be composed of not more than twelve members appointed by the Secretary from recommendations submitted to him by the Governor of the State of California and the chief executive officers of such local units of government, including counties and municipalities, which have jurisdiction over the recreation area: *Provided*, That the Secretary shall insure a balance in representation between State and local jurisdictions and appropriate representation from jurisdictions having major responsibilities in the region and the Secretary shall appoint four representatives from the public-at-large as nonvoting citizen advisers: *Provided further*, That, if the State of California adopts comprehensive planning legislation for the Santa Monica Mountains, such legislation provides for a Commission to develop a plan for the area, and the Secretary determines the plan will be implemented, the Secretary shall appoint the members of such Commission in lieu of the procedure established by this section. The Secretary shall designate a member of the Commission to serve as Chairman.

SEC. 6. The function of the Commission shall be to develop a plan for the development (if any) and use of the land and water resources of the recreation area.

SEC. 7. The plan shall include, but need not be limited to—

(a) an identification of specific areas which are suitable for (1) preservation of significant natural, cultural, or historic values, including areas which because of their local, regional, or other ecological importance, shall be preserved in their natural state; (2) the development of public recreational facilities; and (3) public or private uses which are compatible with and which would not significantly impair the scenic, natural, recreational, educational, and scientific values present in the area and which would not have a significant adverse effect on the air quality of the Los Angeles-Santa Monica area;

(b) provision for the preservation of and public access to beaches and coastal uplands, undeveloped inland stream drainage basins, and existing park roads and scenic corridors;

(c) a specific land use program to be implemented which may include acquisition of fee or less than fee interests in land and/or waters; the use of the constitutional authority of the State to regulate the use of land and water; other noncompensatory land use regulations which may be appropriate; compensatory land use regulations; tax incentives; or any combination of land use methods which the Commission deems will best accomplish the purposes of this Act; and

(d) the identification of the units of State or local government which will be responsible for implementing the program: *Provided*, That the plan may not propose an expenditure of Federal funds greater than $50,000,000 exclusive of funds available under other Federal programs including, but not limited to, section 701 of the Housing Act of 1954, as amended, the Land and Water Conservation Fund Act, and the Historic Preservation Act of 1966.

SEC. 8. The Secretary, acting through the National Park Service, shall assist the Commission in (1) identifying specific areas which are suitable for recreational facilities and areas of significant natural, historical, or cultural values, (2) developing appropriate methods by which such areas may be preserved for public benefit, and (3) interpreting the significant natural, historical, or cultural values identified in the plan. In addition, the Secretary and the heads of other Federal agencies shall cooperate with the Commission in the formulation of the plan upon the request of the Commission and to the extent of available funds.

SEC. 9. (a) Members of the Commission who are employees of a State or local government shall serve without additional compensation as such. All other members shall receive $100 per diem when actually engaged in the performance of the duties of the Commission.

(b) The Secretary shall reimburse all Commission members for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Commission.

(c) Financial and administrative services (including those relating to payment of compensation, budgeting, accounting, financial reporting, personnel, and procurement) shall be provided by the Department from the funds appropriated to carry out the provisions of this Act.

(d) The Commission shall have the power to appoint and fix the compensation of such additional personnel and such temporary and intermittent services as may be necessary to carry out the duties, without regard to the provisions of the civil service laws and the Classification Act of 1949, and it shall have the power to hold hearings and administer oaths.

(e) The Commission shall act by affirmative vote of a majority thereof. Vacancies shall be filled in the same manner as the original appointment.

SEC. 10. (a) The Commission shall submit its plan to the Secretary who shall, within one hundred and eighty days of the day it is submitted to him, either approve or disapprove the plan.

(b) The Secretary shall approve the plan if he finds that (1) the Commission has afforded adequate opportunity, including public hearings, in the metropolitan area for public comment on the plan, and such comment was received and considered in the plan or revision as presented to him; (2) the State and local units of government identified in the plan as responsible for implementing its provisions have the necessary legislative authority to implement the plan and the chief executive officers of the State and local units of government have indicated their intention to utilize such authority in implementation of the plan in accordance with the program established by the Commission; (3) the plan, if implemented, would preserve significant natural, historical, and archeological values and, consistent with such values, provide increased outdoor recreation and education opportunities for persons residing in the urban areas; and (4) implementation of the plan would not have a serious adverse impact on the air quality of the Los Angeles-Santa Monica region. Prior to making his finding on the air quality impact of the plan, the Secretary shall consult with the Administrator of the Environmental Protection Agency.

(c) If the Secretary disapproves the plan or revision he shall advise the Commission of the reasons therefor together with his recommendations for revision. The plan, following its disapproval, may be resubmitted to the Secretary for his approval in the discretion of the Commission.

(d) Upon approval of the plan, the Secretary shall publish a notice thereof in the Federal Register and shall transmit copies of the plan together with his comments to the President of the Senate and the Speaker of the House of Representatives.

(e) No revision to an approved plan may be made without the approval of the Secretary. The Secretary shall either approve or disapprove a proposed revision within one hundred and eighty days from the date on which it is submitted to him. Whenever the Secretary approves a revision, he shall publish notice thereof in the Federal Register.

SEC. 11. (a) Upon approval of the plan, the Secretary shall make grants in the total amount of $50,000,000 to the State or local units of government identified in the approved plan for the recreation area as having responsibility for implementing its provisions: *Provided*, That such grants shall only be made for the acquisition of land and/or interests in land. Such grants shall be made upon application of such State or local units of government, shall be supplemental to any other Federal financial assistance for any purpose, and shall be subject to such reasonable terms and conditions as the Secretary deems necessary to effectuate the purposes of this Act.

SEC. 12. There is hereby established a special account in the Treasury of the United States for the purpose of holding moneys to be used for grants, pursuant to section 11 of this Act, to the State or local units of government. There shall be covered into such special account, $50,000,000 from revenues due and payable to the United States under the Outer Continental Shelf Lands Act (67 Stat. 462) as amended and/or under the Act of June 4, 1920 (41 Stat. 813) as amended, which would be otherwise credited to miscellaneous receipts of the Treasury. Money covered into the account shall be used only for grants made pursuant to section 11 of this Act and shall be available for expenditure only when appropriated therefor.

Sec. 13. Any final judgment, raising a justiciable issue under the fifth or fourteenth amendments to the Constitution of the United States, which has been rendered by the highest appropriate court of the State of California and which is adverse to a property owner whose property is located within the boundaries of the recreation area may be appealed by such property owner to the United States Court of Appeals for the Ninth Circuit, which circuit court shall have the same jurisdiction for review as the United States Supreme Court. The United States Supreme Court shall have the same jurisdiction to review a decision of the court of appeals under this section as it would have over a final judgment by the highest court of the State of California. Any property owner who prevails in such appeal before the circuit court or the Supreme Court shall be awarded his costs plus reasonable attorney fees incurred in such appeal.

Sec. 14. Appropriations.—There are authorized to be appropriated to defray the expenses of the Commission established pursuant to section 3, including salaries and other expenses incident to the preparation or revision of a land-use program, such sums annually as may be necessary, and for grants to the State and local units of government to implement a land use program approved pursuant to section 10 of this Act, $50,000,000 from the special account created in section 12 of this Act.

The title was amended so as to read: "To provide for the establishment of the Santa Monica Mountains and Seashore Urban Park and Recreation Area in the State of California, and for other purposes."

Mr. HANSEN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUGH SCOTT. Mr. President, I ask that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR—S. 22

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that during the consideration of the copyright bill, Mr. Ralph Ohman, my assistant on that subcommittee of the Committee on the Judiciary, be extended the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination reported earlier today.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

SMALL BUSINESS ADMINISTRATION

The assistant legislative clerk read the nomination of Mitchell P. Kobelinski to be Administrator of the Small Business Administration.

Mr. PROXMIRE. Mr. President, Mr. Kobelinski has a background as a banker and small businessman which fully qualifies him for this position. Unfortunately, his banking affiliations also create a conflict of interest, because one of the banks in which he still holds substantial stock does a great deal of business with SBA.

In the course of confirmation hearings, the committee learned that this bank, First State Bank of Chicago, has almost 10 percent of its loan portfolio in SBA-guaranteed loans. The committee took the position that Mr. Kobelinski should either divest himself of his bank stock, or failing that he should take steps to have both banks cease making new SBA loans and sell their existing SBA loans during his tenure as administrator.

Initially Mr. Kobelinski would not agree to either of these remedies. Instead, he proposed to insulate himself from dealings with the two banks. That was not satisfactory to the committee. Eventually, the boards of directors of the two banks did agree to pass resolutions committing themselves not to originate any new SBA loans while Mr. Kobelinski is in office. The committee has been informed that even if they sold their existing loans to other banks, the buyer would still have recourse in the event that a loan went into default and in turn Mr. Kobelinski's bank would be likely to request SBA to honor the guarantee and bail out the bank. That, in my view, still creates an intolerable conflict, because Mr. Kobelinski would be on both sides of the bargaining.

It is not a trivial matter because some of these loans amount to several hundred thousand dollars, and the bank's entire assets amount to less than $30 million. If a $300,000 loan defaulted and SBA found that the guarantee could not be honored for some reason, this could have very serious consequences for the bank. Therefore, SBA employees making that determination would be in a very difficult position knowing that the SBA administrator is a part owner of the bank.

In fairness to him, Mr. Kobelinski has gone a long way toward meeting the committee's request. And the banks are making a sacrifice by turning down SBA business. The committee has voted to recommend confirmation, and I expect that the Senate will do likewise. But I intend to vote nay, because I do not wish to endorse any nominee with any degree of conflict of interest.

There is another disturbing factor in this nomination which leads me to accept nothing less than an absolute resolution of any conflict. In the late sixties, Parkway Bank put on its board of directors a Cook County Commissioner. Subsequently, the interest-free deposits of county funds in Parkway increased markedly. The county treasurer during this period was subsequently made a director of Mr. Kobelinski's other bank, First State.

I hasten to add that this matter was investigated by the U.S. attorney, and no criminal wrongdoing was found. But it does suggest less than complete sensitivity to conflict-of-interest issues on the part of this nominee, who will head an agency which has had more than its share of corruption over the years.

Mr. President, in my view, neither the legislative nor the executive branch has been sufficiently attentive to conflict-of-interest problems in recent years.

The Joint Committee on Defense Production has had to prod the Defense Department to take action against public officials going on hunting weekends as guests of defense contractors. One such official was the head of the Civil Service Commission, which enforces ethics standards for other departments.

The Justice Department informs me that prosecutions under the criminal conflict-of-interest statute have been exceedingly rare, so rare in fact, that many agencies have become discouraged and seldom bother referring cases. I have proposed legislation S. 1329, to tighten up the criminal conflict of interest laws but even if enacted that legislation by itself will not guarantee good enforcement.

I have learned from experience that the blind trust device is virtually useless in preventing conflicts. The former President of the Export-Import Bank, Henry Kearns, put some nearly worthless stock which he owned into a blind trust and then actively promoted the sale of that stock for half a million dollars to a company that had loan applications pending before Eximbank.

I think these procedures indicate that the Banking Committee is serious about averting conflicts of interest.

In the case of Mr. Kobelinski, I am pleased that our insistence did result in substantial progress toward resolving the conflict. I do not intend to actively oppose this nomination. But I do feel that as long as this nominee holds stock in two banks which could become involved in negotiations with SBA while he is SBA Administrator, I personally must vote not to confirm.

THE PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate reresumed the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

Mr. MANSFIELD. Mr. President, I yield the floor to the Senator from Wisconsin (Mr. Proxmire).

(Mr. PROXMIRE'S remarks made at this point, and further proceedings in connection with S. 2672, the State Taxation of Depositories Act, was printed earlier in today's Record when the bill was first considered by the Senate.)

PROGRAM

Mr. MANSFIELD. Mr. President, I would like at this time to outline the schedule for the next couple of weeks insofar as I am able to do so.

The pending business is S. 22, a bill for the further revision of the copyright law, title 17 of the United States Code, and for other purposes. The preliminary remarks on S. 22 have already been made.

When the Senate returns after disposing of its business today, at noon on Monday, February 16, the first order of business after the leaders have been recognized, if they desire recognition, will be the reading of Washington's Farewell Address by the distinguished Senator from Indiana (Mr. HARTKE).

Following the conclusion of that address, the Senate will return to the consideration of Calendar No. 460, S. 22, the copyright bill, and will be engaged in debate on an amendment of that bill for all of Monday, February 16.

On Tuesday the Senate will return to the consideration of S. 2662, a bill to amend the Foreign Assistance Act of 1961. There is a time limitation agreement on that bill. It is anticipated that discussion, debate, and amendments will be occurring throughout Tuesday and until no later than 5 o'clock on Wednesday, which will be the 18th of February, and at no later than 5 o'clock on that day the vote on pasage of S. 2662 will occur.

If the copyright bill has not been completed on Monday, then the Senate will return to the consideration of S. 22, the copyright bill.

Following the disposition of that bill, though not necessarily in this order, because we have to have some flexibility, it is anticipated that S. 22 will be followed by House Joint Resolution 549, a joint resolution to approve the covenant to establish a Commonwealth of the Northern Mariana Islands in political union with the United States of America, and for other purposes.

Following that, it is very likely that Calendar No. 496, H.R. 8617, an act to restore to Federal civilian and Postal Service employees their rights to participate voluntarily, as private citizens, in the political processes of the Nation, to protect such employees from improper political solicitations, and for other purposes, the so-called Hatch Act bill, will be under consideration.

Following that, or somewhere in that area, the Senate will take up Calendar No. 561, S. 507, a bill to provide for the management, protection, and development of the national resource lands, and for other purposes, and then hopefully H.R. 8650, having to do with the insulating of new homes, S. 2931, having to do with daylight saving time, and S. 2760, a bill to amend the Indochina Migration and Refugee Assistance Act of 1975.

Furthermore, the Senate should be on notice that the minority members of the Committee on Rules and Administration in the last day or so filed their report on the Oklahoma senatorial contested election, and Senate Resolution 356, a resolution relating to the Oklahoma senatorial contested election may well be included in the category which I have listed.

So, I say to the acting Republican leader I hope this gives him a pretty fair idea of the difficult schedule that confronts us in the weeks ahead.

Mr. GRIFFIN. I thank the distinguished majority leader for the information and guidance.

ADJOURNMENT UNTIL MONDAY, FEBRUARY 16, 1976

Mr. MANSFIELD. Mr. President, if there is no further business to come before the Senate at this time, I move that the Senate stand in adjournment, in accordance with Senate Concurrent Resolution 92, until noon, Monday, February 16, 1976.

The motion was agreed to; and at 3:13 p.m. the Senate adjourned until Monday, February 16, 1976, at 12 meridian.

NOMINATIONS

Executive nominations received by the Senate February 6, 1976:

FEDERAL POWER COMMISSION

Barbara Anne Simpson, of North Carolina, to be a member of the Federal Power Commission for the remainder of the term expiring June 22, 1977, vice William L. Springer, resigned.

FEDERAL HOME LOAN BANK BOARD

J. Ralph Stone, of California, to be a member of the Federal Home Loan Bank Board for the remainder of the term expiring June 30, 1978, vice Thomas R. Bomar, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 6, 1976:

DEPARTMENT OF DEFENSE

Frank A. Shrontz, of Virginia, to be an Assistant Secretary of Defense.

INTERNATIONAL ATOMIC ENERGY AGENCY

Galen L. Stone, of the District of Columbia, a Foreign Service officer of class 1, to be the Deputy Representative of the United States of America to the International Atomic Energy Agency, with the rank of Ambassador.

SMALL BUSINESS ADMINISTRATION

Mitchell P. Kobelinski, of Illinois, to be Administrator of the Small Business Administration.

(The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before a duly constituted committee of the Senate.)

UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES

The following-named persons to be members of the Board of Regents of the Uniformed Services University of the Health Sciences for terms expiring May 1, 1981:

Lt. Gen. Leonard D. Heaton, U.S. Army, retired.

David Packard, of California.

Francis D. Moore, of Massachusetts.

U.S. AIR FORCE

The following officers for temporary appointment in the U.S. Air Force under the provisions of chapter 839, title 10 of the United States Code:

To be major general

Brig. Gen. Frank G. Barnes, [redacted] FR, Regular Air Force.

Brig. Gen. James R. Brickel, [redacted] FR, Regular Air Force.

Brig. Gen. Daniel L. Burkett, [redacted] FR, Regular Air Force.

Brig. Gen. Rupert H. Burris, [redacted] FR, Regular Air Force.

Brig. Gen. Lynwood E. Clark, [redacted] FR, Regular Air Force.

Brig. Gen. Richard N. Cody, [redacted] FR, Regular Air Force.

Brig. Gen. John W. Collens III, [redacted] FR, Regular Air Force.

Brig. Gen. Richrd B. Collins, [redacted] FR, Regular Air Force.

Brig. Gen. George A. Edwards, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Andrew P. Iosue, [redacted] FR, Regular Air Force.

Brig. Gen. John E. Kulpa, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Howard W. Leaf, [redacted] FR, Regular Air Force.

Brig. Gen. Louis G. Leiser, [redacted] FR, Regular Air Force.

Brig. Gen. Dewey K. K. Lowe, [redacted] FR, Regular Air Force.

Brig. Gen. James E. McInerney, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Richard E. Merkling, [redacted] FR, Regular Air Force.

Brig. Gen. Kenneth P. Miles, [redacted] FR, Regular Air Force.

Brig. Gen. Harry A. Morris, [redacted] FR, Regular Air Force.

Brig. Gen. William R. Nelson, [redacted] FR, Regular Air Force.

Brig. Gen. William C. Norris, [redacted] FR, Regular Air Force.

Brig. Gen. Jack I. Posner [redacted] FR, Regular Air Force.

Brig. Gen. John S. Pustay, [redacted] FR, Regular Air Force.

Brig. Gen. Thomas F. Rew, [redacted] FR, Regular Air Force.

Brig. Gen. Carl G. Schneider, [redacted] FR, Regular Air Force.

Brig. Gen. Lawrence A. Skantze, [redacted] FR, Regular Air Force.

Brig. Gen. Henry B. Stelling, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. John C. Toomay, [redacted] FR, Regular Air Force.

Brig. Gen. Stanley M. Umstead, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. Jasper A. Welch, Jr., [redacted] FR, Regular Air Force.

Brig. Gen. George W. Wentsch, [redacted] FR, Regular Air Force.

The following officers for appointment in the Regular Air Force to the grades indicated, under the provisions of chapter 835, title 10 of the United States Code:

To be major general

Lt. Gen. William Y. Smith, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Lt. Gen. James R. Allen [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Lt. Gen. Eugene F. Tighe, Jr., [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Lucius Theus [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Guy E. Hairston, Jr., [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Charles F. Minter, Sr, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Robert C. Mathis, [redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Andrew B. Anderson, Jr., [redacted]R (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Ranald T. Adams, Jr., [redacted]R (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. William B. Yancey, Jr., [redacted]FR (brigadier general, Regular Air Force) U.S. Air Force.

Maj. Gen. Edgar S. Harris, Jr., [redacted]

FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Robert L. Edge[redacted] FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. Gerald J. Post[redacted]FR (brigadier general, Regular Air Force), U.S. Air Force.

Maj. Gen. James A. Young,[redacted] (brigadier general, Regular Air Force), U.S. Air Force.

To be brigadier general

Maj. Gen. Benjamin R. Baker,[redacted] FR (colonel, Regular Air Force, Medical), U.S. Air Force.

Maj. Gen. Jesse M. Allen,[redacted]FR (colonel, Regular Air Force), U.S. Air Force.

Maj. Gen. Lincoln D. Faurer,[redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Maj. Gen. Charles A. Gabriel,[redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Maj. Gen. Lloyd R. Leavitt, Jr.,[redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Maj. Gen. Winfield W. Scott, Jr., [redacted]R (colonel, Regular Air Force), U.S. U.S. Air Force.

Maj. Gen. Lovic P. Hodnette, Jr., [redacted]R (colonel, Regular Air Force), U.S. Air Force.

Maj. Gen. Bennie L. Davis,[redacted] FR (colonel, Regular Air Force), U.S. Air Force.

Maj. Gen. Ralph J. Maglione, Jr., [redacted]R (colonel, Regular Air Force), U.S. Air Force.

Maj. Gen. Robert A. Rushworth, [redacted]R (colonel, Regular Air Force), U.S. Air Force.

Maj. Gen. Thomas M. Ryan, Jr., [redacted]R (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Anderson W. Atkinson, [redacted]R (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William J. Kelly,[redacted]FR (colonel, Regular Air Force, Judge Advocate General), U.S. Air Force.

Brig. Gen. George W. Rutter, [redacted]R (colonel, Regular Air Force), U.S. Air Force.

Brig Gen. Edward J. Nash,[redacted]FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John W. Collens III, [redacted]R (colonel, Regular Air Force), U.S. Air Force.

Brig Gen. William R. Nelson, [redacted]R (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Jack W. Waters,[redacted]FR (colonel, Regular Air Force), U.S. Air Force.

Brig Gen. Billy M. Minter,[redacted]FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Kenneth P. Miles,[redacted]FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Louis G. Leiser,[redacted]FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Richard N. Cody,[redacted]FR (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. John E. Kulpa, Jr.,[redacted]R (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Charles F. G. Kuyk, Jr., [redacted]R (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Richard E. Merkling, [redacted]R (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. David B. Easson,[redacted]FR (colonel, Regular Air Force), U.S. Air Force.

Brig Gen. William L. Nicholson III, [redacted]R (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. William D. Gilbert, [redacted]R (colonel, Regular Air Force), U.S. Air Force.

Brig. Gen. Lynwood E. Clark, [redacted]R (colonel, Regular Air Force), U.S. Air Force.

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of chapters 35, 831, and 837, title 10, United States Code:

To be major general

Brig. Gen. Grover J. Isbell,[redacted]FG, Air National Guard.

Brig. Gen. Raymond A. Matera, [redacted]FG, Air National Guard.

To be brigadier general

Col. Rudolph D. Bartholomew, [redacted]FG, Air National Guard.

Col. Charles R. Campbell, Jr., [redacted]FG, Air National Guard.

Col. John L. France[redacted]FG, Air National Guard.

Col. David B. Hoff, [redacted]FG, Air National Guard.

Col. William H. O'Bryan, Jr., [redacted]FG, Air National Guard.

Col. Ben L. Patterson, Jr.[redacted]FG, Air National Guard.

Col. Oscar T. Ridley,[redacted]FG, Air National Guard.

Col. Paul N. Rogers,[redacted]FG, Air National Guard.

Col. Carl L. Trippi[redacted]FG, Air National Guard.

IN THE ARMY

The U.S. Army Reserves officers named herein for promotion as Reserve commissioned officers of the Army, under the provisions of title 10, United States Code, sections 593(a), 3371 and 3384:

To be major general

Brig. Gen. William Henry Ecker, Jr., [redacted].

Brig. Gen. Marvin Herman Knoll,[redacted].

Brig. Gen. Franklin Lane McKean, [redacted].

Brig. Gen. Harry Stott Parmelee, [redacted].

Brig. Gen. Harold Newton Read, [redacted].

Brig. Gen. Lawrence Drew Redden, [redacted].

Brig. Gen. Walter Livingston Starks, [redacted].

Brig. Gen. Robert Murray Sutton, [redacted].

To be brigadier general

Col. William Roger Berkman, [redacted].

Col. Wilber James Bunting,[redacted].

Col. Robert Lorenzo Lane,[redacted].

Col. Henry Watts Meetze,[redacted].

Col. Lawrence Wilford Morris,[redacted].

Col. Berlyn Keasler Sutton,[redacted].

The Army National Guard of the United States officers named herein for promotion as Reserve commissioned officers of the Army under the provisions of title 10, United States Code, sections 593(a) and 3385:

To be major general

Brig. Gen. Henry Hammond Cobb, Jr., [redacted].

Brig. Gen. Nicholas Joseph Del Torto, [redacted].

Brig. Gen. Robert Earl Johnson, Jr., [redacted].

To be brigadier general

Col. Edward Donald Bangs,[redacted].

Col. Jean Beem,[redacted].

Col. Robert Julian Bradshaw, [redacted].

Col. John Joseph Dillon,[redacted].

Col. Raymond Eugene Grant,[redacted].

Col. William Walton Gresham, Jr.[redacted].

Col. Charles Edward Lamoreaux, [redacted].

Col. James Ray Owen,[redacted].

Col. Robert Darrell Weliver,[redacted].

The Army National Guard of the United States officer named herein for appointment as a Reserve commissioned officer of the Army under the proivsions of title 10, United States Code, sections 593(a) and 3392:

To be brigadier general

Col. Richmond Lindley Vaughan, [redacted].

The Army National Guard of the United States officers named herein for appointment as reserve commissioned officers of the Army under the provisions of title 10, United States Code, sections 593(a) and 3392:

To be brigadier general

Col. Charles Emerson Murry,[redacted].

Col. John Grady Smith, Jr.[redacted].

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant general

Lt. Gen. James Francis Hollingsworth, [redacted]Army of the United States (major general, U.S. Army).

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designated by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. John Holloway Cushman, [redacted] U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 3066, to be assigned to a position of importance and responsibility designed by the President under subsection (a) of section 3066, in grade as follows:

To be lieutenant general

Maj. Gen. Donn Albert Starry, [redacted] Army of the United States (brigadier general, U.S. Army).

The following-named officers for appointment in the Regular Army of the United States to the grade indicated under the provisions of title 10, U.S. Code, sections 3284 and 3307:

To be major general

Maj. Gen. James Clifton Smith, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. James Joseph Ursano, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Patrick William Powers, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. George Magoun Wallace II, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Charles Echols Spragins,[redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Oliver Day Street III, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Hal Edward Hallgren, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Pat William Crizer,[redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Bert Alison David,[redacted], Army of the United States, brigadier general, U.S. Army).

Maj. Gen. Bates Cavanaugh Burnell, [redacted]Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Lawrence Edward VanBuskirk, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Charles Raymond Sniffin, [redacted]

[redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John Calvin McWhorter, Jr., [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Calvert Potter Benedict, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John Alan Hoefling, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John Elwood Hoover, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. William Loyd Webb, Jr., [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Robert Jacob Baer, [redacted], Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Rolland Valentine Heiser, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Robert Haldane, [redacted], Army of the United States (brigadier general, U.S. Army).

Lt. Gen. Henry Everett Emerson, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Stan Leon McClellan, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. John Rutherford McGiffert II, [redacted] Army of the United States (brigadier general, U.S. Army).

Maj. Gen. Thomas Howard Tackaberry, [redacted] Army of the United States (brigadier general, U.S. Army).

Lt. Gen. John William Vessey, Jr., [redacted] Army of the United States (brigadier general, U.S. Army).

IN THE NAVY

Vice Adm. Earl F. Rectanus, U.S. Navy, for appointment to the grade of vice admiral on the retired list, pursuant to the provisions of title 10, United States Code, section 5233.

IN THE AIR FORCE

Air Force nominations beginning John B. Abell, to be colonel, and ending Billy S. Smith, to be colonel, which nominations were received by the Senate and appeared in the Congressional Record on December 11, 1975.

Air Force nominations beginning Julius P. Greene, to be colonel, and ending William P. Dubose III, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on January 20, 1976.

Air Force nominations beginning George R. Abbott, to be colonel, and ending James D. Sykes, to be captain, which nominations were received by the Senate and appeared in the Congressional Record on January 27, 1976.

IN THE ARMY

Army nominations beginning Clarence Kaplan, to be colonel, Regular Army, and colonel, Army of the United States, and ending Jackie W. Saye, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on January 20, 1976.

Army nominations beginning James W. Adams, to be colonel, and ending Mary G. Young, to be colonel, which nominations were sent to the Senate and appeared in the Congressional Record on January 20, 1976.

Army nominations beginning Alford W. Green, to be colonel, and ending Vincent P. Yustas, to be captain, which nominations were received by the Senate and appeared in the Congressional Record on January 26, 1976.

IN THE NAVY

Navy nominations beginning Thomas K. Aanstoos, to be ensign, and ending John M. Messner, to be a chief warrant officer, W–2, which nominations were received by the Senate and appeared in the Congressional Record on December 11, 1975.

Navy nominations beginning Steven J. Brunson, to be ensign, and ending Albert H. Jensen, to be temporary lieutenant (jg.) and permanent warrant officer and/or permanent and temporary warrant officer, which nominations were received by the Senate and appeared in the Congressional Record on December 19, 1975.

Navy nominations beginning Robert Lee Anderson, to be captain, and ending Bernice Jones Zigovsky, to be captain, which nominations were received by the Senate and appeared in the Congressional Record on January 20, 1976.

Navy nominations beginning Robert Carter Donaldson, to be commander, and ending Chris A. Taylor, to be ensign, which nominations were received by the Senate and appeared in the Congressional Record on January 20, 1976.

Navy nominations beginning Arthur Philip Abel, to be lieutenant commander, and ending Mary Pauline Yont, to be lieutenant commander, which nominations were received by the Senate and appeared in the Congressional Record on January 20, 1976.

The nomination of Lt. Comdr. Ned E. Mufley, U.S. Navy, for appointment to the grade of commander while serving as leader of the U.S. Navy Band, which nomination was received by the Senate and appeared in the Congressional Record on January 26, 1976.

IN THE MARINE CORPS

Marine Corps nominations beginning Maynard P. Bearce, to be second lieutenant, and ending Robert H. Zobel, Jr., to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on January 20, 1976.

Marine Corps nominations beginning William T. Adams, to be chief warrant officer, W–4, and ending Robert F. Zurface, to be chief warrant officer, W–2, which nominations were received by the Senate and appeared in the Congressional Record on January 20, 1976.

WITHDRAWAL

Executive nomination withdrawn from the Senate February 6, 1976:

FEDERAL HOME LOAN BANK BOARD

Ben B. Blackburn, of Georgia, to be a member of the Federal Home Loan Bank Board for the remainder of the term expiring June 30, 1978, vice Thomas R. Bomar, resigned, which was sent to the Senate on October 6, 1975.

EXTENSIONS OF REMARKS

IN NOBODY WE TRUST

HON. HARRY F. BYRD, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Friday, February 6, 1976

Mr. HARRY F. BYRD, JR. Mr. President, an excellent editorial recently appeared in the Boston Herald American, entitled "In Nobody We Trust."

This editorial discusses the personal experience of William Randolph Hearst, Jr., Kingsbury Smith, and the late Frank Conniff in Moscow in 1956, and the recent Moscow visit of the U.S. SALT negotiating team.

Communist Russia, then and now, remains a closed, repressive police state. As the editorial points out:

> The lesson is simple. Four years of détente have changed nothing about sneaky Communist practices . . . they have not changed in more than 20 years.
>
> Even more to the point—they have never changed.
>
> And they never will.

I think this editorial makes a most important point. It is essential that the United States never lose sight of the fact that while moods and methods, words and gestures may change in Moscow, the nature of that Communist dictatorship remains constant.

Mr. President, at this point I request unanimous consent that the editorial from the Boston Herald American be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IN NOBODY WE TRUST

The object lesson of this editorial—as revealing as it is sinister—can only be made fully clear by summarizing two stories which happened about 20 years apart. The first is how it happened that William Randolph Hearst, Jr., and his two top editorial assistants, the late Frank Conniff and Joseph Kingsbury Smith, happened to win the 1956 Pulitzer Prize for international reporting for a series of exclusive and unprecedented interviews with the major leaders of the Soviet Union, including Khrushchev.

It seems the journalistic task force was ensconced in Moscow's National Hotel, facing the Kremlin, trying to figure a way to break through the icy isolation of Russian officialdom. The solution came when Kingsbury Smith, talking at an area of the room he figured would be tapped for eavesdropping, said: "Mr. Hearst, let's keep it positively in mind that President Eisenhower cautioned us that his message is to be delivered by us to the premier alone, nobody else."

Only a few days later, the Hearst team got an invitation no other foreign correspondents had ever received. They were invited to the Kremlin for a personal interview with the premier. At conclusion of a lengthy session, he unhappily remarked—"Are you sure that's all you want to tell me?" That was all—for the time being—he was informed. At their request, the Hearst team visitors subsequently were allowed to interview practically every hotshot in the Kremlin—without ever once giving a hint of the mysterious White House message that was obviously being so eagerly sought.

There never was any such message, of course. Which brings us to the second of the two stories involved here. All members of the U.S. delegation that went to Moscow with Secretary of State Kissinger during his just-concluded talks with Soviet leaders were given an advance list of "security reminders." It had six major points, which read as follows:

"All telephone calls are monitored by the Soviets."

"Assume that all the rooms have electronic eavesdropping equipment, and that all conversations will be monitored."

"Assume that any luggage or briefcases in your rooms will be searched while you are absent."

"Assume that all trash thrown in wastebaskets will be examined."

"If you take classified material to meetings, insure that it is under American control at all times."

"One-time typewriter ribbons, carbon paper and typing backup sheets should be destroyed as classified waste."

The lesson is simple. Four years of detente have changed nothing about sneaky Communist practices. In fact, as indicated by the first story above, they have not changed in more than 20 years.

Even more to the point—they have never changed.

And they never will.

PORT SAFETY

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 5, 1976

Mr. EDGAR. Mr. Speaker, the oil tankers *Edgar M. Queeney* and the *Corinthos* collided at Marcus Hook, Pa., 1 year ago. The entire east sky of my congressional district lit up as tentacles of fire shot up into the night sky, and glass-shattering explosions rocked the area. Twenty-six crew members perished, and for hours, the safety and property of Marcus Hook residents were threatened.

I personally inspected the burning hulks of the tankers. It was frustrating to me not to comprehend how such a disaster could occur. More frustrating was not knowing how reoccurrences could be avoided. Only the heroic efforts of scores of local firefighters, many of them volunteers, limited further loss of life and destruction of valuable property. It was a miracle that worse destruction of life did not result.

Mr. Speaker, I find it very unfortunate that a disaster must provide the impetus for the launching of a major investigation into the vulnerability of citizens and port facilities to catastrophes of the magnitude which occurred in Marcus Hook. During the year since this incident, a number of investigations have been launched. I and my staff have raised many questions about port safety. Some of these questions remain unanswered. Litigation is pending which precludes a more detailed analysis at this time. However, I can say now that in theory, the port was "adequately" protected, according to the Coast Guard, against a major collision of this type.

However, Mr. Speaker, the rate of technological advancement in the transportation of hazardous freight by sea may soon outstrip our abilities to effectively safeguard against further disasters. Supertankers may soon be streaming into the mouth of this port, threatening collisions which would make the Marcus Hook fire seem like a firecracker in comparison. It is incumbent at this time to assure that safeguards are not just "adequate," but in fact are more than "adequate." I intend to endorse proposals which will make Marcus Hook, and similar areas of this Nation, as secure as possible from the potential for accidents, and with the use of the best available technology.

Such technology, in my opinion, should include radar surveillance which currently is not a feature of protection on the Delaware River.

Mr. Speaker, my distinguished colleague from New Jersey (Mr. FORSYTHE) recently introduced a bill which would be a critical first step toward providing the resources necessary for coping with accidents such as the Marcus Hook collision.

The bill, H.R. 11459, establishes a national marine firefighting program. It is carefully designed to provide local firefighting units with access to training, information on new techniques of firefighting, supplies, and emergency assistance. The bill is drafted to maintain the independence of these companies and to minimize the Federal role.

Mr. Speaker, section 1301 of H.R. 11459 summarizes the congressional findings, policies and purposes of this legislation. The language deserves the attention of my colleagues. It serves to resensitize us, a year after the Marcus Hook collision, to the need for comprehensive coordination of our limited firefighting resources, an undertaking which will have a significant impact upon the ability to deal with major port disasters. Section 1301 of the bill follows:

"TITLE XIII—MARINE FIREFIGHTING PROGRAM

"SEC. 1301. CONGRESSIONAL FINDINGS, POLICY, AND PURPOSES.—(a) The Congress hereby finds that—

"(1) marine fires are a major hazard to port populations and property and have resulted in substantial economic harm;

"(2) merchant ship crews often lack the updated training and experience needed to combat shipboard fires effectively, and shipboard firefighting information is often not readily available in a central location;

"(3) shoreside fire departments often lack training in the specialized problems of such fires;

"(4) legal restrictions often prevent local fire units from assisting in fighting marine fires in other localities or States;

"(5) since vessels serving the foreign and domestic waterborne commerce of the United States call at ports in several States and serve the commerce of the entire Nation, the Federal Government is appropriately suited to supervise a comprehensive program for the prevention and combating of marine fires; and

"(6) a coordinated national program for marine firefighting is in the national interest, and local fire departments, with their existing manpower and equipment availability, should be utilized as a primary resource in implementing such a national program.

"(b) It is therefore declared to be the policy and purposes of the Congress under this title—

"(1) to encourage the development of systematic plans and techniques to be utilized by local fire departments to combat marine fires;

"(2) to provide for the adequate training for United States merchant seamen in marine fire prevention and on onboard firefighting;

"(3) to facilitate at the Federal level the exchange of marine firefighting supplies, crews information, and training;

"(4) to require all merchant vessels serving foreign and noncontiguous domestic commerce of the United States to carry prefire plans describing the location and use of firefighting equipment aboard the vessels;

"(5) to provide for the establishment of marine firefighting units which utilize the manpower and resources of local fire departments and are specially trained in shipboard firefighting techniques for purposes of training local fire departments and ship crews and providing on-the-scene emergency assistance for fighting marine fires;

"(6) in achieving the purposes of this title, to keep the role of the Federal Government in marine firefighting to a minimum, to avoid extensive Federal regulation and supervision; and to not affect in any manner the jurisdiction of State and local governments over local firefighting units; and

"(7) to utilize the United States Coast Guard to coordinate and control marine firefighting activity by firefighting units established pursuant to this title.

Mr. Speaker, allow me to take a moment to review some of the major features of H.R. 11459.

The Secretary of Commerce would have the authority to designate regional base firefighting units with appropriate input from local fire departments. Smaller auxiliary units would be formed to assist the regional base firefighters, and would be mobilized in a coordinated unit to respond to marine disasters which threaten port populations and property. Training programs for these units would be established in cooperation with the National Fire Prevention and Control Administration. State and local jurisdictions over local firefighting units would not be abridged. Vessels or port facilities which receive services from these units could be assessed the cost of providing such services, at the discretion of the Secretary of Commerce.

Mr. Speaker, this bill is constructed to provide a maximum of cooperation among local firefighting units, local units of government, the Coast Guard, owners of ship and port facilities, and the Commerce Department in preventing port disasters, and limiting their impact when they do indeed occur.

I hope that the committee with jurisdiction over this bill will expedite hearings so that it may be fine tuned to correct any difficiencies it may have. I am sending copies of this bill to fire companies in my congressional district so that they may inform me of any flaws in this language which I could assist in correcting when the bill is considered.

Mr. Speaker, I know that all of my colleagues in the House support legislation at all levels of government that would provide safeguards against having another Marcus Hook disaster.

HOUSE OF REPRESENTATIVES—*Monday, February 9, 1976*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

*Whatever is true, and honorable, and just, and pure, and lovely and gracious * * * think about those things. And the God of Peace will be with you.*—Philippians 4: 8, 9.

Our Father God, as we turn to the tasks of this new day, may our faith in Thee, the love of those near to us, and the confidence of those who support us spur us on to do our very best for our beloved Nation. Sustain us with Thy presence and strengthen us with Thy power that the stress and strain of these demanding days may not wear us out nor break our spirits as we labor for the highest good of our Republic.

Grant us wisdom, understanding, and patience in this high hour of our national life that we may ever be truehearted, wholehearted, faithful, and loyal.

In the spirit of the Master we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the amendment of the House with amendments to a bill of the Senate of the following title:

S. 2672. An act to extend the State Taxation of Depositories Act.

The message also announced that the Senate had passed bills and a joint and concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 1283. An act to improve judicial machinery by further defining the jurisdiction of United States magistrates, and for other purposes;

S. 1640. An act to provide for the establishment of the Santa Monica Mountains and Seashore Urban Park and Recreation Area in the State of California, and for other purposes;

S. 2923. An act to amend title 28 of the United States Code to provide that full-time U.S. magistrates shall receive the same compensation as full-time referees in bankruptcy and to adjust the salary of part-time magistrates;

S.J. Res. 167. Joint resolution to amend the Railroad Revitalization and Regulatory Reform Act of 1976; and

S. Con. Res. 93. Concurrent resolution supporting Brussels Conference on Soviet Jewry.

The message also announced that the Vice President, pursuant to Public Law 86-420, appointed Mr. MANSFIELD, Mr. MCGEE, Mr. METCALF, Mr. MONTOYA, Mr. HUDDLESTON, Mr. HASKELL, Mr. MORGAN, Mr. DURKIN, Mr. FANNIN, Mr. PERCY, Mr. DOMENICI, and Mr. LAXALT to attend, on the part of the Senate, the Mexico-United States Interparliamentary Conference, to be held in Atlanta, Ga., and Denver, Colo., February 25 to March 1, 1976.

The message also announced that Mr. BUCKLEY be a conferee, on the part of the Senate, on the bill (H.R. 200) entitled "An act to provide for the conservation and management of the fisheries, and for other purposes," vice of Mr. PEARSON, excused.

MARV GUIDANCE SYSTEM WOULD MAKE U.S. MISSILES MORE ACCURATE

(Mr. WEAVER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WEAVER. Mr. Speaker, there are some in this Congress who believe that MARV is a threat to the security of the United States. Some believe MARV will weaken our defense posture. Some believe MARV will bring the world closer to self-destruction. Why do they believe this?

MARV is a guidance system that would make our missiles more accurate. As a very distinguished Member said to me, how can a device that makes our missiles more accurate be bad? That seems a sensible question. It is one that deserves an answer and careful thought, long before the day we vote to take the irrevocable step to test MARV in the atmosphere. I ask Members to begin giving MARV this careful thought.

TO EXTEND STATE TAXATION OF DEPOSITORIES ACT

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the Senate bill (S. 2672) an act to extend the State Taxation of Depositories Act, with Senate amendments to the House amendment thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The SPEAKER. The Clerk will report the Senate amendments to the House amendment.

The Clerk read as follows:

Page 2, of the House engrossed amendment, strike out lines 22, 23, and 24, and insert:

"(2) The amendment made by paragraph (1) shall cease to be effective upon the expiration of three years after the date of enactment of this Act."

Page 3, of the House engrossed amendment, after line 12, insert:

"SEC. 4. The first section of the Act takes effect on January 1, 1976."

Mr. ST GERMAIN (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments to the House amendment be considered as read and printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. BAUMAN. Mr. Speaker, reserving the right to object, I do so in order to ask the gentleman from Rhode Island for an explanation.

Mr. ST GERMAIN. Mr. Speaker, if the gentleman from Maryland will yield, this is the legislation that passed the House last year, went over to the Senate, and then was returned to the House. Attached to it on its return was a title III that was inimicable to the House Committee on Banking, Currency and Housing, and to the House. It was sent back to the Senate. It has now been returned to the House with amendments that have been agreed to by the majority, by the gentleman from Illinois (Mr. ANNUNZIO), the chairman of the Subcommittee on Consumer Affairs, and by the minority and, very frankly, there is, at this point, no objection to the legislation.

Mr. BAUMAN. Mr. Speaker. I thank the gentleman for his explanation and withdraw my reservation of objection.

Mr. ST GERMAIN. Mr. Speaker, S. 2672, as it passed the Senate, contained three provisions as follows:

Section 1, if enacted, would amend Public Law 93-100 to extend the moratorium on interstate taxation of depositories to September 12, 1976;

Section 2 would amend Public Law 93-100 to extend so-called NOW accounts to Connecticut, Rhode Island, Maine, and Vermont; and

Section 3 would amend the Truth in Lending Act to permit issuers of credit cards to prohibit sellers from offering cash discounts in excess of 5 percent, and to exempt cash discounts constituting finance charges or interest charges under State usury laws.

Mr. Speaker, on December 16, 1975, this body, under suspension of the rules, passed S. 2672 with several House amendments, all of which related to the third provision of the legislation. On February 6, 1976, the other body considered and passed S. 2672 with two minor amendments.

No change was made in the first two sections of the bill dealing with State taxation of depository institutions or the NOW account provision.

The third section of this bill, Mr. Speaker, falls within the jurisdiction of the Subcommittee on Consumer Affairs. Chairman FRANK ANNUNZIO is fully in accord with the minor changes made by the Senate, as is the ranking minority member of the Consumer Affairs Subcommittee (Mr. WYLIE).

Mr. Speaker, I am in favor of adopting this legislation as it has been amended by the Senate.

Mr. ANNUNZIO. Mr. Speaker, Members will recall that we dealt with S. 2672 shortly before the adjournment of the first session. At that time I offered an amendment to the legislation which provided for a new section dealing with a prohibition against surcharging credit cards.

For the most part, the Senate has accepted the amendments offered with only two changes. The Senate has agreed to a prohibition against allowing merchants to add a surcharge onto transactions in which a credit card is involved. However, the Senate wants to limit the prohibition to 3 years so that the ban may be studied at the end of that time. I find no problem with the Senate provision since I feel certain that Congress will continue the ban after the end of the 3-year period.

With regard to cash discounts, the House position was to allow unlimited cash discounts in the event a customer chose to pay cash rather than use a credit card. There was some feeling in the Senate, however, that some unscrupulous merchants might use the unlimited cash discount provision to take advantage of consumers. It was felt that some merchants might increase their prices 50 percent and then advertise a 20-percent discount for cash-paying customers. Instead of receiving a discount, the unsuspecting consumers would actually be paying 30 percent more than the price before the discount was added.

Personally, I think the possibility of this happening is small. However, since the other body had such strong feelings for this provision, I have reluctantly agreed to go along but only to the extent that the cash discount provision will also expire at the end of 3 years. As the bill now stands, a discount can be offered to cash customers without regard to disclosure under truth in lending or State usury laws. Cash discounts above 5 percent would still be authorized but the merchant would have to comply with truth in lending laws and State usury laws.

Let me take just a moment to explain the involvement of State usury laws so that no one will feel we are taking away an important consumer protection. Actually, the usury provision is highly technical.

In several States if a merchant offers a cash discount, the amount of the cash discount must be included in the finance charge which is levied against a credit customer. For example, if a State had an 18-percent ceiling on credit card transactions and included cash discounts as part of its usury computation, any cash discount which was applied to a cash transaction would have to be added to the interest rate charged the credit card customer. If a 5-percent discount were in effect, that 5 percent would have to be added to the 18 percent charged for credit resulting in a net 23-percent interest rate which, of course, would be violating usury laws in that State. Under the legislation as passed by the Senate only discounts of up to 5 percent would be exempt from the usury provision. The House exempted all discounts from usury computation feeling that if a merchant is worried over difficulties with usury laws, he will be less inclined to give cash discounts.

I am hopeful that after we get some experience under our belts we can go back to a position where merchants can offer unlimited cash discounts.

Finally, I would like to discuss a provision which is included in both the House and Senate versions which deals with the issuance of advisory opinions by designated staff members of the Federal Reserve Board. First I would like to point out that this is only permissive and does not force the Federal Reserve Board to designate staff members who can hand down advisory opinions unless the Board so chooses.

What we are trying to accomplish here is not to dilute consumer remedies which come under the various aspects of the Consumer Credit Protection Act, but rather to eliminate thoughtless violations.

As chairman of the Consumer Affairs Subcommittee I have received a number of letters from businessmen who complain that they are unable to find out how to comply with the various consumer laws being passed by the Congress. They find that the only way they can get an answer is to wait until they are sued which in all too many cases is too late for the well-intentioned businessman.

As I have said on many occasions, I favor tough consumer laws but at the same time I feel they should be readily understandable by the business community so a businessman who wants to comply with the law does not have to live in fear of harassing lawsuits. The courts can then spend time dealing with flagrant violations of the law rather than with technical ones.

Passage of this amendment will in no way reduce consumer protection under any consumer laws which are now on the books. It will go a long way toward eliminating the mountains of paperwork that small businessmen feel will jeopardize their businesses.

Mr. WYLIE. Mr. Speaker, as one who spoke in favor of H.R. 10561 when it passed the House, I am going to support the Senate bill now before us.

It is my position that the Truth in Lending Act must be amended to clarify the meaning of the word "discount" to the benefit of consumers. Congress needs to be on record to remove the ambiguity that a discount is not a finance charge within the meaning of State usury laws. The Senate retained the House provision on advisory opinions which is desirable.

I cannot see why the 5-percent limit on discounts was placed back in the bill. If a merchant wants to sell his product for more than a 5-percent discount that should be left to him.

But, on balance, the language in this bill with respect to truth in lending is better than the present law. Besides, a review of the whole question is mandated because new legislation will be required in 3 years.

I object to the fact that the truth in lending amendments are part of a nongermane package. I understand the State Taxation on Depositories Act has expired and needs to be extended.

I am going along even though I think a merchant ought to be allowed to offer any discounts he wants to for payment in cash. This bill makes it clear a merchant can offer a discount.

In further clarification, it should be noted that this legislation does not affect the authority of a merchant to offer goods at any reduced price for the purpose of a special "sale."

For example, a resourceful merchant could reduce the regular advertised sale price for the sake of "inventory clearance" as much as 25 percent, and the cash customer would get an additional 5-percent discount while the credit card user pays the "inventory clearance" price plus finance charges if he does not pay within the regular billing period.

The consumer will benefit from this bill in that the offering of discounts is encouraged and it makes the law quite clear that a discount is not a surcharge and is not subject to State usury laws.

Mr. ROUSSELOT. Mr. Speaker, I rise in support of S. 2672, which is practically the same as the bill which this House passed on December 16, 1975, and which I supported at that time. This bill contains four sections:

First. Section 1 will extend through September 12, 1976, the current moratorium on State taxation of depositories. This extension will give Congress an opportunity to consider and to act upon the study of this issue which has been completed by the Advisory Commission on Intergovernmental Relations.

Second. Section 2 will extend to the entire New England region the experiment under which depository institutions in Massachusetts and New Hampshire have been permitted to offer negotiable order of withdrawal—NOW—accounts. This section permits NOW accounts to be made available in an area which is clearly ready to accept them, pending consideration by Congress of the Senate and House versions of the Financial Institutions Act, both of which call for the availability of NOW accounts nationwide.

Third. Section 3 provides permission for merchants to grant a "discount" of up to 5 percent for the payment of cash and prohibits imposition of a "surcharge," with respect to sales which are subject to the Fair Credit Billing Act. This section also empowers the Federal Reserve to authorize one of its officials or employees to issue interpretive rulings which will constitute evidence of good faith compliance with the Truth in Lending Act. This provision should be especially helpful to small businesses, which cannot afford the expensive legal talent which is often required to enable them to cope with the intricacies of this act.

Finally, this section provides for the preemption of State usury laws, which might otherwise operate to prevent the granting of a discount in accordance with this legislation. This preemption is troublesome to me because it may constitute another step in the direction of a Federal usury statute, which would be a most unfortunate development.

Fourth. Section 4 provides that the first section of the bill shall take effect on January 1, 1976, so that there would not be a hiatus in the moratorium on State taxation of depositories.

On balance, I believe that S. 2672 is a useful and necessary bill and will support it, despite my reservations about section 3.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Isdand (Mr. ST GERMAIN)?

There was no objection.

GENERAL LEAVE

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

FEBRUARY 6, 1976.

Hon. CARL ALBERT,
The Speaker,
House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 11:20 A.M. on Friday, February 6, 1976, and said to contain a message from the President wherein he transmits the eleventh message on budget rescissions and deferrals for fiscal 1976.

With kind regards, I am,
Sincerely,
EDMUND L. HENSHAW, Jr.,
Clerk.

REPORT OF NEW DEFERRALS OF BUDGET AUTHORITY AND REVISIONS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-362)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report three new deferrals of budget authority and revisions to a rescission proposal and four deferrals previously transmitted.

New estimates increase by $2 million the amounts associated with my earlier proposal to rescind the uncommitted balances of the Rehabilitation Loan Fund administered by the Department of Housing and Urban Development. Other reestimates cause a net reduction of $8.7 million in deferrals previously reported for the General Services Administration and the Departments of Agriculture and Interior. The new deferrals total $37.6 million in budget authority which would be used beyond 1976 to fund three programs of the Departments of Agriculture and Interior.

The details of the revised rescission and the revised and new deferrals are contained in the attached reports.

GERALD R. FORD.
THE WHITE HOUSE, *February 6, 1976.*

PROPOSALS RELATING TO THE HEALTH AND SECURITY OF OLDER AMERICANS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-363)

The SPEAKER laid before the House the following message from the President of the United States; which was read and referred to the Committee on Ways and Means and ordered to be printed:

To the Congress of the United States:

I ask the Congress to join with me in making improvements in programs serving the elderly.

As President, I intend to do everything in my power to help our nation demonstrate by its deeds a deep concern for the dignity and worth of our older persons. By so doing, our nation will continue to benefit from the contributions that older persons can make to the strengthening of our nation.

The proposals being forwarded to Congress are directly related to the health and security of older Americans. Their prompt enactment will demonstrate our concern that lifetimes of sacrifice and hard work conclude in hope rather than despair.

The single greatest threat to the quality of life of older Americans is inflation. Our first priority continues to be the fight against inflation. We have been able to reduce by nearly half the double digit inflation experienced in 1974. But the retired, living on fixed incomes, have been particularly hard hit and the progress we have made in reducing inflation has not benefited them enough. We will continue our efforts to reduce federal spending, balance the budget, and reduce taxes. The particular vulnerability of the aged to the burdens of inflation, however, requires that specific improvements be made in two major Federal programs, Social Security and Medicare.

We must begin by insuring that the Social Security system is beyond challenge. Maintaining the integrity of the system is a vital obligation each generation has to those who have worked hard and contributed to it all their lives. I strongly reaffirm my commitment to a stable and financially sound Social Security system. My 1977 budget and legislative program include several elements which I believe are essential to protect the solvency and integrity of the system.

First, to help protect our retired and disabled citizens against the hardships of inflation, my budget request to the Congress includes a full cost of living increase in Social Security benefits, to be effective with checks received in July 1976. This will help maintain the purchasing power of 32 million Americans.

Second, to insure the financial integrity of the Social Security trust funds, I am proposing legislation to increase payroll taxes by three-tenths of one percent each for employees and employers. This increase will cost no worker more than $1 a week, and most will pay less. These additional revenues are needed to stabilize the trust funds so that current income will be certain to either equal or exceed current outgo.

Third, to avoid serious future financing problems I will submit later this year a change in the Social Security laws to correct a serious flaw in the current system. The current formula which determines benefits for workers who retire in the future does not properly reflect wage and price fluctuations. This is an inadvertent error which could lead to unnecessarily inflated benefits.

The change I am proposing will not affect cost of living increases in benefits after retirement, and will in no way alter the benefit levels of current recipients. On the other hand, it will protect future generations against unnecessary costs and excessive tax increases.

I believe that the prompt enactment of all of these proposals is necessary to maintain a sound Social Security system and to preserve its financial integrity.

Income security is not our only concern. We need to focus also on the special health care needs of our elder citizens. Medicare and other Federal health programs have been successful in improving access to quality medical care for the aged. Before the inception of Medicare and Medicaid in 1966, per capita health expenditures for our aged were $445 per year. Just eight years later, in FY 1974, per capita health expenditures for the elderly had increased to $1218, an increase of 174 percent. But despite the dramatic increase in medical services made possible by public programs, some problems remain.

There are weaknesses in the Medicare program which must be corrected. Three particular aspects of the current program concern me: 1) its failure to provide our elderly with protection against catastrophic illness costs, 2) the serious effects that health care cost inflation is having on the Medicare program, and 3) lack of incentives to encourage efficient and economical use of hospital and medical services. My proposal addresses each of these problems.

In my State of the Union Message I proposed protection against catastrophic health expenditures for Medicare beneficiaries. This will be accomplished in two ways. First, I propose extending Medicare benefits by providing coverage for unlimited days of hospital and skilled nursing facility care for beneficiaries. Second, I propose to limit the out-of-pocket expenses of beneficiaries, for covered services, to $500 per year for hospital and skilled nursing services and $250 per year for physician and other non-institutional medical services.

This will mean that each year over a billion dollars of benefit payments will be targeted for handling the financial burden of prolonged illness. Millions of older persons live in fear of being stricken by an illness that will call for expensive hospital and medical care over a long period of time. Most often they do not have the resources to pay the bills. The members of their families share their fears because they also do not have the resources to pay such large bills. We have been talking about this problem for many years. We have it within our power to act now so that today's older persons will not be forced to live under this kind of a shadow. I urge the Congress to act promptly.

Added steps are needed to slow down the inflation of health costs and to help in the financing of this catastrophic protection. Therefore, I am recommending that the Congress limit increases in medicare payment rates in 1977 and 1978 to 7 percent a day for hospitals and 4 percent for physician services.

Additional cost-sharing provisions are also needed to encourage economical use of the hospital and medical services included under Medicare. Therefore, I am recommending that patients pay 10 percent of hospital and nursing home charges after the first day and that the existing deductible for medical services be increased from $60 to $77 annually.

The savings from placing a limit on increases in medicare payment rates and some of the revenue from increased cost sharing will be used to finance the catastrophic illness program.

I feel that, on balance, these proposals will provide our elder citizens with protection against catastrophic illness costs, promote efficient utilization of services, and moderate the increases in health care costs.

The legislative proposals which I have described are only part of the over-all effort we are making on behalf of older Americans. Current conditions call for continued and intensified action on a **broad front?**

We have made progress in recent years. We have responded, for example, to recommendations made at the 1971 White House Conference on Aging. A Supplemental Security Income program was enacted. Social Security benefits have been increased in accord with increases in the cost of living. The Social Security retirement test was liberalized. Many inequities in payments to women have been eliminated. The 35 million workers who have earned rights in private pension plans now have increased protection.

In addition we have continued to strengthen the Older Americans Act. I have supported the concept of the Older Americans Act since its inception in 1965, and last November signed the most recent amendments into law.

A key component of the Older Americans Act is the national network on aging which provides a solid foundation on which action can be based. I am pleased that we have been able to assist in setting up this network of 56 State and 489 Area Agencies on Aging, and 700 local nutrition agencies. These local nutrition agencies for example provide 300,000 hot meals a day five days a week.

The network provides a structure which can be used to attack other important problems. A concern of mine is that the voice of the elderly, as consumers, be heard in the governmental decision-making process. The network on aging offers opportunities for this through membership on advisory councils related to State and Area Agencies on Aging, Nutrition Project Agencies and by participation in public hearings on the annual State and Area Plans. Such involvement can and will have a significant impact on determining what services for the aging are to be given the highest priorities at the local level.

The principal goal of this National Network on Aging is to bring into being coordinated comprehensive systems for the provision of service to the elderly at the community level. I join in the call for hard and creative work at all levels—Federal, State and Area in order to achieve this objective. I am confident that progress can be made.

Toward this end, the Administration on Aging and a number of Federal Departments and agencies have signed agreements which will help to make available to older persons a fair share of the Federal funds available in such areas as housing, transportation, social services, law enforcement, adult education and manpower—resources which can play a major role in enabling older persons to continue to live in their own homes.

Despite these efforts, however, five percent of our older men and women require the assistance provided by skilled nursing homes and other long term care facilities. To assist these citizens, an ombudsman process, related solely to the persons in these facilities, is being put into operation by the National Network on Aging. We believe that this program will help to resolve individual complaints, facilitate important citizen involvement in the vigorous enforcement of Federal, State and local laws designed to improve health and safety standards, and to improve the quality of care in these facilities.

Today's older persons have made invaluable contributions to the strengthening of our nation. They have provided the nation with a vision and strength that has resulted in unprecedented advancements in all of the areas of our life. Our national moral strength is due in no small part to the significance of their contributions. We must continue and strengthen both our commitment to doing everything we can to respond to the needs of the elderly and our determination to draw on their strengths.

Our entire history has been marked by a tradition of growth and progress. Each succeeding generation can measure its progress in part by its ability to recognize, respect and renew the contributions of earlier generations. I believe that the Social Security and Medicare improvements I am proposing, when combined with the action programs under the Older Americans Act, will insure a measure of progress for the elderly and thus provide real hope for us all.

GERALD R. FORD.

THE WHITE HOUSE, *February 9, 1976.*

CALL OF THE HOUSE

Mr. MONTGOMERY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. KAZEN. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 42]

Andrews, N.C.
Ashley
AuCoin
Barrett
Beard, Tenn.
Bell
Biaggi
Boggs
Boland
Bowen
Brinkley
Brown, Calif.
Burton, John
Burton, Phillip
Cederberg
Chisholm
Clausen, Don H.
Clay
Collins, Ill.
Conyers
Dellums
Diggs
Downing, Va.
Early
Eckhardt
Esch
Eshleman
Evans, Ind.
Findley
Fish
Flynt
Ford, Mich.
Ford, Tenn.
Fraser
Giaimo
Gibbons
Gonzalez
Harsha
Hayes, Ind.
Hébert
Heinz
Helstoski
Henderson
Hinshaw
Holland
Jarman
Johnson, Pa.
Jones, Ala.
Jones, Tenn.
Jordan
Karth
LaFalce
Landrum
Lujan
McCollister
McCormack
McEwen
McKinney
Macdonald
Metcalfe
Mills
Mink
Mosher
Moss
Mottl
Obey
O'Neill
Pettis
Quillen
Riegle
Rose
Sarbanes
Scheuer
Shuster
Sisk
Skubitz
Spellman
Steelman
Steiger, Ariz.
Stokes
Symington
Teague
Udall
Wilson, Bob
Wolff
Wydler
Young, Alaska
Young, Ga.

The SPEAKER. On this rollcall 344 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

RESIGNATION AS MEMBER OF CONFERENCE COMMITTEE ON H.R. 7988, PUBLIC HEALTH SERVICE ACT AMENDMENTS

The SPEAKER laid before the House the following resignation as a conferee:

WASHINGTON, D.C.

Hon. CARL ALBERT,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Please accept my resignation as a member of the Conference Committee on H.R. 7988.

I anticipate an issue will arise in which I may have a conflict of interest.

Cordially,

RICHARDSON PREYER.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 5808, ANIMAL WELFARE ACT AMENDMENTS OF 1976

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1024 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1024

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5808) to amend the Act of August 24, 1966, as amended, to assure humane treatment of certain animals, and for other purposes. After general debate which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on

Agriculture, the bill shall be considered as having been read and open to any point for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit. After the passage of H.R. 5808, the Committee on Agriculture shall be discharged from the further consideration of the bill S. 1941, and it shall then be in order in the House to move to strike out all after the enacting clause of said Senate bill and insert in lieu thereof the provisions contained in H.R. 5808 as passed by the House.

The SPEAKER. The gentleman from Florida (Mr. PEPPER) is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the able gentleman from Mississippi (Mr. LOTT), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1024 provides for an open rule with 1 hour of general debate on H.R. 5808 the Animal Welfare Act amendments of 1976.

House Resolution 1024 provides that the bill will be considered as having been read and open at any point for amendment under the 5-minute rule, and discharges the Committee on Agriculture from further consideration of S. 1941, and makes it in order to strike out all after the enacting clause of said Senate bill and insert in lieu thereof the provisions contained in H.R. 5808 as passed the House.

H.R. 5808 as amended, would broaden and strengthen the authority of the Secretary of Agriculture to establish and enforce human standards for the treatment of animals under the Animal Welfare Act.

Mr. Speaker, I think H.R. 5808, protecting animals in transit and in other circumstances against brutality and cruelty, appeals to the heart and conscience of every Member of this House, and I am very proud to be associated with this measure and with the presentation of the rule. I hope this rule will be adopted so H.R. 5808, a very meritorious measure, may be considered and, I hope, passed by this House. I urge the adoption of the rule.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Florida has explained that under the terms of House Resolution 1024, the House will resolve itself into the Committee of the Whole for consideration of H.R. 5808, the Animal Welfare Act Amendments of 1976.

The rule for H.R. 5808 provides that the bill shall be considered as read and open for amendment at any point under the 5-minute rule. This was necessary since the Agriculture Committee adopted as one amendment a provision encompassing several sections of the bill, but retaining certain portions of the original bill. The only way this amendment may be offered is by opening the bill to amendment at any point.

After passage of H.R. 5808, it shall be in order for the House to move to strike all after the enacting clause of S. 1941 and insert in lieu therefor the language of the House-passed bill.

The purpose and general thrust of the Animal Welfare Act Amendments are very laudable—to assure the humane treatment of certain animals. The major portion of the legislation is devoted to addressing the problem of mistreatment of animals in the course of their transportation affecting commerce.

At present, the authority for the establishment and enforcement of adequate standards for the humane air transportation of animals is diffused among three Government agencies. The Department of Agriculture, the Civil Aeronautics Board, and the Federal Aviation Administration have ill-defined responsibilities over shipments of animals by air. H.R. 5808 would consolidate this jurisdiction under the Secretary of Agriculture and would serve to improve the enforcement authority of the Secretary over carriers and intermediate handlers of animals.

A different type problem also is addressed by this legislation. Animal fighting ventures take place across the country, and a penalty provision was added by the committee to cope with this situation; in spite of the fact that some 41 States now have such laws on their books. Section 15 of the bill makes it a Federal crime subject to a fine of up to $5,000 or imprisonment for up to 1 year, or both, to knowingly sponsor or abet an animal fighting venture in which animals were moved in interstate commerce or to use the mails to promote any animal fighting venture. "Animal" is defined as any live bird, or any live dog or other mammal, except man.

The major quarrel with this section is the fact that the term "animal fighting venture" means "any event which involves a fight between at least two animals and is conducted for purposes of sport, wagering, or entertainment." The broadness and ambiguity of this particular language troubles me for the reason that it might be interpreted so as to restrict the use of hunting dogs when they are moved between States for the purposes of hunting other animals. Numerous examples come to mind; fox hunting, deer hunting, bird hunting, duck hunting, racoon hunting, and countless other activities in which one animal is pitted against another for purposes of sport.

Mr. Speaker, I do not believe the Committee on Agriculture in reporting this legislation to the House intends for the animal fighting venture" definition to extend beyond dog and cock fighting or other similar events. However, if the definition is left as it presently exists without further clarification by amendment or at least some distinct legislative history, our Nation's hunters may be in danger of having the use of their hunting dogs severely restricted.

Therefore, I would urge the adoption of this rule, which will allow for amendments to be offered to the bill to clarify the committee's intent. I hope that the House will fully debate the particular issue with which I have expressed concern so that we can avoid the potential for misinterpretation of the term "animal fighting venture." Aside from this, I know that other Members have expressed their reservations with respect to other parts of the legislation. Passage of House Resolution 1024 will permit adequate debate and amendment of those controversial areas.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield such time as he may consume to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Speaker, I rise to ask a series of questions of the distinguished Chairman of the Committee on Agriculture.

Mr. Speaker, before we vote on the rule on this legislation, I think those of us who represent rural areas would definitely like to know the scope of this particular legislation.

The gentleman from Mississippi (Mr. LOTT) has just referred to the rather broad definitions in this bill. I am particularly concerned about the phrase "animal fighting venture," on page 22 which, as the gentleman from Washington (Mr. FOLEY) knows, is defined as involving a fight between at least two animals and is conducted for the purpose of sport, wagering, or entertainment.

Mr. Speaker, let me give the gentleman not a hypothetical situation but an actual one. Each year in Crisfield, Md., which is the Crab Capital of the World, there is held the National Hard Crab Derby. Crabs are sent from all over the United States to compete with the succulent brand of Maryland crab.

These hearty crustaceans are asked to take their places in runways in a series of trial racing heats, and are gradually eliminated until finally the King Crab is selected by dint of his prowess in this exciting race.

In past years we have had crabs win from far away places. Last year, a crab from Wisconsin, who apparently had gone upriver quite a long way, as jazz did from New Orleans, and won the Crisfield crab meet.

Mr. Speaker, crabs have been known throughout the years to have very pugnacious characters. In these races they do indeed fight with each other; at least, some of these crabs do.

Mr. Speaker, my question is, does this legislation require the sponsors of the Annual National Hard Crab Derby at Crisfield to come under the control of the U.S. Agriculture Department, to obtain licenses, be inspected, and become subject to civil and criminal penalties?

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. Yes, I yield to the gentleman from Washington.

Mr. FOLEY. No; the answer is no. In the first place, I do not know exactly whether crab racing is the sport of kings or not.

Mr. BAUMAN. It is in my area, I would say.

Mr. FOLEY. In any event, there is nothing to interfere, as far as I can tell, in this bill with crab racing.

I am happy to say that, as chairman of the committee, it is not intended to interfere with crab racing or the movement of crabs across State boundaries for the purpose of racing.

A crab is not a mammal or a warmblooded animal, I will advise the gentleman from Maryland and there is nothing in the racing of crabs in any event that would be reached by this bill. There is nothing in the act that would bar using interstate facilities for this purpose.

Mr. BAUMAN. Then it is safe to say that the definition of animal would not bring the racing crabs under the purview of this legislation.

Mr. FOLEY. Section 25 prohibits the fighting of certain mammals, other than man, and would not affect the crab racing the gentleman from Maryland refers to.

Mr. BAUMAN. Let me pass along, then, to another question this legislation has raised. I think I may have in my congressional district more organized fox hunts, both public and private, than any other Congressman. Quite often packs of fox hounds are brought in from neighboring States such as Virginia, Delaware, or Pennsylvania for the purpose of engaging in these fox hunts. This definitely pits one animal against another, and is the essence of the sport. I wonder under the language in this bill whether or not these fox hunts, which date back to common law time and precede our own Constitution, would come under the control of Earl Butz and his USDA minions?

Mr. FOLEY. I do not regard fox hunting as coming within the provisions of section 25. The purpose of fox hunting is not to pit animals in a fight against each other simply for the purpose of entertainment, although in fox hunting it sometimes results in fights between the dogs and the fox. I understand that. But that is not the purpose of the hunt. No fox hunter would say that that is the purpose. Consequently it seems to me that that activity is clearly outside the provisions of section 25.

Mr. BAUMAN. Let me then ask the gentleman from Washington (Mr. FOLEY) another question.

There is a $500 limitation on the amount of money that can be earned annually by sellers of animals before becoming dealers and falling within the definition of this act. On the Eastern Shore of Maryland, and in southern Maryland, a good hunting dog will bring thousands of dollars, depending on the training. Does this bill provide that if you were to sell a dog from Maryland to a person in Delaware, it would bring the sale, the seller, and the dog within the purview of this particular act?

Mr. FOLEY. If the person who is selling it is a dealer under the act, that is true. But if it is a matter of simply an owner selling a dog across State lines, it does not necessarily constitute him as a dealer.

Mr. BAUMAN. But if the dog sells for more than $500 the seller would fall within the act?

Mr. FOLEY. Yes. If the person sells a dog, regardless of its value, for compensation or profit, I am told he would be a dealer covered by the requirements of the act. The $500 limitation applies only to dealers who sell in any year animals other than wild animals, dogs, or cats.

Mr. BAUMAN. That gives the gentleman from Maryland quite a bit of pause considering the many people who would fall within the scope of the act.

Let me pass on to another question. The Department of Agriculture, perhaps under this particular act we are amending, has imposed regulations on the products and activities of taxidermists. As the gentleman from Washington may know, in my district the goose shooting is pretty good and the duck shooting is rather good. It has been very good in the past year, as I am sure the Northrup Corp. would attest. Quite often these successful hunters who shoot the birds and animals wish them preserved. Since this legislation applies to animals both dead and alive, does this mean that the taxidermist cannot practice his art, and ship his product on an interstate basis unless the taxidermist complies with a whole new set of Federal regulations, Federal reports, and Federal forms to file?

Mr. FOLEY. Is the gentleman talking about animals that might be mounted and then shipped as trophies across State lines?

Mr. BAUMAN. Yes, animals that would be shot in Maryland and stuffed for the purpose of sending them out of the State.

Mr. FOLEY. I do not think this bill changes the law with respect to dead animals.

Mr. BAUMAN. It does not impose on the taxidermist any additional requirements as to form filing?

Mr. FOLEY. It does not impose on the taxidermist any additional requirements on the movement of animals he would prepare as trophies or otherwise, that are not animate animals.

It does not impose any additional responsibilities not covered by law. We do not want to say that the present law does not make some requirements with respect to that, but this bill does not change the law or make any additions with respect to taxidermists.

Mr. BAUMAN. I have one last question that would be of concern to many of our constituents.

In the past it has become the practice of our seafood industry to ship large guantities of oysters and clams to exhibits that might occur at such places as New York and Washington. For instance, there is an annual seafood reception held here on Capitol Hill sponsored by various shellfish trade associations. These oysters are shipped, and live clams are shipped on an interstate basis and they are shucked right here "on the Hill." Of course, to some degree they are for exhibition purposes.

Mr. FOLEY. This bill does not cover seafood. It covers no aquatic life except that which consists of warmblooded animals or mammals. The whale is a mammal. It might theoretically cover whales; but not crabs, oysters, and the other examples that the gentleman has given.

Mr. BAUMAN. I appreciate the Chairman's elaboration on this legislation. I honestly believe that he has raised a number of rather serious questions about the impact of this legislation, and while oysters may be exempt and whales covered, I am very much worried about hunting dogs and a few other aspects. I would suggest that maybe we ought to pause before we consider this further.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. BAUMAN. I yield to the very distinguished gentleman from Idaho, one of the great animal husbandrymen in the House.

Mr. SYMMS. I thank the gentleman for yielding.

I want to point out some information. I had referred to this bill as a bill that would make the Secretary of Agriculture the czar of all cockfights in America. I thought it was rather amusing that we did not have far more important things to do than worry about that, when we have criminals, hoodlums, and rapists, roaming the streets of this country, often hurting or killing people.

That is not to say that I am endorsing cock or dogfights, because I am not. I appreciate the gentleman's asking these questions on some of these things that had not been brought to the committee's attention.

I am wondering how Shamu, the trained killer whale in San Diego, would be affected by this. He is a mammal, too.

Mr. BAUMAN. I am not an expert on whales, but I would suggest there might be one political implication in this legislation that no one has considered.

I have attended several Republican National Conventions. I do not know how much longer they will continue to hold these, in view of the state of our party, but we are planning to hold one this year. I have, however, never attended a Democratic National Convention. They may have the same problem. I do know, however, that Republican Party officials sometimes bring in a live baby elephant, or Democratic Party officials bring in a live ass or two, to graphically illustrate their party symbols.

I assume the respective national parties will now come under the control of the Department of Agriculture if the elephant or the ass is permitted to visit with the national convention delegates in Kansas City or New York.

Mr. SYMMS. I thank the gentleman.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me address a couple of questions to the chairman of the committee. Some points have been raised that I would like to pursue for 1 minute.

The gentleman said fox hunting would not be included; that it would not include such things as deer hunting and coon hunting. Sport hunts like that the gentleman interprets under the language of the bill would not be covered; is that right?

Mr. FOLEY. If the gentleman will yield, if the purpose of the activity is to hunt and not deliberately pit animals into fighting ventures for entertainment, then it is not covered.

In my judgment, of course, one could have a situation, where in a hunt one merely captured a coon and tried to pit it in a ring with a dog or dogs. That would be covered by the act. There is no question about that.

On the other hand, if the purpose is to hunt the animal rather than to deliberately create conditions where one animal is pitted against another, it is not covered.

Mr. LOTT. The gentleman does think that something like "coon on the log" would be covered?

Mr. FOLEY. If the gentleman will yield, I am not familiar totally with the custom known as "coon on the log." But if the purpose is to force animals to fight one with the other, rather than to hunt animals, then the activity is covered, insofar as the use of interstate facilities is concerned. It is not covered if the entire operation happens within a State boundary, the animals have not been moved in interstate commerce and there is no use of the mails to promote the venture. This bill does not attempt to reach the problems of totally intrastate activity. If there is any advertising in interstate commerce or use of the mails for the purpose of setting up or promoting the pitting of one animal directly against another, that is covered.

Mr. CONTE. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, I would like to ask some questions. I am intrigued with the comment made by the gentleman from Maryland. I am a fan of hunting dogs and have a hunting dog, and I deal with many of the people who own hunting dogs. If I go to a field trial and I see a dog there I like and I want to buy it and if the dog is over $500, what do I have to do?

Mr. FOLEY. If the gentleman will yield, the gentleman from Massachusetts has to have $500 to buy it, I assume. That is all he has to do. The dog would not be covered by the bill.

Mr. CONTE. I know that, but the gentleman from Washington was telling the gentleman from Mississippi——

Mr. FOLEY. If the owners of the animals were dealers as defined in the act, they would be covered under the act and would have certain responsibilities in the shipping of the animals.

Mr. CONTE. I want to buy the animal right there and take it home in my automobile.

Mr. FOLEY. The gentleman would not have any responsibility under this act in transporting his own animal across State lines in his automobile. He would not be limited in any respect. If he is in the business of selling animals then he would have to observe certain restrictions in selling and transporting animals across State borders.

The purpose of this bill is to have the animal delivered in decent health and condition. The bill does not directly affect the owners who are not dealers, research facilities, exhibitors or operators of an auction sale. It would, of course, impose certain requirements on intermediate handlers and carriers who receive animals for transportation in commerce.

Mr. CONTE. Assuming I was in Enid, Okla., at the national quail championship trials and I saw a dog worth over $500, what does the seller have to do at that point?

Mr. FOLEY. As I explained earlier, the $500 limitation comes into play only with respect to dealers in animals other than dogs, cats, or wild animals. If the seller is not a dealer and does not deliver the animal to an intermediate handler or carrier but sells directly to the new owner, that is not covered under the bill.

Mr. CONTE. This is in Oklahoma and the seller has to ship the dog to Massachusetts.

Mr. FOLEY. If he has to ship any dogs from Oklahoma to Massachusetts and if he were a dealer he would have to comply with the provisions of the act, including getting a veterinarian's certificate establishing the health of the animal. But if the gentleman himself carried one animal back across the border, the gentleman would not be affected.

Mr. CONTE. Even if it is a one-time transaction, if there is a good bird dog I want to buy and have him shipped to Massachusetts, would the legislation cover this transaction? This situation happens a lot.

Mr. FOLEY. I would like to consult and give the gentleman a precise answer to that, and I will as soon as I consult with the staff.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, in connection with the discussion by the gentleman from Massachusetts, it seems clear from what the chairman of the committee says and from what the bill says on page 9, if the gentleman sells even one hunting dog for an amount over $500, he becomes a dealer. He then has to get a license and to file forms with the Department of Agriculture, and he comes within all the civil and criminal penalties if he does not comply with this bill. In most parts of my district in Maryland people sell trained hunting dogs worth over $1,000 and deliver them for instance to people in Delaware. It appears that in my district as in Massachusetts suddenly we will have Federal agents with jurisdiction over those transactions which heretofore were relatively free. The gentleman knows how valuable hunting dogs are and he realizes the $500 amount would usually be exceeded.

Mr. LOTT. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts (Mr. CONTE)

Mr. CONTE. Mr. Speaker, I would like to get an answer from the chairman of the committee, because I think maybe the attempt here is to go after a dealer, but does not apply to a single sale transaction. Maybe one has never sold a dog in his life and somebody else likes the dog he has and wants to buy it and buys it at a field trial or on a hunting trip and to ship the dog back to me, he has to go through all this redtape that the gentleman from Maryland mentioned.

Mr. FOLEY. Mr. Speaker, if the gentleman will yield, the purpose is not to reach the casual sale. The purpose is to reach the people who sell animals for compensation or profit, including dogs, cats, or wild animals, or who sell during the year other animals more than $500 in value. If the person is a dealer and the dog or animal is transported by a carrier across State lines, he is covered by the act.

Let us take it a step further. What are they required to do? They are required under the provisions of the act to obtain a certificate of health before they ship the animal in interstate commerce. That requirement is not designed to reach a casual sale by one nondealer to another nondealer across State lines. The veterinarian certificate requirement does not apply to the casual sale between hunters or other fanciers of animals who are not dealers within the meaning of the act. It is to restrict the dealer who is engaged in the sale of animals for compensation or profit and is shipping them across State lines.

I might say to the gentleman from Massachusetts (Mr. CONTE) that there are good reasons for the act. It is to insure delivery of a healthy animal, an animal that does not die during transportation. It is designed to protect the gentleman from Massachusetts and others who buy animals so that the animals do not arrive dead. If the animal dies the question arises, who is responsible? Is it the airline's responsibility or the shipper's responsibility when the animal is dead? It is designed to protect just the kind of purchase the gentleman from Massachusetts is talking about. The bill would, of course, require that intermediate handlers and carriers assure humane treatment in the course of transportation affecting commerce of any animals consigned to them by any person.

Mr. CONTE. Mr. Speaker, I thank the gentleman for the colloquy in establishing the parameter of the proposed law.

Mr. SYMMS. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Speaker, the one responsible should be the one buying the dog and the one selling the dog and the one transporting the dog. There is not much the Government can do about that.

I ship my dog from Idaho to Washington. I make a practice of stopping in Chicago and checking with the airlines to see how the dog is doing.

I think it is amazing, with all the problems we have, that we are worrying about dogs being shipped around the country. The people that own the dogs should take those responsibilities. There is a limit to what the Federal Government can do.

Mr. FOLEY. Mr. Speaker, will the gentleman from Mississippi yield further?

Mr. LOTT. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, one of the problems with this whole area is the question the gentleman from Idaho raises, why should we become involved? The reason there has been a confusion as to who is responsible, is the Department of Agriculture responsible, is the Federal Aviation Agency responsible, is the Interstate Commerce Commission responsible? All this bill does is set up certain minimum standards. It also empowers the Secretary of Agriculture to establish and enforce such further standards as are required for the humane treatment of live animals. It is for the benefit of those who are buying and selling animals across State lines and using carriers to transport them that this legislation was designed. It is intended to give all parties a clear idea of what they are supposed to do and to result in some greater assurance that the transportation can take place without injury or death to the animals being shipped.

Mr. LOTT. Mr. Speaker, I yield to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Speaker, I echo the concern of the chairman of the committee. I have served for many years as a member of my county Humane Society and have represented the U.S. Humane Society in legal cases dealing with animal rights. But the scope of this legislation concerns me greatly when the act was passed previously dealing with taxidermy, people in my district who engaged in this activity were descended upon by plagues of Federal inspectors. They were charged with not having Federal taxidermy certificates, the Government imposed fines and threatened to drag these people into Federal court, without giving them any notice of this new requirement of Federal law.

But, it was the zeal on the part of Federal enforcement that really hurt individual taxidermists. I probably had three or four cases a month for a while when these regulations first went into effect. I would hate to see that same kind of situation repeat itself under this bill. It is based on good intentions, but nevertheless it may be very unreasonable in its impact.

Mr. FOLEY. The gentleman from Maryland has raised a question which I think has been clearly addressed by the colloquy we have had. As chairman of the committee and for the purpose of making legislative history, I will advise the gentleman that nothing in this act is designed to impose any standards or requirements not presently required by existing law on those who, as taxidermists, are shipping animals prepared as trophies.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman from Washington assure us that this is not going to turn out as did the mortgage protection? The gentleman remembers in real estate protection that we were going to protect all the consumers against unusual costs in settlements of mortgages. It turned out that it added more costs.

Is this going to be more Federal bureaucracy employed in an area where there is serious doubt that the Federal Government should be involved?

Mr. FOLEY. I have advised the gentleman that one of the things I intend to do as chairman of the Committee on Agriculture in bringing this legislation to the floor is to keep very close observation on how the act is enforced. It may be that we will be suggesting that the department is not carrying out adequate enforcement, but it seems to me—and I think I can speak for the committee—that the intention of the committee is being distorted into reaches of enforcement that are totally foreign to the intent of the committee, and harassing people for activities never intended to be covered under the act.

We will be the first ones to speak very sharply to the department about that. I think most all of us have made some comments on oversight, but I think it a little difficult for me to get the connection between real estate costs, mortgage support, and this bill. This is not in that field. We are going to take careful note of how the enforcement of the regulations are issued, and the gentleman can be sure that we will act if the gentleman from California and others bring to us matters that are abuses.

Mr. ROUSSELOT. Mr. Speaker, the reason I raised the issue of RESPA is because that was raised only as a great necessity to protect the poor buyer of a home, that he was having too much add-on costs on his mortgage settlement procedure. It turns out that we did exactly the opposite and added costs to the settlement of mortgage costs, as we all found out.

My point in raising the issue as it relates to this bill is that, on the basis of the discussion I have heard, I am not convinced that the Federal Government is necessarily the best regulator or guidance or guidedog for this kind of activity.

Mr. FOLEY. To answer the gentleman, in the area of interstate commerce, in the area of setting up reasonable standards for the interstate shipment of animals, this is classically within the jurisdiction of the Federal Government. We cannot expect States to pass laws or regulations that affect interstate shipment of animals by air transportation or by surface vehicles. That is the exclusive authority, virtually, of the Federal Government.

We are not intending to add enormous costs, but there have been many examples brought to the attention of the committee where animals arrive dead or animals were left without any proper care in one step or another of a transportation process with nobody charged with responsibility. All this does is set up some way of regularizing where the responsibility lies, and if it adds any small incremental cost to the transportation of animals, it will be because present modes of transportation impose risk of very serious loss on the part of many individuals.

So, the setting up of some reasonable standards will benefit all those who are involved in the transportation of animals.

Mr. ANDREWS of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from North Dakota.

Mr. ANDREWS of North Dakota. Mr. Speaker, I would like to ask the chairman this question: As he knows, we have talked about this bill in the past. It does not change the present law affecting the shipment of livestock at all?

Mr. FOLEY. No.

Mr. ANDREWS of North Dakota. This is for cats and dogs and chickens and whatnot? As far as the truck or rail transportation of livestock is concerned, it is not affected whatsoever.

Mr. FOLEY. Any animal or birds being shipped for the purpose of processing as food or fiber is exempt from the provisions of the act.

Mr. ANDREWS of North Dakota. Or shipped for the purpose of feeding?

Mr. FOLEY. Or farm animals shipped for the purpose of feeding.

Mr. ANDREWS of North Dakota. That is right. I appreciate the gentleman making that point. I knew it was there in the bill, but I wanted to eliminate any confusion.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. PEPPER. I yield to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. I thank the gentleman for yielding.

Mr. Speaker, I support wholeheartedly this legislation.

I can assure the Members that as Director of the Division of Consumer Affairs in my State, we wrestled endlessly with the problem of dogs being brought into the State from other States which arrived ill, with no certificate as to their health.

It is a problem that affects many people. There is very little one can do. As director of Consumer Affairs in one State, how will one get hold of the shipper in any of the other States in the Union?

I think the bill is essential. I think it is a good bill. I have an amendment which I intend to offer later, but I support the bill.

Mr. PEPPER. Mr. Speaker, since there is some question about the merits of the bill, may I just say one word. The obvious thrust of this bill is to impose a humane standards of care upon carriers and others responsible for the movement of animals in interstate commerce.

Mr. Speaker, as a young lawyer I had the occasion to represent a client in a case that involved the shipment of a carload of mules from St. Louis to north Florida which exemplified the problems we are discussing here today. The carrier failed to give the mules adequate food and water in transit, as a result of which they became ill with hemorrhagic septicemia, as the veterinarian said, and nearly all of them died. The owner eventually got compensation, but that did not save the mules from a cruel death.

Mr. Speaker, I have no further request for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. ROUSH). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SYMMS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic de-

vice, and there were—yeas 352, nays 5, not voting 75, as follows:

[Roll No. 43]

YEAS—352

Abdnor
Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Bevill
Biester
Bingham
Blanchard
Blouin
Bolling
Bonker
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Conable
Conlan
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dent
Derrick
Derwinski
Devine
Dickinson
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evans, Colo.
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Forsythe
Fountain
Frenzel
Frey
Fuqua
Gaydos
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hamilton
Hammerschmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Hawkins
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Helstoski
Henderson
Hicks
Hightower
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Karth
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Koch
Krebs
LaFalce
Lagomarsino
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
McClory
McCloskey
McDade
McFall
McHugh
McKay
Madden
Madigan
Maguire
Mahon
Mann
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
O'Brien
O'Hara
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
Santini
Sarasin
Satterfield
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steiger, Wis.
Stephens
Stratton
Stuckey
Studds
Sullivan
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wright
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Tex.
Zablocki
Zeferetti

NAYS—5

Collins, Tex.
Crane
Kindness
McDonald
Symms

NOT VOTING—75

Ashley
Barrett
Bell
Biaggi
Boggs
Boland
Bowen
Brinkley
Brown, Calif.
Burke, Calif.
Burton, John
Burton, Phillip
Chisholm
Clay
Collins, Ill.
Dellums
Diggs
Downing, Va.
Early
Eckhardt
Esch
Eshleman
Evans, Ind.
Flynt
Ford, Mich.
Ford, Tenn.
Fraser
Giaimo
Gibbons
Hall
Harsha
Hayes, Ind.
Hébert
Heinz
Hillis
Hinshaw
Holland
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, Tenn.
Jordan
Krueger
Landrum
Lujan
McCollister
McCormack
McEwen
McKinney
Macdonald
Metcalfe
Mink
Moss
Mottl
Obey
O'Neill
Pettis
Quillen
Rose
St Germain
Sarbanes
Scheuer
Simon
Sisk
Skubitz
Spellman
Steelman
Steiger, Ariz.
Stokes
Symington
Udall
Vander Veen
Wolff
Wydler
Young, Ga.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Wydler.

Mr. Symington with Mr. Quillen.

Mr. O'Neill with Mr. Harsha.

Mr. Jones of Tennessee with Mr. Bell.

Mr. Dellums with Mr. Esch.

Mr. Mottl with Mr. Lujan.

Mrs. Boggs with Mr. Heinz.

Mr. Barrett with Mrs. Pettis.

Mr. Giaimo with Mr. Skubitz.

Mrs. Mink with Mr. Steelman.

Mr. Moss with Mr. Steiger of Arizona.

Mr. Sisk with Mr. McEwen.

Mr. Wolff with Mr. Johnson of Pennsylvania.

Mrs. Spellman with Mr. Jarman.

Mr. Gibbons with Mr. Hillis.

Mr. Krueger with Mr. Simon.

Mr. St Germain with Mr. Hinshaw.

Mr. Biaggi with Mr. Eshleman.

Mr. Ashley with Mr. Johnson of Colorado.

Mr. Brinkley with Mr. McCollister.

Mr. Eckhardt with Mr. McKinney.

Mr. Flynt with Mr. Landrum.

Mr. Stokes with Miss Jordan.

Mr. Udall with Mr. Macdonald of Massachusetts.

Mr. Young of Georgia with Mr. Downing of Virginia.

Mr. Evans of Indiana with Mr. Early.

Mr. Clay with Mr. Diggs.

Mr. Sarbanes with Mr. Scheuer.

Mr. Rose with Mr. Vander Veen.

Mr. Metcalfe with Mr. Holland.

Mr. Fraser with Mr. Ford of Tennessee.

Mr. Hall with Mr. Hayes of Indiana.

Mr. Ford of Michigan with Mr. Boland.

Mrs. Chisholm with Mr. Brown of California.

Mr. Bowen with Mr. John Burton.

Mr. McCormack with Mr. Collins of Texas.

Mr. Phillip Burton with Mrs. Burke of California.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON S. 1617, CLARIFYING AUTHORITY OF THE SECRETARY OF AGRICULTURE TO CONTROL AND ERADICATE PLANT PESTS

Mr. FOLEY submitted the following conference report and statement on the Senate bill (S. 1617) an act to clarify the authority of the Secretary of Agriculture to control and eradicate plant pests, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 94–813)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1617) to clarify the authority of the Secretary of Agriculture to control and eradicate plant pests, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

That section 102 of the Act of September 21, 1944 (58 Stat. 735, as amended; 7 U.S.C. 147a), is amended to read as follows:

"SEC. 102. (a) The Secretary of Agriculture, either independently or in cooperation with States or political subdivisions thereof, farmers' associations and similar organizations, and individuals, is authorized to carry out operations or measures to detect, eradicate, suppress, control, or to prevent or retard the spread of plant pests.

"(b) The Secretary of Agriculture is further authorized to cooperate with the governments of all countries of the Western Hemisphere, or the local authorities thereof, and with international organizations or associations, in carrying out necessary surveys and control operations in those countries in connection with the detection, eradication, suppression, control, and prevention or retardation of the spread of plant pests.

"(c) In performing the operations or measures herein authorized, the cooperating foreign country, State, or local agency shall be responsible for the authority necessary to carry out the operations or measures on all lands and properties within the foreign country or State other than those owned or controlled by the Federal Government and for such other facilities and means as in the discretion of the Secretary of Agriculture are necessary.

"(d) As used in this section—

"(1) 'plant pest' means any living stage of any insects, mites, nematodes, slugs, snails, protozoa, or other invertebrate animals, bacteria, fungi, other parasitic plants or reproductive parts thereof, viruses, or any organisms similar to or allied with any of the foregoing, or any infectious substances, which can directly or indirectly injure or cause disease or damage in any plants or parts thereof, or any processed, manufactured, or other products of plants;

"(2) 'living stage' includes the egg, pupal, and larval stages as well as any other living stage; and

"(3) 'State' includes the District of Columbia and the territories and possessions of the United States.

"(e) The Secretary of Agriculture is authorized to promulgate such rules and regulations and use such means as he may deem necessary to provide for the inspection of plants and plant products offered for export or transiting the United States and to certify to shippers and interested parties as to the freedom of such products from plant pests according to the phytosanitary requirements of the foreign countries to which such products may be exported, or to the freedom from exposure to plant pests while in transit through the United States.

"(f) There are hereby authorized to be appropriated such sums as the Congress may annually determine to be necessary to enable the Secretary of Agriculture to carry out the provisions of this section. Unless otherwise specifically authorized, or provided for in appropriations, no part of such sums shall be used to pay the cost or value of property injured or destroyed.".

SEC. 2. The material appearing under the head "FEDERAL HORTICULTURAL BOARD" in section 1 of the Act of October 6, 1917 (40 Stat. 374; 7 U.S.C. 145), is hereby repealed.

SEC. 3. Section 1 of the Act of February 28, 1947 (61 Stat. 7, as amended; 21 U.S.C. 114b), is amended by (1) inserting in the first sentence after the words "any communicable disease of animals" the words "or vectors thereof"; (2) inserting after "Canada" a comma and "the Bahama Islands, the Greater Antilles, and the Lesser Antilles, and with international organizations or associations"; and (3) by deleting "British Honduras" and inserting in lieu thereof "Belize".

And the House agree to the same.

E de la Garza,
George E. Brown, Jr.,
Frederick Richmond,
Tom Harkin,
Matthew McHugh,
Norman D'Amours,
John Breckinridge,
Charles Thone,
Margaret M. Heckler,
Charles E. Grassley,
Managers on the Part of the House.

Herman E. Talmadge,
James B. Allen,
Dick Clark,
Richard B. Stone,
Robert Dole,
Milton R. Young,
Henry Bellmon,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1617) to clarify the authority of the Secretary of Agriculture to control and eradicate plant pests, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report. The differences between the Senate bill and the House amendment and the substitute agreed to in conference are noted in the following outline, except for conforming, clarifying, and technical changes;

(1) PLANT PEST CONTROL

The *Senate* bill extends the authority of the Secretary of Agriculture to cooperate with foreign governments in carrying out eradication and control programs with respect to plant pests so as to permit cooperation with the governments of all countries of the Western Hemisphere or the local authorities thereof. Current law authorizes such cooperation only with respect to Mexico and only for specified pests.

The *House* amendment authorizes cooperation instead with (a) the governments of Canada, Mexico, the Central American countries, Colombia, the Bahama Islands, the Greater Antilles, and the Lesser Antilles, or the local authorities thereof, *and* (b) international organizations or associations.

The *Conference* substitute adopts the *Senate* provision authorizing cooperation with the governments of all countries of the Western Hemisphere (including the governments of all the countries specified in the *House* amendment) and that part of the *House* amendment authorizing cooperation with international organizations or associations.

(2) REPEAL OF CERTAIN AUTHORITY

The *Senate* bill repeals as no longer needed material in section 1 of the Act of October 6, 1917, relating to cooperation with the Mexican government in the extermination of pink bollworm infestations near the border of the United States.

The *House* amendment repeals the same material repealed by the *Senate* bill as well as other unrelated material contained in section 1 of the Act of October 6, 1917.

The *Conference* substitute adopts the *Senate* provision.

(3) ANIMAL DISEASE CONTROL

The *Senate* bill makes it clear that the Secretary's authority to cooperate with certain Western Hemisphere countries in animal disease control extends to carriers of animal diseases. Under current law these countries include Canada, Mexico, the Central American countries, and Colombia.

The *House* amendment extends the authority provided in the *Senate* bill to the Bahama Islands, the Greater Antilles, and the Lesser Antilles, and to international organizations or associations. The *House* amendment also substitutes the country designation Belize for British Honduras.

The *Conference* substitute retains the *Senate* provision and adopts the *House* amendment (a) extending the Secretary's authority to cooperate with the Bahama Islands, the Greater Antilles, and the Lesser Antilles, and international organizations or associations, and (b) substituting the country designation Belize for British Honduras.

E de la Garza,
George E. Brown, Jr.,
Frederick Richmond,
Tom Harkin,
Matthew McHugh,
Norman D'Amours,
John Breckinridge,
Charles Thone,
Margaret M. Heckler,
Charles E. Grassley,
Managers on the Part of the House.
Herman E. Talmadge,
James B. Allen,
Dick Clark,
Richard B. Stone,
Robert Dole,
Milton R. Young,
Henry Bellmon,
Managers on the Part of the Senate.

ANIMAL WELFARE ACT AMENDMENTS OF 1976

Mr. FOLEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5808) to amend the act of August 24, 1966, as amended, to assure humane treatment of certain animals, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Washington.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 5808, with Mr. ICHORD in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Washington (Mr. FOLEY) will be recognized for 30 minutes, and the gentleman from Kansas (Mr. SEBELIUS) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Washington (Mr. FOLEY).

Mr. FOLEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this bill strengthens the authority of the Secretary of Agriculture under the Animal Welfare Act. The Animal Welfare Act was enacted in 1966 to prevent the theft and sale for use in research of dogs and cats; and also to require humane treatment of dogs, cats, and certain other laboratory animals by dealers and research facilities.

In 1970, Mr. Chairman, the act was amended to extend its protection to most warm-blooded animals, and to cover exhibitors and auction sales; and the authority of the Secretary of Agriculture was strengthened in this respect. However, since 1970, and particularly over the past 2 years, the Committee on Agriculture's attention has increasingly been directed to a problem of a serious and growing nature and that is the mistreatment of animals in connection with their transportation in commerce. The problem appears to be particularly acute in the case of air transportation.

The committee held hearings during 1974 and again last fall. We developed an extensive record which shows that the cases of mistreatment of animals in the course of air transportation particularly are very numerous. Solutions of the problem have been impeded by the confusion occasioned by the ill defined and heretofore incomplete jurisdiction of the Secretary of Agriculture, the Civil Aeronautics Board, and the Federal Aviation Administration.

The record developed during the hearings demonstrates that, despite the attention focused on the problem by the Committee on Government Operations in its 1973 report, no substantial progress has been made toward the solution of this problem. The bill H.R. 5808 would give the Secretary of Agriculture the responsibility and the authority to solve it.

Briefly, here is what this bill would do. First, it would bring carriers and intermediate handlers within the class of persons regulated under the Animal Welfare Act and require them to adhere to humane standards promulgated by the Secretary with respect to the transportation affecting commerce of all animals protected by the act.

Second, the bill would amend the definition of the terms "animal" and "dealer" under the act to clarify that animal brokers are required to observe humane standards and also that all dogs, including dogs for hunting, security, or breeding purposes, fall within the protection of the act.

Third, c.o.d. transportation of animals would be prohibited unless the shipper guaranteed payment of round-trip fare and any out-of-pocket expenses of the carrier or intermediate handler for care of animals not claimed at destination. Also, dogs, cats, and other animals could not be transported at less than 8 weeks of age, or such other age as the Secretary permits; and dealers, exhibitors, auction sale operators, and Federal, State, and local agencies would be required to obtain a veterinarian's certificate before delivering any dog, cat, or other animal designated by the Secretary for transportation affecting commerce.

Fourth, this bill would extend the Secretary's investigative authority to intermediate handlers and carriers and authorize the Secretary to impose upon such handlers and carriers a civil penalty of up to $1,000 for each violation of the standards of humane care.

Fifth, this bill would revise the present penalty provisions of the act to impose a uniform civil penalty of up to $1,000 on all persons regulated under the statute and eliminate the requirement applicable to persons currently covered by the act that the Secretary issue a cease and desist order before seeking imposition of a civil penalty.

Finally, the bill would add to the statute an entirely new section which would make a crime punishable by fine and imprisonment knowingly to sponsor, participate in, transport in interstate commerce, or use the mails to promote fights between live birds, live dogs or other mammals, except man.

The bill, H.R. 5808, comes to grips for the first time with the vexing problem of animal fighting ventures, particularly dogfighting. The record developed during the hearings revealed that organized dogfighting has spread throughout the United States. A dogfight is a grisly, dehumanizing spectacle in which dogs, trained for the purpose or maddened by drugs and abuse, are set upon each other to fight, usually to the death of at least one dog and sometimes to the death of both. Large sums of money are frequently bet on the outcome of these ventures and the dogs often are horribly mutilated if not killed in the process.

The testimony before the committee indicated that, in addition to high stakes gambling, other criminal activities such as prostitution frequently take place at dogfighting conventions, as they are called. The distinguished chairman of the Subcommittee on Livestock and Grains of the Committee on Agriculture, who held the hearings and developed the markup on this bill, the gentleman from Texas (Mr. POAGE), had provided a coverage of fighting ventures which were limited to fights between dogs and other mammals, except man. However, the committee voted by a margin of 20 to 16 in the markup of the bill to add an amendment which included fights between live fowl in the prohibition of the act.

Very frankly, speaking personally, I oppose, as an individual member of the committee, reaching in this bill the problem of the so-called cockfights or live fowl fights. While fights between live fowl are arguably indistinguishable from dog or other animal fights in terms of their brutality or distastefulness, the fact remains that in some parts of the world the fighting of live cocks has become an activity regarded as culturally sanctioned by tradition. However, in the case of dogfighting, I do not think there is anybody who could maintain that this is anything but a totally dehumanizing activity.

Most people, including the members of the committee, were shocked and surprised to find that these events took place at all; and while they have not yet reached epidemic proportions, they are part of a growing activity that we found taking place in every region of the country.

The committee believes and I believe that if we take strong action now to make it a Federal crime to use the mails, or to advertise or to move the animals in interstate commerce for the purpose of conducting this kind of animal fighting, that we can stop this activity before it becomes a blight on our national society.

The committee also received indications from some sources that, once the Federal Government steps in with reasonably heavy penalties for convictions for such things as dog fighting, many believe the practice will be quickly stopped.

Mr. Chairman, the question naturally arises: Why do we not leave this matter to the States? Generally it is within the police power of States to prevent abuse and mistreatment of animals. I think almost every State I know has some form of statute that would punish the deliberate pitting of one animal against another. In fact, part of the problem is that in most States those statutes date back to their early history and impose a mere $50 or $100 fine.

Mr. Chairman, our committee developed a record that such small penalties do not adequately punish the activity, so that many people engaged in these dog fighting or animal fighting conventions can ignore the possibility of State prosecution or conviction. Also, they are using the facilities of interstate commerce and, classically, one of the important functions of Federal criminal jurisdiction has been to deny use of the facilities of interstate commerce for illegal activities.

This bill requires that the Department of Agriculture and other Federal enforcement agencies work in cooperation with State and local authorities in enforcing this provision of the act.

Now, we may hear that the cost of new section 26 of the act, which deals with animal fighting, has been estimated by the Department of Agriculture to be $25 million a year. I am sad to say it is true that they have estimated it to be $25 million a year. In one of the most cynical and, in my judgment, questionable reports in my experience to the committee on which I serve, the Department of Agriculture estimated the cost of this animal fighting section to be $25 million, while the Congressional Budget Office estimate was $400,000. We could not get an estimate from the Department of Agriculture until 4 days before this bill reached the floor. And then we got it through the back door in the form of a personal communication between a Deputy Assistant Secretary of Agriculture, Mr. Damgard, and a committee member who opposes this section of the bill.

I believe that the revision of the budget process is one of the most important things that Congress has done in the last generation. I think we have reason to be pleased with the initial activity that has been carried on by the Budget Committees of the House and of the Senate; but we are going to have to insist that the budget process not be polluted by politicized cost estimates which lose credibility with members on both sides of the aisle who look to the administration to provide the Congress with honest and credible estimates of costs.

Now, of course, if they were to hire 1,200 new inspectors, as they suggest will be required in their cost estimate, it would cost something like what the Department estimates; but there are not 1,200 investigators in the whole Office of Investigations of the Department of Agriculture, and that office investigates all violations of criminal statutes within the purview of USDA. The total employment of that office, clerical staff and all, was only 328 last year, and even if we add to that the total employment of the Office of Audit of the Department, which was 486 last year, you still have only 814 total employees charged with the full range of the Department's investigative and audit responsibilities. The Animal and Plant Health Inspection Service employs only 58 people to administer all Federal animal care statutes including the Animal Welfare Act and Horse Protection Act.

However, in order to dispel any lingering doubt as to what we are going to add to the budget as a result of this bill I am going to offer an amendment, I hope one of the early amendments considered, that will limit all appropriations to the Secretary of Agriculture to enforce section 26 of the Animal Welfare Act, which is the animal fighting section, to not more than $400,000 annually, which is approximately the cost estimate submitted to the Committee on Agriculture by the Congressional Budget Office. That does not mean the appropriation will be that great, as we know, because it is subject to the appropriation process; but I just hope that we do not hear a lot of debate about $25 million in added cost, because we can take care of that by simply adopting quickly the $400,000 annual appropriation ceiling which I shall offer in the hope of putting to rest any discussion occasioned by the extravagant and belated cost estimates of the Department.

Let me say that I have seldom, if ever, as the chairman of the Committee on Agriculture, stood in the well of the House in criticism of the Department of Agriculture. In my judgment, there have been more things I have agreed upon than disagreed upon with respect to statistical reporting by the Department. I hope this will not become an example of what has happened in other administrations, including administrations controlled by the Democratic Party, where we have had statistics sent up for the purpose of making arguments on the floor, rather than for the purpose of reporting accurately what the Department reasonably estimates the actual costs to be.

Mr. YOUNG of Texas. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Texas.

Mr. YOUNG of Texas. Mr. Chairman, I have asked the gentleman to yield for the purpose of establishing some legislative history in accordance with our colloquy before the Committee on Rules with regard to the interstate and intrastate jurisdiction of the Animal Welfare Act Amendments of 1976. As the gentleman knows, I certainly have no criticism of the gentleman's interest in the dog fighting problem; but I do think it is important that we establish whether or not we are creating a Federal system of penalties here that will apply strictly to intrastate activities. I am thinking along the line of people in rural areas that enjoy the sport of coon hunting with coon dogs and that sort of thing, strictly intrastate.

Will the gentleman advise me, if he will, whether or not this bill applies that strictly to intrastate activities?

Mr. FOLEY. The bill does not apply to strictly intrastate activities. By that I mean to say that if no animals or persons moved in interstate commerce, the use of the mails were not involved, there was not interstate transportation, movement of persons, animals or information concerning the activity, it would be outside the scope of this act.

Mr. YOUNG of Texas. I thank the gentleman.

Mr. MONTGOMERY. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Chairman, as I understand the distinguished chairman, an amendment will be offered, or a committee amendment will be voted on which would take the game cocks, live birds out of this bill. Is that correct?

Mr. FOLEY. I will advise the gentleman that the adoption of the amendment in the committee to include the fighting of live birds will have to be offered as a committee amendment. If the gentleman feels, as I do, that it would be better at this juncture to stop the fighting of dogs and other animals and not attempt to reach fighting of live birds in this bill, then he would vote "no" on the adoption of the committee amendment No. 3 which will be offered at the beginning of the amendment process.

It is not necessary for any Member to offer an amendment for that purpose. The committee has already adopted a committee amendment to include live birds in the prohibition against animal fighting, and the vote will determine whether this committee desires to support or reject the recommendation of the Committee on Agriculture.

Mr. MONTGOMERY. I thank the gentleman. I agree with the chairman's position on this amendment and I will support taking of fowl out of the bill. The control of growing fowl and cock fighting should be controlled by the States and not by the Federal Government. If we believe in less Federal control we will vote "no" on this committee amendment No. 3.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, the term which I referred to during our previous exchange, animal fighting venture, gives me some pause. It is in the context of the question asked by the gentleman from Mississippi. It seems to me that with the recent history of attacks by various special interest groups—most of them well intended—on Federal legislation through the courts, that this term could be used, if this law is passed, for instance, to attack fox hunting, water fowl hunting, goose or duck hunting or any type of hunting activity which might in some way be interpreted as two animals fighting. They do have a dog pitted against a fowl.

Mr. FOLEY. I am happy to acknowledge my colloquy with the gentleman during the course of debate on the rule, but as chairman of the Committee on Agriculture, for the purpose of making legislative history, it was not the purpose of the committee in this legislation to reach bona fide hunting activities or sports in which animals are used in part to hunt other animals. It is designed to reach those situations where the purpose is not hunting, but directly to involve animals in fighting each other. In some hunting situations there is occasion where one animal is involved in fighting another, as, for example the case of fox hunting or other types of hunting where a dog might do more than just hold an animal at bay. However, animal fighting is not the purpose of a fox hunt and the bill is not intended to reach such an activity. On the other hand, if animals such as dogs, or dogs and other animals, are deliberately brought into close confines for the purpose of engaging in a fight for gambling, entertainment—so-called—or whatever, that would be covered by the statute, but bona fide hunting would not be covered.

Mr. BAUMAN. I wonder if the gentleman might be willing to accept, depending on the language, some additional language to that section which would spell the exemptions which he says, at least in his opinion, exist for hunting.

Mr. FOLEY. I think it is redundant, but I would not have any objection to an appropriately drafted amendment. I think it is very clear that the bill is not intended to reach bona fide hunting. We tried to make it as explicit as possible. If an amendment can be presented that corresponds with what I have said, I would personally not have any objection to its adoption. I cannot speak for the committee.

Mr. BAUMAN. I thank the gentleman.

Mr. FOLEY. Mr. Chairman, I reserve the balance of my time.

Mr. SEBELIUS. Mr. Chairman, I yield 10 minutes.

Mr. Chairman, I rise in general support of H.R. 5808, but I recognize that there may be a need of certain amendments to the bill which would broaden the support for the legislation both here on the floor and in all of our communities where people endorse, as I do, the humane treatment of animals.

The chairman has spelled out in some detail the provisions of this bill. I do not wish to bore you with further details, but please bear with me where I may have to restate some of the history of the Animal Welfare Act and some of the background of this bill in order to explain some variations to the main theme so effectively stated by the chairman.

Let me say at the outset that this bill is not without some controversy and is not the "polished legislative diamond" which I believe to be the hall mark of our committee.

The controversial provisions and requests for amendatory language may be said to center around the following areas:

First, cost: A source in the Department of Agriculture places the total cost of this bill at approximately $25 million. The Congressional Budget Office places fiscal year 1977 costs at $398,000.

Second. Animal Fighting: Section 15 of the bill provides a new section that would place the Federal Government in the business of enforcing Federal law prohibiting animal fighting ventures. While the report accompanying this bill states that this legislation is viewed as complementing State legislation—I am concerned, as are other Members, that where local State laws are nonexistent, ambiguous or are receiving weak enforcement, that the Federal Government will be a major enforcer of what I deem should be a matter of State enforcement and State concern.

Third. Agency objections, Agriculture Department: The Department of Agriculture, as noted above, objects to this bill because of its cost and its opposition to Congress placing the Department in the business of policing and enforcing the animal fighting events.

I am concerned that the $25 million that the Department projects the policing of animal fighting ventures will cost could better be used for research or to fight plant pest problems, researching wheat rust causes, and so forth. Is this $25 million in future years going to fight for the few dollars now going into agriculture or plant research?

Justice Department: The Department of Justice is strongly of the opinion that the prohibition against dog fighting, cock fighting or other ventures should be a matter of State rather than Federal law. The Justice Department also objects to a provision in section 11 which gives prosecution authority to attorneys of the Department of Justice. As I understand it, Justice is willing to enter an agreement with Agriculture attorneys to perform these tasks, but it objects to giving direct authority to the Department of Agriculture for a task or function which is within the jurisdiction of Justice.

U.S. Postal Service: The Postal Service asks for a technical amendment to section 15 of the bill relating to animal fighting ventures. It cannot estimate the costs of its new authority making it unlawful "to knowingly use the mail service of the U.S. Postal Service" for promoting or furthering an animal fighting venture.

Treasury Department: I understand by informal communication that Treasury is opposed to section 15 of the bill relating to animal fighting ventures as it relates to offering assistance to the Department of Agriculture in conducting investigations.

Federal Bureau of Investigation: Department of Justice officials state that their correspondence opposing the animal fighting ventures applies to the FBI as well.

I strongly support the main thrust of H.R. 5808 which relates to the mistreatment of animals as they are being transported in interstate commerce. Let me provide a short history of this bill, as I understand it, which would assure better treatment of animals in their shipment in interstate commerce.

The Animal Welfare Act, 7 I.S.C. 2131 et seq., was first enacted in 1966 to prevent theft and sale for use in research of pet cats and dogs and also to foster humane treatment by dealers and research facilities of cats, dogs, and certain other laboratory animals. In 1970, the act's coverage was extended to most warm-blooded animals. Exhibitors and auction sales were subjected to regulation, and the Secretary's powers were increased and extended to cover activities which burden, obstruct, or substantially affect interstate commerce.

H.R. 5808 addresses the problem of mistreatment of animals in the course of their transportation affecting commerce. All carriers of animals and persons handling such animals in connection with their transportation would be required to adhere to humane standards established pursuant to the bill under threat of civil and criminal penalties.

Over the past several years, domestic shipments of live animals by air transportation have been monitored by the Secretary of Agriculture and to an even greater extent by voluntary organizations dedicated to promoting humane treatment of animals. Many of the problems were explored in the hearings on H.R. 5808 and its predecessor bills in the 93d Congress. The sheer volume of animal shipments and particularly air shipments is enormous. For example, an Air Transport Association survey showed an average of over 3,700 animal shipments per day during 1973.

The problems which exist with respect to the air transportation are typical. At present, the authority necessary to establish and enforce adequate standards for the humane transportation of animals lies with the Secretary of Agriculture, the Civil Aeronautics Board, and the Federal Aviation Administration. A major problem area occurs in the aircraft environment, that is, temperature control, suitable containers and proper storage, and tie-down regulations. In air transportation, live animal shipments are often handled no more expeditiously than ordinary freight. Connections are missed and cargo handlers, accustomed to handling ordinary freight, are sometimes insensitive to the special requirements of live animals. The result is that such animals are stressed as a result of extended periods in transit at extreme temperatures without food, water, or exercise.

H.R. 5808 would meet the animal transportation problem in a variety of ways. First, it will eliminate confusion by bringing carriers and intermediate handlers under the jurisdiction of the Secretary of Agriculture. Carriers and intermediate handlers will be required to keep records either on existing forms or on forms prescribed by the Secretary in order to facilitate monitoring by the Secretary of their compliance with humane standards. The Secretary will be empowered to promulgate standards for intermediate handlers and carriers. The transportation of exceedingly young dogs, cats, and certain other animals will be prohibited, and a licensed veterinarian's certificate required in most instances which certifies that when inspected by the veterinarian, the animal appeared free of any infectious disease or physical abnormality which would endanger the animal or other animals or public health. C.o.d. shipments will be prohibited unless the consignor guarantees payment of round trip charges. The Secretary will also be empowered to investigate carriers and intermediate handlers. Finally, H.R. 5808 authorizes assessment of civil penalties against intermediate handlers and carriers who violate the standards established by the Secretary. The civil penalty provisions of the present law would be revised to conform to those provided in the bill for intermediate handlers and carriers.

Before closing let me express in some detail my concerns about section 15 of this bill relating to animal fighting ventures:

Scope: The wording of the bill raises questions in my mind about its possible broad scope.

Cost: Whether the cost is a quarter of a million a year initially or $25 million a year initially, I am concerned that this task—enforcement of animal fighting laws—which may more rightly be within State authority will compete for the dollars in the Federal budget which are designed to help farmers and consumers.

Federal intervention: I am concerned that my constituents and yours would prefer to see a lessening of Federal intervention in their lives and in their States and local communities. On the one hand, the FBI is critcized for exercising its authority in certain areas, and yet we seem to be directing the FBI to assist the Secretary of Agriculture in investigating what heretofore have been local law; matters. As I understand it, the FBI may be conducting searches, seizing property, and so forth. I am not sure I favor this extent of Federal intervention in what has been primarily a local matter up to now.

Cock fighting in general is a matter best left to State control in my opinion.

Mr. Chairman, as I stated, I am in support of the main thrust of this bill and the humane treatment provisions were carefully thought out and drafted, but I do have some concerns with the way it is presently drafted in other areas. Obviously, others have similar concerns.

I include the following:

U.S. POSTAL SERVICE,
LAW DEPARTMENT,
Washington, D.C., May 15, 1975.

Hon. THOMAS S. FOLEY,
Chairman, Committee on Agriculture, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This responds to your request for the views of the Postal Service on H.R. 5808, the proposed "Animal Welfare Act Amendments of 1975". This bill would further amend the Federal Animal Welfare Act of 1966, as amended by the Animal Welfare Act of 1970 (7 U.S.C. §§ 2131–2155), to prescribe additional regulations and recordkeeping requirements for commercial carriers of certain warm-blooded animals, and to prohibit certain animal fighting ventures.

The basic purpose of sections 1 through 15 of this legislation is to enhance the welfare of animals transported in interstate commerce for use in research facilities, or for exhibition purposes, or for use as pets. However, the proposed amendments, like the existing statutes, would not apply to:

"... farm animals, such as, but not limited to, livestock or poultry, used or intended for use as food or fiber, or livestock or poultry used or intended for use for improving animal nutrition, breeding, management, or production efficiency, or for improving the quality of food or fiber." 7 U.S.C. § 2132(g).

Since the only warm-blooded animals that may be carried in the mails are live day-old poultry, 39 C.F.R. § 124.3(c) (2) (ii), it is clear that transportation of such farm animals by mail would not be covered by this legislation. In our opinion, there is no need for such coverage, because the welfare of day-old poultry in the mails is insured by detailed Postal Service regulations which exhibit a high degree of sensitivity to that welfare. 39 C.F.R. § 124.3(c) (1) (i) through (xiv). We would oppose any amendment of the bill to apply the restrictions of 7 U.S.C. § 2131, *et seq.*, to the shipment of baby poultry from hatchery to farm through the mail, which has been an important and highly-regulated function of the Postal Service for many years, or to otherwise limit the availability of this service to farmers and other rural Americans.

Section 16 of H.R. 5808 would add a new section 26 to the Federal Laboratory Animal Welfare Act imposing criminal penalties on those engaged in certain animal fighting ventures. We note that proposed section 26(c) would specifically make it unlawful for any person "to knowingly use the mail service of the United States Postal Service" for promoting or furthering an animal fighting venture. Proposed section 26(c) also contains language, suggested in our report on similar legislation in the last Congress, H.R. 16738, 93d Cong., 2d Sess. (1974), which would amend 39 U.S.C. § 3001(a), a postal mailability statute, to enable the Postal Service to seize and dispose of animal fighting publications and advertisements placed in the mails.

In order to avoid ambiguity and insure that this legislation, if enacted, is given full effect, we suggest that the language now contained in lines 15 through 18 on page 9 of H.R. 5808 be set forth as a separate section of H.R. 5808 and not as part of a new section of the Federal Laboratory Animal Welfare Act. This technical change will facilitate the codification of the mailability provision of H.R. 5808 and promote the effectiveness of Federal law prohibiting animal fighting ventures.

We are unable, with any degree of precision, or reasonable guaranty of accuracy, to estimate the costs of this legislation over the next five years. However, we note that the enactment of new criminal statutes invariably imposes additional investigatory, prosecutorial, and judicial costs on the criminal justice system. In most cases these costs must be met from the pool of available executive and judicial resources, sometimes detracting from the expeditious and thorough enforcement of previously existing criminal statutes. The exact costs of H.R. 5808 will depend upon a number of factors, including the number of illegal animal fighting operations, the degree of public support for enforcement of the law, and the ease with which clandestine animal fights can be conducted and detected. Obviously, these factors are exceedingly difficult to quantify.

As we indicated to you in our report on H.R. 16738, we believe that Congress is best equipped to decide whether it is desirable as a matter of public policy to apply the sanctions of Federal criminal law to those engaged in organized animal fighting activity, and whether there is adequate justification for expending the finite resources of Federal law enforcement agencies in this area. Accordingly, we do not oppose the enactment of legislation such as H.R. 5808.

W. ALLEN SANDERS,
Assistant General Counsel, Legislative Division.

DEPARTMENT OF JUSTICE,
Washington, D.C., February 9, 1976.

Hon. JOHN J. RHODES,
Minority Leader, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN RHODES: By letter of October 8, 1975 the Department furnished to Chairman Thomas Foley, House Agriculture Committee, the Department's views on H.R. 5808, a bill "To amend the Act of August 24, 1966, as amended, to assure humane treatment of certain animals, and for other purposes." This letter supplements our previously expressed views and invites attention to a significant additional problem contained in the reported version of H.R. 5808.

Section 11 of the reported bill contains a provision in lines 5–11 of page 18 as follows: "Prosecution of such violations shall, to the maximum extent practicable, be brought initially before United States magistrates as provided in section 636 of title 28, United States Code, and sections 3401 and 3402 of title 18, United States Code, and may be conducted, at both trial and upon appeal to district court, by attorneys of the United States Department of Agriculture."

The Department of Justice was created for the purpose of conducting the Government's law business and is the proper repository of responsibility for the conduct of litigation in the courts when the Government's interests are involved. It is particularly important that prosecution of criminal violations be clearly under the authority and control of the Attorney General. The provision quoted above would appear to delegate to the Department of Agriculture criminal prosecution authority. The Department of Justice strongly opposes this provision.

As indicated in the aforementioned letter to the Chairman, House Agriculture Committee, the Department strongly feels that prohibitions against dog or animal fighting ventures should be a matter of state rather than federal law. The Department adheres to this view. Traditionally the responsibilities for the maintenance of law and order fall to state and local authorities and federal jurisdiction is usually restricted to matters directly involving a function of the federal government or otherwise beyond the normal enforcement capabilities of state and local authorities. We do not believe that animal fighting should be a matter for federal intervention at this time.

The Department strongly opposes enactment of the reported version of H.R. 5808.

Sincerely,

MICHAEL M. UHLMANN,
Assistant Attorney General.

DEPARTMENT OF JUSTICE,
Washington, D.C., October 3, 1975.

Hon. THOMAS S. FOLEY,
Chairman, Agriculture Committee, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for the Department's views on H.R. 5808, a bill "To amend the Act of August 24, 1966, as amended, to assure humane treatment of certain animals, and for other purposes."

This bill would amend the Act of August 24, 1966, as amended, by providing numerous measures aimed at assuring humane treatment of certain animals. The provisions of the bill which are of particular interest to the Department of Justice are contained in sections 13 and 16.

Section 13(d) of the bill provides for the addition of a new paragraph (d) at the end of Section 19 of the Act, providing for the assessment by the Secretary of Agriculture of a civil penalty of not more than $1000 for each violation by an intermediate handler or carrier of any provision of Section 13 of the Act. It provides further for notice to the alleged offender and an opportunity for a hearing with respect to the alleged violation. The order of the Secretary assessing a penalty shall be final and conclusive unless the affected person files an appeal from the Secretary's order with the appropriate United States Court of Appeals. These courts are granted exclusive jurisdiction under the Act to enjoin, set aside, suspend in whole or in part, or determine the validity of the Secretary's order. The provisions of 28 U.S.C. §§ 2341 and 2343 thru 2350 are made applicable to such appeals and orders. This Section also authorizes the Secretary to compromise any such civil penalty and, upon failure of payment of the penalty assessed by a final order under this Section, requires the Secretary to request the Attorney General to institute a civil action in any appropriate United States District Court to collect the penalty.

Section 16(d) provides that any person who violates subsection (a), (b), or (c) thereof shall be fined not more than $5,000 or imprisoned for not more than one year, or both, for each such violation. Subsections (a), (b), and (c), respectively, prohibit the knowing sponsorship or exhibition of an animal in any animal fighting venture to which any animal was moved in interstate or foreign commerce; the selling, buying, transporting, or delivering of a dog or other animal for such purposes; or the use of the United States or any interstate instrumentality for promoting such animal fighting venture. Subsection (e) empowers the Secretary or any other person authorized by him to make such investigation as necessary to determine whether a violation has occurred or is in process and permits the entering into cooperative agreements in connection with the conduct of such investigation, with the Federal Bureau of Investigation, the Department of Treasury, or other law enforcement agencies of the United States, as well as state and local governmental agencies. This subsection further provides for the issuance of a warrant to search for and seize any animal which there is probable cause to believe was involved in any violation of this Section. Such warrants may be issued by any judge of the United States or a United States Commissioner or by a judge of any state court of record in the district where any animal sought is located.

Technically, the penalty provisions seem incompatible. For example, the maximum civil penalty is $1,000 while the fine for criminal violations is $5,000, in lieu of or in addition to a one year imprisonment provision. This seems high in comparison with other penalty provisions of this Act.

Aside from any technical infirmities with the bill, the Department strongly feels that prohibitions against dog or animal fighting ventures should be a matter of state rather than federal law. Traditionally in our form of government the responsibility for the maintenance of law and order has been lodged with state and local authorities. Federal jurisdiction has been for the most part restricted to matters directly involving a function of the federal government or otherwise beyond the normal enforcement capability of such state or local authorities. There appears to be no sound basis for the view that federal intervention in this area could more effectively handle such investigations or have a more deterrent effect in preventing the type of offenses contained in H.R. 5808.

Concerning the various other provisions of the bill dealing with the humane treatment of animals, the Department defers to the Department of Agriculture.

The Office of Management and Budget has advised that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

MICHAEL M. UHLMANN,
Assistant Attorney General.

FEBRUARY 6, 1976.

Hon. STEVEN SYMMS,
U.S. House of Representatives, Washington, D.C.

DEAR MR. SYMMS: This is in response to your further inquiry regarding the costs of implementing the animal fighting provisions of H.R. 5808, the Animal Welfare Act Amendments of 1976.

As you know, this Department has reported to the Committee on Agriculture its strong opposition to the holding of animal fighting events. However, the Department does not have the trained manpower and other resources necessary to investigate and to police such events. In our view, this is a proper responsibility of State and local law enforcement agencies and, with few exceptions, laws exist at that level which would permit effective dealings with this problem.

The cost estimate made by the Congressional Budget Office assumed a force of about 20 GS–7 and 9 investigators who would respond to complaints. The Congressional Budget Office also noted that, if the agency mounts a more rigorous effort, the cost could be much higher.

The dimensions of the agency's program are exceedingly difficult to project. For this reason, we were unable to provide the Committee with an estimate at the time of its report on H.R. 5808. However, since that time, we have developed estimates of the costs for a vigorous enforcement program.

Taking into account the clandestine nature of animal fighting ventures, and their prevalence in many areas of our country, we estimate a vigorous enforcement effort would require a force of up to 1,200 Federal investigators to effect surveillance, infiltration and other investigative activities. The estimated cost would be approximately $25 million annually.

We recognize that programs of lesser scope could be developed to cope with animal fighting. However, our past experience with animal welfare and horse protection programs indicate that effective programs in this area must be adequately funded and manned. Generally, there has been considerable public interest in strict enforcement.

We regret that our difficulties in developing cost estimates prevented us from making them available at an earlier date. I hope this information will be helpful to you.

Sincerely,

JOHN M. DAMGARD II,
Deputy Assistant Secretary, Marketing and Consumer Services.

ESTIMATED COSTS OF PENDING ANIMAL WELFARE LEGISLATION

[In thousands]

Function	H.R. 5808				S. 1941	
	Cock fights	Dog fights	Combined dog and cock fights	Animal trans-portation	Animal trans-portation	Retail pet stores
Surveillance	$6,069	$1,517	$6,694			
Supervision and investigation	1,348	3,296	4,045			
Coordination between the States	390	390	390			
Clerical support	1,029	1,029	1,029			
Overtime	2,215	1,561	3,042			
Training	229	229	229			
Travel	3,503	1,712	2,038			
Special equipment	1,202	1,073	1,964			
Informant fees	10	10	10			
Field station costs	378	378	378			
Headquarters staff	116	116	229			
Overhead	3,278	2,262	4,196			
Inspection at airports				$554	$554	
Inspection of truck and rail carriers				10	10	
Inspection of retail pet stores						$1,802
Total	(19,767)	(13,573)	24,254	564—24,818	564	1,802—2,366
Total, man-years	936	570	1,214	26.58	121.98	

H.R. 5808

MAJOR PROVISIONS	PROGRAM IMPACT/*PROBLEM AREAS
1. Animal Transportation by Common Carrier (all modes). 2. Health Certification for Animals shipped by Common Carrier.	Increased workload—26.58 M/Y. Some additional workload—12 M/Y (1st year only to accredit veterinarians).
3. Redefines term "dealer".	(a) Adds hunting, breeding and security dogs. (b) *Exempts occasional breeder—subject to interpretation—may include hobby breeders (adding up to 60,000 dealers—increase of 600%). (c) *Organized opposition, i.e., hobby breeders, American Kennel Club, other dog and cat breed registries. (d) *Expect intensive lobbying efforts against covering hobby breeders if exemption interpreted to include them.
4. Eliminates authority to issue cease and desist orders as legal sanction.	*Greatly reduces enforcement powers currently available to enjoin continued violations by dealers, exhibitors, research facilities, etc.
5. Prohibit animal fighting ventures involving interstate or foreign commerce (primarily dog & cock fighting).	(a) Tremendous increased workload. (b) *Primarily clandestine in most states. (c) *Involves undercover investigations. (d) *APHIS personnel not trained for covert investigations. (e) *Uncertain cooperation from other Federal, State, and local law enforcement agencies. (f) *Constant threat to personal safety of APHIS personnel. (g) *Obtaining necessary budget and manpower resources. (h) *Potential cultural impact in those states and areas where ethnic background accepts cock fighting. (i) *Difficulty in determining animal movement in interstate and foreign commerce.

ESTIMATED COSTS OF PENDING ANIMAL WELFARE LEGISLATION

[Dollar amounts in thousands]

Major additional provisions	S. 1941		H.R. 5808	
	Man-years	Amount	Man-years	Amount
1. Animal transportation by common carrier (all modes)	26.58		26.58	
1st yr		$564		$564
Each succeeding year		386		386
2. Retail pet stores	95.4	1,802		
3. Animal fighting ventures:				
(a) Dog fighting (alone)			(570.00)	(13,573)
(b) Cock fighting alone			(936.00)	(19,767)
(c) Dog and cock fighting (combined)			1,214.00	24,254
Total:				
1st yr		2,366		24,818
Each succeeding year		2,188		24,640

S. 1941

MAJOR PROVISIONS	PROGRAM IMPACT/*PROBLEM AREAS
1. Animal Transportation by Common Carrier (all modes). 2. Health Certification for Animals Shipped by Common Carrier.	Increased workload—26.58 M/Y (similar to H.R. 5808). Some additional workload—12 M/Y (1st year accredit veterinarians—similar to H.R. 5808).
3. Redefines the term "animal".	(a) *Omits the word warmblooded (animal) which extends the coverage to coldblooded animals (reptiles, fish, insects, etc.) in addition to warmblooded animals currently covered. (b) Includes dogs used for hunting, security and breeding purposes. (c) *Including dogs for breeding purposes presents similar problems as identified with H.R. 5808 relating to the redefinition of "dealer". (d) *Specifically includes horses (i.e., horse racing, horse shows, etc.). (e) *Removes Secretary's discretionary authority to exclude certain animals intended for purposes of research, exhibition or as pets (i.e., rats, mice, etc.).
4. Brings retail pet stores under Animal Welfare Act	Increased workload (9–10,000 retail pet stores added as dealers which doubles present workload).

Mr. WHITEHURST. Mr. Chairman, will the gentleman yield?

Mr. SEBELIUS. I yield to the gentleman from Virginia.

Mr. WHITEHURST. Mr. Chairman, I rise in support of H.R. 5808, sponsored by the distinguished chairman of the Agricultural Committee. The distinguished chairman and the other members of this committee have performed an outstanding service in bringing this important legislation to the House floor. This measure will substantially improve the existing animal welfare laws passed by the Congress in the past decade. In 1966, the Congress enacted the Laboratory Animal Welfare Act which empowered the Secretary of Agriculture to establish standards for the humane care and housing of animals used in research while in scientific institutions, on the premises of animal dealers, or in transit. The Animal Welfare Act of 1970, of which I am proud to have been a sponsor, expanded the coverage of the law to include nonlaboratory animals transported, bought, sold or exhibited for teaching purposes, for use as pets, or for exhibition in zoos, circuses, or carnivals. Unfortunately, this legislation specifically exempted common carriers from regulation. One of the major purposes of H.R. 5808 is to close this loophole so that we can provide the necessary protection for animals transported by the airlines and other modes of public transportation.

My concern over the treatment of animals in transit, particularly by the airlines, was prompted by scores of letters from my constituents, and other citizens throughout the country, who have written to me describing the abuses which their pets have suffered at the hands of the airlines and other common carriers, both in transit and in the terminals.

Many of these animals were seriously injured, and even death has resultsd in a number of instances. I know that many of my colleagues in the House and Senate have been equally moved by similar circumstances described in correspondence from their own constituents.

Underlying the entire problem of animal mistreatment in air transportation is the fact that animals are considered cargo. The airlines process animals as general freight, and this has caused animals to suffer as a result of being shipped in flimsy containers, left to endure long waits in drafty terminals which contain no specific facilities for animals, and improperly stowed in airplane cargo compartments. Studies have indicated that animals must contend with great fluctuations in temperature during long flights. Stowed in airplane cargo compartments, animals can be subjected to temperatures ranging from nearly freezing to 90° Fahrenheit or more. In addition, these cargo compartments do not permit an adequate air flow, and consequently the animals suffer from the limited air circulation.

Another problem is that airlines do not provide shipping priority for animals. As a result, animals are rarely booked on direct flights and thus must often sit for excessive periods of time in overheated or chilly terminals awaiting a flight, many times in containers which are too small, and without adequate food, water, or exercise.

Perhaps the most serious shortcoming of the existing system, and a major cause of death and injury to the animals, is the lack of any Government regulation covering the type of container used for animal shipments. Many animals are now shipped in containers which are easily crushed and splintered and which provide little ventilation or room to maneuver. Indeed, animals are often crowded into far too small a space even to be able to lie down or turn around. Presently most commercial animals are shipped in what is essentially a modified lettuce crate known as the Bruce crate. Most veterinarians and others concerned with animal welfare believe that this crate does not meet reasonable container standards.

In many cases, the animals shipped are too young to travel well, and a large percentage die in transit. Further, some are not fully healthy when they are shipped, and latent or existing conditions are exacerbated. Finally, when the animals reach the terminal to which they have been shipped, there is often a long wait before the consignee is notified of their arrival.

In an effort to reform these practices, several different legislative approaches have been proposed. A major point of contention among those who favor remedial legislation is the question of which Federal agency should take the lead in regulating the transportation of animals. The Department of Transportation, the Civil Aeronautics Board, the Federal Aviation Administration, and the Department of Agriculture all have their supporters. In my judgment, there is a need for coordination of effort among all of these agencies, as each has a special kind of expertise which can be brought to bear to contribute to the solution of this problem.

However, I strongly believe that H.R. 5808, which provides the Department of Agriculture with the primary regulatory responsibility, is the most effective way to deal with this problem. The USDA already has the administrative machinery in place for carrying out a program of regulating the common carriers and their terminals and insuring animal welfare. This regulatory program would simply be added to Agriculture's existing authority and responsibilities under the Laboratory Animal Act of 1966 and the Animal Welfare Act of 1970.

It makes little sense for USDA to regulate the treatment of animals up to the door of the terminal and then turn the responsibility over to another agency once the animals are inside the terminal. Further, all modes of transportation, not airlines alone, are involved. If dual jurisdiction is mandated by the Congress, I am convinced that the result would be a duplication of effort and bureaucratic infighting among the agencies involved. An additional reason for placing the regulatory authority within the Agriculture Department is that, in my judgment, the USDA would be influenced to a lesser degree by the airlines or other common carriers than would such agencies as DOT, the CAB, or the FAA. The primary aim of the Department of Agriculture would be the protection of the animals' welfare, which is, of course, the purpose of this legislation.

I am disappointed that the committee did not see fit to close another loophole in the Animal Welfare Act of 1970 which exempts retail pet shops from regulation. The abuses suffered by animals in many pet shops throughout the Nation are well documented. In the Senate bill passed last December, pet shops were made subject to the regulatory authority of the Department of Agriculture. I would urge the members of the House Committee on Agriculture to accept this provision in the Senate bill when the House-Senate conference committee meets to resolve the differences between the two bills.

In a country such as ours with an outstanding tradition of humanitarianism dating back to the prohibition against cruelty to animals enacted by the Massachusetts Bay Colony in 1641, we cannot allow the current inhumane treatment of our animals in transit to continue any longer. I urge all of my colleagues to vote in favor of this most important legislation before us today.

Mr. SEBELIUS. Mr. Chairman, I yield 5 minutes to the gentleman from Idaho (Mr. SYMMS).

Mr. SYMMS. Mr. Chairman, I think from a humanitarian point of view there is no question that the thrust of this legislation carries a very good intention. But I might say that at this time, when we have all the problems that this country faces, we might be directing our attention to other areas.

We have the threat of the Communists, who took Southeast Asia in 1975 and are now making major efforts in Africa. Our national security problems, we know, are rapidly mounting to the point where, if they have not already reached that point, we will become Number 2 in the world behind Communist Russia. We have a $75 billion deficit, we have a rising drug problem in the United States, and we have crime problems in major cities in this country, and in those cities they are killing people instead of animals. This make me wonder if we really are not attacking the wrong problems.

I believe that this bill comes close to the breaking point with respect to Federal responsibility.

For example, 46 States in this country already have laws against dogfighting.

The way this legislation is written the Secretary of Agriculture is going to be responsible to decide whether the dog which was engaged in the fight was a local dog or an interstate dog. We could even go to the point where we would impose a maximum fine of $5,000 and/or 1 year in prison for each violation.

Mr. Chairman, this virtually sets up the Secretary of Agriculture as the czar of dogfighting and the czar of roosterfighting and cockfighting or whatever we call it in this country.

It seem to me that the taxpayer in America, the middle-class American who is working and paying his bills, would like to see his money spent in maybe helping the senior citizens who have already worked and are now on retirement. On the other hand, Mr. Chairman, perhaps the taxpayer would like to see his money provide for a strong defense or to take care of real crimes that are actually hurting people, and allow the States, local law enforcement agencies and local judges and so forth, to take care of the problem of dogfighting and cockfighting.

Mr. Chairman, let us take another issue. Let us take the Department of Agriculture. Mr. Chairman, 75 percent of the budget of the Department of Agriculture for fiscal year 1976 is already specified for welfare programs, food stamps, and commodity programs. There is a minimum amount of money being spent for basic research today in America, for agricultural research.

What we are gradually doing is that we are eating the seed corn, not developing new kinds of plant and animal life.

Mr. Chairman, this is just another example. It seems that it is not a proper way to allocate the time of the bureaucracy of the United States, to have them spending their time in trying to decide whether the dog, cock, or whatever was shipped in interstate commerce or whether it is intrastate commerce.

Mr. Chairman, I think that we would do well to correct at least this part of the bill. I would like to see us take at least all of the animal-fighting segment out of the bill so that it would not burden down the Department, the FBI, the Treasury, or whoever is going to have to look into this and handle it. We should not burden them down with this proposition.

Mr. Chairman, I hope we will be able to have some amendments from the floor. I know the chairman is intending to try to get the roosterfighting section out of the bill, and I think that is probably something that should be done. However, it seems to me that we also should take a look at the whole, total package of the bill, including the transportation of animals.

There is no reason that we need to hire a bureaucrat to go down and work at the Department of Agriculture to write the specifications as to the size of box that a labrador or beagle or great dane is going to be shipped in. The people who own these animals certainly, in my opinion, should have to take some of the responsibility to see that that animal gets good care and treatment. It should not be the responsibility of the Congress of the United States or of the Federal Government to see that the box that the animal is shipped in through United Airlines, American Airlines, or whatever, is of the right size, width, or length, or that the right amount of water and so on and so forth is provided. I think the people who ship these animals should check it out with the airlines before their dogs are going to be put in a position where they are frozen or are going to suffer from starvation, lack of oxygen, or are not going to be provided water, and so forth.

Mr. Chairman, if the people who ship the dogs, cats, and other animals take care of them, then the Federal Government would not have to worry about it. If we are going to somehow think that we can sit down here in Washington, D.C. and solve all the problems for everybody in the country, we will only lead ourselves to a $75 billion deficit budget. That is exactly what we have been doing.

Mr. Chairman, with respect to this legislation, I am surprised that the news media have not picked up on it to make a laughing-stock out of the Congress, considering all the real problems that we face. Instead, we are trying to devote our time, our energy, our efforts to get involved in this area, when it is clearly something that should be the responsibility of the States and the responsibility of individuals in the business of transporting animals.

The CHAIRMAN (Mr. BENNETT). The time of the gentleman from Idaho (Mr. SYMMS) has expired.

Mr. SEBELIUS. Mr. Chairman, I yield 1 additional minute to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, with respect to the transportation of animals, no one is going to buy a $100 dog or a $200 dog or a $500 dog and then be irresponsible about the safety of shipping this dog or cat or other animal, whatever it is.

If somehow we are pulling this problem up and imagining, in making mountains out of molehills, that we do not have any other problems that would be one thing. If we did not have any other problems I would be all in favor of this legislation because it would be something that maybe we could pass. It would be helpful if we did not have a $75 billion deficit budget and if we did not have an energy crisis where we exported $25 billion in American money last year to buy foreign energy. If we did not have the problem of the Communist takeover of one country after another and the real threat of the Soviets confronting us, maybe we could look at this in a different perspective. However, I think, in reality, no matter how well intentioned the legislation is—and I do not doubt that many Members are going to support this legislation—I know they are not in favor of harming animals, and I personally would like to say that I do not condone this pitting of animals versus animals in a fight.

The CHAIRMAN pro tempore. The time of the gentleman has expired.

Mr. SYMMS. Mr. Chairman, I would ask the gentleman from Kansas if he would yield me 1 more minute.

Mr. SEBELIUS. I yield 1 additional minute to the gentleman from Idaho.

Mr. SYMMS. I thank the gentleman.

Mr. Chairman, I would like to make very clear that I personally do not condone pitting one animal against another animal, and that I am not in favor of inhumane treatment of animals. Since I was a boy I have always had dogs. I do enjoy hunting with dogs. My children have a dog. But I would suggest that we have broken the back of how much responsibility the Federal Government can take. I hope the Members will consider that when the time comes to take up the amendments that will be offered today.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman from California.

Mr. KETCHUM. Since the gentleman is on that point, I wonder if the gentleman can tell us what the price tag of this bill is for the first year?

Mr. SYMMS. I would like to refer that to the gentleman from Kansas (Mr. SEBELIUS). I am not sure I have the figures at my fingertips.

Mr. SEBELIUS. Mr. Chairman, if the gentleman will yield, the gentleman from Kansas received a letter from a member of the U.S. Department of Agriculture which stated the cost at $25 million.

The CHAIRMAN pro tempore. The time of the gentleman has again expired.

Mr. SEBELIUS. Mr. Chairman, I yield 1 additional minute to the gentleman from Idaho.

Mr. KETCHUM. Will the gentleman yield further?

Mr. SYMMS. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, I thank the gentleman for again yielding to me.

I would ask is that $25 million for its first year of operation?

Mr. SEBELIUS. That is the ultimate operation.

Mr. KETCHUM. The ultimate operation? Is that the first year of cost?

Mr. SEBELIUS. I would hand the gentleman from California the letter that I received.

Mr. KETCHUM. I will say to the gentleman from Kansas that this is quite a lengthy letter and I really do not have the time to read it here. I would just comment that since we have a $25-million price tag connected to it I am sure this certainly is not going to be any different than some of the other agencies and departments we have created and that it will be back for $50 million next year.

The CHAIRMAN pro tempore. The time of the gentleman has again expired.

Mr. FOLEY. Mr. Chairman, may I inquire how much time has been consumed on the minority side?

The CHAIRMAN pro tempore. The Chair will state that the minority side has consumed 17 minutes and the majority side has consumed 17 minutes.

Mr. FOLEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, if I may have the attention of the gentleman from California (Mr. KETCHUM), the gentleman may not have been in the Chamber during earlier colloquy as to the estimate in the Department of Agriculture as to section 26.

In a letter from Mr. Damgard to the gentleman from Idaho (Mr. SYMMS) it was expressed as reaching $25 million if 1,200 inspectors were hired.

The committee could never obtain an estimate from the Department of Agriculture on what this section would cost until four days before the bill reaches the floor, after it had been considered by the committee and after the committee report had been filed. Then this kind of a letter comes up from a deputy assistant secretary to an outspoken opponent of this section of the bill, the gentleman from Idaho (Mr. SYMMS).

Mr. Chairman, I am going to offer an amendment, as I informed the committee, to limit the authorization for appropriations for enforcement by the USDA of this section to $400,000 annually.

If the gentleman has any concern that it is going to cost 25 million dollars, and then 50 million dollars, perhaps the gentleman will join with me in limiting the Committee on Appropriations from appropriating more than 400 thousand dollars for it, so that it will be clear what the intention of the committee and the Congress is in this regard.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, I thank the gentleman for yielding. I would have to agree with the gentleman that many times when we bring things to the floor that we do not get reports from the agencies until very late. So I commend the gentleman from Washington on his intention to only fund this to the amount of $400 thousand.

I would like to have the gentleman tell me, that is 400 thousand dollars for the Department of Agriculture, what kind of money would we be talking about in terms of enforcement, let us say, for the FBI, the Treasury Department or the Department of Justice; how much in additional funds?

Mr. FOLEY. Might I not assume that this would be the subject of any special request for the Department of Justice or any other law enforcement agencies?

I will advise the gentleman that I do not anticipate that we are going to have an enormous Federal range of investigators looking at every rural area in the country to see if a dogfight is going on. As a matter of fact, animal welfare agencies maintain pretty good efforts to detect and expose those occasions when they occur. But the activity has been so blatant that it has been advertised publicly in magazines.

I do not think it is going to require a lot of investigative effort if it is made a crime to pit dogs against each other which have been moved in interstate commerce or advertise animal fighting ventures in interstate commerce. I think people are going to be much more reluctant to undertake that kind of activity once there is a Federal criminal penalty of a reasonable sanction adopted. I think the estimates of the Department of Agriculture which run wildly through the ceiling are just estimates to divert attention from the bill and frighten Members of Congress into thinking they are going to take on some tremendous new fiscal burden.

Mr. KETCHUM. If the gentleman will yield further—and I do appreciate his yielding to me at this, itme—I do not think that there is anyone in the Congress, in or out of the Congress, with the exception of a very small number of people in the United States, who could in any way, shape, or form condone the fighting of dogs as a pleasure or recreation any more than the small segment of our population that thinks cockfighting is something fun to watch.

I would join the gentleman in opposing that, but I just wonder if perhaps we are not taking a large step into an area that many of the States have moved in.

I appreciate the gentleman's yielding.

Mr. MICHEL. Mr. Chairman, would the gentleman, the chairman of the committee, yield?

Mr. FOLEY. I yield to the distinguished minority whip, the gentleman from Illinois.

Mr. MICHEL. I thank the gentleman for yielding.

I was interested in the chairman's comment with respect to the amendment which he proposes to offer limiting the amount here to $400,000, as I understand it, to make sure that we would not run into some multimillion-dollar program. My only question, then, arises as to what burden there is imposed upon the Department then under this kind of a limitation. What I would hate to see by such a serious restriction, then, would be to expect the Department to really do all of this job of surveillance and really not have the resources to do it. In other words, if we give the signal here by passage of this legislation that all of these things are going to be corrected in one fell swoop, and with very little resources to back it up, it would be natural then for people to say, well, then, just look to the Department of Agriculture; it is a great whipping boy; they have not done their job.

Mr. FOLEY. I think the amendment also takes care of that problem because the Congressional Budget Office estimated that it would require about 20 people at a total cost with support of about $400,000 to respond to complaints that would reach the Secretary in this area. That is what I think the committee has in mind, not that we are going to send an army of investigators out all over the country trying to go into every hamlet, village, and town to see if there is a dogfight taking place. The main problem with local jurisdiction is that although local officials are very often willing, they may have a statute typical of the one in my State that has dated roughly from 1909, that made it a misdemeanor to cruelly abuse animals. The maximum penalty was $100 to $250.

We have these conventions being held where people spend thousands of dollars to buy dogs, train them, and take them across State lines and wager large sums of money on them. Even if they do get stopped by a local government, they go before a magistrate who cannot give them even 1 day in jail under the laws of many States. So the activity has grown apace. It is not yet to the point where every community is experiencing it, but it is raging around the country. I think we can stop it without very much expenditure by just coming in with a reasonable penalty and prohibiting any instrument of interstate commerce from being used.

I just want to set the record straight, that is what we have in mind, and not the multimillion-dollar programs. I wanted to clear the air on that particular problem.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, I do not know of anyone for whom I have higher regard than the gentleman who has the floor, the chairman of the Committee on Agriculture.

We went through this some time ago. I certainly grew up with pets all around me and I do not believe anyone can claim to have more feelings for pets and for their protection than I do. However in dealing with the Department of Agriculture I cannot for the life of me think of anyone in the Department of Agriculture who has the qualifications or the position or anything else to enforce this bill.

I am sure the gentleman is aware that even under the quarantine provisions or the destruction of animals where diseases are concerned, that is left to the States under the police powers of the States.

I am wondering where the Department of Agriculture would get the personnel, with all due deference. We are speaking about in New Orleans the grain inspection and inspections for many other purposes, where they have contracted out those services and the Department does not know what is happening when they contract out those services.

I am just wondering whether we are setting it up in the soil conservation, or who would handle it, or what place is there in the bill that sets up and provides for the training and salaries of such employees?

In recent years our problem has been in the Department of Agriculture not the lack of money but in many places it has been a flat ceiling on personnel. For instance in the Farmers Home Administration and many of its activities they have been crippled because of the ceiling on personnel. Where are these people going to come from? From whom are we going to take them away? I am strongly in favor of something being done in this matter, but the police powers under the Department of Agriculture on all activities have been left to the States under the police power of the States.

Mr. FOLEY. I think it can be done without great amounts of money and great numbers of personnel.

The bill specifically anticipates that the Federal Government or the Department of Agriculture would not preempt any State effort in this regard.

Mr. WHITTEN. Could we contract it with the FBI or some certain agency which has law enforcement powers?

Mr. FOLEY. Yes, the bill provides the Department of Agriculture shall act in cooperation with the FBI and appropriate agencies of the Government.

Mr. WHITTEN. Can we do it by contract? They do not have the personnel in the Departmet of Agriculture.

Mr. FOLEY. I do not believe there is anything in the bill that would prevent that, because the bill specifically encourages the Secretary of Agriculture to work cooperatively with other investigative and special agencies, and the Department can use certainly the personnel of other departments for this purpose.

An amendment will be offered which I understand is to make clear that prosecution under this act by the Agriculture Department attorneys will be subject to approval of the Department of Justice and the Attorney General. Speaking for myself I intend to support that amendment at the time it is offered, to make clear that the Department of Justice will keep primary responsibility for prosecution under this act.

Mr. SEBELIUS. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois (Mr. O'BRIEN).

Mr. O'BRIEN. Mr. Chairman, I rise in support of H.R. 5808, The Animal Welfare Act amendments. This legislation attempts to correct a wide variety of abuses perpetrated on our animal population. These abuses have been well-documented in testimony given before the House Committee on Agriculture.

Although I hope to see all the abuses covered by this bill ended, I am particularly hopeful that it will clamp down on the barbaric practice of dogfighting. I have been sponsoring legislation to make this so-called sport a Federal crime for some time now. The legislation before us would do just that and would set a penalty for promoting, participating in or transporting animals for dogfighting at up to a $5,000 fine, up to a year in jail, or both.

There is no question such legislation is needed. Professional dogfight promoters and breeders practice unparalleled cruelty on animals all in the name of sport and entertainment. The real motive is profit because of the high stakes betting that goes on at the matches. Betting can and does go into the thousands of dollars on a single match.

This abhorrent practice began in England centuries ago in less civilized times, supposedly. It was finally outlawed there more than 100 years ago. One would have expected it to die out altogether as people developed a greater appreciation not only for human life but for all life as well. Unfortunately, the reverse occurred.

Today dogfighting is a popular underground pastime from coast to coast despite the fact that it is outlawed in every State in the Union. The spectacles last anywhere from a few minutes to hours until one or both dogs are dead or so maimed they cannot or will not go on fighting. My own State of Illinois is a major center for dogfighting and the fights have frequently been staged in my own home area of Will County. But even a much-publicized crackdown there was unable to deter the practice. The same is true elsewhere. When the climate gets too hot in one State, the promoters merely pack up and move on, out of the law's reach.

State bans simply have not been enough to cope with this situation. Until we have strong Federal legislation, the savage duels will go on with more and more animals cruelly killed and maimed. Greed and blood lust keeps it going.

The Federal Bureau of Investigation and various animal welfare groups in this country fully deserve the credit for bringing these shocking details to light. Both have taken great risks to uncover the facts.

I ask that we reward their efforts today by approving H.R. 5808.

Mr. SEBELIUS. Mr. Chairman, I yield such time as she may consume to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. Mr. Chairman, I associate myself with the remarks made by the gentleman who has just spoken.

I would like to ask the chairman of the committee whether we might not enlist totally voluntary and willing and unpaid aid of veterinarians of this country in reporting under this act. It would be most valuable. They could tell us whether animals have been injured in a fight or have been transported under inhumane conditions.

I wonder if the gentleman would feel that would be appropriate to enlist the auxiliary voluntary aid of veterinarians to this legislation?

Mr. FOLEY. Yes. The act would permit the use of accredited veterinarians, of course, on a fee basis for the purpose of carrying out the act; but I would also advise the distinguished gentlewoman from New Jersey that there is an expectation that we will have the cooperation of many animal welfare and humane associations in helping in the enforcement of this act. When this came to our attention, it came from those sources.

Mr. SEBELIUS. Mr. Chairman, I yield 1 minute to the gentleman from Idaho (Mr. SYMMS).

Mr. SYMMS. Mr. Chairman, I just say to the gentlewoman from New Jersey that on page 21 of the bill it goes into the part where veterinary services are provided if those animals are apprehended in the course of an animal fighting venture.

Mrs. FENWICK. Mr. Chairman, I know it has happened. I know, in addition to that, we could get voluntary cooperation from the veterinarians in the country and from organizations of animal welfare and concerned citizens.

Once we get a Federal bill that really means something, which will concern itself with humane transportation of animals and will absolutely prohibit fights between animals, I think we will get a body of citizens to help us without further charge to the Federal Treasury.

Mr. SYMMS. I think the veterinarians will favor this bill, because it will provide a good source of income for them. It could be called the "Veterinarians' Welfare bill."

Mrs. FENWICK. Knowing what I know about veterinarians, I think they would be concerned beyond the money. They love animals.

Mr. SEBELIUS. Mr. Chairman, I have no further requests for time and I yield back the balance of my time.

Mr. FOLEY. Mr. Chairman, I yield 2 minutes to the gentleman from Montana (Mr. MELCHER).

Mr. MELCHER. Mr. Chairman, I just want to speak on two points. The first is that I listened to the colloquy between the gentleman from Idaho and the gentlewoman from New Jersey concerning the fee that veterinarians would charge for the health inspection. I want to assure the Committee that such a procedure is not one that is prone to get out of balance. As a practicing veterinarian, I have on many occasions issued a permit for interstate shipment, not necessarily for the type of animals we are describing today, but for other types of animals.

It is a good procedure, as far as public health measures are concerned. It is necessary in cutting down on communicable diseases to animal populations and also to human populations in those diseases that can be transmitted to man.

Mr. Chairman, I want to make one more statement about the bill. It seems to allow for more humane treatment of certain types of animals. One of the provisions deals with cockfighting. I understand there are many places in the country where cockfighting is popular and it is necessary to understand that the bill, if enacted as is, would limit the interstate shipments of cocks or using the U.S. mail to advertise the fights. Frankly, I believe this is a good starting point. We are talking about being humane to animals and birds. We really ought to look at cockfighting. Perhaps it is the most important point as far as this bill goes in ending an inhumane practice, not that it could end the practice within a certain area; but, at least, it could put the Federal clamp on it prohibiting the interstate shipments of the birds and the use of the U.S. mail in advertising those fights.

Mr. GILMAN. Mr. Chairman, will the gentleman yield?

Mr. MELCHER. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Chairman, I want to associate myself with the gentleman's position.

Mr. Chairman, I thank the gentleman for yielding, and I rise in support of H.R. 5808, the Animal Welfare Amendments Act of 1976. The dual purposes of this measure are: First, to prohibit the mistreatment of animals transported in interstate commerce; and second, to prohibit any animal transported in interstate and foreign commerce from being sponsored or exhibited in any animal fighting venture.

This measure assures humane treatment of animals by empowering the Secretary of Agriculture to promulgate such rules and regulations as he determines necessary to protect animals being transported in interstate commerce. The gravity of the problem in animal mistreatment is underscored by the fact that an average of some 3,700 animals are shipped daily by air transport and, invariably, in poorly constructed and ventilated containers, mishandled in shipment, and without adequate food and water.

The Committee on Agriculture in its report on this measure noted:

> Some animals were shipped in containers which are either flimsy or constructed in a fashion virtually guaranteed to result in injury to the animal.

The Humane Society of the United States stressing the need for remedial action, reported:

> One of the major problems of shipping cats and dogs is that breeders or wholesalers frequently use c.o.d. If the animal arrives at its destination in obviously poor health, the pet shop will refuse the entire shipment. The sick animal is then returned to its

> source without any medical attention. Once again, the air express companies have no legal responsibility to care for the animal. Their only job is to move him, just as if he were a piece of machinery.

There is an obvious need for Government regulation to prevent this blatant abuse and neglect. This proposal fills that vacuum by satisfying the need for a reasonable statutory remedy in interstate and foreign commerce.

Since the Department of Agriculture is about to construct a new Federal animal import center at Stewart Field in my congressional district, I particularly welcome this kind of regulation which will provide reasonable safeguards for the humane treatment of animals shipped in interstate and foreign commerce.

Mr. Chairman, the second major aspect of H.R. 5808, prohibiting animal fighting ventures is, as the committee properly described it, a "grisly business." Animal fighting enterprises are a barbaric, uncivilized "sport" that brings out a contemptible value in our society, namely, the wanton mutilation and slaughter of animals under the inappropriate and misleading label of "sport."

This measure, if adopted, will go a long way toward eradicating this reprehensible activity by making it a crime to sponsor or exhibit animal fighting. It provides a severe criminal penalty—a $5,000 fine or imprisonment up to 1 year—for knowingly buying, selling, transporting, or delivering to another person for purposes of transportation in interstate and foreign commerce any dog or other animal for animal fighting.

Mr. Chairman, in the interest of decency, I urge my colleagues to support humane treatment in the transport of animals and to halt the gruesome business of animal fighting.

Mr. FOLEY. Mr. Chairman, I yield 30 additional seconds to the gentleman from Montana (Mr. MELCHER).

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. MELCHER. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I would like to clarify what my reference was to interstate, if the dogs are apprehended in the fight and the Federal Government is responsible to provide veterinary care for the wounded dogs.

Mr. MELCHER. Mr. Chairman, I appreciate that clarification, because I had a misunderstanding of the gentleman's point.

Mr. MATSUNAGA. Mr. Chairman, will the gentleman yield?

Mr. MELCHER. I yield to the gentleman from Hawaii.

Mr. MATSUNAGA. Mr. Chairman, I rise to voice my support for H.R. 5808, the Animal Welfare Act Amendments of 1976. As a former member of the Committee on Agriculture, I am pleased to note that this measure is being offered for our consideration by the members of that committee, who have done commendable work in bringing the bill before us.

The distinguished chairman of the Agriculture Committee, Mr. FOLEY, is to be congratulated for his efforts in formulating this much-needed legislation which would further amend the Laboratory Animal Welfare Act of 1966, as amended in 1970, to afford additional protection for dogs, cats, and other mammals against careless abuse and inhumane treatment.

The original purpose of the Animal Welfare Act was to regulate the supplying and treatment of animals being sold to research facilities. I understand that the Subcommittee on Livestock and Grains heard testimony from the Department of Agriculture and other agencies and interested experts that great strides have been made in insuring that dealers engaged in the purchasing, handling, and transportation of animals intended for research or exhibition keep careful records and follow regulations requiring humane treatment.

However, it is time that other agents of this type of trade, notably, intermediate handlers and carriers engaged in both interstate and intrastate activity, be brought under these very reasonable requirements.

The collect-on-delivery arrangements, which all too often result in outright abandonment of diseased or otherwise undesirable animals when both the carrier of the animal and the consignee refuse responsibility, will be prohibited subject to written guarantees or reimbursement for the animal's care by the consignor. Certification of sound health from a licensed veterinarian would be required of any dealer conveying an animal to an intermediate handler or carrier, Civil penalties are added to strengthen these provisions.

In addition to these positive steps, H.R. 5808 would prohibit the transportation of any animal less than 8 weeks old, except for limited research uses.

Finally, this bill would impose criminal penalties on those individuals engaged in cruel and grisly animal fighting ventures when the victimized dog or other animal is transported, bought, sold, or delivered through the use of the mails or any other interstate instrumentality. Strong measures such as this are necessary to halt finally this savage activtiy which is conducted in the name of sport.

Mr. Chairman, this is comprehensive yet reasonable legislation which is needed if further progress toward the goal of eliminating thoughtless abuse of animals is ever to be realized. H.R. 5808 is sound legislation and I urge my colleagues to approve it overwhelmingly.

Mr. VIGORITO. Mr. Chairman, I rise in support of H.R. 5808, a bill that would tighten the regulations designed to prevent the inhumane treatment of animals that are shipped in interstate commerce and that are subjected to fighting for sporting purposes.

The bill would require that any animal that is shipped in interstate commerce have a veterinarian's certificate, and would prohibit the shipment of young animals of less than a prescribed age and of their shipment c.o.d. unless return transportation is guaranteed.

The bill would also make it a Federal crime to sponsor an animal fight involving birds, dogs, or other animals, in which there is an impact upon interstate commerce.

Mr. Chairman, I am convinced that this minimal degree of protection for animals against inhumane treatment is required at this time, and I urge my colleagues to support this bill as reported by the Committee on Agriculture.

Mr. FISHER. Mr. Chairman, I rise in support of H.R. 5808, a bill to amend the Animal Welfare Act especially because of its provisions for more humane treatment in the shipment of animals.

One of the first issues that was brought to my attention after I took office last year dealt with the treatment of animals being shipped into or through National Airport, which is in my district. Several volunteers have been manning an animal port in the REA terminal at National to try to assist the animals which arrive at National in poor condition or receive less than humane treatment. They contacted me to obtain my assistance in getting airport and airline officials to accept more responsibility for the treatment of animals coming into and leaving the airport.

To gain a better understanding of the situation, I have toured the animal handling facilities at National Airport. Although the tour was scheduled for the beginning of a holiday weekend, a time when very few animals were in transit, I did learn more about the problem. Clearly, the airlines do accept animals for shipment in inadequate containers. There are not sufficient provisions made for feeding, watering, and exercising animals being held for lengthy periods.

Less visible, but equally or more important, are the problems associated with scheduling and routing animals, and with the environment in the cargo compartments of airplanes.

While it may be satisfactory to ship a piece of machinery by indirect routes with long waits between connecting flights, in all kinds of weather, it is a very different matter to treat a dog or other animal that way. Similarly, extremes of temperature, lack of ventilation, and crowding of containers are not problems for ordinary cargo, but they are for live animals.

The bill introduced by Chairman FOLEY, which I cosponsored, will go a long way toward solving and clarifying these problems. It will give clear justification over this problem to the Department of Agriculture. The Department's regulations on humane treatment of animals will cover intermediate handlers such as express companies, forwarders and other persons and facilities which handle live animal shipments, as well as carriers which transport the animals. Other important provisions include prohibition of the transportation of cats and dogs and other animals without a veterinarian's certificate and prohibition of the shipment of dogs or cats less than 8 weeks old. Violations of this act will be punishable up to 1 year in prison and $1,000 in fines.

The cost of enforcing the standards is estimated by the Congressional Budget Office to be $570,000 for fiscal 1977. The total cost of the bill will be higher than that because of the dog fighting provisions.

I believe that this legislation can clarify the requirements and responsibilities of those who are involved in the transportation of animals. While it will not do away with the need for improved ground facilities at National and other airports, it should help the animals while they are in transit. I urge my colleagues to support this legislation.

Mr. BURKE of Florida. Mr. Chairman, today we will vote for H.R. 5808 legislation of which I am a cosponsor and will extend humane protection to certain animals. This is a subject in which I have a keen interest, and I urge my colleagues to pass this Proposed Animal Welfare Act Amendments of 1976, H.R. 5808, so that this bill can be moved on its way toward becoming the law of the land.

Normally, I would be inclined to agree with those who argue that this bill covers a subject that might better be left to the States. However, in this case I must disagree. The fact is that inhumane treatment of animals does occur in interstate commerce, and not nearly enough is being done about it, which is why I am a cosponsor of this legislation.

Under H.R. 5808, two major areas of animal mistreatment currently not preventable under existing law would be made subject to effective Federal regulation. These areas are the mishandling of animals in transport and the ugly practice of animal fighting, particularly dog and cock fighting.

Mr. Chairman and my colleagues, the transportation of animals, especially by air, has grown enormously. An air transport association survey showed an average of more than 3,700 animal shipments a day in 1973 alone.

The possibilities for mistreatment of animals in such circumstances are all too obvious. In fairness, though, I have to observe that mistreatment under these conditions is doubtless inadvertent in many, if not most, cases. However, that does not change the fact that a problem exists which cries out for effective action.

Presently, there is no one government agency with the necessary authority to establish and enforce adequate standards for the humane transportation of animals. Such authority as does exist is scattered among the Secretary of Agriculture, the Civil Aeronautics Board, and the Federal Aviation Adminisration.

Both the FAA and CAB admittedly lack the expertise needed to promulgate effective rules and achieve really effective regulation. Thus, H.R. 5808 lodges necessary authority in the Department of Agriculture, more precisely in the hands of the Secretary of Agriculture. The investigative authority of the Secretary will be expanded to cover intermediate handlers and carriers, and the Secretary will be empowered to promulgate humane standards for transportation affecting commerce of all animals protected by the animal welfare act. In this respect, it is worth noting that H.R. 5808 makes it a matter of law that all dogs, including dogs for hunting, security, or breeding purposes, are within the protection of the act, contrary to the interpretation currently advanced by the Secretary of Agriculture.

This, in my view, is a commendable step forward in the effort to assure more humane treatment to more of our animals.

According to the Agriculture Committee's report on H.R. 5808, there were literally hundreds of examples in which live animals were shipped despite the fact they were injured, diseased, or otherwise not fit for travel. Animals were shipped in grossly unsuitable containers, such as the small crate lined with wire mesh with only two narrow slits for ventilation in which a cougar was trapped all day at National Airport in 90 degree heat. The creature could not turn around in the too-small crate and, in its struggle for air, suffered severe abrasions. It later died—which is hardly surprising when you consider the outrageously inadequate means of shipment.

I do not see how anyone can argue against such practices being made subject to meaningful regulation and penalty, which is all H.R. 5808 is designed to accomplish in the name of simple humanity.

With respect to the second major objective of H.R. 5808, making it a crime punishable by fine and imprisonment knowingly to sponsor, participate in, transport, or use the mails to promote fights between live birds, dogs, or other mammals, I view this as especially meritorious.

The Agriculture Committee reports that dog fighting has grown to the point that regional conventions are held to engage in this barbaric and inhumane so-called "sport." I shall not go into the grisly and altogether disgusting details of what this alleged "sport" entails. I am sure all of us have heard enough about it to know without being told. Suffice it to say that it is ugly, bloody, inhumane, and beyond the pale of civilized sport.

The same can easily be said of cock fighting. Pitting one dumb creature against another so that you can see them slaughter each other as bloodily as possible can hardly be called sport by any truly humane person.

Mr. Chairman, thanks in large part to the dedicated efforts of a host of private groups and individuals, Americans have become more aware than ever before of the inhumane practices engaged in with respect to our animal population. These groups and individuals have helped us to realize that the animals cannot protect themselves from man's cruelty; man himself must reform his own practices and achieve his own awareness of the problem.

This is why I am pleased to be a cosponsor of this legislation, and that is why I urge my colleagues, once again, to pass it today.

Mr. MINISH. Mr. Chairman, I rise in support of H.R. 5808, the Animal Welfare Act Amendments of 1976. The Agriculture Committee, in reporting this legislation, deserves the commendation of the House for its humane concern for the well-being of animals.

The pending measure addresses two serious problems not covered by law at present: Mistreatment of animals in the course of their transportation, and dog fighting and other types of animal fighting ventures.

With regard to transportation, H.R. 5808 would bring carriers and intermediate handlers under the centralized jurisdiction of the Agriculture Department, thus eliminating the present confusion and overlapping jurisdiction which has heretofore stymied progress in this area.

Under the bill, persons and companies transporting animals will be required to comply with humane standards and will be subject to civil penalties for violations of these standards.

Humane treatment of animals by carriers and intermediate handlers in the course of their transportation, would include requirements as to containers, feed, water, rest, ventilation, and others. The bill would also prohibit transportation of any dog, cat, or any animal designated by the Secretary of Agriculture less than 8 weeks old or other age designated by the Secretary except to registered research facilities of defective animals needed for research. It would prohibit transportation of such animals received from a dealer, research facility, exhibitor, operator of an auction sale or government agency without a licensed veterinarian's certificate except for research, and prohibit transportation of animals on a c.o.d. basis unless the consignor guarantees a round-trip fare, and certain other conditions.

A different and extremely vicious problem also is dealt with in H.R. 5808. Dog fighting unfortunately has grown and prospered in the United States in recent years. "Regional conventions" of "dog fighters" are held, dog fighting magazines are published, and vans travel from State to State to set up for brief periods offering patrons the opportunity to witness and gamble on a series of dog fights.

Dog fighting itself is a grisly business in which two dogs either trained specifically for the purpose or maddened by drugs and abuse are set upon one another and required to fight, usually to the death of at least one and frequently both animals. The testimony indicated that a fight between two trained dogs would often continue for over an hour and that the dogs would literally chew out each others' eyes and break or chew off each others' feet and legs, bloodying each other extensively, all to the cheers and goading of handlers and onlookers. In the training of fighting dogs, live animals, such as cats and sometimes even untrained dogs, are used as bait to instill or enhance the fighting dog's taste for blood and, in some instances, to give it practice in killing other animals.

H.R. 5808 seeks to end these abhorrent practices. It will make it a crime punishable by a fine of not more than $5,000 or imprisonment of not more than 1 year, or both, to sponsor, exhibit an animal in, transport an animal to, or use the U.S. mail to promote an animal fighting venture.

Mr. Chairman, I urge the House to give speedy and overwhelming approval to this meritorious legislation.

Mr. ANDERSON of California. Mr. Chairman, I rise in support of H.R. 5808, The Animal Welfare Act Amendments of 1976. As chairman of the Aviation Subcommittee of the Public Works and Transportation Committee, I am pleased to endorse this legislation which would result in more humane treatment of animals transported by air.

In testimony before the Subcommittee on Livestock and Grains, Arthur H. Sims, Deputy Director, Bureau of Economics of the Civil Aeronautics Board said and I quote:

> At present, no single government agency has the authority, manpower, or expertise necessary for the establishment and enforcement of adequate standards for the humane transportation of animals by air. Instead, three government agencies—The Department of Agriculture, the Federal Aviation Administration, and the Board (CAB) have ill-defined and incomplete jurisdiction over air transportation of animals.

H.R. 5808, as amended, would appear to solve this problem by broadening and strengthening the authority of the Secretary of Agriculture.

However, the Secretary of Agriculture, under section 9 of the act, would be required to consult with the transportation regulatory agencies when establishing humane standards for intermediate handlers and carriers. In the case of air carriers, the Secretary of Transportation would be empowered with the authority to disapprove any standard for reasons of flight safety.

I urge my colleagues to vote in favor of H.R. 5808, The Animal Welfare Act Amendments of 1976.

Mrs. MEYNER. Mr. Chairman, I rise in support of the Animal Welfare Act before us today. Those of us who have worked for animal welfare in this session of Congress are both satisfied and disappointed: Satisfied that specific action to protect animals has achieved legislative stature but disappointed that this action took us so long.

In this, our Nation's Bicentennial Year, Americans should be especially mindful of the words of our Founding Fathers who sounded a clarion call for an improvement in the quality of human life for all. When historians look back upon the 200th year of this Republic, I am sure they will consider what we do here today a significant step in human concern for the environment. For our attitude toward the others who share this planet with us is a reflection of our attitude toward all life.

I would like to synopsize briefly some of the developments that warrant a favorable reception of the proposals contained in the Animal Welfare Act of 1976. Recently, the Subcommittee on Livestock and Grains of the House Committee on Agriculture completed hearings on the bill. What emerged from these hearings is a grisly and unbelievable tale of human disregard for animals. Since I came to Congress 13 months ago, few things have upset me so much as the tales of horror that came to light in these hearings.

Over the years, Congress has taken some steps to protect animals but present statutes are wanting in two significant areas: First, abuses in the transportation of animals; and second, restriction and control of animal fighting.

It is not immediately clear, under present law, who controls the shipment of animals across State lines. For example, no Government agency has specific authority to establish rules for the protection of animals when transported across State lines.

And there is relatively little cooperation among the agencies—the Department of Agriculture, the Civil Aeronautics Boards, and the Federal Aviation Administration—who now set regulations in this area. The result is a disjointed and ineffective approach that actually works against the safety of animals in transit. And recently the FAA and CAB disclaimed the expertise needed for effective regulation. When the regulators themselves admit they are unable to do their job, there is obviously a need for improvement.

The stories connected with the abuse of animals in transit are mild when compared with the tales of animal fighting abuses. It is revolting when one realizes the extent of illegal and illicit economic activity dependent upon such activities as dog fighting. We have dog fighting magazines of national circulation, breeding and training farms dedicated solely to teaching these animals to kill, and circus-like groups that tour the country catering to the grim desires of thousands of spectators. Illinois State Attorney Barnard Carey told the House subcommittee of an incident where a dog fighting referee twisted the head off a live pigeon and poured the blood over the head of one of the dogs to show its love for the fluid. Although such a story seem sensational, there is much to indicate that actions like this are commonplace.

Personally I believe that there is no place in our society for such atrocious actions. I feel that it is imperative that abuses of this kind should be terminated immediately. The animal welfare amendments would outlaw this sort of behavior and force the creation of guidelines for interstate animal shipments. For these reasons, I call for their immediate adoption so that we can incorporate into the law of our land in 1976 a fitting completion to the concern for the quality of life struck 200 years ago.

Mr. FOLEY. Mr. Chairman, we are going to address this legislation in some of the amendments that will be coming up during the 5-minute rule. I think when that is concluded, this will be a bill which all Members of this Committee can support.

The CHAIRMAN. All time has expired. Under the rule, the bill is considered as having been read and open to amendment at any point under the 5-minute rule.

The bill is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Animal Welfare Act Amendments of 1975".

SEC. 2. The Federal Laboratory Animal Welfare Act of August 24, 1966 (80 Stat. 350, as amended by the Animal Welfare Act of 1970, 84 Stat. 1560; 7 U.S.C. 2131-2155) is hereby further amended by adding the following at the end of the first section thereof: "It is also essential for humane reasons to prohibit certain animal fighting ventures. "The Congress hereby finds that animals and activities which are regulated under this Act are either in intersate or foreign commerce or substantially affect such commerce or the free flow thereof, and that regulation of animals and activities as provided in this Act is necessary to prevent and eliminate burdens upon such commerce, to effectively regulate such commerce, and to carry out the objectives of this Act.".

SEC. 3. Section 2 of such Act is amended by deleting paragraph (d) defining "affecting commerce"; and by amending paragraph (c) defining "commerce" by changing the last clause to read "or within any State, territory, or possession, or the District of Columbia, or the Commonwealth of Puerto Rico.".

SEC. 4. Such Act is further amended by deleting the term "affecting commerce," from paragraphs (c) and (f) of section 2 and section 4, 11, and 12, wherever the quoted term appears therein, and by substituting therefor the term "in commerce,"; and by deleting, from paragraph (h) of section 2, the phrase "or the intended distribution of which affects commerce, or will affect commerce," and substituting therefor the phrase "or are intended to be moved in commerce,".

SEC. 5. Section 2 of such Act is further amended by adding thereto two new paragraphs to read;

"(i) The term 'intermediate handler' means any person (other than a dealer, research facility, exhibitor, any person excluded from the definition of a dealer, research facility, or exhibitor, an operator of an auction sale, or a carrier, who is engaged in any business in which he receives custody of animals in connection with their transportation in commerce.

"(j) The term 'carrier' means the operator of any airline, railroad, shipping line, or other enterprise, which is engaged in the business of transporting any animals for hire.".

SEC. 6. Section 6 of such Act is amended by inserting after the term "research facility", a comma and the term "every intermediate handler, every carrier,".

SEC. 7. Section 9 of such Act is amended by inserting after the term "Section 12 of this Act,", the term "or an intermediate handler, or a carrier,", and by deleting the term "or an operator of an auction sale as well as of such person" at the end of section 9 and substituting therefor the following term: "operator of an auction sale, intermediate handler, or carrier, as well as of such person.".

SEC. 8. Section 10 of such Act is amended by deleting the phrase "upon forms supplied by the Secretary" from the first sentence and by adding after the second sentence a new sentence to read as follows:

"SEC. 10. Intermediate handlers and carriers shall make and retain for such reasonable period of time as the Secretary may prescribe, such records with respect to the transportation, receiving, handling, and delivering of animals as the Secretary may prescribe.".

SEC. 9. Section 13 of such Act is amended by designating the provisions thereof as paragraph (a) and by adding, after the second sentence therein, a new sentence to read: "The Secretary shall also promulgate standards to govern the transportation in commerce, and the handling, care, and treatment in connection therewith, by intermediate handlers, air carriers, or other carriers, of animals consigned by any dealer, research, facility, exhibitor, operator of an auction sale, or other person, or any department, agency, or instrumentality of the United States, for transportation in commerce. The standards shall include such requirements with respect to containers, feed, water, rest, ventilation, temperature, handling, adequate veterinary care, and other factors as the Secretary determines are relevant in assuring humane treatment of animals in the course of their transportation in commerce.".

SEC. 10. Section 13 of such Act is further amended by adding at the end thereof new paragraphs (b), (c), and (d) to read:

"(b) No animal, shall be delivered by any dealer, research facility, exhibitor, operator of an auction sale, or department, agency, or instrumentality of the United States, to any intermediate handler or carrier for transportation in commerce, or received by any such handler or carrier for such transportation from any such person, department, agency, or instrumentality, unless the animal is accompanied by a certificate issued by a veterinarian licensed to practice veterinary medicine, certifying that he inspected the animal on a specified date, which shall not be more than ten days before such delivery, and, when so inspected, the animal was sound and healthy. Such certificates received by the intermediate handlers and the carriers shall be retained by them, as provided by regulations of the Secretary, in accordance with section 10 of this Act.

"(c) No dogs or cats, or additional kinds or classes of animals designated by regulation of the Secretary, shall be delivered by any person to any intermediate handler or carrier for transportation in commerce except to registered research facilities if they are less than eight weeks of age, or such other age as the Secretary may be regulation prescribe. The Secretary shall designate additional kinds and classes of animals and may prescribe ages different than eight weeks for particular kinds or classes of dogs, cats, or designated animals, for the purposes of this section, when he determines that such action is necessary or adequate to assure their humane treatment in connection with their transportation in commerce.

"(d) No intermediate handler or carrier involved in the transportation of any animal in commerce shall participate in any arrangement or engage in any practice under which the cost of such animal or the cost of the transportation of such animal is to be paid and collected upon delivery of the animal to the consignee, unless the consigner guarantees in writing the payment of transportation charges, including, where necessary, both the return transportation charges and an amount sufficient to reimburse the carrier for all out of pocket expenses incurred for the care, feeding, and storage of any live creatures.".

SEC. 11. Section 15 of such Act is amended by inserting after the term "exhibition" in the first sentence, a comma and the term "or administration of statutes regulating the transportation in commerce or handling in connection therewith of any animals", and by adding the following at the end of the sentence: "Before promulgating any standard governing the air transportation and handling in connection therewith, of animals, the Secretary shall consult with the Secretary of Transportation who shall have the authority to disapprove any such standard if he notifies the Secretary, within thirty days after such consultation, that changes in its provisions are necessary in the interest of flight safety.".

SEC. 12. Paragraph (a) of section 16 of such Act is amended by inserting the term "intermediate handler, carrier," in the first sentence after the term "exhibitor", each time the latter term appears in the sentence; by inserting before the period in the second sentence, a comma and the term "or (5) such animal is held by an intermediate handler or a carrier" and by deleting the term "or" before the term "(4)" in the third sentence.

SEC. 13. Section 19 of such Act is amended by adding at the end thereof the following new section (d):

"(d) Any intermediate handler or carrier that violates any provision of section 13 of this Act or any standard promulgated thereunder may be assessed a civil penalty by the Secretary of not more than $1,000 for each such violation. Each violation shall be a separate offense. No penalty shall be assessed unless such person is given notice and opportunity for a hearing with respect to the alleged violation, and the order of the Secretary assessing a penalty shall be final and conclusive unless the affected person files an appeal from the Secretary's order with the appropriate United States court of appeals. Such court shall have exclusive jurisdiction to enjoin, set aside, suspend (in whole or in part), or to determine the validity of the Secretary's order, and the provisions of sections 2341, 2343 through 2350 of title 28, United States Code, shall be applicable to such appeals and orders. Any such civil penalty may be compromised by the Secretary. Upon any failure to pay the penalty assessed by a final order under this section, the Secretary shall request the Attorney General to institute a civil action in a district court of the United States or other United States court for any district in which such person is found or resides or transmits business, to collect the penalty, and such court shall have jurisdiction to hear and decide any such action."

SEC. 14. Section 24 of such Act is amended by inserting a comma and the term "intermediate handlers, and carriers" after the term "dealers" in the third sentence; and by adding a comma and the following provisions before the period at the end of the first sentence: "except that the regulations relating to intermediate handlers and carriers shall be prescribed no later than nine months from the date of enactment of the 'Animal Welfare Act Amendments of 1975'.".

SEC. 15. Section 25 of such Act is amended by inserting after subsection (3) the following new subsection:

"(4) recommendations and conclusions concerning the aircraft environment as it relates to the carriage of live animals in air transportation."

SEC. 16. (a) Such Act is amended by adding at the end thereof the following new section:

"SEC. 26. (a) It shall be unlawful for any person to knowingly sponsor, or exhibit an animal in any animal fighting venture to which any animal was moved in interstate or foreign commerce.

"(b) It shall be unlawful for any person to sell, buy, transport, or deliver to another person or receive from another person for purposes of transportation, in interstate or foreign commerce any dog or other animal for purposes of having the dog or other animal participate in an animal fighting venture.

"(c) It shall be unlawful for any person to knowingly use the mail service of the United States Postal Service or any interstate instrumentality for purposes of promoting or in any other manner furthering an animal fighting venture. Section 3001(a) of title 39, United States Code, is amended by adding immediately after the words 'title 18' a comma and the words 'or section 26 of the Federal Laboratory Animal Welfare Act'.

"(d) Any person who violates subsection (a), (b), or (c) shall be fined not more than $5,000 or imprisoned for not more than one year, or both, for each such violation.

"(e) The Secretary or any other person authorized by him shall make such investigations as the Secretary deems necessary to determine whether any person has violated or is violating any provision of this section, and the Secretary may obtain the assistance of the Federal Bureau of Investigation, the Department of the Treasury, or other law enforcement agencies of the United States, and State and local governmental agencies, in the conduct of such investigations, under cooperative agreements with such agencies. A warrant to search for and seize any animal which there is probable cause to believe was involved in any violation of this section may be issued by any judge of the United States or of a State court of record or by a United States commissioner within the district wherein the animal sought is located. Any United States marshal or any person authorized under this section to conduct investigations may apply for and execute any such warrant, and any animal seized under such a warrant shall be held by the United States marshal or other authorized person pending disposition thereof by the court in accordance with this paragraph (e). Necessary care including veterinary treatment shall be provided while the animals are so held in custody. Any animal involved in any violation of this section shall be liable to be proceeded against and forfeited to the United States at any time on complaint filed in any United States district court or other court of the United States for any jurisdiction in which the animal is found and upon a judgment of forfeiture shall be disposed of by sale for lawful purposes or by other humane means, as the court may direct. Cost incurred by the United States for care of animals seized and forfeited under this section shall be recoverable from the owner of the animals if he appears in such forfeiture proceeding or in a separate civil action brought in the jurisdiction in which the owner is found, resides, or transacts business.

"(f) For purposes of this section—

"(1) the term 'animal fighting venture' means any event which involves a fight between at least two animals and is conducted for purposes of sport, wagering, or entertainment;

"(2) the term 'interstate or foreign commerce' means—

"(A) any movement between any place in a State to any place in another State or between places in the same State through another State, or

"(B) any movement from a foreign country into any State,

"(3) the term 'interstate instrumentality' means telegraph, telephone, radio, or television operating in interstate or foreign commerce;

"(4) the term 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States;

"(5) the term 'animal' means any live dog or other mammal, except man; and

"(6) the conduct by any person of any activity prohibited by this section shall not render such person subject to the other sections of this Act as a dealer, exhibitor, or otherwise.

"(g) The provisions of this Act shall not supersede or otherwise invalidate any such State, local, or municipal legislation or ordinance relating to animal fighting ventures except in case of a direct and irreconcilable conflict between any requirements thereunder and this Act or any rule, regulation, or standard hereunder.".

SEC. 18. If any provision of this Act or of the amendments made hereby or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and the remaining amendments and of the application of such provision to other persons and circumstances shall not be affected thereby.

COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Strike page 1, line 3, through and including page 9, line 8, and insert in lieu thereof the following:

That this Act may be cited as the "Animal Welfare Act Amendments of 1976".

SEC. 2. Section 2 of the Federal Laboratory Animal Welfare Act of August 24, 1960 (80 Stat. 350, as amended by the Animal Welfare Act of 1970, 84 Stat. 1560; 7 U.S.C. 2131–2155) is hereby further amended by—

(a) revising paragraph (f) thereof to read as follows:

"(f) The term 'dealer' means any person who, affecting commerce, for compensation or profit, delivers for transportation, or transports, except as a carrier, buys, or sells, or negotiates the purchase or sales of, (1) any dog or other animal whether alive or dead for research, teaching, exhibition, or use as a pet, or (2) any dog for hunting, security, or breeding purposes, except that this term does not include—

"(i) a retail pet store except such store which sells any animals to a research facility, an exhibitor, or a dealer; or

"(ii) any person who does not sell, or negotiate the purchase or sale of any wild animal, dog, or cat, and who derives no more than $500 gross income from the sale of other animals during any calendar year;",

(b) deleting "; and" at the end of paragraph (g) and inserting in lieu thereof the following: ". With respect to a dog, the term means all dogs including those used for hunting, security, or breeding purposes;", and

(c) deleting the period at the end of paragraph (h) and inserting a semicolon in lieu thereof.

SEC. 3. Section 2 of such Act is further amended by adding thereto two new paragraphs to read:

"(i) The term 'intermediate handler' means any person including a department, agency, or instrumentality of the United States or of any State or local government (other than a dealer, research facility, exhibitor, any person excluded from the definition of a dealer, research facility, or exhibitor, an operator of an auction sale, or a carrier) who is engaged in any business in which he receives custody of animals in connection with their transportation affecting commerce; and

"(j) The term 'carrier' means the operator of any airline, railroad, motor carrier, shipping line, or other enterprise, which is engaged in the business of transporting any animals for hire.".

SEC. 4. Section 6 of such Act is amended by inserting after the term "research facility", a comma and the term "every intermediate handler, every carrier,".

SEC. 5. Section 9 of such Act is amended by inserting after the term "section 12 of this Act,", the term "or an intermediate handler, or a carrier,", and by deleting the term "or an operator of an auction sale as well as of such person." at the end of section 9 and substituting therefor the following term: "operator of an auction sale, intermediate handler, or carrier, as well as of such person.".

SEC. 6. Section 10 of such Act is amended by deleting the phrase ", upon forms supplied by the Secretary" from the first sentence and by inserting between the second and third sentences thereof the following:

"At the request of the Secretary, any regulatory agency of the Federal Government which requires records to be maintained by intermediate handlers and carriers with respect to the transportation, receiving, handling and delivery of animals on forms prescribed by the agency, shall require there to be included in such forms, and intermediate handlers and carriers shall include in such forms, such information as the Secretary may require for the effective administration of this Act. Such information shall be retained for such reasonable period of time as the Secretary may prescribe. If regulatory agencies of the Federal Government do not prescribe requirements for any such forms, intermediate handlers and carriers shall make and retain for such reasonable period as the Secretary may prescribe such records with respect to the transportation, receiving, handling and delivery of animals as the Secretary may prescribe.".

SEC. 7. Section 13 of such Act is amended by designating the provisions thereof as paragraph (a) and by adding, after the second sentence therein, new sentences to read: "The Secretary shall also promulate standards to govern the transportation affecting commerce, and the handling, care, and treatment in connection therewith, by intermediate handlers, air carriers, or other carriers, of animals consigned by any dealer, research facility, exhibitor, operator of an auction sale, or other person, or any department, agency, or instrumentality of the United States, for transportation affecting commerce. The Secretary shall have authority to promulgate such rules and regulations as he determines necessary to assure humane treatment of animals in the course of their transportation affecting commerce including requirements such as those with respect to containers, feed, water, rest, ventilation, temperature and handling.".

SEC. 8. Section 13 of such Act is further amended by adding at the end thereof new paragraphs (b), (c), and (d) to read:

"(b) No dogs or cats, or additional kinds or classes of animals designated by regulation of the Secretary, shall be delivered by any dealer, research facility, exhibitor, operator of an auction sale, or department, agency, or instrumentality of the United States or of any State or local government, to any intermediate handler or carrier for transportation affecting commerce, or received by any such handler or carrier for such transportation from any such person, department, agency, or instrumentality, unless the animal is accompanied by a certificate issued by a veterinarian licensed to practice veterinary medicine, certifying that he inspected the animal on a specified date, which shall not be more than ten days before such delivery, and, when so inspected, the animal appeared free of any infectious disease or physical abnormality which would endanger the animal or animals or other animals or endanger public health: *Provided, however,* That the Secretary may by regulation provide exceptions to this certification requirement, under such conditions as he may prescribe in the regulations, for animals shipped to research facilities for purposes of research testing or experimentation requiring animals not eligible for such certification. Such certificates received by the intermediate handlers and the carriers shall be retained by them, as provided by regulations of the Secretary, in accordance with section 10 of this Act.

"(c) No dogs or cats, or additional kinds of classes of animals designated by regulation of the Secretary, shall be delivered by any person to any intermediate handler or carrier for transportation affecting commerce except to registered research facilities if they are less than eight weeks of age, or such other age as the Secretary may by regulation prescribe. The Secretary shall designate additional kinds and classes of animals and may prescribe ages different than eight weeks for particular kinds or classes of dogs, cats, or designated animals, for the purposes of this section, when he determines that such action is necessary or adequate to assure their humane treatment in connection with their transportation affecting commerce.

"(d) No intermediate handler or carrier involved in the transportation of any animal affecting commerce shall partciipate in any arrangement or engage in any practice under which the cost of such animal or the cost of the transportation of such animal is to be paid and collected upon delivery of the animal to the consignee, unless the consignor guarantees in writing the payment of transportation charges for any animal not claimed within a period of 48 hours after notice to the consignee of arrival of the animal, including, where necessary, both the return transportation charges and an amount sufficient to reimburse the carrier for all out-of-pocket expenses incurred for the care, feeding, and storage of such animals.".

SEC. 9. Section 15 of such Act is amended by inserting after the term "exhibition" in the first sentence, a comma and the term "or administration of statutes regulating the transportation affecting commerce or handling in connection therewith of any animals", and by adding the following at the end of the sentence: "Before promulgating any standard governing the air transportation and handling in connection therewith, of animals, the Secretary shall consult with the Secretary of Transportation who shall have the authority to disapprove any such standard if he notifies the Secretary, within thirty days after such consultation, that changes in its provision are necessary in the interest of flight safety.".

SEC. 10. (a) Paragraph (a) of section 16 of such Act is amended by inserting the term "intermediate handler, carrier," in the first sentence after the term "exhibitor," each time the latter term appears in the sentence; by inserting before the period in the second sentence, a comma and the term "or (5) such animal is held by an intermediate handler or a carrier" and by deleting the term "or" before the term "(4)" in the second sentence.

(b) Paragraph (c) of section 16 of such Act is amended by striking the words "sections 19(b) and 20(b)" in the last sentence and inserting in lieu thereof the words "section 19(c)".

SEC. 11. Section 19 of such Act is revised to read as follows:

"(a) If the Secretary has reason to believe that any person licensed as a dealer, exhibitor, or operator of an auction sale subject to section 12 of this Act, has violated or is violating any provision of this Act, or any of the rules or regulations or standards promulgated by the Secretary hereunder, he may suspend such person's license temporarily, but not to exceed twenty-one days, and after notice and opportunity for hearing, may suspend for such additional period as he may specify, or revoke such license, if such violation is determined to have occurred.

"(b) Any dealer, exhibitor, research facility, intermediate handler, carrier, or operator of an auction sale subject to section 12 of this Act, that violates any provision of this Act, or any rule, regulation, or standard promulgated by the Secretary thereunder, may be assessed a civil penalty by the Secretary of not more than $1,000 for each such violation. Each violation and each day during which a violation continues shall be a separate offense. No penalty shall be assessed unless such person is given notice and opportunity for a hearing with respect to the alleged violation, and the order of the Secretary assessing a penalty shall be final and conclusive unless the affected person files an appeal from the Secretary's order with the appropriate United States Court of Appeals. The Secretary shall give due consideration to the appropriateness of the penalty with respect to the size of the business of the person involved, the gravity of the violation, the person's good faith, and the history of previous violations. Any such civil penalty may be comprised by the Secretary. Upon any failure to pay the penalty assessed by a final order under this section, the Secretary shall request the Attorney General to institute a civil action in a district court of the United States or other United States court for any district in which such person is found or resides or transacts business, to collect the penalty, and such court shall have jurisdiction to hear and decide any such action.

"(c) Any dealer, exhibitor, research facility, intermediate handler, carrier, or operator of an auction sale subject to section 12 of this Act, aggrieved by a final order of the Secretary issued pursuant to this section may, within sixty days after entry of such an order, seek review of such order in the appropriate United States Court of Appeals in accordance with the provisions of sections 2341, 2343 through 2350 of title 28, United

States Code, and such Court shall have exclusive jurisdiction to enjoin, set aside, suspend (in whole or in part), or to determine the validity of the Secretary's order.

"(d) Any dealer, exhibitor, or operator of an auction sale subject to section 12 of this Act, who knowingly violates any provision of this Act shall, on conviction thereof, be subject to imprisonment for not more than one year, or a fine of not more than $1,000 or both. Prosecution of such violations shall, to the maximum extent practicable, be brought initially before United States Magistrates as provided in section 636 of title 28, United States Code, and sections 3401 and 3402 of title 18, United States Code, and may be conducted, at both trial and upon appeal to district court, by attorneys of the United States Department of Agriculture.".

SEC. 12. Section 20 of such Act is hereby repealed.

SEC. 13. Section 24 of such Act is amended by inserting the following at the end of the section: "Notwithstanding the other provisions of this section, compliance by intermediate handlers, and carriers, and other persons with those provisions of this Act, as amended by the Animal Welfare Act Amendments of 1976, and those regulations promulgated thereunder, which relate to actions of intermediate handlers and carriers, shall commence ninety days after promulgation of regulations under section 13 of this Act, as amended, with respect to intermediate handlers and carriers; and such regulations shall be promulgated no later than nine months after the enactment of the Animal Welfare Act Amendments of 1976; and compliance by dealers, exhibitors, operators of auction sales, and research facilities with other provisions of this Act, as so amended, and the regulations thereunder, shall commence upon the expiration of ninety days after enactment of the Animal Welfare Act Amendments of 1976: *Provided, however,* That compliance by all persons with paragraphs (b), (c), and (d) of section 13 of this Act, as so amended, shall commence upon the expiration of said ninety-day period. In all other aspects, said amendments shall become effective upon the date of enactment.".

SEC. 14. Section 25 of such Act is amended by deleting from subsection (2) the word "and" where it last appears, deleting the period at the end of subsection (3) and inserting "; and" in lieu thereof, and by inserting after subsection (3) the following new subsection:

"(4) recommendations and conclusions concerning the aircraft environment as it relates to the carriage of live animals in air transportation.".

PARLIAMENTARY INQUIRY

Mr. WIGGINS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WIGGINS. Mr. Chairman, under the rule, is the first committee amendment considered to have been read?

The CHAIRMAN. There have been no requests for considering the amendment as having been read, the Chair will advise the gentleman from California, but the Chair will entertain such a request.

PARLIAMENTARY INQUIRY

Mr. FOLEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. FOLEY. Mr. Chairman, it is my understanding that the rule itself provides that the bill shall be considered as read and open to amendment at any point.

The CHAIRMAN. Yes, that is the bill, the Chair will advise the gentleman from Washington, not the amendment.

Mr. FOLEY. (During the reading) Mr. Chairman, I ask unanimous consent that the first committee amendment may be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

AMENDMENT TO THE COMMITTEE AMENDMENT OFFERED BY MR. WIGGINS

Mr. WIGGINS. Mr. Chairman, I offer an amendment to the first committee amendment.

The Clerk read as follows:

Amendment offered by Mr. WIGGINS to the committee amendment:

On page 18, line 9, after the second "and": Add a comma and the words "with the consent of the Attorney General,"

Mr. WIGGINS. Mr. Chairman, the purpose of this amendment is solely to make it clear that any prosecutions commenced under this act shall be commenced under the supervision and with the consent of the Attorney General. It is my understanding that the members of the committee on the minority side are in agreement with the amendment, and I will be pleased to yield to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman from California for yielding to me. The gentleman proposes this amendment for the purpose of keeping the Department of Justice in primary jurisdiction over all prosecutions under the act, as I understand it?

Mr. WIGGINS. That is correct.

Mr. FOLEY. I would assume that the actual implementation of this section, if adopted, would be by the Attorney General vesting discretion in appropriate United States Attorneys for the purpose of giving consent to prosecution by United States Department of Agriculture attorneys as provided by the act, if he so determines.

Mr. WIGGINS. Yes, the gentleman is absolutely correct, which is the normal practice, as the gentleman knows, in the Department of Justice.

Mr. FOLEY. And if the gentleman's amendment is adopted, it would be possible for the Department of Justice to initiate and carry forward prosecutions with its own personnel, or to consent, if it desired to do so, to the use of Department of Agriculture personnel for the purpose of carrying on those prosecutions or appeals?

Mr. WIGGINS. The gentleman is absolutely correct.

Mr. FOLEY. But under the primary supervision and control of the Department of Justice and the Attorney General?

Mr. WIGGINS. That is true.

Mr. FOLEY. Mr. Chairman, I have no objections, speaking for myself, to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. WIGGINS) to the committee amendment.

The amendment to the committee amendment was agreed to.

AMENDMENT OFFERED BY MR. DE LA GARZA TO THE COMMITTEE AMENDMENT

Mr. DE LA GARZA. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. DE LA GARZA to the committee amendment: page 14 lines 9 and 10 delete the words "shall designate additional kinds and classes of animals and".

(Mr. DE LA GRAZA asked and was given permission to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Chairman and members of the committee, on page 14 of the bill, which is within the committee amendment, there is provision, if the members will read on line 9, which states:

The Secretary shall designate additional kinds and classes of animals and may prescribe ages different than eight weeks * * *.

What I intend to do is strike out "shall designate additional kinds and classes of animals," for this reason Mr. Chairman: The initial part of the amendment here specifies that there shall not be transported any animal mentioned in this bill that is less than 8 weeks of age. Then it continues on to say that the Secretary may prescribe different ages. But what I intend to strike out is the section giving the Secretary the authority to designate additional kinds and classes of animals, which is not really within the scope of this legislation.

Mr. Chairman, the legislation deals with dogs, cats, and chickens. This will in no way attempt to diminish the intent of the bill. But as the Members know, every day we receive word from our constituents that different departments of the executive department legislate often in their own will, without consulting the Congress. We have seen it in EPA, we have seen it in OSHA, we have seen it in Fish and Wildlife, and we have seen it in just about every conceivable bill that we have passed.

Mr. Chairman, the intent here is to limit the Secretary's authority strictly to the scope of this bill and not give him this additional authority wherein he could include, without coming to the Congress, without any requirement from the people, and of his own accord, additional animals and classes of animals without any hearings and without any way for us here in the Congress really to reflect the wishes of the people.

Again, Mr. Chairman, I repeat: This does no harm to the intent of the bill. It does no harm to the actual wording of the bill as it relates to dogs, cats, and chickens. All it says is that we limit the Secretary to that, and not give him any additional authority wherein he can designate other animals without coming to the Congress.

Mr. FOLEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, the committee carefully considered the jurisdiction given to the Secretary under this bill, and it seemed wise, rather than attempting to determine the classes of animals specifically by law, to give the Secretary of Agriculture some discretion. This is the provision the gentleman seeks to remove, so that the provisions of this section would be limited to dogs and cats.

Mr. Chairman, there are other animals, such as laboratory animals, that are transported in interstate commerce, and there are other types of animals covered under the other provisions of this act, the amendments of 1970 and 1966, and it would seem wiser to me to keep the jurisdiction of the Secretary to extend the prohibition against shipment of young animals beyond dogs and cats.

Mr. Chairman, I urge the Members to reject the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. DE LA GARZA) to the committee amendment.

The question was taken; and on a division (demanded by Mr. DE LA GARZA) there were—ayes 5, noes 16.

So the amendment to the committee amendment was rejected.

The CHAIRMAN. The question is on the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 19, line 24, insert "knowingly" immediately before "sell".

The committee amendment was agreed to.

Mr. WIGGINS. Mr. Chairman, I now offer an amendment.

The CHAIRMAN. The gentleman from California (Mr. WIGGINS) will be advised that his amendment would not be in order at this time under the rule. There are two additional committee amendments to be considered.

Mr. WIGGINS. I understand the Chair. I understood the amendment I propose would be in order for consideration after we disposed of the first three committee amendments.

The CHAIRMAN. The Chair will advise the gentleman from California (Mr. WIGGINS) further that his amendment will be in order after the consideration of the committee amendments.

The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 22, line 19, insert "any live bird, or" immediately before "any live dog".

PARLIAMENTARY INQUIRY

Mr. BAUMAN. Mr. Chairman, I have a parliamentary inquiry.

Mr. Chairman, I have an amendment I wish to offer that comes before that committee amendment on the same page. Would that amendment be in order, or is it not in order until after this time?

The CHAIRMAN. The Chair will advise the gentleman from Maryland (Mr. BAUMAN) that his amendment would not be in order at this time unless it is an amendment to this committee amendment.

Mr FOLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I find myself in an unusual position, as the Member who is the chairman of this committee reporting the bill and also, at least temporarily, as the Member who is in the position of being the manager of the bill on the floor. However, I would not like the membership to adopt or pass over the next committee amendment without realizing that it is an amendment of some significance.

The Subcommittee on Livestock and Grains, chaired by the distinguished gentleman from Texas (Mr. POAGE), reported that section of the bill which adds a new section 26 to the Animal Welfare Act prohibiting the pitting of animals, dogs or other warm-blooded mammals, against one another for the purpose of fighting or creating so-called fighting ventures.

We have had a good deal of discussion and colloquy on the floor regarding the reach and scope of that particular section. When the bill was reported to the full committee, the full committee adopted, by the close vote of 20 to 16, an amendment which added the words, "any live bird," to the definition of the term "animal" in section 26, thus including the fighting of live fowl, sometimes referred to as cockfighting, in the prohibitions of section 26.

Personally, I voted against the inclusion of that amendment, and I would like to report to the members of the committee why I did so.

Mr. Chairman, we have seen recently the growth of dog fighting, which is a very dehumanizing activity and one which I think can be stopped. I believe it can be stopped without the expenditure of a great deal of money and without the use of enormous numbers of personnel, by the Department of Agriculture or otherwise, because there are not too many people—though, unfortunately, they are spread around the country and located in almost every section—who are engaged in this activity.

However, dogfighting is a growing problem; and if left unattended, it will become much more serious because it involves gambling and attracts unlawful elements.

Rightly or wrongly, whatever individual Members think about it, the fighting of live fowl has existed for centuries in some parts of the American jurisdiction; and some people, conditioned by culture and tradition, regard it to be in a different category than the fighting of other animals. It certainly presents a different enforcement problem. Whether or not one regards the morality or dehumanizing influence of cockfighting to be indistinguishable from that involved in dogfighting, it will be more difficult for the Federal Government to reach the fighting of live fowl than to strike down the practice of dogfighting. Dogfighting has no claim to tradition and is more of a growing problem which we seek to intercept and interdict.

Mr. Chairman, I hope that I will not be thought disloyal, as chairman, to the will of the majority of my committee in suggesting that I think it is incumbent upon this committee to make a judgment on this matter, knowing what these words, "or any live bird" might mean in terms of the practical problems of enforcing the act.

For that reason, Mr. Chairman, I bring this to the attention of the Committee.

Mr. SEBELIUS. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Kansas.

Mr. SEBELIUS. I thank the chairman for yielding.

Mr. Chairman, I find myself in the very same position and for the same reasons.

I would like to associate myself with the chairman's remarks and urge the Committee to defeat the committee amendment.

I thank the gentleman for yielding.

Mr. KREBS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I hope I do not have to tell anybody in this Chamber about the respect in which I hold the chairman of my committee. I really do not think that anybody could have a better chairman, a more considerate chairman, or a fairer chairman.

It just happens to be that on this particular issue I disagree with him. I have tried to listen very carefully to the arguments that he has presented in favor of this motion to strike. With all due respect to the chairman, he has not convinced me, any more than he convinced me in the committee and any more than he convinced a majority of the members of the committee, because the fact remains that this amendment passed, as the chairman correctly stated, by a vote of 20 to 16. This amendment passed despite the fact that both the chairman and the vice chairman spoke in opposition to the amendment, basically on the theory that the bill would have a better chance of passing if the amendment was not included in the bill. Nevertheless, the amendment passed, because, frankly, there is no difference between dogfights and cockfights.

Mr. Chairman, I think the only argument that has been advanced here is that there is some tradition in a certain part of these United States, where this brutal activity is still condoned, for some ethnic or religious reasons.

I really do not think that the majority of the United States in which this activity is outright illegal, should be guided by what may be a condoned activity in a certain part of these United States. Moreover, I do not think that this Congress is going to let itself be governed by what may be considered a proper activity or a condoned activity in Puerto Rico.

Therefore, Mr. Chairman, I urge the Members of this Committee to please not go back to their constituents and tell them that they, as members of the committee, voted against an attempt to do away with what is illegal, to begin with. I think that they should at least make sure that these birds are not going to be transported in interstate commerce for the purpose of engaging in an activity that is outright illegal in practically every State in these United States.

I hope, Members of the Committee, that each Member is going to let his conscience be his guide, rather than possibly catering to certain constitutents representing a small minority which is obviously engaging in an outright illegal activity.

I have cockfights in my district. It is outright illegal in the State of California, just as I have said repeatedly that it is illegal in practically every State in the Union. So I urge the Members to vote in favor of the committee amendment.

Mr. POAGE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I hope that the Members will recognize this amendment exactly for what it is. It is an effort to destroy the legislation. There were 20 yeas in the committee for this amendment; 6 of them were by proxy and 3 were voted by one of the members of the committee who has expressed himself as being opposed to the bill and who is now opposed to the bill and is seeking to destroy the bill. But four of those votes, three of those proxies, as well as his own vote, were cast by one member of the committee and I cannot believe they were cast with any idea of passing this bill.

I think that those Members who believe that it is proper to provide that these animals in transit shall receive humane treatment, that those Members who believe that, will recognize the purpose of this amendment, and that if they favor the bill that they will vote against this amendment.

This amendment was not put in in the subcommittee. This bill was reported out of the subcommittee of which I have the honor to be the chairman. It was put on at the last moment, in the markup in the full committee and it was not put on by the friends of the bill.

I just want the Members to bear that in mind. If they want the bill I will think they will join with us in saying that this is not something that ought to be in this bill. I am, therefore, opposed to the committee amendment. I voted against it in the committee. I gave notice that I would oppose it on the floor. I ask you to join me in defeating this amendment.

I understand the feeling of some of our Members who honestly feel that "Well, if it is good to prevent interstate activity in behalf of dogfights, we should do the same thing as chickens. Possibly the fighting is much the same, but there isn't the money being bet and there is not the organized gambling, there is not the organized crime in connection with these chicken fights that there is with the dogfights. The author of this bill, the chairman of the full committee, recognized that and took the steps that were necessary to deal with a very serious problem in connection with the dogfights.

Mr. PICKLE. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Texas

Mr. PICKLE. Mr. Chairman, the gentleman's analysis is exactly correct. Many of us had endorsed the principle of this legislation originally, but we did not envision that it would be enlarged to the extent that is apparent by this committee amendment. It seems to me we should leave to the local authorities the matter of enforcement and that this amendment ought not be part of this bill. Therefore I associate myself with the gentleman's remarks.

Mr. HARKIN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Iowa.

Mr. HARKIN. I understand the gentleman has supported legislation on dogfights, is that correct? In other words, not to permit dogfights?

Mr. POAGE. The subcommittee, of which the gentleman from Iowa is a member, reported this bill with the dog fighting provision in it. Neither the gentleman from Iowa nor any other member of the subcommittee suggested that we should take dogfighting out nor that we should add something else, as long as we were in the subcommittee. When we got in the full committee, then, just at the end of the markup, there was an effort to delay the bill and then there was the suggestion that we amend it to include fowls.

That amendment was adopted 20 to 16 including 6 proxy votes on the yea side. There were 3 proxy votes on the negative side. Three of the favorable proxies were all voted by the same person, and he is not in favor of the bill. That, to my mind, reads that he is smart, and he wants to kill the bill, and he knows how to kill it, and that he is using the means that are most effective to kill it. There is nothing wrong with what he is doing. I am simply pointing out that you and I should not let him succeed. Not if we really want an effective humane transportation law.

Mr. HARKIN. If the gentleman would enlighten me, I cannot understand how regulating the transportation of gamecocks around this country to try to prohibit and stop this cockfighting is going to kill this bill. I would think that most Members of this body would be opposed to something like cockfighting.

Mr. POAGE. The gentleman might think so, but if he has received the correspondence and the telephone calls that many have received, or if he has just talked to his fellow Members as some of us have, he would know exactly what is about to happen. He must know what is about to happen, and if he does not know, if he will stay around, he will find out.

Mr. HARKIN. The sentiment seems to me to be that most Members are opposed to cockfighting.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SYMMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would first like to thank my good friend, the gentleman from Texas, whom I certainly do respect and who was former chairman of the House Committee on Agriculture, for the compliments he paid me about knowing the parliamentary rules of the House of Representatives. I appreciate that, because I am the Member who voted three proxies plus my own vote in favor of this amendment.

I also would like to say that I have a great deal of respect for the chairman of the committee and for the recognition that the House rules are here for those of us who are players of the game to play by the rules, it is the majority party who wrote the rules, not my party.

I would just like to point out to the members of the committee that when Thomas Jefferson wrote the manual in the House of Representatives, he did it to protect the rights of the minority. Even though I am a Republican, I have a picture of that great Democrat, Thomas Jefferson, hanging in my office. I do think that he had some very important things in mind, so I think we should recognize who it was who wrote these rules.

I voted against allowing proxies to be used in the committee, but I certainly hate to have anyone think I was doing anything less than honorable when I vote proxies in the committee, if they are going to be used. I think both sides were using proxies, in fact the chairman voted proxies against the amendment.

As a matter of fact, I voted against allowing the committee rule which allowed proxies to be used in committee during the time the organization of the House, was under consideration.

Mr. HARKIN. Mr. Chairman, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman from Iowa.

Mr. HARKIN. I thank the gentleman for yielding.

Did the gentleman in the well support the amendment in the full committee, the amendment to include birds?

Mr. SYMMS. I am the one that they were talking about, yes.

Mr. HARKIN. The one with all the proxies?

Mr. SYMMS. Yes.

Mr. HARKIN. If the gentleman will yield further, so I understand the gentleman does support that provision leaving the game birds in the bill: is that right?

Mr. SYMMS. The gentleman from Iowa knows well that the gentleman in the well holds this whole piece of legislation with a minimum of high regard. What I think is that the gentleman from California (Mr. WIGGINS) has an amendment prepared which would take care of this entire matter, and I think if we can have the House of Representatives do the responsible thing here today, the proper thing to do would be to accept the committee amendment, and then we will get an up or down vote on the amendment to be offered by the gentleman from California (Mr. WIGGINS), where we can clarify the whole fighting issue of animal fighting in one fell swoop in determining whether it is a Federal prerogative or a State and local prerogative. I think that is what the issue is here, and it would certainly make the bill less offensive and less obnoxious with respect to Federal intervention.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. SYMMS. I yield to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman for yielding.

What the gentleman is saying is that he is asking us on the committee here to include the fighting of birds as well as other animals, and then he wants to support an amendment later on to take out all restrictions on animal fighting in the bill; is that correct?

Mr. SYMMS. That is correct. We will get it straightened out here, and we will get it all out on the table.

Mr. FOLEY. Right. If the gentleman will yield further, he is in favor of eliminating the restrictions in this bill touching any animals?

Mr. SYMMS. Then I think we could deal with what the authors of the legislation started out with the intention to do. We are going to be talking about the fact that we will decide whether or not we are going to be concerned with the humane transportation of animals, or whether or not we are going to be getting involved with other side issues.

Mr. MELCHER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do want to clarify the point as to what the vote will be. If one is in favor of the committee's position as the bill passed the committee, the vote will be "aye." That means we will be voting to prohibit interstate shipment of cocks for the purpose of cockfighting and people are banned from using the mail to advertise such cockfights.

Of course, as the gentleman from Texas (Mr. POAGE) has said, there are a number of Members of the House who have a great concern about this because cockfights are taking place in their own congressional districts or they have places in their districts where cocks are being raised and then shipped interstate for the purposes of fights somewhere else. As far as those people who are raising birds which are being shipped somewhere else for purposes of cockfighting, the committee amendment would effectively prohibit that.

But I think on balance there is much in this bill to advance the causes of humane treatment of animals and birds, and probably there is more in this one provision than in some of the lesser provisions that revise the existing animal welfare statutes. But the real forward progress, as I see it, of a sizable nature in providing humane treatment is set forth in the restrictions that this would place on dogfights and on cockfights.

For those who are concerned about how much it is going to cost, the chairman of the committee has advised he will offer an amendment to limit to no more than $400,000 the amount for the Department's enforcement of dogfights, and I would presume that this section of the bill stays as is that amendment would apply to the Department's enforcement with respect to cockfights.

Mr. KOCH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I suspect there may be many people who are watching the debate and wondering why it is the House of Representatives should spend so much time on the humane treatment of animals, and those people are asking themselves: "Are there not other things the Congress should be doing?" But let me tell the Members that we should be doing this and I would like to explain why this is a very important debate and why this Krebs amendment should be approved and why this legislation should be enacted.

I suspect there is not a congressional office that does not regularly get mail every day of every week of every year on the humane treatment of animals. I believe it is the single issue that gets more consistent attention than any other issue that comes to the offices of Members. It is not that there are not other issues that at times get much more mail, but on a regular basis the lack of humane treatment for animals is one of those matters of great concern for a great number of people, myself included. That is why I think this is a very salutary debate and why this is a very beneficial piece of legislation.

I think we should be doing much more for a whole host of animals that are subjected to inhumane treatment. There is pending legislation to do that, for instance a Commission on the Humane Treatment of Animals that I have introduced, and there is other legislation which has been sponsored by many of our colleagues.

Now on this particular matter, of whether we should ban the interstate shipment of game birds of other fowl for the purposes of cockfighting, as opposed to striking that provision and simply limiting the bill to a matter of preventing fights between dogs, I say when this House has the opportunity to expand the humane treatment of animals we ought to take it.

That is the opportunity that is before this House today.

Now, the fact is that this bill is a very limited bill. It does not prohibit the bestial sport within a particular State. I wish that it did. Perhaps the committee decided legislation might not be capable of enactment at this time; but that they could get enacted legislation that would end the interstate shipments of these animals. I do not know. I am not on the committee, but that is the route they have taken.

I am suggesting that we cannot look aside and say, "Well, the use of roosters and game birds for cockfighting is not important." It is indeed important. Sure, it is more dramatic and more savage to see two dogs, because of the attachment we have for dogs, locked in battle; but the truth is, if anyone has seen a cock fight and I have in Puerto Rico, I have seen such a battle, it too is savage, it is vile, it is inhumane and this Congress when it has the opportunity to stop the shipment of birds for that purpose ought to take that opportunity. That is what this amendment does. I salute the gentleman from California (Mr. KREBS) for having successfully offered it in the committee.

Mr. KETCHUM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have been listening with great interest to the debate as it has gone on. Particularly was I interested in this subject of "parliamentary procedure" and the use of proxy votes. There are many of us in this chamber that have voted against the use of proxy votes repeatedly, but when we are denied the opportunity to prohibit their use, certainly do not criticize a Member then for taking advantage of that parliamentary procedure to use it.

Mr. Chairman, we have listened a few moments ago about the difference in the gambling on dog fights vis-a-vis cockfights. Now, I represent an area now and have represented other areas in the past that probably have more cockfighting in them than any other form of recreation. I think they are abhorrent. I think that they are vile. I think they are bloody and I think they are sick; but there is no way in the world that we are ever going to stop them from happening nor the gambling that goes with it with this bill.

I congratulate the gentleman from California (Mr. KREBS). I think this should stay in the bill. If we are opposed to dogfighting, we ought to be opposed to cockfighting.

Quite frankly, I do not think this bill is going to accomplish its end result. If we were simply talking about the humane shipment of animals, I think we would be talking in the right vein, because certainly we should be concerned with the interstate and the intrastate shipment of animals in a humane way; but this bill certainly is not going to stop dogfighting, any more than the 18th amendment stopped drinking, and any of us that think that it is really are mistaken.

Now, let me just point out one other thing and then I will quit using the time of the House. This, to me, represents another intrusion of the Federal Government in an area that the States should be concerned with, vis-a-vis dogfighting and cockfighting. Some years ago after the Wholesome Meat Act was passed we had a dual inspection. The Federal Government could inspect and the State could inspect. California, in its wisdom, decided they wanted to do their own inspection and California accepted some Federal funds to assist in that program. It did not take the Governor of California very long to see that if he did not do it, that the Federal Government would do it for him. We are now faced in California with 200 State employees who will lose their jobs and who will have to take jobs with the Federal Government at a lower salary. This same thing happens every day. Do not get messed up in trying to impose our will on the responsibilities that should be the States. The States will abandon their good work and simply let the Feds take over.

If we want to talk about the humane treatment of animals, let me talk about it, but let us not say on the one hand that we are going to have to stop dogfighting, but on the other hand, "Well, we do not want to fool around with cockfighting." If we are going to vote for one, we should have the guts to vote for the other.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I thank the gentleman for yielding to me. I am puzzled by this debate. I want this bill to pass. I want to ask the chairman of the committee what indication he has that inclusion of this provision concerning cockfighting—and I deplore cockfighting—what indication he has that inclusion of this "any live bird" phrase will defeat the bill. In other words, if we vote our convictions against cockfighting, why are we endangering the passage of the bill and its important provisions?

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from Washington.

Mr. FOLEY. Of course, that is a matter of judgment. It is always a question as to how far a bill should attempt to reach in resolving a problem. We attempted originally to move against an activity that had been found growing gradually in the United States. We had a discussion, and inevitably this raised a question about cockfighting, which has been known for many, many centuries.

It raises a question of how far we should attempt to reach United States jurisdiction in this regard. I cannot say what will happen on the bill. It does cause some concern that in addition to those who are seriously concerned about the morality and humanity of this issue, that there are others who are opposed to doing anything regarding animal fighting ventures. In the forefront is the cockfighting section.

The CHAIRMAN. The question is on the committee amendment.

The question was taken; and the Chairman being in doubt, the Committee divided, and there were—ayes 26; noes 16.

Mr. MONTGOMERY. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 23, strike out lines 7 through 12.

The CHAIRMAN. The question is on the committee amendment.

Mr. KAZEN. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

At the time of the quorum call, the Chair will advise the Members that there was under consideration the fourth committee amendment, striking section 18 on page 23.

The question is on the committee amendment.

The committee amendment was agreed to.

AMENDMENT OFFERED BY MR. BAUMAN

Mr. BAUMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BAUMAN: On page 22, at the end of line 4, strike the semicolon and add the following new language: "except that the term 'animal fighting venture' shall not be deemed to include any activity the primary purpose of which involves the use of one or more animals in hunting another animal or animals, such as waterfowl, bird, raccoon or fox hunting;"

Mr. BAUMAN. Mr. Chairman, this language, which is offered as an amendment, actually arises out of my concern that the definition in the bill might be used for a distorted purpose, and that is to interfere with bona fide hunting activities in the United States. Hunting, in many instances, does pit one animal against another, usually a dog against a waterfowl, or in the case of fox hunting, the use of hounds against foxes.

It has been the position taken by the chairman of the Committee on Agriculture that this is not the intention of the legislation. However, out of an abundance of caution I thought it would be advisable to define exactly what the scope of this particular bill is.

For that reason, Mr. Chairman, I offer the amendment.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Chairman, as I understood the purpose of the gentleman's amendment, it was to make clear what I think has already been clearly expressed in the colloquy on legislative history, and that is that it was not the intention of the committee, in bringing this bill to the floor, that we would include in the definition of animal fighting ventures, the use of animals to hunt other animals in bona fide hunting activities.

I want to make clear that I do not personally regard the use of animals to hunt other animals as primarily being involved in pitting those animals against each other in a fighting venture. There is some physical contact between animals in hunting as an incident of the hunting activity; but its primary purpose is not, in my judgment, and I think the gentleman agrees, to create the deliberate pitting of animals against each other for fighting purposes.

Therefore, Mr. Chairman, in those terms, I think the amendment offered by the gentleman from Maryland (Mr. BAUMAN) further clarifies the intention of the committee; and I personally have no objection to it.

Mr. SEBELIUS. Mr. Chairman, will the gentleman yield?

Mr. BAUMAN. I yield to the gentleman from Kansas.

Mr. SEBELIUS. Mr. Chairman, I would like to state that I have no personal objection to the amendment.

Mr. BAUMAN. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. BAUMAN).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. FOLEY

Mr. FOLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOLEY: Page 23, line 7, insert the following:

"SEC. 16. Section 23 of such Act is amended by inserting immediately before the period at the end of the second sentence ': *Provided*, That there is authorized to be appropriated to the Secretary of Agriculture for enforcement by the Department of Agriculture of the provisions of section 26 of this Act an amount not to exceed $100,000 for the transition quarter ending September 30, 1976, and not to exceed $400,000 for each fiscal year thereafter'."

Mr. FOLEY. Mr. Chairman, the purpose of this amendment is to make clear that it is the intention of the House to place a limit on the authorization for appropriations for enforcement activities of USDA under section 26 of this bill to $100,000 for the transitional quarter and then $400,000 annually thereafter.

The reason that this amendment is necessary in my judgment is that, as I spoke to the committee earlier, the Department of Agriculture has sent to one of the members of the committee an incredulously inflated estimate of the cost of enforcing the legislation, suggesting that the cost of this one section alone would be $25 million annually if vigorous enforcement were undertaken as the Department assumes that it would be.

The Department of Agriculture is well-known not to want this responsibility placed upon them and have put out these inflated figures of $25 million in an attempt, I think, to distort the judgment of the Members in their concern for the cost of the programs. So, to make it clear that we are not thinking about that kind of an expenditure, I offer this amendment.

Mr. SYMMS. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Idaho.

Mr. SYMMS. Mr. Chairman, I thank the gentleman for yielding. I certainly would have to say I am sure the gentleman's intentions are honorable, but I understood that the chairman when he wrote this amendment probably thought we were going to take cockfighting out of the bill. Now, cockfighting is in the bill. Is $400,000 really going to give the Government enough money to enforce cockfighting? The way the gentleman from California (Mr. KETCHUM) described the problem it sounded like we might need $400,000 in his district.

Mr. FOLEY. The gentleman from Idaho knows my attitude on including that in the bill. The House has not voted finally on the adoption of the committee amendment. The House has not adopted it, and there might be some question about whether the House as a whole finally will adopt the amendment. But, in any case, I am offering this amendment which will limit the appropriations to Department of Agriculture on an annual basis under section 26. If the gentleman feels that more money is needed, perhaps the gentleman would like to offer an amendment to the amendment to increase the authorization and then we will have the committee able to make a judgment on that.

Mr. SYMMS. I would not want to cause anybody to have a coronary so I will refrain from the temptation to offer that amendment.

Mr. FOLEY. Mr. Chairman, I think my explanation shows that the amendment is not a complicated one. I hope the committee will adopt the amendment.

Mr. THONE. Will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Nebraska.

Mr. THONE. Mr. Chairman, as the gentleman in the well knows, I have some problem with section 26 of this bill, and I suppose that some of that will be ameliorated through the amendment the gentleman now proposes. But, how does the gentleman know, and how can the gentleman assure this gentleman that this appropriation of $100,000 for this coming transitional quarter and then the annual limitation of $400,000 will be in the budget a year from now or 2 years from now? That is what seriously bothers me.

Mr. FOLEY. I will tell the gentleman from Nebraska that there is no assurance that any authorizing committee can commit the Committee on Appropriations for including funds for implmentation of any act which is an authorizing act.

It is obviously in the discretion of the Committee on Appropriations, first, and, second, the House in the consideration of the appropriate subcommittee report on appropriations as to how much is included. It is not assumed that we have in mind trying to get enormous appropriations of $26 million by suggesting this amendment. If adopted, there would be a maximum of $400,000 for enforcement by USDA under this section, and $100,000 for the transition quarter. The Committee on Appropriations might vote less. I would hope they would vote this much, but that would be the maximum that would be set into law. It corresponds with what the Congressional Budget Office estimated the cost to be.

Mr. THONE. As the chairman knows, I have a more fundamental problem with this section because, as the gentleman indicated I think in his argument on the rule, or maybe it was in general debate here, this is an area that I think properly ought to be left to the police power of the various States. I think that is the position of the Department of Justice. I think that was the position of the Postal people, the U.S. Department of Agriculture enforcement people, and everyone else who had anything to do with this particular section.

Mr. FOLEY. If the gentleman will permit a correction, the Civil Aeronautics Board testified in support of the first part of this bill on transportation. It is true that the Department of Justice and Agriculture oppose this section, but I think that will be taken care of by the amendment to be offered by the gentleman from California (Mr. Wiggins).

The CHAIRMAN. The time of the gentleman has expired.

AMENDMENT OFFERED BY MRS. FENWICK TO THE AMENDMENT OFFERED BY MR. FOLEY

Mrs. FENWICK. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mrs. Fenwick to the amendment offered by Mr. Foley: Immediately before the period at the end thereof insert the following ": *Provided further*, That there is authorized to be appropriated to the Secretary of Agriculture for the other provisions of this Act an amount not to exceed $100,000 for the transition quarter ending September 30, 1976, and not to exceed $400,000 for each fiscal year thereafter".

Mrs. FENWICK. Mr. Chairman, I want to propose this limitation in an area where I think the sum is more than sufficient; the Committee on Appropriations may well decide in its wisdom to reduce it still further. We cannot police every airport in this Nation or every bus terminal or every truck depot. We cannot have an inspector everywhere.

The penalty provisions in the act, in my opinion, will be the enforcement, and I think we should limit the enforcement in this way.

Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New Jersey (Mrs. Fenwick) to the amendment offered by the gentleman from Washington (Mr. Foley).

The question was taken; and on a division (demanded by Mrs. Fenwick) there were—ayes 12, noes 16.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington (Mr. Foley).

The amendment was agreed to.

AMENDMENT OFFERED BY MRS. HECKLER OF MASSACHUSETTS

Mrs. HECKLER of Massachusetts. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. Heckler of Massachusetts: Page 23, line 7, insert a new section to read as follows:

Sec. 17. Section 14 of such Act is amended by inserting in the first sentence after the term "standards" the phrase "and other requirements".

Mrs. HECKLER of Massachusetts. Mr. Chairman, I hereby propose my amendment addresses itself to Government agencies that use laboratory animals. My amendment would require these agencies to submit proof that they are complying with the humane standards required of all research facilities registered under the Animal Welfare Act of 1970. This is a simple amendment, but it could mean a world of difference for the animals used by the Army, the Air Force, the National Institutes of Health, and other agencies of Government.

Recently, when humanitarians complained about the way beagles and other animals at the Army's Edgewood Arsenal were treated, the Army asked for an official inspection by the Animal Care Staff of the U.S. Department of Agriculture. The veterinary inspectors found multiple violations of the Animal Welfare Act. Some of these beagles had to stand on wide-spaced, sharp-cornered grids which were not satisfactory to prevent injury to the dogs' feet. Violations of standards on sanitation, ventilation and control of extremes of temperature were also found by the USDA inspectors. There is no excuse for the Army or any other Government agency to fail to meet the minimum humane standards required of private laboratories or other research institutions, zoos and animal dealers under the act.

Section 14 of the Animal Welfare Act requires Federal agencies with laboratory facilities to comply with the Secretary of Agriculture's research facility standards, but they are not required to prove to the Secretary that they are complying. My amendment would rectify this by requiring that such Federal agencies prove that they are in compliance just as any other research facility must.

Mr. BAUMAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I believe that the distinguished gentlelady has chosen a very poor example to support her amendment in citing the Edgewood Arsenal, which is located in my district. After the furor which arose as a result of the Army's use of beagles for testing for certain military purposes, the U.S. Department of Agriculture did indeed make inspections, which I and the two Senators from Maryland supported. The conclusion of that investigation was that while there were some violations in the animal facilities at the Edgewood Arsenal, that facility was treating their animals in many respects in a superior manner compared to private and other Government laboratories in the United States.

The only instance in which there was difficulty was that the floor grids might be injurious to the animals' feet.

I took the time to go and look at the facility. It was superior in many ways to public and private animal facilities in Maryland and other places, and the USDA inspectors said it was adequate in many respects.

I do not quarrel with the purpose of the amendment. I may very well support it, but I do think if we are going to ask for this kind of legislation we ought to be frank and full in our discussion and not perhaps overstress the events which occurred at Edgewood Arsenal, the facilities at which would compare well with many other comparable Government facilities.

Mrs. HECKLER of Massachusetts. Mr. Chairman, if the gentleman will yield, I would like to underscore that in my remarks I did say the Army requested the inspection by the USDA and that in itself is an act of good faith. Nonetheless in the official correspondence between the two, which I have in my files at the desk and in my office, the USDA inspection team found there were satisfactory conditions in part but that on the issues which I have mentioned, which were the use of unacceptable grid or slanted boards upon which the animals walked for extended periods of time, and in addition to that the questions of sanitation and of ventilation, all these areas the USDA inspectors rated the Edgewood facility as being inferior and inadequate to its minimum humane standards.

I do wish to be fair in my remarks. However, I cannot whitewash inhumane treatment. In my previous statement I referred not only to the inspection by the Department of Agriculture but also to the assessment by a group of humanitarians who also went to the Edgewood Arsenal and viewed the same conditions.

Their comments after personal inspection were consistent with my remarks. However, the fact is that the Army's treatment of beagles at Edgewood should not be the central issue in considering my amendment. My amendment addresses not only the question of standards but the establishment of a reporting system by Federal laboratories on their compliance with standards.

What I am suggesting is that inspections such as this and a compliance report back to the Department of Agriculture on humane standards should be required of all Federal facilities just as they are of private laboratories using animals for experimentation or care.

Mr. BAUMAN. Mr. Chairman, I appreciate the gentlewoman elaborating on her previous remarks. Having seen personally the animal facilities at Edgewood, I would say that the animals are treated better than in many places in this country. These animals are not being mistreated. They are well taken care of and they should be.

Mrs. HECKLER of Massachusetts. Mr. Chairman, if the gentleman will yield further, these conditions remain and the Department of Agriculture specialists saw fit, while commending the Army in certain respects, pointed out certain deficiencies.

The VA has voluntarily complied with the Animal Welfare Act; however, the Army in this case requested the Department to help establish the standards. Conditions were found partially adequate and partially inadequate. I think it is important we have an annual report on all similiar research facilities employed within the Federal Government in order to determine that at least the minimum standards of humane care be accorded to animals considered.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Massachusetts (Mrs. HECKLER).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WIGGINS

Mr. WIGGINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WIGGINS: Strike out all of section 26 on pages 19, line 20, through page 23, line 6.

Mr. WIGGINS. Mr. Chairman, in the present posture of this bill, at least three new Federal crimes have been created. The first crime is to fight a dog or a fowl which has been transported in interstate commerce.

The second new Federal crime is to transport such animals for the purpose of fighting them.

The third new Federal crime is to advertise the fighting.

Mr. Chairman, there is a great deal wrong in this country; but I do not, and I urge this House not, easily to assume that for every wrong there is a Federal solution. Cock fighting is bad. Dog fighting is bad. I do not like either activity and I do not like the people who engage in those activities; but that is not to say that the right response to the wrong is to create a new Federal crime.

Bear in mind, that the activities which we here condemn are already illegal in nearly every State in the Union. I understand something on the order of 46 or 47 States now prohibit cock fighting and dog fighting. What then do we accomplish if we make this a new Federal crime? Well, politically, we can all go on record as being against this activity; but there are some adverse consequences which we should keep in mind. One is that when we make an activity a Federal crime which is already a State crime, we discourage local law enforcement efforts. By making this a Federal crime, county prosecutors and district attorneys around the country are not going to prosecute. They are going to point to the U.S. attorney and say, "You do it, you take the political heat for prosecuting this activity."

On the other hand, the U.S. attorneys around the country all will be pointing at the county attorneys and saying, "You do it." The consequence of this finger pointing is going to be that the whole level of enforcement is discouraged.

Another consequence is the penalty which the entire system pays. We are adding new responsibilities to the U.S. district court. We are saying that a U.S. district court is the proper forum to try a cockfighting case. Well, if the Federal judges, if grand juries, if U.S. attorneys are going to devote their energies to the trial of a cockfighting case, then those energies cannot be devoted to the other, more serious problems. Of course, we might augment their strength and build new courthouses and hire new judges, but I see no disposition in this House to do so.

Members of the committee, the best way to deal with this problem is to come to grips with it frontally. I ask my colleagues: "Is it necessary to create a new Federal crime to punish this activity which is already subject to punishment by the States?"

I hope the Members will answer that question in the negative and support my amendment. It simply strikes the section and leaves this activity to State criminal enforcement.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. WIGGINS. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Chairman, the gentleman in the well is a distinguished member of the Judiciary Committee, as all of us know, and I think all of us have had occasion to respect his competence and dedication, but would he agree that we have many, many crimes in title XVIII that are Federal crimes and are also State crimes?

It is a State crime to engage in bank robbery; it is a Federal crime to rob a federally insured bank. It is a State crime to engage in extortion; it is a Federal crime to move in interstate commerce for the purpose of extortion. Do we not have a whole range of existing laws to complement State offenses which do not include interstate commerce?

Mr. WIGGINS. The answer to that question is yes. This statute goes beyond transportation and makes it an offense to fight the birds.

Mr. FOLEY. Gambling acts is the line in violation of State laws.

Mr. WIGGINS. As a Member of this Congress concerned about the problem of the administration of justice, I do not believe that a further proliferation of the statutes of the type the gentleman mentions serves the national interest. We either believe in federalism or we do not. This is an opportunity to stand up for it.

Mr. FOLEY. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I think the gentleman from California (Mr. WIGGINS) has stated the question fairly. It is a question of how far we want to go in involving the jurisdiction of the United States in prohibiting crimes that are admittedly prohibited, I think, by the laws of many of the States of the Union. We have a peculiar problem here. Particularly, the fighting of dogs has become an interstate activity. It could not take place to the degree it is now taking place except by the deliberate use of interstate instrumentalities, including the mails, in order to attract people to move the dogs in interstate commerce to engage in this wholly reprehensible activity.

I have tried by limiting the authorization to indicate that we do not expect to flood the country with Federal investigators, but where intelligence is obtained that a particular interstate movement of dogs is being conducted—and it has been blatantly done in recent years—for the purpose of engaging in animal fighting ventures that it is a legitimate area for the Federal Government to step in and prohibit that activity.

I suppose we could always say that there are other, more high priority items in criminal prosecution. That is always an argument that could be made with respect to making any offense criminal, and we could have a criminal code consisting only of murder, robbery, rape and the basic crimes involving violence.

Obviously, title 18 covers a far wider range of activities. It does not seem to me to be an abuse of the authority and the dignity of the United States to move in, and stop this activity before it involves more people and more money, and becomes a national disgrace beyond the present level of disgrace I think it constitutes. To take all provisions against animal fighting out of the bill at this juncture would not speak the intention of what I think the people of the United States would wish this body to do.

Mr. Chairman, I urge the defeat of this amendment.

Mr. THONE. Mr. Chairman, will the gentleman yield for just one question?

Mr. FOLEY. I yield to the gentleman from Nebraska (Mr. THONE).

Mr. THONE. The bill that was sent over from the Senate to this side does not contain section 26, does it?

Mr. FOLEY. The gentleman is correct. If this amendment is adopted, there would be no possibility of the conference adopting any provision regarding animal fighting. If section 26 is retained in the bill, it would be a matter for conference.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. WIGGINS).

The question was taken; and on a division (demanded by Mr. WIGGINS) there were—ayes 22, noes 28.

RECORDED VOTE

Mr. WIGGINS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 56, noes 312, not voting 64, as follows:

[Roll No. 44]

AYES—56

Archer
Armstrong
Biester
Breaux
Butler
Carter
Cederberg
Clancy
Clawson, Del
Collins, Tex.
Conlan
Crane
Davis
Derrick
Devine
Erlenborn
Forsythe
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Hammerschmidt
Hansen
Hébert
Hubbard
Hutchinson
Jenrette
Kazen
Ketchum
Kindness
Krueger
Levitas
Long, La.
Lott
McCloskey
McDonald
Mann
Michel
Miller, Ohio
Murphy, N.Y.
Myers, Pa.
Rousselot
Schneebeli
Shuster
Smith, Nebr.
Snyder
Spence
Symms
Taylor, Mo.
Thone
Thornton
Treen
Wiggins
Wright
Young, Alaska

NOES—312

Abdnor
Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Bevill
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Brademas
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Byron
Carney
Carr
Chappell
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
de la Garza
Delaney
Dent
Derwinski
Dickinson
Dingell
Dodd
Downey, N.Y.
Drinan
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Evans, Colo.
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Ford, Mich.
Fountain
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Green
Gude
Guyer
Hagedorn
Haley
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hicks
Hightower
Hillis
Holt
Holtzman
Horton
Howard
Hughes
Hungate
Hyde
Ichord
Jacobs
Jeffords
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Karth
Kasten
Kastenmeier
Kelly
Kemp
Keys
Koch
Krebs
LaFalce
Lagomarsino
Latta
Lehman
Lent
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
McClory
McDade
McFall
McHugh
McKinney
Madden
Madigan
Maguire
Mahon
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Mills
Mineta
Minish
Mitchell, Md.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murtha
Myers, Ind.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Russo
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Sikes
Skubitz
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, J. William
Stark
Steed
Steiger, Wis.
Stephens
Stratton
Stuckey
Studds
Sullivan
Talcott
Taylor, N.C.
Teague
Thompson
Traxler
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wylie
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—64

Barrett
Bell
Biaggi
Boggs
Bowen
Brinkley
Brown, Calif.
Burton, John
Burton, Phillip
Chisholm
Dellums
Diggs
Downing, Va.
Eckhardt
Esch
Eshleman
Evans, Ind.
Flynt
Ford, Tenn.
Fraser
Gibbons
Hall
Harsha
Hayes, Ind.
Hinshaw
Holland
Howe
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Tenn.
Jordan
Landrum
Leggett
Lujan
McCollister
McCormack
McEwen
McKay
Macdonald
Mathis
Metcalfe
Mink
Mitchell, N.Y.
Moss
Mottl
Obey
Pettis
Quillen
Rhodes
Runnels
Santini
Simon
Sisk
Stanton, James V.
Steelman
Steiger, Ariz.
Stokes
Symington
Udall
Waggonner
Wolff
Wydler

Messrs. YOUNG of Texas, ROBERTS, CORMAN, and BAFALIS changed their votes from "aye" to "no."

Mr. DERRICK and Mr. SPENCE changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. WHITE

Mr. WHITE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. White: Amend H.R. 5808, page 20, line 8, by adding after the word "venture" the words "except as performed outside the limits of the States of the United States."

Mr. WHITE. Mr. Chairman, the bill reads:

> It shall be unlawful for any person to knowingly use the mail service of the United States Postal Service or any interstate instrumentality for purposes of promoting or in any other manner furthering an animal fighting venture.

By this wording every advertising of, say, bullfighting in travel brochures, every plane that comes into our country that carries a picture of bullfighting or that advertises bullfighting, every magazine such as National Geographic which carries a great deal of advertising, or any travel magazine of any nature that carries bullfighting advertising would be in violation of this provision.

I live on the border, and I know that the advertising of bullfighting is part of the total picture of the culture of Mexico. It is part of the tourism of our area.

This amendment will not foster bullfighting in any way in the United States; it merely will exclude from application of the law that to which the advertising pertains in other countries. Otherwise, bullfighting advertising would come under this bill, because in bullfighting picadores on horseback do prod the bull, animal to animal.

I have spoken to the Chairman of the committee, and I assume that his position is still as it was earlier.

Mr. FOLEY. Mr. Chairman, will the gentleman yield?

Mr. WHITE. I yield to the gentleman from Washington.

Mr. FOLEY. I thank the gentleman for yielding.

Mr. Chairman, I think it was clear that the intention of the committee was to deny the use of any instrumentality such as the Postal Service for animal fighting ventures that might be carried out in the States of the United States as defined by the act, and it was not intended to reach whatever might be done in a foreign country. I understand that is the concern of the gentleman. There is some question about whether bullfighting would or would not be included in the act, but clearly the gentleman's amendment would prohibit advertising within the United States of bullfighting engaged in outside the jurisdiction of the United States.

Mr. WHITE. It does not touch any transaction in the United States as to conflicts between animals in this country but merely talks about advertising of events in foreign countries.

Mr. FOLEY. The gentleman is talking about the activity being in a foreign country and the gentleman does not think the reach of the act should include the Postal Service or making information available about some activity conducted in a foreign country.

Mr. WHITE. That is correct.

Mr. FOLEY. With that understanding I could accept the amendment.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. WHITE. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, so it would be possible to advertise cockfighting in Mexico but not here?

Mr. WHITE. That is right.

Mr. ROUSSELOT. What is the difference?

Mr. WHITE. We do not advocate advertising about cockfighting.

Mr. ROUSSELOT. What is the difference?

Mr. WHITE. The bullfighting is a part of the culture of Mexico but cockfighting is not.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. WHITE).

The amendment was agreed to.

AMENDMENT OFFERED BY MRS. FENWICK

Mrs. FENWICK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. FENWICK: Add a new section at the end of the bill:

SEC. 18. That there is authorized to be appropriated to the Secretary of Agriculture for the provisions of the Animal Welfare Act Amendments of 1976, other than Section 15, an amount not to exceed $100,000 for the transitional quarter ending September 30, 1976 and not to exceed $400,000 for each fiscal year thereafter.

Mrs. FENWICK. Mr. Chairman, we have debated long today on a bill that I think is of great importance to those of us in this country who love animals. I think most of the people who have sat through the debate have done so because of our keen interest in this field.

What I am proposing is in no sense a limitation on the powers of these new amendments. What we have here is a simple limitation that the cost of that section dealing with transportation shall not exceed $100,000 for the quarter ending in September 1976 and not to exceed $400,000 for every year thereafter.

Why is this offered? It is because we have here a sum not sufficient to police every airport in this Nation or every truck depot in this Nation. No sum that has been imagined here today would do that except the $24 million which was justly rejected by the distinguished chairman of the committee. We simply cannot police every single part of this Nation where dogs and cats or pets or other animals are transported. It seems to me we ought to set some kind of guide that we should not exceed a certain amount, knowing perfectly well that enforcement is going to come through the organizations which are concerned with animals, through the people who receive the animals in bad condition and who will protest. We have a provision that there is a fine for those who do break the law. I urge this amendment.

Somewhere in this House we have to begin to live with prudence on other people's money. I do not know if other Members of the House are getting the kinds of letters I am, but somewhere we have got to show we are concerned.

Yes, we must have humane transportation of animals. Yes, there will be fines for inhumane transportation. But we cannot have huge sums dedicated to every one of the propositions in which we are interested and I think somewhere we must exercise a little restraint. This is not much restraint but it is all the restraint I could get support for.

Mr. FOLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, recalling for the Members that a Department of Agriculture estimate on section 26 of the act and section 15 of the act, which is not the subject of the gentlewoman's amendment, had been in my judgment outrageously set at $25 million annually, I offered an amendment to limit the animal fighting sections to an authorization limit of $400,000 for ensuing fiscal years and $100,000 for the transitional quarter.

Now, the gentlewoman from New Jersey has asked for a similar limitation on all other provisions of the amendments to the Animal Welfare Act contained in this bill. With all due respect, I think that is a little restrictive, perhaps, on the discretion of the Committee on Appropriations.

It is the judgment of the committee and the Congressional Budget Office and the Department that the first year cost of the transportation provisions, that is the subject we are talking about, would be about $565,000 for the first fiscal year. There is a little dispute thereafter about whether it goes up to over $700,000, as estimated by the Budget Office, or whether it would be reduced to $385,000, as estimated by the Department.

The judgment of the committee is about half a million dollars will be required in ensuing years. Under the circumstances, to give an opportunity for the Members to vote on what their judgment on this matter would be, I would like to offer an amendment to the amendment to fix the figure at $600,000. This would be, understand, a ceiling and would leave to the Committee on Appropriations where the precise figure would be. It would be in the range between the gentlewoman's $400,000 and the $600,000, which would be more reflective of the wishes of the committee.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, if I understand the gentlewoman's amendment, the amendment would permit an expenditure of $1.6 million.

Mr. FOLEY. No. The gentlewoman's amendment would limit appropriations under the act to $400,000 in fiscal year 1977 and all succeeding fiscal years.

The committee has already adopted an amendment limiting enforcement activities by USDA under section 26 to $400,000; so the total by the act would be $800,000, if we accept the amendment of the gentlewoman.

If we accept the amendment to the amendment, the authorization limit would be $1 million.

Mr. KETCHUM. Mr. Chairman, I thank the gentleman. I think the gentlewoman said $100,000 for the transitional quarter and $400,000 for each fiscal year thereafter.

The CHAIRMAN. Does the gentleman from Washington wish to offer his amendment at this time?

AMENDMENT OFFERED BY MR. FOLEY TO THE AMENDMENT OFFERED BY MRS. FENWICK

Mr. FOLEY. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. FOLEY to the amendment offered by Mrs. FENWICK: strike "$400,000" and insert in lieu thereof "$600,000".

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington (Mr. FOLEY) to the amendment offered by the gentlewoman from New Jersey (Mrs. FENWICK).

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from New Jersey (Mrs. FENWICK), as amended.

The amendment, as amended, was agreed to.

The CHAIRMAN. Are there further amendments?

Mr. DE LA GARZA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am not going to take all of this time. First, I had an amendment that I was going to offer asking that we have annual authorization of this legislation, but due to the fact that there has been a limitation imposed on the funds that would be authorized, that amendment would not be necessary and I will not offer it.

Mr. Chairman, the second thing I would like to mention is that there are some of us who are in favor of the general thrust of this legislation, but we have some reservations as related to the section that includes live birds. In the Committee on Agriculture, the amendment was passed by a vote of 20 to 16. Later, here on the floor, the Committee today then passed it by about the same vote.

When we get into the House, it is the intention of those of us who want to support the bill but not include the live bird provision to ask for a separate vote on amendment No. 3, which includes the game bird. Hopefully, the Members would allow us that privilege.

I ask this indulgence in allowing a recorded vote in order that we might have our position clearly on the record as supporting the general thrust of the legislation, but having some difference of opinion because of the areas we come from, because of some of the cultural and ethnic backgrounds of some of us, whereby that part of the bill dealing solely with the live bird provision is not agreed to. I hope the Members will support us in this matter.

The CHAIRMAN. There being no further amendments, under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ICHORD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 5808) to amend the act of August 24, 1966, as amended, to assure humane treatment of certain animals, and for other purposes, pursuant to House Resolution 1024, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment?

Mr. MONTGOMERY. Mr. Speaker, I demand a separate vote on the committee amendment No. 3, relating to live birds.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: Page 22, line 19, insert "any live bird, or" immediately before "any live dog".

The SPEAKER. The question is on the amendment.

Mr. MONTGOMERY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 289, nays 76, not voting 67, as follows:

[Roll No. 45]

YEAS—289

Abdnor
Abzug
Adams
Addabbo
Allen
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Biaggi
Bingham
Blanchard
Blouin
Boland
Bolling
Bonker
Brademas
Breckinridge
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton, Phillip
Carney
Carr
Cederberg
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cohen
Collins, Ill.
Conable
Conlan
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dent
Derrick
Derwinski
Devine
Dodd
Downey, N.Y.
Duncan, Oreg.
du Pont
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
Erlenborn
Evans, Colo.
Fary
Fascell
Fenwick
Fish
Fisher
Fithian
Flood
Florio
Fountain
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Goldwater
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Henderson
Hillis
Holt
Holtzman
Horton
Howard
Hughes
Hungate
Hutchinson
Hyde
Jeffords
Johnson, Colo.
Jones, N.C.
Karth
Kasten
Kastenmeier
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
LaFalce
Lagomarsino
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
Lott
McClory
McCloskey
McDade
McHugh
McKinney
Madden
Maguire
Martin
Matsunaga
Mazzoli
Melcher
Meyner
Mezvinsky
Mikva
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Moakley
Moffett
Mollohan
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murtha
Myers, Ind.
Natcher
Neal
Nedzi
Nix
Nolan
Nowak
Oberstar
O'Brien
O'Hara
O'Neill
Ottinger
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pike
Pressler
Preyer
Price
Pritchard
Quie
Railsback
Rangel
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Roberts
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Ruppe
Russo
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Seiberling
Sharp
Shipley
Shriver
Sikes
Slack
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
Staggers
Stanton, J. William
Stark
Steiger, Wis.
Stephens
Stratton
Stuckey
Studds
Sullivan
Symms
Talcott
Taylor, N.C.
Thompson
Thone
Traxler
Tsongas
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
Whitehurst
Wilson, Bob
Wilson, Tex.
Wirth
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Zablocki
Zeferetti

NAYS—76

Armstrong
Bevill
Biester
Breaux
Brooks
Burleson, Tex.
Butler
Byron
Carter
Chappell
Cochran
Collins, Tex.
Crane
Daniel, Dan
de la Garza
Dickinson
Dingell
Duncan, Tenn.
English
Evins, Tenn.
Findley
Flowers
Foley
Forsythe
Gonzalez
Goodling
Hammerschmidt
Hansen
Hébert
Hicks
Hightower
Hubbard
Ichord
Jenrette
Jones, Okla.
Kazen
Krueger
Long, La.
McDonald
McFall
Mahon
Mann
Mathis
Meeds
Michel
Milford
Mills
Montgomery
Murphy, N.Y.
Myers, Pa.
Nichols
Passman
Pickle
Poage
Randall
Risenhoover
Robinson
Roybal
Sebelius
Shuster
Skubitz
Snyder
Spence
Steed
Taylor, Mo.
Teague
Thornton
Treen
Ullman
Wampler
White
Whitten
Wiggins
Winn
Wright
Young, Tex.

NOT VOTING—67

Alexander
Barrett
Bell
Boggs
Bowen
Brinkley
Brodhead
Brown, Calif.
Burton, John
Chisholm
Dellums
Diggs
Downing, Va.
Drinan
Eckhardt
Esch
Eshleman
Evans, Ind.
Flynt
Ford, Mich.
Ford, Tenn.
Fraser
Gibbons
Hall
Harsha
Hayes, Ind.
Hinshaw
Holland
Howe
Jacobs
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, Tenn.
Jordan
Landrum
Lujan
McCollister
McCormack
McEwen
McKay
Macdonald
Madigan
Metcalfe
Mink
Mitchell, N.Y.
Moss
Mottl
Obey
Pettis
Quillen
Rhodes
Runnels
Santini
Simon
Sisk
Stanton, James V.
Steelman
Steiger, Ariz.
Stokes
Symington
Udall
Waggonner
Wilson, C. H.
Wolff
Wydler

Messrs. ULLMAN and SPENCE changed their votes from "yea" to "nay."

Messrs. PATMAN, CARNEY, PHILLIP BURTON, DEL CLAWSON, BROOMFIELD, REES, YOUNG of Georgia, FOUNTAIN, DANIELSON and ROBERTS and Mrs. SULLIVAN changed their votes from "nay" to "yea."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. SYMMS

Mr. SYMMS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SYMMS. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SYMMS moves to recommit the bill H.R. 5808 to the Committee on Agriculture.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. SEBELIUS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 335, nays 34, not voting 63, as follows:

[Roll No. 46]

YEAS—335

Abdnor
Abzug
Adams
Addabbo
Allen
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badillo
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bennett
Bergland
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Conlan
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
Delaney
Dent
Derwinski
Devine
Dickinson
Dingell
Dodd
Downey, N.Y.
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Edwards, Calif.
Eilberg
Emery
English
Erlenborn
Evans, Colo.
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Flood
Florio
Flowers
Foley
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Goldwater
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hamilton
Hammerschmidt
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Hicks
Hightower
Hillis
Holt
Holtzman
Horton
Howard
Hughes
Hungate
Hutchinson
Hyde
Ichord
Jacobs
Jeffords
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Karth
Kasten
Kastenmeier
Kelly
Kemp
Keys
Kindness
Koch
Krebs
LaFalce
Lagomarsino
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
McClory
McCloskey
McDade
McFall
McHugh
McKinney
Madden
Madigan
Maguire
Mahon
Mann
Martin
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Michel
Mikva
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mitchell, Md.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pickle
Pike

Poage
Pressler
Preyer
Price
Pritchard
Quie
Railsback
Randall
Rangel
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Ruppe
Russo
Ryan
St Germain
Sarasin
Sarbanes
Satterfield
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Sikes
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stark
Steiger, Wis.
Stephens
Stratton
Stuckey
Studds
Sullivan
Talcott
Thompson
Thone
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Tex.
Winn
Wirth
Wright
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Zablocki
Zeferetti

NAYS—34

Bevill
Burleson, Tex.
Burlison, Mo.
Collins, Tex.
Crane
de la Garza
Derrick
Edwards, Ala.
Forsythe
Fountain
Gonzalez
Goodling
Hansen
Hébert
Henderson
Hubbard
Jenrette
Jones, Okla.
Kazen
Ketchum
Krueger
McDonald
Milford
Myers, Pa.
Schneebeli
Shuster
Snyder
Steed
Symms
Taylor, Mo.
Taylor, N.C.
Teague
Treen
Young, Tex.

NOT VOTING—63

Alexander
Barrett
Bell
Bowen
Brinkley
Brown, Calif.
Burton, John
Chisholm
Dellums
Diggs
Downing, Va.
Drinan
Eckhardt
Edgar
Esch
Eshleman
Evans, Ind.
Flynt
Ford, Mich.
Ford, Tenn.
Fraser
Gibbons
Hall
Harsha
Hayes, Ind.
Hinshaw
Holland
Howe
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Tenn.
Jordan
Landrum
Lujan
McCollister
McCormack
McEwen
McKay
Macdonald
Metcalfe
Mink
Mitchell, N.Y.
Moss
Mottl
Obey
Pettis
Quillen
Rhodes
Runnels
Santini
Simon
Sisk
Stanton, James V.
Steelman
Steiger, Ariz.
Stokes
Symington
Udall
Waggonner
Wilson, C. H.
Wolff
Wydler

The Clerk announced the following pairs:

Mr. Moss with Mr. Rhodes.

Mr. Johnson of California with Mr. Wydler.

Mr. Dellums with Mr. Quillen.

Mr. Wolff with Mr. Mitchell of New York.

Mr. Waggonner with Mr. Harsha.

Mr. Macdonald of Massachusetts with Mr. McEwen.

Mrs. Mink with Mr. Esch.

Mr. Mottl with Mr. Bell.

Mr. Sisk with Mr. Hinshaw.

Mr. Symington with Mr. Simon.

Mr. Metcalfe with Mr. Steelman.

Mr. Drinan with Mr. Steiger of Arizona.

Mr. Brown of California with Mrs. Pettis.

Mr. Barrett with Mr. Lujan.

Mr. Alexander with Mr. Jarman.

Mr. Gibbons with Mr. Eshleman.

Mr. McCormack with Mr. Downing of Virginia.

Mrs. Chisholm with Mr. Diggs.

Mr. Edgar with Mr. Howe.

Mr. Evans of Indiana with Mr. Bowen.

Mr. Stokes with Mr. Eckhardt.

Mr. Udall with Mr. Ford of Tennessee.

Mr. McKay with Mr. McCollister.

Mr. Fraser with Mr. Johnson of Pennsylvania.

Mr. Brinkley with Mr. Landrum.

Mr. Ford of Michigan with Mr. Runnels.

Mr. Hall with Mr. Santini.

Mr. Holland with Mr. James V. Stanton.

Mr. Charles H. Wilson of California with Ms. Jordan.

Mr. Jones of Tennessee with Mr. Hayes of Indiana.

Mr. Flynt with Mr. John L. Burton.

Messrs. CARNEY and DERWINSKI changed their votes from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the provisions of House Resolution 1024, the Committee on Agriculture is discharged from the further consideration of the bill (S. 1941) to increase the protection afforded animals in transit and to assure the humane treatment of animals, and for other purposes.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. FOLEY

Mr. FOLEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Foley moves to strike out all after the enacting clause of the Senate bill (S. 1941) and to insert in lieu thereof the provisions of H.R. 5808, as passed, as follows:

That this Act may be cited as the "Animal Welfare Act Amendments of 1976".

Sec. 2. Section 2 of the Federal Laboratory Animal Welfare Act of August 24, 1966 (80 Stat. 350, as amended by the Animal Welfare Act of 1970, 84 Stat. 1560; 7 U.S.C. 2131–2155) is hereby further amended by—

(a) revising paragraph (f) thereof to read as follows:

"(f) The term 'dealer' means any person who, affecting commerce, for compensation or profit, delivers for transportation, or transports, except as a carrier, buys, or sells, or negotiates the purchase or sales of, (1) any dog or other animal whether alive or dead for research, teaching, exhibition, or use as a pet, or (2) any dog for hunting, security, or breeding purposes, except that this term does not include—

"(i) a retail pet store except such store which sells any animals to a research facility, an exhibitor, or a dealer; or

"(ii) any person who does not sell, or negotiate the purchase or sale of any wild animal, dog, or cat, and who derives no more than $500 gross income from the sale of other animals during any calendar year;",

(b) deleting "; and" at the end of paragraph (g) and inserting in lieu thereof the following: ". With respect to a dog, the term means all dogs including those used for hunting, security, or breeding purposes;", and

(c) deleting the period at the end of paragraph (h) and inserting a semicolon in lieu thereof.

Sec. 3. Section 2 of such Act is further amended by adding thereto two new paragraphs to read:

"(i) The term 'intermediate handler' means any person including a department, agency, or instrumentality of the United States or of any State or local government (other than a dealer, research facility, exhibitor, any person excluded from the definition of a dealer, research facility, or exhibitor, an operator of an auction sale, or carrier) who is engaged in any business in which he receives custody of animals in connection with their transportation affecting commerce; and

"(j) The term 'carrrier' means the operator of any airline, railroad, motor carrier, shipping line, or other enterprise, which is engaged in the business of transporting any animals for hire.".

Sec. 4. Section 6 of such Act is amended by inserting after the term "research facility," a comma and the term "every intermediate handler, every carrier,".

Sec. 5. Section 9 of such Act is amended by inserting after the term "section 12 of this Act,", the term "or an intermediate handler, or a carrier,", and by deleting the term "or an operator of an auction sale as well as of such person." at the end of section 9 and substituting therefor the following term: "operator of an auction sale, intermediate handler, or carrier, as well as of such person.".

Sec. 6. Section 10 of such Act is amended by deleting the phrase ", upon forms supplied by the Secretary" from the first sentence and by inserting between the second and third sentences thereof the following: "At the request of the Secretary, any regulatory agency of the Federal Government which requires records to be maintained by intermediate handlers and carriers with respect to the transportation, receiving, handling, and delivery of animals on forms prescribed by the agency, shall require there to be included in such forms, and intermediate handlers and carriers shall include in such forms, such information as the Secretary may require for the effective administration of this Act. Such information shall be retained for such reasonable period of time as the Secretary may prescribe. If regulatory agencies of the Federal Government do not prescribe requirements for any such forms, intermediate handlers and carriers shall make and retain for such reasonable period as the Secretary may prescribe such records with respect to the transportation, receiving, handling, and delivery of animals as the Secretary may prescribe.".

Sec. 7. Section 13 of such Act is amended by designating the provisions thereof as paragraph (a) and by adding, after the second sentence therein, new sentences to read: "The Secretary shall also promulgate standards to govern the transportation affecting commerce, and the handling, care, and treatment in connection therewith, by intermediate handlers, air carriers, or other carriers, of animals consigned by any dealer, research facility, exhibitor, operator of an auction sale, or other person, or any department, agency, or instrumentality of the United States, for transportation affecting commerce. The Secretary shall have authority to promulgate such rules and regulations as he determines necessary to assure humane treatment of animals in the course of their transportation affecting commerce including requirements such as those with respect to containers, feed, water, rest, ventilation, temperature, and handling.".

Sec. 8. Section 13 of such Act is further amended by adding at the end thereof new paragraphs (b) ((c), and (d) to read:

"(b) No dogs or cats, or additional kinds or classes of animals designated by regulation of the Secretary, shall be delivered by any dealer, research facility, exhibitor, operator of an auction sale, or department, agency, or instrumentality of the United States or of any State or local government, to any intermediate handler or carrier for transportation affecting commerce, or received by any such handler or carrier for such transportation from any such person, department, agency, or instrumentality, unless the animal is accompanied by a certificate issued by a veterinarian licensed to practice veterinary medicine, certifying that he inspected the animal on a specified date, which shall not be more than ten days before such delivery, and, when so inspected, the animal appeared free of any infectious disease or physical abnormality which would endanger the animal or animals or other animals or endanger public health: *Provided, however,* That the Secretary may by regulation provide exceptions to this certification requirement, under such conditions as he may prescribe in the regulations, for animals shipped to research facilities for purposes of research testing or experimentation requiring animals not eligible for such certification. Such certificates received by the intermediate handlers and the carriers shall be retained by them, as provided by regulations of the Secretary, in accordance with section 10 of this Act.

"(c) No dogs or cats, or additional kinds or classes of animals designated by regulation of the Secretary, shall be delivered by any person to any intermediate handler or carrier for transportation affecting commerce except to registered research facilities if they are less than eight weeks of age, or such other age as the Secretary may be regulation prescribe. The Secretary shall designate additional kinds and classes of animals and may prescribe ages different than eight weeks for particular kinds of classes of dogs, cats, or designated animals, for the purposes of this section, when he determines that such action is necessary or adequate to assure their humane treatment in connection with their transportation affecting commerce.

"(d) No intermediate handler or carrier involved in the transportation of any animal affecting commerce shall participate in any arrangement or engage in any practice under which the cost of such animal or the cost of the transportation of such animal is to be paid and collected upon delivery of the animal to the consignee, unless the consignor guarantees in writing the payment of transportation charges for any animal not claimed within a period of forty-eight hours after notice to the consignee of arrival of the animal, including, where necessary, both the return transportation charges and an amount sufficient to reimburse the carrier for all out-of-pocket expenses incurred for the care, feeding, and storage of such animals.".

SEC. 9. Section 15 of such Act is amended by inserting after the term "exhibition" in the first sentence, a comma and the term "or administration of statutes regulating the transportation affecting commerce or handling in connection therewith of any animals," and by adding the following at the end of the sentence: "Before promulgating any standard governing the air transportation and handling in connection therewith, of animals, the Secretary shall consult with the Secretary of Transportation who shall have the authority to disapprove any such standard if he notifies the Secretary, within thirty days after such consultation, that changes in its provisions are necessary in the interest of flight safety.".

SEC. 10. (a) Paragraph (a) of section 16 of such Act is amended by inserting the term "intermediate handler, carrier," in the first sentence after the term "exhibitor," each time the latter term appears in the sentence; by inserting before the period in the second sentence, a comma and the term "or (5) such animal is held by an intermediate handler or a carrier" and by deleting the term "or" before the term "(4)" in the second sentence.

(b) Paragraph (c) of section 16 of such Act is amended by striking the words "sections 19(b) and 20(b)" in the last sentence and inserting in lieu thereof the words "section 19(c)".

SEC. 11. Section 19 of such Act is revised to read as follows:

"(a) If the Secretary has reason to believe that any person licensed as a dealer, exhibitor, or operator of an auction sale subject to section 12 of this Act, has violated or is violating any provision of this Act, or any of the rules or regulations or standards promulgated by the Secretary hereunder, he may suspend such person's license temporarily, but not to exceed twenty-one days, and after notice and opportunity for hearing, may suspend for such additional period as he may specify, or revoke such license, if such violation is determined to have occurred.

"(b) Any dealer, exhibitor, research facility, intermediate handler, carrier, or operator of an auction sale subject to section 12 of this Act, that violates any provision of this Act, or any rule, regulation, or standard promulgated by the Secretary thereunder, may be assessed a civil penalty by the Secretary of not more than $1,000 for each such violation. Each violation and each day during which a violation continues shall be a separate offense. No penalty shall be assessed unless such person is given notice and opportunity for a hearing with respect to the alleged violation, and the order of the Secretary assessing a penalty shall be final and conclusive unless the affected person files an appeal from the Secretary's order with the appropriate United States Court of Appeals. The Secretary shall give due consideration to the appropriateness of the penalty with respect to the size of the business of the person involved, the gravity of the violation, the person's good faith, and the history of previous violations. Any such civil penalty may be compromised by the Secretary. Upon any failure to pay the penalty assessed by a final order under this section, the Secretary shall request the Attorney General to institute a civil action in a district court of the United States or other United States court for any district in which such person is found or resides or transacts business, to collect the penalty, and such court shall have jurisdiction to hear and decide any such action.

"(c) Any dealer, exhibitor, research facility, intermediate handler, carrier, or operator of an auction sale subject to section 12 of this Act, aggrieved by a final order of the Secretary issued pursuant to this section may, within sixty days after entry of such an order, seek review of such order in the appropriate United States Court of Appeals in accordance with the provisions of sections 2341, 2343 through 2350 of title 28, United States Code, and such Court shall have exclusive jurisdiction to enjoin, set aside, suspend (in whole or in part), or to determine the validity of the Secretary's order.

"(d) Any dealer, exhibitor, or operator of an auction sale subject to section 12 of this Act, who knowingly violates any provision of this Act shall, on conviction thereof, be subject to imprisonment for not more than one year, or a fine of not more than $1,000, or both. Prosecution of such violations shall, to the maximum extent practicable, be brought initially before United States magistrates as provided in section 636 of title 28, United States Code, and sections 3401 and 3402 of title 18, United States Code, and, with the consent of the Attorney General, may be conducted, at both trial and upon appeal to district court by attorneys of the United States Department of Agriculture.".

SEC. 12. Section 20 of such Act is hereby repealed.

SEC. 13. Section 24 of such Act is amended by inserting the following at the end of the section: "Notwithstanding the other provisions of this section, compliance by intermediate handlers, and carriers, and other persons with those provisions of this Act, as amended by the Animal Welfare Act Amendments of 1976, and those regulations promulgated thereunder, which relate to actions of intermediate handlers and carriers, shall commence ninety days after promulgation of regulations under section 13 of this Act, as amended, with respect to intermediate handlers and carriers; and such regulations shall be promulgated no later than nine months after the enactment of the Animal Welfare Act Amendments of 1976; and compliance by dealers, exhibitors, operators of auction sales, and research facilities with other provisions of this Act, as so amended, and the regulations thereunder, shall commence upon the expiration of ninety days after enactment of the Animal Welfare Act Amendments of 1976: *Provided, however,* That compliance by all persons with paragraphs (b), (c), and (d) of section 13 of this Act, as so amended, shall commence upon the expiration of said ninety-day period. In all other respects, said amendments shall become effective upon the date of enactment.".

SEC. 14. Section 25 of such Act is amended by deleting from subsection (2) the word "and" where it last appears, deleting the period at the end of subsection (3) and inserting "; and" in lieu thereof, and by inserting after subsection (3) the following new subsection:

"(4) recommendations and conclusions concerning the aircraft environment as it relates to the carriage of live animals in air transportation.".

SEC. 15. Such Act is amended by adding at the end thereof the following new section:

"SEC. 26. (a) It shall be unlawful for any person to knowingly sponsor, or exhibit an animal in any animal fighting venture to which any animal was moved in interstate or foreign commerce.

"(b) It shall be unlawful for any person to *knowingly* sell, buy, transport, or deliver to another person or receive from another person for purposes of transportation, in interstate or foreign commerce any dog or other animal for purposes of having the dog or other animal participate in an animal fighting venture.

"(c) It shall be unlawful for any person to knowingly use the mail service of the United States Postal Service or any interstate instrumentality for purposes of promoting or in any other manner furthering an animal fighting venture except as performed outside this limits of the States of the United States. Section 3001 (a) of title 39, United States Code, is amended by adding immediately after the words 'title 18' a comma and the words 'or section 26 of the Federal Laboratory Animal Welfare Act'.

"(d) Any person who violates subsection (a), (b), or (c) shall be fined not more than $5,000 or imprisoned for not more than one year, or both, for each such violation.

"(e) The Secretary or any other person authorized by him shall make such investigations as the Secretary deems necessary to determine whether any persons has violated or is violating any provision of this section, and the Secretary may obtain the assistance of the Federal Bureau of Investigation, the Department of the Treasury, or other law enforcement agencies of the United States, and State and local governmental agencies, in the conduct of such investigations, under cooperative agreements with such agencies. A warrant to search for and seize any animal which there is probable cause to believe was involved in any violation of this section may be issued by any judge of the United States or of a State court of record or by a United States commissioner within the district wherein the animal sought is located. Any United States marshal or any person authorized under this section to conduct investigations may apply for and execute any such warrant, and any animal seized under such a warrant shall be held by the United States marshal or other authorized person pending disposition thereof by the court in accordance with this paragraph (e). Necessary care including veterinary treatment shall be provided while the animals are so held in custody. Any animal involved in any violation of this section shall be liable to be proceeded against and forfeited to the United States at any time on complaint filed in any United States district court or other court of the United States for any jurisdiction in which the animal is found and upon a judgment of forfeiture shall be disposed of by sale for lawful purposes or by other humane means, as the court may direct. Costs incurred by the United States for care of animals seized and forfeited under this section shall be recoverable from the owner of the animals if he appears in such forfeiture proceeding or in a separate civil action brought in the jurisdiction in which the owner is found, resides, or transacts business.

"(f) For purposes of this section—

"(1) the term 'animal fighting venture' means any event which involves a fight between at least two animals and is conducted for purposes of sport, wagering, or entertainment except the term 'animal fighting venture' shall not be deemed to include any activity the primary purpose of which involves the use of one or more animals in hunting another animal or animals, such as waterfowl, bird, raccoon, or fox hunting;

"(2) the term 'interstate or foreign commerce' means—

"(A) any movement between any place in a State to any place in another State or between places in the same State through another State; or

"(B) any movement from a foreign country into any State,

"(3) the term 'interstate instrumentality' means telegraph, telephone, radio, or television operating in interstate or foreign commerce;

"(4) the term 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States;

"(5) the term 'animal' means any live bird, or any live dog or other mammal, except man; and

"(6) the conduct by any person of any activity prohibited by this section shall not render such person subject to the other sections of this Act as a dealer, exhibitor, or otherwise.

"(g) The provisions of this Act shall not supersede or otherwise invalidate any such State, local, or municipal legislation or ordinance relating to animal fighting ventures except in case of a direct and irreconcilable conflict between any requirements thereunder and this Act or any rule, regulation, or standard hereunder.".

SEC. 16. Section 23 of such Act is amended by inserting immediately before the period at the end of the second sentence ": *Provided,* That there is authorized to be appropriated to the Secretary of Agriculture for enforcement by the Department of Agriculture of the provisions of section 26 of this Act an amount not to exceed $100,000 for the transition quarter ending September 30, 1976, and not to exceed $400,000 for each fiscal year thereafter".

SEC. 17. Section 14 of such Act is amended by inserting in the first sentence after the term "standards" the phrase "and other requirements".

SEC. 18. That there is authorized to be appropriated to the Secretary of Agriculture for the provisions of the Animal Welfare Act Amendments of 1976, other than section 15, an amount not to exceed $100,000 for the transition quarter ending September 30, 1976, and not to exceed $600,000 for each fiscal year thereafter.

Amend the title so as to read: "An Act to amend the Act of August 24, 1966, as amended, to assure the humane treatment of certain animals, and for other purposes.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 5808) was laid on the table.

GENERAL LEAVE

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

AMENDING RAILROAD REVITALIZATION AND REGULATORY REFORM ACT OF 1976

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 167) to amend the Railroad Revitalization and Regulatory Reform Act of 1976, and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 167

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 612(m) of the Railroad Revitalization and Regulatory Reform Act of 1976, Public Law 94–210, is amended by striking "(h)" and inserting in lieu thereof "(i)" and by striking "(i)" and inserting in lieu thereof "(j)".

SEC. 2. Section 209(c)(4) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 719(c)(4), is amended by striking "February 10, 1976" and inserting in lieu thereof "February 17, 1976".

SEC. 3. Section 301(i) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 741 (i)) is amended by striking "in his capacity as a director of the Corporation" and inserting in lieu thereof "in his capacity as a director of the Association".

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DESIGNATING A MEMBER TO READ GEORGE WASHINGTON'S FAREWELL ADDRESS ON MONDAY, FEBRUARY 16, 1976

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that on Monday, February 16, 1976, George Washington's Farewell Address may be read by a Member to be designated by the Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. Pursuant to the special order agreed to today, the Chair designates the gentleman from Virginia (Mr. HARRIS) to read George Washington's Farewell Address immediately following the approval of the Journal on February 16, 1976.

SELECTION OF MEMBERS AS OFFICIAL ADVISERS TO THE U.S. DELEGATIONS TO INTERNATIONAL CONFERENCES, MEETINGS, AND NEGOTIATION SESSIONS RELATING TO TRADE AGREEMENTS DURING THE 2D SESSION OF THE 94TH CONGRESS

The SPEAKER. Pursuant to the provisions of section 161(a), title I, Public Law 93–618, and upon recommendation of the chairman of the Committee on Ways and Means, the Speaker has selected the following members of that committee, to be accredited by the President, as official advisers to the U.S. delegations to internatitonal conferences, meetings, and negotiation sessions relating to trade agreements during the 2d session of the 94th Congress: The gentleman from Minnesota (Mr. KARTH), the gentleman from Michigan (Mr. VANDER VEEN), the gentleman from Illinois (Mr. ROSTENKOWSKI), the gentleman from Michigan (Mr. VANDER JAGT), and the gentleman from Minnesota (Mr. FRENZEL).

COMMUNICATIONS FROM CHAIRMAN OF COMMITTEE ON MERCHANT MARINE AND FISHERIES—APPOINTMENT AS MEMBERS OF BOARD OF VISITORS TO MERCHANT MARINE ACADEMY

The SPEAKER laid before the House the following communication from the Chairman of the Committee on Merchant Marine and Fisheries:

WASHINGTON, D.C.
February 4, 1976.

Hon. CARL ALBERT,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to Public Law 301 of the 78th Congress, I have appointed the following Members of the Committee on Merchant Marine and Fisheries to serve as Members of the Board of Visitors to the Merchant Marine Academy at Kings Point, New York.

Thomas N. Downing, of Virginia
Leo C. Zeferetti, of New York
Paul N. McCloskey, of California.

As Chairman of the Committee on Merchant Marine and Fisheries, I am authorized to serve as an *ex officio* member of the Board of Visitors.

Sincerely,

LEONOR K. SULLIVAN,
Chairman.

COMMUNICATION FROM CHAIRMAN OF COMMITTEE ON MERCHANT MARINE AND FISHERIES—APPOINTMENT AS MEMBERS OF BOARD OF VISITORS TO COAST GUARD ACADEMY

The SPEAKER laid before the House the following communication from the chairman of the Committee on Merchant Marine and Fisheries:

WASHINGTON, D.C.,
February 4, 1976.

Hon. CARL ALBERT,
The Speaker, House of Representatives, Washington, D.C.

DEAR MR. SPEAKER: Pursuant to section 199 of Title 14 of the United States Code, I have appointed the following Members of the Committee on Merchant Marine and Fisheries to serve as members of the Board of Visitors to the Coast Guard Academy at New London, Connecticut.

Mario Biaggi, of New York.
Eligio de la Garza, of Texas.
Pierre S. du Pont, of Delaware.

As Chairman of the Committee on Merchant Marine and Fisheries, I am authorized to serve as an *ex officio* member of the Board of Visitors.

Sincerely,

LEONOR K. SULLIVAN,
Chairman.

OUR COUNTRY'S ABILITY TO DEAL WITH SOVIET UNION BEING UNDERMINED

(Mr. LATTA asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. LATTA. Mr. Speaker, one of Ohio's leading newspapers, the Toledo Blade, carried an editorial on yesterday, Sunday, February 8, 1976, which should be of interest to Members of this House. Especially those among us who believe they should be running the foreign policy of this country. The editorial is captioned "Angola Challenge Should Be Met" and reads as follows:

> There is no longer any doubt that Congress, by refusing to see beyond its knee-jerk oppostion to Henry Kissinger, is seriously undermining this country's ability to deal with the Soviet Union.
>
> Both President Ford and the secretary of state have laid that fact clearly on the line in protesting the congressional cutoff of aid to anti-Communist forces in Angola. And Mr. Kissinger was unassailably right when he noted in a speech last week in San Francisco that Congress had set "a dangerous precedent" by denying the Administration the tools it needs to restrain Soviet intervention in other nations.
>
> It is a precedent because, as the secretary stated, the action marks the first time the United States has failed to respond to Soviet military moves outside the immediate Russian orbit. It thus flies in the face of a credible U.S. policy that has opposed Soviet expansionism ever since the end of World War II.
>
> The result is that such shortsightedness not only takes away the President's flexibility in dealing with such situations but also encourages further adventures by the Kremlin and erodes the credibility of the United States in the eyes of its allies.
>
> How much incentive can there be for a country to resist Communist pressures when there is every likelihood that the American Congress is going to refuse aid in opposing them? How much leadership can this country exercise as the No. 1 power in the free world when it is hamstrung at every turn by its own legislators?
>
> Continued congressional bickering with the secretary of state and endless preoccupation with fears of "another Vietnam" in the Angolan situation can no longer justify turning a blind eye to the dangers of Soviet power plays. Countering Communist troops and arms with weapons and financial aid is an entirely reasonable reaction and does not constitute the deep involvement that characterized our Vietnam experience. The fact that this nation did finally withdraw from Vietnam with something less than a victory should inspire a determination to resist Soviet pressures in Angola to make it crystal clear that we are not going to be pushed around willy-nilly.
>
> It is time, in short, that Congress recognized its responsibilities so that, in the words of President Ford's State of the Union address, the United States does not "lose all capacity to respond" to international challenges. That, not Henry Kissinger, should be the real foreign-policy issue now on Capitol Hill.

LIFELINE RATE ACT OF 1976

(Mr. ALLEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALLEN. Mr. Speaker, I wish this morning to express my deep appreciation for the great number of Members who have joined with me in sponsoring the Lifeline Rate Act of 1976, which I introduced on January 22.

I sincerely hope that other distinguished colleagues on both sides of the aisle will join us in cosponsoring this bill, to provide at least some relief to residential users and farmers from the discriminatory rates and electric bills which they are receiving in all 50 States from both public and private utilities.

If you are interested in being identified as a cosponsor, please call my legislative aide, Bonnie Cowan, at extension 5-4311.

Among the sponsors, which number 44, are included the leaders in this body and other influential Members, as included in the following list:

John J. McFall (Calif.) Democratic Majority Whip; Chairman of the Transportation Subcommittee of the Appropriations Committee.

Phillip Burton (Calif.) Chairman of the House Democratic Caucus; Chairman of the Territorial and Insular Subcommittee of the Interior and Insular Committee.

Harley O. Staggers (W. Va.) Chairman of the Interstate and Foreign Commerce Committee (to whom the bill has been referred).

Henry S. Reuss (Wisc.) Chairman of the Banking, Currency and Housing Committee.

Wayne L. Hays (Ohio) Chairman of the House Administration Committee; Chairman of the International Operations Subcommittee of the International Relations Committee; Chairman of the Democratic National Congressional Committee.

Joe L. Evins (Tn.) Chairman of the Small Business Committee; Chairman of the Public Works Subcommittee of the Appropriations Committee; Dean of the Tennessee Delegation.

Leonor K. Sullivan (Mo.) Chairman of the Merchant Marine and Fisheries Committee.

Richard L. Ottinger (N.Y.) Chairman of the Environmental Study Conference.

Ed Jones (Tn.) Chairman of the Parking Subcommittee of the House Administration Committee; Chairman of the Dairy and Poultry Subcommittee of the House Agriculture Committee.

John Conyers, Jr. (Mich.) Chairman of the Crime Subcommittee of the Judiciary Committee.

Ken Hechler (W. Va.) Chairman of the Energy Rsearch, Development, and Demonstration (Fossil Fuels) Subcommittee of the Science and Technology Committee.

Charles Rose (N.C.) Chairman of the Computer Subcommittee of the House Administration Committee.

Walter B. Jones (N.C.) Chairman of the Tobacco Subcommittee of the Agriculture Committee.

Charles Wilson (Texas) Chairman of the Postal Facilities, Mail, and Labor Management Subcommittee of the Post Office and Civil Service Committee.

Edward R. Roybal (Calif.) Chairman of the Housing and Consumer Interests Subcommittee of the Select Committee on Aging.

Frank Thompson, Jr. (N.J.) Chairman of the Labor-Management Relations Subcommittee of the Education and Labor Committee; Chairman of the Accounts Subcommittee of the House Administration Committee.

Robert H. Mollohan (W. Va.) Chairman of the Paper Conservation Subcommittee of the District of Columbia Committee.

Ronald V. Dellums (Calif.) Chairman of the Education, Labor and Social Services Subcommittee of the District of Columbia Committee.

Robert A. Rose (N.J.) Chairman of the Economic Development Subcommittee of the Public Works and Transportation Committee.

Patsy T. Mink (Hawaii) Chairman of the Mines and Mining Subcommittee of Interior and Insular Affairs Committee.

Harold E. Ford (Tenn.).
John Burton (Calif.).
Wilbur Mills (Ark.).
Joe Moakley (Mass.).
Bob Edgar (Pa.).
William Lehman (Fla.).
Andrew Young (Ga.).
Henry Helstoski (N.J.).
James Weaver (Oreg.).
Parren J. Mitchell (Md.).
Herman Badillo (N.Y.).
Edward P. Beard (R.I.).
Fortney H. (Pete) Stark (Calif.).
Norman D'Amours (N.H.).
Edward I. Koch (N.Y.).
Ronald L. Mottl (Ohio).
Floyd J. Fithian (N.J.).
Henry A. Waxman (Calif.).
Shirley Chisholm (N.Y.).
Christopher J. Dodd (Conn.).
Donald W. Riegle, Jr. (Mich.).
James S. Scheuer (N.Y.).
Gladys Noon Spellman (Md.).

UPCOMING RETIREMENT OF HON. ROBERT E. JONES, JR.

(Mr. NICHOLS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NICHOLS. Mr. Speaker, I take the well of this House this morning with mixed emotions to call the attention of the Members to the announcement this morning of the retirement of the dean of the Alabama delegation, the Honorable ROBERT E. JONES from Scottsboro, Ala.

I say with mixed emotions, Mr. Speaker, because I am aware of the tremendous record the Congressman has made here in the 30 years that he has represented his district, his State, and his Nation. He is known and recognized as Mr. TVA.

I am pleased, however, that he and Christine will be going back to northern Alabama to enjoy their retirement years.

Mr. Speaker, I ask unanimous consent that I might include the release from the Committee on Public Works, which the gentleman from Alabama (Mr. JONES) so ably chairs, together with the release that has come from his own office.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The material follows:

REPRESENTATIVE BOB JONES, DEMOCRAT OF ALABAMA

Congressman Robert E. Jones today made known his decision to retire from Congress at the end of this session.

In not seeking re-election, Jones—the senior Congressman from Alabama and Chairman of the Public Works & Transportation Committee—ends a 30 year career in the House.

In a statement to the people of the 5th District, Representative Jones said:

"The three (3) decades that I have spent in Congress have been demanding years. Since the day you first honored me with your trust, I have devoted all my time and energy to the duties of the office. I have had no other interest or occupation. There have been many pleasant experiences, many significant legislative battles, and every day has brought its rewards. But, after a tenure of thirty (30) years, I feel now that I have earned the right to go home again and enjoy the years ahead at a slower pace.

"The investment of our people in keeping me here for 15 terms has been a constant reminder of their high expectation of me. Through the years this has been paramount in my thoughts.

"To the people of my home town and home county and to friends throughout the District, I will always feel a deep sense of gratitude for the splendid support and encouragement given me. Your faith in me—the generous manifestations of your friendship, the association with the fine people of our area—all have been an inspiration.

"Even though I take leave of the office January 1977, my appreciation and thanks will be everlasting. Public issues will always be matters of prime concern though I never again will be a candidate for public office.

"In the days ahead, I hope to see many of you and again personally thank you for giving me the high honor and privilege of serving you and our Country."

COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

Chairman Robert E. Jones of the House Committee on Public Works and Transportation announced today that he is retiring from Congress at the end of this session, closing out 30 years of service in the House of Representatives.

The Alabama Democrat is now serving his 15th consecutive term of office, and no challengers had announced against him at the time of his retirement announcement. No other Member from Alabama has served longer in the House.

"The three decades that I have spent in Congress have been demanding years," he said. "Since the day my fellow-citizens of Alabama's 5th District first honored me with their trust, I have devoted all my time and energies to the duties of this office. I have had no other interest or occupation."

"There have been many pleasant experiences, many significant legislative battles, and every day has brought its rewards. But, after a tenure of 30 years, I feel now that I have earned the right to go home again and enjoy the years ahead at a slower pace."

Congressman Jones, whose home is in Scottsboro, Ala., is a graduate of the University of Alabama. He was elected Judge of the Jackson County Court in 1940, served in the United States Navy during World War II, and was first elected to Congress in 1946. He and his wife, the former Christine Francis, have one son, Robert E. Jones, III.

During his long career in Congress, Rep. Jones shaped hundreds of bill into public laws. In 1959, he was the principal architect of the Tennessee Valley Authority self-financing legislation which enabled the agency to provide energy resources to industrialize the Tennessee Valley; he was author of the Appalachian Regional Development Act in 1965; the Economic Development Administration Act; the Public Buildings Act of 1959, which is the foundation of the government's present office building program; House-Senate conference Chairman for the landmark Water Pollution Control Act of 1972; a major force in the enactment of the Interstate Highway Program in 1956; and a principal drafter of water resources, highway and economic development legislation from the Public Works Committee for more than a decade.

During the past 12 months he authored and guided to approval in the House legislation authorizing $36 billion in a wide range of public works activities.

SUPREME COURT DECISION INVITES CHANGE IN CAMPAIGN SPENDING REGULATIONS

The SPEAKER pro tempore. (Mr. PATTERSON of California). Under a previous order of the House, the gentleman from New York (Mr. PEYSER) is recognized for 60 minutes.

Mr. PEYSER. Mr. Speaker, I have asked for this time today, because I felt the issue that was before us in the Congress now and before the country is of vital importance. For approximately the last 4 hours we have been discussing humane treatment for animals and birds, and I have very definitely supported this legislation. It seems to me that at this time we should take a very few minutes and discuss some ideas about humane treatment for Members of the House of Representatives and Members of the Senate and for those who wish to become Members of the House of Representatives and of the U.S. Senate, on the basis that they have received very inhumane treatment as the result of a recent Supreme Court decision.

As a matter of fact, the Supreme Court decision dealing with the campaign regulations that we enacted in 1974 could, I believe, very well prove to be one of the most telling blows against the democratic process that the Supreme Court has delivered.

Basically, what has happened is that the Supreme Court has stated that an individual of wealth can expend whatever amount of money he or she wishes in seeking election or reelection, with no limit placed on how much money can be spent and no limit placed on how much money he can put into his own campaign.

Mr. Speaker, it is interesting that in this decision, in which they removed the limits, they still left the limits on for individuals of, let us say, not any particular wealth who have to go to the public and ask for its support, because that person is limited to contributions of $1,000 from any individuals. It seems totally inconsistent to me that we should say to the individual without money, "You can go out and solicit funds, but the maximum you can take is $1,000," and then we say to the individual with money, "You can spend whatever you want to spend."

I think that strikes at the very heart of our democratic system, and it seems to me that we in the Congress should take some very definite steps to do something about it.

One of the steps that I am suggesting we take is based on a piece of legislation that I have introduced today, and I know there are other bills on this subject that will be introduced. What I am suggesting is that we set up a system whereby a Member or a candidate for the House of Representatives can raise $35,000, with no contribution in excess of $250 counted, and once he has raised that he will be entitled to matching funds of $35,000. The only condition for this is if he will voluntarily agree to abide by the regulations established in the 1974 campaign expenditures legislation.

The same thing would hold true for the Senate. The only difference would be in the amounts. If a candidate for the Senate would agree to these regulations, then when he raised $100,000, with nothing more than $250 to be counted in the matching funds, then he or she would be eligible for matching funds up to a maximum of $500,000, all of which would have to stay within the maximum limits set under the 1974 law.

Mr. Speaker, if this were to be the rule, it would at least give those candidates without great wealth the opportunity of competing, at least in some degree of fairness, with the extremely wealthy candidate who has no limitations whatsoever.

That is basically what I am offering to the Congress in the form of this legislation. I think it is vitally important that we do not allow the Supreme Court decision to stand with no changes. If it does, I feel it would be a blow to our democratic process that would be just devastating.

Mr. OTTINGER. Mr. Speaker, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Speaker, I would like to congratulate the gentleman on his taking of this special order.

I think it is absolutely essential to restoring public confidence in our democratic system that we move to take the untoward influence of money from special interests or from wealthy individuals out of the political system.

As one who has spent a considerable amount of his own and his family's resources on this business, I think it is very, very unfortunate. I think it is a demand which should not be placed on any individual, and I do not think that any individual ought to be given that kind of advantage.

Running for public office is part of the public function, and it ought to be financed basically from public funds, with some barrier, as the gentleman has in his legislation, requiring the candidate to show widespread support to demonstrate the legitimacy of the candidacy.

Mr. Speaker, I think this is a first step in the right direction, although I myself feel that the whole business of having to raise large sums of money from various interests, even if they are just $250 blocks, does raise problems of conflict of interest inevitably, because the people who give those large sums of money can expect and do expect that the recipient is going to pay more heed at least to them than he is to the general public.

Mr. Speaker, I hope that the legislation of the gentleman from New York (Mr. PEYSER) can get a hearing and can move forward, and that we can work toward the day when candidates for Congress or Members of Congress do not have to raise substantial funds at all in order to be able to run for office, and that it will be handled through public financing entirely.

Mr. Speaker, I congratulate the gentleman for calling attention to this problem, and I do hope that the Congress will act expeditiously in this regard.

Mr. PEYSER. Mr. Speaker, I thank the gentleman for his comments.

Mr. BUTLER. Mr. Speaker, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Virginia.

Mr. BUTLER. Mr. Speaker, I wonder whether the gentleman would tell us what effect the proposal would have on a person, not a candidate, who is willing to spend money on a publicly financed candidate under his proposal.

Mr. PEYSER. I take it that the gentleman is questioning the right of the individual to spend money without the candidate's consent; is that the question?

Mr. BUTLER. Without the candidate's knowledge.

Mr. PEYSER. Knowledge or consent?

Mr. BUTLER. Knowledge or consent.

Mr. PEYSER. I think this is allowable under the Supreme Court decision now, so that, in effect, as I understand it, if one wanted to spend money for me on my campaign, without any knowledge on my part or without any connection with me, he could then spend money, unlimited money, in support of, let us say, running a newspaper ad that may cost $8,000. He could do that under the present regulations as they have now been set down by the Supreme Court.

I am opposed to that.

Mr. BUTLER. Yes; but the gentleman realizes, I am sure, that there is no way by which he can, through legislation, limit the right of a person to help his friend; is that correct?

Mr. PEYSER. My understanding is that we would limit that right under the 1974 regulations.

Under the 1974 bill we said that an individual could not do that. Following the same analogy, if one was to spend money for me, under the 1974 legislation, as I understand it, whether I had given him permission or not, that would be counted in my total sum spent in that campaign.

Mr. BUTLER. The limitations on what I can do, however, to express myself personally outside of the campaign effort have been knocked down by the Supreme Court; have they not?

Mr. PEYSER. The gentleman is right.

Mr. BUTLER. Therefore, one is getting involved in a publicly financed campaign if he has rich friends who go off on their own. Then the wealthy will still come out pretty well; will they not?

Mr. PEYSER. No. I think the situation I am describing is this: If the gentleman or I, let us say, were to accept the restrictions set forth under the 1974 regulation vountarily, either of us would then be eligible for public financing.

Mr. BUTLER. Right, but there is no way we could make that deal by which we would bind our friends.

Mr. PEYSER. We would have to bind our friends on the same basis because under the 1974 bill, if one agreed to support it, my understanding is that if a friend contributed money by buying an ad for the candidate, that would count in the total expenditure.

Is my understanding not correct there?

Mr. BUTLER. Not if it is within your knowledge.

Mr. OTTINGER. As far as the Supreme Court decision, I think it is very unfortunate because I think it provides a major loophole.

Mr. BUTLER. That is right, it creates a loophole.

Mr. OTTINGER. It provides a major loophole which they have permitted to stand because the $1,000 limitation really did not mean anything if your friends can go in.

Mr. PEYSER. I understand what the Supreme Court has done; it has said they can run 10 full page ads; it does not count in any way as long as they have not asked you to do it. I think that is terrible, because it means that it takes an individual of wealth to go out and support somebody by running ad after ad and buying television time. I think that is very much against our whole system. I just do not comprehend it.

Mr. BUTLER. But it is a disability that will accompany public financing of congressional elections, is it not?

Mr. PEYSER. I agree it is a difficulty but it seems to me we have to find a way of working around that, because I am sure the gentleman can see the inherent problem of what this comes out to, and it seems to me it is trying to ruin our democratic system. It seems to me we have just taken a major step backward and I think this is wrong.

Mr. BUTLER. The gentleman will agree that the proposal we have made is one that will require some action in the Congress and some little time. So pending our debate, consideration and deliberation on this matter who will enforce the existing legislation, the legislation that remains after the Supreme Court has gotten through with it?

Mr. PEYSER. Unless the Congress acts I believe within 30 days of their decision there will be no Federal Election Commission to act at all, there will be nothing.

Mr. BUTLER. Then the gentleman from New York will agree that it is important we get on with the business of reconstituting that Commission before we get on with the realities of financial responsibility, and the like.

Mr. PEYSER. I am not suggesting that we should in any way effect the reestablishment of that Commission.

Mr. BUTLER. I thank the gentleman.

Mr. PEYSER. But that does not mean I accept that, all that it means is that we have got to live with it for the moment, but if we are interested in keeping our democratic form of government, I believe they have really compounded the issue.

Mr. OTTINGER. Mr. Speaker, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Speaker, I certainly agree with the gentleman from New York that we ought to take as a first priority the reconstitution of the Federal Election Commission so that the existing law can be carried on.

The most important thing in this campaign reform is to see to it that the candidates do not have to take any more time to collect money from the people in order to get their word across, when they have an adequate amount from public financing, and when they do I think they should be able to do it. We should be able to do that without having people finance ads that we do not know anything about. I think that the way it is is unfortunate and that it is a matter of concern. I hope we can devise some method to do this and that the Supreme Court decision still intends some control on the ability of money to talk louder than people can talk. I think it is more important to see to that in terms of our means of communications in public. If we had a limitation this would be really of importance in resolving this very vexatious problem.

I do not think it is inconsistent at all with the concerns expressed by our colleague.

Mr. PEYSER. I thank the gentleman.

Mr. RINALDO. Mr. Speaker, I would like to thank my colleague, Representative PEYSER, for obtaining this special order today for the purpose of discussing the recent Supreme Court decision on the Federal campaign law.

It is imperative that Congress act within the 30-day grace period provided in the Supreme Court decision. I am today introducing legislation which would amend the Federal elections law to provide for appointment of the Commissioners by the President, thereby effectively complying with the Supreme Court ruling. I know that some of my colleagues have sponsored similar bills, and I want to urge the House Administration Committee to report out amending legislation within the next few days. The American people will judge by our actions whether the Congress is truly in favor of strong campaign reform. We should leave no doubt in their minds.

While the committee may wish to study further the limits on spending, and the so-called "voluntary activities without consultation" provision, I think we can agree on one basic precept: the separation of powers principle inherent in the Constitution forbids the House of Representatives from enforcing the law. This duty is strictly granted to the executive branch; accordingly, the power for appointment of Federal Election Commissioners clearly belongs to the President. The Supreme Court carefully and correctly reaffirmed this principle, and I believe the Congress should adhere to the Court's ruling.

I urge all my colleagues to join in this effort.

Mr. KOCH. Mr. Speaker, I join with my colleague, PETER PEYSER, and others who have introduced legislation to amend the Federal Campaign Reform Act of 1971 so as to make it conform to the requirements in the decision of the Supreme Court, which found the appointment process for Federal Election Commission members to be in violation of the Constitution. There are a number of bills that have been submitted to correct this defect, and I am a cosponsor of H.R. 11736 introduced by my colleagues ABNER MIKVA and BILL FRENZEL, which is similar to the Peyser bill and which will serve the same goal in that respect.

When I served on the House Administration Committee in the 93d Congress, I supported inclusion of public financing for congressional candidates as well as for Presidential and Vice-Presidential candidates. And I support that concept now.

Mr. MAZZOLI. Mr. Speaker, once again the issue of campaign reform is squarely before the Congress. We have our work cut out for us.

We must reconstitute the Federal Election Commission as a near-term first step. There are several recommendations pending. I favor making the Commissioners appointees of the President, subject to Senate confirmation, with as much independence as is possible to create for them.

Congress should act quickly on this legislation so what remains of the act can be enforced.

We must, in the long term, face the unpleasant fact that our efforts to regulate congressional campaign spending have not met the constitutional test. So, time has finally come to take a serious look at public financing for House and Senate races.

This proposal is thorny and fraught with anticipated and unanticipated problems. But, we cannot afford to backslide to the "old" system where campaigns are won or lost, depending upon the presence or absence of big money.

I commend the gentleman from New York for sponsoring this special order. It provides an appropriate forum for the discussion of this many-faceted matter.

GENERAL LEAVE

Mr. PEYSER. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

TO PROTECT THE LIVES OF INTELLIGENCE EMPLOYEES OF THE UNITED STATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. MICHEL) is recognized for 60 minutes.

Mr. MICHEL. Mr. Speaker, the first bill (H.R. 11365) I introduced in this session was designed to protect the lives of intelligence employees of the United States, and was prompted by the tragic murder of Richard Welch, a CIA employee, during Christmas week in Athens, Greece. Many of us were shocked and dismayed to learn that Welch's murder may have been caused by his having been publicly identified as an employee of the CIA.

In researching whether there was any law providing for criminal penalties against anyone blowing the cover of people engaged in intelligence work for the United States, I was advised that there was none, even though we do have laws on the books with criminal penalties prohibiting the premature disclosure of crop estimates, the names of borrowers from the Federal Land Bank, tax return information and the questions on a civil service examination. My office immediately got in touch with the then Director of the Central Intelligence Agency, William Colby, to determine whether he had a similar concern.

We also inquired whether there were any other incidents similar to the Welch case, which had not heretofore been publicly revealed and if so, could they be declassified.

Late last month we received information from Acting CIA Director Lt. Gen. Vernon A. Walters in response to our request. To me, this information bolsters our case for the enactment of the legislation.

Mr. Speaker, intelligence is a vital national asset, but it does not generate itself. Intelligence sources and methods are painstakingly acquired and developed, often at high cost. It has taken 28 years for us Americans to build up the best foreign intelligence organization in the world. I have taken this special order as one who is concerned that the systematic exposure of our country's intelligence secrets is doing grave harm to our Nation's intelligence structure.

I think Senator MANSFIELD's remark the other day that the intelligence function is a cornerstone to national survival was well put. While I am very concerned about the general problem of protecting our country's intelligence sources and methods, today I would like to address the most pressing and acute aspect of this problem; namely, protecting the lives and safety of the people engaged in U.S. intelligence activities; this is the subject of my bill.

Mr. Speaker, in some cases identifying and exposing American intelligence personnel who are under cover is fingering them for murder. At this moment there are groups within the United States literally vying with each other to discover and publish the identities of American intelligence officers and agents, and there are no laws to stop them. The brutal slaying of Richard Welch has not deterred them; if anything it has encouraged them.

American intelligence personnel make attractive targets for the extremist groups and terrorist organizations that infest the modern world.

Mr. Speaker, my colleagues should know that the attack on Richard Welch was not an isolated case. I am sorry to say there have been other incidents. For example, very recently, in an area of the world in which a number of terrorist groups have been active, an American embassy official was identified by a local journalist as a CIA officer. The journalist's identification may have stemmed from an exposé of the CIA. It is unimportant whether that embassy official actually was or was not a CIA officer. The fact that he was alleged to be a CIA officer led to his being marked for assassination by a terrorist squad. The terrorist staked out an ambush. The American officer was not entrapped in the ambush; however, a local citizen was slain. It was a close call.

While I cannot discuss further details, I can tell you that other alarming reports have come to my attention concerning plots and threats on the lives of people who have been identified as intelligence personnel. Nor have the families of those pinpointed been spared. Families of some of those identified have received numerous and graphic threats. There have been bombing attempts. In one country the local authorities found an extremist with photographs of the little children of one of the men identified.

It should be pointed out that many, if not most, of those labeled as CIA people are not in fact affiliated with CIA. And yet when some group identifies them as CIA personnel, they and their families become subject to the dangers and threats that intelligence personnel are now facing.

It is true that the main threat to our intelligence people comes from terrorist groups and extreme political parties. However, the Communist intelligence services have not shrunk from violence, kidnaping, and assassination to further their goals. Indeed, they have units specializing in these methods. In the Soviet intelligence service, the KGB, the group that specializes in violence, kidnaping, and assassination is the ultrasecret "Department V." Those in "Department V" gruesomely refer to their assignments as "wet jobs." We have all heard firsthand accounts of the KGB using these techniques against domestic dissidents. However, you should know that "Department V" has used violence, kidnaping, and assassination all over the world.

I do not know if Communist intelligence services have used such methods against American intelligence people. That is not my point. Nor can I prove an absolute cause and effect relationship between the exposures of CIA people and the recent threats and attacks against them by extremists. That is not my point either, although I personally think that it is a fair assumption that the exposures brought on the threats and attacks. My point is that in a world where there are ruthless adversaries and terrorist groups, it is foolhardy in the extreme to permit public identification of American intelligence personnel who are under cover.

We must realize that there are ugly back alleys in the world. Vigilance requires that we send dedicated men and women into these hostile places. Because of our legal and moral traditions we have placed restrictions on these men and women before sending them forth.

Usually the only thing going for them—the only protection we can extend to them—is their cover, their anonymity. Groups here in the United States whose stated purpose is to destroy our country's intelligence agencies are now methodically exposing our intelligence officers.

I cannot believe that Congress will sit safely here in Washington, smugly exploiting the intelligence information which these men and women provide it, and not lift a finger to protect them or their families. This would be a grotesque spectacle. But it is the spectacle which is taking shape right now.

Mr. Speaker, to date 43 Members have joined me in cosponsoring legislation making it a crime to identify American intelligence personnel operating under cover. As I mentioned earlier in my remarks the Congress has enacted criminal sanctions to protect the questions on civil service exam. Congress has made it a crime to disclose the names of bank borrowers from the land bank. But it is not a crime to finger an American intelligence employee for possible murder. Congress has passed no law to protect the lives of the men and women it is sending overseas and into hostile parts of the world to gather intelligence. Surely, those who have helped and will continue to help this country avert a nuclear war are fitting candidates for equal treatment with the names of bank borrowers.

The legislation I have introduced is a reasonable and workable approach to this problem. It does not impose a prior restraint on publishing, and thus should not raise serious first amendment objections. But it does set tough criminal penalties, including a prison sentence of up to 10 years, for identifying intelligence personnel.

I hope these remarks will show that it is folly to delay action on this bill: We cannot wait for the next assassination attempt. Therefore, I urge the members of the Judiciary Committee to hold hearings immediately, and report a bill to the floor. Congress should act swiftly or we surely will be taking an unconscionable gamble.

In the outer hallway of the headquarters building of the Central Intelligence Agency in Langley, Va., they have rows of stars, each star representing an intelligence officer who has given his life in line of duty. Right now they are placing another one there for Richard Welch. It will not be the last one. But I hope that when the next star is chiseled on that marble wall, we in Congress can say at that time that we did our best to protect our fellow citizens.

Mr. COLLINS of Texas. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Texas.

Mr. COLLINS of Texas. Mr. Speaker, I am proud to be a cosponsor of this legislation which the gentleman from Illinois has introduced, because we are talking about the security of the entire Nation. The CIA represents our front line of defense.

As the gentleman from Illinois was talking I thought about how an hour ago in my office I was notified I can no longer receive the grades of young men I send to the academies. I have been keenly interested in their progress and we have kept up with that, but I am not able to learn any longer what a boy earns in the academy because that is so secret, even though it is a Government institution and we are very proud of them.

But here with respect to the CIA the most we seem to be able to do is to run the outfit down. Much of the discussion about the CIA has been derogatory. Here in the halls of Congress what the gentleman is saying certainly speaks for the people who are living throughout the country and certainly speaks for the people in the 3d District of Texas. We believe in the CIA. We believe what they do is good for the country. We want to stand behind them. We want to take these detractors of the CIA and nail them to the wall.

Mr. MICHEL. Mr. Speaker, I thank the gentleman for his contribution and would simply say that in the recent appearances this Member has made around the country on the speaking stump, regardless of what we were talking about, the great issues of the day, and if ever we touch on this subject I will say, as the gentleman has so well pointed out that in the country the people are concerned about what this body and the other body of Congress is doing with respect to the disclosure of so much of our intelligence apparatus, that they have much more concern for the welfare of the country than we do on many occasions when we disclose some of these things irresponsibly, in my judgment, as has been done.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, I want to compliment the minority whip for the statement he has made this afternoon concerning this vital issue that affects our entire security. I think the gentleman has shown rare leadership in anticipating the gravity of a problem that is now finally dawning on the American people. In fact, in introducing this legislation, of which I am proud to be a cosponsor. The gentleman anticipated the fact, and also the attitude of the House of Representatives which was represented by the rollcall that was had on releasing the communications of the CIA to the Select Committee.

Mr. Speaker, I hope the Congress will also act in a similar manner in a way that would protect us against the revealers of facts and knowledge and who because of their costs will not make it possible for us to stand up against our enemies.

Mr. Speaker, I thank the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, I take this opportunity to commend the gentleman from Maryland for the contribution made during the course of the spirited debate just a week or two ago when the gentleman from Maryland, in fact, essentially echoed those remarks here today by the gentleman's support of what we have said and by cosponsoring the legislation.

Mr. BROOMFIELD. Mr. Speaker, the seemingly inexorable public disclosures of intelligence operations and agents' identities are having a profoundly adverse effect upon the overall effectiveness of our intelligence effort. Overseas contacts, who historically have proved to be invaluable sources of information, are now leaving us high and dry.

Against this backdrop, and in view of the fact that most of us view intelligence as a vital national asset, one would think Congress would now be making a concerted effort to look into the causes that created and/or contributed to this alarming situation. Lamentably, such is not the case.

What is the cause of this indifference? I am beginning to believe it is because we lack full appreciation of what is required to maintain a viable intelligence apparatus.

Some of us, I think, believe intelligence begets itself. Others, I am afraid, have been seduced by the argument that—thanks to fantastic technological breakthroughs—we can now learn all we need to know about our potential adversaries via overhead satellites and other advanced means of surveillance. Admittedly, some of these methods are quite sophisticated, but so far they have not been able to photograph the intentions of a person's mind.

How short some memories are: Already forgotten are the human intelligence dividends this country derived from the information Soviet Col. Oleg Penkovskiy passed to us not so many years ago. Veteran intelligence hands will tell you that the intelligence payoff from such an intelligence coup is of inestimable value. Among other things, it greatly enhances our efforts to discern, how, when, and where our potential adversaries might use the impressive weaponry that reportedly have been photographed so well from on high. It is hard to conceive of a more important determination.

Former CIA Director William Colby elaborated on this point extremely well in a speech given a couple of years ago. In that address, he stated that:

> In a world which can destroy itself through misunderstanding or miscalculation, it is important that our leaders have a clear perception of the motives, intentions and strategies of other powers so that they can be deterred, negotiated about, or countered in the interests of peace or, if necessary, the ultimate security of our country. These kinds of insights cannot be obtained only through technical means or analysis. From closed societies they can only be obtained by secret intelligence operation, without which our country must risk subordination to possible adversaries.

If we are to continue to get the kind of insightful intelligence that Mr. Colby describes, we must—as legislators—take immediate measures to better protect the sources and methods of intelligence that are the lifeblood of this vitally important business.

Mr. Speaker, a first step in that direction can be taken with the speedy passage of H.R. 11470 that my distinguished colleague and minority whip, Mr. MICHEL, has sponsored. There may be considerable disagreement among us as to just what our intelligence policies should be, but we must remain united in our efforts to employ every means possible to protect those who literally put their lives on the line for us.

Mr. BEVILL. Mr. Speaker, during recent attacks on the Central Intelligence Agency, I have frequently said that I am of the opinion that the CIA is, for the most part, continuing to provide admirable service to the best interests of our Nation.

While it is rather obvious that some members of the CIA have on occasion abused their authority throughout the agency's many years of outstanding service, and while I do not for a second condone any activities of this nature, I still consider the job this Agency renders to be of vital importance to our country's welfare.

Certainly, punishment for abusers of CIA authority is necessary, but I think we must weigh the productive things the Agency is doing against the actions of a few individuals in the Agency.

The murder of CIA Agent Richard Welch in Athens recently made it all too clear that the lives of similar individuals will be placed in jeopardy if public identification of CIA agents continues.

I am of the opinion that the people of the United States expect Congress to see to it that information which would endanger the lives of our intelligence personnel, and furthermore the national security of this Nation, be kept out of the hands of our enemies.

Believing that some sort of action must be taken to protect the lives of our intelligence personnel, I have cosponsored H.R. 11526, which was introduced by my distinguished colleague from Illinois, Congressman ROBERT H. MICHEL.

I strongly urge your support for this legislation which will prohibit public identification of individuals involved in CIA operations.

This bill provides up to 10 years in prison and a $10,000 fine for persons convicted of identifying any individual who has at any time or is presently engaged in intelligence operations.

The newspaper disclosure that Richard Welch was a CIA agent almost unquestionably led to his untimely death. This legislation restricts future disclosures of this type in newspapers, although the bill should not raise serious first amendment objections because it works very much like a libel law.

Anyone is free to publish anything he wants, but that person can subsequently be prosecuted if that publication violates the rights of another person.

In the case of public disclosures of CIA agents, this is exactly what happens. The fact that the agents are publicly identified literally puts their lives in jeopardy.

The lives of the courageous people engaged in U.S. intelligence operations must be protected to the greatest extent possible.

For this extremely important reason, I ask for your careful consideration. Hopefully, such consideration will result in your support for H.R. 11526—legislation that is vital to the continuation of our strong intelligence forces.

GENERAL LEAVE

Mr. MICHEL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include therein extraneous material on the subject of my special order today.

The SPEAKER pro tempore (Mr. PATTERSON of California). Is there objection to the request of the gentleman from Illinois?

There was no objection.

EMERGENCY FEC RULE: FIRST THINGS FIRST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANDERSON) is recognized for 15 minutes.

Mr. ANDERSON of Illinois. Mr. Speaker, as a member of the Rules Committee, I am today introducing an emergency rule to permit prompt House consideration of legislation to reconstitute the Federal Election Commission in response to the recent Supreme Court decision. Under the terms of this rule, upon its adoption the House would immediately resolve itself into the Committee of the Whole House to consider the bill H.R. 11736 introduced by Congressman FRENZEL and MIKVA on February 5, 1976. Their bill is identical to S. 2911 introduced in the other body by Senators SCHWEIKER, CRANSTON, BEALL, MONDALE, and others on February 2, 1976. The bill simply amends section 310(a) of the Federal Election Campaign Act to provide that all six members of the Federal Election Commission be appointed by the President, by and with the advice and consent of the Senate. At present, four of the six members are appointed by the Congress, and therein lies the constitutional rub. The Court held that a Commission so constituted could not exercise powers reserved by the Constitution for executive and independent regulatory agencies; namely, the powers to issue regulations and advisory opinions, bring civil actions against violators or recommend prosecutions to the Justice Department, or direct the Treasury Department to disperse Federal matching payments to Presidential candidates. After March 1, the Commission will be stripped of all such powers except its recordkeeping, investigative, and informational functions. The Court purposely granted this 30-day stay to give the Congress time to enact corrective legislation.

WHAT ARE THE ALTERNATIVES?

Mr. Speaker, various alternatives to this simple FEC reconstitution approach have been discussed. There are some who would just as soon completely abolish the Commission and return to the previous system of having the Clerk of the House, Secretary of the Senate and Comptroller General administer the election laws with respect to House, Senate and Presidential races. Nothing in my mind could bring greater disrepute and shame to the Congress than to adopt this approach. There are others who, for one reason or another, want to shift the administration of the Presidential financing program from the FEC to the GAO, at least on a temporary basis. The problem with this approach, obviously, is that the other important functions of the FEC fall between the slats in the meantime—rulemaking, advisory opinions, enforcement. Moreover, once such a so-called stopgap measure is adopted, the pressure will be off for reconstituting the FEC and on for extending the stopgap approach through the elections, if not permanently. Finally, with respect to this approach it should be noted that the Comptroller General, Mr. Staats, in a letter to the Speaker on February 5, 1976, wrote, and I quote:

> I am much concerned about the workload impact of this possible additional responsibility on this Office burdened as we are with ever-increasing responsibilities placed upon us by the Congress. As you undoubtedly know, we have no budget to undertake this assignment. Moreover, we are not familiar with procedures of the Commission as to how it has carried out its audits and investigations preparatory to certification. As you can well appreciate, I would not want to certify payments without first-hand knowledge on my part to assure eligibility of candidates for the funds requested.

General Staats goes on in his letter to note the practical impossibility for the GAO to make adequate preparation to assume this responsibility by the date specified by the Supreme Court. And he concludes by recommending that "the Congress act within the 30-day period to pass simple legislation authorizing the appointment of the Commission by constitutional means."

Mr. Speaker, I have no doubts as to the sincere motives of the principal authors of the interim GAO approach, Senators SCOTT and KENNEDY. It was their intention to buy time for the Congress to consider a more comprehensive amendment to the Federal election law—partial Federal funding of Senate primary campaigns, and optional full-Federal finacing of Senate general election campaigns. This ambitious amendment is title II of S. 2912 which they introduced on February 2, 1976; title I would reconstitute the FEC in conformity with constitutional requirements. As coauthor of a similar proposal in the House (H.R. 9100) with the gentleman from California (Mr. PHIL BURTON) and over 200 cosponsors, I am in sympathy with this objective, though our bill would only provide Federal matching payments for congressional general election campaigns. But from a purely practical standpoint, I don't think it realistic to expect the Congress to enact such a controversial program, even by April 30 of this year. And, even assuming we could, we would then be burdening the FEC not only with the resumption of responsibilities for the presidential campaign financing program, but a brand new congressional program as well. Nothing in my opinion could throw the FEC and 1976 congressioal campaigns into more confusion and chaos than this ambitious approach at this time.

Mr. Speaker, there is yet another approach being suggested which was reported in the press this past weekend. According to an article by Mary Russell in the February 7 Washington Post, three House Democrats will today be introducing a bill to not only reconstitute the FEC, but establish an independent special prosecutor within FEC to handle both civil and criminal suits, eliminate corporate political action funds, and give the Congress veto power over FEC advisory opinions. Again, Mr. Speaker, the problem with this approach at this time is that it puts forth a number of very controversial amendments that are bound to delay final action on a bill, and it in effect opens the entire Federal Campaign Election Act to other amendments as well. The amendment process on this bill could make last year's prolonged deliberations on energy legislation look like a unanimous consent request. Again, I do not question the sincere motives of the authors of this proposal; but I do question their judgment in thinking we could somehow dispose of such legislation in just 2 weeks time. The proposal for a permanent prosecutor within the FEC, and outside the Department of Justice, is in itself a lightning rod for controversy, confrontation, and protracted debate. It should be noted that while the Senate Watergate Committee had recommended the creation of a permanent special prosecutor's office, congressional enthusiasm for the idea cooled after it was exposed to the light of hearings. This was further bolstered by the final report of the Watergate Special Prosecution Force—WSPF—which reads in part, and I quote:

> WSPF is opposed to the idea of extending the special prosecutor concept on a permanent basis. Central to the question is the fact that such a public officer would be largely immune from the accountability that prosecutors and other public officials constantly face. Lack of accountability of an official on a permanent basis carries a potential for abuse of power that far exceeds any enforcement gains that might ensue. An independent prosecutor reports directly on ongoing investigations to no one, takes directions from no one and could easily abuse his power with little chance of detection. Although matters that reach court obviously invoke court control over a prosecutor's public conduct, the discretionary process of initiating and conducting investigations bears great potential for hidden actions that are unfair, arbitrary, dishonest, or subjectively biased.

The WSPF went on to propose in the alternative that a visible, concentrated effort be institutionalized within the Department of Justice, such as the proposal of Senators BAKER and PERCY for a new Division of Government Crimes with an Assistant Attorney General appointed by the President.

This recommendation was based on the WSPF's constant problem of determining whether its interpretation of the campaign laws and policies regarding investigative techniques should coincide with those of the Department of Justice and Attorney General. The WSPF report concludes:

> One is moved to answer in the affirmative, since those policies are promulgated under normal democratic conditions of accountability and since different policies easily lead to unequal justice. These policy determinations provide great potential for a special prosecutor's abuse of power. He can easily stretch from proper investigative techniques or attempt unfairly to widen the conduct or the persons included within a criminal sanction. Thus, that relatively small group of persons falling within a permanent special prosecutor's jurisdiction could be subject to a much heavier hammer of Federal criminal law than the rest of the Nation which is subject to Department of Justice standards.

Mr. Speaker, I think it can at least be conceded that such objections to a permanent Federal prosecutor outside the Justice Department indicate the need for lengthy hearings and consideration before we rush through such a proposal to enactment. And this is something we cannot responsibly do before the end of this month.

THE ONLY VIABLE ALTERNATIVE

Mr. Speaker, my consideration of the various alternatives proposed to a simple reconstitution of the FEC has led me to conclude that such a straight reconstitution of the Commission is the only viable approach at this time. I have, therefore, joined as a cosponsor of the Frenzel-Mikva bill, and I have today introduced a resolution to permit prompt House consideration of this measure, even if it is not reported from the Committee on House Administration. While I would hope that such an emergency rule will not be necessary and that the committee could act to clear the bill under regular processes within the week, I am not terribly sanguine about that prospect. Under the rule I have introduced, the bill could be taken up immediately in the Committee of the Whole upon adoption of the rule. There would be 2 hours of general debate, equally divided and controlled by the chairman and ranking minority member of the House Administration Committee. Following that, the bill would be open to all germane amendments under the 5-minute rule. But, I should point out, since the bill only amends section 310(a) of the Federal Election Campaign Act, with respect to the appointment and composition of the Commission, attempts to amend other portions of the act would probably be ruled nongermane. I think this is the cleanest and most expeditious way to handle the immediate problem which confronts us, and that is the fate of the FEC after this month. I would urge that the House proceed in this manner to resolve this immediate crisis and that we give the House Administration Committee sufficient time to consider the many other amendments to the act which have been proposed but which are not directly related to the constitutional issue which must be addressed by March 1.

At this point in the RECORD, Mr. Speaker, I include the text of my emergency rule and urge its prompt consideration by the Committee on Rules:

H. RES. 1027

Resolved, That upon the adoption of this resolution the House shall immediately resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11736) to provide that members of the Federal Election Commission shall be appointed by the President, by and with the advice and consent of the Senate. All points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and shall not continue to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on House Administration, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

THE PHILADELPHIA MINT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. COLLINS) is recognized for 15 minutes.

Mr. COLLINS of Texas. Mr. Speaker, does the Philadelphia U.S. Mint pay higher salaries than private industry? Are Government salaries higher than private industry in Pennsylvania? I have been interested in the U.S. Mint cost operational figures since the subject came up about moving the Denver Mint to a new building. I was impressed with the fact that the Denver operation is the most efficient mint operation that this country has.

I have been studying the Philadelphia operation which produces in a new plant, to see why their costs are not lower. Last year a study was made on productivity in Philadelphia by an executive panel from the Young President Organization. Based on what I have read in their report, I am asking the Civil Service Commissioner to review these wage scales. It is certainly not the intention of this Congress to maintain Government remuneration scales higher than the private sector. The taxpayers in this country are interested in balancing the budget here in Congress to end inflation. The taxpayer is entitled to an even break.

This YPO report pointed out specifically in a comparison of 130 hourly paid maintenance workers that covered a range from a starting rate $5.59 per hour to an average rate after 2 years of service of $6.52 per hour. This was an average of $1.75 per hour higher or about 25 percent above comparable private industrial level wage scales.

They took a recent survey made in a manufacturing industry of corrugated boxes, where skill was fairly comparable to those required in mint work. This confirmed on a similar occupational activity that the hourly wage level at the Philadelphia Mint was 25 percent too high.

In comparing supervisory employees up in Philadelphia, the survey stated that the average supervisory employee at the Philadelphia Mint enjoys an annual income in $20,000 to $30,000 range. The private industry counterparts are paid only $12,000 to $15,000 per year for working with similar responsibilities. At management level they believe the gap is even more pronounced than that of the Philadelphia government hourly wage level, and with management personnel, the excess overpayments approach 100 percent in some areas of supervision.

This is the responsibility of the Civil Service Commission, and any criticism of mint supervision must be reviewed by civil service evaluators to see that Government labor costs are comparable to those of private industry.

The men making these surveys are top executives in private industries. Their reaction was that the problem was compounded substantially because of the multiple days off received by workers that are in the Philadelphia Mint. According to the report, the Philadelphia Mint employees receive paid time off for sick leave of 13 days a year. They also receive 10 paid holidays a year, and vacations that number from 20 to 26 days a year. Furthermore, each day, they are allowed a paid lunch period of a half hour, and coffee breaks of a half hour each day, plus a wash up or security check allowance that ranges between 5 to 15 minutes a day.

Considering the fact that normally we think of Sunday and Saturday as the days off, this was a startling figure to find free days total 83 man-days per year out of a possible 260 or about 32 percent paid time off. The comparison was with private industry figures for an employee with comparable service which averaged 35 man-days per year off or about 13½ percent time off.

The conclusion of the survey was that this 20 percent differential in time available for work, means that a Philadelphia Mint employee under even the most favorable conditions can only be 80 percent as productive as his private industry counterpart.

One other question they raised in analyzing the Philadelphia Mint with their keen concern in getting the cost in line with normal expectancy was the issue of overstaffing. To quote from the report, they said:

> For example, the custodial service employees numbered about 36, which appeared to be about double the normal expected complement, and to casual observation most custodial service employees seem to be finding the most difficult part of their job, to be that of maintaining an appearance of some sort of activity.

If Government costs are going to run in excess of private industry it reemphasizes the need to subcontract many of the functions that are done within the Mint. For instance, they mint special coins that may be produced at a lower cost, and possibly in a better manner and this would relieve the Federal Government of this type of work. Even within the Philadelphia plant, they could eliminate melting, casting, and rolling operation, so that these could also be done by a private enterprise. Related work, such as making wooden boxes for shipping, could be done by a private enterprise rather than through mint carpenters.

This morning I sent this report forward to the Civil Service Commission. If private industry produces more efficiently we can determine a course for future action.

Many functions of the Mint can be subcontracted, and we may need to recommend such action. As a member of the Civil Service Committee, I am asking the Commission for a report within 30 days. If the situation exists, as the survey indicates, we will be able to see what action is taken for comparability.

ABOLISH THE FUEL ADJUSTMENT CLAUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, the bill I am introducing today would abolish automatic fuel adjustment clauses which I feel is a very unjust and unfair practice being perpetrated on the American consumer by the utilities.

There is no doubt that fuel costs have accelerated greatly since the fuel embargo by the Arab countries in 1974, and that the utility companies have had to find some way to pay for these increased costs, but the automatic fuel adjustment passthrough are not just, and violate consumers rights.

I have been in touch with many people in my district in San Antonio, both personally and through letters, with regard to the problems the fuel adjustment charges have caused them and their families. The elderly have had an extremely difficult time trying to contend with the effect of inflation on food prices and medical costs and then on top of that have had to pay as much as 100 percent or more of their utility bill in fuel adjustment charges. These people who are supposed to be enjoying their "golden years" are finding that the cost for the necessities of life are in an uncontrollable state and they never know from one month to the next what they will be able to afford and if they will be able to pay their utility bills. While this might have been considered part of the pioneer spirit 200 years ago, the situation in our Nation should certainly have improved by now, but for many elderly it appears that it has not.

And while the elderly have been extremely hard hit by the fuel adjustment changes, low- and middle-income families have had to make great sacrifices which they have not been able to plan or budget for because of the phantom-like monthly charges which appear on their utility bills. They are pleased when these charges are low as it means they can buy their children shoes and other necessities, but when these charges are high their children must do without.

Mr. Speaker, this is not what our country is all about. We pride ourselves in the rights of our citizens to determine their destinies, but the presence of a fuel adjustment charge each month does not lean itself to this goal. Consumers are shackled by a cost which they cannot control and cannot even attempt to figure out or rationally plan for until they receive their monthly utility bills.

While the consumer is bearing the burden of these charges, let us look at the situation of the utility companies. By allowing the utility companies to add to the fuel adjustment charges to customers bills each month, without any hearings or notices, there is no incentive for the utility companies to economize. They have no great inducement to minimize their fuel costs and to increase their fuel efficiencies. As was pointed out in hearings held last year by the House Subcommittee on Oversight and Investigations of the Commerce Committee, fuel adjustment clauses are a disincentive for utilities to prepare for and improve the future.

The amendment I am offering today states that no utility charge can be ordered without prior public notice and full evidentiary hearings by the regulatory authority. This places the increases back into the hands of the regulatory commissions which have a direct responsibility to the public. Fuel adjustment clauses have essentially rendered utility commissions powerless while allowing utility management to passthrough their increase costs entirely unchecked.

While I realize that it will be a difficult task for the commissions to keep up with the rate fluctuation due to the ups and downs of fuel costs, they should develop the staff and resources necessary to carry out the responsibilities delegated to them by the citizens.

Mr. Speaker, the problem of fuel adjustment have caused problems for many families in every congressional district in this Nation, and as Representatives of the people we cannot ignore this situation. We must take positive action to alter this dilemma and to give back to our citizens some power to monitor the extra charges added monthly to their ever-increasing utility bills.

The bill I am offering today will not solve the problem of our ailing utility industry but it will give the consumers the rights they deserve and place the responsibility for increases in utility costs back into the hands of the regulatory commission. I hope my colleagues will support me in this endeavor.

MERGER OVERSIGHT HEARINGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. RODINO) is recognized for 5 minutes.

Mr. RODINO. Mr. Speaker, I wish to announce that the Subcommittee on Monopolies and Commercial Law will hold one day of hearings on Wednesday, February 18, 1976, to begin oversight on the present state of antitrust law in general. We will begin with merger law and its enforcement. The hearings will be held in room 2141, Rayburn House Office Building, commencing at 9:30 a.m. Witnesses will include representatives of the Federal Trade Commission and the Antitrust Division of the Department of Justice.

A TRIBUTE TO PAUL ROBESON

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinios (Mrs. COLLINS) is recognized for 10 minutes.

Mrs. COLLINS of Illinois. Mr. Speaker, with deep anguish we note the passing of Paul Robeson, a great American and courageous man who stirred the minds and passions of concert, theater and movie audiences throughout the world.

Paul Robeson was a leading early developer of black music whose songs of many peoples in many languages, sung in his deep bass-baritone voice, will be remembered as a significant contribution not only to American culture but to that of the world as a whole. His portrayal of the haunted Brutus Jones in Eugene O'Neill's "The Emperor Jones" and his leading role in "Othello," the longest running Shakespearean play in Broadway history—296 consecutive performances—exemplify the range of his musical talents.

Born in 1898 to parents who had the drive needed to find a comfortable life—his dad was a former slave and mother a schoolteacher—even though they were blacks in a white, racist society, he followed their lead and became the third black student to enter Rutgers University.

It was there that he first encountered the frustrating and dehumanizing attitudes of racist minds that would plague him for the rest of his life. He was greeted with a slug in the face and given a dislocated shoulder by his teammates when he first joined the Rutgers football team, but went on to establish himself as an All-American in 1917 and 1918. Similarly, although he was invited to sing in church and perform in occasional concerts while at Rutgers, he was barred fom the glee club because he was unwanted at social events. Nevertheless, he graduated from Rutgers with the distinction of being elected to Phi Beta Kappa and class valedictorian.

From there he went on to Columbia University to earn a law degree, but never practiced law, however, because he found the profession unwilling to accept a black man as an attorney. Instead he turned to drama and his early performances in "All God's Chillun Got Wings" by Eugene O'Neill, and "The Emperor Jones" brought him instant acclaim from theatergoers and critics alike. In New York City in 1925 he launched his career by singing in the first concert ever to be composed solely of "Negro" music. He presented the "Negro" spiritual as an art form and developed it to its foremost position on concert stages.

During the next 35 years he earned worldwide fame and during the 1930's and 1940's he was one of the world's leading singers.

From 1927 to 1939, Paul Robeson traveled across Europe and crisscrossed the Atlantic on concert tours while making England his home. He visited Russia in 1934 to talk with Sergei Eisenstein about making a film. When he left Russia he remarked—

> I hesitated to come—I feel like a human being for the first time since I grew up. Here, I am not a Negro but a human being—here for the first time in my life I walk in full human dignity. You cannot imagine what that means to me as a Negro.

Robeson was a man of deep principles who stuck by them even when it became clear that it would result in professional disaster. When he returned to America in 1939 he refused to appear any place where blacks were segregated and refused to make further Hollywood films because he was not permitted to portray the true life and interests of black people as they lived in America.

By 1946 his career began to suffer from the consequences of his political action. In 1949 he told the World Peace Congress in Paris—

> It is unthinkable that American Negroes could go to war, on behalf of those who have oppressed them for generations, against the Soviet Union, which in one generation has raised our people to full human dignity.

From then until 1958 his concerts were barred, his passport was revoked by the State Department, his name was systematically dropped from books listing concert singers, and newsreels and film footage of his major movies disappeared.

Because his admiration of the Russian people and his stand for the liberation of colonized African countries had caused him to become regarded as a dangerous black man, he soon became a target of Senator Joseph McCarthy's Communist investigations as well as the House Committee on Un-American Activities. When asked by a Congressman of this committee why he did not stay in Russia he lashed back—

> Because my father was a slave, and my people died to build this country and I am going to stay right here and have part of it just like you.

Paul Robeson was indeed a man ahead of his times. We think of him today not only for his brilliant success as an artist, but equally for the character and courage which he displayed in a day and age more openly hostile to the black man than today.

AUTHORIZATIONS FOR THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT CONTAINED IN H.R. 11769

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. BARRETT) is recognized for 15 minutes.

Mr. BARRETT. Mr. Speaker, I am today introducing a bill, H.R. 11769, to provide authorizations for, and to amend, various housing and urban development programs. This bill reflects my deep dissatisfaction with the way the Department of Housing and Urban Development has conducted itself over the past few years.

The dollar authorizations in H.R. 11769 differ substantially from those requested by the administration and in the aggregate amount to about $625 million less than requested. In addition, several permanent authorizations are converted to annual dollar authorizations, including funds for HUD research activities and for administrative expenses. Hearings on the bill will be held by the Subcommittee on Housing and Community Development early in March, at which time HUD will be given an opportunity to present extensive testimony and to provide information requested by the subcommittee.

Each year the Department requests the authorization of funds aggregating in the tens of billions of dollars over the long run. Funds approved during the past 2 fiscal years for the section 8 housing assistance program, when added to the request for the next fiscal year, could involve a total cost in excess of $50 billion in uncontrollable expenditures in the years ahead. It is our responsibility to see to it that these funds are spent effectively and in accordance with congressional intent. H.R. 11769 is intended to provide the subcommittee with a framework in which to closely scrutinize the operation of HUD and its programs.

I am joined in sponsoring H.R. 11769 by the ranking minority member of the subcommittee, the gentleman from Michigan (Mr. BROWN). While Mr. BROWN does not necessarily agree with each and every provision, he does feel this legislation can be a useful vehicle to generate discussion concerning matters of common interest in the field of housing and community development and can lead to more effective and meaningful oversight of HUD and to more informed budgetary decisions.

H.R. 11769 also contains several miscellaneous amendments, primarily adopted from a recently passed Senate bill.

I include the following:

SECTION-BY-SECTION SUMMARY OF THE BILL

Section 1. This section provides that the Act may be cited as the "Housing Authorization Act of 1976".

Section 2. This section authorizes new contract authority for the public housing and section 8 programs in the amount of $100,000,000 for fiscal year 1977. The Administration had requested $850,000,000 in contract authority. This section also authorizes the appropriation of $575,000,000 for operating subsidies during fiscal year 1977 for existing public housing projects. The Administration requested $463,600,000. The lower budget request reflects proposed legislative and administrative changes to increase public housing rents by approximately $110,000,000.

Section 3. This section authorizes $75,000,000 for section 701 comprehensive planning grants for fiscal year 1977. The Administration requested $25,000,000.

Section 4. This section authorizes $50,000,000 for HUD research activities. The Administration requested $71,000,000.

Section 5. This section authorizes $75,000,000 for studies and surveys under the flood insurance program. The Administration requested $100,000,000.

Section 6. This section authorizes $360,000,000 for the administrative expenses of HUD. The Administration requested $425,072,000.

Section 7. This section extends the section 235 homeownership assistance program from June 30, 1976, to September 30, 1977. This section also increases the maximum mortgage limits under this program from $21,600 to $25,000 ($25,200 to $29,000 for homes with at least four bedrooms) and in high cost areas from $25,200 to $29,000 ($28,800 to $33,000 for homes with at least four bedrooms).

Section 8. This section extends the Emergency Homeowners' Relief Act from June 30, 1976, to September 30, 1977. This section also extends the Emergency Home Purchase Assistance Act of 1974 from July 1, 1976, to October 1, 1977.

Section 9. This section extends section 245 of the National Housing Act, which provides for a demonstration of experimental mortgage financing techniques, from June 30, 1976, to September 30, 1977.

Section 10. This section reallocates $200,000,000 in community development block grant authorization for fiscal year 1977 in order to provide additional funds to meet hold harmless commitments and to provide adequate funding for smaller communities in metropolitan areas.

Section 11. This section permits federally related loans to be made, extended, renewed, or increased in flood hazard communities which do not participate in the flood insurance program if the financing involves a building which has been completed and occupied as a residence prior to the later of March 1, 1976, or one year following identification of the area as an area containing special flood hazards.

Section 12. This section extends the section 312 rehabilitation loan program from August 22, 1976, to September 30, 1977, and authorizes $75,000,000 for fiscal year 1977. The Administration did not request funding for this program.

Section 13. This section authorizes $500,000,000 to cover losses sustained by the FHA General Insurance Fund. The Administration requested a transfer of several mortgage insurance programs from the General Insurance Fund to the Special Risk Insurance Fund and included in the budget request for appropriations to the Special Risk Insurance Fund approximately $500,000,000 to cover losses involving the transferred programs.

Section 14. This section removes the 20 percent limitation on the amount of mortgage co-insurance which may be written by HUD, if the lender is a State or local agency.

Section 15. This section authorizes 40-year section 8 housing assistance contracts in the case of loans made or insured by the Farmers' Home Administration to finance new or rehabilitated projects. This section would also provide for determinations of the Treasury going rate at such times as the Secretary of Agriculture requests, rather than annually, for purposes of establishing minimum interest rates under Farmers' Home Administration programs.

MANDATORY EARLY RETIREMENT—IT'S TIME FOR A CHANGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. ANNUNZIO) is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, the Equal Opportunity Subcommittee is holding hearings today on H.R. 10040, a bill that will make compulsory retirement based on an arbitrarily established age illegal.

In a statement I submitted to the subcommittee today I stated my strong support for this bill. I would like to take this opportunity to express my views on why the issue of mandatory early retirement should be met head on.

In America today it is possible for a person to be forced into retirement just when he has reached the point in his life when he can best enjoy the income and role in society that his years of hard work have achieved.

Older women in the work force often face a particularly difficult problem. Many of them are forced to wait until their children are older to join the work force. Early retirement robs them of the opportunity to build up significant pension funds.

The proponents of mandatory early retirement stress the point that with no specific age of retirement, companies will soon be comprised of old—and therefore incompetent—workers. I maintain that after years of service to a company an individual has the right to have his case decided on its own merits.

At this point it might be expedient for me to insert a list of famous persons and the contributions they made to society after the age of 65, currently the age of compulsory retirement. But those in opposition to my position could say "Yes, but these are exceptional people. We are talking about the average worker in America today." So, instead, I would like to point out a few of the programs that "average" workers have made successful. There are currently 13,000 older Americans serving in the Foster Grandparent program. There are 145,000 volunteers working in the Retired Senior Volunteer Program—RSVP—in 666 different communities serving a wide range of activities. Members of such groups as the American Association of Retired Persons remain politically active and work hard to achieve support for programs related to their special areas. Employment firms that specialize in finding jobs for older Americans—such as Hire a Granny in Chicago—stress the experience and dedication their workers have to offer and have no trouble placing applicants.

While I do admit that there are some difficulties with more mature workers remaining on the job, the experience and expertise that older workers bring to a job simply cannot be replaced with the intellectual knowledge that a recent college graduate may have.

The whole concept of retirement is a relatively new idea for Americans to face. Until recently, an individual worked up to, or shortly before, the time of his death, remaining an active and contributing part of the world around him. Now many people are faced with the mixed blessing of longer lives. No longer do people retire at 65 and die at 68. Many people face 10 to 15 years of inactivity. How can they be expected to lead satisfying and productive lives when they have been led to believe that they automatically become obsolete at an arbitrarily established age?

A longer lifespan, with a greater number of unproductive years, can lead to real economic hardship for many people. Many are forced to live on fixed pensions that inflation has reduced to less than subsistence level incomes. Many retirees find that savings they thought would last for 15 to 20 years are gone in 5.

While I am certainly not taking the position that everyone should continue working after age 65, I strongly feel that the way should be left open for those who wish to remain on the job.

When Congress passed the Age Discrimination in Employment Act of 1967, and again when they amended it in 1974, their intent was clear—the elimination of arbitrary age limits established regardless of job performance. Unfortunately, the bill contained within itself a limitation, since it specifically prohibited discrimination between the ages of 40 and 65. This set the stage for many employers to establish 65 as the age of compulsory retirement.

H.R. 10040 will remove this last barrier in the ending of age discrimination in employment by deleting the age limits from the Age Discrimination in Employment Act. This action will make discrimination at any age illegal. Although this is only a five line bill, it will have far-reaching effects on senior citizens by making it possible for older Americans who wish to remain on the job to continue as valued employees, making worthwhile contributions to the society they helped to form.

WILSON GREATBATCH—INVENTOR OF THE YEAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 5 minutes.

Mr. LAFALCE. Mr. Speaker, today I would like to pay tribute to an inventor from western New York whose work has greatly advanced the treatment and care of heart patients throughout the world. On February 12, Wilson Greatbatch will receive the Inventor of the Year Award from the Niagara Frontier Patent Law Association and the Technical Societies Council. This award is richly deserved in my opinion, and I want to add my voice to those already extolling the many contributions to the health sciences that Mr. Greatbatch has made.

Mr. Greatbatch has been selected to receive the distinguished award for his invention of a demand type cardiac pacer. The cardiac pacer designed by Mr. Greatbatch provides stimulating electrical pulses to the heart at a fixed rate when a patient's heart is functioning improperly. When the heartbeat is returned to its normal state, a circuit in the pacer terminates stimulating pulses for a controlled time interval. The pacer is equipped with a digital clock integrated circuit, utilizing highly accurate quartz crystal, that provides the stimulating pulses by the pacer.

Mr. Greatbatch has made a number of other important contributions to the field of cardiac treatment and care. For example, Mr. Greatbatch also has to his credit the invention of the first implantable cardiac pacemaker. This pacemaker was first introduced into clinical practice in 1960, and now more than 100,000 pacemakers of his design have been introduced and implanted in patients. I am pleased to note that Mr. Greatbatch is not one to rest on his laurels—at the present time he is trying to develop a lithium-iodine battery that may well assure every pacemaker patient a one-time, lifetime pacemaker.

Mr. Speaker, heart diseases remain the No. 1 killer in the United States. Recent statistics reveal that heart diseases account for over 38 percent of all deaths, and while they may not appear on the FBI's 10 most wanted list, I am glad they do appear on Mr. Greatbatch's list of priorities. His inventions have helped to stem the tide of deaths attributable to heart disease and have extended hope to thousands of critical heart patients. I am proud to say that Mr. Greatbatch is a native of western New York, and I congratulate him for the meaningful contributions he has made. The entire Nation has benefited from and can be thankful for the work he has done.

BROCK ADAMS SPEAKS OUT ON HEALTH SPENDING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'NEILL) is recognized for 5 minutes.

Mr. O'NEILL. Mr. Speaker, our colleague, BROCK ADAMS, recently spoke before the American Hospital Association on the topic "Establishing Congressional Budget Priorities: A Healthy Diagnosis."

Chairman ADAMS' statement highlights those congressional actions which preserved spending for critical health programs in fiscal year 1976. He also identifies and discusses the key health issues Congress will be grappling with in fiscal year 1977: National health insurance, escalating health care costs, the President's catastrophic health insurance proposal, and health revenue sharing. Because I believe this speech provides an early and insightful analysis of those health questions we in Congress will be discussing, I commend it to my colleagues.

I wish to submit the enclosed for insertion in the RECORD:

ESTABLISHING CONGRESSIONAL BUDGET PRIORITIES: A HEALTHY DIAGNOSIS

(Speech of Chairman BROCK ADAMS to the American Hospital Association)

INTRODUCTION

It is a pleasure to join you this morning at the third annual American Hospital Association seminar on Federal Relations.

In my remarks this morning, I would like to give you an overview of the new Congressional budget process, report on how the new procedures have helped sort out health spending priorities, and comment on the President's fiscal 1977 budget proposals, especially those effecting Federal health expenditures.

Let me say at the outset that my diagnosis for a healthy economic recovery is not good if we swallow the medicine the President has prescribed. This Administration's proposed fiscal prescription results in a dramatic shift away from the stimulative budget policies Congress enacted in Fiscal 1976. Surely common sense suggests the economy can't continue the course toward full employment when government policies this year are swinging so sharply towards economic restriction. This is why his proposals must be considered economically unhealthy.

The Administration recommends a drastic reduction in the rate of Federal expenditure growth and very little net additional tax reduction.

Total expenditures ($394 billion) are at least $24 billion lower than the normal growth level ($419 billion).

Net tax reductions are only $4.9 billion, not the $10 billion often referred to. Moreover, if automatic social security increases are added in, the net tax reduction in 1977, as compared to 1975, is only $1.7 billion. By comparison the net tax reduction effective in FY 1976 was $15.8 billion.

Unemployment will remain near 8%, even if the President's optimistic economic forecast is realized.

This kind of schizophrenic approach to economic policy-making will make it impossible to achieve a balanced budget in 1979 since the revenues required to balance the budget will not materialize.

But let us return to the budget's medical charts after we have examined Congress' new diagnostic techniques.

THE CONGRESSIONAL BUDGET PROCESS

We on the House and Senate Budget Committees have completed our first full year of operations. In 1975, even with only partial implementation of the law, we succeeded in adopting spending ceilings a year prior to the date the President had asked that a $395 billion ceiling go into effect. Through use of the Congressional budget process, the FY 1976 spending ceiling set by the Congress is $374.1 billion.

While not everyone agrees with this level of spending, I firmly believe that the deficit would have been higher if we had not started implementing the new budget process a year before the required date.

The most important purpose of the budget process is to develop congressional fiscal policy. The procedure begins with the November submission of the Current Services Budget. This budget estimates the budget authority and outlays that will be needed to carry on existing programs and activities for the next fiscal year. Its purpose is to give the Congress at the earliest possible date detailed information with which to begin analysis and preparation of the upcoming budget.

This is followed by the January submission of the President's budget. The Budget Committees begin immediately to hold extensive public hearings on both the President's submission and alternative budget proposals. We are currently in the midst of such hearings on the FY 1977 budget. In addition to the information supplied through formal hearings, by mid-March we receive reports from the other Committees and joint Committees of the Congress. These mandatory reports provide us with an early and comprehensive indication of Committee legislative and funding plans for the coming fiscal year.

A key date in the Congressional budget process is April 15. This is the date the Budget Committee must send to the House a Spring Budget Resolution setting spending and revenue targets for FY 1977. This year, unlike last year, the resolution will contain recommended spending targets for the sixteen functions into which the budget is divided. One of these functions is health. Other functional divisions are for such programs as defense, agriculture, et cetera. The health function includes those Federal programs whose basic purpose is the promotion of the physical and mental health of the Nation's population, including the prevention of illness and accidents. It includes health research, occupational health and safety, the planning and provision of medical care, training health-related personnel, and food, drug, and other product safety programs.

The Spring budget resolution must be adopted by Congress by May 15. The targets set in this resolution can and should act as a guide as Members consider and vote on individual spending and revenue bills during the summer.

The second key date this year in the new budget process is September 15 when Congress is scheduled to adopt a second budget resolution. Again, this resolution will set levels for revenues, spending, the deficit, the public debt, and divide expenditures between the 16 Federal program functions. The critical distinction in the second resolution is that it sets ceilings, not targets, on the aggregate expenditures and a floor under revenues. The second resolution affirms or revises, based on changed economic circumstances and Congressional spending actions during the summer, the matters contained in the first resolution. In addition, this second resolution may direct other Committees to change appropriations or revenue levels to conform to the new resolution. This process is referred to as the reconciliation procedure. After these actions have taken effect, the Congress cannot consider any spending legislation that would cause the aggregate levels of expenditures to exceed the ceilings in the resolution. Of course, Congress may revise its most recent ceilings, as circumstances warrant, any time during the fiscal year.

I would ask you to keep in mind that 1976 is a critical year for these new budget procedures. If we do not pass the resolutions, the process will be destroyed. This new structure will insure that the crucial budgetary decisions made in the weeks and months ahead are not harbingers of fiscal crises in the future. For this reason, I believe citizens and organizations such as yours have a major stake in its success.

REVIEW OF 1976

Let us turn back for a moment, and take a quick glance at what these new Congressional procedures produced in FY 1976.

Congress' goal was an anti-recessionary, non-inflationary budget. I believe we developed just that. The budget ceilings currently in effect establish a $375 billion lid on spending and a $74 billion deficit is projected. Let me take this opportunity to stress that, to a sizeable extent, the cause of our current $74 billion deficit is the economic recession. Both Conservative and Liberal economists agree that for every percentage point of unemployment in excess of 4%, the Federal deficit increases by $16 billion. The Federal Treasury loses approximately $14 billion in tax revenues—since jobless people aren't paying taxes—and must pay out an additional $2 billion in unemployment compensation and related welfare costs. If the economy were operating at a healthy level of about 4% unemployment instead of its present 8.3% joblessness, the budget deficit would be less than $10 billion. I therefore cannot overemphasize that the key to reducing the Federal deficit is quickly getting the economy moving back to full employment.

HEALTH SPENDING IN 1976

Looking specifically at FY 1976 health expenditures, the President's February 1975 budget requested a total of $31 billion in budget authority and $28 billion in outlays in the health function. This was revised upward much later in November by OMB to $31.9 billion in budget authority and $31.3 billion in outlays. Congress' Second Budget Resolution includes spending in the health area of $33.6 billion in budget authority and $32.9 billion in outlays. Thus, the current expected spending for health in FY 1976 is almost $5 billion higher than what the President originally requested. This difference is important.

First, in 1975, President Ford proposed reducing Medicare and Medicaid expenditures by $2 billion, which included a proposal to increase Medicare patients' out-of-pocket expenses and increase the State's share of Medicaid costs. In 1975, Congress rejected the President's proposals and the Budget Committee included an additional $2 billion in the Spring and Fall resolutions to reflect this. In the Fall resolution, we also recognized the rapid rise in medical prices, as well as higher use of services, and added another $1.6 billion to Medicare and Medicaid spending.

Second, the President proposed rescission of some $540 million already appropriated for Federal health programs. Congress rejected these proposals and increased health spending accordingly.

Third, the Budget Committee added nearly $1.3 billion in additional budget authority and $520 million in outlays to reflect restoration of health programs to their 1975 appropriated levels. We also included an additional $200 million in spending authority for biomedical research to account for the higher costs of goods and services in this program.

Finally, the Committee added $25 million to the President's budget for health planning and resource development programs to help accelerate health planning activities in the States and communities which would help make our system of delivering health care more effective.

In effect, the Congressional health budget for 1976 is a steady and consistent budget. It includes no major new programs, but keeps Federal health spending to at least its 1975 level.

OUTLOOK IN FISCAL YEAR 1977

What does all this mean for fiscal 1977?

Let me say at this point that the Budget Committee has not yet met and considered specific proposals in the 1977 budget. I am indicating today simply my own views on the key health issues we will be deciding this year.

First, on the issue of National Health Insurance. A major reform of the way health care is financed in this country has been high on the Congressional agenda for several years. This has been spurred by the fact that at present 40 million Americans have no health insurance at all.

The issues associated with health care reform are indeed complex. I believe most Americans probably agree that a comprehensive scheme should achieve four objectives:

Give all Americans access to good care,

End financial hardship caused by illness,

Improve the efficiency and effectiveness of the health care delivery system, and

Provide incentives to hold down costs.

But there is little agreement about what arrangements will guarantee all four. As you are aware, numerous legislative proposals have been put forward in the Congress ranging from little change to comprehensive insurance coverage. The measures necessary to finance these changes and the impact on the Federal budget also cover a wide range.

With a two-year implementation period, the budget impact of health insurance action taken by Congress in 1976 would begin to be felt in 1978. Recent cost estimates of just three alternatives—the Administration's "CHIP" plan, the Long-Ribicoff Catastrophic proposal, and the Health Security Act—show that by FY 1978 additional Federal costs could range from $8 billion to $98.6 billion and by FY 1981 from $11 billion to $115 billion.

This latter figure is considerably higher than the projected budget margins we expect in 1981 with no tax changes. Programs such as a national health insurance program, which is not a "temporary" or emergency program, cannot be sustained by borrowing in a single year and must be paid for by available revenues. I have stated that it is not realistic to say that we will be able to increase Federal expenditures for all "new" spending programs by more than about $15 billion in FY 1977—and we will only achieve this margin to work with if we are very careful with the budget. It is also important to keep in mind that all proposed new spending programs would be competing for whatever "new" funds we could come up with. For these reasons we must be realistic and admit that we cannot enact a new and comprehensive national health insurance program unless and until we also enact successful measures to bring in new budget revenues or to attain significant savings that would allow us to support that program on a continuing basis.

Let me focus next on the issue of health care costs and the President's proposals to curb them.

Preliminary estimates for fiscal 1975 indicate that national health expenditures amounted to $118.5 billion, about 8.5% of the gross national product. Of this amount $46.6 billion, 30% of the total, was expended for hospital care. Expenditures for hospital care also account for the largest portion of public outlays for health made each year under the Medicare and Medicaid programs. Medicare payments to hospitals alone are expected to rise from $11.7 billion to $14.5 billion in next year's budget.

Total expenditures for hospital care in the United States have risen annually at double-digit rates for nearly an entire decade. During calendar year 1975, hospital charges shot up 17.2%—almost double the non-medical consumer price increase of 9.1%.

Hospital and medical services in America are among the world's best. But increasing health costs are a deep concern to many of us in Congress since they tend to prevent any rational national plan which would assure all Americans adequate medical care. In addition, this sector of the economy is a powerful force pushing up the cost of living. We recognize that hospitals must cope with general inflation pushing up the prices of goods and services they buy. We also recognize that wage levels for hospital personnel may be understated. However, at a time when general inflationary pressures are subsiding, medical costs should be approximating that trend. When one sector of the economy has prices rising, soon other sectors will try to recoup their position—a competition which is a cause of the inflation spiral.

Hospital administrators must take the initiative to close surplus beds and phase out unneeded services. You must seek methods of making physicians cost conscious. You should resist excessive staff demands for new services which duplicate available capacity in other community hospitals. You must bargain with your personnel for wage increases as though they were your own and could not simply be passed on to a third party insurer—either private or public.

I recognize that what I am saying hits very hard. If hospital administrators do not maintain a patient census close to full capacity in hospitals, you will have severe financial problems. However, you as administrators also recognize that there is a more awesome spectre than an unfilled bed. This is the potential imposition of Federal controls on costs. The President has proposed in his 1977 budget, limits on the amount that Medicare will pay—no more than 7% above last year. By proposing to package Medicaid into a block grant with a fixed Federal appropriation, he is forcing the States to take similar actions.

I am not prepared to say at this time whether Congress will accept or reject the President's proposals. I think the rate of inflation in the medical care CPI over the next few months will have an important bearing on Congressional action. I am prepared to say that there is a general feeling that something must be done to bring medical prices under some degree of restraint.

I believe that Congress will be looking first for hospitals to take serious steps within their own organizations to control their costs. If you are unable to do so, then renewed Federal actions will be demanded by many, and the Administration position will prevail.

Let me touch briefly on the President's proposals affecting Medicare. His 1977 budget recommends legislation requiring each Medicare beneficiary to pay 10% of the charges for hospital, nursing home, home and health care up to a maximum of $500 per person per year. The physician deductible, currently $60, would be increased to $77 in 1977. His proposals are essentially no different than his 1976 cost sharing proposals, except that he now plans to call them catastrophic health insurance.

Under the Administration proposal, some Medicare beneficiaries with high medical bills would benefit from limits on total out-of-pocket payments. The Department of Health, Education and Welfare estimates one million persons would pay less. However, compared to current law which has no cost sharing until the 61st day of hospitalization, few patients would pay less than they do now. In short, almost every patient would pay more for shorter periods of hospitalization than he pays now. About 12 million Medicare beneficiaries would pay more for physician services. The additional costs to the Medicare population would be about $1.3 billion. This program does not fit my definition of catastrophic health insurance. It is neither insurance nor for health—though it will be catastrophic for many.

Now some final remarks on Mr. Ford's Health Revenue Sharing proposal. He suggests the consolidation of Medicaid and 15 other categorical health programs into a single block grant to States totaling $10 billion in 1977. Included in this are funds previously allocated to medical facilities construction, maternal and child health, and community health centers. I wish to highlight the fact that while the $10 billion block grant appears to be an increase over the 1976 funds, it actually represents a decrease of at least $800 million from the amounts required in 1977 to maintain all the activities subsumed within the block grant at their 1976 program levels.

Aside from the issue of the appropriate level of funding, I believe the block grant approach to the delivery of health services deserves careful consideration. While the principle has merit, we, in Congress, must closely examine what programs should be folded in. The President's Health Revenue Sharing raises serious questions which warrant Congressional scrutiny over the next few months. Questions such as:

What are the programmatic and financial consequences of eliminating State matching requirements? Will States cutback or reallocate monies? Current State matching for the 16 programs in the President's proposal amount to nearly $7 billion (primarily for Medicaid).

What will be the consequences of eliminating all requirements to meet Federal health standards?

Will special target populations such as the poor or migrants still receive adequate medical care under this consolidation approach?

To what extent should the Federal Government relinquish to the States its ability and responsibility to set national health priorities?

This last question is the most important and probably the toughest to answer.

CONCLUSION

It brings us back to my theme—"Establishing Congressional Budget Priorities."

I firmly believe that with the new Congressional Budget Act, Congress has acquired a critical diagnostic tool for determining the state of our Nation's economic health and prescribing remedies to speed its recovery. Like any medical device, these procedures have undergone a thorough testing this year. I believe they will prove adequate to the Congressional task of ensuring a stable economic recovery during FY 1977 and a responsible division of budget funds between health and the remaining key functions of Government.

I welcome and look forward to your support of these Congressional efforts.

FOOD STAMPS: FRAUD BY THE POOR OR MISSTATEMENTS BY THE OPPONENTS?

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, last week Representative James H. Scheuer and I introduced H.R. 11646, a bill to reform the much-criticized food stamp program by providing a simplified system of deductions to determine eligibility for the program, a fair schedule of benefits, and a system of work incentives. This bill had previously been introduced in the other body by Senator Jacob Javits, as S. 2840.

We were interested to see an article in the Washington Post, published February 3, the same day we introduced our bill, written by our distinguished, very able, and usually persuasive colleague, and we hope, good friend, Representative Robert H. Michel. In his article, Representative Michel noted that liberals and conservatives purport to agree on three points:

First, that the food stamp program should make it possible for every American to receive a nutritionally adequate diet, that this should be accomplished with maximum efficiency and minimum cost to the taxpayers, and that the program should be constituted as to minimize opportunities for fraud. Of course we agree with these reasonable goals. Any reasonable person would.

Conservatives, however, have proposed food stamp legislation which, regardless of their stated intents, discriminates against people who work, contains unnecessary administrative costs, and enables continued fraud by vendors of food stamps. We have introduced a bill, which is substantially identical to legislation introduced in the other body by Senator Jacob Javits of New York, to improve the present food stamp program without these inconsistencies.

The major charge made over and over again by those attacking the food stamp program is that the program is replete with fraud committed by recipients, but the truth is that this kind of fraud occurs in only a tiny fraction of cases—less than 1 in 1,000. The real culprits, causing high costs in the program are the excessive complexity of the regulations and the policies that have allowed millions of people to become unemployed. The unemployed have swelled the rolls of the program, and now the conservatives are not willing to pay the cost.

As we said when we introduced our proposal, let us look at the facts: last May the Department of Agriculture reported to the Senate Agriculture Committee that the percentage of households obtaining food stamps by fraud is only 0.08 percent, or fewer than one in a thousand. In fact, only 4.3 percent of the entire food stamp caseload is ineligible, according to the Department's own study, and about half of these were on the rolls because of caseworker error. The remaining ineligibles could be attributed to recipient-caused error, but the Department's report observed that "errors caused by recipients are usually unintentional, arising from carelessness or lack of knowledge concerning the program."

Studies have shown that these numerous errors in determining which is eligible for food stamps result from the complex deductions required under the present program. As the Administrator of the Food and Nutrition Service stated at a hearing before the House Appropriations Committee this fall, "the errors that are created by the present system of deductions, they are killing us."

Our food stamp reform bill would scrap the present patchwork of itemized expenses to determine a family's eligibility in favor of a standard deduction of $135 per month for each household. Furthermore, we would encourage members of households to work by using their take-home pay, and not their gross income—which includes income and social security taxes—in computing their food stamp benefits. Without this provision a family receiving $5,000 per year in welfare payments—all of which is take-home pay—would be favored over a working family with the same gross income—but lower take-home pay.

Furthermore, we give the working family an additional standard deduction of $30 per month to help account for the cost of bus fare, babysitters, or other work-related expenses. Neither the administration's nor Mr. Michel's bill provide such work incentives.

The real "fraud" in the food stamp program is perpetrated not by the needy recipients but by the so-called vendors of food stamps. Nationwide there are 6,700 of these vendors, including banks, post offices, credit unions and check cashing businesses, and they act as agents, distributing stamps to eligible recipients in return for the required cash payment. The failure to properly monitor these vendors has resulted in their pocketing millions of dollars. At a recent Senate hearing a USDA official revealed that over $17 million have been hoarded or embezzled by only 170 such vendors.

The substantial cost of the food stamp program cannot be attributed to recipient fraud. Yet the administration, Mr. Michel and Senator James L. Buckley of New York have proposed in their bills to penalize recipients by instituting drastic cuts in the number of people on the food stamp rolls. They say that they want food stamps to go to those who "deserve" them. Regrettably, their proposals do not provide a program which will reach all who need benefits: The poor, the low-income working household, and the aged.

For one thing, they limit their programs only to the very poorest people. But even worse, they continue the present requirement that each poor family dip into its own limited resources to "purchase" the food stamp benefits to which they are entitled.

Quite frankly, many of those who are most in need of food stamps cannot come up with the large amounts of cash necessary under the present program to purchase the stamps. Using Mr. Michel's example, a family of four would have to pay $60 a month to obtain $166 worth of stamps. Their actual benefit could be $106. But many families with a limited income will be forced to choose between paying their heat, electric, rent, or medical bills and buying food stamps. A recent study of the New York State food stamp program showed that 27.4 percent of the households already in the program could not afford to purchase their full allotment of stamps. Many more cannot afford to participate at all.

We always thought the conservatives believed in allowing people to make their own decisions, yet Mr. Michel says the benefit of retaining the purchase requirement is that a family's money cannot be "wasted on booze or bobby pins."

There are also sound fiscal reasons for doing away with the purchase requirement. Under present law, a family of four may pay as much as $142 for only $24 worth of benefits, yet the Federal and State Governments must pay for the printing and distribution of $166 worth of stamps. The staff of the Senate Committee on Nutrition and Human Resources has estimated that eliminating the purchase requirement would save the Federal Government $100 million and the States $60 million per year in administrative costs. This reform would also end abuse of the program by private vendors who now sell food stamps as Government agents, but sometimes pocket the cash they receive.

Neither the administration nor Mr. Michel has proposed to do away with the present purchase requirement. We have, and this will enable the very poor who often cannot scrape up even a little money to buy food stamps, to obtain some benefits. It will also save the taxpayers money and reduce fraud in the program.

What then is the explanation for the size and cost of the food stamp program? The primary "ripoff" artist responsible for the higher and higher costs is unemployment. From 1971 to 1974 participation in the program remained remarkably stable, considering the dramatic rise in food prices, at 14.9 million people. But last year, when unemployment rose almost 4 percentage points in a matter of months, the number of people served by the program leaped from 15 million to 19.5 million.

If the administration is looking for a scapegoat, unemployment is where they will find the culprit.

We agree with Congressman Michel that food stamps deal with only one facet of the needs of the poor and lower income people in this country. It is not a guaranteed annual income program. We believe that we should have a comprehensive welfare reform program, but until we do have such a program, we should at least provide a fair and reasonable food stamp program.

Finally, Mr. Michel and the administration claim to want to feed the poor, but only the poor. The median income for a family of four in our country is about $14,000. The administration has set an income ceiling of $6,250 for a family of four to be eligible for their program—$300 more if a family member is over 65 years old. The Buckley-Michel bill has set $5,050—the so-called poverty level—as its ceiling. These arbitrary cutoffs miss the point of the food stamp program, which is designed to supplement the meager income of some families who are above the poverty cutoff, but not receiving a nutritionally adequate diet.

Under our proposal a family of four with one member working and income after local and Federal taxes and extraordinary expenses of no more than $8,796 would qualify for $24 per month in food stamp aid. This payment is not generous, but our proposal is designed to help feed the low income working household as well as the poor and the elderly. Furthermore, our proposal will make small adjustments in eligible income to account for the differences in the cost of living in various regions of the country. For instance, the eligible income of a family in Chicago could be higher than that of a family in rural Texas.

The Department of Agriculture has estimated the cost of our bill to be $8.4 billion in fiscal year 1977, an increase of $2.5 billion over what the present program will cost in that same fiscal year. We hope the Congress, regardless of the amount of money it wishes to spend, will consider the equities and administrative savings to be gained from eliminating the purchase requirement, instituting some form of standard deduction, and providing a true work incentive.

We think the food stamp program is a good, valuable, and necessary program which has been much maligned for its administrative shortcomings. Before we researched the facts, we, like so many others, thought this program was replete with fraud. Now that we have the facts, we know better. We hope that others, not having the facts, will take the time to ascertain them.

FINDING A SOLUTION TO THE NATION'S BLOOD COLLECTION PROBLEMS

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I am concerned that the Nation has yet to develop a blood collection policy which will secure an adequate amount of blood for our medical needs. The administration appears to be stalemated on this issue. The FDA supports an all-volunteer approach to blood collection because it believes that blood-for-pay programs collect an inferior quality and even a dangerous type of blood. Rates of posttransfusion hepatitis from commercial donations are 3 to 10 times higher than from voluntary donations. However, the Council on Wage and Price Stability recently opposed FDA's position as leading to highly priced transfusions and even critical shortages. The Council concluded that—

> Surely, there must be instances where marginally inferior blood is preferable to no blood at all.

I do not accept the proposition that we must choose between shortages of blood and a supply of inferior quality blood. The Nation should not settle for anything less than a safe and plentiful supply of blood. My bill, H.R. 582, would encourage middle-income wage earners to regularly and voluntarily donate blood by offering the tax incentive of a deduction of $25 per pint, with a limit of $125 per annum. Present IRS law regards a blood donation as one of "services," rather than of "property," thus denying the deduction. Is it not ironic that a $25 donation to the Red Cross is tax deductible, but a money deduction for having given of one's own blood is not allowed?

The House Ways and Means Committee will shortly consider an agenda for phase II of its tax reform hearings. I also want to respond to the concern that has been expressed by some tax reformers about adding another deduction to the tax code.

There are some who are opposed to many of the deductions as loopholes and are wary of putting more in. I agree. I think we should get rid of the loopholes which solely benefit the rich and which give us no broader social benefit. But with a deduction for blood donations, we are getting something—good red blood out of the veins of all people, whatever their income. That is equality. Furthermore, a safe, plentiful blood supply will decrease the danger and the price of blood transfusions for all.

H.R. 582 is the kind of incentive we should have to encourage middle-income wage-earners to regularly donate blood. A small increase in regular blood donors would assure more than enough blood. Is it not shameful that we now have to rely on skid-row derelicts and drug addicts to sell their often diseased blood?

Twenty-five Members of the House have joined me in cosponsoring this legislation: Ms. Abzug. Mr. Badillo, Mr. Brown of California, Mr. Buchanan, Mr. Conte, Mr. Coughlin, Mr. Eilberg, Mr. Fish, Mr. Forsythe, Mr. Frenzel, Mr. Gude, Mr. Harrington, Mr. Jenrette, Mr. Kasten, Mr. Lagomarsino, Mr. Mitchell of Maryland, Mrs. Mink, Mr. Moorhead of California, Mr. O'Hara, Mr. Pattison, Mr. Rodino, Mr. Scheuer, Mr. Symington, and Mr. Waxman.

I am appending the New York Times article concerning the present dilemma which is causing controversy within the administration, between the FDA and the Council on Wage and Price Stability, for the information and consideration of my colleagues:

[From the New York Times, Jan. 16, 1976]

Blood-for-Pay Programs Called Essential by Wage-Price Agency

Washington.—A Government agency says that outlawing blood-for-pay programs may lead to very high priced transfusions, or worse, none at all.

"Surely there must be instances where marginally inferior blood is preferable to no blood at all," the Council on Wage and Price Stability said yesterday.

The council responded to a proposal by the Food and Drug Administration, which had grown concerned about the disease and death that follow transfusions.

Currently, 10 to 15 percent of all blood donated comes from "paid donors," who generally receive from $5 to $30 for a pint.

MORE ALTRUISM FORESEEN

The rate of post-transfusion hepatitis associated with commercial blood donation is from three times to 10 times higher than for volunteer donations. Last year alone, 850 deaths were linked to post-transfusion hepatitis.

The FDA proposed regulations to eliminate blood-giving programs that pay donors on grounds that blood-for-pay schemes lure drug addicts and derelicts who are apt to lie about their health for money. The agency suggested that an all-volunteer blood program would provide donors who gave for more "altruistic" reasons.

The council said the FDA had overlooked the impact its regulations would have on the cost of blood.

"The council fails to see how the elimination of any class of blood would be beneficial to consumers," it said in a report. It also asserted that the paid donor blood, associated with a higher risk of hepatitis, could be used safely with many hemophiliacs, who are immune to the disease.

The council suggested that instead of abolishing all commercial blood donations, the FDA should impose stricter labeling requirements, informing consumers of the quality of the blood they are buying.

"In fact, the council's preliminary judgment is that encouraging more 'commercialism' in blood delivery—under appropriate safeguards—may be the most appropriate way of assuring adequate supplies of quality blood at low prices," the report concluded.

NEED FOR MORE MINORITY DOCTORS

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, we have made considerable progress in recent years in opening the doors of equal opportunity to young people from deprived educational backgrounds. We have not, however, really begun to overcome the effects of past discrimination and deprivation in many specialized areas, and particularly in those areas which require long and expensive educations in institutions of higher learning.

I have been particularly concerned about the need for greater assistance for minority students seeking a medical education. While our predominately black colleges and universities have been performing an invaluable service in training black and other minority professionals, we still need to take steps which will enable minority students to enter and succeed in predominately white professional schools.

Several years ago, the legal profession recognized the fact that our Nation must have more black lawyers and the American Bar Association and the law schools worked with the Congress to create the Council on Legal Educational Opportunity. CLEO, as it is known, provides a program of fellowships and grants to assist culturally and economically disadvantaged youths to attend law schools, and this program has been highly successful.

I believe we might adapt this program to the medical education of disadvantaged young people.

Professional schools, whether they are law schools or medical schools, require highly qualified faculties and very expensive equipment. All Americans should have the privilege of benefiting from this investment in our Nation's medical schools.

Our Nation cannot afford to tolerate the subtle discrimination that ignores the unmet need for more than 10,000 additional physicians in innercity areas which are largely populated by minority Americans. We should not rest upon our predominately black doctors to meet this need.

Dr. Therman E. Evans, the newly elected president of the D.C. School Board, alleges that this Nation's medical schools—other than black medical colleges—"have never acted out any real commitment toward increasing the numbers of U.S. minority students entering their doors." I urge the medical profession's earnest consideration of Dr. Evans article which appeared in the Washington Post for Wednesday, January 28, and I urge the medical profession to work with the Congress in providing new programs that will insure the right of all Americans to have an equal opportunity for a medical education.

My able and distinguished colleague, Representative Andrew Young of Georgia, and I are considering various legislative proposals that will assure adequate health care for all minorities and provide the health manpower to do the job. I urge all my colleagues attention to Dr. Evan's article which I request permission to insert in its entirety at this point in the Record:

A Need for More Minority Doctors

(By Therman E. Evans)

This nation's medical schools—other than Howard University and Meharry Medical College—have never acted out any real commitment toward increasing the numbers of U.S. minority students entering their doors. It is unfortunate, but nevertheless, expected, that medical school officials are now pointing to the "economic recession, a decline in scholarship money available for minorities and increasing opportunities for blacks, Mexican Americans, American Indians and Puerto Ricans in other fields such as law and business," as being mainly responsible for the drop in minority student recruitment. These factors probably are partly responsible, but it should be crystal clear that medical schools have always had some "justifiable" reason for excluding U.S. minority students.

Back in 1968–69 when the U.S. minority recruitment thrust first started in medical schools, the reason given by officials for the small number of black students in medical schools was that "qualified blacks could not be found." Activist black medical students accepted the challenge of medical school admission officials, and, between classes, after classes and sometimes during classes, went out recruiting. Black students, academically qualified, and interested in medicine were found and presented to admission committees across the country. The result: The total black medical student population went from 783 in 1968–69 to 1,042 in 1969–70 to 1,509 in 1970–71 to 2,055 in 1971–72 to 2,582 in 1972–73 to 3,045 in 1973–74 to 3,355 in 1974–75. The percentage of black students in colleges of medicine has gone from 2.2 per cent in 1968–69 to 6.3 per cent in 1974–75. Most of this very small amount of progress has resulted from the insistence and persistence of black students already enrolled, and black faculty resident at the institution.

It is well known and well documented that two medical schools, Howard University and Meharry Medical College, have been responsible for training 80–85 per cent of all the black physicians currently practicing. This fact alone speaks to the lack of commitment on the part of the other 112 existing medical schools. To emphasize, however, we can examine some of the current statistics regarding enrollment of black students in medicine. In 1968–69 there were 99 medical schools. Howard University and Meharry Medical College enrolled 62 per cent of all black medical students. As the other medical schools began to discover and admit black students, this percentage dropped to 24 per cent in 1972–73 when there were 112 medical schools. Subsequent to this year (1972–73) the percentage of black students enrolled at Howard and Meharry has risen to the 1974–75 level of 26 per cent, with the 1975–76 level being even higher. This means that even though there are 114 medical schools, 2 of them enroll more than one-fourth of all the black students. Surely this should not be. If since 1972–73, 112 medical schools (excluding Howard and Meharry) had admitted, yearly, only 20 black students apiece, there would now be more than 9,000 black medical students. Instead there are fewer than 4,000.

Another point to be made is that medical school enrollment has grown by leaps and bounds in recent years. The total number of medical students has gone from 35,833 in 1968–69 to 53,554 in 1974–75. An increase of 17,721 spaces. And, though the freshman class size this year (1975–76) increased by 532 places, the number of freshman U.S. minority enrollees decreased by 82.

Why is this decline important? Currently there are approximately 355,000 physicians in this country. Only 6,048 are black. That's less than two per cent. There is one white physician for every 600 white people, and one black physician for every 5,000 black people.

This situation is tragic because black physicians, for the most part deliver medical care to black people (this point is supported by Drs. Thompson, Haynes and Cornely whose studies published in the Journal of the American Medical Association in 1974, 1967 and 1942, respectively, indicated that black physicians' practices tended to follow the migratory patterns of black people); their practices are constituted mostly by black people, and they, therefore, provide a great deal of that medical care received in the black community. A white doctor does not always replace a non-existent black doctor.

In addition, the small size of the black medical professional group necessarily attenuates the communications between black and white society, reduces the internal leadership that these professionals can provide within the black community and, perhaps most important of all, deprives young blacks of positive models to follow in shaping their lives.

What is the solution? How can we significantly increase the number of black physicians being trained in this country? I say the answer is the establishment of at least eight more predominately black medical schools. These schools should be established at Chicago State University, Hampton Institute, Jackson State University, Lincoln University, Morgan State University, Texas Southern University, Tuskegee Institute and Xavier University on the basis that all are well established, all are adjacent to and-or very near a wealth of health facility resources, and most already have a medical professional training program in operation. For example, Chicago State and Hampton Institute have registered nursing programs; Tuskegee has a veterinary medicine program; Texas Southern and Xavier have pharmacy programs. All of these factors would facilitate the development of medical schools. Immediately, some will react to this proposal by saying, "Why do we have to set up segregated facilities?" "Is that legal?" "Is another black school really needed?" "Why set up a second rate medical school?"

My response is that the federal government, through our tax dollars, has fostered the establishment of 26 new medical schools since 1960. All but one (Morehouse Medical School, which will be predominately black, is scheduled to accept its first class in September 1977) are predominantely white. Are these new institutions considered segregated facilities? Are these new institutions considered second rate? Are these new institutions considered to be predominately white? The answer to all these questions is no. They are merely considered to be newly established medical science centers designed to increase this nation's output of qualified physicians. And that is what my proposed eight new medical schools would do, nothing less, but probably a little more since our students would be more likely to meet some of the doctor shortage in the inner city.

Since there is legislative authority already existing, through the Veterans Administration, for the establishment of new medical schools and since new medical schools are still being established, why then, don't we address the serious shortage of black physicians, by the establishment of new medical schools with that as a priority.

KRUEGER SUBSTITUTE

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, pursuant to leave heretofore granted, I wish to include in the body of the Record the following telegram I received from the Public Service Commission of Florida strongly supporting the Krueger substitute to H.R. 9464, the proposed Natural Gas Emergency Act:

TELEGRAM

Hon. Claude Pepper,
Rayburn House Office Building,
Capitol Hill, D.C.:

I urge you to support the Rules Committee report to the House on February 3 and vote for the Krueger-Broyhill bill as a substitute for the Dingle bill (H.R. 9464). Florida's industrial and large commercial customers are being curtailed heavily at present, the Krueger-Broyhill bill will encourage the search for new gas supplies and allow interstate pipelines to compete with the presently unregulated intrastate market. In addition, of great importance to Florida is the Krueger-Broyhill provision that prevents the Federal Power Commission from modifying existing contracts underlying natural gas service to existing boiler fuel customers for twelve years. If Florida loses the natural gas burned under boilers, electric and gas utility bills will increase more than $200 million per year as a result of using foreign oil as an alternate. The Dingle bill does nothing to increase natural gas supplies and does not take care of Florida's boiler fuel problems. The Krueger-Broyhill bill will mitigate the natural gas shortage and afford Florida consumers protection on the existing natural gas usage pattern in our State.

Chairman William T. Mayo,
Commissioner William H. Bevis,
Florida Public Service Commission.

INFORMATION PROVIDED ON H.R. 11453, THE EMERGENCY EMPLOYMENT PROJECTS AMENDMENTS OF 1976

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, tomorrow, the House will consider H.R. 11453, the Emergency Employment Projects Amendments of 1976.

This vital legislation will extend title VI of the Comprehensive Employment and Training Act, CETA, through fiscal year 1977, and will also authorize necessary funding to create a new program of short-term jobs projects, primarily nongovernmental.

Mr. Speaker, figures just released by the Department of Labor clearly indicate the continuing serious nature of our national unemployment problem.

Over 7 million Americans are out of work, and 37 percent of this total have been unemployed for 15 weeks and longer.

Despite an extension of unemployment compensation benefits, nearly 200,000 jobless workers are exhausting these benefits each month.

Where will these people turn when they can no longer collect unemployment compensation?

Mr. Speaker, they will turn to us, and they will ask—"What have you done about this problem?"

We can point with justifiable pride to a number of congressional legislative initiatives designed to create jobs—but we can ill afford to rest on our laurels. Much work remains to be done.

There can be no relaxation of our congressional efforts to create jobs while 7.3 million Americans are out of work.

Unlike the administration, I find little comfort in an unemployment rate of 7.8 percent.

And, unlike the administration, we simply cannot exhort jobless American workers "to be patient" until the economy improves.

Their patience, and the economic resources of this Nation, will be drained long before the economy is fully restored to a healthy condition.

The public service jobs program created under the Comprehensive Employment and Training Act has put 320,000 Americans back to work.

Despite the criticism from some quarters, there is no arguing about the merits of a program that has put so many Americans back on the job.

While economic authorities differ slightly in their individual perspectives on job-creation alternatives, there is wide agreement that public service jobs are cost-effective; are easy to gear up and expand when necessary; have minimal inflationary impact, and are also a very valuable antirecessionary tool.

Mr. Speaker, H.R. 11453 will continue a steady level of funding for 320,000 public service jobs nationally for the remainder of fiscal year 1976, the transition quarter and fiscal year 1977.

A new part B has been added to title VI, authorizing funds for 280,000 new jobs—primarily in nongovernmental projects of a short-term nature, lasting from 2 to 12 months. This project approach is designed to yield demonstrable results for the community, as well as creating badly-needed jobs.

The project approach also has other advantages which are outlined in an information sheet which I will include at the end of my remarks. I am hopeful that this factsheet will be helpful to my colleagues in their study of the bill prior to House action tomorrow.

H.R. 11453 is comprehensive legislation which has been carefully drafted to meet the Nation's most compelling need—the need to put jobless Americans back to work.

I believe the bill deserves the full support of all of my colleagues who are interested in the plight of the unemployed, and who join with me in seeking effective solutions to this national problem.

Mr. Speaker, I include the information sheet on H.R. 11453, the Emergency Employment Projects Amendments of 1976 at this point in my remarks:

Questions and Answers—Emergency Employment Projects Amendments, H.R. 11453

Q. What does H.R. 11453 do?

A. The legislation has two basic purposes: First, to extend Title VI of the Comprehensive Employment and Training Act (CETA) through Fiscal Year 1977; and second, to authorize necessary funding to create a new program of short-term jobs projects, primarily non-governmental.

Q. Why do we need this legislation?

A. H.R. 11453 is a vital component of the Congressional plan to revitalize the economy and reduce unemployment. Figures just released by the Labor Department indicate that over 7 million Americans are still out of work. Of this total, 37% have been unemployed for 15 weeks and over. It is estimated that jobless Americans are exhausting their unemployment benefits at the rate of 200,000 per month.

There are currently about 320,000 workers employed under Titles II and VI of CETA, but CETA Title VI authority expired on June 30, 1975, and prime sponsors will be forced to lay off most of these workers as funds are exhausted.

Q. H.R. 11453 creates categories A and B under title VI of CETA. How do these two parts function?

A. Part A of the bill would maintain a steady level of funding for 320,000 public service jobs nationally for the remainder of FY '76, the transition quarter and FY '77. In addition, Part A will allocate 15% of the funds for supplies, equipment and materials, as well as for other administrative costs. Part A also includes a modest increase in the salary ceiling for a limited number of public service job holders whose special skills are required by the prime sponsor to carry out jobs projects. Additionally, Part A (only) provides a preference for the re-establishment of essential public health and safety jobs.

Part B of the bill authorizes funds for 280,000 new jobs primarily in non-governmental projects of a short-term nature—60 days to one year. This approach is designed to create a distinct project entity which yields demonstrable results for the community. Projects will be sponsored by a large variety of groups—including local educational agencies, private non-profit agencies, institutions of post-secondary education and Indian tribes.

Q. What are the estimated costs of H.R. 11453?

A. The Congressional Budget Office estimates outlays of $500 million in the balance of FY'76 and $1 billion during the transition period. These cost figures are in strict conformance with the Second Budget Resolution as passed by the Congress. For FY'77, the CBO estimates outlays of $4.3 billion if the program is fully funded.

This bill is an authorization, and does not directly provide budget authority. Actual funding is subject to appropriations action.

Q. The unemployment rate declined last month to a rate of 7.8%. Is this an acceptable rate of unemployment?

A. An unemployment rate of 7.8% is unconscionably high and totally unacceptable. In human terms, this rate means that 7.3 million Americans are out of work. Department of Labor figures for January 1976 show that over 48% of these unemployed Americans have lost their jobs. Another 27.6% are reentering the job market but cannot find employment. Another 12.3% are looking for their first job—without success. Only 11.8% of this total represents workers who have left their jobs for other reasons. Thus, 88.2% of the total number of jobless Americans are unemployed for reasons beyond their control. They need and deserve help from the Congress; they want a helping hand—not a handout.

Q. The unemployment rate of 7.8% is a composite statistic. Are there categories or groups averaged into this national figure that have higher unemployment rates?

A. Yes. Some groups or categories of jobless Americans have unemployment rates that double, triple or even quadruple the national average. Some of these groups include:

	Percent
Vietnam veterans	8.1
Manufacturing	8.1
Service workers	9.3
Blue collar workers	9.4
Agricultural wage and salary workers	10.8
Nonfarm laborers	14.1
Construction workers	15.4
Youth, both sexes, 16–19 years	19.9
Minority youth, both sexes, 16–19 years	34.6

Q. What does unemployment cost the Nation?

A. For every 1 million Americans out of work, we all pay $3 billion more in unemployment compensation and welfare checks and lose $14 billion in taxes. That means that today's unemployment costs us taxpayers more than $65 billion a year.

If we had just enough jobs this year to match the unemployment rate in 1968, we would collect enough federal taxes to wipe out the entire federal deficit this year and next. But the President's budget is designed to keep unemployment over 7% for another year and more. Most economists believe that if the Administration's policies are followed, unemployment will not fall below 7% in this decade. We simply cannot afford this wasteful drain on our economic and human resources. This is why Congress must develop programs to put Americans back to work.

Q. How does the President's proposal to deal with unemployment through CETA differ from H.R. 11453?

A. The net effect of the proposals in the President's Budget would be to reduce the current job level by about 15,000 in the next six months and to provide sharp reductions (of over 25,000 jobs per month) beginning in late 1976 or 1977 until the temporary employment program is completely phased out. It is also important to understand that the President's proposal for a $1.7 billion supplemental appropriation for Title II is intended to cover a period of almost two years; i.e., the balance of FY '76, the transition quarter and all of FY '77. The proposed supplement would also provide funds only for areas of unemployment of 6.5% or more. Public service employees in other areas would be cut off from additional funding, and would be relegated to the ranks of the unemployed. Regrettably, this proposal appears to be politically motivated; to keep people on CETA payrolls until after the 1976 elections, and then rapidly phase them out of those jobs and into the unemployment lines.

In comparison, H.R. 11453 would expand the level of public service employment from the current number of about 320,000 to approximately 550,000 to 600,000 by the end of this fiscal year and maintain a level of 600,000 jobs through fiscal year 1977.

Q. What is the inflationary impact of H.R. 11453?

A. It is anticipated that expenditures under the legislation will have no inflationary impact. Expenditures will be spread out over a period of approximately 20 months, and 85% of the expenditures will be directly used to pay wages to unemployed persons who are in need. Costs of this program are offset by concomitant reductions in unemployment compensation, food stamps, welfare and additional expenditures from other federal and state programs. As of last month, 5,800,000 persons were receiving such unemployment benefits.

Q. The minority views attached to the committee's report suggest that the public service jobs approach to mitigating unemployment is not effective. Are the authorities quoted in the minority views accurate in their assessment of the overall program?

A. Quotations used in the Minority Views are taken out of context. I have read each of the reports and articles cited by the Minority, and have found that the authors of these reports take a much more objective position on public service jobs than the selected quotations would suggest. The sources quoted by the Minority also contain endorsements for the public service jobs concept in the important areas of cost effectiveness; ease of expanding a program that is already in place; quick start-up time; minimal inflationary impact and effectiveness as an anti-recessionary tool. I would suggest that interested Members take the time to review these reports in their entirety to gain a more accurate assessment of the findings therein.

Q. How does the VI–B formula affect the allocation of money to rural countries which belong to balance of State prime sponsors? For example, a "balance of State" area, served by the State as a prime sponsor, has a low (assume 5%) unemployment rate but a particular county within the balance of the State has a high (assume 8%) rate.

A. Under the formula in Section 610(b) which is applicable to 90% of the appropriations available for Emergency Employment Projects (the other 10% being distributed in the Secretary's discretion), distribution would be as follows:

25% of the funds subject to the formula are distributed on the basis of the number of unemployed within a prime sponsor's area compared to the total number of unemployed in all areas. In other words, one counts the number of unemployed in the "balance of State" area, determines what fraction that is of national unemployment, and multiplies that fraction by 25% of the funds available under the formula. The State is required to provide "equitable" service to all areas in its jurisdiction so it would presumably divide the funds among the counties in the same way.

75% of the funds are distributed on the basis of the number of excess unemployed—the number of unemployed in excess of 6.5% in one area compared to the number of "excess" unemployed in all areas. The formula permits State prime sponsors to use an alternative method to compute their "excess" unemployment. This alternative (see text of bill, page 25, lines 9–13) provides that the State may count the excess by looking only at "Title II" areas within the balance of State area. Title II areas do not have to meet the population requirements of prime sponsors; they are . . . "any area of sufficient size and scope to sustain a public service employment program (CETA Section 204(c)). The legislative history makes it quite clear that a rural county may qualify as a Title II area (H. Rept. 93–659, p. 13).

Q. How does H.R. 11453 insure that public service jobs will go to those most in need?

A. In addition to the basic requirement that an individual must be unemployed in order to qualify for a job, there are three provisions which assure that these jobs will be provided only to those whose need is genuine:

(1) Preferred consideration will be given to unemployed persons who are substantially without alternative sources of income.

(2) A job may not be given to anyone residing in a household in which another member of the family holds a public service job assisted under this Act.

(3) This bill requires all applicants to be screened by a state employment service to make sure they meet the requirements of eligibility under the Act.

Q. How does H.R. 11453 avoid the problem of job substitution?

A. This legislation concentrates additional funding on projects. This project approach includes the following advantages:

(1) Projects have a defined beginning and a defined end.

(2) The fact that projects will be sponsored by a variety of groups and governments, none of whom can anticipate the level of funding they will receive, makes it much more difficult for them to reduce their own employment effort in anticipation of funding under the bill.

(3) Competition among project applicants will promote meaningful, productive and innovative job programs.

In addition, 80% of Part B funds must be contracted out by the prime sponsor.

Q. Some administration spokesmen have contended that public service jobs do not create much net additional employment. Is this true?

A. The facts of the matter simply do not support this claim. And these facts have been supplied by the Department of Labor itself. On February 2, 1976, in testimony before the Labor-HEW Appropriations Subcommittee, departmental spokesmen reported that the percentage of those employed under CETA's public service jobs titles who are rehires is averaging only 4% to 5%. This tiny percentage of rehires cannot be validly used to disparage a program that has provided 320,000 Americans with badly-needed jobs.

Q. Has H.R. 11453 received widespread backing?

A. Yes. It is supported by the League of Cities—Conference of Mayors, the AFL–CIO, the National Association of Counties and the National Governors Conference.

Q. If public service employment does so little to address the problems of unemployment, why has the administration advocated that we spend an additional $1.7 billion to extend the program through November of 1976?

THE EPA AND PCB'S

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, the Subcommittee on Fisheries and Wildlife Conservation chaired by our distinguished colleague, Congressman ROBERT LEGGETT, last month held hearings on the tremendous threat to our health and the environment posed by polychlorinated biphenyls, a toxic substance commonly referred to as PCBs.

Throughout the hearings, which lasted 3 days, EPA officials insisted that they were taking the swiftest and most effective action possible to control PCB discharges consistent with currently existing enforcement authorities. But a controversy last week at the EPA gives us pause to consider whether that agency's protests are, indeed, sincere. Three EPA attorneys active in the toxic substances control program resigned their positions last week, charging that the agency is failing to live up to its responsibilities to protect the American public and the environment and is instead protecting the chemical and pesticide industries from effective enforcement and regulation.

It is my hope that as Chairman LEGGETT and the other members of the subcommittee begin to analyze the testimony on PCBs which they heard in January with a view toward more effective legislation to prohibit its discharge into our air and water, they will scrutinize EPA's testimony in light of these recent developments. For the benefit of my colleagues in the House, I am inserting an article from the New York Times which discusses these resignations:

EPA AIDES QUIT, CHARGING A SELLOUT ON PESTICIDE CURBS

WASHINGTON, February 7.—Three Environmental Protection Agency attorneys active in the control of toxic substances have resigned, charging that the agency has sold out to industry and is failing to protect the American public.

They said their resignations were based on "the continued failure of E.P.A. to take effective action under existing authority to regulate toxic chemicals in water, air, human and animal foods and drinking water."

The three men, Jeffrey H. Howard, Frank J. Sizemore and William E. Reukauf, were involved in recent actions by the agency to control the use of the pesticides aldrin, dieldrin, heptechlor and chlordane.

"It is clear from recent actions," they charged, "that the agency intends to refrain from vigorous enforcement of available toxic substance control laws and to retrench from the few legal precedents which it has set for evaluating the cancer hazards posed by chemicals." They continued:

"We believe that this regulatory inaction and contemplated retrenchment from established policies and decisions is attributable in part to industry pressure brought to bear through Congressional committees and to election year politics.

"There seems to be a concentrated effort with E.P.A. to respond to these pressures by maintaining a low profile."

They had originally submitted their resignations to become effective in March, but Mr. Sizemore said yesterday that "it appears we will be leaving shortly" because of publicity surrounding their charges. He would not specify what they would be doing, but other sources said the men planned to form a law firm specializing in environmental causes.

PERSONAL EXPLANATION

(Mr. MICHEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MICHEL. Mr. Speaker, in the CONGRESSIONAL RECORD for February 2, 1976, I introduced a list of labor union contributions to the most recent campaigns of Members of both Houses who had supported the common situs picketing bill.

Unfortunately, the heading of the list indicated that all contributions listed were for the year 1974. In the case of our colleagues in the Senate, however, that was not necessarily true, as the figures applied to the last year in which they ran for election. This fact does not change the point of my remarks, but my comments here will serve to clarify the RECORD.

CORRECTION OF RECORD ON MICHEL OF ILLINOIS POSITION ON IMPACT AID FUNDS

(Mr. MICHEL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MICHEL. Mr. Speaker, I received today, along with the other Members of this body, a copy of a dear colleague letter criticizing my efforts to rescind part of the impact aid funds and indicating that my proposal would cut far deeper into the program than, in fact, it does.

My amendment would in no way touch the substance of the present impact aid program. I specifically asked the Secretary of Health, Education, and Welfare whether my amendment, if adopted, would jeopardize the entire impact aid program, and he relayed back to me the opinion of the Department's General Counsel that it would not. Furthermore, he went one step further and stated unequivocally that the Department will, in fact, allocate all the moneys already appropriated for A and B category children in the two payment levels if my rescission is adopted.

My amendment would simply rescind $40 million in excess funds resulting from more up-to-date estimates used by the Office of Education that were available to Congress and $57 million allocated to initiate the public housing provisions. We have never funded the public housing section before and to do so now would simply further expand an inequitable and outmoded program.

I would like at this point, Mr. Speaker, to insert copies of my exchange of correspondence with the Secretary of Health, Education, and Welfare so that Members will be fully informed as to the Department's position on the matter:

WASHINGTON, D.C.
January 23, 1976.

Hon. DAVID MATHEWS,
Secretary, Department of Health, Education, and Welfare, Washington, D.C.

DEAR MR. SECRETARY: I have developed the following language to carry out a portion of the Department's proposed rescission for school assistance in federally affected areas (impact aid):

"SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

"Appropriations under this heading for Title I of the Act of September 30, 1950, as amended (20 U.S.C. Ch. 13) are rescinded in the following amount: $97,331,058 for sections 2, 3, and 4, including $57,823,351 for that part of entitlements determined under section 5(e)(1) of that Title."

This rescission includes $39,507,707 reflecting revised cost estimates and $57,823,351 for initiating the public housing provisions. As you may know, concern has been expressed that the rescission of the public housing monies, due to language in the authorizing law, would prevent the Department from funding Tier II for A&B category children. I would appreciate being advised as to how the Department would interpret the above rescission language in this regard, and also the Department's intent with respect to the allocation of the monies appropriated by Congress for Tier II, should the rescission language be adopted.

Thank you for your assistance.

Sincerely,

Robert H. Michel,
Member of Congress.

Washington, D.C.
February 5, 1976.

Hon. Robert H. Michel,
House of Represcentatives,
Washington, D.C.

Dear Mr. Michel: This letter responds to your January 23 request to me for certain assurances with respect to language which would carry out a portion of the Administration's proposed rescission for school assistance in federally affected areas (Impact Aid). Your letter contains two questions and your staff has relayed a third.

1. Would the language in the authorizing law prevent the Department from funding Tier II for A&B category children if the rescission language pertaining to public housing monies were adopted?

In the opinion of our General Counsel, the language in your January 23 letter, together with appropriate language in the Committee report indicating the clear intent of the Congress that the rescission not prevent Tier II funding for A&B category children, would enable the Department legally to make the Tier II allocations for A&B children. The General Counsel's opinion is enclosed.

2. What is the Department's intent with respect to the allocations of the monies appropriated by Congress for Tier II if the rescission language is aopted?

The rescission proposal of the Administration would reduce funds for B children and we are still asking the Congress to consider that proposal. However, if the final version of the rescission bill includes only the language contained in your Januarfy 23 letter, we will observe the dictates of that language and allocate the Tier II funding for A&B children.

3. The language contained in your January 23 letter revises language intended to rescind the same funds in the President's November 18 rescission message. Apparently, there is some question as to whether or not, without a formal resubmittal of the rescission by the President, the Administration would accept this language change.

As noted above, the Administration still supports its original rescission proposal. If the language drafted by the Committee is considered, however, to be technically more correct as a rescission bill, and it will still achieve the Administration's goal of rescinding the public housing money, we accept these technical changes.

I hope this is responsive to your request.

Cordially,

David Mathews,
Secretary.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. McEwen (at the request of Mr. Rhodes), for today and the balance of the week, on account of illness in the family.

Mr. John L. Burton (at the request of Mr. O'Neill), for February 9, 10, and 11, on account of a necessary absence.

Mr. Jones of Tennessee (at the request of Mr. O'Neill), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Michel, for 60 minutes, today.

Mr. Patman, for 60 minutes tomorrow, February 10, 1976, and for 60 minutes Wednesday, February 11, 1976, and to include extraneous matter in each instance.

(The following Members (at the request of Mr. Butler), to revise and extend their remarks, and to include extraneous matter:)

Mr. Anderson of Illinois, for 15 minutes, today.

Mr. Talcott, for 8 minutes, today.

Mr. Talcott, for 5 minutes, on February 10.

Mr. Collins of Texas, for 15 minutes, on February 9.

Mr. Collins of Texas, for 15 minutes, on February 10.

(The following Members (at the request of Mr. Jenrette) to revise and extend their remarks and include extraneous matter:)

Mr. Gonzalez, for 5 minutes, today.

Mr. Rodino, for 5 minutes, today.

Mr. Eilberg, for 5 minutes, today.

Mrs. Collins of Illinois, for 10 minutes, today.

Mr. Barrett, for 15 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mrs. Meyner, for 5 minutes, today.

Mr. LaFalce, for 5 minutes, today.

Mr. O'Neill, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the Record, or to revise and extend remarks was granted to:

Mr. Brooks, and include extraneous matter.

Mr. Brademas, to revise and extend his remarks notwithstanding it is estimated by the Public Printer to cost $858 and exceed two pages of the Congressional Record.

Mr. Sebelius, to include extraneous material.

(The following Members (at the request of Mr. Butler), and to include extraneous matter:)

Mr. Findley in two instances.
Mr. Rhodes.
Mr. Broomfield.
Mr. Lott.
Mr. Kasten.
Mr. Burke of Florida.
Mr. Symms.
Mr. Collins of Texas in two instances.
Mr. Treen.
Mr. Gilman.
Mr. Mitchell of New York.
Mr. Conlan.
Mr. Derwinski.
Mrs. Holt.
Mr. Rousselot in two instances.
Mr. Cohen.
Mr. Conable.

(The following Members (at the request of Mr. Jenrette) and to include extraneous matter.)

Mr. Mazzoli.
Mr. Fauntroy.
Mr. Waxman.
Mr. Annunzio in six instances.
Mr. Anderson of California in three instances.
Mr. Gonzalez in three instances.
Mr. Rangel in 10 instances.
Mr. Reuss.
Mr. Richmond in two instances.
Mr. Murtha.
Mr. Madden in two instances.
Mr. Neal in two instances.
Mr. Kastenmeier.
Mr. Blanchard.
Mr. McDonald of Georgia.
Mr. Vanik in three instances.
Mr. Corman.
Mr. Evins of Tennessee.
Ms. Abzug.
Mr. Edwards of California in two instances.
Mr. Ginn.
Mr. Ryan.
Mr. Bingham.
Mr. Moorhead of Pennsylvania in five instances.
Mr. Eilberg.
Mr. Conyers.
Mr. Derrick.
Mr. Maguire in two instances.
Mr. Bonker.
Mrs. Boggs.

SENATE BILLS AND CONCURRENT RESOLUTION REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1283. An act to improve judicial machinery by further defining the jurisdiction of U.S. magistrates, and for other purposes; to the Committee on the Judiciary.

S. 1640. An act to provide for the establishment of the Santa Monica Mountains and Seashore Urban Park and Recreation Area in the State of California, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 2923. An act to amend title 28 of the United States Code to provide that full-time U.S. magistrates shall receive the same compensation as full-time referees in bankruptcy and to adjust the salary of part-time magistrates; to the Committee on the Judiciary.

S. Con. Res. 93. Concurrent resolution supporting Brussels Conference on Soviet Jewry; Committee on International Relations.

ENROLLED BILLS SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 6184. An act to amend section 40 of the Bankrupty Act to fix the salaries of referees in bankruptcy; and

H.R. 6949. An act to make the film "Wilma Rudolph Olympic Champion," which was produced by the U.S. Information Agency, available for certain limited use within the United States in conjunction with promotion of the 1976 Olympic games.

BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on February 5, 1976, present to the President, for his approval, bills of the House of the following title:

H.R. 5608. To extend until the close of 1983 the period in which appropriations are authorized to be appropriated for the acquisition of wetlands, to increase the maximum amount of such authorizations, and for other purposes; and

H.R. 8529. To establish improved programs for the benefit of producers and consumers of rice.

ADJOURNMENT

Mr. JENRETTE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 50 minutes p.m.) the House adjourned until tomorrow, Tuesday, February 10, 1976, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2484. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation to the Department of Agriculture for the Animal and Plant Health Inspection Services for fiscal year 1976 has been apportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to section 3679(e)(2) of the Revised Statutes; to the Committee on Appropriations.

2485. A letter from the Secretary of the Army, transmitting a report on the progress of the Army Reserve Officers' Training Corps flight instruction program during calendar year 1975, pursuant to 10 U.S.C. 2110; to the Committee on Armed Services.

2486. A letter from the Secretary of the Air Force, transmitting a report on the progress of the Air Force Reserve Officers' Training Corps flight training program for calendar year 1975, pursuant to 10 U.S.C. 2110(b); to the Committee on Armed Services.

2487. A letter from the Chairman, Council of the District of Columbia, transmitting a request that the Office of the Law Revision Counsel of the Congress continue the publication of the District of Columbia Code in conjuction with the Council of the District of Columbia until the completion of the present edition; to the Committee on the District of Columbia.

2488. A letter from the Under Secretary of Health, Education, and Welfare, transmitting the annual report on activities carried out under the Rehabilitation Act of 1973, as amended, covering fiscal year 1975, pursuant to section 404 of the act; to the Committee on Education and Labor.

2489. A letter from the Executive Secretary to the Department of Health, Education, and Welfare, transmitting proposed final funding criteria for the Vocational Education Curriculum program, pursuant to section 431(d)(1) of the General Education Provisions Act, as amended; to the Committee on Education and Labor.

2490. A letter from the Acting Executive Secretary to the Department of Health, Education, and Welfare, transmitting the final regulation for Women's Educational Equity Act program, pursuant to section 431(d)(1) of the General Educational Provisions Act, as amended; to the Committee on Education and Labor.

2491. A letter from the Director of ACTION, transmitting a draft of proposed legislation to amend the Domestic Volunteer Service Act of 1973, to authorize appropriations for programs authorized thereby, and for other purposes; to the Committee on Education and Labor.

2492. A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting a report on recommendations contained in the first interim report on the National Advisory Council on Equality of Educational Opportunity, dated December 1973, and actions taken thereon, pursuant to section 6(b) of the Federal Advisory Committee Act; to the Committee on Government Operations.

2493. A letter from the Secretary of Agriculture, transmitting notice of a new system of records for the Farmers Home Administration Business and Industrial Loan Application Log, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2494. A letter from the Secretary, Commission of Fine Arts, transmitting a report on the activities of the Commission under the Freedom of Information Act during 1975, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2495. A letter from the Vice Chairman, Federal Election Commission, transmitting notice that the Commission will not promulgate certain pending regulations until reconstituted by Congress in line with the decision of the Supreme Court in *Buckley* v. *Valeo;* to the Committee on House Administration.

2496. A letter from the Chairman, U.S. Water Resources Council, transmitting a draft of proposed legislation to amend the Water Resources Planning Act (79 Stat. 244) as amended; to the Committee on Interior and Insular Affairs.

2497. A letter from the Federal and State Cochairmen, Joint Federal-State Land Use Planning Commission for Alaska, transmitting the annual report of the Commission for calendar year 1975, pursuant to section 17(a)(8) of Public Law 92-203; to the Committee on Interior and Insular Affairs.

2498. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to amend the Foreign Service Act of 1946 to provide protection to medical personnel of the Department of State against certain malpractice suits, and for other purposes; to the Committee on International Relations.

2499. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on the study of the desirability and cost implications of the Travel Document and Issuance System proposed by the U.S. Passport Office, pursuant to section 102(b) of Public Law 94-141; to the Committee on International Relations.

2500. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a report on the quantities and actual value of major items of excess military equipment programed during the month of December 1975, for delivery on a grant basis, pursuant to section 8(d) of the Foreign Military Sales Act Amendments of 1971, as amended 22 U.S.C. 2321b(d); to the Committee on International Relations.

2501. A letter from the Executive Director, Federal Communications Commission, transmitting a report on the backlog of pending applications and hearing cases in the Commission as of December 31, 1975, pursuant to section 5(e) of the Communications Act, as amended; to the Committee on Interstate and Foreign Commerce.

2502. A letter from the Secretary, Smithsonian Institution, transmitting the proceedings of the 84th Continental Congress of the Daughters of the American Revolution, pursuant to section 3 of the act of February 20, 1896 [29 Stat. 9; 36 U.S.C. 18(b)]; to the Committee on the Judiciary.

2503. A letter from the National Secretary-Treasurer, Sons of Union Veterans of the Civil War, transmitting the annual report and audit of the organization for the year ended June 30, 1975, pursuant to sections 15(a) and 16 of Public Law 83-605; to the Committee on the Judiciary.

2504. A letter from the Chairman, Marine Mammal Commission, transmitting the third annual report of the Commission, covering calendar year 1975, pursuant to section 204 of Public Law 92-522; to the Committee on Merchant Marine and Fisheries.

2505. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting a report on supergrade positions in the agency during calendar year 1975, pursuant to 5 U.S.C. 5114(a); to the Committee on Post Office and Civil Service.

2506. A letter from the Administrator, American Revolution Bicentennial Administration, transmitting the second report of the American Revolution Bicentennial Board, pursuant to section 10(i) of Public Law 93-179; to the Committee on Post Office and Civil Service.

2507. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a report on the Agency's Lake Tahoe study, pursuant to section 114(c) of the Federal Water Pollution Control Act, as amended; to the Committee on Public Works and Transportation.

2508. A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to provide assistance to States for extraordinary fiscal impacts resulting from development of Federal energy resources, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, and Merchant Marine and Fisheries.

RECEIVED FROM THE COMPTROLLER GENERAL

2509. A letter from the Comptroller General of the United States, transmitting a statement opposing proposals that the General Accounting Office undertake responsibility for certifying eligibility for campaign finance funds for candidates for the Presidency pending legislative action to remedy the constitutional problem set forth in the recent Supreme Court decision with respect to the Federal Election Commission; to the Committee on House Administration.

2510. A letter from the Deputy Comptroller General of the United States, transmitting a copy of the General Accounting Office's decision regarding the protest of Management Services, Inc., against NASA's proposed award of a contract to Metro Contract Services, Inc.; jointly, to the Committees on Government Operations, and Science and Technology.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DE LA GARZA. Committee of conference. Conference report on S. 1617 (Rept. No. 94-813). Ordered to be printed.

Mr. WHITE: Committee on Post Office and Civil Service. H.R. 11438. A bill to amend title 5, United States Code, to grant court leave to Federal employees when called as witnesses in certain judicial proceedings, and for other purposes (Rept. No. 94-814). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITE: Committee on Post Office and Civil Service. H.R. 11439. A bill to amend title 5, United States Code, to restore eligibility for health benefits coverage to certain individuals whose survivor annuities are restored; with amendment (Rept. No. 94–815). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN (for himself, Mr. Evins of Tennessee, Mr. Ford of Tennessee, Mr. Jones of Tennessee, Mr. Reuss, Mr. Philip Burton, Mr. McFall, Mrs. Sullivan, Mr. Conyers, Mr. Hechler of West Virginia, Mr. Rose, Mr. Ottinger, Mr. Jones of North Carolina, Mr. Charles Wilson of Texas, Mr. John L. Burton, Mr. Mills, Mr. Moakley, Mr. Edgar, Mr. Lehman, Mr. Young of Georgia, Mr. Helstoski, Mr. Roybal, Mr. Staggers, Mr. Weaver, and Mr. Mitchell of Maryland):

H.R. 11767. A bill to reform residential electric utility rates; to the Committee on Interstate and Foreign Commerce.

By Mr. ALLEN (for himself, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Stark, Mr. D'Amours, Mr. Thompson, Mr. Mollohan, Mr. Koch, Mr. Dellums, Mr. Mottl, Mr. Hays of Ohio, Mr. Roe, Mr. Fithian, Mr. Waxman, Mrs. Mink, Mrs. Chisholm, Mr. Dodd, Mr. Riegle, Mr. Scheuer, and Mrs. Spellman):

H.R. 11768. A bill to reform residential electric utility rates; to the Committee on Interstate and Foreign Commerce.

By Mr. BARRETT (for himself and Mr. Brown of Michigan):

H.R. 11769. A bill to amend and extend laws administered by the Secretary of Housing and Urban Development; to the Committee on Banking, Currency and Housing.

By Mr. BURLESON of Texas (for himself, Mr. O'Brien, Mr. Conte, Mr. Stuckey, and Mr. Bauman):

H.R. 11770. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. COLLINS of Texas:

H.R. 11771. A bill to reduce and limit U.S. contributions to the United Nations; to the Committee on International Relations.

By Mr. FLOOD:

H.R. 11772. A bill to provide emergency, humanitarian assistance and relief to the people of Lebanon, to amend the Foreign Assistance Act of 1961, and for other purposes; to the Committee on International Relations.

By Mr. GREEN (for himself, Mr. Frenzel, Mr. Badillo, Mr. Broyhill, Mr. Burgener, Mr. Cohen, Mr. Downey of New York, Mr. Drinan, Mr. Duncan of Oregon, Mr. Edgar, Mr. Eilberg, Mr. Erlenborn, Mr. Fisher, Mr. Fraser, Ms. Holtzman, Mr. Hughes, Ms. Keys, Mr. Lagomarsino, Mr. McCloskey, Mr. McKinney, Mr. Maguire, Mr. Martin, Mr. Mazzoli, Mr. Mosher, and Mr. Ottinger):

H.R. 11773. A bill to amend the Federal Election Campaign Act of 1971 to provide that members of the Federal Election Commission shall be appointed by the President, by and with the advice and consent of the Senate; to the Committee on House Administration.

By Mr. GREEN (for himself, Mr. Frenzel, Mr. Pritchard, Mr. Rees, Mr. Roe, Mr. Sarasin, Mr. Sarbanes, Mr. Thone, Mr. Tsongas, Mr. Vigorito, and Mr. Whalen):

H.R. 11774. A bill to amend the Federal Election Campaign Act of 1971 to provide that members of the Federal Election Commission shall be appointed by the President, by and with the advice and consent of the Senate; to the Committee on House Administration.

By Mr. HARRIS (for himself, Mr. Fisher, and Mr. Maguire):

H.R. 11775. A bill to prohibit commercial flights by supersonic aircraft into or over the United States until certain findings are made by the Administrator of the Environmental Protection Agency and by the Secretary of Transportation, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. HEINZ (for himself, Mr. Murtha, Mr. Nolan, and Mr. Matsunaga):

H.R. 11776. A bill to establish a National Commission on Regulatory Reform; to the Committee on Interstate and Foreign Commerce.

By Mr. THOMPSON (for himself, Mr. Brademas, and Mr. Wirth):

H.R. 11777. A bill to amend the Federal Election Campaign Act of 1971 to provide that members of the Federal Election Commission shall be appointed by the President, to establish within such Commission the Office of the Federal Election Counsel, to transfer to such Office certain enforcement and other functions, and for other purposes; to the Committee on House Administration.

By Mr. JOHNSON of Colorado:

H.R. 11778. A bill to authorize the Secretary of the Interior to revise the boundary of Colorado National Monument in the State of Colorado, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KOCH (for himself, Ms. Abzug, Mr. Badillo, Mr. Brown of California, Mr. Buchanan, Mr. Conte, Mr. Coughlin, Mr. Eilberg, Mr. Fish, Mr. Forsythe, Mr. Frenzel, Mr. Gude, Mr. Harrington, Mr. Jenrette, Mr. Kasten, Mr. Lagomarsino, Mr. Mitchell of Maryland, Mrs. Mink, Mr. Moorhead of California, Mr. O'Hara, Mr. Pattison of New York, Mr. Rodino, Mr. Scheuer, Mr. Symington, and Mr. Waxman):

H.R. 11779. A bill to amend the Internal Revenue Code of 1954 to provide that blood donations shall be considered as charitable contributions deductible from gross income; to the Committee on Ways and Means.

By Mr. LITTON (for himself and Mr. Cochran):

H.R. 11780. A bill to amend the Internal Revenue Code of 1954 to restrict the authority for inspection of tax returns and the disclosure of information contained therein, and for other purposes; to the Committee on Ways and Means.

By Mr. NEAL:

H.R. 11781. A bill to require a health warning in the labeling and advertising of certain alcoholic beverages; to the Committee on Interstate and Foreign Commerce.

By Mr. PEYSER:

H.R. 11782. A bill to provide for public financing of congressional election campaigns by amending subtitle H of the Internal Revenue Code of 1954; to the Committee on House Administration.

By Mr. QUIE:

H.R. 11783. A bill to amend title 38 of the United States Code in order to extend under certain circumstances the delimiting period for completing veterans' education programs; to the Committee on Veterans' Affairs.

By Mr. REGULA:

H.R. 11784. A bill to amend title 18 of the United States Code to provide for increased penalties for certain Federal and State crimes committed with firearms and destructive devices; to the Committee on the Judiciary.

By Mr. ROONEY (for himself, Mr. Harrington, Mr. Richmond, Mr. Rodino, Mr. Ford of Tennessee, Mr. Charles H. Wilson of California, Mr. Helstoski, Mr. Roybal, Mr. Whalen, Mr. Melcher, Mr. Conte, Mr. Pattison of New York, Mr. Gilman, Mr. Ottinger, Mr. Downey of New York, Ms. Abzug, Mr. Anderson of California, Mr. Badillo, and Mr. Stokes):

H.R. 11785. A bill to improve existing tertiary eye centers, to examine the delivery of eye care to the general public, and to study the feasibility of implementing a system of tertiary eye care centers throughout the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. JAMES V. STANTON (for himself, Ms. Abzug, Ms. Burke of California, Mr. Dellums, Mr. Derwinski, Mr. Edwards of California, Mr. Hannaford, Mr. Hechler of West Virginia, Mr. McCloskey, Mr. Ottinger, and Mr. Weaver):

H.R. 11786. A bill to establish the position of Special Assistant to the President for National Security Affairs; to the Committee on Armed Services.

By Mr. VANDER VEEN:

H.R. 11787. A bill to amend the Internal Revenue Code of 1954 to increase the standard deduction; to the Committee on Ways and Means.

By Mr. AuCOIN:

H.R. 11788. A bill to increase mortgage and income limits under homeownership assistance programs administered by the Secretary of Housing and Urban Development; to the Committee on Banking, Currency and Housing.

By Mr. BURKE of Massachusetts:

H.R. 11789. A bill to amend the Social Security Act to require the Secretary of Health, Education, and Welfare to give Congress advance notice of proposed regulations relating to certain costs, expenditures, or reimbursements, or the fixing of certain rates or charges, under provisions of that act; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. GONZALEZ:

H.R. 11790. A bill to prohibit fuel adjustment clauses in utility rate schedules; to the Committee on Interstate and Foreign Commerce.

By Mr. GUDE (for himself and Mr. Steelman):

H.R. 11791. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to add a requirement that the comprehensive State plan include provisions for the prevention of crimes against the elderly; to the Committee on the Judiciary.

By Mr. HALEY (for himself and Mr. Skubitz):

H.R. 11792. A bill to provide assistance to States for extraordinary fiscal impacts resulting from development of Federal energy resources, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JENRETTE:

H.R. 11793. A bill to amend the Internal Revenue Code of 1954 to provide that employed individuals over age 65 not be required to contribute to the Federal Insurance Contributions Act; to the Committee on Ways and Means.

By Mr. LEVITAS (for himself, Mr. Mazzoli, Mr. Harkin, Mr. Giaimo, Mr. Lloyd of California, Mr. Broyhill, Mr. Fascell, Mr. Downey of New York, Mr. Fauntroy, Mr. Oberstar, Mr. Brown of Ohio, Mr. Cleveland, Mr. Hechler of West Virginia, Mr. St Germain, Mr. Moakley, Mr. Helstoski, Mr. Long of Maryland, Mr. Lujan, Mr. Rees, Mr. Hall, Mr. Frenzel, Mr. Hughes, and Mr. Murphy of New York):

H.R. 11794. A bill to permit either House of Congress to disapprove certain rules proposed by executive agencies; jointly to the Committees on the Judiciary, and Rules.

By Mr. MICHEL (for himself, Mr. Hyde, Mr. Jenrette, Mr. Mazzoli, Mr. O'Brien, Mrs. Pettis, Mr. Robinson, Mr. Sebelius, Mr. Sikes, and Mr. Vander Jagt):

H.R. 11795. A bill to provide for the personal safety of those persons engaged in furthering the foreign intelligence operations of the United States; to the Committee on the Judiciary.

By Mr. MIKVA (for himself and Mr. Rostenkowski):

H.R. 11796. A bill to provide for the free entry of certain operatic sets for the Lyric Opera of Chicago, Chicago, Ill.; to the Committee on Ways and Means.

By Mr. MITCHELL of Maryland (for himself, Mr. Buchanan, Mr. Harris, Mr. Nix, Mr. Riegle, Mr. Robinson, Mr. Stark, and Mr. Treen):

H.R. 11797. A bill relating to collective bargaining representation of postal employees; to the Committee on Post Office and Civil Service.

By Mr. RINALDO:

H.R. 11798. A bill to amend the Federal Election Campaign Act of 1971 to provide that members of the Federal Election Commission shall be appointed by the President of the United States; to the Committee on House Administration.

By Mr. RYAN:

H.R. 11799. A bill to amend the Davis-Bacon Act to prohibit contractors from replacing certain employees participating in a strike, and for other purposes; to the Committee on Education and Labor.

H.R. 11800. A bill to amend the Davis-Bacon Act to provide for a factfinding panel to determine the cause of work stoppages, to provide that the Federal Government may, in certain cases, terminate contracts with contractors who are at fault in causing such work stoppages, and for other purposes; to the Committee on Education and Labor.

H.R. 11801. A bill to amend the Service Contract Act of 1965 to provide for a fact-finding panel to determine the cause of work stoppages, to provide that the Federal Government may, in certain cases, terminate contracts with contractors who are at fault in causing such work stoppages, and for other purposes; to the Committee on Education and Labor.

H.R. 11802. A bill to amend the Walsh-Healey Act to provide for a factfinding panel to determine the cause of work stopposes, to provide that the Federal Government may, in certain cases, terminate contracts with contractors who are at fault in causing such work stoppages, and for other purposes; jointly to the Committees on Education and Labor and the Judiciary.

H.R. 11803. A bill to amend the Walsh-Healey Act to prohibit contractors from replacing certain employees participating in a strike, and for other purposes; jointly to the Committees on Education and Labor and the Judiciary.

By Mr. STAGGERS:

H.R. 11804. A bill to amend the Federal Railroad Safety Act of 1970 to authorize additional appropriations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WIRTH:

H.R. 11805. A bill to minimize the use of energy in residential housing, commercial and public buildings, and industrial plants through federally supported State energy conservation implementation programs; to the Committee on Banking, Currency and Housing.

By Mr. YOUNG of Florida (for himself, Mr. Fascell, Mr. Ford of Michigan, Ms. Holtzman, Mr. Hyde, and Mr. Wolff.)

H.R. 11806. A bill to amend part A of title XVIII of the Social Security Act to reduce the inpatient hospital deductible under the medicare program to its 1975 level; to the Committee on Ways and Means.

By Mr. LONG of Maryland:

H.J. Res. 799. Joint resolution authorizing the President to issue a proclamation designating a nationwide celebration and ringing of bells on July 4, 1976; to the Committee on Post Office and Civil Service.

By Mr. MADDEN:

H.J. Res. 800. Joint resolution designating a monument on U.S. Highway 41 in Highland, Ind., as the Highway of Flags Servicemen's Memorial, to the Committee on Public Works and Transportation.

By Mr. MAHON:

H.J. Res. 801. Joint resolution making supplemental railroad appropriations for the fiscal year ending June 30, 1976, the period ending September 30, 1976, the fiscal year ending September 30, 1978, and the fiscal year ending September 30, 1979, and for other purposes; to the Committee on Appropriations.

By Mr. ROBINSON (for himself, Mr. Badillo, Mr. Brown of California, Mr. Burgener, Mr. Byron, Mr. Del Clawson, Mr. Collins of Texas, Mr. Derwinski, Mr. Downey of New York, Mr. Downing of Virginia, Mr. Findley, and Mr. Flood):

H.J. Res. 802. Joint resolution to designate March 16, 1976, as James Madison Day; to the Committee on Post Office and Civil Service.

By Mr. ROBINSON (for himself, Ms. Holtzman, Mr. Johnson of California, Mr. Ketchum, Mr. Mazzoli, Mr. Melcher, Mr. Mills, Mr. Pepper, Mr. Regula, Mr. Roe, Mr. Satterfield, Mr. Sebelius, Mr. Whitehurst, Mr. Winn, and Mr. Young of Florida):

H.J. Res. 803. Joint resolution to designate March 16, 1976, as James Madison Day; to the Committee on Post Office and Civil Service.

By Mr. SCHULZE (for himself, and Mr. Robinson):

H.J. Res. 804. Joint resolution directing the Attorney General to conduct an investigation of the finances of New York City to determine whether any violations of Federal laws have contributed to that city's financial crisis; to the Committee on the Judiciary.

By Mr. ROE:

H. Con. Res. 548. Concurrent resolution expressing the sense of Congress relating to films and broadcasts which defame, stereotype, ridicule, demean, or degrade ethnic, racial, and religious groups; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDERSON of Illinois:

H. Res. 1026. Resolution that there be printed as a House document, the Report of the Ninth Congressional Delegation to the People's Republic of China; to the Committee on House Administration.

By Mr. ANDERSON of Illinois (for himself and Mr. Rhodes):

H. Res. 1027. Resolution providing for the consideration of the bill (H.R. 11736) to provide that members of the Federal Election Commission shall be appointed by the President, by and with the advice and consent of the Senate; to the Committee on Rules.

By Mr. BROOKS (for himself and Mr. Cleveland):

H. Res. 1028. Resolution to provide for television and radio coverage of the proceedings of the House of Representatives in the House Chamber; to the Committee on Rules.

By Mr. HOWARD:

H. Res. 1029. Resolution concerning the safety and freedom of Valentyn Moroz, Ukrainian historian; to the Committee on International Relations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

289. By the SPEAKER: Memorial of the Legislature of the State of South Carolina, relative to the child nutrition program, to the Committee on Education and Labor.

290. Also, memorial of the Legislature of the State of Michigan, relative to a congressional investigation of the assassination of John F. Kennedy; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CONTE:

H.R. 11807. A bill for the relief of Luis Carlos Deabreu; to the Committee on the Judiciary.

By Mr. FISHER:

H.R. 11808. A bill for the relief of Vilma Elizabeth Molina; to the Committee on the Judiciary.

By Mr. ROGERS (by request):

H.R. 11809. A bill for the relief of Ljudevit Previc; to the Committee on the Judiciary.

By Mr. WIRTH:

H.R. 11810. A bill for the relief of Jefferson County Mental Health Center, Inc.; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

389. The SPEAKER presented a petition of the Baptist State Convention of North Carolina, Raleigh, relative to advertising of alcoholic beverages; to the Committee on Interstate and Foreign Commerce.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 11453

By Mr. BLOUIN:

Page 24, strike all of line 9 through line 24 on page 25 and insert the following:

"(b)(1) Fifty per centum of the amount appropriated under section 600(a) which remains after subtracting any amount which is required by 600(b) to be allocated in accordance with and subject to the provisions of part A shall be allocated among prime sponsors qualified under section 102(a) and Indian tribes receiving grants under this Act, in proportion to the relative number of unemployed persons who reside in each area served by such prime sponsor or Indian tribe, as compared to the number of unemployed persons who reside in all such areas in all the States.

"(2) Fifty per centum of the amount appropriated under section 600(a) which remains after subtracting any amount which is required by 600(b) to be allocated in accordance with and subject to the provisions of part A shall be allocated among prime sponsors qualified under section 102(a) and Indian tribes receiving grants under this Act, on the basis of the relative excess number of unemployed persons who reside within each area served by such prime sponsor or Indian tribe, as compared to the total excess number of unemployed persons who reside within all such areas. For purposes of this subparagraph, the term 'excess number' means (A) the number which represents unemployed persons in excess of 4½ per centum of the labor force in the area in which such persons reside, or (B) in the case of a prime sponsor which is a State, the term 'excess number' means such number as defined in clause (A) or the number which represents unemployed persons in excess of 4½ per centum of the labor force in areas eligible for assistance under title II located in the geographical area served by such State prime sponsor under title I or II, whichever is greater.

"(c) As soon as practicable after any allocation under subsection (b), the Secretary shall publish such allocation in the Federal Register, together with the individual area unemployment data on which it is based."

EXTENSIONS OF REMARKS

WARNING LABELS

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. NEAL. Mr. Speaker, I have introduced today a bill which would require that a warning label appear on the container of, and in all advertisement pertaining to, alcoholic beverages containing more than 14 percent alcohol by volume.

The Baptist State Convention of North Carolina has urged me to sponsor legislation of this kind. The convention is composed of messengers from 3,460 Baptist churches in North Carolina. The combined membership of these churches is 1,090,724. In November 1975, the convention passed a resolution containing the following reasons for pointing out the perils of drinking alcoholic beverages:

First, alcohol continues to be the No. 1 drug abuse problem in America, bringing misery to millions.

Second, according to the Department of Health, Education, and Welfare, alcoholic beverages have created a health problem which costs each individual American taxpayer an annual sum of $123.

Third, of the 400,000 patients in State mental hospitals, 15 percent are under treatment for problems of alcohol.

Fourth, in the State of North Carolina, 4 out of 10 persons admitted to mental hospitals have alcohol or alcohol-related problems.

Fifth, alcohol kills 80,000 persons each year. It is the fourth major cause of death, exceeded only by heart disease, cancer, and stroke.

Sixth, America currently has nine million alcoholics and problem drinkers, with an annual increase of 200,000 alcoholics.

Seventh, one out of 12 social drinkers becomes an alcoholic.

Eighth, the consumption of alcoholic beverages continues to rise.

Mr. Speaker, the arguments advanced by the State Baptist Convention of North Carolina are compelling. Alcoholism and excessive consumption of alcoholic beverages are, indeed, serious problems.

Experience has taught us that prohibition is not viewed as a workable alternative to alcohol abuse. The vast majority of adult Americans consume alcoholic beverages in varying amounts and forms—and insist upon their right to do so. Rather than prohibit, we have sought to control the sale and public consumption of alcoholic beverages. But we have been timid about cautioning the purchaser of the potential perils of the product.

That, Mr. Speaker, is all that my bill would require. A simple statement would be added to the label of, and to all advertising pertaining to, alcoholic beverages contaniing more than 14 percent alcohol by volume:

> Warning. Consumption of alcoholic beverages may be habit forming and excessive consumption may be hazardous to the health and safety of yourself and others.

NATIONAL ISSUES QUESTIONNAIRE NO. 2

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. RICHMOND. Mr. Speaker, a few weeks ago I sent out my second national issues questionnaire to the constituents of the 14th Congressional District in New York. Again, the questions dealt with a number of topical problems, and attempted to assess the views of my constituents on the work of the Congress thus far in the 94th session.

Although the response to the questionnaire was strictly from my own district, I believe it reflects the very real concerns of the Nation. The answers to such questions concerning welfare, housing, and the cost of health care and food, and the supplemental answers, which many of my constituents supplied, are evidence of the need for immediate congressional action to alleviate some of the problems faced by our Nation. These opinions are a source of guidance to me as a Member of the U.S. Congress, and also beneficial to all Representatives who share this historical Chamber.

Therefore, I insert this questionnaire and tabulated results into the RECORD. I also would like to thank those constituents who have contributed to this most valuable source of information.

The article follows:

NATIONAL ISSUES QUESTIONNAIRE

I have tried to cover the principal issues expected to come before Congress and to phrase the questions as impartially as possible. Two answering spaces are provided for households with more than one person wishing to respond. Answers will be tabulated and the results published.

[IN PERCENT]

1. In January, the Members of Congress return for the Second Session of the 94th Congress. It is important at that time that I am aware of what issues you feel should be given the highest priority.

On the following categories please pick three.

(a) Employment	23.7
(b) Housing	18.3
(c) Crime	9.6
(d) Health	8.5
(e) Education	8.5
(f) Environment	6.5
(g) Aid to Cities	5.8
(h) Nutrition, Conservation, Food Policy	5.3
(i) Energy	5.1
(j) Defense spending	5.1
(k) Tax Reform	3.2
(l) Other	6.0

2. President Ford has consistently vetoed and has promised to continue to oppose legislation which increases federal spending for housing, public employment, education, and nutrition, while at the same time he continues to support increased military spending. Do you agree or disagree with his policies?

(a) Agree	19.6
(b) Disagree	80.4

3. The Federal Government currently spends approximately $4.5 billion annually to find viable alternative sources of energy. While of the following areas should be emphasized?

(a) Nuclear Power	35.3
(b) Conservation	18.5
(c) Solar Energy Development	17.7
(d) Purification and gassification of coal	14.7
(e) Development of off-shore oil reserves	13.8

4. Currently New York City, because of Federal mandate, spends roughly $492 million out of its expense budget to pay welfare costs for one million people. Should the Federal Government assume a greater share of this burden?

(a) Yes	88
(b) No	12

5. The Congress is presently considering gun control legislation to reduce crime. Do you feel that outlawing the sale and possession of handguns would effectively lower the crime rate?

(a) Yes	72
(a) No	28

6. During the past year 30,000 units or roughly 5000 buildings became abandoned in the City of New York. Should the Federal Government provide subsidies and low cost loans for housing rehabilitation programs?

(a) Yes	81
(b) No	19

7. During the past year food prices in New York City have risen 6.3%. To whom do you attribute this increase?

(a) The farmers	3
(b) The middleman	29
(c) The agribusiness corporates	30
(d) The supermarket	9
(e) The consumer movement	2
(f) The policies of the Ford Administration	27

8. During the depression President Roosevelt embarked upon a policy of widespread public employment. In light of our current economic situation of spiralling inflation and deepening recession, should the Federal Government once again initiate public works employment programs?

(a) Yes	76
(b) No	24

9. Spiralling medical costs during the past year have been making it increasingly diffi-

cult for the average family to meet the most minimal health needs. Should the Congress enact a National Health Insurance plan which would cover all or part of each families medical expenses?

(a) Yes	85
(b) No	15

10. If you were able to make a tax-deductible contribution to help support local arts and educational organizations through the National Endowment for the Arts and Humanities by simply checking off a box on the first page of your federal income tax form, would you be willing to give:

(a) $5	24
(b) $10	20
(c) $25	14
(d) $50	11
(e) No contribution	31

DANIEL PATRICK MOYNIHAN

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. EVINS of Tennessee. Mr. Speaker, the Nashville Banner in a recent editorial discussed the turbulent career of Daniel Patrick Moynihan who recently resigned as U.S. Ambassador to the United Nations.

The editorial concludes by praising Mr. Moynihan "for a job well done—in a difficult place."

Because of the interest of my colleagues and the American people in American foreign policy, I place the editorial from the Banner in the RECORD herewith.

The editorial follows:

THE RESIGNATION OF MR. MOYNIHAN

Although United States ambassador to the United Nations for only six months, Daniel Patrick Moynihan established himself as a legendary outspoken rough-and-tumble anathema to many of the other 143 UN members.

It was Ambassador Moynihan who unleashed successive attacks on President Idi Amin of Uganda as a "racist murderer," the Arab resolution condemning Zionism as racism, the Soviet presence in Angola and the credibility of the UN General Assembly itself.

And it was Ambassador Moynihan who repeatedly urged Washington to take the offensive against countries that were using the United States as a UN whipping boy.

"It is time that American spokesmen came to be feared in international forums for the truths they might tell," he said.

Upon assuming the ambassadorship, Mr. Moynihan described his view of what the United States position in the UN should be: "This animal is not wicked, but when it is attacked, it defends itself."

Little wonder, then, that the diplomatic maverick, with service under four Presidents, invited controversy, even among his colleagues at the UN and at the State Department.

Mr. Moynihan once described the UN as "a theater of the absurd," adding that the "world's increasing contempt is increasingly deserved."

In December, Mr. Moynihan was on the verge of resigning, but stayed on the job with public support from President Ford and Secretary of State Henry Kissinger. But last month, the ambassador charged in a year-end report prepared for Secretary Kissinger that his policies were being undermined by a lack of support within the State Department, and again he won the backing of the President and Mr. Kissinger.

But yesterday the White House announced Mr. Moynihan's resignation so that he could return to his teaching post at Harvard University. Sources say he may run for the New York senatorial seat held by James Buckley.

Whatever the case, the United States has lost a rock-solid supporter and he will be missed at the UN.

The loss to President Ford may be more than that. The President may suffer politically as well as diplomatically.

Those effects, like Mr. Moynihan's future plans, remain to be seen, but we can express our thanks to Mr. Moynihan for a job well done—in a difficult place.

THE NATURAL GAS FLIM-FLAM: THE PRICE MAY SOAR; WILL THE SUPPLY?

HON. ANDREW MAGUIRE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. MAGUIRE. Mr. Speaker, last week John Walcott of the Record Washington bureau wrote with clarity and perception on the national controversy over natural gas production and pricing policies.

When so much that is superficial and lacking in perspective has been the standard media fare on this issue—even from some of our most widely respected journals—it is notable to find an article of such depth and cogency—historically based, factually sound, and sharply analytic.

I commend Mr. Walcott's article, "The Natural Gas Flim-Flam," to my colleagues and ask that it be printed at this point in the Record:

[From the Hackensack (N.J.) Record, Feb. 3, 1976]

THE NATURAL GAS FLIM-FLAM: THE PRICE MAY SOAR, WILL THE SUPPLY?

(By John Walcott)

The House of Representatives began debate today on a measure that would lift federal price controls on interstate sales of natural gas.

If the measure is passed, and betting men in Washington are saying it will be, 40 million homeowners and 3 million American businesses can look forward to a 300 per cent increase in gas prices. In New Jersey, predicts state public utilities Commissioner Joel Jacobsen, deregulation will cost the average homeowner $363.12 in higher winter gas-heating bills.

Heating and cooking bills, however, are just the tip of a rather large iceberg. Natural gas is used to make fertilizer, to dry crops, and to make plastics, synthetic fibers, drugs, and detergents. Experts predict that in the first year alone, deregulation would cost consumers $7 billion to $21 billion. The poor and the elderly, of course, will be hit the hardest, unless they choose to move to Florida and eat only raw foods.

Perhaps $7 billion is a reasonable price to pay to ensure a reliable supply of natural gas. Certainly, it is no secret that New Jersey and other northern industrial states now are suffering mightily because they cannot get enough of this most desirable of fuels.

But deregulation will not guarantee New Jersey, or anyone else, a reliable supply of gas. All it will guarantee is higher prices.

The evidence suggests that natural gas is in short supply not because the oil companies cannot afford to produce it, but because they are sitting on it, waiting for the price to match that demanded by the Arabs for oil. Oil companies, like the sheiks, have learned to rewrite the classical law of supply and demand: If you control the supply, you will get whatever you demand.

Oil companies, of course, are not chartered to serve the public interest and should not be vilified for failing to do so. Like other corporations, they are in business to make money for those citizens who invest in their operations. Sometimes the investors are Americans; sometimes they are not.

Governments, on the other hand, are instituted among men, to borrow Thomas Jefferson's phrase, to serve the public interest. Presumably, that includes defining and defending the often delicate balance between corporate interests and consumer interests.

The question to be asked, then, is whether the government has balanced the oil industry's very real need for capital and the public's equally real need for fair and reasonable energy prices. The answer, alas, is that the government consistently has sided with the oil companies, leaving consumers to fend for themselves.

On the face of it, the Natural Gas Act of 1938, which first put the government in the gas business, would seem to strike a reasonable balance between public and private interests. Briefly, the act allows gas producers to sell their commodity for cost plus a profit, generally fixed at about 15 per cent.

The act did not apply to the production and gathering of natural gas, but in 1954, the Supreme Court ruled that the Federal Power Commission had a legal responsibility to regulate the field price of gas, in order to protect consumers.

From the very beginning, gas producers screamed that price regulations were killing them, and two deregulation moves failed only when Presidents Truman and Eisenhower vetoed them. In fact, the gas industry prospered under FPC regulation.

The producers originally had so much trouble selling gas that they slashed prices, especially for big-time gas-guzzlers—industries and utility companies. During the mid-1050s, for example, a number of municipal utilities, including Detroit's, signed 20-year contracts to buy gas for less than 20 cents per thousand cubic feet, well below the FPC ceiling.

That selling campaign, however, was too successful, too shortsighted, and too greedy. By the late 1960s, the gas producers realized that the demand for gas had begun to outstrip the supply. In a classic free-market economy, that would have meant higher prices, but FPC regulations held as prices to the cost-plus-profit formula.

The time had come for deregulation.

In the late 1960's, the oil and gas companies began producing figures which indicated that the United States was rapidly running out of natural gas. In order to find new gas, the producers said, they would have to look in some very expensive places—in Alaska, for example, and in deep ocean waters. Price controls would have to be junked, or the industry would not have enough money to find the gas America needed to keep her homes warm and her factories open.

There was some truth to the argument. FPC rates generally were based on historical costs and had failed to keep pace with the cost of finding and producing new gas. Certainly, given the supply situation and the fuel's tractable and clean-burning nature, natural gas was indeed too cheap. The problem, however, was not that, gas prices were regulated, but that they were poorly regulated.

Nevertheless, from the very beginning, there were grave doubts about the industry's bleak supply figures. The FPC. however, never questioned the figures and never checked them, although it had the power to do so. Indeed, by the early 1970s the Power Commission was devoting an extraordinary amount of energy to searching for loopholes in its own regulation.

One favorite tactic was to permit gas producers to sell gas on an "emergency" basis, usually for six months or more, at prices four and five times higher than the regulated price. In general, the courts took a dim view of these "emergency" rates, but every time they were knocked down, they would reappear somewhere else.

"No sooner is one high-priced commission program set aside by the courts than the commission cooks up a new, higher-priced program," complained Sen. James Abourezk, D-S.D.

Finally, in 1974, the General Accounting Office took a long-overdue look at the FPC. It found that the nation's gas companies raked in $3.3 billion they did not deserve between 1970 and 1973. That was hardly surprising, because the GAO also found that 19 top FPC officials, contrary to the commission's own standards, owned stock in petroleum companies.

Meanwhile, basing its decisions on the producers' own reserve estimates, the FPC tripled the price of interstate gas between 1971 and 1975.

Three years ago, Sen. Philip Hart, D-Mich., who is regarded as one of the most gentle and decent men on Capitol Hill, said he suspected that the gas shortage might be a hoax. Why, Hart wondered had top FPC officials ordered the commission staff to destroy documents on gas reserves?

Finally, late last year, a congressional subcommittee decided to do what the FPC steadfastly had refused to do: subpoena the gas industry's records and compare them to the government's own estimates of natural gas reserves.

The subcommittee found that in 153 fields in the Gulf of Mexico, the gas industry failed to report 37.4 per cent of its estimated reserves. The difference between the American Gas Association's report and the United States Geological Survey's estimate, the subcommittee said, totalled 8.769 trillion cubic feet of gas, enough to supply all of New Jersey for 10 years.

Earlier, another federal regulatory agency, the Federal Trade Commission, had subpoenaed gas supply reports from 11 major oil companies. Although seven of the 11 still are fighting the subpoenas, the FTC's lawyers concluded from the hazy reports submitted by Continental, Gulf, Pennzoil, and Union that "the American Gas Association reserve-reporting procedures are tantamount to collusive price-rigging."

The Justice Department, however, did not see things that way and flatly refused to prosecute the FTC's case. It was neither the first nor the last time that the Justice Department would shy away from a confrontation with Big Oil.

Late last month, a House investigations subcommittee chaired by Rep. John Moss, D-Calif., reported that the Justice Department has been negligent or incompetent in failing to prosecute an oil company official for perjury and obstruction of justice.

The official, Sidney T. Walker, a vice-president of the Mitchell Energy Corp. of Houston, had told the FPC at a hearing that documents sought by the regulatory agency did not exist. At the time, the Power Commission was investigating why Mitchell was six months late supplying gas from an offshore field to the Transcontinental Gas Pipeline Corp., New Jersey's major source of gas.

Walker told the FPC that there were no documents explaining the delay, which he said resulted from bad weather and workers' vacations. The FPC took him at his word. Representative Moss did not.

The subcommittee's investigators returned from Houston with stacks of "nonexistent" documents which indicated that the gas was late getting on the market because Mitchell kept changing its mind about how to build an offshore production platform.

Conveniently, Mitchell's gas did not reach the pipeline until after the 1974–75 winter heating season, during which Transco's grim predictions of gas curtailments struck terror into South Jersey industrialists and workers.

In September 1974, while Mitchell allegedly was changing the specifications on its production platform, Transco told its customers it would cut gas deliveries by 20 percent. In October, Transco said it would have to cut back another 33 per cent—threatening 25,000 jobs in South Jersey.

Rep. William J. Hughes, D-N.J., wondered aloud why Transco was cutting back deliveries when, he charged, it had 2.23 trillion cubic feet of gas it was not producing. Representative Moss wondered why so many major gas wells seemed to be "under repairs" during the critical winter season.

The Department of the Interior, which is supposed to police federal oil and gas leases to make sure they are developed, never wondered about anything. Indeed, despite the conflicting reserve reports, the mysterious repair schedules, and evidence that as many as half the federal leases in the Gulf of Mexico are not producing, the Interior Department has never canceled a lease during the 21 years it has managed offshore oil and gas.

The oil companies, for their part, argue that they are not withholding gas and could not afford to do so even if they wanted to—the cost of exploration and drilling is so high, they say, that the wells must begin to pay their way as soon as possible.

At first blush, it is a convincing argument. Oil and gas wells, particularly offshore ones, are extremely expensive, and oil companies need all the capital they can get. They cannot afford to tie up millions of dollars in shut-in wells.

Unfortunately, the producers have found a way to recoup their investments without producing the gas. They charge the pipeline companies, in advance, for the exploration and development costs of new wells. The pipelines pass the costs on to consumers, in the form of rate increases, and everyone except the consumer is happy.

In one current case, the Mobil Oil Co. has flatly refused to produce gas from a major field in Louisiana until the Federal Power Commission meets terms dictated by the oil company. Mobil can afford to be tough because one of its customers, the Trunkline Gas Co., already has paid Mobil $37 million for developing the field. The field, say House investigators, could supply 100 million cubic feet of gas per day to the Texas Eastern Transmission Corp., which supplies about 30 per cent of the needs of New Jersey's Public Service Electric and Gas Company.

Last winter's scare campaign, despite its shortcomings in truthfulness, was so successful that it was repeated this fall, with both the FPC and the Federal Energy Administration promising even bigger curtailments. The Whiter House did its part by inviting the governors of the doomed states to Washington to discuss their plight.

The campaign, coupled with heavy lobbying from the regulatory agencies who were supposed to be monitoring the gas industry, was an immediate success in the Senate, which last fall voted to lift price controls on natural gas. The scene now has shifted to the House, where opponents of deregulation fear they are about to be buried in a similar avalanche.

The House Interstate and Foreign Commerce Committee, however, has been less compliant than the Senate. Stacked with liberals like Bergen County's Andrew Maguire and Connecticuts' Toby Moffett, the committee, chaired by Rep. Harley O. Staggers, D-W. Va., decided to allow the stricken areas like New Jersey to make emergency purchases of gas at partly decontrolled prices, but to postpone debate on full decontrol until some of the heat had died down.

Staggers asked House Speaker Carl Albert, D-Okla., to put the bill on the so-called suspension calendar, which would mean it could be voted on but not amended. Albert refused and referred the bill to the conservative House Rules Committee.

The Rules Committee could not have done better if it had been a subsidiary of Exxon. First, it scheduled the emergency-purchase bill for action on the floor. Second, it opened the bill up for an amendment, conveniently sponsored by Rep. Robert Krueger, D-Tex. that would permanently decontrol the price of gas entering interstate commerce for the first time. (Which includes, presumably, any gas that the producers might have forgotten to produce this winter.) Finally, the Rules Committee gave two thirds of the debate time to advocates of Krueger's amendment.

It is these loaded dice, supplied by the Rules Committee and Speaker Albert, that the House began to play with today.

Even without the special assistance of Carl Albert and the Rules Committee, deregulation has a few points in its favor. It would provide immediate capital to the oil industry, which needs money to develop new areas, particularly in Alaska and off the coast of New Jersey. It would wipe out the price difference between interstate gas, regulated by the FPC at 52 cents per thousand cubic feet, and intrastate gas, which is not regulated by the federal government and now sells for $1.50–$2 per thousand cubic feet.

By eliminating the price differential, deregulation would encourage gas producers to sell more gas to the interstate market, instead of holding it in Texas, Louisiana, and Oklahoma, where they now can get more money for it. Finally, by allowing the price to rise, deregulation would encourage everyone to conserve natural gas.

Yet while there is no question that deregulation would give the oil industry more money to work with, there is a large question about what it would do with the money and where it would do it.

In 1974, when Mobil's profits reached record levels, the company sank $800 million into Marcor, Inc., a company that was formed in 1968 when Montgomery Ward merged with the Container Corporation of America. For Mobil, the decision was a good one at the time: Marcor offered a higher return on investment than would expensive new wells in risky, uncharted areas. For the public interest, the decision was lousy.

Remember, too, that most major oil companies are multinational, and, being good businesses, will sink their money wherever it will do them the most good. If the business "climate" is friendlier in, say, Mexico, then to Mexico they will go. (A favorite threat of the oil companies, this is used on all governments, not just our own. Presumably, its effectiveness is limited only by nationalization and Communist take-overs elsewhere.)

So there is no guarantee that the new capital produced by deregulation will be used to find more oil and gas for the United States. In fact, although the price of gas tripled between 1971 and 1975, production dropped sharply during the same period.

And why wipe out the price difference between interstate gas and intrastate gas by allowing the price of interstate gas to triple? The same end could be accomplished, at somewhat lower cost, by extending the cost-plus-profit regulatory formula to the intrastate market.

As for conservation, there are real questions about the effectiveness of price as a conservation tool, particularly in the residential and commercial sectors. There are limits to gas conservation in the home and in stores. Generally speaking, such usage is dictated by comfort and health considerations.

This is not to say that Americans have stopped wasting gas, but we waste far less than we used to, and turning our thermostats and water heaters down a little more will not do the job.

In the industrial sector, there is much that can be done to save gas, but deregulation is not needed to do it. A simple overhaul of the outmoded rate structures in most states would suffice. Giving discounts to gas-guzzlers is a legacy of the simple-minded Fifties and should be stopped.

Furthermore, the deregulation bills in Congress contain more loopholes than an FPC investigation. Among other things, they would allow gas producers to sink a new well in an old field and sell the gas for "new," unregulated prices.

Even worse, they would allow producers to turn "old" gas (which would remain regulated under the proposals) into "new" gas whenever an old contract expired. For example, if a utility company had signed a 20-year contract to buy gas for 25 cents per thousand cubic feet in 1957, it would find next year that the price suddenly had become $2 per thousand cubic feet. The economic shock is difficult to calculate.

Then there is the question of how high gas prices would go without federal regulations. The oil companies say they would go to about $2 per thousand cubic feet, roughly the price we pay for Arab oil.

But for most gas users, including homeowners, oil is not a practical substitute for gas. If you need gas, and cannot get it, the substitutes are propane, synthetic gas, or imported liquefied natural gas—all of which cost $4 to $6 per thousand cubic feet. If you are an oil company, it makes little sense to sell gas for $2 when you can get $4 for it.

The present system of gas price regulations is far from perfect; reform is indeed overdue. But the FPC should overhaul its ratemaking machinery so that the oil companies get what they are entitled to under the Natural Gas Act—cost plus a reasonable profit. If 15 per cent is not enough profit to develop new gas fields, perhaps they should receive 20 per cent.

The most important "reform" is that the government, acting as an agent of the people, and not the oil companies, acting as agents of their stockholders, should decide how much profit is enough. Note, too, that the oil and gas off the coasts of this country are, by law, the property of the people of the United States.

At the same time, the Power Commission and the Interior Department should be forced to take their responsibilities more seriously. It is unconscionable that private energy companies should be allowed to develop publicly owned resources and then to withhold those resources from the public in an effort to drive up prices.

Deregulation, in short, is not the answer to our very real natural gas problems. It is capitulation to an industry whose interests are not the interests of the public. What is good for Exxon is not always good for America.

TWO HUNDRED YEARS AGO TODAY

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. WIGGINS. Mr. Speaker, on February 8, 1776, the Continental Congress approved the parole form officers who were prisoners of war had to sign before they were paroled. In signing the parole, the officer promised on (his) word and honor, and on the faith of a gentleman, that he would: First, return to his hometown and not travel beyond 6 miles thereof during the war, or until Congress ordered otherwise; and second, neither give any military intelligence about the Colonies, nor do or say anything against the actions of Congress during the war, or until he was exchanged or discharged. During this period, it was customary to parole captured officers and then arrange for their exchange.

NATIONAL FHA/HERO WEEK

HON. DONALD J. MITCHELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. MITCHELL of New York. Mr. Speaker, it is my privilege today to pay tribute, in this Bicentennial Year, to an organization which has contributed greatly to the promotion and development of worthwhile projects for America's youth—Future Homemakers of America.

Just 30 years old, the organization now has a national membership of half a million young men and women in 12,000 chapters in this country, Puerto Rico, the Virgin Islands, and in American schools abroad.

Future Homemakers of America in its developing years envisioned a goal of providing high school students the opportunity to involve themselves in programs which would add to their own personal growth—help instill a sense of responsibility—a meaningful place in society—an interest in home economics, home economics careers and related occupations. The organization has achieved its goals and more.

The HERO Chapters of the FHA are doing an outstanding job of preparing our youth for jobs and careers and in developing leadership qualities which will benefit not only our society, but themselves as individuals. FHA has come a long way in teaching youth that they can achieve independence and yet work through and in the system to make vague and meek goals a reality.

This country needs organizations such as this. We need to work together to help one another—not only for the sake of the country as a whole—but for the individual himself.

FHA is an integral part of the home economics education curriculum that operates throughout our school system. It is one of the few organizations which provides opportunities at national, State, and local levels for student initiative and direction in planning and carrying out individual and chapter projects.

Future Homemakers of America grew out of various State and local high school home economics clubs. Today it is a unified organization which receives the support of the Office of Education, the American Home Economic Association, the Division of Home Economics, the American Vocational Association and the Home Economics Association of the National Education Association.

The Future Homemakers of America is an outstanding organization which very much deserves our praise for a job well done.

BICENTENNIAL SALUTE TO THE REVEREND BENJAMIN H. WHITING

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. FAUNTROY. Mr. Speaker, as this great Republic celebrates its Bicentennial and we reflect upon the virtues of the Founding Fathers of our Nation, I think it is most appropriate that we pay tribute also to those who today carry on in the best tradition of the faith and works of the fathers of our country. Here in our Nation's Capital, we are privileged to have one such man whose life and works are the very embodiment of the faith, the sense of conscience, and the response to duty that has endeared the Founding Fathers to us all. I speak of the Reverend Benjamin H. Whiting, the pastor of Friendship Baptist Church.

History, Mr. Speaker is nourished by instructive example. The instructive example of the life of Reverend Whiting covering a span of 87 years, has indeed enriched the public service, exalted the public life, and added lustre to the work of the Church in America.

Born in our Nation's Capital in 1889, Reverend Whiting, in the fashion of a man who has never admitted defeat, overcame tremendous obstacles in his youth to rise to the height of religious leadership in our Nation's Capital. Raised in a loving but poverty stricken family of 14 children, Reverend Whiting early on in his life developed a sense of optimism, and an unshakeable faith in God and the goodwill of mankind. He was ordained a minister in 1918 and opened his first store front church. Drawing $90 from his own savings of $91, Reverend Whiting in the true spirit of pioneer America set about the building of a house of worship.

For 8 years, he served as pastor of Corinthian Baptist Church that today stands a testament to his indominable spirit and determination. In 1927, he was called to the pastorate of Friendship Baptist Church. Two short years later, he completed a $30,000 remodeling of the church. Today, under Reverend Whiting's perceptive guidance and inspiring leadership, the Friendship Congregation worships in a magnificent $700,000 sanctuary that seats 1,500, and is located in the very heart of the southwest renewal area of Washington, D.C.

Educated in the District of Columbia Public Schools, the Reverend Whiting earned his livelihood as a mail carrier, a work experience that developed and reinforced his belief in the work ethic as vital part of our social and religious value system. In 1939, he was awarded the honorary doctor of divinity degree from Northern University of Long Branch, N.J.

Washingtonians celebrating our Nation's Bicentennial see reflected in Reverend Whiting the sterling qualities that endear the Founding Fathers to all Americans.

As the patriots recognized the outstanding leadership qualities of the Founding Father of our country, George Washington, so the members of Friendship Baptist Church have cherished them in him for nearly 50 years. So, too, did Baptists from across the Nation recognize his leadership capacity when they elected him vice president of the National Baptist Convention. So, also, have the members of the Mount Bethel Association, who elected him chairman of the board of trustees.

It was the fiery spirit of a Patrick Henry that enabled Dr. Whiting to give Friendship Church courageous leadership during one of the most trying periods in the southwest community's history. Chosen as one of the Nation's first slum clearance areas under the urban renewal program, the area in which the church is located underwent massive clearance of homes, churches, businesses, and community facilities. Determined to continue its ministry in the renewed community, Friendship Church, under the dynamic leadership of Dr. Whiting, met the challenge to build a new church in a new community.

I consider it a privilege to submit this testimonial in recognition of Rev. Benjamin H. Whiting, a great American, who has earned by his deeds the respect and admiration of the citizens of our Nation's Capital as a founding father of religious leadership.

A TIMELY REMINDER FROM DR. ALBERT SZENT-GYORGYI

HON. ROBERT W. KASTENMEIER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. KASTENMEIER. Mr. Speaker, I wish to call to the attention of my colleagues a compelling letter written by Nobel laureate Dr. Szent-Gyorgyi that appeared in the January 6, 1976, New York Times which is a timely reminder of how unsuccessfully we have coped with the grave threat to eliminate humanity because of the advanced state of man's weaponry and man's plans for war.

Dr. Szent-Gyorgyi asked the rhetorical question as to whether those who plan for war can be brought to trial as war criminals before war actually occurs. Of course, given our system of criminal justice, this is not possible, although it is an interesting idea.

In any event, all of us ought to reassess the threat to human society from time to time and urge our policymakers to err on the side of society rather than aggressively plan for war and the inexorable drive to confront other nations, large and small, with force.

The letter follows:

RACING TOWARD DOOM

To the Editor:

I wonder how the American people could be shaken up from the torpor in which they allow themselves to be carried in full gallop toward the final catastrophe of an atomic war. Anybody who wants to inform himself on this subject can do so by reading any number of the Bulletin of the Atomic Scientist. The Government takes no notice of this approaching end, its politicians being fully occupied by their individual or national power game.

It seems likely that the Third World War will be followed by a second Nuremberg trial, provided there will be enough survivors for it. Would it not be advisable to reverse the order, have the trial first, and prevent the war by condemning all the war criminals who bring the war about by making the people spend their money on the instruments of destruction, which will kill their children? Unfortunately, there is no tribunal which could hold such a trial. Could, then, scientists, who have the clearest idea about the dangers, hold such a trial, even if they have no power to implement the decisions? It was the scientists who created the forces of destruction. Their guilt is mitigated by the fact that they have clearly spelled out the consequences of the misuse of these forces, and they cannot be blamed if their words fall on deaf ears.

The Boston strangler used nylon stockings for strangling, but makers of nylon stockings cannot be blamed for the murders. Being a scientist, it disturbs me that we scientists are often blamed for the approaching disaster.

Experience shows that gradual disarmament is impossible because it is complex. Why do the leaders of the superpowers not get together, guarantee the present borders and agree to complete disarmament, using the $200 billion saved for the reconstruction of our sinking world? Since World War II we have spent more than a trillion dollars on our safety. We are so safe now that we cannot go out after dark in our home town for fear of being robbed or killed and feel unsafe even at home. There is but one medicine against drugs, crime and terror: a livable world.

ALBERT SZENT-GYORGYI, M.D.

REDUCTION IN UNEMPLOYMENT

HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. RHODES. Mr. Speaker, the 500,000 reduction in the jobless rate during January is good news for the American economy. Employment rose to 86.2 million, and there are now 2.1 million more jobholders than at the bottom of the recession in March. This healthy progress is an endorsement of the Ford administration's programs which have kept monetary policies at a rate that obviously has stimulated productivity in the private sector, while holding down the inflation rate.

These jobs are real jobs, not makework or artifical job creations. They are a firm indicator that our great economy is bouncing back, and they portend a steady recovery. This Congress now is considering massive programs to create public service jobs, at great cost. As many of us have maintained, the problem with that kind of job creation is that its impact is delayed, often beyond need for the program. With public demand for budgetary control, I believe we can avoid establishment of a huge Federal job machine, save our taxpayers some money, and allow our free enterprise economy to provide the millions of real jobs we need for a healthy and prosperous economic future.

INTELLIGENCE AND DEMOCRACY

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. BINGHAM. Mr. Speaker, one of our traits as Americans is that we are inclined to think there is a satisfactory solution to any problem if we are only wise and patient enough to find it.

Of course this is not so. One example is the perpetual motion machine. Another is to make an effective intelligence system wholly compatible with a free and open democratic society.

In his Washington Post column of February 2, Rod MacLeish makes the same point in compelling fashion:

INTELLIGENCE AND DEMOCRACY

(By Rod MacLeish)

We know about incompatibility. We accept it as a risk in marriage, a device in literature and a technical problem in the machine tool business. But it has never fully occurred to us until now that an indispensible device of modern international life—intelligence—is totally incompatible with the pure theorems of American democracy.

As the Pike committee winds up its work of peering at the nature and recent history of the American intelligence establishment, as the Church committee proceeds with other phases of the same work, the full incompatibility is going to be painfully evident. We are going to hate it.

Intelligence is a scuttling, violence-prone business; it institutionalizes the unhappy human proclivities for lying, duplicity and assuming the worst about everybody else as a first premise.

Intelligence is also an irreducible part of the existentialist conundrum of which all modern states are mired; there are things you have to do because the same things are done by other people who might or might not do them if you don't.

The incompatibility between intelligence and the ideals of American democracy is philosophical. Each departs from a premise about the nature of man and the world that is utterly at odds with the premise of the other.

Recently, we have tried to deal with that incompatibility through technical devices—trading off democracy's need for better congressional oversight against intelligence's requirement for secrecy and the like.

But the philosophic incompatibility really isn't susceptible to mechanistic resolution. There is even a danger in trying too hard. Democracy's premises are not infinitely flexible. Intelligence's basic requirements—permission to break the rules of demorcratic morality and legality, the need to operate in autocratic shadow rather than democratic light—must be met if the whole intelligence function is to work at all.

Hence, our approaching sorrow. For decades the incompatible relationship between democracy and intelligence worked because we left it in our system's attic of the implicit. Now we have brought it down to explicit status with the investigations of the Church and Pike committees.

That was a good thing to do because it serves the current spirit of reform. But the full knowledge of an unavoidable incompatibility is a price we shall have to pay—yet

> another loss of that innocence which, in people and nations, holds that all things are possible.

CHILD AND FAMILY SERVICES ACT RIDDLED WITH DEVASTATING WEAKNESSES

HON. JOHN B. CONLAN

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. CONLAN. Mr. Speaker, the Child and Family Services Act, jointly sponsored by Mr. BRADEMAS and Mr. MONDALE, is currently raising a furor in Arizona and throughout the country.

This bill is wrapped in convincing rhetoric and is presented as a comprehensive child care "service" for working women. However, careful analysis of the bill reveals that it is riddled with devastating weaknesses and is fiscally, socially, and educationally irresponsible.

My office is being deluged with letters from irate citizens who detect the subtle but haughty attitude behind the growing obsession with Federal child care programs. That attitude was well documented by German White, when, as an official of the U.S. Office of Child Development, he said:

> Parents don't mean to be incompetent but they are, and the remedy is Federal establishment of acceptable standards of child-raising.

This bill makes stringent demands which relate far more to social engineering than mere "child care." Child care centers seeking Federal funding under this bill will be required to:

One. Hire otherwise unemployed persons, even if they fail to meet State or local teacher certification standards.

Two. Insure a socioeconomic mix in child groups.

Three. Open staff positions to any applicants, regardless of "race, creed, color, national origin, sex, political affiliation or beliefs."

Arizonans, as most Americans, are very fair-minded people who want all citizens to have equitable employment opportunities. But the Federal Government has no right to coerce communities to hire educators who deviate sharply from cherished values and beliefs. Yet under this bill, any child care center which eliminates potential programs or staff members on the basis of any "creed," "political affiliation or belief," will be excluded from Federal funding.

In 1971 President Nixon vetoed legislation nearly identical to the present Child and Family Services Act, charging that it was "the most radical piece of legislation to emerge from the 92d Congress."

In responding to Nixon's veto, journalist William V. Shannon wrote in the April 30, 1972, New York Times Magazine:

> Although I am a liberal, I do not share the liberal enthusiasm for day-care centers . . . Liberals may deprecate these Nixons words as all wet and reactionary, but much hard-earned human wisdom lies behind them. Excessive emphasis on day-care centers can weaken the family at a time when it needs strengthening.

Even Caspar Weinberger, former HEW Secretary, and Dr. Robert Mendelsohn, former National Director of the Medical Consultation Service of Project Head Start—who have both been intimately involved in Federal programs for children—have warned of serious weaknesses of this bill in official appearances before House and Senate committees.

On July 15, 1975, Weinberger informed a joint committee of Congressmen and Senators:

> We are strongly opposed to the idea, inherent in this proposal, that the Federal Government should provide mass developmental day care for pre-school children all over the nation.

Mr. MONDALE himself, primary sponsor of this new child care program, has admitted scandalous mismanagement of Federal child care programs. On September 29, 1975, Mr. MONDALE informed his colleagues in the U.S. Senate that HEW "has never enforced the requirements that have existed" for child care centers. He added that:

> HEW's audit conducted last year revealed that over half of the programs audited were in violation of the required standards.

Concluded Mr. MONDALE:

> There is no excuse for this record of neglect.

In spite of his scathing indictment of federally supported child care programs, Mr. MONDALE now asks tax-burdened Americans to shell out another $150 million in 1976 alone to initiate still another child care program. By 1978, this new program will cost $1 billion annually to duplicate a proliferation of carelessly run Government services.

Through the Department of Health, Education, and Welfare, American taxpayers already pump some $13.2 billion annually into some 200 programs directly or indirectly affecting the health, education, or welfare of American children. Citizens work more than 4 months each year just to pay taxes, and should be outraged at Government officials who constantly spawn overlapping programs that are disasters, rather than demanding tough management and high productivity of existing programs.

The grassroots tide is turning against elected officials who incessantly push the Government into a benevolent stance. Americans citizens are painfully aware that as an overgrown Government assumes responsibility previously left to individual initiative, it rapidly assumes a proportionate amount of authority and control.

TWO HUNDRED YEARS AGO TODAY

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. WIGGINS. Mr. Speaker, 200 years ago, on February 6, 1776, the Continental Congress urged General Schuyler to encourage those persons who sold supplies to his army to accept payment in promissory notes instead of coin. He was advised that such an arrangement would not only assure his soldiers would be paid promptly, but would also avoid the risk and expense of sending additional money through dangerous areas. Late payments had caused a serious morale problem among American soldiers. Congress hoped that the above plan, if successful, would eliminate that problem.

THE VOTER REGISTRATION ACT—NO NEED FOR FEDERAL PREEMPTION

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. KASTEN. Mr. Speaker, if it is cleared by the House Rules Committee, the House of Representatives will soon be considering H.R. 11552, the Voter Registration Act.

I support all efforts to broaden the base of citizens who register to vote and increasing voter turnout in elections—but not a program which contains the potential for large-scale fraud and abuse, which entails unnecessary expense and duplication, which will further confuse voters, and which promises so little in terms of a greater voter turnout.

During the past year the House passed an extension of the Voting Rights Act and the Overseas Citizens Voting Rights Act, both designed to provide the franchise to groups which had previously been denied the right to vote. I supported both of these measures—the Voting Rights Act particularly was an unfortunate, but necessary, preemption of the States.

The States are doing an effective job of adding voters to their registration rolls. I applaud their initiatives to increase voter participation while maintaining the integrity of the electoral process.

I do not believe that it is necessary or advisable for the Federal Government to superimpose a mail registration system on the entire country. We should examine the experiences of the States which have adopted programs of registration of voters by mail—and we may one day wish to encourage the States to adopt such a program; however, we should not make it mandatory nor should we interject the Federal Government into the voter registration business except to prevent individuals from being denied their constitutional right to register and vote.

Mr. Speaker, an article entitled "Federal Voter Registration by Mail: Problems and Prospects," written by Dr. Jack E. Rossotti, appeared in the December 1975, issue of the National Civic Review. I found it a very thoughtful discussion of the issue and commend it to my colleagues. I request that the article be inserted in the CONGRESSIONAL RECORD at the conclusion of my remarks.

As much as I support efforts to increase voter participation, in the final analysis, I believe that voters will return to the polls when they believe that their Government is listening to them—that their vote makes a difference. We must become more responsive to the needs and concerns of our constituents—we must learn to listen to them, instead of asking them to listen to us. If we are successful in restoring the public's confidence in the American political system, our concern about the low rate of voter participation will become a thing of the past.

The article follows:

FEDERAL VOTER REGISTRATION BY MAIL: PROBLEMS AND PROSPECTS

(By Jack E. Rossotti*)

Registering voters by mail on a large scale is a relatively new experience. Only two states (Alaska and Texas) used the procedure prior to 1970 and only four more (Kentucky, Maryland, Minnesota and New Jersey) adopted it before 1975. Several states either enacted or considered such systems this year. The newness of the phenomenon as well as the reasons for it were the impetus for a recent study by the author, particularly when a proposal was made to implement the idea federally. Some of the findings will be detailed here, as well as later developments on the federal level.

All states but one (North Dakota) require a citizen to register prior to an election if he wishes to vote. Normally this function is administered by county officials and is authorized by state law. With few exceptions, voters must do so in person and not later than 30 days before an election. The main reasons for requiring voter registration are that it provides order and legitimacy to the electoral process. There have been many famous cases of fraud and contested elections, but the presumption is that at least registration minimizes these problems. The suggested increase in fraud caused some concern among public officials and citizens when states began considering mail registration, and heightened when proposals were made to implement the system federally.

Conversely, proponents of the system have argued that current in-person registration hampers people from voting and that, in some instances, it can actually be used as a device to discriminate, particularly against low-income groups. The addition of mobile registration units, evening and weekend hours, and advertising campaigns, they say, are not enough to remove this obstacle. Hence the reasoning of the proponents becomes: The right to vote is one of the most fundamental rights and privileges of our governmental system, the existing institutional arrangements infringe at least in a minor way on that right and, hence, some new method should be devised to correct the system. The proponents have a reasonably good case for their arguments when they choose as evidence selected major recent elections, which indicate two things: voter turnout as a percentage of those eligible to vote appears to be low, and the rate is decreasing.

How well has the mail registration system worked in states where it has been implemented? Although six states had passed voter registration by mail by 1974, only Maryland and New Jersey, offered relatively good methods of comparison with the previous system.

The Maryland law was passed in 1973 and four counties and Baltimore City, encompassing 57 percent of the state's population had the system in operation by March 1, 1974. As of July 1975 all but two of the remaining counties had the law in operation. The five jurisdictions which first implemented the law have some striking socioeconomic contrasts and, therefore, offer reasonably good preliminary insight into the success or failure of its intent.

Baltimore is at one end of the scale, with a low median income and a low percentage of those completing some form of higher education. Montgomery County, a Washington, D.C. suburb, is the other extreme with both a high median education level and the second highest median income of all counties in the nation. The remaining three counties fall somewhere in-between.

During its approximately eight months of operation in 1974 the Maryland mail registration system generally worked well in terms of administrative viability and percent registered by mail. At a meeting of election officials in January 1975, general satisfaction was expressed over the administration of the mail registration system. There were no major cases of fraud reported and officials expressed a general feeling that they maintained good supervision over the use and misuse of the forms. Officials claimed further that the mail system cut down on long lines and staff workload during the peak registration months of August and September. The registration figures for Montgomery County showed that of 29,079 registered approximately 57 percent was by mail. Prince George's County registered 25,503, approximately 60 percent by mail.

The function of the system in two other respects was less favorable. Although some Maryland election officials claimed that it had an impact on increasing the number of registered voters, available data do not support their claim. The number of registered voters in November 1974 was 77,000 fewer than in November 1972, the most recent presidential election year. Perhaps more significantly, two of the four counties and Baltimore decreased in voter registration from 1972 to 1974.

Voter turnout figures, likewise did not increase and, in fact, showed major decreases from both 1972 and 1970, the two most recent federal election years. In all five mail registration jurisdictions, voter turnout was lower in 1974 than in either 1972 or 1970. Furthermore, mail registrants voted in about the same percentages as did non-mail registrants.

The only logical conclusion to draw from the Maryland experience is that mail voter registration did increase the convenience for those wishing to register but it had very little impact on either total registration or voter turnout. The latter two figures apparently are influenced more by the nature of the election than the method of registration.

The New Jersey mail registration system did not become law until about seven weeks before the 1974 general election, so the results are less complete than those in Maryland. Unlike Maryland, there is no local option and all 21 counties had to adopt the system, in a few cases with great reservation by local officials.

The results were surprisingly good in 1974 in regard to the percent registering by mail. Approximately 58 percent of the total registrants for the year did so by mail. Some of these, however, may have been duplications. There was a wide variation in this regard among the 21 counties, ranging from a 25 percent low to an 80 percent high. Given the inconclusive evidence about how many were new registrations, no significant conclusions can be drawn about the impact of mail registrations in relation to demographic characteristics.

Unlike Maryland officials, several who were interviewed in New Jersey expressed some dissatisfaction with administrative problems. Some said the mail system reduced the volume of last-minute registration and others said the large numbers of forms were delivered by groups near the deadlines or even afterward. Several officials believed that the system required additional work in verifying signatures of witnesses and in handling both the mail-registration form and the permanent records. Further, some minor cases of fraudulent use of the voter notification forms were reported but in general fraud was not a major problem.

As in Maryland there was no noticeable increase in voter registration in 1974 over recent election years before the mail system. Statewide registration decreased from both 1972 and 1973. Further, an analysis of "comparable year" data makes it appear unlikely that mail registration significantly increased voter registration in New Jersey during 1974. The most recent nonpresidential Federal election year prior to 1974 was 1970. New Jersey's total voter registration for the election of 1970 was 97 percent of what it had been for 1969, a gubernatorial election year, and its total voter registration for 1974 was 98 percent of what it had been for 1973, a gubernatorial election year. The figures are strikingly similar, the slight difference as easily accounted for by population growth as by mail registration.

New Jersey election boards did not keep records of the mail registrants who voted as opposed to the nonmail registrants who voted. General turnout figures among new registrants showed only a small increase (less than one percent) in voter turnout (as a percentage of those registered) from 1973 and a large decrease in turnout from 1970 (about 7 percent). The latter figure is notable because there had been an increase of 335,000 registrations between 1970 and 1974, leading to the obvious but surprising conclusion that new registrants are no more likely to vote than those already registered.

The conclusions from the New Jersey experience are similar to those in Maryland. Mail registration is an added convenience but does not necessarily lead to an increase either in total registrations or voter turnout.

The United States Congress is now trying for the third time in four years to pass a Federal mail registration bill. Senator Gale McGee (D-Wyoming) introduced bills in 1971 and 1973 which were voted down at different stages of the legislative process. In 1975 Senator McGee introduced a bill with 51 cosponsors in the Senate, and Representative Wayne Hays (D-Ohio) introduced a bill in the House. As of this writing, both bills were still in committee (Post Office and Civil Service, and House Administration, respectively).

Both bills call for creation of a federal agency (the Senate version calls for one to be established within the Bureau of the Census; the House version within the General Accounting Office) which would mail a voter registration form to every adult in the United States at least once every two years. It would, however, remain a function of State and local jurisdictions to process and certify the forms and to maintain voter registration lists.

While the objectives of the bill remain worthwhile, the projected results remain in considerable doubt. Virtually all State and local officials who testified at the May 1975 congressional hearings, and those interviewed in Maryland and New Jersey, were opposed to implementing voter registration federally. Even some of those who favored the mail registration system in principle opposed it federally and asked that their States be exempted from the system if Congress does pass the bill.

Cost is one factor. Since there are already 100 million registered voters in the nation, 100 million of these forms were redundant and, therefore, useless. This duplication would guarantee a minimum waste of $20 million every two years (for postage, printing, and processing) which is more money that currently is being spent to register voters by all State and local governments combined in any election year.

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* Jack E. Rossotti is assistant professor of political science at American University, Washington, D.C. He was an associate with Richard G. Smolka on *Registering Voters by Mail: The Maryland and New Jersey Experience* (American Enterprise Institute, 1975).

Beyond this there exist the problems of duplication and confusion in processing and potential large-scale fraud, neither of which has existed under state-implemented systems. At the congressional hearings, one Louisiana registrar, Nat D. Bankston of East Baton Rouge, testified that it would be "an absolute physical impossibility for me to process more than 200,000 federal post card registrations" given the time, space and people available. He added that the system would require maintaining three sets of voter registration rolls for each precinct: those eligible for state and local elections, for federal elections, and for both. Several other local election officials have complained about the same problem. The possibility of large-scale fraud simply adds to the list of potential difficulties.

If all of the above did not provide sufficient evidence against the system, inconclusive projections about voter registration and turnout would seem to do just that. Beyond the results in Maryland and New Jersey, Representative Bill Frenzel (R-Minn) produced a report at the congressional hearings which showed that both voter registration and turnout actually decreased after the mail system was implemented in Minnesota. Others at the hearings cautioned about similar results in part resulting from expected public confusion about the system.

In short, both the evidence collected by research and the opinions of state and local election officials have heavily supported the conclusion thus far that the federal system should not be implemented.

The general idea which underlies federal mail registration is one with which few can quarrel. The right to vote is one of our most fundamental governmental principles and when the franchise is either taken away or hindered that principle is lost. Such is the case at least in part today since only about 75 percent of the eligible voters nationwide are actually registered. Further, many of the non-registered are poor and undereducated, precisely the type of people a mail registration system would seemingly help. If we have a representative democracy then we ought to have a system where public officials can be chosen in the most legitimate way. All of this makes a seemingly persuasive argument for both total and mail voter registration.

Proponents of the mail registration may have originally misinterpreted what it would accomplish, however. Beyond the negative consequences of cost, processing and fraud, they may have overestimated the positive response in registration and turnout. They may wind up creating a system which has many liabilities and little or no compensating benefits.

One can add to all of the above still another problem, which is that the issue has become politicized nationally, a situation which apparently does not exist at the state and local level. Democrats, in general, support the bill and Republicans oppose it, on the presumption that more registered voters will mean more Democratic voters. But there are those who have argued, on reflection, that this may not be the case at all. It may well turn out, for example, that those who register for the first time under the new system will not be the poor and uneducated but those with modest income and education, precisely the type of people who voted in large numbers for either Richard Nixon or George Wallace in the past two presidential elections. This would hardly be an encouraging prospect for many mainstream Democrats, who support the proposal primarily for political reasons.

What may be a better alternative than a mandatory federal system is the one proposed by Representative Don Bonker (D-Wash.), a former county election official. Bonker's bill would create a federal registration bureau within the federal election commission and would provide a federal grant to states to implement their own mail registration systems by 1980. The bureau would mandate a federal system only if the states do not meet specified minimum levels of registered voters by a given time. This method puts the weight of the federal government behind a sound principle, much as the Voting Rights Act of 1965 did, with a minimum of federal intrusion and without the chances of widespread fraud, duplication and excessive cost.

Given the number of states which have passed mail registration bill in 1975, the states may already have taken notice and arguments for and against a mandatory federal system may become moot if more continue to do so.

STUDY OF EFFECTIVE CORPORATE TAX RATES COMPILED BY TAX ANALYSTS AND ADVOCATES

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. CORMAN. Mr. Speaker, I would like to place in the RECORD a study published by Tax Analysts and Advocates of the effective tax rates of major companies in selected industries for the 1974 tax year. The figures are based on reports filed by the companies with the Securities and Exchange Commission. These reports are open to public inspection.

Although the statutory corporate tax rate is 48 percent, the effective rate paid by most firms varies greatly. While a few corporations paid more than 48 percent on their worldwide incomes, most paid less than this amount.

The only companies reporting a worldwide rate on worldwide income as high as 48 percent are the nine largest oil companies. It has been contended that some of the payments reported as income taxes to nations belonging to the Organization of Petroleum Exporting Countries are actually royalties, since they are assessed on a per barrel basis rather than one net income. As such, they would qualify as deductions but not as credits which are taken directly off tax liability and are much more valuable to the taxpayer.

Those corporations paying less than 48 percent of their income, do so by taking advantage of a variety of provisions in the law. Some of these provisions were originally enacted to accomplish desired fiscal or social goals. However, many of them have outlived their usefulness and it is the task of tax reformers to weed out those provisions that have ceased to accomplish any worthwhile goal. Such provisions serve only to lower tax rates and to unfairly shift the burden of the costs of Government on to the shoulders of other taxpayers.

Stanley S. Surrey, professor at Harvard Law School and former Assistant Secretary of the Treasury for Tax Policy praised the Tax Analysts and Advocates study as being an "accurate and fair representation of the companies' tax situation." The study follows:

CORPORATE FEDERAL TAX BURDEN ON MAJOR COMPANIES [IN SELECTED INDUSTRIES]

[Dollar figures represent 1974 pretax financial income. Other figures are expressed as percentages of that base. Industry averages are unweighted for company size]

Industry/company (date in 1975 tax notes)	Income (thousands)	Worldwide income	
		World-wide rate	U.S. rate
Leading industrials (9) (May 19)		37.6	17.5
DuPont	$662,800	34.5	28.3
Ford	534,200	23.0	(6.6)
GE	950,300	36.4	28.6
GM	1,532,900	38.9	30.6
IBM	3,434,369	46.5	23.5
ITT	704,188	42.5	7.5
Occidental Petroleum	815,665	61.7	3.0
Western Electric	579,754	39.1	39.1
Westinghouse	232,516	16.1	3.4
Aerospace (8) (June 16)		34.1	26.9
Boeing	102,432	29.3	29.3
Rockwell	215,500	35.6	27.6
Curtiss-Wright	19,706	47.5	21.7
General Dynamics	91,642	36.4	29.4
Lockheed	34,900	7.7	(6.9)
McDonnell Douglas	165,090	35.4	35.2
Northrop Corp	33,415	37.5	25.8
United Aircraft	187,276	43.4	42.7
Airlines (8) (June 9)		18.9	18.8
Allegheny	6,079	24.9	24.9
American	26,769	15.7	15.7
Braniff	39,408	7.2	7.2
Delta	159,297	25.6	25.6
Eastern	10,395	24.0	24.0
Northwest	96,411	(3.1)	(4.0)
National	53,580	21.3	21.3
United	193,445	35.6	35.6
Banks (10) (Apr. 28)		17.0	2.2
Bank of America	356,547	24.1	6.6
Bankers Trust	84,668	15.7	.9
Chase	235,488	18.4	(7.8)
Chemical	97,046	9.2	(3.5)
Citicorp	517,827	35.7	4.6
Continental Illinois	146,197	17.0	4.4
Manufacturers Hanover	201,750	18.1	9.0
J. P. Morgan	278,300	20.7	7.3
Security Pacific	69,964	7.8	5.0
Wells Fargo	60,028	3.6	(5.0)
Beverage companies (6) (July 7)		36.6	27.3
Anheuser-Busch	116,992	35.5	35.5
Coca Cola	356,485	43.5	11.9
National Distillers & Chemical	153,657	45.6	35.4
Pabst	29,530	26.8	26.8
Pepsico	145,883	31.5	17.8
Joseph Schlitz	89,800	36.5	36.5
Building materials (10) (Sept. 1)		31.7	20.8
American Standard	76,416	45.3	23.9
Flintkote	17,511	(.6)	(18.6)
Johns-Manville	82,299	29.6	(1.3)
Lone Star	31,811	25.1	15.0
National Gypsum	44,411	36.6	35.3
Norris Industries	20,425	41.4	32.2
Owens Corning Fiberglass	49,221	33.8	32.4
Southwest Forest	15,840	28.3	28.3
Tecumseh Products	51,366	44.3	42.3
U.S. Gypsum	48,809	32.8	18.2
Chemical companies (10) (June 30)		39.4	24.5
Allied Chemicals	222,887	26.7	19.0
American Cyanamid	228,418	41.6	19.4
Celanese	190,000	42.1	29.5
Dart	132,090	47.5	27.9
Dow Chemical	426,415	45.9	28.4
W. R. Grace	246,893	42.5	15.8
Hercules	134,013	33.7	25.1
Olin	77,570	39.6	35.0
Monsanto	556,100	38.3	29.2
Union Carbide	892,400	36.4	15.9
Coal companies (6) (May 14)		26.6	22.7
Eastern Gas & Fuel	60,626	23.1	23.1
Falcon Seaboard	12,986	24.6	24.6
North American Coal	6,698	26.4	26.4
Pittston	190,694	39.7	38.3
Utah International	157,510	22.1	.2
Westmoreland Coal	47,511	23.5	23.5
Conglomerates (10) (July 28)		34.1	28.7
Colt Industries	136,819	41.8	41.8
Illinois Central	88,391	23.2	18.3
IU International	171,643	29.3	23.4
Walter Kidde	75,778	43.1	38.9
LTV	194,215	37.7	37.5
Martin Marietta	143,179	29.7	28.8
Signal	295,891	38.0	33.7
Studebaker Worthington	35,135	22.1	(3.2)
Tenneco	564,079	33.6	28.5
Textron	176,738	42.1	38.9
Container companies (10) (Aug. 18)		38.7	33.1
American Can	176,752	42.8	34.4
Anchor Hocking	28,174	37.9	34.1
Brockway Glass	20,952	38.2	38.2
Continental Can	208,986	35.7	30.5
Crown, Cork & Seal	74,438	40.3	22.4

CORPORATE FEDERAL TAX BURDEN ON MAJOR COMPANIES IN SELECTED INDUSTRIES—Continued

[Dollar figures represent 1974 pretax financial income. Other figures are expressed as percentages of that base. Industry averages are unweighted for company size]

Industry/company (date in 1975 tax notes)	Income (thousands)	Worldwide income: Worldwide rate	Worldwide income: U.S. rate
Diamond International	80, 844	36. 5	34. 0
Federal Paper Board	37, 547	39. 5	39. 5
Hoerner Waldorf	58, 803	41. 0	41. 0
National Can	37, 095	36. 6	36. 6
Owens-Illinois	129, 014	38. 9	20. 1
Drug companies (18) (Aug. 4, Oct. 20)		35. 8	21. 1
Abbot Labs	77, 873	29. 4	22. 3
American Home Products	439, 167	46. 6	33. 2
American Hospital Supply	79, 413	38. 9	33. 4
Baxter Laboratories	44, 656	16. 2	5. 1
Beckton Dickinson	49, 931	41. 5	32. 6
Bristol-Myers	205, 552	41. 4	27. 9
Eli Lilly	292, 136	37. 2	27. 9
Johnson & Johnson	280, 668	42. 4	22. 0
Merck	351, 561	39. 5	29. 9
Miles Laboratories	24, 889	32. 1	2. 5
Pfizer	209, 308	30. 5	2. 6
Schering-Plough	191, 807	35. 4	24. 5
G. D. Searle	95, 916	18. 4	6. 2
SmithKline	83, 620	30. 5	20. 3
Squibb	124, 919	39. 8	24. 4
Sterling Drug	142, 579	44. 3	28. 8
Upjohn	128, 713	39. 2	18. 4
Warner Lambert	260, 873	40. 5	16. 5
Electronic companies (8) (Aug. 11)		37. 9	23. 0
Eastman Kodak	101, 769	42. 9	31. 8
McGraw Edison	28, 921	40. 7	32. 2
Motorola	127, 200	43. 3	33. 2
Polaroid	43, 937	37. 4	(15. 1)
RCA	185, 800	24. 5	18. 1
Raytheon	103, 900	44. 4	41. 8
Sperry Rand	238, 720	27. 5	8. 2
UV Industries	54, 293	42. 5	33. 8
Food processors (9) (Sept. 29)		41. 4	31. 1
Beatrice Foods	250, 336	45. 5	35. 6
Borden	149, 645	40. 1	34. 4
CPC International	173, 020	42. 6	17. 3
Esmark	124, 879	44. 3	39. 1
General Foods	228, 381	42. 8	33. 2
General Mills	143, 094	45. 6	36. 7
Greyhound	97, 138	35. 9	35. 9
Heinz	115, 212	35. 5	18. 9
Kraftco	115, 212	40. 0	29. 0
Food retailers (8) (Nov. 3)		37. 0	34. 5
American Stores	33, 086	35. 7	35. 7
Grand Union	16, 706	36. 2	36. 2
Jewel	46, 264	22. 4	22. 4
Kroger	72, 268	32. 1	32. 1
Lucky Stores	75, 743	42. 0	42. 0
Safeway Stores	136, 152	36. 0	16. 2
Southland	54, 065	43. 1	43. 1
Winn-Dixie	107, 066	48. 1	48. 1
Machinery (8) (Oct. 6)		28. 1	6. 4
Allis-Chalmers	32, 917	36. 3	17. 9
American Hoist & Derrick	12, 283	34. 3	26. 7
Caterpillar Tractor	339, 800	35. 3	26. 5
Clark Equipment	78, 192	27. 8	20. 1
Deere	254, 798	32. 3	25. 9
FMC	76, 201	21. 0	14. 0
Koehring	2, 965	(5. 2)	(106. 5)
Rexnord	32, 623	42. 8	26. 8
Manufacturing, Miscellaneous (10) (Oct. 13)		35. 9	21. 3
Armstrong Cork	66, 389	36. 5	33. 8
Bemis	34, 651	45. 8	39. 5
Corning Glass Works	46, 438	40. 5	10. 6
Crane	92, 755	36. 6	30. 9
NL Industries	106, 882	37. 9	15. 7
Norton	40, 544	33. 2	15. 5
PPG Industries	144, 221	26. 9	14. 6
Pullman	53, 142	40. 4	40. 4
Scovill Manufacturing Co	27, 911	38. 8	18. 2
U.S. Industries	25, 843	21. 9	(6. 7)
Metals and Mining (10) (Sept. 18)		30. 8	23. 7
Alcoa	286, 425	37. 8	27. 1
AMAX, Inc	184, 110	27. 2	21. 6
Anaconda	140, 617	35. 9	34. 6
Asarco	156, 339	10. 3	2. 4
Chromalloy	46, 305	41. 2	39. 2
Kaiser Aluminum	164, 753	29. 2	22. 7
Kennecott Copper	250, 394	21. 5	9. 0
MMM	538, 239	41. 0	24. 8
Phelps Dodge	133, 179	22. 0	20. 7
Reynolds Metals	165, 403	42. 3	34. 7
Office equipment (5) (Nov. 3)		30. 6	14. 1
Burroughs	245, 087	28. 1	14. 9
Honeywell	119, 869	5. 0	(3. 9)
National Cash Register	172, 623	46. 9	15. 8
Pitney Bowes	44, 969	37. 9	32. 1
Xerox	734, 084	35. 2	11. 7
Oil companies (24) (Apr. 21, June 23, July 14)		43. 4	12. 0
Amerada Hess	472, 904	52. 8	17. 6
American Petrofina	103, 333	11. 5	11. 5
Atlantic Richfield	995, 626	47. 4	7. 9
Cities Service	297, 900	27. 6	24. 0
Commonwealth Oil	9, 741	(9. 7)	(2. 5)
Continental Oil	936, 000	58. 0	5. 3
Eastern Gas & Fuel	60, 626	23. 0	23. 0
Exxon	11, 095, 000	70. 4	6. 4
Getty	617, 772	51. 1	16. 4
Gulf	3, 815, 000	72. 1	2. 9
Kerr-McGee	192, 138	37. 4	33. 0
Marathon Oil	474, 209	64. 0	7. 8
Mobil	3, 744, 459	69. 5	3. 6
Murphy Oil	158, 808	51. 0	9. 2
Occidental Petroleum	815, 665	61. 7	3. 0
Pennzoil	178, 806	14. 9	14. 9
Phillips	711, 938	43. 5	15. 3
Shell	897, 401	30. 8	30. 7
Standard of California	1, 041, 300	74. 7	12. 5
Standard of Indiana	1, 706, 432	40. 8	16. 7
Standard of Ohio	179, 293	21. 2	5. 4
Sun Oil	747, 105	47. 8	14. 1
Texaco	2, 924, 438	42. 2	1. 6
Union	465, 126	36. 8	7. 4
Paper companies (8) (Sept. 8)		37. 1	30. 0
Avery Products	33, 797	42. 2	16. 6
Crown-Zellerbach	170, 218	31. 7	23. 6
Great Northern Nekoosa	107, 941	39. 1	39. 1
Hammermill Paper	63, 896	41. 8	41. 8
Kimberly-Clark	159, 878	40. 3	25. 5
Mead Corporation	149, 808	41. 7	39. 1
Scott Paper	82, 665	20. 7	15. 0
Union Camp	159, 134	39. 3	39. 3
Personal care products (6) (Oct. 27)		44. 1	32. 3
Avon Products	227, 221	50. 8	38. 0
Chesebrough Pond's	78, 914	43. 1	31. 9
Colgate Palmolive	199, 154	46. 4	46. 4
Gillette	149, 339	41. 2	17. 5
Procter & Gamble	621, 630	39. 6	32. 4
Revlon	87, 647	43. 2	27. 7
Railroads (5) (May 26)		9. 8	9. 8
Burlington Northern	102, 304	11. 6	11. 6
Missouri Pacific	72, 694	7. 1	7. 1
Norfolk & Western	162, 497	17. 6	17. 6
Seaboard Coast Line	101, 661	1. 6	1. 6
Union Pacific	180, 584	11. 3	11. 3
Retailers (10) (Aug. 25)		35. 4	29. 6
Allied Stores	67, 062	39. 0	39. 0
Associated Dry Goods	67, 661	38. 0	38. 0
Dayton Hudson	46, 939	39. 5	39. 5
Federated	220, 198	41. 5	41. 5
S. S. Kresge	183, 973	39. 1	30. 8
Marcor	218, 836	6. 5	(1. 5)
May Department Stores	87, 734	38. 8	38. 8
J. C. Penney	206, 075	34. 5	34. 5
Sears Roebuck	594, 721	31. 2	31. 2
F. W. Woolworth	98, 700	46. 0	4. 3
Steel companies (10) (May 5)		36. 2	34. 0
Allegheny Ludlum	69, 813	40. 3	40. 3
Armco	333, 318	37. 2	30. 0
Bethlehem	583, 034	37. 3	33. 5
Inland	259, 021	38. 8	36. 6
Jones & Laughlin	252, 488	41. 2	41. 2
Lykes-Youngstown	168, 507	24. 8	24. 2
National	314, 464	41. 4	41. 4
Republic	284, 299	36. 9	36. 7
U.S. Steel	1, 041, 900	37. 5	29. 8
Wheeling	99, 649	26. 3	26. 3
Timber companies (8) (June 2)		30. 2	26. 6
Boise Cascade	168, 166	35. 6	29. 0
Champion International	150, 636	23. 0	15. 6
Edward Hines	4, 236	24. 3	34. 3
Georgia Pacific	252, 850	21. 4	21. 4
Louisiana Pacific	70, 419	34. 0	34. 0
Potlatch	63, 091	26. 2	26. 2
St. Regis Paper	151, 361	38. 1	28. 9
Weyerhauser	405, 197	29. 3	23. 2
Tire and rubber companies (4) (Nov. 17)		29. 8	15. 1
General Tire & Rubber	97, 416	26. 6	18. 7
B. F. Goodrich	90, 643	28. 0	17. 3
Goodyear	298, 968	32. 6	12. 1
Uniroyal	84, 823	31. 9	12. 4
Tobacco companies (4) (Nov. 17)		46. 1	33. 4
American Brands	277, 542	45. 6	32. 0
Liggett & Myers	58, 249	43. 2	43. 2
Phillip Morris	260, 340	38. 6	32. 1
R.J. Reynolds	755, 695	56. 9	26. 4
Truck and equipment (9) (Sept. 22)		23. 7	8. 9
Borg-Warner	63, 700	25. 1	10. 7
Budd	10, 489	1. 9	(17. 2)
Cummins Engine	42, 745	22. 5	16. 1
Eaton	163, 508	40. 1	35. 6
Fruehauf	18, 534	(25. 8)	(60. 1)
Libby Owens Ford	50, 405	30. 3	19. 2
TRW	177, 105	37. 3	24. 4
Timken	99, 897	44. 5	31. 4
White Motor	37, 813	37. 8	19. 8
Utilities companies (10) (July 21)		9. 2	9. 2
American Electric Power	165, 849	(10. 3)	(10. 3)
AT & T	4, 982, 717	18. 8	18. 8
Commonwealth Edison	284, 137	15. 2	15. 2
Consolidated Edison	239, 758	(. 1)	(. 1)
Consumers Power	72, 653	(4. 0)	(4. 0)
El Paso Natural Gas	174, 917	32. 1	32. 0
Pacific Gas & Electric	305, 600	10. 6	10. 6
Public Service Electric & Gas	176, 263	11. 7	11. 7
So. California Edison	329, 194	33. 7	33. 7
Southern Company	203, 020	(15. 4)	(15. 4)

Note: Loss companies (not included in industry averages): Leading industrials—Chrysler Corp.; airlines—Pan American, Trans World Airlines; food processors—United Brands; food retailers—A & P; office equipment—Control Data; timber companies—Evans Products; trucks and equipment—A.O. Smith.

THE FAITH OF A NATION

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. DERRICK. Mr. Speaker, for the benefit of my distinguished colleagues and the people of the United States, I wish to insert in the RECORD the text of a sermon delivered by Dr. J. William Harris, pastor of the First Baptist Church, Edgefield, S.C., on Sunday, June 29, 1975. This very timely and important message is quite appropriate as we celebrate our Bicentennial as it correctly addresses the religious freedoms exercised in our Nation.

I insert Dr. Harris' remarks in the RECORD at this time:

THE FAITH OF A NATION

(Hebrews 11:1–16)

In 199 years the United States has grown from a thin line of colonies with sectional concerns into a mammoth nation with global interests and influence. Its population has increased from 2.5 million to more than 220 million. At its birth, our nation's people struggled for survival against a hostile frontier; today they live in the world's most technologically sophisticated civilization.

The progress to which we so proudly point and the heritage we so richly enjoy came neither by chance nor by favorable circumstances. America has grown and prospered because our people have seen visions and dreamed dreams and because they have followed those visions with steadfast faith and courage.

We can celebrate Independence Day this year in no better way than to capture anew the spirit of the "American dream." When I speak of an "American dream," I am not referring to the dream of affluence and ease. I am talking about a dream that touches the human spirit, that reminds each person that he is a creature of dignity, that he has freedom, opportunity, and responsibility.

To know this dream we must experience it. To preserve it we must contribute to it. Dreams are elusive; they must become ever larger, or they are no longer dreams, only memories. Dreams are never fully realized; there are always new heights to reach, new goals to set, new achievements to pursue.

Dreams are built on faith. "Now faith is the substance of things hoped for, the evidence of things not seen. For by it the fathers obtained a good report."

The Greek word for "substance" literally means "a thing put under" or "a foundation." If we would understand the "American dream," we must try to understand the faith that lies at its foundation. And to extend the dream we must build on that bedrock of faith.

By faith the Pilgrim Fathers broke through the boundaries that had been drawn around their lives. For them the barren, rocky New England coast became a land of promise. Few of the pilgrim settlers were especially talented; they were not motivated to move to the New World by a lust for power or wealth. They were plain men and women of moderate abilities who chose a stern life in the wilds, at unknown cost to themselves, in order to preserve for their children a life in the soul.

By faith Roger Williams struggled to create a haven for personal religious freedom. Williams studied to become an Anglican priest, but sometime during his preparation he became a Puritan. He had differences with William Laud, the violently intolerant Archbishop of Canterbury, and faced either the hangman's noose or an indefinite sentence in Newgate Prison. Williams had to flee. But to where? In every English port there were whispers of freedom in a New World. In 1631, he and his wife Mary landed in Massachusetts.

Freedom, however, to the Puritans of Massachusetts, meant freedom for Puritans only. Williams' preaching and teaching created for him the same dangers he had encountered in England. It was decided that Roger Williams would be shipped back to England. Before his arrest he fled again—this time to the wilderness. He was protected through the bitter winter by Indian friends. Moving south Williams bought land from the Indians and founded a settlement which he named Providence. All those whose beliefs offended the Puritans were invited to Providence. One's religious beliefs and practices were of no concern to Williams; he required loyalty "only in civil things." Henry C. Vedder, a Baptist historian, says, "Thus was founded the first government in the world whose cornerstone was absolute religious liberty."

By faith the colonists found religious and political freedom to be precious gifts, and they resisted efforts to diminish those freedoms while they clamored for even greater liberties. By faith the early Americans declared their dependence on God for help. On June 12, 1775, a year before the Declaration of Independence was written, the Continental Congress, aware that a choice between war and peace was unavoidable, issued what has been called a "Declaration of Dependence on God." This document reads in part: "This congress . . . do earnestly recommend that Thursday, the twentieth of July next, be observed by the inhabitants of all the English colonies on this continent as a day of public humiliation, fasting, and prayer; that we may, with united hearts and voices, unfeignedly confess and deplore our many sins, and offer up our joint supplications to the all-wise, omnipotent, and merciful Disposer of all events; humbly beseeching Him to forgive our iniquities, and remove our present calamities . . ."

By faith the American colonists moved toward the inevitable conflict. By faith Patrick Henry reminded his countrymen that the pursuit of freedom requires the risk of personal life and property. In Virginia's House of Burgesses men in long powdered wigs debated how best they might compromise with Britain and remove the threat of war. There was rumor of gunfire in Boston. There was talk of possible armed resistance in many places. Fears were openly expressed. Patrick Henry stood before the group to speak. He was a strange one. He dressed carelessly, sometimes sloppily. He delivered brilliant speeches, but took time to write down very few of them. He was friendly and out-going but often fiery and unpredictable. Few orators in American history have been as spellbinding before an audience. Facing the august body in the House of Burgesses and then turning to the presiding officer, Henry said: "They tell us, sir, that we are weak; unable to cope with so formidable adversary . . . Sir, we are not weak if we make proper use of the means which the God of Nature hath placed in our power . . . Besides, sir, we shall not fight our battles alone. There is a just God who presides over the destinies of nations and who will raise up friends to fight our battles for us. Our battle, sir, is not to the strong alone; it is to the vigilant, the active, the brave . . . Why stand we here idle? What is it that gentlemen wish? What would they have? Is life so dear, or peace so sweet, as to be purchased at the price of chains and slavery? Forbid it, Almighty God! I know not what course others may take; but as for me, give me liberty or give me death."

Every great thing requires sacrifice to achieve. It also requires sacrifice to maintain. Many present here know firsthand the risk that is demanded to preserve the life and spirit of this nation. Those who have faced the risk have done so in the prayer that others might be spared. But the summons to risk comes to us all.

By faith the Americans severed the relationship with Britain and became independent. A committee of five was appointed to draw up a document stating the separate, self-governing eixstence of the thirteen colonies. Young Thomas Jefferson was selected to compose the bulk of our Declaration of Independence. He penned those precious words which affirm human dignity and freedom: "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain inalienable Rights, that among these are Life, Liberty, and the pursuit of Happiness." And under this final line the members of the Continental Congress signed their names: "For the support of this Declaration, with a firm reliance on the protection of divine Providence, we mutually pledge to each other our Lives, our Fortunes and our sacred Honor."

That was only the beginning. Those were only the principles. That was only the faith. It remained for American men and women to back their beliefs with courage and sacrifice.

The course has never been a smooth one. The American dream has been diverted, and it has been interrupted. In 1861 it was suspended. But by faith Abraham Lincoln added to the national dream of freedom the vision of unity. The greatness of a nation, Lincoln saw, lay not merely in high ideals, but in the united effort to achieve them. Despite violent opposition and harsh criticism, Lincoln kept a steady course toward the reunification of the country so that, in his words, "this nation, under God, shall have a new birth of freedom, and that government of the people, by the people, and for the people, shall not perish from the earth."

This task required more than mere military power; it also needed compassion and understanding. So in his second inaugural address, with the end of war in sight, Lincoln said, "The judgments of the Lord are true and righteous altogether. With malice toward none, with charity for all, with firmness in the right, as God gives us wisdom to see the right."

The roll of men and women who have fashioned the American dream could be as long as we wish to make it. I have named but a few whose visions have shaped life as we know it. "These all died in faith, not having received the promises, but having seen them afar off, and were persuaded of them, and embraced them, and confessed that they were strangers and pilgrims on the earth. For they that say such things declare plainly that they seek a country . . . Wherefore God is not ashamed to be called their God: for he hath prepared for them a city."

I would not be so naive as to say that God prefers America over the other nations of the world and has thus given us his highest blessings. I could not be so dishonest as to say that America has been extremely righteous in all her actions or wise in all her decisions. But I am utterly convinced that we have become a great nation because we have affirmed human dignity and freedom, because we have risked life and property to struggle for principles, and because at strategic points in our history we have turned to God in dependence and faith. I am equally convinced that if our love for affluence and pleasure displaces our call to discipline and compassion, we will cease to be a great nation.

Today we look to the great men of our past. Wherefore, seeing we are compassed about with so great a cloud of witnesses, and that with so great a price freedom has been purchased, let us lay aside every weight of selfishness and indifference, and the sins of partisanship and pride, which so easily beset us, and let us run with patience the race that is set before us, worthy of our great inheritance, aware that the spirit of history is the God of nations.

HORIZONS ON DISPLAY

HON. LINDY BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mrs. BOGGS. Mr. Speaker, on January 30, 1976, I had the distinct honor of welcoming to the Capitol a conference announcing the "Horizons on Display" program, a Bicentennial program sponsored jointly by the Department of Housing and Urban Development and the American Revolution Bicentennial Administration. Participating in the opening ceremonies were Carla A. Hills, Secretary of the Department of Housing and Urban Development; John Warner, Administrator of the American Revolution Bicentennial Administration; and David O. Meeker, Assistant Secretary for Community Planning and Development, Department of Housing and Urban Development.

The Horizons on Display program is an outstanding example of both the type of citizen involvement we have hoped the Bicentennial would stimulate and the type of community development and assistance efforts we have long sought in our housing legislation here in the House of Representatives. It recognizes examples of community achievement across the Nation that illustrate the continuing capacity of Americans to find creative approaches to meeting contemporary community needs.

The 200 projects chosen from among 1,200 nominations represent responses to community needs in 10 areas. They are citizen involvement, communications, community development, economic development, the environment, health, human values and understanding, learning, leisure, and transportation. All of them are operational projects and may be visited and studied. Each one represents an approach that is adaptable to other communities. They all encompass a mixture of private and public effort.

In my city of New Orleans, for example, there are two operational projects. They are Kingsley House, a multipurpose social service agency operating in a low income neighborhood; and Lower Garden District, a revitalization of an inner city neighborhood program.

HUD and ARBA have made available to the Joint Committee on Arrangements for Commemoration of the Bicentennial sufficient copies of the listing of projects so that each Member of Congress may know which ones are operating in his or her communities. I urge very Member to visit the sites and see for themselves what the citizens of this country are capable of accomplishing. I know that they will be as proud of their local and

State projects, and the program in general, as I am.

AFARS AND ISSAS—FOR THE RECORD

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. DERWINSKI. Mr. Speaker, as a result of guerrilla activity and countering military measures by the French Government, the French territory of the Afars and Issas and its relationship with Somalia and Ethiopia, will be very much in the news.

By coincidence, the Robbins Eagle of Robbins, Ill., a publication with a special interest in issues affecting Africa, carried an article by Laura Parks, its distinguished columnist, on January 17, 1976, which is a very concise and informative description of this French possession. Recognizing that this will be of interest to the Members, I insert it in the RECORD:

AFARS AND ISSAS—FOR THE RECORD

(By Laura Parks)

The former "French Coast of the Somalis", now the territory of the Afars and Issas, covers 22,000 square kilometers. It lies on the narrow gulf of Aden, Djibouti is its capitol and it is bordered on the South-East and on the North by Somalia and on the South and West by Ethiopia.

The heart of the country is formed of a triangular tectonic depression which is situated along the Great Rift Valley of East Africa. These run North-South and North-West South East and have created a complex fragmented relief, composed of high blocks and subsidence zones in which there are lakes, often land locked: Lake Assal (174 meters below sea level), Lake Abbe in the Southwest.

Volcanic eruptions have also raised within the trench and at its edges relief which is sometimes tabular (Basal-Mountains rising to 1780 meters) sometimes craggy peaks, in particular North of Obock. The coastal plain is narrow, sedimentary in land and coral near the shore.

Located between the eleventh and thirteenth degrees of latitude North, the territory of Afars and Issas has a subdesert tropical climate and benefit little from its maritime position. Temperature is always very high and rainfall very slight. There are two reasons: the dry season from May to October is the period of the Khamsin, the very dry and hot continental wind from the North which often takes the form of sand storms in the interior.

The wet season from October to April is characterized by slight and irregular rainfall but plenty of nocturnal dew. Vegetation everywhere is skeletal: Spiny bush Acacia and euphorbia steppe, with tamerish along the Wadis. The mountain slopes above 1000 meters has scattered Juniper forest.

The population of 95,000, 4.3 persons per square kilometers, belong entirely to the Hamtic groups Issas in the North Danakil in the South and Somalia. The Danakil are the largest group. All live by nomadic herding and all are Moslems.

France has maintained a presence in the Gulf of Aden since 1862, as well as in Obock, which it did not occupy until 1884. Djibouti was built in 1884 facing Obock at the entry of the Gulf of Tadjoua. France's friendly relations with Menelik, then Emperor of Ethiopia, enabled the French to undertake construction of the Franco-Ethiopian Railway from Djibouti to Addis Ababa, built between 1897 and 1917.

The country is poor, nomadic herding is almost the only occupation. The flocks include 10,500 beef cattle, 150,000 sheep, 400,000 goats, 2000 asses, 2500 camels. Agriculture is conducted only in the inland points along the coast. Recent irrigation projects have enabled the creation of new oasis east of lake Abbe and Southwest of Djibouti.

There is no industry except for extraction of the sea salt by a private French company. Almost all the food and all the manufactured foods are imported. Vehicles, fabrics, clothing, building materials, petroleum products needed by ships stopping over in the ports of Djibouti.

France is predominant in this trade and provides more than half of the territory's imports. Britain, The United States, India, Japan and Italy are important suppliers.

Djibouti has a population of 62,000 (about 25,000 of whom are Europeans) which is about 67% of the country's population. Djibouti has an international airport and is a major port of call. But its main activity is as a seaport.

GUN CONTROL

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mrs. HOLT. Mr. Speaker, in all of the political debate on the subject of gun control, many of us have emphasized the right of citizens to self-defense in a crime-ridden society.

Recently in my district, a courageous motel clerk defended himself against an armed robber, and permanently removed the bandit from circulation.

George B. Woelfel, Jr., an Annapolis lawyer and a good friend of mine, discussed the incident in a letter to the editor of the Evening Capital newspaper. I believe the points he makes are very important to any intelligent discussion of this issue, and I offer this letter for consideration of the House.

GUN CONTROL

SIR: Friday's and Saturday's paper had an account of 57-year-old Howard Lawless, a night clerk at a Ritchie Highway Motel in Brooklyn Park, killing a 25-year-old would-be robber with a handgun. Police investigation soon revealed that the robber had killed a man earlier that same date, presumably in a successful robbery, and the robber's pistol had been stolen in a sporting goods robbery in which the clerk there was killed. The dead robber had an extensive criminal record.

Criminal history has demonstrated that after a criminal kills once to twice he has no compunction about killing again with the odds being that the motel night manager would not have survived that robbery.

What does all this show? It shows that our police department, as fine as it is, cannot protect all of the people all of the time. It shows that criminals can always obtain weapons by illegal means. It shows that law-abiding citizens must also protect themselves at times. It shows that to protect themselves, the law-abiding citizens must be as well armed as the robbers.

This dead robber will go down in statistics as another handgun homicide, although I don't think there will be much mourning over the robber's demise. The only statistics I have ever read or heard the gun control politicians give are to total homicides. What is necessary is a breakdown of homicides into two categories—justifiable and criminal.

We gotta keep better score, how many good guys and how many baddies are killed. Only then can we appraise the statistics in a calm atmosphere and possibly pass meaningful gun legislation.

GEORGE B. WOELFEL, Jr.

PAY STUDY AIMS AT SMALLER RAISES

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. ROUSSELOT. Mr. Speaker, Mike Causey has done a good job in pointing out the problems of Federal pay comparability and the unwillingness of Congress to face realistic comparability standards in his recent article which appeared in the Washington Post on February 4, 1976:

PAY STUDY AIMS AT SMALLER RAISES

(By Mike Causey)

Future federal and military pay raises would be much smaller than past boosts under a priority legislative package the Ford administration is drawing up for Congress.

Key to the plan would be the requirement that the federal government consider salaries that are paid the 14 million state and local government workers in determining a fair wage for federal bureaucrats. Rates paid by state, county and city governments are now ignored by government pay planners when recommending federal rates.

The government now adjusts the pay of its 1.2 million white-collar employees and 2.1 million military personnel each October on the basis of Labor Department wage studies of selected private employers. Those surveys (which are made by government workers) have been criticized by many people because they exclude the largest group of salaried workers in the nation, the people who work for local governments.

Since state and local governments generally pay employees less than federal workers get for similar jobs, the net effect of including the state-local wage rates in the annual Labor Department survey would be that smaller "catch-up" raises would be due federal employees.

As this column pointed out Jan. 30, the "average" white-collar federal salary in Washington now is $17,850 and nationally the typical federal government worker in clerical, administrative and technical jobs gets around $15,800. That average is much higher than the average state or local government rate.

The Civil Service Commission, which is preparing the new pay survey bill, also is working on legislation to whittle back future percentage increases for the 460,000 government laborers, skilled craftsmen and mechanics paid under the blue-collar salary system.

Their wages are geared to the local industry going-rate, but the White House says it wants to eliminate some "artificial" factors built into the system that it says result in generally higher pay for government workers.

Administration officials have letters or statements from more than 20 governors, sources say, asking that the White House put a brake on federal-military pay raises. Some present high-sounding fiscal theories, but most of the governors simply complain that they cannot keep up with federal pay scales in even the lowest grades, and that state workers use federal rates as targets when bargaining new contracts.

If Congress buys the plan, the government will be hard-pressed to come up with honest comparative data, since the bulk of state and local government employment is in the protection, education and sanitation fields. But if it approves the comparisons, nearly everybody in the pay business agrees it will have the effect of lowering future "comparability" raises.

CIA ACCOUNTABILITY AND OVERSIGHT

HON. ANDREW MAGUIRE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. MAGUIRE. Mr. Speaker, two recent articles by Anthony Lewis of the New York Times on CIA accountability and oversight deserve the attention of Members. The articles follow:

[From the New York Times, Feb. 2, 1976]

FARCE OR TRAGEDY

(By Anthony Lewis)

WASHINGTON.—When the House of Representatives voted the other night to have its committee's report on executive branch intelligence abuses censored by the Executive, I was reminded of a mocking English verse about journalists. Suitably adapted, it would go like this:

> You cannot ever hope or plan
> To bribe a U.S. Congressman.
> But seeing what the man will do
> Unbribed, there's no occasion to.

Cynicism is a natural reaction to that vote. After all the Executive cover-ups in recent years, after all the invocations of "national security" to conceal crimes and blunders, after all the talk of a bold new Congress, here was the House lying down and rolling over for the Executive in the name of security.

But it is too serious a matter for mockery. The episode suggests that, by waving the flag, the Ford Administration may be able to prevent meaningful reform of our intelligence services and the way they are controlled. There must be new doubts, too, about reliance on Congress to guard against abuses. And so it is important to try to understand what happened.

The House committee and its chairman, Otis Pike, bear some of the blame for their own undoing. The committee had to fight the White House to get information, and it deserved credit for its struggle. But it was short on constancy and on the political skill needed to hold public support in the face of Presidential opposition. A disastrous week of leaks from its report increased an impression of unreliability.

There was a more basic reason for the House vote, however, than the committee's performance. That was a backlash—a public backlash—against continuing exposure of secret operations. The members were hearing from back home that people were reluctant to hear about any more embarrassments on the American record.

The Administration played shrewdly on that patriotic feeling. It dramatized the murder of the C.I.A. station chief in Athens, Richard S. Welch; many of the House debates mentioned the Welch killing, although the proposed report contained nothing that could have put individuals at risk. President Ford's assistant, Jack Marsh, who lobbied hard against the Pike reports, said happily afterward: "Those guys were voting their districts."

For a member to stand up to that kind of emotion requires the courage of conscience, and there are not all that many Edmund Burkes in the House. But it would have been possible to take the public feeling into account without doing so much damage to the role of Congress in our system of balanced governmental powers.

If the concern was about disclosure of particular intelligence sources or methods, for example, the critics of the Pike committee could have framed a resolution directing it to remove any such matters from the report. Or the House could have had a group of its own elders referee the disagreements between the C.I.A. and the committee about what to publish.

Instead, the resolution adopted gave the last word to the executive branch. It said the report should not be released unless the President first certified it "as not containing information which would adversely affect . . . intelligence activities." That is a sweeping grant of the power to censor, not even limited to secret or top-secret matter. A critical comment on C.I.A. mistakes could "adversely affect" it.

Under such a deferential rule, a President could censor the fact that $800,000 was paid to a rightist Italian general against C.I.A. advice—as the Pike report is said to disclose. A President could censor the facts about his own or his predecessor's attempts to misuse the C.I.A. for domestic political purposes.

In short, the House resolution sets a precedent for giving the Executive Branch carte blanche to cover up its own abuses. Has Congress forgotten Watergate so soon? Has it forgotten that exercise of its own power is the Constitutional answer to the imperial Presidency?

The House really expressed a lack of confidence in itself in that vote. It told us that it was afraid to exercise its function of oversight in this crucial area because it might make a mistake—and be blamed. It told us that it was afraid of responsibility.

In our system of divided government, knowledge is power. One member said in the debate that a committee should not "release information unilaterally"—as if information belonged only to the Executive. A member of the first House of Representatives, James Madison, warned that a democratic system "without information" would lead to "a farce or a tragedy." He said: "Knowledge will forever govern ignorance: And a people who mean to be their own governors must arm themselves with the power which knowledge gives."

[From the New York Times, Feb. 9, 1976]

A TEST OF SERIOUSNESS

(By Anthony Lewis)

BOSTON, February 8.—All the intelligence investigations of the last year have pointed, logically, toward some system of controls to prevent future abuses. But as the time for legislation comes, defenders of the status quo are making a powerful counterattack. Their aim is to prevent any meaningful restraint on what a President and his men may do by way of ordering covert operations.

The counterattackers paint Congress as irresponsible, not to be trusted with oversight. They imply that anyone who wants covert action to be controlled by law and by Congress is impractical—an innocent in a hard world. Power and responsibility, they say, must be left to the Executive.

But it is not just some soft-headed theorists who want reform. Among those pushing for systematic control of covert action are persons who have held weighty responsibility—former high national security officials. Two notable examples are Clark Clifford and Cyrus Vance, who with their reputation and experience can hardly be dismissed as dreamers.

Mr. Vance and Mr. Clifford gave their views on intelligence legislation in testimony last December. They agreed broadly on these propositions:

1. The law should authorize covert operations in very limited circumstances: "only when absolutely essential to the national security," in Mr. Vance's phrase. Mr. Clifford said the kind of emergency justifying such operations should threaten "a profound impact on the continued existence of this country." He said that neither Indochina nor Chile—two areas of major United States secret intervention in the past—would meet his test.

2. Certain methods should be forbidden. The obvious example is political assassinations of the kind that the Central Intelligence Agency is now known to have plotted. Mr. Vance said he would rule out interference with the electoral process of another country.

3. The statute should assure accountability in the executive branch by requiring the express approval of the Preisdent himself for any secret operation.

4. Congress should exercise oversight through a new joint committee or committees on intelligence. Mr. Vance and Mr. Clifford agreed that the committee members should be told about any covert action proposal before the President finally approved it.

Those are not exactly radical propositions. They are characteristically American in their approach to a problem of government power: practical, balanced, reliant on law. They come from eminent Establishment lawyers who know firsthand about the exercise of power. Mr. Clifford was one of the draughtsmen of the National Security Act of 1947, which created the C.I.A.

What those and similar ideas seek to replace is essentially a nonsystem: the use of power without any rules. Since 1947, without clear legal authority, the C.I.A. has undertaken covert operations ranging from bribes to secret wars. It has often been ordered to do these things by subordinate officials, with no traceable approval by the President.

Running covert operations without limits on the means or ends, without controls, without law, without accountability is not good for the intelligence community. To the contrary, intelligence people have been embarrassed and endangered by what has gone on. That is why William E. Colby, the former C.I.A. director, was eager for Congress to enact clear guidelines and oversee his agency.

Now a new director, George Bush, will define the agency's attitude toward legislative proposals. Considerable responsibility falls on the C.I.A.'s counsel, Mitchell Rogovin, an able Washington lawyer brought in last year to help deal with the investigations and work on the legislation. Mr. Rogovin has been very much for the principles of control and accountability, advising the agency that it will do better in the long run if it lives under rules.

The hardest test now is for Congress. The question is whether it will take a real share of responsibility for controlling covert actions. That means effective oversight, by committee members willing to take the risk of knowledge. Will Senator Frank Church and the others make a stand for that principle?

Secretary of State Kissinger has urged that any new intelligence committees be advised of secret operations only after they get under way. That course is tempting, because it would allow members to minimize their responsibility. But it would also let this country slip into secret commitments without a second thought.

The concern about Congressional oversight is leaks. That is a problem, but not an insuperable one. New legislation could give the power of disclosure only to a full committee or to either house of Congress—and the power would almost never be used if a committee did its job and made its influence felt. The risk would be modest compared to that of uncontrolled, secret power.

GAS DEREGULATION

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. COLLINS of Texas. Mr. Speaker, due to its procrastination on the natural gas issue, Congress has been able to study exhaustively the problems, both economic and social, of deregulation. Spending the last 3 years on the precipice has prompted many energy experts and economists to analyze this problem.

It is safe to say that seldom has there been an issue on which the vast majority of the experts, no matter their philosophy, have agreed upon a solution. The resounding chorus of advice from experts and economists alike is simple—deregulate. Edward Mitchell in testimony before the Senate Commerce Committee in March of 1974 said:

> We . . . have extensive and profound experience with FPC regulation of interstate gas prices and there has developed a general consensus among economists that FPC regulation has created a massive shortage of natural gas. Perhaps at the time the decision was made to regulate interstate gas prices there were doubts about the competitiveness of the industry and about the size of the supply response to price. I cannot verify the degree of uncertainty at that time because I was not involved in the regulation issue then. But the number of studies that have been conducted on the natural gas market since then and their virtually uniform conclusions do not leave much room for controversy or speculation today. In reviewing possible future studies for my energy project the natural gas issue looms as one of the most important. But in consulting other energy economists about further work on the issue, I do not find any pressing questions that require answers before we can make a policy choice. The issue has been studied to death and the industry is competitive. The FPC price regulations have caused a huge shortage of gas. Whether they are liberals, conservatives, middle-of-the roaders, or of no particular political persuasion, that is the view held by economists I talk to.

Deregulation is clearly the way to attract capital and exploration in the gas industry. Given the fact that natural gas reserves have been dropping over the past decade and, in fact, gas production itself started falling off in 1972, the prospect is for greater shortages in the future unless action is taken to release the natural gas industry from a Laocoon fate at the hands of Government.

The dispute here turns to the effects of deregulation on consumers. Ezra Solomon dealt with this question during Senate Commerce Committee hearings on the natural gas regulation bills.

> There is no precise way to calculate the cost which regulation has imposed on unsatisfied gas consumers by forcing them to alternative fuels. Attempts which have been made to place a "money value" on the size and costs of the shortage induced by price regulation have concluded that the costs probably exceed even the *gross* benefit conferred by the lower price to those fortunate consumers whose demand for gas has been satisfied.
>
> Regulation hurt, and will continue to hurt new residential and commercial consumers—usually those in new and growing population centers—who were and are willing to pay more for gas but cannot obtain supplies; it hurt the producing industry directly and indirectly hurt those who participate in the overall exploration, development and producing process; it hurt the public at large through a fall in tax receipts below levels that otherwise would have prevailed; finally, it hurt users of competing fuels by the upward pressure which the gas shortage has exerted on the price of such alternatives.

Paul MacAvoy, who has conducted seminal econometric studies of the possible effects of natural gas deregulation, and Stephen Breyer largely concurred with his opinion in an article printed by the Washington Post on October 14, 1974:

> We believe that natural gas regulation has hurt more consumers than it has helped. It is widely recognized that regulation brought about a reserve shortage beginning in 1962, which grew into an actual production shortage in 1969. But, it is less often noted that these shortages directly raised fuel costs for consumers, for they led millions of consumers who might have used gas to rely instead on other, more expensive fuels . . . if existing regulation keeps gas prices low, it may save present consumers of gas billions of dollars. But, it will do so only by imposing great costs (we predict greater costs) upon other consumers—of, say, oil or electricity—who might otherwise have the opportunity to use gas, consumers of natural gas whose reserve backing is no longer adequate, and customers of firms whose products would be cheaper were natural gas obtainable.

The alternatives then are clear, the consumer can have a gas shortage at low prices or adequate supply at market prices. It seems specious to argue that one saves money by keeping natural gas at artificially low prices because he can buy none. Yet that is the result of congressional inaction in regard to the natural gas problem.

In addition to an adequate supply and a fair market price for natural gas, the absence of which exacerbates our economic troubles, deregulation will help to lower the demand for foreign energy substitutes; it will apply pressure to help lower world real oil prices, and help create a confident and stable business atmosphere.

It is time to stop fooling ourselves with momentarily politically popular decisions which will hurt the consumer in the long run. The problem has been studied and the facts are known. Rather than subject consumers, jobholders, and businesses to yet another year of uncertainty, we should make the tough decision, the right decision to deregulate natural gas prices at the wellhead.

TWO HUNDRED YEARS AGO TODAY

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. WIGGINS. Mr. Speaker, 200 years ago, on February 5, 1776, the Continental Congress praised Gen. Philip J. Schuyler for his valuable service in disarming a sizable number of loyalists in Tryon County, N.Y. General Schuyler's action was seen as eliminating a serious threat and assuring the future tranquility of the area. Earlier, Congress had expressed concern about the dangerous situation created by the large number of loyalists in the colonies and had urged the committees of safety in each colony to call upon the Continental troops if they were needed to disarm the loyalists.

IN COMMEMORATION OF NOBLE SISSLE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. RANGEL. Mr. Speaker, as we begin to perform our duties on behalf of those who elected us during this second session of Congress, I would like to extend a tribute to one who dedicated himself in a personal capacity to the citizens of our communities and who made a marked contribution to the "Afro-American musical heritage" throughout our country.

Noble Sissle died recently at the age of 86 leaving behind him a legacy of art, achievement, and inspiration to those who have struggled for the civil rights of our citizens. His gifted talent in the field of music was most notably recognized as he received the Ellington Medal from Yale University President Kingman Brewster in a Salute to the Afro-American Musical Heritage. Because of Mr. Sissle's efforts to improve the rights of the black American, he gained the high respect and honor as the unofficial Mayor of Harlem in 1950.

I salute Noble Sissle as one of the great persons that we have to honor for his outstanding contributions to mankind.

The following editorial was broadcast from WWRL radio station, Woodside, New York City on January 2, 3, and 5, 1976:

A NOBLE SPIRIT PASSES

> Although it makes us admit to being older, we sometimes feel sorry for others who weren't around to know and acknowledge the superior sound of the Big Bands. Noble Sissle was around and his music was a joy to behold. In 1950, he succeeded Bill (Bojangles) Robinson as the unofficial Mayor of Harlem and pledged himself to work to improve civil and welfare relations in Greater New York. He was one of 30 outstanding black instrumentalists and singers to receive the Ellington Medal from Yale University President Kingman Brewster, Jr., in a Salute to the Afro-American musical heritage. Mr. Sissle died recently at the age of 86, at his home in Tampa, Florida. He last performed in public in 1972, but to thousands of Americans he lives on through the medium of his recorded music. Another Black trailblazer has left the scene. Noble Sissle was a first-class achiever at a time when Blacks had to fight for their personal civil rights.

COTTON, INC. ATTENDS WINTER OLYMPICS

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. FINDLEY. Mr. Speaker, the diversified activities of Cotton, Inc. were brought into new focus just a few days ago with the revelation that the promotion agency was able to go ahead with an agency-financed trip for about 28 executives and their wives to the Winter Olympics, despite the decision of the U.S. Department of Agriculture that funds from a checkoff authorized by law could not properly be used for this excursion.

Officials of Cotton, Inc., circumvented this decision by using funds accumulated during the years before the organization began to receive either appropriated funds or funds secured by a checkoff authorized by law.

At this moment, news reports from Innsbruck have not listed any of the executives as winners of either silver or gold medals.

Bernard Brenner, of United Press International, filed the following story amplifying this remarkable organization's latest fling:

COTTON, INC. ATTENDS WINTER OLYMPICS

(By Bernard Brenner)

WASHINGTON.—Agriculture Department officials have forbidden a private cotton market promotion agency to use funds from a farmer "checkoff" in a Winter Olympics junket for 28 textile industry executives and their wives, UPI has learned.

A spokesman for Cotton, Inc., the promotion agency, said, however, that the planned trip was still regarded as a key promotional move to spur cotton sales, and would be staged as scheduled with other funds not subject to government regulation.

Cotton, Inc., with headquarters in New York and Raleigh, N.C., operates promotion and research programs financed mostly by a $1 a bale levy paid by cotton growers since 1971.

The organization also has been getting $3 million a year in government grants despite continuing opposition from congresional critics who have accused it of lavish spending habits. The Federal money, however, is earmarked for research only and is not used in promotional budgets.

When plans for using an estimated $65,000 to $78,000 of the farmer funds to finance a trip to the Winter Olympics at Innsbruck, Austria, next month came to light last month, Agriculture officials who are required by law to approve Cotton, Inc., budgeting of both the checkoff and Government funds asked for an explanation.

After studying the project, Assistant Agriculture Secretary Richard E. Feltner notified the cotton promoters in a letter this week that "we have determined that this is not a proper expenditure of producer funds collected pursuant to the Cotton Research and Promotion Act," UPI learned.

Feltner said the current fiscal year's Cotton, Inc., budget approved earlier by agriculture officials did not mention the project, and "more important, we are of the opinion that this is not the type of activity contemplated by the Act."

Feltner noted, however, that Cotton, Inc., could operate the junket with holdover funds collected in voluntary farmer contributions by a predecessor agency before the Government-supervised checkoff took effect. E. Hervey Evans, Cotton, Inc., board chairman, said in a telephone interview from Raleigh, N.C., that these funds—a reserve of about $1 million—would be used for the trip.

Feltner said that if this is done, cotton growers should be told the whole story "in order to avoid jeopardizing producer support for the $1 a bale (checkoff) program." Evans, however, said no decision had been made on publicizing the affair among growers who—he said—had indicated support for it through organizational leaders.

Material submitted on the planned trip to agriculture officials showed that in addition to two groups of 10 textile industry executives and wives, Cotton, Inc., planned to send six staff employees and five of their wives to Innsbruck in two separate one-week visits next month.

Evans said the trip was seen as a "very key thing in our marketing strategy" because it would enable Cotton, Inc., to promote use of cotton among key industry leaders in small seminars during the trip. The Olympics were chosen as the junket site because Cotton, Inc., is sponsoring TV commercials during Olympic broadcasts, he explained.

SOCIAL SECURITY

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. MAZZOLI. Mr. Speaker, long before President Ford discussed social security reform in his budget message, Congress had begun intensive investigations into social security's financial problems and possible remedial action.

I am certain—as are most of my colleagues—that the social security program is in trouble. What I am not certain about, however, is the most fair and equitable solution to this serious problem.

There are a number of alternatives to be considered in dealing with social security's funding problem.

We must consider increasing the social security tax rates, increasing the amount of earnings subject to social security payroll taxes, and, as well, the use of general Federal revenue to supplement these payroll taxes.

And, in addition, we should consider President Ford's social security reform proposals ranging from changing social security benefits to outright abolishment of certain benefit programs.

In the final analysis, we might have to utilize a combination of all of these remedies.

One thing is certain: Congress must take some kind of action to insure the financial stability and integrity of the vital social security program.

I have personal reservations about solving our problems by increasing social security taxes. The very nature of these taxes is regressive. That is, they hit hardest those least able to afford them: the little person. There simply has to be a fairer way to achieve the goal of a financially sound social security program.

If all else fails and it proves necessary to increase the social security tax, we must surely wait until a more economically stable time arrives in which to do so.

The road ahead will be tough. Solutions will not be easy in coming. But, now is the time to start.

COMBATING CRIME

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. BLANCHARD. Mr. Speaker, last December I introduced a comprehensive eight-point program designed to combat crime. My proposals call for additional funds for programs to combat crime; setting up a commission to compensate the victims of violent crimes; enacting measures providing stiffer penalties and mandatory minimum sentences which will serve as a deterrent to crime; and setting up a law enforcement officers' bill of rights.

After reviewing the Federal budget, I was appalled to learn that less than 1 percent is devoted to crime control, especially when the crime rate has increased 157 percent over the past 14 years. Replies to my recent congressional questionnaire indicate that 75 percent of my constituents feel that more money should be spent on crime control. Only 8 percent felt less should be spent in this area.

Not only should more money be spent on crime control, it should be directed to the areas where it is most needed and will accomplish the most good. It must be channeled back to States and major units of local government where: first, most of the crime occurs; second, most investigations take place; third, most of the manpower and resources are used; and fourth, there is a large backlog of criminal cases.

I have introduced three bills aimed at providing funds where they are desperately needed. First, there is H.R. 11251, the State and Local Government Speedy Trial Act, a bill which would provide grants to States and major units of local government to help them speed up the disposition of criminal cases. The intent of this proposal is to provide for swifter punishment of the criminal and swifter justice generally for all accused persons. Second, I have introduced a bill, H.R. 11255, which would create a national Violent Crimes Compensation Commission, to give grants to States which establish compensation programs for victims of violent crime and to encourage other States to adopt such programs. Third, I have cosponsored H.R. 7701, a bill which would provide emergency financial assistance to municipalities to maintain adequate levels of law enforcement in areas which have been forced, due to financial hardship, to lay off public safety officers.

In order to help deter crime, I have introduced H.R. 11252, a bill which provides for stiffer penalties and mandatory minimum sentences for committing a crime with a gun; H.R. 11250, the Drug Pushers Punishment Act, which provides mandatory minimum sentences for persons convicted of selling, exporting or importing illegal and dangerous drugs; H.R. 11256, a bill which bans the sale of "Saturday night specials"; and H.R. 11254, a bill to provide that persons convicted of certain violent crimes shall, except in limited circumstances, be denied bail while awaiting sentencing or appeals.

Finally, I have introduced H.R. 11253, which will insure that public safety officers receive the same fairness and due process on the job that we extend to the average citizen in everyday life.

My proposals, if enacted, would provide the necessary authority and money to encourage swift, certain and stiff punishment of criminals. My proposals also acknowledge that law-abiding citizens, victims of crime, and law enforcement officials have rights, too. They should be treated with fairness and compassion. Doing that, by itself, will increase public confidence in the role of government in combating crime.

Finally, as I have indicated, Congress and the administration need to dramatically reallocate Federal dollars to the priority of fighting crime. We need to put our money where our rhetoric is—toward the goal of safe streets and neighborhoods. That's a goal shared by the overwhelming majority of Americans.

FINNISH-AMERICAN AGREEMENT ON EDUCATIONAL EXCHANGE

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. RUPPE. Mr. Speaker, the Government of Finland and the Government of the United States have agreed to amend the Educational Exchange Agreement of July 2, 1952, as amended, with regard to financing certain educational activities in the two countries.

Under the terms of the new agreement a permanent binational trust fund will be established, the annual proceeds of which will be devoted to maintaining in perpetuity educational and cultural exchange programs between the two nations. The basic endowment of the trust fund will come from the payment in full by the Government of Finland in 1976 of all its remaining 1919 World War I debt, including interest, owed to the United States. The United States will then donate the almost $3 million involved to the special fund, the trustees of which will be two Americans and two Finns. The existing U.S. Education Foundation in Finland will, as it has in the past, continue to administer the exchange program.

Mr. Speaker, I am delighted with the scope and content of this agreement. Quite frankly, the Finnish-American exchange program has been, in my view, one of the most extensive and successful of the Fulbright-Hays programs. The program has contributed significantly to the warm and cordial relationship which exists between the United States and Finland. This agreement will further solidify the friendly relationship between our two nations by providing future opportunities for young people from both the United States and Finland to broaden their educational and cultural horizons.

The new agreement not only reflects well upon the state of Finnish-American relations, but also pays tribute to the Finnish people. A proud people, a nation with the highest ideals, the Finnish people are to be congratulated for their foresight and willingness to conclude an agreement which will have a long lasting effect on the relations between our two countries.

I know that my colleagues join me in recognizing the Finnish people and their government for the role they have played in establishing a perpetual exchange program.

"THE HANDGUN, THE MOST FATAL OF WEAPONS"

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. CONYERS. Mr. Speaker, the unrelenting propaganda of the gun lobby notwithstanding, the demand for stricter gun control legislation is being heard in every part of the country. Such sentiment is not confined to urban areas; it cuts across urban-rural boundaries. The residents of rural and suburban America are as disgusted by the senseless gun killings that fill the news each day as are the residents of cities.

During the past year I visited every region in the country in connection with the public hearings the Subcommittee on Crime held on firearms legislation. The need for stricter gun laws was voiced in all areas. Everyday I receive resolutions on gun control from concerned groups throughout the country and, because it is important for my colleagues to recognize how pervasive gun control opinion is, I call to their attention one such resolution passed by the Junior Woman's Club of Streamwood, Ill.:

STREAMWOOD JUNIOR WOMAN'S CLUB,
Streamwood, Ill., December 1, 1975.

DEAR MR. CONYERS: The Streamwood Junior Woman's Club, with a membership of forty-seven, passed the following resolution with five dissenting votes. We hope that you will give serious consideration to the matter of handgun control.

Whereas, the handgun, the most fatal of weapons, is the weapon used in over fifty percent of all homicides; and

Whereas, the handgun, being available, is the instrument used in suicides and crimes of passion; and

Whereas, the handgun, the easily concealable tool of the criminal, is used in one hundred thousand assaults each year; and

Whereas, the increase in violent crime committed with handguns creates a national problem; therefore

Resolved, that the Streamwood Junior Woman's Club advocates and supports strong, enforceable Federal legislation to control *handguns only*, with exceptions for police, military, licensed security guards, licensed pistol clubs, registered antique dealers, and registered antique collectors.

Sincerely Yours,
JUDITH WATKINS,
Vice President of Legislation.

HIGHWAY USER TAXES

HON. BO GINN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. GINN. Mr. Speaker, as a member of the House Committee on Public Works and Transportation, I have received a study on highway user taxes published by the Department of Research and Transport Economics of the American Trucking Associations. The study provides detailed information and charts, and I recommend that my colleagues review the material in full. The study is summarized in the letter that accompanied the report to Secretary of Transportation William T. Coleman, and I ask that it be included in the RECORD at this point:

AMERICAN TRUCKING ASSOCIATIONS, INC.,
Washington, D.C., February 3, 1976.

Hon. WILLIAM T. COLEMAN, Jr.,
Secretary of Transportation, U.S. Department of Transportation, Washington, D.C.

DEAR MR. SECRETARY: In recent months you've expressed concern that heavy trucks are not paying their way on the nation's highways and are, in effect, subsidized to the deriment of railroads. We, at the American Trucking Associations, believe your concern is groundless.

ATA has analyzed tax figures involving the interstate highway system for the years 1957 through 1974. It finds that in that time truck operators have paid $75.8 billion in federal and state highway user taxes to cover the expenses of constructing, maintaining and administering the nation's highways, including the interstate system. Current tax collections for the Federal Highway Trust Fund show that truck taxes amount to more than 43 percent of the total, although trucks make up only 18 percent of total motor vehicles on the road.

Although the over-all percentage is not included in the report submitted to you today, historically in the years 1957 through 1974 the trucking industry's contribution to the Federal Highway Trust Fund amounted to approximately 40 percent with trucks making up 17 percent of total motor vehicles on the road.

We realize, of course, that the central question is not "How much do trucks pay?" but "Are trucks paying their fair share?." And we understand that your concern stems from a little-publicized 1969 Federal Highway Administration staff study that purports to show that heavy trucks are not paying enough.

We reject this finding. Our staff analysis of the 1969 FHWA study, which we understand was never submitted to the Congress, shows it to be incomplete and biased against heavy trucks. When the data considered in the study is augmented to include state as well as federal taxes, it is evident that motor vehicle operators vastly overpay their responsibilities.

Furthermore, had the 1969 study taken into consideration all of the criteria used in a comprehensive, eight-year study published by the U.S. Bureau of Public Roads in 1965, its conclusions would be entirely different. The 1969 study updated only the incremental-cost method of determining relative tax equity. Nothing was done to update the other approach, differential-benefit analysis, which was one of the two study methods ordered by Congress. To update only the study that showed truck underpayments and ignore the one that showed truck overpayments cannot, we believe, be called a thorough consideration of the tax investigation ordered by the Congress in 1956. The earlier study, which was accepted by the Congress and included the results of both methods of determining relative tax equity, showed that heavy trucks, particularly large, five-axle tractor trailer units, were paying their fair share of highway user taxes. Since that time, the trend has worked to increase the heavy truck portion of highway user taxes.

We hope you will take the time to read our analysis thoroughly. It is our belief that if you do, you will agree that heavy trucks, through special highway taxes, pay more than their fair share of highway costs.

Sincerely,

LEE R. SOLLENBARGER.

ANTITRUST AND THE ARAB BOYCOTT

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. WAXMAN. Mr. Speaker, recently, the Justice Department filed a civil suit against the Bechtel Corp., charging that firm with a violation of the Nation's antitrust laws because of its alleged cooperation with the Arab boycott. It is the first time the Government has sought to hold a corporation accountable for alleged participation in restrictive trade practices imposed by foreign firms and countries. By asking the courts to declare cooperation with the Arab boycott illegal, the Justice Department has at last chosen to do more than pay lip service to the laws which oppose the restraint of trade.

Our society is one which treasures racial and religious freedom, and believes in the operation of a free market. The growing scope and influence of the Arab boycott clearly threatens these values. The Bechtel suit has gone to the heart of this economic dilemma. What is at stake is more than the continuation of trade with the Arab nations, which will surely increase in the years ahead, but the conditions of trade itself.

Lawrence R. Velvel has written a searching analysis of these issues. He observes that if and when American firms give in to and abide by Arab boycott demands, we will have sacrificed a significant sovereign power, "the right to prescribe the rules under which its citizens conduct American business." And if the Arabs will no longer trade with us because we choose not to enforce their discriminatory demands against our own citizens, "so be it," he says, "since the alternative is worse for us." This is what the Arab boycott and our response to it are all about.

For the past year, major efforts have been undertaken in the Congress and in the courts to break the Arab boycott's dangerous impact on our economy. Mr. Velvel's article is a major contribution toward an understanding of the issues involved, and I wish to take this opportunity to share his analysis with my colleagues:

[From the Wall Street Journal, Jan. 27, 1976]

ANTITRUST AND THE ARAB BOYCOTT

(By Lawrence R. Velvel)

The Arab boycott for years has been a vexation for American businessmen, Congress, the administration and the public in general. With the filing this month by the Justice Department of a civil antitrust suit against Bechtel Corp. a major step has been taken toward resolving the problem.

Bechtel, a construction firm charged with violating U.S. laws by refusing to subcontract its Mideast work to U.S. concerns blacklisted by the Arabs, has vehemently denied the complaint and declared it will contest it "vigorously." If the government wins its case, companies will be unable to cooperate with the boycott even though they believe such cooperation is worth tens of millions of dollars in business with Arab lands. Moreover, the suit could not only herald later government antitrust litigation against other corporations which allegedly cooperated with the boycott, but could be the precursor of private treble damage actions in which millions of dollars would be at stake.

The boycott on which antitrust interest will be focused is both a direct boycott and a secondary one. In its direct form, Arab nations, companies and financial institutions may refuse to do business with companies which have been placed on a blacklist because they deal with Israel, have Jewish owners, officers or directors, refused to fill out questionnaires on such matters or run afoul of other criteria. The secondary boycott arises because, even though a firm is not itself on the blacklist, it cannot do business with the Arabs unless it refrains from using the services of other firms which are on the blacklist.

IMPORTANT ANTITRUST ISSUES

In both its direct and secondary forms, the boycott raises important antitrust issues. To begin with, it is not unlawful for a company to unilaterally refuse to deal with another party. The refusal is illegal only if the company acts in concert with others. Since an American corporation may unilaterally decide that its profits will be much greater if it goes along with the Arab boycott, it might be argued that its adherence to the boycott is a purely unilateral and lawful action. I would venture, however, that this argument will fail. The Supreme Court has ruled that an unlawful concert of action exists where there is a wide group of actors who are causing or adhering to a boycott, where an adherent is aware that others are also cooperating, where efforts are made to obtain agreements to adhere, and where those who do not cooperate are cut off from commercial intercourse. All of these factors appear to exist in the Arab boycott.

On its face, therefore, the Arab boycott appears to be squarely within Supreme Court rulings that commercial boycotts are *per se* illegal. One might try to distinguish such rulings on the ground that the Arab boycott sprang as much or more from political motivations as commercial ones. Politically and sociologically inspired boycotts, it would be argued, are not subject to the antitrust laws: For example, one might not apply these laws to a boycott by civil rights organizations of stores which engage in racial discrimination.

However, American companies which participate in the boycott do so from commercial motives, not political ones. Moreover, boycotts which spring from political reasons, but which have commercial motivations or effects as well, are not likely to be automatically exempted from antitrust. Presumably they could be exempt only if they are in accord with the public policy of the United States. Seeking to put an end to racial discrimination does accord with American public policy. Seeking to put an end to Israel, seeking to punish those who deal with Israel, and religious discrimination do not accord with our public policy.

Even though the Arab boycott might otherwise be subject to antitrust, it is sometimes questioned whether the antitrust laws should be applicable, since the United States itself sponsors boycotts of nations of which it disapproves, such as Cuba and Rhodesia. The Cuban, Rhodesian and similar boycotts, however, are official American government policy, based on actions of both the Executive and Congress. The Arab boycott is not U.S. policy and has indeed been pronounced contrary to it. The Sherman Act thus remains applicable to the Arab boycott unless and until our policy is changed by the President and Congress.

Assuming a violation of the antitrust laws, there can be no doubt that the United States has jurisdiction to apply those laws to American nationals whose acts of boycott have effects upon American foreign or domestic commerce. But it can also be said that the Arab nations have jurisdiction to require cooperation with the boycott as a condition of participating in Arab commerce. The queston which arises is whether U.S. jurisdiction or Arab jurisdiction should prevail.

Where two sovereigns each have jurisdiction and prescribe conflicting rules of law, a number of factors can be considered in order to decide which nation's jurisdiction shall be applied. These factors include the vital national interests of each state, the extent to which the conduct takes place in one state or the other, the nationality of the actor, and the extent to which compliance with a state's rule can be achieved. These factors obviously create latitude in which to argue a case either way. But American judges might be disposed to a factoral analysis which upholds American jurisdiction when an American national, who is subject to U.S. laws, has harmed other Americans, or has harmed the citizens or governments of friendly nations.

Moreover, there is also a point which should be far more important than a mere factoral analysis. If American jurisdiction were not to prevail when American boycotters have wreaked harm on our domestic or foreign commerce, then the U.S. will have relinquished a significant sovereign right: the right to prescribe the rules under which its citizens conduct American business.

Our commerce, both domestic and foreign, would be at the mercy of the rules of scores of foreign nations, whose laws and policies may often be contradictory to our own and inconsistent among themselves. This simply cannot be permitted. If the Arabs do not wish to do business with Americans because the U.S. will not put itself at the mercy of foreign nations, then so be it, since the alternative is worse for us. As a practical matter, however, the Arabs' need for our technology and capital probably will cause them to continue to do business with America.

A CLEAR ANSWER

The same overwhelming consideration of America's sovereign control over U.S. commerce also provides a clear answer to another argument which is analogous to the jurisdictional problem. Because it is desirable for Americans to do business abroad, it is sometimes asserted that the Sherman Act should not be extended to anticompetitive conduct by Americans which is compelled by the sovereign act of a foreign nation as a condition of doing business with that nation. But this doctrine of sovereign foreign compulsion would place us at the mercy of the rules of scores of foreign nations. Moreover, one might ask why it is American law which must yield rather than the law of a foreign country: no less than the U.S., the foreign country, too, is benefited by American trade. Finally, the doctrine of sovereign foreign compulsion only applies where a foreign country truly requires anticompetitive acts. The Arab countries, however, often do business with firms which do not adhere to the anticompetitive boycott. In conclusion, the Arab boycott raises important issues of antitrust law. Such issues will probably have to be resolved in any governmental or private lawsuit against the boycott. When the litigation involves American defendants, and particularly if their actions have harmed other Americans, it is more likely than not that the resolution of the issues will be that adherence to the boycott is illegal.

HON. CHARLES R. SAVAGE

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. BONKER. Mr. Speaker, I would like to call the attention of the House to the passing of a former colleague and Representative of Washington's Third Congressional District, Mr. Charles R. Savage of Shelton, Wash.

Charlie Savage devoted 28 years of his life to public service, including 2 in the Congress. He began his political career as a State legislator in 1938 and was elected to Congress in 1944. A fierce spokesman for the working man, Charlie was defeated in 1946 because of his opposition to the Taft-Hartley Act and support for price controls and call for investigation of the activities of real estate speculators, private power companies, banks, and owners. He was also a strong supporter of Henry Wallace's progressive movement and was among the first to advocate recognition of China. His most notable achievement, remarkable for a first termer, was in helping place nuclear energy under civilian control.

Returning to the State legislature in 1950, Charlie continued his efforts to work for programs to aid the working men and women of his district. Upon learning that he had lung cancer, this courageous veteran legislator worked even harder at his elected job—up until the time of his death.

Charlie Savage's courage and commitment should be an inspiration to everyone in public office. His colleague in the State House, Representative Paul Conner, in a moving eulogy at the funeral said the following:

Mr. CONNER. I would like to say a few words about Representative Savage. He has been a source of inspiration to all of us, not only in the last year, knowing of his personal tragedy, but over the years in recognizing the courage of a man who believed in convictions. The only personal gain he ever sought was that for each of the citizens of the State of Washington in equal proportion. One who was far ahead of his time; one who could be called a true liberal in the sense that probably no one here, or at least those who have gone into public life in recent years, could understand; an individual who all of us will be richer because we have had an opportunity to witness his life; an individual who never asked for praise but felt that what he was doing was his duty. I know that all of us are glad that he had the opportunity, on the last day that he was able, to serve in this body and for the people of the State of Washington that he loved so well.

In the hope that my colleagues will know and benefit from the life and public service of Charles R. Savage, I request unanimous consent to have placed in the RECORD the following resolution adopted by the Washington State House of Representatives:

Whereas, Charles R. Savage, Representative from our 24th District, Democrat in the finest tradition, passed away on this morning of January fourteenth, nineteen hundred and seventy-six A.D.; and

Whereas, "Charlie", serving the people of Clallam, Jefferson, Mason and Thurston counties in this his thirteenth term, was a Democrat in both the sense of his membership in that great and illustrious party, but more, as a man living the highest standards set forth by the party, standing for the rights of every person irrespective of birth, the color of his skin, the nature of his religious beliefs or philosophy, or his economic status; Representative Savage, like his Democratic party, refused to dismiss a problem, but sought the answer; he was not afraid of an issue because it was new or controversial; he was not too busy to render his services to any of his fellow citizens because, like his party, there were no priorities in his time when that help was needed;

Whereas, Being a part of the great New Deal of Franklin D. Roosevelt, as a congressman from the 3rd Congressional District, Charles Savage lived his life in service to his fellow men, especially laboring for the working person, the logger, the small farmers, the white collar workers of his district, and like Roosevelt before him, truly felt, regardless of the time, "we have nothing to fear but fear itself";

Now therefore, we, The Members of this Democratic Caucus of this Forty-fourth Legislative Session of the State of Washington, with a deep sense of personal loss, do extend to Mrs. Helen Savage, his widow, and Mr. Keith Savage, his son, and Mrs. Leona Casterman, his daughter, our deep sympathy in this time of bereavement; but forget not that Charles Savage leaves behind for all of us who knew of him that example of principle and service that will ever keep his name alive in the party he so generously gave his talents to, and in the community of which he was so much a part, that concern for his fellow man that will ever be a monument to his name.

Be it resolved, That copies of this Resolution be transmitted by the Caucus to Mrs. Helen Savage, Mr. Keith Savage and to Mrs. Leona Asterman.

THE TURNABOUT IS OVERDUE

HON. LEO J. RYAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. RYAN. Mr. Speaker, recently KGO radio editorialized on a matter relating to the passage of an act to extend the U.S. jurisdiction to 200 miles. As a long time advocate of that policy I want to call attention to the other Members of the excellent comment made by KGO radio as authored by Mr. Mickey Luckoff, general manager and ABC vice president.

THE TURNABOUT IS OVERDUE

Fishing is a vital industry to the Bay Area and to California. This industry is losing enormous catches, particularly to Soviet and Japanese fleets that fish near our shores. Last year they took ninety percent of a seven billion pound ocean harvest.

It's long past the time for Washington to halt that kind of marine piracy.

The U.S. Senate has finally moved to extend our jurisdiction from twelve to 200 miles offshore, as fourteen other nations have done.

But now there's a Capitol Hill move to delay start of the offshore law until mid-1977. We can't accept such delays while other nations board and impound our fishing vessels far at sea off their shores.

The Senate's vote should stand, for a July 1976 start of our new law. We call on California's delegation, the largest in Congress, to assure the July date is put into effect.

EMANCIPATION FOR THE BLIND

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. McDONALD of Georgia. Mr. Speaker, I would like to call attention to a news item tucked away in a back section of the Sunday Washington Post—January 18, 1976—describing a newly invented computer which reads printed pages aloud to blind people. The report deserves comment for several reasons.

First, one marvels at the genius required to develop it. According to its 27-year-old inventor, Raymond Kurzweil, the machine took 5 years to develop and required two major breakthroughs: Designing a system that could recognize hundreds of different typefaces and creating a computer program that could determine the correct pronunciation of English words—so much for those language "experts" who are responsible for the "whole word" approach to reading that has produced a generation of functional illiterates. The English language, they claim, is not really phonetic and thus reading cannot be taught by presenting a set of pronunciation rules.

Second, the invention is a declaration of independence and an emancipation proclamation for the blind. Braille and talking books are of enormous value, but cannot compare to a new set of "eyes" that can see virtually anything printed in the English language. No longer will a blind person be dependent on others for the acquisition of most of his knowledge.

Of greatest significance, however, is what made such an invention possible, which is probably why its report was relegated to a back section of the Post instead of being trumpeted across the front page. For this magnificent machine is the product of reason, science, technology, freedom, capitalism, and the profit motive. It was not the result of a Government social program, based on self-sacrificial, altruistic service to the "helpless."

In a society devoted to "social awareness" and self-sacrificial service, and not to independence and the profit motive, geniuses like Raymond Kurzweil do not exist. And the handicapped, with their greatest benefactors snuffed out, are denied their means of independence.

It is important to keep this in mind when evaluating the intentions and motives of the attacks on competitive capitalism—free enterprise—and the call for a return to a "natural" environment free from the products of science and technology.

The article follows:

Computer "Reads" Books to Blind

Cambridge, Mass.—In a flat, halting voice, a computer developed by a research firm here "reads" printed pages aloud to blind people.

The device, named the Kurzweil Reading Machine after its 27-year-old inventor, can read almost any printed type found in newspapers, magazines and journals, its promoters say.

In its first public demonstration last Tuesday, the machine read Abraham Lincoln's "Gettysburg Address" from a typewritten page. It spoke over a loudspeaker in what sounded like a slight Swedish accent.

Raymond Kurzweil, president of Kurzweil Computer Products, Inc., said the device will be available to libraries and institutions in about 18 months. It will cost about $25,000.

Within four or five years, he said, it will be on sale for blind people to have in their homes, and, by then, the price should be between $5,000 and $10,000.

James Gashel, chief of the Washington office of the National Federation of the Blind, demonstrated the machine at Kurzweil's laboratory.

"I think we are going to have a truly effective reading machine for the blind," he said. "It isn't going to solve all of the problems of the blind. But it is a step forward so that the blind can compete with more equality."

The machine is a two-foot cube, about the size of a desktop photo copier. Its expressionless voice is generally intelligible, but it gives some words bizarre pronunciations because of the peculiarities of English language rules.

To operate it, the blind person places an open book or other printed page on a glass-topped scanning device. Then the machine studies the material line by line, reading it aloud at about 200 words a minute.

With a keyboard lettered in Braille dots, the blind can slow the machine down or make it stop and spell out difficult words.

Kurzweil said the machine took five years to develop and required two key breakthroughs. First, he and his associates had to design a system that could recognize the hundreds of different typefaces used in books, magazines and typewriters. Then they had to make a computer program that could determine the correct pronunciation of English words.

The National Federation of the Blind worked with Kurzweil in the development and will test the machine with blind people before it is put on sale.

TWO HUNDRED YEARS AGO TODAY

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. WIGGINS. Mr. Speaker, 200 years ago, on February 8, 1776, in response to a request for its views from the Provincial Convention of New York, the Continental Congress advised that if the majority of the inhabitants of the county of Staten Island accepted the authority of the convention, then the convention itself had to decide on the most expedient measure to take regarding the admission of the Staten Island deputies, and the termination of the interdiction on trade and other dealings then in effect between the county and the rest of the colony.

Staten Island had initially refused to select delegates for the convention; its action, interpreted as inimical to the colony's efforts to preserve its liberties, led to the interdiction. The convention reported its action to Congress. The issue over seating the deputies and ending the interdiction arose when Staten Island selected deputies and sent them to the convention.

MAJOR CRIME FALLS 1.6 PERCENT IN PONTIAC, MICH.

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. BROOMFIELD. Mr. Speaker, last year I informed my colleagues of the incredible story of the successful crime-fighting program in Pontiac, Mich. As you may recall, thanks to an ambitious program made possible by Law Enforcement Assistance Administration funding, Pontiac was able to shed its image as a high-crime community in 1974.

The 1975 crime figures for Pontiac have recently been released, and I am pleased to report the downward trend is continuing. While State and national crime rose an estimated 10 percent in 1975, major crime in Pontiac actually decreased 1.6 percent. Even more impressive is the fact that violent crime dropped an astounding 14 percent.

Mr. Speaker, at a time when all of us are concerned over the effectiveness of Federal spending programs, it is encouraging to see the positive result of this program funded in part by the Federal Government. Mayor Wallace Holland, City Manager Frank Smiley, and Police Chief William Hanger, along with countless others, deserve a great deal of credit making such effective use of these LEAA funds.

At this point I would like to include three articles from the Oakland Press on Pontiac's accomplishments.

Pontiac Reverses Trend—Major Crime Falls 1.6 Percent in 1975

(By Larry Good)

Pontiac.—Major crimes in the city went down 1.6 per cent during 1975, a stunning contrast to estimated 10 per cent state and national increases, city officials announced today.

Year-end city figures show an even greater drop—about 14 per cent—in violent crimes, including murder, rape, robbery and aggravated assault. Property crimes, such as burglary, larceny and auto theft, went up 1.1 per cent from 1974 levels.

The city's crime picture is pieced together from these seven crime categories, which make up a crime index used by the Federal Bureau of Investigation for statistical purposes.

Police Chief William K. Hanger credited the major crime drop—the first for a year since 1972 in Pontiac—primarily to a police department reorganization during the last two years.

Sweeping changes in police operations were made, with the help of more than $1 million in federal aid. The alterations, intended to focus on crime prevention, included establishment of a planning and analysis unit to watch trends, directed and preventive patrols, youth counselors, and procedures that cut police response time in half.

Hanger said uniformed patrol officers are now spending about half their time "on planned, assigned crime prevention" patrol. By contrast, two years ago uniformed officers spent about 90 per cent of their time on simply responding to calls for help.

At the same time, Pontiac police are responding to emergencies faster. In 1975, calls reporting crimes in progress and other critical situations resulted in officers on the scene in an average of 4.9 minutes.

In 1973, it took an average of 16 minutes to respond to the same calls.

Altogether, Pontiac established nine new programs focusing on crime prevention with the federal assistance.

Downtown crime dropped nearly 38 per cent in 1975, officials reported. They termed it the city's big success story in the crime prevention field.

The area surrounded by Wide Track Drive had no murders, no rapes, and a sharp decline in other major crimes in 1975.

The crime report was released today. State and national figures will not be published until later this year.

However, as of Oct. 1, statewide crime was up 9.1 per cent, and national crime up 11 per cent.

City officials point to a significant two-year drop in several categories, during the period of Pontiac's intensive crime-prevention effort.

Some of the changes since 1973, when Pontiac had the fourth highest crime rate in the nation for cities under 100,000:

Murders have dropped 51 per cent, to a 1975 total of 18.

Rapes are down 42.5 per cent, to 48 in 1975.

Robberies have decreased 21.2 per cent to 533, although they increased slightly during 1975.

Assaults are down 23 per cent, to a 1975 total of 914.

Property crimes have either increased or held steady during the same period. Generally, these categories were much higher during 1974 than 1975, however:

Burglaries went down 3.9 per cent in 1975, for a two-year total increase of 14.1 per cent.

Larcenies went up 3.6 per cent in 1975, substantially less than the 22.8 per cent 1975 increase.

Motor vehicle thefts went up 12.9 per cent during 1975, a reversal of the 14 per cent decrease in 1974.

Overall, major crimes went up 10.5 per cent in 1974 over 1973, only about one-half the increase seen around the state and nation that year.

Category	1975	1974	Change
Murder	18	28	−35.7
Rape	48	85	−43.5
Robbery	533	523	1.9
Assault	914	1,125	−18.6
Burglary	3,255	3,388	−3.9
Larceny	4,173	4,028	3.6
Auto theft	693	614	12.9

Pontiac Police Get High Marks in Poll

Pontiac.—Nearly two-thirds of the residents interviewed during a recent police-image survey think the Pontiac Police Department is doing either a very good or a good job.

Generally high marks were given to the

police by 412 respondents to the survey, done by city personnel over the past several months. The results were released today by city officials.

The study was commissioned by the Comprehensive Crime Prevention Committee, a civic panel that advises city officials on crime-related programs.

Purpose of the survey, according to committee chairman Donald Penson, was to find out where improvements are needed in the police department's public image. The committee has not yet completed its analysis of the results, said Penson.

On virtually every question asked, most participants rated the police either "good" or "fair," with only a few terming their performance "poor."

The police fared worst on a question about whether they treat all people equally, with 27 per cent saying "no," compared to 40 per cent saying "yes."

However, 65 per cent of those polled said that treatment is either "getting better" or has "not changed." Only 6.5 per cent said they thought it is "getting worse."

In every case, "good" and "fair" responses each outpolled "poor" ratings of the police department.

On overall performance, about 90 per cent of those polled rated the police either "good" or "fair."

In a separate question asking residents to compare various city services, about 65 per cent listed the police as either "good" or "very good."

The city's three pollsters visited 463 households, with 412 agreeing to participate. The 412 included 160 men and 252 women. About 62 per cent surveyed were white and 38 per cent minorities, roughly paralleling Pontiac's racial makeup.

A breakdown of the results racially shows Pontiac police getting somewhat lower ratings from minorities. For example, on the question about overall performance, 70 per cent of the whites polled rated it "good," while only 34.2 per cent of the minorities did so.

The gap is not as striking on most other questions, with one exception.

When asked whether equal treatment is given to all people by police, 42 per cent of the minorities polled said no, as opposed to 21 per cent saying yes.

However, when asked if that is changing, 55 per cent of the minorities said it is "getting better" while only 5 per cent said it is "getting worse."

Many questions saw 20 per cent or more of those polled answering "don't know" or "no answer." On some questions, such as whether a proper racial mix in the police department exists, 50 per cent or more responded "don't know."

THE SIGNIFICANCE OF PONTIAC CRIME STORY

The news is astounding.

It is what reporters and editors call a "man-bites-dog" story.

It lured reporters and camera crews from all three network-affiliated Detroit area television stations and from Windsor's CKLW radio station to a special press conference Wednesday at Pontiac Stadium.

It made page one in The Oakland Press.

Major crime is on the decline in Pontiac.

Year after year and in city after city headline writers pen the mournful words, "Crime Increases."

But not this year. Not in Pontiac, Michigan.

And that is not a fluke. It is not part of any statewide or nationwide trend. Crime is up 10 per cent virtually everywhere but Pontiac.

Pontiac's decline bucks that trend.

Crime is down in Pontiac because the city aggressively grabbed federal crime-fighting dollars, millions of them, to revamp and enlarge its police department.

One major operating change, for example, puts policemen at the scene of reported crimes-in-progress 4.9 minutes after they're called.

Just two years ago the average response time was 16 minutes.

And all this is not just a bunch of statistics compiled by the police department.

It is real. The city's residents knew it was happening, that the department was improving, long before the crime figures added up.

A survey asked a cross-section of Pontiac residents last summer what they thought of the police department. Most of them said they thought it was good and getting better.

Their own experiences and the experiences of their friends and neighbors told them that, not some newspaper story full of numbers.

Pontiac is becoming a safer place to live and work. Pontiac is not wholly safe, of course. No city is or ever will be. Complete safety will never be found even in farm country.

But in Pontiac the situation is getting better, not worse.

That is unbelievably good news.

It means that the All American City, the home of Pontiac Stadium and the Detroit Lions, is fighting crime and winning.

It means people who live outside Pontiac will begin to look at it in a different light. They will recognize that "those folks have something going there."

It means that people will not be able to badmouth the city without telling a few lies.

But most important of all, it means that there is hope for other cities, that crime does not inevitably have to increase every year, that it is possible to reverse the trend.

The news is good, not just for Pontiac, but for the nation—NEIL MUNRO.

RESOLUTION IN SUPPORT OF THE STATE OF ISRAEL

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. EILBERG. Mr. Speaker, the vote in the U.N. General Assembly equating Zionism with racism continues to outrage the people of the United States. This anger cuts across all segments of our society and at this time I enter into the RECORD a resolution passed unanimously at a special business meeting of the congregation of the Burholme Baptist Church which is located in my district in Philadelphia. The resolution was sent to me by the church's pastor, Rev. Donald H. MacKenzie.

The resolution follows:

RESOLUTION IN SUPPORT OF THE STATE OF ISRAEL

Issued by the congregation of Burholme Baptist Church.

Whereas: We believe the Bible, including the Old and New Testaments, is the inspired Word of God, and

Whereas: In the Bible God vigorously proclaims His love for the nation of Israel and the Jewish people, and

Whereas: Through the nation of Israel came the promised Messiah and, according to Scripture, the Messiah will return to Jerusalem to reign as King, and

Whereas: God has made a promise of love to Israel to insure her existence today, tomorrow and forever, and

Whereas: God has made a promise to Abraham, effective throughout history and to this present day, that any nation cursing Israel shall be cursed and any nation blessing Israel shall be blessed (Genesis 12: 3), and

Therefore: Be it resolved that we protest the recent action of the United Nations which equated Zionism with racism as being contrary to the Word of God and, as throughout history, self-condemning to any body or individual nation voting against Israel's right to exist.

ENERGY '76—PART I: AVOIDING AN ENERGY BUREAUCRACY

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. MURTHA. Mr. Speaker, we have heard a great deal recently about "big Government." We have heard about its delays, its overregulation, and its inability to respond quickly to the problems we face. Actually what I believe people are saying is, "Let's make Government more efficient, let's make Government more effective."

A special seminar I conducted recently in Johnstown, Pa., highlighted the fact that one area where uncontrolled bureaucratic growth, and its seemingly inherent evils, must be avoided is energy.

The seminar brought together a cross section of people who deal regularly with energy problems. Almost uniformly their comments struck at some part of the energy picture where delay, overregulation, and other symptoms of inefficiency are hindering the Government's energy response.

I would like to share with the Members the comments of the participants as they illustrate this problem.

Dr. Gibson Jaworek, Ph. D. and independent energy consultant, urged the 10-State Appalachian region to present a unified energy approach, and stressed the difficulty often faced, first, in bringing the various governments together, and second, having Washington work with them to develop a regional approach.

Dr. Jaworek also criticized the inability of government to remain flexible and stimulate new, untested energy research. He pointed to the presence of Devonian shale which underlies much of the Appalachian region. The shale is estimated to contain as much as 250 trillion cubic feet of natural gas, and with proper research, new fracturing techniques, and other developments, this shale could produce substantial quantities of natural gas. Yet, Dr. Jaworek argued there had been little support for testing and researching the development within the Washington energy bureaucracy.

I would add that we cannot institute a rigid energy plan that leaves no room for new ideas or exploration. Our total energy need is so great that we must remain flexible to stimulate tests of virtually all realistic proposals.

Mr. Dennis Seipp, coal coordinator from the Pennsylvania Energy Council, echoed the thoughts of many of the participants when he called for greater cooperation and coordination between the Washington energy bureaucracy and the various State and regional councils throughout the United States. Among these men who work regularly with the energy question, there is a feeling of isolation from Washington energy decisionmaking.

Mr. Terry Shaffer, recording secretary of local 15156, United Steelworkers, noted that Russia, France, and Great Britain are using nuclear plants to produce electricity—France and Great Britain are using America's technology. He felt Congress could reduce the time it takes to license and construct nuclear plants, provide tax credits for industry, and make it easier for utilities to obtain money for powerplant construction.

In order for industry to expand and stay healthy, Mr. Thomas Crowley, general manager, Bethlehem Steel plant, Johnstown Works, highlighted the need for Goverment cooperation in providing incentives to conserve energy throughout all parts of the Nation, and cooperation in transportation to create a healthy, viable rail system. Mr. James Garvey, president, Bituminous Coal Research, criticized the Federal Power Commission for not responding quickly to issues placed before it, and not recognizing the daily needs of industries and consumers, particularly in the area of natural gas.

Negative regulations were pointed out by Mr. Fred Pullen, Bethlehem Steel, Johnstown Works; Mr. Emmet Lang, president, Central Pennsylvania Coal Producers Association; and Mr. Anthony Palamore, assistant planner, Indiana County, Pa., as being detrimental to industrial growth.

Mr. Pullen felt there was often a lack of coordination between energy and environmental agencies. The example he used was that the steel industry may be required to rely more on electrical power which makes greater use of coal to conserve energy supplies in short supply. This may also reduce environmental problems at the steel plant, but may increase the pollution from the additional coal burning. He called for greater coordination between pollution control and energy goals.

Mr. Lang was very concerned about the reasons for the decline in coal production in tons per man-day. In 1968, the coal production was 16 to 18 tons per 8-hour man-day. Today, Mr. Lang stated that some mines in the 12th Congressional District produce less than 2 or 3 tons per 8-hour man-day. One reason Mr. Lang cited for this decline in production was the 1969 Health and Safety Act. Mr. Lang agrees that this legislation was needed, but feels that the proliferation of rules and regulations by bureaucrats that were spawned by this act are stifling the industry.

As a counterproductive regulation, Mr. Lang pointed to his belief that canopies on underground equipment are a greater safety hazard than having no canopies—canopies restrict the miners' vision. I believe this is the kind of rule that Government must investigate to make certain it has a positive effect in the safety situation and has not blurred its goal.

The idea of a joint industry-labor board being appointed to have the final approval of any regulation was proposed by Mr. Lang. Mr. Edward Monborn of the United Mine Workers of America agreed the board should be considered as a positive force for mine safety. Mr. Palamore objected to the efforts of the Federal Government in the area of resource recovery, saying the program's regulations only encompassed large areas, and that the middle and small sized facilities are being forgotten.

Congress spent last year researching, developing, and passing a long-range, broad-outlook energy plan. This year might be well spent in looking more closely at individual problems and stimulating the kind of Government cooperation that will prevent the Government's energy approach from becoming another hydra-headed monster associated with "big government."

DAIRY FARMER OPPOSES THE MILK BILL

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. FINDLEY. Mr. Speaker, recently I had the opportunity to discuss Senate Joint Resolution 121, the milk bill with some of my constituents. I am attaching a copy of a letter from a dairyman who recognizes that raising milk prices can hurt the farmer. At a time when input costs are declining, even dairy farmers realize that it would not be in their interest to mandate higher prices.

For all the cry in Washington of the need to protect the farmer with higher milk prices, the following letter is the only letter from a constituent that I received on the subject. I wonder if Senate Joint Resolution 121 was not created in Washington for political reasons and the benefit of the milk lobby. For all the noise in Washington, the grass root dairy farmer in my district was extremely quiet.

KANE, ILL., *February 2, 1976.*

Congressman PAUL FINDLEY,
Rayburn Building,
Washington, D.C.

DEAR CONGRESSMAN: I would like to thank you for the opportunity of speaking to you by phone last January 21 from Carrollton. I told Kenny Harms that I felt it was a worthwhile venture and I hope the Greene County Farm Bureau will have this same type of phone seminar again.

I spoke with you that evening concerning the bill to raise price supports for milk. I heard last evening on the radio that President Ford vetoed that bill and it is now on its way back to Congress. I sincerely hope that neither the House nor the Senate will override that veto.

Like I told you over the phone, I am probably a minority of the dairymen who feel this way. I think though, that it is time for the American farmer to realize that higher prices for his products is not always the best answer. If farmers keep insisting on these higher prices, he is going to price himself out of the market. It is much like the automobile industry found when they kept raising their prices, the consumer quit buying. Now I will admit that farming is different to a certain degree; people have to eat. The American dairyman is kidding himself, though, if he thinks the consumer will continue to use dairy productsts at high prices when that consumer can buy an "equivalent" product much cheaper. I put equivalent in quotes because as far as I'm concerned, no non-dairy product will ever match the taste of a dairy product.

Another area I feel strongly about is government intervention into pricing. I realize that sometimes there is no way around it, but it seems that the government gets too involved. Why can't they, the government, let the law of supply and demand set the price?

Thank you for your time, today, and also with the phone seminar. Again I would like to say that I hope President Ford's veto is not overridden.

Sincerely,

PETER J. WEHRLY.

MONTHLY LIST OF GAO REPORTS

HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. BROOKS. Mr. Speaker, the monthly list of GAO reports includes summaries of reports which were prepared by the staff of the General Accounting Office. The January 1976 list includes:

MONTHLY LIST

An Analysis of the Subcommittee's Public Opinion Survey of the Farmers Home Administration, U.S. Department of Agriculture. OPA–76–10.

Information on the New Community of Soul City, North Carolina. RED–76–52.

Differences in Cost of Purchasing Houses in Seven States Through the Departments of Housing and Urban Development and Agriculture. B–114860, B–114873.

Assessment of Reading Activities Funded under the Federal Program of Aid for Educationally Deprived Children. MWD–76–54.

Worker Protection Must be Insured When Employers Request Permission to Deviate from Safety and Health Standards. MWD–76–19.

Grievance Arbitration Awards Made Under the Federal Labor Relations Program. FPCD–76–14.

Use, Administration, and Enforcement of Davis-Bacon Act and Service Contract Act Labor Standards Provisions by Selected Federal Agencies in Colorado for Carpetlaying Services. MWD–76–44.

Department of the Interior Improves its Financial Disclosure System for Employees. FPCD–75–167.

Better Followup System Needed to Deal with Recommendations by Study Commissions in the Federal Government. RED–76–33.

Classification on Federal White-Collar Jobs Should Be Better Controlled. FPCD–75–173.

Information on Consolidation of Bank Regulatory Agencies. GGD–76–42.

Evaluation and Analysis to Support Decisionmaking. OPA–76–9.

Executive Branch Actions on Recommendations of the Commission on Government Procedures. PSAD–76–39.

Federal Assistance for Presidential Transitions: Recommendations for Changes in Legislation. GGD–76–29.

Substantial Improvements Needed in the Government Printing Office's Services to Federal Departments and Agencies. LCD–75–437.

Audit of the United States Capitol Historical Society for the Year Ended January 31, 1975. GGD–76–31.

Procedures and Assumptions Used in Making Present-Value Cost Comparisons for Alternative Methods of Acquiring Federal Buildings. LCD–75–345.

Federal Materials Research and Development: Modernizing Institutions and Management. OSP–76–9.

More Improvement Needed in Equipment

Management Practices in Government Laboratories. PSAD–76–37.

Federal Support for Restaurant Sanitation Found Largely Ineffective. MWD–76–42.

How States Plan for and Use Federal Formula Grant Funds to Provide Health Services. MWD–75–85.

Social Security Administration Needs to Better Manage the Travel of its Administrative Law Judges. MWD–76–18.

An Assessment of Selected U.S. Embassy-Consular Efforts to Assist and Protect Americans Overseas During Crises and Emergencies. ID–76–4.

Concept, Cost, and Management of Administrative Support Services Provided by Department of State to Other Federal Agencies Overseas. ID–76–7.

How to Improve Management of U.S.-Financed Programs to Develop Free Labor Movements in Less Developed Countries. ID–76–35.

Corrections of Defects and Modifications—C–5A Aircraft. PSAD–76–59.

Should the Gama Goat Be Improved or Replaced? PSAD–76–48.

Overseas Military Banking: How It Is Financed and Managed. ID–76–29.

Operations Auditing by the Defense Contract Audit Agency—Accomplishments, Problems, and Actions to Improve. PSAD–76–54.

Navy Aircraft Overhaul Depots Could Be More Productive. LCD–75–432.

Causes of Excessive Profits on Defense and Space Contracts. PSAD–76–56.

Planned Realinement of the Air Force Communications Service. LCD–76–314.

Acquisition of Land for Family Housing in Mayport, Florida. LCD–75–342.

Federal Pesticide Registration Program: Is It Protecting the Public and the Environment Adequately from Pesticide Hazards? RED–76–42.

Improvements Still Needed in Coal Mine Dust-Sampling Program and Penalty Assessments and Collections. RED–76–56.

Answers to Questions on Government-Supported Medium Energy Particle Accelerators. PSAD–75–77.

Examination of Financial Statements of the Tennessee Valley Authority for Fiscal Year 1975. FOD–76–6.

The Integrated Grant Administration Program—An Experiment in Joint Funding. GGD–75–90.

Costs to Operate the Veterans Administration Hearing Aid Program. MWD–76–52.

Additionally, letter reports are summarized including;

GAO comments on the President's seventh special message for fiscal year 1976 budget rescissions and deferrals. ACG–76–11.

Status of impounded budget authority. ACG–76–12.

The Navy's practices of discharging fuel at sea. LCD–76–420.

Comparison of revenues, expenses, and operations of the U.S. Postal Service with those of 10 major foreign postal services. GGD–76–35.

Public affairs activities of the Departments of Health, Education, and Welfare; and Agriculture. LCD–75–452.

Postal Service operations in Delaware. B–114874.

Quality of mail service in New Orleans, Louisiana, B–114874.

Contract for repairs to the ceiling of the National War College at Fort Lesley J. McNair in Washington, D.C. LCD–76–319.

Comparative costs for equivalent services of home health care and institutionalization in nursing homes or hospitals. MWD–76–30.

Small Business Administration's award of a section 8(a) contract to Western Technical Associates. GGD–75–78.

Personnel and workload changes resulting from reorganization of the District of Columbia courts. B–175428.

Hughes Tool Company and Bell Helicopter Company contractual restrictions against Government sale or donation of used helicopters to State or local governments. B–173873.

The Air Force needs to recover from foreign governments millions of dollars for costs incurred in training foreign students. FGMSD–76–21.

Many Department of Defense messages transmitted over the AUTODIN Communications system do not require electrical transmission. LCD–76–107.

Ways to improve the Department of Agriculture's automated personnel management information system. FPCD–76–23.

Weaknesses in the Department of Defense program to recover research and development costs from foreign buyers of defense equipment. PSAD–76–61.

Examination of financial statements of the Federal Columbia River Power System, fiscal year 1975. RED–76–57.

The Civil Service Commission needs to establish adequate standards for independent laboratories serving Federal Employees Health Benefits Program recipients. MWD–76–71.

Standards are needed for independent laboratories providing services to beneficiaries of the Civilian Health and Medical Program of the Uniformed Services. (CHAMPUS) MWD–76–69.

Actions needed to correct weaknesses in the accounting system of the Civil Aeronautics Board. FGMSD–76–20.

The Federal Disaster Assistance Administration needs to revise its policy and procedures for providing temporary housing to disaster victims. RED–76–58.

The monthly list of GAO reports and/or copies of the full texts are available from the U.S. General Accounting Office, room 4522, 441 G Street NW., Washington, D.C. 20548, Phone (202) 275–6241.

Summaries of significant legal decisions and advisory opinions of the Comptroller General issued December 1975 are also available as follows:

Extended Details Can Entitle an Employee to a Temporary Promotion. B–183086.

South Vietnamese Refugees Employment by U.S. Government. B133001.

Small Business Bidder's Tenacity. B–183293.

Cost-Plus-a-Percentage-of-Cost Prohibition Violated. B–183705.

Rest Stop During Extended Travel. B–164709.

Correcting Military Records to Reflect Advancement in Grade. B–183759.

Arbitrator's Award of Punitive Damages Against an Agency. B–180010.

Letter of Credit Fails to Qualify as Bid Guarantee. B–184331.

Qualification on Pre-Printed Legend Ignored. B–184759.

Indefinite Wage Retention for Prevailing Rate Employees. B–140583.

Administrative Garnishment of Federal Employee's Salary. B–183433.

If you need further information regarding these or other decisions, please call (202) 275–5028 or write to the General Counsel, U.S. General Accounting Office, Washington, D.C. 20548.

PRESIDENTIAL CLASSROOM

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. LOTT. Mr. Speaker, I would like to recognize two outstanding high school seniors from Long Beach, Miss., Scott L. Huizenga and Thomas J. Johnson who are presently here in our Nation's Capital participating in the fourth class of the 1976 Presidential Classroom for Young Americans.

The Presidential Classroom program provides a wonderful opportunity for the young people of our country to gain an insight into the dynamics of government through firsthand contact with the Federal Government's institutions and leaders.

I know that Scott and Thomas will benefit greatly from this educational experience and their visit to Washington during the Bicentennial Year.

HONESTY, MORALITY, AND THE PIKE COMMITTEE

HON. DAVID C. TREEN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. TREEN. Mr. Speaker, as the House Select Committee on Intelligence goes out of existence, it is appropriate for the Members of this body to consider its future oversight responsibility with respect to the intelligence community.

Mr. Speaker, it seems most important that the House establish a definite reputation for credibility as well as for responsibility in any future oversight functions involving examination of and authority over intelligence activities.

Mr. Speaker, I cannot envision any intelligence agency imparting secret information to members of a congressional committee so long as there exists any plan to clothe such a committee with the unilateral right to declassify and publicize any and all information coming into the possession of such a committee.

The decisive vote in this Chamber on the amendment of the gentleman from Texas (Mr. YOUNG), on House Resolution 982, establishes that an overwhelming majority of the Members in this body are equally as anxious as any in the executive branch to guard secret information affecting our national security and foreign relations, and to uphold agreements made for the handling of such information.

Mr. Speaker, I am attaching a narrative article relating specifically to this subject which indicates clearly a sharp difference of opinion between most of my colleagues in the House and a majority of those who have served on the House Select Committee on Intelligence. The article, by Rowland Evans and Robert Novak, entitled, "Honesty, Morality, and the Pike Committee," appeared in the Thursday, February 5 issue of the Washington Post. It provides an interesting view of the issue by a segment of the journalist media:

HONESTY, MORALITY AND THE PIKE COMMITTEE

(By Rowland Evans and Robert Novak)

In pulling back last week from a shameful release of the House Intelligence Committee report, the House of Representatives was honoring a guarantee made by President Ford after Republican congressmen begged him to avoid a constitutional crisis.

Mr. Ford last September had hardened into a position that the leak-prone committee, headed by Rep. Otis Pike of New York, should get no secret material whatever after its damaging leak involving the Yom Kippur war. He changed his mind and guaranteed the good faith of the committee to his intelligence chief only after all four Republican members virtually begged him to break the dangerous deadlock in a private letter.

The secret one-page letter, never published, set in motion the cycle of dramatic events just ended when the House refused to allow Pike's committee to issue its final report until sanitized by the President. That unprecedented House vote signaled a change on Capitol Hill that, for the first time in in 13 months, puts a political chill on indiscriminate leaking of secret information that has damaged, perhaps grieviously, this nation's position in the world.

Nobody knows whether the new mood will hold now that the House has ended its probe and the Senate Intelligence Committee is winding up its investigation. Whatever happens next, Mr. Ford's intimate role in ending the deadlock is an untold story bearing heavily on last week's crushing defeat for Chairman Pike.

Mr. Ford's fury over the committee's security breach last September involving U.S. intelligence just before the Yom Kippur war was such that he closed the door on all classified submissions from the Central Intelligence Agency (CIA) to the House committee.

What terrified the committee's Republicans was the nightmare picture of President Ford dragged kicking and screaming all the way to the Supreme Court where, in the presidential election year, he would be ordered to turn over classified documents to the House. In short, a Nixon-Watergate tapes replay could not be tolerated for Gerald Ford and the decimated Republican Party. The result was the letter to Mr. Ford signed by Rep. Robert McClory of Illinois, the committee's senior Republican.

The President's change of mind came at a White House meeting shortly after he read McClory's letter, and in the face of a strong no-compromise position by both Secretary of State Henry Kissinger and William Colby, then director of the CIA.

Colby, whose cooperation with the Senate committee seemed boundless, was bitterly upset at the House committee's leak revealing CIA knowledge about Egyptian communications on the eve of the 1973 war. Kissinger, a personal target of the House committee which wanted him held in contempt of the House, was equally bitter.

Thus, after the President himself had been persuaded to abandon his no-win position by McClory and Republican House leaders, Mr. Ford turned to Colby and asked: "Bill, can't we give them what they want?"

Colby's response: Yes, sir, but we must retain the power of prior clearance for actual publication of any classified material that goes to the Pike committee.

Mr. Ford then in effect offered himself as guarantor of the committee's good faith. He pledged to Colby that if the full committee approved the plan he and Pike had worked out—no release of state secrets without prior clearance—he personally would oversee it and act as final arbiter of disputes.

Further, the former House member from Michigan gave those present to understand that no House member and no House committee would dishonor any agreement so carefully constructed as this one.

That was the background for the CIA's submission of every significant document asked by the Pike committee and for the incredible decision by nine members of the 13-member committee to release its final report despite the CIA's objection that it included 240 specific security breaches.

This was the decision the House flattened. That the report's juiciest parts had already been leaked is shameful, given the Pike-Ford agreement. But those leaks cannot obscure the change of mood that has resulted from this interplay between a President whose most distinguished virtue is honesty and a House committee majority that cannot justify its actions.

Pike himself is now saying that if the report is not released, President Ford stands guilty of the worst "coverup" since Watergate.

Some suspicious congressmen seeking a motive for Otis Pike—until now one of the most respected members of Congress—believe Pike always wanted a grand court battle with the President. In the end, the Supreme Court would surely have ruled for Pike.

Instead, the Democratic-controlled House rolled over its own committee, giving notice at long last that the House of Representatives, too, has occasion to look out for its name, reputation and honesty.

SOUTH KOREA MAKE RAPID ECONOMIC PROGRESS

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. SYMMS. Mr. Speaker, in the past year several Members of Congress have visited the Republic of Korea in order to see conditions in that country at first hand. A number of our colleagues, including Representatives MARJORIE HOLT, BOB DANIEL, and ED DERWINSKI, have told me that they were greatly impressed by the remarkable economic progress made by a nation which only a few years ago suffered a devastating war.

I believe the growing economic prosperity of the Korean people is based on three factors: the hard work and skills of the people, the relatively free enterprise policies of the Government which has encouraged and protected foreign investment to create new jobs and the stability brought about in good part by our armed services serving in Korea and thus far at least contributing greatly to the preservation of peace in that nation. It seems to me evident that if our forces were withdrawn, the Communist government of North Korea and its allies in the Soviet Union and Communist China would take that as a signal to begin another tragic war.

I believe many of our colleagues will be interested in a useful and factual report on the economic conditions in this key part of the world which recently appeared in the British publication, Intelligence Digest, February 1, 1976. I should like to insert this article in the RECORD at this time:

SOUTH KOREA MAKES RAPID ECONOMIC PROGRESS

Only twelve years ago, a decade after the Korean War life seemed to stand still in South Korea. Foreign tourists loved this quiet picturesque country steeped in tradition. They used to call South Korea "The Land of the Morning Calm", for life was so poor and lethargic that serenity and quiet reigned supreme.

But most of the population suffered from grinding poverty and faced a future which offered little hope.

Today, South Korea has undergone a metamorphosis and is the new economic miracle in eastern Asia, and people returning to the country after an absence of a decade or less hardly recognize South Korea. Today its 33 million diligent inhabitants are well-fed and clad, housing conditions are improving steadily and higher education and technical training are making the South Koreans some of the best-educated people in Asia.

Dawn in Seoul is no longer the peaceful spectacle it used to be. The sun comes up to a raucous clatter of factory machines, the roar of bulldozers, and the noisy bustle of its 6.5 million inhabitants starting another busy day of "national reconstruction". National reconstruction" is the official slogan used to imbue South Koreans with a spirit to work harder and to be more self-reliant. And from all evidence it seems to be a popular slogan. Casting off the despondency that has hung over the nation through almost 40 years of ruthless Japanese occupation, the devastating Korean War (1950–53) and a period of grim poverty in the decade that followed, today South Korea is a nation on the move. "What you are seeing here", a Dutch diplomat with more than a decade of Korea experience told our observer, "is a nation being reborn".

"When I came here the country was still in ruins, and with hardly any natural resources nobody believed that South Korea could ever become a prosperous country", said the diplomat.

The country was not self-sufficient in anything. In a country where most of the population was engaged in agriculture, even most of the food had to be imported. The countryside was barren as if it had been invaded by gigantic swarms of locusts. The first swarm was the Japanese army, which cut down nearly all forests during World War II. And then, during and after the Korean War, the population cut down whatever was left to get fuel during the bitter winters. The result was that most topsoil was washed away with a disastrous effect on Korea's agriculture.

In recent years, the government has been conducting an ambitious and costly reafforestation campaign and the once barren hills are becoming green again. This year South Korea has become self-sufficient in rice, thanks to large inputs of fertilizer and the construction of some impressive irrigation schemes. The irrigation water in most places comes from large multi-purpose dams built for hydroelectric power projects which are simultaneously helping to industrialize the country and reduce South Korea's dependence on imported oil.

Few countries have been as severely affected by the quintupling of oil prices as South Korea. Its ambitious industrialization programme, based on steel, shipbuilding and petrochemicals in the heavy sector, and electronic goods, plywood and textile in the lighter sector, has suffered a double blow from higher oil and raw material prices and nosediving demand in the U.S. and Japan for its low-priced consumer goods. Also its spanking new shipbuilding industry has suffered from the world-wide slump in tanker orders.

South Korea's weakest point is perhaps that it has expanded its heavy industry too fast and had to borrow most of the necessary capital from overseas. Also its heavy dependence on the U.S. and Japan as trading partners and investors has hurt the country during the last two years of recession. These two countries account for some 70% of South Korea's exports and for even more in industrial investments.

"The oil crisis has set us back four or five years", lamented one pessimistic economic planner. But South Korean business circles were much more optimistic. Japan would probably remain a selfish and unreliable trading partner, said one industrialist, but the American market would soon pick up again and provide a boost to sagging exports.

South Korea is also rapidly expanding trade with Europe and the Middle East, and the proclaimed target is to boost exports to $10,000 million by 1980, up from $4,700 million in 1974 and a paltry $32 million in 1962.

Few foreign observers doubt that South Korea will achieve this goal, provided there is no renewal of the Korean War.

CONSIDERATIONS IN FOOD STAMP REFORM

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. CONABLE. Mr. Speaker, our colleague, Mr. MICHEL of Illinois, has further explained his efforts to amend the food stamp program which so many of us feel must be revised if it is to have broad support and permanency. I am attaching herewith his excellent article on this subject which appeared in the Washington Post on February 3. I commend his reasoning to all my colleagues, as I commend the author for his initiative in this important reform:

CONSIDERATIONS IN FOOD STAMP REFORM

(By Bob Michel)

Practically everyone who looks into food stamp programs feels some changes are in order. But first, we ought to define what we are after.

I suggest the following list upon which liberals and conservatives alike might agree: First, the food stamp program ought to make it possible for every American to receive a nutritionally adequate diet. Second, it ought to do so with maximum efficiency and at minimum cost to the taxpayers. Third, it ought to do so in a way which minimizes opportunities for fraud, program abuse and inequities among recipients.

Some have suggested other goals. On the right, there are those who might prefer no program at all, and would seek in reform a first step toward dismantlement. Senator McGovern, on the other hand, testified recently in the Senate that some features of the bill he is sponsoring are designed to pave the way for a guaranteed annual income program. Still others may view the food stamps as a quasi-agricultural price support program.

My own view is that neither this nor any other legislative effort ought to be designed to further that sort of secondary purpose. If there are those who would abolish food stamps, they should propose to do so. If there are those who would propose a guaranteed annual income, they should introduce legislation to accomplish that purpose. Those who see a need for agricultural price supports ought to develop such a program, and offer it for the consideration of the Congress.

In other words, legislation should be straightforward. It should be what it says it is, and not something else.

The first and paramount issue is this: Assuming there ought to be some maximum income limit for those getting food stamps, what should the limit be?

The President proposes to limit the gross monetary income for a family of four to $6250, or $6550 if a family member is over age 65. Senator Buckley's and my original bill set the limit, including the value of in-kind benefits, at $5050 (the officially defined poverty level). Senator McGovern's bill is claimed to have a cash income limitation of $7776 for a family of four, or $8075 if a member of the household is over age 60. But Senator McGovern's figure is misleading in that it neglects to include taxes and other payroll deductions which, when added in, place the true gross income limitation round $10,000.

The debate here, of course, is simply this: What is poverty? Beneath what income level is a family to be considered poor? Under present law, there is no gross income limit whatsoever, and all reformers seem convinced that there should be one. As rational people, then, we should be able to approach the problem in a spirit of compromise, as Senator Buckley and I have done in accepting the President's higher figure. On the other side, however, little if any willingness to compromise has been evidenced.

The second issue: Should recipients be required to put up any of their own money in order to receive food stamps?

This point is more complex than it might seem at first. Let me examine it by considering what the difference actually would mean to a recipient family of four. Suppose their income was $200 a month. Under the proposal of the President, they would be required to put up 30 per cent of that income, or $60, in return for which they would receive $166 worth of food stamps, which is enough to provide an inadequate diet for that family, without their needing to spend another cent out of their pocket during that month.

Under Senator McGovern's plan, they would get their stamps for nothing. But, and this is the point to remember, they would not get as many stamps. Instead of $166 worth, they would get only $106. They would be forced to expend, out of resources which will surely dwindle as the month wears on, additional money in order to be nutritionally satisfied.

But the purchase requirement has the positive benefit of reserving for each family an adequate portion of their resources for food. Their food stamps, while they might of course be squandered on less than nutritionally adequate foodstuffs (no one has been able to solve that problem yet) must still be spent on food. It cannot be wasted on booze or bobby pins. It acts therefore as a positive incentive to nutrition, and thus relates directly to the first goal of the program in a way which the zero purchase requirement does not.

The third major issue is the so-called "notch" problem, and may be stated thus: Can the program be designed in such a way as to avoid there being, at some point on the income scale, an economic incentive to stay on the program?

This problem is the whole reason that formulae in welfare programs are so complicated. If one were to say that every family under $6000 annual income was eligible for, say, $150 a month worth of food stamps, and nobody above $6000 could get any, there would clearly be set up an incentive for a person not to earn one dollar more than $5999, since that dollar would cost him $1800 in food stamps. Critics of our bill have charged that we would create such a "notch."

At the time our bill was introduced, the full details of the Department of Agriculture's new "Thrifty Diet Plan," upon which the purchase formula was to be based, were not known, and the exact extent of the "notch" problem could not be calculated. Adjustments to minimize the effect of the "notch" are relatively easy to make, however, and I would anticipate that the Congress will be able to make them during the course of committee consideration of the bill.

For reasons quite apart from the eligibility formula, our bill is less prone to the problem. We require that able-bodied food stamp recipients register for work, engage in proven job search and accept employment if they are offered it. Thus they could not, by law, choose to remain in the program simply by declining employment. Neither could a person quit his job in order to qualify; we would make the voluntarily unemployed ineligible. For these reasons, the disincentive to working so feared by proponents of a guaranteed annual income is not going to occur.

Whatever the formula, the key to avoiding the "notch" problem lies in work requirements carefully drawn and strictly enforced.

In addition to matters which pertain directly to the provisions of the various bills, there are other disagreements. One of these involves the question of abuse. For example, how many affluent persons are collecting food stamps? The simple truth is that nobody knows the answers to these questions because of the lack of reliable data on food stamp program. Senator McGovern's Select Committee, in an attempt to downplay the gravity of the high-income eligibility problem, issued a report on August 1 which stated that only 2 per cent of recipients had incomes above $9000. But the McGovern data is more than 2 years old, is based on net (after tax) income, and comes from a survey whose results are acknowledged to be highly questionable. More recent estimates have been much higher.

Moreover, the search for an exact figure is pointless. Everyone agrees that such high income people ought not to be eligible, and all reform bills would make them ineligible. If there is one such person, he should be stricken from the rolls, and it makes little sense to engage in shouting matches about whose figures are more accurate.

Politics aside, the food stamp program must be reformed if we in the government are to be responsible. That is the real question, and the real challenge. Working toward that goal is the obligation of all who care about the poor—and the taxpayers.

A PERVERSION OF THE BICENTENNIAL

HON. J. HERBERT BURKE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. BURKE of Florida. Mr. Speaker, the silly season is upon us once again. As we all know, House Joint Resolution 606, the Atlantic Federation resolution, is before the Committee on International Relations. It is a concept that, regrettably, seems to gain adherents with each passing Congress, but it is a concept that carries within it the greatest danger to our existence as a free people.

My opposition to so-called Atlantic Union has been consistent and a matter of record throughout my career in public service here in Congress.

Now we have another example of the wrong sort of internationalism, this time in the name of the Bicentennial. As discussed in a lucid and very concise column by James Jackson Kilpatrick in the Washnigton Star for February 7, 1976, this new proposal is a so-called "declaration of interdependence."

This declaration was drawn up by the noted professor, Henry Steele Commager with the advice of some 56 colleagues. It is truly amazing that so much alleged brainpower could produce so little of merit. Commager and his colleagues have strained and strained—and given birth to what may well be the silliest idea to be advanced this year.

Instead of the "Declaration of Independence" signed in 1776 and revered by all Americans as a basic charter of their liberties, we now are asked to approve a "declaration of interdependence" which has as its basic premises a whole series of ideas and assumptions that should be repellent to all those who value our national identity as the freest people on earth.

I rather imagine Professor Commager is sorry he sent Mr. Kilpatrick a copy of his "declaration" for analysis, but the rest of us should be very grateful indeed that he did so. Mr. Kilpatrick's rebuttal to Prof. Henry Steele Commager's silliness merits study by all of us, and I ask that it be printed at this point in the RECORD:

"MUSH" FROM ACADEMIA ON WORLD EQUALITY

(By James J. Kilpatrick)

SCRABBLE, VA.—The mail brings a letter and a handout from a public relations outfit in Philadelphia, promoting the Declaration of Interdependence recently composed by Prof. Henry Steele Commager. The letter politely suggests that I might want to prepare a commentary on this thing.

Very well, I just might. The professor's pronunciamento, prepared for the World Affairs Council, is a bucket of mush. It is a mish-mash of reality and illusion, of good intentions and bad judgment. The dictionary defines the verb "to subvert" as "to undermine the morals, allegiance, or faith of; to corrupt." This is a genuinely subversive document.

Commager borrows from Jefferson's Declaration of Independence. It is a bad loan. As a historian, the professor doubtless has learned a vast deal of the world as it was; he manifests a pathetic naivete about the world as it is.

"When in the course of history, the threat of extinction confronts mankind, it is necessary for the people of the United States to declare their interdependence with the people of all nations . . ." Fiddlesticks, Catastrophe, yes; extinction, no. A little less hysteria might have provided a better beginning.

"We hold these truths to be self-evident," says the professor, "that all men are created equal." It is a palpable falsehood. The professor declares "that people everywhere are entitled to the blessings of life and liberty, peace and security and the realization of their full potential." Nonsense. How did people everywhere get so entitled? Who entitled them? The American tradition teaches us that people must work for these things, that nations preserve peace by constantly preparing for war, that realizing one's "full potential" is a personal struggle. It is not something to which one is "entitled."

The professor goes on to say that all the people and the nations of the globe should acknowledge their interpendence and free themselves from the "limitations of national prejudice." We must put aside "narrow notions of national sovereignty." We must rise above "the claims of chauvinistic nationalism."

"We affirm," says the professor, "that a world without law is a world without order, and we call upon all nations to strengthen and to sustain the United Nations and its specialized agencies, and other institutions of world order, and to broaden the jurisdiction of the World Court, that these may preside over a reign of law that will not only end wars but end as well that mindless violence which terrorizes our society even in time of peace."

Under this Declaration of Interdependence, the resources of earth "are the heritage of no one nation or generation, but of all peoples, nations and posterity." The declaration demands a "more equitable" sharing of these resources. "No one nation can any longer effectively maintain its processes of production and monetary systems without recognizing the necessity for collaborative regulation by international authorities."

Well, urk. The professor had the assistance of a commitee of 56 philosophers in creating this work of banality. You wonder, reading it over, if the laws of gravity kept them from floating off on moonbeams. What they are proposing, in essence, is to submerge those political and moral traditions that we call "Western civilization" in a barbarian sea of alien customs and ideologies. What becomes of personal freedom in a world order of one man, one vote? When all the free-loaders of the professor's world community start to vote, what "equitable" distribution of resources would result?

These babblers talk of a rule of law under the broadened jurisdiction of the World Court. Rule by whose law? Would they like the Soviet Union's law on private property? Would they prefer India's law on freedom of the press? Would they be pleased by a nice Brazilian view of habeas corpus?

To be sure, in many ways men and nations are indeed interdependent. Every idiot knows that. It goes without saying. But in many essential ways, we have been and must remain wholly independent. And it is to that proposition, if we are renewing declarations, that we ought again to pledge our lives, our fortunes and our sacred honor.

NATURAL GAS LEGISLATION

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. MIKVA. Mr. Speaker, the debate ocurring last week concerning the deregulation or continued regulation of natural gas prices at the wellhead is the culmination of a carefully orchestrated public relations campaign conducted by the oil and gas companies. These two major suppliers of the Nation's energy needs have been able to maximize their resources in the fight for deregulation because they are controlled by the same individuals—somewhere between 60 to 90 percent of the gas sold under new contracts comes from the major oil companies.

Since enactment of the Natural Gas Act in 1938, which protected the consumer from paying all the market would bear for natural gas and restricted the gas producers to charging an amount equal to the cost of production plus a reasonable profit—which has been averaging approximately 15 percent in recent years—Congress has recognized the importance of regulated gas prices. The industry, however, has consistently fought to have the regulations removed. During the 1950's, gas producers were almost successful, but President Eisenhower vetoed a deregulation bill because of an alleged bribe offer made by a gas company to a U.S. Senator.

In more recent years, gas production has been increasingly dominated by the oil companies who have employed much more subtle pressures to reach the goal of deregulation. The focus of the oil companies' public relations campaign to deregulate has been twofold: capitalizing on the recent memory of the energy shortage and simultaneously emphasizing the prospect of increased unemployment.

The position of the oil companies has been that natural gas reserves are rapidly disappearing, and that no incentive exists for exploring new sources so long as the prices are regulated.

Thus, the basis of the oil companies' argument is the diminished supply of reserves. The argument of the oil companies has met with some success. They buttressed the urgent necessity for deregulation by sending less gas into the interstate pipelines and by making dire predictions of shortages this winter which would result in substantially increased unemployment for a country already reeling under the highest unemployment rate in 40 years. Unfortunately, for the oil companies, these dire predictions have not come to pass. The oil companies characterize the unexpected supply of gas as the result of an unusually warm winter—that is, an act of God. However, in my district in Illinois where we have had snow on the ground for a month, we prefer to think that these predictions never came true because the Federal Power Commission, after examining information about reserves supplied by the industry, presented the oil companies with a Christmas bonus—permission to divert unregulated intrastate gas into the interstate market. Suddenly, the oil companies found enough gas to ship interstate at the new, higher prices.

These new sources of gas at a time when severe shortages were predicted was not the result of any new finds or technological breakthroughs. It now appears that these new sources were there all the time. When the industry dominated American Gas Association estimates of 14.7 trillion cubic feet of natural gas reserves were checked by the U.S. Geological Survey, the AGA estimates were found to be underreported by 8.7 trillion cubic feet, or eight times more than this year's projected natural gas curtailment. The oil interests have vigorously disputed this information claiming that they were able to make these deliveries only because of decreased demand in the intrastate market. However, seven of the eleven oil companies engaged in the production of natural gas—Exxon, Mobil, Shell, Standard of California, Standard of Indiana, Superior, and Texaco—refused to comply with a Federal Trade Commission subpoena to produce their records and the other four—Continental, Gulf, Union, and Pennzoil—submitted only partially complete data. In the words of the FTC staff report, "the AGA reserve-reporting procedures are tantamount to collusive price rigging."

It is true that predicting the cost impact of deregulation is difficult, but the potential increase in prices is astronomical. There are some experts who say that in the first year of deregulation, consumers will be paying between $7 and $11 billion more and after 5 years, the additional cost could climb to $30 billion per year. The Library of Congress estimated that costs to the consumer could reach $22.3 billion by the end of the first year. The Government Acounting Office described the potential impact in even more startling terms. According to the GAO, deregulation will result in increased prices to the consumer of $75 billion over the next 10 years for the natural gas equivalent of 1.4 billion barrels of oil. This means that consumers will be paying the equivalent of $54 per barrel of oil for natural gas. I am not willing to pay those prices to the Arab cartel for oil, and I am also not willing to pay those prices to American oil companies for natural gas.

None of these figures should obscure the problem of regulation, however. The country does need a more comprehensive energy policy, including a more comprehensive natural gas policy. The Energy and Power Subcommittee of the Foreign Commerce Committee is committed to developing that kind of policy. It has already held many hearings and is prepared to hold more. A vote for the Krueger amendment to H.R. 9464 will not only increase the possibility of the frightening GAO estimates coming true, but will also deprive the House of Representatives of the time and information necessary to adequately deal with this problem. Finally, a vote for deregulation is, tantamount to an endorsement of the scare tactics utilized by the oil industry to bulldoze this legislation through. The attempt to frighten people into supporting deregulation by raising the specter of unemployment is a vile attempt to take advantage of the misery of the eight million unemployed people in this country.

SEX DISCRIMINATION FOUND IN LAW FIRMS

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Ms. ABZUG. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues one of the first EEOC cases against a law firm for discrimination on the basis of sex in hiring. As a lawyer who has been fighting for equal rights for women, I am pleased to see that such discrimination in the legal profession has come under judicial scrutiny.

As many of you are lawyers, I know you will share my interest in the following consent decree entered in the U.S. District Court for the central district of California on October 1, 1975 which is reprinted in full below.

The text follows:

[In the U.S. District Court for the Central District of California, Civil Action No. CV-74-654 HP]

CONSENT DECREE

Equal Employment Opportunity Commission, plaintiff, *v.* Voegelin and Barton, defendant

The Equal Employment Opportunity Commission, (hereinafter the "Commission"), commenced this action against Voegelin and Barton (hereinafter the "Defendant") in the United States District Court for the Central District of California on March 12, 1974, alleging that Defendant was engaged in discrimination on the basis of sex in violation of Title VII of the Civil Rights Act of 1964 as amended, 42 U.S.C. Section 2000e et seq., (Supp. II 1972) (hereinafter "Title VII"). In its Amended Complaint filed on March 10, 1975, the Commission alleged that Voegelin and Barton and other defendants unlawfully discriminated against women in the hiring and recruitment of attorneys and law clerks and in their terms and conditions of employment.

This Court has jurisdiction of the parties and the subject matter of this action.

This Order is issued with the consent of the Defendant and shall not be construed as an admission by Defendant of any violation of Title VII or any other law, rule or regulation dealing or in connection with equal employment opportunity. It is the position of Defendant that it has complied, and will continue to comply in all respects, with Title VII. Whereas, the Commission and Defendant being desirous of implementing a resolution of this action, the Court having jurisdiction of the parties and subject matter of this action pursuant to Title VII, the parties having waived further hearing and having agreed on the form of this Consent Decree, and the Court being of the opinion that entry of this Consent Decree will effectuate the mandate of Title VII, it is Ordered, Adjudged and Decreed:

1. Defendant, its partners, agents, employees, servants, successors in interest, and all persons in active concert or participation with them, or any of them, are hereby permanently enjoined and restrained from engaging in any act or practice which has the purpose or effect of discriminating against any individual because of that individual's race, color, religion, sex or national origin, and are specifically enjoined from:

A. Discriminating against women in the hiring or promotion of attorneys and law clerks because of their sex.

B. Discriminating against women attorneys and law clerks with respect to compensation, conditions, terms and privileges of employment because of their sex.

C. Limiting, segregating and classifying women attorneys and law clerks in any way which would deprive or tend to deprive them of employment opportunities or otherwise adversely affect their employment status because of their sex.

2. Defendant shall adopt and seek to achieve a goal of hiring women for positions as associate attorneys from available and qualified female applicants until the number of women attorneys employed by Defendant is approximately fifteen percent (15% of the total number of attorneys who are partners and associates of Defendant Voegelin and Barton. Defendant shall employ its best efforts to reach this goal within two (2) years from the entry of this Consent Decree and to maintain the percentage of women attorneys at the fifteen percent (15%) level or higher for another two (2) years thereafter.

3. Defendant shall adopt and seek to achieve a goal of hiring at least one (1) woman law clerk among each three (3) law clerks hired during the four (4) year period next following the entry of this Consent Decree.

4. Defendant shall formulate, adopt and employ written recruiting standards and procedures which shall be designed to assure that in the recruitment of law clerks and attorneys equal employment opportunity is extended to all applicants. Such standards and procedures should be subject to the approval of the Commission and the Court and shall be submitted to the Commission within thirty (30) days of the entry of this Consent Decree.

5. Defendants shall maintain a record of all interviews conducted in connection with the recruitment of attorneys and law clerks and shall preserve all resumes, applications, correspondence and evaluations relating to applicants for such positions for the term of this Decree.

6. Defendant shall permit the Commission to inspect and/or copy at the Commission's expense all records referred to in paragraph 5 herein and any other related records upon reasonable notice to Defendant at any time during the term of this Decree.

7. Six (6) months after the entry of this Decree, and every six (6) months thereafter until this Decree is dissolved, Defendant shall file a report with the Commission at its San Francisco Regional Litigation Center containing the following information concerning its operations for the previous six (6) month period:

A. The number of applications for employment as attorneys and law clerks, received during the reporting period, by job sought and by sex.

B. A record of all attorney and law clerk hires and a record of the promotion to partnership status of any attorneys, by sex;

C. The following information with respect to each female employee who resigned or was terminated from an attorney or law clerk position during the reporting period:

(1) The name and address of the employee along with the date of resignation or termination;

(2) Whether the employee resigned or was terminated;

(3) The reason(s) for the resignation or termination.

D. A statement, as of the date of reporting, of the number of attorneys (including partners) in or employed by the firm broken down into full and part time categories together with a statement of the number of full time and part time women attorneys.

E. A statement, as of the date of reporting, of the number of law clerks employed broken down into full and part time categories together with a statement of the number of full time and part time women law clerks.

8. No person shall be discriminated against in any manner or account of his or her participation in investigations connected with any complaint to the Commission, or other efforts to achieve equal employment opportunity.

9. The claim of Wendy W. Williams has been settled through a separate written agreement which shall effect full and final settlement of all issues raised in this matter by Ms. Williams. Defendant shall pay to Wendy W. Williams the amount of One Thousand Eight Hundred and Eighty-Six Dollars and Forty Cents ($1,886.40) in settlement of her claim.

10. Defendant shall pay to the Commission costs in this action in the amount of Three Hundred Sixty-Three Dollars and Sixty Cents ($363.50).

11. In order to avoid delay in court proceedings, the Commission will notify Defendant if it has reason to believe that any action by Defendant is a violation of this Consent Decree. After the Commission has given Defendant notice of such contention and the details and circumstances giving rise to the alleged violation, Defendant shall have a full opportunity within a reasonable period of time to investigate and correct or refute the contentions prior to the Commission applying to this Court for any further order with respect to such alleged violations.

12. This Consent Decree resolves all issues of discrimination based on sex between the Commission and Defendant relating to alleged acts of discrimination arising under Title VII occurring 180 days prior to the date of entry of this Consent Decree of which the Commission has notice. However, notwithstanding the remedies provided herein, no individual shall be deprived of any lawful remedy which he or she individually may have on account of individual instances of discrimination.

13. The Court retains jurisdiction of this action for the term of this Decree for such other and further relief as may be appropriate.

14. The provisions of this Decree shall take effect on October 1, 1975. This Decree

shall have a term of four (4) years from such date, at the end of which term the Decree will be dissolved.

——— ———,
United States District Judge.

Dated: Oct. 1, 1975

The undersigned attorneys for the respective parties consent to the entry of this Decree.

ATTORNEYS FOR PLAINTIEE, EEOC.

Abner W. Sibal, General Counsel; William L. Robinson, Associate General Counsel; Equal Employment Opportunity Commission, 2401 "E" Street, N.W., Washington, D.C.; Francisco Cancino, Acting Regional Attorney; Jules H. Gordon, Association Regional Attorney; Charles David Nelson, Assistant Regional Attorney.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION SAN FRANCISO REGIONAL LITIGATION CENTER, 1390 Market Street, Suite 1010, San Francisco, California 94012 Tele. No. (415) 566-5876

ATTORNEYS FOR DEFENDANT

Voegelin & Barton (By Robert H. Krugman), Los Angeles, California.

ANNOUNCEMENT OF HEARINGS ON PESTICIDE ALLEGATIONS

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, the House Committee on Government Operations issued the following announcement today:

Representative Jack Brooks, Democrat of Texas, chairman of the House Committee on Government Operations, announced today the Conservation, Energy, and Natural Resources Subcommittee will conduct hearings on February 11 to examine allegations that the Environmental Protection Agency failed to enforce vigorously the pesticide and other toxic substances control authorities of the Agency.

A recent report of the General Accounting Office highly critical of the Agency as failing to establish procedures to inspect and accredit testing labs to insure that they provide accurate, objective, and reliable data on pesticides was made public by Chairman Brooks on February 2.

EPA's three top pesticide attorneys also recently criticized the Agency for failing to enforce its pesticide control authorities vigorously enough when they announced their resignations from the Agency last week.

Because of these criticisms of the EPA's failure to act in the face of hazards posed by cancer-causing chemicals founds in numerous pesticides, Subcommittee Chairman William S. Moorhead, Democrat, of Pennsylvania, has invited Mr. Jefferey H. Howard, former associate general counsel for pesticides and toxic substances; Mr. Frank J. Sizemore III, former deputy associate general counsel for pesticides and toxic substances; and Mr. William E. Reukauf, former senior trial attorney for pesticides and toxic substances, to discuss their criticisms with the subcommittee.

"What I find particularly disturbing," said Chairman Moorhead, "is the statement of these three former officials of EPA that the Agency 'has identified approximately 100 cancer-causing pesticides and has the authority—and indeed public responsibility—to regulate these materials immediately. Despite these legal authorities, effective regulatory action has not been taken on these critical health issues.' "

Mr. Moorhead said:

It is now the responsibility of the Congress to examine the entire record to ascertain whether the EPA is moving ahead with dispatch and exercising its full range of authority to protect the health of the American people from environmental hazards.

Mr. Moorhead has informed Mr. Train, the EPA Administrator, of the subcommittee's intention to invite the EPA to respond to these criticisms in the very near future.

The hearing will be held in room 2203 of the Rayburn House Office Building at 10 a.m. on February 11.

EDITORS COMMENT ON NEW RIVER

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. NEAL. Mr. Speaker, as the time nears for some crucial decisions on the New River, sentiment for saving the river is mounting throughout the Nation. The Winston-Salem Journal has published a sampling of recent editorial comment from other newspapers and that limited compilation is offered for benefit of my colleagues who have not had an opportunity to see it:

Editors Comment On New River

As the time nears for some crucial decisions in Washington on the New River—both in the courts and in the office of Thomas S. Kleppe, secretary of the interior—newspapers around the country have been adding their voices to the cry to save the river from the proposed Blue Ridge Power Project.

Here is a sampling of editorial comment from some of those newspapers in recent weeks:

The Philadelphia Inquirer (Jan. 5)—"The New River of North Carolina and Virginia is, in fact, one of the oldest rivers in the world. A substantial number of geologists believe it surely is the oldest in North America. There where it flows free and often white through the Appalachians, it is breathtakingly beautiful, weaving then roaring through wild country where the mailboxes have on them the same names as the tombstones—some going back to well before the American Revolution.

"The New River would, and should, be well to be left alone, in peace with those who live there and those who are drawn enough to such things as to visit it with respect to preserving its irreplaceable heritage.

"That is not possible. For between now and March 1 federal officials in Washington will be filing with the Department of Interior their recommendations on its fate. Then Secretary of Interior Secretary Thomas S. Kleppe will be free to decree that fate . . .

"The only prudent course is for Mr. Kleppe to designate as part of the National Wild and Scenic Rivers system the 26.5-mile stretch of the river which North Carolina has petitioned to have preserved in that manner . . .

"The ultimate effects of building the dams would be to destroy forever a magnificent piece of America that has been evolving for millions of years—for very short-term gains. Mr. Kleppe should act to prevent that."

The Washington Post (Dec. 12)—"The new secretary of interior, Thomas S. Kleppe, has been in office for only a few weeks, but already he has an opportunity to begin making a positive record. The issue involves the long struggle to save the New River valley and the people along its banks. The New River, said to be the second oldest watercourse of its kind in the world (only the Nile is older), flows in part in northwest North Carolina, southern Virginia and southern West Virginia. It is an area of unrivaled beauty, but more important, it is an area where the citizens' instincts to preserve their land and culture are strong . . .

"With so large a coalition of citizens, conservationists and politicians lined up to save the river, Secretary Kleppe will not need immense amounts of political courage to act. Instead, he needs only a measure of normal bureaucratic resolve and common sense, qualities that he could reasonably be expected to have brought along when he took the job."

The Courier-Journal, Louisville, Ky., (Dec. 15)—". . . One might think such an asset (as the New River) is being guarded by the United States government to preserve it for generations to come.

"Wrong. The New River is doomed, as people have known it during those 10,000 years, if America's largest electric utility company gets its way. And so far it has had clear sailing.

"The Federal Power Commission, in apparent violation of two laws, has issued a license that would allow a subsidiary of the American Electric Power Company to build two huge dams on the river in northwestern North Carolina . . .

"The FPC, in issuing a license for the project, ignored the National Environmental Policy Act by failing to consider alternative ways of meeting the power need, and failed to heed the same law's mandate that all federal agencies protect the nation's natural and cultural heritage . . .

"The Interior Department, for its part, failed to determine if archeological treasures might be lost through building of the dams, in apparent violation of the 1960 Historic Preservation Act . . .

"Fortunately, salvation for the New River can be easy and simple. Secretary of the Interior Thomas S. Kleppe has the power under law to make the disputed stretch of the New River a part of the national scenic rivers system. This, in all probability, would kill the power project. . . .

"The New River project fills no need that cannot be filled in a far better way. Secretary Kleppe should halt it the moment he is free to do so."

The Cincinnati Post (Dec. 30)—". . . Ironically—and maddeningly to the people affected—the project will burn more electricity than it produces, because of the pump-back phase: four kilowatts for every three that go out to consumers. It will also cover about 42,100 acres of land, dislodge 3,000 people and create two dubious 'lakes' with shorelines that rise and fall continually, leaving mudflats and bogs.

"All of this can be arrested if the current secretary of the interior, Thomas S. Kleppe, will approve the New for admission to the National Wild and Scenic Rivers System . . .

"Wild rivers are fragile. Dams are forever. Secretary Kleppe would be well advised to remember this—unless he wishes to be remembered as a secretary of the interior who forgot it."

The Daily Hampshire Gazette, Northampton, Mass. (Dec. 19)—"In New England our communities and institutions are so old that we tend to think of the rest of the nation as a newcomer. New England is insular in this regard and, of course, it is dead wrong as well.

"Something is happening down in North Carolina which we in New England, who value tradition, ought to be concerned about . . .

"We believe that dislodging 3,000 people, flooding rich food-producing land and destroying one of the oldest river valleys in the world and one of the most beautiful in America for a negative power project is irrational. We are persuaded that the New River should be saved, even if it is in far-off North Carolina and remote from New England.

"We are familiar with the area of Blowing Rock, N.C., which is the source of the New River, and we remember its beauty. This is an environmental battle that should enlist the energies of all of us who care about our heritage and the nation's future."

The New York Times (Dec. 28)—"Next to the Nile, the New River in Virginia and North Carolina is considered by geologists to be the oldest in the world. The rocks through which it has cut its way indicate an age approximating 100 million years. But the paradoxes concerning the river do not end with the name. They only begin there. The New happens also to be one of the most beautiful streams in North America and one remarkably rich in archeological finds; yet the possibility is all too great that in a matter of weeks its beauty and history will be traded for two ugly reservoirs and a pumped hydroelectric storage project . . .

"The decision is wholly up to Secretary Kleppe . . . . It is the first issue on which he can demonstrate that 'unbiased and penetrating look' he promised the Senate he would take at all environmental matters. If it is penetrating enough, the prehistoric river will not be sacrificed for a few years of costly surplus energy for which alternatives have been shown to exist."

Comments from North Carolina papers include:

Greensboro Daily News (Dec. 19)—"There has been speculation that if President Ford is still running scared (as the North Carolina presidential primary approaches) he might be persuaded to save the river to save his own political hide in North Carolina. He could do this state and the nation a favor by doing so."

Durham Morning Herald (Jan. 9)—It is perhaps auspicious that Mr. Kleppe's deadline for declaring the New River part of the national scenic rivers system will occur just three weeks before North Carolina's March 23 presidential primary in which his boss, President Ford, is being challenged by Ronald Reagan.

"The interior secretary and the President himself ought to know that efforts to save the New River have overwhelming and bipartisan support among North Carolina officials in Washington, in Raleigh and in the New River area.

"Although Mr. Kleppe has far better grounds on which to base his decision, we'd be satisfied if he decided to preserve the river simply out of political motivation.

"That would be an instance of a political interest coinciding with the public interest to save a precious and irreplaceable natural resource."

Fayetteville Observer (Dec. 14)—"The Ford administration has placed special emphasis on moving the country toward energy conservation and self-sufficiency, attaching a high value to the wise use of energy resources now available. By shielding the gentle New River from wasteful exploitation for dubious peak power electricity production schemes, the Interior Department can do its part in backing up the administration's words while at the same time minimizing the impact of disruptive change in a remote rural area which asks so little of government and offers so much of real value to all of us."

Shelby Daily Star (Dec. 20)—"All in all, it appears to us, and many others as well, that the power plant is of a lesser importance than the maintenance of the river and its adjacent land. The river is archaeologically important, but it is also about time that this generation started thinking about preserving for our children to see something of the natural state of this nation that we have enjoyed. . . .

"The federal government has in its hands the moral judgment of whether an inefficient, uneconomic power plant is more important than the people, the land and the river."

The News and Observer, Raleigh, (Dec. 29)—"Weighted against Appalachian (Power Co.'s) questionable use of resources and capital are the loss of arable land in the New River Valley, the displacement of 3,000 persons and the less measurable forfeiture of river beauty and history. The latter, according to recent archaeological finds, is considerable.

"A thorough review of the New River petition, as Secretary Kleppe has suggested, makes a convincing case for its designation as a federal wild and scenic river."

The Carolina Financial Times (Dec. 22)—"The situation is not of earth-shaking significance; nothing like the fate of the capitalist system hangs in the balance. But it does give a classic example of a monstrously huge enterprise sacrificing much which belongs to others for very little gain—indeed."

"SPRAY NOW, PAY LATER" PESTICIDE POLICY HURTS FARMERS AND CONSUMERS

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. RICHMOND. Mr. Speaker, during the Agriculture Committee's consideration last year of the Federal Insecticide, Fungicide, and Rodenticide Act extension, an impassioned plea was made for the continued unrestricted use of powerful chemical pesticides on our Nation's farms.

Those of us on the committee were told that the use of farm chemical dusts and sprays could prevent the recurrence of tragedies such as the one in 1970 when the southern corn leaf blight destroyed 15 percent of our corn crop. This loss raised consumer prices by $2 billion, and could have been prevented, proponents of chemical use stated, through more diligent chemical pest control efforts.

However, this is not the case. In the 1976 Agriculture Yearbook, entitled "That We May Eat," the introduction, written by Agriculture Secretary Earl Butz, states in part:

> Scientists also played a star role in stopping the corn blight of 1970—the most destructive disease ever to hit corn. It killed off 15% of our huge corn crop that year. In reality, scientists had to go back and correct an earlier mistake they had made—one which made corn susceptible to the blight.

The questions raised by this study are extremely disturbing. There are serious economic, environmental, and health risks associated with overuse of these chemicals. Furthermore, genetic alteration of plants and animals cannot be used as an excuse to spray more chemicals to cover up our mistakes. This conscious policy of misrepresentation by the Department of Agriculture hurts our farmers and consumers while benefiting large chemical manufacturers whose vested interest is in seeing that more and more chemicals are used on our croplands each year.

Simply put, pesticides are not always the answer. Last October, the House adopted an amendment which I proposed to the Insecticide Act—FIFRA—extension, which directed the Environmental Protection Agency to develop instructional materials for farmers and others on integrated pest management. Integrated pest management is an alternative to using only chemicals for pest control; it is an integrated approach using what is most appropriate and energy efficient in a given situation: crop rotation, fallowing, conservation, biological controls, beneficial insect introduction, and so on. This encourages using chemical pesticides only when absolutely necessary.

Friday, the National Research Council, the operating arm of the National Academy of Science, released a 3-year study on pesticide use which states that insect resistance to pesticides is rising alarmingly. This means that more and more toxic chemicals will be required to keep chemical pest control at its present level of efficiency.

The study recommends that a crash program be initiated to develop new methods of pest control which do not rely as heavily on toxic chemical formulations. I share these recommendations and hope my colleagues recognize, as I have come to recognize, that there are grave risks in continuing this "spray now, pay later" approach to pest control.

I am enclosing for the Record a copy of a New York Times article by Harold M. Schmeck, Jr., on the National Academy of Sciences report. I hope my colleagues will read it with a view toward considering the serious implications of our continued reliance on chemical pesticides. Hopefully our rural Members and urban Members can join together in addressing this important topic.

The article follows:

[From the New York Times, Feb. 6, 1976]

Insects' Resistance to Pesticides Held Rising Alarmingly

(By Harold M. Schmeck, Jr.)

Washington, February 5.—Chemical control of important insect pests is losing effectiveness and the loss will probably accelerate, according to a report released today by the National Academy of Sciences. The report was more than three years in the making.

Dr. Donald Kennedy of Stanford University, chairman of the committee that compiled the report, told a news conference that the efficacy of chemical insect control was declining alarmingly.

A key conclusion of the five-volume report, he said, is that alternative methods must be developed to supplement the chemicals. Otherwise, he said, this country may begin to have difficulty in meeting its goals for increased food production. The United States is one of the world's most important exporters of food.

"In summary," the report said, "the task of pest control over the next 10 years will almost certainly become larger rather than smaller. Contemporary chemical control of some insects (though not of weeds and diseases) is decreasing rather than increasing in effectiveness; and we believe we can identify conditions that will accelerate that loss in the future."

The factors include the appearance of genetic resistance to the chemicals in many pest species; breakdown of natural control mechanisms, sometimes because the chemicals also kill the pests' natural enemies, and more stringent regulations arising from public concern over hazards to the environment and human health.

The alternatives to complete reliance on chemicals are development of crops genetically resistant to their enemies, employment of biological weapons against the pests—such as viruses, microbes and other natural enemies—and agricultural strategies that outmaneuver the pests.

ANTI-PEST STRATEGY CITED

An example of successful anti-pest strategy, said Dr. Samuel R. Aldrich of the Illinois Agricultural Experiment Station, was that used against the western corn rootworm, which developed almost total resistance to major pesticides. Dr. Aldrich said the answer was to alternate corn and soy beans as successive crops in the same field. This, he added, solved the problem because the worm would not eat the soybean plant, and its life cycle was, therefore, interrupted by the absence of corn.

The report said that contemporary pest control, based primarily on chemicals, had been one of the main factors in achieving the present high productivity of American agriculture and had made enormous contributions to world health through such means as mosquito control.

It cited examples, however, of over reliance on chemicals either leading to increases in crop-destroying pests or causing health hazards by producing pesticide-resistance in insects that carry disease.

Noting that chemical pesticides can be hazardous to human health, the report called for more effective regulation and surveillance of their use and more research on their effects. It said that data on pesticide use were usually years in arrears and that this hampered planning.

"We believe the state of Federal knowledge in this critical area is highly inadequate," the report said. "The pest control enterprise places a billion pounds of toxic materials into the environment each year, but it is 'normal' for us to have only the vaguest idea of how much of each compound was used and where, and even then only after half a decade's lag."

The report recommended mandatory reporting to the Government of production figures and other data. It said that surveys of pesticide use should be done annually and published no later than six months after completion.

A special panel of the study group, examining pesticide health hazards, said that occupational injuries from pesticide use might be seriously underestimated, even in California, which has the only effective system for reporting. Dr. Kennedy said good data on this important subject were almost totally lacking.

The panel on health effects concluded that the cancer risks of pesticide use requires continuing evaluation and research. It noted that the young American adult probably consumed about 40 milligrams of chemical pesticides a year in food and carried about one tenth of a gram permanently in his or her body fat. A tenth of a gram is about one 300th of an ounce.

The report indicated that chemical pesticides would continue to be needed for the foreseeable future, especially in view of the probable world demand for increased food supply.

NEW PESTICIDE URGED

However, the report recommended accelerated efforts to develop a new generation of chemical pesticides that would be designed more specifically to harm their targets and therefore would be less hazardous to man and other non-target species.

The report emphasized efforts at containment of insect pests rather than broad range efforts at eradication The latter, it said, can be extremely expensive, sometimes fail and are likely to do harm to other species.

About 60 specialists in various aspects of pesticide use and hazard contributed to the report.

INNOVATIVE SOLAR PROJECT IN MAINE

HON. WILLIAM S. COHEN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. COHEN. Mr. Speaker, we in the State of Maine, because of our long, harsh winters, are extremely sensitive to the urgent need to develop new alternative energy sources to heat the homes of our oil-dependent region.

Because of the urgency of our situation, our State is rapidly becoming a leader in energy planning and development. Saturday's Washington Post carried a story by Wiley Mitchell which details one pioneering solar heating project now underway in Falmouth, Maine. This project, sponsored by the Maine Audubon Society, should serve as a model to other groups throughout the Nation and help spur the development of more advanced solar heating systems.

I insert the Post article at this point in the RECORD and commend it to the attention of my colleagues:

[From the Washington Post, Feb. 7, 1976]

MAINE AUDUBON SOCIETY PIONEERS INNOVATIVE SOLAR HEATING SYSTEM

(By Wiley Mitchell)

FALMOUTH, MAINE.—This year, as always in the past the sun has lost its figurative struggle with Down East winter, and Mainers are turning up their thermostats to keep warm. Next winter, though, things will be different at the Maine Audubon Society's Gilsland Farm.

Already the concrete foundations are in for a pioneering solar-heated headquarters building where, with just a little help from a wood stove, the sun alone should keep the cold outside. Even if the sun doesn't shine for a while and a "nor'easter" blows up a blizzard, solar heat stored in rock should keep the inside air comfortable with an occasional boost from the stove.

This stored heat should carry the building through two sunless days with an average outdoor temperature of 25 degrees F. After that, what extra heat is needed will come from the wood stove. Wood use should run about 1.6 cords a season. And that's not more than many Mainers might burn in the fireplace of an oil-heated home.

In practical terms, Maine Audubon is pioneering a novel cost-cutting solar heating system and a highly efficient wood stove of unique design. In strategic terms, it is providing a walk-in public demonstration of what solar heating can do in a difficult climate.

Maine Audubon is pioneering a novel cost-cutting solar heating system and a highly efficient wood stove of unique design. In strategic terms, it is providing a walk-in public demonstration of what solar heating can do in a difficult climate.

William J. Ginn, assistant director at Maine Audubon, who has charge of the project, says: "We figure we may have 20,000 visitors the first year. If lines start forming, we may have to establish some kind of formal visiting hours so we can get our staff work done in the offices. But we have no intention of putting up 'no visitors' signs. This building is for the public as much as for ourselves."

The solar heating system cuts capital cost by using ordinary black window screening rather than water to trap the sun's heat. This brings the contract cost of the 2,000-square-foot solar collector down to $4.50 a square foot. Prefabricated water collectors which the building designers priced were quoted at from $10 up to $35 a square foot.

The window-screen solar-collector concept is also aimed at getting solar heat into the home, since the design is one any builder can readily use. There is no need to retrain work crews, as there is when heavy and delicate prefabricated water-collectors have to be installed on a house.

Air forced over the screening will be heated to a maximum of 130 degrees F. It then will flow through 105 tons of crushed rock, which will absorb the transferred heat. Another air flow, circulating between the building and the rock, will carry heat into offices and hallways. These two air flows can interact, if both of them are circulating at the same time, so that the collector air can heat the building air directly.

When heated to capacity, the rock can store enough heat for most of the building's needs. Bearing in mind that the offices won't be used 24 hours a day and that the heavily insulated building would not cool down to freezing overnight, heating designer Richard K. Hill estimates that one wood fire a day will maintain comfortable temperatures during the most demanding conditions.

Hill has done what most wood-burning enthusiasts dream about—he has completely separated combustion from heat transfer.

The combustion chamber of the stove is so heavily insulated it is more like a potter's kiln than an ordinary wood stove. This keeps the fire at better than 1,000 degrees F., at which temperature wood is completely burned, with a minimum of ash, no smoke, and no tars and creosotes to form dangerous soot in the chimney.

Since it is so well insulated, the firing chamber can be located where it is most conveniently tended—in this case, outdoors but under shelter.

Hot gases, forced through the firing chamber by a small fan, travel through a 12-inch-diameter metal flue the entire 80-foot length of the heat-storage bin and back, before slanting up into the chimney. With flue gases at less than 100 degrees at this point, the chimney can even be wood-shingled, to match the rest of the exterior.

Vital to the building's hoped-for economy of operation are extra insulation, careful and modest placement of heat-robbing windows, and solid workmanship.

Six-inch roll insulation in the walls, surrounded by a polyethylene vapor-wind barrier, is the thinnest used. Roof areas have up to nine inches of insulation. Most houses, by comparison, probably have at most three inches of insulation, no seamless wind barrier, and leaky doors and windows poorly placed in terms of heat control.

Electricity to operate the induced draft fans for the wood stove is calculated to be

470 kilowatt-hours per year. The solar system will take more electric power to circulate air through the rock storage, collector area, and the building.

Annual use for this purpose is calculated at 2,134 kilowatt-hours, with a safety factor of 1.5. In other words, actual experience could well be better than projected.

Total electric requirements for the building heating system are projected at 2,604 kwh per year, or $345.23 at current rates.

A comparatively high wood cost for Maine of $100 per cord would put the annual cost for backup heat at $160. Added to the electric cost, this puts the anticipated annual energy bill at $505.23.

By comparison, a conventional oil-fired system would need 3,524 gallons a year. At an optimistic 40 cents a gallon, this would amount to $1,409.60.

The ideal of building an experimental "alternate-energy" structure seemed logical for the society. But it might still be only an idea had the society's old downtown office buildings not passed the point of reasonable repair in 1972. Faced with the need for a new home, the society began to consider building anew, along with the other possibilities.

When Mainers began to shiver, along with the rest of the nation, through the 1973–1974 oil crunch, a rationale for building was at hand: design an innovative but sound solar-heated building and share the experience thus generated with a suddenly fuel-conscious public.

Only a site was missing. And the offer of a six-acre parcel just outside Portland by Ruth Moulton Freeman in early 1974 took care of that problem.

By fall, 1974, the land gift had been formalized, a fund-raising drive launched, and a search for a design team started. And by the summer of 1975 the building fund had reached $200,000 and architect George B. Terrien and solar-wood system designer Richard K. Hill had construction plans ready to go out for contractor bids.

When a construction bid came in at $215,000 the 35-member board of trustees, under the guidance of Sherry Huber, president, signed the contract. Only a few months later, concrete foundations and slab floors were poured and framing is under way.

The building fund has reached $233,000, overall price tag (landscaping, furnishing, etc. included) appears firm at $281,000, and fund-raising is continuing for the $48,000 balance.

ANNOUNCEMENT OF HEARINGS ON LEGISLATIVE REMEDIES—FBI

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. EDWARDS of California. Mr. Speaker, I wish to announce that the Subcommittee on Civil and Constitutional Rights of the House Committee on the Judiciary has rescheduled its hearings on the legislative remedies for the Federal Bureau of Investigation for Wednesday, February 11, 1976. The hearings will commence at 9:30 a.m. and will be held in room 2322 of the Rayburn House Office Building. Testimony will be received from Edward H. Levi, the Attorney General of the United States, and Clarence M. Kelley, Director of the Federal Bureau of Investigation.

A TRIBUTE TO ALISTAIR BUCHAN

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. BRADEMAS. Mr. Speaker, it was with great sadness that I have learned of the death this week of Alistair Buchan, the Montague Burton professor of international relations at Oxford University and a founder of the Institute for Strategic Studies in England.

Mr. Buchan was widely respected in the United States as well as elsewhere for his writings on international and military affairs. Only last weekend, while participating in the annual American Legislators' Conference at Ditchley Park in England, I talked with Professor Buchan and observed the power of his keen and perceptive mind.

His many friends in the United States will mourn the loss of this distinguished thinker and outstanding citizen.

HOUSE OF REPRESENTATIVES—*Tuesday, February 10, 1976*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

God has not given us the spirit of fear; but of power, and of love, and of a sound mind.—II Timothy 1: 7.

Almighty God, our Father, amid all the changing scenes of this life make us conscious of Thy presence, ready to do Thy will and eager to serve our country.

May we walk this day with Thy light upon our way, Thy truth in our minds, and Thy love in our hearts. Thus forgiven, cleansed, and strengthened, we set out upon the tasks before us giving them our best in thought, word, and deed.

Grant that our lives radiant with good will may be open channels through which Thy loving grace can flow for the healing of our Nation and the benefit of all mankind.

In Thy holy name we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Heiting, one of his secretaries, who also informed the House that on February 9, 1976, the President approved and signed a bill of the House of the following title:

H.R. 9861. An act making appropriations for the Department of Defense for the fiscal year ending June 30, 1976, and the period beginning July 1, 1976, and ending September 30, 1976, and for other purposes.

CALL OF THE HOUSE

Mr. SYMMS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 47]

Abzug
Ambro
Andrews, N.C.
Ashley
Bonker
Brown, Calif.
Brown, Mich.
Burton, John
Chisholm
Conyers
Dellums
Diggs
Dingell
Downing, Va.
Drinan
Early
Eckhardt
Edgar
Esch
Eshleman
Fascell
Flynt
Ford, Mich.
Fraser
Gibbons
Green
Gude
Harsha
Hébert
Heinz
Hinshaw
Jarman
Johnson, Pa.
Jones, Ala.
Landrum
Lujan
McCloskey
McCormack
McEwen
McHugh
Meeds
Mezvinsky
Obey
Pettis
Scheuer
Steelman
Steiger, Ariz.
Teague
Udall
Waxman

The SPEAKER. On this rollcall 382 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEDGED REPORTS

Mr. MOAKLEY. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

REQUEST FOR PERMISSION FOR COMMITTEE ON THE JUDICIARY TO SIT TODAY DURING 5-MINUTE RULE

Mr. RODINO. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be permitted to sit while the House is reading for amendments under the 5-minute rule today.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

Mr. BAUMAN. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

BROOKINGS INSTITUTION RECOMMENDS AGING B-52S FOR AIR DEFENSE

(Mr. KETCHUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KETCHUM. Mr. Speaker, it appears that the esteemed Brookings Institution has decided there is still an impregnable moat of ocean surrounding the United States, and that we are still living in the good old days of goldfish swallowing. I was appalled to read in yesterday's Washington Post that the institution recommended we not bother building the B-1, relying instead on our aging B-52's for air defense. Further, that laudable organization has seen fit to assure us there is no real possibility of enemy action beyond the abilities of the B-52 until well into the 1990's—I would like to have access to their crystal ball.

I wonder how many members of the Brookings Institution would set forth on a cross country vacation in a 12-year-old car? Can they really be deluded into believing that a fast trip through the local airplane garage will render our 12-year-old B-52's into 1980's fighting material? If so, then I think the solution is a simple one: We should call up all those who subscribe to this ridiculous theory, and grant them the privilege of piloting the first wing of refurbished B-52's into battle.

A defense posture second to none is the preserver of our greatest social service: freedom. The Brookings Institution appears to believe that the best way to accomplish this is to turn all the clocks back 12 years.

EXPRESSING THE SYMPATHY OF THE HOUSE OF REPRESENTATIVES TO THE PEOPLE OF GUATEMALA

Mr. MORGAN. Mr. Speaker, I offer a resolution (H. Res. 1030) expressing the sympathy of the House of Representatives to the people of Guatemala and ask unanimous consent for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1030

Whereas the people of our sister Republic, Guatemala, suffered a devastating blow as the result of the recent earthquakes and tremors in February 1976; and

Whereas these quakes and tremors caused the loss of thousands of lives and the destruction or devastation of many towns and villages, rendering homeless many thousands of people; and

Whereas the people and government of the United States, in accord with the traditions of the United States, are anxious to assist the people of Guatemala in their tragic hour of bereavement and suffering; and

Whereas the task of relief, rehabilitation, and reconstruction which faces Guatemala is huge, requiring outside support and assistance beyond the present emergency requirements: Now, therefore,

Be it resolved, That the House of Representatives extend its deepest sympathy to the President and to the people of Guatemala in this dark hour of their suffering and distress.

SEC. 2. It is the sense of the House of Representatives that the executive branch of the United States Government be urged to develop, in cooperation with other potential donors in and outside of the Western Hemisphere, both governmental and private, programs to assist the people of Guatemala in their efforts to relieve the suffering caused by the disaster and to rehabilitate their nation from the damage inflicted.

SEC. 3. Copies of the present resolution shall be distributed through appropriate channels to the President of Guatemala.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MORGAN. Mr. Speaker, I am today offering a House resolution with respect to the earthquake disaster which has devastated our neighboring country of Guatemala and killed thousands of its people.

The purpose of this resolution is to reaffirm the support of the people of the United States to the people of Guatemala at this time of great trial and suffering.

The full extent of the disaster is not yet known. It may well be that many more have been killed, hurt, or rendered homeless than we now know.

What we do know now is horrendous enough.

An estimated 17,000 persons may have been killed.

Some 55,000 persons have been injured.

An estimated 1 million persons are homeless.

Some 114,000 rural dwellings and 108,000 urban homes have been destroyed.

Roads are cut in many places by landslides and destroyed bridges.

Essential public services have been disrupted, and the productive capacity of the nation has been hurt.

The full extent of the casualties and destruction will not be known for some time, for the affected area is some 100 miles long and 40 miles wide, with many small towns and villages in remote mountain regions among the hardest hit.

Many nations have already started helping the Guatemalans cope with this disaster. The U.S. Government has supplied 16 large helicopters and is making food, medical supplies, tents, blankets, and other commodities available in a very heavily populated area to the west of Guatemala City. Some $3.6 million in disaster relief funds has been allocated so far.

Much of the work is being carried out in that region by U.S. private voluntary agencies already in place in Guatemala, who are making their own contributions in addition to helping distribute Government-financed commodities.

But much more remains to be done to bring relief to the Guatemalan people and to begin the hard job of rehabilitating their nation.

This resolution would call upon the executive branch of our Government to begin to develop plans, in cooperation with other interested donors, for that task of relief and rehabilitation.

Mr. RHODES. Mr. Speaker, the tragedy that has struck Guatemala is another sad reminder that mankind is still at the mercy of Nature. We cannot control the elements, or as yet earthquakes, but we can do everything feasible to assist those stricken by this devastating natural disaster.

I have joined with my colleagues—Mr. O'NEILL, Mr. MORGAN, and Mr. BROOMFIELD—in introducing a resolution which expresses the sense of the House of Representatives toward such aid. We extend our sympathies to those whose lives have been disrupted by this severe quake. The resolution also would direct the executive branch to mobilize an effort to relieve the inevitable suffering that follows disaster. It would establish a long-range plan, based on a cooperative effort between our Government and our private enterprise system, to begin the process of rebuilding what has been destroyed.

I support this humanitarian effort, and am hopeful that my colleagues will take speedy action on this plan, which is an expression of the brotherhood of mankind, and a worthy endeavor by our Government and our people.

Mr. BROOMFIELD. Mr. Speaker, in joining with my colleagues to cosponsor the Guatemala resolution, I am profoundly moved by the magnitude of the tragedy that has afflicted the people of Guatemala. A nation of some 5.5 million people has suddenly and brutally been devastated by forces beyond its control. There can hardly be a family in Guatemala today that is not bereaved, homeless, or destitute as a result of last week's earthquake.

The dimensions of the tragedy are appalling. Well over 1 percent of the population of Guatemala was killed or injured in a few hours' time; 1 out of every 5 Guatemalans is without shelter. For this country to suffer an equivalent disaster, our casualties would have to be in the neighborhood of 3 million.

Assistance for a friend or neighbor in need is an integral part of the U.S.—and the American—character. I am confident that our Government, in the spirit of the proposed resolution, will continue to respond fully and effectively to the human suffering in Guatemala. The government and people of that unfortunate land have our deepest sympathy and support as they move to cope with the tragedy that has befallen them.

Mr. SIKES. Mr. Speaker, I am happy to serve as a cosponsor of House Resolution 1030, and I congratulate the distinguished chairman of the Committee on International Relations and others who also are cosponsoring this resolution.

This resolution comes about through unfortunate circumstances—in fact, through one of the greatest natural disasters to strike the western hemisphere within the memory of man. The small country of Guatemala, long known for its beauty and tourist attractions, but more particularly for its close bonds with the United States, has been staggered by a grievous and gigantic earthquake followed by tremors and other shocks. The death toll thus far is close to 20,000. Almost 1,000,000 people are homeless. The devastation has hit every sector of the country.

I have had a special place in my heart for Guatemala, along with the many people of the United States who have been fortunate enough to visit this beautiful country. Over the years, by dent of dedication and hard work, the people of Guatemala have made encouraging progress in the economic, political and social spheres. In that effort, the United States has demonstrated its own good will time and again to a strong people.

Today we join with the valiant people and Government of Guatemala in this dark hour of their suffering. The purpose of this resolution is to express the deep and heartfelt sympathy we feel for them. But it is more than the mere expression of sympathy. The resolution calls upon the executive branch of our Government to formulate and present to the Congress programs of relief and rehabilitation assistance, together with other governments and private agencies. We must do more than meet the immediate emergency needs and come up with a program of restoration in the fields of sanitation, water systems, housing, and road construction, all of which have suffered profoundly from the earthquake. In this effort, it is only natural that the United States should take the lead because of our very close and historic ties of friendship, trade, and common purpose with our sister republic.

The stories coming out of Guatemala indicate that the present government of General Laugerud is doing a magnificent job in the face of heavy odds and physical obstacles; likewise, the people of Guatemala are demonstrating the traditional courage and determination to surmount untold suffering and physical deprivations.

I know that all my colleagues join me in urging the executive branch of our Government to take immediate steps to carry out the purposes and objectives of this resolution.

GENERAL LEAVE

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this resolution (H. Res. 1030).

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

THIRD BUDGET RESCISSION BILL, 1976

Mr. MAHON. Mr. Speaker, I call up the bill (H.R. 11665) to rescind certain budget authority recommended in the message of the President of January 23, 1976 (H. Doc. 94–342), transmitted pursuant to the Impoundment Control Act of 1974, and ask unanimous consent that bill be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

H.R. 11665

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following rescissions of budget authority contained in the message of the President of January 23, 1976 (H. Doc. 94–342), are made pursuant to the Impoundment Control Act of 1974, namely:

CONSUMER PRODUCT SAFETY COMMISSION

SALARIES AND EXPENSES

Appropriations provided under this head in the Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1976, are rescinded in the amount of $2,256,000 for the fiscal year ending June 30, 1976, and in the amount of $400,000 for the period July 1, 1976, through September 30, 1976.

SELECTIVE SERVICE SYSTEM

SALARIES AND EXPENSES

Appropriations provided under this head in the Department of Housing and Urban Development—Independent Agencies Appropriation Act, 1976, are rescinded in the amount of $1,775,000 for the period July 1, 1976, through September 30, 1976.

With the following committee amendment:

Committee amendment: On page 2, after line 15, insert the following:

"DEPARTMENT OF AGRICULTURE

"FARMERS HOME ADMINISTRATION

"RURAL HOUSING INSURANCE FUND

"Appropriations provided under this head in the Supplemental Appropriations Act, 1976, are rescinded in the amount of $1,000,000."

Mr. MAHON. Mr. Speaker, I move to strike the last word.

Mr. Speaker, before discussing the amendment, I would like to advise the House that considered in this legislation was a request by the President to rescind $568,876,000. Congress having enacted the legislation and provided the funds to carryout the legislation, the Committee on Appropriations has been hesitant to recommend that we change our course of action and rescind all these funds. However, we do propose rescission of $5,431,000.

Two subcommittees have been involved in the preparation of the report accompanying the bill. The committee is recommending rescission of $2,656,000 from the Consumer Product Safety Commission, $1,775,000 from the Selective Service System, and $1,000,000 from the Rural Housing Insurance Fund of the Farmers Home Administration. The committee recommends rejecting rescissions of $3,775,000 from the Consumer Product Safety Commission, $60,670,000 from the Rehabilitation Loan Fund of the Department of Housing and Urban Development, and $499,000,000 from the Rural Housing Insurance Fund of the Farmer's Home Administration.

With respect to the committee amendment, I would like to yield to the gentleman from Mississippi (Mr. WHITTEN), the chairman of the subcommittee involved in this particular matter.

Mr. WHITTEN. Mr. Speaker, this amendment was first called to the attention of the subcommittee when the full committee met. At first blush, recognizing the good intentions of its author, the gentleman from Florida (Mr. CHAPPELL), I did not or could not see just what the implications of the amendment might be. I know the gentleman's intentions and I know the gentleman wants to see that the funds appropriated by the Congress are released immediately for the purpose for which the Congress appropriated them.

Unfortunately, under the Impoundment Control Act it provides that with respect to a rescission, the President has 30 days in which to make his decision and then he has another 45 days, exclusive of the time Congress is not in session. If during that 45-day period Congress does not act then he has to release the money.

While such authority exists in the law, the President would not, in my view, be justified in using such delay where the Congress made it clear that the funds were to be released. Unfortunately, where this one item is singled out it would have the effect of actually rescinding $1 million of the $500 million; but by naming only one thing, I am afraid in the absence of a statement to the contrary they might say that by the naming of only one proposal we are inferentially approving the rescission of those that are not named, or at least had no objection to be a delay of the full 45 days. Such is not the case.

Mr. Speaker, I want to make clear that I would hope that the amendment will be stricken from the bill. I also want to make it clear that the committee is definitely opposed to the rescission as well as the others that are not listed here and desires immediate release.

I have taken upon myself to write to Mr. Lynn, the Director of the Office of Management and Budget, and told him the attitude of the Committee on Appropriations and urged him to release the funds immediately.

Now, I want to make it plain that while inadvertently this amendment is in the bill, certainly it is not intended to affect the attitude of the Committee on Appropriations and of the Congress as a whole, that we mean for them to release the funds immediately. We differed with them strongly. I wish it was put in the report. I did put our feelings in a letter to Mr. Lynn where he cannot misunderstand the intentions of the Congress.

Mr. MAHON. Mr. Speaker, may I ask the gentleman, what would the gentleman recommend that we defeat the amendment in view of the implications that have arisen?

Mr. WHITTEN. Mr. Speaker, I would hope that we have the attention of the gentleman from Florida who offered the amendment in the first place. I would hope we would have the support of the gentleman in striking the amendment at this time until we have the opportunity to further study this matter.

The SPEAKER. The time of the gentleman from Texas has expired.

(By unanimous consent, Mr. MAHON was allowed to proceed for an additional 3 minutes.)

Mr. MAHON. Mr. Speaker, I yield to the gentleman from Florida (Mr. CHAPPELL).

Mr. CHAPPELL. Mr. Speaker, this amendment was not offered with the intention of accelerating the release of these moneys that were appropriated by the Farmers Home Administration for Housing. I happen to disagree with the gentleman from Mississippi. I feel that to take this amendment would accelerate it. However, let me assure the members of the committee and assure the House that my intention is to accelerate the provisions of these housing funds and not to decelerate their release. I bow to the wisdom of this House, if the minds of this House feel that this is going to be self-defeating; but I urge that we vote, as the gentleman from Mississippi (Mr. WHITTEN) has suggested. The facts are that we called, my staff called the GAO office, and that office agreed, their legal counsel agreed this would become effective. Their legal counsel also called the person who handles rescissions in OMB and it was concurred in there that it would work.

Mr. Speaker, I recognize the practical thinking that concerns the gentleman from Mississippi (Mr. WHITTEN) and concerns the chairman of the committee, that regardless of what we put in here, the will down there is to hold up for this thing some more. We are really trying to save 6 weeks here. It may not save 6 weeks, but I am perfectly willing to try it. The important thing is that we do not want to hold up the Bureau of Housing and we certainly want to take the position stated by the gentleman from Mississippi (Mr. WHITTEN) that if we should retain this amendment, it would have the effect of rescinding some of these other matters the gentleman from Mississippi discussed.

So, I agree with his position on the others. I simply disagree with him on this particular one, and I am not going to be terribly upset which way we go.

Mr. MAHON. I would say, Mr. Speaker, that this $500 million for Rural Housing Insurance Fund will become available on March 19. We know that. I believe, under the circumstances, that it would be best to eliminate this amendment.

I supported the amendment in the committee, and I believe most members of the committee did support it, but I would ask that the amendment be defeated.

The SPEAKER. The question is on the committee amendment.

The question was taken; and on a division (demanded by Mr. MAHON) there were—yeas 6; nays 20.

So the committee amendment was rejected.

AMENDMENT OFFERED BY MR. SLACK

Mr. SLACK. Mr. Speaker, I offer an amendment.

The Clerk read as fololws:

Amendment offered by Mr. SLACK: Page 2, after line 21, insert:

"DEPARTMENT OF STATE

"EDUCATIONAL EXCHANGE

"MUTUAL EDUCATIONAL AND CULTURAL EXCHANGE ACTIVITIES

"Appropriations provided under this head in the Department of State Appropriation Act, 1976, are rescinded in the amount of $5,000,000 for the fiscal year ending June 30, 1976, and in the amount of $3,000,000 for the period July 1, 1976, through September 30, 1976."

Mr. SLACK. Mr. Speaker, I believe this amendment speaks for itself. It would rescind $5,000,000 of funds appropriated for the current fiscal year and $3,000,000 of funds appropriated for the transition quarter for mutual educational and cultural exchange activities.

These are the same amounts as those proposed by the President in rescission proposal No. R76-42 submitted to the Congress on January 23, 1976 and printed in House Document No. 94-342.

These rescissions will serve to restrain Federal budget outlays in noncritical program activities. The program will be maintained at a level of $55,000,000 in fiscal year 1976 and $10,000,000 in the transition quarter. This compares with a level of $53,300,000 in fiscal year 1975 and a proposed level of $58,500,000 for fiscal year 1977. Consequently, the rescission will bring the 1976 and the transition quarter programs in line with the program proposed for fiscal year 1977.

Mr. Speaker, I ask that the amendment be agreed to.

The SPEAKER. The question is on the amendment offered by the gentleman from West Virginia (Mr. SLACK).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MICHEL

Mr. MICHEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MICHEL: On page 2, after line 21, insert the following:

"DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

"OFFICE OF EDUCATION

"SCHOOL ASSISTANCE IN FEDERALLY AFFECTED AREAS

"Appropriations provided under this head in the Education Division and Related Agencies Appropriation Act, 1976, for title I of the Act of September 30, 1950, as amended (20 U.S.C. Ch. 13) are rescinded in the following amount: $97,331,058 for sections 2, 3, and 4, including $57,823,351 for that part of entitlements determined under section 5(e) (1) of that title."

Mr. MICHEL. Mr. Speaker and Members of the House, my amendment would provide for the rescission of $97,331,058 in impact aid funds. This compares with the $243 million proposed for rescission by the adminstration.

To review the rescission I am proposing, it would in no way touch the substance of the present program. It simply provides for a rescission of $39 million to reflect the Office of Education's lower cost estimates to run the program, the entire program, and a rescission of $57.8 million allocated to initiate the public housing provisions of that act.

My amendment would simply rescind the public housing moneys. It would not affect tier 2 funding or any other funding for impact aid.

Yesterday I placed in the RECORD an exchange of correspondence with the Secretary of Health, Education, and Welfare, Dr. David Mathews, setting forth the opinion of the Department's general counsel that this rescission will not preclude the Department from making tier 2 allocations. Furthermore, he goes one step further and states unequivocally that the Department will, in fact, allocate the moneys already appropriated for tier 2 should this rescission become the law.

Why do I want to rescind moneys for public housing? I do because I do not want to see the inequitable and outmoded impact aid program expanded even further. Public housing is a new program which has not been funded before and, consequently, nobody will be hurt if we stop the program before we get started. Once it is launched, however, and the money starts rolling out, there will be no way to discontinue it at a future point without somebody feeling the pinch.

It should be kept in mind that ESEA title 1 provides funds for most of the public housing children who would be covered under the impact aid section, so providing moneys here would represent double funding.

In fact, I have some cost estimates from the Office of Education which show that New York City alone would get $10.5 million of the public housing funds, or nearly 20 percent of the total involved here. At the same time, New York City is receiving $117 million in title 1 funds. Furthermore, 15 of the country's largest cities would receive 40 percent or $23 million of the public housing moneys, and they at the same time are getting $272 million in title 1 funds. The double-dip funding, in other words, is readily apparent.

So if we do not rescind the money, the outmoded and inequitable impact aid program will continue onward and upward, with no end in sight. And make no mistake about it, the money presently allocated for the public housing section is only the tip of the iceberg.

As more and more public housing units are built, and as the demands for full entitlement escalate, we will not be talking about the present $50 million or $60 million here, which is only 25 percent of the entitlement, but, rather, four times that amount, conceivably a quarter of a billion dollars.

Instead of being needlessly concerned that a decision to exclude public housing moneys would jeopardize the rest of the impact aid program, Members whose districts receive sizable amounts of impact aid funds ought to really be concerned that a decision to include public housing moneys will lead to a public outcry from the nonrecipients which could undermine the whole program.

Unfortunately, there are far too few Members of this House who really know what we did regarding the impact aid program when we revised the Elementary and Secondary Education Act amendments the last time we amended the act. We provided for three tiers: 1, 2, and 3. We provided for A, B, and C children. The A children are those whose parents reside and work on Federal property; the B children are those whose parents reside or work on Federal property but not both; and then the C children are federally subsidized public housing kids, none of whom have ever been in this program before. No community has yet received a dime for that allocation.

Mr. Speaker, what I am proposing is this: I say, let us not get started in that area. Let us keep this program in the A and B categories, with the entitlement for A children at 100 percent and for B children at 53 to 60 percent, as provided in the bill in those amounts, even with my rescission.

The SPEAKER. The time of the gentleman from Illinois (Mr. MICHEL) has expired.

(By unanimous consent, Mr. MICHEL

was allowed to proceed for 2 additional minutes.)

Mr. MICHEL. Mr. Speaker, the point is made by some who obviously were anxious to get us started in this public housing section that the law specifically provides that we cannot do anything here unless we provide 25-percent entitlement to all of title I. The Committee on Appropriations heretofore has never been bound by that C category, and the Department tells us they do not want to get started on that.

I placed a letter from HEW in the RECORD that was received in the exchange of correspondence, and that said in effect, "If your amendment is adopted, Mr. MICHEL, we pledge to fund full entitlement for category A and up to the normal entitlement for category B."

So the argument that we are going to wipe out $409 million by what I am doing here just does not hold water, and I am pleading with the Members once and for all that this is the last time we have a chance to try to head off going into this public housing funding for impacted aid. It is a bad precedent that would be started.

Mr. Speaker, I wish the Members would bear this in mind: I am not deluding myself that with the few Members who are actually here on the floor to hear the arguments, that the House will understand for the first time what is involved if my amendment would be adopted, but I want the Members to know and to be fully aware of what amounts we are going to have to ante up in the future in additional billions of dollars if my amendment is not accepted. And I want to come back next year and 2 years from now and say, "I told you so." The Members cannot tell me they are trying to revamp and reshape the program and clean it up, because we are taking exactly the opposite step if we do not adopt my amendment.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Michigan.

Mr. CEDERBERG. Mr. Speaker, I associate myself with the remarks of the gentleman from Illinois (Mr. MICHEL), and I will ask the gentleman this question:

Is it not true that if we go further down the road and into this category C, this public housing category, we get into a double-dip situation whereby people who are in public housing are eligible who are also usually qualified for title I funds under the Elementary and Secondary Education Act? If we are going to put them in here and put them in there, too, this seems to me an unfair approach to say the least.

Will the gentleman comment on that?

Mr. MICHEL. Mr. Speaker, I agree with the gentleman.

The SPEAKER. The time of the gentleman from Illinois (Mr. MICHEL) has expired.

Mr. CEDERBERG. Mr. Speaker, I move to strike the last word.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, I appreciate the gentleman's taking this time so I may respond.

If I may simply reply, I will say this: I addressed this specific question to the Commissioner of Education, and we got no kind of definitive response which would indicate that this has been very carefully worked out.

We can definitely allocate just so much to those who qualify under public housing and so much to those who qualify under title I. There are no clear definitions, and I do not know if it is conceivable to define that definitely.

I have title I kids in my public housing units in Peoria who are currently qualified under title I. If we do not adopt my amendment, for the first time in our history we will get $121,000 through this, and I am not sure how they are going to allocate that. There will be a double qualification for those 1,200 or 1,300 kids in that public housing unit in Peoria.

Mr. CEDERBERG. Mr. Speaker, certainly there is nothing in the law that prevents that double qualification as of now, is there?

Mr. MICHEL. Of course not, of course not. I just think it is a bad precedent to set.

Mr. SNYDER. Mr. Speaker, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Kentucky.

Mr. SNYDER. Mr. Speaker, I just want to be sure that I understood what the gentleman from Illinois (Mr. MICHEL) is saying.

Do I understand that any school district that is now receiving category A and category B or category B funds would not, under the gentleman's amendmend, be cut?

Mr. MICHEL. That is correct, because all I am doing is rescinding that amount which, in the overall program, the Department says the latest estimates indicate we can save $39 million; and the other item, $57.8 million, has to do with that public housing area which we have never funded before and which would not jeopardize the funding up here because of the exchange of correspondence and the feeling of the Department that they are going to go ahead and fund title I at 100 percent, title B at 53 to 60 percent.

Mr. SNYDER. If the gentleman will yield further, is it a fair assumption that if the amendment is not adopted, those of us who are now receiving category A and category B funds in our school districts could be hurt by virtue of category C's siphoning off some of the available funds?

Mr. MICHEL. I cannot say, in all honesty, that it would hurt them immediately, no. What I am saying is that in the future it could very well have a debilitating effect, and the kind of situation the gentleman has suggested might develop.

Mr. SNYDER. Mr. Speaker, I thank the gentleman for yielding.

Mr. KETCHUM. Mr. Speaker, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Speaker, I thank the gentleman for yielding.

I would like to ask the gentleman from Illinois (Mr. MICHEL) this question: I have been listening to his discussion, under the terms of Public Law 93-380. It says:

> The school district's entitlement must be fully paid at the second level or it cannot receive any funds beyond the 25 percent of its entitlement.

That appears to indicate that the executive department will go right along and continue to fully fund categories A and B.

Mr. MICHEL. If the gentleman from California (Mr. KETCHUM) will refer to page 2904 in the RECORD which we received this morning for yesterday's proceedings, there is this exchange of correspondence and a letter specifically from the Secretary—unfortunately, a copy of which I do not have with me right here—which spells this out as to the determination of their general counsel and what they are pledged to do if my amendment is adopted.

Mr. KETCHUM. If the gentleman will yield further, in the light of the President's State of the Union message, he indicated that he wanted to fund category A, but in the future his program on impact aid was to knock out category B. It is one way or the other. We cannot have it both ways.

Mr. MICHEL. There is no question about that, as a matter of policy, for the President himself; and many of us, frankly, in the House are less than enthusiastic about category B. However, I am saying that the Secretary and the department are bound by what we have written into the law and are pledged to proceed to implement that as they have outlined in their exhibits and correspondence, which would not in any way jeopardize those people who are bugging the gentleman and who are in the category A and B level.

Mr. KETCHUM. I thank the gentleman for yielding.

Mr. Speaker, I rise in opposition to the amendment offered by Mr. MICHEL to rescind some $97 million in impact aid funds.

While I am generally sympathetic to my colleague's desire to hold the line on excessive Federal spending, I believe that the withholding of these funds will result in financial disaster for school districts across the Nation. There is more at stake here than the rescission of $97 million targeted toward category C students, those from low-income housing. Should the amendment be adopted, districts with category A and B children stand to lose much-needed Federal funds as well. As I am sure we are all aware, under the terms of Public Law 93-380, a school district's entitlement must be fully paid to the second level or it cannot receive any funds beyond 25 percent of its entitlement. This would result in a $409 million cut in impact aid funds.

The issue, then, is the future of the impact aid program as a whole. I am well aware of the fact that the administration would like to see impact aid substantially reduced. In fiscal year 1976, the budget request for this program was $266 million; Congress, however, appropriated $680 million. The Michel amendment is an attempt to realize the administration's goal, which is clearly contrary to the will of the elected representatives of the people.

We will be faced with the same situation for fiscal year 1977. The budget request for impact aid is $325 million with no funding at all allocated for category B payments. I have repeatedly asked the President, in light of his views towards reforming impact aid, what alternatives he has formulated, and to date, have not received any satisfactory answers. To simply cut off the funds is an unthinkable and unworkable solution. On behalf of the hundreds of school districts across this country which are depending on and in desperate need of impact aid funds to provide quality education to their students, I ask my colleagues to join me in a resounding "nay" on the Michel amendment.

Mr. TALCOTT. Mr. Speaker, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from California.

Mr. TALCOTT. Mr. Speaker, I would like to ask this question of the gentleman from Illinois (Mr. MICHEL): In your exchange of letters with the Secretary, it says:

> The rescission proposal of the Administration would reduce funds for B children, and we are still asking the Congress to consider that proposal.

I understand that this is not the proposal of the gentleman from Illinois; is that correct?

Mr. MICHEL. Right.

Mr. TALCOTT. And that the gentleman's proposal would have no effect upon the entitlement or funding for class B children?

Mr. MICHEL. Right. Initially, the administration proposed a rescission of $243 million, and I said that there was no way in which we could make that kind of thing hold up in this body. People are listening. That is why I took the approach that I did right here.

Mrs. MINK. Mr. Speaker, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Speaker, I regret very much that under the rules of the House it was not appropriate for a point of order to be made on this amendment, because it does not in so many words change the law, but sitting here and listening to the explanation of the gentleman from Illinois (Mr. MICHEL) as to the effect of his amendment and in seeing the support of that effect in the letter from the counsel of HEW, one has to conclude that the net effect of this amendment, if it should be carried, is to change the law, and his elaborate chart demonstrates that very clearly.

The law provides in no uncertain terms that no allocation can be made in tier 2 unless tier 1 is fully funded.

May I refer to the chart again which the gentleman from Illinois has provided us. When we talk about tier 1 we are talking about this first level of funding A, B, and C children at 25 percent.

The House and the Congress in 1974 made a major change in the allocation formulas and stipulated that unless all of tier 1 were fully funded, no one could get a dime under the allocation formulas for tier 2.

This means that unless category C children receive 25 percent of their entitlement, none of our children that qualify for 80 or 100 percent or 60 or 50 percent under tier 2 will receive funds for category A and category B.

I understand the quarrel of the gentleman from Illinois (Mr. MICHEL) may have with what the Congress did last year, but this is wholly an inappropriate forum for a revision of the formula. That must be done by the authorizing committee. The effect of the amendment offered by the gentleman from Illinois (Mr. MICHEL) is to destroy this. The gentleman makes his argument based upon the letter he received from the counsel in HEW. I would like to refer to a letter from the Secretary of HEW that completely countermands the letter from the counsel. The letter from the Secretary says, and I quote:

> In the opinion of our General Counsel, the language in your January 23 letter, together with appropriate language in the committee report indicating the clear intent of the Congress that the rescission not prevent Tier II funding for A&B category children, would enable the Department legally to make the Tier II allocations for A&B children.

That cannot be interpreted in any other way than to suggest that if this amendment were carried out today that there would be no clear intent whatsoever, nor by any committee report, to the extent that the law which we passed was intended to be nullified. Therefore if we delete the $57 million in "C" category of tier 1, it obviously must be interpreted by the Department that no funding can be allowed for tier 2. And all of our children in category A and B funding under tier 2, would lose millions and millions of dollars. That is what is at issue here.

If we must argue about the validity of the formula on whether or not we want to fund public housing children, this is not the appropriate forum, it should go to the Committee on Education and Labor and the discussion should take place there with respect to the new formula.

Mrs. FENWICK. Mr. Speaker, will the gentlewoman yield?

Mrs. MINK. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Speaker, I thank my distinguished colleague, the gentlewoman from Hawaii (Mrs. MINK) for yielding to me.

I wonder why the inclusion of the third category was made, and whether a vote was taken on this when it was before the House?

Mrs. MINK. Yes, there was the opportunity for the House to vote on this twice before the formula was changed in 1974.

As a matter of fact, I was one that disagreed violently with this new formula which was adopted. I took the unusual procedure of coming here before the House under a point of special privilege for 1 hour to ask for instructions to the conferees so that the formula would not be passed. That plea failed and the Congress voted this new formula in.

I submit that the House cannot now in a rescission resolution make a fundamental formula change with regard to Public Law 874, regardless of the merits; it simply cannot be done and the record should be explicitly clear that there is no clear congressional intent whatsoever, should this amendment pass, that allows tier 2 to be funded without category C funds in tier 1. The Congress passes law. It cannot be undone by the counsel for HEW.

Mr. Speaker, I urge that the amendment be defeated.

Mr. O'HARA. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, the communication from the general counsel of HEW—and I do not know where he went to law school—says something that the Department of HEW has been telling us more and more frequently of late. Mr. Speaker, what the letter from the general counsel of HEW says can be summarized in just five words: "To hell with the law."

He does not care what the law says. He could not care less.

They sent over a rescission request that said, "We do not want to follow the law." Now they are asking the House in a rescission resolution to say to them, "That is OK. You do not have to follow the law."

If there is anything that is important around this place, or ought to be important around this place, it is the idea of following the law. I will not even mention the popular name of it, but a couple of years ago we had quite a hassle in the House and downtown about some people in the administration who did not believe in following the law. I think we ought to give an answer to the general counsel of HEW. We ought to tell him to follow the law.

The law says—and it is very simple—that if they are not going to fund this tier I, category C, to the tune of 25 percent, they may not make any payments at all in tier II; no payments to take the category A children above 25 percent and no payments to take the category B children above 25 percent.

I would like to say to my friend, the gentleman from Illinois, that, general counsel or no general counsel, if the Department of Health, Education, and Welfare tries to make a payment in excess of 25 percent for category A or category B without first paying 25 percent of entitlement for category C, some school district entitled to category C funds will go into court and enjoin that payment. It is clear under the law that no payment may be made for tier II until the entitlements under tier I are fully satisfied.

If the Members do not believe me, get out the law. Here it is in the compilation of Federal education laws, section 5(c) of title I of the Elementary and Secondary Education Act.

So I say to the Members who are interested in category A and category B—and Selfridge Air Force Base is in my district—I know what categories A and B are. I have fought for them throughout the years. I supported the motion offered by the gentlewoman from Hawaii (Mrs. MINK) to instruct the conferees not to accept this formula when it was before the conference in 1974, but we lost on that. They did accept it, and now we are stuck with it.

I say to the Members who have categories A and B children as I have in my district, that they had better not listen to that general counsel. He may not want to follow the law; but the New York City School District might find a judge who does believe in following the law, and if they do we are going to be very badly hurt under categories A and B.

In all sincerity, I ask my colleagues to vote down this amendment which risks the futures of all the children covered by the Federal impacted aid program.

Mr. KETCHUM. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, this debate on impact aid really points up one thing if it does not point up any other. We have been up and down this hill. The gentlewoman from Hawaii (Mrs. MINK) certainly has done yeoman work in this particular field. It is one of the areas on which she and I have been able to work very closely because she and I understand the problems as they apply to our districts. If the bill does not point up anything else, it should point up to us that we should separate Public Law 874 impact aid from the general HEW bill and discuss impact aid on its own merits.

We should be making the changes in impact aid that are necessary. There is no reason why a school district in Washington, D.C., should get impact aid because I am here, but there is very real reason for the school districts in California, in my home State, to receive this aid, as it applies to impact aid because our State law says that it does not make any difference how many new homes are built in California, the school districts are not going to get one more dime.

After the debate on the HEW bill last year—and I joined the gentleman from Illinois, in sustaining the President's veto. We were in a very lonely company of 2, I did that because it was $1.6 billion over the budget, and that is what I objected to—I then wrote to the President of the United States and said: "You have told us you have new ideas for Public Law 874, for impact aid, or an alternative to it. Would you please let me know what it is." To this date I have never received an alternative to impact aid except for the State of the Union message, and all that I was told that night was that category B was going to be stricken.

Striking of the category B's would have a horrendous effect on the school districts in the State of California that are impacted.

I concur in the statements of the gentleman from Michigan who preceded me in the well. That is why I questioned the gentleman from Illinois on the impact of that law.

I deplore the fact that the C's are in there. They should never have been in there. We should move to take them out.

But the law says that. I do not believe that any general counsel can change what this body has done.

I am told this is a Nation of law and I am told that the majority rules. The gentlewoman from Hawaii (Mrs. MINK) and I and those of a similar persuasion on category C's lost that battle but we have to accede to the law.

Therefore I would strongly suggest that this amendment be rejected and that we then take up Public Law 874 and remodel it so that it works, because there is not any other system. There is no other game in town.

Ms. HOLTZMAN. Mr. Speaker, will the gentleman yield?

Mr. KETCHUM. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. Mr. Speaker, I agree with the interpretation of the law by the gentleman. I think he is absolutely correct in that the general counsel of HEW is giving us a hypothetical reading of something he has probably not looked at himself. But is it not true if we take this action today and adopt this rescission that we are going to be cutting out impact aid in toto which amounts to $663 million and that we are therefore going to be seriously disrupting school districts around the country?

Mr. KETCHUM. As the gentlewoman knows, I am not an attorney, but I certainly interpret the law that way.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding.

I associate myself with the remarks of the gentleman from California (Mr. KETCHUM) and the gentlewoman from Hawaii (Mrs. MINK).

It is obvious that impact aid does need some study and may need some reform, and that issue certainly should be disassociated from an omnibus bill of this nature. While there are some worthy reforms that could be accomplished, to do it in this manner, to excise impact aid in the middle of the school year, leaving school districts high and dry, would work serious harm on school districts throughout the Nation.

While I share the administration's concern over the state of our economy, this kind of a rescission of funds would be disastrous to a number of the school districts in my congressional district.

I have been informed that almost $1 million in impact aid is distributed to school districts in my region. The Highland Falls School District receives $450,000 and Newburgh receives approximately $300,000. Also, the Cornwall School District would lose $90,000 and the Valley Central School District would lose in the neighborhood of $80,000. To replace these funds locally would be insurmountable for local taxpayers. These are districts that are relying on these funds in their current budgets. If we cut these funds today, the quality of education would inevitably deteriorate in these districts and similarly in school districts across the Nation.

Rescission of impact aid would be an abdication of a Federal governmental responsibility. In establishing military bases throughout our land, Congress did not intend to shoulder local taxpayers with the financial burden of educating the children of military personnel.

Accordingly, I urge my colleagues to defeat this proposal.

Mr. KETCHUM. I thank the gentleman.

I may be wrong, but I am not willing to take that chance at this point.

Mr. VAN DEERLIN. Mr. Speaker, will the gentleman yield?

Mr. KETCHUM. I yield to the gentleman from California (Mr. VAN DEERLIN).

Mr. VAN DEERLIN. Mr. Speaker, I thank the gentleman for yielding.

I rise in opposition to the gentleman from Illinois, in opposition to his chart and to his statements and to his amendment and to all his worldly works.

Mr. Speaker, representing an area that is crowded with military bases, it is no problem for me, politically, to speak in favor of full funding for the impact aid program.

My home county, San Diego, last year received more than $20 million in these moneys. Some of our school systems would have been crippled financially without this aid.

But quite apart from the obvious political advantages of backing impact aid, for a Member such as myself, I am convinced that logic and equity are on the side of this program.

The rationale behind impact aid is indisputable: to provide continuing financial assistance to local school districts for the burden imposed on them by the tax exemption granted federally owned real property.

Even when the maximum amounts allowable are appropriated, the aid falls far short of making up these tax roll losses to local school systems. In a State such as California, the local source of income for running the schools is limited almost exclusively to local property taxes. Take away that source of funding, as Federal construction has done repeatedly, and there is nothing, locally, that can replace it.

As the gentlewoman from Hawaii (Mrs. MINK) has so clearly shown, the pending amendment is particularly insidious in that the actual reduction would be far greater than the $97 million stipulated. After this initial cut there would not be enough money left to make so-called tier 2 payments to many districts and, of course, the pertinent statutes require that full amounts due be paid—or nothing at all. I am told by leading educators that the real loss through adoption of the Michel amendment would exceed 60 percent of impact aid entitlements, and might possibly run as high as 80 percent. This is a meat-ax approach to a complex and difficult problem of local school finance. Regardless of what one might think of impact aid, a sweeping provision of this sort does not belong in an appropriation bill. It should be soundly defeated.

Mr. KETCHUM. Mr. Speaker, I thank the gentleman from California.

Mr. Speaker, again this points up the need for us to go over impact aid separately and not as a part of a greater bill.

Mr. FLOOD. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, each of us has to make up our own mind about this impact aid business. Of course, I have never been a very enthusiastic supporter of it, but that is really beside the point. I have been around long enough to know that the overwhelming majority of the Congress strongly supports this program—no doubt of that. Part of the amendment offered by my very good friend and my colleague, the gentleman from Illinois (Mr. MICHEL), as a matter of fact, would rescind the 1976 appropriations for the public housing provisions of this impact aid. That is what it would do. By the way, these provisions have been the law since 1970. They were never funded until this year, 1976.

Now the Appropriations Committee, in reporting out the 1976 education appropriations bill, did not have any public housing appropriation in it and what happened? We ran into that package amendment on the floor. That package amendment included this public housing and it passed overwhelmingly. It may never have passed if the impact aid for public housing was not in there.

I think the Congress has already decided what to do about this public housing provision. I see no point to raise it again.

Another point here, Mr. Speaker, deals with apparent excessive appropriations. We were advised last October by the Commissioner of Education there might be an excess of $40 million; but at the same time the same Commissioner made it very clear to us that an additional $60 million may be required to protect the States under the hold-harmless provisions of impact aid. We should remember that.

The Commissioner simply said:

> We need more time to examine this. We need more accurate estimates before we can move at all.

I simply do not want to be placed in a position where we act here today on the rescission of $40 million, and turn around later with a supplemental appropriation of $60 million. We do not want to do that, but that is what may happen. So now I think the thing to do is to wait until we get better estimates. This amendment should be defeated.

Mr. Speaker, I yield to the gentlewoman from New York (Ms. ABZUG).

Ms. ABZUG. Mr. Speaker, I rise in opposition to this amendment and urge that we defeat it. I want to associate myself with the remarks of my colleague, the gentlewoman from Hawaii (Mrs. MINK).

The amendment would prevent the continuation of vitally needed education programs at least at their current level. The amounts appropriated for education now do not even speak to the increasing costs of running these programs, and certainly are not responsive to the disastrous fiscal situation in which many of our cities find themselves. These fiscal problems result in the cities placing critical dependence on Federal funds to assist them in the maintenance of their educational effort.

The educational programs in those cities which would be adversely affected by this amendment can barely survive with the amount of Federal funds they are receiving, and certainly could not survive a cut.

The impact aid which this amendment attempts to cut out is very critical to the overall educational effort, particularly to urban areas like New York. It can be used for a variety of educational purposes. The $10 million which New York City will receive in this aid, and which would be lost if this amendment carries, represents an invaluable asset in offsetting the terrible drain we have experienced in tax levy funds. Funding of public housing children, according to New York State Education Commissioner Nyquist, may be the single most important type of funding that the State receives.

Impact aid is critical for other States as well. To reduce it in the manner proposed in this amendment would be a severe blow to the national educational effort.

Mr. FLOOD. Mr. Speaker, I yield to the gentlewoman from Maryland (Mrs. SPELLMAN).

Mrs. SPELLMAN. Mr. Speaker, I rise in strong opposition to Mr. MICHEL's proposal to allow this recission of impact aid funds. Impact aid was originally designed to fill in for the property taxes that Federal installations and military personnel are exempted from paying to local governments. The military employees living on Federal properties send their children to our schools, yet contribute nothing through income and property taxes toward paying the costs of education. Many Federal employees continue to claim their home States as their official residences and credit their income taxes to those States. Impact aid has filled in that gap, helping to finance their children's education.

Impact aid is certainly not an inflationary program. And, the cut proposed goes beyond merely the amount rescinded by the Michel amendment. Experts contend that a cut of $97 million would mean that we would lose $663 million, because of the special funding provisions at tier 2. If we do not have enough to fund all of tier 2 we cannot fund any of tier 2. Originally this was meant to save funding for tier 2 school districts such as my own, in Prince Georges County. What has actually happened is that we stand to lose up to $2.6 million of our impact aid funding in tier 2 alone.

Prince Georges County schools received $9.5 million in impact aid in the school year 1973–74. We stand to lose the "save harmless" moneys: totaling $3.9 million, as well as the moneys threatened by the Michel amendment. This year, if we adopt the Michel amendment, my county loses nearly $7 million in funds. Since my district is in the metropolitan Washington area you may have read in the D.C. papers that our school board recently released budgetary figures which show a shortfall of millions. Depriving us at this time of impact aid moneys would create a disastrous situation. We are playing cynical games here with the lives and the futures of children. I do not think this is what my opponent had in mind, and I do not think this is what the House wants.

If there are problems with the impact aid program, then let us resolve those problems in a proper fashion through legislation that revises the impact aid program. Do not cut the program by the throat through a budgetary rescission.

Mr. FLOOD. Mr. Speaker, I yield to the gentleman from Virginia (Mr. HARRIS).

Mr. HARRIS. Mr. Speaker, I rise to strongly oppose the Michel amendment to H.R. 11665, which rescinds $97.3 million in impact aid funds for local school districts. I find the fact that the House is even considering this cut unconscionable since the Congress has gone on record twice in support of adequate funding of this program. We approved 1976 funding for impact aid in the appropriations bill and we decisively overrode President Ford's veto. How can we in good conscience, reverse that action—especially now that our school districts have been waiting seven months for these funds? The Michel amendment clearly repudiates congressional action, congressional intent affirmed through the toughest of all routes, a Presidential veto.

The Michel amendment is actually a wolf in sheep's clothing: The cut it proposes goes far deeper than $97 million. Under the law, if a school district's entitlement is not paid fully to the second level, the Office of Education is precluded from making any payments beyond 25 percent of a school district's entitlement. This would amount to a reduction of $409 million below the amount we appropriated last year. Thus, this is an insidious amendment. It is designed to gut the program. It is another example of the administration's ruthless penny-pinching, budget cutters at work—regardless of the critical educational needs facing the country.

I am tired of 7 years of shortchanging America's schoolchildren. Since 1969, the administration every year proposes less money, endless rescissions and deferrals and termination of valuable programs; and the Republican administration in the last 7 years has returned almost every education appropriations bill to the Congress with a callous veto. School officials keep telling me, "The energy crisis is really tearing us apart." State funds are dwindling. Teachers are being laid off and schools are closing. Local property tax revenues are stretched to their limits. What this amendment means is that the taxpayers will be asked to hand over a larger chunk of their local property tax dollar just to maintain current education programs. The taxpayers will not stand for that. I will not stand for these repeated assaults on our schools. I urge my colleagues to join me in defeating this latest round of the administration effort to slice and slight our schoolchildren.

Mr. FLOOD. Mr. Speaker, I yield to the gentleman from North Carolina (Mr. ROSE).

Mr. ROSE. Mr. Speaker, I urge my colleagues to defeat the Michel amendment.

I wish to compliment the gentlewoman from Hawaii (Mrs. MINK) for the clear and concise explanation of the mischief we would be getting into if we adopt the Michel amendment. I urge its rejection.

Mr. ROUSH. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, those who have participated thus far in this debate are those who are either violently for or violently against impacted aid. I came here today to be persuaded. I also gathered that my colleague from Illinois wanted to respond to the legal argument given by the gentleman from Michigan and the gentlewoman from Hawaii. He argued with great force and great persuasiveness that the category A and B children under tier 2 would not be affected, and they argue legally that they will be affected.

Now, I do not know. Would the gentleman care to respond? I turned to the RECORD, as the gentleman suggested, on page 2904, and I read this particular paragraph of the letter from the Secretary alluded to by the gentlewoman from Hawaii. It seems to me it does not say what my colleague was saying during the course of his argument, because it states quite clearly that—

> In the opinion of our General Counsel, the language in your January 23rd letter, together with appropriate language in the committee report indicating the clear intent of the Congress that the rescission would not prevent tier 2 funding for A and B category children would enable the department legally to make the category 2 allocations for A and B children.

We do not have such a committee report, I say to the gentleman from Illinois.

Mr. MICHEL. Mr. Chairman, if the gentleman will be good enough to yield to me——

Mr. ROUSH. I yield to the gentleman.

Mr. MICHEL. There is no question that what I am proposing to do is to take an affirmative action today that supersedes a decision of the past. Now, in the absence of having report language, we are writing legislative history when we debate the issue on this floor.

Now, the gentlewoman from Hawaii says that we have spoken on this issue. The House has never, as a body, spoken clearly on the issue of public housing as an accepted form of impacted aid, neither in the authorizing bill nor in the funding bill on appropriations.

The gentleman from Pennsylvania (Mr. FLOOD) referred to our action on the so-called package amendment. That package carried because it included A and B students and that probably takes in 385 Members of this House. That is the reason why the so-called C category carried. We have never, never spoken specifically on the public housing section in this House, and the gentlewoman very well knows that.

That is what I am trying to force here today, an expression of the full membership of this House on category C.

The gentleman from Michigan put it so well, when he said we did not know what we had in the authorizing legislative amendments. It was crammed down our throats in a conference report. All I want to do here is give the Members that one little last chance to give us once and for all a clear decision. If you do not want to take advantage of this last opportunity, well and good, but then be prepared to ante up next year not $57 million which currently represents only 25 percent of the entitlement of public housing recipients but possibly a quarter of a billion dollars if you move toward 100 percent entitlement. This would be just ridiculous if you consider the sums already going out to these very same school districts who are qualifying for title I funds from ESEA because of the very same kids.

Mr. ROUSH. If I may reclaim my time, it occurs to me that the gentleman has not sustained his argument that the legislative history of this body today could possibly change the laws as it has been outlined and delineated by my colleague from Hawaii and my colleague from Michigan. He is saying that—I thought I just heard him say that we must then backtread a little bit. I can see what would happen if we do this, and then have to come back to the House in order to get funding for tier 2. Is that what the gentleman is saying?

Mr. MICHEL. No, because there are over $600 million already appropriated for impacted aid. I am only addressing myself to the $97 million.

Mr. ROUSH. As I said, I really wanted to vote for the gentleman's amendment.

Mr. MICHEL. I believe he does.

Mr. ROUSH. It is difficult for me, and I have listened to this argument. I feel that the gentleman has not sustained the burden of proof necessary to be persuasive to this Member.

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. ROUSH. I yield to my colleague from Indiana.

Mr. MYERS of Indiana. Mr. Speaker, I thank my colleague for yielding to me.

I think one thing we are escaping here is that this is the appropriations process. The basis used here is that used for the last many years and one we long have established. The Appropriations Committee does have the right and responsibility to make the appropriations and appropriate to what they see fit.

If we select to spend all of the monies in Categories A and B and leave nothing for C, how can a court ever come along and say we cannot spend all of the money on A and B because we did not see fit to appropriate C.

I do not think any court in the country can do that.

Mr. ROUSH. Because the law provides for that.

Mr. MYERS of Indiana. The law provides for many things we do not appropriate for.

Mr. ROUSH. I agree the appropriations process can be used to deprive certain categories of spending. It can be. But today I was listening to the argument of my colleague that it would in this instance go beyond depriving funds for category C children and would without question deprive category A and B children in tier 2 of those funds approved for tier 2 purposes and thus thwart a portion of impacted aid which the Congress has approved again and again.

Mr. DUNCAN of Oregon. Mr. Speaker, I move to strike the last word, and I do so for the purpose of addressing a question to the gentleman from Illinois (Mr. MICHEL).

I have been impressed by the arguments on both sides of this House. I think the gentleman has expressed his side very well, but sometimes if we do not use the precise words which the other person was thinking, the meaning alludes him.

I wonder if what the gentleman is trying to say to the House today is not that what he proposes to do is to break the law but to change the law, and that what the Congress writes the Congress can rewrite, and that what the gentleman is suggesting is that by the vote of the House on this amendment of his we will be expressing what we believe and want the law to be with respect to category C.

Mr. MICHEL. That is right.

Mr. DUNCAN of Oregon. And, although we do not mention specifically the section of the Elementary School Act, we would in effect be repealing by implication the provision that says that the second column cannot be funded unless the first column is funded?

To say that we cannot refuse to appropriate or spend for category C is to say we cannot limit spending by appropriation language and that the Congress does not have rescission authority.

Mr. MICHEL. Yes.

Mr. DUNCAN of Oregon. Is that a fair statement?

Mr. MICHEL. I believe that is a fair statement.

Mr. DUNCAN of Oregon. I thank the gentleman.

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. DUNCAN of Oregon. I yield to the gentleman from Indiana (Mr. MYERS).

Mr. MYERS of Indiana. I appreciate the gentleman's yielding.

Mr. Speaker, it seems to me that the issue here is the rescission process itself.

This Congress decided that the previous procedure or precedence of impoundment which had been used by every President was no longer valid. We wanted to decide upon whether funds were spent or not, that we wanted the right to say yes or no. The Appropriation Committee does have the responsibility and the authority to limit spending. We do have the right of limiting the amount, through the process of rescission, which this Congress did establish, because we did not like impoundment.

It gives us the opportunity to review what we previously had acted upon, and that is all this is about. Does the Congress have the responsibility to rescind something it had previously done? That is what we are talking about. In this amendment, we are saying, "Yes, we want the category A and B spent and we are going to limit the spending on C."

Mr. DUNCAN of Oregon. An appropriation bill will frequently have in it language to the effect that no funds shall be spent for such-and-such a purpose.

Mrs. MINK. Mr. Speaker, will the gentleman yield?

Mr. DUNCAN of Oregon. I yield to the gentlewoman from Hawaii (Mrs. MINK).

Mrs. MINK. Mr. Speaker, there certainly is no doubt that, under the budget process we enacted into law, the rescission amendment which cuts funds out of a program is certainly appropriate.

What is at issue here is: What is the effect of such a cut?

The law clearly provides that unless

all of tier 1 is funded, no other categories can be paid. That is the law.

We have long abided by the concept that we cannot legislate on an appropriation bill. That is why the motion was framed in such a way as to simply cut money without legislating. So there is no way we can amend the law which we passed in 1974, which clearly says that unless all of tier 1 is funded, no other can be.

Mr. DUNCAN of Oregon. I appreciate what the gentlewoman from Hawaii (Mrs. MINK) is saying. I am simply saying if the Congress would vote affirmatively on the Michel amendment, we would not be breaking the law, but writing a new law.

Mrs. MINK. If the gentleman will yield we are not writing new law, but simply deciding that no funds can be paid under tier 2, which is the force and effect of existing law.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. DUNCAN of Oregon. I yield to the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. I thank the gentleman for yielding.

Mr. Speaker, there are numerous precedents in which we have not appropriated funds with respect to specified percentage set-asides contained in authorizing legislation, but have earmarked amounts in different percentages.

I refer to the Emergency School Act, the Vocational Rehabilitation Act, and the Education Professions Development Act as some examples of exactly what prerogatives our Committee on Appropriations exercised.

If the authorizing committees are allowed to tie the hands of the Appropriations Committee and specify specific appropriations, not just ceilings, the appropriations process would become little more than a ratification of authorizing committee action. I am sure this is not the intent of the rules of the House nor the desire of the membership.

Mr. DUNCAN of Oregon. Mr. Speaker, I shall ask the gentleman if category C is not an example of that in the failure of the Congress to appropriate category C funds in the years previous, since that bill has been passed.

Mr. MICHEL. The gentleman is correct.

Mr. ALLEN. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, as an attorney of sorts, I have listened with great interest to this legal debate, and it is one which would do credit to lawyers before the Supreme Court of the United States.

I rise not to engage in such a discussion. I rise to support the appropriation on its merits. If there is any one group of children who need enrichment of their education, it is the children in the poorer neighborhoods of this country. It is those children whose mothers and daddies have to work, sometimes 2 shifts a day, while the children are left at home with an auntie or with a grandmother or perhaps to roam the streets with no adult at all at home. Those are the children who need as much help as possible to become educated, in order that they may compete in this highly competitive society.

Mr. Speaker, I support category C on its merits, without regard to this legal argument, because I believe that the children whose parents live in these Federal Housing projects are the children who are most in need of enrichment of their education.

Mr. McCLORY. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I wish to pose a question to the author of the amendment, the gentleman from Illinois (Mr. MICHEL).

It happens that in my congressional district we receive about half of the impacted school aid funds which are allocated to the State of Illinois. I have been a strong supporter of impact aid for those schoolchildren in the school districts which are impacted by these Federal installations, and I think such impact aid is justifiable. At least it is, I feel, in the case of my congressional district.

The question I wish to ask is this: I want to continue to support impact school aid, but at the same time I do not wish to support impact aid for federally supported public housing, and so I ask the question whether this amendment that the gentleman is offering will adversely affect my schoolchildren and the schools which are presently receiving impact aid in their school districts.

Mr. MICHEL. Mr. Speaker, will the gentleman yield?

Mr. McCLORY. I yield to the gentleman from Illinois.

Mr. MICHEL. Mr. Speaker, perhaps the gentleman was not here at the time I was making my formal presentation after offering my amendment. At that time I laid the facts out as carefully as I could concerning my amendment.

My amendment is in no way designed to jeopardize 1 dime which would be received by those who currently qualify in the A and B categories. The amendment is only directed toward that C category about which this debate has centered.

Mr. McCLORY. Mr. Speaker, I understand the gentleman clearly, and I thank the gentleman for his response.

Mr. BOLAND. Mr. Speaker, the HUD and Independent Agencies Subcommittee took action on three rescission proposals covering the Consumer Product Safety Commission, the Selective Service System, and the section 312 rehabilitation loan program administered under the Department of Housing and Urban Development.

The question of the proper funding level for the Consumer Product Safety Commission has been a matter of disagreement between the Commission, the Congress, and OMB since the Commission was established nearly 3 years ago. The Commission asked for $50,386,000 in fiscal year 1976. The President requested $36,595,000. At the time the subcommittee acted on the Commission's 1976 level. It felt that some additional resources above the President's request should be made available. The House approved $42,790,000. The Senate approved $40,849,000 and the conferees compromised at $41,820,000. That amount would have provided an additional 115 jobs to the Commission.

Last December, the administration refused to grant any additional ceiling above the 1975 level of 890 positions—and it proposed rescinding $5,225,000, which would have reduced the fiscal 1976 level to $36,595,000—or the same amount requested by the President in his budget.

When this issue was before the subcommittee in December, Chairman SIMPSON testified that he felt that the committee could rescind $2,256,000 in view of the fact that the fiscal year had run almost 6 months. In short, Chairman SIMPSON indicated that the Commission could get by at the lower level of $39,564,000.

The committee agrees with this position. We believe that the CPSC can make efficient and effective use of some additional resources above the President's budget request—but not the full amount approved in the 1976 appropriation bill. Nothing has changed since December to alter that view—except that we are now proposing to rescind $400,000 of the $1,206,000 requested by the President in the transition quarter. We have taken that action in order to provide for funds in the transition at the same proportionate level as are available in 1976—or $39,564,000.

The Commission is prepared to go ahead at that level and we believe they are prepared to do so in an efficient manner.

Under the next item, Selective Service System, we are proposing a rescission of $1,775,000 in the transition period. This will reduce the amount available from $8,300,000 to $6,525,000. As most of the Members are aware, the budget level of the Selective Service System has been a matter of dispute for some time. The total made available to the System has been declining steadily for the past 4 years. It has come down from approximately $83,000,000 in 1973 to $37,500,000 in the current fiscal year. Some felt that we should have reduced funds available for Selective Service at a faster rate. It was our view that until a decision had been made concerning the future need of an annual registration, the Congress should not put the Selective Service System out of business unilaterally.

The President has now made that decision in his fiscal 1977 budget. He proposes converting the System to a deep standby posture. It would eliminate any registration function, all State headquarters, all local boards, and the appeal board structure. What would remain is a small nucleus planning body of approximately 90 to 100 people. The committee understands that the Selective Service System's new posture is endorsed by the Department of Defense.

The President has proposed a 1977 budget level of $6,800,000. In view of this action, the committee believes that the full amount, $1,775,000, recommended for rescission in the transition period is warranted.

Finally, Mr. Speaker, the President has proposed a rescission of $60,670,000 of section 312 rehabilitation loan funds for the Department of Housing and Urban Development. The President also terminated loan commitments under this program after December 31, 1975. The committee recommends disapproval of this rescission.

Section 312 of the Housing Act of 1964 authorizes the Secretary to make 3 percent loans for the rehabilitation of residential and business properties. This committee and our subcommittee has consistently supported the rehab loan concept. The fact is that the administration has never given the program an opportunity to work. Frequent impoundment and rescission actions coupled with the inefficient early commitment procedure has reduced the effectiveness of this program. But the program is a good program and frankly I can not understand why the administration does not support it.

Housing rehabilitation is being given major emphasis by HUD. Secretary Hills has repeatedly made speeches that stress the need to rehabilitate the central cities. To rescind these funds would appear to be inconsistent with the administration's own policy.

The argument has been made that the rehabilitation loan program has been replaced by the community development block grant program. The Congress, through its extension of this program, clearly does not buy that argument. The CD program alone cannot begin to provide for the rehabilitation demand in this country today. It cannot do that and still have any funds left for other important community development projects—such as building water and sewer mains, providing for parks, for recreation, or improved lighting, et cetera.

Also, the section 312 program provides a mechanism for longer term loans at higher amounts than can be provided by individual municipally operated loan programs.

So I would hope, Mr. Speaker, that we give this program a chance to work. This program will work administratively. It is not scandal ridden. The money that is loaned is repayed to the Treasury with interest. Granted, it is a subsidy program, but it is probably the most potentially workable subsidy program available today—and I urge us to make this money available to get on with the job.

Mr. RISENHOOVER. Mr. Speaker, once again the will of the majority in Congress is being challenged by the President and I urge my colleagues to—once again—assert its will by defeating the recession of impact aid for education amendment by the gentleman from Illinois.

While I respect my colleague's view on this matter, I must challenge the advice he has received.

His amendment would directly rescind $97.3 million which Congress appropriated for impact aid—then affirmed by overriding the President's veto of the bill.

But, my advisers tell me, the loss will be far greater than $97.3 million. I am told that public schools across our Nation would lose an additional $409 million—if this rescission is allowed to stand.

My respected friend from Oklahoma, Jay Sutton, tells me if the $40 million for public housing is not funded—we effectively lose tier II money which would total some $409 million. This is because the law provides there will be no funding of tier II until all of tier I is funded.

In my district in Oklahoma—in the middle of its school year—this would be a loss that could exceed $750,000. And that is money that was built into budgets by hard-working school boards last summer.

A survey of 15 school districts in my congressional district reflects some $654,000 will be received in impact aid. Now, I hasten to add that this figure represents only 15 of the eligible school districts. Of the amount some $150,000 is tier I funds leaving some $500,000 in tier II money. Therefore, if we do not fund the mandated public housing provisions—my schools will stand to lose their tier II money. If I had a survey of all the school districts in the Second District of Oklahoma—I am sure that total loss would come to more than $750,000.

Additionally, I note that the proposed $40 million rescission is justified by so-called up-to-date estimates by the Office of Education.

I am amazed that the Department of Health, Education, and Welfare can lay claim to any kind of authentic estimates because the reporting forms by the various schools were not deadlined to arrive in Washington until January 31. I have never seen HEW move that fast—and I seriously question the validity of their new estimates of the needs.

Mr. Speaker, I believe this rescission is little more than a political document—a rather cruel hoax to play on children midyear in school, their teachers and school boards.

The minds and education of our children are more important than political advantages gained by such ploys. If this impact aid is not sent to the districts—they will be forced to curtail education or raise property taxes. Both are unthinkable.

I urge my colleagues to reject this amendment with the same force and determination that we passed the authorizing legislation, the appropriation—and then overrode the veto by President Ford.

Mr. TALCOTT. Mr. Speaker, this bill marks the third budget rescission action by the Congress this year. I was a strong supporter of the Budget Control Act because I believed that it marked a strong step toward budgetary reality by the Congress. It has turned out to be a farce, as our efforts here today will surely demonstrate.

In this bill we have included a mere $5,431,000 out of $568,876,000 which was proposed for rescission—less than 1 percent. For a procedure which was ballyhoed as a method for "fine tuning" the budget we must face up to the fact that either the system just does not work, or that the Congress was guilty of a massive case of false advertising to the public.

Some of these rescissions are meritorious, and I commend the members of our committee for their affirmative actions. Others are either cosmetic, at best, or clearly misleading at worst. But we should be equally concerned about the rescissions which are not included in this bill—those that are disapproved.

CONSUMER PRODUCT SAFETY COMMISSION

This rescission was supported by the Commission Chairman when he appeared before our subcommittee. The rescission, which amounts to $2,256,000 in fiscal year 1976, and an additional $400,000 for the transitional quarter, will result in a reasonable level of operation by this Commission. Members might be glad to hear that the Chairman has suggested that, with a slightly higher level of funding, this agency would be able to "self-destruct" at the end of the next 5 years.

The committee was intrigued by such a proposal, if only because it is so rare. However, we concluded that because of the urgent need to reduce expenditures in the current year, when the inflationary impact is the greatest, that the wise course of action is to rescind the funds as we have suggested.

SELECTIVE SERVICE SYSTEM

Many members of this committee, as well as many Members of the House, have tried for years to cut the budget of this agency. Today we are suggesting a rescission of $1,775,000 which will place the Selective Service System into what is now being called "deep standby" posture. Our cut will permit this transition to be made in an orderly and proper fashion, and it will be accomplished 3 full months ahead of the original schedule. This action should please both the fiscal conservatives, and the defense-dismantlers—truly a marriage of convenience, and one which might well rival "The Odd Couple."

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Our subcommittee considered one proposed rescission, and we were unable to reach our usual consensus on the administration's proposal to rescind $60,670,000 in the section 312 rehabilitation loan fund. These funds are available for 3 percent loans for the rehabilitation of both residential and business properties. There is no doubt that this is a successful program. In fact, it produces the lowest cost per square foot in housing returned to inventory. The truth is that it works to help rehabilitate our core sections of our cities. However, I am disappointed that we were unable to reach agreement on this rescission. The most important reason to have acted favorably on this proposal is that to continue the program will allow many communities to "double-dip." Section 312 program is one of several which was melded into the community development block grant program which is now in its second year. When the Congress established the program of CD block grants, the rehabilitation program was included among the authorized uses of CD funds. More importantly, the CD program is part of the "hold-harmless" funding. In short, any community which was conducting a rehabilitation program is already receiving "hold-harmless" level funding to continue those projects.

Congress approved CD to give cities more control and more flexibility. Very popular idea. I grant that the proponents of this program say that it is one of the best ways to rebuild our cities. That is true, but we have already fully funded them under the CD block grants. The supporters will also say that this program is the answer to the problems of the smaller suburban and rural communities, and I can only answer that I wish that this were so. What will undoubtedly happen, as it has in the past, will be that the larger communities, with their professional planning staffs and all but unlimited resources, will be able to marshall superior grantsmanship and corner most of these funds.

A continuation of this program will just continue the current disproportionate allocation of resources between the urban centers and rural America.

THE RECORD

This bill shows the futility of our efforts at reasonable budget control. We have tied up, first, the members of our subcommittee, and then the full Appropriations Committee, and now the House, and all of this effort is to approve less than 1 percent of the rescissions proposed by the President. This is an abysmal record of fiscal responsibility and a totally deficient record of "fiscal restraint." Two hundred years ago the Congress was forced to finance the American Revolution on borrowed funds, and the resulting financial nightmare drove the value of the dollar so low that the phrase "not worth a continental" became the vogue for anything which was valueless. On the eve of our Bicentennial of that Revolution, the Congress seems determined to run the deficit so high that our dollar may soon become the 20th century equivalent of the worthless continental. Our current deficit exceeds half-a-trillion dollars. If we do not soon face the realities we may have to go through a new American revolution when the taxpayers of this country decide that the cost of government has become too much. We are mortgaging our future generations in a cruel way.

Mr. BINGHAM. Mr. Speaker, I rise in support of H.R. 11665, the third budget rescission bill for fiscal year 1976. This bill in effect ratifies portions of impounded funds which the administration would rather not spend. Unlike the Nixon years, however, when the executive branch could unilaterally refuse to spend funds appropriated by the Congress, the Impoundment Control Act of 1974 now requires that the Congress give its approval to any such impoundment. This bill does approve the recision of about $5.4 million from the budgets of the Consumer Products Safety Commission, the Selective Service System, and the Federal Housing Administration. Because the funds are clearly not needed it is only right that they be made available for use in areas where there is need for funds.

The Appropriations Committee wisely rejected two other recisions, however. The first was proposed by Mr. MICHEL, which would rescind $97.3 million in impact aid funds. Impact aid is designed to help compensate those areas in which additional educational expenditures are incurred because of the location in these areas of Federal properties such as military bases and federally funded housing projects. The Federal funds provided are to be used specifically for education.

There is not a Member of this body who is not familiar with the dire financial plight of New York City. The city's school system is staggering from the effects of devastating cuts that have been made in education funds. The school day has been cut by 90 minutes; teachers and paraprofessionals have been fired in an attempt to stay within the almost unworkable small budget. Some classes have been eliminated altogether and others have been expanded to an almost unmanageable size. There are not enough textbooks or typewriters or course options or custodial services; there are no crossing guards and not even paper towels.

New York City stands to lose between $10 and $14 million if this amendment is passed. We are attempting, in New York City, to carry on with the education of our children under the most crippling of conditions. The quality of education has diminished tragically; there is no way to measure the loss to our children and to the future of this country because our children have not been given the opportunity to obtain an education which truly serves their developmental needs. New York City cannot afford to lose $10 more in funds for education, let alone $10 million. I urge the defeat of this amendment if, as expected, Mr. MICHEL offers it again on the floor of the House.

The second proposed rescission which the Appropriations Committee rejected involves $60,670,00 for section 312 of the 1964 Housing Act which authorizes the Secretary to make 3-percent loans for the rehabilitation of residential and business properties. The Congress has extended this program twice, most recently in the Emergency Housing Act of 1975—Public Law 94-50—which authorized $100 million for the program through August 22, 1976.

The proposed rescission of section 312 funds was based on the argument that the rehabilitation loan fund has been replaced by the community development block grant program. However, the Subcommittee on Housing and Urban Development-Independent Agencies concluded that the section 312 program is still valuable because it offers some help to cities that have little or no community development funds, and that it provides a mechanism for longer term loans and for higher amounts than can be reasonably provided by individual municipally operated programs.

From June 1965 through June 1975, New York City received a total of $3,356,100 under section 312 for rehabilitation of residential dwellings, and New York State received a total of $14,398,331 for the same purpose. For the first few weeks of 1976, the New York region—which includes New Jersey and Puerto Rico—has already received $7,518,000 which is about 13 percent of the total allotment for the entire Nation. Presently, requests for these rehabilitation loans in New York City amount to between $3 to $5 million. New York State would stand to lose $6 to $7 million if this rescission were approved by the Congress.

The rehabilitation loan fund is one of the few categorical grants left in the area of housing and community development. It emphasizes the need for rehabilitation of deteriorating residential and commercial areas of cities and communities which no longer have the room to expand but need to rebuild and rejuvenate what already exists. In New York City, in particular, the program has proved valuable because it has allowed for the rehabilitation of deteriorated housing which has become the responsibility of the city and put it back into private hands for redevelopment.

Section 312 is not as flexible or as large a rehabilitation program as it should be, but it is certainly better than no program at all. I support the subcommittee's denial of this rescission and its direction in the committee report to HUD "to move ahead with an efficient and workable" rehabilitation loan fund.

Mr. ROYBAL. Mr. Speaker, I rise in opposition to the Michel amendment which seeks to eliminate previously enacted educational appropriations for low-rent housing children. In my opinion this amendment is inappropriate on several grounds.

First of all, this amendment would undermine the legislative reforms instituted by Congress through the Education Amendments of 1974. Further, it would reverse, in part, congressional action overriding the President's veto of the Education Appropriations Act.

Rescissions of currently appropriated programs involve serious policy questions, and should be based on well documented, irrefutable evidence which would justify a cutback in program support. But this is not the case here: the administration has already made its opposition known last year; it not only opposed payments based on low-rent housing children but objected to the entire impact aid program. This opposition is history; Congress overrode that veto last September. What new evidence do we have to justify a $57.8 million educational cut for low-rent housing children? What well documented presentation do we have to support an additional $39.5 million slash in impact aid funding? The answer is: We have no such evidence before us.

Some have raised the question of a possible "double dip" effect. But the fact is: HUD payments for low-rent housing children have never been nor can be a substitute for impact aid payments. First of all, the HUD funds—which is made in lieu of taxes—go directly to local governments, not to school districts. Second, these payments are not in the slightest equal to tax rates or per pupil costs. Third, these payments are not directed toward special educational programs for low-rent housing children as provided for under impact aid.

In contrast, impact aid payments for low-rent housing children have a specific legislative purpose as reflected in the House-Senate conference agreement to the Education Amendments of 1974. That agreement shifted the support for educational programs serving low-rent housing children from the now defunct part C of title I of the Elementary and

Secondary Education Act to the impact aid program. Further, it called for the continuation and expansion of these special programs.

If we focus on impact aid payments for these activities, we find that Los Angeles would lose $1.2 million; New York, $10.5 million; Chicago, $4.8 million; Baltimore, $1.4 million; Atlanta, $898,000; Pittsburgh, $736,000; Boston, $531,000; Memphis, $474,000; Dallas, $412,000; and other school districts in every region of the country would be adversely affected.

The Michel amendment is inappropriate, for it would cause a legislative change of a substantial nature. The law is clear: Where entitlements are not fully funded, the first payment step or tier requires that each school district be paid equal to 25 percent of its entitlement for each category of children. Further, failure to meet the requirements of the first payment step specifically precludes making any payment to school districts beyond the first step or tier.

Section 5(c) of the law reads:

> No allocation may be made pursuant to paragraph (2) or (3) and no payment may be paid on the basis of any such allocation unless allocations are made pursuant to paragraph (1) and payments are made on the basis of such allocation.

The Michel amendment, however, proposes to radically revise this payment schedule, and therefore constitutes a backdoor attempt to legislate by way of a rescission bill. But even more than that, its adoption would raise serious questions as to whether payments for tier II could be made once payments for low-rent housing children have been cut from tier I. In adopting this amendment, we would assume a terrible risk of possibly losing all of tier II funding at a cost of $409 million. On one side we have the precise language and requirements of the impact aid law; on the other, only a confusing and unresolved legislative history surrounding the legal interpretation of the Michel amendment. Why take that risk? If we really wish to amend our educational laws, let us do it through the proper mechanism, through the Committee on Education and Labor. If we allow this amendment language to stand, we will clearly open a Pandora's box of future rescission bills containing legislative changes not only for education, but maybe next time for medicare and medicaid, or for social security and public assistance, or for any of the various formula grants to State and local governments.

The SPEAKER. The question is on the amendment offered by the gentleman from Illinois (Mr. MICHEL).

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. MICHEL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 134, nays 267, not voting 31, as follows:

[Roll No. 48]

YEAS—134

Alexander
Ambro
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Ashley
Baldus
Bedell
Bell
Bennett
Bergland
Bevill
Bowen
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Cederberg
Chappell
Clancy
Clawson, Del
Cleveland
Cochran
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Crane
Daniel, Dan
Derwinski
Devine
Duncan, Oreg.
Duncan, Tenn.
du Pont
Edwards, Ala.
Erlenborn
Esch
Eshleman
Evans, Ind.
Evins, Tenn.
Fenwick
Findley
Fish
Fithian
Flowers
Fountain
Frenzel
Fuqua
Goldwater
Goodling
Gradison
Grassley
Guyer
Hagedorn
Hammerschmidt
Harsha
Horton
Hutchinson
Hyde
Ichord
Jeffords
Johnson, Colo.
Karth
Kasten
Kelly
Kemp
Kindness
Latta
Levitas
Lott
McClory
McCloskey
McDade
McKay
Madigan
Mahon
Mann
Martin
Mathis
Michel
Milford
Miller, Ohio
Montgomery
Moore
Moorhead, Pa.
Mosher
Myers, Ind.
Myers, Pa.
Nichols
O'Brien
Passman
Poage
Quie
Quillen
Railsback
Regula
Rhodes
Roberts
Robinson
Rogers
Rousselot
Ruppe
Ryan
Satterfield
Schneebeli
Schulze
Sebelius
Shriver
Skubitz
Smith, Iowa
Smith, Nebr.
Stanton, J. William
Steiger, Wis.
Symms
Taylor, Mo.
Teague
Thone
Treen
Ullman
Vander Jagt
Vigorito
Waggonner
Wampler
Whitten
Wiggins
Winn
Wydler

NAYS—267

Abdnor
Abzug
Adams
Addabbo
Allen
Anderson, Calif.
Annunzio
Aspin
AuCoin
Badillo
Bafalis
Barrett
Baucus
Bauman
Beard, R.I.
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burton, Phillip
Carney
Carr
Carter
Clausen, Don H.
Clay
Cohen
Collins, Ill.
Conyers
Corman
Cornell
Cotter
D'Amours
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Dickinson
Diggs
Dingell
Dodd
Downey, N.Y.
Early
Eckhardt
Edwards, Calif.
Eilberg
Emery
English
Evans, Colo.
Fary
Fascell
Fisher
Flood
Florio
Foley
Ford, Tenn.
Forsythe
Frey
Gaydos
Giaimo
Gilman
Ginn
Gonzalez
Gude
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Helstoski
Henderson
Hicks
Hightower
Hillis
Holland
Holt
Holtzman
Howard
Howe
Hubbard
Hughes
Hungate
Jacobs
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
Ketchum
Keys
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Leggett
Lehman
Lent
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
McCollister
McDonald
McFall
McHugh
McKinney
Macdonald
Madden
Maguire
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Calif.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Neal
Nedzi
Nix
Nolan
Nowak
Oberstar
O'Hara
O'Neill
Ottinger
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pickle
Pike
Pressler
Preyer
Price
Pritchard
Randall
Rangel
Rees
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Rodino
Roe
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Russo
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Shuster
Sikes
Simon
Sisk
Slack
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, James V.
Stark
Steed
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Thompson
Thornton
Traxler
Tsongas
Van Deerlin
Vander Veen
Vanik
Walsh
Waxman
Weaver
Whalen
White
Whitehurst
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff
Wright
Wylie
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—31

Anderson, Ill.
Bonker
Beard, Tenn.
Brown, Calif.
Burton, John
Chisholm
Downing, Va.
Drinan
Edgar
Flynt
Ford, Mich.
Fraser
Gibbons
Green
Haley
Hansen
Hébert
Heinz
Hinshaw
Jarman
Johnson, Pa.
Landrum
Lujan
McCormack
McEwen
Obey
Pettis
Steelman
Steiger, Ariz.
Stephens
Udall

The Clerk announced the following pairs:

Mr. Hébert with Mr. Anderson of Illinois.

Mr. Udall with Mr. McEwen.

Mr. Landrum with Mr. Steelman.

Mr. Ford of Michigan with Mr. Lujan.

Mr. Brown of California with Mr. Heinz.

Mr. McCormack with Mr. Jarman.

Mr. Edgar with Mrs. Pettis.

Mr. Haley with Mr. Steiger of Arizona.

Mr. Drinan with Mr. Hinshaw.

Mr. Green with Mr. Hansen.

Mr. Gibbons with Mr. Beard of Tennessee.

Mrs. Chisholm with Mr. Johnson of Pennsylvania.

Mr. Flynt with Mr. Stephens.

Mr. Fraser with Mr. Downing of Virginia.

Mr. John Burton with Mr. Bonker.

Mr. ASHLEY changed his vote from "nay" to "yea."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. MAHON. Mr. Speaker, I move the previous question on the pending bill and all amendments thereto.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 11665) just passed, and that I may revise and extend my remarks, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas

There was no objection.

REPORT ON LITTLE BEAVER CREEK, OHIO—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94–364)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interior and Insular Affairs and ordered to be printed with illustrations:

To the Congress of the United States:

I am pleased to transmit this report on Little Beaver Creek, Ohio. The report was prepared in response to the provisions of the Wild and Scenic Rivers Act, Public Law 90–542, as amended.

This study found that 33 miles of the Little Beaver and its tributaries meet the criteria for inclusion in the National Wild and Scenic Rivers System, and recommended this stretch of the river be included in the National System under the administration of the State of Ohio as identified by Section 2(a)(ii) of the Act.

The State of Ohio filed an application requesting that this segment of the Little Beaver be included as a State-administered component of the National System. On October 23, 1975, Secretary Kleppe approved the application of the State of Ohio and so informed Governor Rhodes. The Congress is not required to take action in order for Little Beaver Creek to become a component of the Wild and Scenic Rivers system.

I am pleased that the Congress, in establishing this program, has made provision for the State administration of Wild and Scenic River components. This report and its recommendations demonstrate the capability of both Federal and State governments to profitably cooperate with each other.

GERALD R. FORD.

THE WHITE HOUSE, *February 10, 1976.*

PROVIDING FOR CONSIDERATION OF H.R. 11453, EMERGENCY EMPLOYMENT PROJECT AMENDMENTS OF 1976

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 1025 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 1025

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11453) to authorize appropriations for fiscal year 1976, for the period beginning July 1, 1976, and ending September 30, 1976, and for fiscal year 1977 for carrying out title VI of the Comprehensive Employment and Training Act of 1973, and to amend title II and title VI of such Act. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, and all points of order against section 3(a)(1) of the committee substitute for failure to comply with the provisions of clause 5 of rule XXI are hereby waived. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from Massachusetts (Mr. MOAKLEY) is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. DEL CLAWSON), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1025 is the rule providing for consideration of the bill (H.R. 11453), CETA title VI authorization.

This is a 1-hour, open rule. The rule provides for the committee substitute to be read as an original bill for the purpose of amendment. This is the normal procedure for bills reported in this form and simply protects the right of Members to offer amendments to amendments under rule XIX.

The rule also waives a point of order which would lie against section 3(a)(1) of the bill. The effect of the language in the bill is to amend section 203(b) of existing law as follows—language added is indicated in italics:

> (b) Not less than 90 per centum of the funds appropriated pursuant to this title which are used by an eligible applicant for public service employment programs shall be expended only for wages and employment benefits to persons employed in public service jobs pursuant to this title. *The remainder of such funds may be used for administrative costs, including rental costs, and to obtain necessary supplies, equipment, and materials.*

In the opinion of the Committee on Rules, a point-of-order would lie against the section under clause 5 of rule XXI which states:

> 5. No bill or joint resolution carrying appropriations shall be reported by any committee not having jurisdiction to report appropriations, nor shall an amendment proposing an appropriation be in order during the consideration of a bill or joint resolution reported by a committee not having that jurisdiction. A question of order on an appropriation in any such bill, joint resolution or amendment thereto may be raised at any time.

Since section 3(a)(1) makes funds, already appropriated, available for a purpose for which the funds were not available when the current appropriation was enacted, the language would be construed as a reappropriation—VII Cannon 2146.

But, it should be noted, this section does not modify appropriations language nor does it result in any change in the amount available under the appropriation. The point of order is a technical one which can occur only because the appropriation is running. No indication was presented that there was opposition to the new language either in the Committee on Appropriations or in the full House.

The committee reported the rule containing the waiver on the merits of the issue alone and not as an expedient for prompt House action. The point of order could only have been raised against this language and not against consideration of the bill—VII Cannon 2140.

The committee held hearings and reported this rule by a voice vote. I urge adoption of the resolution so that the House may consider the bill (H.R. 11453), which authorizes appropriations for fiscal year 1976, the transition quarter and fiscal year 1977 for title IV of the Comprehensive Employment and Training Act of 1973, amends title IV and alters the availability of funding under title II.

The CETA emergency jobs program—title VI—has been proven effective in aiding local government and the program warrants the expanded support proposed in this bill. Under the bill, as reported, the total number of jobs could rise from the current 350,000 to between 545,000 and 600,000 by this fall.

In the face of continuing high levels of unemployment and the struggle of local governments to provide reasonable levels of service within the existing tax base, I urge adoption of the rule and prompt passage of H.R. 11453.

Mr. DEL CLAWSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1025 provides for 1 hour of equally divided general debate on H.R. 11453, emergency employment projects amendments. The rule makes the committee substitute in order as an original bill for the purpose of amendment. This otherwise open rule waives points of order against section 3 (a)(1) of the substitute for failure to comply with the provisions of clause 5 of rule XXI, making appropriations on a legislative bill.

Specifically, the bill authorizes $1,200 million for fiscal year 1976 and such sums as are necessary for the transition quarter and fiscal year 1977 for public employment. The potential cost for carrying out this act is $7,400 million and it is not directed to the underlying causes of existing unemployment as indicated in the individual views of Mr. ESCH who stated, and I quote:

> H.R. 11453 ought to be amended to reflect the following changes: (1) to provide assurances that no lay-offs will occur, (2) to encourage job development in the private sector rather than a continuation of public service employment, (3) and to direct our resources into labor market groups—such as youth—and into labor market areas—where the need is greatest.

Again quoting from the minority views:

> Of all the provisions of H.R. 11453 that are unnecessary—and it includes most of them—the most unwarranted are the special preferences for rehiring public health and safety personnel and laid-off employees of local education agencies . . . these two "special preferences"—found in Section 2(d)(3) and Section 611(g)—destroy any and all illusions that H.R. 11453 will create new jobs. It is incredible that the authors of H.R. 11453 would attempt to argue that their bill is designed to resolve the serious problems of sub-

stitution of local with Federal funds when they are deliberately including language not only to foster such abuse but to require it! In this legislation we are subsidizing further non-productive government growth when there is an urgent need to reduce bureaucracy, not increase it!

And again from these same views:

> It has been estimated that at best, PSE can create only 50,000 (new jobs) for each one billion dollars expended—and non-productive PSE at that.

Mr. Speaker, this bill is filled with programs that are fraught with failure. Past experience should prompt us to vote down the rule and not waste the time of the Members on a measure that is an open invitation for a Presidential veto.

Mr. Speaker, I urge the House to defeat the rule and recommend a no vote when you put the question.

Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota (Mr. QUIE).

CALL OF THE HOUSE

Mr. SYMMS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McFALL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 49]

Addabbo
Andrews, N.C.
Archer
Bonker
Brown, Calif.
Buchanan
Burton, John
Cederberg
Chisholm
Cohen
Conyers
Devine
Downing, Va.
Drinan
Edgar
Flood
Flynt
Ford, Mich.
Fraser
Gibbons
Green
Haley
Hansen
Harsha
Hébert
Heinz
Hinshaw
Jarman
Johnson, Pa.
Kemp
Landrum
Leggett
Long, Md.
Lujan
McCormack
McEwen
Macdonald
Mathis
Mosher
Obey
Patman, Tex.
Pepper
Pettis
Rees
Rhodes
Risenhoover
Rosenthal
Santini
Seiberling
Skubitz
Stanton, James V.
Steelman
Steiger, Ariz.
Stephens
Stuckey
Thompson
Udall
Whitten
Wilson, C. H.

The SPEAKER. On this rollcall 373 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PROVIDING FOR CONSIDERATION OF H.R. 11453, EMERGENCY EMPLOYMENT PROJECT AMENDMENTS OF 1976

The SPEAKER. The gentleman from Minnesota (Mr. QUIE) is recognized for 5 minutes.

Mr. QUIE. Mr. Speaker, as I said before the quorum call began, I am in strong opposition to this bill (H.R. 11453). Simply stated, this bill is a gross misallocation of limited resources, and will not have any significant impact on the unemployed of this country.

I should point out to the House that over a year ago I voted for the enactment of the current title VI program, as did many of my colleagues who today oppose this bill. I voted for the original legislation, despite serious reservations, because of the arguments made by the authors of the legislation that a public service employment program could make a substantial contribution to resolving unemployment.

Let me take a moment of your time to refresh your memories on the original promise of the title VI program. At the time, our colleague, the distinguished Member from the State of Pennsylvania (Mr. GAYDOS) summed up this promise as follows, and I quote from the CONGRESSIONAL RECORD of December 12, 1974:

> The bill before us seems to alleviate the unemployment problem . . . Preference would be given to unemployed persons who have exhausted unemployment insurance benefits, to unemployed persons who are not eligible for unemployment insurance benefits and to unemployed persons who have been unemployed for 15 or more weeks.

At that time, I expressed some concern about the possibilities that the program would be used to substitute Federal for local funds—and cautioned then that I hoped the program would not be used just to help political subdivisions in order to keep those people on, but to be used for people who truly are unemployed. I was given more than ample assurances, that this, indeed, was not the purpose of the bill.

Mr. Speaker, we have had title VI on the books for over a year, and what are the results? Do they show that we were justified in asking American taxpayers to fund this effort for over $2½ billion? The answer is a resounding "no," and the facts prove it. Let me cite a few examples:

In 1975 only 14.5 percent of those enrolled had been receiving unemployment insurance benefits—no figures are available on "exhaustees," but they certainly would be miniscule. In the quarter ending last September, the number who had been receiving UI dropped to 12.5 percent despite a massive increase in the unemployment insurance rolls during that period.

In 1975, only 13.7 percent had been receiving public assistance before gaining a public service job.

In the quarter ending last September, this figure fell to 13.1 percent.

If we are only serving 1 in 4 who were either receiving UI or welfare, then who were we serving with these billions of dollars?

The answer is despite the considerable maintenance-of-effort insurances in the bill, that local governments and local government employees have benefited and not the truly unemployed American.

There is growing evidence that title VI is being used by local governments to replace existing services. It was only 2 weeks ago that an Ohio prime sponsor requested permission to utilize their title VI allocation to rehire 338 laid-off employees. This trend toward "substitution" by localities has been borne out by more than a few studies of the leading manpower experts in the country. The National Planning Association estimated that only one of every two public service jobs funded represented a new increase in public employment. In that case, it costs $16,000 for each new job created.

A similar conclusion was reached by Alan Fechter of the Urban Institute who estimated that in the long run as much as 90 percent of the public service job funding is substituted for local wage expenditures. If this is true, then it will cost the taxpayers $80,000 for each new job created.

In sum, we are proposing to pass a program that is little more than revenue sharing in a disguised form, and which will only subsidize the existing natural increase in the local government bureaucracy—an increase that Sar Levithan of the Institute of Manpower Studies at the George Washington University estimates is as much as 400,000 per year absent PSE.

Unfortunately, Mr. Speaker, the bill we have before us not only fails to resolve the serious problems of substitution which I feared would occur, the authors have deliberately included language to not only foster such abuse, but to require it. I refer your attention to section 2(d)(3) and section 611(b). These provisions provide a blank check to localities with no restrictions. As section 2(d)(3) states:

> In establishing and filling public service employment—eligible applicants shall be given preferred consideration to the maximum extent possible—to reestablishing jobs of essential services personnel!

Furthermore, Mr. Speaker, just last week we passed title II of the Public Works Employment Act, to provide $1.5 billion in emergency assistance to localities. Are we to believe that unemployment is so high among local governments that we have to add a few billion more? The fact is that unemployment among local governments is the lowest of any group in the labor market, and is one-quarter of that in the construction industry and one-half of that in manufacturing. Now in H.R. 11453, we require using these resources to help this fortunate group.

I should like to take this opportunity to remind Members of what they had expected public service employment to accomplish. The honorable gentleman from Michigan (Mr. FORD) went to great lengths during the debate on passage of title VI to list specific layoffs in the auto industry in his district—amounting to the tens of thousands and he urged adoption of title VI. I ask, How many of those have found their way into a public service job? I suspect very, very few. How can they if we are giving local governments a blank check to substitute for local funds?

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Ohio.

Mr. WYLIE. I thank the gentleman for yielding.

I heard the gentleman mention the figure of 338 in a city, where the administration wanted to rehire 338 employees who had been laid off. Does the gentleman know what city that was, or did he mention the city?

Mr. QUIE. I will come back and tell the gentleman about it.

Mr. WYLIE. If the gentleman will yield further, it would be a coincidence if it were not the city of Columbus, because that happens to be the figure that was involved in a lawsuit recently.

The SPEAKER. The time of the gentleman has expired.

(At the request of Mr. Wylie, and by unanimous consent, Mr. Quie was allowed to proceed for 1 additional minute.)

Mr. WYLIE. If the gentleman will yield further, the city of Columbus was involved in a lawsuit with the Department of Labor recently where the situation was this: They had to lay off 447 employees because keeping them on the payroll would mean deficit spending, and under the city charter of the city of Columbus and the State constitution, a city cannot deficit finance as they can in the city of New York. The city administration wanted to rehire 338 of those employees and had the seed money to do it, but the Department of Labor said they could not because of the so-called New York compromise formula. They were involved in a lawsuit and told the city of Columbus that they could not rehire those employees for those jobs, but that they could hire people for jobs to make beds, or cook, or make bike trails, or something like that, but they could not rehire these sanitation workers.

I was just wondering if that was the situation to which the gentleman was referring.

Mr. QUIE. I will say to the gentleman that under this bill, then, if they had budget problems, they could immediately use Federal funds to pay their police, firemen, and public health service who are presently on the payroll and to do so with Federal money rather than their local money. It seems to me they could levy the taxes or raise other revenues than asking the taxpayers of Minnesota to bail them out.

Mr. MOAKLEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. SYMMS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 360, nays 42, not voting 30, as follows:

[Roll No. 50]

YEAS—360

Abdnor
Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Ashley
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Cederberg
Chappell
Clancy
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Derwinski
Diggs
Dingell
Dodd
Downey, N.Y.
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Emery
English
Esch
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Fithian
Florio
Flowers
Foley
Ford, Tenn.
Forsythe
Fountain
Frey
Fuqua
Gaydos
Giaimo
Gilman
Ginn
Goldwater
Gonzalez
Gradison
Gude
Guyer
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Heckler, Mass.
Hefner
Helstoski
Henderson
Hicks
Hightower
Hillis
Holland
Holt
Holtzman
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Hyde
Ichord
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Keys
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Leggett
Lehman
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
McCloskey
McDade
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Maguire
Mahon
Mann
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Rhodes
Richmond
Riegle
Rinaldo
Roberts
Robinson
Rodino
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Runnels
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Shriver
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steiger, Wis.
Stephens
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Teague
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—42

Armstrong
Ashbrook
Bafalis
Burleson, Tex.
Clawson, Del
Collins, Tex.
Conable
Conlan
Crane
Devine
Dickinson
Erlenborn
Frenzel
Goodling
Grassley
Hagedorn
Hammerschmidt
Hutchinson
Johnson, Colo.
Ketchum
Kindness
Latta
Lent
Lott
McClory
McCollister
McDonald
Madigan
Martin
Michel
Moore
Moorhead, Calif.
Quie
Schneebeli
Schulze
Sebelius
Shuster
Snyder
Symms
Taylor, Mo.
Wiggins
Wylie

NOT VOTING—30

Bonker
Burton, John
Chisholm
Danielson
Downing, Va.
Drinan
Edgar
Flood
Flynt
Ford, Mich.
Fraser
Gibbons
Green
Haley
Hansen
Hébert
Heinz
Hinshaw
Jarman
Johnson, Pa.
Landrum
Lujan
McCormack
McEwen
Obey
Pettis
Risenhoover
Steelman
Steiger, Ariz.
Udall

The Clerk announced the following pairs:

Mr. Udall with Mr. Lujan.
Mrs. Chisholm with Mr. McEwen.
Mr. Ford of Michigan with Mrs. Pettis.
Mr. Flood with Mr. Steelman.
Mr. McCormack with Mr. Heinz.
Mr. Fraser with Mr. Jarman.
Mr. Green with Mr. Johnson of Pennsylvania.
Mr. Hébert with Mr. Steiger of Arizona.
Mr. Drinan with Mr. Hansen.
Mr. Edgar with Mr. Hinshaw.
Mr. Risenhoover with Mr. Landrum.
Mr. Gibbons with Mr. Flynt.
Mr. Bonker with Mr. John Burton.
Mr. Downing of Virginia with Mr. Danielson.

Mr. METCALFE changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

APPOINTMENT AS A MANAGER AT CONFERENCE ON H.R. 7988, PUBLIC HEALTH SERVICE ACT AMENDMENTS

The SPEAKER. The Chair appoints as a manager at the conference on the bill H.R. 7988 the gentleman from New York (Mr. Scheuer) to fill the existing vacancy thereon caused by the resignation of the gentleman from North Carolina (Mr. Preyer).

EMERGENCY EMPLOYMENT PROJECT AMENDMENTS OF 1976

Mr. DOMINICK V. DANIELS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11453) to authorize appropriations for fiscal year 1976, for the period beginning July 1, 1976, and ending September 30, 1976, and for fiscal year 1977 for carrying out title VI of the Comprehensive Employment and Training Act of 1973, and to amend title II and title VI of such act.

The SPEAKER. The question is on the

motion offered by the gentleman from New Jersey (Mr. Dominick V. Daniels).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11453, with Mr. McKay in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from New Jersey (Mr. Dominick V. Daniels) will be recognized for 30 minutes, and the gentleman from Michigan (Mr. Esch) will be recognized for 30 minutes.

The Chair recognizes the gentleman from New Jersey (Mr. Dominick V. Daniels).

Mr. DOMINICK V. DANIELS. Mr. Chairman, I yield myself 12 minutes.

Mr. MINISH. Mr. Chairman, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from New Jersey (Mr. Minish).

Mr. MINISH. I thank my colleague and able chairman of the subcommittee for yielding.

Mr. Chairman, I have a question that might be of interest to the Members of the House.

Can the gentleman explain to me and to the House just what is in this bill for smaller communities—those which are near central cities and have severe employment problems of their own? As I understand it, these communities often are too small to qualify as prime sponsors of the CETA program. How can they participate and what is provided in the pending legislation for these smaller suburban areas?

Mr. DOMINICK V. DANIELS. H.R. 11453 makes special provisions for smaller communities under part VI B. This part of the bill specifies that 80 percent of the funds must go to groups other than the prime sponsor for operation of employment projects, thus enabling areas which are small communities to directly apply for title VI funds, regardless of their unemployment rate.

Mr. MINISH. Mr. Chairman, I thank the gentleman for his explanation.

Mr. DOMINICK V. DANIELS. Mr. Chairman, today the Nation's biggest and most tragic problem is unemployment.

Unlike the President, I find no reason for exultation in an "official" unemployment rate of 7.8 percent. That figure does not include some 3 million workers who have given up looking for work, workers forced into early retirement they cannot afford, or college graduates who cannot find a job.

Even 10 million unemployed is a conservative figure which does not take into account the underemployed or the tax effects of unemployment on those Americans who have jobs.

I am appalled that the administration can indulge in choruses of self-congratulation about a reduction in the rate of joblessness, when it admits that over 7 million Americans are still out of work.

We can be encouraged that the body "economic" is making a slight recovery—but the patient is still on the critical list.

I am disappointed that the administration insists on stubbornly clinging to fallacious economic policies laid down 7 years ago—policies which have added up to disaster, failure, and suffering for millions of Americans.

Unlike a few policymakers in the administration, we cannot insulate ourselves from public opinion behind cold marble walls or equally cold statistical rationales for inaction.

We have to go home and face the people.

We have to face the jobless men and women in our congressional districts.

How can we look into the eyes of 200,000 Americans who each month exhaust their unemployment compensation, and tell them to be patient—that conditions will be better by 1980?

The simple fact of the matter is that you cannot be patient when you are about to lose your house; when you cannot adequately feed your family, when you cannot afford the simple necessities of life.

That is why we, the Congress, have to act now—and act responsibly. The Emergency Employment Project Amendments of 1976 are an immediate response to the more than 7 million men, women, and young adults who are unemployed in this country today.

In the past year we have all become too familiar with the grim employment picture.

Still after all is said and done, jobs, not welfare, are the most fundamental answer to social problems. You can train people, you can try to end discriminatory practices, but if the jobs do not exist—if the private sector does not produce them and the public sector cannot afford them, people are still out of work.

Public service employment is the most effective emergency solution because it is direct. It hires people. It helps people and it helps the community.

The Manpower, Compensation, and Health and Safety Subcommittee has had 10 days of hearings on public service employment legislation in this Congress. The bill before you today is the outgrowth of those hearings.

H.R. 11453 was reported on January 28, 1976 by the full Committee on Education and Labor by a vote of 26 ayes, 6 noes, and 2 present. This bill has widespread backing and is endorsed by the League of Cities-Conference of Mayors, AFL–CIO, National Association of Counties, and the National Governors' Conference.

Mr. Chairman, H.R. 11453 is fiscally responsible, and I am going to call upon our distinguished colleague, the gentleman from Washington, Brock Adams, to comment upon the fiscal responsibility of this bill as to its authorization and expenditures.

Mr. ADAMS. Mr. Chairman, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I am happy to yield to the gentleman from Washington.

Mr. ADAMS. Mr. Chairman, I thank the gentleman for yielding.

The chairman of the subcommittee has stated precisely correctly the situation with regard to the second budget resolution. When we passed the second budget resolution on the floor, this program was specifically debated.

At that time the second budget resolution carried budget authority of $1 billion 200 million and outlays of $800 million. The bill that is presently before the House is set at $1 billion 200 million in budget authority and only $500 million in outlays. There is some argument that the $500 million may go up another $200 million, but that is still within the outlay figure that was within the second budget resolution.

So, Mr. Chairman, this has been included within it, and it has been debated extensively. It is part of the congressional priorities, it is within the budget resolution, and I support the gentleman's bill and the statement he is making.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I thank the gentleman for his contribution.

Mr. Chairman, H.R. 11453 is fiscally responsible. Its authorization for fiscal year 1976 conforms with the second budget resolution. Passage of this legislation will therefore carry out the intent of Congress concerning the desired increase in public service employment.

Expenditure estimates by the Congressional Budget Office also adhere to the amounts established by the budget resolution.

H.R. 11453 specifically authorizes $1.2 billion for fiscal year 1976 and such sums as necessary for the transition quarter and fiscal year 1977. If fully funded, the measure would establish between 550,000 and 600,000 jobs by June 30, 1976. It would maintain the existing 320,000 jobs under titles II and VI and fund an additional 280,000 work opportunities in new employment project.

Part A of title VI continues titles II and VI programs with three basic changes:

First. A preference for hiring essential public health and safety personnel who are on bona fide layoffs;

Second. One-third of the persons hired by prime sponsors may be paid in excess of $10,000, but not more than $12,000; and

Third. Expenditures for administrative costs—including rental and supplies, equipment, and other materials—are raised from 10 to 15 percent. The concept of employment projects contained in part B of title VI is new. A project is a task that can be defined: it has a beginning and an end. A project approach differs therefore from ordinary public service employment in that it is not simply an increment to an existing service, but rather the accomplishment of a group of persons working independently. The project concept is also fitted to performing physical tasks such as planting of trees, making bicycle paths, winterizing, or rehabilitation of public housing, painting of school classrooms, and similar work which has an identifiable result.

At least 80 percent of the money available for projects must go to applicants other than prime sponsors—other levels of government, local education agencies, colleges, and universities, and nonprofit community based organizations, such as community action agencies, OIC's and SER.

The committee has decided to concentrate additional funding in projects, because they have a definite time span—from 60 days to 1 year. Further, projects will minimize the substitution effect. They will be sponsored by a variety of groups and governments, none of whom can anticipate the level of funding they will receive, thus making it more difficult to reduce their employment effort.

By providing for this competition among project applicants, the committee is reemphasizing its commitment that jobs funded under this bill be productive, useful work opportunities.

Funds under part A are distributed in accordance with the formula currently used under title VI. The formula for part B, however, is different.

Ten percent of the funds allocated to part B are for discretionary financial assistance by the Secretary. Of the amounts remaining, 25 percent is allocated to prime sponsors and Indian tribes in the proportion that the total in the area served by the recipient is to all unemployed.

The remaining 75 percent is allocated to the recipient prime sponsor and Indian tribe on the basis that the number of unemployed in the area in excess of 6.5 percent bears to the total of the number of unemployed in excess of 6.5 percent in all areas.

The committee believes that although all areas of unemployment should receive a certain amount of public service employment funds, areas where unemployment concentrations are the highest should be targeted.

H.R. 11453 contains provisions which assure that jobs will be provided only to those whose need is genuine. The bill gives preferred consideration in filling jobs to unemployed persons who are substantially without alternative sources of income. The bill also limits jobs to one member per household.

Some critics of public service employment state, that—

> The use of Federal funds to replace local dollars has been the primary cause of the failure of PSE.

I reject this statement. The facts do not bear out this contention and these facts are supplied by the Labor Department itself. On February 2, 1976, at hearings before the Labor-HEW Appropriations Subcommittee, a Department spokesman reported that the percentage of those employed under CETA's public service employment titles who are rehires are only averaging 4 to 5 percent.

Another argument which we have heard against the extension of public service employment concerns charges of nepotism and patronage in the hiring of CETA employees. While it may be true that this practice has occurred in some jurisdictions, H.R. 11453 takes definite steps to prevent the reoccurrence of such practices. Section 611 prohibits the hiring of a relative by any person with responsibility for hiring employees under an employment project. The bill also provides that all financial records and records of names, addresses, positions, and salaries of all persons employed be made available to the public. Jobs must be listed with the public employment service.

I recognize that additional jobs cost money, but unemployment costs more. According to the administration's own budget, receipts in fiscal year 1977 would increase by $38 billion if we had a 4-percent unemployment rate. This means that each additional 1 percent of unemployment costs the Government in excess of $15 billion.

Public service employment yields money in taxes paid by working people, keeps people off welfare, and contributes to national productivity.

Any program that can do all these things certainly deserves our support.

Mr. ESCH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman and members of the committee, I think that as we begin the debate on the issue before us, that of providing meaningful employment to our citizens throughout our country, it would be important for us to review briefly the history of this legislation and where this legislation stands in relation to other legislation which may be before us in the future.

At the outset I would want to commend the chairman of our subcommittee, the gentleman from New Jersey (Mr. DOMINICK V. DANIELS), for his continuing efforts in regard to providing meaningful job training and employment legislation. It was largely through that gentleman's efforts that the Comprehensive Employment and Training Act was enacted. We have come to a point however in which we begin to part ways today for the question today before us is, How can this country most effectively provide for employment opportunities for our citizens?

First of all, let us recognize that the unemployment rate is on its way down. This is borne out not only by the significant decrease that has occurred last week—the largest in 15 years—but all other economic indicators point to the fact that unemployment generally in this country is on its way down and the economy is improving. The question then becomes, What is the responsibility of this Congress to act on the question of those still remaining unemployed? The answer simply is, We should target our resources into the areas of highest unemployment, and employ those labor groups who suffer the highest level of unemployment.

The Department of Labor reports that unemployment among young people between the ages of 14 and 22 continues to remain at the 20-percent level, and among minority groups in the 14- to 22-year age level it is hovering at 40 to 50 percent in certain sections of the country, while overall unemployment is one-third to one-seventh this figure.

Does this legislation target in on the real problem of unemployment today? Unfortunately, the answer is no. It spreads the dollars throughout the country into areas where the greatest need does not exist and, for that reason alone, this concept should be rejected today.

The second question I think that is before us today is whether or not we should have Federal legislation that directs its attention to those essential services in our large cities, the police, the firemen and health services. And although I may disagree with the administration on this issue, I think the answer to that question is clearly yes. We should have legislation in this Congress that directs attention toward providing relief and support for those essential services for our inner cities and our large metropolitan centers, but the point is that the legislation that was passed by this House within the past 2 weeks—the Public Works Employment Act—provided for such assistance. So if we pass this legislation indeed it would be duplicative.

Then the third question becomes one of where those dollars are going to go.

The gentleman from New Jersey, the sponsor of the legislation before us, suggested that they ought to go out on a project basis.

I would point out to the members of the Committee two factors here: One, what we are really doing by putting it on a project basis is again duplicating the legislation that we had last week on the so-called public works bill. So again we are being redundant in our legislation, and we are having a duplicate type delivery system.

Moreover, and most significantly, by the gentleman's own admission those project dollars are not necessarily going to go into the areas of greatest need. We are thus moving away from the concept of putting the dollars out into the prime sponsors where decisions will be made. Instead, we are going to go back to the old project concepts where the grantsmen can come down to Washington and apply for the grants, and then they go out not necessarily on the basis of where there is the highest unemployment.

Once again this is the basic fallacy of the legislation before us. If we are really sincere and interested in targeting our dollars where they will do the most good, then we ought to reject this concept, and accept the public works bill as a much more acceptable approach than that which is before us today.

If we analyze the history of the legislation before us, we find that Congress has already acted responsibly in the Public Works Employment Act. I supported that legislation, I continue to support it, and I hope that the President will sign that legislation. The fact is, the public works bill targets money for productive jobs into the areas of greatest need and, in addition, assure the continuation of essential services such as fire and police protection.

We have legislation before us today that does not provide either.

Accordingly, I urge the Members to support the amendment of the gentleman from Minnesota.

This amendment is not perfect; it needs to be corrected, and in the course of the legislation, in the debate in the Senate body and in conference, deficiencies can be corrected. But the gentleman will offer a substitute, which will guarantee that the so-called CETA funds can continue on through the next year at the present level to prevent the layoff of any individuals who are now employed.

The question of how much money should be spent will be debated when the appropriation bill comes, and, indeed, if we can move forward aggressively in terms of solving the problem of unemployment through a more constructive approach, then we should do that.

There is one other area that I would like to address myself to. In the legislation that was before our committee, there was legislation that I proposed, H.R. 10160, which provided a labor tax credit to encourage the private sector to employ individuals who were either disadvantaged or unemployed longer than 15 weeks. I would direct the attention of the members of the Committee to that proposal. H.R. 10160 puts people to work in productive private employment, and not in short-term public jobs to hire the unemployed. Although this particular bill is not germane today because it has to come out of the Committee on Ways and Means, the legislation says that we ought to provide jobs in the private sector via way of a labor tax credit of up to 25 percent, or $2,500 per year, if an employer will hire back an individual who is unemployed.

I would suggest to the Members that the crucial debate before the country today is whether or not we are going to give our unemployed meaningful jobs, long lasting jobs, and those can only be found in the private sector. We do not have the wherewithal, and we do not have the unlimited funds to provide employment in the public sector for all those who seek it. So we ought to turn to the private sector with specific programs.

Having considered where this legislation is and its history, as well as other alternatives that have been before this Congress, and where we are going from this point, I would suggest to the members of the Committee that they ought to carefully consider the substitute amendment when it is offered.

It would be well for this Committee to move ahead and for our committee to move ahead and tackle the tough question of youth unemployment and reject the concept of this bill which would spread a limited number of dollars throughout the country rather than into those areas of highest unemployment; and to those with greatest need.

Mr. DOMINICK V. DANIELS. Mr. Chairman, will the gentleman yield?

Mr. ESCH. I yield to the gentleman from New Jersey.

Mr. DOMINICK V. DANIELS. First I would like to compliment the ranking minority member of the subcommittee for his cooperation and assistance in the subcommittee. When we considered this legislation in the subcommittee the gentleman attended the subcommittee hearings very faithfully and did make some valuable contributions.

I am sure the gentleman will recall during the course of the testimony, particularly when we had the mayors of our large cities appearing, the mayors urged an increase from 10 to 15 percent for administrative costs. Even the representatives of the Secretary's office indicated their support of the increase from 10 to 15 percent.

Does the gentleman deny that situation today, and does he feel that provision of the bill is unnecessary?

Mr. ESCH. No. I would say to the gentleman from New Jersey that I certainly concur that we probably ought to increase the administrative cost to 15 percent. But that is not the central issue and I think when the final legislation comes out we will have the 15 percent in there.

Mr. DOMINICK V. DANIELS. May I also bring to the attention of the gentleman his comment to the effect that this bill is unnecessary because a public works bill was recently enacted by the Congress. But there is the possibility of a veto, or let me put it this way.

Mr. ESCH. Let me say the President has not vetoed the bill yet.

Mr. DOMINICK V. DANIELS. But all we hear about is the veto of that bill. All the news media and the commentators and the newspapers and my colleagues on that side of the aisle have indicated time and time again that the bill will be vetoed. In that event will the gentleman support this provision?

Mr. ESCH. I worked very hard to get the public works bill passed and I will work very hard to get the veto overruled.

I will say to the gentleman, I believe the public will be best served by the public works bill and by an extension of title VI funds into next year.

Mr. DOMINICK V. DANIELS. Mr. Chairman, if the gentleman will yield for another question, the gentleman knows I am sure the administration has proposed a supplemental appropriation of $1.7 billion, and it is intended that between now and the next 6 to 7 months to lay off 15,000 public service employees and immediately thereafter, presumably after the election, the layoffs will be at least 25,000 or more. So at the end of the fiscal year 1977 the public works program will grind to a complete halt. Would the gentleman agree with that?

Mr. ESCH. I would say to the gentleman those figures are highly speculative. I have not seen any specific information regarding that, other than the $1.7 which is in the urgent supplemental, which is recommended by the administration.

I think Congress should work its will on the appropriation bill. Then we should have such forums, and I would be willing to fight the battle on the appropriation bill, to guarantee, and I think we should guarantee to our colleagues and to our Governors and to our people, provision on those CETA programs. Make no mistake, no one will be laid off during the course of this year and then we will fight the battle on the appropriations following that.

Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Chairman, I would like to raise a question on the amount of money to be used in buying material in this legislation from 10 to 15 percent.

It reminds me of the situation that if I went over there to the gentleman and said I would be glad to paint the gentleman's house for nothing and the gentleman would say, "I would be glad to have you do it if you buy the paint, too."

Evidently the communities are saying it is not enough to get the money for public service employment and 10 percent for materials, we have to increase it another 5 percent. They will not even put up the money for the materials. It shows again this is merely a substitution of Federal money for local money and they are not even willing to put up the local money.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I yield 1 minute to the gentleman from Rhode Island (Mr. BEARD).

Mr. BEARD of Rhode Island. Mr. Chairman, I support H.R. 11453, along with many thousands of Rhode Islanders who are out of work, as well as thousands and thousands of people in this country that are out of work.

Now, the White House has painted a picture that the 7.8 percent unemployment rate at the present time appears to be pretty good and things are rosy around the corner.

Mr. Chairman, tell that to the Vietnam veterans, 8.1 percent out of work.

Tell that to the minorities between 16 to 19, when 34.6 percent of them are out of work.

Tell that to the construction workers in this country, 15.4 percent out of work.

Tell that to the agricultural workers, 10.8 percent of those people out of work.

Tell that to the manufacturing workers, and that is a good portion of our working people in Rhode Island, 8.1 percent out of work.

Tell that to America, that people are back to work and they will reply with a little different story than the White House is telling us.

Mr. ESCH. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa (Mr. GRASSLEY).

Mr. GRASSLEY. Mr. Chairman, I appreciate the opportunity to bring forth some points on public service employment. We hear much about the fact that each percent of unemployment costs the Federal Treasury $15 billion a year. What has not been said in this debate, and I want to bring out, is the fact that if we want to reduce unemployment by 1 percent through public service jobs, it will cost $10 billion to do that. Now, that is a rule of thumb that I have seen appearing in the news media and the publications of the Federal Government for quite some time now. Stop to think of the fact that if we had to borrow an additional $80 billion to reduce unemployment to zero, where would we get that additional $80 billion, borrow it, and make the Federal deficit this year $150 billion, instead of $75 billion? Where are we going to get it, out of the clear blue thin air? Are we going to turn on the printing presses and feed the fires of inflation? I am suggesting to this House that if we are going to go that route, we would have so much of a loss of confidence in the U.S. monetary system that there will not be any faith left in the free enterprise system and everything that has brought this country to greatness is going to go down the drain.

Then, additionally, I want to speak to

the point of the prophets of doom and gloom who speak about all the unemployment we have. Remember that we have 92 percent of the people in this country employed. That is 85 million people and the number is increasing. I remember back in the midsixties when President Kennedy had high unemployment and there was talk of doing something about it.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. ESCH. Mr. Chairman, I yield the gentleman from Iowa 1 additional minute.

Mr. GRASSLEY. Mr. Chairman, I remember that George Meany was reminding public officials and the American public in the early sixties that we would have to create in the next decade jobs for at least 4 or 5 million more people, 68 to 70 million people. I want to remind the people who are losing faith in the American system of creating jobs in the private sector, that today, 10 to 12 years later, we have 85 million people employed in this country and it was not because of any help of any Government agency. They are employed in the private sector and we want to remember that when we consider the gloom and doom permeating the debate concerning the 8 percent of the American population unemployed. As the gloom and doom expressed by George Meany in the early sixties proved to be without basis, so the gloom and doom expressed today will prove to be baseless.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I yield 5 minutes to the distinguished chairman of the full Committee on Education and Labor, the gentleman from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Chairman, this bill has two distinct purposes. The first is to extend the authority for the existing public service jobs program under title VI of the Comprehensive Employment and Training Act—CETA—which has expired. The second is to create authority to provide additional jobs through a new program of short-term employment projects.

There are now approximately 320,000 public service jobs funded under CETA. This bill would continue that job level through fiscal year 1977 under the existing authorities with only minor changes. The employment project provisions under part B are designed to create an additional 280,000 jobs, so that the total number of public service jobs will reach 600,000 nationally by June 30. The bill would maintain that level throughout fiscal year 1977. This is the target set by the second concurrent budget resolution. When you consider that even the economic optimists hired by the administration concede that unemployment will not get below 7 percent during the same period of time, this proposal looks like a very modest response.

As I have said, part A of the bill would maintain a steady level of funding for 320,000 public service jobs nationally for the remainder of this fiscal year, the transition quarter, and fiscal year 1977. These jobs are now funded mainly under title VI of CETA, which becomes title VI, part A in this bill.

We adopted three changes to the existing title VI program as we folded it into this new bill. First, we permit 15 percent of the funds to be used for various administrative expenses, including supplies, equipment, and rent. This change was supported by virtually everyone connected with this program, as was the second. This was to permit a small increase in the salary ceiling from $10,000 annually to $12,000 for up to one-third of the public service job holders in a particular prime sponsorship area. The third change involved creating a preference under part A only for the reestablishment of essential public health and safety jobs.

As regards the new project section, part B, there are a few things worth pointing out. First, I think we have occasionally had a hard time pointing to the specific accomplishments of public service employment beyond the primary one of providing an unemployed person with a job. The problem has been that the services performed by these individuals have, typically, been a small increment to an already existing service. So the taxpayer does not see the impact of his public service employment tax dollar. By going more in the direction of projects which will perform some new or different service, and to projects which provide small-scale capital improvements such as rehabilitation, repair, alterations, painting and other improvements to public buildings, roads, transportation facilities, public health and education facilities and other public facilities, we should add a lot more visibility to the use of this money so that people can actually see what their tax dollars are doing for them.

To my way of thinking, this new part B will be of tremendous benefit to all areas of the country and, in my judgment, is much better suited to the needs of the rural counties which I represent than is the traditional approach to public service employment.

I know there are Members who may wonder what the difference is between our proposals under part B and the public works bill that was adopted in this Chamber just 2 weeks ago. I can certainly understand this, and I want to say unequivocally that I strongly support the approach taken in the public works bill. I feel just as strongly about the wisdom of the approach in part B of this bill although there are several important differences between the two.

First, I think it is safe to say that the jobs we are providing here will start quicker and end quicker than those in the public works bill. These projects do not involve any new construction, nor may they involve a substantial capital investment—85 percent of the money must be used for wages and benefits only. So the projects will be small-scale in nature.

We also stipulate that no project may last for more than 12 months, and to make sure that everybody knows we are dead serious about this, we have further required that all funds under part B be fully spent within 12 months of the date of obligation by the Labor Department. If they are not, they revert to the U.S. Treasury forthwith.

I think these provisions make it abundantly clear that what we are attempting to create here are only temporary jobs to help absorb some of the tremendous unemployment created by this recession, and that this program will be very easy to phase down or out when unemployment returns to acceptable levels.

We have tightened up on who can be hired with these funds and made it mandatory that financial records relating to the project, and the name, position, and salary of everyone hired under this program be kept and made available to the public. As for who can be hired, we ruled out any relative of anyone with responsibility for hiring for a position funded under this act, and we defined what we meant by "relative." We also said that you could not get a public service job if someone else in your household had one, and we gave preferred consideration in filling these jobs to those who did not have other sources of income.

I know that some people think this has just been a program to reemploy State and local government workers, but this just is not so. The latest statistics show that less than 5 percent of all job holders under public service employment were rehires. Less than 5 percent. So these jobs are being spread around and they are new jobs; let there be no more misunderstanding on that. Under the project approach they will be spread around even more.

As for what this bill will cost, let me say that if it is fully funded, the Congressional Budget Office estimates the total cost would be $5.9 billion over the next 20 months. This breaks down as follows: $500 million for the remainder of fiscal year 1976, $1.1 billion for the transition quarter, and $4.3 billion for fiscal year 1977. Just keeping the people who are already employed in this program in their jobs will cost about $3.6 billion over the same period of time.

But I want to emphasize that these figures may or may not be reached depending upon the level of funding provided. The authorizations are $1.2 billion in fiscal year 1976, and such sums as may be necessary for the transition quarter and for fiscal year 1977.

I should also add that there is a great need to move this legislation along quickly because there are many people currently employed in jobs funded under title VI of CETA who may lose their jobs between now and June 30 unless we appropriate more money. Far and away, the best way to do this is through a supplemental appropriation under title VI of CETA, but that title's authority has expired. This bill would extend it through fiscal year 1977.

In addition to the immediate problem of layoffs, we also have to extend this authority in order to prevent all 320,000 people from being laid off on June 30.

We think we have learned some valuable lessons from our previous public job creation efforts, and we think we have come out with a bill that is good and tight, well conceived, and certainly an appropriate response in view of the economic conditions that confront our citizens. Several months ago, the Congressional Budget Office did a comprehensive study on every know temporary measure to stimulate employment, from tax breaks to job creation. Their conclusion was that the most effective, most flexible, and most controllable of all temporary programs to stimulate employment was public service employment.

We think we have come up with an approach to temporary job creation that is directly countercyclical, that can be started up very quickly and phased out in very short order once the need for it no longer exists. We hope in our hearts that that day will come soon, but in our minds we know it is a long way off. For now we must do what we can to relieve the devastation of wide-spread unemployment. This bill merits your support.

Mr. ESCH. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. Wylie).

Mr. WYLIE. Mr. Chairman, I thank the gentleman from Michigan (Mr. Esch) for yielding me this time, and I take this time to engage in colloquy, if I may, with the distinguished chairman of the subcommittee, the gentleman from New Jersey (Mr. Dominick V. Daniels) to make legislative history or to establish congressional intent.

Mr. Chairman, I would like to present not a hypothetical situation but an actual case involving the city of Columbus.

According to the city charter and the State constitution, the city of Columbus is required to balance its budget, and in doing so this year 447 city employees were laid off. Mayor Moody thought he could rehire them under the CETA program.

As a matter of fact the city administration attempted to rehire 338 of the 447 employees. The city of Columbus had enough CETA money to do this. The Labor Department told Columbus it could only rehire 10 of the laid off city employees and that the CETA money had to be used to hire new employees. The city of Columbus went to court with the Labor Department.

The city employees that were laid off were city sanitation workers. The mayor was told by the Labor Department that he could hire new employees to learn to cook, to make beds, or bike trails or to do something new with the CETA money.

What does the gentleman understand congressional intent was in this regard? Was the congressional intent to have been that the city of Columbus or cities similarly situated would be permitted to use this money to rehire employees where there was, as the gentleman said, a bona fide layoff?

Mr. DOMINICK V. DANIELS. Mr. Chairman, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from New Jersey (Mr. Dominick V. Daniels).

Mr. DOMINICK V. DANIELS. I will say to the distinguished gentleman from Ohio (Mr. Wylie) that I believe the Labor Department in that instance was in error.

There is no statutory prohibition. I do not think there was any intent in the legislation that we enacted a year ago last December, the Emergency Jobs and Unemployment Assistance Act, to prohibit the reemployment of those persons.

However, it has been the Department procedure that the number of laid-off public workers that may be rehired with CETA funds relative to the total number that may be hired under the act may not exceed the total percentage of unemployed Government workers in the prime sponsor area.

I would also like to direct the gentleman's attention to page 11 of the report which accompanies this bill, with regard to the rehiring preferences for essential public health and safety personnel.

We have a special provision in this bill which applies to part VI–A, which authorizes the prime sponsor to give special preference to the rehiring of essential public health and safety officers, provided, of course, they are on bona fide lay-offs.

I assume, from the facts the gentleman has given me, that his city did act in good faith, they were faced with a fiscal crisis, and they were obliged to cut down.

Mr. WYLIE. That was agreed to by everyone involved in the lawsuit. It was stipulated that everyone acted in good faith in this situation. But the judge referred to a rule of the Labor Department with reference to the makeup of the persons who could be hired with CETA money and referred to a rule which says the prime sponsor may submit a plan for three kinds of employment, comprehensive training, on-job experience, and public service employment, and that the plan has to relate to the unemployment situation in the community.

In Columbus there are about 20,000 unemployed persons. When the city workers were laid off, there were 477 city employees unemployed, so a formula was developed; 20,000 was divided into 447 so the city could rehire 2 percent, which meant the city of Columbus could rehire 10 persons. The Labor Department applied what it called the so-called New York compromise formula in that situation.

The CHAIRMAN. The time of the gentleman from Ohio (Mr. Wylie) has expired.

Mr. ESCH. Mr. Chairman, I yield 1 additional minute to the gentleman from Ohio (Mr. Wylie).

Mr. WYLIE. Mr. Chairman, I am wondering if that so-called New York compromise formula was unique to the city of New York and should not have been applied to the city of Columbus.

Mr. DOMINICK V. DANIELS. Mr. Chairman, if the gentleman will yield, I think the New York situation was indeed a unique situation and only applied to that particular city, and I believe it should not have been applied to the city the gentleman previously referred to.

Mr. WYLIE. Mr. Chairman, the gentleman from New Jersey also referred to language on page 11 of the report which indicates that city employees who are policemen, firefighters, sanitation workers, hospital workers, and the like, may qualify for rehiring under this bill. Is that a change in the present law?

Mr. DOMINICK V. DANIELS. Yes, the reference which I made to page 11 of the report reflects a specific change in the law, in addition to which there are two other changes. I understand the gentleman is primarily interested in this particular change concerning the rehiring.

Mr. WYLIE. So in the actual case which I cited to the gentleman there would not be any question, if this bill passes, that the city of Columbus could rehire 338 sanitation workers?

Mr. DOMINICK V. DANIELS. In my opinion, the answer is: Yes. And I am sure that is the intention of the committee as well.

Mr. WYLIE. Mr. Chairman, I thank the gentleman.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland (Mr. Mitchell).

Mr. MITCHELL of Maryland. Mr. Chairman, I recognize that this piece of legislation is not designed for any one interest group. I realize that there is a necessity for addressing across the board, the matter of unemployment which is endemic in the country.

I want to take a couple of minutes to speak of the sheer agony of unemployment in the black community. I wish there were some way the Members could spend some time with me moving around this country and moving around in my own district, and hearing the agonizing stories of men and women who are almost on the brink of despair because they cannot find a job. Certainly in all selfishness I would say that I would prefer that the unemployment in the black community be addressed first. That is selfish. I know that that cannot be done.

But let us give the black community some relief while we are waiting to target areas in terms of specific groups. Let us give some relief to these people, relief such as is contained in the legislation before us.

Mr. Chairman, let me just read briefly from a portion of a letter I received. I will read 2 paragraphs or so. The letter is addressed to me from a constituent, and this is what it says:

> Personally you don't know me but in my need for a job I've turn to writing you this letter. I know jobs are very few and I've tried just about every place there is to go to look for a job.

The writer goes on to say he has tried the mayor's office of manpower, the unemployment building, and others. This man has even been to the private companies where one has to pay to get a job, and he could not get a job.

Finally, in the next paragraph, he says this:

> Does a man have to commit a crime before he can get any help? I've never been convicted of any thing & still can't find a job. I realize the men I have talked to, that do work for the city can just be talking—

And he is speaking about getting some city jobs—

> but with two children & non-support hanging over my head, I figure there's nothing to lose by writing you. I love my children but you can't get blood from a turnip.

The constituent goes on to say this:

> God knows I don't want to go to jail, not at this late age. (Age 28). I am wishing and hoping you can send me some information or anything.

He is begging for any kind of work he can find.

Mr. Chairman, I ask those Members who want to criticize the legislation in front of us, can they go and tell this man, Mr. Pearson, that this is duplication? Can they go and tell Mr. Pearson the House has already acted on this? Can they try in their own tortured kind of rhetoric to explain to this man, who is desperate and who is symbolic of hundreds of thousands of other desperate men, why he cannot find a job? Let them explain it if they can.

Mr. Chairman, I ask that we pass the bill so we can provide some relief to my community.

The CHAIRMAN. The time of the gentleman from Maryland (Mr. MITCHELL) has expired.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I yield 1 additional minute to the gentleman from Maryland.

Mr. MITCHELL of Maryland. I thank the chairman for yielding.

Mr. Chairman, it is so very easy for us in this Chamber, who sit somewhat isolated from the day-to-day problems of the people that we represent, to start dealing in rhetoric, to come up with some grandiose theories. It is so very easy for us to suggest that maybe there is a better piece of legislation coming down the line some time, some place, somewhere; but that does not mean anything to Mr. Pearson or to the hundreds of thousands of Mr. Pearsons around this country.

Mr. Chairman, I suggest that we ignore the substitute. It is not going to address the problem of this man. I suggest that we cut out all the rhetoric and all the partisan attitudes on this bill. I suggest that we ignore the White House and its threat of a veto. I suggest that we address the problems of the human being who is hurting, who is desperate, and who needs some help.

Mr. Chairman, I rise in full support of H.R. 11453, the emergency employment projects amendments.

This 94th Congress has the unalterable mandate to attack, and attack until conquered, the three-headed monster of unemployment, inflation, and recession which is romping almost uncontrolled in our land. Too many of our citizens have already fallen victim to this monster. Many others are continuously being frozen in its path and will soon fall prey unless we representatives of the people seize every opportunity to act, using every weapon in our arsenal which has proven of value in our fights in the past.

Public service employment has proven to be an invaluable weapon. Therefore, this House must act to pass H.R. 11453, which will allow us to renew the fight by extending Title VI of the Comprehensive Employment and Training Act, CETA, through fiscal 1977 as well as creating a new program of short-term job projects.

I am proud and honored to serve on the Budget Committee of this House. As a result of this appointment, and with the tremendous aid of Congressman LOUIS STOKES, we were able to convince the majority of our colleagues in this House to add $1 billion in budget authority and $225 million in outlays for CETA programs for fiscal year 1976 to House Concurrent Resolution 466, the budget resolution under which Congress currently operates. In fact, $750 million in budget authority and $125 million in outlays were specifically for title VI of the CETA program.

As Members of Congress, the people of this country are looking to us to establish Federal spending priorities which address our economic woes. As Members of Congress, we must exercise the responsibility to question the effectiveness of every spending program. We must ask why are we adding this sum to the budget? We must ask what does the program do, or what has it done in the past?

Mr. Chairman, those moneys to which I earlier referred were added to the budget for the sole reason of attacking unemployment through the CETA program. For those of my colleagues who may have some doubt, I am testifying today that the CETA program, particularly its title VI, is not a wasteful, frivolous Government give-away. It is a meaningful employment program that works and, most importantly, often aids those with the greatest need to be employed. Further, the jobs which are performed usually provide necessary services to others with real needs.

In my own city of Baltimore, Md., at the end of June 1975: 73 percent of those participating in title VI programs were male; 71 percent were considered economically disadvantaged; 65 percent were black; 42 percent were veterans; and 18 percent were ex-offenders. All were people in desperate need of employment.

The services provided by participants in the title VI rogram enhanced the quality of life for many Baltimoreans whose needs would have otherwise gone on neglected. In fact, my colleagues should note that some of the services provided are the exact services that we know are needed nationally, but for whatever reasons we have not been able to legislate for the benefit of our constituents.

If I am not mistaken, this body currently has pending in its committees legislation which would require that all Federal buildings and areas be made easily accessible to the handicapped. In Baltimore, CETA employees are already carrying out a program of altering curbs in the downtown area, particularly around the city's hospitals, which will allow such access by the handicapped and the elderly.

I know that Members continuously receive complaints about the time usually necessary to process applications for food stamps and other social services. This extra time often means that someone—some family—has to suffer a little longer, has to be hungry several more nights. If I am not mistaken, legislation is currently pending before the appropriate House committee which will address this problem.

In Baltimore, 70 CETA title VI employees were placed in our Department of Social Services and subsequently the waiting period for food stamp certification was reduced from 46 days to zero days.

President Ford, on January 6, sent to this Congress a budget recission message which included the impoundment of $60 million scheduled to be allocated for the section 312 housing rehabilitation program. While I am confident that my colleagues will never approve the President's action, already in Baltimore, CETA title VI employees are rehabilitating recreation centers, rehabilitating public schools, and rehabilitating homes owned by the elderly poor.

With all of these positive actions already in motion in Baltimore as well as numerous localities across the country; if we fail to pass H.R. 11453, these movements against the monster will cease. I know that in Baltimore, our unemployment rate is 11.2 percent. If title VI is not extended, prime sponsors of the program will have exhausted their funds by June 30, 1976. In Baltimore, at least another 1,000 people will be added to the unemployment roles. The same thing will happen in every State.

If we fail to pass H.R. 11453, services will go unprovided, the unemployment rate will go unchecked, crime rates will go higher, people who want to work, who are begging for the chance, will go without jobs—and we should all go home, because we are certainly not doing ours.

I implore this House to pass H.R. 11453.

Mr. ESCH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I wanted to rise to compliment the gentleman from Maryland (Mr. MITCHELL) on his eloquent representation of Mr. Pearson and the other Pearsons of this country.

The fact remains that the legislation before us will not target in on providing employment opportunity for the minority groups in the country. Indeed, the statistical information shows that only one out of every five jobs created by this act will be provided in any way for those minority groups, especially in the innercity. Therefore, I would suggest that it is the responsibility that this body, this Congress, and this administration recognize that the problem today of unemployment is with the minority groups in the innercity and develop programs that will affect those individuals, but not to cruelly hoax Americans by suggesting that this bill will have any significant impact upon the Pearsons of this country, because surely it will not.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. ESCH. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, if the gentleman will recall, in my discussion on the floor I said I would prefer legislation that was partial to the black community. We do not have it, and the prospect of getting that kind of legislation at any time in the near future is not good.

Mr. Chairman, the gentleman argues that only one out of four of the minorities get the jobs under this program. Then, for God's sake, help that one for now. Why delay? If we cannot help them all, at least help some. That is the only point I am trying to make.

Mr. ESCH. Mr. Chairman, I would say to the gentleman from Maryland (Mr. MITCHELL) that it is our responsibility to target in on the areas of greatest need. If we are going to use the country's resources and the taxpayers' resources, then we ought to solve the problem where it exists, not where it does not exist.

The substitute will provide the flexibility to continue on with the programs that we have now and do some targeting. It will continue on in just the same way as the bill before us, but then this Congress ought to get busy and provide meaningful jobs for the unemployed in the country.

This bill will not do that.

Mr. MITCHELL of Maryland. If the gentleman will yield further, I merely want to reemphasize that I understand this bill does not target. I understand that the substitute does not do any kind of adequate targeting either.

However, while we are waiting around for targeting, while we are waiting for the kind of legislation that the gentleman says he wants and that I want, why not let us help some people right now? Let us deal with. I say to my colleague, if we help one out of 10 or two out of 20, that is at least helpful.

Mr. ESCH. Mr. Chairman, I appreciate the gentleman's philosophy, but I would suggest that the responsibility to the taxpayer is to put the dollars where the need exists, and this bill will not do that.

Mr. MITCHELL of Maryland. I would suggest that it is irresponsible not to meet the needs of a few if we can.

Mr. ESCH. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I believe the gentleman from Maryland (Mr. MICHEL) is right, if there was some way of targeting the legislation it would be better. The gentlewoman from New York (Mrs. CHISHOLM) attempted to do that in the committee and she was not successful. She could not even include a special consideration for economically disadvantaged people.

The fascinating aspect about this bill is that while the substitute does not do any targeting, the bill does target, but targets funds toward rehiring police and firemen and public health personnel. This means that as soon as the money becomes available any city that claims that it has budgetary problems can then immediately transfer those individuals on to the Federal payroll. They do not have to be unemployed in the sense that they have to be now.

So it targets it for individuals who are presently on the local payrolls.

And I hear talk about helping the veterans or the economically disadvantaged, those on AFDC and those drawing unemployment insurance, but the facts show they are not going to be benefited. As I indicated earlier, there are only 12½ percent of the public service people who are receiving unemployment insurance, less than 10 percent on welfare. Less than 15 percent who were Vietnam veterans.

The problem as I see it, there are communities one group of who currently have people on public service employment which should not be terminated since local taxes would have to be raised to keep them employed.

Then there are those who would like to see an expansion, to help subsidize the local treasury. This we should not do.

The administration proposed that we appropriate $1,700,000,000. They urgently request these funds now to prevent layoffs in those communities who are running out of money. The legislation before us today will delay this urgently needed appropriation.

I imagine some of the Members might feel that it would be better to transfer this title 6 over to title 2. And it is quite all right with me if we transfer over to title 2, but there are those who do not want such a transfer because of the effect the different formulas will have on distribution of funds.

So, rather than get into this hassle, I am proposing my substitute, which would continue title VI through fiscal year 1977, and leave it to the Committee on Appropriations to determine how much needs to be appropriated. The Appropriations Committee can determine whether they want to go the administration route, and start phasing down in 1977 as these individuals move into other jobs, or whether they want to keep them on at that same rate throughout 1977. These are the options if you vote for my substitute. If you vote for this bill, you will be voting for further substitution and further abuse of CETA dollars by localities. You will be voting for more general revenue sharing, but general revenue sharing to rehire Government employees. This is simply not going to help those people who presently are unemployed. As was mentioned earlier, 7.8 percent unemployed is still not an acceptable level but most of those 7.8 percent unemployed are individuals who have been unemployed for a long period of time. H.R. 11453 does very little for them. For that reason we should not enact this legislation but adopt the substitute and get on with the job of development programs that the gentleman from Michigan (Mr. ESCH) talked about. The best thing we could do today is to stimulate private employment so that these individuals would have real productive jobs, and this would help reduce inflation rather than increase inflation in this country.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from Minnesota.

Mr. FRASER. I thank the gentleman for yielding.

Mr. Chairman, I wonder if the gentleman from New Jersey might comment on an aspect of this bill that is of special concern to my district.

The city of Minneapolis has had a problem with the current funding system for the CETA program. At the urging of the Department of Labor, Minneapolis agreed to participate in a CETA consortium. However, after Minneapolis joined the consortium, the city found that it could not receive "hold harmless" funds. This special type of funding, allocated last summer by the Secretary of Labor, would have been available to the city had it not joined the consortium. Minneapolis now feels, and understandably so, that it is being penalized for agreeing to participate in an areawide manpower agency at the urging of the Department of Labor.

In its report, the Education and Labor Committee indicates that the Secretary of Labor is to use his discretionary funds to enable prime sponsors to maintain existing CETA program levels under the part A program. It is my understanding that members of consortia who are eligible to be prime sponsors will be treated as if they were prime sponsors when these discretionary funds are distributed. Is my interpretation of the bill correct?

Mr. DOMINICK V. DANIELS. The gentleman's interpretation is absolutely correct.

Mr. Chairman, my colleague from Minnesota, Representative DON FRASER, has brought to my attention a problem of the city of Minneapolis with the current funding system for the CETA program. At the urging of the Department of Labor, Minneapolis agreed to participate in a CETA consortium. However, after Minneapolis joined the consortium, the city found that it could not receive "hold harmless" funds. This special type of funding, allocated last summer by the Secretary of Labor, would have been available to the city had it not joined the consortium. Minneapolis now feels, and understandably so, that it is being penalized for agreeing to participate in an areawide manpower agency at the urging of the Labor Department.

In our report, the Education and Labor Committee indicates that the Secretary of Labor is to use his discretionary funds to enable prime sponsors to maintain existing CETA program levels under the part A program. Members of consortia who are eligible to be prime sponsors will be treated as if they were prime sponsors when these discretionary funds are distributed. The gentleman's understanding is absolutely correct. The committee intends that if a community is eligible to be a prime sponsor but has opted to joint consortium, it should not be penalized for joining the consortium by losing the opportunity to obtain "hold harmless" funding.

Mr. FRASER. Mr. Chairman, I thank the gentleman very much.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I yield 2 minutes to the gentleman from Florida (Mr. LEHMAN).

Mr. LEHMAN. Mr. Chairman, I rise in support of H.R. 11453. To me it is not a question of whether this country can afford the money involved in this bill, but whether we can waste the human value we waste by not keeping employed those willing and able to work. I think it is also very important to think of the kinds of jobs that this legislation provides that will improve the quality of life of all the people in our country.

Under this bill not only will we be able to get more employees in the local government agencies in those kinds of jobs to help in health services, protection against crime, aid to our school systems, but this bill will also provide jobs in hospitals and institutions of higher learning, and even for civic club and service club activities.

H.R. 11453 not only offers hope to the people that want to work, but it will help people throughout our entire society.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Chairman, I rise to strongly recommend that the House pass H.R. 11453, the Emergency Employment Project Amendments of 1976. Passage of this legislation, coupled with the recent enactment of the Public Works Employment Act, signifies that the Congress, since the first of the year, has passed legislation which will provide more than 1 million Americans with the opportunity to be removed from the ranks of the unemployed.

It should be apparent by now to the American people, that this Congress has made the war against unemplyment our No. 1 priority. It is our hope that the President will not impede our efforts to win this war.

This bill today addresses itself to the continuation and expansion of one of the most proven pieces of legislation ever passed, the Comprehensive Employment and Training Act. H.R. 11453 will authorize funds to maintain a level of 600,000 public service jobs through the end of 1977. Funding would be continued for the existing 320,000 public service jobs under titles II and VI of CETA, and 280,000 new jobs will be created by the end of this fiscal year.

One of the most important provisions in this bill is contained in part A. Under this section, a preference in the use of funds will be given to the reestablishment of jobs which are essential to public health and safety; jobs that have been lost due to bona fide budgetary layoffs. I led the fight in the education and labor committee to insure that this provision would remain in the bill. What this means is that the prime sponsor receiving funds under H.R. 11453, can provide funds to rehire laid-off police, firemen, correction officers, parole officers, school crossing guards, housing and transit police, hospital workers, and other essential public health and safety personnel.

These funds are critically needed in our major cities which have encountered serious budgetary problems in the past several years. In the city of New York, more than 3,000 police, firemen, and correction officers have been laid off since July. Most of these laid off public safety personnel, participated in a dramatic protest march this past September in Washington. In a downpour, I and others, promised these men and women that we would work for passage of legislation which would help them regain their jobs. We have the opportunity today, to fulfill this commitment and allow these dedicated public servants the chance to return to work.

The safety of 8 million New Yorkers has been imperiled since these layoffs went into effect. Figures issued today show that the crime rate for New York City increased by 11.8 percent in 1975. This is the largest annual increase in 10 years. Murders have increased to a point where there are an average of five committed each day in the city. To a large degree, these increases can be directly attributed to the decreased numbers of police available to fight crime. In addition, serious fires, arson, and accidents involving schoolchildren, have increased as a result of layoffs of firemen and school crossing guards.

Such problems are not limited to New York City. Other municipalities have been forced to make severe cuts in the ranks of essential public health and safety personnel available to serve their citizens. For all of these localities, it is imperative that this provision, giving a preference for the rehiring of essential public health and safety personnel, remain in the bill. I will fight any effort to have it removed.

Mr. Chairman, the tragedy of unemployment is felt today by some 7.3 million American men and women. Many of these individuals have been driven to the brink of poverty and despair, while others have been demeaned by having to accept public assistance. Their desire to work has thus far, been unmatched by the ability of the Federal Government to provide job opportunities. For 600,000 of these Americans, the opportunity is here. H.R. 11453 is a bill whose time has come. We are finally realizing that our economic problems cannot be solved by passing legislation for programs which will perpetuate unemployment. Our goal can only be achieved by passing legislation which will actively reduce unemployment. I wish to pay tribute to the distinguished chairman of the Manpower Subcommittee of the House, Hon. DOMINICK DANIELS, whose leadership is recognized and respected on both sides of the aisle. Let us reward his efforts by passing this bill today.

Mr. ESCH. Mr. Chairman, I yield 1 minute to the gentlewoman from New Jersey (Mrs. FENWICK).

Mrs. FENWICK. Mr. Chairman, I thank the gentleman for yielding.

I think all of us in this House—and I wish more had been present here—were moved by the remarks of our colleague from Maryland. I do not think there is a tradegy that compares with losing one's job. There is something more frightening about it than anything else except desperate illness.

I do not know how I will vote on this bill but I will listen to the discussion and I want to know what the cost is and I want to study it.

I believe it is important to recognize what we are considering today and what we will be doing on this bill. We are doing a form of revenue sharing, and it would be better if we admitted it, because I think revenue sharing is good. We cannot have our taxes just rising and rising and rising in our desperate towns. But let us really do it. Let us admit it. Let us do it without categories. Let the people in our States do what they think is best.

Mr. ESCH. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, in summary I would address the committee by reading from an information sheet which was put out by the chairman of our subcommittee. In part it reads:

> This bill is an authorization and does not directly provide budget authority. Actual funding is subject to appropriations afterward.

I would urge the members of the committee to recognize that the most successful way to assure current funding in title VI would be to pass the substitute legislation, then to make a determination of where the needs are, and then to discuss and debate and decide these questions on the appropriations bill.

Indeed it is obvious that in this election year we are at the election-unemployment-elocution phase of our endeavors.

Second, we ought to recognize that this bill, which has been thoroughly discussed here today, fails to target those areas where the greatest need is, such as Michigan. The formula in this bill actually takes money away from areas of greatest need and moves it out into areas where there is less unemployment than what we have, for example, in the inner cities and among certain unemployment groups, such as youth and those in construction, manufacturing, and the auto industry.

I believe we ought to move ahead aggressively to solve the unemployment in the country. There is no question about that. But what we ought to do is to proceed in a reasonable and analytical way, and in a way that actually creates productive work.

Mr. ZEFERETTI. Mr. Chairman, will the gentleman yield?

Mr. DOMINICK V. DANIELS. Mr. Chairman, I yield 1 minute to the gentleman from New York.

Mr. ZEFERETTI. Mr. Chairman, I rise in strong support of the committee bill.

Mr. Chairman, more than 7 million Americans, that we know of, are still out of work. Many are almost at the end of their unemployment benefits. Millions of jobless people are not showing up in the statistics because they have given up looking for work, are only partially unemployed or have entirely used up all benefits. These people, taken all together, constitute the worst jobless mass since the Great Depression ended with the onset of World War II. It does little good to applaud a drop in the jobless rate when the situation is so serious, has endured for so long, and has caused so much acute deprivation and hardship. Nor does it help to repeat meaningless platitudes about things getting better and better to men and women with little prospect of being able to provide for themselves and their families in the near future. The Congress was elected to implement meaningful solutions to problems exactly like this one, and we should waste little time now in dealing with joblessness.

H.R. 11453 is a job-creating piece of legislation extending the Comprehensive Employment and Training Act, and authorizing necessary funding to create a program of short-term jobs projects, primarily nongovernmental. Some 320,000 Americans are presently employed under titles II and VI of CETA, but title VI authority has already expired and prime sponsors will be forced to lay off most of these workers as funds are exhausted. This bill would prevent most such events from occurring.

One part of this bill will act to prevent the loss of existing jobs. Another part of the proposed legislation authorizes 280,000 new jobs on a short-term basis, mainly in nongovernment work. Projects will be sponsored by a great variety of groups, and all are slated to provide tangible benefits to the communities where they are undertaken. Sponsors include local educational agencies, private nonprofit agencies, institutions of postsecondary education and Indian tribes.

The bill also contains a very meaningful and vital section dealing with municipal civil service employees, who have lost jobs through forced layoffs in significant numbers across the Nation in the past several years. These skilled city workers include police, firemen, sanitation workers, correction personnel, teachers, hospital employees and administrators. They perform vital services for municipalities across the land, and the bill contains a provision allowing these laidoff employees to obtain some preferential consideration in applying for such work. It is essential that we understand their plight and do something tangible to help them to help themselves.

Nor does this measure in any way offer any added fuel to the fires of inflation. It is an authorization, leaving actual funding to appropriations initiatives.

For every 1 million Americans out of work, we all pay more than $3 billion in unemployment compensation and welfare checks, and lose $14 billion in taxes. The administration has not offered any acceptable alternative. In fact, the President's proposals would reduce current job levels; an unacceptable choice.

The original bill in question here guarantees that those most in need will have first crack at employment. Screening to prevent fraud is built into the bill, and the measure has broad national bipartisan support. The National Governor's Conference, National Conference of Mayors, AFL–CIO and National Association of Counties all have endorsed the concept.

Public service employment has an honorable, useful history in the United States in this century. It is useless to try to deny the effectiveness of this approach. When this many people need jobs, we should not hesitate. Figures show that Vietnam veterans, nonfarm laborers, construction workers, and young people generally are appallingly hard hit by unemployment. It makes good sense to put them to work; to allow them to earn money while doing tasks benefitting communities and getting our economy oiled and moving again.

I vigorously support this measure and urge my colleagues to understand the need this legislation will fill. It is both good economics and overdue social justice.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I yield the 2 minutes remaining on our side to the gentleman from California (Mr. HAWKINS).

Mr. HAWKINS. Mr. Chairman, I think that this bill does not present all of the great things I would want in a bill and I think much criticism could be leveled at it, but I think it does help to redirect economic policies in the right direction. Today we vote not so much on cost, today we vote not so much on the question of technical complex issues, but today rather we vote on a position of statement.

Since 1950 we have suffered five recessions, each one worse than the previous one. We are now in the deepest and longest one of all.

I think it is significant that in the 1950's we averaged 4.5 percent unemployment. In the 1960's we averaged a little more than 5 percent unemployment and in the 1970's we are averaging between 6 and 7 percent, even if we assume the most optimistic forecast.

I think that it is significant that current economic policies have brought us to this position, that it is significant that three recessions were covered under the economic policies of the Eisenhower administration, one under the Nixon administration, and one under the current administration.

I think that when we devote ourselves to the economic issues, that we will be driven to the conclusion that this is more than an economic issue, that it is one of a moral responsibility.

Mr. Chairman, in recent letters that I have received from the Catholic bishops of the United States and of the United Methodist Church endorsing the concept of putting people to work, rather than deliberately creating unemployment, they have pointed out the close connection between unemployment, crime, juvenile delinquency, drug addiction, mental disorders, and social tensions. I think we should relate today to those problems and not to the dollar cost of different programs. If we do that, we will assume the greater responsibilities that current policies, even if they were economically sound, which they are not, that would be socially unjust and morally wrong. We should review them and vote for the passage of the bill before us.

Mr. HARRINGTON. Mr. Speaker, as we take up the matter of the CETA funding formula and its relative fairness to each region of the country, I would like to take a moment to share with my colleagues the results of some research done by my office.

As many are no doubt aware, the jobless rate in New England runs well above the national average. While the national unemployment rate is currently alleged to be 7.8 percent, the State of Massachusetts is still experiencing a jobless rate of about 12 percent.

Unfortunately, this intolerable level of unemployment is not surprising given the current economic stagnation in the Northeast, nor is there any real hope for a marked improvement in the near future. Recently published employment projections indicate that the New England region's labor force is growing at a rate which is approximately 50 percent behind the national average. These figures do not paint a very pretty picture. However, they do serve to indicate the importance the New England region attaches to the programs embodied in CETA legislation, and the way in which those funds are distributed.

In an attempt to determine whether we in the Northeast have been receiving our fair share of CETA funding, my staff took a look at the previous regional distribution of funds under titles II and VI. The results are startling.

We found that when we compared dollar allocations by geographic region under the two programs, a pattern of regional discrimination becomes unmistakably evident. In fiscal year 1974, region I, which is comprised of Massachusetts, New Hampshire, Rhode Island and Vermont received $26.8 million under the title II program. Under the existing formula, the funding level for title II was raised to $28.3 million in fiscal year 1975, an increase of 5.6 percent at a time when we were experiencing a jobless rate of approximately 14 percent. The increase, however welcomed, was statistically insignificant when compared to the funding increase enjoyed by region IV—basically comprised of the Southeastern States—which was a hefty 350 percent over the same period. While I in no way wish to minimize the unemployment problem of the South, or the rest of the country, I respectfully submit that their job shortage, however severe, comes nowhere near the 14 percent unemployment rate we were experiencing.

For the benefit of my colleagues, I request permission to submit in the RECORD a chart which explains exactly where the title II and title VI funding went over the past 2 fiscal years. I think the chart explains far better than I the need for a radical restructuring of the formula used to distribute CETA funds.

In conclusion, I urge my colleagues in the interest of fairness and logic, to adopt the funding formula embodied in H.R. 11453 unamended.

The chart follows:

CETA TITLES II AND VI FUNDING BY REGION: 1975 AND 1976

Region and States	Fiscal year 1974 1st appropriation in dollars	Fiscal year 1975 2d appropriation in dollars	Percentage increase or decrease
TITLE II			
I—Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	26, 849, 033	28, 280, 894	+7
II—New York, New Jersey, Puerto Rico	53, 703, 935	54, 166, 631	+1
III—Delaware, Virginia, Maryland, Pennsylvania, West Virginia	24, 608, 135	35, 163, 935	+45
IV—Tennessee, North Carolina, South Carolina, Mississippi, Alabama, Kentucky, Florida	14, 949, 307	63, 817, 292	+350
V—Illinois, Michigan, Ohio, Indiana, Minnesota, Wisconsin	66, 859, 583	80, 859, 526	+21
VI—Louisiana, New Mexico, Oklahoma, Arkansas	15, 923, 414	18, 490, 090	+20
VII—Missouri, Nebraska, Kansas, Iowa	3, 777, 364	8, 299, 985	+166
VIII—Colorado, North Dakota, South Dakota, Montana, Utah	5, 264, 766	5, 422, 987	+1
IX—California, Nevada, Arizona, Hawaii	52, 097, 269	48, 228, 422	−8
X—Oregon, Washington, Idaho, Alaska	16, 420, 265	14, 270, 249	−13
National total	282, 076, 475	357, 000, 011	+26

Region and States	Fiscal year 1974 1st appropriation in dollars	Fiscal year 1975 2d appropriation in dollars	Percentage increase or decrease
TITLE VI			
I—Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	66, 182, 592	111, 706, 925	+68
II—New York, New Jersey, Puerto Rico	145, 716, 176	212, 624, 403	+46
III—Delaware, Virginia, Maryland, Pennsylvania, West Virginia	64, 465, 513	138, 694, 268	+115
IV—Tennessee, North Carolina, South Carolina, Georgia, Mississippi, Alabama, Kentucky, Florida	95, 228, 662	253, 875, 283	+166
V—Illinois, Michigan, Ohio, Indiana, Minnesota, Wisconsin	153, 480, 170	329, 220, 839	+115
VI—Louisiana, New Mexico, Oklahoma, Arkansas	51, 330, 044	89, 335, 135	+74
VII—Missouri, Nebraska, Kansas, Iowa	17, 770, 610	45, 770, 366	+164
VIII—Colorado, North Dakota, South Dakota, Montana, Utah	12, 866, 369	25, 153, 207	+108
IX—California, Nevada, Arizona, Hawaii	141, 860, 993	187, 532, 692	+32
X—Oregon, Washington, Idaho, Alaska	32, 323, 475	55, 586, 876	+71
National total	781, 612, 423	1, 449, 499, 944	+85

Source: U.S. Department of Labor—Manpower Administration.

Mr. LAGOMARSINO. Mr. Chairman, there are certain words that over the years acquire a special meaning, especially when used in a particular context. One of these words is on everyone's lips today: Jobs. Actually, the word "jobs" does not appear in the title of this bill. The word used is "employment," but when the mimeo machines start to roll and the press releases are sent out, it will be the word "jobs" that appears in the headlines. The word has become a political codeword, and like other codewords, the reaction is supposed to be emotional. Once established, a codeword can be used for many purposes, both good and bad. The bill we have before us today, unfortunately, falls into the latter category.

I say unfortunately because there really is a useful and valid purpose to be served by this bill. That purpose is the extension of CETA—the Comprehensive Employment and Training Act, for another year. There is no question that we need to extend this program; it has provided useful and fulfilling jobs for tens of thousands of Americans who otherwise might have no jobs at all. To that extent, passage of this bill is in the public interest, and it was for precisely this reason that I voted last year to extend the program.

But Mr. Chairman, there are those in this House who are not content to let well enough alone, to cast an honest vote for a worthwhile program. Instead, they load the bill up with unnecessary and costly add-ons that can only lead one to the conclusion, if one is not aware of it already, that the election year is hot upon us.

So what should have been a simple $2 billion or so bill to extend public service employment programs for another year, such as proposed in the Quie amendment, has now become an estimated $7 billion plus program, with Uncle Sam playing Santa Claus to local government, all under the magic banner of "jobs."

Well, fine. Everybody's for jobs. For full employment for everyone who wants to work. But those who see this bill as the answer to America's unemployment problem are sadly mistaken.

This bill is little more than a disguised gift to public employees—to people on local government payrolls who already have jobs, to city and State officials who have cleverly used the CETA program and other Federal anti-recession measures to shift their local payroll costs to the back of the Federal taxpayer.

It is myopic in outlook, expensive to implement, and misdirected. The new provisions will cost twice as much as the old title I program. It is basically a subsidy for people who already have jobs, and so will have little effect in reducing unemployment, food stamp rolls, welfare or other social costs. Another reason for my opposition is that passage of this and similar legislation may well endanger the future of general revenue sharing. I urge the House to defeat this bill, and to enact instead the simple extension program such as is proposed in the substitute bill.

Mr. FISHER. Mr. Chairman, I support the concept of public service employment as an alternative to unemployment for workers who have lost their jobs in the present recession. I think that public service employment can be a good thing for both the workers and the local governments who employ them and it saves on unemployment compensation payments. However, the bill, H.R. 11453, while having as its stated purpose the provision of public service jobs, has some elements which I find I cannot support.

The economy is improving now. The latest unemployment figures, while still high, are encouraging. With the trend of the economy looking up, I do not think this is the time for us to be authorizing public service employment through fiscal year 1977, which takes us to September 30, 1977. We will be committing ourselves to several billion dollars worth of jobs that we may not need then. I am also concerned that we are approving authorization for fiscal 1977 before the budget resolution for 1977 has been considered.

Although the committee says that this bill will not result in substitution employment, switching employees from the payroll supported by local funds to a payroll supported by Federal funds, the bill will encourage the rehiring of public health and safety personnel and also employees of local educational agencies. There is no longer any minimum period of unemployment required for people obtaining jobs under this bill.

The new section B of title VI provides funds for projects which will last from 60 days to 12 months. When the 12 months is up, either the employees will be out of work again or there will be renewed demands for extending the program. I am concerned that work usually performed by regular employees will be switched to project status so that it can qualify for part B funds. This also may result in substitution and in no net increase in employment.

Another provision in the bill which troubles me is the increase in the portion of the funds which can be used for administrative expenses and equipment. Rather than increasing the share devoted to this from 10 to 15 percent, I would like to see the job sponsor carrying more of this cost. It could be considered the equivalent of the local matching share used in other programs. If the jobs to be performed by people hired under this bill are necessary to the local government, it should pay the support costs of the job.

Especially as the economy continues its upward turn, I believe Congress must use care in the spending bills it approves. I think we must look carefully at long term commitments, which are well intentioned, but may involve more expenditures over a longer period than are necessary to accomplish their purpose. Only if some of the problems I see in H.R. 11453 are taken care of can I support it, despite my support for the concept of public service employment as a means of dealing with unemployment.

Mr. O'NEILL. Mr. Chairman, I rise in strong endorsement of the emergency employment bill as reported by the Education and Labor Committee and urge all my colleagues to support this important anti-recession measure, the third bill this session in the democratic leadership's program to halt the economic recession.

Mr. Chairman, the congressional priorities for our Nation are clear. We want to put people back to work. The purpose of this legislation is to extend the CETA program through fiscal 1977 and to authorize necessary funding to create a new program of short-term jobs projects, primarily non-government and specifically community-oriented.

The total package will provide 600,000 jobs. With an unemployment rate of 7.8 percent and 1 million more unemployed than there were a year ago, the time and need for action is now.

The additional amounts in this bill are in strict conformance with the second budget resolution. A vote for this measure is a vote to stand by the expansion of job opportunities that we voted for in the budget resolution. The President proposes to provide funds only for areas of unemployment of 6.5 percent or more, which means that public service employees in other areas would be cut off from additional funding and they would be relegated to the ranks of the unemployed.

This is unacceptable to us. We are not going to support a slow transition from jobs to unemployment as proposed by the President.

My distinguished Republican colleagues talk about how much this bill is going to cost, how inflationary it is, how it establishes a permanent built-in Federal commitment to provide public service jobs.

Let me tell you how much it is going to cost the American people if we do not have this bill.

Over 7 million Americans are out of work and 37 percent of them have been unemployed for at least 15 weeks. Nearly 200,000 jobless workers are exhausting their unemployment benefits each month. Eighty-two percent of the total number of unemployed Americans are jobless for reasons beyond their control—they cannot find jobs; employment is just not available.

These people are turning to their representatives in Congress to do something about their unemployment. They are not asking for a handout. But they are asking for a helping hand. How many of you go home on the weekend and are visited by constituents who are out of work, have run out of unemployment compensation, and ask for your help?

This bill is one way you can help them directly. It provides for a steady level of funding for 320,000 public service jobs nationally for the remainder of this fiscal year and for fiscal 1977. Most significantly, it provides for those most in need. Preferred consideration will be, in filling jobs, to unemployed persons who are substantially without alternative sources of income or unemployment compensation.

While the national unemployment rate is 7.8 percent, Vietnam veterans are 8.15 percent, unemployed, non-farm laborers are 14 percent, and construction workers are 15.4 percent, youth is 19.9 percent and minority youth is a staggering 34.6 percent.

What does unemployment cost the Nation? For every unemployment percentage point over 4 percent, the Federal Government loses over $16 billion—$14 billion in tax revenues, and $2 to $3 billion in welfare payments and unemployment compensation. That means today, unemployment costs us taxpayers more than $65 billion annually. This bill will reduce the unemployment level by 15,000 jobs per month, for the next 6 months, and provide sharp reductions of more than 25,000 per month beginning in late 1976. Part B, title VI, is a unique initiative and merits strong endorsement. With this specific project approach, more agencies like local educational and private, nonprofit institutions can participate. It is a community program providing for new kinds of activity such as planting trees, neighborhood cleanup projects that pick up trash not taken on the ordinary sanitation route, winterizing and rehabilitating public housing and painting classrooms.

These projects are not an open-funding with a built-in expectation of continued employment. They are for a specific task, lasting from 2 months to a year and end when the project is completed.

We must do everything within our legislative abilities to fight the recession and the best way to do this is to put the 7 million jobless Americans back to work.

I urge adoption of this legislation.

Mr. LEGGETT. Mr. Chairman, the issue that confronts us as we take up H.R. 11453 is not new. Neither is it complex. In fact, it is the same issue we faced just a short time ago with title II of the public works employment bill.

That question is whether public service employment—creation of jobs in the public sector—is an appropriate and effective way to deal with the tragedy of unemployment arising from the recession. I think the answer is an emphatic yes.

Critics of this bill question the entire concept of public service employment. To say that there have been certain problems with the CETA title VI program is, in my view, no answer to the unemployed.

The administration says, in effect, that to avoid a resurgence of inflation, the recovery must be gradual, if we have one, and people will just have to line up for unemployment insurance and food stamps. To me, this is no answer. I agree with Senator HUMPHREY that public service jobs are far preferable to the dole—anything is better than the dole.

There are those who say this bill will not really put a dent in our unemployment problem. The 60,000 jobs it represents may fall far short of employing the 8 million strong army of our unemployed; but in my estimation, it certainly ought to put a meaningful dent in it.

This bill would provide funding authority for the 320,000 jobs authorized in titles II and VI of CETA. This authority is particularly urgent because, with CETA having expired last June 30, many prime sponsors are running out of money for those jobs. And, if we do not act, many more will run out this spring. H.R. 11453 would authorize funds to cover the shortage of funds for these jobs in fiscal 1976 and also provide authority to maintain a steady, national level of 320,000 jobs during the transition quarter as well as fiscal year 1977.

The bill would also add a new part B to title VI, which would create about 280,000 new public service jobs by the end of this fiscal year. Part B would also take a new project approach to public service employment. Whereas part A employees are not readily separated from a prime sponsor's regular work force, the part B approach would be to fund a group of employees performing a specific task which could be identified and evaluated. This will enable us to meet one of the criticisms of the current CETA effort—that it does not create work activity sufficiently distinct that the accomplishments can be identified and the results measured.

In addition, although the part B funds would go in the first instance to the prime sponsors now receiving money under CETA, the projects would be sponsored by a large number of groups rather than being concentrated on the prime sponsor's own payroll. All in all, this approach should enable our States and localities to meet some of the criticisms of substitution for regular workers, as well as makework, which have been leveled at the existing program.

To those who allege that this program will cause unacceptable inflation, I would make two points. One is that the funding totals authorized by this bill conform with our second budget resolution. That is what Congress has said should be our fiscal policy, and I think we should stick to it.

Second, if there is potential for a resurgence of inflation, either in this bill or elsewhere, the remedy is not to cut Government spending. That approach would ultimately be self-defeating. As I have said before, what we must have to control inflation without preventing recovery, in my estimation, is a comprehensive program of Federal controls on prices and wages.

Let me say, finally, that while employment is now down to 7.8 percent, that level is still far too high. It is simply unacceptable. While this would only help a relatively small fraction of the unemployed, I feel that we have an obligation to deliver any of our citizens that we can from dependence on the dole. For that reason, I urge my colleagues to support H.R. 11453.

Mr. RANGEL. Mr. Chairman, I rise in support of H.R. 11453, the Emergency Employment Projects Amendments of 1976.

We have already seen the success of the public service jobs program created by the Comprehensive Employment and Training Act. That act has meant jobs for more than 320,000 Americans who would probably otherwise be among the unemployed. In New York City alone, its provisions keep 17,000 workers on the city payroll. But in a time when 7.8 percent of our work force still cannot find work, the provisions of that act must be augmented.

The administration is willing to accept an unemployment figure of 7 percent rather than to take action to put these men and women back to work. The administration would have these badly needed jobs programs cut back. But the people of America cannot accept such a waste of our human resources. Seven million unemployed Americans are not willing to settle for assurances that things might be better next year, or the year after. They want jobs now.

Mr. Chairman, H.R. 11453 would go a long way toward solving this sorely felt need for more jobs by extending and expanding the provisions of the Comprehensive Employment and Training Act. It would maintain funding for 320,000 public service jobs, and authorize funding for 280,000 new jobs, primarily in the private sector. And this legislation distributes these funds equitably, focusing on areas hardest hit by unemployment.

By putting much of our idle work force back on the job, we will not only be helping those individuals who are among the unemployed, but we will also make a constructive contribution toward bettering our communities, through both public works and nongovernmental projects. And we will reduce the unemployment compensation, welfare payments, and lost tax revenues that high employment costs the Nation.

Without this comprehensive legislation, a substantial number of our citizens will be forced to remain idle while they could and should have meaningful, productive jobs and a steady income. They will be forced to listen to more promises of better times ahead, without any evidence that the Government is working toward that goal.

I am sure my colleagues join me in my determination that we need not accept 7 percent unemployment as a fact of life. With the passage of this legislation, we can stop this waste of human resources that so severely drains our Nation's prosperity and its morale. I urge my colleagues to vote no on all crippling amendments and yes on final passage.

Mr. GAYDOS. Mr. Chairman, I rise in strong support of H.R. 11453, the Emergency Employment Project Amendments of 1976.

In December 1974, the Emergency Jobs and Unemployment Assistance Act of 1974 was enacted into law. In addition to establishing a special unemployment assistance program, it amended the Comprehensive Employment and Training Act of 1973 to provide the authorization for additional public service jobs to alleviate the serious national unemployment.

The jobs provided in that legislation have been filled by many Americans who otherwise would have been unemployed. The funds to pay for these jobs, however, will soon be exhausted, and if Congress does not pass new authorizing legislation, upwards of 320,000 American workers will be forced to join the ranks of the unemployed.

While the reports from the Department of Labor over the weekend indicate that the national unemployment rate dropped during January, we must not be lulled into any false belief that the battle against unemployment is over. The fact remains that 7.3 million Americans are still unemployed. To defeat the bill before us would add another 320,000 workers.

In addition to providing authorization to continue these 320,000 jobs until September 1977, H.R. 11453 further amends the 1973 CETA Act by adding a new part B to title VI which would authorize 280,000 jobs for primarily non-Government projects of short-term duration, namely from 2 to 12 months.

These jobs differ from the regular public service jobs authorized by CETA, in that they are not increments to an existing service but rather are to be used to provide work groups to perform separately identifiable tasks. Additionally eligible applicants will include local education agencies, private nonprofit agencies, institutions of postsecondary education and Indian tribes.

The advantages of this type of job are three:

First. Because of the definite term of the projects, there is less of the openended commitment to continued funding, and the project employees do not have a built-in expectation of continued employment.

Second. The fact that a variety of organizations will be eligible for jobs to carry out specific projects, substantially eliminates the possibility that local agencies will reduce their own employment levels with a view to using public service jobs to replace those laid off.

Third. The competition for Federal assistance among the various applicants will assure that the jobs filled will be meaningful and productive.

To further guarantee that funds provided for emergency employment projects will not be used to maintain existing payrolls, the bill provides that 80 percent of the funds must be contracted out and that only 20 percent of the funds may be used by the prime sponsor to fund projects submitted by its own governmental agencies and departments.

Furthermore, the bill provides that funds allocated to nonprofit agencies not be used so as to result, directly or indirectly, in the contracting out of work currently being performed by Government employees or to allow nonprofit organizations to provide governmental services which may have been reduced or eliminated.

In addition to providing for the continuation of 320,000 existing public service jobs and for the creation of an additional 280,000 jobs in emergency employment projects, the bill seeks to satisfy some of the criticism that has been directed at the public service job program as it now exists. Specifically the bill provides:

First. Preferred consideration must be given in filling jobs to unemployed persons who are substantially without alternative sources of income.

Second. A job may not be given to anyone residing in a household in which another member of the family holds a public service job assisted under this act.

Third. The present ceiling of $10,000 for wages paid for public service jobs is retained, but the bill would allow up to one-third of those employed in any one prime sponsor area to be paid up to $12,000.

Fourth. Where an eligible applicant for the emergency employment project under title VI–B of the bill needs to hire persons with special skills in order to carry out the project, such individuals may be paid at a rate in excess of the $12,000, provided they work on a part-time basis and do not receive more than $385 in any 2-week period.

Fifth. Any new employee hired under the act may not be a relative of any person with responsibility for hiring such new employee.

Sixth. All financial records of an eligible applicant relating to a project assisted under the act, including the names, addresses, positions, and salaries of all persons employed in such projects must be maintained and made available to the public.

Seventh. The ceiling on administrative expenses has been increased from 10 to 15 percent to allow the purchase of necessary supplies and equipment for use by the individuals filling the public services jobs.

Eighth. With respect to the public service jobs authorized in title VI–A of the bill, preference is to be given to the reestablishment of jobs providing essential public health and safety services, and for the filling of those jobs by persons who have been laid off from such jobs for bona fide budgetary reasons.

This bill represents a sincere attempt by the Committee on Education and Labor, and particularly, Chairman DANIELS of the Subcommittee on Manpower, Compensation and Health and Safety to respond to the national demand and need for the continuation of public service employment jobs.

The issue is clear. A vote against this bill is a vote to add 320,000 American workers to the unemployment rolls. A vote in support of this bill is a vote to continue jobs for 320,000 American workers as well as to provide employment for an additional 280,000.

I sincerely urge my colleagues to give their full support to this bill.

Mr. ECKHARDT. Mr. Chairman, I support the Emergency Employment Project Amendments because we are not yet out of the severe recession we have faced since early 1975, nor is unemployment a thing of the past. Although the administration tells us unemployment is no longer a severe problem and although headlines assure us the jobless rate has declined, my fears for the 8.2 million people still unemployed are not assuaged. This is 8.8 percent of the labor force—or nearly 1 out of every 10 workers who are actively seeking work and cannot get it.

If this bill is not passed, we will add another 600,000 people to the ranks of the unemployed. We are simply fooling ourselves and burying our head in the sand if we contend this bill is not needed because unemployment has been reduced. Unemployment has been reduced. But, we are still at record high levels of unemployment.

Although it is true the jobless rate has declined 0.5 point to 7.8 percent in January, which is the steepest drop in 16 years, a closer look at the situation makes one less sanguine. This reduction in unemployment is after the seasonal adjustment. Without the seasonal adjustment unemployment actually rose in January to 8.2 million people or 8.8 percent of the labor force. Moreover, the economists who established the figures point out the statistics are likely to be flawed because the numbers of unemployed are so large. The unemployment rate is probably higher, I suspect.

The number of unemployed teenagers is up from 19.6 percent in January. The average length of unemployment is 16.9 weeks. I ask my colleagues bluntly what sort of condition would you be in—financially and emotionally—if you were out of work for 16 weeks?

With unemployment way over 7 percent, no matter how you adjust the figures, this is no time to say we do not need these 600,000 additional jobs.

In Houston, the funds have been used to hire additional people to implement vocational guidance programs.

Mr. OTTINGER. Mr. Chairman, I rise in strong support of the legislation, and congratulate the Committee on Education and Labor for reporting a bill that not only maintains our effort to combat unemployment but increases it by establishing the emergency employment projects program.

The news that the national unemployment rate has decreased slightly will not keep the 320,000 people presently holding public service jobs under titles II and VI of the Comprehensive Employment and Training Act off the unemployment rolls and it will not provide the essential services which are projected by this legislation. In Westchester County approximately 600 CETA employees stand to lose their jobs, joining the 32,900 who are now unemployed in the county, if this legislation is not passed. Now certainly is not the time to relax our efforts to reduce the intolerably high unemployment rate afflicting the Nation. Nor can we accede to the bribery which is implicit in the President's proposal of offering $1.7 billion for title VI while drastically reducing the scope and numbers of people affected by the program.

The Committee has wisely reported a bill which responds to the fiscal crises facing so many of our urban areas. Municipal budgetary constraints are placing many of our cities in the position of laying off policemen, firemen, and teachers, degrading the quality of services for which local government is responsible. H.R. 11453 will protect the well being of urban dwellers by placing a priority on reestablishing essential jobs involving the public health and safety. In my district, one city alone, New Rochelle, will be compelled to lay off 18 firefighters, 10 percent of the force, if some financial assistance is not forthcoming. While this legislation will not fill that entire gap, it will certainly offer the city some help.

The emergency employments project programs will expand the job base outside of Government. They will permit nongovernmental agencies to employ needed help for hospitals, day care centers, and the like.

Finally, changes in titles II and VI will insure that public service jobs will go to those persons most in need and remove some of the pitfalls which now exist in both titles. Jobs will be listed at the local agencies, nepotism will be eliminated, and salary ceilings will be lifted for one-third of the jobs in order that technical assistance can be afforded for the completion and maintenance of projects funded under this bill.

I hope the House will give its overwhelming support to this bill, and demonstrate our intention to end unemployment in a constructive and swift manner.

Mr. BEARD of Rhode Island. Mr. Chairman, in any consideration of the problem of unemployment in this country I believe the overwhelming public view must be at the very top. Survey after survey shows the majority of Americans feel that the best solution to the current unemployment rate is in the area of public service, funded by the Federal Government. I cite the recent experience of Senator HENRY JACKSON of Washington. He has discussed the unemployment problem thoroughly in every area of this country and his conclusion is that most people believe the only way to assist those out of work is to provide the means through congressional appropriation to continue and expand, if possible, title VI of the Comprehensive Employment and Training Act.

H.R. 11453 will do exactly that. The national unemployment level stands at 7.8 percent. That figure represents 7,300,000 Americans out of work. In no way can anyone consider this an "acceptable" level of unemployment. Of that number, 6,500,000 are receiving some form of unemployment compensation.

Distressing as those figures are, consider the unemployment level in my own State of Rhode Island—12.1 percent, the highest of any State in this country. Action by this Congress on H.R. 11453 will provide the means by which many of these unemployed persons will be taxpayers rather than welfare recipients.

This bill, with its important reform provisions, must be passed if we are to do anything at all about the current level of unemployment, particularly in those areas that register much higher numbers of jobless than the national average would indicate.

I urge the passage of H.R. 11453.

Mr. McCOLLISTER. Mr. Chairman, although I am vitally concerned with the need to create more jobs for American workers, I must strongly oppose H.R. 11453, the emergency employment projects amendments. It is a fraud. It promises what it can never deliver. It is wasteful, duplicative, and inflationary. It is a bitter pill with only a thin sugar coating.

We must solve our employment problems by providing jobs for construction workers, factory laborers, and other private sector employees who have not yet rebounded from the recession. Providing more jobs for Government workers is not the answer. We do not need more Government. Our bureaucracy is big enough, if not too big already.

With the economic recovery underway, the private sector is proving it can provide the jobs needed for full employment. In the past 2 months, the private sector has generated over a million new jobs, the largest increase in the past 15 years. The private sector solution has no cost to the taxpayer and helps balance the budget instead of further undermining our efforts to control inflation.

An additional $7.4 billion for public service jobs would be wasteful and poorly directed. Solid evidence shows that Federal moneys for public service jobs are used to rehire State and local employees who have been laid off, not to create new jobs. So this public jobs bill is just a hidden form of revenue sharing to pay administrative costs of State and local governments. It is estimated that 90 percent of the funds would be used merely to rehire previous employees, and H.R. 11453 not only offers no assurances that this will not happen, but actually requires that such rehires be given preferences. Since public service employees are currently weathering the economic recession in fine fashion, this special interest legislation in their behalf seems particularly ill-directed. Public employee unemployment is running at a rate only one-fourth that of construction workers, one-fifth that of young people, and one-third that of minorities.

This bill also allows one-third of the funds to be used to pay salaries for jobs over $10,000 a year. Such an attractive paycheck would certainly reduce our overall goal of moving these employees into productive employment in the private sector and would cut down the number of jobs to be created by as much as 15 percent.

It is most discouraging that I should again have to remind the majority of the folly of borrowing another $7.4 billion to "help" the economy. Increasing the budget deficit only further strains our ability to control inflation which is a most serious problem affecting employed and unemployed alike.

We hear a lot of talk about doing something to help the jobless. But the majority that claims such sympathy for the unemployed offers nothing but discredited, retreaded ideas. What we need is some forward-looking legislation. What we need is some common sense to complement our humanitarian sympathy. What we need is a program aimed at creating jobs that will last, jobs that will bring in more tax revenues to the Treasury than they will cost in Government outlays, jobs that will produce goods and services in demand in the economy.

I am convinced that the best mechanism for such a policy is our Tax Code. The Ways and Means Committee should be directed to prepare a program to stimulate private sector jobs and given a deadline to bring such a bill to the floor. Until the Congress can act to stimulate the creation of private sector jobs, the problem of unemployment will be a costly and unnecessary burden on those jobless workers seeking employment, the hard-pressed American taxpayer concerned that his tax dollars are being wasted, and the 215 million consumers in America frustrated by the rising cost of living and the inflation treadmill which wipes out pay raises and keeps them living in a hand-to-mouth existence.

It is time to put aside the bright glitter of costume jewelry and seek after a true gem of a jobs creation program. It is time to reject H.R. 11453 and come forward with a program to stimulate jobs creation in the private sector.

Mrs. MINK. Mr. Chairman, I rise in support of H.R. 11453, the Emergency Employment Projects amendments which seeks to extend title VI of the Comprehensive Employment and Training Act—CETA—through fiscal year 1977; and second, to authorize necessary funding to create a new program of short term jobs projects primarily in the nongovernmental sector.

This particular legislation is a direct response in ameliorating the unacceptable levels of unemployment we are experiencing today. Through previous public service jobs programs enacted by Congress, some 320,000 unemployed workers are temporarily earning a living with the hope of improved employment prospects in the near future. In addition, H.R. 11453 will create approximately 280,000 additional jobs on short term projects which can be terminated when the economy improves.

I am pleased today that my colleagues on the Committee on Education and Labor have adopted my request for inclusion of the Native Hawaiians as part of the group eligible for assistance under the provisions of this bill. I am especially grateful to the Honorable DOMINICK V. DANIELS, chairman of the Subcommittee on Manpower, Compensation, and Health and Safety, who recognized my plea on behalf of the Native Hawaiian group in Hawaii. Section 613(a) specifically includes the Native Hawaiian population under similar conditions to the Indian natives of the United States.

I would like to mention that ancestors of native or aboriginal inhabitants of the Hawaiian Islands make up this State's "native community" in the same way Indians make up the native communities of other States. Hawaiian natives comprise a group of Native Americans who were inhabitants of Hawaii before the islands became part of the United States. Native Hawaiians face similar problems of high unemployment and subemployment common among other Native American groups.

The provisions of title VI, part B—"emergency employment projects," authorizes funds for 280,000 new jobs primarily in nongovernmental projects of a short-term nature. Disadvantaged native Hawaiians will qualify under this section greatly alleviating the unemployment and economic problems they now face. Under this section, projects can be sponsored by a large variety of groups including local educational agencies, private nonprofit agencies, institutions of postsecondary education, and native Hawaiian organizations.

Mr. Chairman, the estimated outlays of $500 million for the balance of fiscal year 1976 and the $1 billion during the transition period are in strict compliance with the second budget resolution passed by Congress. I believe that the need for public service employment was recognized by the Budget Committee and other Members of Congress, and would hope that this honorable body will affirmatively meet the consideration of H.R. 11453 which includes coverage of the aboriginal Native Hawaiians in my State of Hawaii.

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding, and I rise in support of H.R. 11453, the Emergency Employment Project Amendments of 1976, job-creating legislation, the purpose of which is to authorize $1.2 billions of additional funds for fiscal year 1976 and such sums as may be necessary for the transition quarter and for the fiscal year 1977 in order to prevent the abolition of existing Comprehensive Employment and Training Act—CETA—jobs while providing additional jobs under emergency employment projects.

Mr. Chairman, I am in favor of helping to provide jobs—of increasing the number of public service jobs from 320,000 to 600,000. I am pleased that this bill provides an action mechanism for the rehiring of those laid off without being restricted by any residency requirement. This is particularly important to my congressional district where there are so many police officers, firemen, and other public service employees who live in Orange, Rockland, and Ulster Counties and who work in New York City. Under the existing law, any nonresident laid-off public employee is ineligible for rehiring.

Mr. Chairman, the funds authorized by this measure are urgently needed; the unemployment level in New York State having soared from 7.7 percent in December 1974 to 10.3 percent for December 1975.

In my congressional district, Orange County sustained an unemployment rate of 8.5 percent for December 1975; in Rockland County unemployment soared from 6.5 percent in December 1974 to 8.9 percent in December 1975; and in Ulster County, the unemployment rate rocketed from 8.7 percent to 10.5 percent between December 1974 and December 1975.

On the national level, the unemployment level reached 8.3 percent for December of last year. Unfortunately, Mr. Chairman, these figures and those reported from my congressional district do not reflect the pockets of high unemployment suffered by certain sectors of our society: the youth, the disadvantaged, the construction trades, inhabitants of the inner cities where the double digited, high unemployment rate has almost become a way of life during a recession marked by an inflationary economy.

This measure provides a significant financial charge to our sagging economy by providing the necessary funds for rehiring those laid off returning them from the welfare rolls to the tax rolls.

Edward Kiernan, president of the International Conference of Police Associations, representing 180,000 police officers throughout the United States, in supporting this measure and stressing the need to provide funds to the municipalities to rehire police officers and other public safety officers, stated:

> During these trying times, both economic and moral, the need for more police officers rather than less should be the position taken by all municipalities.

With respect to the $300 million appropriated under CETA programs, the Committee on Education and Labor in its report on this measure stated:

> A preference is given for the re-establishment of jobs providing essential public health and safety services, and for the filling of those jobs by persons who are on lay-off from them for bona fide budgetary reasons. The definition of which jobs provide essential public health and safety services will vary from community to community but will certainly include policemen, firefighters, sanitation workers, hospital workers and the like.

In my region, Mr. Chairman, it has been reported to me that since July 1, 1975, 2,800 New York City police officers, primarily the newly recruited and trained, those who "walk the beat," have been laid off, unable to find jobs, and a prospective employer is reluctant to hire a police officer under the fear of losing this newly retrained employee to his former associates after the financial situation of New York City is readjusted. The plight of these young men, who represent 12 percent of the total New York City police work force—and others like them—is truly tragic. This legislation providing funds for rehiring municipal public service employees will engender welcome assistance at this urgent time of need.

In my own district, we are beginning to see the benefits of this legislation. In 1975, Orange, Rockland, and Ulster counties received allocations of less than $5 million; in 1976, the allocations under CETA-related programs is over $9,100,000 for our region. CETA has provided more than 1,000 jobs in my congressional district.

Mr. Chairman, to provide the necessary financial impetus to bolster our sagging economy, and to reduce unemployment to a more realistic level, I urge my colleagues to support this measure.

Mr. STOKES. Mr. Chairman, I rise in support of H.R. 11453, the Emergency Employment Projects Amendments of 1976. Mr. Chairman, I urge you to support this measure to expand job opportunities. Mr. Chairman, in December of 1975, the unemployment rate was 8.3 percent, while the unemployment rate for blacks was 14.2 percent. As a result of these startling unemployment figures, nearly 5,800,000 persons received unemployment compensation. The costs to this Nation were staggering. For every one percentage point of unemployment, there was a loss of revenue to the Federal Government of at least $12 billion. But more significant was the fact that the jobless became the hopeless; and too often, the hopeless inhabit our Nation's already crowded prison populations.

Indeed, this is a sad commentary in this year of the Bicentennial celebration, and, it must not be allowed to continue. The Congress must take positive measures to alleviate the unemployment problem.

The passage of the Emergency Employment Projects Amendments of 1976 would be such a step forward. It is particularly important that we pass job-creating legislation in view of President Ford's 1977 budget. Mr. Ford has proposed massive cuts in essential health, education, and social service programs. Moreover, he has threatened to veto the public works act which Congress so prudently passed. The 600,000 jobs created by that legislation are in jeopardy. Clearly, more jobs are needed. The Emergency Employment Projects Amendments of 1976 are designed to meet this need by increasing the level of public service jobs from the current number of 330,000 to approximately 550,000, by the end of the fiscal year 1977. These jobs will bring hope to the hopeless.

Mr. Chairman, in our own deliberations today, I ask us not to be deceived by the proponents of proposed administration changes to this act. They may try to convince us that the January drop in unemployment from 8.3 to 7.8 percent was more than an aberration. But we cannot allow ourselves to be blinded by this Ford-inspired smokescreen.

President Ford's actions in destroying job-oriented legislation would reduce the current job level by 15,000 in the next 6 months. Additionally, drastic reductions of over 25,000 per month would extinguish the program by 1977. The President's proposal is unacceptable and neither I nor my constituents will stand for it. Presently, my 21st Congressional District receives CETA funds in excess of $13 million. Mr. Chairman, these funds represent a ray of hope to the jobless and downtrodden, and I for one will not allow the President to callously disregard the plight of these jobless Americans.

In drafting the Emergency Employment Projects Amendments of 1976, the Congress has acted decisively in meeting Federal responsibility for a share of the costs of providing jobs for hundreds of thousands of our citizens. In voting upon this matter today, let us reaffirm our commitment to legislate in a fiscally responsible and responsive manner for this and all time. And let us also say to the President and to all of America, that our solution to unemployment is not to build and fill the prisons; our solution to unemployment is not to phase out those few jobs that presently exist; our solution to unemployment is not to adopt watered-down amendments to this act; and our solution to unemployment is not to acquiesce in the administration's budgetary whims. Rather, our solution is the enactment of job-creating legislation.

Mr. Chairman and my distinguished colleagues, I ask you to join me today, as you did in the override of the President's veto of the Labor/HEW appropriations and as you joined me in the passage of the Public Works Act. By our unified support of the Emergency Employment Projects Amendments of 1976, let us show President Ford that Americans want jobs, not empty promises.

The CHAIRMAN. All time has expired. Pursuant to the rule, the Clerk will now read the committee amendment in the nature of a substitute printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

H.R. 11453

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Employment Project Amendments of 1976".

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. Quie: Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Emergency Jobs Amendments of 1976".

PUBLIC SERVICE EMPLOYMENT AMENDMENTS

Sec. 2. Section 601 of the Comprehensive Employment and Training Act of 1973 (Public Law 93–203) is amended by inserting after "1975" in the first sentence "and such sums as may be necessary for the fiscal year ending June 30, 1976, such sums as may be necessary for the period beginning July 1, 1976, and ending September 30, 1976, and such sums as may be necessary for the fiscal year ending September 30, 1977.

Mr. QUIE. Mr. Chairman, I first talked about this substitute before the rule was adopted and again during general debate. Just to review it, in essence, the substitute continues title VI for another year. The administration proposes to continue funding public service employment at the present rate, and to do so in title II, thus allowing title VI to expire. Title VI, thus would continue on for another year, with the Committee on Appropriations deciding whether to put funds out under title II or title VI.

H.R. 11453 simply does little more than provide revenue for the States and political subdivisions to maintain existing service, not for jobs for the unemployed. That should not be the purpose of any such legislation. If they need revenue, let them receive it through revenue sharing. We have already enacted this in an emergency counter-cyclical bill last week and will provide even more in the months to come. We ought to concern ourselves about the unemployed, but there are unemployed that are suffering enormously in this country who are not going to be helped by this legislation. What my substitute would do is permit those presently on public service to continue their jobs, but not expand an effort that has done little to provide unemployed Americans with productive jobs.

So that they will not be thrust onto the rolls of unemployed or cause the difficulties of the local political subdivisions to have to raise taxes again to pick them up. However, the bill before us would encourage them to institute more projects in order that they might be able to use Federal money to pay for public service employees, and that I do not think was the intention of this Congress, and surely was not when we passed amendments to title IV the last time.

So for those reasons, Mr. Chairman, I ask that we support the substitute amendment.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I rise in opposition to the substitute amendment.

Mr. Chairman, I would like to say that this substitute is substantially the same as the bill I originally introduced, H.R. 2584, on January 14, 1975. However, the committee has come a long way and has learned a great deal since that time. The subcommittee conducted 10 days of hearings which resulted in the bill that is before the House today.

We have become aware of the problems of substituting Federal for State funds, and we also have become aware of the problems of patronage and nepotism that could occur in these public service employment programs. The bill as reported attacks directly the problems of substitution by providing for a project approach that would distribute hiring among a variety of groups and agencies in every local community.

All the studies cited by the minority views show that substitution increases when the programs go on longer and when control over jobs is predicted. A straight extension of title VI has those very flaws, while the project approach is specifically designed to overcome them.

Furthermore, the bill has the following provisions applicable to the prevention of patronage and nepotism: First, prohibition of hiring of relatives; second, listing of jobs with the Public Employment Service; and third, public disclosure of records including names and addresses of persons hired.

In addition, the bill makes other reforms in the program such as limiting of one job per household and limiting eligibility to persons without other sources of income.

I therefore feel, Mr. Chairman, that the bill under consideration is a far greater improvement than a straight carrying out of the existing title VI legislation, which really expired June 30th of last year. This extension now merely wishes to carry forward for the following 2 years. I would like to point out further that a representative of the Department of Labor recently appeared before the Appropriations Committee, which was dealing with the appropriations for the Department of Health, Education, and Welfare and Labor Department, and stated that the rehirings even under existing law did not amount to any more than 4 to 5 percent.

For the reasons that I have just stated, Mr. Chairman, I oppose the substitute amendment.

Mr. BADILLO. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment in the nature of a substitute.

Mr. Chairman, we must bear in mind that whatever arguments may be used by the proponents of the substitute, the reality is that the intention of the substitute is to reduce the number of jobs that will be made available. The substitute provides that the current number of around 320,000 jobs will be maintained, whereas the bill under consideration would increase the number of jobs to approximately 600,000.

I submit to the Members that even that amount of 600,000 is totally inadequate in view of the large percentage of unemployment that we have in this country; in view of the fact that over 7 million people are today unemployed by official figures, and that it is conceded that the official figures are substantially understated. The reality is that we have got to move along toward the position of the Humphrey-Hawkins bill, which is a bill to provide for full employment in this country.

We have to come to grips with the fact that our system of private enterprise simply does not provide enough jobs for the people who want to work.

The underlying basis of the argument of those who are proponents of the substitute is very clearly brought out by the statements that are quoted in the report by the gentleman from Minnesota (Mr. Quie).

The gentleman from Minnesota (Mr. Quie) and his supporters have found a new philosopher, a Professor Feldstein, from Harvard University, who now argues, in the words of the report, that the unemployment arises not because "of an aggregate shortage of jobs but from the instability of individual employment." (P. 38 of committee report.)

In other words, what Professor Feldstein is saying is that the people who are not working are not doing it because they do not want to work.

Mr. Chairman, I secured a copy of Professor Feldstein's so-called discussion paper, and he argues in justification of his theory that in fact one of the reasons for unemployment is the fact that we have unemployment insurance in this country.

Let me just quote to the Members from page 57 of the professor's report so that the Members can get an idea of the thinking of the Harvard professor we are discussing here. He says:

> . . . I hazarded the guess that the present form of unemployment insurance may contribute 1.25 percent to the permanent rate of unemployment.

So he hazards a guess. And that is the basis of that report: Guesses that are made by professors and nothing more.

The fact is, however, that people are out of work because they cannot find work. It is as simple as that.

In the New York City area, as an example, we have lost 510,000 jobs since 1969. There are 510,000 additional people unemployed not because the city wanted to fire them, or because they do not want to work, but because the jobs have left the city, the jobs are not available.

If we want people to go back to work we have to recognize that Government must take action to do it, and the most effective kind of action is a public service employment program not at the current level of 320,000, nor even at the level that the committee proposes, but at a greatly increased level.

But certainly at the very least, because of the increased unemployment in this country, we should support the committee bill.

Mr. ESCH. Mr. Chairman, I rise in support of the amendment in the nature of a substitute.

Mr. Chairman, I would like to emphasize that, while indicating my support for the substitute, the fact is that neither the substitute nor the bill before us would resolve the real problem of the unemployment in the country today.

As I have said continually in the general debate, there should be special targeted programs for the unemployed youth of our country and for those unemployed who reside in areas hard hit by the recession such as the inner cities of our Nation. Such programs should provide in addition an encouragement of job opportunity in the private sector rather than in the public sector.

So that while I support the substitute, I do so only because neither legislation will not solve the problems of the people of this country or my home State.

What the substitute does, it does state that we will continue on with the so-called title VI program through the rest of this year. What it does do is that it does indicate a commitment to carry on with the same level of funding of the program as we have now and, should the Congress make that determination in the appropriate committee, any additional funds that this Congress feels appropriate that it should bring to titles I, II, and VI.

In contrast to what the gentleman said previously, I would point out that the substitute in no way makes any statement as to how many jobs will be created or not created. The substitute explicitly says: Such sums as may be necessary for the fiscal year ending June 30, 1976, and such sums as may be necessary for the period beginning July 1, 1976, and ending September 30, 1976—that is the transitional quarter—and such sums as may be necessary for the fiscal year ending September 10, 1977.

So I wish to make the record clear by saying that the substitute in no way decreases the number of jobs that will be available. That decision will be left to the Committee on Appropriations in each bill, and it is highly irresponsible, I would think, for anyone to suggest that more or less jobs will be created under one piece of legislation or under the other.

Mr. Chairman, I largely reject the concept of the prime bill today, and I support the substitute for one reason: Under H.R. 11453 the legislation concentrates additional funding on the project approach, but it does so in this way—and let me read this in terms of their own language:

> it will provide projects throughout all levels and groups of Government and non-Government levels.

And how will they allocate them? They say, "Competition among project applicants will promote meaningful, productive, and innovative job programs."

Mr. Chairman, in one word that is grantsmanship, rather than providing for getting the dollars out to the local communities where the needs are the greatest.

So I would suggest that while there needs to be corrections in the substitute, as there needs to be corrections in the general bill, on balance the most responsible position for this body to take at the present time to enact the substitute legislation and then to move on toward having the other body enact legislation and work out a bill in conference that will provide a vehicle to continue with the thrust of the CETA bill in titles I, II, and VI.

Mr. BADILLO. Mr. Chairman, will the gentleman yield?

Mr. ESCH. I yield to the gentleman from New York.

Mr. BADILLO. Mr. Chairman, it is true that both the substitute and the bill provide for such sums, but in order to determine the intention we must look at the committee report, because the committee report clearly indicates that it is the intention to increase the number of public service jobs from 260,000 to approximately 600,000, whereas in the case of the administration approach, the administration's request indicates that it is the intention, first of all, to maintain the appropriations at the current level and, second, "to gradually phase out the program by September 30, 1977."

The CHAIRMAN. The time of the gentleman from Michigan (Mr. ESCH) has expired.

(By unanimous consent, Mr. ESCH was allowed to proceed for 1 additional minute.)

Mr. ESCH. Mr. Chairman, I will say in answer to the gentleman from New York (Mr. BADILLO) that he makes the point that I wish to make, because the administration asks for $1.7 billion additional, but this Congress will have the authority to appropriate whatever sums it deems are necessary, so we cannot place the majority bill in this perspective in contrast to what the administration requests.

The final determination will not be made either by the substitute or by the majority bill; it will in the end be made by the Committee on Appropriations.

Mr. O'HARA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as I have listened to the debate, I have wondered how it could be that the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) and a number of the rest of us could have sat through the hearings and could have gone over the bill and could have watched the program in operation and yet have arrived at such different conclusions than those of the gentleman from Minnesota (Mr. QUIE), the gentleman from Michigan (Mr. ESCH), and others.

The differences between us may have been ordained from the start. Perhaps they arise from a totally different perception of what the economic problem is in this country.

Mr. Chairman, I was astounded, to read in the minority views this statement of criticism of the bill:

> It is drawn from an erroneous economic assumption that there is a lack of available jobs.

There are 8 million unemployed in this country, and the proponents of the substitute say that those of us who support this bill are going on the "erroneous assumption that there is a lack of available jobs."

Mr. Chairman, someone who cannot see a lack of available jobs in today's economy probably cannot figure out why we have this bill on the floor of the House today. However, most of us are persuaded that there is indeed a lack of available jobs. We think there is a need to do something about it, and this bill is a very carefully drawn attempt to do a little bit, not to solve the problem, but to do something on behalf of those who want work, who seek work, who cannot find work.

The bill is an improvement over the existing program. It is an improvement in a number of ways. The bill requires—and this is important—that preferred consideration be given to unemployed who are substantially without alternative sources of income. The bill requires that a job may not be given to any person residing in a household in which another family member has a public service job. The bill requires that all applicants be screened by a State employment service to make sure they meet the requirements of eligibility under the act.

The project approach incorporated in part B is designed to make this a much better bill in terms of doing worthwhile work in the community and not simply make work of the old, much-publicized leaf-raking variety.

It is designed to produce the best kinds of employment for those who will be hired under the act and the most worthwhile projects.

Mr. Chairman, this bill represents a great improvement over the existing program. I think the House will make a serious mistake if it chooses to simply continue the existing program. Therefore, Mr. Chairman, I ask the committee to reject the substitute amendment, to agree to the Daniels bill, and to get on with our other important business.

Mr. JEFFORDS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the substitute amendment.

I rise in opposition to the changes in our public service employment program that the Education and Labor Committee has proposed in H.R. 11453.

I do so not because I am opposed to doing something about unemployment and not because I object to the current public service employment program. Rather, I object strenuously to the tactics of the committee in trying to slip through a municipal aid bill under the guise of a jobs bill.

There are times when we, in this body, are guilty of basing our judgments on an issue or legislation solely on the basis of one code word.

If someone says "defense" some Members will shout "too much"; others will cry "too little." Then, in a couple of days, we rush to pass some legislation without having an informed debate on the floor of this House on the real needs of our national defense.

At another time, someone will say "food stamps," while certain Members will shriek "colossal ripoff" and others say "spend more." Yet, only recently has Congress moved to study the program in order to eliminate wasteful aspects while preserving assistance to those genuinely in need.

Here, today, Congress is playing another word association game. Now, the phrase is "jobs" and everyone is supposed to stand up and salute.

Mr. Chairman, I suggest that Congress stop playing Password and start getting down to the business of creating good legislation that will bring good jobs to the American people.

The legislation before us certainly has an attractive wrapper, one designed to maximize support. Let us look inside, however, and see what is really there.

What the committee bill proposes to do is establish a priority for hiring under title VI of CETA. The new part A of title VI would give "preferred consideration"—I repeat, "preferred consideration"—to reestablishing jobs of public health and safety personnel.

Additionally, a procedure is established under the new part B whereby preference will be given to employees of local education agencies who are on layoff to work in educational projects.

All this talk about "preferred consideration" of former employees flies directly in the face of assertions that this bill's purpose is to create jobs, new jobs, for Americans and end the practices of substitution.

Looking at this bill, I do not see a detailed and comprehensive approach to the alleviation of structural unemployment in our economic system.

What does the bill propose to do about job instability among our young people?

What is it promising to the unskilled?

Does it offer some hope to the disadvantaged, who have been denied the opportunities most of working America takes for granted?

What does it say to those in our inner cities and isolated rural areas who have no opportunities at all?

These questions are central to the discussion of any program aimed at the problems contributing to unemployment.

Yet, Mr. Chairman, this legislation does not ask those questions and, worse still, does not provide answers. What it does say is that the Federal Government is going to move in and subsidize municipal payrolls across the Nation. And I am sure that most of my colleagues know that such subsidies become increasingly difficult to end as time passes.

I am sure that proponents of this legislation might object to this characterization. If so, let them explain to me why there is preferential consideration for certain employees. Let them also explain why there is no preferential consideration for young Americans, for the disadvantaged and for the frictional unemployed who suffer the most from chronic unemployment and job instability.

Congress has already discussed the overwhelming problems of New York City. It was a debate of tremendous significance, and , when it was over, I supported legislation to provide Federal backing to the city while it devised long-term solutions to its fiscal crisis.

Yet, here again are we discussing legislation dealing with the problems of big cities. If we want to rehash that issue, why doesn't the committee retitle the bill the municipal assistance bill of 1976 rather than the Emergency Employment Project Amendments of 1976? I guess the committee felt that while everyone was standing up and saluting, this bill would sail on through.

Mr. Chairman, I wholeheartedly endorse the efforts of the gentleman from Minnesota (Mr. QUITE) and the gentleman from Michigan (Mr. ESCH) in trying to continue worthy public service jobs without restricting them to a chosen few. I also endorse their sentiments that there is more to the jobs issue than just this one piece of legislation.

It is time Congress started doing something constructive about contributing to a better, more secure employment future for Americans. This bill does not do that, and it is the Nation's loss that it does not.

Mr. HORTON. Mr. Chairman, I rise in support of the substitute being offered by Mr. QUIE to continue the existing public service jobs program through fiscal year 1977.

The committee has failed to make a persuasive case for attacking our unemployment problem with a major expansion of public service jobs. The costs of such an expansion are massive—potentially $7 billion in the next 2 years—while the payoff in terms of jobs is minimal.

Apart from the inability of any public service jobs program to provide a meaningful answer to high unemployment, the committee bill contains provisions which will severely hamper its job creation potential. By requiring that localities give preference to rehiring laid-off Government workers, the bill targets benefits to a category of workers experiencing the lowest unemployment of any labor group. By authorizing the use of one-third of the funds for salaries in excess of $10,000, the cost per job rises dramatically.

Mr. Chairman, I fail to see where this bill fits into a coordinated and reasonable congressional response to the unemployment problem. Just recently, we approved a major public works jobs bill. That legislation also promised 600,000 jobs. Moreover, it contains countercyclical assistance provisions which are designed to continue essential services at the local level. Why do we now need an emergency public service jobs bill to accomplish the same task?

To be sure, the Congress must be very sensitive to the needs of the States and localities. It is for that reason that I have worked for expeditious action to extend the general revenue-sharing program. It is for that reason that I support the concept of countercyclical assistance to provide special help in times of a recession. These are the types of programs that merit our support, not stopgap measures that cost billions for a few short-term gains.

The answer to the unemployment problem must come from the private sector and recent indicators are encouraging. Within the last 2 months, over 1 million new jobs were generated in the private sector, without cost to the taxpayer. The latest unemployment figures show the largest decline in the jobless rate in almost 10 years.

Now is not the time to throw billions of Federal dollars into a program that will produce very few jobs while failing to help the long-term unemployed. We can, through the Quie substitute, assure the continuation of our current public service jobs program and begin at last to develop meaningful ways to stimulate job creation in the private sector.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Minnesota (Mr. QUIE).

The question was taken.

Mr. QUIE. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

The Chair announces that pursuant to clause 2, rule XXIII, he will vacate proceedings under the call when a quorum of the Committee appears.

Members will record their presence by electronic device.

The call was taken by electronic device.

QUORUM CALL VACATED

The CHAIRMAN. One hundred Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to rule XXIII, clause 2, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

The pending business is the demand by the gentleman from Minnesota (Mr. QUIE) for a recorded vote.

RECORDED VOTE

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 175, noes 226, not voting 31, as follows:

[Roll No. 51]

AYES—175

Abdnor
Ambro
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bell
Bennett
Bevill
Biester
Bowen
Breaux
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Byron
Carter
Cederberg
Clancy
Clausen, Don H.
Cleveland
Cochran
Cohen
Collins, Tex.
Conable
Conlan
Conte
Coughlin
Crane
Daniel, Dan
Daniel, R. W.
Derwinski
Devine
Dickinson
Duncan, Tenn.
Edwards, Ala.
Emery
English
Erlenborn
Esch
Eshleman
Evans, Ind.
Findley
Fish
Flowers
Forsythe
Fountain
Frenzel
Frey
Fuqua
Ginn
Goldwater
Goodling
Gradison
Grassley
Guyer
Hagedorn
Hammerschmidt
Harsha
Hébert
Heckler, Mass.
Hefner
Henderson
Hightower
Hillis
Holt
Horton
Howe
Hutchinson
Hyde
Ichord
Jacobs
Jeffords
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Kasten
Kazen
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Latta
Lent
Levitas
Lloyd, Tenn.
Lott
McClory
McCloskey
McCollister
McDonald
Madigan
Mahon
Mann
Martin
Michel
Milford
Miller, Ohio
Montgomery
Moore
Moorhead, Calif.
Mosher
Myers, Ind.
Myers, Pa.
Neal
Nichols
O'Brien
Passman
Pattison, N.Y.
Poage
Pressler
Preyer
Pritchard
Quie
Quillen
Railsback
Randall
Regula
Roberts
Robinson
Rogers
Rose
Rousselot
Runnels
Ruppe
Santini
Satterfield
Schneebeli
Schulze
Sebelius
Shriver
Shuster
Sikes
Simon
Skubitz
Smith, Nebr.
Snyder
Spence
Stanton, J. William
Steed
Steiger, Wis.
Stephens
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Treen
Vander Jagt
Waggonner
Wampler
Whitehurst
Whitten
Wiggins
Wilson, Bob
Winn
Wydler
Wylie
Young, Fla.

NOES—226

Abzug
Adams
Addabbo
Alexander
Allen
Anderson, Calif.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bedell
Bergland
Biaggi
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Burton, Phillip
Carney
Carr
Clay
Collins, Ill.
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Diggs
Dingell
Dodd
Downey, N.Y.
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fary
Fascell
Fenwick
Fisher
Fithian
Flood
Florio
Foley
Ford, Tenn.
Fraser
Gaydos
Giaimo
Gilman
Gonzalez
Gude
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hayes, Ind.
Hays, Ohio
Hechler, W. Va.
Helstoski
Hicks
Holland
Holtzman
Howard
Hubbard
Hughes
Hungate
Jenrette
Johnson, Calif.
Jordan
Karth
Kastenmeier
Keys
Koch
Krebs
LaFalce
Leggett
Lehman
Litton
Lloyd, Calif.
Long, La.
Long, Md.
McDade
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Maguire
Mathis
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nix
Nolan
Nowak
Oberstar
O'Hara
O'Neill
Ottinger
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pepper
Perkins
Peyser
Pickle
Pike
Price
Rangel
Rees
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Rodino
Roe
Roncalio
Rooney
Rosenthal
Rostenkowski
Roush
Roybal
Russo
St Germain
Sarasin
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stanton, James V.
Stark
Stokes
Stratton
Studds
Sullivan
Symington
Thompson
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Weaver
Whalen
White
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff
Wright
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—31

Bonker
Burton, John
Butler
Chappell
Chisholm
Clawson, Del
Downing, Va.
Drinan
Flynt
Ford, Mich.
Gibbons
Green
Haley
Hansen
Heinz
Hinshaw
Jarman
Johnson, Pa.
Jones, Okla.
Landrum
Lujan
McCormack
McEwen
Obey
Pettis
Rhodes
Ryan
Steelman
Steiger, Ariz.
Udall
Waxman

The Clerk announced the following pairs:

Mr. Rhodes for, with Mr. Udall against.

Mr. Del Clawson for, with Mr. McCormack against.

Mrs. Pettis for, with Mr. Ford of Michigan against.

Mr. Steelman for, with Mr. Obey against.

Mr. Hansen for, with Mrs. Chisholm against.

Mr. Butler for, with Mr. Drinan against.

Mr. Chappell for, with Mr. John L. Burton against.

Mr. VANIK changed his vote from "aye" to "no."

Messrs. BENNETT, BURKE of Florida, and JONES of Tennessee, and Mrs. LLOYD of Tennessee changed their votes from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. Title VI of the Comprehensive Employment and Training Act of 1973 is amended by striking out the following:

"TITLE VI—EMERGENCY JOB PROGRAMS

"AUTHORIZATION OF APPROPRIATIONS"

and inserting in lieu thereof the following:

"TITLE VI—EMERGENCY JOB PROGRAMS

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 600. (a) There are authorized to be appropriated for carrying out the provisions of part B not to exceed $1,200,000,000 for the fiscal year ending June 30, 1976, such sums as may be necessary for the period beginning July 1, 1976, and ending September 30, 1976, and such sums as may be necessary for the fiscal year ending September 30, 1977.

"(b) Of the amount appropriated pursuant to subsection (a) for the fiscal year ending June 30, 1976, $300,000,000 shall be allocated in accordance with and subject to the provisions of part A, except as provided in subsection (d), and except that such funds allotted under section 603(a) shall be used first by eligible applicants (as defined in section 602(e)) to continue the employment of persons currently employed in public service jobs under title II and this title who would otherwise be laid off from such jobs before June 30, 1976, and that such funds available to the Secretary under section 603(b) shall also be used first by the Secretary to continue the employment of those persons.

"(c)(1) Of the amount appropriated pursuant to subsection (a) for the period beginning July 1, 1976, and ending September 30, 1976, an amount equal to the difference between the amount appropriated to carry out title II and $675,000,000 shall be allocated in accordance with and subject to the provisions of part A, except as provided in subsection (d).

"(2) Of the amount appropriated pursuant to subsection (a) for the fiscal year ending September 30, 1977, an amount equal to the difference between the amount appropriated to carry out title II and $2,700,000,000 shall be allocated in accordance with and subject to the provisions of part A, except as provided in subsection (d).

"(d) Notwithstanding the provisions of subsections (b) and (c)—

"(1) and notwithstanding the provisions of sections 602(b) and 208(a)(7), not less than 85 per centum of funds allocated in accordance with and subject to the provisions of part A as provided in subsections (b) and (c) which are used by an eligible applicant (as defined in section 602(e)) for public service employment programs under part A shall be expended only for wages and employment benefits to persons employed in public service jobs pursuant to such part and the remainder of such funds may be used for administrative costs, including rental costs, and to obtain necessary supplies, equipment, and materials;

"(2) and notwithstanding the provisions of section 208(a)(3) as made applicable by section 602(c), funds allocated in accordance with and subject to the provisions of part A as provided in subsections (b) and (c) shall not be used to pay persons employed in public service jobs under part A at a rate in excess of $10,000 per year except that not more than one-third of such persons within the area served by any prime sponsor may be paid at a rate exceeding $10,000 per year but not exceeding $12,000 per year;

"(3) in establishing and filling public service jobs assisted with funds allocated in accordance with and subject to the provisions of part A as provided in subsections (b) and (c), eligible applicants (as defined in section 602(e)) shall give preferred consideration, to the maximum extent feasible and consistent with the other provisions of part A, to reestablishing jobs of essential public health and safety personnel which, notwithstanding the provisions of section 602(d), shall be filled by persons who are on layoff, for bona fide budgetary reasons, from the same or any substantially equivalent job, without regard to the requirement of section 205(a) (as made applicable by section 602 (c)) relating to thirty days of unemployment; and

"(4) the provisions of section 611(c) and section 611(d) shall apply to public service jobs assisted with funds allocated in accordance with and subject to the provisions of part A as provided in subsections (b) and (c) which are filled after the date of the enactment of the Emergency Employment Project Amendments of 1976.

"PART A—EMERGENCY JOB PROJECTS

"AUTHORIZATION OF APPROPRIATIONS",

by striking out "this title" wherever such term occurs in sections 601, 602, 603, 604, 605, and 606 and inserting in lieu thereof "this part", and by adding at the end thereof the following new part:

"PART B—EMERGENCY EMPLOYMENT PROJECTS

"ALLOCATION OF FUNDS

"SEC. 610. (a) The Secretary shall provide financial assistance in accordance with subsection (b) and subsection (c) to prime sponsors qualified under section 102(a) and to Indian tribes receiving grants under this Act for the purpose of providing employment for unemployed and underemployed persons in projects providing needed public services.

"(b) (1) Not less than ninety per centum of the amount appropriated under section 600(a) which remains after subtracting any amount which is required by section 600(b) or section 600(c) to be allocated in accordance with and subject to the provisions of part A shall be allocated among prime sponsors qualified under section 102(a) and Indian tribes receiving grants under this Act, by the Secretary in accordance with the provisions of this subsection.

"(2) (A) Of the amount allocated under this subsection, 25 per centum shall be allocated on the basis of the relative number of unemployed persons who reside in each area served by the prime sponsor or Indian tribe, as compared to the number of unemployed persons who reside in all such areas in all the States.

"(B) The remainder of the amount allocated under this subsection shall be allocated on the basis of the relative excess number of unemployed persons who reside within each area served by the prime sponsor or Indian tribe, as compared to the total excess number of unemployed persons who reside within all such areas. For purposes of this subparagraph, the term 'excess number' means (i) the number which represents unemployed persons in excess of 6½ per centum of the labor force in the area in which such persons reside, or (ii) in the case of a prime sponsor which is a State, the term 'excess number' means such number as defined in clause (i) or the number which represents unemployed persons in excess of 6½ per centum of the labor force in areas eligible for assistance under title II located in the geographical area served by such State prime sponsor under title I or II, whichever is greater.

"(c) Ten per centum of the amount appropriated under section 600(a) which remains after subtracting any amount which is required by section 600(b) or section 600 (c) to be allocated in accordance with and subject to the provisions of part A shall be available to the Secretary for financial assistance under subsection (a) as the Secretary deems appropriate to carry out the purposes of this part.

"(d) As soon as practicable after any allocation under subsection (b), the Secretary shall publish such allocation in the Federal Register, together with the individual area unemployment data on which it is based.

"APPROVAL OF PROJECTS

"SEC. 611. (a) (1) From the amount allocated under section 610 to each prime sponsor or to an Indian tribe receiving a grant under this Act, the prime sponsor or Indian tribe shall enter into arrangements with eligible applicants for financial assistance for projects within the area served by that prime sponsor or Indian tribe which have been approved in accordance with the provisions of this section.

"(2) In order for an application for a project of an eligible applicant to be approved by the prime sponsor or Indian tribe under this section, copies of such application submitted in accordance with paragraph (3) shall have been submitted at the time of such application, to the appropriate prime sponsor's planning council established under section 104, in order to afford such council an opportunity to submit recommendations with respect to that application to the prime sponsor or Indian tribe. In carrying out his duties under this paragraph, no member of a prime sponsor's planning council shall be present during a discussion of such council with respect to any project in which that member (or any organization with which that member is associated) has a direct interest, or cast a vote on any matter in connection with such a project.

"(3) An application under this section shall include provisions—

"(A) setting forth the assurances and information required by paragraphs (1), (6), (8), (10), (12), (14), (20), and (24) through (26) of section 205(c);

"(B) setting forth assurances that any amounts used to obtain equipment or materials pursuant to subsection (f) will be used to acquire such equipment and materials by lease or rental, rather than by purchase, where feasible and practical given the durability and cost of such equipment or materials;

"(C) setting forth assurances of compliance with subsection (b), subsection (c), subsection (d), subsection (e), subsection (f), and subsection (h) of this section; and

"(D) setting forth the wages or salaries to be paid persons employed on emergency employment projects under this part and a comparison with the wages paid for similar occupations by the same employer.

"(b) In filling public service jobs supported with financial assistance under this part, eligible applicants shall give preferred consideration, to the maximum extent feasible and consistent with other provisions of this part, to unemployed persons who are substantially without alternative sources of income. For purposes of this subsection, benefits received under any public program providing compensation, benefits, or assistance shall not be considered as alternative sources of income.

"(c) No eligible applicant shall hire any person to fill a public service job supported with financial assistance under this part unless—

"(1) such job has been listed, at least seven days prior to the date on which such person is hired, with the appropriate public employment office established under the Act entitled 'An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes', approved June 6, 1933 (48 Stat. 113; 29 U.S.C. 49 et seq.), commonly known as the Wagner-Peyser Act;

"(2) such person, in the case of any person who is not a previous employee of the eligible applicant, is not a relative of any person with the responsibility for hiring a person to fill that job, and, for purposes of this clause, the term 'relative' means father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, half sister;

"(3) such person does not reside in a household in which another member of such person's family who holds a public service job assisted under this Act also resides; and

"(4) Such person (except any person who is rehired for a job from which such person was on bona fide layoff) resides within the area served by the prime sponsor or Indian tribe.

"(d) Financial records of an eligible applicant relating to a project assisted under this Act, and records of the names, addresses, positions, and salaries of all persons employed in jobs on such projects shall be kept and made available to the public.

"(e) No person shall be hired to fill a public service job assisted under this part when any other person is on layoff from the same or any substantially equivalent job.

"(f) Not less than 85 per centum of the funds appropriated for allocation pursuant to this part which are used by an eligible applicant for any public service employment project shall be expended only for wages and employment benefits to persons employed in public service jobs pursuant to this part. The remainder of such funds may be used for administrative costs, including rental costs, and to obtain necessary supplies, equipment, and materials. A portion of such remainder shall be used to reimburse the prime sponsor for reasonable costs incurred by the prime sponsor with respect to the approval, monitoring, and evaluation of that project.

"(g) (1) In approving projects of eligible applicants which provide educational instruction, a prime sponsor or Indian tribe shall give preference to such projects which propose to employ employees of local education agencies who are on layoff and who are qualified to provide services needed for such instructional projects.

"(2) In approving projects of eligible applicants, a prime sponsor or Indian tribe shall consider the following factors:

"(A) compliance with the provisions of subsection (a) (3), and the ability to carry out the proposed project effectively,

"(B) the number of employees who will be given work and the number of man-months of work which will be performed under the proposed project,

"(C) the usefulness of the public services to be provided under the proposed project,

"(D) the skill requirements of the jobs to be provided under the proposed project in relationship to the available skills in the unemployed work force in the area to be served by the proposed project, and

"(E) where feasible, an equitable allocation of jobs among eligible applicants in the areas served by the prime sponsor or Indian tribe.

"(h) In order for an application for a project of an eligible applicant to be approved by the prime sponsor or Indian tribe under this section, copies of such application submitted to that prime sponsor or Indian tribe in accordance with subsection (a) (3) shall have been submitted at the time of such application, to officials of the appropriate units of general local government, to the Governor of the State, and, where a labor organization represents employees who are engaged in similar work in the same area as that proposed in the application, to that organization, in order to afford such officials and organizations an opportunity to submit comments with respect to that application to the eligible applicant, and to the prime sponsor's planning council.

"(i) The prime sponsor or Indian tribe shall not approve an application for a project under this section if there is an application for a grant for that project approved by the Secretary of Commerce under the Local Public Works Capital Development and Investment Act of 1975, or if an application has been submitted for a grant for that project to the Secretary of Commerce under such Act and a final determination with respect to such application has not been made.

"SPECIAL CONDITIONS

"SEC. 612. (a) The prime sponsor or Indian tribe shall not provide financial assistance for any project under this part unless the prime sponsor or Indian tribe determines that—

"(1) persons employed in public service jobs under this part by eligible applicants shall be paid wages which shall not be lower than whichever is the highest of (A) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938, if section 6(a)(1) of such Act applied to the participant and if he were not exempt under section 13 thereof, (B) the State or local minimum wage for the most nearly comparable covered employment, (C)(i) in the case of those applicants which are States, political subdivisions, local educational agencies, or public institutions of higher education, the prevailing rates of pay for persons employed in similar public occupations by the same employer or, (ii) in the case of those applicants which are nonprofit private institutions of higher education or nonprofit private organizations or institutions, the appropriate prevailing wages determined in accordance with the Service Contract Act of 1965, or the prevailing rates of pay for persons employed in similar occupations by the same employer, whichever is the higher, or (D) in the case of persons performing work of the type to which the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5) applies, the prevailing wage determined in accordance with that Act;

"(2) the provisions of section 2(a)(3) of Public Law 89-286 (relating to health and safety conditions) shall apply to such project;

"(3) no funds will be used under this Act to provide public services, through a nonprofit private institution of higher education, or a nonprofit private organization or institution, which are customarily provided only by a State, a political subdivision, or a local educational agency in the area served by the project;

"(4) the provisions of section 208(a)(1), 208(c), 208(d), 208(f), 208(g), and 208(h) shall apply to such project;

"(5) any supplies, equipment, and materials which have been purchased by an eligible applicant with funds under this part which remain after the termination of the project for which they were purchased shall, after being offered for sale by the Administrator of General Services to the eligible applicant at fair market value (as determined by the Administrator of General Services), be disposed of by the Administrator of General Services under section 203(j) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(j));

"(6) funds allocated under this part shall not be used to pay persons employed in public service jobs under this part at a rate in excess of $10,000 per year, except that not more than one-third of such persons within the area for which an allocation under this part was made may be paid at a rate exceeding $10,000 per year but not exceeding $12,000 per year, and except that persons may be employed in such jobs for part-time work at a rate in excess of $10,000 per year in cases where such work requires special skills necessary to carry out the project and where such persons are not paid more than $385 in any two-week period;

"(7) such project will be of no less than sixty days and no more than one year's duration; and

"(8) all persons employed in public service jobs under this part will be assured of workmen's compensation, health insurance, unemployment insurance, and other benefits (except for retirement benefits) at the same levels and to the same extent as other employees of the employer and of working conditions and promotional opportunities neither more nor less favorable than such other employees enjoy.

"(b) Not less than 80 per centum of funds allocated to a prime sponsor under section 610 shall be used by that prime sponsor for financial assistance for projects of eligible applicants other than that prime sponsor, except in cases where the Secretary determines that, because of an insufficient number of approvable applications, a lesser per centum shall be so used by that prime sponsor. Any funds expended by a prime sponsor in violation of this subsection shall be withheld from funds otherwise payable under this Act in accordance with the second sentence of section 702(b).

"(c) Any funds allocated to a prime sponsor under section 610 which are not expended within one year after the date on which those funds are obligated shall revert to the United States, notwithstanding the provisions of section 4(b).

"DEFINITIONS

"SEC. 613. For purposes of this part—

"(a) The term 'eligible applicants' means States, units of general local government, Indian tribes, special purpose political subdivisions either having the power to levy taxes and spend funds or serving such special purpose in two or more units of general local government, local educational agencies as defined in section 801(f) of the Elementary and Secondary Education Act of 1965, institutions of higher education as defined in section 1201(a) of the Higher Education Act of 1965, and nonprofit private organizations or institutions engaged in public service. For purposes of the preceding sentence, the term 'Indian tribe' includes the tribes, bands, groups, and individuals described in section 302(b)(2), and includes Native Hawaiians.

"(b) The term 'public service' includes work in the fields listed in section 701(a)(7), in any work experience program authorized under title I, and as employees of eligible applicants in jobs on any community improvement project, including the rehabilitation, alteration, or improvement of public buildings, roads, and other public transportation facilities, public health and education facilities, and other public facilities for the improvement of the community in which the project is or will be located, and in the case of eligible applicants which are States or political subdivisions, construction, rehabilitation, alteration, or improvement of water and waste disposal facilities in communities having a population of ten thousand or less, in cases where such facilities are public facilities or nonprofit private facilities which are used for a public purpose.

"REGULATIONS

"SEC. 614. In establishing rules, regulations, guidelines, forms, procedures, and other published interpretations or orders under section 702 to carry out this part, the Secretary shall develop rules, regulations, guidelines, forms, procedures, and other published interpretations or orders which are simple, concise, and which do not place an undue burden upon eligible applicants, in keeping with the emergency employment purposes of this part."

Mr. DOMINICK V. DANIELS (during the reading). Mr. Chairman, I ask unanimous consent that section 2 of the committee amendment in the nature of a substitute be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. GOLDWATER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in reading the legislation now before us today, the Emergency Employment Project Amendments of 1976, I am reminded of two apparently unrelated stories. The first is the well-known tale of the "Emperor's New Clothes"; the other is the description of how the Eskimos and wilderness hunters trap wolves. In the "Emperor's New Clothes," as I am sure you recall, the self-serving word-wizards convinced the Emperor that in spite of all rational appearances and testimony of human experience, they had in fact fitted him in new clothes that not only improved his appearance but also his material condition.

In the descriptions of how wolves may be trapped, knives are buried in the ice and allowed to freeze—but the blades are left exposed. The scent of blood is an irresistable attraction for wolves, so after the knives are firmly frozen in place a liberal amount of seal blood is sprinkled over the blades. Obviously, the objective is to get the wolves to lick up the blood, thinking they have stumbled on a free lunch. What happens next is simple, efficient, and deadly. The wolves, because of the coldness and concealment of the blades, do not realize that in their haste they are slashing their own tongues and are, in fact, consuming themselves. They literally eat their own life blood and die.

Whether intended or not, the legislation before us has much of each of these stories in it. On the one hand, you and I are being asked to believe that a massive infusion of scarce Federal revenues—some $4.5 billion if the bill passes—will create new jobs and go a long way toward alleviating our serious national unemployment problem. Like the "Emperor's New Clothes," we are being asked to believe that if we just accept the logic of the supporters of this bill and wrap ourselves up in it, snug and confident, we will achieve a new appearance and really improve, in a substantive way, the material condition of many suffering Americans.

Well, for myself, the clothes do not exist. The committee hearings and report do not demonstrate that we have an unemployment problem that needs 290,000 make-work jobs. The bill does not concentrate on high unemployment areas. It does not deal with the situation highlighted in the minority views that the existing title IV program is getting at only 35 percent of those unemployed who can be termed "economically unemployed." The bill, through a quaint and alluring embroidery, "grandfathers in" laidoff educational and public safety/health personnel through rehiring preferences, without demonstrating the refunded jobs are either essential or productive.

Worse, this legislation does not even require a clear showing that the jobs are essential to the basic operation of the community. After all, despite the clear capability and good intentions of the localities, the last 15 years have clearly shown what happens to cost-effectiveness and sound budget decisionmaking when massive Federal funds are injected into a locality in the middle of an election year. Worse yet, public service employment is not, as the minority report clearly points out, revenue sharing and employment preferences are a direct contradiction of the announced purpose of this bill—to encourage and in fact provide meaningful jobs for areas of severe unemployment and for citizens who are economically disadvantaged, and the hard-core unemployed.

The description of the "new clothes" is indeed alluring and at first glance spectacular. But a closer look reveals little if any substance, nor does the bill provide any protection or relief for those who need help the most.

In spite of the claim that a potential expenditure on make-work jobs is not inflationary, I would like to quote from page 37 of the report accompanying the bill:

> Economists generally agree that it is essential that public expenditures to increase employment must be geared toward a commensurate increase in productivity, otherwise such expenditures will create demand without a corresponding growth in supply . . . The increase in disposable income generated by the public employment program will quickly provide demand pressures that will generate price increases, particularly as certain material shortages and capacity limitations develop. . . . It is estimated that the rate of increase in the consumer price index during 1977 would again be increasing at a 12% to 13% annual rate.

Like the hunter of the wolf—and I want to make it clear that I am not describing the motives and intentions of the supporters of this bill, only the certain result they will accomplish if the bill is passed—make-work public employment is by definition an inflationary drain on the general tax revenues. It is like getting the wolf to take the "free lunch" bait; he will quickly eat his own blood—in this case tax revenue.

My fellow colleagues, the time has come to stop reading and acting out the story of the Emperor's New Clothes and to stop legislatively prescribing the wolf hunter's trap. There is no such thing as a free lunch. The bill, by prescribing a make-work public employment program that bypasses the private sector, borders on the unconscionable, raises false hopes, and walks hand in hand with the silent thief of inflation. I cannot support it, and I strongly urge you to join me.

AMENDMENT OFFERED BY MR. DOMINICK V. DANIELS

Mr. DOMINICK V. DANIELS. Mr. Chairman, I offer a perfecting amendment.

The Clerk read as follows:

> Amendment offered by Mr. DOMINICK V. DANIELS: Page 20, line 25, insert immediately after "1976," the following: "an amount equal to the difference between any amounts appropriated after February 1, 1976, to carry out title II and".

Mr. DOMINICK V. DANIELS. Mr. Chairman, if I may explain the amendment, this amendment provides that if money is appropriated before the bill becomes law in order to prevent imminent layoffs, it will have to be appropriated under title II.

The purpose of the $300 million set aside that this language amends was precisely to deal with the immediate layoff problem. We do not want to mandate more than the $300 million for this purpose, which could be the result under the situation I described above, unless this technical, perfecting amendment is adopted.

Mr. ESCH. Mr. Chairman, will the gentleman yield?

Mr. DOMINICK V. DANIELS. I yield to the gentleman from Michigan.

Mr. ESCH. Mr. Chairman, I think the gentleman's amendment does perfect the language and assures a continuation of existing funds at the current level if, indeed, the Committee on Appropriations does act prior to the final enactment of this legislation.

Mr. Chairman, I support the amendment offered by the gentleman from New Jersey (Mr. DOMINICK V. DANIELS).

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey (Mr. DOMINICK V. DANIELS).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BLOUIN

Mr. BLOUIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. BLOUIN: Page 24, strike all of line 9 through line 24 on page 25 and insert the following:
>
> "(b)(1) Fifty per centum of the amount appropriated under section 600(a) which remains after subtracting any amount which is required by 600(b) to be allocated in accordance with and subject to the provisions of part A shall be allocated among prime sponsors qualified under section 102(a) and Indian tribes receiving grants under this Act, in proportion to the relative number of unemployed persons who reside in each area served by such prime sponsor or Indian tribe, as compared to the number of unemployed persons who reside in all such areas in all the States.
>
> "(2) Fifty per centum of the amount appropriated under section 600(a) which remains after subtracting any amount which is required by 600(b) to be allocated in accordance with and subject to the provisions of part A shall be allocated among prime sponsors qualified under section 102(a) and Indian tribes receiving grants under this Act, on the basis of the relative excess number of unemployed persons who reside within each area served by such prime sponsor or Indian tribe, as compared to the total excess number of unemployed persons who reside within all such areas. For purposes of this subparagraph, the term 'excess number' means (A) the number which represents unemployed persons in excess of 4½ per centum of the labor force in the area in which such persons reside, or (B) in the case of a prime sponsor which is a State, the term 'excess number' means such number as defined in clause (A) or the number which represents unemployed persons in excess of 4½ per centum of the labor force in areas eligible for assistance under title II located in the geographical area served by such State prime sponsor under title I or II, whichever is greater.
>
> "(c) As soon as practicable after any allocation under subsection (b), the Secretary shall publish such allocation in the Federal Register, together with the individual area unemployment data on which it is based."

Mr. BLOUIN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. BLOUIN. Mr. Chairman, I offer this amendment because I believe it presents the most equitable approach possible to the proposed goals as set forth in this legislation.

This bill was written as a direct response to the persistence of unacceptable levels of unemployment that exist throughout this entire country.

Mr. Chairman, I have no quarrel with the concept of this bill, and I commend the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) and his subcommittee for their work and foresight in bringing such a proposal to the Congress for consideration. My major concern with the present language of this bill is that which concerns itself with the formula for the distribution of funds to the prime sponsors qualified under title I and Indian tribes on Federal and State reservations.

Mr. Chairman, the original language of the subcommittee bill, as reported by the subcommittee of the gentleman from New Jersey (Mr. DOMINICK V. DANIELS), was changed in the full committee so that 25 percent of the funds are to be distributed on the basis of the number of unemployed in one area compared to the number of unemployed in all areas. The remaining funds, 75 percent, shall be allotted on the basis of the relative excess number of unemployed persons who reside within the area served by the prime sponsor and Indian tribes as compared to the total excess number of unemployed persons who reside in all such areas. As is pointed out in the amendment, excess number implies 6½ percent areawide.

The rationale for this amendment was based on a distribution of an additional 25 percent of funding to those areas hardest hit by unemployment.

Mr. Chairman, I do not take issue with the fact that money should go to areas with the greatest severity of unemployment. My concern revolves around the definition of "hardest hit" or "severity."

If we are going to be equitable in our definition of severity, it would seem to me that it should be defined relative to the economic factors of each particular geographic area. A 6.5- or a 6-percent unemployment rate can be just as recessionary as a 10- or a 12.5-percent unemployment rate in another area.

It seems to me then that if we are putting together an antirecession package which is to be directed toward those areas experiencing a severe unemployment rate, the entire question of severity should be looked at on a section-by-section basis. If we are going to do the job of aiding those people caught in the economic dilemma of the times, we have to focus our legislation toward aiding as many people as possible. Therefore, I would hope that the formula as now spelled out in the language of this bill would be amended so as to aid those people from those States who are facing the same degree of unemployment severity in their geographic areas as those who may be living in an area with a relatively higher unemployment rate in terms of a percentage figure.

Mr. Chairman, I very much believe in the percentage or in the CETA concept and I support the basic idea of the bill before us. However, I opposed the present language and did so in the committee, as it pertains to this formula, because I plainly felt it discriminates against those geographic areas which are experiencing an economic crisis no different than those areas with a 9-, 10-, or a 12-percent unemployment level rate. Both areas need to be addressed and I would urge this body to support my amendment, because I feel it does address the problem in a more broadly based and equitable manner.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. BLOUIN. I am happy to yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Iowa (Mr. BLOUIN) and I commend the gentleman for his initiative and his leadership in trying to correct this inequity that, although unintended, discriminates against a number of areas, rural areas and nonmetropolitan areas.

I wish the gentleman success in this amendment. I think it is a change that needs to occur and I hope it will occur today in this legislation.

Mr. BLOUIN. I thank the gentleman.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. BLOUIN. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Chairman, I thank the gentleman for yielding to me.

Mr. Chairman, I commend the gentleman from Iowa (Mr. BLOUIN) on the amendment the gentleman has offered. We in the State of Minnesota have also experienced the problem the gentleman has alluded to, the increased employment rate and the shift in the figures by the Department of Labor would make it very difficult for the counties in our State to get their equitable share of the CETA funds.

I commend the gentleman upon his amendment.

Mr. BLOUIN. I thank the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

(On request of Mr. ECKHARDT, and by unanimous consent, Mr. BLOUIN was allowed to proceed for 2 additional minutes.)

Mr. ECKHARDT. Mr. Chairman, will the gentleman yield?

Mr. BLOUIN. I yield to the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Iowa (Mr. BLOUIN) and commend the gentleman for offering it. It seems to me, Mr. Chairman, that precisely what the gentleman says is correct. In certain areas where wages are very low and where unemployment is virtually chronic, a smaller percentage of unemployment may have more impact in that area than a large percentage in an area which is generally more prosperous. I am referring to places like Mississippi and eastern Texas. They would be favorably affected by the amendment. I support the amendment.

Mr. BLOUIN. I thank the gentleman.

Mr. LOTT. Mr. Chairman, will the gentleman yield?

Mr. BLOUIN. I yield to the gentleman from Mississippi.

Mr. LOTT. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Iowa (Mr. BLOUIN). It addresses a problem that certainly would be very helpful to our State if it is corrected, as well as other areas across the country. I support the amendment.

Mr. Chairman, the bill before us was amended in the full Education and Labor Committee with respect to the distribution of funds under title VI–B—emergency employment projects—among the prime sponsors qualified under title I and Indian tribes on Federal and State reservations. The bill as reported by the subcommittee would have distributed one-half of these funds on the basis of the number of unemployed in one area compared to the number of unemployed in all areas.

The remaining half would have been allotted on the basis of the relative excess number of unemployed persons who reside within the area served by the prime sponsor and Indian tribes as compared to the total excess number of unemployed persons who live in all such areas. "Excess number" was defined as above 4½ percent.

When the legislation was reported, however, the formula under this section was changed. Presently, only one-fourth of the funds are to be allocated on the basis of the number of unemployed in one area compared to the total number of unemployed. The balance, 75 percent, is to be distributed to prime sponsors based on relative excess numbers of unemployed. The "excess number" figure also was revised upward from 4½ percent to the current 6½ percent.

If the 25/75 formula remains a part of this legislation, Mr. Chairman, rural areas all across the country stand to lose as much as 50 percent in funding. Countless situations exist where individual counties being served by State prime sponsors may have a high rate of unemployment, but the State overall unemployment rate may not exceed 6½ percent. In such cases these counties will be denied the additional funds as promoted by the amended formula. Actually, they will lose 50 percent in comparison to those areas which do belong to a prime sponsor area experiencing a 6½-percent rate of unemployment.

While I have no quarrel with efforts by the committee to channel the money authorized by this legislation to locales where it is needed most, I do object to discrimination against those rural areas which do not fall within the category of a prime sponsor, yet experience an untenable rate of unemployment. I, therefore, hope that the 50/50 formula will be returned to the bill with respect to title VI–B fund distribution; and I accordingly support an amendment to accomplish this purpose.

Mr. LONG of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. BLOUIN. I yield to the gentleman from Louisiana.

Mr. LONG of Louisiana. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Iowa (Mr. BLOUIN).

I would like to take just a moment to commend the gentleman from Kentucky, Chairman PERKINS, and the other members of the Committee on Education and Labor for bringing this legislation to the floor today. I support the substance and purpose of this legislation. However, I object to the committee formula.

As a member of the Joint Economic Committee, I recall that in March of last year we recommended a massive jobs program. The Committee on Education and Labor acted quickly and decisively then and again this year to achieve a more responsible economic policy—a policy that will stop paying people off with unemployment compensation, food stamps, and welfare, and start putting people back to work and on the tax rolls.

That is what this bill is about. And that is why I support this opportunity to put 600,000 people back to work.

My only concern is that this be done fairly, without regard to the size or location of the community where people are in need.

The intent behind the committee formula, as I understand it, is to provide additional funding to those prime sponsors most affected by unemployment. I certainly would support this concept of channeling funds where they are needed most.

But how do you determine where they are needed most? If New York City has had an increase in unemployment from 8 percent to 12 percent, and a rural community has had an increase in unemployment from 3 percent to 7 or 8 percent, which one needs the most help? It is all relative.

This is a problem those of us who represent rural districts find all too familiar when it comes time to play the Federal dollars game. Somehow the Federal money seems to flow where the aggregate numbers are the highest rather than where the relative need is the highest.

The severity of unemployment affects rural counties just as deeply as it does urban counties even though this may not show up in the numbers alone. The impact on people is the same—a person is out of work, he needs a job, he needs help.

I believe the formula proposed by Mr. BLOUIN in his amendment would equalize the flow of Federal dollars to each person so that each has an equal and fair chance to benefit from the job opportunities created by the bill.

It seems to me that if we are really serious about fighting unemployment at the root cause, and if we want to make the best use of this money, we have to start with a formula that is going to look at all of America—a formula that is geared to find the unemployed wherever they may live, whether that be in New York City or in Eunice, La. This is what the Blouin amendment would do.

Let me just say that I do not consider

this an urban-rural confrontation. When New York City had its moment of crisis, I voted to help the city out. But I do think it is only fair in dealing with national programs of this nature—and this importance—that we make sure that each individual whether he lives in a small town, a large town, or a city, have a fair and equal shot at the opportunities we create. This is what the Blouin amendment would do.

I urge my colleagues to join me in supporting this important amendment.

Mrs. SPELLMAN. Mr. Chairman, will the gentleman yield?

Mr. BLOUIN. I yield to the gentlewoman from Maryland.

Mrs. SPELLMAN. I thank the gentleman for yielding.

I, too, would like to congratulate the gentleman on this amendment. I think this would be a great help to my district and certainly to my State. I am delighted to rise in support of it.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. BLOUIN. I yield to the gentleman from Virginia.

Mr. HARRIS. I thank the gentleman for yielding.

I would like to rise in strong support of the gentleman's amendment. I think it is absolutely necessary to make this program work.

I think we have before us a program that says if a man is unemployed in an area that has large unemployment, he is suffering; but if he is unemployed in an area that does not have large unemployment, he is not suffering. I think this is a fallacious concept, and I think it is one we have to correct.

Mr. Chairman, today we have the opportunity to address one of the basic ills facing the country—unemployment. By passing H.R. 11453, we will be creating 280,000 new public service jobs, and continuing 320,000 jobs, making a total of 600,000 public service jobs for those 7.3 million Americans now out of work.

I am not at all comforted by the administration's budget which predicts a 7.7-percent unemployment rate in 1977. The 7.7 percent figure, if recent history can be any guide is overly optimistic. In 1976, the President told us that unemployment would be 7.9 percent; in reality, it turned out to be 8.3 percent. The administration's approach is to reduce the current public service job level by about 15,000 in the next 6 months and to provide sharp reductions—over 25,000 per month—in late 1976—curiously right after the election. This approach tells me that the administration could care less about jobs, or about the people who are out of work.

While I am firmly committed to job-creation efforts such as this, I am troubled by the formula in the bill which ties funding to a 6.5-percent unemployment rate. Under the committee bill, 75 percent of the funds can only go to areas with more than 6½ percent unemployment. Twenty-five percent will be divided among all areas at the same rate that the area's unemployment relates to the Nation's unemployment. I support an amendment to be offered by the gentleman from Iowa (Mr. Blouin) to charge this formula to 50–50 and to qualify any area with a 4½-percent unemployment rate. The fact of the matter is that the current Nixon-Ford recession has increased unemployment from 4½ percent to an all-time high of 8.3 percent last year. It is this Republican recession that this bill tries to turn around. The Blouin amendment will help my district and many others that would go wanting under the bill. It will attack many more unemployment pockets across the country.

UNEMPLOYMENT IS UNEMPLOYMENT

I have difficulty understanding how, as an antirecessionary measure, this bill can say, in effect, that those unemployed persons in one area are worse off than persons unemployed in other areas. Unemployment is unemployment, and it is painful no matter where it is occurring or to whom. There is no way we can measure the severity of unemployment and single out certain unemployed persons for preferential treatment and more opportunity. The degree of unemployment is certainly a relative matter. A 6.5-percent unemployment rate can be just as recessionary in one area as 12-percent unemployment rate in another area. Who among us can tell an unemployed father that because he lives in an area with 6-percent unemployment, his unemployment is not all that bad? This provision, Mr. Chairman, is discriminatory and should be removed.

Tying funds to a 6½-percent unemployment rate will mean that areas like my district in suburban Washington and rural areas will not receive equal treatment under this program. Additionally, individual counties facing high unemployment would not be eligible for funds because the State overall unemployment average does not exceed 6½ percent. In reality, such areas will lose an extra 25 percent in funding under this bill, even though their unemployment rate is "severe" as defined by the bill.

WELFARE BURDEN ON COMMUNITIES

Another inequity caused by this formula is that by injecting Federal assistance and jobs into one area by targeting 75 percent of the funds to areas with 6½-percent unemployment, communities with a lower unemployment rate will have an unfair burden of welfare and public assistance. An antirecessionary measure should have broad application; it should assist all of our unemployed citizens.

I intend to vote for this bill and I hope it will be modified to lower the target unemployment figure. This Congress should pass a jobs bill but one which helps all areas—all the unemployed. The American people are fed up with the administration's position of treading water, of patiently waiting for the recession to bottom out. I recently read politicians described as being somewhat off base. "Politicians talk graphs and charts, charts and graphs, demographics, schemeographic" this commentator said. "Issues, issues, that is what people are interested in. Jobs." That is what this bill is all about. Let us make it equitable for all.

Mr. O'HARA. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, when the country is troubled by flooding, assistance is generally given to the low-lying areas that were inundated, not to the mountains.

When we have a program that is designed to cope with the problems of unemployment, we ought to direct it at least a little bit, into the areas where there is substantial unemployment. Under the amendment offered by the gentleman from Iowa, we would not differentiate between an area that had 4½-percent unemployment and one that was 20-percent unemployment. That just does not make any sense. It may be nice for those communities that have between 4½- and 6½-percent unemployment, but it does not make any economic sense, nor, Mr. Chairman, is it necessary.

Let me emphasize that this bill is a two-part bill. The first part continues the existing program, and it has a hold-harmless provision so no one is getting hurt by the formula that the gentleman from Iowa wants to change. No one is getting hurt. The formula that he proposes to amend applies only to the new part of the bill, only to the so-called special projects part. So it is not necessary to adopt the amendment offered by the gentleman from Iowa to protect existing allocations under the present program. What he is trying to reach is the additional program provided by this bill that is targeted on those areas that have the highest unemployment.

I have heard from my friends on the minority side about targeting, and I agree that this bill does not have enough targeting, but if the gentleman's amendment is agreed to, it will have even less.

Mr. ESCH. Mr. Chairman, will the gentleman yield?

Mr. O'HARA. I yield to the gentleman from Michigan.

Mr. ESCH. I thank the gentleman for yielding.

I am sure there are many times during the year that the gentleman and I may disagree, but on this amendment I would like to rise in agreement with the gentleman's comments and associate myself with them. It is true that we must reject the amendment to preserve whatever little targeting there is in the bill, and it is important that we reject the amendment for that reason.

Mr. O'HARA. I ask the Members of the Committee to reject the Blouin amendment, and I yield back the remainder of my time.

Mr. CORNELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of the amendment being offered by Mr. Blouin. I believe it is essential to revise the language in part B—limiting eligibility for Federal funds to areas with excess unemployment over 6½ percent.

This provision concentrates Federal assistance in urban, high density areas at the expense of equally needy rural, less populated areas. I can best explain how this happens by citing an example from my own congressional district, although this pattern is repeated across the country. In my district are several rural counties where the unemployment rate is above 10 percent—such as Florence County, 12.8 percent, and Forest County, 12 percent. Due to their low population totals, these counties are grouped under the heading of "balance of State" for CETA prime sponsor purposes. Because certain areas in Wisconsin—also included under "balance of State" are fortunate enough to have a much lower rate of unemployment, the aggregate jobless rate could be below 6½ percent thus disqualifying the counties I mentioned from assistance under this bill.

I realize that it was not the intention of the author of the language in question—which was added during the full Education and Labor Committee markup of H.R. 11453—to discriminate against the jobless in rural areas, but this is exactly what the present wording does. An analysis of the fiscal 1976 Federal budget shows that only 17 percent of all Federal outlays for employment and manpower training go into nonmetropolitan areas. This is the case despite the fact that such nonurban areas account for more than 30 percent of the country's unemployed.

The enactment of this measure without Mr. BLOUIN's amendment would add to this inequity in the distribution of Federal funds.

Poverty and unemployment are not found only in our Nation's cities, so if the intention of this leigslation is to direct Federal funds to the areas of most need, then the Blouin amendment should be adopted.

Mr. BEDELL. Mr. Chairman, will the gentleman yield?

Mr. CORNELL. I yield to the gentleman from Iowa (Mr. BEDELL).

Mr. BEDELL. Mr. Chairman, I commend the gentleman from Wisconsin and I rise in support of the amendment.

Mr. BLOUIN. Mr. Chairman, will the gentleman yield?

Mr. CORNELL. Mr. Chairman, I yield to the gentleman from Iowa (Mr. BLOUIN).

Mr. BLOUIN. Mr. Chairman, I commend the gentleman as well for pointing out the effect specifically for northern Wisconsin.

I think this issue can be looked at in another perspective—yet the same results persist.

Coming from the State of Iowa, I am deeply concerned by DOL—Department of Labor—projections that there will be 2 million people exhausting unemployment insurance benefits by the end of calendar year 1976. I am also concerned by the fact that currently almost 2.5 million people are receiving unemployment insurance benefits for other than the regular 26-week period. These individuals are found in all communities of the country, the effect of overtargeting dollars with a 75 percent weighing for areas in excess of 6½ percent unemployment would effect an uneven burden to other jurisdictions' welfare and public assistance loads. On January 7 the Labor Department published a notice in the Federal Register announcing that the unemployment insurance Federal supplementary benefit period—the 39–65 week extension—was ending in the States of Colorado, Delaware, Idaho, Indiana, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Nebraska, North Carolina, North Dakota, Ohio, Oklahoma, South Dakota, Texas, Utah, Virginia, Wisconsin, Wyoming, and the District of Columbia.

This means that in 21 States the rate of insured unemployment averaged less than 5 percent over a period of 13 consecutive calendar weeks. Traditionally, the rate of uninsured unemployment is 1 percent lower than the average unemployment rate. This means that those 21 States are averaging approximately 6 percent unemployment. As a result, individuals who are "layed-off" from the Federal supplementary period would have to go on welfare and not have as much of a chance to be the recipient of a public service job.

Thus, while on the surface, targeting money to areas of highest unemployment appears equitable, it creates a catch-22 situation in those States with reduced periods of unemployment compensation. Thus, individuals in those States are penalized in terms of their relative advantage of seeking a public service job purely on the basis of geography. I would therefore strongly endorse the original version of the allocation formula in H.R. 11453, and would hope this body could support my amendment.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. CORNELL. I yield to the gentleman from Missouri.

Mr. ALEXANDER. Mr. Chairman, I compliment the gentleman for pointing out the discrimination which exists under the formula. Our State got two lousy jobs under the present formula as administered by the CETA program.

Mr. Chairman, I thank the gentleman for yielding.

Mr. PEYSER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to ask the gentleman who offered the amendment, the gentleman from Iowa (Mr. BLOUIN), this is for my own clarification so I understand a little better what the gentleman is offering; is the gentleman dealing with the special projects?

Mr. BLOUIN. Yes, the new provision.

Mr. PEYSER. The new provision; in that situation, an area that has, let us say, 6-percent unemployment, which would qualify under the gentleman's amendment, as I understand it , as against an area that might have 12-percent unemployment, let us suppose we had everything on an even basis except the unemployment levels in those two respective areas, what would be the impact of the gentleman's amendment on that situation?

Mr. BLOUIN. The impact would be to treat it the way the CETA program treats that kind of situation today. We would say that the unemployment figure would be 4.5 percent. I understand unemployment figures are terribly misleading; but in any event, it is 4.5 percent under the present law; that 50 percent of the money will be distributed across the board under the present situation; but 50 percent will also be distributed in those sponsored areas over 4 percent.

Under the amendment adopted in the committee, that ballgame changes to a 6.5-percent level; so we are moving it up two rungs and we are putting the formula at 25 percent across the board and 75 percent for those above 6.5 percent. It is hard to say for a State, because it varies from pocket to pocket.

Mr. PEYSER. I think I understand what the gentleman is saying. In essence, what would happen is the area with high unemployment, this can be urban or rural areas, under the amendment of the gentleman they would not receive as much money for jobs as they would receive under the committee bill right now.

Mr. BLOUNT. That is not true.

Mr. PEYSER. Let me say this, in the bill that is now before us, not amended, the concentration of moneys goes to the area of higher unemployment, it has nothing to do with saying it is urban, it could be urban or rural unemployment; but it goes to the unemployment area with the higher percentage. The gentleman's amendment would cut down that percentage for the higher rate of unemployment area, so in other words, the higher area would not receive as large a share. I understand the system, so called, of equalizing, but it does seem to me the purpose of the bill is to reach out to area of the highest unemployment these areas are creating havoc in our economic situation today.

Mr. BLOUIN. Mr. Chairman, will the gentleman yield further?

Mr. PEYSER. I am happy to yield to the gentleman.

Mr. BLOUIN. In quick response to that, I guess that is where the difference in philosophy comes in. The point I am trying to make is that if I have a county in my State with 8- or 9- or 10-percent unemployment that happens to only fall within a prime sponsorship of the State level and not on a local agency; because of that State sponsorship their average of unemployment falls down considerably. That list of 21 States falls into that exact kind of situation, because they fall below 6.5 percent, under the existing formula they are going to be penalized. The trouble is they will be penalized by an additional 50 percent.

Mr. PEYSER. I understand what the gentleman is saying, but it seems to me the basic concept of this bill or this legislation is to reach out to where the largest numbers of unemployment are under this section of the legislation and trying to addres that particular problem; so I would suggest that we stay with the bill.

The CHAIRMAN. The time of the gentleman from New York has expired.

(At the request of Mr. BLOUIN and by unanimous consent, Mr. PEYSER was allowed to proceed for an additional 2 minutes.)

Mr. BLOUIN. Mr. Chairman, will the gentleman yield further?

Mr. PEYSER. I yield.

Mr. BLOUIN. The concept of the bill is to take care of the kind of unemployment that results from a very malapportioned recession and the unemployment that grows from it. It is something we cannot track down very clearly through normal indicators, yet we are trying to do just that in a compounded way to make it sufficient for those already isolated areas that come in the other programs.

In New York I can show the gentleman areas that come out much better.

Mr. PEYSER. I am well aware of that particular situation. It just seems to me that the concept was of addressing, with this money, the major areas of unemployment, and that is what I was interested in.

Mr. QUIE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to have the attention of the chairman of the subcommittee, the gentleman from New Jersey (Mr. DOMINICK V. DANIELS), if I may. In listening to the debate on this amendment, is it not true that part A under the committee bill will continue the same formula as title VI has right now?

Mr. DOMINICK V. DANIELS. The gentleman's statement is absolutely correct.

Mr. QUIE. And the bill also provides that we protect the money that goes into part A before any money is available for part B?

Mr. DOMINICK V. DANIELS. That is right.

Mr. QUIE. And so if one compares this bill with the one presently reported, then we do not have to worry about losing the money we presently receive under title VI because we are continuing under the present formula, is that correct?

Mr. DOMINICK V. DANIELS. Title VI is divided into two parts, A and B.

Of course, title VI today becomes part A of the title VI of the bill under consideration, with a few minor changes.

Mr. QUIE. And so if anyone is worried about the amount they receive, they need not under this bill?

Mr. DOMINICK V. DANIELS. Right.

Mr. QUIE. I would also like to inquire of the gentleman, in part B under the bill, for the 75 percent that is contributions on the basis of unemployment above 6½ percent, it states that it shall be on the basis of relative number of excess number of unemployed persons who reside within each area served by the prime sponsor. If, in the balance of the State, three counties were above 6½ percent but the remaining counties were below 6½ percent, so that the average for the State was below 6½ percent, would those three counties be taken into consideration as areas within the State being higher than 6½ percent?

Mr. DOMINICK V. DANIELS. Yes; that is my interpretation. I submitted a number of questions with answers in the CONGRESSIONAL RECORD yesterday, and those questions may be found at page 2903. That question is fully answered in the RECORD.

Mr. QUIE. Then, Mr. Chairman, I would make one other inquiry of the gentleman. The only difference that I can see between the Blouin amendment, or the differences between the Blouin amendment and the committee bill for part B, is that we have a division between these two means of distributing the money on a 50–50 basis rather than a 25–75 basis.

Mr. DOMINICK V. DANIELS. That is right except for the use of 4½ percent instead of 6½ percent.

Mr. QUIE. A second one is where we take into consideration the excess unemployment. The committee bill uses 6½ percent rather than 4½ percent.

Mr. DOMINICK V. DANIELS. That is correct.

Mr. QUIE. So then the decision before the Members really is, should the additional amount of money which is in part B, which is available only if there is enough money to fully fund the requirements of part A, should that be zeroed in on the areas, the prime sponsored areas that are excess to 6½ percent, or should it be those who have only excess to 4½ percent?

Mr. DOMINICK V. DANIELS. I am advised by counsel that it is a prime sponsor area's unemployment rate that determines with a special provision for the balance of State.

Mr. QUIE. Now we are back again. When the term is used within the bill "excess number of unemployed persons who reside within each area served by the prime sponsor or Indian tribe," does that not mean each area within the prime sponsor area rather than the total of the prime sponsor area?

Mr. DOMINICK V. DANIELS. No. It means the whole area.

Mr. QUIE. It means the whole area?

Mr. DOMINICK V. DANIELS. Yes.

Mr. QUIE. The difference is that we have to have the whole area in the committee bill and only a portion of the area under the Blouin amendment.

Mr. KAZEN. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, first of all, let me start out by saying that I represent a rural district, and in several of my counties there reside a lot of migrant workers. They, at certain times of the year, move up north and they are no longer in the district.

The year before last, the Department came in and figured the unemployment to the best advantage of the county, that is, those months when the migrants were home and the unemployment was pretty high. This last year, though, they went in and took into consideration the months during which the migrants were outside of the county, and those counties did not qualify.

Is there anything in this bill that would allow the Department to go in and pick these counties during months which find these people at home, with the high unemployment?

I realize that this question has nothing whatsoever to do with the amendment that is now pending. But this is the only opportunity I have of asking this question and putting this question to the chairman and getting a reply for the benefit of the Members.

Mr. DOMINICK V. DANIELS. Mr. Chairman, will the gentleman yield?

Mr. KAZEN. I yield to the gentleman from New Jersey (Mr. DOMINICK V. DANIELS).

Mr. DOMINICK V. DANIELS. Mr. Chairman, I understand the gentleman's problem. It is a very, very difficult situation,and I am sympathetic to the gentleman's point of view. But it is a problem that we will try to work at. With migrant workers or seasonal workers, when the census is taken as to the number of unemployed in a particular area, it will vary from month to month and different times of the year. So it is very, very hard, almost impractical, to devise a scheme which will cover every eventual situation and be fair and reasonable with each section of the country.

Mr. KAZEN. That is correct, I will say to the Chairman, and I agree with the gentleman, except that in a tremendous area such as south Texas, which provides almost 90 percent of migrant labor for the entire country, that situation exists over a tremendously wide area.

The year before that, it worked out fine. And, after all, the purpose of the bill is to help high unemployment areas. This last year, because of the months that were picked, they did not qualify either on the population of the individual counties within the prime sponsor area or on the percentage of unemployment, whereas they had done it the year before. And my only question is: Why cannot we work it the way it had worked previously, the last year, and allow those counties their due at the time they actually meet the standards of high unemployment or population program?

Mr. DOMINICK V. DANIELS. Mr. Chairman, if the gentleman will yield, we discussed this problem a bit earlier, and it was pointed out to the gentleman that there may be a high incidence of unemployment during the months of January, February, and March in a particular prime sponsor area, and then they build a factory during April, May, or June, and by virtue of that factory they pick up a lot of unemployment and substantially reduce the unemployment problem.

Now, it would not be fair to give that area its allotment based on the high unemployment in the first 3 months of the year when during the last 3 months the unemployment situation is entirely different.

Mr. KAZEN. Mr. Chairman, I can understand what the chairman of the subcommittee is telling me, but why can the Department not be given the discretion to seek out a medium whereby there is no abrupt change from year to year except that it is seasonal?

There is this change in my entire district, and I know of three of my colleagues who represent districts and areas from which many of these migrants come where the trend is the same and the curve is the same year after year after year. There has been no dramatic change in unemployment. Most of the time, during the majority of the year, unemployment runs between 12 and 17 and 18 percent in those territories.

Mr. DOMINICK V. DANIELS. Mr. Chairman, will the gentleman yield further?

Mr. KAZEN. I yield to the gentleman from New Jersey.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I would like to say that I do not have any easy answer to the gentleman's problem. This is the first time this has been brought to the committee's attention, but I will assure the gentleman we will go into oversight hearings in the near future and that we will take that problem into consideration.

Mr. KAZEN. Mr. Chairman, I thank the gentleman.

Mr. JEFFORDS. Mr. Chairman, I move to strike the requisite number of words.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Minnesota.

Mr. QUIE. Mr. Chairman, I would just like to direct one more question to the gentleman from New Jersey (Mr. DOMINICK V. DANIELS), and that is this: As I read both the Blouin amendment and the committee bill in regard to this language, they are supposed to get the money out in the areas of high unemployment on the basis of the relative excess number of unemployed persons who reside within each area served by such prime sponsor or Indian tribe, as compared to the total excess number of unemployed persons who reside within all such areas.

How can this have one meaning in one place and another meaning in the other place and yet they are in exactly the same words?

Mr. DOMINICK V. DANIELS. Mr. Chairman, if the gentleman from Vermont will yield, the Blouin amendment and the provisions in the bill deal with the prime sponsor area. The only exception is when we are dealing with the balance of State.

Mr. QUIE. And with the balance of State we are only dealing with the entire balance of State area or areas within it?

Mr. DOMINICK V. DANIELS. We are dealing with types of two areas within the State.

Mr. QUIE. Then, Mr. Chairman, as far as the Blouin amendment and the committee amendment are concerned, the only difference is the difference between 6½ percent and 4½ percent?

Mr. DOMINICK V. DANIELS. That is correct.

Mr. BLOUIN. Mr. Chairman, will the gentleman yield?

Mr. JEFFORDS. I yield to the gentleman from Iowa.

Mr. BLOUIN. Mr. Chairman, let me make that clear. There is also the simple matter of changing the formula distribution from 50–50 to 25–25, as well as raising the threshold from 4½ to 6½, so there is a double-pronged barrier, if you will, as to 119 out of 400 prime sponsors in the Nation who are hurt under the committee approach, as to only 26 who would not qualify for any money under our approach. The effect is that more money is going into those areas that have heavy unemployment. Obviously if their unemployment situation is more severe, there is more of a need, and the program is geared to center in on those areas that we are talking about and getting roughly 100 prime sponsors qualified for any kind of assistance.

Mr. QUIE. Then, Mr. Chairman, if the gentleman from Vermont will yield further, what the gentleman is attempting to do is reach the areas within the prime sponsor area that have excessively high unemployment rates. He does not do that, he does not reach those areas by merely reducing the percentage of unemployment, and that means if we take the money away from those prime sponsor areas, we will have excessively high unemployment areas elsewhere.

Mr. BLOUIN. Mr. Chairman, if the gentleman will yield further, that is exactly what title II of the CETA program does. It gears money for distribution in those high unemployment pocket areas, and if we need money in those areas, that is specifically what it is for. That is where we do want to put our emphasis if we are talking about equity and about qualifying. We are talking about the level of severity of the situation, and it is just a question of basic fairness.

Mr. QUIE. That, Mr. Chairman, is the reason why I say we ought to defeat this bill and put the additional money that is made available to us through title II into the areas of the country that have excessive unemployment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. BLOUIN).

The question was taken; and on a division (demanded by Mr. BLOUIN) there were—ayes 72, noes 65.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. QUIE: Page 22, line 23, after "$12,000 per year" strike out all through line 11, page 23 and renumber accordingly.

Mr. QUIE. Mr. Chairman, my amendment strikes out the language on the bottom of page 22, beginning on line 23, through line 11 on page 23. It removes the requirement that preference be given to hiring the individuals who are health and public safety personnel if the political subdivision has bona fide budgetary reasons. I doubt that there is one among us who knows what a bona fide budgetary reason is; but if localities can explain it to the Secretary, evidently, then they can immediately hire the health and public safety personnel with public service funds. They do not even have to be unemployed.

Mr. Chairman, this is a point I raised during the general debate. Instead of hiring the people who are long-term unemployed, it is a bailout to the cities and allows them to feign budgetary problems so they can use Federal money to pay for their police and firemen.

Mr. Chairman, I do not think that that is a wise move. I think this bill is as simple as that, and we can make our decision on it.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I rise in opposition to the amendment.

We have had ample testimony during 10 days of hearings conducted by the subcommittee.

At these hearings public officials and mayors of our largest cities testified as to the fiscal crisis they faced and with what they were up against and as a consequence of which they were compelled to lay off essential public health and public service employees, police, firemen, hospital employees, sanitation workers and the like.

Mr. Chairman, I feel that any prime sponsor should have the opportunity for the determination of providing these essential services and that they should have the opportunity to fill those positions.

It appears absolutely ridiculous to me to hire policemen and firemen, send them to training school for several months and then when a municipality has a fiscal crunch have to lay them off and then have to hire, in their place, people who are disadvantaged, economically disadvantaged, who must be trained all over again. That seems to me to be a terrible waste of the community and the government funds. Therefore I oppose this amendment.

As I say, the local prime sponsor should have the opportunity where there is a bona fide layoff of essential public services, safety officers, public health officials and the like, to rehire those people.

Mr. PEYSER. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, this amendment that is being offered now now would in effect strike the provision that allows the sponsor in effect to give maximum consideration to the replacement of public health officials, and public safety officers. I think this is really a very poor amendment because when this amendment was originally offered, and it was offered by myself in the committee, the reason for this was that communities, not only cities, but other communities around the country, were being faced with a situation due to the economic pressures of having to lay off police, firefighters, and other public health officials.

It seems to me that one thing the public should be entitled to under this legislation, and one that we could all agree on, is that they are entitled to be able to maintain and have a certain amount of public safety on their streets and public safety in their homes and protection to them, and here was just an opportunity in this bill to gain that.

I just read in the papers this morning of the increased amount of crime around this country. In effect are the Members going to say to their constituents that they voted against a part of this bill that would enable public safety officials and officers, firemen, policemen and others, who could be rehired so as to protect the public under this legislation, that they are going to vote against their municipalities having the right of rehiring these people and giving them the protection they need?

Mr. Chairman, it seems to me the issue is clear cut. Crime is a major issue around our country, and certainly is of major concern to our people, and to give this right away seems to me is definitely the wrong thing to do. We ought to support the bill and defeat this amendment.

Mr. MITCHELL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from Maryland.

Mr. MITCHELL of Maryland. Mr. Chairman, I thank the gentleman for yielding and I wish to associate myself with his remarks.

Mr. PEYSER. I thank the gentleman.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. PEYSER. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, I would ask the gentleman from New York if it is not true that if this kind of preference remains in, that New York City, for instance, could use it for their sanitation workers?

Mr. PEYSER. No.

Mr. ROUSSELOT. I have been told that it does.

Mr. PEYSER. It is technically possible that they could, that would be their decision, if that were their decision. But I assure the gentleman that what we are talking about is that in the case of New York City we are talking about a tremendous number of firefighters and police officers who because of necessity have been cut down to a point that the public safety is in jeopardy, and that the public is going to have to speak out, itself, in terms of having these people put back on.

Mr. ROUSSELOT. So if we have another garbage problem in New York, they can come in and get some more sanitation workers on a preference basis.

Mr. PEYSER. I think any decision on this would be up to the city of New York, the city of Los Angeles, the city of Boston, the city of Chicago, or any place else that wants to make that decision. I am convinced the public is concerned with crime and with their own basic protection, and I cannot conceive of municipalities not using the money to help restore public safety.

Mr. ROUSSELOT. Really if we do not support the amendment offered by the gentleman from Minnesota, this is an additional bailout for New York City.

Mr. PEYSER. Do not try to label it a New York City payoff because it is no more a New York City payoff than it is for Boston or for some other community that has had a cutback on its own police or fire departments.

Mr. SISK. Mr. Chairman, will the gentleman yield for a question?

Mr. PEYSER. I yield to the gentleman from California.

Mr. SISK. I thank the gentleman for yielding.

In fact, is there not a ceiling on what we say that people can be paid?

Mr. PEYSER. There is a ceiling right in the bill.

Mr. SISK. That is what I say. What is that ceiling?

Mr. PEYSER. Twelve thousand dollars.

Mr. SISK. In other words, some comment was made about hiring $17,000 sanitation workers in New York. I do not know but maybe they do get $25,000. I do not know what they get. But basically there is a ceiling that would have to apply for anyone to be hired under this provision.

Mr. PEYSER. That is correct, and this is exactly why I do not think anybody should look on this as such, and this is not a New York City provision at all. It is a provision to help every community in this country to make that decision and have the right of making the decision to give back public safety to the people in the States, and that is all I am talking about. They do not have to make the decision if they do not want to in anyone's community.

Mr. SISK. Of course, under the provision I assume—the question just came up—really this is to some extent some additional revenue sharing where the Federal Government would pay a portion of the salary. Then could the city come in and pay the balance and then, say, pay a person substantially above the ceiling that the bill calls for?

The CHAIRMAN. The time of the gentleman has expired.

Mr. SISK. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I recognize that all of us would like to vote on this issue and conclude the business. I only want to take a moment or two.

Let me ask the gentleman from New Jersey, really how does the ceiling work? I do think it becomes important particularly in connection with the situation that has been suggested here by the most recent comments. How does that ceiling work? I will yield to the gentleman from New Jersey to make a comment on it, if he will.

Mr. DOMINICK V. DANIELS. I thank the gentleman for yielding.

Up to this date the ceiling was $10,000. It is proposed by the legislation under consideration to increase the ceiling from $10,000 to $12,000 for one-third of the jobs. However, if a municipality wants to hire a very trained, skilled person such as a sanitary engineer, an architect, or someone with very special skills whose services they feel are worth $18,000 or $20,000, the difference between the $10,000 limitation under present law and $18,000 or $20,000 then would have to be paid by the city or the prime sponsor.

Mr. SISK. And that could only apply to up to one-third of the people employed within that particular municipality?

Mr. DOMINICK V. DANIELS. Within the prime sponsor's area.

Mr. SISK. Only one-third?

Mr. DOMINICK V. DANIELS. That is right.

Mr. SISK. Where they could go above the actual ceiling through a matching fund or through a joint payment by the municipality and the government?

Mr. DOMINICK V. DANIELS. That is right.

Mr. SISK. I thank the gentleman, and I yield back the remainder of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The amendment was rejected.

Mr. ASHBROOK. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to H.R. 11453, the Emergency Employment Project Amendments of 1976. This bill would authorize another massive increase in Federal spending while doing little to solve the unemployment problem.

H.R. 11453 is hardly an exciting or novel piece of legislation. It is the same tripe that liberal politicians have been feeding us for years. To solve the unemployment problem—so the argument goes—the Federal Government should spend billions of dollars on creating public service jobs. Apparently the liberals are so bankrupt for ideas that all they can do is resurrect programs that were of questionable value four decades ago.

This approach not only is philosophically bankrupt, it threatens to make our Nation fiscally bankrupt as well. Simply put, the cost of this legislation is ridiculously high. The price tag could potentially reach $7.4 billion between now and the end of 1977.

I would remind my colleagues that just a few days ago the House gave final approval to a $6.2 billion public works boondoggle. This bill was also supposedly aimed at providing more jobs. Taken together, the House has voted $13.6 billion in Federal spending in only two bills.

Such spending is irresponsible. It will fuel inflation and jeopardize the economic recovery that is currently underway. We must reduce Government spending, not recklessly add billions more to our budget deficit.

Not only should H.R. 11453 be rejected because of its cost; it should be defeated because it cannot solve the problem. We should have learned by now that the creation of public service jobs is of little help in getting our unemployed citizens back to work.

Public service jobs are temporary and usually of a makework variety. They are also incredibly expensive. It has been estimated that no more than 50,000 temporary jobs are created for each $1 billion. Consequently the jobs created by H.R. 11453—despite the vast level of funding—would be just a drop in the bucket when it comes to the overall unemployment problem.

Public service jobs have many other drawbacks as well. These jobs offer little hope of advancement of self-improvement. There is little chance to use existing skills. Rather than contributing to economic strength, these jobs promote inefficiency in the economy as a whole.

What then is the answer? The only answer to the unemployment problem is not more public service jobs but the creation of more jobs in the private sector of our economy. These are permanent and productive jobs. These are jobs where people can put their skills to work.

We must revitalize the private sector of our economy. That is why I am cosponsoring the Jobs Creation Act authorized by my friend and colleague, JACK KEMP.

This legislation would accelerate the formation of the investment capital that is needed to increase both job opportunities and productivity in business and industry. It would encourage private enterprise to create jobs through a system of tax incentives. This is the type of legislation we need to get Americans back to work—not the public services jobs approach that has failed in the past.

The CHAIRMAN. Are there further amendments to section 2? If not, the Clerk will read.

The Clerk read as follows:

SEC. 3. (a) (1) Section 203(b) of the Comprehensive Employment and Training Act of 1973 is amended by adding at the end thereof the following new sentence: "The remainder of such funds may be used by administrative costs, including rental costs, and to obtain necessary supplies, equipment, and materials."

(2) Section 208(a) of such Act is amended by striking out clause (7) and by redesignating clause (8) as clause (7).

(b) Section 205(c) of such Act is amended by inserting "State and" immediately before "local governments" in clause (23), and by striking out "job category" in both places where that term occurs in clause (24) and inserting in lieu thereof "promotional line".

(c) Section 205(c) of such Act is further amended by striking out "and" after clause (25), by redesignating clause (26) as clause (27), and by inserting immediately before clause (27) (as so redesignated) the following new clause:

"(26) assurances that no person shall be hired to fill a public service job supported with financed assistance under this title unless (A) such job has been listed, at least seven days prior to the date on which such person is hired, with the appropriate public employment office established under the Act entitled 'An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes', approved June 6, 1933 (48 Stat. 113; 29 U.S.C. 49 et seq.), commonly known as the Wagner-Peyser Act; (B) such person, in the case of any person who is not a previous employee of the eligible applicant, is not a relative of any person with the responsibility for hiring a person to fill that job, and, for purposes of this clause, the term 'relative' means father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, half sister; (C) such person does not reside in a household in which another member of such person's family who holds a public service job assisted under this Act also resides; and (D) such person (except any person who is rehired for a job from which such person is on bona fide layoff) resides within the area served by the prime sponsor or Indian tribe; and assurances that financial records of an eligible applicant relating to a project assisted under this Act, and records of the names, addresses, positions, and salaries of all persons employed in jobs on such projects shall be kept and made available to the public; and".

(d) The amendment made by subsection (c) shall take effect with respect to persons hired after the date of enactment of this Act.

The CHAIRMAN. Are there any further amendments? If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. McKAY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 11453) to authorize appropriations for fiscal year 1976, for the period beginning July 1, 1976, and ending September 30, 1976, and for fiscal year 1977 for carrying out title VI of the Comprehensive Employment and Training Act of 1973, and to amend title II and title VI of such act, pursuant to House Resolution 1025, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted in the Committee of the Whole?

Mr. O'HARA. Mr. Speaker, I demand a separate vote on the so-called Blouin amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: Page 24, strike all of line 9 through line 24 on page 25 and insert the following:

"(b)(1) Fifty per centum of the amount appropriated under section 600(a) which remains after subtracting any amount which is required by 600(b) to be allocated in accordance with and subject to the provisions of part A shall be allocated among prime sponsors qualified under section 102(a) and Indian tribes receiving grants under this Act, in proportion to the relative number of unemployed persons who reside in each area served by such prime sponsors or Indian tribe, as compared to the number of unemployed persons who reside in all such areas in all the States.

"(2) Fifty per centum of the amount appropriated under section 600(a) which remains after subtracting any amount which is required by 600(b) to be allocated in accordance with and subject to the provisions of part A shall be allocated among prime sponsors qualified under section 102(a) and Indian tribes receiving grants under this Act, on the basis of the relative excess number of unemployed persons who reside within each area served by such prime sponsor or Indian tribe, as compared to the total excess number of unemployed persons who reside within all such areas. For purposes of this subparagraph, the term 'excess number' means (A) the number which represents unemployed persons in excess of 4½ per centum of the labor force in the area in which such persons reside, or (B) in the case of a prime sponsor which is a State, the term 'excess number' means such number as defined in clause (A) or the number which represents unemployed persons in excess of 4½ per centum of the labor force in areas eligible for assistance under title II located in the geographical area served by such State prime sponsor under title I or II, whichever is greater.

"(c) As soon as practicable after any allocation under subsection (b), the Secretary shall publish such allocation in the Federal Register, together with the individual area unemployment data on which it is based."

The SPEAKER. The question is on the amendment on which a separate vote has been demanded.

Mr. O'HARA. Mr. Speaker, on that I demand a vote.

Mr. BLOUIN. Mr. Speaker, a point of order. I thought I was on my feet before the Speaker put the question.

The SPEAKER. The gentleman's rights are protected.

Mr. BLOUIN. Mr. Speaker, I was first going to make a parliamentary inquiry as to the effect of the vote.

The SPEAKER. A "yea" vote is in favor of the amendment on which a separate vote has been demanded.

The question is on the amendment on which a separate vote has been demanded.

The question was taken; and on a division (demanded by Mr. BLOUIN) there were—ayes 73, noes 75.

Mr. BLOUIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 189, nays 206, not voting 37, as follows:

[Roll No. 52]

YEAS—189

Abdnor
Alexander
Allen
Ambro
Andrews, N.C.
Andrews, N. Dak.
Archer
Armstrong
Aspin
Baldus
Baucus
Bauman
Beard, Tenn.
Bedell
Bennett
Bergland
Bevill
Blouin
Boggs
Bowen
Breaux
Breckinridge
Brinkley
Brooks
Brown, Ohio
Burleson, Tex.
Burlison, Mo.
Byron
Carter
Clausen, Don H.
Cleveland
Cochran
Collins, Tex.
Cornell
D'Amours
Daniel, Dan
Daniel, R. W.
Davis
Dent
Derrick
Devine
Dickinson
Duncan, Tenn.
Eckhardt
Edwards, Ala.
English
Erlenborn
Eshleman
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fascell
Fenwick
Findley
Fisher
Fithian
Flood
Flowers
Ford, Tenn.
Fountain
Frenzel
Fuqua
Ginn

Gonzalez
Goodling
Grassley
Guyer
Hagedorn
Hall
Hamilton
Hammerschmidt
Harkin
Harris
Hayes, Ind.
Hébert
Hechler, W. Va.
Hefner
Henderson
Hightower
Holland
Holt
Howe
Hubbard
Hungate
Ichord
Jacobs
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Kelly
Kemp
Ketchum
Keys
Kindness
Krebs
Krueger
Lehman
Levitas
Litton
Lloyd, Tenn.
Long, La.
Lott
McCollister
McDonald
McFall
McKay
Mahon
Mann
Mathis
Mazzoli
Melcher
Mezvinsky
Milford
Miller, Ohio
Mills
Mink
Mollohan
Montgomery
Moore
Moorhead, Calif.

Morgan
Mosher
Moss
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nichols
Nolan
Oberstar
Passman
Pickle
Poage
Pressler
Preyer
Quillen
Randall
Roberts
Robinson
Rogers
Roncalio
Rose
Roush
Rousselot
Runnels
Satterfield
Schroeder
Schulze
Sebelius
Sharp
Shipley
Shuster
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Spellman
Spence
Staggers
Stanton, J. William
Steed
Stephens
Symington
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Thornton
Treen
Waggonner
Wampler
Whitehurst
Whitten
Wilson, Tex.
Winn
Wirth
Wright
Wylie
Young, Tex.

NAYS—206

Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Annunzio
Ashbrook
Ashley
AuCoin
Badillo
Bafalis
Barrett

Beard, R.I.
Bell
Biaggi
Biester
Bingham
Blanchard
Boland
Bolling
Brademas
Brodhead
Broomfield
Brown, Calif.
Brown, Mich.

Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Carney
Carr
Cederberg
Clancy
Clay
Cohen
Collins, Ill.

Conable
Conte
Conyers
Corman
Cotter
Crane
Daniels, N.J.
Danielson
de la Garza
Delaney
Dellums
Derwinski
Diggs
Dingell
Dodd
Downey, N.Y.
Duncan, Oreg.
du Pont
Early
Edgar
Edwards, Calif.
Eilberg
Emery
Esch
Fary
Fish
Florio
Foley
Forsythe
Fraser
Frey
Gaydos
Gilman
Goldwater
Gradison
Gude
Hanley
Hannaford
Harrington
Harsha
Hawkins
Heckler, Mass.
Helstoski
Hicks
Hillis
Holtzman
Horton
Howard
Hughes
Hutchinson
Hyde
Jeffords
Karth
Kasten
Kazen
Koch
LaFalce
Lagomarsino
Latta
Leggett
Lent
Lloyd, Calif.
Long, Md.
McClory
McCloskey
McDade
McHugh
McKinney
Macdonald
Madden
Madigan
Maguire
Martin
Matsunaga
Meeds
Metcalfe
Meyner
Michel
Mikva
Miller, Calif.
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Moorhead, Pa.
Mottl
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nix
Nowak
O'Brien
O'Hara
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Pepper
Perkins
Peyser
Pike
Price
Pritchard
Quie
Railsback
Rangel
Regula
Reuss
Richmond
Riegle
Rinaldo
Rodino
Roe
Rooney
Rosenthal
Rostenkowski
Roybal
Ruppe
Russo
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Schneebeli
Seiberling
Shriver
Simon
Solarz
Stanton, James V.
Stark
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symms
Talcott
Thompson
Traxler
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
White
Wiggins
Wilson, Bob
Wilson, C. H.
Wolff
Wydler
Yates
Yatron
Young, Alaska
Young, Fla.
Young, Ga.
Zablocki
Zeferetti

NOT VOTING—37

Bonker
Burton, John
Burton, Phillip
Butler
Chappell
Chisholm
Clawson, Del
Conlan
Coughlin
Downing, Va.
Drinan
Flynt
Ford, Mich.
Giaimo
Gibbons
Green
Haley
Hansen
Hays, Ohio
Heinz
Hinshaw
Jarman
Johnson, Pa.
Landrum
Lujan
McCormack
McEwen
Obey
Patman, Tex.
Pettis
Rees
Rhodes
Risenhoover
Ryan
Steelman
Steiger, Ariz.
Udall

The Clerk announced the following pairs:

Mr. Patman with Mr. Rhodes.

Mr. Hays of Ohio with Mr. Steiger of Arizona.

Mr. Drinan with Mr. Steelman.

Mr. Ford of Michigan with Mr. Heinz.

Mrs. Chisholm with Mr. Johnson of Pennsylvania.

Mr. McCormack with Mr. Lujan.

Mr. Flynt with Mr. Conlan.

Mr. Chappell with Mr. Del Clawson.

Mr. Phillip Burton with Mr. Butler.

Mr. Downing of Virginia with Mr. Jarman.

Mr. Rees with Mr. Coughlin.

Mr. Risenhoover with Mrs. Pettis.

Mr. Ryan with Mr. Hinshaw.

Mr. Udall with Mr. McEwen.

Mr. Haley with Mr. Hansen.

Mr. Landrum with Mr. Bonker.

Mr. Green with Mr. John Burton.

Mr. Giaimo with Mr. Gibbons.

Mr. FLOOD, Mr. BAUCUS, Ms. KEYS, and Mr. SKUBITZ changed their votes from "nay" to "yea."

Messrs. PIKE, KASTEN, SYMMS, and MATSUNAGA changed their votes from "yea" to "nay."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. QUIE. I am opposed to the bill, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. QUIE moves to recommit the bill (H.R. 11453) to the Committee on Education and Labor.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. QUIE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 239, nays 154, not voting 39, as follows:

[Roll No. 53]

YEAS—239

Abzug
Adams
Addabbo
Allen
Ambro
Anderson, Calif.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
AuCoin
Badillo
Baldus
Barrett
Baucus
Beard, R.I.
Bergland
Biaggi
Biester
Bingham
Blanchard
Boggs
Boland
Bolling
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Brown, Calif.
Burke, Calif.
Burke, Mass.
Carney
Carr
Clay
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
D'Amours
Daniels, N.J.
Danielson
de la Garza
Delaney
Dellums
Dent
Derrick
Diggs
Dingell
Dodd
Downey, N.Y.
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Fish
Fithian
Flood
Florio
Foley
Ford, Tenn.
Fraser
Fuqua
Gaydos
Giaimo
Gilman
Gonzalez
Gude
Hall
Hamilton
Hanley
Hannaford
Harrington
Harsha
Hawkins
Hayes, Ind.
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks
Hightower
Holtzman
Howard
Hubbard
Hungate
Jacobs
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kastenmeier
Kazen
Keys
Koch
Krebs
LaFalce
Leggett
Lehman
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
McCloskey
McDade
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Maguire
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mills
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Nedzi
Nix
Nolan
Nowak
Oberstar
O'Hara
O'Neill
Ottinger
Patten, N.J.
Patterson, Calif.
Pepper
Perkins
Peyser
Pickle
Pike
Preyer
Price
Railsback
Randall
Rangel
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Rodino
Roe
Rogers
Roncalio
Rooney
Rosenthal
Rostenkowski
Roush
Roybal
Russo
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Schroeder
Seiberling
Sharp
Shipley
Sikes
Simon
Sisk
Slack
Smith, Iowa
Solarz
Staggers
Stanton, James V.
Stark
Steed
Stokes
Stratton
Studds
Sullivan
Symington
Thompson
Thornton
Traxler
Tsongas
Ullman
Van Deerlin
Vander Veen
Vanik
Vigorito
Walsh
Waxman
Weaver
Whalen
White
Wilson, C. H.
Wirth
Wolff
Wright
Yates
Yatron
Young, Alaska
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—154

Abdnor
Alexander
Anderson, Ill.
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bedell
Bell
Bennett
Bevill
Blouin
Bowen
Breaux
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Byron
Carter
Cederberg
Clancy
Clausen, Don H.
Cleveland
Cochran
Collins, Tex.
Conable
Crane
Daniel, Dan
Daniel, R. W.
Davis
Derwinski
Devine
Dickinson
Duncan, Tenn.
Edwards, Ala.
English
Erlenborn
Esch
Eshleman
Fisher
Flowers
Forsythe
Fountain
Frenzel
Frey
Ginn
Goldwater
Goodling
Gradison
Grassley
Guyer
Hagedorn
Harkin
Harris
Hébert
Hefner
Henderson
Hillis
Holland
Holt
Horton
Howe
Hughes
Hutchinson
Hyde
Ichord
Jeffords
Johnson, Colo.
Jones, N.C.
Kasten
Kelly
Kemp
Ketchum
Kindness
Krueger
Lagomarsino
Latta
Levitas
Lott
McClory
McCollister
McDonald
Madigan
Mahon
Mann
Martin
Mathis
Michel
Milford
Miller, Ohio
Montgomery
Moore
Moorhead, Calif.
Myers, Ind.
Myers, Pa.
Neal
Nichols
O'Brien
Passman
Pattison, N.Y.
Poage
Pressler
Pritchard
Quie
Quillen
Regula
Roberts
Robinson
Rose
Rousselot
Runnels
Ruppe
Satterfield
Schneebeli
Schulze
Sebelius
Shriver
Shuster
Skubitz
Smith, Nebr.
Snyder
Spellman
Spence
Stanton, J. William
Steiger, Wis.
Stephens
Stuckey
Symms
Talcott
Taylor, Mo.
Taylor, N.C.
Teague
Thone
Treen
Vander Jagt
Waggonner
Wampler
Whitehurst
Whitten
Wiggins
Wilson, Bob
Wilson, Tex.
Winn
Wydler
Wylie
Young, Fla.

NOT VOTING—39

Bonker
Burton, John
Burton, Phillip
Butler
Chappell
Chisholm
Clawson, Del
Conlan
Coughlin
Downing, Va.
Drinan
Findley
Flynt
Ford, Mich.
Gibbons
Green
Haley
Hammerschmidt
Hansen
Hays, Ohio
Heinz
Hinshaw
Jarman
Johnson, Pa.
Landrum
Lent
Lujan
McCormack
McEwen

Mosher
Obey
Patman, Tex.
Pettis
Rees
Rhodes
Ryan
Steelman
Steiger, Ariz.
Udall

The Clerk announced the following pairs.

On this vote:

Mr. Obey for, with Mr. Rhodes against.

Mr. Hays of Ohio for, with Mrs. Pettis against.

Mr. Phillip Burton for, with Mr. Steelman against.

Mr. Udall for, with Mr. Del Clawson against.

Mr. Ford of Michigan for, with Mr. Chappell against.

Until further notice:

Mr. Patman with Mr. McEwen.

Mr. Ryan with Mr. Lujan.

Mr. Rees with Mr. Steiger of Arizona.

Mr. McCormack with Mr. Mosher.

Mr. Green with Mr. Lent.

Mr. Drinan with Mr. Hansen.

Mr. Flynt wtih Mr. Findley.

Mr. Bonker with Mr. Coughlin.

Mr. John L. Burton with Mr. Hammerschmidt.

Mrs. Chisholm with Mr. Heinz.

Mr. Downing of Virginia with Mr. Butler.

Mr. Gibbons with Mr. Conlan.

Mr. Haley with Mr. Hinshaw.

Mr. Landrum with Mr. Johnson of Pennsylvania.

Mrs. SULLIVAN and Mr. BRECKINRIDGE changed their votes from "nay" to "yea."

Mr. BLOUIN changed his vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DOMINICK V. DANIELS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 11453) just passed.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

SUPPORTING BRUSSELS CONFERENCE ON SOVIET JEWRY

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that the Committee on International Relations be discharged from further consideration of the Senate concurrent resolution (S. Con. Res. 93) supporting the Brussels Conference on Soviet Jewry and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The Clerk read the concurrent resolution as follows:

S. CON. RES. 93

Whereas the five years since the First Brussels Conference of 1971 have demonstrated that the struggle of the Jews of the Soviet Union to emigrate has continued in the face of severe repression; and

Whereas the eve of the Second Brussels Conference is marked by increased intimidation and persecution of Russian Jews who seek to emigrate and a new and widespread campaign of anti-Semitism within the Soviet Union; and

Whereas the United States and the Soviet Union have signed the Helsinki Accord pledging a freer flow of people and ideas and the removal of obstructions to the reunification of families; and

Whereas the United Nations Declaration of Human Rights assures all people the right to free emigration; and

Whereas the American people have, through legislation and in other ways, demonstrated their support for the struggle of Soviet Jews to be free: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That the Congress of the United States express the solidarity of the American people with the efforts to enlarge human freedom by the participants in the Second Brussels Conference, February 17 to 19, 1976.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. SYMMS. Mr. Speaker, reserving the right to object, I do so to ask the chairman of the committee a question. I see that the resolution says the conference is concerned with the "struggle of the Jews of the Soviet Union" and with "intimidation and persecution of Russian Jews" which is certainly a noble effort for us to do something about, but I wonder if there is anything that could be added to this to include "Soviet Christians"?

Mr. MORGAN. Mr. Speaker, if the gentleman will yield, the gentleman from Idaho could offer an amendment.

Mr. SCHEUER. Mr. Speaker, if the gentleman will yield, there is nothing about it in here. This is a conference on Soviet Jews.

Mr. SYMMS. Mr. Speaker, I would appreciate it if we could just add "Soviet Christians" to it. I think it would be a really great idea.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

GENERAL LEAVE

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on Senate Concurrent Resolution 93.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. MORGAN. Mr. Speaker, the Second Brussels Conference on Soviet Jewry will open next Monday.

The Senate resolution recognizing that Conference and expressing the support of the American people for the objectives of that Conference, was approved unanimously in the Senate on February 3.

After that, it was referred to the Committee on International Relations.

Because of the pressure of other legislative business, our committee had no opportunity to consider that resolution and we will not have an opportunity to do so until after the Brussels Conference is convened.

For that reason, it would be entirely appropriate for the full House to consider this matter, and to act on the resolution, without waiting for our committee's recommendations which—I am sure—would be favorable.

I would, therefore, urge the House to act on the resolution and I would at this point like to yield to the House sponsor of the resolution, Mr. SCHEUER.

Mr. SCHEUER. Mr. Speaker, I want to thank the chairman of the Foreign Relations Committee for his kindness in making this unanimous-consent request. I hope very much all my colleagues will support this resolution.

Mr. GILMAN. Mr. Speaker, I rise in support of Senate Concurrent Resolution 93, a concurrent resolution expressing the solidarity of the American people with the efforts of the Second Brussels Conference on Soviet Jewry seeking to enlarge human freedom.

On February 17, more than 1,000 delegates—including 300 Americans—from 20 countries will be assembling in Belgium for the Second Brussels Conference on Soviet Jewry. Their purpose will be to demonstrate world solidarity for Soviet Jewry; to show to the Soviet Union that there are people who care about human rights and the right of Soviet Jewry to free emigration; to seek a change in policy by the Soviets with regard to the 3 million Russian Jews and to provide a forum for men of conscience to express their concern.

The emigration of Soviet Jews has been steadily declining from 34,000 in 1973, to 20,000 in 1974, and down to 12,000 in 1975.

Despite the Helsinki Accord, pledging a free flow of people and ideas, and the removal of all obstructions to the reunification of families, the Soviet Union is still embarked on a deliberate campaign to silence and detain Soviet Jews. There are 140,000 Soviet Jews who have filed affidavits applying for exit visas, and there are 2,000 hard core cases who have been waiting for 7 to 10 years for their exit visas.

Harassment, anti-Jewish propaganda campaigns, military conscription as punishment, interference with postal and telephone communications, juridical repression, and loss of employment are but a few of the repressive methods resorted to by Soviet authorities in seeking to intimidate Soviet Jewry.

There are more than 40 Soviet Jews who have been imprisoned as "Prisoners of Zion"—Prisoners of Conscience whose only crime was to seek emigration from the Soviet Union.

Since the infamous Leningrad trials of 1970, the plight of Soviet Jewish Prisoners of Conscience has been the focus of extensive efforts by the National Conference on Soviet Jewry—a fellowship of Christians and Jews—aimed at educating and arousing public opinion on their behalf. Sentenced to long and unjust terms in Soviet labor camps only because they sought to live freely as Jews in Israel, these courageous people are held captive in Soviet prisons under the most inhumane conditions. Each day of incarceration with constant harassment and maltreatment brings new dangers to their very existence.

Repeatedly, these prisoners and their families have linked their hopes for justice and freedom to concerted pressure from concerned persons and from governments in the West.

In September of 1974, I took part in ceremonies in New York launching the National "Prisoner of Conscience" campaign. A dozen New York Congressmen each adopted a Soviet Jewish prisoner and made concerted efforts to secure the release of these prisoners and to gain information about them. Only a few have been released.

As my Prisoner of Conscience, I adopted David Chernaglaz, a young agronomist from Leningrad who had spent more than 4 years in Soviet prisons on a charge of anti-Soviet propaganda. I was pleased to learn recently that David was released and has made his way to join his family in Israel.

In his recent letter, Mr. Chernaglaz wrote me:

> Today, after many years of waiting and five years of imprisonment in Soviet prisons and camps with very hard living conditions, I finally received the right to return to my country and to be reunited with my family . . . I am deeply convinced that had it not been for the solidarity and support of Jewish and non-Jewish organizations, political leaders and private citizens, and especially your private interest in my destiny and in the destinies of other Jews striving to be repatriated to Israel, that even today I would be still imprisoned, if I was alive.
>
> My verdict, a denial of freedom for five years, is considered mild for the Soviet practice concerning cases of "political" criminalities. The first accusations could have brought me ten to fifteen years imprisonment or even execution. This Soviet compromise is undoubtedly a result of energetic interference and pressure from the forces of conscience in the West. But Soviet authorities continued to execute their insidious plans: rough reprisals against my friends in order to begin to frighten Soviet Jews who strive for repatriation and force them to desist from appealing . . .
>
> I am quite convinced of the necessity of continuing your honorable activity on behalf of the right of repatriation for Soviet Jewry. Every month we hear about new trials of those who dare to ask to leave the Soviet Union. In spite of the lack of publicly staged trials similar to those in the 1970's, the number of prisoners of Zion in prison and camps has not diminished. I do hope that you will not stop your efforts to support these innocent victims.

My second Prisoner of Conscience is Mark Nashpitz, a 27-year-old dentist from Moscow who is serving a prison term on a charge of active participation in group activities "that are disturbing public order."

This charge arose from an incident in which Nashpitz participated in front of the Moscow Library in a 30-second demonstration urging exit visas.

The right of an individual to emigrate from any country, including his own, is an internationally recognized fundamental human right, upheld by international law. It is unconscionable that Jews in the Soviet Union are not afforded this basic right. International pressure must be brought to bear so that this unmerciful harassment, coercion, intimidation, arrests, and trials are eliminated, and so that all people are free to emigrate to the land of their choice.

Mr. Speaker, it is with a great deal of pride that I rise in support of this resolution offered by the gentleman from Pennsylvania. I am proud of my colleagues and my Nation for expressing a sincere interest in the human rights of our fellow man.

Mr. BROOMFIELD. Mr. Speaker, as a cosponsor of Senate Concurrent Resolution 93, an expression of support for the February 17 Brussels Conference on Soviet Jewry, I would like to extend my profound and sincere hope that next week's meeting in Brussels will help ease the plight of Soviet Jews who are denied the right to live in the country of their choice.

When such vast numbers of individuals are involved, when discrimination is rooted in a brutal bureaucracy thousands of miles from our shores, there is a tendency to see this problem in abstract terms. Yet each of us on the floor, I am sure, is aware of a specific incidence, a vivid personal tragedy resulting from Soviet emigration policy. I have spoken previously of the case of Mikhail Mager, an electronics engineer who has been prevented from joining his family in Israel for over 2 years; Mikhail's situation is not an entry on a computer printout. It is a matter of intense personal concern to me and to my constituents. And Mikhail Mager is not an isolated example; the prominent Soviet ophthalmologist, Dr. Isaac Poltinnikov, and the tragedy of the Kutchuk family are others that immediately come to mind.

I commend the efforts of the American Jewish community to bring these instances of discrimination to the attention of Congress and the American public. Despite the disappointments of the past, it is clear that Soviet repression must be identified and challenged at every opportunity. Indifference on this vital issue of human dignity can only be construed as tacit acceptance.

The Brussels Conference can and should be an important vehicle for expressing the general sense of outrage, among Jews and non-Jews, at Soviet emigration policies; our disappointment that détente is apparently inoperative in respect to fundamental human freedoms in the Soviet Union; and our sincere hope that increasing numbers of Soviet Jews will no longer be penned up in their country of birth, but will be permitted to live where they choose, in conformity with the precepts of acknowledged human rights.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid upon the table.

REQUEST FOR CONSIDERATION OF H.R. 11645, PROVIDING ADDITIONAL AUTHORIZATION FOR LIBRARY OF CONGRESS MADISON MEMORIAL BUILDING

Mr. RONCALIO. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 11645) to amend the act of October 19, 1965, to provide additional authorization for the Library of Congress James Madison Memorial Building.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

Mr. SYMMS. Mr. Speaker, I object.

Mr. CHARLES H. WILSON of California. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

REQUEST FOR PERMISSION TO EXTEND REMARKS AND INCLUDE EXTRANEOUS MATTER NOTWITHSTANDING COST ESTIMATE

Mr. PRESSLER. Mr. Speaker, I ask unanimous consent that I may be permitted to extend my remarks in the RECORD, and to include extraneous material, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $644.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

Mr. MICHEL. Mr. Speaker, reserving the right to object, I wonder if the gentleman would tell us precisely what the gentleman is intending to insert in the RECORD?

Mr. PRESSLER. Press releases, newspaper editorials, some of my correspondence, and some conversation summaries.

Mr. MICHEL. Having to do with what?

Mr. PRESSLER. Having to do with a dispute I have had with the White House lobbyist's office.

Mr. MICHEL. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

PERMISSION TO EXTEND REMARKS

(Mr. MICHEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MITCHELL. Mr. Speaker, I ask unanimous consent that the gentleman from South Dakota (Mr. PRESSLER) be permitted to extend his own remarks in the Extensions of Remarks of the RECORD, and to include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

IN SUPPORT OF EMERGENCY EMPLOYMENT PROJECTS AMENDMENTS

(Mr. DODD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DODD. Mr. Speaker, I rise today in support of the Emergency Employment Projects Amendments (H.R. 11453), which we have before us for consideration.

We are all acutely aware of the malignant unemployment situation in the country today. There are signs that the condition is improving, but at present, it is still critical, and must be met with effective action. Last month the jobless rate dropped from 8.3 to 7.8 percent, and while such a change is encouraging, the unemployment situation remains fragile, and demands our constant attention. In my own State of Connecticut, for example, the unemployment rate remains at more than 10.5 percent. The CETA program in my district has kept this alarming rate from escalating to even greater proportions, and the approval of H.R. 11453 will guarantee the continuation of more than 1,520 CETA positions there, as well as opening up additional employment opportunities.

It has been left to Congress to take the initiative in bringing unemployment to an acceptable level, as the President has established a do-nothing policy, and seems quite content to sit back and hope the unemployment problem resolves itself. In the face of this blatant disregard for the need to help unemployed Americans return to the productive mainstream of the Nation's economy, we must act now to insure our continued recovery from the most devastating recession in the past 30 years.

Less than 2 weeks ago the House acted decisively on the conference report on the Local Public Works Capital Development and Investment Act (H.R. 5247), and it was passed by a vote of 321 to 80. This important legislation will create more than 800,000 employment opportunities, mostly in the private sector, by financing the construction of libraries, city and town halls, schools, and other worthwhile, labor-intensive projects nationwide. Despite the overwhelming, bipartisan support this legislation received, the President is expected to veto it, because, he says, it is not direct enough in providing jobs. His alternative is to do nothing.

I do not believe the President can successfully rationalize his position that unemployment will "cure itself."

I do not believe this country can afford to share the President's contentment with his own economic report's conclusion that "unemployment will remain distressingly high" through the next 2 years, and that 6.6 million Americans will still be looking for work but not finding any by the end of 1977.

Finally, Mr. Speaker, I do not believe that we, as elected representatives of the people, charged with acting in their best interest, can allow this to go on any longer. Each percentage point of unemployment costs American taxpayers $16 billion. We must enact effective programs to bring unemployment to well below the level that the President holds as acceptable, in the interest of reducing the tremendous burden on American taxpayers, and allowing the unemployed to find work.

Now, I am sure many of my colleagues would agree that there have been administrative problems involved with the implementation of the Comprehensive Employment and Training Act since it was enacted in 1973. It is up to us to develop provisions to eradicate these problems, and it is my belief that the Emergency Projects Amendments (H.R. 11453) goes a long way toward this goal.

One of the major criticisms of CETA has been that title VI has been used by local governments to resolve their fiscal difficulties by substituting CETA dollars for local payrolls. Certainly, this is a serious problem, as it negates the job-creating intent behind CETA. The bill before us today addresses this problem, and amends title VI, A, to provide that preference shall go to reestablishing the jobs of essential public health and safety personnel, to be filled by individuals who were laid off for legitimate budgetary reasons from the same or any substantially equivalent position.

Part B of title VI is expected to create approximately 280,000 public service jobs before the end of fiscal year 1976, and requires that preference go to persons who are substantially without alternative sources of income and prohibits the hiring of a person for a part B job if some other person has been laid off from that job or from any substantially equivalent job. Thus, these provisions effectively minimize the chances that CETA funds will be used to reduce the responsibility of localities in meeting their present payroll costs, while allowing them to increase staff where necessary, without inflating their budgets.

It has also been charged that current CETA programs open the door to the serious problems of nepotism and patronage. Under title II and title VI, part B, measures are drawn to prevent this kind of abuse by requiring that the financial record of an eligible applicant and the names, addresses, positions, and salaries of those hired for project jobs be made available to the public. In addition, title II, the public employment projects section, would bar the hiring of any individual related to the person doing the hiring or residing in a household in which another member of the family holds a CETA job.

The bill before us today provides these safeguards against the abuses of what has otherwise proven to be a very sound program.

It should be obvious to all of my colleagues that title VI must be extended; H.R. 11453 calls for its extension through fiscal year 1977.

It should be apparent, given the reforms embodied in this legislation, and the critical unemployment situation which still exists in this Nation, that the CETA program should and can safely be increased; H.R. 11453 authorizes funds for 280,000 new jobs primarily in nongovernmental projects such as schools and nonprofit hospitals, under part B of title VI.

In addition, part A of such title maintains a steady level of funding for 320,000 jobs nationally throughout the transitional quarter and fiscal year 1977. Thus, Mr. Speaker, successful enactment of this legislation will provide approximately 600,000 jobs to unemployed men and women—a measure which I believe is vitally important to the economic and social well-being of all Americans.

The choice is left up to us, Mr. Speaker: Do we sit back and hope that the unemployment crisis resolves itself, while requiring the working people of America to support the jobless?

Or do we continue in our efforts to make it possible for those now unemployed to rejoin the productive sector, to restore their own personal pride, and reduce the social conflict which inevitably results when this level of unemployment persists?

Mr. Speaker, I believe there is only one rational course we can choose as a responsible body, acting in the public interest. If the President lacks resolve, that only requires that we be all the more emphatic in our initiative. Mr. Speaker, I urge all of my colleagues to demonstrate their concern for the malignant unemployment situation which exists, and join me in strongly supporting the emergency employment projects amendments.

REPORT ON EFFECTS OF RECENT GUATEMALA EARTHQUAKES

(Mr. MURPHY of New York asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MURPHY of New York. Mr. Speaker, Dr. Kevin Cahill of New York has just returned from Guatemala where he surveyed the effects of the recent earthquakes which have devastated that country. Dr. Cahill serves as special assistant for health affairs to the Governor of New York, and he is also one of the world's leading authorities on tropical diseases. In 1972 he visited Nicaragua after its earthquake, and helped to develop an effective system of delivery of emergency health services.

I believe Dr. Cahill's report will be of interest to every Member as we consider how the United States is responding to this unprecedented tragedy. His report follows:

State of New York,
Executive Chamber,
Albany, N.Y., February 9, 1976.

Dear Congressman Murphy: Knowing your abiding interest in Latin America, and because of your assistance at the time of the Nicaraguan earthquake several years ago I take the liberty of sending on the following report for your use. This is being dictated from Guatemala on Sunday, February 8, 1976.

The country of Guetemala was struck by the first of a series of earthquakes at three o'clock in the morning on February 4th. The meteorological center reports the earthquake as a severe one—7.7 on the Richter scale. Although a series of smaller shocks struck the country in the next 48 hours there was no added major damage until noon time on Friday, February 6th, when another major quake was recorded along the same fault lines as the initial shock.

I was requested by the Government of Guatemala to fly to that country and review with their officials the health care delivery systems in a time of disaster. This has been accomplished and I am very happy to report to you that the efforts to date speak extremely well for the American Government and American private agencies as well as for the Government of Guatemala. One of the reasons that I was requested to go to Guatemala was that I had assisted the President of Nicaragua at the time of their devastating earthquake in 1972 and I had the opportunity of sharing with him control of one of this century's great natural disasters. The present earthquake, in some ways, is even more challenging though it would appear, at first sight, to be less dramatically devastating.

In Nicaragua the earthquake struck the center of the capital city, destroying high rise apartments, crushing, killing and injuring many thousands beneath the rubble. The quake was followed by serious fires. Almost all the hospitals in Managua, the capital of Nicaragua, were destroyed. Nevertheless, there was a geographic focus upon which one could concentrate energies, define problems, and rapidly take the necessary steps to avoid the outbreak of infectious diseases, and initiate the necessary long-term programs of economic as well as medical reconstruction.

In Guatemala, on the other hand, there was relatively minor damage to the capital city. Several high rise buildings were destroyed, and a number of smaller residences were either demolished or severely structually damaged. Nevertheless, the contrast to the total devastation of Managua, the capital of Nicaragua, is indeed impressive. The earthquake in Guatemala, however, has affected a far wider range of the countryside and in some areas I saw entire villages collapsed, and in several they had virtually disappeared beneath land slides. The main road, for example, from Guatemala City to the east coast has more than a hundred crevices across it. All telephone communications have been disrupted. The major problems, therefore, at the time of this report as dictated on the eighth of February, are those of accessibility and communication before an accurate definition of the disaster can be made. The minimal confirmed figures, however, already document a tragedy unequalled in Latin America since the Nicaraguan earthquake. At least nine thousand dead have been counted and almost thirty thousand seriously wounded are known to exist; the phrasing of that last sentence accurately implies that no medical help has been able to be offered to many of these people, and it is now five days after the earthquake. In some small villages it is reported that significant numbers with broken limbs and extensive wounds are lying in the central square awaiting evacuation.

In such a setting a military-based operation is essential, and both the American and Guatemalan Governments, as well as other Latin American nations, are acting accordingly. The general coordination of the medical situation is under the direction of Colonel Gonzalez, the Surgeon General of the Guetemalan Army, and I had the opportunity of discussing medical problems and approaches not only with Dr. Gonzalez, but with many of the other critical figures in Guatemala. I met the President, the Coordinator of Disaster Relief (the Minister of Defense), General Lucas, the Director and his staff of the AID mission, several of the American Army medical personnel working in a newly established hospital, representatives of Catholic Relief Service, one of the most active American private voluntary agencies in that country, physicians from The Communicable Disease Center in Atlanta and several private physicians who flew from the United States in response to the human need to help.

Within a few hours of the quake an American Army disaster survey team based in Panama had begun to inspect the damage, and provide the absolutely crucial data upon which any rational conclusions for assistance could be made. Within 48 hours a one hundred bed mobile American Army hospital had arrived with all the necessary staff, equipment, motor vehicle supports and had been established in the most severely affected area northwest of the capitol city, outside the town of Chimaltenango. I had the opportunity to helicopter up to that facility with the Guatemalan Army using one of their six Huey copters in the country.

I can think of no other organization that could possibly respond within 48 hours and have a hundred bed operating facility than the American Army. The question of how they phase their activities in with the local health clinics, and how long they remain after emergency care is provided, and who will, for example, take off the casts that are put on broken limbs six weeks hence are some of the serious problems that I discussed with the AID director, for it is clear that while a military presence is absolutely essential at the beginning, it probably must and ought to phase out within a few weeks.

The mountain area of Chimaltenango is typical of the highland Indian-populated parts of Guatemala that have been most heavily devastated. We flew in the helicopter over dozens of villages that have been destroyed, but the steep slopes and the shifting earth would not even allow a helicopter to land. The roads to the areas have been washed away by land slides and the only assistance that can be offered now is to drop food and plastic sheeting for tents.

The Guatemalan Army has a total of six helicopters, and these have been working 24 hours a day, but are obviously inadequate for the current crisis. The American Government will be loaning eight Chinook type helicopters for 15 to 30 days, and these are intended to evacuate the seriously wounded to regional hospitals, and to deliver water, food supplies and the beginning items necessary for re-establishing a population's own water and sewerage systems. If such basic reconstruction is not begun now infectious epidemics are likely to occur. Among the food items being distributed now are some 11 million pounds of surplus American sorghum and other supplements available to Catholic Relief Service, CARE, and other established voluntary agencies. While in Guatemala I watched the immensely devoted efforts of the staff of Catholic Relief Service arrange to move an added million and a half pounds of food stuffs from Honduras and another million and a half pounds from programs in El Salvador to the quake areas.

A significant health hazard at the present time, as there are continued quakes, is the opening of the mass graves in which were buried victims of the initial shock. In one area outside of Chimaltenango 150 bodies had been placed in a mass grave but the Friday noon quake opened the soft earth covering, and decaying bodies spilled down the hillside. The integration of engineers with physicians is absolutely imperative in this health effort. Merely offering extra hands—no matter how medically talented—is not likely to have a significant effect on the suffering population. In fact, one of the major problems that always follows natural disasters are the well meaning but unrealistic volunteers who arrive with no specific programs and no ability to sustain themselves in a setting where the essentials of life are already wanting for the indigenous population.

In both Nicaragua and Guatemala I have witnessed the outpouring of America's generous spirit, and the lack of any organized program through which those offers and hands could be directed. In fact, many of the volunteers will become more of a burden than a help. Inevitably, disasters attract some who relish the attention and whose ego-needs exceed all boundaries of decency or common sense. One of the major thrusts of the International Health Agency Act introduced by Governor Carey and Senator Javits in 1971, was to establish a vehicle for medical volunteers who were willing to work during crises in other nations.

There surely can be no other efforts that are so immediately understood, required or appreciated, as the willingness of one human to assist another's physical pain, and to identify with those suffering during their hour of need. That vehicle for the United States is still non-existent.

The best advice I could currently give to people wishing to assist the Guatemalan victims is to direct their energies and contributions through the voluntary agencies that have knowledgeable and committed people already working in the field. The arrival of new unattached personnel or donated materials that are not on the list of priorities of Guatemala is a sad misdirection of our country's efforts and often ends up doing more harm than good. For example, packaged hospitals may well be useful, but the arrival of physicians who do not know the language or customs of the afflicted, and who do not integrate their efforts with the local medical system that must remain after the departure of the dramatic visitors from America is almost always an unfortunate exercise.

Because of the benefits of a small-winged plane, I was able to survey the valley running from Puerto Barrios on the east coast down the Matagua River between the high peaks of the Sierra de las Minas to Guatemala City. This area is extensively damaged and an adequate survey has not yet been accomplished. As noted above, the roadway has been broken and all telephone communications severed, and at the time of this report only 57 of the 372 counties of Guatemala have reported into the central military headquarters. Because of the availability of the military helicopter and the generous cooperation of the Guatemalan and American officials I was able to return, however, with the most accurate data available as of this early date, and a unique exposure to the quake areas. Unless there are further earthquake activities the above noted statistics and impressions will remain fairly accurate. It should further be appreciated that the earthquake did not strike a basically healthy nation.

Guatemala may appear to some as a tropical paradise but disease runs rampant, and health services are minimal to the majority of the population outside the capitol city. Eighty percent of all doctors in the country practice in the relatively luxurious capitol, while the vast majority of the Indian population live in small villages and are served, if at all, by paramedics. In fact, the program of establishing the health care auxiliary system in Guatemala must be one of the finest ventures by the A.I.D. of our government. Several hundred paramedics have been trained in the Health School in Quirigua, and now serve the earthquake population with at least a basic organizational structure for delivery of health assistance.

Life expectancy for Indians is approximately 45 years and infant mortality due to tropical infections, including dysentery, malnutrition and malaria, is astronomic. Eighty percent of all children under five have protein malnutrition according to a recent report by physicians working under the aegis of the Ministry of Public Health of Guatemala and our own Agency of International Development. The impact of an earthquake on these remote villages, and the failure to promptly supply food supplements or control water-borne outbreaks of enteritis amebic dysentery and typhoid fever can readily be imagined.

There is a timing in life, and America can be proud of its instantaneous response to the urgent human and health needs of the Guatemalan people following this devastating earthquake. The Guatamalan Government itself deserves great credit for the overall organization and incredible devotion to the needs for the remote villages. I was enormously impressed by the exhausted faces of the health workers, helicopter pilots and assistants throughout the quake area. Nevertheless, this disaster once again points up the need for our nation to establish an appropriate vehicle to channel the great reserve of talent and compassion that exists in the United States towards the crying needs of our less fortunate brothers and sisters around the world. Apart from the devoted voluntary agencies that vehicle does not currently exist.

With respect for your own contribution, Congressman Murphy, to the welfare of all Latin America, and with an appeal to your colleagues in the Senate and House for consideration of this opportunity to develop a system for America to identify with the health needs of the tropics, particularly during disasters such as the earthquake in Guatemala, I respectfully submit this report.

Sincerely,
KEVIN M. CAHILL, M.D.,
Special Assistant to the Governor for Health Affairs.

RESPONSIVE RECOMMENDATIONS TO DEPARTMENT OF HEW'S REPORT ON HEALTH

(Mr. PEPPER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEPPER. Mr. Speaker, the Department of Health, Education, and Welfare released this month a report on the health of the elderly in the United States. Concurrently with the release of the health report, the President's budget message was released which includes the Medicare Improvements Act of 1976, providing for a reduction in medicare outlays by $2.2 billion under what the Federal Government would otherwise spend in fiscal year 1977. The reductions would be achieved by increasing deductibles and coinsurance paid by elderly patients. The proposal described in the President's state of the Union message, provides that "nobody after reaching age 65 will have to pay more than $500 a year for covered hospital or nursing home care benefits under medicare."

Yesterday, I appeared before the House Subcommittee on Health to oppose the Medicare Improvements Act of 1976, pointing out to the subcommittee that under the President's proposal:

First. The $2.2 billion savings would come out of the pockets of our elderly and retired, those most probably on fixed incomes, who need the assistance most and can afford increased costs the least.

Second. The "catastrophic illness plan" misses the point because in actuality, a medicare patient who is hospitalized under present medicare provisions would not incur $500 in hospital charges until about the 76th day of his stay. And only 35 out of every 10,000 medicare patients had hospital stays that long in fiscal year 1974.

This sound to me like investing millions of dollars in research for a disease that affects almost no one, while leaving the devastating illnesses, the real killers, still incurable.

Third. The limitation of a 4-percent increase in physicians fees is just a further incentive to the constantly decreasing number of physicians who now take assignment or refuse to accept medicare's definition of a reasonable charge and bill the patient for the unmet part of the fees.

The President's proposal would cause our elderly to delay needed medical visits simply to avoid all the increased costs. This may very well result in more serious illnesses for our elderly that could have been checked and diagnosed in time.

I would like to see the administration consider the recommendations of the House Subcommittee on Health and Long-Term Care of the Select Committee on Aging which I have the privilege of chairing. This subcommittee recommends:

First. Extension of home health benefits in eligibility under medicare and medicaid as a cost-effective alternative to expensive institutionalization;

Second. Additional appropriations for home health;

Third. The inclusion of comprehensive home health care in any national health plan;

Fourth. Implementation of the 1971 White House Conference on Aging's home health recommendations calling for an effective program of widely available homemaker and home health services;

Fifth. New incentives for the development of outpatient clinics specializing in geriatrics;

Sixth. Multipurpose senior centers providing health, nutritional, recreational, and social services; and

Seventh. Consolidation of fragmented health programs within HEW by creating an Assistant Secretary for Health.

Only these recommendations are responsive to the Department of Health, Education, and Welfare's Report on Health in United States for 1975.

REPARATIONS FOR NORTH VIETNAM ARE NOT IN ORDER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. TALCOTT) is recognized for 5 minutes.

Mr. TALCOTT. Mr. Speaker, before any of us who might consider reparations for North Vietnam get carried away by the Communist sympathizers in our midst, or by well-meaning idealists who have misplaced their compassion, I suggest we recall the behavior of the government of North Vietnam toward us and our citizens.

They overran South Vietnam, and Laos, and Cambodia, by force and terror with no known mercy for friend or foe, brother or countryman.

They blatantly and willfully violated every international convention, agreement, and protocol concerning the care and treatment of prisoners of war and foreign nationals caught in the maelstrom of their war of aggression and expansion.

They held United States and South Vietnam prisoners as hostages from the moment of capture.

They even withheld the most basic information concerning our MIA's from our Government and the next of kin, namely: whether a serviceman missing in action was dead or alive. For agonizing interminable weeks, months, years, and now decades women did not know whether they were wives or widows.

Few of us have any appreciation whatsoever of the agony and anxiety and mental anguish suffered by the thousands who waited at home because of the mean behavior of the government of North Vietnam.

After years of secrecy, we have learned precious little about some of the brutal torture of most of our POW's while in the custody of the government of North Vietnam. Few of us can appreciate the physical torture, the loneliness of solitary confinement by a barbaric enemy in remote alien lands, and the mental anguish of indeterminate incarceration without notification of, or communication with, loved ones at home. The government of North Vietnam understood and appreciated this brutal and agonizing behavior and capitalized on it to wrench reparations from other U.S. citizens. They refused to notify next of kin of the death or homicide of our POW's while in captivity in North Vietnam simply to maintain their hostage value.

This was the most heinous type of blackmail ever perpetuated in the history of war by any government.

In 1973 our Government and others entered into formal agreements and protocols with the North Vietnamese—the famous Paris Peace Accords—to end hostilities, to preserve peace, to repatriate POW's, to account for MIA's and to abjure military force as a means of unifying the Vietnams. These agreements were immediately and massively violated the day of the agreement and continuously thereafter by the North Vietnamese. They never once intended to keep their agreements. This willful, barbarous behavior cannot be tolerated in a civilized world.

Now, we learn from several members of our Select Committee on MIA's who visited Hanoi recently that the Government of North Vietnam is demanding reparations for a war they started. They support their demands partly on the allegation that they were secretly promised $3.25 billion by former President Nixon as a consideration for the Paris Peace Accords. They neglected to produce any documents, which neglect should leave their claim highly suspect. I, for one, refuse to believe this allegation until documented proof is produced. So far, every official act of the Government of North Vietnam with our Government has been a lie or a violation of basic civilized moral and political behavior.

Even if a $3.25 billion reparation project had been considered during the negotiations for peace in Paris, certainly the reconstruction proposals were conditioned upon fulfillment of North Vietnam's part of the agreement. North Vietnam cannot now fulfill their part of the agreement; it was irreconcilably vitiated by them the day of the signing of the Paris Peace Accords.

Now they are literally using the skeletal remains of dead bodies of U.S. servicemen, which they have callously kept hidden for many years, as hostage material for their outrageous blackmail.

North Vietnam has overrun South Vietnam by force and terror. They have violated bilateral, multilateral and international agreements, United Nations protocol, Red Cross conventions and every basic tenant of human, social and political morality.

If North Vietnam needs more than they have taken from South Vietnam, Laos, and Cambodia for reconstruction, they should look to their sponsors.

As urgently as we want to be humanitarian in all our deeds, and recover the remains of our missing servicemen, as grievious as it may be to loved ones of our MIA's to continue the agony of not knowing, we cannot in conscience give 1 cent to North Vietnam as blackmail.

Any such response to the most heinous

blackmail in history would only encourage lesser blackmail, the taking and keeping of hostages in future conflicts, and the continual violation of international agreements concerning the care and treatment of prisoners of war.

None of us have suffered the pain and agony of the families of our POW's and MIA's. To date our Government has performed splendidly and compassionately on their behalf. Capitulation to outrageous blackmail would spoil the record and certainly encourage other barbarious conduct in the future.

NATIONAL PRESIDENTIAL PRIMARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. CONTE) is recognized for 10 minutes.

Mr. CONTE. Mr. Speaker, it is only February and already the crush of Presidential contenders has clogged the field more than ever before, and most of us have heard more about Presidential politics so far this year than we choose to. Twelve declared candidates for President have geared up their traveling talent shows and are now criss-crossing the country trying to establish their popularity in those nationwide spectacles—the State primaries.

In 1972, there were 23 Presidential primaries. Today, for the first time, Presidential primaries of one sort or another will be held in more than half the States plus the District of Columbia—a total of 31 primaries to be exact. If the trend continues, I fear that in a few years all 50 States will have established their own particular primaries with complicated rules and the result will be a national hodge-podge.

It is time to stop this expansion of our Presidential primary system. The costs of these extravaganzas, the time they take away from the Nation's vital legislative business with so many Members of Congress running for President, and the ridiculous length to which they stretch the campaign—all these factors combined make it mandatory that we reform our primary system. The proliferation of primaries has only compounded these and other problems reducing the Presidential campaign to an endurance test.

Some of my fellow colleagues may recall that in March 1972, I expressed these same sentiments and criticisms during the 1972 Presidential race. At that time, I introduced a joint resolution proposing an amendment to the Constitution of the United States relating to the nomination of individuals for election to the offices of President and Vice President. An identical resolution was also introduced in the other body.

My plan to make this system more rational and orderly would create one national primary, replacing all the State primaries, to be held in early August of Presidential election years to pick each party's nominee for President. Each political party that received at least 10 percent of the vote in the preceding Presidential election would participate. Provisions for minority parties are also made. Candidates from each party would qualify to run in the primary by filing petitions signed by a required percentage of voters. For the most part, the place and manner of conducting the primary would be governed by the individual States. If no candidate received more than 40 percent of the vote, a runoff bewteen the two top finishers would be conducted 4 weeks later.

Conventions would not be abolished. They would retain their roles in selecting the Vice Presidential candidate, drafting a platform, and deciding other party matters.

I reintroduced this same resolution on the first day of both the 93d and 94th Congresses, now under the number of House Joint Resolution 37. My plan has since laid idle in the Judiciary Committee, and no action has ever been scheduled. This was more than sufficient time for the Congress to act on reforming the primary system and for the States to change their laws. It is, however, too late.

That we have too many candidates and too many primaries is the unintended consequence of two sets of campaign reforms: The Campaign Financing Act of 1974 and the delegate-selection reform in the Democratic Party. The Federal campaign subsidy has attracted the entrance of more Presidential hopefuls. And the Democratic reforms have produced the staging of Presidential primaries in many States which consider them easier to implement than other reform methods.

The principal value of primaries in the past has been to eliminate candidates—not nominate them. But, for the first time, more than three-fourths of the delegates to both parties' national conventions will come from States that are holding primaries. A likely prospect is that the sheer number of primaries will result in delegates split among competitors. The result could then be a deadlocked convention, followed by a "brokered" nomination.

I realize that my proposal is a dramatic departure from the present system. But I contend that it would be more democratic since the party's Presidential candidate would be chosen by popular vote in a national primary, rather than by delegates at a convention, some of whom are not even bound to support the candidate.

This quadrennial spectacle of State-by-State popularity contests, which demean our system of elective office, is upon us once again. And candidates and voters are doomed to endure in 1976 the worst primary road show yet.

I believe it is time to put an end to the circus. I believe that the grueling experience of the primary races during 1976 will impress each of you with the need for enactment of the amendment I proposed.

Thank you.

COMMON CAUSE: ARROGANT MORALIST OF THE LEFT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK), is recognized for 30 minutes.

Mr. ASHBROOK. Mr. Speaker, Common Cause, an organization founded by John Gardner in 1970, is frequently described as America's largest public interest lobby. Every year this organization pours hundreds of thousands of dollars into lobbying Members of Congress.

During the 5½ years of its existence, Common Cause has received too many glowing press reports and too little hard analysis. Consequently I think it is important for us to examine this organization at some length.

An objective analysis will show that Common Cause is politically liberal. Its origins are liberal. Its leadership is liberal. The issues it supports are predominantly liberal. In short, Common Cause promotes liberalism and big government which we all know is not the same thing as promoting good government. It has become impudent and arrogant and attacks all who stand in its path. It is antibusiness to the core and has nonetheless attracted many big businessmen to its following which also tells a lot about some of our so-called businessmen. A close study shows it promotes its own interest, not the public interest.

ORIGINS OF COMMON CAUSE

According to John Gardner, Common Cause is "a direct outgrowth of an earlier group known as the Urban Coalition Action Council." The Urban Coalition Action Council in turn served as the lobbying end of the National Urban Coalition. Gardner played a key role in both organizations.

In 1968, after stepping down as Secretary of Health, Education, and Welfare in the Johnson administration, Gardner became chairman of the National Urban Coalition. He subsequently founded the Urban Coalition Action Council to give his organization a lobbying arm. When Gardner established Common Cause in 1970, the same executive committee that governed both the National Urban Coalition and the Urban Coalition Action Council initially governed Common Cause.

This executive committee was dominated by liberals. It included George Meany, president of the AFL–CIO, Leonard Woodcock, president of the United Auto Workers, and A. Philip Randolph, international president emeritus of the Brotherhood of Sleeping Car Porters, AFL–CIO. In addition, it contained the president of the National Council of Churches and leaders of the National Urban League, the Leadership Conference on Civil Rights, and the United Negro College Fund. Also serving were such prominent liberal politicians as John Lindsay, former mayor of New York City and Richard Hatcher, mayor of Gary, Ind.

According to Congressional Quarterly, the Coalition's steering committee included leaders of more than half of the 10 organizations which sponsored the 1963 "March on Washington for Jobs and Freedom." This was a major impetus for the 1964 Civil Rights Act. Many gullible businessmen were enlisted in its early days.

It is hardly any wonder then that Common Cause has a leftist bent. In describing the origins of Common Cause, the December 19, 1972 edition of the Washington Post stated the following:

> The board's basic makeup was shaped even before the first member solicitations began. The first 20 board members had been directors of the old Urban Coalition Action Council, which Gardner had headed. Most of them were on that board by virtue of their leadership roles in labor, civil rights and other social purpose organizations.

The activities of the Urban Coalition Action Council reflect the liberal makeup of the board. The solution to every problem was thought to be massive doses of the Federal programs which had failed in the past. As I stated on the floor of the House on July 16, 1970:

> This group [the Urban Coalition Action Council] has been effectively mounting a crusade for heaping more and more taxes on the back of the already overburdened American taxpayer. Through its spokesman, Mr. Gardner, it has come out against giving any tax break to the average American and has called for massive doses of socialism and spending to cure every conceivable ill.

One of its pet projects was the Family Assistance Act, which would have established a federally guaranteed minimum income for every American. This would have been a budget-busting program of mammoth proportions.

The council also sought to implement proposals of the National Commission on the Causes and Prevention of Violence and the National Advisory Commission on Civil Disorders. Both called for major increases in Federal spending and wholesale revamping of national priorities. The Violence Commission's report alone recommended that at least $20 billion a year be committed to solving social problems. This coincides with Mr. Gardner's expressed view that "a great deal more" Federal spending was needed to help the cities.

The council favored increased funding for urban renewal, Model Cities, and housing programs. It worked for passage of the Housing and Urban Development Act of 1968, which authorized $5.3 billion over a 3-year span. It lobbied for more funds for the Office of Economic Opportunity, the discredited Federal antipoverty program born out of the great society. It called for a massive effort to provide federally funded public service jobs.

When it came to the food stamp program, the council complained about the "barriers to participation." According to Mrs. Fred Harris, who testified on behalf of the council, the procedures could be immediately simplified by permitting recipients to fill out a simple declaration of eligibility and then mailing food stamps to recipients. No checks, no questions asked—just sign up and the Government pays on demand. This position is typical of Common Cause's myopic vision and prowelfare, proliberal posturing.

In summary, the Urban Coalition Action Council lined up behind the liberal big spenders and promoters of big government on issue after issue. The council consistently advocated more Federal programs, more Federal intervention, and more Federal spending as the solution to every real or imagined problem.

LEADERSHIP

After investigating the origins of Common Cause, it should come as no surprise that the top policymakers of this organization are liberals.

John Gardner, the chief policy officer and founder of Common Cause, served as Secretary of Health, Education, and Welfare in the Johnson administration. A token Republican of the eastern establishment type, Gardner resigned his post in 1968 to become chairman of the liberal-oriented National Urban Coalition. He then set up the National Urban Coalition Action Council to give his group a lobbying arm. The council as previously mentioned, was the direct predecessor of Common Cause.

Before moving to Common Cause, Gardner consistently supported liberal efforts to establish massive new Federal programs as well as make major funding increases in existing programs. He also alined himself with the antigun forces in this country. He was a member of the executive committee of the Emergency Committee for Gun Control. This group advocated legislation requiring registration of all guns and licensing of those who own or use guns.

The September 1, 1973, issue of the National Journal Reports, a publication which covers the activities of the Federal Government, described Gardner and his organization in the following terms:

> The popular image of the public interest citizens' lobby founded in September 1970 by Gardner, the former Secretary of Health, Education, and Welfare, and former President of the Carnegie Foundation, resembles that of its founder: white, affluent, liberal, vaguely ministeral and often dull.

Jack Conway served as president and chief operating officer of Common Cause (CC) from 1971 until 1975. According to the Common Cause report from Washington:

> In his four years with CC Conway has played the major role in organizing CC members for effective action.

Conway has a long record of liberal and union affiliations. He was top aid to Walter P. Reuther, president of United Auto Workers, from 1946 to 1961. Conway then served as head of the AFL-CIO's Industrial Union Department. From there he moved to the deupty directorship of the Office of Economic Opportunity. He was also founding chief of the Center for Community Change, a Ford Foundation-funded group devoted to poverty area community organizing.

After completing his 4-year stint as president and chief operating officer of Common Cause, Conway has become executive director of the American Federation of State, County, and Municipal Employees. AFSCME has gained a reputation of being one of the most politically activist unions in the country.

Conway apparently has no intention of severing his ties with Common Cause. He has assured the CC staff that he would remain a CC volunteer and active board member.

Stepping into Conway's shoes is David Cohen. Formerly executive vice president of Common Cause, third ranking in the power structure, Cohen is a Conway protege. Cohen followed Conway into the Center for Community Change and joined Common Cause at Conway's request in 1971.

Cohen, a registered Democrat, likewise has strong union and liberal affiliations. Cohen previously worked as a lobbyist for the AFL-CIO's Industrial Union Department. He also has been a lobbyist for the Americans for Democratic Action, an ultraliberal political organization.

Tom Mathews is described as the "voice" of Common Cause. He is responsible for all information about Common Cause that goes to newspaper, radio, and television reporters.

In 1968 Mathews was Washington press chief for Robert Kennedy's Presidential race. Before joining Common Cause he was with the National Urban Coalition.

ISSUES

The positions taken by Common Cause reflect its liberal origins and leadership. On issue after issue Common Cause adopts a liberal stance. Rarely, on the other hand, does it back a conservative measure.

Let us take a look at the Common Cause legislative report. This report, dated October 24, 1975, includes among others the following positions.

First, Common Cause supports legislation to establish an Agency for Consumer Advocacy. According to the legislative report, "CC has participated in a coalition of groups, led by Ralph Nader and the Consumer Federation of America, working for enactment of such a measure."

This is an extremely bad piece of legislation. It would create another new and costly Federal agency. Our country simply does not need another layer of government bureaucracy. America's businessmen, particularly the small businessmen, are already buried under a flood of Government paperwork, Federal forms and bureaucratic regulations. It would be unwise to add to that burden. It exempts labor unions from its coverage. Liberals adhere to the fiction that labor unions do not affect the consumer.

As I stated on the House floor, the most relevant thing about the proposed Agency for Consumer Advocacy is the admission of failure of regulatory agencies of the Federal Government. For years the liberals argued we needed regulatory agencies to protect the public. They have built up hundreds of redtape-spawning regulatory agencies and now they come along and say we need the ACA to become involved in the same agencies to protect the public. The liberals have met themselves full circle.

Second, Common Cause supported a 10-year extension of the Federal Voting Rights Act and expansion of the act's coverage to include a wide range of language minorities.

This legislation, which was enacted into law on August 6, constituted another intrusion by the Federal Government into the rights and powers of the individual States. The new trigger mechanism for Federal involvement in State election procedures is jurisdictions where less than 50 percent registered or voted in the 1972 Presidential election and at least 5 percent are members of a single language group.

As a result, States and political subdivisions will be legally required to provide ballots and other election materials in the language of a language minority group. The cost in many cases is prohibitively high. Furthermore, local jurisdictions will lose the right to make numerous decisions because of possible consequences to minorities within their jurisdiction. Local actions such as annexation, deannexation, the establishment and location of voting booths and the printing of voter information could become Federal questions, subject to Washington, D.C., approval or Federal court review.

It is unfortunate that liberals are so eager to sanction Federal invasions of State and local prerogatives.

Third, Common Cause is continuing to push for legislation to provide for public financing of House and Senate elections.

This legislation has a high price tag. It is estimated that public financing would increase Federal expenditures by hundreds of millions of dollars. The cost would be picked up by the American taxpayer through higher taxes and more inflation. There also is a serious constitutional question involved. Is it constitutional to force a citizen to subsidize the campaign of a candidate for public office with whom he disagrees? Finally, there would be an opportunity for subversion of a government-financed campaign by a party in power.

The public financing proposal is indicative of the liberal view that the best way to solve any problem is through Federal money, Federal regulation, and Federal control.

Fourth, Common Cause backs H.R. 25, the Surface Mining Control and Reclamation Act.

Although we need to protect our environment from strip mining, this bill fails to strike a reasonable balance between our energy needs and our environmental concerns. At a time when the United States must increase coal production, the overly strict provisions of H.R. 25 would unnecessarily reduce production.

The Department of the Interior and the Federal Energy Administration estimate that H.R. 25 would cause a production loss of 40 to 162 million tons in 1977 alone. This would mean greater dependence on foreign oil and higher electrical costs for consumers, as well as increased unemployment. The liberal view seems to be environmentalism at any cost.

Fifth, Common Cause supports efforts to terminate funding for the B–1 bomber being developed as a replacement for the B–52 strategic bomber.

Development of the B–1 bomber is of critical importance to our national defense. The B–52 will have been flying approximately 30 years before the B–1 can be produced in quantity. During those years antibomber defenses have become far more effective. The B–1 will be able to fly three times the speed of the B–52, carry more than twice the bomb load and have electronic devices and other equipment that will help assure its survivability. If we are to maintain an effective strategic bomber force we must develop the B–1.

Sixth, Common Cause opposes easing of the Clean Air Act's environmental standards.

Such action will seriously worsen our energy problems. We should temporarily relax the act's restrictions so that industries and powerplants can make better use of our abundant coal resources. We should suspend auto emission standards so as to allow more efficient use of gasoline. Blind environmentalism can destroy our economy and our standard of living.

Seventh, Common Cause advocates an energy program with immediate imposition of petroleum import quotas, a stiff gasoline tax and an automobile efficiency tax.

These policies are a prescription for national disaster. Rather than increasing domestic energy production, emphasis is on reducing U.S. consumption of oil and gas through quotas and heavy tax assessments.

The quota system would create an artificial shortage of petroleum products. We would experience a self-imposed embargo, just as damaging as if the oil-producing nations chose to limit our imports. In addition, a "stiff" gasoline tax would be extremely onerous for the people living in the more rural areas of our Nation. Mass transit systems and public transportation simply are not available.

It is ironic that the liberals always seem to think in terms of taxes and quotas. Rarely do they propose policies which will assure sufficient supplies for the future. Common Cause calls all of this working in the public interest.

OTHER ISSUES

Other positions taken by Common Cause over the last 5 years are equally or even more outrageous. Again, Common Cause always seems to come down on the liberal side of the issues. Following are a few examples.

Common Cause has opposed efforts to prevent busing through constitutional amendment. According to the March 1972 Common Cause Report from Washington:

> It [a Constitutional Amendment on school busing] would turn the clock back on 18 years of dogged citizen efforts.

Forced busing to CC is fine, the result of dogged citizen effort. I would say that the latter part of that statement is true but the "dogged efforts" come from a small, radical band of liberals bent on imposing their will on a very reluctant majority.

Forced busing of schoolchildren is another liberal panacea that has failed miserably in practice. It is just one more example of the Federal Government forcing its own view on local school districts.

Common Cause supported the Family Assistance Plan, which would provide a federally guaranteed minimum income. According to Gardner, Common Cause has been "the chief citizen organization" backing the plan.

This radical program would commit the Government perpetually to the worst possible position. It would expand rather than solve the welfare mess. More, not less, people would be dependent on the Government for their food, shelter and clothing. A guaranteed annual income would be a giant step toward a permanent welfare state, a socialized society these CC liberals yearn for.

Common Cause has worked for an expanded food stamp program and has opposed administration efforts to raise the price of food stamps or cut back on the $5 billion boondoggle.

The present food stamp program is becoming a spending nightmare. The program has already topped the $5 billion mark and could grow to $8 billion unless needed changes are made. Too many undeserving people are accorded food stamp privileges such as striking workers, college students, and dropouts. Unfortunately the CC liberals do not seem to want to make the reforms in the food stamp program that are so desperately needed.

Common Cause opposed legislation authorizing construction of the Alaska pipeline bill. In the words of Common Cause, this was "a giant step backward on environmental policy."

This legislation was essential to help alleviate the energy shortage facing our country. When completed, the Alaska pipeline will be able to handle 2 million barrels of oil per day. Although some would block all development of our energy resources, there must be a reasonable balance between our need for energy and our concern for the environment.

Common Cause supported legislation for a new, comprehensive child development program.

Such legislation would authorize Federal intervention in the parent-child relationship. This is a totally inappropriate area for the Federal Government. Nationally syndicated columnist James J. Kilpatrick has described the program as a scheme "for the essential Sovietization of the American family." This bill is the culmination of the bureaucrat-sociologist control plan, the liberal planner's dream.

COMMON CAUSE VOTING SUMMARY

The Common Cause voting summary demonstrates the liberal leanings of that organization. The positions backed by Common Cause almost invariably would result in more Federal regulation, more Federal interference, and more Federal spending. The votes also indicate an antimilitary bias.

Let us look for a moment at the "Voting Summary on Common Cause Issues" prepared for the 93d Congress.

Common Cause supported passage of the Land Use Planning Act. This legislation would have authorized a massive Federal intrusion into the uses of private property. Traditional local control of property would have been replaced by Federal rules and regulations.

The bill was a spending nightmare as well. It proposed Federal expenditures of $800 million. Such waste of taxpayers money is totally unjustified.

Common Cause favored enactment of Federal postcard registration. This bill would have established another Federal bureaucracy at a cost of $50 million a year. It also would have provided an open invitation to voter fraud. It makes little sense to set up a new and expensive Federal bureaucracy when voter registration already is being adequately handled by local officials.

Common Cause backed public financing of House and Senate elections. Public financing would lead to more Federal interference in the conduct of campaigns. It also would soak the American taxpayer for hundreds of millions of dollars per election.

Common Cause wanted to block speedy construction of the Alaska pipeline. Further delay would have injured the interests of every American. It would mean less oil, higher prices and more dependence on foreign energy sources.

Common Cause favored creation of a Federal Consumer Protection Agency with very broad information-gathering and enforcement powers. The agency could intervene at whim in court and administrative proceedings, hold up final determination of an issue and send interrogatories to businessmen on virtually any topic. We hardly need another group of Washington-based bureaucrats interfering in our free enterprise system and harassing our Nation's businessmen.

Common Cause supported an amendment reducing by $733 million the military procurement authorization approved by the Armed Services Committee. The bill was already $486 million below the budget and this amendment would have seriously weakened our national defense.

MEMBERSHIP LIST

Common Cause's handling of its membership list also shows the liberal leanings of this group. In 1971, Gardner publicly admitted that Common Cause had allowed the Democratic National Committee to use part of its membership list for fundraising purposes. This was part of a list swap with the Democrats.

Common Cause exchanged lists with one Republican group as well. And which one was that? You guessed it, the Ripon Society. According to the March 10, 1971, edition of the Washington Post:

> The spokesman [for Common Cause] said the only Republican group whose membership list Common Cause had used is the Ripon Society, an unofficial group of liberal Republicans.

FINANCIAL DISCLOSURE REPORT

When it comes to the question of financial disclosure, Common Cause believes that everyone should strictly comply with the law. Apparently everyone, that is, except itself. Then different rules seem to apply.

We all know how Common Cause takes satisfaction in watch-dogging the reports of candidates and political committees and loudly denouncing election law violations no matter how minor or innocent. Consequently it is ironic that Common Cause was a month late in filing its March 10, 1975 financial disclosure report as prescribed by Federal election law.

This fact was brought to light by my colleague from Ohio, Congressman Wayne Hays, chairman of the House Administration Committee. Congressman Hays stressed that Common Cause should be held to the same standards as are applicable to all other political committees.

As Representative Hays stated on April 16, 1975:

> All other political committees filed reports on March 10, 1975. Why should there be an exception for Common Cause?

That is a good question.

COMMITTEE CHAIRMEN

Common Cause has displayed a liberal bias in attacking the seniority system. Almost invariably it is the conservative chairmen who are the object of Common Cause's wrath.

In previous years, Common Cause has urged the defeat of such conservative chairman as former Representatives William Colmer of the Rules Committee and Mendel Rivers of the Armed Services Committee. Liberal chairmen, on the other hand, go largely unscathed.

The 94th Congress is no exception. The Common Cause evaluation of House committee chairmen placed Representative Edward Hébert—Democrat of Louisiana and head of the Armed Services Committee—at the bottom of the ratings.

It should come as no surprise that Hébert is a patriot and one of the most conservative members of the Democratic Party. Apparently Common Cause believes there is nothing more obnoxious than having a conservative in charge of a House Committee.

Common Cause has a great deal in common with the Ralph Nader band and the environmental zealots. Everything private or business oriented is bad, everything public or antibusiness is good. They all have the same double standard when it comes to labor. Everyone with any business connection is attacked, labor connections do not count. Amendments which knock out labor from coverage of the Consumer Protection Agency do not get a peep out of Common Cause or Nader. Amendments which open the flood gates for labor spending in campaigns do not come under their microscope.

A good example would be two recent pronouncements of Common Cause. They attacked my friend and colleague, Bob Sikes of Florida for his connection to business interests and the military but say not a word about those Congressmen who have received from $30,000 to $50,000 from labor unions for their 1974 political campaign when it came time to vote on a No. 1 labor issue, that of situs picketing. That is not a conflict according to Common Cause, but receiving a $500 contribution from a group of your local real estate agents who are working in political campaigns is bad. This double standard runs through the entire Common Cause arrogance which makes their moral posturing a little sickening.

SUMMARY

John Gardner would have us believe that every action taken by Common Cause is in the public interest. As we have learned after studying the issues, however, the public interest almost always seems to be defined in liberal terms. It should be understood that the positions advocated by Common Cause are neither politically nor philosophically neutral. In the final analysis, Common Cause favors the liberal cause.

James J. Kilpatrick, one of my favorite columnists, hit the nail on the head in referring to Common Cause as arrogant moralists. Here is what he wrote in his February 3, 1976, column. The McCarthy he refers to is former Senator Eugene McCarthy, by all standards a very honest and direct liberal. Note well what Kilpatrick writes:

> Back in November, McCarthy received a letter from John Gardner, chairman, and David Cohen, president, of Common Cause. These two eminences, in their high and mighty way, wished to remind McCarthy that many political campaigns had become mere exercises in "image manipulation and issue evasion." Their supremacies told McCarthy that new standards of integrity, responsiveness and accountability must be introduced. Messrs. Gardner and Cohen had prepared such a list of standards. Copy enclosed.
>
> "We will be calling on our members, the public and the media," warned the two exalted ones, "to measure candidates' performance against the enclosed standards." They asked McCarthy for a written response.
>
> The identical letter went to other avowed candidates for the presidency. Their flatulent responses soon came pouring in. Birch Bayh wrote that he had no hesitancy in subscribing in full to the Common Cause checklist. Lloyd Bentsen assured their nobilities that his conduct would be consistent with their goals. Jimmy Carter delivered his wholehearted endorsement. Fred Harris sent three single-spaced pages of agreeable response. Henry M. Jackson said he had directed his staff to see that the goals were achieved. Gov. Milton Shapp declared his strong endorsement and delivered his pledge of adherence. Sargent Shriver sent two pages of fulsome allegiance. Mo Udall sent three.
>
> Alas, the royal highnesses of Common Cause got no such response from McCarthy. Clean Gene turned the letter over to his campaign chairman, Ronald Cocome, who responded to John Gardner by return mail as follows:
>
> "I find this communication insulting. I don't mind telling you that if any citizen controls are needed, they are controls over your arrogance. I don't know who the blazes you think you are. As a campaign we are responsible to the voters directly. We will let them interpret our actions and motives. We do not need you to do so, and we do not believe the people of this country do.
>
> "In short, you can take your enclosed standards and stuff them in your ear!"
>
> Well! Lese majeste! King John was not amused. Gardner delivered himself of a portentous conclusion: McCarthy "must disagree with the standards or he cannot live with them politically." No other possibilities had occurred to El Supremo.

John Gardner has been very successful with his "do as I say not as I do" approach. This is largely due to the fact that the liberal press, notably the New York Times, dotes on his every word. He is the liberal axe they proclaim to speak for the public interest. He also fits the other pattern. Liberal media like the New York Times refer to him as a Republican even though he comes about as close as

Khrushchev to the philosophy and platform of the Republican party. Prudent Americans who are worried about the direction of the Federal Government, our Federal tax burdens, huge and mounting deficits, inflation and grasping Federal bureaucracy should keep an alert eye on John Gardner and Common Cause, arrogant crusaders and moralists of the left.

EMERGENCY EMPLOYMENT PROJECT AMENDMENTS OF 1976

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New Jersey (Mrs. MEYNER) is recognized for 5 minutes.

Mrs. MEYNER. Mr. Speaker, recently I spoke in favor of the Local Public Works Development Act because of the substantial impact it would have on the recession and unemployment. Today I rise to support the Emergency Employment Project Amendments of 1976—another step in this all-important battle.

Clearly, unemployment has been a persistent and difficult problem facing our whole society. Congress has recognized this and has taken steps to minimize its effects. We need to do more, however. For the past 6 months, the national unemployment level has hovered around 8 percent, and the President has informed us that the end is not in sight. I do not believe that this has to be the case. The emergency employment amendments would provide significant funding for important and useful jobs, and would go far toward bringing the unemployment level to a point more acceptable to us all.

The recession has hit all areas of the country hard. But the State of New Jersey has suffered more than most. The current statewide unemployment level is 13.3 percent, a full 5 percent higher than the national level. It has been as high as 13.8 percent in recent months. Under the provisions of these amendments, money would be allocated largely by need, placing New Jersey in a favored position. New Jersey is by no means the only State that would benefit from this congressional action, however, and I would support these amendments independent of their local value.

One of the unique advantages of this particular legislation is its dedication to the project approach. Other public works programs have been criticized because of their lack of visibility, and because they often result in unemployment of permanent workers in agencies anticipating subsidies. With these amendments, though, money will be provided for jobs that are not done by the current work force. Visibility will be high, and reciprocal employment cuts should not occur.

Because of the complexity and scope of this project, it is difficult to predict accurately where the greatest benefits will occur. The House of Representatives Committee on Education and Labor estimates that funding will result in between 550,000 and 600,000 public jobs by the end of this fiscal year. The benefits that could be derived by society through the employment of such a large, new group are immeasurable. Presently, great numbers of jobs cannot be done because of the lack of an organized work force. With the passage of these amendments, great strides could be made in such diverse areas as railroad reconstructin, urban renewal, housing rehabilitation, and the construction of parks. The effects of the passage of H.R. 11453 would be a brighter economic picture and a giant step in the direction of full employment for the entire Nation.

A number of people have questioned this action on the basis of its cost. I do not believe this will be a major problem. Although the amount of money provided is significant, it will be more than balanced by savings in other areas. It has been estimated that each percentage point of unemployment results in $16 billion of lost revenue to the Federal Government. If this action can reduce national unemployment by only 1 percent, the entire program will be paid for. When we look at the additional benefits of self-esteem that come with jobs, and at the many services that can be provided, I find these amendments quite a bargain.

I have said many times that the state of the economy is the most critical problem facing the Nation today. It is clear that we must take quick action to reduce the burdens our recession has created. The emergency employment projects amendments would greatly benefit the unemployed in New Jersey and throughout the Nation, and I enthusiastically support their passage.

FEDERAL SURPLUS PROPERTY LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. O'NEILL) is recognized for 5 minutes.

Mr. O'NEILL. Mr. Speaker, I would like to refile today legislation originally filed this time last year, to amend the Federal Property and Administrative Services Act.

This legislation is an updated and revised version of that earlier legislation which, I am pleased to say, has 55 cosponsors. The basic principle of this legislation, Mr. Speaker, is to provide for the transfer of surplus real property to States and their political subdivisions or nonprofit organizations at less than fair market value for the purpose of economic development reuse. Furthermore, this legislation provides that in no event shall the discounted price be less than 25 percent of the fair market value. This is a significant precedent and key to the legislation. Operating responsibility for disposition of the property is placed with the Secretary of Commerce.

Minor revisions in the legislation made by House counsel tighten the language and add the necessary technical amendments. In addition, the revised legislation does away with backdoor financing. This revised version is a straight authorization bill and, therefore, makes the legislation subject to the appropriations process. This key revision meets a major objective raised during hearings on the legislation, October 22.

While this new version of the original legislation (H.R. 2532) was submitted for the record at the hearings, I am for the first time introducing it today and have contacted the bill's original cosponsors so that they might join with me in support of this important legislation.

I am pleased to say, Mr. Speaker, that at the October hearings chaired by my distinguished colleague, Mr. RANDALL, the administration supported the concept of this legislation. As I understand it, the Subcommittee on Government Activities and Transportation has posed certain questions regarding this legislation to the agencies and departments involved and is awaiting their answers as a prelude to the bill being reported to full committee.

As we enter the new year with unemployment figures still so high and economic revitalization a needed priority, this legislation is as relevant as it was a year ago, if not more so. Just this December, Deputy Defense Secretary Clements announced the Pentagon was contemplating closing down more defense facilities and cutting its work forces. In my home State of Massachusetts, there has been talk recently of further cutbacks at Fort Devens. New Jersey, Maryland, and other States are also facing possible major cutbacks and the President has warned of new closures.

We can ill afford to continue to allow closed or cutback facilities to remain unused because of lack of capital. Valuable Federal property can be used for productive economic activity and this bill seeks to insure that a community seeking to utilize an ex-defense facility for this purpose will not be tied up in red tape for years to do a job needed today. We can ill afford to waste precious time when economically viable activity can take place now on available property.

I am, therefore, pleased to refile this legislation and contemplate speedy action for its consideration and passage.

PROPOSED REVISIONS OF THE FUNCTIONAL CATEGORIES OF THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Washington (Mr. ADAMS) is recognized for 20 minutes.

Mr. ADAMS. Mr. Speaker, as a key part of the congressional budget process, Congress must make priorities decisions for each of the functional categories of the budget when it considers the first and second budget resolutions each year. Consequently, the Congress must have a keen interest in assuring that the functional categories in the budget are appropriate to the task of setting priorities.

In the past, the executive branch had the exclusive responsibility for establishing functional categories. The Congressional Budget Act now requires that any changes in these categories be made only after consultation with the Committees on Appropriations and the Budget of both Houses.

In response to various criticisms and concerns about the present functional categories, the Budget Process Task Force of the House Budget Committee has proposed a working paper on recommended changes in the functional categories for fiscal year 1978. To be implemented, these changes would have to be finally decided upon by the parties involved by early spring.

The Budget Committee has forwarded a copy of the working paper to the chairman of each committee, and I am inserting a copy in the RECORD at this point. We would welcome the comments of all House Members, as well as interested groups. Such comments should be received not later than the end of this month to assure consideration by the full committee.

The material follows:

BUDGET PROCESS TASK FORCE WORKING PAPER ON RECOMMENDED CHANGES IN FUNCTIONAL CLASSIFICATIONS FOR FISCAL YEAR 1978

INTRODUCTION

Functional classifications are primarily used as the framework within which the Administration discusses its budget proposal. The present classifications represent the last of frequent revisions which each Administration has made to better highlight the changing emphases in legislated programs and its changing interest. The resulting functional classifications are widely accepted as representing broad areas of national interest and the money spent on these functions is an important measure of national priorities.

Until recently, the functional classifications were of primary interest to the Executive Branch; Congress had only a passing interest in them since reliance was placed on the existing Committee structure to handle all questions on the budget.

This has changed. Congress has a strong interest as well as a responsibility in the definition of functional classifications since enactment of the Budget and Impoundment Control Act of 1974. Functional classifications are established as the principal means by which the Congress defines, communicates and controls its priorities for budget expenditures. The Budget Committee has a special responsibility for the Functions which are to be used. Section 802 of the *Act* states that:

"Any change in the functional categories set forth in the budget of the United States Government transmitted pursuant to section 201 of the Budget and Accounting Act, 1921 shall be made only in consultation with the Committees on Appropriations and the Budget of the House of Representatives and Senate."

However, the existing functional classifications do not adequately reflect the increasing Congressional need for greater clarity in addressing the Nation's priorities and in determining the proper level of Federal spending to implement them. As a result, the House Budget Committee undertook a review of the functional classifications currently in use in order to identify revisions needed to make the functional classifications more useful to Congress in considering the Fiscal Year 1978 Budget. The overriding criterion used as a guide in developing changes in the classifications was that the new classifications must better serve the Congress as a means for focusing Congressional and public attention on major areas of national priority.

SUMMARY OF RECOMMENDATIONS

The recommendations rearrange the present 16 Functional Classifications to create 19 categories for the Congress. New Functions are recommended for Energy; Transportation; Education; Employment, Training and Social Services; Retirement and Disability Insurance; Unemployment Insurance; and Income Assistance. A more logical grouping of subfunctions results in a new Function for Housing and Community Development including a new Rural Housing and Development subfunction; and a new Function for Commerce, Finance and General Government. Finally, it is recommended that the Function for Undistributed Offsetting Receipts be discontinued and the amount distributed.

The major changes are designed to highlight important areas of priority interests which are presently hidden within existing Functions and which make analysis and subsequent communications with the Congress and public difficult. Seven Functions have been divided to create ten new Functions, as follows:

Proposed

1. Natural Resources and Environment
2. Energy
3. Transportation
4. Housing and Community Development
5. Education
6. Employment, Training and Social Services
7. Retirement and Disability Insurance
8. Unemployment Insurance
9. Income Assistance
10. Commerce, Finance and Government

Present

1. Natural Resources, Environment and Energy
2. Commerce and Transportation
3. Community and Regional Development
4. Education, Employment, Training and Social Services
5. Income Security
6. General Government
7. Undistributed Offsetting Receipts

Several smaller changes were made to better align programs with their major purpose. This type of change resulted in moving the following activities:

Activity	*From*	*To*
Job Opportunities	Education, Employment Training and Social Services	Housing and Community Development
Community Services Administration Action	Community and Regional Development	Employment, Training and Social Services
Postal Service	Commerce and Transportation	Commerce, Finance and General Government
Other Advancement and Regulation of Commerce	Commerce and Transportation	Commerce, Finance and General Government
Army Corps of Engineers, Navigation portion of Construction, Operation and Maintenance of Waterways	Natural Resources, Environment and Energy	Transportation, Water Transportation subfunction
Federal Deposit Insurance Corporation	Commerce and Transportation	Commerce, Finance and General Government
Vocational-Education Programs and NID	Education, Employment Training, and Social Services	Education, as a separate subfunction
Agriculture Housing and Development programs	Community and Regional Development	Housing and Community Development, as a separate subfunction
Mortgage Credit and Thrift Insurance	Commerce and Transportation	Housing and Community Development
Employer Share Employee Retirement	Undistributed Offsetting Receipts	Distributed to receiving Functions
Interest received trust funds		Distributed to receiving Functions
Rents and Royalties on the Outer Continental Shelf		Treated as a Budget Receipt

The following Functions were not changed:

050	National Defense
150	International Affairs
250	General Science, Space and Technology
550	Health
700	Veterans
850	Revenue Sharing and General Purpose Fiscal Assistance
900	Interest Allowances

Recommendations

1. *Function 300,* Natural Resources and Environment and *Function XXX,* Energy.

Change: Two Functions; Natural Resources and Environment, and Energy have been created from the present Function, Natural Resources, Environment and Energy. In addition, the Water Resources and Power subfunction, 301, is changed by deleting navigations projects of the Army Corps of Engineers that deal with the Construction, Operation and Maintenance of National Waterways. It is recommended that these navigation projects be considered as a part of the Water Transportation subfunction under the new Transportation Function.

Reason: The development of energy resources is a growing national concern and, as such, should be reflected in the Federal budget at the functional level. The rise in the level of Federal expenditures on Energy is an indication of its growing importance: Outlays have increased from $600 million in FY 1974 to an estimated $2,240 million in FY 1976.

The navigation support projects of the Army Corps of Engineers programs for the Construction, Operation and Maintenance of Waterways was moved to the Water Transportation subfunction so as to place all major modes of transportation within one Function.

2. *Function 400,* Transportation.

Change: This Function was created with four subfunctions which are almost identical to the present subfunctions 404, 405, 406 and 407; Ground, Air, Water and Other. The only difference is that Water Transportation now would include the Army Corps of Engineers, Navigation Projects to construct, operate and maintain national waterways.

Reasons: A single Function devoted to Transportation would permit the Congress to highlight transportation priorities. Inclusion of Navigation Projects for the Construction, Operation and Maintenance of Waterways permits a more comprehensive analysis of all modes of transportation.

3. *Function 450,* Housing and Community Development.

Change: This Function was created by adding housing to the present Community and Regional Development Function. Three new subfunctions related to housing are: (1) Maintenance of Housing Mortgage Markets which includes the activities of HUD and the Home Loan Bank Board that were previously included in the Mortgage Credit and Thrift Insurance subfunction; (2) Low and Moderate-Income Housing Aids now includes those HUD programs that were formerly contained in the Public Assistance and Other Income Supplements subfunction, 604; and (3) Rural Housing and Development which accommodates all those Agriculture Department programs that were previously included in the subfunctions of Community Development, 451; Area and Regional Development, 452; and Mortgage Credit and Thrift Insurance, 401.

The other subfunctions now listed under the Housing and Community Development function are Disaster Relief and Assistance, Community Development and Area and Regional Development.

The Community Development subfunction is changed by deleting the Community Services Administration and ACTION programs and the Agriculture Department's Community Development programs. The Area and Regional Development subfunction is changed by adding the Job Opportunities Training Program from the old Employment and Training subfunction and deleting the Agriculture Department programs.

Reason: The Housing and Community Development Function identifies an area of continuing national concern which directly impacts on the important housing sector of the economy and affects the physical well-being of many citizens. Creating a Function which combines housing and community development better reflects the intent of Congressional programs which often simultaneously address both of these problem areas.

The Department of Agriculture components of subfunctions Community Development, Area and Regional Development and Mortgage Credit and Thrift Insurance were added to the Agriculture Department's housing programs and placed in a separate subfunction to better identify priorities for rural areas.

The Job Opportunities program was transferred from subfunction Employment and Training to subfunction Area and Regional Development, because this public work oriented program is more closely related to community development programs than to employment and training programs.

The two new subfunctions, Low and Moderate Income Housing Aids and Maintenance of Housing Mortgage Markets, were transferred from the Commerce and Transportation Function and the Income Security Function, respectively, to permit more comprehensive analysis of housing programs associated with Community Development.

The Community Services Administration and ACTION programs were removed from the Community Development subfunction to the new Social Services subfunction because these activities are primarily directed to the development of human rather than physical resources.

4. *Function 500,* Education and *Function XXX* Employment, Training and Social Services.

Change: The present Education, Employment, Training and Social Services Function was separated into two new Functions: Education, Employment and Training; and Social Services.

The Education Function has four subfunctions, three of which are the old subfunctional categories: Elementary and Secondary Education; Higher Education; and Research and General Education Aids. The new fourth subfunction is Vocational Education which contains the vocational education programs that were previously a part of the Elementary and Secondary Education subfunction and the National Institute for the Deaf which was formerly a part of the Higher Education subfunction.

Reason: The separation of the formal education programs from programs more directly related to the problems of employment facilitates setting priorities in light of the differences in immediate program goals, beneficiary groups, and State and local operating agencies. While there may be similarities between the proposed Functions, it is felt that the need to recognize the differences that do exist predominates.

The recommendation re-establishes a Vocational Education subfunction which was used prior to 1976. Vocational Education represents an increasingly important aspect of formal education.

Change: The New Function of Employment, Training and Social Services contains the following subfunctions; Employment and Training, 504; Other Training Services, 505; and Social Services, 506. The Employment and Training subfunction no longer contains the Job Opportunities Program, which was transferred to the Area and Regional Development subfunction. The Social Services subfunction now includes both the Community Services Administration and ACTION program which were transferred from the Community Development subfunction.

Reason: The Job Opportunities Program was excluded from the Employment and Training subfunction because its primary emphasis is on the promotion of Area and Regional Development. The creation of employment opportunities is a secondary objective and therefore not applicable to the Employment and Training subfunction.

The Community Services Administration and ACTION programs presently provide services that are more appropriately considered as human resource trade-offs against other Social Service programs than as physical resource trade-offs against community development programs.

Both Community Services Administration and ACTION continue programs that were first initiated by the Office of Economic Opportunity and their implementation is a responsibility of the Department of Health, Education & Welfare. The present assignment of Community Services Administration and ACTION to the Community Development Function reflects previous Administrations' effort to channel OEO funds through general revenue sharing programs. Congress rejected these efforts.

5. *Function 600,* Retirement and Disability Insurance, *Function XXX* Unemployment Insurance and *Function XXX,* Income Assistance.

Change: The Income Security Function has been split into three separate Functions: Retirement and Disability Insurance; Unemployment Insurance; and Income Assistance.

The Retirement and Disability Insurance Function now includes two subfunctions: General Retirement and Disability, 601; and Federal Employees Retirement and Disability 602.

The Unemployment Insurance subfunction, 603, is elevated to functional status.

The Income Assistance Function is the Public Assistance component of the Public Assistance and Other Income Supplements subfunction, 604. The remaining portion, which consists of HUD housing, has been transferred to the new Low and Moderate-Income Housing Aids subfunction in the Housing and Community Development Function.

Reason: The recommendation subdivides the major components of the $120 billion Income Security Function. It provides an opportunity to consider the major budgetary problems related to retirement programs and separately consider the problems of the unemployment program and non-contributory welfare programs.

Retaining the present large Income Security Function has the advantage of permitting a review of a great many welfare programs which appear within this Function. However, not all public welfare programs are included under the Income Security Function. The recommendation assumes that subdividing the present Function provides a better focus on the priorities in this area.

6. *Function 350,* Agriculture.

Change: The Function now provides an additional subfunctional category by splitting the Agriculture Research and Services subfunction into two separate subfunctions. Thus, there would be three subfunctions under the Agriculture Function: Farm Income Stabilization; Agricultural Research; and Agricultural Services.

Reason: Agriculture Research and Agricultural Services have always had distinctly different purposes and clienteles. However, the small amount of outlays involved did not warrant a separate subfunctional classification until recently.

Additional subfunctions were also considered for rural development and conservation. However, rural development can be more appropriately considered as a separate subfunction under the reorganized Housing and Community Development Function. The recommended alignment has the advantage of keeping similar housing and development programs together, while clearly identifying the rural component, an important Committee goal. The primary focus of the Agricultural Function remains food production.

Agriculture conservation programs, presently classified in subfunction Conservation and Land Management under the Natural Resources and Environment Function, are considered to be primarily resource management programs and are only secondarily regarded as renewable resource programs appropriate for inclusion in the Agriculture Function.

7. *Function 800,* Commerce, Finance and General Government.

Change: This Function is created by adding to the present General Government subfunctions three subfunctions. Two of the subfunctional categories have been transferred from the former Commerce and Transportation Function. These are Postal Service, 402, and Other Advancement and Regulation of Commerce, 403. The latter has been broadened to include the activities of the Federal Deposit Insurance Corporation (FDIC) which had formed a component of the old Commerce and Transportation subfunction, Mortgage Credit and Thrift Insurance (MCTI), 401.

Reason: Individually, these programs are not large enough to warrant a separate functional designation. As a result, they have been dealt with as residual classifications and placed in the above Function.

8. *Function 950,* Undistributed Offsetting Receipts.

Change: The Function was eliminated and distributed as follows: The Employer Share, Employee Retirement subfunction 951, and the Interest Received by the Trust Funds subfunction, 952, was dispersed to the Functions receiving these receipts. Rents and

Royalties from the Outer Continental Shelf subfunction, 953, was treated as a budget receipt.

Reason: The amounts shown under Employment Share of Employee Retirement and Interest Received by the Trust Funds result from technical adjustments that have relatively little significance on budget priorities. The recommendation minimizes distortions by offsetting receipts aginst the Function total and not against individual programs.

Rents and Royalties from the Outer Continental Shelf can be treated as a budget receipt stemming from the exercise of Sovereign Powers or as an offsetting receipt from a business transaction. The recommendation to treat rents and royalties as a budget receipt recognizes that the amounts are too large and variable to be considered as an offsetting business transaction to the Natural Resources and Environment function, and as a budget receipt, permits a clearer picture of both budget expenditures and receipts. Furthermore, since the amounts are so variable it is recommended that they be placed in an escrow account so that the actual amounts and not estimates appear in the budget year request.

ALTERNATIVE A

1. Combine Military Retirement with other retirement programs.

Change: Move the program Retired Pay in subfunction 051, Department of Defense Military ($8.6 billion) to the new Retirement and Disability Insurance Function.

Reason: Provides a better analysis of the retirement programs by including the large military retirement program with the rest of the retirement programs in the new Retirement, and Disability Insurance Function.

2. Create an Education, Training and Employment Function.

Change: Combine the present Education subfunction and Training and Employment subfunction as a new Education, Training and Employment Function.

Reason: The similarities between formal education and employment programs outweigh the differences in the design and administration which the proposed Education Function and Employment, Training and Social Services Function highlights. Combining programs designed to provide employment skills forces a simultaneous look at related programs which might not otherwise occur in the Congressional process.

3. Create a new Unemployment Function.

Change: Combine the present Unemployment Insurance subfunction, Social Services subfunction and recommended Income Assistance Function as a new Unemployment Function.

Reason: These Functions contain programs directed at people that are not currently employed or whose income is so small as to require a supplement. The problem of setting priorities can be more effectively addressed by simultaneously considering priorities among all these programs.

ALTERNATIVE B

Distribute Function 700 Veterans Benefits and Services to several Functions.

Change: Distribute this Function among existing and proposed Functions as follows:

(1) 701, Income Security for Veterans, distribute the pension portion of this subfunction to the Cash Assistance subfunction under the proposed Income Assistance Function. All other activities in 701, including Compensation, will be placed in subfunction 602, Federal Employee, Retirement and Disability, of the proposed Retirement and Disability Function, 600.

(2) 702, Veterans Education, Training, and Rehabilitation will be distributed among subfunctions 502 Higher Education and 504 Vocational Education of the proposed Education Function.

(3) 703, Hospital and Medical Care for Veterans would be placed in 550, the Health Function, as a separate subfunctional classification.

(4) 704, Veterans Housing would be placed in subfunction 454, Maintenance of Housing Mortgage Markets, in the Housing and Community Development Function.

(5) 705, Other Veterans Benefits and Services includes administrative support programs which would be distributed to an appropriate Function on technical grounds.

Reason: Distributing the programs and activities to existing and proposed Functions will allow a more integrated analysis of the fiscal impact as it relates to similar programs and activities.

PROPOSED DISTRIBUTION OF FUNCTION 700

700 Veterans Benefits and Services

701 Income Security for Veterans:

Pensions: Income Assistance Function; Cash Assistance Subfunction.

All Other (including Compensation): Retirement and Disability Function; Veterans Compensation Subfunction.

702 Education: Readjustments Benefits; Education Loan Fund; Education Function; Higher Education Subfunction.

Vocational Rehabilitation: Vocational Education Subfunction.

703 Hospital and Medical Care: Health Function; Veterans Hospital and Medical Services Subfunction.

704 Veterans Housing: Housing and Community Development Function; Maintenance of Housing Mortgage Markets Subfunction.

705 Other Veterans Benefits and Services

Cemeterial Expenses Soldiers and Airmen's Home: Income Assistance Function; In-kind Assistance Subfunction.

General Operating Expenses: Education Function; Higher Education Subfunction.

Grants for Construction and Operation of State Veterans Cemeteries: Income Assistance Function; In-kind Assistance Subfunction.

Canteen Services Supply Fund: Health Function; Veterans Health Medical Services Subfunction.

Consolidated Working Fund.

General Post Fund.

SUMMARY OF WORKING PAPER ON RECOMMENDED CHANGES IN FUNCTIONAL CLASSIFICATIONS FOR FISCAL YEAR 1978

(Does not include alternative A and B)

Major changes

Purpose: (1) To highlight national concerns previously submerged in existing functions, and

(2) To improve both analysis and communications.

A. Create an *Energy Function* to better deal with a pressing national problem reflected in increased Federal funding rising from $½ billion to $2 billion over the last two years.

B. Highlight transportation priorities presently mixed with Commerce activities by creating a *Transportation Function.*

C. Identify housing programs scattered among several functions and place them with related community development programs—*Housing and Community Development Function.*

D. Collect presently dispersed *rural housing and community development* programs as a subfunction within the Housing and Community Development Function.

E. Separate formal educational programs for specially designed efforts to reduce unemployment—*Education Function separated from Employment, Training and Social Services Function.*

F. Subdivide the large Income Security function to provide smaller functions that can be more effectively managed—*Retirement and Disability Insurance Function; Unemployment Insurance Function; and Income Assistance function.*

COMPARISON OF EXISTING AND PROPOSED FUNCTIONAL CLASSIFICATIONS

EXISTING FUNCTIONS	PROPOSED FUNCTIONS
National Defense	No change
International Affairs	No change
General Science, Space and Technology	No change
Natural Resources, Environment and Energy:	Natural Resources and Environment:
Water Resources and Power	Water Resources and Power
Conservation and Land Management	Conservation and Land Management
Recreational Resources	Recreational Resources
Pollution Control and Abatement	Pollution Control and Abatement
Other Natural Resources	Other Natural Resources
Energy	
	Energy:
	Energy Research and Development
	Emergency Preparedness and Conservation
	Federal Energy Regulation
	General Operating Programs
Agriculture:	Agriculture:
Farm Income Stabilization	Farm Income Stabilization
Agriculture Research and Services	Agriculture Research
	Agriculture Services
Commerce and Transportation:	Transportation:
Postal Service	Ground Transportation
Other Advancement and Regulation of Commerce	Air Transportation
Air Transportation	Water Transportation
Ground Transportation	Other Transportation

COMPARISON OF EXISTING AND PROPOSED FUNCTIONAL CLASSIFICATIONS—Continued

EXISTING FUNCTIONS—Continued	PROPOSED FUNCTIONS—Continued
Water Transportation	
Other Transportation	
Mortgage Credit and Thrift Insurance	
General Government:	Commerce, Finance and General Government:
Legislative Functions	Legislative Function
Executive Direction and Management	Executive Direction and Management
Fiscal Operations	Fiscal Operation
Property and Records Management	Property and Records Management
Personnel Management	Personnel Management
Other General Government	Other General Government
Community and Regional Development:	Housing and Community Development:
Community Development	Community Development
Area and Regional Development	Area and Regional Development
Disaster Relief and Assistance	Rural Housing and Development
	Maintenance of Housing Mortgage Markets
	Low and Moderate Income Housing Aids
	Disaster Relief and Assistance
Education, Employment, Training and Social Services:	Education:
Elementary and Secondary Education	Elementary, Secondary Education
Higher Education	Higher Education
Research and General Education Aids	Research and General Education Aids
Employment and Training	Vocational Education
Other Training Services	Employment, Training and Social Services:
Social Services	Employment, Training
	Other Training Services
	Social Services
Health	No change
Income Security:	Retirement and Disability Insurance:
General Retirement and Disability	General Retirement and Disability
Federal Employee Retirement and Disability	Federal Employee, Retirement and Disability
Unemployment Insurance	
Public Assistance and Other Income Supplements	
	Unemployment Insurance:
	Unemployment Insurance
	Unemployment Compensation
	Income Assistance:
	Cash Assistance
	In-Kind Assistance
Veterans Benefits and Services	No change
Law Enforcement and Justice	No change
Revenue Sharing and General Purpose Fiscal Assistance	No change
Interest	No change
Allowances	No change
Undistributed Offsetting Receipts:	
Employer Share, Employee Retirement	Offset to receiving Function
Interest Received by Trust Funds	Offset to receiving Function
Rents and Royalties on OCS	Budget Receipt

REQUEST FOR MODIFIED RULE ON H.R. 10799

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. KASTENMEIER) is recognized for 5 minutes.

Mr. KASTENMEIER. Mr. Speaker, on Tuesday, December 16, 1975, the Committee on the Judiciary ordered favorably reported the bill H.R. 10799, to amend title 10 of the Economic Opportunity Act of 1964.

In order to comply with M IX(a) of the rules of the Democratic Caucus for the 94th Congress, since the rule requested might be considered to be within the jurisdiction of that rule, I am inserting in the CONGRESSIONAL RECORD notice of my intention to request, following the expiration of 4 legislative days, the Committee on Rules to report to the House a resolution providing for a "modified rule" on the bill H.R. 10799. The rule which I will be requesting would provide in effect that after a period of general debate not to exceed 1 hour, on the bill, amendment to the bill would be limited to clause (3) of section 1006(a) of the Economic Opportunity Act of 1964, and to subsection 1010(d) of the bill. Such a rule would permit the House of Representatives to focus their attention on the narrow scope of the bill, which has been preceded by 2 days of hearings.

FOREIGN COUNTRIES AND FOREIGN NATIONALS WHO CONTRIBUTED TO OUR INDEPENDENCE SHOULD BE REMEMBERED DURING BICENTENNIAL

The SPEAKER pro tempore. Under a previous order of the House the gentlewoman from Louisiana (Mrs. BOGGS) is recognized for 5 minutes.

Mrs. BOGGS. Mr. Speaker, during our celebrations in observance of the founding of our Nation it is quite fitting that we pause to recall the contributions of foreign countries and foreign nationals to our struggle for independence. The American colonists were successful in their endeavors not only because of their own great efforts and sacrifices, but also because of the aid rendered by allies and friendly nations which was of particular importance to the success of our Revolution.

The valuable support given by France and, in particular, the vital role played by the Marquis de Lafayette, is well known in America today. Many also recognize the leadership provided by the Polish patriot, Thaddeus Kosciusko. It is unfortunate but true that Americans are not as keenly aware of the great assistance provided by Spain and citizens of her new world colonies: Louisiana, Mexico, and Cuba. In order to memorialize this support and as a token of the bonds of friendship that exist between the people of Spain and the people of the United States, the Government of Spain has indicated its desire to present a statue of Bernardo de Galvez, the colonial governor of Spanish Louisiana, to the United States to mark our Bicentennial. Today I am introducing legislation to authorize the erection of such a memorial in our Nation's Capital.

Galvez was born in Spain in 1746 and devoted his life to the service of his country as a soldier and administrator. Upon assuming his duties as Governor of Louisiana on January 1, 1777, he pursued a policy of rendering direct assistance and support to Oliver Pollock, a New Orleans merchant and trader sympathetic to the American cause. Pollock, at the request of Gen. Charles Lee of the Virginia Committee of Safety, was involved in supplying the Continental Army with badly needed munitions and other provisions. Royal permission was later given Galvez to supply Pollock with money and war materials for the American cause. During his tenure as Governor, Galvez acted with energy and discretion, doing everything possible to help the efforts of the American patriots in the Western sector even before Spain became directly involved in the war.

In 1779, the King of Spain and the King of France pledged not to lay down their arms until the independence of the Thirteen Colonies had been recognized by the English Crown. Once war was declared, Bernardo de Galvez, believing that the best defense was to attack, began a series of vigorous operations against English positions along the Mississippi River. He captured Fort Bute—Manchac Post—from the British. After taking this important military and trading post, he led his forces, composed of Spanish soldiers from Mexico, Louisianans, Indians, and a few Americans, up the river to seize the towns of Baton Rouge and Natchez. Not satisfied with his achievements, he then undertook the capture of Mobile. On March 14, 1780, after siege and bombardment of Fort Charlotte, the English garrison surrendered the fort and the city to Galvez.

These operations kept open navigation on the Mississippi River, making possible the delivery of supplies to the American forces and protecting the Colonies' rear guard at a crucial point in their struggle.

Galvez, desiring to push the offensive against the British to its limits, returned to Havana, Cuba, in 1781 to gather additional men and supplies for an expedition against Pensacola, a fortified city whose Gibraltar-like control of navigation and commerce in the Gulf of Mexico gave it great strategic importance. Soldiers from Spain, Cuba, Puerto Rico, and Mexico participated in the siege operations. After a furious Spanish bombardment, the English garrison surrendered on May 10, 1781. In recognition of his having led the fleet into Pensacola Bay to victory, Galvez was given the title of Viscount and was authorized to place on his coat of arms the silhouette of his ship, the *Galveston*, and the motto "Yo solo"—I alone. Galvez later became captain-general of Cuba and, when his father died, he succeeded him as Viceroy of Mexico.

The fall of Pensacola and the Mississippi River posts inspired great enthusiasm among Washington's armies and the Continental Congress, because the victories protected their southwest and western borders and interior communication lines maintained via the river and its tributaries. Also, the constant threat by Indians serving the English cause and controlled by the British authorities at Pensacola was eliminated. It may be said that the Spanish efforts along the gulf coast and in western Florida were significant and perhaps decisive in effecting the defeat of Cornwallis and saving the Carolinas and Georgia.

History has proven the assistance of the Spanish Government and the personal efforts and sacrifices of the Spaniards who played an active role during our Revolution to be of great consequence. This invaluable aid and support is well personified in the person of Bernardo de Galvez. It is entirely fitting that a statue be erected in Washington, D.C., to honor this dashing individual and to perpetuate the memory of the decisive contributions of Spain to the success of our Revolution. I am joined by several of my colleagues from the South and Southwest in sponsoring this legislation. We are very enthusiastic about this proposed Bicentennial gift. In addition to marking the longstanding ties between the United States and Spain, such a gift would also serve as a memorial to the many contributions made to our country by Hispanic-Americans throughout our history.

EQUAL EDUCATIONAL OPPORTUNITY AMENDMENTS OF 1976

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Scheuer) is recognized for 5 minutes.

Mr. SCHEUER. Mr. Speaker, the 1954 Brown against Board of Education decision by the Supreme Court has become the landmark case in 1976 court battles on forced busing to achieve integration. The implementation of busing as a solution to the discriminatory environment in the United States was just another case of trying to melt the tip of the iceberg in order to insure safe passage for the Titanic.

The two tenets of the "integration hypothesis" accepted by the Supreme Court in the Brown decision have proven to be hopelessly optimistic predictions—dreams that have never been fulfilled. The first tenet of this hypothesis is that school integration would raise the expectations, morale, and achievement of minority students. The second tenet drew heavily on the "contact theory" of Gordon Allport in stating that court ordered busing to achieve racial integration would invariably improve race relations where forced busing was implemented.

Mr. Speaker, with our 20/20 hindsight we can see clearly that those 1954 assertions were grounded in little quantifiable evidence when originally formulated. More to the point, these same assertions are backed by even less hard evidence today after two decades of experience. A popular "liberal" program was pressed into action prior to the development of any shred of acceptable evidence that integration helped achieve any desirable education or learning goals.

On January 30, 1976—Congressional Record, pages 1770–1772—I presented a detailed summary of the major arguments surrounding court ordered busing to achieve racial integration. The experts, with near unanimity, now conclude that the busing experiment of the past two decades has neither raised black achievement nor eased racial tensions. Rather, race relations have been exacerbated and our Nation's cities are now experiencing a phenomenon known as "resegregation." Faced with court ordered busing as a tool of integration, middle-class white parents are pulling their children out of the public schools and sending them to private schools or moving to the suburbs.

Boston provides just one illustration of this destructive phenomenon. In 1973 the Boston school system was 37 percent nonwhite. In 1975, Boston schools were 57 percent nonwhite. This startling percentage change is underscored when one realizes that Boston's total population is 81 percent white.

My colleagues and I, being forced to face the reality that busing to eliminate segregation will in all probability neither raise black achievement nor ease racial tensions, must weigh anew the costs and benefits of forced busing to achieve integration. The benefits upon examination appear to be only cosmetic. The costs are very clear and very dear.

Assuming that there remain enough whites in the major cities to integrate—a very dubious assumption at best—the results seem to be a lowering of educational quality for blacks and whites with lower achievement for the whites and near stationary achievement for the blacks. Racial tensions seem to increase along with the development of an environment which virtually structures failure for all students—failure in that they will not learn to their full potential be they black or white.

Mr. Speaker, we should not feel embarrassed in having failed in this one social program. The culpable error is in refusing to step back and honestly reexamine the issue in light of new evidence that has accrued over the years. Support of busing, in this day and age, with all of the evidence before us, is an abuse of the public trust. The abuse is compounded when, at one and the same time that New York City continues to spend well in excess of $150 million a year on a busing program with no identifiable educational or learning payoffs, vital and time tested educational programs such as adult education, enriched English, intensive foreign language study and evening classes have all been axed in the budget crunch.

Late in January I introduced a joint resolution to the House of Representatives calling on the President to convene a White House conference to evaluate the court ordered busing experience of the past two decades. The resolution also called on the conference to "issue a comprehensive report including policy recommendations for alternative positive steps for equalizing educational opportunity and providing excellence in education for all Americans." This resolution was designed to provide long-term answers to the problems facing us today.

Mr. Speaker, some intermediate measure is clearly needed to deal with potential busing orders prior to the time that we have definitive recommendations from either this White House conference or from some other independent commission, such as the excellent proposal by our colleague Mr. Koch. For this reason, I am introducing today a bill entitled "Equal Opportunities Amendments of 1976." This is the companion bill to S. 2884, introduced by our colleague in the other body, Senator Henry M. Jackson.

Our proposal basically contains four parts. First, the bill calls for a three-judge panel to rule on all busing orders. In cases of such enormous complexity and potential controversy and emotionalism, I believe that three minds are better than one. Indeed, there is already a precedent for such legislation—in reapportionment cases, the law requires that three-judge panels rule in place of the traditional single judge.

Second, our bill calls for a specific finding of fact by the panel on the adequacy or inadequacy of alternatives to forced busing, the probable effects of forced busing on the quality of education in the district and on the probable effects of forced busing on resegregation through shifts in the racial composition of the district schools and the community at large.

Although courts cannot realistically make these findings with mathematical precision, they can admit as relevant evidence, weigh carefully, and give specific views on, these key questions relating to the busing order. If busing can be avoided, it should be. It follows, therefore, that if the three judge panel believes that busing cannot be avoided, that the court should be required to state why no other alternative exists. Similarly, since the hoped-for effects of busing are desegregation, better educational opportunities, and the easing of racial tensions, it seems only sensible to ask the court to consider carefully whether it will, in fact, have these effects.

These amendments are in no way presumed to instruct the court on how to decide these cases—constitutionally, of course, they could not. The purpose of this second part of the bill is to assure that the court consider certain relevant pieces of information by reforming a few points of procedure. This is clearly within the constitutional authority of Congress. More importantly, I believe, this constitutes good policy. This bill simply requires that the courts assess all of the ramifications of any plan to implement forced busing with the realization that busing is a fail-safe measure—a last resort—with a poor track record, at that.

Third, this bill restricts the scope of the busing order by the three-judge panel to the scope of the violation found. In other words, although courts are clearly empowered to order busing where de jure segregation exists they clearly overstep their bounds when they issue a total desegregation order for an entire school district based on a single segregated school in that district. My bill would legitimately match the scope of the remedy to the scope of the violation.

Finally, our bill authorizes further funding of the desegregation assistance program. Regardless of one's opinions on busing, integration of unlawfully segregated school districts is mandated both constitutionally and morally. The desegregation assistance program gives financial and technical assistance to local school districts seeking to solve their segregation related problems. The law at present allocates funds to school districts on the basis of a rigid formula. Our bill would allow greater flexibility on the part of the Office of Education in distributing these funds to those school districts most badly in need of them.

Mr. Speaker, the package I propose to our colleagues is a rational and efficient mechanism to deal with the controversial issue of court ordered busing. The White House conference can generate long-term policy suggestions while the amendments to the Equal Educational Opportunities Act provide a viable option for today. I urge all of our colleagues to support both of these programs.

NEW COSPONSORS ASKING FOR THE FACTS ON SCHOOL INTEGRATION AND SCHOOL BUSING

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I have introduced H.R. 11614—a bill to establish a commission to study the results of, and other questions relating to, the racial integration of public schools and the use of busing to achieve it.

I believe my approach to be the most reasonable yet offered on the subject, and one that can be supported by those who are opposed to compulsory racial balance in the classrooms and compulsory busing to achieve that objective, as well as those who support those objectives. The reason that I think that the adversaries on this emotionally charged issue can support my proposal is that we all want to know what the educational and social effects have been as a result of compulsory racial integration and busing. My bill does not provide a moratorium on busing; it does not propose to change the Constitution; it simply asks for answers to questions that trouble us all. The 13-member commission would address itself to the following questions and report back to the Congress no later than 1 year from its organization:

First. What are the fundamental goals of racial integration of our educational systems, and how effective have been the various methods to achieve them?

Second. What are the standards that should be used in evaluating the quality of education in our schools?

Third. What has been the impact of compulsory racial integration, achieved through busing or other means, on the quality of education and on other social goals?

Fourth. What has been the impact of measures other than busing taken by communities to achieve the goals of racial balance among schools, and have these methods been more or less effective than busing in meeting educational and social goals?

Fifth. What has been the impact of the effort to insure racial balance among schools on school enrollment, on violence and discipline problems, and on the reported movement of middle-class families from central city areas?

Sixth. Has the effort to insure racial balance in school systems had a positive effect in promoting the goal of a racially integrated society or has it intensified racial divisions within the community?

Seventh. What has been the effect of differing allocations of resources—Federal, State, and local—among and within school districts on the quality of education, and to what extent does the taxing method—for example, local property tax versus general appropriations—affect these disparities?

Eighth. Are there any important educational or social values to be gained by maintaining a commitment to the so-called neighborhood school?

Ninth. What disparities, if any, exist in the training, experience and qualifications of teachers assigned to schools whose pupils are predominantly white, black, Puerto Rican, Mexican-American, Indian, or any other race?

Tenth. What are the effects, if any, of the racial balance or imbalance of the teaching staff on the educational program of a racially balanced or imbalanced school? What are the problems of maintaining a racially integrated teaching staff in a racially imbalanced school?

At the present time the following Members have become cosponsors of this legislation:

Christopher J. Dodd, Thomas J. Downey, Pierre S. du Pont, Gilbert Gude, Romano L. Mazzoli, Edward W. Pattison, Herman T. Schneebeli, Gladys Noon Spellman, and Henry A. Waxman.

The issue will not disappear and we must face it rationally with the objective always of providing quality education for all of the children in this country. I hope that other Members will concur in this approach and become cosponsors, so that there will be a sufficient showing of interest in the bill as to cause hearings by the two committees to which the bill has been assigned—the Committee on the Judiciary and the Committee on Education and Labor.

SUPPORT GROWS FOR COMMISSION ON THE HUMANE TREATMENT OF ANIMALS

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, 2 months ago I and my colleague, Edward Pattison, Democrat of New York, introduced H.R. 11112 which would establish a Commission on the Humane Treatment of Animals. In this short time, my office has received hundreds of letters from individuals and organizations supporting the bill. Endorsement has come from many sources ranging from the International Society for the Protection of Animals—and its 158 member societies—to the Cape Code Humane Society. The Subcommittee on Livestock and Grains of the House Agriculture Committee has received many letters supporting the bill and urging hearings to be held. I hope the subcommittee responds soon to these requests.

I was delighted that the House yesterday voted 335 to 34 in favor of H.R. 5808 which would amend the Animal Welfare Act. I voted for that bill and will support all required humane legislation for animals now pending where the facts are already known. The proposed Commission would study the implementation of the Animal Welfare Act as well as the many other fields not covered by legislation. The Commission would examine programs concerning endangered species, predator control, and animal trapping and slaughtering, and other areas of concern so as to see whether new legislation is needed.

Today I am reintroducing H.R. 11112 with additional cosponsors. The 36 cosponsors of this bill are Jerome Ambro, Democrat of New York; Bella Abzug, Democrat of New York; Herman Badillo, Democrat of New York; Ed Beard, Democrat of Rhode Island; Jonathan Bingham, Democrat of New York; James Blanchard, Democrat of Michigan; Edward Boland, Democrat of Massachusetts; Don Bonker, Democrat of Washington; Dominick Daniels, Democrat of New Jersey; Ronald Dellums, Democrat of California; Christopher Dodd, Democrat of Connecticut; Thomas Downey, Democrat of New York; Robert Edgar, Democrat of Pennsylvania; Dante Fascell, Democrat of Florida; James Florio, Democrat of New Jersey; Benjamin Gilman, Republican of New York; Michael Harrington, Democrat of Massachusetts; Henry Helstoski, Democrat of New Jersey; James Howard, Democrat of New Jersey; Andrew Jacobs, Democrat of Indiana; Romano Mazzoli, Democrat of Kentucky; Parren Mitchell, Democrat of Maryland; Morgan Murphy, Democrat of Illinois; Richard Ottinger, Democrat of New York; Claude Pepper, Democrat of Florida; Otis Pike, Democrat of New York; Peter Rodino, Democrat of New Jersey; Robert Roe, Democrat of New Jersey; Benjamin Rosenthal, Democrat of New York; Ronald Sarasin, Republican of Connecticut; James Symington, Democrat of Missouri; Henry Waxman, Democrat of California; G. William Whitehurst, Republican of Virginia; Charles Wilson, Democrat of Texas; Timothy Wirth, Democrat of Colorado; and Leo Zeferetti, Democrat of New York.

An excellent article on the need for a Commission for the Humane Treatment of Animals was written by Peter Singer—author of Animal Liberation. It first appeared on the op-ed page of the New York Times and has since appeared in newspapers from Boston to Vancouver, British Columbia. The article follows:

Making Monkeys Neurotic, Dogs Shriek, Etc., Etc., Etc., Etc., Etc.

(By Peter Singer)

Victoria, Australia.—A bill introduced Dec. 11 in the House of Representatives by New York Congressmen Edward I. Koch and Edward W. Pattison seeks to establish an 11-member commission on the humane treatment of animals to investigate the extent of abuses to animals on farms, in research, in sports, in the home and in their natural environment.

Americans are notorious as a nation of animal lovers who spend more on pet food than on baby food and who know that a President who romps with his dog cannot be all bad. So one might assume that any cruelty to animals that does occur is small-scale, isolated, and unworthy of the attention of those who have more weighty, human problems to solve.

Such an assumption would be wrong. Systematic suffering is inflicted on animals in the United States today on a scale unknown in earlier civilizations. Every taxpayer and almost every consumer contributes to this suffering, though usually in ignorance of what they are doing, for the cruelty occurs out of sight, behind the closed doors of scientific and commercial laboratories and in the dim interiors of the sheds that produce our eggs and much of our meat.

No one really know how many animals die in American laboratories each year, but the best estimates put the figure above 60 million, and it could well be in excess of 100 million. Not all of these animals suffer before they die, but many do.

In 1973, Congressman Les Aspin created a stir when he disclosed that the Defense Department was advertising for 600 beagles on which it wanted to test certain gases, but neither Mr. Aspin nor the outraged public, which sent the Pentagon more mail than it had received for any single event since President Truman dismissed Gen. Douglas A. MacArthur, showed much awareness of the fact that such experiments are quite standard in research institutions.

For instance, since 1961 the Atomic Energy Commission has been paying for a "fission product inhalation program" in which beagles have been made to breathe products known to be radioactive. Before they die, the dogs become feverish, bleed profusely, have bloody diarrhea and sometimes go through epileptic seizures. In these experiments, no attempt is made to alleviate these symptoms or assist the dogs in any way.

The National Science Foundation has provided money for another series of experiments, begun at Harvard University more than twenty years ago and continued at Cornell and the University of Pennsylvania, in which dogs are placed in cages with floors that can be electrified. The dogs are then given hundreds of intense electric shocks from which they cannot escape.

Initially, according to the experimenters' own reports, the dogs yelp, shriek, defecate, urinate and attack the apparatus; but after ten or twelve days of such trials, the dogs cease to resist and passively accept up to fifty seconds of "severe, pulsating shock" on each trial. The experimenters consider this a significant finding.

Though people tend to be most concerned about dogs, it is a mistake to think that the animals we like to have as pets are necessarily more sensitive to pain than other species.

So we should also be concerned about experiments at the Madison, Wis., Primate Center, which have shown that baby monkeys can be made permanently neurotic in a variety of ways, including placing them for 45 days in a vertical steel chamber called a "well of despair." And we should be concerned about the experimenters at the City College of New York who starved pigeons to 70 percent of their normal weight, and concluded that this made them measurably more responsive to food. And we should be concerned about the commercial laboratories who blind rabbits by placing concentrated solutions of shampoos, cosmetics and other inessential products directly into their unanesthetized eyes.

If Americans are ignorant of the nature of experiments their taxes pay for, they are equally ignorant of the nature of modern "factory farming," which they support by their purchases of its products.

How many of those who order veal in a restaurant know that in order to produce the pale pink flesh that gourmets prize, veal producers confine the young calves in stalls so narrow that they cannot walk, turn around, or even lie down comfortably? Or that they are deprived of iron, since pale pink flesh is really anemic flesh? For the same reason, they are kept on bare wooden boards rather than straw bedding, for straw contains iron and the calves would eat it.

A similar ignorance prevails about the poultry industry, fostered, in this case, by advertising that boosts "farm fresh" eggs and tells us that table chickens live in a kind of "chicken heaven."

In fact, table chickens are kept in conditions so crowded that they live under constant stress, which produces aggression so intense that the birds would tear each other to pieces were it not for the fact that the producers routinely cut off the bird's beaks so that they are unable to inflict serious damage.

As for the farms from which our farm-fresh eggs come, they are factory farms, not farms in the old sense. As many as 90,000 birds may live in a single shed, in endless rows of wire cages, five birds living out their lives in each 16-inch-by-18-inch cage. Unable to walk freely, to stand comfortably or to stretch their wings, the birds are constantly restless, like three people trying to share a single bed—except that this goes on not for a single night, but for a year or more. After a few months under these conditions, the birds' feathers rub off and their skin becomes red and raw.

Why aren't the animal-welfare societies doing something about all this? First, because the major animal-welfare societies are more interested in dogs and cats than in farm animals and laboratory animals; second, because the large organizations have a vested interest in appearing "respectable" and not threatening other powerful interests; third, though this is the result of the first two, because they are almost as ignorant as the public at large about what is going on in laboratories and factory farms.

In Britain, though conditions may not be much better than they are in the United States, there have at least been Government-appointed expert committees of inquiry into experiments on animals and into the welfare of animals in intensive farms, so that the facts are now available.

The Koch-Pattison bill to set up a similar inquiry in this country is long overdue.

BILL COLBY—AN OUTSTANDING, DEDICATED AMERICAN

(Mr. SIKES asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, the swearing in of George Bush as the new Director of Central Intelligence has brought an end to the career of one of the finest Americans ever to serve in the intelligence profession, William E. Colby.

The dimensions of Bill Colby are truly extraordinary. He is a consummate intelligence professional, a brilliant and innovative administrator, and a true patriot.

Mr. Colby's intelligence career had its beginnings in parachuting behind enemy lines in France and Norway during World War II. He continued to serve his Government in a series of demanding assignments which called for ingenuity, intelligence, and integrity, not to mention personal courage, which he was always able to provide. Finally, the crowning touch for a dedicated professional, Mr. Colby was appointed by the President and confirmed by the Senate as Director of Central Intelligence.

Man is plagued by not knowing what could have been. It is obvious that the energy and talents he brought to the office of Director, his contributions to a stronger, more effective, and more efficient foreign intelligence service to serve his country's needs have been of inestimable value. No man served more ably in this difficult task. It is indeed unfortunate that his services were at a time when congressional investigatory hearings on CIA operations worldwide were in progress. Those who conscientiously sought to learn the facts about the CIA, to correct its mistakes, to avoid a repetition of mistakes, were overshadowed and much of their efforts to improve the CIA were lost through sensational disclosures. In fact, the destruction of the CIA has appeared to be uppermost in the minds of some individuals and the hearings were used to advantage for this purpose. Attempts aimed at full disclosure of every secret known to the CIA through leaks or otherwise, provided the news service with a happy new circus replacing Watergate. Mr. Colby, despite his ability, his candid recital of his important work at CIA, and his strong administration of that organization, had the misfortune to serve during this chaotic period.

But let no man believe, Mr. Speaker, that Bill Colby as Director of Central Intelligence has left anything behind him other than a record of outstanding achievement.

He has served as CIA Director during the most tumultuous period in that Agency's 28-year history. In this role, he must take his place along with others in our history who have served their country with distinction, dedication, and sacrifice.

During these trying times, Mr. Colby assumed full responsibility as Agency spokesman for certain misdeeds of the past. He made extraordinary efforts to communicate his views of the past, the present, and the future. This included the termination of all questionable activities which were identified in an internal Agency review which he and his predecessor, Dr. Schlesinger, initiated.

Mr. Colby realized that part of the price for restoring confidence in the CIA was openness and candor in discussing the past. My personal view is that this erosion of confidence was not so much justified as it was an illusory image created by those who should have known better or by those who were not well informed.

In taking the brunt of the clamors against the Agency, in never failing to meet with those he considered responsible Americans no matter how much they differed with him in viewpoint, and in telling the unvarnished story of a modern intelligence structure serving our country within our constitutional framework, Mr. Colby had no peer. He was Mr. Integrity; he was unflappable; indefatigable; and he was undefeatable.

But there are other ways of measuring the length and breadth of a man—the reaction to him of those who work for and with him. This was reflected in the spirit of the tribute and emotional farewell he received from his colleagues during the swearing-in ceremony of Ambassador George Bush as the new Director of Central Intelligence. Mr. Bush, I am sure, will receive from CIA employees that same loyalty and the same intellectual and moral commitment which Bill Colby perceived as contributing to the effort to provide an able and effectual intelligence service.

ADDRESS OF WILLIAM C. WAMPLER AT MEETING OF VIRGINIA BEEF CATTLE ASSOCIATION

(Mr. QUILLEN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. QUILLEN. Mr. Speaker, few men are more qualified to talk about agriculture and all its ramifications for our Nation and our society, than the ranking minority member of the House Committee on Agriculture, my friend and colleague, Bill Wampler of Virginia. Mr. Wampler represents the Ninth Congressional District of Virginia, which adjoins my own district in eastern Tennessee. We have many interests and many problems in common.

Last weekend, Mr. Wampler was a featured speaker at the Virginia Beef Cattle Association Convention in Fredericksburg, Va. He delivered an outstanding and comprehensive message that clearly indicates his knowledge and understanding of the problems and frustrations of cattlemen and farmers who work so hard to feed this great Nation, and much of the world. He also made some very positive suggestions and proposals to improve the lot of the farmer, increase the production of food, improve its quality, and lower its cost in the marketplace.

Mr. Speaker, I commend Mr. Wampler's remarks to my colleagues, and include them in the Congressional Record:

Address by Congressman William C. Wampler

It is indeed a pleasure for me to be here at the Virginia Beef Cattle Association Convention in this, the 200th Anniversary of our country.

According to many experts, this year the livestock industry should enjoy a profitable year. This news is welcome for those livestock producers who have faced depressed profits for two years.

Feed supplies which were short and high priced in 1975 because of crop failures in 1974 promise to be plentiful. USDA estimates for food grain production in 1975 are 202 million tons, up 23% from a year ago.

The good news of big grain supplies has brought optimism throughout the cattle feeding industry, and this is reflected in the January 1, 1976, cattle on feed inventory of 27% greater than a year earlier. However, cow-calf operators are reporting considerable losses, but recovery of the feeder sector of the industry brightens the outlook even for cow-calf operators.

Even our consumers will be pleased with the return of cattle to the feedlots. It means more steak and roasts at the supermarket during 1976. Because of inflation, retail beef prices will not drop from 1975 levels, but consumers would have had to pay much more for their meat if our cattlemen had not received the signal from consumers to restock their feedlots.

From early 1973 to 1975, cattle feeders lost their shirts. Feedlots operated at half capacity with many shutting down temporarily or going out of business altogether. Fed beef, which made up most of the choice cuts were in short supply and in some cases disappeared from supermarket counters. During this period grass fed beef came into the market.

There is no question of the dire situation our cattlemen were put through during the "beef depression" of 1973 to 1975. As a matter of fact, the USDA estimates cattle feeders lost between two and 13 cents a pound for animals sold during the twenty-month "beef depression".

Needless to say, since early 1975 the number of cattle being fed has been reduced. As a matter of fact, 8.5 million cattle were on feed as compared to nearly fourteen million in mid-1973; and cattle marketing for the Spring of 1975 was smaller than any similar period during the last 10 years. Fortunately for consumers, big grain crops with favorable feed prices along with consumer demand have produced a movement of cattle into feed lots.

Feeder cattle prices remain low due in part to the the cyclical bulge in the beef cattle supply, while fed cattle prices remain strong. As an example, fourth quarter 1975 choice steer prices are around $45 per hundred weight as compared to $36 per hundred weight one year ago.

The optimistic outlook for the livestock must be tempered with a realistic view of our overall situation.

As an example, will grain prices which have been turning downward continue or increase? The answer to this probably will come from the demand of foreign countries for our grain.

What will the rate of general economic recovery be? If uncertainties about inflation, interest rates, and unemployment disturb consumers, then meat buying habits could be affected.

When the Secretary of Agriculture was before the House Agriculture Committee on Tuesday of this last week, I had the opportunity to question Mr. Butz about the beef import situation. His response was encouraging. He indicated that voluntary restraint of imports which has been negotiated will keep beef imports below the 1.8 billion pounds which is the trigger point for quotas established by the beef import act of 1964. This makes me very pleased because our livestock people do not have to face another kick in the pants as we come out of our recent "beef recession".

In addition, the announcement by the USDA that it is proceeding with revised U.S. grade standards, which until recently have been held up in litigation, will be welcome news to those cattlemen who can produce meat-type cattle.

Let's hope that the good will generated during our bicentennial year along with rising consumer income will mean a profit for livestock producers and feedlot operators.

During the first session of the 94th Congress, I supported legislation which I believe will help the livestock producers of Virginia. The list includes:

Amendments to the Emergency Livestock Credit Act which increases government guarantees on loans by private lenders to cattle producers from 80% to 90% and gives borrowers up to 10 years to repay loans with a principal payment deferral for the first three years.

Beef Research and Information Act which would finance a program of research, consumer information, producer information and promotion. This law would be financed by cattle producers and run by cattlemen themselves. At this time the bill has been returned to a Senate-House Conference Committee to work out the voting requirements of cattle producers. Hopefully, an early meeting of the House and Senate conferees will resolve the questions which remain in dispute.

As we chart a Congressional course for agriculture in the new session of Congress, I think it might be worthwhile to pause for a moment and scan the seas which we have sailed together in the year past.

If you will permit me as a former Navy man to use a bit of sailor analogy, there was quite a change on the ship of agriculture in the House of Representatives during 1975. In the first place, the old skipper, your friend and mine, W. R. (Bob) Poage of Texas, was replaced by a young captain from Washington State, Congressman Tom Foley.

The crew of our ship was changed drastically as twenty out of forty ensigns came aboard for their first cruise into the farm policy waters.

The year marked the enactment of 12 laws, three of which were extensions of the Federal Insecticide, Fungicide, and Rodenticide Act. One was a freeze on food stamp benefits, another was an extension of the Livestock Credit Act, and the rest were relatively minor bills affecting rural development, forestry, rural electrification, and other matters.

Two events were significant in their nonoccurrence. These were (1) the enactment of a farm bill because of the President's veto and the failure of the House to overcome that formidable obstacle, and (2) a Senate-passed measure designed to allow food stamp recipients to certify themselves as being eligible to receive food stamps. This bill, fortunately, was never considered in the House.

By and large, the past year has been one of struggle between an overwhelmingly Democratic Congress and an Administration led by a President who came to that office under the most unique and unusual circumstances in American history. In some cases, there was all out confrontation, such as in the strip mining bill, but in others there was an eventual conciliation, such as in the tax bill.

Looking forward to the course that we may well chart in 1976, I think we can anticipate that the same basic attitudes between Congress and the Executive Branch will prevail. The President, basically a fiscal conservative, can be expected to try in various ways to slow down the spiral of increased Federal spending. The Congress, on the other hand, reacting to its normal diversified constituency interests and encouraged by its overwhelming numerical superiority, can be expected to continue the basic policy that our government has, unfortunately, followed for much too long of spending a great deal more money than that which is raised through the various devices of taxation.

It is in this setting that I see on our ship's course at least four ports of call. The first was an echo from last year as the President decided to veto S.J. Res. 121, the Milk Price Support Bill. This bill would have set the price support for manufactured dairy products at 85% of parity for the next two years—and during that period adjust the level of support every three months. I supported this bill, and both the House and Senate passed it with margins that suggested a veto override would be possible. I personally feel the bill was needed to keep our dairy farmers in business during a period which for many of them is very difficult.

On last Wednesday, the Senate, by a vote of 51 to 37, sustained President Ford's veto of the Milk Price Support Bill. This vote surprised many veteran political observers on Capitol Hill.

It is my understanding that Secretary Butz did give verbal assurance to Senate agriculture leaders that milk price supports will be at least 80% of parity and reviewed quarterly.

Shortly after the new session began, the President sent his fiscal year 1977 budget to both the House and Senate, and—in 1976, the budget game will be the newest and most exciting game in town.

Under the Budget Control Act of 1974, each of the legislative committees, including the Agriculture Committee, will be reviewing and making recommendations concerning the size and distribution of budgets of the various agencies of government that lie within the jurisdiction of each Committee. This will be a new wrinkle for the Agriculture Committee and an important change in the way laws are made and implemented in Congress.

In the past there was very little time or effort devoted to ongoing programs by the various legislative committees, but under this new law the Agriculture Committee, like the other legislative committees, must submit to the new House Budget Committee our recommendations for spending in Fiscal Year 1977.

The deadline for that recommendation is March 15, 1976. So, you can see that there will be a big job on hand in scrutinizing the President's budget and then making recommendations to either decrease or increase it in various areas.

I personally feel that agricultural research is being neglected, and if America is to keep pace with the unrelenting world growth of human population, our agricultural technology needs to be improved and expanded.

What is needed is a major shift in emphasis in the current Agriculture Department budget to reduce the millions of dollars in funds now being spent for the non-needy drawing food stamps and to substitute those funds into worthwhile agriculture research programs. Such a program could dramatically increase food and fiber productions, at less cost in production to the American farmer.

In a significant report to the President on November 10, 1975, the prestigious National Academy of Sciences concluded in a "World Food and Nutrition Study, Enhancement of Food Production for the United States", that, "There are at least three major reasons other than humanitarian ones why we should increase food production in the United States. First, people worldwide are restless: there is increasing violence and struggles for freedom. Food must be provided along with education and health care.

Second, it is in the best interest of American business to increase food production. Expanding exports of agricultural commodities are the only real hope for maintaining a balance in international trade. Third, increased food production is in the best interest of the American consumer. If production is not increased, food prices will continue to rise even faster than they have during the past two years."

The National Academy of Sciences recommended in its report a substantial emphasis on techological (biological, physical and chemical) research and development in the Department of Agriculture to enhance production and improve the dependability of United States food supplies, conserve resources, and improve nutrition.

The Academy scored the decline in the Agricultural Department's budget to provide funds for basic research, formerly a hallmark of its effort stating: "Consequently the agriculture research system now faces inadequacies in fundamental knowledge about photosynthesis, nitrogen fixation, crop and livestock protection, water and nutrient efficiencies, genetics, biochemical aspects of handling and processing of crops, livestock and fish, and plant-soil-water relationships."

Obviously, there is an urgent need to increase our agriculture research effort. There is also an urgent need to provide better organization, better coordination and better direction in the overall agricultural research effort.

Our agricultural research system now covers six research agencies in the United States Department of Agriculture, 52 agricultural experiment stations in 50 states, the National Science Foundation, the National Institutes of Health, the Department of Health, Education and Welfare, the Environmental Protection Agency, and the Energy Research and Development Administration; all carry on some research related to farming. But lack of effective coordination among these programs in the past has led to a diffused and framented approach to solving the critical problems of food production. Even within the Department of Agriculture the six research agencies are split between two different assistant secretaries.

Such fragmentation greatly hinders our ability to focus the vast research capabilities of this nation on the research needs of highest priority. Priorities aimed at providing the maximum benefit to the American businesses and consumers who foot the bill for both the success and the failures of these agricultural research programs are needed.

To increase the coordination of agricultural research, I have introduced legislation that is aimed at overcoming both the biological and the bureaucratic barriers that now stand between the American people and a more secure future for all.

The major elements of my legislation are: First, that a National Agricultural Research Policy Committee be established to identify the nation's highest priority problems for agricultural research. This Committee will be composed of representatives from the various organizations and groups concerned with the many aspects of agricultural research. It would provide a forum for the exchange of plans and programs related to agriculture. It would insure that we have an efficient agricultural research system using the best brains and talents available in this nation. My bill also requires this Committee to submit an annual report to the Committees on Agriculture and Appropriations of the House and Senate to insure that the purposes of this Act are being accomplished.

Second, that a principal Administrator for Agricultural Research be appointed in the highest levels of the Department of Agriculture. My revised bill establishes in law the new position of Assistant Secretary of Agriculture for Research. Such an Administrator is needed to insure that all agricultural research within USDA and other Federal agencies, such as EPA and the National Science Foundation, are effectively coordinated. Unfortunately our recent experience with the Federal Insecticide, Fungicide, and Rodenticide Act shows that other agencies—with little or no appreciation for the farmers problems—will grab jurisdiction and control of purely farm activities, if some effort is not made to coordinate activities of this nature. For this reason, I believe we need this position to coordinate and draw together the diverse fields of expertise—the biological, physical and social sciences—in order to maximize the contributions of each toward solving today's more complex food problems. My bill also provides the new Assistant Secretary with a highly competent scientific research advisor and staff to add technical know-how to his position.

A third element of this legislation will be to increase the Federal support for the State Agricultural Experiment Stations by a new federal grant program above current Hatch Fund grants. At present, the state universities are the largest single user of research funds that increase the productive capacity of American agriculture. They also represent the major source of highly trained agricultural scientists and for training additional agricultural scientists.

In both instances, the entire nation, its present and its future generations of people, are dependent upon these institutions for future research and trained personnel. Both are essential to continued growth and security of our food supplies. Yet federal support for these institutions has lagged behind the rising costs of research. Today Federal support is, in real terms, less than it was ten years ago. This trend must be reversed, and my legislation will achieve that goal.

A fourth element of my legislation is an increased use of competitive research grants by all Federal agencies supporting agricultural and food research. The competitive grant process offers unique opportunities to increase the efficiency of agricultural research. Greater excellence in the quality of research is possible where grants are awarded through competition among several scientists. Competitive grants would also give the present system the benefit of the talents and expertise of scientists who lie outside present funding channels, thus broadening the range of knowledge applied to the problems of agriculture.

Action is what we need. I am convinced that we must undertake a new and expanded effort in our agricultural research institutions.

This effort can expand on the power base of American agriculture that we have built since World War II. It can lead to a lowering of the cost of producing agricultural commodities and thereby raise farm incomes. It can continue the progress of lowering food costs for American consumers. It can provide our processing industries with more raw materials—at costs that provide some profit. It is a basic step that I am proposing, a step that can lead to a greater and better America for us all.

At the same time, I think that some of our food distribution programs, particularly the Food Stamp program have grown too big, too quickly, and have been opened up to abuse, both legal and illegal. Thus, it seems apparent that great opportunity exists for a reduction of costs in the food stamp program, while improving its delivery system in a manner that will bring food aid to truly needy people in a humane and dignified manner.

What has happened in the past eight years is that the United States Department of Agriculture has been transformed into a United States Ministry of Food.

As we delve into the budget process, I am sure that other members of the Committees will have their favorite candidates for increases and decreases, as I am sure that each of you have.

The House and Senate Budget Committees, the full House, the Senate, and the Senate-House Budget Conference will all work their will on this and dozens of other spending proposals for Fiscal Year 1977 and eventually adopt a cap or ceiling on further expenditures.

Again, the crystal ball gets cloudy as to the details of how this new budget process will really work. Cynics say at best it is going to be a nuisance, but many others, including myself feel that some better fiscal discipline has been long overdue by the Congress, and I for one am hopeful that it will work—at least in part. Unless something like this is begun and unless our government at the National level realizes that chronic and continual deficit spending cannot be tolerated, all of us in every hamlet and town in the country will awake some morning in the shadow of New York City.

From budget issues, the next imminent legislative port of call deals with grain. During the past year we have all been made aware of a grain scandal regarding the shipment of U.S. grain from some of the Gulf ports. Both the House and Senate Agriculture Committees have held extensive hearings and have commissioned the General Accounting Office to assist in the investigation of the domestic and foreign grain handling industry.

Just last month, four of my colleagues from the Committee and I visited New Orleans for three days to examine at close range the marketing conditions there and to discuss the status of criminal investigation and litigation with appropriate Federal and State officials. Based on our examination of this problem, I am convinced that legislation is needed to correct the weaknesses that exist in the present grain inspection statute. I would hope that we could develop a system which minimizes the role of the Federal government and maximizes the activities of state and private grain inspectors who would be held to strict conflict of interest standards. In any event, a February port of call seems certain for grain.

Finally, the fourth visible port of call for this year's course is for food stamps. For the past year the Committee and various members of its staff have been studying the food stamp program. It should seem obvious to everybody that some changes need to be made, and over 150 bills have been introduced in the Congress to reform this program. Following up my earlier remarks on the budget process, I would anticipate that in the late winter the Committee would turn to hearings on these various proposals.

My crystal ball is getting cloudy again. The charts are getting unclear. We have passed the four agriculture ports along with the New Hampshire and Florida Primaries, several dozen more Democratic candidates for President, and perhaps a few more surprises that none of us can foresee at this time. I know that as we chart this course for the Bicentennial year that we can all be proud of our country, of the preservation of the noble experiment of freedom that Thomas Jefferson and a few other non-Virginians put together for us, and we can be proud of American agriculture. We can be proud also of the contribution that Virginia cattlemen have made to strengthen our Nation and our modern agricultural plant.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. HALEY (at the request of Mr. SIKES), for today and Wednesday, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GRASSLEY), to revise and extend their remarks, and to include extraneous matter:)

Mr. CONTE, for 10 minutes, today.
Mr. ASHBROOK, for 30 minutes, today.

(The following Members (at the request of Mr. KRUEGER) to revise and extend their remarks and include extraneous material:)

Mr. GONZALEZ, for 5 minutes, today.
Mr. RUSSO, for 5 minutes, today.
Mrs. MEYNER, for 5 minutes, today.
Mr. BINGHAM, for 10 minutes, today.
Ms. HOLTZMAN, for 10 minutes, today.
Mr. O'NEILL, for 5 minutes, today.
Mr. ADAMS, for 20 minutes, today.
Ms. ABZUG, for 15 minutes, today.
Mr. KASTENMEIER, for 5 minutes, today.
Mrs. BOGGS, for 5 minutes, today.
Mr. SCHEUER, for 5 minutes, today.
Mr. RUSSO, for 5 minutes, February 11, 1976.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. RISENHOOVER to revise and extend his remarks previous to the vote on the Michel amendment on H.R. 11665.

Mr. SCHEUER to extend his remarks preceding the adoption of Senate Concurrent Resolution 93.

Mr. PRESSLER and to include extraneous material.

(The following Members (at the request of Mr. GRASSLEY) and to include extraneous matter:)

Mr. DERWINSKI in two instances.
Mr. WALSH in two instances.
Mr. HYDE in two instances.
Mr. SHUSTER.
Mr. PRESSLER.
Mrs. HOLT.
Mr. SARASIN in two instances.
Mr. FINDLEY in two instances.
Mr. BOB WILSON.
Mr. ABNOR in two instances.
Mr. SNYDER.
Mr. LAGOMARSINO.
Mr. BROWN of Ohio in two instances.
Mr. BROYHILL.
Mr. PEYSER.
Mr. MCCLORY in two instances.
Mr. SYMMS.
Mr. COLLINS of Texas in two instances.

(The following Members (at the request of Mr. KRUEGER), and to include extraneous matter:)

Mr. GONZALEZ in three instances.
Mr. ANDERSON of California in three instances.
Mr. DODD.
Mr. RICHMOND in two instances.
Mr. CORMAN in five instances.
Mr. LLOYD of California.
Mr. BEDELL.
Mr. FISHER.
Mr. RUSSO.
Mr. FAUNTROY.
Mr. MURTHA.
Mr. REUSS.
Mr. DELANEY.
Mr. EDWARDS of California.
Mr. ECKHARDT.
Mr. BEARD of Rhode Island.
Mr. REES.
Mr. SCHEUER.
Mr. HUBBARD.
Mr. MATSUNAGA.
Mr. LAFALCE in 10 instances.
Mr. BREAUX.
Mr. ROUSH in three instances.
Ms. ABZUG.
Mr. MADDEN in two instances.
Mr. CONYERS in two instances.
Mr. SANTINI.
Mr. BEVILL.
Mr. ROYBAL.
Mr. KASTENMEIER in two instances.
Mr. DOWNEY of New York in two instances.

ADJOURNMENT

Mr. KRUEGER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 36 minutes p.m.) the House adjourned until tomorrow, Wednesday, February 11, 1976, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the

Speaker's table and referred as follows:

2511. A letter from the Acting Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend section 6 of the Alaska Native Claims Settlement Act (85 Stat. 688); to the Committee on Interior and Insular Affairs.

2512. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a draft of proposed legislation to complement the Vienna Convention on Diplomatic Relations; to the Committee on International Relations.

2513. A letter from the Assistant Secretary of State for Congressional Relations, transmitting Presidential Determination No. 76-7, finding that it is in the national interest of the United States to sell 50,000 metric tons of rice to Portugal, pursuant to section 103 (d)(3) of the Agricultural Trade Development and Assistance Act of 1954, as amended; to the Committee on International Relations.

2514. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in the cases of certain aliens found admissible to the United States, pursuant to section 212(a) (28) (I) (ii) of the Immigration and Nationality Act; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HENDERSON: Committee on Post Office and Civil Service. H.R. 11462. A bill to provide for the acquisition of career status by certain employees of the Federal Government serving under overseas limited appointments (Rept. No. 94-816). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 11233. A bill to amend the Library Services and Construction Act to extend the authorizations of appropriations contained in such act, and for other purposes (Rept. No. 94-817). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY. Committee on Interior and Insular Affairs. H.R. 11455. A bill to amend the act establishing the Indiana Dunes National Lakeshore to provide for the expansion of the lakeshore, and for other purposes (Rept. No. 94-818). Referred to the Committee of the Whole House on the State of the Union.

Mr. STRATTON: Committee on Armed Services. S. 2117. An act to amend section 5202 of title 10, United States Code, relating to the detail, pay, and succession to duties of the Assistant Commandant of the Marine Corps with amendment (Rept. No. 94-819). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOLLING: Committee on Rules. House Resolution 1033. Resolution providing for the consideration of H.R. 8532. A bill to amend the Clayton Act to permit State attorneys general to bring certain antitrust actions, and for other purposes (Rept. No. 94-820). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AuCOIN:

H.R. 11811. A bill to amend title XX of the Social Security act to require more expeditious certification of children for day care services under State social services programs so as to assure that eligible children who are only temporarily covered by such program (particularly children of migrant workers) may qualify for such services in time to receive them; to the Committee on Ways and Means.

By Mr. BARRETT:

H.R. 11812. A bill to amend the Internal Revenue Code of 1954 to provide that the first $5,000 of the income of an individual who is over 65 years of age shall be exempt from income tax; to the Committee on Ways and Means.

H.R. 11813. A bill to amend title XX of the Social Security Act to provide that no State shall be required to administer individual means tests for provision of education, nutrition, transportation, recreation, socialization, or associated services provided thereunder to individuals aged 60 or older; to the Committee on Ways and Means.

By Mr. BEARD of Rhode Island:

H.R. 11814. A bill to amend title 38 of the United States Code to require the Administrator of Veterans' Affairs to furnish flags at the burial of certain members or former members of the U.S. Merchant Marine; to the Committeee on Veterans' Affairs.

By Mr. BEDELL (for himself, Mr. Butler, and Mr. Fithian):

H.R. 11815. A bill to require committee reports on proposed legislation to contain statements of the reporting and recordkeeping requirements which will be imposed on private business as a result of the enactment of such proposed legislation; to the Committee on Rules.

By Mr. CLANCY:

H.R. 11816. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors; to the Committee on Ways and Means.

By Mr. CLEVELAND:

H.R. 11817. A bill to amend the act of August 31, 1964, to authorize the addition of certain lands to the Saint-Gaudens National Historic Site in the State of New Hampshire, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. CLEVELAND (for himself, Mr. Harrington, and Mr. Frey):

H.R. 11818. A bill to amend title 38 of the United States Code to remove the time limitation within which programs of education for veterans must be completed; to the Committee on Veterans' Affairs.

By Mr. FINDLEY (for himself, Mr. Annunzio and Mr. Conte):

H.R. 11819. A bill to terminate age discrimination in employment; to the Committee on Education and Labor.

By Mr. FRASER:

H.R. 11820. A bill to establish a conservation corps in the Departments of Agriculture and Interior, and for other purposes; to the Committee on Education and Labor.

H.R. 11821. A bill for the relief of unemployment through the performance of useful public work, and for other purposes; to the Committee on Public Works and Transportation.

By Mr. FRASER (for himself, Ms. Abzug, Mr. Badillo, Mr. Bafalis, Mr. Bedell, Mr. Bevill, Mr. Boland, Mr. Bowen, Mr. Brown of California, Mr. Burgener, Mrs. Chisholm, Mr. Edwards of California, Mr. Fascell, Mr. Florio, Mr. Ford of Tennessee, Mr. Ford of Michigan, Mr. Hannaford, Mr. Harris, Mr. Koch, Mrs. Lloyd of Tennessee, Mr. Melcher, Mr. Mezvinsky, Mrs. Mink, Mr. Mitchell of New York, and Mr. Mitchell of Maryland):

H.R. 11822. A bill to amend title 38 of the United States Code to remove the time limitation within which programs of education for veterans must be completed; to the Committee on Veterans' Affairs.

By Mr. FRASER (for himself, Mr. Nedzi, Mr. Oberstar, Mr. Ottinger, Mr. Pepper, Mr. Rangel, Mr. Rodino, Mr. Rosenthal, Mr. Santini, Mr. Stark, Mr. Steelman, and Mr. Yatron):

H.R. 11823. A bill to amend title 38 of the United States Code to remove the time limitation within which programs of education for veterans must be completed; to the Committee on Veterans' Affairs.

By Mr. FRENZEL (for himself and Mr. Rhodes):

H.R. 11824. A bill to amend the Federal Election Campaign Act of 1974 to establish an independent establishment of the executive branch of the Government of the United States, a commission to be known as the Federal Election Commission, and for other purposes; to the Committee on House Administration.

By Mr. HELSTOSKI (for himself, Mr. Howard, Mr. Rinaldo, Mr. Rodino, Mr. Hughes, and Mr. Roe):

H.R. 11825. A bill to extend as an emergency measure for 1 year the District of Columbia Medical and Dental Manpower Act of 1970; to the Committee on the District of Columbia.

By Mr. KOCH (for himself, Mr. Dodd, Mr. Downey of New York, Mr. du Pont, Mr. Gude, Mr. Mazzoli, Mr. Pattison of New York, Mr. Schneebeli, Mrs. Spellman, and Mr. Waxman):

H.R. 11826. A bill to establish a commission to study the results of any other questions relating to the racial integration of public schools, and the use of busing to achieve it; jointly to the Committees on Education and Labor, and the Judiciary.

By Mr. KOCH (for himself, Mr. Corman, Mr. Dodd, Mr. Edwards of California, Mr. Green, Mr. Gude, Mr. Mezvinsky, Mrs. Mink, Mr. Roybal, Mrs. Spellman, and Mr. Stark):

H.R. 11827. A bill to amend the Export Administration Act of 1969 to strengthen the anti-boycott provisions of such act, to amend the Securities Exchange Act of 1934 to enhance investor disclosure provisions of that act, and for other purposes; jointly to the Committees on International Relations, and Interstate and Foreign Commerce.

By Mr. KOCH (for himself, Mr. Beard of Rhode Island, Mr. Ottinger, Mr. Sarasin, and Mr. Zeferetti):

H.R. 11828. A bill to establish a Commission on the Humane Treatment of Animals; to the Committee on Agriculture.

By Mr. MONTGOMERY:

H.R. 11829. A bill to amend title 38, United States Code, to increase the rates of disability compensation for disabled veterans; to increase the rates of dependency and indemnity compensation for their survivors; and for other purposes; to the Committee on Veterans' Affairs.

By Mr. O'NEILL:

H.R. 11830. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to provide for the disposal of surplus real property to States and their political subdivisions, agencies, and instrumentalities for economic development purposes; to the Committee on Government Operations.

By Mr. PATTERSON of California:

H.R. 11831. A bill to improve education by increasing the freedom of the Nation's teachers to change employment across State lines without substantial loss of retirement benefits through establishment of a Federal-State program; to the Committee on Education and Labor.

H.R. 11832. A bill to amend the Higher Education Act of 1965 to encourage the establishment of lifetime learning programs, and for other purposes; to the Committee on Education and Labor.

By Mr. PRICE (for himself, Mr. Bob Wilson, Mr. Ichord) (by request):

H.R. 11833. A bill to authorize certain construction at military installations and for other purposes; to the Committee on Armed Services.

By Mr. REGULA:

H.R. 11834. A bill to amend title 38 of the United States Code in order to extend from 10 years to 15 years the period in which veterans' educational assistance may be used; to the Committee on Veterans' Affairs.

By Mr. RINALDO (for himself and Mr. Fithian):

H.R. 11835. A bill to amend the Regional Rail Reorganization Act of 1973 in order to authorize and direct the Secretary of Transportation to make certain State and local tax payments on behalf of railroads in reorganization; to the Committee on Interstate and Foreign Commerce.

By Mr. SEBELIUS:

H.R. 11836. A bill to increase the amount authorized to be appropriated for development of Fort Larned National Historic Site in the State of Kansas, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. STAGGERS (for himself and Mr. Devine) (by request):

H.R. 11837. A bill to amend the Federal Railroad Safety Act of 1970 to authorize additional appropriations; to the Committee on Interstate and Foreign Commerce.

By Mr. TALCOTT:

H.R.11838. A bill to provide that meetings of Government agencies shall be open to the public, and for other purposes; to the Committee on Government Operations.

By Mr. WALSH:

H.R. 11839. A bill to provide compensation for the victims of crime; to the Committee on the Judiciary.

By Ms. ABZUG:

H.R. 11840. A bill to amend title II of the Social Security Act to provide coverage for homemakers under the old-age, survivors, and disability insurance program; to the Committee on Ways and Means.

By Mr. ASHBROOK:

H.R. 11841. A bill to amend the National Labor Relations Act to provide for strike votes, direct court appeals in election cases, and to guarantee the right to challenge a union's majority status; to the Committee on Education and Labor.

By Mr. BIAGGI (for himself, Mr. Mottl, Mr. de Lugo, Mr. Addabbo, Mr. Helstoski, Mr. Russo, Mr. Solarz, Mr. Zeferetti, Mr. Charles Wilson of Texas, Mr. Murtha, and Mr. Ottinger):

H.R. 11842. A bill to amend the Elementary and Secondary Education Act of 1965 to assist school districts to carry out school security plans to reduce crime against children, employees, and facilities of their schools, to provide for the reporting of crimes committed in schools, and for other purposes; to the Committee on Education and Labor.

By Mr. BIAGGI:

H.R. 11843. A bill to require the Secretary of Transportation to submit a report to Congress which analyzes certain data which he shall obtain regarding the landing at and taking off from Dulles International Airport and John F. Kennedy International Airport of civil supersonic aircraft; to the Committee on Public Works and Transportation.

By Mrs. BOGGS (for herself, Mr. Hébert, Mr. Moore, Mr. Sikes, Mr. Edwards of Alabama, Mr. Kazen, Mr. Roybal, Mr. Lujan, Mr. Runnels, Mr. Badillo, Mr. Pepper, Mr. Fascell, and Mr. de la Garza):

H.R. 11844. A bill to authorize the erection of a statue of Bernardo de Galvez on public grounds in the District of Columbia; to the Committee on House Administration.

By Mr. BREAUX:

H.R. 11845. A bill to abolish certain Federal regulatory agencies and to bring about the abolition of certain Federal regulatory agencies or their successor agencies after a specified period of time, and for other purposes; jointly to the Committees on Government Operations and Rules.

By Mr. BRECKINRIDGE (for himself, Mr. Bergland, Mr. Jones of Tennessee, Mr. Long of Louisiana, Mr. McKay, Mr. Rose, Mr. Young of Alaska, and Mr. Blouin):

H.R. 11846. A bill to provide for improvements in the annual report on rural development submitted to the Congress by the Secretary of Agriculture, and to require the prompt appointment of a new Assistant Secretary of Agriculture for Rural Development in the case of a vacancy in that position; to the Committee on Agriculture.

By Mr. BROWN of California (for himself, Mr. D'Amours, and Mr. Krebs):

H.R. 11847. A bill to amend the Federal Meat Inspection Act for the purpose of requiring that meat inspected and approved under such act be produced only from livestock slaughtered in accordance with humane methods; to the Committee on Agriculture.

By Mr. FINDLEY (for himself, Mr. Taylor of North Carolina and Mr. Sebelius):

H.R. 11848. A bill to increase the authorization for the Lincoln Home National Historic Site and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LITTON (for himself, Mr. Mikva, Mr. Murphy of New York, Mr. Patterson of California, and Mr. Maguire):

H.R. 11849. A bill to provide that the terms of Office of the Director of Central Intelligence and the Director of the Federal Bureau of Investigation shall be 10 years and that no individual shall hold either such office more than once; jointly to the Committees on Armed Services, and the Judiciary.

Mr. SCHEUER:

H.R. 11850. A bill to amend the Equal Educational Opportunities Act of 1974 with respect to the transportation of students, and for other purposes; to the Committee on Education and Labor.

By Mr. SCHEUER (for himself, Mr. Gude, Mr. Lehman, Mr. Solarz, Ms. Abzug, Mr. Ambro, Mr. Badillo, Mr. Downey of New York, Mr. Eilberg, Mr. Fauntroy, Mr. Fithian, Mr. Ford of Michigan, Mr. Fraser, Mr. Harrington, Mr. Hechler of West Virginia, Mr. Hefner, Ms. Holtzman, Mr. Howard, Mr. Howe, Mr. Koch, and Mr. Ford of Tennessee):

H.R. 11851. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to add a requirement that the comprehensive State plan include provisions for attention to the special problems of prevention, treatment and other aspects of crimes against the elderly; to the Committee on the Judiciary.

By Mr. SCHEUER (for himself, Mr. Gude, Mr. Lehman, Mr. Solarz, Mr. Mazzoli, Mr. Mitchell of Maryland, Mr. Moorhead of Pennsylvania, Mr. Murphy of New York, Mr. Ottinger, Mr. Pepper, Mr. Richmond, Mr. Riegle, Mr. Sarbanes, Mrs. Spellman, Mr. Stokes, Mr. Tsongas, and Mr. Yatron):

H.R. 11852. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to add a requirement that the comprehensive State plan include provisions for attention to the special problems of prevention, treatment and other aspects of crimes against the elderly; to the Committee on the Judiciary.

By Mr. SCHEUER (for himself, Ms. Abzug, Mr. Badillo, Mr. Beard of Rhode Island, Mr. Bennett, Mr. Bowen, Mr. Brown of Ohio, Mr. Burgener, Ms. Chisholm, Mr. Conte, Mr. Downey of New York, Mr. Edgar, Mr. Fithian, Mr. Hanley, Mr. Harrington, Mr. Hefner, Mr. Helstoski, Mr. Howe, Mr. Koch, Mr. Lehman, Mr. Mazzoli, Mr. Melcher, Ms. Meyner, Mr. Mitchell of Maryland, and Mr. Moakley;

H.R. 11853. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit with respect to housing senior citizens in the principal residence of the taxpayer; to the Committee on Ways and Means.

By Mr. SCHNEEBELI (for himself, Mr. Conable, Mr. Clancy, Mr. Frenzel, Mr. Martin, Mr. Bafalis, Mr. Steiger of Wisconsin, Mr. Archer, Mr. Crane, and Mr. Vander Jagt):

H.R. 11854. A bill to speed up plant expansion and the construction of new facilities in high unemployment areas by providing more rapid amortization for plants and equipment; to the committee on Ways and Means.

By Mr. STUDDS:

H.R. 11855. A bill to amend the Tariff Schedules of the United States to repeal the special tariff treatment accorded to articles assembled abroad with components produced in the United States; to the Committee on Ways and Means.

By Mr. ULLMAN (for himself and Mr. Conable):

H.R. 11856. A bill to provide that income from horse races and dog races conducted by agricultural organizations described in section 501(c)(5) of the Internal Revenue Code of 1954 shall not be unrelated business taxable income; to the Committe on Ways and Means.

By Mr. VIGORITO (for himself and Mr. Hannaford):

H.R. 11857. A bill to provide that certain law enforcement officers who, by reason of an agency reorganization, lost their coverage under the law enforcement retirement provisions of title 5, United States Code, shall be entitled to have such coverage restored; to the Committee on Post Office and Civil Service.

By Mr. RHODES (for himself, Mr. Udall, Mr. Talcott, Mr. Danielson, Mr. Del Clawson, Mr. Jones of North Carolina, Mr. Nedzi, Mr. Evins of Tennessee, Mr. Walsh, Mr. Anderson of California, Mr. Wydler, Mr. Cochran, Mr. Burgener, Mr. Quie, Mr. Wiggins, Mr. Mitchell of New York, Mr. Gude, Mr. Hansen, and Mr. Howe):

H.J. Res. 805. Joint resolution to designate the week commencing with the third Monday in February of each year as National Patriotism Week; to the Committee on Post Office and Civil Service.

By Mr. RHODES (for himself and Mr. Cohen):

H.J. Res. 806. Joint resolution to provide for the establishment of a Joint Committee on Intelligence; to the Committee on Rules.

By Mr. BYRON:

H. Con. Res. 549. Concurrent resolution that it is the sense of Congress that the United States and the various political entities thereof should adopt 911 as the nationwide, uniform, emergency telephone number; to the Committee on Interstate and Foreign Commerce.

By Mr. SCHEUER (for himself, Ms. Abzug, Mr. Addabbo, Mr. Annunzio, Mr. Archer, Mr. Badillo, Mr. Bauman, Mr. Bell, Mr. Biaggi, Mr. Bingham, Mr. Brademas, Mr. Broomfield, Mr. Brown of California, Mr. Carney, Ms. Chisholm, Ms. Collins of Illinois, Mr. Corman, Mr. Cotter, Mr. Delaney, Mr. Derwinski, Mr. Dodd, Mr. Downey of New York, Mr. Drinan, Mr. Edwards of California, and Mr. Eilberg):

H. Con. Res. 550. Concurrent resolution supporting the Brussels Conference on Soviet Jewry; to the Committee on International Relations.

By Mr. SCHEUER (for himself, Mr. Fascell, Ms. Fenwick, Mr. Fish, Mr. Ford of Tennessee, Mr. Fithian, Mr. Fraser, Mr. Gilman, Mr. Gradison, Mr. Green, Mr. Harris, Mr. Hawkins, Mr. Heinz, Ms. Holtzman, Mr. Howard, Mr. Hughes, Mr. Ichord, Ms. Jordan, Mr. Kemp, Mr. Koch, Mr. Lagomarsino, Mr. Lehman, Mr. Lent, Mr. Long of Maryland, and Mr. Maguire):

H. Con. Res. 551. Concurrent resolution supporting the Brussels Conference on Soviet Jewry; to the Committee on International Relations.

By Mr. SCHEUER (for himself, Mr. McCloskey, Mr. Metcalfe, Mr. Mikva, Mr. Mineta, Mr. Minish, Mr. Mitchell of New York, Mr. Moakley, Mr. O'Neill, Mr. Nowak, Mr. Oberstar, Mr. Ottinger, Mr. Patten, Mr. Pattison of New York, Mr. Pepper, Mr. Peyser, Mr. Rangel, Mr. Rees, Mr. Reuss, Mr. Richmond, Mr. Rinaldo, Mr. Roncalio, Mr. Rodino, Mr. Roe, and Mr. Rosenthal):

H. Con. Res. 552. Concurrent resolution supporting the Brussels Conference on Soviet Jewry; to the Committee on International Relations.

By Mr. SCHEUER (for himself, Mr. Sarbanes, Mr. Solarz, Mr. Stokes, Mr. James V. Stanton, Mr. Vanik, Mr. Vigorito, Mr. Waggonner, Mr. Waxman, Mr. Whitehurst, Mr. Wolff, Mr. Santini, and Mr. Traxler):

H. Con. Res. 553. Concurrent resolution supporting the Brussels Conference on Soviet Jewry; to the Committee on International Relations.

By Mr. RYAN (for himself, Mrs. Heckler of Massachusetts, and Mrs. Spellman):

H. Res. 1031. Resolution to direct the Committee on Appropriations and the Committee on International Relations to begin immediate studies of the relationship of the United States with the United Nations and to report, within 3 months, to the Speaker of the House of Representatives, recommendations with respect to whether the manner and nature of such relationship should be changed; to the Committee on Rules.

By Mr. WHITTEN:

H. Res. 1032. Resolution disapproving the deferral of certain budget authority (D76-95) relating to the Department of Agriculture, Soil Conservation Service, which is proposed by the President in his message of January 23, 1976, transmitted under section 1013 of the Impoundment Control Act of 1974; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GRADISON:

H.R. 11858. A bill for the relief of Mrs. Chong Sun Yi Rauch; to the Committee on the Judiciary.

By Mr. PICKLE:

H.R. 11859. A bill for the relief of William H. Klusmeier, publisher of the Austin Citizen, of Austin, Tex.; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XX,

291. The SPEAKER presented a memorial of the Legislature of the State of Kentucky, relative to prayer and Bible reading in public schools; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

SHIMEJI KANAZAWA: STRONG ADVOCATE FOR THE ELDERLY IN HAWAII

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. MATSUNAGA. Mr. Speaker, in the months I have been serving as a subcommittee chairman on the new House Select Committee on Aging, I have had demonstrated time and time again the principle that positive social change comes, not only from spending more money on a problem but also, and perhaps primarily, from the actions of dedicated, right-minded people who refuse to accept the shortcomings in existing social systems.

Mrs. Shimeji Kanazawa, who is stepping down as chairman of the Hawaii State Commission on Aging, is a living embodiment of that principle.

Shim Kanazawa chaired the commission for the past 4 years, and was a commission member for 4 years before that. In all of that time, she has been more active in what is basically an advisory, unpaid position, that anyone could have expected from a full-time paid employee. A great many of the achievements of the commission during her period of service are attributable directly to her zeal, her determination, her thoughtful persuasion, and her refusal to take "no" for an answer.

When my subcommittee held hearings last fall into the problems of the elderly in Hawaii, Shim Kanazawa saw to it that the commission's staff cooperated to the fullest possible extent. Then she took that extra step: she and the acting executive director of the commission personally accompanied the subcommittee to each of its six hearings held on five different islands during a 7-day period. She came to listen, and to take corrective action about problems where she could.

I regret, Mr. Speaker, that the commission will lose such a vital leader as Shim Kanazawa as its chairman.

Only the limit imposed by State law on length of service could have removed her from the commission. But if there is one sure bet, it is that Shim Kanazawa will continue to play a major part in seeking social justice for the elderly and other groups in need of assistance in Hawaii and elsewhere in America, for many years to come.

It has been my great privilege to be included within Shim Kanazawa's circle of friends for over 27 years, ever since she and her husband Kinji lived in Boston while Kinji attended Boston College Law School and I was a law student at Harvard. Because of her deep and innate compassion for people, especially for those in need, I know I can look forward to continuing to work with her on issues of importance to the people of Hawaii and the Nation.

Mr. Speaker, the Hawaii State Commission on Aging and the Hawaii State House of Representatives have officially recognized the contributions through service made by Mrs. Kanazawa and I join them in honoring her by inserting their duly adopted resolutions into the Record at this point:

Resolution No. 49

Whereas, Mrs. Shimeji Kanazawa has served as a member of the State Commission on Aging since 1968 and was named Chairman by Acting Governor Ariyoshi in 1972; and

Whereas, the dedicated service of Mrs Shimeji Kanazawa as Chairman of the State Commission on Aging brought extensive and continuous growth by the Commission; and

Whereas, the State of Hawaii *Comprehensive Master Plan for the Elderly* was developed and accepted by the legislature during the dedicated Chairmanship of Mrs. Shimeji Kanazawa; and

Whereas, Mrs. Shimeji Kanazawa during her Chairmanship was instrumental in obtaining the Retired Senior Volunteer Program grant award for the State in 1972 and Nutrition Grant Awards for the State Commission; and

Whereas, Mrs. Shimeji Kanazawa was successful in obtaining from the legislature funding for an International Governor's Bicentennial conference on Aging to be held in Hawaii in 1976; and

Whereas, additionally, Mrs. Shimeji Kanazawa has served on other community nonprofit organization management committees such as the Aloha United Fund Board and Budget Committee, Health and Community Services Council Board, the Annual Meeting Dinner Committee for the Moiliili Community Center, and was a member of the Commission on Children and Youth; and

Whereas, Mrs. Shimeji Kanazawa was awarded a most Outstanding Volunteer Award in the State of Hawaii in 1974; and

Whereas, Mrs. Shimeji Kanazawa's unstinting consideration of the plight of the aged and the community at large inspired her fellow Commission on Aging members to exhibit unselfish dedication to Commission business; and

Whereas, the Commission on Aging and the staff of that Commission now wish to honor Mrs. Shimeji Kanazawa for a volunteer position well filled, as under the provisions of the State of Hawaii law it becomes necessary for Mrs. Shimeji Kanazawa to relinquish the Chairmanship of the State Commission on Aging; now, therefore, be it resolved, the State Commission on Aging does hereby extend its congratulations to Mrs. Shimeji Kanazawa and honor her for the many years of dedicated service and strong volunteer leadership she has provided to the

Commission and the community at large; and be it further resolved, that true copies of this resolution be forwarded to Mrs. Shimeji Kanazawa, Governor George Ariyoshi, members of the Senate and House of Representatives of the State Legislature, members of Hawaii's Congressional delegation, the Federal Administration on Aging and other interested parties.

Adopted this 12th day of December 1975, by the State Commission of Aging at its regular monthly meeting at Honolulu, Hawaii.

H.R. No. 90

Whereas, Mrs. Shimeji Kanazawa has served as a member of the State Commission on Aging since 1968 and was named Chairman by Acting Governor Ariyoshi in 1972; and

Whereas, the dedicated service of Mrs. Shimeji Kanazawa as Chairman of the State Commission on Aging brought extensive and continuous growth by the Commission; and

Whereas, the State of Hawaii *Comprehensive Master Plan for the Elderly* was developed and accepted by the legislature during the dedicated Chairmanship of Mrs. Shimeji Kanazawa; and

Whereas, Mrs. Shimeji Kanazawa during her Chairmanship was instrumental in obtaining the Retired Senior Volunteer Program grant award for the State in 1972 and Nutrition Grant Awards for the State Commission; and

Whereas, Mrs. Shimeji Kanazawa was successful in obtaining from the legislature funding for an International Governor's Bicentennial Conference on Aging to be held in Hawaii in 1976; and

Whereas, additionally, Mrs. Shimeji Kanazawa has served on other community nonprofit organization management committees such as the Aloha United Fund Board and Budget Committee, Health and Community Services Council Board, the Annual Meeting Dinner Committee for the Moiliili Community Center, and was a member of the Commission on Children and Youth; and

Whereas, Mrs. Shimeji Kanazawa was awarded a most Outstanding Volunteer Award in the State of Hawaii in 1974; and

Whereas, Mrs. Shimeji Kanazawa's unstinting consideration of the plight of the aged and the community at large inspired her fellow Commission on Aging members to exhibit unselfish dedication to Commission business; and

Whereas, the legislature recognizes that the Commission on Aging and the staff of that Commission have honored Mrs. Shimeji Kanazawa by presenting her with a Commission Resolution recognizing her service to the Commission and that because of the provisions of the State of Hawaii law it is necessary for Mrs. Shimeji Kanazawa to relinquish the Chairmanship of the State Commission on Aging; now, therefore, be it

Resolved by the House of Representatives of the Eighth Legislature of the State of Hawaii, Regular Session of 1976, that this body extends its sincere gratitude for her exemplary work and best wishes in all her future endeavors; and be it further

Resolved that certified copies of this Resolution be transmitted to Mrs. Shimeji Kanazawa; Governor George R. Ariyoshi; Hawaii State House Speaker James H. Wakatsuki; Hawaii State Senate President John T. Ushijima; Carl T. Takamura, Chairperson, House Committee on Youth and Elderly Affairs; George H. Toyofuku, Chairperson, Senate Committee on Human Resources; Renji Goto, Director of the Hawaii State Commission on Aging; the Commissioner of the Federal Administration on Aging, Washington, D.C.; the Director of the Western Regional Office of the Administration on Aging, Region IX, Department of Health, Education and Welfare; the Mayors of the several counties of Hawaii; the Chairpersons of the County Committees on Aging; and each member of Hawaii's delegation to the United States Congress.

HAMMOND, IND., REVENUE SHARING

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. MADDEN. Mr. Speaker, when the Congress enacted the revenue sharing legislation for the urban areas of our Nation into law a couple of years ago, it gave our cities an opportunity to take advantage of much needed municipal and urban improvements, ranging in categories from streets, housing, parks, and recreational facilities to transportation and so forth.

I wish to incorporate with my remarks a resolution which was passed by the council of the city of Hammond, Ind., on the 22d of January urging the continuation and possible expansion of the revenue sharing program. This resolution was signed by George Carlson, president of the council, Stanley Kulik, city clerk, and Mayor Ed Raskosky.

I include with my remarks the resolution of the city council of Hammond, Ind.:

RESOLUTION NO. 4175R.

A resolution expressing support of the extension of the revenue sharing law as applied to the city of Hammond for the ensuing four years, to-wit: January 1, 1976 to December 31, 1979

Whereas, the City of Hammond has in the four years last past participated in federal revenue sharing; and

Whereas, the City of Hammond has become dependent upon receiving said revenue sharing and that said funds constitute a necessary and integral part of the financial structure of the City of Hammond; and

Whereas, the present budget is dependent upon the City of Hammond receiving revenue sharing funds, now and continuously henceforth; and

Whereas, a reduction in said revenue sharing funds or termination thereof would cause financial chaos and hardship upon the City of Hammond; and

Whereas, the Common Council of the City of Hammond is desirous of expressing itself publicly of the revenue sharing plan as presently constituted remaining in full force and effect during the years 1976—1979, inclusive: Now, therefore, be it

Resolved, that the Common Council of the City of Hammond, Indiana unanimously and vigorously supports the revenue sharing concept as presently constituted for the City of Hammond in that said revenue sharing funds are indispensable and vital to the survival of the City of Hammond; be it further

Resolved, that a copy of the herein resolution be forwarded by the Common Council to Indiana United States Senators and United States Representatives of Indiana's First Congressional District, and request that Senator Bayh and Senator Hartke and Representative Madden do everything necessary by virtue of their offices to insure that the City of Hammond will continue to receive revenue sharing funds.

THE ANTI-ISRAEL RESOLUTION OF THE UNITED NATIONS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. RANGEL. Mr. Speaker, the vote in the General Assembly of the United Nations equating Zionism with racism was obscene and can only make a peaceful solution to the crisis in the Middle East more difficult to achieve.

I believe that the developing nations which voted in favor of the resolution sacrificed an opportunity to support the only democratic government in the Middle East and were yielding to strong political pressure. As one who grew up black in this country, I have had the lifelong opportunity to witness actual racism and I know that the principles of Zionism are in no way racist.

At this time I would like to include in the CONGRESSIONAL RECORD an editorial which appeared in the December 13, 1975, issue of the Charleston, S.C. Chronicle:

ANTI-ZIONISM STAND NOT SUPPORTED BY ALL AFRICAN STATES

To their eternal credit half of the African states refused to support the anti-Zionism resolution that was introduced and passed in the United Nations General Assembly. With an obvious sense of history, they realized the impropriety and unfairness of a resolution that distorts the purpose and tradition of a Jewish movement that has made possible the coming into being the Jewish National Home.

Even more important than the economic and social development was the political aspect of establishing the Jewish National Home. The Zionist theory taught that the difference between the Jews and other peoples lay in the fact the former everywhere was a minority.

This universal minority status, which the Zionists labeled the "Jewish problem," gave rise to the political, economic, and social insecurity of the Jews—the spreading and threatening phenomenon called anti-Semitism. The primary function of Zionism was to solve the Jewish problem by reconstituting the Jewish National Home in its ancestral land.

The principal factor in the anti-Zionism resolution is a determination of Arabs to destroy Israel. This has been the aim of Syria, Iraq and Kuwait and the Palestine Liberation Movement which started the anti-Zionism crusade in the United States.

The African states which joined hands with the Arabs to help pass the infamous resolution will have difficulty justifying their position in this boiling controversy. There is nothing in African history to give warrant to an attitude that is born out of a desire to cancel the existence of another state, without cause. To equate Zionism with racial bias is a malicious misreading of a vested idealism and its implications to the Jewish people in their gallant efforts to salvage themselves out of the quicksand of prejudice, persecution and insecurity.

Africans who have had to wiggle their way out of the shackles of colonialism are closer to Israel by virtue of similarity of antecedent historical experience than they are to the Arab states that want Israel out of the way as a sovereign state.

The spectacle of Black Africans locking

arms with Arabs in the General Assembly of the UN to push through a resolution that is tantamount to a surreptitious endorsement of anti-Semitism is disturbing and disheartening. For there are moral principles that transcend political expediency.

NATIONAL FHA HERO WEEK

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. WALSH. Mr. Speaker, the Future Homemakers of America is an organization of half a million American students across the Nation who have dedicated themselves to the task of building bridges between the home, the classroom, and the community.

In today's age of modern technology and fast-pace living, communication between these three areas is vital—and achieving it is a real challenge.

This week we honor FHA during National FHA Hero Week, February 8–11. The theme for this special celebration is "Reaching Out Through Vocational Education," highlighting one of the primary goals of FHA, which is to explore the multiple roles individuals play in family, community, and career life.

Young high school students have participated in outstanding community service programs and projects sponsored by 12,000 chapters of FHA—which is part of the home economics education program through the U.S. Office of Education. Chapters are located in all 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, and American schools overseas.

The objective of FHA is to help youth assume their roles in society through home economics education in areas of personal growth, family life, vocational preparation, and community involvement.

The old saying "education begins in the home" is as true today as it was 20 years ago, and these young people are making a great effort to keep that adage alive. It is imperative that we keep the lines of communication open between the home and school so that students, parents, and teachers can gather in a cooperative spirit to learn and grow together. Joining school and home naturally involves the entire community, through service projects and educational programs.

FHA also promotes leadership, a trait which should be upheld among today's youth, for they are tomorrow's decision-makers.

I urge everyone to stop during this special week to take a look at the important contributions being made by FHA members and their group leaders. This organization has undertaken a stiff challenge at a time when individual alienation in America has become all too common.

FHA members are rightly proud of the work they have done in and for their communities, as well as for America. Their participation assures us that the spirit of togetherness is still very much alive in this Bicentennial Year.

LITHUANIAN INDEPENDENCE

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. DELANEY. Mr. Speaker, the Peace Treaty of July 12, 1920, says:

> Russia recognizes without any reserve the sovereignty and independence of the State of Lithuania with all juridical consequences resulting from such recognition, and voluntarily and forever renounces all sovereign rights possessed by Russia over the Lithuanian people and territory. The fact that Lithuania was ever under Russian sovereignty does not place the Lithuanian people and their territory under any obligation to Russia.

Centuries of Russian imperialism and attempts at domination came briefly to an end for Lithuania with World War I. With the defeat of Germany and the turmoil of revolution in Russia a 20-member national council proclaimed her independence on February 16, 1918. It is this anniversary we celebrate on Monday. Although a Red Army tried to enforce a Communist government, they were driven back and signed the solemn pledge I have quoted above.

The brave Lithuanian people thrived for more than 20 years under the banner of liberty and no nation more clearly demonstrated its ability for self-government, freedom, and social progress.

In October 1939, Nazi-Soviet duplicity forced a Soviet mutual assistance pact upon the country. The following June, the Russians demanded immediate formation of a "friendly" government and occupied Lithuania. On August 3, 1940, the Kremlin declared Lithuania to be a "constituent republic" of the U.S.S.R. Although German occupation troops briefly took the place of Russian soldiers in June of 1941, they were permanently replaced by Soviet forces on July 13, 1944. Since that infamous day the Lithuanian people have suffered under the shadow of the hammer and sickle.

The United States has never and will never recognize the forcible Soviet annexation of this great and free nation. We protest in the strongest possible terms the oppressive measures of the KGB against the Lithuanian Church and against the national honor of the Lithuanian people.

We salute our fellow countrymen of Lithuanian descent who have so richly contributed to our American dream since first coming to these shores over 288 years ago. We pray that their own dream and the dream of those they left behind in their motherland may soon become a reality.

We call upon the Kremlin to live up to its treaty obligations. And above all, we call upon the Soviet leaders to heed the words of Lithuanian Catholic freedom fighter Nijolė Sadunaitė as she stood before a Soviet court this past summer—

> * * * release from your prisons, your camps, and your psychiatric hospitals all men who fight for human rights and justice. This way you would prove your good will and would handsomely contribute to the increase of harmony and goodness in this life. Only then will your slogan "man is brother to man" become a reality * * *

MOYNIHAN'S SERVICES WILL BE MISSED

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. DERWINSKI. Mr. Speaker, in his relatively short tenure at the U.N., Ambassador Moynihan has attracted a great deal of attention and will go down in history as one of our most effective or notorious ambassadors, depending on one's point of view.

Having served with Ambassador Moynihan in 1971 when I was a delegate to the U.N., I can vouch for his tremendous ability, especially his debating skill.

Paul Coffman, editor of the Star-Sentinel Newspapers, an outstanding journalist in the weekly newspaper field, has written a fine column on Mr. Moynihan which I insert in the RECORD:

THE WAY IT LOOKS TO ME: DANIEL PATRICK MOYNIHAN'S SERVICES WILL BE MISSED

(By Paul D. Coffman, editor)

As one who has felt for many years that the United States has been getting quite a kicking around from the Communist bloc and the emerging nations in the United Nations, I have been a staunch admirer of Daniel Patrick Moynihan, our ambassador to the United Nations.

We have been one of the greatest financial contributors to the United Nations and have championed the cause of the free world in the deliberations of the body, yet we have been rebuffed time and again by our adversaries and have been deserted in many instances by those nations that should be championing the same causes which we feel are so important if the world is to remain free from the dominance of those whose ideals are directly opposite from ours.

Since becoming Ambassador to the United Nations, Daniel Patrick Moynihan has spoken out again and again against those who would try to rebuff every effort of the United States to break the stranglehold of the anti-United States bloc of Third World countries. He has fought bitterly against the United States being held up as the evil influence while paying millions in aid for the privilege of receiving this treatment.

Mr. Moynihan has not only found it necessary to fight the enemy, he has also found opposition in our own State Department and from some sources in both the executive and legislative branches of our government. Some have envisioned it to be more statesmanlike to roll over and play dead rather than speak out for that which we think to be right and proper.

Mr. Moynihan has chosen to resign, rather than to carry on the battle alone. I, for one, will greatly miss his speaking out on our behalf in the halls of the United Nations. I hope he can find another niche in our government where he can continue to speak out on our behalf.

RETIREMENT OF R. E. JONES

HON. TOM BEVILL

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. BEVILL. Mr. Speaker, upon my return from the Fourth Congressional District of Alabama yesterday, I was immediately told of the retirement plans of one of the most distinguished men ever to serve in this governmental body.

I am speaking, of course, of my colleague from Alabama's Fifth District—Robert E. Jones.

When Bob Jones leaves the U.S. Congress at the end of this session it will mark the end of a truly outstanding tenure in public office.

Bob Jones was first elected to Congress in 1947. Since that time he has faithfully and diligently served the people of north Alabama in the old Eighth District and more recently in the realined Fifth District.

At the outset of this Congress, Bob Jones was afforded an honor that has seldom been bestowed upon a member of the Alabama delegation in the U.S. House of Representatives. The senior member of the Alabama House delegation was elected chairman of the House Public Works and Transportation Committee.

The fact that Bob Jones was selected to head this vital committee indicates the tremendous respect he has gained among his peers from all across the country during his long and illustrious career on Capitol Hill.

The accomplishments of Bob Jones would more than fill an entire volume of this Record. His election to 15 terms in the House of Representatives mirrors the way his constituents view those many accomplishments.

Bob Jones was one of the primary forces behind the creation of the Appalachian Regional Development Act of 1965, which has meant so much to the economy of many poverty-stricken areas in the Eastern and Southern portion of the country.

Bob Jones was also a primary sponsor of legislation which established the Economic Development Administration. This project came to the aid of numerous depressed areas by providing new public projects and facilities.

The highway safety bill is just another example of legislation which carried the Bob Jones stamp on it. He authored the Rural Housing Act which proved so important to farm and rural dwellers by giving them the same opportunities afforded urban residents in obtaining Federal loans.

I have always been an admirer of the contributions Bob Jones has made to his State and Nation, but during the time since I was elected to the House Appropriations Committee, that admiration has grown to even greater heights.

The mere fact that the Fourth District which I represent is the only congressional district in Alabama which borders Bob Jones' district and the fact that our committee assignments correlate so closely has meant that we have spent much time together in recent years concerning legislation—particularly public works—and the many problems confronting our constituencies.

I have come to recognize him as a public servant in every sense of that phrase, and through him I have risen to a greater understanding of the meaning of service to the public.

Through his bills, committee work, and legislative action, Bob Jones has ably represented his district, the State of Alabama, and the Nation. We will all miss Bob Jones, and it is with regret that he is leaving, but with great satisfaction for 30 well-served years in the U.S. House of Representatives, that I wish him and his lovely wife, Christine, well in the years ahead.

TRIBUTE TO IRVIN H. JOHNSON FOR 46 YEARS OF SERVICE TO AMERICA'S VETERANS

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. HYDE. Mr. Speaker, I would like to commend to the attention of my colleagues the retirement on February 20 of one of my constituents, Mr. Irvin H. Johnson, after 46 years of service to America's veterans.

Mr. Johnson, of Maywood, Ill., started his career with the old Veteran's Bureau in October 1929 after receiving his bachelor of science degree from the University of Illinois. His registry number from the American Society of Clinical Pathologists is one of the earliest issued.

He joined the Hines Veterans Hospital 2 years later as a medical technologist and serologist. For many years he has been the serologist at Hines. For a long period he manufactured, tested, and distributed antigens and serum for the entire VA system until they became commercially available. In addition, since the laboratory service at Hines established a functioning school of medical technology, Mr. Johnson has had a major responsibility for bench instruction in serology.

Though handicapped since childhood, Irv Johnson is recognized among his colleagues as an outstanding and conscientious civil servant who has always performed his duties in an exemplary manner, bringing credit to himself, to Hines V.A. Hospital, and to the entire Federal Service. In well-deserved recognition of that, he has been nominated to receive the Handicapped Federal Employee of the Year Award.

Aside from his highly commendable record of achievement in his professional life, Irv Johnson is deeply admired and respected personally by his fellow workers at Hines and he has made countless friends through the years.

Forty-six years in any profession is commendable, but 46 years in public service is indeed admirable. I know my colleagues in the House and the people of the Sixth District join me in wishing Mr. Johnson continued success and personal fulfillment in his retirement. We owe him our thanks and our gratitude for his years of service to America's veterans.

ANIMAL WELFARE ACT AMENDMENTS OF 1976

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. SARASIN. Mr. Speaker, America has always enjoyed a reputation of compassion for those less fortunate whether they are foreign citizens devastated by a natural catastrophe or a war, our own poor, or for animals who frequently suffer from changing environments or cruel treatment at the hands of man. We have established a record of translating care into action, and while there is much that remains to be done, we have nonetheless established a record in which we can take pride.

The enactment of the Animal Welfare Act Amendments is another testament to our concern—this time for animals who have experienced intolerable suffering during transit and to those who are the victims of some individuals' enjoyment of violent "sports." Scores of witnesses appeared regarding this legislation, many bringing with them sorrowful accounts of animals starving, suffocating, or freezing to death during transit, of the gruesome training and devastating after-effects of dog or cock fights.

Few individuals contested the charges that conditions in transportation were inhumane and that revisions were not only justifiable but also essential. Certainly none who have lost a pet during flight, truck or rail voyage did so. For positive arguments could be raised regarding animal fighting, and the only substantive protests which were heard were those arguing that States and localities should retain jurisdiction over this subject.

The arguments in favor of enactment of this legislation are persuasive and over 2 years ago led me to cosponsor two separate measures, one designed to improve the care accorded animals during transit and the other to bring under the Federal purview any activities conducted in interstate commerce which promoted or aided dog fighting. I am sincerely pleased that these two concepts have been united and that the capabilities for enforcement have been written into the legislation.

Removing suffering from the world, or at least minimizing that which is inherent to life as we know it, must be the priority objective for all of us, and I am delighted that we have moved a little closer to our objective by passing the Animal Welfare Act Amendments.

ECONOMIC REPORT

HON. JOSEPH L. FISHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. FISHER. Mr. Speaker, I am inserting into the RECORD the seventh Economic Report to the Office of the President from Matthew J. Kerbec, president of Output Systems Corp.

Mr. Kerbec's report does not necessarily reflect my own point of view; however, I did want to share his opinions with my colleagues:

OUTPUT SYSTEMS CORP.,
Arlington, Va., February 9, 1976.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: This is my seventh economic report to the Office of the President since 1973, predicting the economic damage that would inevitably result from sudden massive price increases for energy and other basic products. Many of today's economic problems could have been avoided if recommended actions had been implemented in 1974.

ABSTRACT

Since the second quarter of 1975, the Ford Administration has showered the American public with misleading optimistic reports that have totally obscured the true state of the economy. This report, using Government published figures, proves that the economy in 1975 was much worse than 1974 and that the economic picture is bleak for 1976. False optimism is a deterrent to real economic health.

In 1975, the Federal Government spent over $70 billion more than in 1974. Despite this record expenditure, real Gross National Product (GNP) had a greater drop (2%) in 1975 than the 1.8% decrease in 1974. If the Department of Commerce had not switched calculations of real GNP from a 1958 to a 1972 base year, in the third quarter of 1975, the decline in real GNP would have been even higher. Not since the depression in the 1930's has the GNP declined two years in a row. This represents an unstable economy with more bad news to come. It is truly frightening to realize what the economy would have been like if the $70 billion had not been spent.

In 1975, unemployment went up to 8.5%. When part time and discouraged workers are added, the total number of workers in these three categories jumped from 9.9% in 1974 to 14.5% in 1975. An increase of 3.812 million in one year.

Another shocker was the drop in the "Gross Private Domestic Investment" (GPDI) component of the GNP in 1975 which amounted to $41.1 billion. With the exception of 1974 this was over 2.5 times lower than any year since 1946 which is as far back as the statistics go. Specifically, new orders for machine tools dropped a huge 52% in 1975. These events foreshadow more unemployment in the construction and capital goods industries in 1976.

As prices increased, sales of houses and automobiles decreased in 1975 (see Attachment 1–E,F). Prices for energy, steel and chemicals continued to climb, after an average 69.58% increase in 1974, even when there was a significant drop in demand. Total sales (manufacturing, wholesale and retail) were lower in 1975 when corrected for inflation. Massive inventories are still with us, $48 billion higher than in 1973 and only lower by $1 billion compared to 1974 (see Attachment 1–D,L).

We are still in virulent recession. Recall the headlines announcing a huge 12% GNP increase in the third quarter of 1975, and the satisfaction expressed by some Government spokesmen who declared the 5.4% increase in the fourth quarter was a good sign the economy was healing at a more conservative rate. However, there were no headlines explaining why—with all this good news, the GNP actually decreased by 2% for the year and private investment skidded a record $41.1 billion.

Telling the American people the economy is improving, when the GNP is dropping, not only causes great harm, but it is a serious perversion of the truth and can only lead to a further erosion of public confidence in Government. Businessmen in energy and other industries which produce products people need to survive have reacted to these optimistic reports by continuing to raise prices as sales decline. Under these conditions, there is no possibility for a normal economic rebound.

DISCUSSION

For most of 1975 we have been exposed to a continuous barrage of explosively optimistic week-to-week, month-to-month and quarter-to-quarter economic reports published by the Federal Government. In 1975 the Government spent $70 billion ($20 billion in tax rebates, social security bonuses and reduced income taxes; $34.6 billion in Transfer Payments; and an estimated $15.4 billion in housing subsidies, grant programs, make work projects and pay raises for Government employees) more than in 1974. This was still not enough to compensate for the 8.7% (GNP Implicit Deflator) inflation which caused a loss of purchasing power of about $120 billion in 1975. While some of this was returned in the form of higher wages, the amount was not enough to cancel the Economic Ripple Effects resulting from the higher prices. The Government is forecasting a 6% inflation for 1976 with a $1.684 trillion GNP. This indicates there will be a loss of purchasing power in 1976 in the order of $95 billion. If the Government's present plans to cut taxes by another $10 billion while cutting Government spending by $28 billion are implemented, the economy will continue to decline at a faster rate. The ultimate irony is that until something is done to cure the huge distortions in prices for energy and basic products there is no way the Government can restore purchasing power at the rate at which it is being drained away in higher prices. The drops in GNP in 1974 and 1975 are real world reminders of how an economic system can deteriorate when vital key prices go through the roof.

It is important to see what really happened in 1975 when the key year-to-year statistics are analyzed.

Gross national product

Many people are now wondering how the GNP can drop by 2% when it showed substantial increases for the last three quarters of 1975. Amid much fanfare, the recession was officially declared over in the second quarter of 1975 when the GNP went from a minus 9.2% in the first quarter to a plus 3.3% in the second quarter. The drums beat again when a 12% increase was announced in the third quarter followed by a 5.4% increase in the fourth quarter. Few people are aware that to convert quarterly statistics to an annual rate it is necessary to multiply the quarterly figure by four. One-time tax rebates and social security bonuses amounting to over $10 billion were returned to consumers in the second quarter of 1975. Actually, most of this money was spent in the third quarter. When used, this $10 billion became $40 billion in the quarterly GNP accounts which are listed on an annual basis. Quarterly changes for inventories and all other items in the GNP are subjected to this four to one conversion. Government fiscal actions can seriously distort the GNP, particularly if the amount is large and only occurs once. It would be much more informative if a statement accompanied the GNP report, stating how much of the change in GNP was due to Government fiscal actions. Again, one wonders how much worse the GNP would have been if the Government had not spent the $70 billion.

The employment picture

In 1975, total Civilian Employment (see Attachment 1–C) amounted to 84.783 million. This included 3.748 million workers who fall in the category "Part Time Due To Economic Reasons." These are the people who work from one to thirty-four hours a month. In general, about half of these workers want, but cannot find, full time jobs.

Unemployment in 1975 totalled 7.830 million. This does not include 776,000 discouraged workers who stopped looking for jobs. The three categories (part time, discouraged and unemployed) of workers, when added, amounted to: 7.323 million in 1973—8.7% of the work force; 8.542 million in 1974—9.9% of the work force; and 12.354 million or 14.5% of the work force in 1975. There was a huge jump of 3.812 million in these three categories from 1974 to 1975. This occurred even with the $70 billion increase in Government spending.

Interest rates and the stock market

In January 1975 prime interest rates were in the 6.5% to 7.0% range. When interest rates decline, people tend to put savings into the stock market and this was a major reason for the record increases in stock market activity in January. Additional impetus can be attributed to the glowing and misleading economic reports which led to false optimism by those who took these reports in good faith.

Any analysis of the behavior of interest rates and stock market activity only has real meaning when examined within the framework of the existing economic environment. During the depression of the 1930's, interest rates were at 2% while stock market activity was almost nonexistent after the 1929 Wall Street crash. At that time the demand for capital investment was extremely low, as might be expected in an economy with an unemployment rate that reached 25% at the depth of the depression. Prime interest rates in January 1975 were also down because of lack of demand. A popular and dangerous myth is that if the Federal Reserve Board lowers interest rates, people will borrow money. While the Board does have some influence in changing interest rates, it does not have the capability to stimulate the demand for money. This was dramatically highlighted, when on January 19, 1976 the Federal Reserve Board cut its discount rate (the rate at which it lends money to member banks) to 5.5%. This was not done in accordance with some master plan—it was taken to bring the discount rate into better balance with open market rates. Of interest, is that the demand for money has a greater impact on interest rates than actions of the Board. There has been an incredible amount of time wasted in empty arguments concerning raising or lowering interest rates. Borrowing for capital investment has suffered unprecedented declines in 1974 and 1975. When adjusted for inflation (real terms), the "Gross Private Domestic Investment (GPDI) as reported in the Department of Commerce, News Release BEA 75–5, dropped from $180.0 billion in 1974 to $138.9 billion in 1975. With the exception of a $27.4 billion decline (1973–1974), the 1975 decrease of $41.1 billion was over 2.5 times greater than at any time since 1946 which is as far back as the statistics go. This decrease was in spite of the multibillion dollar corporate tax breaks given to stimulate capital spending in 1975. Decreasing private investment means less jobs in 1976.

The drop in interest rates in this kind of economy is not a good sign. It is a worse sign when it is realized that these interest rates are falling at the same time the Department of the Treasury is selling securities (borrowing) in competition with private borrowers. The Treasury Department is in the process of borrowing $75 billion dollars to finance the budget deficits. The fact that interest rates still decline under these conditions is a strong indication of a weak economy.

Unfortunately, most small investors are flocking to buy stocks and do not know that a drop in GNP, two years in succession, represents a precarious economic situation. This is particularly true when the latest decline is greater than the previous year, even after a $70 billion increase in Government spending.

Inventories and sales

According to Department of Commerce News Release (Manufacturing and Trade Inventories and Sales, November 1975, BEA 76–2) the value (unadjusted) of total inventories (manufacturing, wholesale and retail) amounted to $269.561 billion in November 1974, $268.562 billion in November 1975 and $220.173 billion in November 1973. During the year much publicity was given to the rapid rate of inventory liquidation and how this would put people back to work. Inventories, after all the optimistic reports were only $1 billion lower in 1975. In 1973, a more normal business year, inventories were $48 billion less than in 1975. The fact that inventories remained at record levels and unemployment rose significantly in 1975 is a positive signal that the economy is still in deep recession. It is interesting to see what happened to retail inventories under the pressure of the $70 billion in new Government spending. They amounted to $76.738 billion in 1974 compared to $76.620 billion in 1975—practically, no change. The huge 1974 inventories were still with us in 1975 with much higher levels of unemployment.

In the first eleven months of 1975, total sales (manufacturing, wholesale and retail) increased by $33 billion (see Attachment 1–L). This was an increase of approximately 1.8%. When adjusted for inflation, actual sales dropped about 7% compared to 1974. This is not unexpected when the GNP drops and unemployment increases significantly.

Housing and automotive

In 1975 large housing subsidies were allocated to reduce mortgage interest rates, provide tax breaks up to $2,000.00 and provide other more direct construction help. Despite these subsidies Housing Starts (see Attachment 1–E) slid by 176,200 units in 1975, while Housing Permits decreased by 151,000. These declines followed other large reductions in 1974. The primary reason for these decreases are high prices and high mortgage interest rates. There is no reason to believe the cost of houses will decrease with a 6% rate of inflation forecasted for 1976.

Domestic new car sales went down from a seriously depressed level of 7.421 million in 1974 to 7.050 million in 1975—a 5% drop. The outlook is grim for 1976 as all car producers have closed plants already in 1976 to cut back inventories.

Industrial production and plant utilization

The Federal Reserve Board estimates Industrial Production was down by 8.9% in 1975 compared to 1976. In the same period Plant Utilization decreased by 10.2%. This would follow from the decline in sales. The unused plant capacity will have a negative effect on capital expansion plans for 1976.

Personal income

One of the key economic questions is—How much of the purchasing power siphoned away by higher prices is returned as higher worker income or more jobs? The largest dollar category of the twelve items making up the Department of Commerce monthly "Personal Income" report is listed as "Wages and Salaries—Commodity Producing and Manufacturing." The health of the American economy is primarily based on its ability to mass produce and distribute physical goods. A large portion of the Nation's purchasing power is derived from people who work in the industries producing physical goods. In 1974, total wages in this category amounted to $273.7 billion contrasted to $273.5 billion in 1975. When adjusted for inflation, these workers actually lost about 9 percent of their purchasing power. Distributive and service industries paid workers $24.4 billion more in 1975 while government (Federal, state and local) workers received $13.8 billion more in 1975 than 1974. These increases barely compensated for inflation.

The largest increase in Personal Income was in Federal Government Transfer Payments (see Attachment 1–G). This money goes to pay unemployment benefits, welfare recipients, social security costs and health payments. These payments increased by $34.6 billion in 1975 compared to 1974. Most of this money is spent for the necessities of life and to pay for higher prices for food, electricity, gasoline, clothes, rent and vital medical services. This is not the kind of income that is used to buy houses, cars or furniture. Most of the people in this category cannot obtain credit.

The increase in Personal Income in 1975 did not come anywhere near matching the lost purchasing power drained away by the Cost-Push inflation—either in quantity or quality. This was irrevocably proven when GNP decreased, unemployment increased and total sales dropped in 1975.

What caused the inflation?

It is now generally agreed that the massive price increases for coal, natural gas and refined petroleum products, starting in 1973, were the greatest single cause for the 1973–1975 Cost-Push inflation/unemployment crisis. Attachment 1–K shows how prices increased for five vital commodities from 1973 to 1975. As some combination of these commodities are used in all other industries, it automatically follows that costs and prices were forced up in all sectors of the economy. Price increases for these five vital commodities averaged 69.58% in 1974 and increased further in 1975, even though demand decreased substantially. No profit oriented economic system can endure in any recognizable form when Cost-Push pressures of this magnitude are suddenly injected into the economy.

We can now identify three major effects of these unprecedented price hikes: (1) a 2% decline in real GNP despite a $70 billion increase in Government spending; (2) a rise to 14.5% of the total civilian work force relative to workers who are fully or part time unemployed; and (3) massive Government spending leading to the largest budget deficit ever experienced (about $75 billion for 1975).

It is here that basic questions must be asked concerning whether or not concepts such as "free enterprise" and "free market forces" are operating in the current economic crisis. In 1975 steel production fell over 20%, yet prices continued to climb in 1975. The same situation prevailed in the fossil fuel and chemical industries. This means suppliers, in concentrated industries, who produce products that people must have, can dictate prices and make them stick.

A pervasive attitude is sweeping the Country which I call the "Oil Price Syndrome" (produce less and charge more). In the minds of many this translates into the policy "if oil can do it, so can we." This attitude has swept through all sectors of the economy. A number of railroads have posted sharp profit increases when freight movements in terms of ton-miles have decreased. Automobile sales are at seriously depressed levels, as are houses, yet prices continue to climb. New orders for machine tools decrease, but prices still go up. The list has no end. There is one truism in all this—there can be no normal economic rebound when prices continue to go up as demand declines. Deregulating energy products so they can reach the levels set by a foreign monopoly will guarantee pervasive inflation for years to come.

The "Oil Price Syndrome" represents an attitude that will seriously damage the economy if it is allowed to continue. In 1974 and 1975 approximately $244 billion was siphoned out of the economy in the form of higher energy and other product prices. The two year drop in real GNP and increasing unemployment provides positive proof that little of this money is being returned to the purchasing power pool. Trying to restore purchasing power using tax money alone can only be justified for humanitarian reasons. The Nation does not have enough assets to keep pumping money into the economy at the rate higher prices drains it away.

Mr. President, a number of your spokesmen are implying that inflation and our present economic ills are the result of government spending. The logic is not there to support this view. The Consumer Price Index declined from 12% in 1974 to 7% in 1975, but in the same period Government expenditures increased by an unheard of $70 billion. While Government spending should be efficiently used, it had nothing to do with the skyrocketing prices in the basic industries.

It takes more than optimistic news to cure an economy whose GNP has declined two years in a row. Trying to cure a Cost-Push inflation/recession crisis without correcting the huge price distortions that have occurred in a number of key industries will guarantee greater budget deficits and unemployment.

The economy is in a dangerously depressed state. The real danger is in insisting that we are not in a recession after two successive declines in GNP. Economic policies based on this belief are leading to government actions that could make the economy deteriorate further. All the above figures dealing with the GNP, Personal Income and unemployment were taken from published Government reports—this is not a case of differences in numbers that were derived independently.

Sincerely,

MATTHEW J. KERBEC, *President*.

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D. First economic report to the Office of the President, February 25, 1974, by Matthew J. Kerbec (Congressional Record, March 7, 1974)

E. Second economic report to the Office of the President, April 5, 1974, by Matthew J. Kerbec (Congressional Record, April 8, 1974)

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I. "Ending Inflation-Recession Without Cutting Sales, Jobs," article by Matthew J. Kerbec, Washington Post, November 17, 1974, page N–1

J. Hearings held by the Senate Committee on Agriculture, September 9, 1975, concerning the "Impact of Energy Decontrol on Agriculture," testimony by Matthew J. Kerbec, pages 44 to 53 (Congressional Record, September 11, 1975, page 28649).

K. "Higher Oil Prices and the World Economy," Edited by Edward R. Fried and Charles L. Schultze, published by the Brookings Institution, October 1975, pages vii, 2 and 4

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ATTACHMENT 1

KEY ECONOMIC STATISTICS 1973–75

Description	1973	1974	1975
A. GNP (1972 dollars) Department of Commerce (BEA 76–5) (billions of dollars)	1,233.4	1,210.7	1,186.4
GNP (annual percent change)	5.3	—1.8	—2.0
Gross private domestic investment (billions of dollars)	207.4	180.0	138.9
B. Consumer Price Index: Department of Labor (annual rate percent)	8.8	12.2	7.0
C. Employment: Department of Labor (USDL 76–17):			
Total civilian labor force (thousands)	88,714	91,011	92,613
Total civilian employment (thousands)	84,409	85,936	84,783
Unemployment rate (annual percent change)	4.9	5.6	8.5
Discouraged workers	500,000	523,000	776,000
Part time due to economic reasons—people want to work full time but cannot find jobs	2,519,000	2,943,000	3,748,000
Unemployment	4,304,000	5,076,000	7,830,000
D. Inventories: Department of Commerce (BEA 76–2) (millions of dollars): Includes manufacturing, wholesale and retail	220,173	267,075	266,041
E. Housing starts and permits: Department of Commerce (CB76–15):			
New privately owned housing units started—Actual	2,045,300	1,337,700	1,161,500
New permits issued	1,749,200	1,081,300	930,300
F. Domestic new car sales: Washington Post, Jan. 8, 1976	9,156,000	7,421,198	7,050,120
G. Personal income: Department of Commerce (BEA 76–4) (millions of dollars)	1,054.3	1,154.7	1,246.0
Wages and salaries (commodity and manufacturing	253.4	273.7	273.5
Wages and salaries (Government)	148.6	160.6	174.4
Transfer payments (unemployment, welfare, etc.)	118.6	140.4	175.0
Personal interest income	88.4	106.5	120.7
Other 8 categories	445.3	473.5	502.4
H. Machine tool orders: National Tool Builders Association:			
Millions of dollars	2,612	2,500	1,190
Annual percent change	NA	—4.3	—52.4
I. Industrial production: Federal Reserve System (annual percent change)	9.0	—0.6	—8.9
J. Plant utilization capacity: Federal Reserve System (annual percent)	83.0	78.9	68.7
K. Wholesale Price Index: Department of Labor (December reports) (annual percent change for key industries):			
Refined petroleum products	35.4	57.2	15.2
Industrial chemicals	4.9	83.9	8.4
Agricultural chemicals	14.7	71.7	8.6
Plastic resins	4.1	97.0	1.7
Iron and steel	10.0	38.1	3.9
L. Total sales: Department of Commerce (BEA 76–2): Includes manufacturing, wholesale and retail sales for 1st 11 mos. (millions of dollars)	1,575	1,806	1,839

Source: Compiled by Output Systems Corp., 2300 South 9th St., Arlington, Va. 22204.

LINCOLN, LOVER OF LIBERTY

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. FINDLEY. Mr. Speaker, he was born in the bluegrass of Kentucky, nurtured on the prairie in Indiana, and blossomed into greatness on the frontier of Illinois. Some say that if you walk through the cornfields in Illinois late at night whispers of his voice echo in the crisp stillness of the autumn air. A poet sang of his ghost, pacing the streets of Springfield at midnight.

From the Lincoln home, corner of Eighth and Jackson Streets, he walks to the street opposite the old State Capitol, and gazes up at the offices he used to share with Billy Herndon. Then he takes a few paces and peers into the window of the Diller Drug Store. He moves on as the moon glistens overhead, illuminating the streets.

Some scoff, and deny that spirits walk. Yet the spirit of Lincoln still walks—through each of us. His spirit surrounds us too. Our political institutions, begun in the blood of revolution and forged in the inferno of Civil War, today stand against the adversaries of liberty and freedom throughout the world. The spirit of Lincoln is preeminently one of freedom.

He once said:

> Our reliance is in the love of liberty which God has planted in our bosoms. Our defense is the preservation of the spirit which prizes liberty as the heritage of all men, in all lands, every where. Destroy this spirit, and you have planted the seeds of despotism around your own doors.

The spirit of liberty is the legacy of Lincoln. We must resolve to preserve and perpetuate this spirit as we celebrate Lincoln's birthday in this Bicentennial Year.

NATURAL GAS

HON. JAMES M. HANLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. HANLEY. Mr. Speaker, last Thursday the House came dangerously close to adopting legislation which would have had disastrous consequences for the already overburdened consumers of this Nation. That legislation, offered as a substitute amendment to a bill seeking to assure adequate supplies of natural gas through June 30 of this year, would have provided for the deregulation of natural gas. I have consistently opposed such efforts, and I am pleased that a majority of my colleagues joined with me in defeating such action.

After a procedural victory on Tuesday, allowing the amendment to be considered on the House floor, it appeared all but certain that deregulation would become a reality. In the end, however, a majority of the House prevailed not only in defeating deregulation, but in passing a bill to continue Federal regulation of natural gas of the major producers, and extending regulation for the first time to the sale of intrastate natural gas. Only the small independent producers would be exempt from regulation. This revised legislation, which was passed by a narrow 205 to 201 vote, with my support, defeated legislation which would have resulted in tremendous price increases in natural gas through deregulation. By extending regulation to the intrastate market, and at the same time exempting independent producers from regulation, we can hopefully remove the distortions of the present system. Additionally, we can encourage the growth of competition in an industry dominated by a relatively few companies.

The Natural Gas Act had as its major purpose the protection of consumers against the possibility of exploitation at the hands of the natural gas companies. That protection is needed today more than ever before, and I am gratified that this body saw fit to keep the consumer in mind by voting to continue Federal regulation.

The legislation we have passed will now go to a conference committee with the Senate, which has passed legislation similar to that which we were successful in defeating. I am hopeful that when a bill emerges from that conference committee, it will bear a marked similarity to the bill we have passed.

TRIBUTE TO FRED FECI

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. EDWARDS of California. Mr. Speaker, I would like to take this opportunity to take notice of the retirement of Fred Feci as secretary-treasurer of local 506 of the Butcher's Union in San Jose, Calif., and to wish him well in his new post as president of the Santa Clara County Central Labor Council, AFL-CIO.

Fred Feci started in the meat business at the age of 13 when he delivered from a bicycle and joined local 506 in 1934. During his many years in local 506 he held a variety of important posts, including president of the local, business agent and secretary-treasurer. Additionally, Fred has been vice president of the Western Federation of Butchers, a board member of the California State Branch of the Western Federation of Butchers, chairman of a COPE district, trustee of the California Butcher's vacation trust, trustee of the health and welfare fund and trustee of the pension fund. He has been chairman of the appeals committee of the California Butcher's Trust Fund and has been a member of the California State Apprenticeship Commission. All in all, Fred Feci has been an active, dedicated and wise union leader throughout his life.

Fred Feci has also taken an active interest in community affairs. He has served on the San Jose Unified School District Committee, was a member of the grand jury for Santa Clara County and was chairman of the parks and recreation committee for the city of San Jose. He served on the *City of Hope* as well as on the executive committee for United Way.

Indeed, Fred Feci is the kind of public-spirited citizen that should inspire us all. His many good efforts have benefited not only members of local 506, but the entire community. All of us owe him a debt of thanks for being the kind of individual that he is—hard working, intelligent, above all, a fine and decent human being, and a valued personal friend of mine for many years.

ENERGY 1976—PART II—IT IS STILL AN EDUCATION PROBLEM

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. MURTHA. Mr. Speaker, Disbelief—the disbelief that an energy crisis exists is still a major problem facing our Nation's energy policy.

That was one of the major conclusions of a recent energy seminar I held in Johnstown, Pa. The meeting brought together a wide range of energy experts, but nearly all agreed that the sooner we educate the public, the sooner we can get on with facing the energy crisis more realistically.

Does a disbelief of our energy problems really still exist? Let us look at the facts.

Fact No. 1. A June, 1975 Roper Survey found that 47 percent still believed the energy shortages were not real but had been contrived for economic and political reasons. Only 26 percent thought the shortage was very real and would get worse in 5 to 10 years.

Fact No. 2. A poll I conducted in August of the 12th Congressional District found 47 percent saying we were currently experiencing an energy crisis, but two-thirds agreeing we will face a crisis over the next 10 years.

Fact No. 3. The polling done by the Federal Energy Administration showed in October 1975, that 49 percent thought there was a very serious need to save energy. Respondents indicated that compared to a year earlier, 38 percent thought the need to conserve energy had increased, while 49 percent thought it was about the same, and 8 percent thought there was less need to save. In June 1974, 32 percent thought the energy crisis was real; 37 percent thought it contrived. In June 1975, 45 percent thought it was real; and 32 percent thought it contrived.

To me the evidence is consistent—we have made progress in telling the energy story, but there are still large percentages of people who are unconvinced and skeptical. After 2 years of energy concern and attempted education, I think in 1976 we have to take a renewed look at our education efforts and programs.

A first point to make is that we must abandon the simple route by blaming the Government or the FEA for a poor job. In general I believe the education program headed by the Department of Marketing and Education in FEA has produced an excellent series of colorful and illustrative information services. Also, I was pleased to work with them in producing the first joint FEA-congressional newsletter on saving energy which I sent to constituents in November.

A second point is that our Government energy education effort has been diverted by circumstances. The general skepticism toward industry has made the energy companies suspect. A key for this year's energy progress must be having Congress use its new powers to investigate the energy companies to insure the public of the correct facts. Also, a Northeast winter that found the average temperature for the last quarter of 1975 some 13.3 percent higher than average, has made the predictions of a natural gas disaster look contrived. We must consider that it may take gasoline lines and job-layoffs before the enegry picture will hit home for many citizens.

Third, I would like to share with you the comments on education made by Dr. Frederick Forscher, Ph. D. of the University of Pittsburgh, at the energy seminar.

According to Dr. Forscher, a major goal of Government must be to "deconfuse" the public about the energy situation.

He compared the energy problem to our body metabolism. The human body needs 3,000 kilo-calories a day to survive, these kilo-calories are acquired through materials and energy. The materials are processed in the body to help cell structure and body metabolism. The energy, or calories, once used cannot be recycled. In our society we need energy and raw materials to survive. Raw materials can be recycled but energy cannot.

Today in the United States we use approximately two times more energy per capita than any other society in the world. We use approximatley 90 million kilo-calories a year when only 500,000 kilo-calories a year are needed to survive.

Dr. Forscher goes on to comment that we still have not succeeded in making energy conservation a daily situation that must be practiced like a religion, and make energy waste seen as an immoral act.

I wish I had a simple solution that would turn Dr. Forscher's words into reality. All I can say, however, is that energy education cannot be forgotten by Washington as a top energy goal for 1976.

I agree with Federal Energy Administrator Frank Zarb: "We must tell the public the truth about the energy problem and its solutions and stop making political promises of cheaper energy that cannot be delivered. Let us have a frank discussion of the issues involved in the energy situation, bring all the facts out into the open, and let the people decide."

TRIBUTE TO DR. PERCY JULIAN

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. HYDE. Mr. Speaker, it would be a grievous remiss to allow Black History Week to pass without remembering the work of Dr. Percy Lavon Julian—internationally known organic chemist, scientist, educator, humanist, and noted civil rights leader. Dr. Julian, a resident of Oak Park, Ill., passed away on April 19, 1975. He is surely one of the greatest black men in the history of our country—an eminent man of great stature who left a rich legacy not only for black Americans, but for all Americans.

Born the son of an ex-slave in Montgomery, Ala., on April 11, 1899, Percy Julian was not content to accept the discriminatory fate reserved for black people at that time. He was a brilliant young man of great potential who worked as a servant and performed various other menial jobs to put himself through school. He was the highest ranking student in his class when he graduated Phi Beta Kappa from DePauw University in 1920. He then went on to earn his master's degree in chemistry from Harvard University, and his Ph. D. from the University of Vienna.

Dr. Julian is perhaps best known for creating the drug Compound S out of soybean sterols, which is manufacturered as a synthesis of cortisone for the treatment of rheumatoid arthritis and other ailments. His research work with soya sterols also resulted in the quantity production of two important hormones, testosterone for men and progesterone for women. He also made many other important discoveries, including the production of a synthesis of physostigmine, used to treat glaucoma.

In further work with soybeans during

World War II, he isolated a protein that became widely used as the basis of a firefighting substance used in crash landings by U.S. Navy fliers.

Dr. Julian was once quoted as saying:

> I have had one goal in my life, that of playing some role in making life a little easier for the persons who come after me.

I believe Percy Julian has indeed accomplished his goal.

Shortly after Dr. Julian's death last year, Vernon Jarrett of the Chicago Tribune wrote a very moving and poignant tribute to Percy Julian. For the benefit of my colleagues, and Dr. Julian's many friends and admirers, I include Mr. Jarrett's column at this point in the RECORD:

THE MESSAGE THAT PERCY JULIAN LEFT

(By Vernon Jarrett)

If you know of any disheartened young people—regardless of race—who feel that this callous world is so much against them that they refuse to give their talents a chance to shine, tell them the story of Percy Julian.

Dr. Percy L. Julian was a world renowned chemist who died too soon last week a few days after his 76th birthday. He was a black man. And when he was young he did not have to guess about the posture of this world toward a black boy born on April 11, 1899, on Jefferson Davis Street in Montgomery, Ala.

It was as clear to him as it was to his ex-slave father, James Sumner Julian, and his mother, Elizabeth Lena Adams Julian, that his country, his state, and the powerful individuals who ran all major institutions saw nothing but an inferior status for the little Percys of America.

And before you recite Julian's long list of achievements in the field of chemistry, please make it known that Julian as a young man decided for himself that he would explore and employ his talents to the fullest—regardless of all opposition. The Percy Julian story is an account of just more than native genius exploding inevitably.

Julian's father was a mathematical genius, legend had it, but that genius was confined to his job in the post office. From every corner, with the exception of his own race, young Julian was informed that he was inferior and should remain that way because that's how the government wanted it, how God wanted it, and how God's self appointed emissaries on earth—the white man—wanted it.

The central point to the Percy Julian story is that he defied all outside definitions of himself and the role that he was to play in this world. He spent a lifetime rejecting others' plans for him and the limitations placed upon him. When Julian's parents moved to Indiana and he attended DePauw University in Greencastle, he was met with stark discrimination while he worked as a servant in a white fraternity house.

But when he graduated in 1920 he had earned his Phi Beta key and was valedictorian of his class. Some of his most highly regarded professors had attempted to discourage him. And when he earned his master's degree in chemistry at Harvard University, Jim Crow was perched on top of his cap and gown.

While white students of his rank were given teaching positions, Julian had to wait tables and stoke coal to make it.

But none of this stymied his fascination with organic chemistry. Julian taught in two black colleges for a while and finally got a chance to study under the famous Ernst Spath, while he earned his Ph.D. at the University of Vienna in 1931.

He later became chairman of the Chemistry department at black Howard University in Washington and returned to DePauw as a research fellow in organic chemistry. His work attracted wide attention until his race was discovered. But Julian went right ahead probing and probing in the area of synthetic chemistry and that's when the human side of him began to show brighter and brighter.

He wanted to develop synthetic drugs for mass production that ordinary people could afford. Here are a few of his achievements:

A synthesis for the drug physostigmine, used in the treatment of glaucoma.

From the soybean protein, he produced a new chemical used in the coating of paper.

From the soybean, he developed a firefighting foam which saved many lives aboard Navy ships during World War II.

The mass production of synthetic sex hormones produced by his imaginative soybean-oil filter.

Chicago's Glidden Paint Co. appointed Julian director of its Soya Products Division, where he scored probably his greatest achievement, a synthesis of cortisone. This made cortisone available for millions of sufferers of rheumatoid arthritis.

Another facet of the Julian story is his abiding concern for the development of young scientific minds among blacks today. I had many chats with him on this subject, and I know how disturbed he was about the small number of young blacks contemplating entry into scientific endeavors.

He wanted to do everything he could to encourage them. That's why he was chairman last year of Sigma Pi Phi fraternity's luncheon honoring the black youths whose projects were exhibited at the Chicago public schools science and mathematics fair. He wanted to participate in a similar award luncheon scheduled for May 2.

Dr. Percy L. Julian left this world not only a noteworthy list of medicines for the ailing, he also bequeathed to us a message worth repeating.

911—HOT LINE FOR EMERGENCIES

HON. J. EDWARD ROUSH

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. ROUSH. Mr. Speaker, Minnesota and Mississippi are the two States I am adding today in my list of current and anticipated communities operating on the "911" emergency telephone number throughout the United States:

Systems location	Date: In service	Date: Scheduled	Population served (thousands)
AMERICAN TELEPHONE & TELEGRAPH			
Mississippi:			
Belzoni	January 1971		4.0
Canton	August 1970		11.0
Crystal Springs	October 1970		4.2
Durant		March 1975	2.8
Greenville	June 1971		55.0
Greenwood	February 1971		24.0
Grenada	October 1974		20.0
Hattiesburg	November 1973		39.0
Indianola	October 1970		10.0
Jackson	April 1969		165.0
Laurel	August 1974		35.0
Lexington	October 1971		2.8
Louisville	September 1970		5.0
Macon	July 1973		4.0
Magee	January 1971		5.0
McComb	July 1970		17.0
Mendenhall	January 1974		2.6
Meridian	October 1974		50.0
Moss Point	April 1971		19.3
Oxford	December 1974		11.0
Pascagoula	June 1971		28.0
Pearl	January 1974		18.0
Philadelphia	December 1970		5.0
Pontotoc	November 1972		4.0
Vicksburg	December 1969		24.0
Winona	October 1974		6.0
Minnesota:			
Austin	February 1972		30.0
Faribault	December 1974		23.0
Windom	May 1969		8.0
INDEPENDENT TELEPHONE COMPANIES			
Minnesota: St. James	June 1969		4.0

A POLISH-AMERICAN PATRIOT

HON. JAMES J. DELANEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. DELANEY. Mr. Speaker, February 12, besides bringing to mind the debt of gratitude we owe to President Lincoln, marks the aniversary of the birth of one of the greatest heroes of our American Revolution, Gen. Thaddeus Kosciusko.

On February 21, 1798 Thomas Jefferson wrote of him to General Gates:

> He is as pure a son of liberty as I have ever known, and of that liberty which is to go to all, and not to the few or the rich alone.

On June 1 of the same year, Jefferson wrote to Kosciusko:

> Your principles and dispositions were made to be honored, revered, and loved. True to a single object, the freedom and happiness of man, they have not veered about with the changelings and apostates . . . Accept sincere assurances of my affectionate esteem and respect.

And Gen. Nathaniel Greene, U.S. Commander of the Southern Campaign, wrote:

> I can liken to nothing his zeal in the public service, and in the solution of important problems, nothing could have been more helpful than his judgement, vigilance, and diligence. He was fearless of every danger. He never manifested desires or claims to himself, and never let opportunity pass of calling attention to and recommending the merits of others.

On his own initiative and at his own expense, Kosciusko had come to these shores from his native Poland in the summer of 1776 to fight in our Continental Army as a colonel of Army Engineers. He distinguished himself in the Carolinas as well as in the battles of New York and Yorktown. One of his greatest contributions was the engineering of the fortifications at West Point, to become a lasting memorial as our Nation's military academy.

At the close of our War for Independence, this Polish patriot was hailed by the U.S. Congress for "his long, faithful, and meritorious service," and by special act of both Houses granted the rights and privileges of American citizenship and commissioned a brigadier general.

His struggle on behalf of the common people of Poland after the partition of that country in 1792 was yet another indication of his dedication to the cause of liberty.

The people of my congressional district are proud to have a bridge named in memory of this Polish-American hero. On this day of national thanksgiving, I join my colleagues in praying for the people of Poland still struggling against the Russian oppressor and I salute Poland's sons and daughters in America who live under the banner of liberty Kosciusko helped unfurl.

FEBRUARY: ANNIVERSARY MONTH OF BOY SCOUTS

HON. MARTIN A. RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. RUSSO. Mr. Speaker, this month of February is the anniversary month of the Boy Scouts of America. I know we all share in our commitment to this fine program and today I would like to pay tribute to a particular group of Scouts in my own district.

Cub Scout Pack No. 4092, headed by Cubmaster James M. Hardy, is having a Blue and Gold Dinner on February 16 to commemorate the 66th anniversary of the beginning of scouting in America. It is a most special occasion for the 38 young gentlemen involved, as well as for their families and leaders.

Those who will be receiving well-deserved awards are: Pat Schultz, Den Leader of the Year, and Mark Swalec, named Cub Scout of the Year. A special award will be given to Mr. Bernie Broh, scoutmaster of Troop No. 670. He has been in scouting for 41 years and has been scoutmaster of No. 670 for 35 years.

At their Blue and Gold Dinner, Pack No. 4092 will present a Bicentennial flag skit on the history of the American flag. It is appropriate that these young boys, so well-versed already in the prerequisites of good citizenship, should so honor our flag on their own day of honors. The flag and Scouts are closely bound, for the values to which Scouts pledge themselves as citizens are what insure a future for that flag.

I think the Scouts in Illinois can take particular pride in their anniversary month, for it was a Chicago newspaper publisher, William D. Boyce, who introduced Scouting to America in 1910. He discovered the program for young men on a trip to England when a Scout there did a "good deed" for him. We all owe a great deal to that English Scout. Even Mr. Boyce could not foresee the profound impact of his promoting such a program, for today there are nearly 5 million young people in Boy Scout programs as well as 5,000 adults and volunteers.

I commend them for their work in making Scouting a successful program and for the contribution that program makes to our country.

LINCOLN HOME FUNDING

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. FINDLEY. Mr. Speaker, 5 years ago, Congress acted to save an heirloom of the Republic for generations yet unborn. On August 13, 1971, legislation creating a national historic site in Springfield, Ill., was approved. The center of the site is the Lincoln home, the only home Abraham Lincoln ever owned.

When the legislation was passed, Congress recognized that commercial encroachment posed a threat to the historical integrity of the area. Gas stations, offices, and several other structures not in harmony with the Lincoln home had been built nearby. Others, including a high-rise motel, were in prospect.

Today, on the eve of Lincoln's birthday, I am introducing a bill which will permit the completion of the Lincoln home National Historic Site. Zooming costs, coupled with land acquisition delays, require an additional expenditure to insure the completion of the site. My bill authorizes an additional $1,056,000 for land acquisition and relocation assistance. Funds for development of the site are also included in this figure.

In addition, a rare and invaluable collection of furniture once owned in Springfield by Lincoln is now available. Lincoln sold these items before leaving Springfield to assume the Presidency. They are now owned by the Historical Society of Pennsylvania. For the first time in over 75 years, this furniture is now for sale. It would be tragic to miss this opportunity to return these unique items to the home in which they were used. A specific authorization of $150,000 for the purchase of this furniture is included in my bill.

I as much as anyone have deplored the excessive growth of Federal spending in recent years, but it is beyond question that the completion of the Lincoln Home National Historic Site is a worthwhile expenditure of funds. The enduring meaning of Lincoln is a legacy the Nation desperately needs in moments of turmoil.

AMERICAN JEWISH CONGRESS DINNER IN HONOR OF LOWELL ELIEZER BELLIN, M.D., M.P.H.

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. SCHEUER. Mr. Speaker, in these times of disillusionment with government, its agencies, its personnel, and its effectiveness in coping with the problems that concern us all, I would like to share with you the inspiring words of Dr. Lowell E. Bellin, a truly remarkable public official.

As a New York Congressman, I am especially proud of New York City's health commissioner. Lowell Bellin is the complete government leader: a brilliant, wise scholar, a kind and thoughtful human being, a highly competent government administrator who daily demonstrates his drive for excellence in public service. He has always been an indefatigable fighter against inefficiency, stupidity, and fuzzy thinking in general. As long as New York can continue to attract public officials like Lowell Eliezer Bellin, write no epitaphs for my great city. It is with great pride that I include his remarks in the RECORD:

REMARKS OF LOWELL ELIEZER BELLIN, M.D., M.P.H., AT THE AMERICAN JEWISH CONGRESS DINNER, WALDORF ASTORIA HOTEL, NEW YORK

Bertholdt Brecht once said something to the effect that the person who is smiling simply hasn't heard the news as yet. When I was in private practice of internal medicine a decade and a half ago, I found my hardest task that of breaking unhappy news to the patient and to the family of the patient. The task has become no easier for me as a Health Commissioner who views himself as ethically bound to inform the population about the somber realities of infinite social objectives and finite resources to pay for them. Telling the truth in public health, particularly the truth about hospitals and programs, that are fiscally and professionally non-viable, conventionally enrages the constituencies who are the ideological supporters, the employees, or the consumer-beneficiaries of these hospitals and programs.

During the past two years in New York City the population has received an extraordinary dose—some would say an excessive overdose—of truth. This period of time assuredly can be categorized as the age of debunking. As a consequence, there have been changes in attitudes about the invincibility of certain constituencies and there have been alterations of programs. In public health these changes have occurred at a rate of acceleration that would have deemed improbable in New York City but a few years ago.

During this fiscal crisis the public has been increasingly weaned away from those political anodynes that are ever so comforting but are in fact so toxic to the democratic process. The New York City Health Department has contributed a major statistical share to the destruction of popular illusions about the indispensability of this or that hospital, or of this or that public health program.

The Health Commissioner is always in an exposed position. The physician in public service is a marginal person anyway, mistrusted by his former colleagues in practice who view him as a treacherous aberration, a defector to the bureaucratic enemy. Nor is the physician in public service wholly accepted by his colleagues in public administration who view him as a possessor of arcane knowledge with but limited applicability to the vocation world they inhabit.

My public jobs in New York City between 1966 and the present have successively included the positions of Executive Medical Director of New York City Medicaid, the First Deputy Commissioner, and during the past two years the Commissioner of the Health Department. My public career in New York City has been one of relentless conflict. It would be incorrect to attribute this non-tranquil career style exclusively to my own belligerency or neurosis. There have been other reasons as well. The unique chemistry of New York City political life incessantly catalyzes conflict-engendering decisions. More important the New York City Health Department has self-consciously viewed itself as the planetary public health Olympus. The Health Department has always taken its professional mission seriously—indeed, with a degree of solemn introspection that would be laughable in most other agencies. As a consequence, the Health Department of the City of New York has routinely found itself in the moral equivalent of a perpetual state of warfare.

Let me cite representative examples of conflict where I have had personal proprietary interest:

1. Since the advent of Medicaid in 1967, we have made local and national organized medicine and organized dentistry most unhappy by our promulgating, monitoring, and enforcing standards of health care delivery. Our unprecedented on-site office visits in order to audit the practitioner where he actually practices provoked an official denunciation on the part of the American Medical Association.

2. We have locked horns with organized medicine, organized dentistry, the New York State Department of Health, and the New York State Department of Education over the issue of our insisting that practitioners participating in Medicaid participate as well in a minimum number of annual hours of compulsory continuing professional education. Injunctive proceedings to prevent such compulsory continuing education were initiated by organized dentistry.

3. Our enforcement of quality controls in the outpatient departments of voluntary hospitals through the application of financial sanctions under the Ghetto Medicine Program continues to be a source of irritation to some of these voluntary hospitals.

4. We have publicly accused sacrosanct public health programs such as sickle cell screening of being tokenistic and of limited worth. We have urged that program directors stop conning Black citizens and instead diminish the spending of scarce public moneys in identifying sickle cell disease for which little to nothing can be done. We have argued that it is more beneficial to Black citizens to allocate such moneys either to sickle cell research or to hypertension screening and treatment.

5. We have proclaimed that the City is overbedded—in municipal hospitals, and in voluntary hospitals, and in proprietary hospitals.

We have said out loud what the cognoscenti have been whispering for years, to wit, that the wretched two-class system of hospital care is perpetuated by the two parallel auspices of hospital administration—the public municipal, and the private voluntary. We have called for an orderly phase out of the municipal hospital system during the next 25 years. Such a phase out is inevitable so long as the poverty population of the City, now possessing Medicaid and Medicare cards, and soon to posses National Health Insurance, continue to vote with their feet and transfer their allegiance from municipal to voluntary hospitals.

7. We have translated our alarm over the continuing transport of radioactive materials through the City of New York into a New York City Board of Health amendment to the City Health Code to put a stop to such transport.

8. We have meticulously collected statistics and now have concluded that the 1973 hospital-nursing home strike snuffed out the lives prematurely of as many as 20 helpless chronically ill patients. No longer can management or labor in the health care field delude themselves or the public that precautionary measures such as running a health facility with a skeleton staff during a hospital strike, a nursing home strike, a doctors' strike, or a nurses' strike will prevent patients from dying due to the transfer trauma of the strike.

While I was a student at the Harvard School of Public Health, I was taught that it is bad tactics to engage in more than one conflict at the same time. Rather, it is wiser to participate in conflicts on a sequential basis. Simultaneity of conflicts tends to give the opposition an opportunity to mobilize an effective coalition to counteract and ultimately drive from office altogether the health commissioner so imprudent to the fight on two or more major fronts. But, as Health Commissioner of New York City I have found it impossible to take this dictum too seriously. In our City too many things happen too quickly, and they do not necessarily happen in sequence.

The polemical consequence of all these conflicts has been a gaggle of disparate and often contradictory accusations:

1. The New York City Health Department is anti-practitioner.

2. The New York City Health Department is anti-municipal hospital and is a running dog for the avaricious voluntary hospital system that slavers to gobble up the entire public hospital sector.

3. The New York City Health Department is anti-voluntary hospital. This is proven by its support of a public dominated Health Systems Agency for future comprehensive health planning in the five boroughs.

4. The New York City Health Department is a passive tool in the hands of militantly obscurantist community groups.

5. The New York City Health Department is a cunning and implacable opponent of the community groups.

6. The New York City Health Department doesn't care about damaging the economy of Long Island and doesn't care about the implications of dominance by the Arab countries. After all, the Health Department refuses to allow the transport through New York City of radioactive materials to and from Brookhaven Laboratory.

7. The New York City Health Department is anti-District Council 37 and pro-1199 as proven by its relentless critique of the quality of care rendered by the municipal hospitals.

8. The New York City Health Department is anti-1199 and pro-District Council 37 because the Department had the temerity to publish the mortality statistics of the 1973 hospital and nursing home strike.

9. The New York City Health Department is objectively reactionary and racist because of its public skepticism about the justification of certain public health services identified with Black consumers.

10. The New York City Health Department cares little about the needs of the non-Black and non-Hispanic citizenry since the bulk of the Department's services are delivered to Blacks and Hispanics.

And so it goes. There is really nothing new about any of this. From year to year the details of the specific accusations change, but the generic basis of these accusations has remained the same during the 110 years of the history of the New York City Health Department. Institutions, groups, people all have conventionally identified what they perceive as good for them, as good for the public health of the total community as well. Decades ago, that's why the dairy interests once bitterly attacked the New York City Health Department because the Department insisted on enforcing its incomparably high milk standards. Decades ago that's why the teachers of the New York City public school system opposed the Health Department's program of compulsory periodic screening of teachers for tuberculosis. Let me assure you all of one socio-political constant: So long as the leadership and public of New York City remain devoted to the traditions and ideals of this remarkable municipal agency, these conflicts are bound to continue. And Thank Heaven for these conflicts. They mean that the Health Department is doing what it was designed to in 1866—look after the public health of the citizens of the City of New York.

It is appropriate to make certain public acknowledgments—and I do so with enthusiasm:

1. First of all, I am grateful to the American Jewish Congress for providing the occasion for this ceremony. I am also worried, for I am reminded of the admonition to a colleague of a former New York City Health Commissioner: "When they start giving you dinners and placques, consider these but the premonitory signs of your incipient obsolescence in the field of public health." Nevertheless I'm happy to see so many of my friends and colleagues here this evening. I want to thank Mr. Martin Segal, Prof. Howard Rusk, Dean Martin Begun, Sylvia Deutsch—and many others whom times does not permit me to mention—all of whom have been valuable sources of counsel to me as Commissioner—for helping to make this event such a success.

2. I am grateful to Mayor Abraham Beame who thrust me into the maelstrom of New York City events of the past two years with the mandate to rebuild and reprofessionalize the New York City Health Department. I continue to appreciate his support and that of his Deputy Mayors, who have given little encouragement to those of our adversaries who periodically try to go over our heads and reverse our professional decisions. I have been honored to be part of a municipal administration that has been obliged not only to make bricks without straw but to do so with deftness and compassion during these dreadful economic times.

3. I am grateful as well to my sometime or permanent adversaries, some of whom are here this evening, either to do me honor or to keep a close eye on me. Despite our conflicts, for the most part, friendship, mutual respect, good will, and good faith have prevailed. In this spirit I call upon them to continue to perform even their adversary roles that are so indispensable for a healthy political process in order to arrive at intelligent social decisions.

4. I am grateful to my parents, Mr. and Mrs. Bromley Bellin now of Springfield, Massachusetts, formerly of Brooklyn, who could not be with us this evening, for their guiding me to medical school rather than to law school which was my original goal—and for their resignation to the fact that their son the doctor gave up his black bag to become their son the public employee.

5. Most of all—with no mawkishness—but—as a public expression of love and bewilderment do I acknowledge the indefatig-

able understanding and psychological support of my wife, Talah, who pretended in 1962 to believe my assurances that my passage from the private practice of internal medicine and cardiology into the practice of public health administration meant the beginning of my spending more time with the family. Only the wives of people in public service can appreciate the corrosive martyrdom that is the lot of families of public officials—where the wife must frequently assume the responsibility of both parents in the running of the household and in the nurturing of the children while the father is away on behalf of the public good.

6. During my 1967 through 1972 service with the New York City Health Department I was blessed with a succession of two splendid bosses as Health Commissioner—Edward O'Rourke, M.D., M.P.H., and Mary C. McLaughlin, M.D., M.P.H., both of whom played the roles of patron, protector, and professional model.

7. I must acknowledge the cadre of the New York City Health Department—a cadre possessing an extraordinary degree of devotion, almost of fanaticism to our public health programs. Even in these difficult times the evidence of the normative high morale have been many: the camaraderie, the long hours of work, the profusion of professional papers, the initiation of programs, the mutual psychological support, the swagger, even the resentments sometimes manifested by people of competitive agencies.

I am still awed and shall always remain awed about having served as health officer of this, the greatest municipal health department in the world. To have become even a historical footnote in the government of his birth place, the City of New York, is an incomparable honor to any citizen—particularly the son and grandson of immigrants to this wonderful and undefeated City.

For, after all, was it not one of our Jewish sages, the Assistant High Priest. Rabbi Chanina, of blessed memory, who said: "Pray for the welfare of the government, for without the fear of it, men would swallow one another alive."

Thank you.

CONGRESS SHOULD EXTEND GENERAL REVENUE SHARING

HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. McCLORY. Mr. Speaker, the Federal general revenue sharing program has proved to be one of the most successful and popular Federal programs of recent years, its benefits being felt at the local level of government throughout our land. I take this time to wholeheartedly support legislation to provide for the renewal of this program, which is vital to the improvement of government services in cities, towns, and villages. Indeed, failure on the part of Congress to renew the general revenue sharing plan will result in the discontinuation of many salutary projects made possible by revenue sharing funds, as, in many cases, it would be impossible to sustain these projects without substantial local tax increases.

I have personally witnessed the advantages made possible by revenue sharing funds in my 13th District in Illinois, where better police protection, improved street lighting, water, sewer, and road maintainance are just a few of the results of responsible allocation of the fund by local officials. Certainly, these moneys provide the capability for a multitude of worthwhile improvements in public transportation, health, environmental protection and conservation, housing and community development and revitalization, education and recreation—through programs which can be competently conceived, designed, and administered locally. It is in the community itself that the needs of our citizens and the best methods of meeting their needs are known.

Therefore, I call upon the Members of Congress to join with me in supporting the administration's bill to extend general revenue sharing, H.R. 6558, which is currently under consideration in the Committee on Governmental Operations. Through this necessary and well-received program our cities, towns, and villages will be allowed to further strengthen the role of local government, thus symbolizing a revitalization of American federalism at work.

THE INSECT: MAN'S MOST FORMIDABLE RIVAL

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. RICHMOND. Mr. Speaker, one of the major concerns facing both farmers and consumers is the apparent failure of much of our Nation's overall pest control program. A report issued by the National Academy of Sciences has assessed the present and alternative technologies and it is not a promising outlook.

We live in an age when 95 percent of all Americans can be classified as "food consumers" with our food being produced on the farms by only 5 percent of our population. Most of our fellow citizens are totally isolated from farming and the day-to-day effort to grow the food that ultimately shows up in our groceries, supermarkets, and food cooperatives.

The consumer reads of the unique vagaries that affect the food producing business when we read reports of droughts, floods, and unseasonable frosts. There are also the occasional and disturbing stories of insect destruction. But, by and large, the American consumer feels that that is a problem that does not really affect us. We have been led to believe that, with the modern arsenal of dusts and sprays, the American farmer can effectively combat the onslaughts of insects. How wrong that attitude is has been made strikingly clear in this new five-volume report.

As the disturbing issue raised by the National Academy of Science report unfolds, we are going to learn not only how ineffective some of our chemical methods of pest protection are, but how they are, in fact, counterproductive. Chemical insecticides are losing their effectiveness and each of us, whether we live on a farm or in a city apartment complex, must now come to grips with this issue.

However, before we can really grasp the significance of this report, we should look at the vast scope of the enemy arrayed against us in this continuing battle. In the January 1976 American Agriculturist and Rural New Yorker, Henry N. Ferguson graphically profiled the enemy we face. He noted, for example, that there are 25,000,000 insects in the air over every square mile of Earth. There are 2,250,000 insects under every square mile of Earth. There are 34,000,000 insects on the surface of every acre of land.

We could well be losing this most crucial battle for man's survival in our relatively short ascendency as a species.

I should point out, however, that it is not the goal of this article to differentiate between the "good" insects and the "bad" insects. Among those millions of flying, burrowing, swimming, hopping, crawling, and walking insects are many that prey on the truly dangerous pests. There are beneficial insects, such as the preying mantis, lacewings, lady bugs, and several varieties of parasitic wasps.

As this dramatic and far-reaching issue unfolds, I feel that it is time for all of us—rural legislator and urban legislator alike—to know what the odds are. I wish to share this frightening and eye opening article with my colleagues and insert it in the RECORD at this time:

THE INSECT: MAN'S MOST FORMIDABLE RIVAL

(By Henry N. Ferguson)

Ever since man took charge of the planet Earth many milleniums ago, he has been attempting to prove that he is really the dominant species on this planet. He hasn't quite gotten away with it, but he has enjoyed a small measure of success. He has managed to subdue or exterminate many of the large beasts that once roamed the earth, as well as smaller animals, birds and reptiles.

But in the really big-league competition—against creatures with whom he has been battling for thousands of years—his efforts have been anything but overpowering. These stubborn creatures are, of course, the insects. If you care to argue the point, just try telling the next swarm of mosquitoes you meet that you are their master!

The appearance of man on earth established a chain reaction of problems for foolish, feeble beasts such as the tiger, elephant, blue whale, carrier pigeon and whooping crane, but the insects simply took him in stride. In fact, man has made their day, so to speak.

They have fattened upon him, injected his blood with plague and fever, eaten and despoiled his food, turned his floor joists into sawdust, feasted on his winter overcoats and have, in general, gotten their kicks out of keeping him in a constant state of siege and nervous tension. In fact, the coming of man turned out to be such a pleasant, profitable and entertaining event for insects that had God not been inspired to create man it is quite possible they might have invented him just for laughs.

Since the time when man and insect had their first confrontation, the two have been engaged in a power struggle for domination of the earth. The insects clearly have the edge. They were ancient here long before man's time began.

Man has but a single species. Known insect species number close to a million. New ones turn up every day. In contrast to the insects all the known species of fish, amphibians, reptiles, birds and other animals with vertebrae add up to only 36,000—fewer than the types of weevils alone.

In their bid for supremacy of the world, the insects also have the advantage of numbers. Entomologists estimate there are 25 million insects in the air over every square mile of earth, two-and-a-quarter million under every square mile of soil, and 34 million on the surface of every acre of land.

There are many things that give the insect an edge over man. For instance, man enters the world ignorant of almost everything he needs to know. The insect leaves the egg—with complete knowledge of everything it must do throughout its life. A mud dauber, for example, builds clay cells with consummate skill, though the wasp has never seen such a cell before it sets to work.

Insects have produced a form of intelligence that often rivals human reason. They perfected flight 100 million years before the winged pterodactyl reptiles took to the airways; wasps manufacture paper for their nests, and fireflies produce cold light. Ants in their wanderings use celestial navigation, and the dragonfly nymph is jet-propelled; when pursued by a predator, it draws water into its rectum and forcibly expels it to make a jetaway. And there is one species of wasp that has even learned how to use a tool; it trowels the sides of its earthen house with a pebble.

Insects never lose sight of their main purpose in life; ridding the planet earth of the human race. They assumed a place of dominance in the animal world long before man came on the scene; they are not about to give it up now. Man has fought back with all his resources and ingenuity. He has swatted, sprayed, burned, bombed and gassed. But he has never been able to wipe out even one of the thousands of varieties of insects that harass him.

Our itinerant bug population is a monstrously expensive thing. The creatures know how to attack man where it hurts the most—in his pocketbook. These nomadic wanderers are responsible for a crop loss alone in the United States equal to several times the total of our national fire loss.

Termites do $50,000,000 worth of damage a year. The cotton boll weevil is a financial scourge throughout the southland. Insects destroy enough wheat annually to feed 16 million persons. They nullify the labor of at least a million workingmen each year, and cost the American people alone some four billion dollars every 12 months.

The members of this vast and amazing group of living things have assumed strange shapes and habits that enable them to cope with life under almost any circumstances. A drugstore beetle, for instance, thrives in red pepper; other insects devour and digest wood, paper, leather and the substances of decaying bodies of both animal and plant life.

There are insects so tiny and so intensely specialized that they live only on the tongues of horseflies. There are others whose life span is so brief that they have neither mouths nor stomachs and never eat at all.

Some bugs live in mud in hot springs that reach temperatures of 120 degrees Fahrenheit. Ice bugs thrive in temperatures of 38 degrees Fahrenheit. A few insects are capable of boring into metal. The pupae of some common butterflies winter on low shrubbery with no covering but ice and snow.

The story of man's struggle against bugs is as old as the history of agriculture. In 1939, the discovery of DDT fostered a belief that the battle's balance had shifted in man's favor. The belief was short-lived — once again man had underestimated the resiliency of his insect enemies.

Now, as concern mounts over the effect of chemicals on our environment, attention turns increasingly to biological control—the suppression of pests by the introduction of natural measures.

For example, in South Texas, the screwworm fly lays eggs in the open wounds of livestock and wildlife; the resultant loss of life once reached epidemic proportions. In a Department of Agriculture insectary at Mission, Texas, 190 million sterilized male screwworms are produced weekly. These are released from planes; when they reach the earth they mate with female flies, and produce nothing, thereby dooming reproduction, or so it would seem. Unfortunately, a fertile remnant always seems to remain to harass the livestock industry another year.

Down through the centuries, insects have periodically staged terrifying demonstrations of their threat to the human race. The downfall of the old Greek civilization has been attributed to the malaria-carrying mosquito. The terrible plagues of the Middle Ages, which wiped out 25 million people and spread terror across the world, were spread by the bites of fleas and lice.

Those insidious borers, the termites, once created such destruction on the island of St. Helena that its capital city, Jamestown, was reduced to a shambles. Brutal assaults by migratory grasshoppers (locusts) have altered the history of whole nations. In fact, a swarm of grasshoppers can do as much damage in one day as several atom bombs.

LOCUSTS

The incredible numbers making up a locust army on the march is frightening. A swarm that passed over the Red Sea in 1889 was estimated to cover 2,000 square miles. A horde that invaded Brazil several years ago covered a front of 60 miles and required four hours to pass a given point.

Flies are among the most insidious criminals of the insect world. A single fly can transport on and within its body a staggering 500 million bacteria. Although most of these are harmless, some carry the germs of dysentery, diarrhea, gangrene, typhoid fever, leprosy, tuberculosis and bubonic plague. Naturally, these germs affect the fly not at all.

And these pests are terrifying in their prolificacy. A scientist estimates that the offspring from one pair of houseflies, if all survived are reproduced normally, in six months would become 191 quintillion flies. Enough, according to his estimate, to cover the surface of the earth to a depth of 47 feet!

Ants are perhaps the dominant insects. Some species organize into stupendous marching armies that constitute a living sea of terrifying destruction. When such an army passes through an area, it devours every vestige of life, including all vegetation, and such men and beasts as cannot escape their line of march. Such a rampaging horde is simply a horrible moving blanket of death that stretches as far as the eye can see in all directions and often takes days to pass a given point.

PERILOUS

Ages before conditions on earth were suitable for human life, uncountable insect families in unimaginable hordes were riding up and down and around our planet on the four winds, just as they are today. Not until the past few years have entomologists been able to form a picture of the threat to mankind's health and prosperity which hangs like a question mark in the atmosphere over our heads.

High above us floats a mysterious canopy of peril, incredibly widespread, its import not yet fully established. The rarefied atmosphere of these upper altitudes abounds with awesome living travelers—insect pests and disease spores against which our puny quarantines and haphazard sanitary precautions are for the most part ineffectual.

Because a high-flying Texan, who prefers planes to horses, took to the airways with an elaborately contrived set of insect traps secured to the wings of his plane, we now have a more complete picture of what actually goes on in the sky above us. Perry A. Glick, an entomologist with the U.S. Department of Agriculture at Brownsville, Texas, rigged up such a contraption and went aloft to see what the upper reaches might contain. He has made some 1,500 flights above the United States and Mexico.

Combing systematically at different levels, this is what he has picked up: a spider not equipped for flight, at 15,000 feet; big green darning needles at 7,000 feet—often zooming about the plane as though challenging it to a race. Redleg grasshoppers, one of the greatest enemies to crops, were caught at 1,000 feet; crickets were picked up at 2,000 feet; book lice, the scourge of libraries, at 5,000 feet; and those under-cover agents, termites, were discovered whizzing merrily along at 4,000 feet.

Glick even discovered that some bugs are hitchhikers—he found little ones riding piggyback astride larger ones. And he came across a contrary butterfly species which insists on flying directly into the wind—and the stronger the breeze the faster this perverse creature travels.

It is not known exactly how high insects fly—Glick's plane was not equipped for altitudes higher than 15,000 feet—but one thing is certain: man cannot prevent the spread of these flying creatures from one area to another once they take to the airlanes.

Like a host of stealthy enemies from some distant planet, the elusive insects hover overhead, swarm about us, and dig in beneath our feet. They bide their time, waiting for the day when the balance of power will swing in their favor, and they can once more take over the earth as they did in those distant ages of the past.

PERSONAL ATTACKS ON PRESIDENT—MEANNESS, ORNERINESS, OR BOTH?

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. ABDNOR. Mr. Speaker, on a recent airport stop in Chicago while enroute to South Dakota, I came across an article in the Chicago Tribune written by Mr. Bob Wiedrich.

Mr. Wiedrich presents what I consider an excellent review of the type of acrimonious sniping at President Ford which seems to occupy a goodly amount of attention of some of the media people.

I have felt that while there is plenty of room and a need for legitimate criticism and analysis of public officialdom, the type of rather persistent attacks of a personal nature upon the President does not represent good or honest journalism.

However, since journalism is not my profession, I felt such a judgment on my part might be out of place. Mr. Wiedrich is a journalist and can speak with authority and background on this subject.

His article certainly reflects my thoughts and I endorse what he says. I commend it to my colleagues and I am confident that after reading this, many will join with me in saying "Amen" to Mr. Wiedrich's report:

MEANNESS AT ROOT OF FORD REPORTING

(By Bob Wiedrich)

It must be contagious for lame-brained reporters to poke fun at the President for an unfortunate series of mishaps of the kind that happen to the rest of us most any day.

How else can you explain the repeated overplaying of stories about presidential pratfalls and other accidental bumps that on the whole seem designed to portray Gerald R. Ford as an uncoordinated, stumbling, country bumpkin who has turned the presidency into a burlesque skit.

Plain meanness. That's how it looks to us. That and a dash of superficial reporting by people who find it easier to take cheap shots at a public figure than to indulge in honest journalistic toil.

Maybe this sort of thing demonstrates the flavor of negativism that permeates too much of the reporting today. People can't seem to bring themselves to write anything positive, apparently out of fear of being labeled starry-eyed idealists, naive fools, or turncoat cynics.

It is a sorry state of affairs and one that does not reflect credibly on the profession we hold so dear.

Hark back, for example, to a recent day in Vail, Colo., when President Ford's frolicking dogs tangled their leashes around his legs. Was that really news? He didn't fall and break a leg. He wasn't dragged off to his death across the tundra.

But that silly event, coupled with two other quite human mishaps at Vail, were fashioned into another journalistic cameo to prove the President of the United States is a bumbling clod.

Here is the recipe:

Take one President, abuse his good nature by gleefully seizing on his falls while skiing on slopes most reporters could never negotiate, add a dash of dumbbell wit by noting he almost got grazed by a ski-lift chair while waving at well-wishers, then mix these ingredients with the dog leash incident, and boil to a potpourri of slapstick comedy intended to make the man out as an utter fool.

That's how the game is played these days in the big leagues. If you can't find something nice to write about a too-nice guy, paint him instead as an awkward klutz.

Even sadder is the fact this is part of the price Ford must pay for giving the American people and press the open Presidency for which they so desperately yearned.

Under some previous presidents, there probably would have been no photographers permitted to record their lumps and bumps. We can recall back to the Eisenhower years and before when reporters couldn't even use a direct quote of the President, presumably to avoid recording his grammatical errors.

Now, in apparent appreciation of that open presidency, Ford finds himself ridiculed by stand-up nightclub comics, political cartoonists, and journalistic bumpkins who probably trip over spittoons in saloons finding their way to the washroom.

What in God's name is expected of the man? If he walks up the stairs of Air Force One without bumping his head on the door, will there be stories written about that? Of course not. And if nothing overt happens to him in the next six months, nothing will be written about that either.

But come the next bump, stumble, or fall and those pariahs of the pen and the boob tube will be all over Ford again, forgetting that the man is a splendid athlete, one helluva dancer, and an accomplished skier, tennis player, and swimmer who has far better coordination than they have conscience or fidelity to the facts.

Just what is it these people want? We've had enough duplicity, backdoor dealing, and confrontation politics in this country. Here is a decent guy who has brought a decent and wholesome approach to the presidency and they just can't tolerate his being that squeaky clean.

Unless they can catch him ordering wiretaps or slipping epsom salts into Mrs. Rockefeller's chowder, they are at a loss to report the day-to-day happenings of presidential life.

Well, for our money, we've had enough of Camelots and superficial national leaders who looked pretty, smiled pretty, and claimed to have all the answers while having none.

If we want a cosmetic president or a well-coordinated ballet dancer both light in the head and on his feet, then let the American people elect one.

Meanwhile, let all those self-appointed critics get off the man's back and stop churlishly sniping at a decent guy just because he doesn't happen to fit their strictly partisan ideas of what a president ought to be.

NATURAL GAS

HON. JAMES T. BROYHILL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. BROYHILL. Mr. Speaker, last week, the House failed to take meaningful action to provide more natural gas for consuming States which are in short supply. In North Carolina, consumers are receiving only about 60 percent of contracted volume during this heating season. In the few days that have passed since the adoption of the so-called Smith amendment, and the rejection of the Krueger-Broyhill decontrol bill, I hope that my colleagues have had time and opportunity to reflect on the results of their action.

The prospects are that the Congress will not take action to adopt a national long-range policy on natural gas. I hope that a workable program will come out of conference, but I am not optimistic.

A recent editorial in the Chicago Tribune summed up the action taken by the House. The text of the editorial is as follows:

HOUSE VOTE ON DECONTROL HIT

Members of the House surprised nearly everyone, apparently including themselves, by killing a long-awaited plan to decontrol the price of natural gas and substituting a monument to political cowardice that will crumble at the slightest contact with intelligent reasoning.

The decontrol bill, sponsored by Rep. Robert G. Krueger, a Texas Democrat, and Rep. James T. Broyhill, a North Carolina Republican, was expected to clear the House with no trouble. It was supported by the administration, and the opposition had lost an important procedural vote.

But then on Thursday an unexpected 205 to 201 majority suddenly materialized in support of a measure offered by Rep. John D. Dingell, Michigan's Democratic Voice of Labor. It called for ending controls only for small producers—and for extending controls to the intra-state market, hitherto free of controls. Major companies, which supply most of our natural gas, would still have to keep their prices artificially low.

Since the Senate already has passed a bill similar to the Krueger-Broyhill measure, a compromise is unlikely and the whole decontrol issue is probably dead until after the elections.

The Dingell plan was introduced by Rep. Neal Smith [D., Ia.] because some Democrats had been irritated by Mr. Dingell's attacks on House Speaker Carl Albert. But it drew strong support from consumer groups and from labor, for which Mr. Dingell is spokesman.

Of course the supporters of Mr. Dingell's bill would have preferred no decontrol at all; but they apparently sensed that some relaxation of controls was inevitable and therefore agreed to exempt only the small producers.

The Krueger-Broyhill bill would have taken controls off of all onshore gas now, and would have ended them for offshore gas in 1981. It was sensibly designed to increase onshore production now, while channeling investment toward the more costly exploration and development of offshore gas supplies, the area which offers the best hope for new discoveries. Decontrol also would divert some of the intrastate gas supplies to interstate customers. Gas consumed in the state in which it is produced, being free from price controls, brings three to four times as much as the interstate ceiling.

Despite the eminent logic of decontrol, too many congressmen were evidently afraid, in an election year, to do anything that would make it look as if they were helping the big, bad oil companies. For them, the Dingell-Smith bill was a convenient copout. They figured that it wouldn't win the approval of the Senate and that they would never have to take the blame for a measure which would inevitably prove a disaster. Besides, the matter could always be taken up again after the election.

Well, they may have to take some blame anyway—at least they will if Congress' failure to end controls leads to a painful shortage of natural gas in the next couple of years [Californians are already having to forego the luxury of new, heated swimming pools]. But by then, of course, the election will be over. Some leadership!

HAIL TO THE PEDESTRIAN!

HON. WILLIAM F. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. WALSH. Mr. Speaker, the great American love affair with the automobile, and our population's seemingly insatiable desire to increase its dependence on four-wheeled transportation in spite of the consumption of energy, in spite of the more attractive forms of alternate transport, and in spite of the indescribable frustration of the hopeless trap of an inescapable traffic jam, or a battery that has lost its spark, moves me to join in praise of a method of getting about we have virtually abandoned.

The method is walking. It is a process almost everyone learns at around 18 months and apparently forgets at 18 years, or whenever eligibility begins for a driver's license.

The lucky ones, I think, are those of us who discovered early the joy of walking and for whom one-foot-in-front-of-the-other has never really been replaced by the ride.

In the country we are known as hikers. In town, we are pedestrians. And when the winter winds blow in central New York, and the bottom drops from the thermometer tube—as it does every so often at home this time of year—and the automobile is a hindrance instead of a help, it is the walker who is able to leave home, who reaches his destination on time, and who has little complaint about the unfairness of the weather.

Syracusan Laurence J. O'Toole, a

former colleague of mine in city government and now a respected copy editor with the Syracuse Post-Standard, seldom has the opportunity to write for publication these days. But Larry is a pedestrian, and his February 3 Post-Standard article—written after a walk to his office in a raging blizzard that virtually shut the city down—is a testimony to the value and the pleasure of getting around the way God intended: on foot.

I am pleased to share it with you:

Here Is One for the Pedestrian

(By Laurence J. O'Toole)

The media devotes probably 90 per cent of its stories about severe winter weather to its effects on traffic.

How many traffic accidents were there? How many persons hurt? Anyone killed? Any pile-ups on the highways? What was the visibility for the driver? How much was traffic slowed by poor visibility, slippery roads and harsh winds? How many persons couldn't get to work because of snow-clogged routes and because they couldn't start their cars?

Unrecorded generally is the pedestrian, possibly one-fourth of the plodding public. He and she are the population segment who daily and nightly meet the elements face to face. How cold is the motorist in his heated car? The pedestrian goes to work or on necessary errands just as religiously as the driver.

The pedestrian, usually a quiet soul, prepares well for the task. With fur hat, flaps down, scarf wrapped high on the rear of the neck and crossed tightly to the throat and chest, heavy coat well secured, lined gloves or mittens pulled high on the wrists, and boots or overshoes zipped or buckled securely over trousers or slacks, he or she hails the weather as the protagonist in a day's drama.

The worker may walk all the way to his job. Or he may walk four blocks to catch the nearest bus, and wait a half an hour. Meantime, his children were taken to school by bus virtually from home. Many schools close, but the pedestrian goes to work. And he walks home after work, the only member of the public who really knows what the weather is.

Shopping, mainly for food and drink, is a necessity for many pedestrians. If they can at all manipulate a wheeled shopping cart, they drag it behind them after they have tested the sidewalk or roadside for grip with their feet and weight. Most difficult are mounds of packed snow and ice at street corners. Up and over and slide to a standstill as a car whizzes by.

The senator (his name is Alex, but he has his nickname because he wears either a 10-gallon hat or a homburg) is a pedestrian. He is 81, and he is retired. He has a house, his wife is dead, his children have grown up and left home, and he has disability of his right foot. The foot is greatly swollen, but his doctor says to put his weight on it.

Daily the senator walks through the neighboring shopping center, about 10 blocks from his home. He is one of the few pedestrians who do not wear a fur hat. He pulls his cart and he uses a cane.

He walks perhaps three miles a day, regardless of weather. He tips his hat and bows from the waist on passing a woman. He pauses to chat with men. He particularly salutes the mailmen; there's a kinship there.

Yesterday when he got home, his sister was in the living room. She is 79 years old and lives two blocks from him.

"I had an appointment with the hairdresser," she said. "But Marie called and said the girl who always does my hair couldn't get to work because her car wouldn't start, so I thought I'd walk over to see how you are."

"Well," said the senator, "I'm okay. I think I'll take a nap after I smoke this cigar. Get yourself some lunch and a hot cup of coffee. That's too bad about your hairdressing girl. They ought to make better cars."

NATIONAL BETA SIGMA PHI WEEK

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. SARASIN. Mr. Speaker, I would like to bring to the attention of my colleagues the outstanding contributions of an international women's service organization known as Beta Sigma Phi. Senator ROBERT DOLE and my colleague, Representative LARRY WINN of Kansas, have both introduced resolutions honoring this organization. Specifically they ask that the 7-day period beginning on April 30 of each year be designated as "National Beta Sigma Phi Week," in honor of their founding almost 45 years ago on April 30 in Abilene, Kans. I am pleased to announce that I am joining Representative WINN as a cosponsor of this resolution.

Since its humble beginning with only seven members, this sorority has grown to an international social and cultural organization dedicated to service to others, encompassing 23 countries and 11,000 chapters. Their total worldwide membership numbers over 250,000 women—women who have been pioneers in providing humanitarian service in diverse areas such as cancer and cystic fibrosis research; university scholarships; day and vacation care for mentally retarded children, homes and treatment centers for predelinquent boys and girls. They have enriched the cultural activities of their communities by hosting arts and crafts shows, music festivals, theater events, antique shows, and other offerings which are cherished and enjoyed by all who have the opportunity to participate in them.

Since 1948, Beta Sigma Phi has maintained a voluntary international endowment fund to support worthy humanitarian projects which are beyond the resources of individual local chapters. Projects receiving assistance from the fund are selected by a vote of all the chapters. From 1948 through 1957, the fund supported cancer research through the University of Colorado at Boulder, the American Cancer Society, and Brown University, Providence, R.I. Each year since 1959, the fund has helped support cancer research at the Children's Cancer Research Foundation in Boston.

Since 1953, the fund has also helped maintain Girlstown, U.S.A., a home for neglected girls at Whiteface, Tex. Since 1957, the fund has provided annual support for research on cystic fibrosis, a disease which claims the lives of many children. The Lurleen B. Wallace Memorial Hospital and Tumor Institute at the University of Alabama at Birmingham, the Intermountain Deaconess Home for Children in Montana, the Parview Homes for Exceptional Children in Seattle, Wash., and Ranch Hope, Inc., for Boys in Alloway, N.J., the institutions that have been supported by the fund. The fund also supports a scholarship program in Canada.

Senior Beta Sigma Phi chapters have also established an International Exemplar Fund which supports a teaching center in Lucknow, India, called Literary House. This project has expanded adult education opportunities for many villages in India. Its emphasis seems clearly consistent with the new directions in which Congress has attempted to move our foreign policy.

I think my colleagues will agree with me it is due time that such an exemplary organization be honored. It is particularly apt in this Bicentennial Year, and with our increased awareness of the vital contributions of women to our society today, I would like to encourage the women of Beta Sigma Phi in their worthwhile endeavors, and extend the very real hope that congressional action on this resolution may soon be forthcoming.

FARM FAMILIES IN AMERICA

HON. JOHN B. BREAUX

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. BREAUX. Mr. Speaker, I have received the following letter from one of my constituents in Iota, La., which eloquently tells the plight of the American farm family. I encourage my colleagues to read carefully Mrs. Reed's letter for a better understanding of the problems faced today by rural Americans:

IOTA, LA., *January 15, 1975.*

EARL BUTZ,
Secretary of Agriculture.

DEAR SIR: As a farmer's wife I would like to give you a few of my thoughts which are typical of the feelings of so many farm families of our nation.

Today we hear so much about the starving masses of our world who can't get enough food to eat, comments such as: our nation has to spend more money helping other nations to be self-sufficient in food productions; we have to start learning to farm the oceans in order to have enough food; our farmers are going to have to be more efficient in order to have cheaper food.

Right now the majority of farm families are living on borrowed money and are paying storage on our crops and couldn't sell them right now for enough money to cover the planting and harvesting expenses, much less enough to pay our equipment or live on.

The people who are making these ridiculous comments are the same people who have nothing invested in their jobs, are working forty hours or less a week and are receiving anywhere from five to twenty dollars an hour, plus fringe benefits and retirement. Or they are among the elite who do not work at all but live off the taxpayer.

It is my wish that one day the shoe would fall on the other foot, then you people would have to invest one hundred to two hundred thousand dollars to put in a crop, work an average of sixteen hours a day, six days a week, plus your wife and children's long hours of work, fight all the bad weather, diseases and insects, and if you are lucky enough to beat all these, and if you can harvest a decent crop and if you can find a market for your products you too could pay your bills and taxes and come out with a loss of only twelve hundred dollars. It is not because we are inefficient farmers, our crop yields were well above the national average. The reason for our difficulties is the Federal Government and its policies manipulating the farmer, who is the most productive of all our nation's workers.

You were on T.V. the other day telling the nation how well off the farmers were. How we could even buy a new car now and send our son to college, and we should be able to do these things. You spoke of us as if we weren't even human like the rest of the Americans. Who were you comparing us with when you said we were well off today? It surely wasn't the government worker nor the union man even the garbage collector makes far more than we will this year, and he doesn't have anything at all invested in his job.

The Agriculture Department is only interested in protecting the so-called consumer from high prices for food. Who is the consumer? When I was eleven years old my Dad promised us a new bicycle if he could sell his rice for ten dollars a barrel. That year he received a little more than ten dollars per barrel. Now twenty six years later my husband was offered eleven dollars a barrel for his rice crop, actually sixty four cents more than my Dad received in 1949. Yet when we buy rice in the store we have to pay over five hundred percent more for it today. Everything the farmer has to buy to produce a crop has gone up at least three hundred to five hundred percent and some cases even more. Isn't the farmer a consumer too? Who is protecting him?

The majority of the people who are blaming farmers for the high prices of food do not know anything about the farming industry nor do they want to learn. All they want is cheap food so they can spend their inflated salaries on more important things such as filling their many free hours with pleasure. Sure their food bills are higher because of two things; first they want everything pre-cooked as much as possible in order to save them as much work as possible, and second, the middle men have passed on increased cost, something the farmer can't do. In short the whole nation wants cheap food at the expense of our large investment, hard work, and worry.

The farmer is the backbone of our economy and we are keeping this country in the black in trade with other countries, are producing more food at cheaper prices than any other nation, and contributing more to the well being of our people than any other group of workers in America, and look how we are being penalized for it.

Maybe one day the farmers of our country will get smart and start acting like your so-called consumer and begin to demand more for less. When they do people won't have to worry about the prices of food, they will be glad to get it at any prices. And they won't have to worry about filling their leisure hours for they will be standing in lines waiting for food like they do in other nations now. They won't have any one to blame it on except themselves and their big brother for there won't be very many farmers left to blame.

Sincerely,

Janet L. Reed.

HEARING BEFORE THE SUBCOMMITTEE ON CRIME OF THE HOUSE COMMITTEE ON THE JUDICIARY ON REAUTHORIZATION OF THE LAW ENFORCEMENT ASSISTANCE ADMINISTRATION

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. CONYERS. Mr. Speaker, I am pleased to announce that the Subcommittee on Crime of the Committee on the Judiciary will commence hearings on the reauthorization of the Law Enforcement Assistance Administration and amendments to the Crime Control Act of 1973. The first 2 days of hearings will be held on Thursday, February 19 and Friday, February 20, at 10 a.m. in room 2141 of the Rayburn House Office Building.

Testifying on February 19 will be Elmer B. Staats, Comptroller General of the United States, accompanied by staff members, and Dean E. Kim Nelson, dean of the Center for Public Affairs of the University of Southern California. On Friday, February 20, Robert Merriam, Director of the Advisory Commission on Intergovernmental Relations will be testifying.

Those wishing to testify at a future hearing or to submit a statement for the record should address their requests to the Committee on the Judiciary, 2137 Rayburn House Office Building, Washington, D.C. 20515.

A SALUTE TO THE SISTERS OF THE BLESSED SACRAMENT

HON. ROBERT N. C. NIX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. NIX. Mr. Speaker, February 12 marks the anniversary of the founding of a remarkable Roman Catholic religious order, the Sisters of the Blessed Sacrament. This religious society was founded in 1891 by a Philadelphian, Katharine Drexel, and dedicated to "the uplift, the education, and self-determination of the black and native Americans of our Nation."

One of the fruits of the long labors of the Sisters will be shared with the public on April 1 at the Academy of Music in Philadelphia when Opera Ebony makes its debut with the performance of Verdi's "Aida." Opera Ebony, which was established by Sister Elise, Sister of the Blessed Sacrament, is a unique new opera company which serves as a showcase and training company for emerging black artists in the field of opera.

Mr. Speaker, I salute the Sisters of the Blessed Sacrament on their anniversary and on their outstanding record of service to blacks, to native Americans, and to the cause of brotherhood and human advancement. I offer for the record a letter from Sister Mary Ellen Quilty, along with additional details on Katharine Drexel and on Opera Ebony·

Dear Mr. Nix: This being the Bicentennial Year of our nation, our minds are focused on the achievements of great Americans. And, we might add, in this International Women's Decade, we are pleased to tell you of the achievements of a great American woman, Katharine Drexel.

In 1891 she founded a religious group of women under the title of the Sisters of the Blessed Sacrament, who throughout these past eighty-five years have worked for the uplift, the education, and self-determination of the Black and Native Americans of our nation. On February 7, 1976, alumni members from Washington, New York, and Philadelphia, will gather here at our Motherhouse, where they will celebrate with us our 85th anniversary. His Excellency, Bishop Eugene Marino, of Washington, D.C., will officiate at the Eucharistic Liturgy.

Katharine Drexel, born November 26, 1858, was the daughter of Francis Anthony Drexel, noted banker of Philadelphia. Along with his brothers Anthony and Joseph, he continued at home and abroad the banking business founded by their father, Francis Martin Drexel. It might be of interest to you that the oil paintings of the elder Drexel are now on display during this Bicentennial Year at Drexel University, founded here in Philadelphia, by the son Anthony. Katharine followed the philanthropic example of her noble ancestors by giving to the work of her apostolate among the Black and Native Americans her entire income until her death in 1955.

It should also please you as our Representative, that on April 1, 1976, the opera AIDA will be performed at the Philadelphia Academy of Music by an all Black cast. This will be the initial effort of National Opera Ebony, established in November, 1974, by Sister Elise, Sister of the Blessed Sacrament. This performance is being sponsored by these sisters as a contribution towards the Bicentennial recognition of the achievements of all Americans. See the enclosed leaflet for further details.

We hope the above bits of information will be of interest and pride to you as a public official representing our state, its needs and contributions, in Congress. We hope that you might see fit to mention these items on the floor and that they might find place in the Record. We pray the living God give you light and inspiration in your work to see what is best to be done, as well as the courage and integrity to do it.

Yours respectfully,

Sister Mary Ellen Quilty,

SBS, Director, Office of Communications.

Katharine Drexel

Katherine Drexel, born in 1858 of a wealhy family, was a woman of compassion and justice. At a time when few people were concerned with, or even aware of the unhappy and neglected plight of Native American and Black peoples of this nation, she dared to embody her social concern by giving herself totally as a religious and by founding the Sisters of the Blessed Sacrament on February 12, 1891, to serve the needs of these two races.

However, as a laywoman as early as the 1880's, she had already given her personal financial contributions for the establishing of 14 boarding schools for Native Americans in 8 different states. Soon aware of the fact that a similar need existed among the Blacks of this country, particularly in the cities as well as in the rural areas of the South, she embraced these also in her concern. She built churches and schools, staffing them with her sisters, throughout the land. The list of her benefactions reads like an abridged version of a telephone directory.

In the Bicentennial year as the Sisters of the Blessed Sacrament celebrate 85 years of dedication and commitment to the needs of Native Americans and Blacks, they rejoice that Katharine Drexel responded with vision and zeal to the needs of the poor and forgotten in America. Her courageous and straightforward spirit continues to spark the apostolic activities of the Sisters of the Blessed Sacrament among Native Americans in schools of the Southwest, or in northern and southern schools including Xavier University of Louisiana in New Orleans which she founded in 1925.

Katharine Drexel's desire that the Black People and Native Americans assume leadership within our American system continues today among the members of her congregation. Together with these two races the Sisters of the Blessed Sacrament are striving for the achievement of the brotherhood of all men. They continue to take steps toward this future "oneness" as they recognize the demands of justice in the claim of Native Americans and Blacks of this nation to self-determination. The sisters pledge their full support to this claim, a pledge which includes their willingness and desire to follow the leadership of these two races in determining the ways and means to reach this goal.

On March 3, 1955, Katharine Drexel at the age of 97 passed into a new life out of death.

NATIONAL OPERA EBONY

National Opera Ebony was formed on November 15, 1974 to create performance opportunities for Black opera singers so they might gain the necessary professional experience to develop fruitful and musically rewarding careers.

Opera Ebony strives to enhance the careers of Black conductors in the operatic field and to develop these careers to their fullest. The works of Black composers of opera will be performed whenever possible so these gifted artists may be recognized for their contribution to the field of classical music. The encouragement of Black stage directors, set designers, lighting technicians, and those involved in the business of management and ownership is another objective.

National Opera Ebony is an outgrowth of Opera South, the acclaimed company located in Jackson, Mississippi which was created by Sister Elise as a further development of her campus opera company which she began at Xavier University in 1935.

Sister Elise holds a Bachelor of Music Degree from Catholic University, a Master of Music Degree from Louisiana State University and an honorary doctorate from Delaware State University. She is the National Executive Coordinator of Opera Ebony.

PUERTO RICO FROM AN AMERICAN POINT OF VIEW

HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. BOB WILSON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

PUERTO RICO FROM AN AMERICAN POINT OF VIEW

(Speech by Garry Hoyt to Hato Rey Rotary, Nov. 23, 1975)

As some of you may be aware, I have from time to time spoken out on issues here which I felt deserved debate. These excursions of candor have not always met with universal acclaim. But since popularity was not my goal, I can hardly be distressed at not achieving it. It was not necessary nor even desirable that people agree with me, only that they consider my thoughts, and others, on the way to forming their own. As to the insults—well, from quarters where flattery would be insulting, insults must be taken as flattery.

My father taught me, and I hope to teach my children, that not speaking up in a democracy is not being discreet—it is being irresponsibly foolhardy. Silence is as dangerous to democracy as speech is to dictatorship. Because your silence is construed to be both knowledge and consent, which makes you, not an innocent bystander, but an accessory to the crime.

We in the business world are particularly remiss on this count. Myopically intent on the bottom line, we curry favor with whatever government is current, and above all, we avoid controversy—because "it might be bad for business". Aside for its civic cowardice, this kind of policy fails even in terms of the narrow business expediencies it pretends to serve. The low profile carries some very high risks, for when you are not seen or heard, you are not considered, and very quickly you get a government which thinks the answer to a business downturn is D.A.C.O. or some similar bureaucratic aberration.

Edmund Burke said: "All that is necessary for the powers of evil to succeed in this world is that enough good men do nothing". Our problem here in Puerto Rico is not so much with the powers of evil as with the forces of foolishness. So having said that, let's have at them.

If there is one thing all parties here could agree on, is that we are currently experiencing a severe crisis. My concern is that in this crisis the people of Puerto Rico are unknowingly being nudged towards an artificially staged confrontation which they have not consciously sought, and whose consequences they do not fully foresee. That confrontation is with the American point of view. My qualifications to speak on this subject are simply that I am, by accusation and admission, an American.

In the stormy seas and contrary currents of political thought in Puerto Rico, there are two basic beacons by which reasonable men can be guided. The first is that the overwhelming majority of Puerto Ricans have approved some sort of continuing relationship with the United States. The second is that the economic well being, indeed the daily survival of Puerto Rico, depends directly on continued trade and aid from the United States.

Somewhat like two navigational range lights, these two beacons—if kept in line—mark a checked out channel. If the beacons get out of line—then you are out of the channel, without the security of charted depths, and without the consent of your constituency.

Our current leaders in Puerto Rico, lured by the Lorelei of separatism, have allowed their view to be distracted from the two basic beacons, with the result that we have drifted off course, out of the channel, without fully realizing it. And so they press on in stormy conditions, under dangerously full sails, in dangerously shoal waters. Let's try to find where the way was lost.

The approval of a continued relationship with the United States was affirmed here by two plebiscites and can be fairly described as a free democratic choice.

Puerto Rican dependence on United States trade and aid is better described as a grim economic choice. I say grim because nobody wants by choice to be dependent, and aid inevitably becomes a leash that confines, as well as a pipeline that provides. In fact, ironically, the more amply the pipeline provides, the more quickly is created a situation where its vital qualities of provision tend to be obscured by its attendant qualities of restraint.

It has been the natural, but fateful miscalculation of our current leaders to respond to the minor annoyances of the leash rather than the major necessities of the pipeline. So they have busied themselves with picking at what they perceive to be the knots in the leash, without realizing that these are, to a larger sight, the joints of the pipeline.

Whatever else this behavior might be accused of, it has been, above all, a case of mistaken priorities. Because the primary need of Puerto Rico is not—for example—for more control over immigration to the island, but for the re-establishment of the favorable economic conditions that made some immigration attractive in the first place. There's a sad laugh in this detail. While occupied with this thinly disguised attempt to keep a few smart Cubans off the island, we managed a supplementary series of moves that succeeded in shattering the confidence of the business climate here to the point that no smart Cuban would want to come at all. So we solved the problem, but this was a Pyrrhic victory of pronounced proportions.

The real tragedy of these mistaken priorities is that for small gains in marginal areas—which are important to only a few selected egos—Puerto Rico is being forced to strain the close relationship with the United States—which is important to virtually every Puerto Rican.

How is this so? Well, the sleeping giant we are so diligently kicking in the shins is American public opinion. A clumsy giant, admittedly, slow to awaken, unwieldy in gesture and often uncertain in direction. But this is the most formidable free force in the world today, and when it floods forward, Presidents tumble, men rocket to the moon, just wars are won and unjust wars are ended. Not a force to trifle with, not a force to quibble with.

The people of Puerto Rico do not have to *accept* the American point of view, but they must *consider* it if they wish to keep alight and aligned the two basic beacons of continued association with the United States, and continued trade and aid from the United States.

Because in any sort of relationship you have to be aware of the other's feelings if you wish the partnership to prosper.

Unfortunately, between the unwillingness or the inability of the Puerto Rican government to understand the American point of view, and the failure of the United States government to articulate it, the people of Puerto Rico have been denied the opportunity to properly consider the opinions of this majority partner in the relationship that so vitally affects their everyday well being.

I do not hesitate to fault the United States Congress for laziness and neglect in this regard. Congressional ignorance on Puerto Rico is profound, which is insulting to the three million citizens of Puerto Rico, and irresponsible to the 220 million Americans who annually put up over Two Billion dollars in Federal funds to Puerto Rico.

In practice, American benevolence is directly devalued by this Congressional ignorance. Because no amount of money can buy out the penalties of neglect, and undirected dollars quickly become misdirected dollars.

The United States has been the typical overindulgent, but essentially lazy, parent who pays great wads of money, but very little attention, and is now dismayed to find the child has grown up as unappreciative of the benevolence as he is dependent on it.

But if the United States has been the neglectful parent, so Puerto Rican leaders are now acting the spoiled child. A painfully accurate characterization of their attitude would be "Don't tell me what to do—just keep sending more money." Unfortunately, whereas the tolerance of parents is almost infinite, the patience of any public is definitely finite—there are limits beyond which it will not stretch.

One has only to reflect on the almost cynical indifference with which most Americans view the fiscal plight of New York to judge that the United States public is currently in a very testy mood. This is hardly the time for tantrums on Puerto Rico's part

So, simply because Puerto Rico has so much at stake in the United States connection, it is vital that people here carefully analyze the probable reaction of American Public Opinion to the new thrust of Commonwealth for autonomy. While exact reactions cannot be pinpointed, the general perimeters of American patience are not hard to predict.

First of all, let's take the word autonomy. Autonomy means independence. More autonomy means more independence, and full autonomy means full independence. There is nothing necessarily wrong with any of these, except when leaders try to disguise steps toward autonomy from what they really are—steps toward independence. Regardless of the rhetorical smokescreens here on the island, American public opinion, and indeed any reasonable observer, will see these requests for more autonomy as a plan to move Puerto Rico away from the United States towards independence. The American problem is not with any such plan for independence, but with the extraordinary way it comes packaged with demands for more U.S. aid.

Governor Hernandez Colon has stated publicly that he sees no contradiction in his asking for less ties with the United States at the same time he asks for more money from the United States. The Governor is entitled to his opinion, but American public opinion, which puts up the money, will see this as a massive contradiction, which is exactly what it is.

The repeated insistency of leaders here that Puerto Rico has a separate identity and cultural heritage that requires special treatment from the United States seems on the surface a reasonable liberal minded request. But examine for a minute the audience from whom you are demanding this special treatment. The American public is composed of many diverse people, all of whom have as much pride, and as much cause for pride in their various homelands, as Puerto Ricans have for Puerto Rico. We can be certain that the English, Italians, Scandinavians, and Slavs, who came to America, all left their mother countries with tears in their eyes and aches in their hearts. But they needed the combination of personal libertly and economic opportunity that the United States, better than any other nation in the world, was able to offer. And because in this world you don't get something for nothing, these immigrants, in honorable exchange for the freedom and wealth of America, superimposed on their natural national identities a new primary allegiance to America.

Simply stated, they became Americans first, and Italians, Greeks, Poles or whatever, second. This does not mean that they lost their cultural heritage, but it does mean that they established a new precedence for their loyalties.

It is this precedence of loyalty, and not the exclusion of other loyalties, that is the very essence of citizenship. This precedence was put to the ultimate pressure test in the last World Wars, where Americans of direct German, Italian, and Japanese lineage were called upon to take up arms against their homelands. One can imgine the emotional wrench of this decision, but the records of bravery indelibly show they put their American citizenship foremost in an acid test of loyalty.

Yet the simple statement "I am an American first" is something I have never, in twenty years here, heard any politician of any prominence, say. On the contrary, they go out of their way to proclaim they are Puerto Ricans first, and become Americans—somewhere down the line most notably when they are in Washington lining up for more American aid. I just wish some politicians here would have guts enough to cut through this chauvinistic sham and state the plain truth, which is that if Puerto Rico wants to stay part of the United States, people here are going to have to begin to place an American identity first. I do not suggest that this is an easy choice, *only that it is a choice that every other American has made.*

You cannot reasonably expect the 220 million citizens who have made their commitment to an American identity to extend a special kind of United States citizenship, plus special aid, to three million Puerto Ricans who by the actions of their leaders seem reluctant to make a similar commitment. Nor can you rationalize the special needs of your special culture to Americans who come from many cultures, each with as much reason to separate pride, as Puerto Rico.

To the American point of view, the low estate of English instruction on the island is yet another persistent reminder of the low esteem that Puerto Rican leaders have had for even the basic courtesy of learning the language of the nation of which they are ostensibly citizens. Beyond the insular naivety of not acquiring what happens to be the International language, and the cultural cost of missing Shakespeare, Shaw, and Hemingway—this indifference towards the most elementary aspect of American citizenship will be viewed with amazement by the millions of immigrants who sweated to acquire English as part of their price for belonging.

The magnitude of the linguistic shortsightedness was vividly brought home to me by the recent comments of some representatives of my company who have just started doing businesss with Red China. Reporting on their impressions of the People's Republic, they marvelled at the intensity with which the Chinese approach the instruction of English. China's reasons are, of course, utterly pragmatic—they see English simply as a necessary tool. But, could there be a greater paradox than that in the People's Repubic of China, the sworn ideological enemy of the United States, the instruction of English is more determined than in Puerto Rico, which for 50 years has been part of the United States?

The list of discrepancies goes on—literally as far as one's curiosity to explore them. True, Congressional curiosity about Puerto Rico has been almost non-existent, but our recent Ad Hoc requests for less ties and more money are going to change all that, because now even the most lethargic Congressman will be forced to examine the record in Puerto Rico, and his eyes are going to be very opened. He will discover, for example, that the 700 million dollars American tax payers put up for just the Food Stamps in Puerto Rico are almost 15% of the U.S. National program, to which Puerto Rico contributes nothing. This expense is more than the entire National budget of Santo Domingo, and more than the total of all the Individual and Corporate Income Taxes Puerto Rico collects for itself. If Congressman "X" has even minimal interest in properly representing his constituents, he is going to become very quickly concerned, and Puerto Rico does not stand to benefit from this concern.

In succinct summary, the American point of view to these Ad Hoc maneuvers is likely to be: "Here are the rules of the Club. If you don't want to join, fine, that is your privilege—go form your own Club. But don't expect 220 million Americans to change the rules for 3 million Puerto Ricans who don't even pay their dues".

My own view is considerably less abrupt. I am an American who knows and loves Puerto Rico well. But as an American, I cannot subscribe to the new course of Commonwealth because it seems designed to exploit United States citizenship rather than support it. *In my opinion, this is a course that lacks both honor and practicality.*

I urge the people of Puerto Rico to keep in mind that you can either embrace United States citizenship or reject it, but you cannot bargain with it, because American citizenship is not a negotiable item. And if you allow misguided leaders to treat it as such, they will end by tauting American public opinion to an exasperated overreaction that you may not like and certainly can't afford.

Remember that the Americans are weary of paying other people's bills, they are angered by the way their cities are bombed in the name of Puerto Rican patriotism, they are embarrassed by the Third World charges that Puerto Rico is a colony, and they are confused by Puerto Rico's reluctance to assume the obligations that all other Americans share. This is not an atmosphere conducive to one way demands. Push the American public too far, and they will eventually respond by pushing you. That is not a threat, it is a human reality.

Perhaps the best evidence of the truth is the way the "Independentistas" have shifted their terrorist tactics completely to the United States. They recognize that it will be far simpler to irritate American public opinion away from Puerto Rico than to alienate Puerto Rican public opinion away from America. This is a clever strategy, which has been dangerously supplemented by the Ad Hoc maneuvers for autonomy. Because these Ad Hoc moves,—which were obviously designed to mollify the strong separatist sentiment within the Popular Party—are not strong enough to curb the separatist appetite, but they will be quite sufficient, when combined with terrorist bombs—to eventually turn the Americans off.

In my own reflections, I keep being drawn back to the reality that Puerto Rico *needs* the United States, first for economic survival, but more importantly for the preservation of the democratic personal freedoms which exist here in far better health and variety than in any other Latin American country. Those freedoms are not a Spanish heritage, they are an American heritage. I find nothing in the shrill voices of separatism that would in any way reassure similar economic opportunities, or similar personal freedoms. I see in front of Puerto Rico, largely undiscovered, a proud identity, as full Americans. There is no shame in approaching this identity from a framework of need, because need was what brought most Americans to America. *But if you come in primary need, you must also come in primary loyalty.* Anything less is a hypocritical imbalance which demeans Puerto Rico as much as it defrauds America.

To have any hope of permanence, a relationship must have equilibrium. There must, over a period of time, be a rough balance between taking and giving. Otherwise, one party is being exploited, and sooner or later they realize it. It is my hope that Puerto Rican conscience will come before American impatience.

If Puerto Rico is to remain part of the United States, honor and practicality require that we do better than scramble for more food stamps and less obligations.

In the words of John Kennedy: "Ask not what your country can do for you, ask what you can do for your country".

CITY MANAGER

HON. JIM LLOYD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. LLOYD of California. Mr. Speaker, sometimes one of the most provoking people to the average city councilman or mayor in a council-manager form of government can be the city manager. One moment an ally, the next moment an adversary, the city manager has it in his power to affect the blood pressure of his council probably more than any other element in local government.

The city of West Covina, which with its population of some 73,000 is the second largest city in the 35th Congressional District, has just lost a man who I believe is one of the most effective city managers in California. On February 1, George Aiassa resigned his position as

West Covina city manager, after 18 years of very dedicated, but at times tumultuous service. The announcement, made at a regular city council meeting, was a stunning blow to the community, in spite of the fact that George had quietly rumored his retirement over the past couple months. It was assumed, however, that the 56-year-old battle scarred veteran of many years public service simply would not retire.

Irascible one moment, disarmingly charming the next, Aiassa could be as unpredictable as Washington weather. From my own personal experience, he would give me hell, and then send flowers to my wife. One could not stay unhappy with Aiassa for long.

Aiassa's strong hand guided West Covina from the problems of being the fastest growing city in the Nation in 1954 to becoming a leader among the 77 cities in the vast, sprawling Los Angeles County. He spearheaded the financing and construction of the West Covina Civic Center complex in the mid-1960's, using the newly legislated joint powers/public authority method. West Covina was the first city to accomplish such a program, and Aiassa and his staff were much in demand as advisers to the other cities contemplating such projects.

His hard work and unique ability to find available funding were responsible for another outstanding project, the expansion of the West Covina Plaza, an improvement which is expected to greatly alleviate the tax base problem the city has been facing.

But one of George's greatest loves is CORO, an organization dedicated to the pursuit of well qualified, young governmental leadership. George has worked unceasingly to find CORO interns of the highest caliber, and upon their completion of an exacting curriculum, he would do his utmost to place these graduates where they would do the most good in local government. I am sure that CORO would join with me in acknowledging George Aiassa as one of its most illustrious and shining alums.

West Covina, and certainly the cities of California for that fact, will sorely miss the Aiassa techniques in governmental operation. In fact, all of us on the everyday government scene will miss him greatly. In conclusion we say, "God bless, keep, and thank you, George Aiassa, for your leadership, sincerity, and dedication to the city of West Covina."

A TRIBUTE TO JOHN BAYLESS

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. BROWN of Ohio. Mr. Speaker, I have had the privilege to know and respect for many years a man who has devoted the greater part of his life to the service of God and his fellow man through his work at the Washington Cathedral—John Bayless. Mr. Bayless has recently retired after 45 years in various posts at the Cathedral, and I do not think his service should pass unnoticed by this House.

I will not attempt to describe this service, as I do not believe I could do it as much justice as the article from the St. Albans school newspaper which I will insert in the RECORD.

But I would like to mention a personal note about the impression this man has made on me. When I was a youngster growing up in the Washington, D.C., area, John Bayless was my Scoutmaster. I found him always to be an inspiring leader, who knew the value of leadership by example. For us Scouts, Mr. Bayless provided a shining example of what faith and moral fortitude can mean in life.

He has been rewarded for his contributions to Scouting with the Silver Beaver award, Scouting's highest tribute to a leader.

Mr. Bayless was born in Kentucky, and raised in Canada and Pennsylvania. He came to Washington, D.C., in 1931, when he began his work at the Cathedral. He and his wife, Edna, who also serves the Cathedral in the Christmas Card Department, have enjoyed 30 years of marriage.

Mr. Speaker, I would like to recommend to the attention of my colleagues the story of Mr. Bayless' service to Washington Cathedral, which was printed in the St. Albans school newspaper and was, incidentally, written by John Nassikas, the son of former Federal Power Commission Chairman John Nassikas:

JOHN BAYLESS, THE MAN OF THE CATHEDRAL, RETIRES

(By John Nassikas)

When Mr. John Bayless, Business Manager of the Cathedral Foundation, first came to the Close, the mode of transportation was steamship, and the Cathedral was being sold as a vision, a dream. His retirement this January after a forty-five year tenure of Cathedral service, ends an age in which the Cathedral has become a reality and the space shuttle our most modern mode of transportation.

Before being elected Business Manager of the entire Foundation in 1953, a position which has led to his involvement with every detail of the construction of the Cathedral, Mr. Bayless spent twenty-two years of industrious devotion in lesser jobs for the Cathedral, beginning in 1931, during the Depression, and continuing through the difficult times of World War II.

Initially, Mr. Bayless came on a short-term appointment as Assistant to the Curator. However, he immediately became caught up in "the challenge and opportunity, not only for service to the Cathedral, but also for service to God and the Church." In order to satisfy his intense interest in the Cathedral and the Close, Mr. Bayless spent every night in a library for four years, making a study of Cathedral lore. Through this study he gained a yet-to-be-matched ken of all aspects of the Cathedral. As Canon Charles Martin, Headmaster of St. Albans, says, "Mr. Bayless knows more about the Cathedral than anyone else around."

After his "short-term appointment," Mr. Bayless rapidly advanced through a succession of progressively more important jobs. Within two years he became Curator. Next he was given oversight of the Gift Shop, then of the Bookroom, and finally of the Herb Cottage. Mr. Bayless' next responsibility put him in charge of personnel. In 1942 he was given oversight of the Christmas Card Department, and finally, in 1953, the Chapter of the Cathedral elected Mr. Bayless Business Manager of the entire Foundation.

One accomplishment of Mr. Bayless that is especially respected is his success with the Christmas Card Department. This section of the Cathedral was initiated in 1925 to combat the alarming trend toward a secular theme in the greetings of this country by offering cards that reflect the Nativity story or at least some religious aspect. However, when Mr. Bayless took over, the Department was hurting financially. Within one year he doubled the income and gradually built up the purely missionary effort to the present volume of 4,000,000 cards per year.

Mr. Bayless expresses his attachment to the Cathedral in many ways. "Unquestionably this Cathedral is the greatest missionary opportunity in America today. Most people are not attracted here by faith or zeal but merely by the chance to see a tomb or the Gothic architecture or the stained glass—some mundane motive." Mr. Bayless adds, however, that the visitors find more than what they bargained for—they become inspired and even religious. One of the greatest effects of the Cathedral, Mr. Bayless believes, is that the structure attracts from without the multitudes to whom the Cathedral, because of its awe-inspiring power, "sheds its blessing."

Mr. Bayless believes that "All cathedrals reflect the social and religious history of the time in which they are built." The difficulty of impressing a people with the reality and value of a cathedral, which few had ever seen, the intitial cost/time construction estimate of $10 million and ten to twelve years that exploded into a $45 million and eighty-year undertaking, the work in "the shadow of the Cathedral"—all these have added to an experience that, in the words of Mr. Bayless, made "every day a fond memory." As Canon Martin puts it, "His experience can never be duplicated."

Mr. Bayless is retiring January 1 with fond memories. "Such a marriage as I have had with the Cathedral for forty-five years does not end with ease." He pensively continues, "I am somewhat assuaged by the fact that 'I've seen the glory,' the completion of the Nave, that beautiful vision that I once sold as a dream. The Nave, the most beautiful in all Christendom, almost compels the beholder to kneel on entering; one must feel the presence of God here." Moreover, Mr. Bayless feels, "What I shall miss most is the people, and the ministry that has been mine as a layman."

Mr. Bayless colleagues admire him as one synonymous with the Cathedral for the forty-five years he has been here in an infinite number of capacities. One colleague says, "Mr. Bayless is a wonderful, warm man, full of human understanding and love, and knowledge of this Cathedral." Mr. Bayless believes that at the Cathedral, "the spirit lives on," and he can be assured that his spirit and inspiration have been forever preserved within the "shadow of this great Cathedral."

WHITE HOUSE PRESSURE

HON. LARRY PRESSLER

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. PRESSLER. Mr. Speaker, it is with regret that I find myself compelled to insert into the RECORD the following documents. I am a Member of Congress who sincerely believes that the tone of the White House Lobby Office is heavy-handed when it chooses to be. I have read newspaper accounts of this regarding other Congressmen and I am inserting those articles at the end of my statement. My complaint is this: First, I felt a political threat was made to me by a

White House lobbyist last week concerning my vote on the natural gas deregulation issue; and second, when I wrote President Ford on this issue and made the letter public, that lobbyist told a leading newspaper in my district that I was "paranoid and defensive, typical of a freshman Congressman." He also said my vote would restrict natural gas development in South Dakota and that I had voted as I did because I yielded to labor pressure. Both of those statements are false. I feel a White House lobbyist has a right to rebut my charge, but as any reader of the following documents will discern, the White House lobbyist in question went far beyond rebuttal and made a political attack.

Mr. Speaker, I am an independent-minded Congressman and I will not stand around silently when I believe fundamental ethics are involved.

Mr. Speaker, I wish to insert the following press releases, letter, and newspaper accounts that unravel this complicated story:

Press Release of Congressman Pressler—February 10, 1976

Washington, D.C.—South Dakota freshman Congressman Larry Pressler (R-S.D.) today inserted material concerning the activities of the White House Lobby Office into the *Congresisonal Record*. Pressler said that he was certain that President Ford was not aware of the tone of activities by the Lobby Office and Pressler inserted five newspaper articles recounting his difficulty and the difficulties three other Representatives (two Republican and one Democrat) have had recently with the White House Lobby Office. Congressman Pressler charged that taxpayers' money was being used for political purposes. The Congressman inserted into the Congressional Record an account of a political threat made to him last week by a White House lobbyist who told him he would be in "political trouble" if he voted against the Administration on the natural gas vote. The Congressman also inserted into the Record, the White House lobbyist's subsequent attack on Pressler in the leading paper in Pressler's home district in South Dakota. Vern Loen of the White House staff called Pressler "paranoid and defensive" and stated that his reaction to lobbying efforts were "typical of a freshman Congressman." In a story printed on the front page of The Argus Leader, the principal newspaper in the freshman Republican's district, Loen also said that Pressler had voted for the Smith natural gas amendment "due to heavy lobbying effort by the labor forces." Loen continued, "His vote on this particular bill will restrict exploration and development which South Dakota needs." Pressler said he had not been contacted by a single labor lobbyist on this particular vote and that he had held a seminar on natural gas in his home district and had determined that smaller companies were willing to explore supplying South Dakota with more natural gas while the major gas companies seem to ignore it. "I voted my conscience and in my district's interest in this matter" said Congressman Pressler.

Pressler said that he would never respond to this type of negative threatening lobbying. He said he was astounded that the White House Lobby Office would issue such a critical statement of a Republican Representative in his home district. Pressler said that he did not believe that President Ford was aware of the Lobby Office's activities. The freshman Congressman said that he was taking the regrettable course of inserting into the Record, newspaper articles of his difficulty with the White House Lobby Office and an explanation of his vote on natural gas. Pressler said that his action was not aimed at any individual in the White House but rather raised the question of whether essentially a political function should be performed at taxpayers' expense. Pressler pointed out that each Federal agency has an extensive Congressional and legislative liaison office and that the duties performed by the White House lobbyists appeared to be largely political in nature.

Pressler also inserted three previous articles in the Record concerning previous activities of the Wihte House Lobby Office. They were "2 G.O.P. Maine Representatives Charge White House Pressure for their Votes," Friday, December 19, 1975, The New York Times; "Ford Lobbyist Losing Friends on Hill," Thursday, May 8, 1975, The Washington Post, (by Jack Anderson); and "'Brass Knuckle' Tactics in the White House," Wednesday, January 7, 1976, The Washington Post (Evans and Novak). Pressler said that the three articles plus his experience indicate that the "hard ball" politics of the Nixon days is still practiced in Mr. Ford's White House—but the South Dakota Congressman said "I can't believe Jerry Ford is aware of it."

[From Sioux Falls Argus Leader, Feb. 9, 1976]

Pressler's Charges of Administration Threats Denied By White House Aide

(By Paul Panlund, Argus-Leader Staff Writer)

U.S. Rep. Larry Pressler said Monday he felt relieved that he has publicized the "heavy-handed" methods of White House lobbyist and former South Dakotan Vern Loen.

Loen, in a telephone interview from Washington, sharply reacted to Pressler's claims that he threatened the freshman congressman to vote with the administration. Leon called Pressler "paranoid and defensive," adding that his reaction to lobbying efforts were "typical of a freshman congressman."

The issue was brought to the forefront when Pressler sent a letter to President Ford Friday telling the President that the type of lobbying which had been aimed at him would be "counterproductive."

The congressman continued that the president should inform his staff that "If their approach is to have any type of threat involved in it—implied or actual—that their lobbying will be counterproductive with me."

Pressler said he decided to write the letter after pressure on him to vote with the administration on last week's natural gas bill. Pressler voted against the White House in the final vote.

In his letter, Pressler quoted Loen as saying that the White House has done "more favors for me than any other freshman." He also said Loen told him that "he could be in trouble" if his high standing of opposition to the President continued.

Loen said he "categorically denied" that he made any threats to Pressler, and that he felt he was being unfairly criticized for "just doing his job."

He said he was disappointed with Pressler's vote on the natural gas bill, adding that Pressler and one other Republican had been the key to the White House defeat.

Loen said it had been his impression that Pressler was "right on board" on the natural gas issue, but due to a heavy lobbying effort by the labor forces switched his vote.

"His vote on this particular bill will restrict exploration and development which South Dakota needs," said Loen. "He just seems to flop back and forth."

Pressler said that other congressmen had trouble in their dealings with Loen, but Loen denied the charge. "I couldn't have survived for 18 years here if I didn't operate fairly," he said.

Loen, who is deputy assistant to President Ford for legislative affairs with the House, was a staff writer on the Argus-Leader from 1953–58 before serving on several congressional staffs. He was appointed to the White House staff as a special assistant under President Nixon in 1973.

He said that in the future he would let somebody else deal with Pressler, because he didn't see any way he "could get through to him."

Pressler said in his letter that he understands that Loen might take a special interest in his voting since he is from South Dakota but that he would never respond to this "negative, threatening" type of lobbying.

"I'm sure he (Loen) feels very strongly about the things he is lobbying for," Pressler said, but added he could not tolerate the situation as it stood any longer.

"I have wanted to get this off my mind for some time," Pressler said Monday. "I feel good now that I have gotten it off my chest."

Loen is the son of Mrs. Selima Loen, 3101 S. Lake Ave., and has other relatives in the city and state.

[From Sioux City Journal, Feb. 8, 1976]

Pressler Battles White House Pressure

(By Andy Montgomery)

Journal Washington Correspondent

Washington.—U.S. Rep. Larry Pressler, R–S.D., has complained directly to President Ford of political intimidation by a chief White House lobbyist to force him to toe the administration line on key legislative votes.

In a letter dated and delivered to the White House Friday the South Dakota Republican advised the President that "I will not yield to any form of political threats" from Ford's White House aides.

The freshman legislator's main target was former South Dakotan Vern Loen, who heads the President's House Congressional liaison team. Loen has relatives in Sioux Falls and Rapid City as well as uncles and an aunt, Elmer Langorgen, and Mr. and Mrs. Irvin Meyer in Sioux City.

In his letter, made available to The Journal, the First District Congressman outlined what appeared to be a pattern of actual and veiled threats by Loen in which Pressler's support of the President was equated with the legislator's re-election chances. What brought the issue—and Pressler—to the boiling point was his votes on natural gas deregulation this last week.

"I would like to point out," he told the President, "that I do have a very independent voting record and it is not always very favorable to White House positions."

"But," he continued, "I will not tolerate this type of lobbying. It is counterproductive with me and I hope you will pass the message to your people that if their approach is to have any type of threat involved in it—implied or actual—that their lobbying will be counterproductive with me."

Pressler informed the President that "I am sorry to have to write this letter, but I felt that it is the appropriate thing to do."

In an interview, Pressler said he decided to take the direct approach because "I just got fed up with Loen." In the lobbyist's contacts with him, he said, Loen has adopted a "negative threatening tone. I just got tired of it."

It has been learned from independent sources that Loen dropped the word to party people during visits to Pressler's First District that "It would be nice" if Republicans mounted primary opposition to him.

From still other sources it is known that Loen has frequently jabbed at Pressler and his voting record in conversations with South Dakotans visiting Washington.

The one-time aide to South Dakota's Sen. Francis Case and Rep. Ben Reifel has earned a reputation among Republican Congressmen on Capitol Hill as a "heavy-handed, very political" lobbyist whose intense loyalty to President Ford—and President Nixon before that—sometimes blinds him to the political realities faced by those seeking reelection.

Within the last year, Loen has rebuked, at a public reception, Rep. Berkley Bedell, D–Iowa, for opposing a bill which would have authorized President Ford use of U.S. Armed forces to evacuate Americans and South Vietnamese from Saigon. He also has drawn the ire of New England Republicans for hinting a judgeship they wanted would be forthcoming in return for support on a vote desired by the President.

Loen was not available for comment on Pressler's letter to the President. A secretary in his White House office said Saturday, "There is no way he can be contacted this weekend." She declined to give his whereabouts and repeated telephone calls to his residence were fruitless.

Max L. Friedersdorf, Loen's boss and chief of the White House legislative operations, also was not available for comment. A secretary in his office said Saturday he was "Out of town until Monday."

But it is known that the White House is upset over the letter and the charges made by Pressler. Its contents were discussed with Pressler by close presidential counselor John Marsh Jr., on Friday afternoon. Although he was reluctant to discuss Marsh's views, Pressler did say that Marsh did not want the letter released to the press. (Marsh was not available for comment either.)

Also, Friedersdorf was observed leaving Pressler's office late Friday. The lengthy meeting was initiated by the White House aide. Pressler again hesitated to speak for Friedersdorf but did say, however, that the official raised no objection either way to release of the letter.

As a result of the Friedersdorf meeting, the Congressman said he felt strongly that there will be a better working relationship" with the White House.

From a non-Congressional source it has been learned that Loen, having second thoughts on the intensity of his contact with Pressler, advised Friedersdorf of the details before the legislator exploded in the letter to the President. Loen was told to apologize to the congressman, which he did.

In his letter, Pressler referred to the "Most gracious apology over the phone from Vern Loen concerning conversations we have had this week concerning yesterday's (Thursday's) votes on deregulation of natural gas . . ."

(Pressler sided with the opponents of complete deregulation, a course sought by the President and the gas industry. The President and the gas industry suffered several stinging setbacks in the House voting.)

Continuing, the freshman noted that "In an earlier conversation with Mr. Loen I felt that his urging me to vote for total deregulation had a heavy threat to me in it. Mr. Loen pointed out to me that the recent Congressional Quarterly report, listing me as having opposed the Administration on many issues, combined with a vote against gas deregulation might cause me great difficulty in the next elections."

(Congressional Quarterly, an authoritative publication keeping tabs on legislation and votes, reported that Pressler had a 56 per cent voting score in opposition to the President. The study was based on 182 out of 1,214 votes by the Congress during 1975. Pressler parts company with the President mostly on issues such as Vietnam, Angola, foreign military aid and foreign assistance, and on the President's domestic farm policy which he feels has been harmful to South Dakota farmers.)

Pressler mentioned and attached two messages taken by his secretary from Loen on Friday morning.

In the first, according to Pressler in the letter to Ford, "Basically Mr. Loen said . . . that I have let him down on the deregulation vote . . . and if I wanted any future favors from the White House I should call the AFL–CIO."

In the second message, taken while Pressler was at lunch, he said "Mr. Loen . . . asked whether or not I have been calling the 'AFL–CIO guys' ". Upon returning Loen's call monitored by Pressler's secretary at his request, the congressman said the aide "apologized for the tone of our earlier discussion but he again reiterated that with my high standing of opposition to the President and this vote I could be in trouble."

In the same conversation, he told the President, Loen "said that the White House had done more favors for me than any other freshman . . ." The legislator informed the President that "I am not certain what all those favors have been but I do appreciate any friendliness the White House has shown me."

He also told Ford that "I did appreciate Mr. Loen's telephone call of apology this afternoon." But he underscored that "the point I want to make is that I do not respond to this negative, threatening type of lobbying."

[Press Release of Congressman Pressler, Feb. 9, 1976]

Pressler Responds to White House Lobbyist and Describes Vote on Natural Gas

Washington, D.C.—Congressman Larry Pressler said today that the new natural gas bill will provide greater competition and free enterprise in the natural gas industry. He said the bill also would result in lower prices and more natural gas to South Dakota consumers. The bill for which Pressler voted provides for total decontrol for small gas companies but leaves controls on the major oil companies. Pressler said the lobbying efforts by the major oil companies and the White House were the most intensive he had seen in his 13 months as a freshman Congressman. Pressler had complained in a letter to President Ford last Friday that White House lobbyist, Vern Loen, had told him that he should vote for total decontrol of prices for the major oil companies or he would be in "political trouble."

In an interview with the Sioux Falls Argus Leader today, Loen called Pressler "paranoid and defensive," adding that his reaction to lobbying efforts "were typical of a freshman Congressman. Pressler said he hoped "that his attitudes about lobbyists—and especially those representing the views of the major oil companies—do not change." Pressler said, "For nearly three months I have carefully studied the natural gas situation, including holding a seminar in South Dakota last November. Experts were present from South Dakota; from Texas gas companies; and from Washington, D.C. Not a single major oil company had any plans to bring more natural gas to South Dakota but over 20 small companies would like to do business here. The bill which I voted for provides total deregulation for at least 1000 small natural gas companies which produce about 75% of the new finds. The bill also provides for continued regulation on the major oil companies which make only 25% of the new finds.

Pressler said that total decontrol as suggested by the White House and the oil majors would allow the major oil companies to set prices and destroy competition by eliminating the smaller companies. Pressler said, "I voted as I did to increase competition and free enterprise and to keep prices down."

Pressler continued, "Twenty-four South Dakota communities have a moratorium on the supply of natural gas to new customers. If South Dakota is to develop its own natural gas it will have to come from one of the smaller companies." Congressman Pressler said that "the same logic applies to a total decontrol of the airlines industry. If there were a total decontrol of the airlines, South Dakota would lose most of its service. For those same reasons I voted for decontrol for small natural gas producers rather than total decontrol for the majors. I am convinced that this will result in more competition in the natural gas industry; in more natural gas for South Dakota and for the nation."

Pressler concluded: "The tone of the interview granted by Mr. Loen in my home district today shows that he is intent on carrying out his political threats."

Congress of the United States,
Washington, D.C., February 6, 1976.

Hon. Gerald R. Ford,
President of the United States,
The White House.

Dear Mr. President: I have just received a most gracious apology over the phone from Vern Loen concerning conversations we have had this week concerning yesterday's votes on deregulation of natural gas and the Krueger amendment.

In an earlier conversation with Mr. Loen, I felt that his urging me to vote for total deregulation had a heavy threat to me in it. Mr. Loen pointed out to me that the recent *Congressional Quarterly* report listing me as having opposed the Administration on many issues combined with a vote against gas deregulation might cause me great difficulty in the next elections.

This morning, after yesterday's vote, Mr. Loen telephoned my office and, although I was in a meeting, I received the attached note from a very reliable secretary in my office. Basically, Mr. Loen said to give me a message that I had let him down on the deregulation vote yesterday and if I wanted any future favors from the White House, I should call the AFL–CIO (copy of message attached). Later Mr. Loen called again when I was out of the office for lunch, in which call he asked (as the second message attached indicates) whether or not I have been calling the "AFL–CIO guys," and my secretary said she did not know. When I finally called Mr. Loen back, I asked my secretary to remain on the line and he apologized for the tone of our earlier discussions, but he again reiterated that with my high standing of opposition to the President and this vote, I could be in trouble. He said that the White House had done more favors for me than any other freshman—I am not certain what all those favors have been, but I do appreciate any friendliness the White House has shown me.

I did appreciate Mr. Loen's telephone call of apology this afternoon. But the point I want to make is that I do not respond to this negative, threatening type of lobbying. It is true that Mr. Loen probably takes a special interest in my voting since he is from South Dakota, but I am very independent-minded.

Mr. President, I would like to point out that I do have a very independent voting record and it is not always very favorable to White House positions. I will not tolerate this type of lobbying, it is counter-productive with me and I hope you will pass a message to your people that if their approach is to have any type of threat involved in it—implied or actual—that their lobbying will be counter-productive with me.

I am sorry to have to write this letter but I felt that it is the appropriate thing to do. Attached are two of the telephone messages I have received today. I obviously have no record of some of Mr. Loen's and my early conversations. But I do want to have a close touch with your lobbyists and I am not given to criticize, but I am a Member of Congress—a Representative—and I will not yield to any form of political threats from Mr. Loen.

Sincerely,

Larry Pressler,
Member of Congress.

Attachments: Xerox of telephone messages from Mr. Loen—summarized next because impossible to reproduce telephone message slips in Congressional Record.

Summary of Telephone Message Slips Attached to Ford Letter

Attachments to President Ford's letter are available in Congressman Pressler's office.

They include telephone message slips for Mr. PRESSLER taken by his secretary on Feb. 6, 1976, the day after the Natural Gas vote. In the first message, which was left because Congressman PRESSLER was absent from the office, Mr. Loen said to tell the Congressman—(1) "Let him down on vote yesterday." (2) "If you want any further favors from the White House—call AFL-CIO."

Later Mr. Loen later again called Congressman PRESSLER and asked whether Congressman PRESSLER had called the AFL-CIO this morning, and PRESSLER'S receptionist said she did not know.

Upon return to his office, Congressman PRESSLER called Max Friedersdorf, Mr. Loen's boss, and complained.

TELEPHONE CONVERSATION WITH VERN LOEN—FRIDAY, FEBRUARY 6, 1976

Following telephone call from Mr. Loen to Congressman Pressler afternoon of Feb. 6, 1976 taken down in shorthand by Mrs. Elenor Rhodes, Cong. Pressler's secretary. Mr. L indicates Mr. Loen; Cong. P indicates Pressler.

Mr. L: I was just going over yesterday's vote again this morning, as I did last night in my mind and I am just so disappointed in your vote. I kind of blew my stack this morning when I called your office and I realize that is not quite proper. I am especially concerned because I am very fearful that you are being taken in by organized labor. I don't understand why you owe them anything. They are going to be out to get you this fall. I understand they contributed to your campaign.

Cong. P: No. They did not.

Mr. L: We were just so disappointed in your vote and it is so important to the President and to South Dakota. So I made the remarks I did, for which I apologize in retrospect. The labor boys seem to think they have you in the palm of their hand and I want to advise you that you just can't play ball with them. We do more for you. As a matter of fact, we've done more for you than any other freshman Congressman. And your support is just so important, particularly on these key issues like this one. Your vote was just terribly disappointing. And I am speaking as a constituent as well as for the Administration. I just wanted to register concern and I apologize for overstating it this morning, but don't interpret it as a threat of any kind.

Cong. P: Okay.

Mr. L: And remember what I said about organized labor—they will be out to get you this fall.

NATIONAL FIRE ACADEMY

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. MADDEN. Mr. Speaker, the city of Hobart, Ind., through its Fire Chief H. Richard Harrigan with the endorsement of the Indiana Fire Chief's Association has petitioned the National Fire Prevention and Control Administration to choose Indianapolis, Ind., as the site for the National Fire Academy.

I include with my remarks a concurrent resolution requesting the appropriate Federal agency to consider Indianapolis as the site for the location of the National Fire Academy.

I include with my remarks a copy of the resolution so adopted:

ENGROSSED HOUSE CONCURRENT RESOLUTION No. 14

A concurrent resolution requesting the construction and the location in the state of Indiana of an academy for the instruction and training of persons in fire technology

Whereas, The Ninety-Third Congress of the United States enacted Public Law 93-498 (The National Fire Prevention and Control Act of 1974) which was signed by the President on October 29, 1974; and

Whereas, This act establishes the need for a National Academy for Fire Prevention and Control which is to be located, constructed, and designed to advance professional development in the area of fire prevention and control; and

Whereas, The State of Indiana is geographically located in the midwestern part of the United States and is well covered by all types of transportation systems which provide quick access from all parts of the United States; and

Whereas, The educational institutions of the State of Indiana have available professional expertise to provide support and programs for the development of the programs enumerated by the provisions of Public Law 93-498; and

Whereas, The immediate Indianapolis area is the location of the Indiana University-Purdue University Indianapolis campus as well as the United States Army Fort Benjamin Harrison Post; and

Whereas, the Indianapolis area has provisions for lodging and meal facilities to accommodate those involved in the teaching and training of fire prevention and technology; and

Whereas, the city of Indianapolis, the facilities available therein, the expertise available at Indiana University-Purdue University at Indianapolis, and at Fort Benjamin Harrison provide an excellent site location for the National Fire Academy;

Whereas, the State of Indiana also has other available sites which meet the criteria of Section 7 (g), Public Law 93-498; Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

Section 1. That the Indiana General Assembly endorses and encourages the location and construction of the National Academy for Fire Prevention and Control in the State of Indiana and urges that the Secretary of Commerce and the site selection board for the National Academy for Fire Prevention and Control carefully and favorably consider all available sites in the state of Indiana for the location of said Academy.

Section 2. That copies of this resolution with an appropriate letter of support from the Indiana Department of Commerce and the Indiana Fire Marshal be forwarded to the United States Secretary of Commerce and the site selection board.

Section 3. That the Indiana Department of Commerce and the Lieutenant Governor of the state of Indiana provide adequate support from their offices to implement the intent of this resolution.

Section 4. That copies of this resolution be forwarded to the Indiana Fire Chief's Association, the Lieutenant Governor, the Indiana Department of Commerce, and the Indiana State Fire Marshal.

SPEAKING OUT FOR VICTIMS OF HANDGUN VIOLENCE

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. CONYERS. Mr. Speaker, the family and friends of victims of gun violence would naturally form a constituency in support of stricter gun control laws. But their understandable desire to forget their suffering and their loss militates against their advocacy and activism on this issue.

Dr. James L. Luke, chief medical examiner for the District of Columbia, has observed almost daily the terrible consequences of gun violence.

> Obviously, handguns must be abolished—

Dr. Luke writes in a letter to the editor of the Washington Post—

> Nobody who sees the enormous magnitude of this human problem in its totality by dealing with the victims and their families could fail to believe otherwise.

His earnest appeal "to consider all the victims, present and future, and to speak out for them" warrants the attention of my colleagues:

[From the Washington Post]

GUNS: "SPEAK OUT FOR THE VICTIMS"

I have read with the greatest of interest over the past several years your various editorial comments relative to gun control. No compassionate person could possibly dispute the thesis you articulate, a forensic pathologist perhaps least of all, given our responsibilities for the investigation of the medical-legal aspects of some 200 annual firearms fatalities of all types in the District of Columbia.

However, in this communication I speak as a concerned private citizen.

My reaction to the issue has changed somewhat over the years, from one of enthusiastic approval of such wise journalistic support, anticipating the possibility of redress from such an urgent public problem, to one of profound sadness and utter frustration.

Absolutely nothing has been accomplished by all the rhetoric. The toll predictably continues. And in my view, it will continue, given current priorities and our unconscionable acceptance of the status quo.

My reasons for such a pessimistic perspective are varied and, I believe, are worthy of brief comment.

It is human nature to erase, and as expeditiously as possible, both the emotion and the memory of tragedy. Victims of violence and their families have no lobby for a cause which only for a moment might seem to them excruciatingly relevant. In addition, it is literally unthinkable to almost everyone to consider even the possibility of his own violent death. The belief that we are immortal has been impossibly counterproductive of remedy for a whole host of public health issues, ranging from cigarette smoking to automobile safety. Parenthetically, it has been attitudes such as these, more than anything else, that have served to restrict the development of the forensic sciences in this country and elsewhere, possibly the best vehicle whereby understanding of the dynamics and specifics of violence could be achieved.

I am all too familiar with such attitudes. Two inches of daily small-print at the bottom of the page seems to have convinced the public that it is always someone else, and thereby effectively to have immunized us to the problem itself. And with no problem, there are no solutions necessary.

A corollary of the above is the fact that violence is, for the most part, an inner-city dilemma, overwhelmingly affecting individuals with only limited access to the national political power base. In this regard, it is interesting to note that widespread agitation for the abolition of hand-guns is generated only when persons of prominence are assaulted or killed and that editorial citations of illustrative case material continue to refer disproportionately to non-inner-city residents. Those opposed to hand-gun abolition and in a position to alter the situation are relatively unaffected by the problem and view the issue only as a potential infringement on their "right" to bear arms—an anachronism if ever there was one—and as an invasion of their civil rights. As with the recent narcotics epidemic, nothing seemed to get done until suburbia was affected. Here is yet one more example of the inability of our somewhat insulated political structure to respond appropriately—even to respond at all—to a vital life or death issue.

Obviously, hand-guns must be abolished. Nobody who sees the enormous magnitude of this human problem in its totality by dealing with the victims and their families on almost a daily basis could fail to believe otherwise.

In the final analysis our choice is very simple. Which is more important, the freedom to possess a weapon or the value we place on human life? It will take decades at best to remove sufficient numbers of weapons to alter the situation, even if hand-gun abolition were enacted tomorrow. But until meaningful remedy is accomplished, it should be clearly understood that a de facto conscious choice against hand-gun abolition has already been made. It is this choice that I find so difficult to accept.

I suggest that the time has long since passed to rearrange our priorities—to consider all the victims, present and future, and to speak out for them.

JAMES L. LUKE, M.D.

WASHINGTON.

HOW ABOUT A LITTLE DÉTENTE IN THE TAX WAR?

HON. JIM SANTINI

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. SANTINI. Mr. Speaker, Mr. Jack McCloskey, editor of the Mineral County Independent News in Hawthorne, Nev., one of Nevada's outstanding weekly publishers and editors, has authored critical and cogent commentary on President Ford's recent proposal to increase the social security deduction. I believe these thoughts are worthy of consideration and evaluation by my House colleagues and are as follows:

[From the Mineral County (Nev.) Independent & Hawthorne News, Jan. 28, 1976]

COMMENTARY

When the Social Security program was first proposed by President Franklin D. Roosevelt it was hailed as a model pension plan for all workers employed in private industry—a guaranteed retirement financed through a payroll tax of only two percent on the earnings of each worker (one percent paid by employe and one by employer).

While not opposing the worthy intent of the program, some wiser heads in those mid-1930s warned that the establishment of payroll tax could lead to greater harm than good—that future increases in the tax could actually result in more unemployment, a more immediate concern than the eventual "rosy retirement" income.

One glaring inequity, it was pointed out, was that some employes could reach retirement age after ten years "coverage" while younger employes would be "paying in" for 40 or more years before reaching the magic age of 65.

A further weakness, the warning continued, was that those eligible to "draw Social Security" at age 65 would be limited and restricted in supplemental earnings from part-time employment. (The same restriction does not apply to "retirees" who draw their retirement benefits as the result of employment with federal, state or local government agencies.)

As feared, the original tax did not remain "frozen" at the pre-inflation level. Even though increased earnings of employers resulted in more tax dollars being collected by Uncle Sam, it was not enough, the economic experts advised, so the tax itself was stepped up to take an even greater bite from both the employe and employer.

The first hike came some years after World War 2 and didn't seem too painful as the total was eased up to 3% (1½ employe, 1½ employer), and this applicable only to the first $3600 of each employe's earnings in a year. But once the lid was off the sky seemed to be the limit.

Presidents Eisenhower, Kennedy, Johnson, Nixon—and now Ford—accepted the theories of the so-called economic experts who pushed the total tax to 11.7 and the earnings on which the tax must be paid to a figure past $14,000.

And now President Ford (in his State of the Union message) has suggested the tax be increased again. To ease the jolt, he attempts to describe the increase as modest, minimal, slight, or something like that, and adds insult to injury by talking generously of income tax refunds.

In other words, if you are employed in the sector of private business or industry, you are going to get a little salve on the income tax side but you are going to "refund" some of that refund right back to Uncle Sam in the form of higher payroll tax.

The economic experts fail to point out that a man or woman out of a job is not going to benefit much from an income tax refund. Likewise, the chance of finding employment in the private sector becomes more remote as the regressive payroll tax is permitted to climb.

All this gibberish about creating "tax incentives" for private industry to buy more equipment to put more people to work certainly has to be based upon either ignorance or deceit on the part of the economic experts. The piddling "tax deduction" allowed on equipment purchase won't begin to offset the increased payroll tax.

Another very much overlooked explanation of the operation of the taxing system is the great difference between income tax and payroll tax. Once an employe enters the payroll of a business or industry the employer is in debt to Uncle Sam—he is obligated to remit not only the payroll tax but also withholding tax on each employe—even though the employer might not have been able to collect enough in accounts receivable to meet the payroll itself. Uncle comes first.

Rough as the withholding tax might seem at times on the employe, there is always a chance of receiving some refund if he comes upon hard times before the year is out. But the payroll tax, no way. Both the employe and the employer can kiss it goodbye once it reaches the bank.

"Oh, but you're wrong," some of the economists say: "Think of the fine Social Security benefits awaiting the boys when they reach 65." The sad story of Social Security can best be told by some of our senior citizens who are not so enthusiastic about the program as they were in 1936.

The same response can be found in an appraisal of the what was supposed to be a super Medicare program, which never should have been attached to the Social Security plan. The latter was having enough trouble without being further complicated in the payroll tax confusion.

If President Ford is sincerely interested in fighting inflation, seeking to create more employment, and insuring the stability of the Social Security and Medicare programs, he might well reverse his field, give top priority to a rollback in the payroll tax and seek a broader and more equitable base to finance the social programs that are now floundering.

A degree in business administration or economics from Harvard is great for landing a high salaried government position, but it is a dangerous tool when the holder thereof seeks to solve the problems of employment and business, especially small business. How about a little "détente" in the "tax war"?

OLDHAM COUNTY SCHOOL BOARD PROTESTS JUDGE GARRITY'S ACTION

HON. GENE SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 9, 1976

Mr. SNYDER. Mr. Speaker, the recent takeover of the administration of a Boston public high school by a Federal judge, occasioned the board of education in Oldham County, Ky., to publicly oppose such action.

I am proud to represent Oldham County and wish to call to the attention of my colleagues the resolution adopted by its board of education, December 15, 1975.

The resolution and cover letter to me from Superintendent Robert Arvin, follow:

RESOLUTION

Whereas recent news media discloses that in one city in this country the judicial branch of our government has to an extent taken over the operation of the public schools;

And whereas there is reason to believe that this practice may spread to other localities;

Therefore, be it resolved that this Body go on record as expressing the opinion of its members, both severally and collectively, as opposing government, either state or national in any of its branches, taking over or operating any public school system;

Be it further resolved that this resolution be spread upon this body's minutes, and that a copy of same be forwarded to Senator Ford and Senator Huddleston and to Representative Snyder.

Witness the hands of the Chairman and Secretary of this Body at its regular meeting on December 15, 1975.

CLAYTON E. STOES,
Chairman, Oldham County Board of Education.

OLDHAM COUNTY BOARD OF EDUCATION,
LaGrange, Ky., December 19, 1975.
Hon. GENE SNYDER,
U.S. Representative,
Washington, D.C.

DEAR REPRESENTATIVE SNYDER: We are deeply concerned about the recent development in Boston, Massachusetts where Federal Judge Garrity has actually taken over the administration of a public high school. It is our firmly held conviction that the duly elected school board and the administration appointed are far more accountable to the people than is an appointed federal judge.

Further, we believe that as citizens of this great nation, and as duly elected members of a public body, we must speak out and let our concerns be made known. We do not believe that the intent of the constitution or the wishes of the people is for the federal judiciary to administer public schools.

The checks and balance theory of the structure of our federal government should work to control an abusive use of power by one branch of the government. We believe that the legislative branch should strongly consider impeachment of federal judges who extend the authority granted them by the constitution.

Thank you for hearing our feeling in regard to this matter.

Sincerely,

ROBERT ARVIN,
Superintendent.

ARMS CONTROL IMPACT OF WEAPONS PROGRAMS

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. REUSS. Mr. Speaker, a New York Times editorial on February 8, called attention to the fact that the administration is now required to submit to the Congress annual analyses of the arms control impact of weapons programs.

The new requirement was enacted last year under the leadership of Congressman CLEMENT J. ZABLOCKI, chairman of the Subcommittee on International Security and Scientific Affairs of the House International Affairs Committee, and reflects his creative interest in achieving national security through arms control:

ARMS CONTROL IMPACT . . .

A new checkrein is about to be applied to what former Defense Secretary Robert McNamara once called the "mad momentum" of weapons development—"if a weapons system works and works well, there is strong pressure from many directions to procure and deploy," whether or not it adds to American security. Little-noticed legislation adopted by Congress late last year requires three Administration agencies to present an annual analysis to Congress of the arms control impact of every nuclear weapons program in the budget and of all substantial conventional weapons systems.

The measure gives the Arms Control and Disarmament Agency a formal role for the first time in advising Congress on what implications news weapons will have for efforts to negotiate down the spiralling arms race. In a process now getting underway, the agency and the Pentagon will report to the National Security Council, which will advise Congress on the military need for and the arms control impact of important weapons programs.

A measure of this kind a decade ago might have alerted Congress and the country to the dangers in developing MIRV multiple warheads for strategic nuclear missiles. This technological marvel, which can enable one missile to destroy a dozen cities, was designed to penetrate a massive Soviet antiballistic missile (ABM) system if Moscow built one. Moscow didn't, but MIRV, once developed, was deployed anyway, and deployed to the near maximum, increasing American strategic nuclear warheads almost fivefold.

While this may have enhanced American security initially, the parallel deployment now getting into high gear on the Soviet side has increased American insecurity. Insufficient advance thought was given to the question of whether the United States would be better off with MIRV on both sides than on neither.

A similar question now needs to be asked about the strategic cruise missile, a more recent American invention. The Air Force and Navy are dreaming up requirements for thousands of these extraordinary weapons, which undoubtedly could give the United States a new military edge. But when the Soviet Union follows suit, perhaps three or four years hence, will either side be more secure? Even now, argument over this new nuclear delivery system could blow up the decade-long efforts to achieve a comprehensive Soviet-American strategic arms limitations treaty (SALT II).

The new arms control impact analysis will not automatically protect the country and the world from such madness, but it will at least give the legislative branch a voice in key decisions. When the initial SALT talks were about to begin in August 1968, proposals to delay the first MIRV flight tests were rejected by both the then Secretary of Defense and the Arms Control Administrator. Both believed that the MIRV tests would provide the United States with a bargaining chip that would hasten a SALT agreement, including a ban on MIRV. Only a few months later, both were pressing for negotiation of a MIRV ban—in vain. The SALT talks had been delayed more than a year and it was too late.

But the 1968 decision to go ahead with the first MIRV flight test was made at a secret meeting of a handful of high Administration officials in the National Security Council. It might have been different had Congress been more thoroughly alerted and brought into the decisonmaking process.

MEETING THE TRANSPORTATION NEEDS OF THE ELDERLY AND HANDICAPPED

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. ANDERSON of California. Mr. Speaker, this body has on numerous occasions addressed itself to the issue of transportation. As you know, one of my greatest interests as a Member of Congress has been the improvement of passenger transportation—especially in our urban centers.

The Congress has acted to provide funding for the improvement of existing mass transit systems and the development of rapid transit systems.

While we are succeeding in improving transit in our urban areas to reduce congestion, pollution, and conserve energy—we have often ignored the transportation needs of the elderly and the handicapped. Mr. Speaker, this minority group has the same mobility needs as other citizens. They need to make essential trips from their residences to work, to shopping centers, to entertainment centers, and to educational facilities.

I feel strongly that we must make a commitment to provide accessible public transportation for the elderly and handicapped. As such, I am pleased that the Southern California Rapid Transit District is actively developing a transportation system which is readily accessible to all members of the general public, including those confined to wheelchairs. At this time all rapid transit planning by the SCRTD includes provisions to make fixed guideway facilities fully accessible to the elderly and the handicapped as well.

The Urban Mass Transportation Administration has approved a grant to SCRTD for the purchase of 200 buses, accessible to the elderly and the handicapped. There are of course increased costs involved with these additional specifications. But in 1974, for instance, the State of California Department of Vocational Rehabilitation spent $700,000 on providing alternate transportation services for its clients—the elderly and the handicapped. It appears that this money may be better spent by making present transit systems accessible to these citizens. We should set our goals higher than a "separate but equal" transportation system for our elderly and handicapped citizens.

Mr. Speaker, I fully endorse the commitment of the Southern California Rapid Transit District to provide accessible transportation to the elderly and handicapped. For the benefit of my colleagues, I include the testimony of Mr. Jack R. Gilstrap, general manager of SCRTD, as presented to the Senate Committee on Banking, Housing and Urban Affairs, on June 19, 1975, relevant to S. 662, the National Mass Transportation Act Amendments of 1975:

TESTIMONY OF JACK R. GILSTRAP, VICE PRESIDENT—GOVERNMENTAL AFFAIRS, AMERICAN PUBLIC TRANSIT ASSOCIATION, AND GENERAL MANAGER OF THE SOUTHERN CALIFORNIA RAPID TRANSIT DISTRICT

Mr. Chairman, members of the committee, ladies and gentlemen, my name is Jack Gilstrap; I am vice president of governmental affairs of the American Public Transit Association, and the general manager of the Southern California Rapid Transit District.

I appreciate the opportunity to present testimony on your bill S. 662 and I would like to comment on transportation services for the elderly and the handicapped.

For the past several months the District has been actively participating in the development of a program to design a bus transportation system that will be readily accessible to all members of the general public, including the provision of services to those who are confined to wheelchairs. All our rapid transit planning incorporates provisions to make a fixed guideway facility fully accessible to the elderly and handicapped as well. Beginning with a resolution issued by the SCRTD Board of Directors on October 22, 1974, we have been actively pursuing the purchase of buses that are fully accessible to meet the immediate needs of these groups. Over the past several months we have been working with the Urban Mass Transportation Administration on specifications which include the following factors:

(1) A front door that has a minimum opening of 40 inches. A study of all wheelchairs constructed by American manufacturers indicates that openings must be at least 32 inches wide to allow passage. Because of the design of bus doors and the grab-rails attached to the inside of each panel, a 40 inch door should have a clear opening of perhaps 36 inches. Our present coaches have, at the maximum, 32 inch doors with a 28 inch clear opening, insufficient for wheelchairs.

(2) A floor not to exceed 21 inches high; this feature will result in lower steps making it easier for all passengers to board the bus, including the elderly, the semi-ambulatory, those carrying packages and small children. Compare this to the present 34 inch floors which are the cause of much difficulty for older people and the semi-ambulatory.

(3) Ramp or lift device to provide accessibility for wheelchairs.

(4) Special seating arrangements including an area equipped with accessible tie-downs for wheelchairs. This section will include priority seating arrangements for semi-ambulatory and elderly patrons directly behind the operating position.

(5) The specifications are oriented around performance, so that the actual design is left to the manufacturer to present to us. In this way, the manufacturers will have the opportunity to develop their own original design.

UMTA has approved the concept of these specifications and suggested to us that a conference be held with the bus manufacturers so comments may be received prior to formal bidding. Such a conference was held before a committee of the whole of the District's Board of Directors on April 14 of this year. Representatives of the three major transit bus manufacturers in the United States, and several from Europe were present. Although several of the above features are not currently being manufactured, none of the manufacturers claimed it was impossible to develop them. Of primary concern in every case was our proposed delivery time of 6 to 8 months. It is necessary to retool the assembly lines to produce such an accessible coach.

Letters were sent from some of the manufacturers after this hearing informing us that it would be possible to manufacture accessible buses within a delivery time of 21 months.

The District's Board of Directors passed a resolution extending the delivery time from the original 6 to 8 months up to 21 months which we believe is a positive indication that these buses can be built. This was done on May 7 of this year and transmitted to UMTA nine days later with appropriate specification revisions. It has now been thirty days since UMTA has received this information and we are still awaiting authority to go to bid.

We have recently held a public hearing to discuss another application for the purchase of 320 additional accessible buses, bringing the total to 520.

Our Planning Department has been working on the development of an accessible system which will use these full-size transit coaches. With the aid of a special consultant who is permanently confined to a wheelchair, our staff has made an analysis of our 224 routes operating within four counties of Southern California covering an area 2,230 square miles and serving over 10 million people. At present our fleet consists of 2,310 coaches which provide service for this complement of lines. The 520 buses will be phased in as replacements in some cases, and to augment the District's many near-term bus improvement programs.

Our citizens advisory board, consisting of handicapped persons throughout the service area, have concluded that there are no concentrations of the transportationally dysfunctional; rather they are spread among the general population and have generally the same mobility requirements, performing trips from their residence to work, shopping, entertainment, and educational facilities. In active contact with over 25 local, state and federal agencies who deal with the elderly and the handicapped, it is our conclusion that no accurate data base exists that identifies this portion of our society. Although we have rough figures on the number of elderly living in Los Angeles County by census tract, we do not and cannot assume needs. Various agencies have projected figures for those who are "handicapped"; however, each chooses to define this nebulous word differently. We have, therefore, decided that it is more important to design equipment to meet the needs of the disabled and assign it to regular routes giving these people the same right to mobility as the rest of the general public. We applaud, therefore, your bill specifically calling for a comprehensive report on the transportation needs of these groups, and the progress made in assuring that needs are met. The District has performed a similar study which identifies the following criteria which will allow us to place these several hundreds accessible coaches in service:

(1) Location of all major hospitals, veteran administration facilities and rehabilitation services.

(2) Identification of all colleges and universities offering programs for the physically handicapped which are funded especially by the California State Department of Rehabilitation (Concurrently, the Chancellor's Office of the California State University and College System has issued guidelines for the establishment of handicapped students' services on their campuses. As a result of this program, most universities and colleges within our service area are not only accessible to the disabled, but are actively recruiting them.)

(3) Identification of major transportation centers, including regional bus stations, railroad terminals and airports.

(4) Entertainment activities including such major attractions as Disneyland, Knotts Berry Farm, Marineland, the movie studios and all recreational facilities, including sports centers and civic auditoriums.

(5) Major places of employment including the business district of each city, industrial centers and office complexes.

(6) All regional shopping centers.

(7) Specific routes which connect outlying areas to the remainder of the system to guarantee mobility and shorter travel times.

These criteria are being applied to each line presently operated by the District. Before assigning actual coaches to specific lines, our staff identifies the present and proposed service for the elderly and the handicapped within our service area. There are currently several programs sponsored by local nonprofit corporations funded through the various federal programs which offer specialized transportation in local area. Each of these programs should be considered as supplemental service to our fixed route system. By coordinating these special services it is possible to provide a high level of transportation to those in need.

Recognizing all of these secondary systems, we are making every effort to provide line haul service within each area so that connections are possible. Because of our accentuated peak periods where some lines require greatly increased service, it is our decision to expand the number of accessible coaches as much as possible to maintain off-peak frequencies. By doing this it is possible to operate accessible equipment on approximately 50% of our total scheduled trips during the base period.

The District intends to monitor these routes and seek input from the elderly and handicapped community as to the efficacy of the program. It is understood that this is only a beginning. Our Board has issued a mandate that all future purchases of equipment will be designed for accessibility so that with each purchase of equipment additional lines will become accessible. Riding checks and questionnaires will play a major role in identifying specific needs of these groups and will indicate adjustments in service and possible changes in the placement of these coaches within our system.

Apart from our program to purchase and operate fully accessible buses, the District has implemented several programs offering reduced fares for the elderly and the handicapped. As early as 1961 special low fares were offered to those over age 65. Our present program offers the following discounts:

(1) Senior citizens age 62 or older ride for one-half regular fare with no minimum financial requirement.

(2) Physically, mentally and emotionally disabled ride for one-half regular fare with a special card issued after an approved application is received.

(3) The blind ride free.

(4) Monthly passes, valid on all regular lines for unlimited riding are offered to senior citizens at $4 a month.

These programs are effective at all times; seven days a week, 24 hours a day, exceeding present and proposed federal regulations which require such discounts only during off-peak hours. Both of these programs, i.e., capital and operating, require additional money that is not presently available to the transit industry. Obviously, the costs of the reduced fare of elderly and handicapped riders must be met. It must be realized that, regardless of age or physical limitation, these people require seating just like the general public who pay the full fare.

Our specifications for accessible buses are anticipated to raise the purchase price by 30%, requiring more money. Operating costs will increase as well, either by offering fewer seats per vehicle due to spaces for wheelchairs, or through increased maintenance costs. The experience with Transbus has proven that lower floors, while more accessible, increase additional maintenance and constant structural repair. Although a "bus of the future", it remains that such equipment must traverse outdated city streets with dips, high crowns, and irregularities causing hazards to the bus.

Rather, because of higher costs incurred in operation, and inducing ridership through reduced fares, the success of these programs will be directly proportional to the increased deficit; the more passengers we carry, the higher our costs. The burden of this financial problem either must fall on the person paying a regular fare or be borne by greater public subsidy.

The proposed regulations being prepared by the Urban Mass Transportation Administration are designed to correct many injustices to the elderly and the handicapped and to improve their mobility. We agree that much can be done to improve this mobility and our programs are a positive indication that we are working towards this goal. It cannot be expected that any of these programs can be done without additional cost. Funds must accompany any regulations or legislation that require discounted fares of extraordinary features beyond what is presently available.

I would now like to turn my attention to other sections within S. 662 of pertinent interest to the District.

The District heartily concurs with your request for a biennial update of transit needs to be reported to the Congress. We agree that although the current legislation has been and will continue to meet very real transit needs, these needs may change and these changes should be brought before you and your colleagues as you consider grant authorities for transit. The Los Angeles area has been working diligently during the last six months to bring rapid transit to this area. As you may be aware, the voters in Los Angeles County overwhelmingly passed a State constitutional amendment last year which would make available State highway funds for the construction of rapid transit fixed guideways.

We anticipate bringing before the Department of Transportation a program this year which would detail our plans for rapid transit development in Los Angeles now. We will keep you and your Committee advised as we develop our program. Your calling for periodic updates for transit needs and funding requirements is essential.

Along this same vein, we concur in your developing a new definition of the word "construction" to allow capital expenditures for designing, engineering, and surveying all transit facilities. We feel that funding for these activities more properly belongs within the capital grants program rather than the technical studies area.

I want to thank you for this opportunity to present our thoughts on S. 662 and will look forward to providing you and your Committee reports on our progress in improving transportation in Los Angeles as you consider the development of transit legislation.

DESTROYING THE CIA

HON. JAMES ABDNOR

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. ABDNOR. Mr. Speaker, people in my home State of South Dakota are deeply concerned about the threats to our Nation's security which could result from the destruction or impairment of our intelligence gathering capability. There are few in this body who will dispute our need for accurate and verified information concerning trends and events throughout the world.

South Dakotans in no way condone the abuses of jurisdiction or mission by any agency of Government. But, they also believe that when such abuses occur means exist to correct them without destroying the agency. If the Central Intelligence Agency has violated its mission, then appropriate oversight should be established and rules tightened to prevent such abuse in the future. Correcting such abuse, however, does not require revelation of all information which may or may not pertain to the abuse.

The Jones County Tribune of Draper, S. Dak., recently published a thoughtful editorial in this regard. I would like to share it with my colleagues:

CIA COVER SHREDDED

Neither President Ford nor responsible members of the Senate could dissuade Sen. Frank Church and a majority of his Senate intelligence Committee from making public its report on foreign assassination plots involving the Central Intelligence Agency.

It is now out in the open, chapter and verse, naming names, subjecting the government of the United States and many individuals to embarrassment and potential recrimination or worse.

A rule of the Senate dating back to 1797 forbids the release of secret information obtained from the executive branch. Sen. Church and his committee took it upon themselves to publish the CIA report, without a vote of approval from the full Senate which under the rules might have given the disclosure some official sanction.

Sen. Church has made it clear he thinks public's right to know what is in the report transcends the rules, and that the harm done to our national security or persons in the government is less important than what he sees as his duty. We submit that this is an abuse of his power and prerogatives as a senator, and that it differs only in degree from the abuse of power that so concerns him in the record of the CIA.

What motivated people in our government to connive in assassination plots they knew would be repugnant to the American people—"against the rules" as Americans would see the rules? We can only conclude that it was a distorted sense of duty, the clouding of values that is found whenever human beings succumb to the idea that the end justifies the means.

We do not quarrel with the purpose of the Church committee, which presumably is to awaken Americans to the need to put a tighter rein on such agencies as the CIA. It is the means the committee has chosen to achieve that end which is indefensible.

Disclosing details of CIA activities to this extent serves no purpose that could not have been served as well within private Senate hearings. We have made an open book of affairs that no government has ever acknowledged. We have endangered lives and reputations of people whose crime, if indeed the term applies, arose from an excess of zeal in the service of their country. If intelligence agencies of friendly governments are pulling back from cooperation with their American counterparts, we can hardly blame them.

We knew without the Church committee report that there is a crying need for greater administrative and congressional oversight of agencies like the CIA. We now have another reason to ponder how that oversight can be provided. If the Senate cannot gain compliance with its own rules about secrecy, how can Congress be made privy to information about the government's secret intelligence work in the future?

RETIREMENT FOR MR. C. E. PHILLIPS AFTER 53 YEARS OF NEWSPAPER SERVICE

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. LAGOMARSINO. Mr. Speaker, I would like to comment on the retirement of Mr. C. E. Phillips, editor of the Santa Paula Daily Chronicle. On February 1, Mr. Phillips completed 53 years of newspaper service, of which 17 years were spent as editor and publisher of the Chronicle, a newspaper which he and his son Ross purchased in 1959.

Mr. Phillips began his newspaper career as classified manager of his hometown newspaper, the Lynn (Mass.), Daily Item, following graduation from high school. Two years later he joined the staff of the Rockford, (Ill.), Register-Gazette in a similar capacity. Over a period of 21 years he became advertising director, and corporate director of the Morning Star and Register-Republic, a consolidation of three daily newspapers with the largest circulation in Illinois outside of Chicago.

In 1953, he was appointed business manager of the Long Beach Independent Press-Telegram, a position he held until acquiring the Daily Chronicle. When he left Long Beach, he was vice president of the Long Beach Chamber of Commerce.

During his career, Phillips served as director and president of the International Newspaper Executive Association and president of Illinois Daily Newspaper Markets, an association of daily newspaper publishers in the State.

He was recognized in 1941 by the industry with election to the Bureau of Advertising of the American Newspaper Publishers Association and received a Distinguished Service award for "service on its board of directors in recognition and appreciation of devoted service and contributions to the growth and stature of newspapers in the United States and Canada."

In 1967, Phillips was elected to membership in the American Society of Newspaper Editors, an honor that was limited each year to six editors of newspapers with under 25,000 circulation, and includes editors of 700 medium and metropolitan newspapers in the United States.

He is also a member of Sigma Delta Chi—SDX—a professional journalism society, and has been a director of the California Newspaper Publishers Association.

As editor of the Chronicle, Phillips has been active in civic affairs having initiated and supported many community programs during the past 17 years. He is presently a director of the Santa Paula Chamber of Commerce, a commissioner of the local housing authority, and member of the Santa Paula Rotary Club.

Under his guidance, the Daily Chronicle has received 19 State and national awards for editorial, general and excellence in various categories as judged by other publishers. Chronicle editorials have been widely quoted in other newspapers.

Phillips, with his wife Marian, is currently living in Laguna Hills.

BICENTENNIAL SALUTE TO BISHOP HENRY C. BUNTON

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. FAUNTROY. Mr. Speaker, as this great Republic celebrates its Bicentennial and we reflect upon the virtues of the Founding Fathers of our Nation, I think it is most appropriate that we pay tribute also to those who today carry on in the best tradition of the faith and works of the fathers of our country. Here in our Nation's Capital, we are privileged to have one such man whose life and works are the very embodiment of the faith, the sense of conscience and the response to duty that have so endeared the Founding Fathers to us all. I speak of Bishop Henry C. Bunton, president of the College of Bishops of the Christian Methodist Episcopal Church in America.

History, Mr. Speaker, is nourished by instructive example. The instructive example of the life of Bishop Henry C. Bunton has indeed enriched the public service, exalted the public life and added luster to the works of the church in America. Called to the ministry at the early age of 20, Bishop Henry C. Bunton has devoted 50 years of his life to the glorification of God and the social and spiritual uplife of humanity. As a minister in the Christian Methodist Episcopal Church, Bishop Bunton's stewardship is nationally recognized, having served as pastor in Alabama, Florida, Arkansas, Texas, Colorado, and Tennessee. In 1962, in recognition of his outstanding leadership role in the Methodist Church, Bishop Bunton was elected to the bishopric and today he continues to serve with distinction as bishop of the Carolina, New York, Washington, and Michigan-Indiana Conference of the Christian Methodist Episcopal Church.

A man who has always felt that an understanding of societal flaws is the beginning of social compassion, Bishop Bunton's life has been a constant pursuit of knowledge. A graduate of Florida A. & M. University in Tallahassee, Fla., he is also the holder of honorary degrees from Texas College, Tyler, Tex.; Mississippi Industrial College, Holly Springs, Miss.; and the doctor of humane letters from Miles College, Birmingham, Ala. His theological training reflects the intensity of his commitment to use the church as an instrument of social reform and human development. He graduated from Perkins School of Theology at Southern

Methodist and the Garrett Theological Seminary of Northwestern University. In addition, he holds a master of theology degree from the Iliff School of Theology in Denver, Colo.

Washingtonians celebrating our Nation's Bicentennial see reflected in Bishop Henry C. Bunton the sterling qualities that endear the Founding Fathers to all Americans.

As we pay tribute to the military genius of George Washington in guiding the Revolutionary Army to victory, so during World War II did we salute the gallantry of Bishop Bunton who earned three battle stars and rose to the rank of major while serving his country as a chaplain in a war to defend and preserve the freedom upon which this Nation was founded.

Like Benjamin Franklin, who represented the hopes and aspirations of our young Republic before the crowned heads of Europe, Bishop Bunton served as a diplomatic envoy for the American Methodist Church when he held the important post of presiding bishop of the Ghana and Nigeria Africa Annual Conference.

The appreciation of the power of the written word to inspire men to thirst for freedom as Thomas Paine did with his commonsense pamphlets is paralleled by Bishop Bunton, who, while serving as dean of the Leadership Training School in Florida for 8 years, wrote Sunday school lessons for the youth of the Methodist Church which inspired their thirst for the teaching of God.

The political wisdom of a Thomas Jefferson is reflected in the fact that Bishop Bunton presently holds two of the most important positions in the Christian Methodist Episcopal Church: president of the College of Bishops and cochairman of the Commission on Union With Other Churches.

Dr. Martin Luther King, Jr., saw in Bishop Bunton the courage and determination of a Patrick Henry and, therefore, sought and secured his counsel by asking him to serve on the board of directors of the Southern Christian Leadership Conference.

I consider it a privilege to submit this testimonial in recognition of Bishop Henry C. Bunton, a great American, who has earned by his deeds the respect and admiration of the citizens of our Nation's Capital as a founding father of religious leadership.

NUCLEAR-QUALIFIED NAVY OFFICERS ARE DEDICATED

HON. MARJORIE S. HOLT

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mrs. HOLT. Mr. Speaker, I traveled to the U.S. Navy base at Norfolk, Va., for hearings held by the Military Compensation Subcommittee of the Armed Services Committee on January 26. We are considering legislation to provide incentive pay for nuclear-qualified officers in the Navy, and the subcommittee has held hearings aboard submarine tenders at a number of the locations in the Atlantic Fleet from which nuclear-powered ships are deployed, including Rota, Spain; Holy Loch, Scotland; and Norfolk.

I learned a number of things during the conduct of the Norfolk hearings, Mr. Speaker, which I think should be shared with you and my colleagues in the House of Representatives.

Listening to the testimony of the Navy officers on January 26, Mr. Speaker, I was struck by the enormous sense of dedication evidenced by these men, and realized how little we in the Congress, or our constitutents, know about what these men do for their country 24 hours a day, year in and year out.

Being a Navy officer has never meant anything but sheer hard, dedicated work. But this group of officers has given a new dimension to the old phrase, "Duty, Honor and Country." To them, quite simply, this is not a phrase. It is a life—not a career, if you will, but a higher calling.

When a young officer volunteers for nuclear-power duty in the Navy, he is submitted to one of the most vigorous screening processes in the Navy, including a personal, final interview with Admiral Rickover. He then faces 2 years of totally demanding schooling and training. At the end of that training, Mr. Speaker, that young officer faces 18 straight years of sea duty.

There is no officer of the line in the Navy who does not expect to go to sea. Obviously, sea duty and the chance to command are the ultimate aspirations of unrestricted line officers in the Navy. But how many young officers can there be who volunteer, knowing that all of the less rigorous, and in some cases, career-critical assignments will have to be denied them?

Nonnuclear line officers in the Navy, Mr. Speaker, spend long, arduous months at sea. But they also have a chance to compete for higher degrees; they have a chance to go to shore duty; they have a chance to serve career-broadening tours on higher and joint staffs.

Not so the nuclear-qualified officers, Mr. Speaker. There are so few of them, and their job is so critical, that they can expect to stay on sea duty for 18 years. Not only does this mean an average of 6 to 7 months a year away from their families while actually at sea, but it means a succession of 12- to 18-hour days aboard ship when that nuclear-powered vessel is in port, or undergoing overhaul, or in drydock.

Because, Mr. Speaker, unlike conventional propulsion systems, the nuclear reactor is relentless in its demands. It needs constant vigilant attention on the part of these officers to maintain the Navy's impeccable nuclear safety record.

These same high standards and levels of performance, Mr. Speaker, make these officers enormously attractive to the civilian nuclear-power industry. These men, who have undergone 2 years of classroom instruction, and who continue to study intensively during and after duty hours for up to 8 years to qualify as engineers, are priceless to industry. They each represent a proven individual package of leadership, supervisory and technical skills not duplicated anywhere else in the world.

These officers, who command and supervise our ballistic missile submarines, attack submarines, and nuclear-powered surface ships, are extremely hard to attract in sufficient number and qualification, and are becoming harder to retain.

The pay legislation we are considering is designed to attract more officers into this field, and keep more of them there past their obligated service.

But the House will have the chance to deliberate the pros and cons of such a bill later.

For right now, Mr. Speaker, I wanted to bring the dedication and sense of duty exhibited by these fine officers to your attention and that of the House. No amount of incentive pay can ever be sufficient unto itself to cause a man to commit 18 years of increasingly complex, lonely, dangerous and largely unheralded duty. Only a very strong sense of patriotism—only a very strong belief in those three short words—"Duty, Honor and Country"—could motivate these men.

And for that, Mr. Speaker, we here in the House, on behalf of every one of our constituents, owe the nuclear-qualified officers of the Navy a sincere vote of thanks.

SIX-MONTH SUMMARY—INTRODUCTION

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. MAZZOLI. Mr. Speaker, continuing my practice of making periodic reports to my constituents, I am inserting in the RECORD a summary of the legislative activities of the second 6 months of the 94th Congress encompassing generally the period from July through December 1975:

SIX-MONTH SUMMARY

REDEFINING THE BALANCE OF POWER

An assertiveness designed to restore the Legislative Branch of government to its constitutional position of equality with the Executive Branch characterized the 94th Congress' first session.

Congress re-asserted its power in foreign policy and in budgetary affairs. It acted to keep America out of Angola and it instituted a new, more rational and businesslike approach to budget planning.

Numerous battles were fought between President Ford and Congress over vetoed legislation. But, after the dust settled and the fireworks burned out, compromise versions of the major vetoes—energy, jobs, taxes, for example—were passed by Congress and signed into law by Mr. Ford.

Congress also began a major re-examination of the role of the Federal regulatory agencies. These administrative agencies, called the fourth branch of government, are often criticized for the "sweetheart" arrangements they have made with the industries they are supposed to regulate.

Pending legislation would give Congress a right to examine—and even veto under certain circumstances—the rules and regulations issued by these administrative agencies.

The conflict between Congress and President Ford will probably not slack in intensity in 1976, an election year.

ENERGY

A lively competition between the differing energy philosophies of the Executive and

Legislative Branches marked the last half of 1975.

The Administration philosophy was to remove price controls on domestic oil and gas production. The resulting higher prices, it was argued, would both induce fuel conservation on the public's part and also provide extra financial incentive to energy companies to develop new domestic oil and gas fields.

Democrats approached the energy problem by retaining realistic price controls to protect the public against extreme fuel-price increases, by encouraging the development of alternative energy sources such as solar, geothermal and nuclear, and by encouraging fuel-conservation.

In the session's closing hours in late December, Congress and the President reached a compromise on S. 622, the omnibus Energy Policy Act.

As signed by the President, S. 622 combines energy conservation measures, production-stimulation incentives, and a number of provisions to insulate the nation from the impact of any sudden termination of foreign oil supplies.

It contains provisions broadening the President's standby powers in the event of an energy supply emergency, authorizes fuel-economy standards for automobiles, and encourages increased use of coal.

In the sticky area of price controls, Title IV of the bill sets up a new system under which the President can adjust the price of various categories of domestic oil, for which there are currently no price ceilings.

The energy bill is hardly perfect. It is, however, a step toward a comprehensive national energy policy—one designed with America's present and future needs in mind.

High on the agenda for the 1976 session of Congress will be the related issue of whether or not to deregulate natural gas prices.

ENVIRONMENT

Any long-range energy program must be adopted with careful regard for overall enenvironmental policy and planning. In a world plagued with both energy shortages and environmental hazards, the two must move hand-in-hand.

President Ford vetoed the last strip-mining bill passed by Congress. The House Interior Committee has placed the bill back on its agenda for consideration early in 1976. Such an agreement would have special meaning for Kentucky, with its vast coal reserves.

In an important environmental action, Congress cleared legislation extending the Environmental Protection Agency's pesticide regulation program through March 1977.

In 1976, Congress is likely to consider Toxic Substances Control legislation, as well as the long-awaited and much-debated amendments to the 1970 Clean Air Act.

These Clean Air amendments will most likely stretch out timetables within which air emissions standards for cars and industrial plants must be met.

THE ECONOMY

1975 proved another roller-coaster year for the economy. Inflationary surges alternated with periods of relatively low price rises. By the end of the year, economists generally agreed that the economy was slowly pulling out of its slump. Nevertheless, full economic recovery is still a long way off.

Nearly eight million Americans are still out of work. And, while the official unemployment figures show a slight decline from the 8.6% unemployment rate for September, unemployment remained about 8% at the year's end.

Congress mounted a coordinated two-pronged attack on the economic front: tax cuts designed to speed economic recovery, and jobs measures to get the unemployed back to work.

For the individual taxpayer, the most important action taken by Congress was the continuation of the tax cuts it instituted in the first half of the session. The 1975 tax cuts were extended—at an $8.4 billion level—through the first six months of 1976.

I strongly supported this extension. Abruptly restoring taxes to pre-1975 levels would have been a damaging blow to our economic recovery.

In action aimed directly at putting people back to work, Congress enacted a compromise $2.9 billion jobs package, including $1.6 billion for public service jobs and $500 million for construction. The President had vetoed a more comprehensive jobs bill earlier.

Congress authorized $10 billion in mortgage subsidies and mortgage payment assistance for unemployed homeowners faced with foreclosure.

In 1976, Congress will almost certainly approve a $5 billion jobs-producing local public works bill linked to a revenue-sharing program designed to aid areas—like ours—which continue to experience a naggingly-high unemployment rate.

The financial plight of New York City cannot be taken as a harbinger of things to come for all local governments. But the New York crisis certainly should alert us to the dangers of fiscal irresponsibility on the municipal and state level.

I voted against the aid-to-New York package when it came before the House, not, however, because of insensitivity toward our nation's main city. The federal loan guarantee program only serves to stave off disaster, without attacking the roots of New York's fiscal problems. Fundamental changes in the City's operations should have preceded Congressional action. I am afraid we have resorted to adhesive tape here when radical surgery was actually indicated.

Continuing the 1975 tax cuts, passing jobs-programs, extending unemployment benefits: by these actions Congress only avoided economic catastrophe. These last-minute, stopgap measures cannot pull us out of our economic doldrums. America needs instead an economic master plan which will reduce unemployment and encourage business activity without re-kindling the inflationary fires.

Crafting such a plan is no small task. But, it's a fitting goal for us in our Bicentennial year.

BUDGET, TAXATION, AND FINANCE

Much of the disagreement between President Ford and Congress during 1975 centered around the federal budget.

As the first session of the 94th Congress ended in December, everyone agreed that the distressing economic picture mandated an extension of the $22.8 billion tax cut passed first enacted in the spring of 1975. Even Mr. Ford, who signed the first tax-cut measure with great reluctance, agreed that this was a responsible, sensible course of action.

Congress and the President collided head-on, however, when the President insisted the tax-cut extension be linked to an equal reduction in federal outlays.

I sympathize with the President's desire to cut spending. However, I question the wisdom of agreeing to cut federal spending today while not being able to examine the federal budget until tomorrow. That's putting the cart before the horse.

As finally passed, the 1975 tax cuts are extended through the first six months of 1976. Congress agreed, as part of the compromise, to cut spending by amounts equal to the tax cut if—but only if—economic conditions allow such action.

Thus, while recognizing the need to cut federal expenditures, the extension preserves the flexibility which is essential if Congress is to respond quickly and adequately to economic changes in the months ahead.

Congress is now operating under the new and complex guidelines of the 1974 Anti-Impoundment and Budget Control Act.

Under this Act, Congress sets budget targets early in the year. Later, when revenues and outlay estimates are more accurate, the budget ceilings are finalized. Once the ceilings are finalized, Congress must conform federal spending and federal revenue measures to these ceilings.

The Budget Control Act replaces the uncoordinated hodge-podge of steps which has heretofore characterized Congressional budgetmaking.

While it's too early to judge the long-term effectiveness of this landmark act, it represents a significant step toward managing the nation's budget more rationally and efficiently.

Late in the session, the House passed H.R. 10612, the first phase of its federal tax reform effort. Among its provisions are those restricting the use of certain tax shelters involving farming operations, oil and gas wells, and sports franchises.

H.R. 10612 tightens the minimum taxes which wealthy individuals must pay and it eliminates tax preferences on income from some foreign sources.

Childcare deductions are revised to enable more families to qualify for its provisions. The whole childcare-deduction program is designed to assist spouses in securing gainful outside employment.

To encourage economic development the bill would extend the 10% investment tax credit through 1980.

By tightening tax shelters and closing certain loopholes, H.R. 10612 will provide an additional $1.5 billion in revenue while making the tax laws more equitable and fair. H.R. 10612 is now pending before the Senate Finance Committee which is expected to take some action on the measure during 1976.

In January, the House Ways and Means Committee begins the second phase of its tax reform hearings which will consider revision of estate and gift taxes and taxation of capital gains, among other aspects of the Internal Revenue Code.

Of particular interest to our community is the federal Revenue Sharing Act, which will terminate in 1976 unles it is extended. I have sent a letter to the House Government Operations Committee, urging it to report a revenue-sharing bill quickly. Congress must act soon if state and local governments are to make adequate financial planning for the next fiscal year which, for many governmental units, begins July 1, 1976.

FOREIGN POLICY

In my last six-month summary, I mentioned the events which led to the end of the war in Vietnam. At that time, it was my hope that America had learned from this tragic experience, and that we would never again embark on a similar venture.

Less than one year later, we are faced in Angola with a test of how well we have learned from experience.

There are many differences between the situation in Angola and that in Vietnam in the early 1960's—different cultures, different leaders, different questions at issue.

But the basic similarities are too obvious to ignore. As in the early days in Vietnam, the war in Angola is essentially a civil war. It is also a situation where American economic and military aid could easily escalate into a situation involving the physical presence of America's military personnel.

At the end of the 1975 legislative session the Senate had voted to withhold covert aid to the rival factions in Angola and the House was expected to follow suit.

I am not convinced that America has no role to play in Angola. The Russian presence is very real, and cannot be ignored. Still, in any situation as sensitive as that in Angola, close Congressional scrutiny should be a necessary prerequisite to the institution of any aid program, overt or covert, military or economic.

Elsewhere in our foreign policy, Congress voted to partially lift the U.S. embargo on arms shipments to Turkey, an action which I reluctantly supported. It seemed then the only way to ease tensions between these two NATO Allies and to calm the strife in war-torn Cyprus.

Congress approved the stationing of 200 American civilians in the Sinai Peninsula. I reluctantly opposed this action since it changed the U.S. role from that of a mediator to that of a participant. But, because both Israel and Egypt trust Americans—if not each other—a vote for an American peace-presence in the Sinai was certainly a legitimate position.

Within 24 hours of the United Nations vote condemning Zionism as a form of racism, the House, with my support, unanimously adopted a resolution condemning this action.

Congress considered military and economic foreign assistance separately for the first time. It passed an economic assistance bill which bars aid to countries that violate their citizens' basic rights.

IN THE PUBLIC INTEREST

The imposition of court-ordered busing was undoubtedly the most emotional issue of 1975 for the citizens of Louisville and Jefferson County.

On October 28, I testified before the Senate Judiciary Committee urging it to adopt a Constitutional Amendment to prohibit or severely limit busing. On November 19, however, the House Democratic Caucus voted 172-96 against a Resolution which would have placed the matter before the full House.

I supported the effort to bring the issue before the House. The action by the Caucus, however, effectively eliminates any hope of action on a Constitutional Amendment during the balance of this Congress.

I have joined with Representative Richardson Preyer in cosponsoring H.R. 10714, the National Educational Opportunities Act. This bill, if enacted, would require each state to submit a suitable desegregation plan to the Department of Health, Education and Welfare utilizing methods developed locally. If the community temporized, then the courts could order desegregation by busing or any other means at its disposal, is an interesting, thoughtful measure which deserves a full hearing.

With my cosponsorship and support, the House passed H.R. 3884, which seeks to place limits on powers which can be exercised by the President in national emergencies. Over the years, emergencies have been declared, but almost never "undeclared."

This has lead to an unhealthy build-up of powers in the Chief Executive. My bill provides an orderly procedure for "declaring" and "undeclaring" national emergencies. Thus, the accumulation of sweeping, drastic emergency powers is prevented.

Congress took the first steps in 1975 to salvage the bankrupt railroads of the Midwest and Northeast. The plan, known as ConRail, establishes a government corporation to supervise the reorganization and revitalization of these railroads.

The House Judiciary Committee—on which I serve—reported a bill to tighten restrictions on illegal aliens in the United States and to make it a crime to employ unauthorized aliens.

It is estimated that there are between 4 and 12 million illegal aliens in the U.S. These aliens contribute to a number of social and economic problems, including unemployment and the overburdening of Federal and State public assistance programs.

Both House and Senate have begun consideration of various forms of national health care programs. While I will examine these proposals as they come before the House, I strongly support a broad program of catastrophic health care, providing for coverage in the event of excessively expensive illness or injury.

Also in 1976, Congress will begin hearings on reform of the nation's food stamp program. I support the right of Americans to be free from hunger. But the present food-stamp program is riddled by abuse and waste and has to be reformed. With proper revision, we can make the present program work more effectively for those who deserve assistance, while excluding the undeserving.

Congress rejected the President's attempt to limit to 5% the cost-of-living raises for Social Security recipients, civil service annuitants, and retired military personnel and their survivors, allowing the benefit to rise to 8%.

Later, the House approved a bill expediting hearings for claimants whose applications for Social Security benefits have been denied. This will help a large number of people in our communities who are part of a 100,000 case backlog.

New federal help for the elderly would result from a House-passed bill to authorize $2.6 billion for fiscal 1976–79 for programs under the Older Americans Act and for senior volunteer programs under ACTION. New programs under the legislation would offer home, counseling, housing, transportation, and employment assistance.

In any legislative summary such as this, Mr. Speaker, a number of measures are mentioned briefly, if at all. If any of my constituents wish the details of any measure not mentioned in this report, I shall be happy to supply the information upon request.

THE AMERICAN FILM INSTITUTE'S PROGRAM "IN GLORIOUS BLACK AND WHITE"

HON. BOB ECKHARDT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. ECKHARDT. Mr. Speaker, those of us who spend some time in Washington are familiar with the American Film Institute and its delightful and unusual presentation of the best of films—old and new, foreign and domestic. Now due to the innovation of AFI and the generosity of Exxon, the rest of the country is sampling AFI's film feast.

My city, Houston, was the first stop for AFI's tour of the program, "In Glorious Black and White." This program presents some of the best black and white films of our time in sharp, mint condition prints. To further explain the process, I am including in the RECORD Jeff Millar's article from the Houston Chronicle. Mr. Millar reflects the enthusiasm of the community in his article.

The article follows:

MEDIA CENTER FILMS SHOWN IN BEST LIGHT

Bless the combined hearts of the Exxon Corp., the American Films Institute and the Rice Media Center for offering "In Glorious Black and White."

This is a collection of seven films from the classic era of Hollywood cinematography first put together for exhibition at the AFI's Theater in the John F. Kennedy Center in Washington, D.C. It opened Friday night at the Media Center with "Gilda" and will continue through Jan. 21.

Bless Exxon for putting up the money and the AFI for going to the trouble to do this right: Each of these films—ranging from 18 to 43 years old—will be exhibited in brand-new 35-m.m. prints struck from the best negatives available.

In the case of some of the films, such as "Touch of Evil." "The Sweet Smell of Success" and "Winchester .73," this means from the original camera negatives. This means we'll get to see the films in a form that generally only studio executives got to see them.

Even when in original release theater prints of new movies are a couple of generations from the camera negative. When you send your Christmas pictures off to Kodak, you get prints made directly from the negative that passed through your camera. Hundreds sometimes thousands of copies are made of movie film, and the original negative couldn't take that many passes through the printer.

So a copy (called a fine grain positive) is made of the camera negative, and from that positive, several dupe negatives are made. It's from the dupe negatives that the theater projection prints are made.

With each generation away from the original, of course, some quality is lost in terms of resolution and delicacy of contrast.

In the cases of films like "Shanghai Express" and "Gilda," the AFI prints had to be made from dupe negatives, either because the original negatives were of nitrate, which deteriorates from age, or because the negatives were simply lost.

I've seen a reel each of most of the films, and the quality of the prints is simply exhiliarating. No one who's watched these films in the only way they've been recently available today, between the Bounty ads on the Extremely Late Show, has really seen them.

The AFI has chosen the features extremely well. Seen side by side, in the intense experience of nightly screenings, one can see the metamorphosis of cinematographic style and fashion from the almost expressionalistic High-Studio '30s style of Lee Games in "Shanghai Express" (who lit Marlene Dietrich as an object) to the wonderful B-picture '40s tackiness of Rudolph Mate in "Gilda" (the first appearance of Rita Hayworth will make you laugh with delight) to the smudgly "realism" of the '50s characterized by James Wong Howe in "Sweet Smell of Success" and Russell Metty in Orson Welles' flashy, droll "Touch of Evil."

Black and white cinematography is dead. "Paper Moon" and "Last Picture Show" and "Lenny" are as much stunts as "Trail of the Lonesome Pine" and "Union Pacific" were stunts when they were photographed in the garish Technicolor of the early '30s.

It was a natural death, the inevitable result of audience insistence and the technical development of colors film filmmakers could control with the nuisance of black and white.

Sound is better than silent, color is better than black and white. But black and white will be, for at least another 30 years, the medium in which the bulk of film's heritage is preserved. We're fortunate to have these time capsules available for us to find the contents so stunningly preserved.

THE COURT FORGOT RESTRAINT

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. MAZZOLI. Mr. Speaker, the recent Supreme Court decision invalidating parts of the 1974 Campaign Reform Act was not a decision which served the public's interest in having fair, honest, and open political campaigning.

Nor did the decision conform to clear congressional intent.

Anthony Lewis, in his February 6, 1976, column in the Washington Star, addresses several important issues which the Congress must bear in mind as it seeks to redesign and reconstitute this important law.

For the benefit of my colleagues, I am inserting Mr. Lewis' observations into the Record:

[From the Washington Star, Feb. 6, 1976]

The Court Forgot Restraint

(By Anthony Lewis)

Ever since the passage of the 1974 campaign reform law, critics of the complex act have looked to the Supreme Court to cure what they regarded as its defects. There always seemed a certain irony in that: Politicians and political commentators giving up on the political process and seeking salvation from judges on a highly political matter.

Now the Court has spoken, holding several parts of the reform act unconstitutional. Political critics of the statute have naturally applauded. But those concerned with the judicial porcess may well feel differently. As constitutional law, the Court's opinion is unconvincing. It has an arbitrary tone reminiscent of the bad old days before 1937, when judges used to strike down economic reforms on theoretical grounds remote from reality.

One disallowed provision of the campaign law, for example, put limits on a candidate's use of his own or his immediate family's money, a $50,000 ceiling in the case of presidential candidates. The justices found this a violation of the First Amendment.

The Court reasoned that the use of money in a compaign was a form of expression, protected against abridgment by the First Amendment's guarantee of freedom of speech. It concluded that "the First Amendment simply cannot tolerate restrictions upon the freedom of a candidate to speak without legislative limit on behalf of his own candidacy."

In other words, the American system is absolutely powerless to prevent a Rockefeller from spending $4 million in family money to elect himself governor—or to prevent some future billionaire from spending $100 million. There can be no limits whatever.

Does that make any sense? Does it make any constitutional sense? I think the American Constitution is not so simple-minded. It does not require us to live in a never-never land where we know nothing about the power of money in politics. For of course money is a lot more than "speech." We know that money talks; but that is the problem, not the answer.

Or consider what the Court did with two parallel provisions of the act: It held unconstitutional overall limits on campaign spending, for example $20 million for presidential candidates. But it approved, ceilings on contributions to candidates, for example $1,000 by an individual to anyone seeking federal office.

The question is not whether those two provisions are wise or unwise—that is not the Court's business. The question is whether the Court has laid down an understandable principle for distinguishing the constitutionality of one from another, of spending from contributions. Principle is the Court's business.

"The act's expenditure ceilings," the opinion said, "impose direct and substantial restraints on the quantity of political speech." It said the aim of these ceilings, to reduce "the allegedly skyrocketing costs of political campaigns." was not a sufficiently strong governmental interest to justify restriction. In our free society, the opinion said "it is not the government but the people . . . who must retain control over the quantity" of debate in a campaign.

But a limit on contributions, the Court found, was a less "direct and substantial" restraint on expression. "A contribution serves as a general expression of support for the candidate, but does not communicate the underlying basis for the support. The quantity of communication by the contributor does not increase perceptibly with the size of his contribution. . . ."

Can the political experts who praised the Court really find that reasoning persuasive? Do they agree that big political contributors send no message with their money? Do they understand the difference—the constitutional difference—between campaign contributions and spending as "speech"?

Justice Brandeis could never have been with the majority of the Court last week. He thought the justices should restrain themselves in the use of their great constitutional power, especially avoiding premature and speculative decisions, waiting for experience. In its haste to deliver what was almost an advisory opinion on a largely untested law the 1976 Supreme Court forgot the restraint that protects its role in our system.

DEREGULATE NATURAL GAS PRICES

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. BEDELL. Mr. Speaker, I was greatly disturbed and disappointed to read accounts in the Sioux City Journal and the Sioux Falls Argus Leader, two newspapers with wide circulation in my district, of a recent attack on my colleague, Larry Pressler, by Mr. Vernon Loen, Deputy Assistant to the President for Legislative Affairs. Apparently Mr. Loen was upset with Mr. Pressler's vote in favor of the Smith amendment to H.R. 9464, which would deregulate natural gas prices only on gas produced by companies producing less than 100 billion cubic feet per year; that is, primarily the small, independent producer.

Although Mr. Pressler and I belong to different political parties, and do not always agree on the issues, it is clear to me that his vote on the Smith amendment was dictated by his perception of what is in the best interest of the people of his district and the Nation, and I commend him most highly for refusing to knuckle under to pressure from the large oil companies and the White House.

It is no secret that Mr. Loen and I have had our differences in the past. I had hoped that they had been resolved. However, I cannot allow his unjustified attack on Mr. Pressler and, by implication, on other Members of the freshman class to go unanswered.

According to the articles which I referred to earlier, Mr. Loen warned Representative Pressler at the time of House consideration of H.R. 9464 that he might have great diffculty in the next election as a result of his opposition to the administration on various isues, and he accused him of switching his vote on the natural gas deregulation issue in response to heavy labor lobbying. And, in addition, the Sioux Star Journal article quotes Mr. Loen as follows:

> I usually stay away from him (Pressler) because he is so sensitive to my particular approach . . . He overreacts, just like the typical freshman. Somehow when they get pressure from vested interest lobby groups they do not seem to mind that, but when a White House man contacts them it becomes a threat immediately.

I have had the privilege of working with Mr. Pressler on various pieces of legislation, and I know that his prime concern is serving the people he was elected to represent. I believe the fact that he was willing to stand up to the President and vote his convictions on the natural gas issue constitutes a very clear indication that he does not intend to allow anyone to tell him how to vote.

I do not know what Mr. Loen has against freshmen Congressmen. However, I do know that if the White House believes that they can walk over freshmen because we are new Members, they are wrong, and I certainly applaud Mr. Pressler for standing up to this type of unhealthy and improper attitude. And, what is more, I believe I speak for all freshmen when I say that we are just as anxious to represent our constituents as any other Member, regardless of their length of tenure, and we intend to exercise our public trust regardless of the attitude of Mr. Loen or the White House.

There are many serious issues facing our Nation today. It is the responsibility of the executive and legislative branches of the Government to work together as much as possible to fashion solutions to these problems. There is certainly ample room for honest disagreement on the issues. But there should be no room for arm twisting and recrimination where such disagreement exists. I regret that there are some in the executive branch do not seem to hold this view.

A NEEDED INVESTMENT IN OUR NATION'S HEALTH

HON. CHRISTOPHER J. DODD

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. DODD. Mr. Speaker, at this point in the Record, I would like to insert the text of my testimony which was submitted today to the Subcommittee on Health and Environment of the House Interstate and Foreign Commerce Committee, which recently held hearings on emergency medical service legislation. I feel that the Emergency Medical Service Systems Act is a crucial program that we must expand. The text of my testimony is as follows:

A Needed Investment in Our Nation's Health

Mr. Chairman: I very much appreciate this opportunity to testify today in support of the extension and expansion of the authorities of the Emergency Medical Services Systems Act of 1973.

This program has saved countless lives and provided assistance numerous times all over the country to aid people exactly when they needed it the most—in an emergency. Heart attack victims have been reached in time to save lives, and accident victims have had care speedily administered. The ability for a community to respond immediately—and effectively—to an emergency medical crisis is a situation devoutly to be wished; far too many areas, whether rich or poor, rural or urban, simply do not have the facilities, manpower or resources to respond in a meaningful, and life-saving way.

In rural localities, one of the great problems is the vast distances to be covered, coupled with the lack of medical resources. In the urban communities, the problem can be caused by lack of resources or multiplication of inept efforts. Yet the numbers of preventable deaths and disabilities resulting from medical emergencies are grim evidence of the impelling need for action to provide definitive relief to this problem.

An estimated 15 to 20 percent of the deaths due to traumatic injury could be saved each year by improved emergency medical services. The National Academy of Sciences estimates that upwards of 60,000 lives could be saved every year. Traumatic injury resulted in almost 20,000 deaths in 1972, with almost 12 million people seriously injured. Accidental injury is the leading cause of death among all persons aged 1 to 38.

Heart attack is the number one cause of death in the country, with over 675,000 deaths in 1972. The American Heart Association estimated that between 15 to 20 percent of the prehospital coronary deaths could have been prevented if proper care were administered at the scene and enroute to the hospital. These unfortunate statistics, and many more, could be reduced with expanded emergency medical services systems.

The expansion of emergency medical services systems is of significant impotance to my district which encompasses Eastern Connecticut. The Second Congressional District which is composed of many small towns separated by large distances has a severe doctor shortage compounded by a small number of hospitals to deliver emergency medical care. For these reasons, the need for a strong emergency medical service cannot be overstated.

During the past year the State of Connecticut's Office of Emergency Medical Services has made great strides towards planning a state-wide emergency medical service program. A curriculum has been established and over 4,800 emergency medical technicians, including police officers and firemen, have been trained. Hospitals have been categorized and many physicians have enlisted in this program.

Thus, the state has nearly completed its planning phase and is anxious to move towards its implementation phase. However, in order to reach this goal, federal assistance will be required.

I am encouraged by the Subcommittee's timely consideration of the extension of the emergency medical service program. As you are aware, a major problem has been the limited financial assistance which has been given for the operation of this program. There were no emergency medical service training grants made under § 776 of Title VII of the Public Health Service Act in fiscal year 1975, and according to the budget for fiscal year 1977, there were no funds requested for the coming year.

It is my sincere hope that you will give serious consideration to this problem in your legislative proposal in order that our emergency medical services program may be strengthened.

As far as health care to our citizens goes, this program has been of the utmost benefit. In 1975, a total of 114 grants went to 47 states, the District of Columbia, Guam, Puerto Rico, and the Trust Territory of the Pacific Islands, including 56 planning grants, 27 grants for initial implementation and 11 grants for expansion and improvement of existing systems. All of these ventures were performed with only just over $32,000,000.

Mr. Chairman, just think of the aid our fellow citizens could have at their disposal if we pass legislation which would strengthen our emergency medical service program. Indeed, the Emergency Medical Service Systems Act is a crucial program that we must expand. Its life-saving help comes when our people need it the most. That kind of insurance and assistance does not have a price. Ask anyone who has depended on emergency medical care. I therefore urge you to move quickly to enact legislation which will strengthen the emergency medical service program.

OPEN LETTER TO CONGRESS CALLS FOR STUDY OF TELEVISION

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. REES. Mr. Speaker, ever since its rather small beginning, television has become a significant force in the mainstream of American life.

In every grouping and region of the country, Americans spend innumerable hours watching their television set for information and entertainment. In fact, over 97 percent of the population possesses at least one television set, and each set operates on the average at least 7 hours per day. TV is considered the most believable and trustworthy source of information of any of the communications media. Its impact on the everyday lives of most citizens was demonstrated some years ago, when the book sales of Funk and Wagnell's dictionary increased 20 percent after Rowan and Martin first coined the phrase, "Look that up in your Funk and Wagnell's" on their network prime time show, Laugh-In.

Television has had a substantial impact on the life styles, public awareness, and thinking processes of countless Americans, yet it still has not achieved its full potential. In my district in southern California, which lies in the center of the televsion industry, people are concerned with the quality of television. They want to see TV step out of its mundane routine into new and diversified television production. Art, theater, history, and international diplomacy are all within the purview of the television medium. Television can take great strides forward in these areas, and Congress can help. In an open letter to Members of Congress, which I am placing in the CONGRESSIONAL RECORD, David Rintels, president of the Writer's Guild of America asks Congress to initiate a comprehensive study of television for the purpose of making recommendations for future policy. I urge careful consideration of his very thoughtful proposal:

AN OPEN LETTER TO CONGRESS

There are many problems which affect all of us in the entertainment industry—copyright, unemployment, government involvement in film making, etc. But, by common consent, the most important problem we face is not ours alone, but the national problem of how well TV is serving the American people. We are writing this letter in the hopes that Congress will agree to initiate an inquiry into the question of how well the country is using one of its greatest natural resources, the airwaves.

It is no secret that television has become one of the dominant forces in the social, cultural and intellectual life of our nation. Our children spend more time in front of TV sets than they do in the classrooms. More homes have television sets than have refrigerators or indoor plumbing. Literally no aspect of life—from our view of government to economics to social and racial questions—is not shaped daily and dramatically by TV.

The question naturally arises as to how well television is discharging its responsibilities, both legal and moral. Legally, TV is charged by the Federal Communications Act of 1934 with programming "in the public interest, convenience and necessity." Morally, TV has an obligation to serve us all, with at least equal regard to our interests as to its own.

Yet the record clearly suggests that television is not meeting its responsibilities. Now is not the time and, we feel we are not the ones, to suggest whether the fault lies with the creative people, the networks, the independent stations, sponsors, Congress, the Federal Communications Commission, or even the audience. But there are and will continue to be examples of television's service to the country which deserve your consideration and ours.

We know, for example, that independent documentary producers are barred from having their works shown on networks; that creative writers are denied the opportunity to address themselves to controversial themes; that programming is shaped to avoid displeasing commercial sponsors; that art, science, history, poetry, music, and literature are, for all practical purposes, hidden from the mass audience; that TV time is sold only to those with commercial products to sell, and not those with ideas to discuss.

Many of these questions pose First Amendment concerns. Free speech and the dissemination of ideas are in everyone's interest, and it would be proper, in our view, to examine television with the idea of seeing what steps the Congress might take to insure that TV does not deprive us of the rich tapestry of ideas which has always been a source of strength to the country. But the questions can be broader than First Amendment considerations and can touch on the entire fabric—creative, business, social, governmental—of the TV industry.

Our hopes would be that the most talented and responsible people connected with TV—writers, directors, producers, actors, executives—would appear before you to discuss their concerns and to make suggestions; and that the hearings might result in the establishment, by Congress, of an independent blue ribbon commission composed of outstanding Americans from law, science, the arts, labor, management, education, religion, etc., to further study and to make recommendations to the Congress on the broad question of TV and the American future.

Those of us who work in TV know better than anyone its enormous potential and capacity for good. It is our hope that, by working together, we can give TV the stimulus and freedom to fulfill its opportunity to serve the country.

DAVID W. RINTELS,
President, Writers Guild of America.

HOW GOOD IS AIRPORT SECURITY?

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. DOWNEY of New York. Mr. Speaker, all of our colleagues are aware that the problem of security on our commercial airlines remains a source of continuing concern. We are repeatedly told that security is improving, that inspection of carry-on luggage and individuals is nearly foolproof, and that other possible threats are under constant review.

If the Department of Transportation and the Federal Aviation Administration are, in fact, carrying out their responsibilities for airport security, I find it somewhat curious that David J. Willmott, editor and publisher of the Suffolk Life Newspapers on Long Island, should have to question procedures at Washington National Airport. But he does, and he does it in an editorial in his edition of February 1, 1976.

The following editorial raises serious questions that I have asked DOT and FAA to examine. On the face of it, there can be no excuse for what is surely either incompetence or a serious flaw in the system. I anxiously await a reply from the responsible parties.

[From Suffolk Life, Feb. 1, 1976]

AIRPORT SECURITY QUESTIONED

Recently I flew to Washington, D.C. At Islip MacArthur airport, security was professional and extremely thorough. Passengers were required to remove any metal objects they had in their possession and walk through an electronic device so sensitive it picked up the foil on my cigarette pack.

I felt good to know everything possible had been done to avoid a sky-jacking. A fellow passenger sitting next to me complained about the elaborate security system and the hassle of the whole process. I told him I would much prefer to personally go through the hassle and feel sure I wasn't going on an unscheduled trip to Cuba because some nut wanted to protest the cut-back of birdseed for chickadees or some other looney reason. He agreed.

On the return flight from Washington National Airport to MacArthur, I experienced just the opposite in security procedures. At the check-in counter the clerk announced the airline ticket only included transportation of three items. Because I had four items, I said I would carry them in a knapsack I had with me. Security at Washington National also included an electronic x-ray device for carry-on items, and, I suppose, an electronic sensor to detect if you had any metal in your possession.

As it turned out, in the pocket of my ski jacket, I had a loaded 12 gauge shotgun shell that had not been removed from a prior hunting trip. This was not detected, nor discovered by me until I reached home. In the bottom of the knapsack were fishing pliers whose metal content and weight would approximate a 'Saturday night special'; I also found an 8'' fishing knife that could be used as a lethal weapon, plus additional assorted metal objects, all of which went undetected.

The security people at Washington National seemed to be lackadaisical in their approach, particularly when compared to the professionalism at MacArthur. This is especially strange considering Washington National is located in the city of our federal government.

I do not think I will have a secure, comfortable feeling again on boarding an airplane knowing I personally have passed through an inspection carrying material aboard a plane that could have been used, if in a different form, for a hijacking or other horrendous act.

I don't like the hassle of having my bags inspected and emptying my pockets, but I much prefer this to having a plane hijacked and peoples' lives placed in jeopardy. Most Americans agree and want this security continued. And why not?

CHILD AND FAMILY SERVICES ACT

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. SHUSTER. Mr. Speaker, I have been inundated over the past several weeks with letters and phone calls from constituents expressing their deep concern with implications contained in H.R. 2966, the Child and Family Services Act. Because of this outcry, I have devoted a considerable amount of time researching this legislation and have prepared a statement relating to it. I am inserting this statement in the RECORD and offering it for consideration by my colleagues:

CHILD AND FAMILY SERVICES ACT: SETTING THE RECORD STRAIGHT

(By Congressman BUD SHUSTER)

There is an expensive and dangerous bill now awaiting action by the House, a bill which has generated more controversy and produced more mail than any other in the time I have been in Congress. I am referring to the infamous Child and Family Services Act, a bad piece of legislation which deserves to be overwhelmingly defeated.

I am opposed to this bill, and intend to fight it all the way. But I am concerned that many people misunderstand the real reasons for alarm. A great deal of misinformation about this measure has been circulated, and in this article I hope to set the record straight.

The Child and Family Services Act would provide Federal funding for comprehensive new child care programs, set standards for existing programs, and coordinate the activities of child care agencies to avoid overlapping of functions. Through this legislation, the Federal Government would attempt to provide guidance for the social, physical, nutritional, and psychological development of the child, in standardized daycare center settings.

The introduction of this type of legislation breaks no new ground. Federal money has been involved with child development programs in one form or another since 1935—in Social Security, Project Headstart, the Elementary and Secondary Education Act, CETA, the School Lunch Program, and a variety of other Federal agencies.

Legislation virtually identical to the Child and Family Services Act was passed by both Houses of Congress in 1971, but was subsequently vetoed by President Nixon. In his veto message, he stated that, although the intent of the bill—to provide every child with a full and fair opportunity to reach his own potential—was laudable, the intent was overshadowed by the fiscal irresponsibility and family-weakening implications of the system it envisioned. He said:

"For the Federal Government to plunge headlong financially into supporting child development would commit the vast moral authority of the National Government to the side of communal approaches to child-rearing over against the family-centered approach."

In saying this, I think President Nixon fairly summarized the feelings of many who believe that the Federal Government should not expand so dramatically its support of public daycare programs. Opposition to such expansion stems from either the desire to let privately-run institutions provide daycare, or from the belief that the government simply should not encourage more mothers to work while leaving their children in daycare centers of any kind.

Both objections are fair; both are subject to rational discussion and debate, and both apply with equal force to the legislation now before the Congress.

But there is a new, and disturbing strain of criticism relating to the 1975 legislation. It has been promoted behind the scenes, by unknown individuals or organizations, and has muddled the legitimate debate on this bill.

Many good people—God-fearing people who care about their children—have been led to believe by this propaganda campaign that the Child and Family Services Act will allow the government to take children from their homes and raise them in communes, or that government-sponsored "advocates" will enter the home and evaluate the ability of parents to raise their children.

One rumor that has gained much currency is that this bill contains a "Charter of Children's Rights" asserting, among other things, that children have the right to freedom from political or religious indoctrination. The alleged "Charter" also claims that "all children have the right of protection from . . . the consequences of any inadequacies in their homes and backgrounds. (Note: In other words, never punish your child because he may come back to you with a civil suit.)"

There are no such provisions in this bill. In the flyers denouncing the bill, where these supposed sections are quoted, what is not mentioned is that these "rights" are lifted from suggestions made by a British study group early in this decade, never passed—even in Great Britain—and never introduced at any time into legislation before the United States Congress.

There is a real disservice being done here. The Child and Family Services Act *is* a bad bill, not because it will "Sovietize" our children, not because it will allow children to control their parents, rather than vice-versa, but because it is badly structured, too costly, and too vague to enact into law. To ignore the truly bad aspects of this bill, and concentrate on the myths that surround it, makes all opponents of the legislation look less serious than they are.

Let us examine some of the ways in which the Child and Family Services Act fails to accomplish its goals:

1. STRUCTURE

The primary change at the Federal level is the creation of an "Office of Child and Family Services", which would supplant the present HEW Office of Child Development. Also, an interagency "Child and Family Services Coordinating Council" would be established.

At the local level, Federal grants would be provided to states, cities, counties, school boards or other local units that set up comprehensive day-care programs. These "prime sponsors" would be subject to Federal standards in all phases of operation. Local program councils, consisting of parents of daycare and Headstart children, as well as representatives of the general public, would serve as the ongoing administrative bodies for these local operations.

One must ask, though, whether the addition of another complex bureaucracy to the sprawling Health, Education and Welfare maze would aid either parents or children in the long run. It would certainly move the Federal Government one step farther into the lives of our people and the operations of facilities that are probably best left under local control.

Another disturbing facet of the structure of his bill is its primary underlying assumption. It blithely asserts that the government will work in "partnership" with parents. I cannot recall a Constitutional provision giving the government the authority to declare itself legally a partner with parents in the raising of children.

2. LANGUAGE

One of the most alarming features of this bill is, simply, the way it is written. It deals in broad, generic terms with areas that have always been treated carefully and precisely. It makes dangerously vague pronouncements about child and family life, subjects that should be handled delicately by the government, if at all.

Just read some of the bill's language, and think of the potential for misuse of the law's power:

Sec. 201c(2)c: "The Secretary shall . . . appoint a Special Committee on Federal Standards for Child Care . . . Such committee shall participate in the development of Federal standards for child care and modifications thereof . . ."

Although this section refers, supposedly, to Federally-assisted agencies, does it not suggest the possibility of a Federal committee setting standards applicable in the home as well as in daycare centers? Nothing in this language prevents such a construction.

Sec. 401. "Congress recognizes . . . that parents can be helped effectively to use child service methods with their own children that will lessen the need for compensatory education programs for older children."

Despite the voluntary nature of parents' participation in the services offered by this bill, Section 401 sounds ominous—since it virtually urges parents to adopt the child care techniques used in daycare centers.

Reading further, Section 403 authorizes the HEW Secretary to make grants and enter into contracts to "help parents and high school students understand and practice sound child care techniques." I seriously question the right of the HEW Secretary, or any other governmental agency, to promote one kind of child care method over another. This smacks of Big Brother, whether the bill's framers intended that connotation or not.

One final instance I find, in which the language of this bill, by overstatement and imprecision, raises the possibility of more Federal involvement in family matters than is justified.

In "Definitions", under Title V, the word "program", used numerous times to specify a covered activity, is defined, ". . . any program, service *or activity* (emphasis added), which is conducted full- or part-time in the home, in schools, or in child care facilities". This speaks for itself.

3. PARENTAL RIGHTS GUARANTEES

Two sections in the Child and Family Services Act guarantee to parents the ultimate right of sovereignty in the home and in the control of their children. The introductory clauses state, "The family is the primary and the most fundamental influence on children. . . . Child and family service programs must build upon and strengthen the role of the family."

Toward its conclusion, the bill contains a strict prohibition against governmental interference with parents' rights: "Nothing in this Act shall be construed or applied in such a manner as to infringe upon or usurp the moral and legal rights and responsibilities of parents . . ." (Sec. 504).

But how seriously can we take these admonitions, when in another section the bill defines "parent" as merely "any person who has primary day-to-day responsibility for any child"?

And how much attention can be paid to these prohibitions when the rest of the bill repeatedly opens the door to increased governmental interference with the parental role?

We have seen many times how Federal guidelines, well-intentioned though they were, have resulted in nothing more than increased governmental meddling. I fear that this Act would fail to heed its own warnings, and permit the government to legally intervene in the American family.

4. COST

My last major objection is perhaps my strongest. This bill projects a Federal outlay of $1.8 billion through 1978 in support of the various bureaucracies it establishes. But that is only the beginning.

Before he left office, former HEW Secretary Caspar Weinberger estimated that the Child and Family Services Act would wind up costing a minimum of *$14 billion* per year!

At a time when we are making desperate attempts to cut unemployment and hold down inflation by reducing Federal spending, it would be the height of irresponsibility to point the Federal Government in the direction of wild new outlays for a new, and in my view, unneeded social program. Philosophical objections aside, the plain fact is that we just can't afford it.

We should be eliminating bureaucracies, not creating new ones. We should be reducing the government's influence on the lives of individuals, not announcing new standards and regulations. We should be decentralizing authority and giving people more power over their own lives—not decreeing from Washington how children are to be raised.

I do not question the motives of those who drafted the Child and Family Services Act. They are well-intentioned Americans. But, the rhetoric and the propaganda aside, we have reason to be deeply concerned about the unintentional effects of this kind of legislation.

REVITALIZATION OF BABYLON VILLAGE

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. DOWNEY of New York. Mr. Speaker, Babylon village a 300-year-old village within my congressional district prides itself on a history of growth and development as rich as America itself. Although it has experienced periods of importance in agricultural and commercial persuits, and indeed of industrial expansion, it has remained primarily a quiet residential community. As the economic, political and social center of the town of Babylon, it retained a significance in Suffolk County beyond its relatively small size. But when the town government was removed from the village, the economy of the village began to suffer somewhat, with the decline of shops and the dramatic expansion of suburban shopping malls. It has become difficult for Babylon village and similar small communities to compete with the hustle-bustle and broad attraction of these shopping centers.

A concerned constituent of mine, James Lawracy, who lives in Babylon, has taken a hard look at his community even as a student at the School of Environmental Design of the University of Georgia. He has developed, in partial fulfillment of the requirements for his degree, a bold new plan for the revitalization of the village of Babylon. As he says in the third chapter, "The object of this study is to provide a set of guidelines for the community development upon which the social and economic community can grow." The three areas covered by the study are architectural renovation, pedestrian and vehicular circulation, and landscaping.

The architectural rennovation is mainly concerned with cleaning up the hodge podge of different architectural styles existing in the village and in turn offering a style of architecture that could be used as a unifying element. In conjunction with this a proper landscaping design could enhance the beauty of the village's central business district—CBD.

The circulation study examines the existing vehicular and pedestrian circulation patterns within the CBD and offers solutions which will enhance the pedestrian space while at the same time trying to solve that never ending problem of parking.

The landscaping study is based upon the needs and conclusions of the circulation and architectural studies and tries to coordinate the open spaces in the CBD with those of adjacent areas.

A master plan was developed from the information gathered. This details proposed changes in parking and in vehicular and pedestrian circulation. It develops a pattern of open spaces and show how they can be developed into pleasant people spaces which add to the overall pleasantness of the CBD. Lastly, it details any major additions, such as new building or other permanent structures, and an overall planting plan to bring some of that country-like quality back into the CBD.

Mr. Lawracy has chosen to capitalize on the strengths of his community. Babylon possesses a beautiful system of parks and recreational facilities that extends from its northern most boundaries almost to the bay on the south shore. Many of the shops and businesses have made vast improvements on existing facades and interiors. More important is the fact that there is a spirit and movement afoot in the community that is deeply concerned about the future of Babylon. The past few years have noticed the development of interest in the history of Babylon, resulting in a possible historical museum, in the not too distant future. The Babylon Beautification Society arose just about 2 years ago with an avowed interest in sprucing up, cleaning up, and greening up Babylon. Their efforts will this year be seen in a tree planting program. It is this spirit, this revival of faith in the village of Babylon that makes this study realistic and worthwhile.

As the Congressman who represents the village, I have been impressed not so completely by the various specific proposals—although most of them are surely worthy of detailed exploration—as by the initiative and concern of this one individual to be part of the enhancement of his village for the betterment of all its residents.

His effort is exemplary of the dedication and enterprise that has contributed to the greatness of our people. Further, James Lawracy typifies a spirit of community involvement and local participation that forces us to reconsider the importance of local planning efforts in the 1970's. Even if his plan is not adopted intact, he has developed a Babylon solution to Babylon's problems, one that could not have arisen out of a faceless, moribund bureaucracy. There is a lesson here for Washington.

I am proud that James Lawracy is my constituent, and I am certain that he is only beginning a brilliant career of service to his fellow citizens. At this point I include the following material:

A BOLD NEW PLAN FOR BABYLON VILLAGE

(Part I of a three part series)

Last week The Beacon printed an introductory article on a new plan for Babylon Village. The plan, drafted by James Lawracy, a Babylon Village resident, as part of the requirement for his degree of Bachelor of Landscape Architecture at the University of Georgia, suggests exciting and challenging changes in the village area. The Beacon will print the plan in three parts, starting with Part I, which follows below:

BABYLON'S PAST

The Village of Babylon was founded nearly three hundred years ago, by a group of settlers from Huntington, Long Island. They were in quest of English hay as livestock feed. Although the exact year of settlement seems to change with the source, the year 1667 has generally been accepted. For many years after its settlement Babylon's growth was tied to agricultural production and fishing.

By the turn of the nineteenth century saw, grist, and flour mills were beginning to flourish along the rivers that flow through the Village. The use of these rivers also gave rise to the production of wool and eventually paper products. Through this early period and on into the late eighteen hundreds Babylon grew as a south shore port of trade and agriculture. The incorporation of Babylon, into a village was a major step forward for the residents of the area, but did not occur until 1893. This provided an elected government that still carries out many services to the Village residents.

One of the first of these services was electric lighting and with the coming of electricity Babylon joined the industrial revolution, converting many of the water powered mills and plants to electricity. With her geographic and economic position already established this event only furthered the prospects of future growth. The growth of Babylon as a trade and municipal center continued throughout the late 1800's and early 1900's. Industrial growth fortunately peaked at this time leaving much of Babylon in a quiet residential state. During this time the Village also provided services on the educational and governmental level to most of the unincorporated areas in the Town of Babylon.

With the Village acting as the center for the Town of Babylon, its economic and social importance remained high. The growth of these surrounding areas and the removal of the Town government from the Village in the Mid 1900's has left a noticeable mark on the character of Babylon. Her social and economic prominence has proportionately decreased. But still today the Village of Babylon stands as a beacon of the past and for the future of the south shore of Long Island. Its accent on the residential community, with their beautiful homes and tree lined streets serves as reminder that commercial growth doesn't mean the removal of that country-like quality.

BABYLON TODAY

The Village of Babylon is a small town on the south shore of Long Island, approximately fifty miles east of New York City. The present population is about 13,000. In the past 15-20 years there has been a marked decrease in the number of shops in operation in the Village, while at the same time the population has increased by about 55 percent. During this same time the average income of the residents of the Village has risen above the average per capita income for the county and the state. This is exceeded only by the average income level of the residents of Nassau County. Why have shops closed and why such a turn over of shops you ask? One major reason has been the development of the "Shopping Center" or "Mall". Within a 20 mile radius of the Village there are currently over six major shopping centers. The classification used here to identify major shopping centers would be those shopping centers which possess two or more major generator type stores such as Penny's, Macy's or A & S's. It is this type of center with which many smaller villages and towns are finding it extremely difficult to compete.

Secondly, and peculiar to the Village, there has been a rash of devastating fires in recent years which have gutted whole sections of the streetscape and have left in their waste empty lots which quickly become unused eyesores. Also contributing heavily to this decline has been the failure of many merchants to stock the goods desired by today's consumer or to have the facilities to even be able to do so. The object of this study is to provide a set of guidelines for the community development upon which the social and economic community can grow. These guidelines are proposed based on studies in the three major subject areas.

These are architectural renovation, pedestrian and vehicular circulation, and landscaping.

Another area, being an intergral part of circulation and landscaping, is that of open space connection through the village.

The architectural renovation is mainly concerned with cleaning up the hodge-podge of different architectural styles existing in the Village and in turn offering a style of architecture that could be used as a unifying element. In conjunction with this a proper landscaping design could enhance the beauty of the Village's central business district.

The circulation study will examine the existing vehicular and pedestrian circulation patterns within the Business District and offer solutions which will enhance the pedestrian space while at the same time trying to solve that never ending problem of parking.

The landscaping study is based upon the needs and conclusions of the circulation and architectural studies and tries to coordinate the open spaces in the Business District with those of adjacent areas. These studies are based on personal field investigation of existing conditions, information concerning recent and past history of the Village, and the desires and hopes of its present residents for the future.

The author wishes to emphasize that this report is a guideline, a framework within which to work toward a goal, and that any planning process is always an on going effort which constantly changes and is being refined. This report is not a cure-all for the ills of the Village but merely a proposed tool for the community to use and goals towards which to work.

THE PARKING PROBLEM

[Part II of a Series]

The Village of Babylon has been the author's home for over half of his lifetime. Although that doesn't classify him as an expert on the Village, he feels it has given him an insight into the problems that the residents face everyday, concerning the Central Business District. Once the study was begun it quickly became apparent that the study could easily become very subjective in its analysis of the problems facing the CBD, and that the solutions would become merely cosmetic gestures aimed at pleasing everyone, yet solving nothing. With this realization behind him the author set about, objectively as he could, to define the real problems that exist and propose solutions to them. These solutions might not please everybody but yet would work toward the goal we all seek, a Babylon looking toward the future with a set of realistic and achievable goals. Herein are contained those problems which through personal observation and informal conversations with merchants, residents and local officials, seem to be the most pressing ones and need our immediate attention.

1. Vehicular circulation and parking are two most frustrating and noticeable problems. A traffic study survey conducted by the New York State Department of Transportation in 1972, revealed that over 18,000 cars pass through Babylon daily, on Montauk Highway alone. The peak hours for traffic according to the study were from 11:30 a.m. to 1:30 p.m. and 4:00 p.m. to 6:00 p.m. daily. Anyone who has tried to drive through the Village during those hours knows that it is sometimes necessary to sit at a traffic light for three or four changes before it is possible to get through. This problem is aggravated by service roads, driveways and side streets which empty out onto Deer Park Avenue and Montauk Highway creating both traffic hazards and jams. A side effect of this traffic jam is the use of the residential side streets, which parallel these roads, by the frustrated motorist who is trying to made it from one end of the Village to the other. Also a major part of the problem, on Montauk Highway, is that at both ends of the Village the traffic is funneled down from two lanes of traffic in each direction to one lane in each direction. This is due to the existance of on-street parking, which leads to the second half of vehicular related problems—parking.

At present the Village has approximately 815 parking spaces. This takes into account all on-street parking on Deer Park Avenue, Montauk Highway, and the public parking available in the lots behind the stores on both sides of Deer Park Avenue. Not included are those parking lots behind the shops on the southside of Montauk Highway. This may seem like a sufficient number of spaces for parking; but the problem lies in the location, use, and organization of these spaces.

There is also a lack of clear, informative signs and poor circulation in and around the lots. Add to this a large influx of out-of-town commuter parkers each morning and you have mass confusion.

2. Pedestrian circulation is the major life line of any economic community and it is here that another major flaw exists.

Relatively few shops have rear entrances which the shoppers can use, although most of the parking is located at the rear of the shops. This means that the shopper either has to ride around and around, looking for an on-street parking space near his destination; or he must walk through the existing driveways and alleyways—many of which are narrow, dark, and dirty—to get to his desired front-entrance only shop. If he does choose to park in a parking lot, he is faced with a drab gray lot, devoid of trees and sidewalks. The only sidewalks are those in front of the stores. There are no defined pedestrian walkways or spaces other than the store front sidewalks. Even these areas are devoid of any plant life with the exception of a few new trees and planters, and the few remaining old trees which once shaded the whole Village. This problem is amplified around noon when the local schools and businesses break for lunch. Once he has purchased his sandwich or whatever, he looks for a place to sit down to enjoy his meal and is then confronted with the reality that no such place exists within the Central Business District.

If he is really persistent in his desire for pleasant outdoor surroundings, a trek must be made to the west end of the Village to Argyle Park. However, even this trip is marred, due to the fact that the only routes available to the park are along noisy, traffic clogged roads. Thus the pedestrian, be he shopper, businessman, senior citizen, or student finds little respite from the havoc and noise of the daily activity of the Village.

3. As mentioned previously, the pedestrian is the lifeline of any economic community. In order to bring the consumer-pedestrian to the community there must be a variety of goods and services available.

VARIETY OF STORES NEEDED

[Part III of a Series]

Just as important are the hours at which the shops are open. Here again we are confronted with what is needed and the apparent lack of recognition and action on the part of the merchants to provide it. The variety and type of goods offered in the Village has become increasingly less each year. As an example, here is a partial list of goods and services for which the consumer must travel to other towns, villages and even shopping centers:

Women's childrens and men's clothing & apparel, Fabrics, Shoes, Furniture, Fruits and vegetables, A quality neighborhood supermarket, A sundries and necessity store (linens, towels, blankets, etc.).

Babylon has a large group of elderly citizens whose shopping needs can not presently be met in the Central Business District. In addition the needs of many young people, married people, families and the over 3,000 commuters who come and go through Babylon each day are neglected. Why do they need to shop outside of the Village?

1. The lack of desired goods and services, 2. Hours of operation which conflict with the hours of the average shopper, 3. A lack of awareness on the part of the merchant and property owner in the Central Business District to cater to the present needs of the consumer.

4. The lack of spatial and architectural unity also tends to cause a decrease in the use of the Central Business District. Consumers prefer to shop in safe, attractive surroundings. Certainly a shopping area that spreads itself out along two streets covering about ⅓ of a mile does not lend itself to casual shopper browsing. It has been shown through studies that the downtown shopper prefers to travel no more than 600 feet from his car to the furthest shop. In Babylon he is asked to do much more than that. Some stories are even isolated from the major cluster of shops into areas that might be institutional or nonpedestrian generating facilities.

This brings up the point of inappropriate building location, such as the Motor Vehicle Bureau and the transmission care center. These uses do not generate pedestrian traffic nor are they the type of shop that is supported by the pedestrian. Services of this type would be better suited to the fringes of the Central Business District where their use will not adversely affect the shopper visually or physically. Central Business District do not shop here nor are they encouraged to do so. Inevitably the Village economically loses twice.

JANUARY 16, 1976.

Congressman THOMAS J. DOWNEY,
U.S. House of Representatives,
1019 Longworth House Office Building,
Washington, D.C.

DEAR CONGRESSMAN DOWNEY: I wish to thank you for meeting with Mrs. Gallagher and myself to discuss the various aspects of the Revitalization Plan for the Village of Babylon and methods of funding. The plan is currently being widely publicized through the efforts of the Babylon Beacon.

During our discussion you requested that we send you a brief explanation of the proposal so tht you might include it in one of your Congressional News Letters. It is difficult to try and condense plans for an entire village into a short paragraph but perhaps the following excerpt from the third chapter can best explain the scope of the report. I would like to preface this excerpt by stating that the study was undertaken to fulfill part of the requirements for the degree of Landscape Architecture which I received last June from the University of Georgia.

The object of this study is to provide a set of guidelines for the community development upon which the social and economic community can grow. These guidelines are proposed based on studies in the three major subject areas. These are architectural rennovation, pedestrian and vehicular circulation, and landscaping. Another area, being an intergral part of circulation and landscaping is that of open space connection through the village and has been dealt with under the latter two subject areas.

The architectural rennovation is mainly concerned with cleaning up the hodge podge of different architectural styles existing in the Village and in turn offering a style of architceture that could be used as a unifying element. In conjunction with this a proper landscaping design could enhance the beauty of the Village's central business district (CBD).

The circulation study examines the existing vehicular and pedestrian circulation patterns within the CDB and offers solutions which will enhance the pedestrian space while at the same time trying to solve that never ending problem of parking.

The landscaping study is based upon the needs and conclusions of the circulation and architectural studies and tries to coordinate the open spaces in the CBD with those of adjacent areas.

A Master Plan was developed from the information gathered. This details proposed changes in parking and in vehicular and pedestrian circulation. It develops a pattern of open spaces and show how they can be developed into pleasant people spaces which add to the overall pleasantness of the CBD. Lastly, it details any major additions, such as new building or other permanent structures, and an overall planting plan to bring some of that country-like quality back into the CBD.

I wish to emphasize that this report is a guideline, a framework within which to work toward a goal, and that any planning process is always an on going effort which constantly changes and is being refined. This report is not a cure-all for the ills of the Village but merely a proposed tool for the community to use and goals towards which to work.

It is my fondest desire that whether it is my plan or someone elses that the end result be an enhancement of our village for the betterment of all the residents.

Again, many thanks for your cooperation and assistance. If I can be of any further service or if you wish to contact me for further clarification, please feel free to do so.

Very truly yours,

JAMES LAWRACY.

VEHICULAR CIRCULATION AND PARKING

[Part IV of a Series]

One of the major problems is the traveling into and through the Village. The problem rests on two points; one, the restriction of traffic as it enters the Village along Montauk Highway due to on-street parking and two, the emptying of driveways and service alleys on to the main roads at uncontrolled points. The solution lies in alleviating the bottlenecking of traffic through removal of on-street parking and limiting the points of ingress and egress to the main street to controlled points.

In the Master Plan, on-street parking would be removed for all of Montauk Highway and on Deer Park Avenue from Montauk Highway north to the intersection of Park Avenue.

This has a fivefold purpose:

A. It eliminates the hazard of cars backing into and pulling out of these parking spaces, which causes congestion and disruption to the flow of traffic.

B. On Montauk Highway it will provide one extra lane of traffic flow in each direction, thus eliminating the bottleneck at each end of the Village where the traffic is presently constricted to 2 lanes.

C. On Deer Park Avenue, which presently is the major center of pedestrian traffic, it will end the hide and seek played between moving cars and people darting out from behind parked cars. In some areas it will allow the curb of the road to be moved out eight feet, thus providing an area for street tree planting, signs, kiosks, benches, street planters and various other pieces of street furniture.

D. It would permit the designation of turning lanes and through-traffic lanes on both roads thus eliminating another serious bottleneck.

E. Extension of the curb and removal of the parking spaces would eliminate the practice of deliveries being made from the front.

The problem of how to accommodate for the loss of these parking spaces and where service will occur will be discussed later in this section.

The many driveways and service lanes which presently connect from the rear of stores out onto the main roads create two problems of their own own. One, they cause congestion and traffic tie-ups when vehicles try to enter or exit. Second, they endanger the pedestrian each time he passes an opening. The solution would be the removal of all points of ingress and egress by vehicle from or onto the main roads except through designated streets.

The next consideration is that of parking. In essence, this is part of the solution to the circulation problem and the following is a detailed description of proposed changes and additions for each lot:

1) The lot located behind the stores to the west of Deer Park Avenue between Montauk Highway and Grove Street: Presently entrance to this area is very ill-defined. Proposals for this site are the most extensive of all the areas considered.

First consideration was the removal of all structures, garages, sheds and the houses on Mansfield Road and the relocation of the house on Grove Street between the V.F.W. hall and the Passport Office twenty feet to the east of its present location.

Secondly, closing and removal of existing bank drive-in windows and the building of new facilities which will be able to accommodate more customers and without the congestion it presently causes to vehicle circulation. Having accomplished this the next step would be the elimination of Cottage Row. This lays open the area to accommodate the parking plan as outlined on the Master Plan. Entrance would be from Grove Street, Oak Place and Mansfield Road. Oak Place would provide the major circulation into the area and would form a looped service road that connects in with Mansfield Road.

In addition, this loop road serves as a service-road to those shops in this section of the parking area. Also located on this loop are the two new drive-in window service areas for the Bank of Babylon and Chemical Bank. Each of these areas will be capable of having at least three windows and enough back-up space for at least 6 to 10 cars.

In this lot all of the service areas are contained units separate from the pedestrian areas with the exception of that area directly behind the Nationwide Insurance Office. This area is a pedestrian space with a curb to allow quick stop deliveries and is confined to a small area by the placement of bollards. The new circulation gives rise to additional green space around the V.F.W. hall between the Court house and Chemical Bank and at the old corner of Mansfield Road.

THE PANAMA CANAL

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. ANDERSON of California. Mr. Speaker, I am outraged by the vicious attack on the United States by Ambassador Nader Pitty, the delegate from the Republic of Panama to the Organization of American States—OAS. The January 23 attack, as reported by Roland Evans and Robert Novak in the February 9 edition of the Washington Post, accused the United States of a "policy of strangulation" of Panama, of "paternalism, colonialism, and oppression." Further, Ambassador Pitty said, "he regards his mission in the OAS as one of destroying the (U.S.) policy of arrogance toward Panama." Although Robert E. White, the deputy chief of the U.S. delegation informed Pitty the United States "could not acquiesce to such misuse of the OAS forum to attack the United States," I believe every Member of Congress, regardless of their views on the treaty negotiations, should express their strong disapproval at this hate America action.

I, for one, am against any renegotiation or relinquishment of our rights to the Panama Canal. Not only are the U.S. commercial interests at stake in this 50-mile strip, but also the fate of 13 military bases, about 10,000 military men, 29,000 civilian employees and their families in the Canal Zone, and 6,000 U.S. citizens living in Panama.

In 1903 the United States agreed to pay the Republic of Panama $10 million-plus a yearly annuity for, "in perpetuity the use, occupation, and control" of the Canal Zone, "which the United States would possess and exercise as if it were the sovereign of the territory." Since the Hay-Bunau-Varilla treaty of 1903, the Government of the Republic of Panama has called for the regaining of Panamanian sovereignty in the Canal Zone. In response the United States has attempted to improve our diplomatic relations with Panama by a periodical revision of the treaty to increase Panama's annuity, and her rights in the Canal Zone. Negotiations on a new treaty have been carried on since the administration of President Lyndon Johnson, and, currently, are in the final stages through the efforts of Ambassador Ellsworth Bunker. The Ambassador has been too generous, however, in his negotiations with the Panamanian Government. Now, with the browbeating the United States is absorbing from the Panamanian Ambassador, I wish to go on record as against the concessions, and outraged at his remarks.

Why should we as a nation nullify a treaty which was legally ratified, and give land back which was legally purchased? Furthermore, the United States has invested over $6 billion in the Panama Canal. Certainly, the Republic of Panama has reaped substantial economic benefits from the efficient operation of the canal.

We have not been exploitive or imperialistic in our relations with the Republic of Panama, as Ambassador Pitty implies. If anything, the United States has improved the economic plight of Panama.

Finally, any relinquishment of our rights to the canal would, I believe, seriously jeopardize our international trade, commerce, and defense.

COST OF GOVERNMENT?

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. SYMMS. Mr. Speaker, from time to time I run across an editorial or article in a highly reputable publication that documents substantial waste and cost of Government. The January 1976 issue of Pilot published by the Aircraft Owners and Pilot's Association contains an editorial that discusses some excessive costs of the FAA. I commend the editorial to my colleagues in the Congress:

COST OF GOVERNMENT?

In recent years we've been urging members to protest to their representative members of Congress the waste of public funds by the FAA. We've said repeatedly that the Washington scene does generate a high level of sophisticated callousness, but one thing that does move a member of Congress is the mail from home. They supposedly pay close attention to the wishes of their constituents. That's why we've been urging you for a long time now to make your thoughts about government spending known to your senators and representatives. You've done an excellent job of that. AOPA's heard from a number of them, as the result of your contacts. And we've received many copies of your letters to them. So we know that they are getting the word.

But what baffles us is the current FAA budget that now has passed Congress as part of the Department of Transportation's budget. If we thought members of Congress had been sensitized to FAA waste, we were brought up short by a 1976 budget that may well end up costing you a total $2.254 billion. At the moment, Congress has passed $1.954 billion—which is already an 11.32% increase over last year's budget.

We're puzzled. What has happened to all those Congressional crocodile tears about the "super bureaucracies"? Why did the great majority of both houses of Congress vote for such a bloated budget? They have said they're aware of what their constituents have been saying; but are they? For our part, we're going to ask our senators and representatives. Why don't you? If any of them come up with explanations, we'd sure like to know what they are.

TOWERS AGAIN

One of the major sources of FAA waste, as we've been pointing out (and the General Accounting Office documented not long ago), is the reckless spending on control towers. The GAO recommended FAA reevaluate its criteria; nearly $350,000 just to build and equip a "low-activity" tower shakes you. Wonder what the physical tower structure at O'Hara cost . . .?

But we've overlooked something. Once you've got a $350,000 tower, what does it cost to operate? Our attention was called to that by the boasting of Western Region personnel about the Las Vegas, Nev., tower. They were so happy that it had attained what they call a "magic" number of 300,000 "instrument operations" (it's in the current criteria, unchanged despite FAA promises) because it has raised that facility from a Level III to Level IV. We asked FAA what that meant. Pay scale. Each of Las Vegas' 44 "journeyman controllers" (fully qualified) got an average of about $22,000 per year at Level III. At Level IV they average about $27,000, or a 22.7% increase. In annual salaries, that is an increase of from $968,000 to $1,188,000.

How did Las Vegas achieve this landmark? By featherbedding? The FAA passed rules and regulations—all in the interest of safety, of course—that make it an act of holy horror to use any tower airport without the permission and control of the tower. They went further: they added a TCA, which "hyped" their count to the point where everything that moved was counted as an "instrument operation." That's a worse kind of featherbedding than that of the firemen on the diesel locomotives, for whom the term was first used. Here a large part of the air traffic control system is featherbedding.

We wonder if Senator Cannon of Nevada has been sufficiently aware of this?

BALANCED ECONOMIC DEVELOPMENT LEGISLATION

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. RUPPE. Mr. Speaker, I have recently introduced legislation, H.R. 11761, to amend the Internal Revenue Code of 1954 to provide for new investment by private industry in high unemployment areas of the United States. In my view, this measure is a key ingredient to expanding the job force of northern Michigan as well as other above average areas of unemployment across the Nation.

As I am sure my colleagues must realize, many rural and inner city areas of the country have fallen far behind more fortunate regions in terms of total economic growth. Furthermore, many of the Federal programs designed to deal with unemployment, economic expansion, and business investment have been particularly targeted toward our large population centers regardless of their economic health.

The net result is that rural America, and my own district has been a typical case, tends to fall far behind other regions in terms of reducing unemployment, increasing total commercial and business investment, increasing property values as a basis for local government revenue, and maintaining or increasing population growth.

The simple fact is that private business and industry must be given meaningful incentives to locate new industry and expand jobs in rural areas. This is as true in northern Michigan as I am sure it is in other economically deprived regions.

Mr. Speaker, my proposal would provide that incentive and thereby introduce a new measure of balance to economic development on a nationwide basis. First, my bill would designate various development areas throughout the nation as eligible for assistance under the legislation. These deprived regions, called "development areas," are areas outside Standard Metropolitan Statistical areas with total populations under 300,000. The areas in question are further defined by reference to past statutes, such as the Public Works and Economic Development Act of 1965.

The legislation gives private business and industry the needed incentive to locate and expand jobs in these regions by providing a 20 percent tax credit for such investments. Such a percentage, far above that accorded investments in other areas, is, in my view, absolutely essential to lure business and industrial investment into economically deprived areas.

Finally, the proposal defines the types of property and business enterprises which would normally qualify for the 20 percent tax credit envisioned in the plan. In this regard, particular attention is given manufacturing, recreation and tourism, mineral processing, and pulp and paper processing because of their historic importance in providing lasting jobs to rural areas of the Nation.

There is also a provision in the bill which requires certification by the Secretary of Commerce, according to specifically prescribed guidelines, before a business or industrial investment can qualify for the 20 percent tax credit.

Mr. Speaker, this is legislation which is essential to rescue rural America from the economic doldrums. The fact that its time has arrived is evidenced by the President's advocacy of a similar proposal in his state of the Union address. Although the specifics of the President's plan remain unclear, I do welcome the administration's assistance and support in enacting my balanced economic development plan.

The people of northern Michigan and rural America have lived with economic deprivation for decades. The opportunity is now before us to move forward with legislation to correct this deplorable situation and I welcome the support of any of my colleagues.

ENERGY-EFFICIENT BUILDINGS CALLED KEY TO U.S. ENERGY NEEDS

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. HUGHES. Mr. Speaker, Mr. Louis de Moll, president of the American Institute of Architects, predicted last week that a national program to make more efficient use of buildings through retrofitting and future construction could achieve an energy savings of as much as 12.5 million barrels of oil per day by 1990.

The American Institute of Architects has in recent months been in the forefront of mapping a strategy for cutting down on the wasteful misuse of fuels for heating and cooling office buildings.

Permit me to insert at this time in the RECORD a statement released on February 5 which summarizes the AIA program:

AMERICAN INSTITUTE OF ARCHITECTS SUMMARY

WASHINGTON, D.C., Feb. 5, 1976—The possible $5-to-$10 billion annual increased cost to consumers if natural gas prices are deregulated fully would be more sensibly spent instead on a national program to achieve energy-efficient buildings, congressional leaders were told today.

Louis de Moll, FAIA, president of the 26,000-member American Institute of Architects, sent telegrams to House Speaker Carl Albert (D-Okla.), and House GOP Minority Leader John Rhodes (R-Ariz.) urging "a complete reexamination of energy thinking currently prevailing in both Congress and the executive branch and typified by the action of the House this week in moving toward deregulation of natural gas prices."

The wires were sent in anticipation of an imminent House vote on deregulation. The Senate voted for similar action last year.

In his telegram, de Moll noted that deregulation "would still not guarantee additional gas supplies or domestic self-reliance, nor alter current projections which estimate U.S. dependence on foreign oil imports will double or triple by 1990."

By the same year, a comprehensive alternative energy strategy for the nation proposed by A.I.A. could achieve potential energy savings reaching an annual level equivalent to 12.5 million barrels of oil per day, de Moll said.

At the same time, he said, such a national program would provide an estimated two-to-three million job opportunities annually in construction and related industries.

The estimated energy savings would be approximately equal to the future capacity of any one of the nation's prime energy systems, he noted.

de Moll stressed that presently-contemplated national energy policies, such as deregulating prices in hopes of spurring new exploration for traditional fuels, do not offer the same promise of achieving ultimate U.S. energy independence as does the comprehensive A.I.A. strategy.

This is because of studies projecting that by the year 1990, U.S. foreign oil imports are expected to climb from the present 6.4 million barrels per day to as much as 18 million barrels per day, despite current efforts to expand domestic energy supplies, de Moll said.

"Clearly, if we are to move toward achieving genuine independence, new thinking and new directions are needed."

de Moll said the AIA energy plan offers an opportunity to achieve genuine energy independence by concentrating scarce capital investment resources on making the built environment energy efficient.

One-third of the nation's energy consumption is in the built environment, he emphasized.

"It is within our power to achieve vast energy savings in this area on a scale which will stimulate the economy, provide jobs, protect the environment, and permanently achieve a measure of energy independence," he told the congressional leaders.

"Our national investments ought to go into energy strategies that offer this kind of promise, rather than towards chasing after still more supplies of depletable fuels, and which leaves us still dependent on foreign suppliers."

The AIA energy plan is the outgrowth of a report issued last year by AIA entitled "A Nation of Energy-Efficient Buildings by 1990" and draws on studies which estimate potential energy savings of 30 per cent through retrofitting existing buildings, and 60 per cent through energy-efficient design and operation of new buildings.

Once underway, such a national program could annually yield energy savings of nearly one million additional barrels of oil a day, reaching the full potential of more than 12 million barrels a day in savings by the early 1990's, according to the AIA report.

The cash value of the energy that would be saved would exceed the total capital investment required, thus making the AIA energy plan economically self-sustaining over the long run, the report says.

AIA says the plan to achieve energy efficiency in the built environment is feasible with presently-existing technology, including use of solar and other alternate sources of energy.

THE TRAGEDY OF GROWING OLD DISCUSSED IN POIGNANT POEM

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. BIAGGI. Mr. Speaker, recently, I received a very touching and significant poem from an anonymous writer entitled, "Who Will Take Grandma?" The poem comments on the dilemma faced by millions of American families when the time comes for them to decide how to care for an elderly family member who is incapable of caring for her or himself.

The basic conflict arises when a family must decide whether to send the elderly family member to a nursing home, or attempt to provide for their needs in their own home. For many, this difficult decision is dictated by both economic and human realities.

It has been estimated that the cost of providing private nursing care can be as much as 300 percent higher than home health care. Further, recent disclosures of horrid conditions in nursing homes have made individuals wary of the quality of care provided in these facilities.

The other option of personally caring for the elderly member in the family home, can be mentally frustrating and tragic. For those who knew "grandma" as a vibrant, helpful, loving person, watching her grow old can seem so arbitrarily cruel and final.

It is ultimately the love between family members which must prevail in deciding upon who will take care of "grandma." But love, when combined with the economic realities of a family which is responsible for fulfilling their own needs and having a difficult time of it, cannot be responded to adequately. There are far too many elderly in this Nation who are abandoned of love and forced to live out their lives in loneliness and despair. For those who have families capable of caring for them, the situation is not so bleak.

Let us hope that we in Congress can construct other alternatives to help improve the quality of life for all older Americans. I now place in the RECORD, the poem "Who Will Take Grandma?" for the consideration of all of my colleagues:

WHO WILL TAKE GRANDMA?

Who will take Grandma?
Who will it be.
All of us want her.
I'm sure you agree.

Let's call a meeting;
let's gather the family;
let's get it settled as soon as we can, in such a big family, there is certainly one, willing to give her a place in the sun.

Strange how we thought that she'd never wear out,
but see how she walks, it's arthritis no doubt.
Her eyesight is faded,
her memories dim.
She's apt to insist on the silliest whim.

When people get older, they become such a care;
she must have a home, but the question is, where?

Remember the days when she used to be spry,
baked homemade cookies and made her own pies.
Helped us with lessons, and mended our seams.
Kissed away troubles and tended our dreams.
Wonderful Grandma, we all loved her so.

Isn't it dreadful she has no place to go.
One little corner is all she would need.
A shoulder to cry on, her Bible to read.
A chair by the window, with sun coming through;
Some pretty spring flowers still covered with dew.

Who will warm her with love so she won't mind the cold?
Oh who will take Grandmother, now that she is old

What, nobody wants her?
Oh yes there is one,
Willing to give her a place in the sun;
where she won't have to worry, or wonder or doubt.
Pretty soon now, God will give her a bed, but
who will dry our tears,
when Grandma is dead?

STATING ANOTHER VIEWPOINT

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. HUBBARD. Mr. Speaker, regarding the comments given today by my colleagues, Hon. LARRY PRESSLER and Hon. BERKLEY BEDELL, I am compelled to state another viewpoint regarding Vernon C. Loen, Deputy Assistant to the President for House Congressional Affairs.

One of the first persons I met as a freshman Congressman upon arriving in Washington in January of last year was Vernon C. Loen. This representative of the President and the White House has at all times been conscientious, fair-minded, truthful, and efficient in my many contacts with him during the past 13 months. I know I speak for many of my colleagues in saying that we have a high regard for and a pleasant working relationship with Vernon C. Loen.

Last year while serving for 6 months as chairman of the freshmen Democrats of the 94th Congress, I can say that this individual, Vernon C. Loen, as the representative of a Republican President, was at all times, in my dealings with him, courteous yet frank and at all times truthful with me though at times the true facts were a disappointment, which is nothing unusual due to the complexities and workings of government and politics.

A GUEST ARTICLE BY SENATOR PHILIP A. HART

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. BRADEMAS. Mr. Speaker, one of the most respected Members of the U.S. Senate in the history of that body is the distinguished senior Senator from Michigan, the Honorable PHILIP A. HART, who has announced that he does not intend to seek reelection this year.

I believe that Members of Congress will read with great interest a guest column written by Senator HART in the Detroit News of January 25, 1976.

Senator HART's column, "Liberalism: Our Best Hope," appears in the space in that newspaper normally occupied by Lou Gordan, who is recuperating from surgery and has invited leading figures to write in his absence.

Senator HART's column follows:

[From the Detroit News, Jan. 25, 1976]

LIBERALISM: OUR BEST HOPE

(By Senator PHILIP A. HART)

In governing, we need goals to guide us, but the means to achieve them, and even the goals themselves, must be held tentatively and continuously reexamined, if for no other reason than to test their validity.

I was reminded of the importance of tentativeness to our political system by some of the reactions to a recent appearance Mrs. Hart and I made on the television program "Meet the Press."

My concern is not with those who discovered that Janey and I don't always agree. Rather, my concern is with stories which reported that Janey and I were discouraged by recent events, and that our dismay was representative of the decline of liberalism.

To borrow from Mark Twain's response to a news story about his death, the reports are grossly exaggerated. Every era has its doomsayers. Those of the past talked about famine and plague. Today, we have the nuclear bomb—the technology which has given man the means of destroying the future.

There is no way to guarantee that we will muddle through that threat, but we can if we develop the will and the wisdom to manage our machines and discipline ourselves in ways to improve rather than destroy man.

As for the future of liberalism, only the vainest and most illiberal person would suggest that his views were the definitive view of the future. If we must be tentative in the solutions we propose for the future, so too should we be tentative in protesting our disappointments with the present.

Certainly those of us who hoped the programs of the 1960's would be effective in reducing poverty and hunger and improving schools and housing and health have reasons to be discouraged with the results of some of those programs, but not with the goals we sought.

Those of us who hoped to close the gap between the many at the lower end of the economic scale and the affluent few during the years of economic expansion have reason to be disappointed by the failure to achieve any real change, but not with the goal.

Those of us who believed that the time had come when we could at last deliver on the promise of our founding fathers that all persons were created equal have reason to be discouraged by the discrimination still with us, but not with the goal.

Those of us who consider the world build-up of arms a race between financial and nuclear disaster are discouraged that the United States is a leader among the governments of the world which spend more than $240 billion a year on weapons.

Certainly we made mistakes, perhaps beginning with support for the war in Vietnam, and then voting war funds without a tax to raise the money . . . a failure which had more to do with inflation than spending on domestic programs.

Some programs were poorly conceived or poorly administered, and Congress paid too little attention to how the programs were being carried out.

Also, we too often tinkered with rather than changing the structure—for example, we sought to help the poor by rewarding the rich with tax incentives to invest in low-cost housing, and paid consultants to help fill out poverty grant applications. Where we dealt with the structure—as we did in passing the Voting Rights Act—we were effective.

But let us also remember that many of the programs were inadequately funded and conducted for very short periods of time. The lesson of the 1960's is not that liberals sought unwise or unobtainable goals, but what we should have known all along: it is easier to solve physical problems—putting men (but not women) on the moon—than social problems.

Ten years may be enough time to build a spaceship that works, but it is but a blink of an eye in the history of the ascent of man.

And to sound the death knell of liberalism because for the past 20 years we have not been as wise as we had wished goes beyond arrogance to rejecting both the evidence and the only hope of man—that by working together and by using government judiciously man can ascend to a more humane, just and free society. That belief I still retain, and I remain confident that when the disappointments of the moment fade, liberalism, tentative in its proposals but constant in its belief in the perfectability of man, will flourish again, wiser and more effective.

Succumbing to the temptations of age to propose an agenda for the next generation, let me suggest some areas which will require liberal solutions.

Jobs—We do not yet know how but we must try to find ways to stop using the jobs of workers to counter inflation and to ensure employment for all those who can and want to work.

Environmental health—We are learning that there are products and pollutants which endanger the quality of the earth and the personal health we pass on to our children. Government must help remove the very real economic concerns that cause us to move slower than we should in eliminating serious threats to public health.

Retirement income—Today, many of our older citizens live in poverty, and the number of senior citizens will grow significantly over the next several decades. We need to reform not only our Social Security System, which is designed to provide only financial base, but also our private pension system so people can easily join programs which provide a retirement benefit for every day worked.

Guaranteed income—In the past we have sought to help the poor by delivering services (housing, feeding program, etc.) which has resulted in complex rules, large bureaucracies, some waste and some fraud. Now is the time to try helping the poor by delivering moneys through the tax system rather than services through a bureaucracy. Done correctly, we would ease the problems and costs of unemployment, the conflict between polluting industries which provide jobs and the environment, and part of the question of retirement income all while reforming welfare and reducing the size of the bureaucracy.

Hunger—The United States has the capacity to feed all her own people and, by exporting food and technology, help feed some of the hungry of the world.

The arms race—Our nation is involved in an arms race at home and abroad, and neither the price of a handgun for the family nor the price of a new nuclear weapons system for the Pentagon buys any real security. Think of the schools which could be built, the farm equipment purchased, the health facilities established if just 20 percent of the $240 billion the world spends in one year on arms were diverted each year to peaceful uses. And the statistics show how many relatives and friends would be alive today if a handgun had not been available during an argument. The United States should be the leader rather than a follower in pursuing arms control and disarmament.

If I have been more comfortable posing problems than solutions, I will suggest some words which might be useful guideposts against which to measure proposed actions.

The words, which I have used on many occasions, belong to an Indian youth. They go like this:

"The part of Indian culture I would like to see restored is the respect for natural resources—an appreciation of the sky, winds and water.

"It's an appreciation of your surroundings and the people in it.

"The most important thing is your belief in those suroundings and not using them indiscriminately, especially people. It's a good thing to think and not just follow the crowd."

That sums up better than I could the hope of liberalism and why, despite the disappointments of any given moment, it continues to be the best hope for the kind of future we want for our children.

CAMPAIGN FINANCING EQUALIZATION ACT

HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 10, 1976

Mr. PEYSER. Mr. Speaker, yesterday I introduced H.R. 11782, the "Congressional Campaign Financing Equalization Act." The purpose of this bill is to help rectify the disastrous decision of the Supreme Court in striking down the pertinent provisions of the 1974 Campaign Reform Law. The law, as it now stands, is a total shambles. People of great wealth are free to spend any amount they want to win election, but those without great personal fortunes are limited to accepting contributions of $1,000 or less.

As many have indicated, there is a tremendous need for Congress to act and restructure some form of campaign reform legislation immediately. My bill proposes a matching payments system available to candidates in both primary and general elections for either the House or the Senate, who voluntarily agree to accept the limits set by the 1974 Campaign Reform Law on both contributions and expenditures. It is my hope that we can have hearings on this and other legislation that has been recently introduced as soon as possible, so that we can avoid having the 1976 congressional election campaigns conducted under the law as it now stands.

The text of H.R. 11782 follows:

H.R. 11782

A bill to provide for public financing of congressional election campaigns by amending subtitle H of the Internal Revenue code of 1954

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Congressional Campaign Financing Equalization Act of 1975."

SEC. 2. CONGRESSIONAL ELECTION CAMPAIGN FUND.

(a) Subtitle H of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new chapter:

"CHAPTER 87—CONGRESSIONAL CAMPAIGN FINANCING EQUALIZATION FUND ACT

"SEC. 9051. SHORT TITLE.

"This chapter may be cited as the "Congressional Campaign Financing Equalization Fund Act.

"SEC. 9052. DEFINITIONS.

"For purposes of this chapter—

"(1) The term 'authorized committee' means, with respect to a candidate for Federal office, any political committee which is authorized in writing by such candidate to incur expenses to further the nomination for election or election of such candidate. The authorization shall be addressed to the treasurer of such political committee, and a copy of the authorization shall be filed by such candidate with the Commission. Any withdrawal of any authorization shall also be in writing and shall be addressed and filed in the same manner as the authorization.

"(2) The term 'candidate' means an individual who seeks nomination for, and/or election to Federal office. For purposes of this paragraph an individual is considered to seek election if he/she (a) takes the action necessary under the law of a State to qualify for election; (b) receives contributions or incurs qualified campaign expenses; or (c) gives his/her consent for any other person to receive contributions or to incur qualified campaign expenses on his behalf.

"(3) The term 'Commission' means the Federal Election Commission established by section 310(a)(1) of the Federal Election Campaign Act of 1971.

"(4) The term 'contribution' means a gift of money made (a) by a written instrument which identifies the person making the contribution by full name or (b) in cash up to $100: *Provided,* That the candidate and his/her authorized committees maintain and file reports in the form prescribed by the Commission, which show the date and amount of each such contribution and the full name and mailing address of the person making such contribution; but does not include a subscription, loan, advance, or deposit of money, or a contribution of products or services or anything else of value.

"(5) The term 'eligible candidate' means a candidate for election to Federal office who is eligible under section 9053, to receive payments under this title.

"(6) The term 'Federal office' means the Federal office of Senator or Representative;

"(7) The term 'general election' means any regularly scheduled or special election held for the purpose of electing a candidate to Federal office.

"(8) The term 'primary election' means an election, as provided for under the applicable State law, including a runoff election, for the expression of a preference for the nomination of persons for election to Federal office of Representative or Senator.

"(9) The term 'matching payment period' means the period beginning on January 1 of each general election year for Federal races and ending on the date on which such general election is held: *Provided,* That for purposes of a special election held to elect a candidate to Federal office, 'matching payment period' means the period beginning on the day after the incident occurred which created a vacancy in the Federal office being sought and ending on the day in which the special election is held.

"(10) The term 'official political party committee' means a political committee organized by the House or Senate Members of any political party having more than 5 percent of the membership of either the House of Representatives or Senate of the United States and designated as an official political party committee by the appropriate House or Senate caucus of the political party.

"(11) The term 'qualified campaign expenses' means only those expenses incurred by a candidate, or by his/her authorized committee in connection with his/her campaign for either primary election or the general election which are for the use of—

"(i) broadcasting stations to the extent that they represent direct charges for air time;

"(ii) newspapers, magazines, and outdoor advertising facilities to the extent that they represent direct charges for advertising space;

"(iii) direct mailings;

"(iv) telephones to the extent that they represent lease and use charges for equipment, and telegrams;

"(v) rental of campaign headquarters: *Provided,* That the funds are not used to pay rent to the candidate, a relative of the candidate, or a business entity in which the candidate or relatives of the candidate have a 10-percent or greater ownership interest; and

"(vi) brochures, buttons, signs, and other printed campaign material:

Provided, That the term 'qualified campaign expense' shall not include any payment which constitutes a violation of any law of the United States. For purposes of this paragraph, an expense is incurred by a candidate or by an authorized committee if it is incurred by a person specifically authorized in writing by the candidate or committee, as the case may be, to incur such expense on behalf of the candidate or committee.

"(12) The term 'Representative' means a Member of the House of Representatives, and the Delegates from the District of Columbia, Guam, and the Virgin Islands.

"(13) The term 'State' means each State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, and the Virgin Islands.

"(14) The term 'voting age population' means the voting age population certified under section 608(g) of title 18, United States Code.

"(15) The term 'non-Federal office' means all offices other than those Federal offices as defined in paragraph (4) of this section.

"SEC. 9053. ELIGIBILITY FOR PAYMENTS.

"(a) Conditions.—To be eligible to receive payments under section 9057 for use in connection with his/her primary or general election, a candidate shall, in writing—

"(1) agree to obtain and furnish to the Commission any evidence it may request of qualified campaign expenses,

"(2) agree to keep and furnish to the Commission any records, books, and other information it may request.

"(b) Expense Limitation; Declaration of Voluntary Compliance;

Minimum Contributions.—To be eligible to receive payments under section 9057, a candidate shall certify to the Commission that—

"(1) the candidate and his/her authorized committees will not incur qualified campaign expenses in excess of the limitation on such expenses contained in Title I of the Federal Election Campaign Act Amendments of 1974', P.L. 93–433, and that the candidate and his authorized committees will comply with the applicable limitations on contributions contained in Title I of the 'Federal Election Campaign Act Amendments of 1974', P.L. 93–433,

"(2) the candidate is seeking the nomination for or election to the Federal Office of Representative or Senator,

"(3) the candidate and his/her authorized committees,

"(i) in the case of a candidate seeking nomination for or election to Federal office of Representative, have received contributions in connection with that campaign which, in the aggregate, exceed $35,000;

(ii) in the case of a candidate seeking nomination for or election to Federal office of Senator, has received contributions in connection with that campaign which, in the aggregate, exceed $100,000.

"(c) To be eligible to receive any payments under section 9057 an official political party committee shall certify to the Commission its status as an official political party committee within the meaning of section 9052.

"(d) In determining the amount of contributions received for purposes of subsection (b) and of section 9054—

"(1) no contribution from any person to a candidate or his/her authorized committees shall be taken into account to the extent that it exceeds $250 when added to the amount of all other contributions made by that person to or for the benefit of that candidate in connection with his/her general election campaign;

"(2) no contribution from any person to an official political party committee shall be taken into account to the extent that it exceeds $250 when added to the amount of all other contributions made by that person to all official political party committees of the same political party during the same calendar year;

"(3) no contribution from any person to a candidate or his/her authorized committees shall be taken into account unless it is dated and received during the matching payment period;

"(4) no contribution from any official political party committee to a candidate or his/her authorized committees shall be taken into account.

"(e) Separate Contribution Accounts.—For purposes of determining the amount of contributions received by a candidate and his/her authorized committees under subsection (a) and section 9054(a), each candidate shall establish a separate account for all such contributions: *Provided,* That contributions deposited in the separate account shall not be contributions for purpose of subsection (a) and section 9054(a) if those contributions are used for any purposes other than as expenditures in connection with the candidate's general election campaign.

"Sec. 9054. Entitlement to Payments.

"(a) Every candidate who is eligible to receive payments under section 9053 in connection with his/her primary or general election campaign is entitled to payments under section 9057 in an amount equal to the aggregate contributions received by such candidate in connection with such campaign, *Provided,* That,

"(1) in the case of a candidate seeking nomination or election to the Federal office of Representative, the aggregate contributions received by the candidate, including payments made under section 9057, may not exceed the expenditure limitation applicable to such candidate for the specific campaign under Title I of the 'Federal Election Campaign Act Amendments of 1974', P.L. 93–433,

"(2) in the case of a candidate seeking nomination or election to the Federal office of Senator, the total amounts of payments to which a candidate is entitled under this subsection may not exceed the lesser of 50 percent of the sum of the expenditure limitation applicable to such candidate for the specific campaign under Title I of the 'Federal Election Campaign Act Amendments of 1974', P.L. 93–433, or $500,000.

"(b) Every official political party committee which is eligible to receive payments under section 9053 is entitled to payments under section 9057 in an amount equal to the aggregate contributions received by such official party committee in the calendar year: *Provided,* That the total amount of payments which an official political party committee is entitled to receive in a given calendar year may not exceed $1,000,000 when added to the amounts received by all other official political party committees of that political party during the calendar year.

"(c) Every official political party committee which is eligible to receive payments under section 9053 shall be entitled to payments under section 9057 not to exceed $100,000 in each calendar year, when added to the amounts received by all other official political party committees of that political party during the calendar year: *Provided,* That in the event an official political party committee receives funds under this subsection, it shall be ineligible to receive that portion of the payments authorized for it under subsection (b) which is equal to the amount received under this subsection.

"Sec. 9055. Limitations

"(a) Funds received by a candidate or his/her authorized committees under this chapter shall be used only for qualified campaign expenses incurred for the period beginning on January 1 of each general election year for Federal races or in the case of a special election beginning on the day after the incident occurred which created a vacancy in the Federal office being sought and ending on the day on which the special election is held.

"(b) No candidate or his/her authorized committees shall be entitled to receive any funds under section 9054 until the candidate and at least one opponent qualified for the ballot under State law as candidates for either the primary election or the general election.

"(c) No official political party committee which receives funds under this chapter shall use those funds except for purposes of making campaign contributions to a candidate for Federal office for use in the candidate's primary or general election.

"(d) All payments received under this chapter shall be deposited at a National or State bank in a separate checking account which contains only those funds received under this chapter. No expenditures of any payments received under this chapter shall be made except by checks drawn on this separate checking account at a National or State bank. The Commission may require such reports on the expenditures of these funds as it deems appropriate.

"(e) Notwithstanding any other provision of this chapter, no amount more than the sum of the allowable expenditure limit for a candidate in a given primary or general election race under the provisions of Title I of the 'Federal Election Campaign Act Amendments of 1974', P.L. 93–433 applicable to such race shall be paid under this chapter to all eligible candidates in that given election.

"(f) The Secretary of the Treasury shall make distribution of the funds provided under section 9054(a) in the same sequence in which the inital and subsequent certifications are received pursuant to section 9056.

"Sec. 9056. Certification by Commission

"(a) Initial Certifcation.—Not later than 10 days afer a candidate establishes his eligibility under section 9053 to receive payments under section 9057, the Commission shall certify to the Secretary of the Treasury for payment to such candidate under section 9057 payment in full of amounts to which such candidate is entitled under section 9054. The Commission shall make such additional certifications as may be necessary to permit candidates to receive payments for contributions under section 9057.

"(b) Finality of Determinations.—Initial certifications by the Commission under subsection (a), and all determinations made by it under this chapter are final and conclusive, except to the extent they are subject to examination and audit by the Commission under section 9058 and judicial review under section 9060.

"Sec. 9057. Payments to Eligible Candidates

"(a) Establishment of Account.—The Secretary shall maintain in the Presidential Election Campaign Fund established under section 9006(a), in addition to any account which he maintains under such section and section 9037, a separate account to be known as the Congressional Election Payment Account. The Secretary shall deposit into such account, for use by candidates who are eligible to receive payments under section 9053, the amount available after the Secretary determines that adequate amounts are available for payments under sections 9006(c), 9008(b)(3), and 9037(b).

"(b) Notwithstanding subparagraph (a), in each of the 2 years following a Presidential election, the Secretary shall deposit into the Congressional Election Payment Account that portion of the annual amounts designated by taxpayers under section 6096 that equals the excess above 25 percent of the total amount made available in the last Presidential election in allocating funds under section 9006. The moneys in this Payment Account shall remain available without fiscal limitation.

"(c) Payments From the Congressional Election Payment Account.—Upon receipt of a certification from the Commission under section 9056, but not before the beginning of the matching payment period, the Secretary or his delegate shall, within 10 days after receiving such certification or after the beginning of the matching payment period, whichever is later, transfer the amount certified by the Commission from the account to the candidate. The Secretary shall make distribution of the funds available under subsection (a) in the same sequence in which the initial and subsequent certifications are received under section 9056.

"Sec. 9058. Examination and Audits: Repayments.

(a) After each general election, the Commission is authorized to conduct an examination and audit of the campaign contributions raised for purposes of obtaining matching funds and the qualified campaign expenditures made by all candidates for Federal office and official political party committees who received payments under this chapter.

"(b)(1) If the Commission determines that any portion of the payments made to an eligible candidate or official political party committee under section 9057 was in excess of the aggregate amount of the payments to which the recipient was entitled, it shall so notify that recipient, and the recipient shall pay to the Secretary of the Treasury an amount equal to the excess amount.

"(2) If the Commission determines that any portion of the payments made to a candidate under section 9057 for use in general election campaign was used for any purpose other than for qualified campaign expenses in connection with that campaign, the Commission shall so notify the candidate and the candidate shall pay an amount equal to three times that amount to the Secretary.

"(3) If the Commission determines that any portion of the payments made to an official political party committee under section 9057 was used for any purpose other than to make campaign contributions to congressional candidates for use in the general election, the Commission shall so notify the official political party committee and the official political party committee shall pay an amount equal to three times that amount to the Secretary.

"(4) Amounts received by a candidate under this chapter may be retained for 60 days after the general election for the purpose of liquidating all obligations to pay qualified campaign expenses which were incurred for the period beginning with the day on which the candidate's nominating process was completed and ending on the day on which the general election is held. After the 60-day period following the election, all remaining Federal funds not yet expended on qualified campaign expenses shall be promptly repaid by the candidate to the Payment Account.

"(5) If the Commission determines that any candidate who has received funds under this chapter, is convicted of violating any provision of this chapter, the Commission shall notify the candidate and the candidate shall pay to the Secretary of the Treasury the full amount received under this chapter.

"(c) No nomination shall be made by the Commission under subsection (b) with respect to a campaign more than 2 years after the day of the election to which the campaign related.

"(d) All payments received by the Secretary under subsection (b) shall be deposited by him in the Congressional Election Payment Account.

"SEC. 9059. REPORTS TO CONGRESS, REGULATIONS.

"(a) The supervisory officer shall, as soon as practicable after the close of each calendar year, submit a full report to the Senate and House of Representatives setting forth—

"(1) the qualified campaign expenses (shown in the detail the Commission deems necessary) incurred by a candidate and his authorized committees, and by each official political party committee, who received payments under section 9057;

"(2) the amounts certified by it under section 9056 for payment to each candidate and his/her authorized committees and each official political party committee; and

"(3) the amount of payments, if any, required from that candidate or official political party committee under section 9058, and the reasons for each payment required. Each report submitted pursuant to this section shall be printed as a House or Senate document and made available in sufficient numbers for the general public.

"(b) REGULATIONS.—

"(1) The Commission is authorized to prescribe regulations to carry out the provisions set forth in this chapter. The Commission, before prescribing any such regulation, shall transmit a statement with respect to such regulation to the Senate and to the House of Representatives in accordance with the provisions of this subsection. Such statement shall set forth the proposed regulation and shall contain an explanation and justification of such regulation.

"(2) If either such House does not, through appropriate action, disapprove the proposed regulation set forth in such statement no later than 30 legislative days after the receipt of such statement, then the Commission may prescribe such regulation. The Commission may not prescribe any such regulation which is disapproved by either such House under this paragraph.

"(3) For purposes of this subsection, the term 'legislative days' does not include any calendar day on which both Houses of the Congress are not in session.

"SEC. 9060. PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS.

"(a) APPEARANCE BY COUNSEL.—The Commission is authorized to appear in and defend against any action instituted under this section, either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter XX of subchapter III of chapter 53 of such title.

"(b) RECOVERY OF CERTAIN PAYMENTS.—The Commission is authorized, through attorneys and counsel described in subsection (a), to institute action in the district courts of the United States to seek recovery of any amounts determined to be payable to the Secretary or his delegate as a result of an examination and audit made under section 9058.

"(c) INJUNCTIVE RELIEF.—The Commission is authorized through attorneys and counsel described in subsection (a) to petition the courts of the United States for such injunctive relief as is appropriate to implement any provision of this chapter.

"(d) APPEAL.—The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

"SEC. 9061. JUDICIAL REVIEW.

"(a) REVIEW OF AGENCY ACTION BY THE COMMISSION.—Any agency action by the Commission made under the provisions of this chapter shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Commission for which review is sought.

"(b) REVIEW PROCEDURES.—The provisions of chapter 7 of title 5, United States Code, apply to judicial review of any agency action, as defined in section 551(13) of title 5, United States Code, by the Commission.

"SEC. 9062. UNLAWFUL USE OF PAYMENTS.

"It shall be unlawful for any person who receives payment under this chapter or to whom any portion of such payment is transferred, knowingly and willfully to use, or authorize the use of, such payment or such portion for any purpose other than for the specific purposes authorized by this chapter.

"SEC. 9063. FALSE STATEMENTS.

"It shall be unlawful for any person knowingly and willfully with intent to deceive to (a) furnish any false, fictitious, or fraudulent evidence, books, or sworn material testimony to the Commission under this chapter or to (b) include in any evidence, books, or information so furnished any misrepresentation of a material fact, or to falsify or conceal any evidence, books, or information relevant to a certification by the Commission or an examination and audit by the supervisory officer under section 9058.

"SEC. 9064. KICKBACKS AND ILLEGAL PAYMENTS.

"It shall be unlawful for any person knowingly and willfully to give or accept any kickback or make any illegal payment in connection with any payments received under this chapter or in connection with any expenditures of payments received under this chapter.

"SEC. 9065. PENALTY FOR VIOLATIONS.

"Any knowing and willful violation of any provision of this chapter is punishable by a fine of not more than $25,000, or imprisonment for not more than one year, or both.".

SEC. 3. Section 9006(b) of the Internal Revenue Code of 1954 is hereby repealed and subsections (c) and (d) are hereby renumbered subsections (b) and (c), respectively.

SEC. 4. If any provision of this title, or the application thereof to any person or circumstances, is held invalid, the validity of the remainder of the title and the application of such provision to other persons and circumstances shall not be affected thereby.

SEC. 5. The amendments made by this Act apply with respect to elections which are held after January 1, 1976.

HOUSE OF REPRESENTATIVES—*Wednesday, February 11, 1976*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Blessed is the nation whose God is the Lord.—Psalms 33: 12.

Almighty and Eternal God, who didst lead our fathers into this new land and who gave them guidance to create on these shores a great nation, bless to us the glorious heritage of faith and freedom which we have received from them. Now may we prove ourselves a people, mindful of Thy favor, eager to do Thy will, and ready to preserve the democratic spirit of our Republic.

We thank Thee for those who have led us in the past in right and good ways. Particularly do we thank Thee for Abraham Lincoln, for the spirit of his great life, for the example he set before our Nation, and for his dedication to freedom and justice for all. May Thy spirit in him be born anew in us and may we heed his words: "With malice toward none; with charity for all; with firmness in the right as God gives us to see the right; let us strive to finish the work we are in * * * that we may achieve and cherish a just and lasting peace among ourselves and with all nations."

In the spirit of Christ we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO FILE REPORTS

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation may have until midnight tonight to file reports on the following bills reported from the Committee: H.R. 1313, H.R. 2575, H.R. 2740, H.R. 3440, H.R. 8508, H.R. 9617, H.R. 7017, and H.R. 8228.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

HOUSE SELECT COMMITTEE ON INTELLIGENCE HAS COMPLETED ITS WORK AND RECOMMENDATIONS WILL BE FILED TODAY

(Mr. PIKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PIKE. Mr. Speaker, it is my pleasure to announce to the Members of the House that, pursuant to the various resolutions that have created it and massaged it, the House Select Committee on Intelligence has completed its work and its recommendations will be filed today.

Mr. Speaker, during the period since July 17 we have held 76 hearings, 52 in open session, 24 in closed session, collected over 8,000 pages of transcript in open session, 2,371 pages in closed session.

Of our $750,000 budget we will spend approximately $471,000 and will turn back in $279,000.

REMARKS OF THE PRESIDENT AT THE BRIEFING FOR REPRESENTATIVES OF MILITARY-ORIENTED ORGANIZATIONS

(Mr. MICHEL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MICHEL. Mr. Speaker, yesterday the President briefed representatives of military-oriented organizations at the White House. I have reviewed his remarks and consider them significant from the standpoint of our national defense posture. For the benefit of my colleagues I am inserting the text of the President's remarks in the RECORD at this point:

REMARKS OF THE PRESIDENT AT THE BRIEFING FOR REPRESENTATIVES OF MILITARY-ORIENTED ORGANIZATIONS

Secretary Clements, General Brown, General Scowcroft, members of the Joint Chiefs of Staff, distinguished guests:

It is awfully good to see you all and to welcome you to the White House. I know that Secretary Kissinger and Secretary Clements and others have briefed you very fully on the elements of our new defense budget and the policies of their respective departments.

Actually, foreign policy and defense policy are both part of a single national policy, the policy that carries out the first duty of the Federal Government, which is to make the United States and its people safe and secure in a very dangerous world.

Throughout our 200 years of independence, we have become the strongest Nation in the history of mankind and, as President, I intend to keep our military strength certain and our powder dry.

But, our world has also become much more dangerous. It is also my duty to do all that I can to reduce the level of danger by diplomatic means, so my policy for national security can be summed up in three words—peace through strength.

I believe it is far better to seek negotiations with the Soviet Union based on strength than to permit a runaway nuclear arms race and risk a nuclear holocaust.

Under my Administration, the United States is at peace. There are no Americans in battle anywhere in the world today. We have greatly strengthened our essential alliances with Western Europe and with Japan.

The United States has taken a strong and very forthright stand in the United Nations on behalf of our own national interest. We challenged the Soviet Union and Cuba in their intervention in Angola, and if the Congress had stood with us, we could have preserved the opportunity to let the Angolans settle their future among themselves.

We have worked to achieve an unprecedented increase in United States foreign trade, which has insured hundreds of thousands of American jobs. The United States has used its unique position, its position of confidence, on both sides to accomplish a historic breakthrough in peace negotiations between Egypt and with Israel, and continues to seek a just and lasting peace throughout the Middle East.

A strong military presence and decisive action by the United States coupled with the elements of our Pacific doctrine have stabilized international relations in Asia and the Far East. I believe—and believe very strongly—that $112 billion 700 million requested in my fiscal year 1977 defense budget represents the best way to deter war and to keep our country secure.

By maintaining unquestioned military strength, we will negotiate from strength, not from weakness. We will not prevail in this protracted struggle with the enemies of freedom, big or small, by warming over the old rhetoric of the cold war or by fast and fancy gunplay with weapons that can destroy most of the human race.

We will win this struggle, and we are winning it by the patient and painstaking pursuit of our own national interest through continuing my present policy of peace through strength.

Anyone who has ever been in the Armed Forces, especially in wartime, knows that the final objective you gain from that experience, the continuing mission you take with you when you leave the service, is to work for a peaceful world for your children and your grandchildren.

The veterans of all nations will tell you just that. But, as Americans, we have an extra responsibility. We did not seek it, but it was thrust upon us. We cannot escape it, and we will not. Circumstance, destiny, fate, or whatever you call it, the fact is the United States of America is today the world's best and perhaps its only hope of peace with freedom.

Upon our strengths, upon our power, upon our prudence and our perseverance rests mankind's best hope for a better world. Whatever chance there is for permanent peace depends upon America's resolution and national leadership.

I am committed to such a firm and steady course. I am greatly encouraged and pleased by your strong and steadfast support.

I thank you very much.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO HAVE UNTIL MIDNIGHT TOMORROW, FEBRUARY 12, 1976, TO FILE REPORT ON HOUSE JOINT RESOLUTION 801, SUPPLEMENTAL RAILROAD APPROPRIATIONS

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tomorrow night to file a report on the resolution (H.J. Res. 801) making supplemental railroad appropriations for the fiscal year ending June 30, 1976, the period ending September 30, 1976, the fiscal year ending September 30, 1978, and the fiscal year ending September 30, 1979, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

MAKING IN ORDER ON WEDNESDAY, FEBRUARY 18, 1976, OR ANY DAY THEREAFTER CONSIDERATION OF HOUSE JOINT RESOLUTION 801, SUPPLEMENTAL RAILROAD APPROPRIATIONS

Mr. McFALL. Mr. Speaker, I ask unanimous consent that it may be in order to consider in the House on Wednesday, February 18, or any day thereafter, the bill (H.J. Res. 801) making supplemental railroad appropriations for the fiscal year ending June 30, 1976, the period ending September 30, 1976, the fiscal year ending September 30, 1978, and the fiscal year ending September 30, 1979, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

FOOD STAMP PROGRAM

(Mr. HAGEDORN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HAGEDORN. Mr. Speaker, recently the National Grange published its legislative policies for 1976, consisting of nearly 200 separate proposals for congressional action. While I commend the entire document to your attention, I would like to take special note of the Grange's resolution on the food stamp program, as follows:

Whereas, the food stamp program was originated to alleviate the cost of nutritious food for those who are not able to buy such food, and

Whereas, the abuses of said program are causing much concern, and are contributing heavily to excessive costs; therefore, be it

Resolved, That the National Grange support legislation which would tighten eligibility criteria and simplify income determination which would correct abuses and restore the food stamp program to its original intent; and be it further

Resolved, That the National Grange looks with disfavor on granting food stamps to workers away from their jobs, except when such unemployment comes through no choice of their own.

National Grange policies traditionally have mirrored the work ethic and self-reliance of the American farmer who has contributed so substantially to the growth and development of this country. I think it is only fitting, during our Bicentennial Year, that we reflect carefully upon this viewpoint as we move toward meaningful reform of the food stamp program.

KISSINGER IS PRESIDENT FORD'S NO. 1 POLITICAL LIABILITY

(Mr. DERWINSKI asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DERWINSKI. Mr. Speaker, I deeply regret that Gov. Ronald Reagan has seen fit to inject oversimplified foreign policy comments into his New Hampshire Presidential primary campaign.

After reviewing Reagan's first major foreign policy speech, I reluctantly concluded that he sounded more like Senator HENRY "SCOOP" JACKSON, Senator BIRCH BAYH, Sargent Shriver, or "leakproof" Senator FRANK CHURCH. In attempting a political counterattack on the President, I think all of his critics should be cognizant of a few facts.

Now I recognize that it is frequently difficult to combine facts with partisan political oratory, but there are fundamental facts relating to this Nation's foreign policy which cannot be twisted or altered.

Since President Ford took office, we have had peace. That is a fact.

It also is a fact that the President responded to the Soviet challenge in Angola, and if Congress had the backbone to support him, the Russians would have been thwarted in their successful drive for access to important naval ports and substantial mineral deposits in Angola.

It also is a fact that it was the President's leadership role in the Middle East which led to a negotiated settlement and has thus far avoided any further hostilities in that volatile area.

The President believes it is far better to seek to negotiate a cap on the nuclear arms race which would cost this country $20 billion. He believes it is far better to seek peace through negotiations based on strength rather than continuing an arms race which could result in a nuclear holocaust.

However, I must acknowledge that Reagan was right in deriding Secretary of State Kissinger's addiction to his self-proclaimed policy of détente. I have been saying the same thing for some time. As far as I am concerned, Kissinger is President Ford's No. 1 political liability.

CALL OF THE HOUSE

Mr. ASHBROOK. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. O'NEILL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 54]

Abzug
Addabbo
Allen
Ambro
Anderson, Ill.
Andrews, N.C.
Archer
Barrett
Bauman
Bedell
Bell
Biester
Boggs
Bolling
Bonker
Brooks
Broomfield
Burgener
Burke, Fla.
Burlison, Mo.
Burton, John
Burton, Phillip
Byron
Carter
Chappell
Chisholm
Clancy
Clawson, Del
Clay
Cleveland
Collins, Ill.
Conlan
Conyers
Dellums
Dent
Diggs
Dodd
Downing, Va.
Drinan
Eilberg
Esch
Eshleman
Fary
Findley
Flynt
Ford, Mich.
Fountain
Fraser
Frey
Gaydos
Gibbons
Haley
Hall
Hanley
Hannaford
Hansen
Harrington
Harsha
Hébert
Heckler, Mass.
Helstoski
Henderson
Hinshaw
Hubbard
Jarman
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Karth
Ketchum
Koch
Landrum
Latta
Leggett
Lehman
Lent
Litton
Long, Md.
Lujan
McClory
McCloskey
McCormack
McEwen
Macdonald
Madigan
Matsunaga
Metcalfe
Mikva
Milford
Miller, Calif.
Mills
Minish
Mink
Mitchell, Md.
Moakley
Mollohan
Montgomery
Moorhead, Calif.
Mottl
Nichols
Nix
Obey
Patman, Tex.
Patterson, Calif.
Pepper
Pettis
Pressler
Pritchard
Quie
Quillen
Railsback
Rees
Rhodes
Richmond
Risenhoover
Roe
Roybal
Ruppe
Ryan
St Germain
Santini
Sarbanes
Scheuer
Shipley
Shuster
Sisk
Smith, Nebr.
Snyder
Spellman
Staggers
Stanton, James V.
Stark
Steed
Steelman
Steiger, Ariz.
Steiger, Wis.
Stephens
Stucky
Symington
Teague
Thornton
Traxler
Udall
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vigorito
Walsh
Waxman
White
Whitehurst
Wilson, C. H.
Yates
Young, Alaska
Young, Fla.
Young, Tex.
Zeferetti

The SPEAKER. On this rollcall 274 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PERSONAL EXPLANATION

Mr. FOUNTAIN. Mr. Speaker, I would like to state for the record that because of a delayed conference, I arrived about a minute after the quorum was closed out a few minutes ago; but I am here on the House floor ready, able, and willing, to participate in all its activities.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I take this time for the purpose of inquiring of the distinguished majority leader the program for next week.

Mr. O'NEILL. Mr. Speaker, if the acting minority leader will be kind enough to yield, I will be glad to respond.

Mr. MICHEL. I yield to the distinguished majority leader.

Mr. O'NEILL. Mr. Speaker, the program for the week of February 16, 1976, is as follows:

Monday we will have the reading of George Washington's Farewell Address.

Tuesday is Consent Calendar day and Private Calendar day, and we will consider 15 bills under the suspension of the rules. Votes on suspensions will be postponed until the end of all suspensions.

Under the suspensions we will take up the following:

H.R. 11233, Library Services and Construction Act amendments;

S.J. Res. 154, White House Conference on Handicapped;

H.R. 11045, Rehabilitation Act extension conference report;

H.R. 10229, Endangered Species Act amendments;

H.R. 11455, Indiana Dunes National Lakeshore Act amendments;

H.R. 11645, Additional funds for James Madison Library;

H.R. 1313, Rolla, Mo., Airport land restriction;

H.R. 2575, Algona, Iowa, Airport land restriction;

H.R. 2740, Elkhart, Kans., Airport land restriction;

H.R. 3440, Grand Junction, Colo., Airport land restriction;

H.R. 8508, Camden, Ark., Airport land restriction;

H.R. 9617, Alva, Okla., Airport land restriction;

H.R. 7017, airline fares changes notification;

H.R. 8228, emergency locator transmitters; and

H.R. 7824, agricultural census.

On Wednesday we will consider House Joint Resolution 801, supplemental railroad appropriations.

On Thursday and the balance of the week we have scheduled H.R. 5247, local public works, which we are listing because of the possibility of a veto and we would consider overriding it.

At this time it does not appear as though there will be a Friday session, unless some reports come in that we are not aware of at the present time. We have of course asked the chairmen to report as quickly as they possibly can because of the May 15 deadline on legislation, and we do hope that whatever legislation there is will be hitting the floor shortly.

Of course, I said Thursday and the balance of the week we would have the possibility of taking up H.R. 5247, local public works, if there is a veto. However, if the acting minority leader could assure us the President would not veto the bill, then we would not be working on Thursday.

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Speaker, I am wondering if it would be possible, assuming that the Committee on Rules will report a rule on the so-called black lung legislation, to bring that legislation on the floor the week after next.

Mr. O'NEILL. On what bill is the gentleman inquiring?

Mr. PERKINS. On the so-called pneumoconiosis amendments, the black lung legislation.

Mr. O'NEILL. Has the chairman of the committee written to the chairman of Committee on Rules?

Mr. PERKINS. Yes, absolutely, requesting a hearing.

Mr. O'NEILL. All I can say is that normally the chairman has been very cooperative with all chairmen, and I am sure the distinguished chairman of the Committee on Education and Labor should talk to the chairman of the Committee on Rules about that.

Mr. PERKINS. Yes. Mr. Speaker, I thank the gentleman.

AUTHORIZING CLERK TO RECEIVE MESSAGES AND SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS NOTWITHSTANDING ADJOURNMENT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until Monday, February 16, 1976, the clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MAKING IN ORDER CONSIDERATION OF BUSINESS UNDER CONSENT CALENDAR RULE ON TUESDAY, FEBRUARY 17, 1976

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that on Tuesday, February 17, 1976, it shall be in order to consider business under clause 4, rule XIII, the Consent Calendar rule.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday of next week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO FILE CERTAIN REPORTS

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight tonight to file certain reports.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts.

There was no objection.

ALTERNATIVE TO THE PUBLIC WORKS BILL

(Mr. BROWN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWN of Michigan. Mr. Speaker, with my colleague, the gentleman from Georgia (Mr. Stephens), I have today introduced H.R. 11860, which is an alternative to H.R. 5247, the public works bill which the Congress enacted a little over a week ago and which it is anticipated the President will veto. The bill that the gentleman from Georgia (Mr. Stephens) and I have introduced uses the funding mechanism of the existing community development program and we believe it is a better means of providing jobs and providing them now. Rather than take the time of my colleagues at this moment to further explain the bill, I will be giving a further explanation of it in the Extensions of Remarks in today's Record.

THE FEDERAL RESERVE SYSTEM AND THE BUSINESS ROUNDTABLE

The SPEAKER. Under a previous order of the House, the gentleman from Texas (Mr. Patman) is recognized for 60 minutes.

Mr. PATMAN. Mr. Speaker, for some time, I have been curious about the intense interest of the Business Roundtable in the affairs of the Federal Reserve System. Now, the reasons are becoming clear why there have been so many telegrams and telephone calls to help the Federal Reserve block an audit by the General Accounting Office.

My research indicates that—in many instances—the Business Roundtable and the Federal Reserve are one and the same—honeycombed with interlocking personnel.

Not 1 of the 12 Federal Reserve districts has accepted this fat cat lobbying group's influence. They are right in there—on the boards of directors of each of the district banks.

In fact, Mr. Speaker, five of the nine directors of the Federal Reserve Bank of New York—the most influential in the System—have direct or indirect ties with the Business Roundtable.

This pressure group has managed to put officers and directors of its member corporations all through the System. These are not small businesses I am talking about, but the biggest of the big.

Take a look at the bank in New York—those five directors are from Chase Manhattan, with almost $34 billion in deposits as of December 13, 1975; J. C. Penney, annual sales of $6,200,000,000; Texaco, annual sales of $23,255,000,000; Union Carbide Corp., $5,320,000,000 in annual sales; and Kennecott Copper, annual sales of $1,664,000,000—all member companies of the Business Roundtable.

The interlocks at the Federal Reserve Bank of Cleveland and its branches are almost as impressive—Federated Department Stores, annual sales of $2,960,000,000; Westinghouse Electric, annual sales of $5,799,000,000; TRW, Inc., annual sales of $2,5000,000,000; IBM, annual sales of $12,675,000,000; H. J. Heinz & Co., annual sales of $1,650,000,000; and the Cyclops Corp., annual sales of $653 million—again, all member companies of the Business Roundtable and all having representatives on the boards of directors of the Federal Reserve banks.

The Richmond Federal Reserve Bank has only attracted representatives from three of the Business Roundtable members—but look at the three—Sears, Roebuck & Co., annual sales of $13,100,000,000; the Exxon Corp., annual sales of $45,021,000,000; and A.T. & T., annual sales of $23,500,000,000.

THE BUSINESS ROUNDTABLE AND THE FEDERAL OPEN MARKET COMMITTEE

Mr. Speaker, in that all-important Federal Reserve Bank of New York resides the portfolio of Government bonds—about $93 billion worth—from which the Federal Reserve System—not the Treasury—draws interest of about $6 billion annually.

This portfolio of bonds is managed by the Federal Open Market Committee in the New York Federal Reserve Bank. Using a select list of securities dealers, the Federal Open Market Committee buys and sells bonds in the open market.

These transactions involve billions of dollars a year—that is right—billions of dollars annually. And sharing in that lucrative business—part of that select list of bond dealers—are the names of Chase Manhattan Bank, almost $34 billion in deposits; Bank of America, $57 billion in deposits; and the First National City Bank, $45 billion in deposits—member corporations of the Business Roundtable.

One day these bond dealers buy and sell Government securities for the Federal Reserve. The next day they are out lobbying with the Business Roundtable to protect themselves and the rest of the Federal Reserve from an audit. It is reasonable to assume that the profits from their bond dealing for the Federal Reserve help pay their massive dues to this lobbying organization.

The big decisions—the really crucial decisions—are made in a high-level committee which goes under the name of the Business Roundtable Policy Committee. This is where the fattest of the fat cats start the influence ball rolling.

And of course, the Federal Reserve influence is right there on the Policy Committee; 11 of the 40 members of that committee have ties with the Federal Reserve—more than one-fourth have links back into the Federal Reserve System.

These ties involve links between the Federal Reserve System and Federated Department Stores; Chase Manhattan Bank; Union Carbide; Kennecott Copper; Westinghouse Electric; IBM; Sears, Roebuck; Exxon; A.T. & T.; Alcoa; and Bank of America.

Mr. Speaker, the link between the Federal Reserve and the Business Roundtable is complete—it encompasses all areas. At this point I want to list the interlocks by Federal Reserve district banks and branches:

COMPARISON OF BUSINESS ROUNDTABLE MEMBERSHIP AND BOARDS OF DIRECTORS OF FEDERAL RESERVE DISTRICT AND BRANCHES

DISTRICT 1—FEDERAL RESERVE BANK OF BOSTON

Class B Director—Weston P. Figgins, chairman of the Board, Wm. Filene's Sons Company, Boston, Massachusetts. Filene's is a division of Federated Department Stores, Cincinnati. Federated Department Stores is a member corporation of the Business Roundtable. In addition, Ralph Lazarus, chairman, Federal Department Stores, is a member of the 40-member Business Roundtable Policy Committee.

DISTRICT 2—FEDERAL RESERVE BANK OF NEW YORK

Class A Director—David Rockefeller, Chairman, The Chase Manhattan Bank, N.A., New York, New York—Chase Manhattan Bank is a member company of the Business Roundtable. In addition, David Rockefeller, Chairman, Chase Manhattan Bank, N.A., is a member of the 40-member Business Roundtable Policy Committee.

Class B Directors—Jack B. Jackson, president, J. C. Penney Co., Inc., New York—J. C. Penney Co., Inc. is a member company of the Business Roundtable.

Maurice F. Granville, chairman of the board, Texaco Inc., New York, New York—Texaco Inc. is a member company of the Business Roundtable.

William S. Sneath, president, Union Carbide Corporation, New York, New York—Union Carbide Corporation is a member company of the Business Roundtable. In addition, the Chairman of the Union Carbide Corporation, F. Perry Wilson, is part of the 40-member Business Roundtable policy committee.

Class C Director—Frank R. Milliken, president, Kennecott Copper Corporation, New York, New York—Kennecott Copper is a member company of the Business Roundtable. In addition, Mr. Milliken is a member of the 40-member Business Roundtable policy committee.

DISTRICT 3—FEDERAL RESERVE BANK OF PHILADELPHIA

Class B Director—Harold A. Shaub, president, Campbell Soup Co., Camden, New Jersey. The Campbell Soup Company is a member company of the Business Roundtable.

DISTRICT 4—FEDERAL RESERVE BANK OF CLEVELAND

Class B Director—Charles Y. Lazarus, Chairman of the Board, and chief executive officer, the F.&R. Lazarus Co., Columbus, Ohio, a division of Federated Department Stores, Cincinnati. Federated Department Stores is a member corporation of the Business Roundtable. In addition, Ralph Lazarus, chairman, Federated Department Stores, is a member of the 40-member Business Roundtable Policy Committee.

Class C Directors—Robert E. Kirby, chairman and chief executive officer, Westinghouse Electric Corporation, Pittsburgh, Pennsylvania. Westinghouse Electric Corporation is a member company of the Business Roundtable. In addition, Mr. Kirby is a member of the 40-member Business Roundtable policy committee.

Horace A. Shepard, chairman of the Board, Chief Executive Officer, TRW, Inc., Cleveland, Ohio. TRW, Inc. is a member company of the Business Roundtable.

Cincinnati branch of Cleveland Bank

Appointed by Board of Governors—Clair F. Vough, Vice-President, International Business Machines, Inc., Lexington, Kentucky. IBM is a member corporation of the Business Roundtable. In addition, the Chairman of IBM, Mr. Frank T. Cary, is a member of the 40-member Business Roundtable Policy Committee.

Pittsburgh branch of Cleveland Bank

Appointed by the Federal Reserve Bank of Cleveland—R. Burt Gookin, Vice Chairman and C.E.O., H. J. Heinz Company, Pittsburgh, Pennsylvania. H. J. Heinz Company is a member corporation of the Business Roundtable.

Appointed by Board of Governors—W. H. Knoell, President, Cyclops Corporation, Pittsburgh, Pennsylvania—Cyclops Corporation is a member company of the Business Roundtable.

DISTRICT 5—FEDERAL RESERVE BANK OF RICHMOND

Class B Director—Osby L. Weir—retired General Manager, Metropolitan Washington-Baltimore Areas, Sears, Roebuck and Company, Bethesda, Maryland. Sears, Roebuck and Co., Chicago, Illinois, is a member corporation of the Business Roundtable. In addition, Mr. Arthur M. Wood, Chairman, Sears, Roebuck and Co., is a member of the 40-member Business Roundtable Policy Committee.

Baltimore branch of Richmond Bank

Appointed by Board of Governors—I. E. Killian, Manager, Eastern Region, Exxon Company, U.S.A., Baltimore, Md—The Exxon Corporation is a member corporation of the Business Roundtable. In addition, Mr. Clifton Garvin, Exxon Corporation, is a member of the 40-member Business Roundtable Policy Committee.

Charlotte Branch of the Richmond Bank

Appointed by Board of Governors—Charles W. DeBell, general manager, North Carolina Works, Western Electric Company, Inc. Winston-Salem, N.C., Western Electric Company is a subsidiary of the American Telephone & Telegraph Company. AT&T is a member corporation of the Business Roundtable. In addition, Mr. John D. deButts, Chairman, American Telephone & Telegraph Company, New York, New York, is the co-chairman of the 40-Member Business Roundtable Policy Committee.

DISTRICT 6—FEDERAL RESERVE BANK OF ATLANTA

Class B Directors—Robert T. Hornbeck, manager, Tennessee Operations, Aluminum Company of America, Alcoa, Tenn.—Aluminum Company of America is a member corporation of the Business Roundtable. In addition, Mr. John D. Harper, Chairman, Aluminum Co. of America, is the chairman of the 40 member Business Roundtable Policy Committee.

DISTRICT 7—FEDERAL RESERVE BANK OF CHICAGO

Class C Director—M. Leo H. Schoenhofen, chairman of the board, Marcor, Inc., Chicago, Illinois. Marcor, Inc. is a member corporation of the Business Roundtable.

Detroit Branch of the Chicago Bank

Appointed by Board of Governors—Tom Killefer, vice-president, finance, general counsel, Chrysler Corporation, Detroit, Mich. Chrysler Corporation is a member corporation of the Business Roundtable.

DISTRICT 8—FEDERAL RESERVE BANK OF ST. LOUIS

Class B Director—Tom K. Smith, Jr., Group Vice President, Monsanto Company, St. Louis, Mo. Monsanto Company is a member corporation of the Business Roundtable.

DISTRICT 9—FEDERAL RESERVE BANK OF MINNEAPOLIS

Class C Director—James P. McFarland, chairman of the board, General Mills, Inc., Minneapolis, Minnesota. General Mills, Inc. is a member corporation of the Business Roundtable.

Stephen F. Keating, Chairman of the Board, Honeywell, Inc., Minneapolis, Minnesota. Honeywell, Inc. is a member corporation of the Business Roundtable.

DISTRICT 10—FEDERAL RESERVE BANK OF KANSAS CITY

Class C Director—Robert T. Person, chairman of the Board, and president, Public Service Company of Colorado. Public Service Company of Colorado is a member corporation of the Business Roundtable.

DISTRICT 11—FEDERAL RESERVE BANK OF DALLAS

Class B Director—Stewart Orton, president, Foley's Inc., Houston, Texas, Foley's is a division of Federated Department Stores, Cincinnati. Federated Department Stores is a member corporation of the Business Roundtable. In addition, Ralph Lazarus, chairman, Federated Department Stores, is a member of the 40-member Business Roundtable Policy Committee.

Class C Director—John Lawrence, chairman of the Board, Dresser Industries, Inc., Dallas, Texas. Dresser Industries is a member corporation of the Business Roundtable.

DISTRICT 12—FEDERAL RESERVE BANK OF SAN FRANCISCO

Class A Director—A. W. Clausen, president and chief executive officer, Bank of America NT&SA San Francisco. The Bank of America is a member company of the Business Roundtable. In addition, Mr. Clausen is a member of the 40-member Business Roundtable Policy Committee.

Class B Director—Charles R. Dahl, president and chief executive officer, Crown Zellerbach Corporation, San Francisco, California. Crown Zellerbach Corporation is a member corporation of the Business Roundtable.

Malcolm T. Stamper, president, The Boeing Company, Seattle, Washington. The Boeing Company is a member corporation of the Business Roundtable.

Class C. Director—Cornell C. Maier, president and chief executive officer, Kaiser Aluminum & Chemical Corporation, Oakland, California. Kaiser Industries Corporation is a member corporation of the Business Roundtable.

FED TAKES AIM AT THE AUDIT BILL

Now, with this nice cozy relationship, it is little wonder that when Dr. Arthur Burns, Chairman of the Federal Reserve Board of Governors, calls, the Business Roundtable listens. And Dr. Burns is opposed to any efforts to have the General Accounting Office audit the Federal Reserve System.

Back in 1973, when the House Banking and Currency Committee reported out a bill which would have provided a full-scale audit of the Federal Reserve System by the General Accounting Office, Dr. Burns went to work. The full Banking Committee reported this bill favorably on October 4, 1973. On October 12, I requested a hearing at the Rules Committee.

Then Dr. Burns went to work. Thanks to a public-spirited citizen who shall remain anonymous, we learned of the Tinkers to Evers to Chance moves that Dr. Burns started. The following corresponderence shows a Burns' call to Manufacturers Hanover who then called John Lee of the New York Clearing House who then distributed a Business Roundtable mailgram in an effort to "help the Fed repel a bill sponsored by Mr. Patman that would require full GAO audits of the Federal Reserve System." This happened on October 18 and October 19.

On October 24, the House Rules Committee deferred action. On October 30, the House Rules Committee again deferred action. On November 6, the House Rules Committee tabled a motion to reconsider the bill.

Among the many telegrams that were coming in on this legislation, several puzzled us. We just could not understand why some of these companies were bothering about a bill that was so far out of their bailiwick. I received a telegram on October 26, 1973, in opposition to the bill from American Metal Climax, Inc., with annual sales of $1,200,000,000. Now that we have been able to get a look at the Business Roundtable membership, I find that AMAX, Inc.—the parent company of American Metal Climax, Inc.—is a dues-paying member corporation of the Business Roundtable.

Only after I started to uncover and make public some of the lobbying tactics used by Dr. Burns—and after repeated requests on my part to the Speaker of the House—did the House Rules Committee, on February 5, 1974—finally grant a rule which would provide the Members of the House an opportunity to work their will on this bill.

Sure enough, on February 14, the telegrams started going out again. A. W. Clausen, chief executive officer of the Bank of America—the largest bank in the world—who sits on the Board of Directors of the Federal Reserve Bank of San Francisco and who, incidentally, sits on the 40-member Policy Committee of the Business Roundtable, started wiring Members of Congress. Since they had not succeeded in killing the bill in the Rules Committee, Dr. Burns and his friends now wanted the legislation weakened through amendments.

Through the rest of the spring until the bill came up on the House floor on May 30, 1974, the lobbyists were at work. Mr. Clausen started telephoning Members. The Republican Policy Committee of the House unanimously opposed the bill on May 27, 1974. Representatives of Crown-Zellerbach Corp.—annual sales of $1,766,000,000—contacted the House Democratic leadership in opposition to the bill. A representative of the Caterpillar Tractor Corp.—annual sales of $4,082,000,000—telephoned the Banking Committee in regard to the bill. At the time, as I pointed out before, the interests of these corporations in a bill to audit a bank regulatory agency seemed somewhat peculair. Now, with the list of Business Roundtable membership in hand, it is possible to see the link. Both Caterpillar Tractor and Crown Zellerbach are member companies of the Business Roundtable. In addition, the president and chief executive officer of the Crown Zellerbach Corp., Mr. Charles R. Dahl, is a class B Director of the Federal Reserve Bank of San Francisco.

I am sure that many Members felt these calls, letters, and telegrams from busy executives of major corporations were sincere expressions of alarm from public-spirited citizens. Few of us realized at that time the tight interlock between the personnel of the Federal Reserve's 12 district banks and branches and the Business Roundtable. Perhaps if we had been fully apprised, the results would have been different.

On May 30, 1974, the House of Representatives adopted the weakening amendment sought by Dr. Burns. The legislation was not considered in the Senate at all that year.

Mr. Speaker, at this point in the Record, I would like to place copies of 1973 and 1974 telegrams on the audit bill; the Business Roundtable mailgram and background; and a Jack Anderson column which appeared in the Washington Post of December 12, 1973:

October 23, 1973.

Re H.R. 10265.
Hon. Wright Patman,
House of Representatives,
Washington, D.C.:

I urge that you give careful attention to the dissents to the committee report and vote against any provision authorizing the GAO to review "The results of the programs and activities of the system, including the extent to which its established objectives are being achieved". The Comptroller General admits that the GAO is unqualified to make such reviews and any effort to do so would abrogate the long standing tradition that the operations of the Federal Reserve System should be independent of political pressure.

Ian MacGregor,
Chairman, American Metal Climax, Inc.

Whirlpool Corp.,
Benton Harbor, Mich., October 26, 1973.
Hon. Wright Patman,
Chairman, U.S. House of Representatives, Rayburn House Office Building, Washington, D.C.:

We wish to express our active concern to H.R. 10265 which provides for audits of the Federal Reserve by the General Accounting Office. With an annual audit by independent public accountants, examination by GAO is unnecessary and would be a wasteful expenditure of time and money.

Particularly objectionable is the provision that the GAO would have responsibility for an audit of results and a determination if board actions meet those objectives for which the board was established and has been maintained. This provision injects the GAO into the monetary and economic policy areas, areas in which they have no expertise and no responsibility for the development of such expertise.

Close scrutiny of results by the GAO would weaken the independence of the board and make more difficult its making those objective and long range decisions which in the expert opinion of the board are in the best interests of the many elements of the economy.

Walter A. Holt,
Vice President, Finance, and Treasurer.

Bank of America,
San Francisco, Calif., February 14, 1974.
Hon. Wright Patman,
House Office Building, Washington, D.C.:

I have been informed that a bill providing for an audit of the Federal Reserve System by the General Accounting Office (H.R. 10265) will be brought to the floor of the House of Representatives this week. As a director of the Federal Reserve Bank of San Francisco, I have considered this proposal and urge that you oppose it for the following reasons:

Forty years ago the Congress decided to remove the Federal Reserve System from surveillance by the General Accounting Office in order to provide for independence of judgment on the part of the Board of Governors in carrying out the responsibilities delegated to the Board by the Congress. The present structure, with regional initiative by the Reserve Banks and central oversight by the Board of Governors, has served the country well through the years.

It is important to retain a balance of public and private elements in the system. The contributions derived from the private sector experience of the Reserve Bank directors are essential to this balance. Members of the boards of the Reserve Banks bring an intimate knowledge of developments in the economy to bear on the decisions. A post-audit by the Comptroller General of the United States might well impair the independence of their contribution.

The Federal Reserve Board's operation is already thoroughly audited by an independent certified public accountant and the results are reported to Congress.

I urge you to speak and to vote against passage of H.R. 10265, The establishment and implementation of a sound monetary policy can best be accomplished by an independent agency which is relatively free from the ebb and flow of public opinion.

Sincerely,

A. W. Clausen,
President, Bank of America N.T. & S.A.

October 19, 1973.

Mr. John Lee of the New York Clearing House called: Had a call from Gabriel Hauge of Manufacturers Hanover Trust. Mr. Hauge had a call from Arthur Burns, Chairman of Fed. Mr. Burns asked Mr. Hauge if he could muster some support in New York to help the Fed repel a bill sponsored by Mr. Patman that would require full GAO audits of the Federal Reserve System. More specifically, Mr. Burns called to our attention that there is an amendment to Mr. Patman's bill known as the Ashley-Stanton amendment. This amendment is acceptable to the Fed and the Fed would like us to assist in any way we can to get the New York delegation to the House to vote for the Ashley-Stanton amendment.

Gordon T. Wallace,
Irving Trust Co.,
New York, N.Y.

The work of the Federal Reserve System is of great importance to the monetary and economic policies of the nation and, of course, to American business. Traditionally, it has been insulated from short run political and economic pressures. Now an attempt is being made to change this.

On 9/13/73 Representative Wright Patman introduced a bill, H.R. 10265, which was referred to the House Banking and Currency Committee of which he is chairman. It was reported with amendments on 10/12/73 over the vigorous protests of some members of both parties.

The bill proposes that the General Accounting Office, an agency of Congress, audit the activities of the Federal Reserve System including reviews of the results of the system's programs and activities as well as the extent to which its objectives are being achieved.

The arguments against this proposal are well spelled out in the dissents to the Banking Committee Report No. 93-585 which along with a copy of H.R. 10265, is being mailed to you today.

The dissents tell the story. Coupling the needed extension of $5 billion of treasury borrowing power which expires 12/31/73 with the Patman audit proposals creates an unusual legislative situation from the standpoint of any veto.

I am writing to a number of Representatives expressing my views regarding this unwarranted effort to curtail the independent judgment of the board. A copy of my letter and the list of Representatives to whom I am writing are enclosed with this mailgram.

It is important that businessmen be heard on this issue. The timing of any views expressed is urgent because the matter is expected to be considered by the Rules Committee on Tuesday, 10/23 and by the full House on 10/24.

It may be that members of the Banking Committee who dissented will offer amendments limiting the auditing scope of the Patman bill. This would be helpful.

John D. Harper,
Chairman, The Business Roundtable.

Re H.R. 10265—John Harper's views.

Dear Mr. ———. The Patman-sponsored bill (H.R. 10265) to provide for an audit of the Federal Reserve Board and its banks and branches, including monetary policy decisions, should be opposed as seriously interfering with the work of the board and eroding its independence. By their very nature the activities for which the Federal Reserve has responsibility are highly skilled and of such a confidential nature that an audit type of exposure would be seriously counter-productive. This applies especially to policy discussions and transactions which are hardly a subject for auditing even though the results may be criticized.

In the business community the work of the Federal Reserve Board is considered to be ably conducted. A detail examination of its activities by the Comptroller General, probably with outside accountants and economists, would consume time of board personnel which should be devoted to the board's work. It would undoubtedly involve a platform for expressing opinions and second-guessing with respect to board policies and would generally interfere with the work of the board. Currently the board's positions are publicly detailed. We note the many visits to Capitol Hill by the chairman and other board members to make reports. The Federal Reserve System's current actions are broadly carried in the press, its policy decisions are made public within three months and minutes of deliberations are made public after five years.

The bill is an unwarranted effort to curtail the independence of the board by subjecting it to further congressional and executive political pressures and restraints. It should be defeated.

THE BUSINESS ROUNDTABLE,
October 18, 1973.

To: Members of the Business Rountable

The attached documents were referred to in John Harper's night letter sent you today.

JOHN POST.

[Attached was a copy of the Banking Committee's legislative repartee]

[From the Washington Post, Dec. 12, 1973]

BURNS OPPOSED GAO AUDIT OF FED

(By Jack Anderson)

Pipe-puffing Arthur Burns, chairman of the powerful Federal Reserve Board, doesn't want to open his books to government auditors.

When House Banking Committee Chairman Wright Patman introduced legislation to subject the Fed's fiscal operations to government audit, therefore, Burns quietly got on the phone to top bankers and urged them to bring pressure on Congress to kill the bill.

Competent sources have told us about Burns' telephone campaign and have supplied us with documentary evidence of one key call Under the massive assault by Burns and the bankers, the bill was successfully blocked.

The bill was the outgrowth of charges that the Fed was more interested in protecting the bankers than the public. Burns was absolutely opposed to allowing the General Accounting Office to scrutinize the Fed's books.

We have now obtained an internal memo detailing some of his backstage maneuvering. Dated "10/10/73 4:40 p.m.," it tells of a telephone message from John Lee of the New York Clearing House, a link between local banks and the Federal Reserve System.

The memo states that Lee "had a call from Gabriel Hauge (board chairman) of Manufacturers Hanover Trust. Mr. Hauge had a call from Arthur Burns, chairman of Fed. Mr. Burns asked Mr. Hauge if he could muster some support in New York to help the Fed repel a bill sponsored by Mr. Patman that would require full GAO audits of the Federal Reserve System."

Bankers, no matter how they feel about the Fed, are particularly vulnerable to its pressures. Dr. Burns had no difficulty mustering support to beat back the audit.

A spokesman for Burns said that Burns remembered the conversation with Hauge and that Burns "undoubtedly did mention" the bill, but did not "recollect the tone of the conversation" about lobbying.

Hauge agreed the audit bill "must have been part of the conversation." But like Burns, Hauge could not recall the references to lobbying. Hauge said he has opposed an audit of the Fed for many years.

Rep. Patman has charged over the past few months that Burns and the Fed mounted "an unprecedented effort" to sabotage the audit bill. Our discovery of the memo on the exact course of the campaign, however, is the first substantive evidence to back up Patman's charge.

We have also uncovered a Mailgram, sent to business leaders on Oct. 18 by John Harper, chairman of The Business Roundtable, an organization of big businessmen.

"It is important businessmen be heard on this issue . . ." Harper told his members. "By their very nature the activities for which the Federal Reserve has responsibility are highly skilled and of such a confidential nature that an audit type of exposure would be seriously counter-productive.'"

Over the years, the GAO has conducted hundreds of investigations of classified operations without breeching any secrets. This was a fact the big money chose to ignore.

Again, in this Congress, the legislative committee has reported out a bill—H.R. 7590—to provide for a full-scale audit of the Federal Reserve System, and again it has been stalled in the House Rules Committee.

Along with other Members, I have been very curious about this organization—the Business Roundtable—which seems to sweep out of the night, kill public interest legislation, and then disappear. Our curiosity has been piqued by its clout, its aim and the size of the corporations it represents.

The Business Roundtable is described this way in the New York Times of November 16, 1975:

> The organization is the Business Roundtable, whose 158 corporate members range, alphabetically from the Allis Chalmers Corporation to Xerox Corporation. Its members include the three largest banks, seven of the largest oil companies, the largest steel companies, major retailing organizations and many of the largest utilities, including American Telephone and Telegraph Company.
>
> The Busines Roundtable has an annual budget of "around $1.5 million," according to its executive director, John Post, although most expenses of its lobbying campaigns are borne (by companies) who send their executives to Washington to talk to members of Congress.
>
> The money to run the Roundtable comes from the corporate members' dues, which range from $2,500 to $35,000 a year, depending on the size of the company, according to Mr. Post.

According to testimony submitted to the Subcommittee on Antitrust Monopoly of the Committee on the Judiciary of the U.S. Senate on July 18, 1975, the Business Roundtable has 158 member companies and a 40-member policy committee, whose members are drawn from the companies. The membership currently stands at 164 companies. A list of the policy committee and the member companies is attached at the end of these remarks.

On January 15, 1975, Hobart Lewis, chairman and editor in chief of Reader's Digest, wrote to all Members of Congress informing them of an upcoming series of monthly ads on "economic education" prepared jointly by the Business Roundtable and researchers and writers from Reader's Digest. The Reader's Digest goes into more than one out of every four homes in America. Now that is clout.

Here is the way the National Journal describes the Business Roundtable in its April 27, 1974, edition:

[From the National Journal, Apr. 27, 1974]

THE BUSINESS ROUNDTABLE—KNOWING WHO'S DOING WHAT

The suite of offices is small: an outer room for the receptionist and an inner room for the staff (of one). There is nothing pretentious about the appointments. But the suite houses what could become the most potent business interest group in Washington, D.C.: The Business Roundtable.

Unlike the National Association of Manufacturers (NAM) or the Chamber of Commerce of the United States, the roundtable is selective about its membership. Only chairmen or chief executives of the country's biggest companies need apply.

The roundtable exists as a vehicle for these top executives to get involved personally in government activities which could affect their businesses.

The roundtable's method of operating is different from some other business lobbies. It picks and chooses its issues and its Washington representative, John Post, spends most of his time tracking issues which could be important to the members.

On those issues on which he thinks the roundtable can have an impact, Post tries to persuade the executives themselves to travel to Washington to make their case directly to the policy makers.

But Post is careful not to over-expose executives or to waste their clout on hopeless cases. He said that while he had been following the Federal Trade Commission's line of business proposal, he does not think the roundtable will take a direct role in the issue, particularly now that the authority to review the FTC's draft questionnaire has been taken from the Office of Management and Budget and vested in the General Accounting Office.

"If (Roy L.) Ash (director of OMB) had gotten involved in it, we might have had one (executive) try to talk to him about it," Post said. "But I wouldn't have them see Elmer B. Staats (comptroller general) about it."

ROUNDTABLE HISTORY

The roundtable, which has been around Washington for little more than a year, is an outgrowth of two organizations, the Labor Law Study Committee, formed in 1965 through the efforts of Roger M. Blough, former chairman of the board of U.S. Steel Corp., and the Construction Users Anti-Inflation Roundtable, a group of about 130 companies who "buy" construction, which was organized in the late 1960s when construction prices started rising steeply.

The central theme of the roundtable, Post said, is the effort of chief executives to strengthen the voice of business in society.

"The concept, as explained to the chief executives," Post said, "is that 'You have to know more about Washington, and you have to get involved.'"

The roundtable now has about 150 members, Post said, and each company pays a separate fee based on a formula which takes into account gross revenues and stockholder equity. The fees range from $2,500 to $35,000 annually.

The group takes few positions as a body. Instead, it concentrates on bringing the right executive to the right place at the right time.

"We want to be low key and helpful," Post said. "It's a matter of knowing who's doing what and only getting involved in it if some help is needed."

Congressional staff members who have had contact with Post say he is good at his job. "Post kept in closer touch on wage-price controls than anybody else I dealt with," said one Senate staff member who asked not to be identified. "He was very knowledgeable about every development that occurred. If there was discussion between offices on a new draft of a bill, he knew about it."

Post convinced four chief executives to

testify before the subcommittee of the Senate Banking, Housing and Urban Affairs Committee, which was drafting controls legislation. He also arranged for the four men to meet privately with the subcommittee chairman, Sen. J. Bennett Johnston Jr., D-La., to make their case directly.

Convincing management: Post admitted, when asked directly, that one problem he has had is convincing chief executives of even the largest companies in the country that what the government does affects their operations.

"Many of them don't realize they're entitled to state their own opinions," Post said. "But we're getting more and more of them to come and testify."

He said that many U.S. business executives tend to rely on the NAM or the Chamber of Commerce to carry their fight. "But if the oil companies have learned anything," Post said, "it's that they can't put everything on Frank N. Ikard's shoulders." (Ikard is the president of the American Petroleum Institute.)

Finding a niche: This has made roundtable relationships with the chamber and the NAM somewhat uneasy. Although all three worked together on several recent issues, including wage-price controls, officials at the chamber and the NAM expressed some puzzlement at the role of the roundtable.

Several meetings have been held between Post and officials of the other two groups to work out a better relationship.

One NAM official, who would not speak for attribution, said he also had been told that some members of the roundtable were not pleased at the expanding role of the group.

Registering: This expanded role has inevitably brought more public attention on the roundtable's activities, and that has forced Post to change one aspect of his approach.

For example, he never has registered as a lobbyist, and when NJR asked him why, he said, "That's a question I kept asking my lawyer."

Post said his lawyer had tried to convince him that he did not engage in enough "lobbying" to be registered, but he said he had asked the lawyer to file the papers recently, "just so the question doesn't keep coming up."

One Senate staff member, who has dealt with Post, said that while the roundtable works like most other business lobbying groups, "It is easy to assume that they speak for business. In fact, they speak only for big business."

Policy Committee: According to roundtable stationery, the following chief executives form the group's Policy Committee: John D. Harper of Aluminum Co. of America; Blough; Fred J. Borch of General Electric Co.; Bert S. Cross of 3M Co.; John D. deButts of American Telephone and Telegraph Co.; Richard C. Gerstenberg of General Motors Corp.

Also, Shearon Harris of Carolina Power and Light Co.; J. B. Jackson of J. C. Penney Co. Inc.; J. K. Jamieson of Exxon Corp.; Reginald H. Jones of General Electric Co.; C. B. McCoy of E. I. du Pont de Nemours and Co.; David Packard of Hewlett-Packard Co.; J. Stanford Smith of the American Newspaper Publishers Association.

Also, Benjamin F. Biaggini of Southern Pacific Co.; Ronald C. Burnham of Westinghouse Electric Corp.; Henry Ford II of Ford Motor Co.; Robert S. Hatfield of Continental Can Co.; Brooks McCormick of International Harvester Co.; John G. McLean of Continental Oil Co.; Louis W. Menk of Burlington Northern Inc.

Also, Frank R. Milliken of Kennecott Copper Corp.; Shermer L. Sibley of Pacific Gas and Electric Co.; Donald B. Smiley of R. H. Macy and Co. Inc.; Edgar B. Speer of U.S. Steel Corp.; J. E. Swearingen of Amoco Production Co. (Standard Oil of Indiana); O. Pendleton Thomas of B. F. Goodrich Co.; C. C. Tillinghast Jr., of Trans World Airlines Inc.; Lynn A. Townsend of Chrysler Corp.

Also, Maurice J. Warnock of Armstrong Cork Co.; Thomas F. Willers of Champion International Corp.; F. Perry Wilson of Union Carbide Corp.; J. Robert Wilson of Kansas-Nebraska Natural Gas Co.; T. A. Wilson of Boeing Co.; and Arthur M. Wood of Sears, Roebuck and Co.

SOME OTHER TARGETS OF THE BUSINESS ROUNDTABLE:

The Fed audit bill has been a favorite target—it is stalled in the Rules Committee. The Business Roundtable has also been successful in stalling a major antitrust improvement in the House Rules Committee and having this Judiciary Committee bill "indefinitely postponed."

Eileen Shanahan described the legislation in the New York Times of November 16 this way:

> The legislation killed 10 days ago by the lobbying of business Rountable members, together with the efforts of a few nonmember corporations, would have given the attorneys general of the 50 states authority to sue violators of antitrust law on behalf of the citizens of their state and to collect money damages.
>
> The damages, which could run to many millions of dollars in some cases, would have been three times the amount of any overcharges that had resulted from company actions, such as price-fixing agreements, that had been found to be illegal.
>
> The money would have been paid back to the persons injured by the illegal actions, insofar as they could be identified, and any left-over money would have been kept by the state to use for valid public purposes related to the injury inflicted on the state's citizens.
>
> For example, damages collected from drug companies might have been used to finance public health services.
>
> An unusual aspect of the Rountable's successful lobbying against this bill is that the measure was killed in the House Rules Committee, after its corporate opponents had succeeded in having the measure amended, but not in stopping it, in the House Judiciary Committee.

Very early in the first session of the 94th Congress, the Business Roundtable took aim at the Consumer Protection Agency legislation and, using all kinds of misleading devices—including a questionable poll—apparently affected the vote margin in the House. Consumer protection—like the audit bill—was high on the Business Roundtable's "Enemies List".

The Congressional Research Service—a division of the Library of Congress—made the following statement about the Business Roundtable-contracted poll:

> On the basis of our examination, and for the aforementioned reasons, we conclude that the Business Roundtable study does not appear to present conclusive evidence that the public is opposed to the creation of the Consumer Advocacy Agency.
>
> The public may favor the Consumer Advocacy Agency or oppose it, but it is not possible to use the . . . poll to arrive at a final conclusion on this matter.

Back in 1974, I remember that the Business Roundtable lobbied hard against the Federal Trade Commission when that agency attempted to upgrade its information-gathering about major corporations.

In the fall of 1975, the Business Roundtable took up the fight to kill the common situs picketing bill and apparently leaned heavily on President Ford.

In fact, on November 11, 1975, David Packard—who resigned in October as President Ford's chief campaign fundraiser—and who is the chief executive of Hewlett-Packard Co., a major defense contractor—with annual sales of $884,000,000—wrote to President Ford that the legislation was "causing a great deal of concern among all segments of business and industry."

According to the Washington Star of November 18, 1975, Packard told the President "Among those strongly opposed to the picketing bill are members of the prestigious Business Roundtable."

The Hewlett-Packard Corp. is a member company of the Business Roundtable. Mr. Packard is on its 40-member policy committee.

Whatever the merits of this legislation, it is a matter of record that the Business Roundtable position did prevail.

Mr. Speaker, I do not oppose the right of the fat cats to lobby. But, I think it is important that this activity be out in the open so the public will know what is happening to its business.

THE BUSINESS ROUNDTABLE AND THE GAO AUDIT BILL

The bill to provide for a GAO audit of the Federal Reserve System—H.R. 7590—was reported out of the House Banking, Currency and Housing Committee in June 1975, after 700 pages of testimony in the Domestic Monetary Policy Subcommittee. The bill has 120 cosponsors—elected representatives. But they are not getting a chance to vote for this bill on the House floor because the bill is "indefinitely postponed" in the House Rules Committee. Why?

Mr. Speaker, I am concerned about the lobbying pressures which surround these audit proposals—pressures that crop up every time we get serious about checking on the Federal Reserve. We have seen the Business Roundtable footprints as well as those of other huge corporations and banks. The Boeing Co., annual sales of $3,730,000,000; Dresser Industries, annual sales of $1,390,000,000; the American Bankers Association, and a host of others have been weighing in with opposition to the audit.

Meanwhile the newspapers continue to be filled with stories about problem banks, severe regulatory problems, and the Congress sits here and twiddles its thumbs. We do not even have the most basic information about what these agencies do and that is because the lobbyists continue to prevail on these audit proposals.

Mr. Speaker, later I plan to insert in the RECORD the Business Roundtable membership submitted to the Senate Antitrust Subcommittee and updated by my staff this past week.

FEDERAL CRIMINAL VICTIMS AND WITNESSES ASSISTANCE ACT

The SPEAKER. Under a previous order of the House, the gentleman from Illinois (Mr. RUSSO), is recognized for 5 minutes.

Mr. RUSSO. Mr. Speaker, today I am

introducing the Federal Criminal Victims and Witnesses Assistance Act. During the past 4 months the Subcommittee on Criminal Justice of the Committee on the Judiciary has conducted extensive hearings on victims of crimes legislation. Despite the importance of focusing on the victim, I had the feeling throughout the process that we were neglecting another important consumer of the criminal justice system—the witnesses in criminal cases. Thus, my bill attempts to rectify some of the problems that confront both groups when they become involved in the criminal justice system.

The need for legislation is clear, particularly in the case of the victim. It is the victim that, unfortunately, has become the forgotten person in the criminal justice system. After the headline "City Dweller Beaten and Robber, Hospitalized," we fail to hear any more about his or her plight. And yet it is the tragic aftermath of that crime that may leave lasting scars. Perhaps the individual's insurance policy does not cover this type of injury and the medical bills are paid out of his pocket. If the injuries are severe, more money will be lost because of time off from work. Ironically, the criminal may be released from jail, sometimes without posting bond, long before the victim leaves the hospital.

The victims, who pay taxes for protection, must pay once again when that protection fails them. And when they reach court, if they have the courage and stamina to confront the complicated and lengthy process, they may be even further victimized by the system that was supposedly designed to serve and protect them.

In 1968 the National Commission on the Causes and Prevention of Crime recommended a compensation program for victims. But today only one-fourth of the States have established any form of a compensation program. The programs that do exist vary widely in their eligibility requirements and compensation and in the procedures for filing for reimbursement. According to a recent survey conducted by the National District Attorney's Association, more than 60 percent of the victims did not even know that State compensation was available. Even more indicative of the restrictive reimbursement qualifications was the fact that more than 70 percent of the applicants failed to receive compensation. Thus, only 10 percent of all victims received any form of compensation.

My bill attempts to establish generally uniform requirements and procedures to insure that all victims, regardless of where they live, will receive appropriate compensation.

The bill includes a "bill of rights" for the victim, as suggested by the National District Attorney's Association, and it is already in use in some places. The victim will be informed of his rights just as the accused are made known of their rights by the police.

A printed card could be given to the witness that tells him or her that they have the right as a victim of crime to be free of intimidation, to be told about available compensation for court appearances and of compensation for injuries. They also have the right to be informed of social service agencies which may be of assistance and they are entitled to assistance by the criminal justice agencies.

A Federal Victims Compensation Commission as well as a grant program for the States will be set up. The Commission will process the applications of victims who have been physically injured during the commission of a specified Federal crime. The Federal Government will pay them directly.

Under the grant program, States must file their plan for compensation with the Department of Justice for approval. If the plan is approved, the Federal Government will finance 50 percent of the State's payment to the victim.

In the bill the authorization for the State grant program is twice the amount allocated for the Federal Commission. This reflects statistics from the Justice Department indicating that most victims would be compensated through State programs. In order to receive compensation the victim must cooperate with law officials.

The witness is often the victim himself, so we are not talking about an entirely different problem. But regardless of who the witness is, in my work in the past as an assistant State's attorney I saw far too many conscientious people who agreed to be witnesses in the criminal justice system become disillusioned with it. They are often subject to numerous trial delays, unexpected changes in trial dates, inconvenient court locations, and parking problems, for example. I have seen many cases dismissed because the witness finally says, "I have had it." Since witnesses sacrifice their time, perhaps their own safety, and a number of days pay in order to involve themselves in the system, they deserve better treatment.

Under this proposal, funds will be allocated to set up witness assistance centers to provide information on trial dates, parking facilities, transportation to court, and other items that will encourage witnesses to assist in a criminal trial.

Federal Witness Assistance Bureaus will be set up in every U.S. attorney's office and the Federal Government will provide 50 percent of the funds if a State wants to establish its own witness assistance center. In order to qualify for the funds States will submit their plan to the Law Enforcement Assistance Administration for approval.

At present many States fail to reimburse witnesses for their time. If there is a witness fee, it is nominal. Under this bill, reimbursement will be increased in Federal cases to roughly a day's pay: $25 for a fee as well as $20 per diem. To encourage States to establish adequate witness fees, the bill calls for the Federal Government to pay one-half of the amount that a State program pays material witnesses in a criminal trial.

This type of legislation is long overdue. At present, studies indicate that only two of every five crimes are even reported. Too many people have given up on the criminal justice system. We have got to get them involved again if we are to make any headway in our battle against crime. For no matter how much we improve the courts, increase the number of prisons, or crack down on the lawbreakers, our hands are tied without people willing to prosecute and serve as witnesses. When they do so, they deserve every consideration and the complete cooperation of their Government.

A summary of my bill follows:

SUMMARY OF THE FEDERAL CRIMINAL VICTIMS AND WITNESSES ASSISTANCE ACT

Section 2. Findings.

TITLE I

Part A—Federal Victim Compensation

Section 101. Victims Compensation Commission.

(a) Establishes the Commission. Three members, one of whom must be a lawyer. Members are appointed by the President with the advice and consent of the Senate.

(b)–(f) Administrative items such as the seal, place of business, etc.

Section 102. Administration. These are the internal workings of the Commission. Power to appoint an Executive Director and General Counsel; promulgate rules and regulations; have liaisons with other federal agencies, and rent buildings for office space.

Section 103. Compensation of Victims.

(a) Commission shall order payment of compensation to a victim or intervenor for personal injuries or to the family of an intervenor or victim in case of death.

(b) Commission shall determine the amount of compensation.

(1) of an intervenor by figuring his net loss (defined on page 21) excludes pain and suffering explicity;

(2) of a victim by computing his pecuniary loss (defined on page 21 and 22); all reasonable medical expenses; loss of past and future earnings, not to exceed $150 per week. Funeral expenses are also compensable.

(c).

(d) Commission can withhold payments until the victim has expended his liquid assets.

(e) Commission can speed up the process for a needy victim and give him/her advance payments.

(f) Judgment is not subject to execution or attachment.

(g) Victim retains his right of action against the criminal.

(h).

Section 104. Limitations on Compensation.

(a) Claim must be filed within one year of injury or the victim forfeits his right to recovery unless the Commission finds good cause.

(b) Minimum pecuniary loss of $100 necessary for a recovery.

(c) Victim must report the crime to the police within 72 hours.

(d) Maximum recovery possible is $50,000.

(e) The Commission is authorized to reduce or rescind any order for compensation if the victim fails to cooperate with law enforcement officials.

(f)–(g) Criminals and accomplices cannot recover the injuries.

Section 105. Procedures.

(a) Commission is authorized to receive claims.

(b)–(g) power to issue subpeonas, etc.

Section 106. Crimes.

(a) Commission is authorized to compensate people who have been injured on federal property, or the crime is punishable under a federal statute.

(b) List of crimes.

(c) Cannot receive compensation for car, motorboat or aircraft accidents.

(d) A crime is considered committed even if the defendant lacks capacity.

Section 107. Compensation of Commission members.

Section 108. Definitions. Some of the definitions are very important, especially Nos.

5, 7, 13, 14, 15 (mental distress was included for rape victims who need psychiatric help, the bulk of their medical bills).

Section 109. Victims' Bill of Rights.

Part B—State Programs

Section 110. LEAA program authorized to make grants to qualified states.

Section 111. Grantee Eligibility. What a state must do to qualify for matching funds. (List on page 25.)

Section 112. Federal government will supply 50% of the state's payment to an eligible victim.

Section 113. Evaluation of State Programs. LEAA shall evaluate each qualified state program each year.

Part C—Authorization and Termination of Program

Section 114. (a) Federal Program.

(1) First year—$10 million.
(2) Second year—$15 million.
(3) Third year—$20 million.
(b) State Program:
(1) First year—$20 million
(2) Second year—$30 million
(3) Third year—$40 million

Section 115. Program is authorized thru September 30, 1979. This was put in to insure that the program will be properly evaluated by Congress before it becomes entrenched in the bureaucracy and goes on spending into eternity.

TITLE II

Part A—Federal witness assistance

Section 201. Establishment of Bureaus. In every U.S. Attorney's Office there will be a Bureau with no more than 3 people. These people will work in the Bureau full-time.

Section 202. Bureaus to Create Programs. Each Bureau must create a witness assistance program to encourage people to testify in court. (Take note of model program already tested by LEAA.)

Section 203. Justice Department Approval of Programs. Before implementation of any program the Bureau must submit its plans to the Department.

Part B—State program

Authorized to make grants and provide technical assistance to the States to enable the States to establish witness assistance programs.

Section 205. Grantee Eligibility. State Attorney General may submit a plan to the LEAA Administrator. Can be for his state alone.

Section 206. Grants to be made. When the Administrator approves a plan, he shall make grants to the State that submitted the plan. 50% funding level to cover the States total cost of establishing and operating the program.

Section 207. Evaluation. Administrator shall evaluate each plan annually.

Part C—Authorization and termination of Title II programs

Section 208. Such sums as are necessary to carry out the provisions of this Title.

Section 209. Both federal and state programs will terminate on September 30, 1979.

TITLE III

Witness fees

Section 301. Increasing federal fees. (See last page of bill; it is self-explanatory.)

Section 302. Grants for State Fee Increases. LEAA Administrator is authorized to make grants to states that compensate witnesses. Must be at same level as federal compensation.

SUMMARY OF BILL CLARIFYING THE SOCIAL SECURITY TAX STATUS OF MEMBERS OF CERTAIN MISSION SOCIETIES

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. CONABLE) is recognized for 5 minutes.

Mr. CONABLE. Mr. Speaker, the status of members of certain mission societies under the Federal Insurance Contribution Act has become confusing as a result of an Internal Revenue Service ruling. In an effort to clarify the situation, I am today introducing a measure which would permit these individuals to pay social security taxes as self-employed persons. So that all Members might familiarize themselves with the need for this change, Mr. Speaker, I ask that a statement on the bill be inserted in the RECORD at this point:

SUMMARY OF BILL CLARIFYING THE SOCIAL SECURITY TAX STATUS OF THE MEMBERS OF CERTAIN MISSION SOCIETIES

The Internal Revenue Code does not treat ministers and members of religious orders as regular employees for social security purposes. Instead, they are regarded as self-employed people. As a result, they pay less social security tax than the combined total that would be paid by the employer and the employee if they were treated as regular employees. In addition, ministers and members of religious orders are entitled to be exempted, on account of religious principles, from payment of tax entirely, even though they are self-employed.

The Internal Revenue Service has ruled that many Protestant missionaries are not "ministers" because those missionaries are not authorized to perform all the religious functions which ministers of their faith may perform in the United States. For example, many missionaries who are women are limited in authority by their churches, and so do not qualify as ministers. In addition, in almost all cases Protestant missionaries are not members of religious orders. On the other hand, in the Roman Catholic Church, such missionary functions are frequently performed by members of religious orders, who thereby avoid the combined social security taxes on employers and employees.

As a result of this distinction, American supporters of those Protestant missionaries must pay more support money than is needed for Catholic missionaries or for Protestant missionaries who meet the Service's definition of a minister. Furthermore, many Protestant missionaries and their churches are uncertain whether they should pay social security taxes as regular employees or as self-employed persons.

This bill would remedy the situation by placing missionary members of mission societies on a par with members of religious orders for purposes of the social security and self-employment taxes.

To prevent abuse, the bill defines a mission society as a tax-exempt organization that is sponsored or availed of by one or more churches or church denominations, and requires that more than half of the members of the society be religious missionaries in foreign countries.

LET US EXAMINE OUR OWN UNSAVORY TERMS AND PRACTICES BEFORE WE CONDEMN OTHERS OUT OF HAND

The SPEAKER. Under a previous order of the House, the gentleman from California (Mr. TALCOTT) is recognized for 8 minutes.

Mr. TALCOTT. Mr. Speaker, recent talk and editorial comments attributing "bribery" to several companies dealing with foreign purchasers of our products have attracted considerable attention.

Maybe we are discussing "basic morality" and "principles of international trade," but maybe we are engaged in an exercise in loose semantics.

We Americans, or some of us, use words, terms, practices and customs that, at least, are not clear or misunderstandable to foreign persons who often deal with us in international transactions or who must deal with us right here at home in intrastate commerce and interpersonal transactions, and at worst, are considered unsavory, unscrupulous or even unethical and unfair to them.

One definition of "bribery" suggested to me is "an act by a 'special interest group' that promises support or threatens opposition to an elected official if he or she votes for or against the demands of the 'special interest' group."

Perhaps there are other phrases, words and situations that all of us use quite casually which bear new discussion and evaluation and equal attention and space.

To bribery we could add: Commissions, fees, interest, carrying charges, tariffs, prepayment charges, discounts, points, finder's fees, contingent fees, minimum wages, service charges, tips, export fees, import fees, taxes, duties, assessments, subsidies, agent fees, campaign contributions, dues, prepayment penalties, late charges, dues checkoffs, patronage, tax credits, tax exemptions, deductions, entitlements, rebates, emoluments, payoffs, media payola, application fees, season ticket preferences, depreciation allowances, markups, deposits, travel expenses, brokerage fees, entertainment costs and expenses, advertising expenses, promotional expense, influence peddling, politics, consulting fees, barter, breakage, subordination, fringe benefits, lender's fees, legacies, exchange rates, renegotiated bids, bankruptcy, closing costs, incentive pay, bonuses, overhead charges, affirmative action, hospitality, freebies, quotas, monopolies, sick leave, cartels, prime rates, family preferences, confiscation, libel, condemnation, civil disobedience, deficit financing, liberation, defaults on political loans, slush funds, trade secrets and the disclosure of them, leaking classified information and publishing it, greasing palms, puffing, and so on and on.

This is only a partial list of a long litany of terms and practices which are not understood, and often questioned, by citizens and aliens, the naive and sophisticated, the honest and the dishonest, the international traders and the local consumers.

It is one thing to be Pollyannish and puritanical. It is something else to be cynical and condemnative. It is quite another thing to be inquisitive and understanding and to keep some reasonable perspective and to develop better practices and more precise definitions of terms we banter about.

During the McCarthy era it was quite popular to suspect and charge everyone else with being a Communist. Even Communists got attention, or diverted attention, by doing it. Today it is apparently again generally popular, and an easy means of getting attention and space, to suspect and charge everyone else of being a crook. Even crooks get attention, or divert attention, by doing it.

Exposure and open discussion can add perspective and reaffirm basic ethical and moral principles. Some of our vaunted practices are perceived as unsavory and require considerable explanation among foreign peoples, as well as among ourselves. Making judgments, finding scapegoats and discrediting others may not be as salutory as reexamining our own practices, in every activity, and redefining our principles. There may be some clear and understandable distinctons between practices that injure no one and practices which degrade the results and damage all of those involved. Before we permit ourselves too much self-adulation by finding fault with others and their ways of doing business perhaps we should review our own amazing lexicon or bewildering customs and practices.

SOCIAL SECURITY FOR HOMEMAKERS

The SPEAKER. Under a previous order of the House, the gentlewoman from New York (Ms. ABZUG), is recognized for 15 minutes.

Ms. ABZUG. Mr. Speaker, I am introducing H.R. 11840, a bill which provides social security benefits for our Nation's homemakers. This legislation extends long overdue recognition to the work performed by homemakers and its economic value to our society. By establishing a separate social security account in the name of the homemaker, my bill insures that those who work inside the home as well as those who work outside the home will receive social security benefits upon retirement.

Since I introduced this concept in an earlier bill when I first came to Congress, and in the following session as H.R. 252, my office has been deluged with mail from older women throughout the country who receive no or very little social security benefits despite long years of service as a homemaker. Most of these women are divorced or widowed.

Despite the increased participation of women in the labor market, the majority of women are still homemakers. These women get no social security in their own right, but merely share in their husband's benefits provided they remain married for 20 years and their husband chooses to retire at age 65. Women divorced prior to their 20th wedding anniversary get no social security benefits. Even those spouses who meet the marriage requirement get no benefits until the wage earner claims his benefits. And even among those women who are wage earners, many do not earn a sufficiently high salary to secure greater benefits than those received as their husband's wife. Seventeen percent of retiring female workers in 1970 were receiving benefits based on their husband's earning rather than their own.

In 1974, 54 percent of the women beneficiaries were receiving social security benefits based on their own earnings records while 46 percent of the women received benefits based on the earnings of their husbands, either as wives or widows. Each of these groups will benefit by extending social security to homemakers.

Women who spend part of their career working outside the home and part as homemakers will be eligible for higher benefits upon retirement since they will be credited with an imputed wage for the years spent working inside the home rather than averaging in zero earnings during this period. The homemaker who has never worked outside the home will receive, for the first time, a benefit upon retirement based on her own entitlement. She will receive this benefit regardless of her marital status and thus is freed from the dependence on the earnings of her husband, their continued marriage and his timing of retirement. Widowed homemakers will benefit also from the option of receiving social security benefits based on their own service or receiving those based on the earnings of their deceased spouse, since the option of receiving homemaker benefits permits them to retain social security benefits despite remarriage.

There is no dispute that homemakers perform valued services for their family and society. Studies estimate the imputed value of homemaker services at 21 percent of the gross national product. Yet these workers are excluded from social security protection because their work is unpaid; the result is dependency upon the husbands' earnings. Moreover, if a homemaker becomes disabled, or separated, abandoned or divorced, neither she nor her family can collect social security benefits to compensate for the loss of her services. The failure to provide the homemaker with a social security account in her own right not only reinforces the stereotype of the dependent wife but also denigrates the important contribution of the homemaker to her family, her husband's career and to society.

The urgent need for this legislation is poignantly illustrated by a letter I received from Mrs. Laura Brock of Philadelphia, Pa. In recounting the travail that she has suffered Mrs. Brock speaks for many other women who have experienced similar difficulties. I would like to take this opportunity to share this letter with my colleagues and reprint it here followed by the text of H.R. 11840 the Social Security for Homemakers bill and an analysis of the bill:

DEAR REPRESENTATIVE ABZUG: I plead with you, in the name of God, and as a woman to read this letter, and if by Chance you care, then I beg of you to help the thousands of women who like me are forgotten, and cast aside to become a public burden because of an unjust law in our social security system.

I have written many letters to Congressmen, Commissioner of social security, Senator Frank Church who in turn passed my letters on to the Committee of Aging but to no avail, because no one in my government really cares.

After 38 years of marriage, my exspouse found someone younger—took off to Florida, and in 1972 obtained a divorce.

For 38 years social security was put aside for me, according to the law being married these many years, but the social security law so states, that I cannot claim social security, unless my exspouse so retires at age 65.

My exspouse has so decided that he will not claim his social security at 65, thus denying me any rights to his claim.

At age 65 my exspouse will receive a pension from a bank where he was assistant vice president, and did work for 25 years.

The amount of his pension will be near $400.00 per month. He is now in Real estate, which is not hard work and so with his pension and work in real estate he has no need for his social security which would in turn tie his hands to the amount of income he could make.

He has no need for medicare because he is covered by an insurance policy that covers all his needs in time of sickness.

Thus after 38 years I live in poverty, being a burden to my children, and being a public burden, in receiving medicaid, and food stamps.

Many, many women are left in this same position as I where the husband continues to work past 65, denying his exwife the right to social security and medicare.

Social security is given out to put children through college when they could be working and helping support the family, and thus earning wages to put themselves through college at night. I cannot deny them this right, but in the name of God what about the forgotten wife of 38 years of marriage, who cannot work, or provide for herself, who is left without a home, and must become a public, and a painful burden to her children.

I live in a house owned by my soninlaw, who has allowed me to live rent free since the divorce in 1972. I pay all the utilities from the $100.00 per month alimony there is little or nothing left.

Now my soninlaw wishes to sell the property, as he has every right, I have been a burden to him. Also, I can only ask God to bless him for the help he has given me.

Welfare sent me to apply for supplementary social security, I was turned down, because I was living rent free. I beg of you to help me and the many others to change this unjust law of social security. Help me to lift my head in dignity, and with out shame.

I was a mother, a wife, nurse, cook, house cleaner and all the rest that goes with marriage for 38 years. My reward is poverty, shame, insecurity, fear, because the social security laws so state, I cannot claim social security or receive medicare because my exspouse holds this power in his hands, denying me any right to file for social security in his name until he is ready to retire. This law is so cruel that an expouse can still control the destiny and fate, of the forgotten wife of so many years.

Please, I beg of you to change this merciless law take this power that they hold over their exspouses heads, and give me back my dignity, release me from my fears, of not knowing where I'm Going to live next in the ghetto? Wipe away the pain of being a burden to my children. In the name of God *Care*, not just for me, but for the thousands of others who too, must bend to the power of the law, put into the hands of exspouses please let me live my last few years in dignity.

Help us. God bless you.

Sincerely,

LAURA BROCK.

Analysis of Social Security for Homemakers bill:

Eligibility—Any person between 18 and 65 who conducts or supervises the affairs of a household without pay for one or more persons, one of whom is a wage earner. All persons performing household services are eligible for these benefits regardless of sex or marital status. The person for whom household services are performed may be the spouse of the homemaker or other relative including parent, grandparent, sibling, child, aunt or uncle, niece or nephew.

Imputed Wage—The amount of wages to the homemaker shall be computed as the average wage currently being paid in the labor market for the various services performed by the homemaker according to a formula. This formula shall be established by the Secretary of HEW after public hearings and it shall include but not be limited to the following occupations: nursemaid, housekeeper, cook, dishwasher, laundress, food buyer, gardner, chauffeur, maintenance personnel, seamstress, dietitian, practical nurse, and accounting clerk.

Funding—Although a homemaker has neither salary nor employer, her work benefits our entire society. This bill incorporates this concept by permitting the homemaker benefits to be funded from general revenue. No further increase in the payroll tax would be required.

Implementation—Every homemaker would have an account in her own name which is retained regardless of separation, divorce, death or remarriage. The earning credits accumulated as a homemaker could be added to if the individual later works outside the home. This is especially important because many working women drop out of the labor force for some length of time to rear their children and then return to work. Under this plan these women would continue to accumulate social security credit as homemakers. This will result in continuous coverage and higher benefits for working women as well as independent benefits for those who remain homemakers.

This legislation is based on the premise that homemakers contribute valued services to the economy and are entitled to social security in their own right for the unpaid work they perform. It is time that their work be given dignity and their personal investment in marriage and family be given legal recognition.

Text of Social Security for Homemaker Bill

A bill to amend title II of the Social Security Act to provide coverage for homemakers under the old-age, survivors, and disability insurance program

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. (a) The Congress finds that the work performed by homemakers in households contributes significantly to the economy of the Nation and, therefore, that homemakers are entitled to coverage and benefits under the old-age, survivors, and disability insurance and medicare systems.

(b) The Congress further finds that homemakers should be entitled to qualify for social security benefits in their own right, and to maintain independent accounts accumulating credits toward such benefits for their work performed inside the home.

Sec. 2. (a) Title II of the Social Security Act is amended by adding at the end thereof the following new section:

"HOMEMAKER SERVICE

"Sec. 232. (a) Notwithstanding any other provision of this title, for purposes of determining entitlement to and the amount of any monthly benefit for any month after the month in which this section is enacted, or entitlement to and the amount of any lump-sum death payment in the case of a death occurring after such month, payable under this title on the basis of the wages and self-employment income of any individual, and for purposes of section 216(1)(3), such individual shall be deemed to have performed employment, and to have been paid remuneration therefor in an amount determined under subsection (c) (in addition to the wages and net earnings from self-employment, if any, actually paid to or derived by him or her), in each month during all of which he or she was a homemaker (within the meaning of subsection (b)). This subsection shall not be applicable in the case of any monthly benefit or lump-sum payment if a larger such benefit or payment, as the case may be, would be payable without its application.

"(b) For purposes of this title, an individual shall be considered as a homemaker (and as performing homemaker service) during any month if—

"(1) throughout such month such individual, not for a wage or salary, conducts or supervises the affairs of a household which is being maintained for another person who (or for two or more other persons at least one of whom) is engaged in full-time employment or self-employment or is otherwise engaged in full-time gainful activity as determined under regulations prescribed by the Secretary;

"(2) the other person (or at least one of the other persons) referred to in paragraph (1) is such individual's spouse, parent, child, brother, sister, aunt, uncle, niece, nephew, grandparent, or grandchild; and

"(3) such individual (A) is not less than 18 years of age (at the beginning of such month) nor more than 65 years of age (at the close of such month), and (B) is not otherwise engaged in full-time employment or self-employment or otherwise engaged in full-time gainful activity as determined under regulations prescribed by the Secretary.

"(c)(1) The amount of the remuneration which an individual is deemed to have been paid for homemaker service under subsection (a) with respect to any month, for purposes of this title, shall be an amount representing the average wages currently being paid in the labor market for services of the kind customarily performed by homemakers, as determined and published by the Secretary in the manner provided in paragraph (2) on the basis of the formula established under paragraph (3).

"(2) The Secretary, on the basis of data and statistics which shall be furnished by the Secretary of Labor and made public, and in accordance with the formula established under paragraph (3), shall determine for each quarter the amount of the remuneration which an individual will be deemed to have been paid for homemaker service under subsection (a) with respect to any month in such quarter, and shall publish the amount so determined in the Federal Register.

(3) Within 60 days after the date of the enactment of this section, the Secretary, after holding public hearings and giving all interested persons a reasonable opportunity to present their views, shall develop and establish a formula designed to reflect appropriately, in the amount of the remuneration which an individual will be deemed to have been paid in any month for homemaker service under subsection (a), the average wages being paid in the labor market for each of the various types of services which are customarily performed by homemakers, including (but not limited to) the average wages being paid to nursemaids, housekeepers, cooks, dishwashers, laundresses, food buyers, gardeners, chauffeurs, maintenance personnel, seamstresses, dieticians, practical nurses, and accounting clerks. The formula thus developed and established shall be published in the Federal Register.

"(d) The Secretary, after consultation with the Secretary of the Treasury, shall prescribe such regulations and take such other actions as may be necessary or appropriate to assure that the objectives of this section will be achieved, giving particular attention to the development and implementation of effective methods for identifying and securing information from individuals performing homemaker service, establishing and maintaining accurate records of such service in accordance with section 205(c), and facilitating proof of homemaker status.

"(e) There are authorized to be appropriated from time to time, to the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal Supplementary Medical Insurance Trust Fund, such sums as the Secretary of Health, Education, and Welfare deems necessary for any fiscal year, on account of—

"(1) any amounts paid or to be paid during such fiscal year from such Trust Funds under titles II and XVIII of the Social Security Act solely by reason of the coverage of homemakers pursuant to this section,

"(2) the additional administrative expenses resulting or expected to result therefrom, and

"(3) any loss in interest to such Trust Funds resulting from the payment of such amounts,

in order to place each of such Trust Funds in the same position at the end of such fiscal year as the position in which it would have been if the preceding provisions of this section had not been enacted."

(b) Section 210 of such Act is amended by adding at the end thereof the following new subsection:

"HOMEMAKER SERVICE

"(p) The term 'employment' shall, notwithstanding the provisions of subsection (a), include the performance of homemaker service within the meaning of section 232."

Sec. 3. The amendments made by section 2 shall apply with respect to service performed (and remuneration paid or deemed to be paid) in months in calendar quarters beginning more than 60 days after the date of the enactment of this Act.

"INSIDE THE AIR FORCE ASSOCIATION'S ANNUAL BACCHANALIA"

The SPEAKER. Under a previous order of the House, the gentleman from Wisconsin (Mr. Aspin) is recognized for 5 minutes.

Mr. ASPIN. Mr. Speaker, I have long been concerned about the status and activities of military associations. An article appearing in the current issue of Rolling Stone magazine reinforces my concern.

Entitled "Inside the Air Force Association's Annual Bacchanalia," the article was written by Lucian K. Truscott IV. Mr. Truscott focuses his attention on the Air Force Association, although the issues he raises are applicable to the other service organizations.

I commend Mr. Truscott's observations to the attention of my colleagues.

The article follows:

Operation Greasy Palm—Inside the Air Force Association's Annual Bacchanalia

(By Lucian K. Truscott IV)

Lieutenant General Kenneth L. Tallman entered the lobby of the Sheraton Park Hotel in Washington, D.C. on November 14th, 1975, the first day of the Air Force Association's (AFA) convention, surrounded by a blue covey of majors, lieutenant colonels and colonels. Tallman is probably the most powerful man in the Air Force, next to the chief of staff himself. He has achieved a position in the Pentagon comparable to that of patronage chief for a big-city mayor. He controls the job market in the Air Force.

Tallman, 50, a stocky man with a crew cut and tightly lined face, stiffened his back and briefly studied a slide-show display featuring the AFA's "Airman of the Year" award winners.

"How's it going, chief?" a senior colonel asked with worshipful familiarity.

"Fine. Damn fine. How about yourself, Jimmy? How's the little woman?" Tallman glanced down at the toes of his black, spit-shined military shoes. They reflected perfectly the tiny lights in the cathedral-style ceiling. He noticed the blue covey shift its gaze downward, staring at the twinkling pinpricks of yellow on black. Tallman looked up and grinned.

On cue the colonel replied, sounding like a quick mimic of Tallman. "Fine. Damn fine, sir. Looks like we're going to get a good turnout, doesn't it, sir?"

"Sure does. Fine turnout. Damn fine. We're running buses over from the Pentagon and from Andrews and Bolling Air Force bases every morning."

Each year the AFA convention gives Air Force biggies a chance to mingle with Air Force littlies. Tallman could look forward to four more days of special attentions. He had every right to his smile of good feeling and high expectation.

Except for one technicality. There is a reasonable probability he was breaking the law.

On the surface the AFA is a kind of Rotary Club for flyboys. The AFA describes itself as a professional and educational organization comprised of active and reserve Air Force people, Pentagon civilians and civilians from the aerospace defense industries. The Association of the United States Army (AUSA) is a similar organization for the Army. The Marine Corps has two such clubs and the Navy also has one.

All five military associations maintain Washington headquarters. Each holds an annual convention, publishes expensively produced magazines and describes itself as a professional and educational organization. All are tax-exempt. (There are at least 16 lesser associations serving such military groups as the Army airborne, military surgeons, military engineers and reservists from all the services.) The military associations have a total membership of 815,293 and a combined annual budget of $10,511,033, according to a recent study by the Library of Congress.

That the major military services have their own versions of the Elk or Rotary Clubs is hardly extraordinary. What makes these organizations special is their real function—lobbying for the defense budget. At the AFA convention in 1975, members adopted policy positions criticizing the SALT talks, the Turkish Arms Embargo, the Senate's investigation of the intelligence community, the Helsinki, Conference and amnesty.

Such lobbying efforts are okay for nonmilitary people. But under Department of Defense regulations and federal law, participation by military personnel and defense department civilians might be illegal.

Membership drives for the AUSA and the AFA are often carried out by active-duty personnel at military bases around the world. This is a direct violation of the U.S. Code, Title 18, 602 and 607, that prohibits soliciting, receiving for or giving to any other officer, employee or person paid from federal funds, any contribution, subscription, or assessment for any political purpose, or for the promotion of any political object. Clearly, membership funds solicited from Army and Air Force personnel can be interpreted as support for AFA and AUSA policies against amnesty and for arms. The year AUSA president James W. Woodruff Jr., in his address to the convention (attended by 6000 AUSA members), challenged "every member in this association to join with me . . . to put our membership up over 100,000 where it belongs. We have the tools to do the job if only we will put forth the effort." If any member accepts the challenge, he will be in violation of the law.

Two years ago General Lucius D. Clay Jr., commander of the Aerospace Defense Command, sent a telex to units in his command encouraging them to join the AFA. It read as follows: "Subject: Air Force Association membership drive. Request status of Air Force Association membership drive. Request number of personnel contacted and number of new memberships be included in weekly activity reports for the month and first report in April. General L. D. Clay Jr., Commander, Aerospace Defense Command, has requested our support in the Air Force Association 1974 'Blue Suit' membership campaign to be conducted during March 1974. This is a professional orgnization for the Air Force, every officer and airman should become acquainted with its programs and objectives and be afforded the opportunity to voluntarily join this fine organization. The 1974 AFA goal is 15,000 men, active duty members. If this objective is met, the AFA membership will stand at approximately 120,000 members, equally balanced between active duty and nonactive duty personnel. Major Rutledge is the coordinator for the 1974 campaign. Select a project officer for your unit membership drive; send his name, organization and telephone number. This project merits your personal attention."

Such encouragement from a four-star general in military circles is rather plain. The Clay telex violates both the spirit and the letter of U.S. Code, Title 18, 602 and 607.

Though the Army and the Air Force are loathe to admit it, official encouragement such as General L. D. Clay's and the assignment of active duty project officers for AFA and AUSA membership campaigns go on within military commands the world over. When I was in the Army in 1970, I was simply ordered by my brigade commander to join the AUSA or expect an appropriate notation on my efficiency report. Many acquaintances told me of similar experiences. According to Senator William Proxmire, such membership drives for the AFA and the AUSA go on all the time.

Military aircraft and ground transportation have been regularly used to ferry military personnel and Defense Department civilians to and from functions sponsored by military assoociations around the United States, in violation of Department of Defense Regulation 4515.13–R. A report of the comptroller general of the United States entitled "Alleged Use of Military Aircraft for Other than Official Purposes," dated September 5th, 1975, told of frequent allegations that military planes were being used for unofficial purposes. The comptroller general found evidence which "raised serious questions as to whether some of the flights were for official government business. This is especially true of the Navy's 1974 Tailhook Reunion in Las Vegas, Nevada."

The chief of Naval Operations announced his support for the Tailhook Reunion in a July 23rd, 1974, message to subordinate commands, and stated that Naval air transportation could be used to attend the reunion. The comptroller general found that 64 Naval aircraft were used and $191,000 of taxpayer money was spent in an apparent violation of DOD Regulation 4515.13–R.

In November 1973 Proxmire's office calculated that the Pentagon spent $131,649 to support the national convention of the Reserve Officers' Association that year. (The Reserve Officers' Association is a military organization similar to the AFA and AUSA.) The money included pay and allowances and per diem for those who attended, the cost of military aircraft and ground transportation used and other miscellaneous expenses. The convention, which in no way was officially sanctioned by the Department of Defense, was held in Las Vegas, Nevada.

The office of Congressman Les Aspin found a similar apparent abuse of DOD Regulation 4515.13-R in March 1975. Air Force ground transportation and aircraft were used to ferry the secretary of the Air Force, the general counsel of the Air Force and 24 Air Force generals to the AFA charity ball held at the Beverly Wilshire Hotel in Beverly Hills, California, on October 26th, 1974.

"The list reads like a *Who's Who* of the Air Force," an Aspin staffer reported. "Practically every major commander in the Air Force was there." Yet in a letter to Aspin, Colonel James J. Shepard, chief of the Air Force's Congressional Inquiry Division of the Office of Legislative Liaison, suggested the appearance of 24 generals and two top Department of Defense civilian officials in Beverly Hills on the same date was a big coincidence. According to Colonel Shepard, they all happened to be in L.A. for the "rollout" of the prototype of the B–1 bomber, which had occurred earlier the same day. Shepard gave no estimate of taxpayer cost for the charity ball.

If Department of Defense military or civilian personnel accept goods, services or favors from defense industries they are violating military law under the DOD Standards of Conduct. A recent disclosure that Northrop Corporation, a major Air Force defense contractor (and industrial associate of the AFA), has invited top military and civilian brass to a duck shooting preserve indicates a violation of law. Former secretary of defense James Schlesinger admitted the Northrop case may be only "the tip of the iceberg." Air Force and Army officers frolicking at so-called "hospitality suites" run by defense contractors at both the AFA and AUSA conventions last year is another example. The hospitality suites also appear to violate Department of Defense directive 5500.7, which proscribes accepting corporate giveaways.

Certain civilian staff members of the military associations have been granted DOD security clearances so they can receive classified briefings on weapons procurement. This is an apparent violation of the DOD's "need to know" doctrine. According to a well-placed Pentagon source the AFA and AUSA do not qualify under any provision for a security clearance, much less any "need to know" classified information.

The classified briefings given to AFA and AUSA staffers are denied to groups like the Center for Defense Information, a discriminatory practice in favor of pro-defense spending groups over reformist defense groups—a violation of DOD directive 5500.2, which prohibits the favoring of one association or organization over another."

But General Tallman and his friends at the AFA gathering last November didn't seem too concerned about the military laws as they moved through four days of conventioneering and carnival hucksterism provided by 52 defense contractors. Two huge exhibition halls in the Sheraton Park were jammed with an arcade of super-deluxe weapon pinball machines and other games and toys. Clusters of blue-suited boys bent over devices which simulated landing a jet in zero-visibility conditions or loading ammunition into the new 30-millimeter cannon. The Martin Marietta display offered a jet cockpit mockup with two television screens simulating an attack mission at twice the speed of sound. On the first run, with the cockpit bucking as if it were buffeted by flak, fixing the weapon cross hairs on the target was almost impossible. On the second mission, using Martin Marietta's newly developed "Area-Coordinator," a computer solved the problem by fixing the weapon on target. The man who ran the display described the device as: "One pilot, one pass, one pod, one kill."

Everywhere young women in miniskirts and go-go boots escorted VIPs or adorned equipment displays. AFA waiters rushed from B–1 bomber to F–16 to Fairchild A–10 carrying huge trays of martinis and Manhattans. Strangely, no one was drinking them. Later, in the Park Pub, a dank little basement bar, a couple of retired colonels explained the teetotalism. Word had come down from "upstairs" at the Pentagon that public drinking by Air Force personnel is now officially frowned on. "They've turned the whole damn Air Force into a bunch of closet boozers," growled one retired colonel.

On the second night of the convention, President Gerald Ford made an appearance in an upstairs ballroom, addressing the AFA convention's "Salute to Congress" reception. According to Edgar Ulsamer, senior editor of *Air Force Magazine*, the AFA publication, the president spent almost an hour mingling with "Air Force, aerospace industry and AFA leaders." Also present were more than 100 representatives and senators, including Speaker of the House Carl Albert.

The president, who is an AFA honorary life member, keynoted his address to the reception by observing that "we must be strong enough—and we *will* be strong enough—to make certain that the United States is second to none. Period. That is, in my opinion, the best way to ensure that we keep the peace, now and in the future." Ford singled out the Turkey arms embargo and the AFA's position on the need for strategic strength despite the SALT talks, for special praise. The policy resolutions had been passed the day before, proving, at least in the case of the president, that the AFA did not have to go very far, or wait very long, for its lobbyist activities to take hold.

The military associations are the social meeting ground of the military/industrial complex, and it is because of the contacts made at functions like the AFA convention that so many retired military men wind up working in procurement positions in defense industries.

According to a study made by the Council on Economic Priorities, between 1968 and 1973, more than 1400 high-ranking military officers and civilian employees of the Department of Defense left the Pentagon to accept jobs with defense contractors. Three hundred and seventy-nine of these transferees had been working in apparent conflict of interest situations. The CEP study listed the following corporations among the top ten employers of former Department of Defense personnel, who, by transferring from government to private industry, were in conflict of interest: Computer Sciences, Boeing, Lockhed, Hughes Aircraft, Northrop, Rockwell International, McDonnell Douglas, LTV, Litton and RCA. All ten are industrial associates of the AFA and eight had equipment briefings at the AFA convention.

"The social function of the AFA and the other military associations is perhaps more important than the active lobbying they do," said one high-ranking Pentagon official with a background in arms procurement. "As a social unit, they are an incredible force to be reckoned with by Congress."

The question remains, of course, to what extent Congress is coping with the power of the defense lobbyists represented by the military associations and their $10 million-plus annual budget. Senator Proxmire and Congressman Aspin are engaged in an almost never-ending struggle with the Department of Defense over abuses by the military associations, in particular the AFA and the AUSA. Proxmire sent a letter to the office of Air Force Chief of Staff David C. Jones asking who attended the AFA convention (brass in particular), what duty or leave status they were on, and whether or not Air Force ground or air transportation had been used to get them to the convention. First, Proxmire received an evasive written reply from the chief of staff. He was not satisfied. So two colonels came to Proxmire's office and met with a top staff assistant, that the Pentagon had sent them to cool off the senator. Next a general stopped by Proxmire's office and asked that the inquiry be dropped.

"This whole AFA business is very, *very* sensitive," said the top Proxmire staffer. "Practically the entire Air Force top military and civilian command was at the convention. But it's the same way every time. Questioning the Pentagon on the AFA or the AUSA is like touching a nerve." Bill Broydrick, legislative assistant to Congressman Aspin, told the same story. "It's like pulling teeth," he said. "They are so uptight about the AFA and the AUSA, you wouldn't believe it. All we get from the service information people at the Pentagon is stalling and obfuscation."

Perhaps the touchiest area is the tax-exempt status of the military associations. All the military associations are tax-exempt, nonprofit organizations under special tax codes passed by Congress. Recently Senator Proxmire's office began investigating such exemptions. One Proxmire staffer has described the exemptions as a legal "bottomless pit." He said no committee of Congress appears to have oversight of the military associations, and that before Proxmire, no one had ever questioned them.

Yet it seems clear the military associations serve the defense industries; they function like an informal union for the military brass, running interference with Congress and lobbying for plenty of new hardware for their members to play with.

The association magazines, a primary lobbying tool for the AFA and the AUSA, are supported in large part by lavish ads paid by defense contractors. These magazines run regular features on the risks of detente and the need for a higher defense budget. They are sent free of charge to influential representatives and senators sympathetic to the cause, and articles from their pages sometimes appear in the *Congressional Record*. A recent 90-page edition of the AFA magazine contained 11 full-page ads from defense contractors, including Lockheed, Boeing, Singer, Motorola, Fairchild, LTV, Garrett Electronics, McDonnell Douglas and E-Systems. The September issue contained 150 pages with 41 full-page defense industry ads. The magazines are expensively printed on slick paper, professionaly written and edited.

The AFA and AUSA are especially impressive compared to nearly penniless citizen groups like SANE, the Coalition on National Priorities and Project on Budget Priorities, and the Center for Defense Information. They are sophisticated, better financed, highly organized and immune to public pressure. To the public at large, they are legitimate professional and educational military associations. Their true purpose is obscured behind a smokescreen of public relations and platitudes; they are lobbyists for the big defense industries, that part of our economy which costs taxpayers $100 billion a year.

SENATOR HUMPHREY'S OUTSTANDING LEGISLATIVE RECORD

The SPEAKER. Under a previous order of the House, the gentleman from California (Mr. ANDERSON) is recognized for 5 minutes.

Mr. ANDERSON of California. Mr. Speaker, an article by Rowland Evans and Robert Novak in the February 9 edition of the Washington Post has caught my attention.

One paragraph of this article reports on a recent television appearance by consumer advocate Ralph Nader. This portion of the article follows:

> Nader, interviewed on NBC's "Today" program Jan. 9, gave a 43-word reply when asked his opinion of Humphrey. Describing him as "a fine, ebullient person" who "exudes compassion," Nader then expressed muted criticism. He doubted whether Humphrey has "had many new ideas recently" and added: "I think he's not close enough to the need for citizen action and citizen involvement in actual reality, but he's voted very well on labor and consumer issues."

As an admirer of both Senator HUMPHREY and Ralph Nader, I felt compelled to correspond with Mr. Nader for the purpose of clarifying the record relevant to Senator HUMPHREY's recent legislative achievements. The text of my letter follows:

FEBRUARY 11, 1976.

Mr. RALPH NADER,
P.O. Box 19367,
Washington, D.C.

DEAR RALPH: In reading the Washington Post of February 9, 1976, I came across the column of Rowland Evans and Robert Novak. A portion of this article dealt with a remark by you on the NBC "Today" show, which was somewhat critical of Senator Hubert Humphrey's public service achievements in recent years.

As an admirer of yours, and as a supporter of most of your worthwhile endeavors, I feel that I must inform you that I am greatly disappointed in your criticism of Senator Humphrey. We are in agreement that the Senator from Minnesota is a "fine, ebullient person," but to imply that he hasn't "had many new ideas recently" causes me to wonder where you have been recently. I find that keeping track of Senator Humphrey's legislative innovations, not to mention his physical whereabouts, is a most demanding and exhausting task.

My reaction to your comments were undoubtedly intensified by the fact that I had just read the Congressional Record of February 6, 1976, when I noticed the Evans and Novak column. In this particular issue of the Congressional Record was a statement by Senator Humphrey on the importance of forests to U.S. industry, and another statement on federal spending and the disposable incomes of American workers. Many additional pages of the Record were devoted to the beginning of debate on the International Security Assistance and Arms Export Control Act of 1976—a bill which is primarily the personal work of Senator Humphrey. Senator Kennedy refers to this bill in the Record as "one of the most important pieces of legislation that we will consider this year."

There are several other notable Humphrey achievements which I easily recall. He has rewritten Public Law 480, the Food for Peace program, to make sure that humanitarian need is the guiding factor in the distribution of assistance.

He is the author of the WIC food assistance program providing food assistance to women, infants, and children. This program, like the Food for Peace program, demonstrates Hubert Humphrey's commitment to finding solutions to the nutrition needs of millions of people, not only in this country, but throughout the world.

Humphrey has distinguished himself as Chairman of the Senate Foreign Relations Subcommittee on Foreign Assistance, and has rewritten the Foreign Assistance Act mandating that American aid be channeled to the poorest of the poor.

He is the author of the Solar Energy Research Act which authorizes $1 billion over the next five years for solar energy research.

In addition, Hubert Humphrey has been a leader in the development of federal revenue sharing, rural development programs, aid for the education of handicapped children, federal campaign reform, school lunch programs, greater congressional control of the budget, and the list continues.

Not all of Senator Humphrey's proposals have been enacted into law. One such proposal is the Humphrey-Hawkins Equal Opportunity and Full Employment Act which will commit this nation to the goal of reducing unemployment to 3% in three years.

Looking at the record, If Senator Humphrey has not been the initiator, then he has at least been a co-sponsor or supporter of nearly all major legislation to be passed by the Congress since his return to the Senate in 1971.

Ralph, you should know that this letter is not a personal endorsement of Senator Humphrey for the Presidency—he says he is not a candidate and I believe him. I do feel however that we will have to look long and hard to find an individual with the intelligence, integrity, and sheer energy that Hubert H. Humphrey possesses.

Sincerely,

GLENN M. ANDERSON, M.C.

MINUTEMAN III—AMERICA'S MOST RELIABLE STRATEGIC WEAPON

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 5 minutes.

Mr. LAFALCE. Mr. Speaker, in the past few weeks since the release of the President's budget I have been voicing my concern about the proposal to cease production of our only strategic intercontinental ballistic missile, the Minuteman III. I believe that this policy is shortsighted in the extreme.

The USSR has four ICBM's presently in production; they are producing far more missiles than we are at the present time and they tend to be larger with a greater payload capacity. While the Minuteman III remains the most reliable and accurate missile ever made, the Russians accuracy is getting better and better.

In other words, Mr. Speaker, the technological gap between our ICBM's and those of the Soviet Union is decreasing. Yet the administration proposes that we stop production of the Minuteman III while it concedes that production of a replacement could not begin until the mid-1980's.

The Vladivostok agreements limiting the number of MIRVed missiles on each side gives the United States a maximum of 1,320 such missiles. The Pentagon's plan is to develop our strategic arsenal up to 1,286 MIRVed missiles by 1987, with three basic components of it. One component is the Poseidon submarine-based missile. Another is the Minuteman III. The third is the Trident missile, still under development and not scheduled for deployment until 1979. Our experience in the past is that schedules like these tend to slip.

The Poseidon is scheduled to reach 496 missiles by 1978, up only slightly from its 1977 total of 464. The Minuteman III is scheduled to remain at its present level—550. And the Trident, beginning with 24 missiles in 1979, is scheduled to grow to a total of 240.

Looked at another way, Mr. Speaker, the Pentagon plans in 1977 to have only 1,014 missiles deployed, some 286 under the agreed upon limit. That amounts to almost 22 percent under the authorized level. Secretary of State Kissinger came back from Moscow recently trailed by a rumor of an additional cut in the limit of 10 percent. Even if this turns out to be the case, the Pentagon's own projections do not show the United States reaching this new, lower level until 1983. And this assumes that the Trident missile will keep on schedule, an assumption I am not inclined to make.

Our overall strategic forces are composed of these MIRVed missiles and other components, including the older, non-MIRVed Minuteman II ICBM's and nuclear weapons carried by B-52 and FB-111 bombers. It is not irrelevant to note that the Minuteman II missiles, capable as they are, were designed to 1960 standards and average nearly 15 years old.

The Minuteman III is a modern weapon still unexcelled in terms of its accuracy, its reliability or its cost-effectiveness. And, Mr. Speaker, its production line contains literally thousands of very highly skilled and trained people who, if the line should stop, would go their separate ways. I need not point out how difficult it would be, and how time-consuming, to try to put such a team back together again. Humpty Dumpty's problem was similar.

In the absence of another SALT agreement, say nothing of Senate ratification of it, does it not make more sense to keep the Minuteman III production line going at this time? The older Minuteman II's can be replaced with the III's while the development problems of the Trident are solved and while research into our strategic needs in the 1980's continues. I say it does.

The numbers I cited earlier can be a bit deceptive, Mr. Speaker, to the extent that they imply that our dependence on the Minuteman III is only equivalent to that missile's share of the total number of strategic weapons. For that is not the case. The Minuteman III has an "alert status" of 98 percent. In other words, 98 out of each 100 Minuteman III's are ready to use at any given point in time. Submarine-based missiles, because of range limitations, ship maintenance, et cetera, achieve an alert status of only 53 percent. And the bomber-based weapons are even less—40 percent for the FB-111 and 30 percent for the B-52.

The result, Mr. Speaker, is that we rely on the Minuteman III far more than may be apparent from looking only at the number of such missiles. Taking the Pentagon's proposed MIRV mix for 1978, for example, we would have 550 Minuteman III's which, with an alert status of 98 percent, would mean an average of 539 operational missiles on alert at a given point in time. We would have 496 Poseidon missiles which, with an alert status of 53 percent, means only 253 submarine-based missiles are operational at that same point in time. Thus, the Minuteman force constitutes almost 70 percent of our MIRV capacity in operational terms—the terms that count. The administration, however, would reduce this percentage by increasing our reliance on the submarine.

Given our present reliance on the Minuteman III, along with the uncertainty of success with the Trident, the time frame needed to research and develop a new ICBM, and the presently vague status of the SALT talks, I think it would be folly to shut down this proven part of our military preparedness.

INTRODUCING A BILL TO ESTABLISH A REGULATORY SYSTEM FOR DEEP OCEAN MINING

The SPEAKER. Under a previous order of the House, the gentleman from New York (Mr. MURPHY) is recognized for 15 minutes.

Mr. MURPHY of New York. Mr. Speaker, I am introducing a bill today which would establish a regulatory system for deep ocean mining. The purpose of this bill is to encourage, for the ultimate benefit of the United States, the development of the vast resources of the ocean floor.

Experts have estimated that over $3 trillion worth of minerals lies on the ocean floor at depths of over 12,000 feet. The minerals which are most important in the tomato-sized nodules scattered on the deep seabed are manganese, nickel, copper, and cobalt. In addition, there may be as many as 27 other minerals in these nodules. The quantities of these minerals which have not yet been commercially exploited are phenomenal. At the rate at which the world is currently consuming these four major minerals, 1 percent of the ocean bottom could be expected to satisfy the world's needs for about 50 years.

Until recently, the reason these ocean resources have not been developed is that the technology has not existed which could bring the nodules up from the ocean floor. Advances in technology over the last 10 years, however, have brought the exploitation of these resources within our reach. The bulk of the technology was developed in this country, with additional contributions coming recently from Japan, Great Britain, France, Germany, and Canada.

There remain, however, major obstacles to the commercial development of these ocean resources. Most important of these is the law of the sea question. As you all know, the Law of the Sea Conference is dragging on and on with no apparent end in sight. As one session follows another, the U.S. negotiators seem to be giving more and more away. The result of the last session in Geneva, a single negotiating text, can only be described as a dismal failure. The State Department yielded on several important points, including deep sea mining. It seems that the only concern of the State Department is to insure freedom of the seas and right of passage for our military. In the process of insuring this, they are giving away the rights of our deep sea mining industry.

Under the single negotiating text, the latest document to emerge from the Law of the Sea Conference, a company exploiting the minerals of the ocean floor would have to yield 75 percent to an independent seabed resource authority. That assembly would then have the authority to decide the rate of development and the price of these deep sea minerals. It would also reap the profits and determine how to distribute them. The argument for this arrangement is that the resources of the deep seabed are the common heritage of mankind and should not be exploited for the sole benefit of the countries which have developed the high level of technology necessary for deep sea mining. This is certainly an honorable goal, but I think it is necessary to strike a more equitable balance between the developed and the underdeveloped countries. Otherwise, the independent seabed resource authority may find that no one is willing to develop the technology needed.

I will not dwell on what I think the Law of the Sea Conference should try to achieve, but will only draw a single obvious conclusion and discuss the consequences for the United States: Given the complexity of the issues involved and the apparent wide divergence of opinion, the negotiations still have a long way to go before a settlement is reached. And given the opinions stated in the current single negotiating text, the United States is a long way from reaching an agreement which would be acceptable to this Congress. I do not think that this Congress will stand by and watch the State Department bargain away U.S. interests.

The uncertainty surrounding the Law of the Sea Conference, regarding when a settlement might be reached and what form that settlement might take, has been a major obstacle to the U.S. deep sea mining industry. Large companies, like the Kennecott Copper Corp., Tenneco, Inc., and the Lockheed Missiles and Space Co., have invested millions of dollars so far in the development of technology. They have developed the means to bring the nodules up from the ocean floor, and tested these methods in pilot operations. They have also developed processing methods to extract the valuable minerals from the nodules. They are at a stage now where they are ready to begin development on a large scale. They are confident enough about the technology they have developed that they want to move on to full-scale exploitation. That step, however, will take an enormous investment of several hundreds of millions of dollars. And the American deep sea mining industry is just not prepared to make that investment under the current conditions of political uncertainty.

Neither are the banks prepared to make the kind of long-term loans that are large enough to finance these expensive operations.

So the American deep sea mining industry has slowed down until, in its estimation, the time is right to go ahead with large-scale commercial operations. In the meantime, foreign operators are taking advantage of the lull in American activities to advance their technology to the point where they are even with us.

In my opinion, Congress should not stand idly by, and watch the American technological lead erode while the Law of the Sea negotiations hobble along aimlessly. This Congress can and should take action to provide the necessary investment climate for the American ocean mining industry, so that we can maintain our technological lead and develop those ocean resources for the benefit of the American people.

After all, the benefit really would be for all Americans. The Department of the Interior has estimated that our current dependence on foreign sources of manganese, copper, nickel, and cobalt can be vastly reduced, if not totally eliminated, by 1990. Instead of importing 82 percent of our manganese needs, we could be virtually independent by 1990. And we could become totally independent in terms of nickel, copper, and cobalt, whereas we now import 82 percent of our nickel, 5 percent of our copper, and 77 percent of our cobalt. These are important minerals, and I think we should learn a lesson from our dependence on foreign oil, and try to develop resources that will be under American control.

That is why I am introducing this bill today. This bill will provide the American deep sea mining industry, and the large banks which must ultimately finance their activities, with a proper investment climate.

My bill will allow U.S. firms to go ahead immediately with mining operations under existing international law and would require the Government to protect the investment of the companies involved, both at the Law of the Sea negotiating table and through insurance coverage.

The major changes in my legislation compared to previous bills on this subject are as follows:

Regulatory authority is vested in the Secretary of Commerce instead of the Secretary of the Interior.

A provision to permit the Secretary of Commerce to request and receive comprehensive data from industry when licenses are issued has been added. We learned a lesson in the energy crisis last winter. The Government did not have adequate reliable data on resources and this change will insure no such information gap with respect to deep seabed resources.

My bill fosters and encourages the negotiation of harmonious laws, rules, and regulations with those other countries who are ready to exploit the seabed. It grants legal recognition to rights they confer on their nationals provided they recognize the rights we confer on our nationals.

This bill should have an immediate beneficial impact on our ocean mining industry. It may also help us at the upcoming Law of the Sea Conference, by showing the so-called Group of 77, the less developed countries, that we mean business in exploiting our technological lead. And even if it does not, we may be deriving benefits from the deep seabed before an international agreement is reached. In any event, it is time for the United States to act unilaterally. It is time for us to start protecting American interests, and stop giving them away. It is time to begin developing resources which are vital to this Nation and which are within our grasp.

In view of the urgency of this legislation, as chairman of the Oceanography Subcommittee of the Merchant Marine and Fisheries Committee I have scheduled hearings on this and similar bills now pending beginning on February 23 and continuing through mid-March at which time I plan to report a bill to the floor for the consideration of the Congress. The Government has vacillated far too long on this issue and I ask Members to support me in this effort to give the United States the preeminence it deserves in this area.

THE LACK OF LEADERSHIP IN MODERNIZING AND COORDINATING FARM PROGRAMS

The SPEAKER. Under a previous order of the House, the gentleman from Florida (Mr. SIKES) is recognized for 5 minutes.

Mr. SIKES. Mr. Speaker, high prices are a very bothersome subject. Those who are familiar with prices to consumers in the Nation's grocery stores have ample reason to complain about high prices. The shocking increases in prices to the housewives of the Nation in recent years have made it exceedingly difficult for many American families to have even the bare necessities of life. This situation is well known to the great majority of Members of Congress. What is not known, either to the consumers or to most Congressmen, is that these high costs are not reflected by high prices paid to the producer of agricultural products. Prices paid to him have risen but little during the recent years of rapid inflation. The surge in prices to the consumer has been due to increases in charges added to the farmer's products by processors, transporters, and others who handle the various areas engaged in food marketing. Their charges have multiplied while the prices paid to farmers have almost stood still.

Nevertheless, it comes as a surprise to the average consumer of food products that the farmer is not getting rich. As a matter of fact, many farmers year after year are being forced out of production because the prices paid to them remain low while the prices for the items which they must buy in order to produce have multiplied. Labor, equipment, fertilizer, feed and seed all have kept pace with price increases in other segments of the American scene. As a result, the farmer has an investment in land and equipment, per individual, that is far higher than that of virtually every manufacturing industry in the United States.

The farmer continues to buy the things required for his operations on a protected market—a market where organized labor contracts or Federal regulations insure price increases commensurate with cost increases. The farmer has no such advantage when he sells. He sells at whatever price the market will bring, after he runs the hazards of production and the vicissitudes of weather.

Government, which is so greatly concerned with other segments of America's industry and which heavily subsidizes most of them—even to the plush and prosperous magazines in the store racks—is to a large extent ignoring the plight of the farmer. There are support prices for specified farm crops, but many more are omitted than are covered and a majority of American farmers get no help from their government in the way of price supports.

Because there is a growing market for U.S. agricultural products abroad and the American farmer can produce in unprecedented amounts, the Department of Agriculture and administration officials attempt to increase the sale of U.S.

farm products abroad. Sometimes these efforts are successful; sometimes not.

An example in point is soybeans. Soybeans are now one of the principal money crops in the United States. Last year a moratorium on shipments of soybeans and grains to Iron Curtain countries was used by the United States in trade negotiations with the Russians. We were seeking Soviet petroleum products as a part of the wheat sale. As so often happens, the Russians got what they wanted. We got nothing. U.S. farmers, particularly soybean farmers, were the economic victims. It did not make sense for soybeans to be included in the moratorium because we have a surplus of soybeans. While the embargo was in effect, Brazil sold to Russia a substantial quantity of soybeans. This curtailed a part of the foreign market which we had expected to utilize. Soybeans were not included when the sale of wheat to Russia was consummated. The price of soybeans in the United States dropped throughout the fall and the average farmer sold at or below cost of production. Now, with the coming of the new year, the soybean prices are going up. This would not help the producer. He had to sell to pay his bills.

Lack of support or bungling by the Government is estimated to have cost the soybean producers of this Nation $1.25 billion on the current crop. That figures out to an average of more than $11,000 per soybean farmer in the United States.

The Government asked the farmers to plant from fence row to fence row last spring and the year before. Farmers responded because they understood that the world needed their food. Instead of an all-out program to induce sales of the food that was produced, the government has limited or actually prohibited sales of the commodities produced. These things happened after the farmer had his crops planted and they were almost ready to harvest. He had already invested his money, labor, and land. The bureaucrats in Washington ignored his plight.

American soybean farmers should have the assurance that agricultural policy of the United States be determined by administrative officials who understand the problems of agricultural production and marketing. The understanding of production problems and their solutions is sometimes more elusive than the understanding of marketing problems; but the two must go hand in hand. When agricultural marketing policy is determined by officials from the Department of Labor, Department of State or Department of Commerce, the variety of decisions do not necessarily reflect the policies necessary to insure production of food in the future or the sale of American food abroad.

Similar weaknesses are found in Federal disaster programs. This much-touted source of assistance to American farmers was of little value in northwest Florida and the South following the costly and damaging Hurricane Eloise in September. Due to the wording of the legislation, the average farmer could receive no benefit. Most of the crops produced in the area simply were not covered. These include peanuts, soybeans, and pecans. This faulty legislation should, of course, be corrected but I find little evidence either by the administration or in Congress to accomplish this purpose.

Programs designed for the help of the farmer are overloaded with regulation and redtape. Possibly the best program of all, the Farmers Home Administration, does not have adequate personnel to do the job entrusted to it for rural development by the Congress. They are underfunded and understaffed. Here is a potential for improvement in rural areas to add to the attractiveness in rural community living.

Cattle farmers have been particularly hard pressed for lack of a profitable market. Prices for cattle, for almost 3 years, have failed to meet costs of production. Very little has been accomplished through the Government to alleviate this situation.

Many farm loans, including cattle special program loans, cannot be made because local banks fail to participate. Farmers should not be denied the help of Government programs simply because the local bank does not want to do business with Government.

Crop insurance is a program that has been found highly beneficial in many areas. However, it is of very limited application and areas not now covered are denied the opportunity to participate. The fact is the Government wants to get out of the crop insurance business. In fairness, the right to participate in crop insurance programs should be extended to all farmers. Here again there is little to indicate legislative action.

The administration is attempting to save money wherever posible because of the steadily mounting costs of Government and the attendant increase in the national debt. However, there are times when it appears that the administration is overzealous in its efforts to cut expenditures. Two instances immediately come to mind.

One is the proposal by the administration that there be a rescission of $25 million in funds appropriated by Congress for the forestry incentives program. This program means immediate employment for people; it means cost-sharing assistance to landowners in replanting or improving stands of timber. Congress has made it clear that it will insist that the administration spend the funds. Obviously the time to plant trees is now while the seedlings are dormant. Nevertheless, the administration is insisting on taking the full time allowed before resuming the program—45 days. That means planting will have to be deferred until February or later and, in the event of an early spring, it could cause many participants to fail to get their trees in the ground on time. This would be a wasteful process.

A similar instance is the handling of an appropriation of $500 million for additional housing to be constructed under the auspices of the Farmers Home Administration. The administration wanted a rescission. The Congress refused. The housing is needed. It, too, will provide employment and stimulate the sick construction industry. Programs of this type benefit people and workers. The administration should welcome the opportunity to put them into operation.

Timeliness in providing farm information on farm programs is basic to a farmer's preparations. He must know what he can plant and under what regulations months before planting time because of the preparation required like financing, purchases of supplies, seed, fertilizer and lime, as well as farm equipment, which must be acquired for the year's operations. All too often it seems that the bureaucrats in Washington have lost the sense of reality which must accompany announcement of farm programs. This foot-dragging can tie up a farmer's operations until it is almost impossible for him to make the necessary preparations for planting the crops best suited to his purposes.

Credit enters into the problem. The farmer must have credit. Easy credit is not in itself an answer. However, a ceiling on interest rates to farmers may now be in order. They may even be necessary through Government guarantees.

There is much talk but little action on a long-range, comprehensive farm program. We have a rural development program which will be very promising if it is properly implemented with adequate funds and staffing. We have a crop insurance program which had a good beginning but the Government lost interest and the majority of the counties of our Nation have never received this needed coverage. We have disaster programs which touch only a few of the people who suffer natural disasters in farming. We have in agriculture the only area where the farmer must buy on a protected market, protected for everyone but him. He buys at prices that are formulated to protect everyone engaged in the production process and the farmer pays the accumulated bill when he buys equipment and all the things he must have with which to farm and produce. More and more the labor that he hires is protected through unionization or minimum wage laws which force the farmer to pay comparable wages. When he sells, he has none of the advantages. The buyers play the market. The Government may or may not be working in the farmer's best interest in its international programs. The weather may have seriously limited his crop.

When all is done, he sells his crop for what it will bring. He has no choice. He is in hock right up to his ears and everything he owns is mortgaged to make the crop. He has to turn it to keep from losing his equipment or even his property. If it does not bring enough to pay him out, that is his hard luck. A benevolent government will, in most instances, make him another loan if his local bank is big hearted enough to accept a high interest loan guarantee.

It should be obvious that this is an impossible situation. America must have a flourishing agriculture to feed our own people. Agricultural products provide one of the two commodities for which there is a sure market worldwide. The other is weapons. It is a strange contrast but the people of the world want American weapons and American food. If the farmer is to continue to produce, I tell you there must be a floor on farm produce prices or a ceiling on the cost of what he must purchase or both. However revolutionary this may sound, such a program is required or there is a distinct possibility that the American farmer and his great productive capacity will gradually fade from the scene.

Stronger programs from Congress and more concern by the Government can wait no longer. Agriculture and farm people and rural communities are the real heart and soul of America. It is the people of the American farms and the rural communities who believe most strongly in the great traditions of our land and its ideals. They are the people who have the strength and the stamina to try to stand on their own feet. Here there is no lack of patriotism. No lack of willingness to sacrifice for America's needs, America's good and America's future. To bring this about, the farmer must learn to stand together and work together. Those who heed his voice daily grow smaller in number in the halls of government. He must demand to be heard now.

What I propose is done in one way or another for nearly every segment of the American economy. It is done for the airlines, one of the biggest and most prosperous of American industry. It is done for the railroads whose problems they do not attempt to clean up for themselves; for the big cities, whose wasteful spending practices have brought them to the verge of bankruptcy; even for the magazines and other publications which are fat from advertising. I say it is time to put a little of the farmer's own tax money back where it can insure the preservation of an essential American industry.

These are random thoughts on a very serious matter. The American farm and principally the family farm, is in jeopardy. Yet the family farm, like the family business, is one of the most important segments of the American economy. There should be a full review and a prompt one to establish what really is needed in the way of agricultural programs. The farmer is told to produce more in order to take advantage of a growing world market. Then in most instances, he is left to work out all the attendant problems of financing, encountering the risk of weather and other causes of crop failure, only to sell at what the market will bring. He is at the mercy of both the buyer of his produce and those who sell him the supplies he must have. It is time to realize that there must be a floor on the farm produce prices or a ceiling on the cost of what he must purchase, or both. However revolutionary it may sound, there is a distinct possibility that without a stronger program and more concern by the Government and the Congress, the American farmer as we now know him, will largely cease to exist. The big corporation farms possibly can remain, but they are not the heart and soul of the agriculture of America. It is the people of the American farms and in the rural communities who in generations past have done most to maintain the traditions of Americanism, the strength of patriotism, the willingness to sacrifice for our country's good.

NUCLEAR MORATORIUM, GE RESIGNATIONS INDICATE URGENCY

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, I would like to introduce into the RECORD at this time the texts of the letters of resignation that were submitted by the three General Electric nuclear power engineers last week.

The points of concern that they raise have convinced me that we need to stop and reevaluate our entire nuclear power program now before we commit ourselves to too heavy a reliance on this controversial technology for our energy needs.

Accordingly, I am introducing a slightly modified version of the bill introduced last year by my colleagues, Congressman HAMILTON FISH and Congressman EDWARD PATTISON, calling for a moratorium on the licensing of the construction of any new nuclear power reactors and a complete and thorough study of the safety hazards posed by these plants.

The material referred to follows:

Dale G. Bridenbaugh, Manager, Performance Evaluation & Improvement. Manager, Mark I Containment, Nuclear Energy Division General Electric Company.

Responsible for establishment and management of systems to provide for the monitoring and measurement of Boiling Water Reactor (BWR) equipment and system performance and for the development of performance improvement modifications.

For the past 10 months on special assignment as Manager of Mark I Containment, A special project formed to evaluate the safety and adequacy of the primary containment of 25 nuclear power plants in the United States.

Mr. Bridenbaugh has been involved with nuclear power plants since 1958 when he was assigned as Field Engineer on the installation and startup of the first large-scale commercial nuclear power plant—Commonwealth Edison's Dresden I near Chicago, Illinois.

Employed by General Electric Company: 1953–1976.

Degree: BSME, South Dakota School of Mines & Technology.

FEBRUARY 2, 1976.

Mr. N. L. FELMUS,
Manager, BWR Services, General Electric Co., San Jose, Calif.

DEAR NEIL: This letter is to advise you that I am resigning from the General Electric Company effective immediately.

My reason for leaving is that I have become deeply concerned about the impact—environmentally, politically, socially, and genetically—that nuclear power has made and potentially can make to life on earth. As we have discussed in the past, there is an inherent close intertie between commercial power and weapons technologies and capabilities. I am strongly opposed to the deployment of such capabilities and I fear the implications of a plutonium economy. The risk involved in such a system is far too great for the short term benefit. I see no way for us to develop the ability to maintain the perfect human and technical control needed for the long periods of time necessarily involved with the highly toxic materials we are producing. This problem is not something I wish to pass on to my children and to succeeding generations to control. Contributing to the advancment of such proliferation now seem immoral and is no longer an acceptable occupation for me.

Furthermore, in my recent assignment as the Project Manager of the Mark I Containment assessment, I have become increasingly alarmed at the shallowness of understanding that has formed the basis for many of the current designs. It is probable that many more problems will emerge with severe consequences, impacting either the safety or the economic viability of the nuclear power program.

It is hard for the mind to comprehend the immensity of the power contained in the relaively small reactor or core and the risk associated with its control. In the past we have been able to learn from our technological mistakes. With nuclear power we cannot afford that luxury!

Much has been entrusted to the corporate and regulatory decision makers and the tremendous cost, schedule, and political pressures these humans experience have made unbiased decisions, with true evaluation of the consequences, very difficult to achieve. This is not meant as an indictment of any specific individuals; it is just a statement of the human imperfection which leads, ultimately, to the imperfection of the complex technological system. Nuclear power has become a "technological monster" and it is not clear who, if anyone, is in control.

In summary, I am no longer convinced of the technical safety of nuclear power and I fear the high risk of political and human factors that will ultimately lead to the misuse of its byproducts. This makes it impossible for me to work in an objective manner in my current position and I, therefore, have decided that my only choice is to get out of the nuclear business. This seems the only course of action for me to take if I am to be fair to my associates, the Company, to you, and to myself.

I also must tell you that I have become so convinced that nuclear power is not right for this country or for this world, that I have decided to volunteer my time for the next several months to work in support of the California Nuclear Safeguards Initiative. Following this, I will be looking for a job either in a non-nuclear area or, if possible, where I can use my experience to help safeguard the substantial nuclear legacy that has already been created.

I am sorry that I have been unable until now to fully confide in you the concerns I have had. This has not been an easy decision for me to make, but I finally came to the conclusion that it is something I must do. Perhaps my action will cause other people to consider the vast implications of the nuclear power program before it is too late.

I have come to believe very deeply that we cannot afford nuclear power and I intend to do whatever I can to get the message to the public where the decision on its continuation must ultimately be made.

Sincerely,

DALE G. BRIDENBAUGH,
Manager, Performance Evaluation and Improvement; Manager, Mark I Containment Program.

Gregory C. Minor, Manager, Advanced Control & Instrumentation, Nuclear Energy Division, General Electric Division.

Mr. Minor has 16 years experience in the energy systems business, designing, building and managing control and instrumentation systems.

Mr. Minor began his career with General Electric in 1960 when he was assigned to a position at Hanford, Washington. In 1963 he served as an Electronic Design & Development Engineer in the Nuclear Power Generation Control Department in San Jose. There he was responsible for design of major instrumentation channels and control systems.

He has served as Manager of Reactor Control Systems Engineering where he was responsible for the design of protection, containment, and related control systems.

Since 1971 he has been Manager of Advanced Control & Instrumentation, responsible for the design of safety systems, control systems, and control room configuration.

Employed by General Electric Company: 1960–1976.

Degrees: BSME, University of California, MSEE, Stanford University.

February 2, 1976.

Mr. Harry H. Hendon,
Manager, C & I Engineering,
General Electric Co.,
San Jose, Calif.

Dear Harry: This is to inform you that I am resigning from the General Electric Company effective today.

My reason for leaving is a deep conviction that nuclear reactors and nuclear weapons now present a serious danger to the future of all life on this planet.

I am convinced that the reactors, the nuclear fuel cycle, and waste storage systems are not safe. We cannot prevent major accidents or acts of sabotage. I fear that continued nuclear proliferation will quickly consume the limited uranium supply and force us into a plutonium-based fuel economy with even greater dangers of genetic damage and terrorist or weapons activity.

From my earliest days at Hanford, I have been deeply concerned about the dangers of radioactivity. I can still remember my wife's shock at having a container for urine sampling placed on our front doorstep for the use of our family. I wonder now if that police-state atmosphere at Hanford wasn't an omen for all people for the future.

I cannot be a part of an industry that promotes a policy that would lead our generation to consume 30 years of nuclear power for our own selfish purposes and leave behind radioactive wastes that will be a health hazard for thousands of generations to come.

In recent months I have become increasingly dismayed at the industry's opposition to the Nuclear Safeguards Initiative. I have seen the attempts to confuse and whitewash the issues by claiming that there are no unsolvable problems and appealing to individual's fears for their jobs. The public must be told that there are many problems. I am confident that an informed public—given the truth—will decide against continued nuclear proliferation.

I am also sure that there are others in the industry who share my concerns and I hope my decision will cause them to stop and consider the enormous implications and dangers of the nuclear legacy we are creating.

Sincerely,

Gregory C. Minor,
Manager, Advanced Control & Instrumentation.

Richard B. Hubbard, Manager, Quality Assurance, Nuclear Energy Control & Instrumentation Department, General Electric Company.

As Manager of the Quality Assurance Section, Nuclear Energy Control and Instrumentation Department, Mr. Hubbard is responsible for developing and implementing quality plans, programs, methods, and equipment which assure that products produced by the Department meet all quality requirements as defined in NRC 10CFR50. He is involved in the manufacture of radiation sensors, reactor vessel internals, fuel handling and servicing tools, nuclear plant control and protection instrumentation systems, and control room panels.

With GE, he has held a variety of technical and supervisory positions in the application, manufacture and marketing of instrumentation and control systems for nuclear power plants.

Mr. Hubbard is an active member of the IEEE standards subcommittee on quality assurance and has published several papers on incore neutron detector systems and quality assurance programs.

Employed by General Electric Company: 1960–1976.

Degrees: BSEE, University of Arizona, MBA, University of Santa Clara.

February 2, 1976.

Mr. Abdon Rubio,
General Manager, Nuclear Energy Control & Instrumentation Department, General Electric Co., Nuclear Energy System Division, San Jose, Calif.

Dear Don: During the past year and a half I've experienced a series of events which have forced me to question the continued operation and proliferation of nuclear power plants. I see that we have become an industry of narrow specialists with little comprehension of the total impact of our individual actions. I feel it is imperative that the people of California know the truth about nuclear power and know that there are people within the industry who have serious doubts and reservations about continuing our present course.

Consequently, I have decided effective today, February 2nd, to terminate my employment with General Electric and to devote myself full time to the task of educating my fellow Californians on the moral and technical issues encompassed by the Nuclear Safeguards Initiative.

When I joined the nuclear division in 1964 I was very excited about the promise of the new technology—the promise of a virtually limitless source of safe, clean and economic energy for this and future generations. Like many of my colleagues, I consciously chose to bypass the technical and financial glamour of the defense/aerospace industries, and instead to pioneer in the infant nuclear industry. There was a common sense of excitement in the industry that approached a missionary zeal in those early years. Now, twelve years later, the vision has faded and the promises are still unfulfilled.

I have seen too many instances where engineers did not consider all the relevant parameters, where craftsmen did not follow the prescribed manufacturing and construction methods, where the plant operator acted in error when called upon for a split-second decision, and where plant maintenance decisions were based on continued power production—not plant safety. I know that very few people are aware that one of the plant wastes, plutonium, must be safeguarded from the biosphere for nearly 500,000 years; that there are presently no long-term radioactive waste storage facilities; that the genetic effects of the wastes challenge our continuing existence; and that the disposal safeguard record of the existing government weapons and submarine fuel facilities is replete with failures.

In addition to the ecological significance of the radioactive legacy, the global political impacts of a plutonium energy economy must be faced. India's construction of an atom bomb from nuclear fuel clearly demonstrates that nuclear power plants and nuclear weapons are inseparable. If the forecasted nuclear power plants are constructed in the U.S. and if the rush to export the nuclear technology to the emerging nations continues unabated, then plutonium will be readily available for weapons diversion, hijacking, sabotage, and ransom. The power of the atom will be available to any tyrant or dissident group. We Californians cannot ignore our global interdependence.

I have struggled hard in arriving at today's decision. I considered continuing in my position, hoping that technology could somehow overcome all the obstacles. After my experience, I am now convinced that businesses and individuals can no longer take the risk of contaminating our environment, upsetting the ecological balance, or take any other steps which could irreversibly affect future generations. The limited comprehension of the present technology, coupled with the technological requirement for 100% human perfection, is a situation I can no longer rationalize as responsible or acceptable.

I came to San Jose with the vision and hope that I could benefit mankind through my contributions in harnessing the atom. Now I sense an even greater purpose—the sharing of the knowledge gained in this pursuit to help awaken the people to the dangers and to the imperative to act now in order to preserve our planet. The issue we face is not the survival of an industry, rather it is the survival of mankind.

Sincerely,

Richard B. Hubbard,
Manager, Quality Assurance.

REFORMING THE FOOD STAMP PROGRAM

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, yesterday I had the opportunity to submit testimony to the House Committee on Agriculture regarding the numerous proposals for reform of the food stamp program that have been introduced during the 94th Congress, opposing the administration position which would wreak cruel hardships, particularly on the elderly who can least afford the figured cuts, and suggesting reforms that I think would make the program more effective and equitable in assuring nutritious diets to those who otherwise could not afford them.

I am inserting this testimony in the Record to share my views with my colleagues.

Reforming the Food Stamp Program

(Testimony of Hon. Richard L. Ottinger)

Mr. Chairman, I am pleased to have this opportunity to submit testimony in conjunction with hearings being held on the question of reforming the food stamp program.

The food stamp program is one of the most worthwhile and beneficial programs ever begun by the Federal Government. At the same time, it is obvious that changes in it must be made if it is to continue to operate effectively in providing good nutrition for low income people. It is unfortunate that we have come to the conference table so divided over the basic philosophy of this program and in such a spirit of controversy. Surely nothing will be accomplished by such unfair remarks as those of Treasury Secretary Simon, who calls the food stamp program "a well-known haven for chiselers and rip-off artists." The Administration's own figures indicate that the fraud rate is only about .08 percent. Any fraud is too much, but this is certainly not a cause for gutting the program as the Administration would do.

Food stamps began in 1962 as a small, experimental program involving a handful of counties and costing about $14 million. The program has grown enormously in outreach and expense for two reasons: first, because an unprecedented rate of inflation and dramatically high unemployment forced more people into the program; secondly, because the Congress decided that its expansion was consistent with our national commitment to providing every American with access to good nutrition. If this growth seems phenomenal, we should keep in mind that many State and local governments believe that they are still reaching only a portion of those who qualify for aid and are making efforts to spread the word among the poor and unemployed that they may be missing out on a program which can offer families an adequate diet they might not otherwise be able to afford. Simple economics tells us that as long as adverse financial conditions in the U.S. persist we cannot hope to lower spending for the food stamp program and that, in fact, expenditures may increase still further.

Our sense of compassion and common sense tell us that we cannot allow the victims of hard times to go hungry and that sound nutrition for everyone is in the national interest.

In a staff paper released last month by the General Accounting Office four major issues were identified as being at the center of the food stamp debate. I would like to outline these and give my personal responses to the questions posed as follows:

1. Target population: Who should get food stamps, and how should the benefits be determined? Every family that can legitimately claim the inability to provide a sound diet for its members should be eligible for food stamps. This should include those whose adverse circumstances are likely to be only temporary, such as those unemployed due to the recession, but it should not include groups such as students who are living away from home but have parents with the means to support them. Eligibility standards should take into consideration the rate of inflation, and there should be allowances for the possibility of appreciable rises in that rate.

2. Administration: Is the food stamp program effectively administered? If not, what areas need change and what changes should be considered? At the present time it appears that there is a lot of unnecessary red tape at all three levels of government—Federal, State and local—which frequently results in benefits being delayed or computed incorrectly. This not only causes problems for food stamp recipients, it also costs the government a great deal to correct these errors. Probably there should be more flexibility in administering the program at the local level, to allow for any unique problems that may exist there. I also question the practicality of the work registration requirement for certain groups. Experience has shown that this is costly to administer and largely ineffective. I believe that the overwhelming majority of able-bodied, employable Americans prefer to work if jobs are available and that those who fall outside of that category are too few to warrant the enormous administrative burden of a work registration program.

3. The food stamp program as a nutrition program: Should food stamps serve as a nutrition program? If so, are current levels adequate and are benefits equitably determined? The early objective of using this program to supplement farm income by increasing food demand has largely disappeared. There is widespread agreement that the second original objective of insuring that food stamp recipients enjoy a nutritionally adequate food intake is not reached by the present program. A great deal of this problem can be attributed to the participants' lack of knowledge about proper nutrition—a situation, by the way, that is not uncommon among the U.S. population as a whole. The remainder of the problem is due largely to the fact that Agriculture Department standards do not make any allowances for differences in dietary requirements or regional cost-of-living. Often the elderly and poor are forced to buy their food in the inner city neighborhoods where so many of them live and pay much higher food prices than those in other locations.

4. Food stamps and other income security programs: How is the food stamp program affected by other program benefits? What should the balance be between different program applications? The food stamp program is the only income security program that is universal in that the eligibility requirements are based on income and assets only. Most participants realize an increase in discretionary income because a portion of total income otherwise have to be spent for food is left free. There is no question but that there is much duplication among Federal income security programs and that many people receive more than their fair share while others continue to suffer needlessly. One proposal for eliminating such duplication is that of a single cash out plan. While studies have shown that the typical food stamp recipient would rather receive a cash benefit, great caution should be exercised in pursuing such a course. The implications for sound nutrition and the small role that food stamps may continue to play in farm income must be carefully evaluated before we attempt to substitute cash benefits for in kind programs. Food stamp cash out for recipients of Supplementary Security Income has been tried in New York, among other states, and the reaction I have heard has been overwhelmingly negative. In fact, there have been proposals in the 94th Congress to make these SSI recipients eligible for food stamps and end the cash out, a move which I strongly support.

Mr. Chairman, more than 100 bills have been introduced in the House calling for various types of reform of the food stamp program. I frankly do not know that I have seen a single one that I accept in its entirety. Many of these proposals suggest eliminating the present purchase requirement and giving the stamps to eligible families at no cost. I believe that this is one of the most reasonable ideas and one that should be adopted. Other bills call for eliminating automatic food stamp eligibility for those on welfare. I have serious reservations about this particular proposal, since it could have very serious implications for some families, particularly those with young children, who benefit so much from this type of assistance. There is also a proposal to not take Social Security cost-of-living increases into consideration when determining eligibility of beneficiaries—an idea that I fully support. In so many cases senior citizens are losing out on Federal programs because meager increases in their income place them just above the eligibility level. Often the elderly end up actually suffering adverse effects from these cost-of-living increases.

Well over eighteen million Americans now receive food stamps. At the end of 1974 the Agriculture Department estimated that close to thirty million people are eligible in a given month and that more than forty million may be eligible during at least one month of the year. Surely when we consider reforms in a program that affects so many Americans, we must approach the task with concern over the problems that have necessitated the program in the first place and with intentions of resolving these along with the shortcomings of the program itself. I for one pledge to you my cooperation in making the food stamp program one that operates efficiently and effectively to insure that every American, regardless of financial circumstances, can enjoy a nutritionally adequate diet.

SOCIAL SECURITY REFORM

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, yesterday I had the opportunity to submit testimony to the Ways and Means Committee's Subcommittee on Social Security regarding the administration's outrageous proposals for making social security benefits more expensive for the elderly, already pressed to the wall by inflation, and imposing inequitable new social security taxes on already overburdened low- and middle-income workers. These social security proposals are of vital importance to our more than 20 million senior citizens and to all American workers who pay into the system with the expectation of one day drawing benefits. I would like to take this opportunity to share my views with my colleagues:

SOCIAL SECURITY REFORM

(Testimony of Hon. Richard L. Ottinger)

Mr. Chairman, I would like to express to you my gratitude for the opportunity to submit these remarks in conjunction with your hearings on the President's proposals for reforming the Social Security program, with particularl emphasis on the trust fund.

At the start, let me convey to you my very strong opposition to the proposal to raise Social Security taxes by .3 percent each for employer and employee. In the first place this idea creates an unfair burden for the lower income wage earner. The Social Security tax is a most regressive type of tax to begin with. To increase it at a time when all Americans are having difficulty coping with an unprecedented rate of inflation is impractical, at best. Surely it is worth noting that many people are now paying more in Social Security tax each year than they pay in income tax.

The step that would more equitably resolve the short-term funding needs for Old Age, Survivors and Disability Insurance is an increase in the taxable wage base beyond the automatic raises included in present law. As you know, I am a co-sponsor of your bill, H.R. 2420, which calls for actually lowering the Social Security tax, raising the taxable wage base to $25,000 per year and infusing one-third of the trust fund requirements from general revenues. Indeed, the founders of the Social Security program envisioned the day when general revenue financing would be required, and I believe that day has arrived.

The President has further proposed that the cost-of-living index for Social Security benefits be terminated, though he supports full cost-of-living increases for Social Security and Supplemental Security Income beneficiaries of 6.7 percent payable in July, 1976 and 5.9 percent payable in July, 1977. Certainly the present method of tying these increases to the rate of inflation as reflected by the Consumer Price Index for the first quarter of the year is the only method that allows beneficiaries to keep pace with a rising cost-of-living. I therefore urge that you retain the present formula and reject the President's proposal.

Suggestions relating to staffing and administrative problems of the Social Security Administration made by the President are, I feel, sound. I understand that Federal employee groups support converting the 2-year temporary positions at SSA to permanent staff slots. This move would provide secure employment for the staff affected and would also reduce overtime payments that are so costly. The development of a master plan to improve and modernize SSA's automated systems and processing procedures is commendable. Hopefully, this will result in a reduction of errors in the system—a situation which causes great anxiety for beneficiaries and costs the Federal Government a great deal of time and money to correct.

With regard to the outside earnings test, you know that I favor abolishment of this requirement entirely and have co-sponsored legislation to eliminate it. I think it is a particularly offensive part of the law in view of the fact that it applies only to income earned as wages and not to income from investments. It therefore penalizes the lower income recipient doubly—first of all because he is severely limited in what he can earn, though he needs the extra income, and secondly because he is unlikely to be able to afford investments, the income from which is not counted.

As my final reaction to the President's proposals, I would like to state that I think it is outrageous to suggest phasing out dependents' benefits for students aged 18 to 22 under the guise of providing the necessary assistance through Federal student financial aid. There is already great inequity in this country regarding the availability of higher education, which is not provided as a right to all those who have the ability to take advantage of it, but which must be purchased by those who can find the means. To deny qualified young people the small benefits they can now receive as the survivors of insured workers in order that they may further their education is unconscionable. The proposal compounds the inequities of our present education system, and I hope you will reject it outright.

Finally, Mr. Chairman, I would like to call to your attention a bill I have introduced proposing the elimination of the 20-40 requirement for disability benefits. This bill, H.R. 4314, has a total of 44 co-sponsors in the House. I recognize that the disability trust fund is also experiencing adverse conditions and that revenues to it are going to have to improve. My proposal, however, is based on the belief that it is unfair to deny disability benefits to fully insured workers just because a portion of the coverage was not earned during a specific period of time. It appears that women, who frequently leave the work force for extended periods in order to care for the needs of their families, suffer unduly under this restriction. But basically, it is just not right to refuse benefits to a covered individual who has paid his part but gets nothing in return due to arbitrary provisions of law.

Social Security is one of the most worthwhile programs operated by the Federal Government. I look forward to cooperating with you in developing sound corrective legislation that includes the human element and appreciate this opportunity to share my views.

NOTRE DAME'S FATHER HESBURGH

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, as many of my colleagues know, I take pride in the fact that I have the privilege to represent in Congress the district where the University of Notre Dame is located and I have, therefore, the further privilege of having as one of my constituents the distinguished president of Notre Dame, the Reverend Theodore M. Hesburgh, C.S.C.

Father Hesburgh is not only an internationally recognized leader in the field of higher education, he is also a person who is respected for his leadership in a remarkable number of areas, ranging from civil rights to world development and the relationship between religion and public affairs generally.

I believe that Members of Congress will, therefore, read with interest the following article entitled "Notre Dame's Father Hesburgh," by Gary MacEoin, published in the February 1976 issue of Change magazine.

The article follows:

NOTRE DAME'S FATHER HESBURGH

(By Gary MacEoin)

Thanks to plane-stacking weather in Chicago, it was midnight when I reached Notre Dame to talk to the college president recently singled out as one of America's few authentic leaders in a *Change* poll of 4,000 college and university presidents and other opinion makers. We passed the administration building on the way to my modest room in Corby Hall, a room similar to the one in the same building in which Father Theodore M. Hesburgh sleeps, when he does sleep.

"He's there as usual," said my guide, pointing to the lighted window of the Hesburgh office on the third floor, "and if you check three hours from now, he'll probably still be there." I didn't check, but the following night again I saw the light burning after midnight. He arrives about noon, leaves when the day's issues have been resolved. These typically involve the hopes and anxieties of an institution that he has transformed in 24 years as president from a good denominational college with a seminarylike outlook and life style into an outstanding university free of juridical links to any church authority, an institution that for the first time has given Catholic higher education respectability. But they fan out to include as well as the business of a dozen major national and international bodies, public and private, of which he is a director; and to each he offers a continuous flow of ideas and the same meticulous management he brings to Notre Dame.

Everything is neat in the unpretentious Hesburgh office, as is the man himself. He relaxes to Muzak-type tones from the stereo combination in the corner, his one self-indulgence. He dresses impeccably in Roman collar and solid black clerical-cut suit that matches his sleeked hair. His personal staff consists of a single secretary, Helen Hosinski, a woman is imperturbable as her boss. As she decribes the office procedures, Hesburgh reads everything addressed to him—other than the purely routine that she has pre-winnowed—and disposes of it the same day, dictating a substantive answer or transferring the matter to the appropriate decision maker, with an acknowledgment to the writer. Once, she recalls, 250 issues awaited the president on his return from an extended trip. It just took three nights to wipe out that backlog.

Hesburgh's amazing achievements far transcend hard work and order, however. At a time when even the best university presidents have preferred low visibility and ambiguous reactions in their efforts to survive the polarization and tensions that split the traditionally peaceful campuses of America, he has taken another course. His role came into focus as I talked to faculty, administrators, and students on the 1,200-acre campus where yellow-brick American Gothic structures (dominated by the pseudo-Byzantine golden dome on the administration building) rub uncomfortable shoulders with 20 modern constructions, including a Radiation Research Building, a Computing Center, the Galvin Life Science Center, and—in deference to the source of Notre Dame's national notoriety—a monster Athletic and Convocation Center nicknamed the sweatshirt paradise or, because of its twin domes (not gilt), the world's biggest bra.

MAN OF CREDIBILITY

I was deeply impressed by the conviction among all I spoke to that Hesburgh is totally sincere, straightforward, and impartial. Even on certain issues he had declared non-negotiable, he has acceded to others' views. Undergraduates now participate in making policy. Girls may visit men's dormitories. A campus daily runs advertisements for gay students of Notre Dame. His most voluble critics do not charge or suspect Hesburgh of trimming his political sails. He is probably the one American public figure whose credibility has increased through a quarter century of exposure.

Hesburgh's religious zeal, which once might have bred suspicion, appeals to an age steeped in transcendental meditation, oriental mysticism, and other versions of religious experience. Hesburgh identifies himself primarily as a priest in the Holy Cross order. This religious order, founded in France shortly after the French Revolution to promote education within the defense and pious molds of Ultramontanism, imbued its members with a spirit of military discipline to undertake unquestioningly whatever tasks superiors assigned. Hesburgh is part of that tradition, and it is part of him. He says Mass every day, even in Moscow or on the Andean altiplano, and he reads the psalms and other prayers known as the divine office, a tradition to which many priests no longer feel obligated. In the words of a long-time colleague, "His concept of his role as a priest is the source of the energy in his life; it translates into a concern for others that ranges from the individual student at Notre Dame to global problems."

Another Holy Cross tradition highly developed in Hesburgh is the ability to interpret creatively and innovatively the assignment undertaken in obedience. Not since Father Sorin secured a state charter in 1844 to convert his Indian mission school in the wilderness of northern Indiana into a university—a university without campus, faculty, student body, or endowment—has any Notre Dame president effected such radical transformations. Faculty and administrators tend to isolate as his supreme contribution the upgrading of a good college to a major university, a task initiated by his two immediate predecessors. But in my view, his most original—and most controversial—action has been to redefine the Catholic university. On his ability to make the new formula work and have it accepted as orthodox may depend the survival of the Catholic—and the denominational—university here and around the world.

REDEFINING THE CATHOLIC UNIVERSITY

When universities developed under church auspices in medieval Europe, their autonomy in the pursuit of truth was challenged by churchmen who saw themselves as guardians protecting their flocks from error. For a time, the major universities achieved de facto autonomy. Thomas Aquinas at the University of Paris simply ignored Rome's prohibition to teach the suspect doctrines of Aristotle. But from the Protestant Reformation to the second Vatican Council (1962-65), the Catholic university was strictly regulated by juridic ties to the Holy See or to the local bishop, or by belonging to a religious order controlled by Rome, a situation which provoked Bernard Shaw's oft-quoted quip that "a Catholic university is a contradiction in terms."

The church's changed self-understanding at Vatican II included a stress on individual responsbility and the corresponding obligation to know fully in order to judge intelligently. Catholic universities quickly saw the implications. Faculty members chafed at restrictions on what they could teach. Catholic parents questioned the value of institutions that offered their children answers when they should be asking questions. The crisis, intensified by rising costs and other factors, was met variously. Some—like Webster College, Missouri—reorganized as professedly secular institutions. Others declined to change, and several of these have since shut their doors (Mary Manse and St. John Colleges in Ohio, for example), while others are troubled by declining enrollments or lowered academic standards, and by economic pressures.

Hesburgh was one who envisaged a creative solution. As president of the International Federation of Catholic Universities, he assembled Catholic educators from several countries at Land O'Lakes, Wisconsin, in 1967. Although he projects the image of a solid rather than a brilliant intellect and devotes little time to abstract philosophizing in his daily work, he was the catalyst and main strategist at Land O'Lakes, emerging with a statement he hoped would be adopted as basic policy for some 600 Catholic institutions around the world at the federation's congress scheduled for Kinshasa, Congo, the following year. He did this knowing it would bring anguished cries from Vatican officials and run-of-the-mill Notre Dame alumni.

MODERN SENSE OF UNIVERSITY

The Catholic university, this statement insists, must be a university in the full modern sense of the word. It must have a strong commitment to and concern for academic excellence. "To perform its teaching and research functions effectively, the Catholic university must have a true autonomy and academic freedom in the face of authority of whatever kind, lay or clerical, external to the academic community itself." But to be Catholic, a university requires distinctive characteristics. It must be "a community of learners or a community of scholars in which Catholicism is perceptibly present and effectively operative."

Such operative presence requires, first of all, scholars in all branches of theology to explore the depths of the Christian tradition and the total religious heritage of the world, elaborate a Christian anthropology, and serve the ecumenical goals of collaboration and unity. Within the university, theology must confront all the rest of modern culture, enriching the other disciplines, bringing its own insights to bear on the problems of culture, and stimulating the development of the disciplines themselves. But this must be done with all respect for the internal autonomy of the other disciplines. "There must be no theological or philosophical imperialism; all scientific and disciplinary methods, and methodologies, must be given due honor and respect." No professional discipline per se is barred, but all of them should reflect the spirit of the liberal disciplines, of scientific and philosophic inquiry, and of humanistic and cultural understanding. The fine arts deserve a status seldom accorded them in Catholic colleges in the past.

Some months earlier Hesburgh had already taken the first major step to implement these principles. With some misgivings and much internal dissent, the Congregation of Holy Cross had been persuaded by him to turn Notre Dame over to a predominantly lay board of trustees. "I believe this was the largest gift ever made by a religious community to a lay group," Hesburgh notes with understandable pride. "We had built it up to a holding valued at several hundred million dollars, and we transferred it with no strings attached, as an act of faith following the urging of Vatican Council II that lay people should be given responsibility commensurate with their talent. Even the president is named by the board and serves at its will." Traditionally, the Notre Dame president served only six years, and it is Hesburgh's practice to submit his resignation once a year.

NOTRE DAME UNDER LAY TRUSTEES

How long an institution can maintain a distinctively Catholic character without juridic links to a highly hierarchical and centrally controlled church is a moot question that Hesburgh dismisses more lightly than some at Notre Dame. He offers three reasons for his belief that Notre Name will not repeat the experience of such formerly denominational institutions as Yale and Harvard. The new board of trustees has the same commitment to its Catholic character as the old, he says. It insisted on a bylaw providing that the president will always be a Holy Cross priest. In addition, the Holy Cross community will continue its traditional administrative and teaching contributions. Finally, the faculty will remain predominantly Catholic (at the latest count 64 percent), while attracting—as in the past—a small percentage of Jewish and Protestant professors who regard faith as important and see the transcendental as an integral component in the search for truth. Some fear that the insistence on a predominantly Catholic faculty will affect academic quality adversely, but so far this has not happened.

Hesburgh further argues that only a juridically independent Catholic university can perform one of its main functions, to be "the critical reflective intelligence of the church," a function hitherto notoriously neglected by Catholic universities in the United States. Incidentally, he applies the same principle to other opinion-making institutions—especially the press—which traditionally have been directly controlled by the bishop or a religious order. Asked how Notre Dame is now performing this function, he points immediately to its symposia on abortion—"for which I've been terribly criticized and get the nastiest possible mail." The Catholic university, he says, enables the church to be part of the world and join with others in search of rational solutions for divisive problems. Population is another area in which Notre Dame has searched and still searches for consensus. It has held many colloquia on the role of the Catholic university itself, and several bishops joined in the most recent discussion in January.

Criticism of conferences on abortion and other sensitive issues comes not only from outside, but from a small, highly vocal group within the university led by Charles E. Rice, a law professor. A Catholic university, he insists, cannot suspend judgment on decided Catholic issues, such as abortion and contraception. Hesburgh believes, on the contrary, that the hard line taken by American bishops on abortion is politically futile and theologically questionable. "It simply isn't true," he says, "that abortion is never justified or that it is always justifiable. There probably are circumstances in which a country as pluralistic as ours should allow some conscience decision on the matter."

INDEPENDENT CATHOLIC UNIVERSITY

Hesburgh's concept of a juridically independent Catholic university has not been officially accepted in Rome, nor is it likely to be soon. In spite of approval by representatives of the principal Catholic institutions of higher learning around the world at a meeting in Rome in 1969, it was rejected by Rome's Congregation for Catholic Education. And again in August 1975, Pope Paul reaffirmed the need for direct control in a talk to some 70 heads of Jesuit universities. Rome's displeasure over innovations from the United States is not new. For more than 50 years it called the American view on religious freedom "offensive to pious ears" if not "heretical," then adopted it as the official church position at Vatican II. On university freedom, Rome will keep barking but is unlikely to bite.

Meanwhile, Hesburgh is achieving the practical objectives formulated at Land O'Lakes. Renewing Notre Dames's full accreditation at all degree levels for a further decade, the North Central Association of Colleges and Secondary Schools commented in 1974 on "a clear and strong sense of purpose, outstanding leadership, academic and financial strength, high morale, and a sense of community." Administrative leadership was rated "outstanding." Such criticisms as a need for more sharing of information and a sense of faculty frustration at its marginal role in decision making must be placed in the perspective of transition from a clerical autocratic regime. In fact, the faculty now has an absolute majority and students are also represented on the academic council, the highest legislative body. The administration maintains control simply by greater cohesion and better homework. Besides, old habits die hard, and even Hesburgh occasionally slips back into the molds in which he was formed. A recurrent criticism I encountered on campus, even from ardent admirers, was his tendency to hasty personal resolution of issues on which prudence would have dictated wide consultation and a search for an agreed stand.

Notre Dame has made progress in efforts to be not only our best Catholic university, but one of the country's best universities. Of the 656 teaching-and-research faculty members, 79 percent hold doctorates or the equivalent. The faculty-student ratio is 1 to 13. While applications for admission come almost exclusively from Catholic students (94 percent Catholic enrollment), the demand grows steadily, permitting high selectivity. Children of alumni get preference, "all things being equal," including academic qualifications. Average scores on the Scholastic Aptitude Test for freshmen are: verbal, 560; mathematics, 630.

Students enrollment reflects Hesburgh's advocacy of civil and human rights. The Graduate School has enrolled women since its start in 1918, and for years students of nearby St. Mary's could take undergraduate exchange courses. Hesburgh first used all his impressive powers of persuasion to merge St. Mary's and Notre Dame. After that effort failed, he opened all undergraduate colleges to women. The first women will graduate in May 1976, and by fall 1976, Notre Dames will have 1,500 women, plus 500 exchange students from St. Mary's. The Hesburgh projection of a 3:5 women to men ratio will involve further tightening of standards for men.

Admission problems for the sons of the prosperous conservative midwesterners who for a century have looked to Notre Dame for a modicum of culture and outstanding football are further aggravated by Hesburgh's aggressive search for ethnic minority students. Only 12 were admitted in 1966-67, but by 1975 the number climbed to 105. They constitute 6 percent of freshmen, "a modest figure," says an admissions office official, "but an increase which goes against the trend of the past three years on college campuses across the country." A parallel program of active faculty recruitment has raised the number of women from 48 to 67 in three years while minority faculty grew from 51 to 58 over the same period. The university's affirmative action statement was approved by the HEW office of civil rights in September 1975.

SIZE OF NOTRE DAME

Hesburgh supports a decision taken in 1973 by a Committee on University Priorities to limit undergraduate enrollment to 6,600. While approving recent vigorous expansion that added broad new areas of teaching and research and invested $96 million in construction and equipment, the committee recommended a halt. In spite of a book-value growth of endowment during Hesburgh's term in office from $4.7 million to $72.6 million (by 1975, $86 million), federal and other sources of income were declining and costs rising inexorably. Though often described by outside admirers as a "Catholic Harvard," Notre Dame could not compete in all areas with a university whose endowment is $1.32 billion and growing.

What Hesburgh sees as realistic is an enrollment comparable to Princeton's, big enough to provide the variety of a university, small enough to be a community. As part of the community focus, he would retain the traditional 75 percent of residential students, whose annual room-and-board cost on campus now averages $1,300. Tuition is $2,982 for undergraduates and $2,800 for graduates, and more than half the undergraduates get some financial aid. The accreditation report described charges to students as "a comparative bargain" in relation to other private institutions, many of lesser academic stature. Hesburgh wants to keep it that way, so that "intellect and character, not money" will continue to open the doors.

Some faculty are dissatisfied that salaries run about $500 less than those at private colleges such as Duke, Emory, and Vanderbilt, and $1,500 below the big state colleges. Average salary for all ranks this year came to over $18,000, plus fringe benefits and summer pay, but the 70 Holy Cross staff members voluntarily return what they do not need for living expenses. Their contribution to the coffers this year was $621,040. A further Holy Cross contribution, of course, is the willingness of Hesburgh and his two top aides to work 12-hour days and 7-day weeks.

Whatever the salary grievances, however, faculty members revealed a high morale and sense of commitment, and an immense respect, admiration, and affection for the president along with a sense that intangible benefits compensate for salary differentials. They emphasized that there are absolutely no restrictions on academic freedom. Even in philosophy (six credits obligatory for all students), few professors teach Thomism any more and several professors are not Catholics. The introductory survey text is that used at Harvard, and choices for specialization are virtually unlimited. Sartre is popular. In theology (also six obligatory credits), the approach is similarly open. A student may even concentrate on shamanism.

CONCERN FOR VALUES

This open approach to philosophy and theology does not represent for Hesburgh any downgrading of their importance. On the contrary, he insists, they constitute the core of a liberal education because they treat explicitly of values; and if one thing is clearer than another about Hesburgh's understanding of his role as university president, his philosophy of education, it is the primacy of values. The American university, he laments, has abdicated all concern for values. "We have become so obsessed with objectivity that we have neutralized any standing for anything. The result is that we turn out highly competent but morally neutral people, the kind of people who have the sophisticated techniques required to create a Watergate, while never asking themselves the fundamental question if it is right or wrong to behave thus."

Excellence, he points out, must be at the heart of the university effort, quoting with approval the dictum of John Gardner that "unless our philosophers and plumbers are committed to excellence, neither our pipes nor our arguments will hold water." But in the pursuit of excellence in the parts, we have lost unity of the curriculum as a whole. "We have managed to become so fragmented and so overspecialized as to be completely dissipated. We don't have the great questions elucidated in the youngsters' minds today, about love and hate, peace and war, violence and nonviolence, questions of humanity and inhumanity, beauty and ugliness, the kind of great sweeping global, cosmic questions that used to always be a part of a humanistic education, that involved an approach to history and literature, art, music, mathematics, science, philosophy, and theology, that is to say, a total unified mix."

To call an education "liberal" that neglects these purposes is for him a contradiction in terms. The word's root meaning indicates that its objective is to liberate, to free a person to think clearly and logically, to communicate clearly and gracefully, to choose, to determine that one thing is better than another, and finally, "to add value consciously to relationships that might otherwise be banal or superficial or meaningless: relations to God, to other people, to a wife or husband or children, to associates, the community, the country, the world."

He points out, however, that the American experience shows that it is possible to study all branches of knowledge without becoming imbued with and seized by their great humanizing and liberating values. Several years ago, he formulated the proposition that "the key and central factor in liberal education is the teacher-educator, his perception of his role, how he teaches, but particularly, how he lives and exemplifies the values inherent in what he teaches." He has now come up with what he hopes will prove catalyst and synthesizer, a seminar in values that is being conducted experimentally with some volunteer seniors this year.

Hesburgh's projection is to make this seminar a requirement for graduation, and to enlist the entire faculty to take turns leading it. Nobody at Notre Dame challenges the ideal, but some faculty members have reservations, either about the possibility of teaching values, or about their right to attempt to pontificate outside the area of their professional competence. Hesburgh is unconvinced by such arguments "How can anyone be a university professor if he does not have values and if he is not able to express and defend them? I'm not asking professors to give answers but to raise questions. I don't want any student to graduate from Notre Dame without being confronted with the reality of world hunger, the reality of global injustice, the need for him to make moral decisions as public servant, politican, engineer, lawyers, doctor, teacher, or priest." At the same time, he avoids direct confrontation. "All we're doing at this time is experimenting. I know we'll find a way on which we can all agree."

NATIONAL AND INTERNATIONAL PRESTIGE

Many faculty members rate high among Notre Dame's intangible benefits. Hesburgh's national and international prestige and influence, and the resulting impact on the university. Several recalled for me with approval the comment of George Shuster, who came to semiretirement at Notre Dame when he left the presidency of Hunter College, New York, that "the president who never leaves compus has no place on campus." Among the benefits of outside exposure is a perspective that allows one to see how petty some campus issues are.

Hesburgh's convictions were not changed by exposure to national and world problems as head of the International Federation of Catholic Universities, as a director of the Institute of International Education, as Vatican representative for 14 years to the International Atomic Energy Agency, as Vatican delegate to the UN General Assembly, as member and later chairman of the U.S. Commission on Civil Rights, and as member of a dozen other prestigious private and public bodies. But his sense of urgency was enormously intensified. And he quickly realized that he could contribute not only through his own knowledge and education, but by motivating faculty and students to relate their academic work to the needs of the nation and the world.

One concrete result is a strong social awareness among today's students at Notre Dame, an awareness never acute in Catholic schools and colleges. Seminars and campaigns led students to create a World Hunger Coalition in response to famine in the Sahel and Bangladesh, organizing collective fasts and donating the proceeds. More than a thousand students are active in neighboring South Bend, tutoring underprivileged children, working in minority industries, caring for the elderly in their homes and crippled children in a hospital that depends on their services to survive. At a higher level, Hesburgh's energies have gone into raising funds for international studies, urban studies, continuing education, and civil rights, as well as for the $6-million Ecumenical Institute outside Jerusalem, which operates under Notre Dame auspices.

As he tells it, all this whirlwind activity just happened. One Sunday afternoon in 1954, Sherman Adams called to say President Eisenhower wanted him on the National Science Board. "I am a theologian," he protested (he had earlier headed Notre Dame's theology department). "Exactly," replied Adams. "The President has 23 scientists and he thinks we should have a specialist in the morality and ethics of the board's programs, particularly in the developing field of the peaceful uses of the atom." When the International Atomic Energy Agency was launched, Washington sought a Vatican presence; told by Rome it had no expert, Washington retorted that indeed it had one at Notre Dame. And so it went, from one area to another. When the scientists, diplomats, or businessmen got used to the Roman collar, they were impressed by Hesburgh's ability to learn quickly, to formulate issues clearly, and to be forthright without being offensive. They discovered that this softspoken man could divert Russians and Americans from their prejudices and help them to identify their common interests. He could persuade businessmen that it was not only right but profitable to upgrade minorities. And when all failed, he still spoke his mind, as when he denounced President Nixon for politicking with minority rights and in revenge was dropped as chairman of the U.S. Commission on Civil Rights.

One criticism voiced to me was that Hesburgh's cordial association with many activities of American business, sometimes disguised as philanthropy but sometimes open (Chase Manhattan Bank), tends to legitimate activities of the multinationals that are under growing attack at home and worldwide. His response to such questioning is revealing.

FOREIGN POLICY

He supports the concept of foreign aid to help rebuild poor countries suffering the effects of centuries of exploitation, just as he believes in special programs for domestic minorities hitherto denied their fair share. But he regards our contribution as far too small and deplores its frequent misuses for political purposes or to benefit multinational entrepreneurs rather than the recipient economy. He also deplores our narrow concentration on development as an economic problem. For him, true world development must give equal emphasis to human, social, cultural, and educational factors. He asserts that if it were not for the Pentagon's empire-building complex, we could have persuaded the Russians long ago to cooperate in deescalating the world armaments race, thereby releasing vast sums for domestic and foreign development. The Pentagon's resistance to gradually restoring to Panama the control and operation of the canal he describes as "paranoiac."

All these stands fully legitimate his honorary membership in the liberal Eastern establishment. But his approach to implementing such changes reveals a middle-of-the-road midwesterner in tune with the Notre Dame of yesterday and today. Sweet reason is his weapon to improve attitudes and understanding as a prelude to improving structures, and that is what he sees himself as doing through his dialog with key decision makers in government and business.

So sure is Hesburgh of the correctness of his own approach that he is impatient with the growing volume of opinion, in the

Christian churches as elsewhere, that regards the institutions of capitalism as incapable of self-reform. He ranges himself with Barbara Ward against such thinking. "I'm against violence," he says. "It usually ends up making things worse. I'm against violent revolution. I'm for reform within the structure, not that the structure is pretty good the way it is—it's pretty damn bad. I strongly disagree with those Christians who think our institutions are irreformable. In the 1960s we changed a lot of institutions, including the overriding apartheid. There was a quantum jump forward with the 1964, 1965, and 1968 laws on voting, accommodations, education, housing, and employment, much of which I think is institutionalized so that we can never go back to the apartheid situation again. And what the American constitutional system effected in that area, it can effect in others."

Neither is Hesburgh defensive about his Chase Manhattan board membership. When asked to join as "a public interest member," he studied the materials, got some sense of the enormous influence involved, and decided to give it a try. "So far, I'm continuing to work on it; still learning, too. Our many New York branches have 36 percent minority employment, high for a bank, and we are involved in about a dozen international development funds overseas. They are generally unprofitable, but enormously helpful in developing local business projects in countries that need them and want them, but need both technical and financial assistance to start—even to know where to start."

Even if one has reservations at times about the profundity and accuracy of the analysis, the sincerity and the level of achievement are impressive. Here is a man who illustrates the continuing value of commitment, openness, civility, readiness to serve, and profoundly humane integrity.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Downing of Virginia (at the request of Mr. Satterfield), for February 9, 10, and 11, 1976, on account of illness.

Mr. Bauman (at the request of Mr. Michel), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Grassley) to revise and extend their remarks and include extraneous material:)

Mr. Conable, for 5 minutes, today.

Mr. Miller of Ohio, for 15 minutes, today.

Mr. Talcott, for 8 minutes, today.

(The following Members (at the request of Mr. Harris) to revise and extend their remarks and include extraneous material:)

Ms. Abzug, for 15 minutes, today.

Mr. Gonzalez, for 5 minutes, today.

Mr. Aspin, for 5 minutes, today.

Mr. Anderson of California, for 5 minutes, today.

Mr. LaFalce, for 5 minutes, today.

Mr. Murphy of New York, for 15 minutes, today.

Mr. Sikes, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Brademas, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the Record and is estimated by the Public Printer to cost $858.

(The following Members (at the request of Mr. Grassley) and to include extraneous matter:)

Mr. Winn.

Mr. Brown of Michigan in two instances.

Mr. Armstrong.

Mr. Broomfield.

Mr. Vander Jagt.

Mr. Symms in two instances.

Mr. Anderson of Illinois.

Mr. Ashbrook in two instances.

Mr. Goodling.

Mr. Gilman.

Mr. Michel.

(The following Members (at the request of Mr. Harris) and to include extraneous material:)

Mr. Nedzi.

Mr. Mikva.

Mr. Gonzalez in three instances.

Mr. Anderson of California in three instances.

Ms. Abzug.

Mr. Matsunaga.

Mr. Murtha in two instances.

Mr. Fraser in two instances.

Mr. Mezvinsky.

Mrs. Meyner.

Mr. Brodhead.

Mr. Scheuer.

Mr. Helstoski.

Mr. McDonald of Georgia in four instances.

Mr. Hall.

Mr. Wolff.

Mr. Richmond.

Mr. Murphy of New York.

Mr. Simon.

Mr. Rogers in five instances.

Mr. Pickle in two instances.

Mr. Traxler in three instances.

Mr. Flood.

ADJOURNMENT

Mr. HARRIS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER. In accordance with Senate Concurrent Resolution 92, 94th Congress, the Chair declares the House adjourned until 12 o'clock noon on Monday, February 16, 1976.

Thereupon (at 12 o'clock and 35 minutes p.m.), pursuant to Senate Concurrent Resolution 92, the House adjourned until Monday, February 16, 1976, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2515. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a draft of proposed legislation to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for 1½ years; to the Committee on Agriculture.

2516. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a cumulative report on rescissions and deferrals of budget authority for fiscal year 1976 as of February 1, 1976, pursuant to section 1014(e) of Public Law 93–344 (H. Doc. 94–365); to the Committee on Appropriations and ordered to be printed.

2517. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend and extend the Higher Education Act of 1965, and for other purposes; to the Committee on Education and Labor.

2518. A letter from the Secretary of Housing and Urban Development, transmitting a report of the Department's intention to establish a new system of personal records resulting from the collection of demographic and housing information from native Alaskans, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

2519. A letter from the Secretary of the Interior; transmitting the annual report of the anthracite mine water control and mine sealing and filling program for calendar year 1975, pursuant to 76 stat. 935 (30 U.S.C. 575); to the Committee on Interior and Insular Affairs.

2520. A letter from the Under Secretary of Health, Education, and Welfare, transmitting the second annual report on activities under the Emergency Medical Services Systems Act, pursuant to section 1210 of the act (Public Law 93–154); to the Committee on Interstate and Foreign Commerce.

2521. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a draft of proposed legislation to extend certain provisions of the Clean Air Act for 2 years; to the Committee on Interstate and Foreign Commerce.

2522. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a draft of proposed legislation to extend provisions of the Noise Control Act of 1972, for 2 years; to the Committee on Interstate and Foreign Commerce.

2523. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a draft of proposed legislation to extend provisions of title XIV of the Public Health Service Act for 1¼ years; to the Committee on Interstate and Foreign Commerce.

2524. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a draft of proposed legislation to extend the Solid Waste Disposal Act, as amended, for 2 years; to the Committee on Interstate and Foreign Commerce.

2525. A letter from the Chairman, Federal Power Commission, transmitting a copy of a publication entitled "Typical Electric Bills, 1975"; to the Committee on Interstate and Foreign Commerce.

2526. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting reports concerning visa petitions approved according certain beneficiaries third and sixth preference classification, pursuant to section 204(d) of the Immigration and Nationality Act, as amended [8 U.S.C. 1154(d)]; to the Committee on the Judiciary.

2527. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, together with a list of the persons involved, pursuant to section 212(d)(6) of the act [8 U.S.C. 1182(d)(6)]; to the Committee on the Judiciary.

2528. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a draft of proposed legislation to extend the Marine Protection, Research, and Sanctuaries Act for 2 years; to the Committee on Merchant Marine and Fisheries.

2529. A letter from the Secretary of Transportation, transmitting the second annual report on highway safety improvement programs, covering fiscal year 1975, pursuant to section 203(e) of the Highway Safety Act of 1973 and sections 151(g), 152(e), 153(e), and 405(h) of title 23, United States Code (H. Doc. No. 94–366); to the Committee on Public Works and Transportation and ordered to be printed with illustrations.

2530. A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a draft of proposed legislation to extend the Federal Water Pollution Control Act for 2 years; to the Committee on Public Works and Transportation.

2531. A letter from the Federal Cochairman, Pacific Northwest Regional Commission, transmitting the annual report of the Commission for fiscal year 1975, pursuant to section 510 of the Public Works and Economics Development Act of 1965, as amended; to the Committee on Public Works and Transportation.

2532. A letter from the Acting Assistant Secretary of Defense (Installations and Logistics), transmitting a report on Department of Defense procurement from small and other business firms for July–October 1975, pursuant to section 10(d) of the Small Business Act, as amended; to the Committee on Small Business.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. SCHROEDER: Committee on Post Office and Civil Service. H.R. 7824. A bill to amend secion 142 of title 13, United States Code, entitled "Census"; with amendment (Rept. No. 94–821). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. Senate Joint Resolution 154. Joint resolution to extend the time period during which the President is authorized to call a White House Conference on Handicapped Individuals, and to extend the time period during which appropriated funds may be expended (Rept. No. 94–822). Referred to the Committee of the Whole House on the State of the Union.

Mrs. SULLIVAN: Committee on Merchant Marine and Fisheries. H.R. 10229. A bill to amend the Endangered Species Act of 1973; with amendment (Rept. No. 94–823). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works and Transportation. H.R. 1313. A bill to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Rolla, Mo., for airport purposes; with amendment (Rept. No. 94–824). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works and Transportation. H.R. 2575. A bill to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Algona, Iowa, for airport purposes with amendment (Rept. No. 94–825). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works and Transportation. H.R. 2740. A bill to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Elkhart, Kans., for airport purposes; with amendment (Rept. No. 94–826). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works and Transportation. H.R. 3440. A bill to clarify authorization for the approval by the Administrator of the Federal Aviation Agency of the exchange of a portion of real property conveyed to the city of Grand Junction, Colo., for airport purposes; with amendment (Rept. No. 94–827). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works and Transportation. H.R. 7017. A bill to amend the Federal Aviation Act of 1958 relating to tariff changes; with amendment (Rept. No. 94–828). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works and Transportation. H.R. 8228. A bill to amend the Federal Aviation Act of 1958 relating to emergency locator transmitters, and for other purposes; with amendment (Rept. No. 94–829). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works and Transportation. H.R. 8508. A bill to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Camden, Ark., for airport purposes; with amendment (Rept. No. 94–830). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of Alabama: Committee on Public Works and Transportation. H.R. 9617. A bill to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Alva, Okla., for airport purposes; with amendment (Rept. No. 94–831). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAHON: Committee on Appropriations. House Joint Resolution 801. Joint Resolution making supplemental railroad appropriations for the fiscal year ending June 30, 1976, the period ending September 30, 1976, the fiscal year ending September 30, 1978, and the fiscal year ending September 30, 1979, and for other purposes (Rept. No. 94–832). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of Michigan (for himself and Mr. Stephens):

H.R. 11860. A bill to amend the Housing and Community Development Act of 1974 to provide supplementary community development block grant assistance to communities with high unemployment due to adverse national economic conditions, and for other purposes; to the Committee on Banking, Currency and Housing.

By Mr. ANDERSON of Illinois (for himself, Ms. Jordan, Mr. Bedell Mr. Harrington, Mr. Howe, Mr. Mann, Mr. Mosher, Mr. Riegle, Mr. Risenhoover, Ms. Spellman, and Mr. Symington):

H.R. 11861. A bill to reorganize the executive branch of the Federal Government to eliminate excessive, duplicative, inflationary, and anticompetitive regulation; jointly to the Committees on Government Operations, and Rules.

By Mr. BEDELL (for himself, Mr. Whalen, Ms. Abzug, Mr. Baldus, Ms. Chisholm, Mr. Conyers, Mr. Cornell, Mr. Dellums, Mr. Downey of New York, Mr. Krebs, Mr. Ottinger, Ms. Meyner, Mr. Moakley, Mr. Pattison of New York, and Ms. Spellman):

H.R. 11862. A bill to amend title II of the Social Security Act, and the Internal Revenue Code of 1954, to increase to $28,500 over a 3-year period (subject to further increases based on rises in reported wage levels) the ceiling on the amount of earnings which may be counted for social security benefit and tax purposes; to the Committee on Ways and Means.

By Mr. BELL:

H.R. 11863. A bill to amend title 39, United States Code, to provide that political contributions may not be used to pay the cost of preparing or printing franked mail, to prohibit the loaning of the frank in connection with any mass mailing, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BRODHEAD:

H.R. 11864. A bill to amend title XVI of the Social Security Act so as to make the supplemental security income benefits program more effective, and benefits under such program more realistically available, for mentally retarded persons; to the Committee on Ways and Means.

By Mr. BROWN of California:

H.R. 11865. A bill to authorize instruction, research, and demonstration directly and primarily related to the maintenance, protection, and improvement of the environment; jointly, to the Committees on Agriculture, and Science and Technology.

By Mr. BROYHILL:

H.R. 11866. A bill to require a health warning in the labeling and advertising of certain alcoholic beverages; to the Committee on Interstate and Foreign Commerce.

By Mr. CONABLE:

H.R. 11867. A bill to amend the Internal Revenue Code of 1954 to exclude certain mission societies and their missionary members from social security taxes; to the Committee on Ways and Means.

By Mr. de la GARZA (for himself and Mr. Foley):

H.R. 11868. A bill to amend section 602 of the Agricultural Act of 1954; to the Committee on Agriculture.

H.R. 11869. A bill to amend section 5924 (4)(B) of title V of United States Code; to the Committee on Post Office and Civil Service.

By Mr. DRINAN:

H.R. 11870. A bill to amend part V of title 18 of the United States Code to provide transectional immunity in certain cases in which the privilege against self-incrimination is asserted, and for other purposes; to the Committee on the Judiciary.

By Mrs. FENWICK:

H.R. 11871. A bill to amend the Bankruptcy Act to provide a priority for certain debts to consumers; to the Committee on the Judiciary.

By Mr. FRENZEL (for himself, Mr. Mikva, Mr. Anderson of Illinois, Mr. Bennett, Mr. Brown of Ohio, Mr. Eckhardt, Mr. Broyhill, Mr. Fascell, Mr. Butler, Mr. Green, Mr. Cochran, Mr. Koch, Mr. Conable, Mr. Mazzoli, Mrs. Fenwick, Mr. Symington, Mr. Forsythe, Mr. Udall, Mr. Heinz, Mr. Vander Veen, Mrs. Heckler of Massachusetts, Mr.

Duncan of Oregon, Mr. Lagomarsino, Mr. Simon, and Mr. McCloskey):

H.R. 11872. A bill to amend the Federal Election Campaign Act of 1974 to establish an independent establishment of the executive branch of the Government of the United States, a commission to be known as the Federal Election Commission, and for other purposes; to the Committee on House Administration.

By Mr. FRENZEL (for himself, Mr. Mikva, Mr. McKinney, Mr. Bedell, Mr. Mitchell of New York, Mr. Baldus, Mr. Quie, Mr. Foley, Mr. Regula, Mr. Baucus, Mr. Schneebeli, Mr. Sarbanes, Mr. Shriver, Mr. Traxler, Mr. du Pont, Mr. Drinan, Mr. J. William Stanton, Mr. Mineta, Mr. Cohen, Mr. Fisher, Mr. Jeffords, Mr. Badillo, Mr. Andrews of North Dakota, Mr. Howard, and Mr. Robinson):

H.R. 11873. A bill to amend the Federal Election Campaign Act of 1974 to establish an independent establishment of the executive branch of the Government of the United States, a commission to be known as the Federal Election Commission, and for other purposes; to the Committee on House Administration.

By Mr. FRENZEL (for himself, Mr. Mikva, Mr. Meeds, Mr. Metcalfe, Mr. AuCoin, Mr. McHugh, and Mr. Studds):

H.R. 11874. A bill to amend the Federal Election Campaign Act of 1974 to establish an independent establishment of the executive branch of the Government of the United States, a commission to be known as the Federal Election Commission, and for other purposes; to the Committee on House Administration.

By Mr. GUDE (for himself, Mr. Fisher, Mr. Harris, Mr. Ottinger, Mr. Long of Maryland, Mr. Mitchell of Maryland, Mr. Hechler of West Virginia, Mr. Fauntroy, Mr. Dominick V. Daniels, Mr. Young of Georgia, and Mr. Seiberling):

H.R. 11875. A bill to establish the Potomac National River in the States of Maryland, Virginia, and West Virginia, and in the District of Columbia, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JOHNSON of California (for himself, Mr. Lujan, Mrs. Pettis, Mr. Don H. Clausen, and Mr. Weaver):

H.R. 11876. A bill to amend the Water Resources Planning Act (79 Stat. 244) as amended; to the Committee on Interior and Insular Affairs.

By Mr. KASTENMEIER:

H.R. 11877. A bill to extend the authorization of appropriations for the National Commission on New Technological Uses of Copyrighted Works to be coextensive with the life of such Commission; to the Committee on the Judiciary.

By Mr. MARTIN (for himself, Mr. Bafalis, Mr. Bevill, Mr. Butler, Mr. Carter, Mr. Collins of Texas, Mr. Derwinski, Mr. Eshleman, Mr. Gibbons, Mr. Hicks, Mr. Hughes, Mr. Hyde, Mr. Jenrette, Mr. Ketchum, Mr. Long of Maryland, Mr. Mazzoli, Mr. Milford, Mr. Regula, Mr. Robinson, Mr. Roe, Mr. Rose, Mr. Whitehurst, and Mr. Duncan of Tennessee):

H.R. 11878. A bill to amend title 18 of the United States Code to provide the death penalty for certain destructive acts to airports, airplanes, and related things and places; to the Committee on the Judiciary.

By Mr. MURPHY of New York:

H.R. 11879. A bill to promote the conservation and orderly development of hard mineral resources of the deep seabed, pending adoption of an international regime relating thereto; jointly to the Committees on Merchant Marine and Fisheries, and Interior and Insular Affairs.

By Mr. OTTINGER:

H.R. 11880. A bill to terminate the granting of construction licenses of new nuclear fission powerplants in the United States pending action by the Congress following a comprehensive study of the nuclear fuel cycle, with particular reference to its safety and environmental hazards, to be conducted by the Office of Technology Assessment, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. RUPPE (for himself, Mr. Bergland, Mr. Anderson of Illinois, Mr. Andrews of North Dakota, Mr. Aspin, Mr. Baldus, Mr. Bedell, Mr. Carter, Mr. Cornell, Mr. Fithian, Mr. Forsythe, Mr. Frenzel, Mr. Hagedorn, Mr. Hutchinson, Mr. Johnson of California, Mr. Lent, Mr. McClory, Mr. Mikva, Mr. Obey, Mrs. Pettis, Mr. Quie, Mr. Regula, Mr. Scheuer, Mr. Sisk, and Mr. Traxler):

H.R. 11881. A bill to authorize the construction and operation of a natural gas pipeline from the North Slope of Alaska across Canada to domestic markets, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, Interior and Insular Affairs, and Public Works and Transportation.

By Mr. RUPPE (for himself, Mr. Bergland, Mr. Cederberg, Mr. Esch, Mr. O'Hara, Mr. Vander Jagt, and Mr. Yatron):

H.R. 11882. A bill to authorize the construction and operation of a natural gas pipeline from the North Slope of Alaska across Canada to domestic markets, and for other purposes; jointly to the Committees on Interstate and Foreign Commerce, Interior and Insular Affairs, and Public Works and Transportation.

By Mr. RUSSO:

H.R. 11883. A bill to provide compensation for the victims of crime, assistance to witnesses in criminal cases, and an increase in witness fees; to the Committee on the Judiciary.

By Mr. ST GERMAIN:

H.R. 11884. A bill to amend the Land and Water Conservation Fund Act of 1965, as amended, and to amend the Act of October 15, 1966, to establish a program for the preservation of additional historic properties throughout the Nation, as amended, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SIMON (for himself, Mr. McKay, Mr. Bedell, and Mr. Hansen):

H.R. 11885. A bill to amend title 13, United States Code, to require that population census records be transferred to the National Archives within 50 years after a census, and that such records be made available after 75 years to persons conducting research for genealogical or other proper purposes; to the Committee on Post Office and Civil Service.

By Mr. SKUBITZ:

H.R. 11886. A bill to provide for the commemoration of the opening of the Cherokee Strip to homesteading, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TAYLOR of North Carolina (for himself and Mr. Sebelius):

H.R. 11887. A bill to amend the act approved August 18, 1970, providing for improvement in the administration of the National Park System by the Secretary of the Interior and clarifying authorities applicable to the National Park System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. VAN DEERLIN (for himself and Mr. Brown of Ohio):

H.R. 11888. A bill to amend section 303 of the Communications Act of 1934 to require that radios be capable of receiving both amplitude modulated (AM) and frequency modulated (FM) broadcasts; to the Committee on Interstate and Foreign Commerce.

By Mr. VANDER JAGT:

H.R. 11889. A bill to amend the Internal Revenue Code of 1954 to allow taxpayers electing the standard deduction to take a separate deduction for charitable contributions and to allow low- and middle-income taxpayers a deduction of up to 200 percent of such contributions; to the Committee on Ways and Means.

By Mr. BRADEMAS:

H.J. Res. 807. Joint resolution to establish a Bicentennial Commission on Presidential Nominations; to the Committee on House Administration.

By Mr. ROBINSON (for himself, Mr. Goodling, Mr. McEwen, Mr. Matsunaga, Mr. Cleveland, Mr. Nowak, Mr. Roe, Mr. Jeffords, Mr. Eilberg, Mr. Fish, Mr. Conte, Mr. Nichols, Mr. Cohen, Mr. Hanley, Mr. Simon, Mr. Staggers, Mrs. Spellman, and Mr. Broyhill):

H.J. Res. 808. Joint resolution to designate the apple as the official Bicentennial fruit; to the Committee on Post Office and Civil Service.

By Mr. SYMMS (for himself, Mr. McCormack, Mr. Ruppe, Mr. Michel, Mr. Won Pat, Mr. Horton, Mr. Beard of Rhode Island, Mr. Whitehurst, Mr. Wampler, Mr. Dent, Mr. Hayes of Indiana, Mr. Butler, Mr. Emery, Mr. Brown of Ohio, Mr. de Lugo, Mr. Hicks, and Mr. Johnson of California).

H.J. Res. 809. Joint resolution to designate the apple as the official Bicentennial fruit; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Ms. HOLTZMAN introduced a bill (H.R. 11890) for the relief of Bernard Julian Phillips, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

390. By the SPEAKER: Petition of the city council, Pico Rivera, Calif., relative to the impoundment of housing rehabilitation loan funds; to the Committee on Appropriations.

391. Also, petition of the city council, Wheaton, Ill., relative to the Municipal Capital Market Improvement Act; to the Committee on Banking, Currency and Housing.

392. Also, petition of the Atlantic States Marine Fisheries Commission, Washington, D.C., relative to marine fisheries; to the Committee on Merchant Marine and Fisheries.

393. Also, petition of the Board of Kern Park Christian Church, Portland, Oreg., relative to the Bicentennial observance; to the Committee on Post Office and Civil Service.

EXTENSIONS OF REMARKS

FIFTY GOLDEN YEARS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. ANDERSON of California. Mr. Speaker, February 21, 1976, will be a very special day in the lives of Mr. and Mrs. Louis Kelton, and those of us who have been privileged enough to know them. On that day, the Keltons will celebrate their golden anniversary—50 years of life together.

Louis Kelton, president of Bollenbacher & Kelton, Inc., has been a successful land developer and contractor in southern California for many years. He has also become known as a man active in civic affairs, a patron of the arts, and a generous contributor to charity.

Elsa Kelton has made her mark in her own way. She has also been active in the Los Angeles area, especially with the Los Angeles County Museum.

Louis and Elsa first met in 1922, while attending Columbia University in New York. They were almost literally thrown together in an act of fate: assigned the wrong seats, they sat next to each other and became acquainted.

After that semester, Elsa returned to her home in Baltimore, where she worked with the Scripps-Howard newspaper organization, editing a column in the Baltimore Post. Louis stayed in New York to finish school and receive his law degree.

Following a 3-year romance conducted on a long distance basis, Louis Kelton and Elsa Greene were married on February 21, 1976. They moved to New York, and in 1929 were blessed with their first son, Richard. David, their second son, was born in 1935.

The Keltons arrived in California in 1938, settling in Beverly Hills. Louis Kelton met Walter Bollenbacher in 1942, and by 1950 they had formed their own developing firm.

Today, Bollenbacher & Kelton, Inc. is one of California's most successful land developing companies, building homes, apartments, shopping centers, and mobile home parks. Richard and David Kelton, both attorneys, are officers in the firm. Their father Louis holds credentials as both an accountant and a lawyer.

Louis Kelton is also active as a member of the board of directors of the Manufacturers' Bank, the Southwest Water Co., and many construction firms. He is a member of the board of trustees, West Los Angeles Law School. In addition, he is a member of the Los Angeles Art Museum, the Friar's Club, and a founder of the Los Angeles Music Center.

I have known the Keltons for many years, and feel fortunate to be able to consider them good friends. Their success in the business world is more than matched by their many contributions to Los Angeles through their cultural and social activities.

My wife, Lee, and I would like to join the many friends of Louis and Elsa Kelton on the occasion of their golden anniversary. It will be a day for the sharing of joy and celebration that we all shall long remember.

RE-SIGNING THE DECLARATION OF INDEPENDENCE

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. ARMSTRONG. Mr. Speaker, in this Bicentennial Year, never has the need been greater for Americans to reaffirm their adherence to the principles upon which this Nation was founded. The eloquence of the Declaration of Independence shines as bright in 1976 as it did in 1776.

The people in my State of Colorado are observing not only our country's 200th birthday, but also the 100th birthday of our great State. In celebration of these two historical occasions, 56 men and women signed the Redeclaration of Independence in downtown Colorado Springs this week in a gesture of support for the principles that launched our Nation.

This gesture, which included the oldest resident of El Paso County, Mary Jane Fisher, 103, and one of the youngest, 13-day-old Julie Marie McGinnis, is intended by the Pikes Peak or Bust '76 Centennial-Bicentennial Committee to prove that citizens of this country and Nation still support the ideals on which this Nation was founded.

The committee hopes to get more than 300,000 persons to sign copies of the Declaration of Independence. At the same time they are soliciting 76 cents from each signer to build a vault and monument atop Pikes Peak where the final scroll will be buried for 100 years. The scroll is now at Bicentennial headquarters at 7 North Tejon Street, Colorado Springs.

Additional copies of the scroll will be kept on top of the peak throughout the summer so tourists from across the Nation can rededicate themselves to the beliefs that founded our Nation.

While the second 56 signers, with names like Lawrence Ochs, Charles Jolliff, James Haney, Gladys Bueler, Nell Evans, and Roy Smith, are 200 years removed from the likes of John Hancock, Thomas Jefferson, and Benjamin Franklin, the spirit of 1776 is still the same. And that makes us proud of the men and women of El Paso County who thought up the idea as a Bicentennial gesture. It makes us equally proud of those who will sign it before it is sealed away for the next century.

IN PRAISE OF SHEILA YOUNG

HON. LUCIEN N. NEDZI

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. NEDZI. Mr. Speaker, every night a large part of America settles in for an evening of watching the Winter Olympics on television. It has indeed provided us with spectacular scenery and many exciting moments.

The highlight of the competition for many of us has been the remarkable accomplishment of Miss Sheila Young, of Detroit.

Miss Young is the first American to ever win three medals in the Winter Olympic games.

This graduate of Denby High School in my congressional district has dedicated herself to excellence not only in speedskating but in cycling, where she is also of championship caliber.

I am pleased to join thousands of Michiganders and millions of Americans in extending my congratulations to Miss Young and her family.

Under leave to extend my remarks in the RECORD, two stories from the Detroit News and the Detroit Free Press follow:

[From the Detroit News, Feb. 7, 1976]

A DAD'S DREAM COMES TRUE

INNSBRUCK, AUSTRIA.—Clair Young is not unlike many American fathers. From his child's infancy, he dreamed of the sibling turning into a world class athlete.

But the long torturous road to the lonely peak of athletics is reached by few. Sheila Young has made it—to the pinnacle of the Winter Olympic Games—and she and her father Clair are among the few who understand the indescribable exhilaration of taking a dream and turning it to reality.

And now Miss Young, 25, who has worked at such odd jobs as being a waitress to further her athletic career, admits she did it without socks.

"I like to wiggle my toes. It gives me more rapport with my skates," she said after winning the Olympic 500-meter speedskating race in record time.

The exhilaration of victory was Sheila's and it was Clair's, who remembered 23 years ago when he bought his daughter's first pair of skates. There had been great moments before, the kind few experience.

Few athletes—women or men—are world champions in two sports. Sheila has been world champion in cycling as well as speedskating.

But there is little that can match what happened in Innsbruck yesterday—an Olympic gold medal.

"This is my life," said Clair Young, who used to speed-skate himself. "And when she won the gold medal, there were tears in my eyes."

Miss young streaked around the glazed stadium track in 42.76 seconds, breaking Anne Henning's Olympic record and capturing her second medal in two days. She finished second to Russia's Galina Stepanskaya in the 1,500 meters Thursday.

For a few tense moments yesterday, it appeared Sheila's silver medal in the 1,500 might turn to gold. This Olympic citadel was swept by rumors that the Russian woman might be disqualified for failure to pass the dope test.

The reports were quickly dispelled by Prince Alexandre de Merode of Belgium, chairman of the International Olympic Committee's Medical Commission, who came out of a special meeting to say: "There is no disqualification."

Miss Henning, of Northbrook, Ill., winner of the Olympic 500 meters in Sapporo, Japan, in 1972, was in the large and vocal delegation of Americans who cheered Miss Young to her gold medal triumph.

"She is amazing," Miss Henning said. "I don't see how she can skate without socks. I could never do it."

There were low clouds and a chill fog when the American, skating against the clock in the fifth of 14 pairings, sped around the oval with gliding grace and speed, swinging her arms for momentum.

Sheila said that before the race she never really felt confident of winning the gold medal, although she owns the world record for the distance, 40.91 seconds set in Davos, Switzerland last weekend.

"When I heard the starter's signal, I said to myself, 'Oh, my God! It's a good start. Here I go,'" she said. "After hearing I had done 10.82 for my first intermediate time, I settled down.

"I knew then that it was just a matter of driving ahead—the fastest legs would win. I could hear my coach, Peter Shotting, yelling, 'Go, Sheila, go!' and as I came around the first turn I could hear my fiance screaming, 'Fight, fight, fight!'"

Miss Young, a world champion cyclist in 1973, is engaged to an Olympic cyclist, James Ochowicz of Milwaukee. However, the Detroiter reversed her statement earlier in the week that she would retire from competition when she was married later this year.

"I will not retire from speedskating and I will continue cycling too," she said after her triumph.

However, this will be her final Olympics, and she has the rare ability—and the talent—to write her chapter in Olympic history. It would be one that will stand for later generations.

Her ambition has been to finish on a high note with three Olympic medals. She is favored in the 1,000 meters today.

"I think it is my best distance now," she said, looking to her date with destiny.

"It wasn't a perfect race," Sheila said of her gold medal performance. "On the last 100, I started coming back on my heels. I didn't do very well on the last turn."

With 17 competitors still to skate, Miss Young said she never felt confident that her time would hold up.

"I was very nervous when Tatiana (Averina, the Russian bronze medalist) got off to a good start. I stayed on my skates and watched until everyone had finished."

Then, when the loudspeaker announced the results, the new champion said she was almost overcome with emotion.

"A rush went through my whole body," she said.

The same rush swept Clair Young, who is traffic manager for a manufacturing firm in Detroit, and Sheila's stepmother, Dorothy, who made fur hats for the entire U.S. speedskating team.

The father put a pair of skates in Sheila's hands when she was 2 and she has been programmed for greatness ever since. Financed by her father, Sheila has spent the last four years on the international circuit, making two trips to Europe each year.

At 5 feet 4 and 130 pounds, Miss Young has a look of frailty about her when measured by her huskier Russian, Dutch, and German rivals.

She has blue eyes, cold and unapproachable, and parts her dark brown hair in the middle and draws it with a ribbon to the nape of her neck. In training, she erupts into a bubbly, likeable personality once the tension is over.

"Speedskating requires concentration," she said. "I am always concentrating."

Those years of concentration and painful practice have now resulted in Olympic gold—the athlete's dream which rarely becomes reality.

[From the Detroit Free Press, Feb. 8, 1976]

SHEILA: "I HAD HOPED TO BOW OUT ON HIGH NOTE"— SHE'S PLEASED WITH THREE MEDALS

INNSBRUCK.—It's a garland of multi-colored medals—gold, silver and bronze—for Sheila Young, who was pleased over winning the bronze in Saturday's 1,000-meter race although she said afterward: "One gold is better than four silvers."

"My plans are to compete in the world championships, then retire this year and get married," said Miss Young, 25, of Detroit.

She became the first American athlete, male or female, to win three medals in one year in the 52-year-old history of the Winter Olympic Games. "I had hoped to bow out on a high note," she said. "These three medals make it possible."

The Soviet Union's world record holder, Tatiana Averina, captured the gold in the 1,000-meter race, with Leah Poulos of Northbrook, Ill., second and Miss Young third.

Miss Young thus added a bronze medal to the silver she previously won in the 1,500 and the gold she took in the 500.

Miss Averina, 25-year-old physical education teacher from Gorky, sped the 1,000 meters in 1 minute, 28.43 seconds, well above her world record time of 1:24.46. Miss Poulos, 24, skating in the fifth pairing of the day, registered 1:28.57, while Miss Young, leg weary and skating on softer ice, clocked 1:29.14.

Miss Young's future husband is an Olympic cyclist, James Ochowicz of Milwaukee, who met Sheila when both were competing in the World Cycling Championships in 1973.

That was the year that Miss Young took a nasty spill in San Sebastian, Spain, gashing her arms and legs and splitting her head so badly she needed metal clips to close the wound. She went on to win.

"The next year I suffered a bad concussion at Barbados but I also won there," she said. "That's where I got the reputation of being tough. I don't think I am tough."

Peter Schotting, Belgian-born coach of the Americans, said he was not disappointed over the outcome of the 1,000-meter race. "This is not a computer sport . . . you don't push a button and have a gold medal pop out," he said, "After all, our girls were competing against the world champion."

Schotting said he felt that Miss Young's chances had been damaged by the fact that the track was resurfaced shortly before she raced in the No. 9 position.

"The people here are not as experienced as those in some other places," he said. "Two trucks were sent around the track, dropping what I thought was too much water. One truck would have been sufficient."

Miss Young agreed with Schotting that there was too much water on the ice, but refused to make excuses.

"My legs didn't feel good. I think I was shuttled back and forth too much Friday," she said, referring to the aftermath of her victory in the 500, which gave America its only gold medal of the Games to date. "I didn't have a very good start."

Her long-time teammate and keenest rival, Miss Poulos, 24, was justly proud of the silver medal she won in Saturday's race.

"I want to continue competing and I want to return to college in the fall," said Miss Poulos. "I would like to get married, but Peter and I want to wait until we have more money. You need money to get married."

Miss Poulos' fiance is Peter Mueller, 21, of Mequon, Wis., who skates the 500, 1,000 and 1,500-meter races for the U.S. Olympic team.

"Peter and I have known each other since we were kids," Miss Poulos said. "We were just skating pals then. Now we've been engaged one-two years. Peter is a mirror image for me. He knows when I am skating wrong even when I don't know myself."

Sheila and Leah have been skating rivals for 16 years, their efforts—like all American speed skaters'—centered on the single Olympic track in the United States at West Allis, Wis.

Coming from different cities and different backgrounds, they are not close friends. At the same time, they are not bitter rivals.

Leah, disappointed in her failure to do better in both the 1,500 and 500 meters earlier, was asked if she got any special satisfaction out of beating Sheila on Saturday.

"I don't skate a race just to say I beat someone," she said. "I skate to please myself. I am happy only when I feel I have skated to my potential. When I lose, I am depressed at myself."

Sheila was disappointed that medal-presentation ceremonies were staggered so that she got her 1,500 silver medal Friday night, the 500 gold on Saturday and had to wait until Sunday for the bronze.

"I had hoped to get my gold medal Friday night also," Miss Young said. "I was so disappointed they didn't hand out the gold medal that one of the ladies asked me if I was sick. I watched the other girls get their medals and I thought the bronze looked the nicest of all."

Someone asked Sheila if she meant that she would have been happy with a half-dozen bronze medals.

"No," she replied. "I am happy to win. One gold is better than four silvers."

INTEGRATED PEST CONTROL MATERIAL IS AVAILABLE

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. RICHMOND. Mr. Speaker, the recently released report on contemporary pest control practices by the National Academy of Sciences concludes at one point that—

> We believe the promise offered by the general approach of integrated pest management control makes it an appropriate candidate for high-priority attention by federal funding agencies.

Many of us in Congress have been actively seeking support for this approach and were successful in passing an amendment to the Federal Insecticide, Fungicide, and Rodenticide Act—FIFRA—last year to mandate Federal dissemination of information concerning this approach to the problem of pest control.

As a result of that mandate, the Environmental Protection Agency has transmitted information through the USDA and the State Agricultural Extension Services. The Agency is also currently preparing a slide presentation on the topic.

As it is critical for both farmers to have this information and consumers to understand the importance of the subject, I would like to share with my colleagues a list of publications currently available from the EPA dealing with integrated pest management and insert it in the RECORD at this time:

IPM RELATED STUDIES SENT TO STATE EXTENSION PERSONNEL THROUGH FEDERAL EXTENSION SERVICE, USDA

"Scouting Activities as a Part of Organized Pest Management." EPA report done by USDA.

"The Control of Pesticides Released into the Environment." OPP report done in response to P.L. 92-500 Section 104( )(2).

"Farmer's Pesticide Use Decisions and Attitudes on Alternate Crop Protection Methods." EPA and CEQ report done by RvR Consultants.

RvR Add-on—"An Evaluation of Pest Management. Programs for Cotton, Past and Present." EPA and CEQ report done by RvR Consultants.

"Production, Distribution, Use and Environmental Impact Potential of Selected Pesticides." EPA and CEQ report done by Midwest Research Institute.

The Role of the Environmental Protection Agency in Integrated Pest Management. Office of Pesticide Programs (OPP).

Current Pest Management Educational Programs and Related Job Opportunities, OPP.

A Study of the Efficiency of the Use of Pesticides in Agriculture. EPA report done by Midwest Research Institute.

THADDEUS KOSCIUSKO

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. HELSTOSKI. Mr. Speaker, in this memorable year which marks our Nation's 200th anniversary, we Americans will take special interest in turning back the pages of American history. In doing so, many famous names will come to mind, but I feel it important to commemorate the names of the valiant people who have been instrumental in the formation of that history.

Tomorrow, we will observe the anniversary of the birth of Thaddeus Kosciusko, a date which has long been remembered by the Polish Americans of our country. However, many Americans are not aware that this man, one of the foremost military geniuses of all time, made a major contribution to the American cause for independence.

I have in the past, recited this man's great contributions to this country. His brilliant strategy in the Battle of Saratoga led to the defeat of General Burgoyne. This victory proved the competence of the Continental Army and influenced France and Spain to become allies of the colonies. Kosciusko's insight into the use of terrain as a natural fortress led to his recommendation for the location of our country's Military Academy—West Point.

The American Revolution illuminated the military art of General Kosciusko, but today I would prefer to commemorate Kosciusko—the man.

My patriotic emotions are touched by this man's unselfish dedication to the cause of liberty in this country. When Kosciusko sailed for America in the summer of 1776, perhaps he saw this country's fight for independence as a prototype of his beloved homeland's struggle for liberty. Or he may have been drawn to the shores of this country as a result of his natural love of the common people and belief in basic human rights.

Whatever his motivation, I would like to take this opportunity to state that we can be proud and thankful for the heroic contributions made by General Kosciusko to the worldwide quest for freedom, and to the history of our United States of America.

TWO PENNSYLVANIANS TO ADDRESS THE CONGRESSIONAL SEMINAR ON NATIONAL URBAN GROWTH POLICY, FEBRUARY 18, 1976

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, Prof. William Grigsby, chairman of the department of city planning, University of Pennsylvania, and Mr. Roger Ahlbrandt, Jr., who is my constituent and the director of housing research and development, Action Housing, Inc., of Pittsburgh, Pa., will be the principal speakers at the next session of the Congressional Seminar on National Urban Growth Policy to be held at the Whittall Pavilion, Library of Congress, Wednesday, February 18, 1976, beginning at 6 p.m.

The seminar series, which is sponsored by the House Committee on Banking, Currency and Housing, Subcommittee on Housing and Community Development, and the Senate Committee on Banking, Housing and Urban Affairs, Subcommittee on Housing and Urban Affairs, is conducted by the Congressional Research Service in cooperation with the National Planning Association. It is designed as an informal forum where Members and staff of Congress can discuss community growth and development issues with leading experts.

The topic for the February 18 seminar will be "Practical Approaches to Housing and Community Development in the Inner City." The speakers, who I am proud to say are both from Pennsylvania, have been asked to discuss promising practical approaches to solving housing and community development problems at the local level and to comment on the impact of Federal housing and community development policies on those approaches. Professor Grigsby will base his comments on his detailed and indepth study of housing and community development in Baltimore. Mr. Ahlbrandt will discuss his experience in Pittsburgh.

I am pleased that Professor Grigsby and Mr. Ahlbrandt will be able to take part in this excellent series of congressional seminars, and I urge my colleagues and their staff to take advantage of the opportunity this seminar provides.

Advance reservations are required and may be made by calling Mrs. Margardt Rice at 426-5715.

BILLS REINTRODUCED TO AID VETERANS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. FRASER. Mr. Speaker, February 10 I reintroduced with 35 cosponsors legislation, H.R. 11822 and H.R. 11823, which would remove the present 10-year time limitation on the use of GI bill education benefits. The effects of this legislation would be twofold: First, it would deal with the immediate problem facing nearly one-half million student veterans who will lose their eligibility for GI bill benefits as of June 1, 1976; and second, it would provide a means through which the ever-increasing number of workers who find themselves in need of additional training could return to school.

The cold war GI bill allows a veteran 10 years from the time of the enactment of the bill—June 1, 1966—or 10 years from the veteran's date of discharge to use his or her education benefits. As the bill incorporated those veterans who served between the termination of the Korean conflict GI bill and the enactment of the cold war GI bill, some 3.7 million veterans who served between those dates will lose eligibility as of June 1, 1976. Approximately 480,000 of these vets are presently enrolled in school and collecting benefits. For them, the termination of eligibility may well mean the end of training as they will no longer have the necessary funds to continue. In this time of high unemployment, I believe the failure to consider this problem would be a serious mistake.

But of perhaps even greater eventual concern is the question of how to provide a means for today's workers to seek retraining should it become necessary. For veterans, I believe the GI bill could be the answer.

Although GI bill education benefits were first enacted as "readjustment benefits," they have always been much more than simply an aid in the transition from military to civilian life. They have allowed veterans who might never have been able to afford higher education to attend universities or technical schools. They have been the necessary assistance for many veterans to advance themselves in their careers. Yet some veterans either could not or due to more favorable employment conditions chose not to make use of their benefits immediately after leaving the service. However, conditions and attitudes change. Today, the availability of advanced training is becoming increasingly important.

It has been stated that the costs of removing the time limitation on the use of education benefits would be too high. But projections are that the 5-year cost of removing the limitation would be less than 1 percent of the President's 1976 defense budget. And studies indicate that each dollar paid out in GI bill education benefits is more than repaid by the veteran's increased income and resultant higher revenue payments.

I believe the question is not whether

we can afford this bill, but whether we will be equitable in the provision of benefits earned. And on this issue I believe the Congress need reassess its position.

ENERGY '76—PART III FUTURE DIRECTIONS

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. MURTHA. Mr. Speaker, 2 years after the oil embargo that shot our energy crisis to national prominence, Congress faces a key test in 1976 in reevaluating and giving future direction to our energy policy.

It should be a year of reevaluation and renewed purpose. It should be a year in which we take careful oversight of the energy programs we have quickly developed to make certain they are leading us in the right direction. It is a year in which we must attempt to consolidate the energy progress we have made, and identify the areas where we need to be more persistent.

In the first two parts of this series I have identified two of the key goals: Avoiding an energy bureaucracy that slows rather than stimulates our effort; and remembering our need to educate the public. Our energy programs and hopes will not work unless we have the support and confidence of the citizens.

I would also like to identify a couple other key areas that emerged from the energy seminar, I had in Johnstown.

One idea is that we must reevaluate the direction of our Government sponsored research activities. The general consensus from individuals I talk with is that we are doing a good job with "high industry" but a poor job with "low industry." We may be trying to do research from the top down, instead of vice versa. We talk about exotic energy forms such as nuclear, solar, and geothermal, but have we talked enough about recycled crankcase oil, wood as an energy source, and burned and wasted scrap products that could produce a significant energy savings? We cannot have the Government effort become so large that it ignores the smaller savings and research efforts.

Second, we really have a great deal more to do in conserving energy. We have made progress in Government, industry, and home energy savings, but we have much more ground to cover. What we have really done is to cut back on the extreme wastefulness in these areas, but we have not zeroed in on excessive use or stimulated a conservation ethic among the people.

A third point is the need to use loan guarantees or another form of financial help to stimulate industrial savings and energy research. We briefly debated a loan guarantee concept last year. I hope it comes in for closer, less emotional scrutiny this year. As studies are increasingly showing, energy stimulated research not only helps solve the energy problem, it also helps create jobs both through direct energy projects and through expanded industrial growth as energy becomes more plentiful.

Those are some of my ideas for the direction energy consciousness should take in 1976. The key to our energy development in 1976 is that we cannot afford to lose sight of our energy goals. We cannot allow the mild winter and the shortages that did not develop to obscure the long-range energy problems that still face our Nation.

In the next few months we face a tremendous opportunity to reevaluate our national goals, assess our progress, and insure the successful maturation of our national energy policy. I would propose that our energy situation is, in fact, more serious today than it was 2 years ago, not because we face impending shortages, but because we now realize the tremendous impact that our success or failure at creating and stimulating a national energy plan will have on the future growth and development of the United States.

SOKOL MEMBERS CONTINUE EFFORTS TO KEEP AMERICA STRONG

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. ANNUNZIO. Mr. Speaker, February 15 marks the 111th anniversary of the formation of the first American Sokol organization. The first unit was founded in St. Louis, Mo., by a group of Czech immigrants on February 15, 1865. This organization has its origins in Czechoslovakia where it was created during the 1860's to build the physical strength and moral courage of the people, during a time of political struggle for justice and freedom.

The first Slovak Sokol organization was formed in my own city of Chicago, on October 30, 1892. Its heritage is similar to that of the American Sokol organization, and Sokol U.S.A. shares the goal of physical and moral strength.

The American Sokol organization—Czech—and the Sokol U.S.A. organization—Slovak—along with the Catholic Sokols, are known for their excellent physical fitness programs and staunch belief in democracy and freedom. Their contributions to American life are most impressive and significant. Many of the outstanding values and beliefs which they hold are being reaffirmed in celebrations across this country during this, the 200th anniversary of our great Nation.

The Sokol movement, which includes men and women of all ages, increases physical fitness while teaching the virtues of individual responsibility, emphasizing high moral principle, and developing the ability to work successfull, with others. Czech and Slovak Americans benefit immeasurably from the varied activities of the Sokol societies. These activities include gymnastic clinics, schools, workshops, meets, and competitions which provide the means to maintain physical strength and stamina while teaching the value of hard work in personal achievement. The Sokol organizations conduct educational activities in the form of lectures and films. They also provide statistics on gymnasts and maintain a library. Other notable activities include the maintenance of camps for youngsters and the awarding of scholarships to worthy members.

By emphasizing the conditioning of the body along with the education of the individual, the Sokol organizations are formidable character builders, and contribute greatly to the development of America's young people who will maintain and perpetuate our Nation's precious heritage of freedom and democracy.

I congratulate the Sokol membership in the 11th District, which I am privileged to represent, the city of Chicago, and all across the Nation on their enormous contributions to America's past and I extend my warmest best wishes to them as they continue their diligent efforts to keep our Nation strong and free.

SECRETARY ROGERS CALLS HUMAN RIGHTS AN ESSENTIAL ELEMENT IN UNITED STATES-LATIN AMERICAN RELATIONS

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. FRASER. Mr. Speaker, William D. Rogers, Assistant Secretary of State for Inter-American Affairs, recently addressed the Pan American Society of Boston on "Human Rights and Foreign Policy in Latin America." The speech presents a well-reasoned analysis for the increasing importance which human rights should play in the conduct of U.S. foreign policy. The speech is responsive to the concerns that many Members of Congress have expressed regarding the need for U.S. foreign policy to be responsive to the human rights dimension of international relations.

We have begun to see some small steps toward this end: the State Department's decision not to request military assistance for Chile in fiscal year 1976; the favorable vote of the U.S. delegation to the U.N. General Assembly on the resolution concerning human rights in Chile; and the U.S. protest at Chile's decision to refuse entry to the U.N. field mission. Hopefully, these actions are but the beginnings of a new foreign policy founded upon the principle that human rights is an essential element in our Nation's foreign policy. Secretary Rogers' speech lays a solid foundation for such a policy.

The document follows:

HUMAN RIGHTS AND FOREIGN POLICY IN LATIN AMERICA

(Address by the Honorable William D. Rogers, Assistant Secretary of State For Inter-American Affairs)

It will come as no surprise to many of you that the issue of human rights has become in very recent times, a major interest and a vexing dilemma for our relations with the other nations of this Hemisphere. Of course, there is a wide range to our Latin American policy—Cuba, Panama, interdependency politics, nationalization problems and so forth. But when I came to reflect, I found I could not resist the temptation to concentrate on the human rights issue, here in Boston, now on the eve of our own independence celebrations.

The issue is high on the agenda of public concern. The evidence of public interest about human rights practices in the Hemisphere is close at hand. I cite a few examples: your own senior Senator's amendment to last year's Foreign Assistance Act banning military assistance to Chile; the considerable editorial and news attention to the report on Chile by the UN Human Rights Working Group; and the House-passed amendment to this year's foreign assistance legislation which would hinge our bilateral economic aid throughout the world to human rights policies in the recipient countries.

These efforts are not academic or frivolous. The rights of man are real issues in today's world. Individual guarantees are not everywhere insured. Our Hemisphere is hardly a refuge of democracy. Freedom of expression is not everywhere seen as contributing to public order; politically related arrest, torture and summary execution do exist in the Americas. We can hardly ignore the irony that this should be so in a Hemisphere which treasures a common origin in struggle against foreign tyranny.

At the beginning of the last decade, when I came to government for the first time, the coincidence, indeed the interrelationship, in Latin America of political oppression and economic underdevelopment seemed self-evident and was our abiding concern. We assumed that these twin conditions, if unassuaged, would lead in many states to radical revolution. We also assumed that our effots toward economic progress would be bootless without political liberalization.

The point remains that fifteen years ago, in the early Sixties, the subjective reality in Washington was a fear for the future of an unreformed Latin America. It was from this fear that the Alliance for Progress sprung.

We hoped then to hold violent revolution at bay temporarily while reform eroded the revolutionary constituency. We thought that in the longer run force could succeed only in league with justice. It now appears that we exaggerated both the importance of reform for stability, and our ability to induce reform and democracy.

The economies of the Hemisphere have made considerable progress since 1960. The struggle toward democracy, however, if one can sum the experience of the Hemisphere, has not been as successful.

This is not to say, of course, that Latin America now, almost fifteen years after the Alliance began, is unrelievedly authoritarian. There are a fair number of countries which are authentic struggling democracies, where speech remains free, where political dissent is welcome and where the use of arbitrary arrest and police brutality as political instruments are unknown. Costa Rica, Colombia, Venezuela, Trinidad and Tobago deserve our special respect in just this sense, to name several.

Otherwise, the nations of the Hemisphere span a fairly wide spectrum of human rights practices, political participation, pluralism and conditions of societal openness.

But all are friends, and important to our interests. While often critical of the behavior of multinational corporations, they provide a large and growing market for our capital and our goods. As a group within the Third World Bloc, they are a force for moderation and compromise. In other words, by the standards of diplomacy, we want good relations. We have interests everywhere, in some countries more acutely than in others, which we are bound to protect and cultivate. And it is precisely this fact, juxtaposed against their internal behavior, which can sometimes and in some countries create dilemmas of conscience and policy for the United States.

Some foreign policy analysts take a traditional view. They suggest that the United States should be unconcerned about the way another regime treats its own citizens. Only where the human rights of U.S. citizens are threatened, the argument goes, is there a basis for our engagement. Otherwise we should measure the virtues of other governments by the degrees to which they promote our other political, economic and military interests.

In my judgment, this prescription for the conduct of U.S. diplomacy lacks only prudence, humanity and realism. It is inhumane because, as Secretary Kissinger has noted, "Many of our decisions are not imposed on us by (the requirements of national) survival". There are cases where we clearly have the latitude to "seize the moral opportunity", as he has put it. Moreover, although "our power will not always bring preferred solutions . . . we are still strong enough to influence events, often decisively". A nation that fails to exercise such influence where it can do so without paying an excessive price in terms of its other interests betrays humanity and itself.

And that is why, as applied to the United States, the prescription of disinterest is imprudent and unrealistic, as well as inhumane. For it demands that we reject our heritage and therefore our identity. The American people have, from the beginning of the nation's history, embraced a sense of mission. There have been times when that sense has been twisted into a parochial arrogance and deployed to justify the exercise of national power for either crassly selfish or dazzlingly paternalistic ends. We have not been immune to the imperial virus. But after each deviation from the conception of the U.S. as vanguard in an unrelenting struggle to enlarge the frontiers of human freedom and justice, we have purged ourselves with self-criticism and reaffirmed the original vision. In this country, the cynics and the Realpoliticians have not enjoyed permanent employment.

One reason we have regularly rejected their counsel is the often intuitive appreciation that a remarkably diverse people such as we are have a peculiar need for overarching ideals. Those ideals, by accommodating our ethnic, racial, and religious diversity, have cemented our unity, given focus to our priorities, and thus made us a powerful force for decency in the world. Our bedrock principles—representative government, the individual right to liberty of conscience and to equal opportunity for participation in the good things of organized society, including wealth, power, education and respect—not only bind us together into a single people but, in addition, link the American people with their Government. In this country, no Government can conduct foreign policy if it is lacking broad public support. There will be no broad public support for a policy which is indifferent to the claims of humanity beyond our frontiers.

We have come to realize, in short, that the human rights practices of other nations are not matters of their internal concern exclusively. Human rights are relevant to the conduct of our relationships with the other nations of the Hemisphere.

But, while I perceive a broad and growing consensus within the American electorate that the Government address the issue of human rights in the Americas, the precise weight human rights should receive in the conduct of our diplomacy is an issue not without dilemmas.

A prime source of difficulty is the older notion that there is a sharp distinction between human rights, on the one hand, and our traditional political, strategic, and economic interests on the other; that they are generally unrelated; and indeed that they are often opposed. The point, to some, is that by concerning ourselves with human rights practices we may do damage to other relations with a particular country. The dichotomy is far too facile.

Oppressive regimes often seem more permanent than they are. Opposition sentiment, being forced underground, is concealed. Forces for change and moderation may be biding their time. Complaints which in a representative system would work their way up to decision centers for resolution, fester. To most observers, the authoritarian Government of Portugal looked solid enough until the very eve of its utter collapse. So did the corrupt and brutal order imposed on Greece by Papadopulis and company.

There is not, therefore, a simple dichotomy between moral and other values in the conduct of our relations with particular nations. There is, as well, the question of the degree to which our interest in the long term should be subordinated to what may be a short-term consideration.

Another defect in the conception of human rights as a value distinct from other diplomatic concerns is its failure to take account of the universality of American interests and of the increasingly transnational character of politics. A number of political movements have branches throughout Europe and in many Latin American states. If we are to lead a coalition of democratic people, we must act consistently and coherently across the board to support the values we mutually profess.

I do not, of course, propose that human rights and all other interests of state are always complementary. Such a claim would simply replace the illusion of a perpetual dichotomy with another of universal harmony. In the real world, there are tough choices to be faced.

There are, in the first place, national interests at stake which can compete with our concern with human rights. And even if one focuses solely on the human values and attempts to operate on the theoretical assumption that the concern of our diplomacy is the enhancement of those values, the choices are wide. A too narrow conception of human rights will not serve.

There is a tendency to focus exclusively on a present delinquency, and ignore the human rights consequences of efforts to terminate the delinquency or, at a minimum, to dissociate ourselves from the delinquent.

Détente is a clear case in point. We do not conceal our concern for the abuse of human rights in the Soviet Union, or for that matter, in Cuba. We do not pretend to a coincidence of values with either nation.

Yet we probe for areas of accommodation with both. In the case of the Soviet Union, we do so in order to reduce the risk of war and, if possible, the terrible costs of armament which consumes so large a portion of our economic means, means which might otherwise be employed to place a higher floor under poverty both at home and abroad. These are just as much moral and human ends as the efforts to protect Soviet dissidents.

Here, then, is another reason why when we attempt the translation of humanitarian concern into concrete policy, it is necessary to avoid too simple a distinction between human rights and the traditional ends of diplomacy. In specific cases, the apparent dichotomy may in fact, be convertible either into a conflict over alternative conceptions of and means for promoting human rights or, as I noted earlier, into a debate over short-run versus long-run strategic interests.

How then to structure the human rights inquiry in a way which will recognize these complexities? What, in other words, are the standards against which national behavior in the human rights field is to be judged? And how is the process of judgment to occur?

There is a yardstick of public inhumanity. Every country is represented somewhere on it. No national record is unblemished.

But there are differences of degree, even after one makes a proper allowance for varying historical experiences and levels of economic, social and political evolution.

And there are, in the end, qualitative thresholds. These are the limits below which no government can fall without international judgment. Mass murder, officially tolerated torture, mass imprisonment or exile of those who peacefully dissent, comprehensive denial to some racial, religious or ethnic group of the opportunity to participate in the various social values, these acts are beyond the pale. They transgress the minimal standards of decency declared by mankind at large in the Universal Declaration of Human Rights, and the American Declaration of the Rights and Duties of Man, as well as a plethora of UN Resolutions, regional covenants and virtually all national constitutions. These international governing norms are so unequivocal and so profoundly embedded in the contemporary conscience that even those governments that perpetrate these acts feel compelled to deny them and conceal their delinquencies.

We have, I think, a clearer view of the purpose and role of America in the world today than we have had in times past. We now know better that our own national standard is not necessarily the moral standard of the world; or at least we cannot force it to be. We know that our political habits, our untidy process of public policy decision-making, our openness, and our tolerance are not for many others, at least not yet. And we know, therefore, that if we are to help enhance respect for human rights, the standards of judgment must be standards which derive their authority, not from our experience and tradition, but from international consensus. We are not the moral preceptors of the world, and we should not pretend to that role.

This is the significance of the Universal Declaration and of the American Declaration of the Rights and Duties of Man which, as Thomas Burgenthal has said in his recent article in the *American Journal of International Law*, has now a greatly strengthened normative character as a result of the most recent amendments of the Charter of the Organization of American States. These, and a constellation of international organization resolutions along similar lines, set down collective standards against which the behavior of signatory nations may properly be judged. Their authority is international and universal, not national and paternalistic.

By the same token, the process of measuring the observance of these international principals must also, in the first instance, be international. This is the reason why it is essential that we lend our assistance to strengthening the authority and the self-confidence of the international instruments of human rights observance—the UN Human Rights Commission and, in our Hemisphere, the Inter-American Human Rights Commission.

The experience with both organizations is limited. Both are in their infancy. Neither enjoys the wholehearted support of its constituency. There are dangers for both. The member states may cripple them out of fear that they will prove dangerous. They may attempt to manipulate their agenda in a hypocritical fashion to avoid equal treatment and force the commissions to concentrate on a few unpopular targets. Or they may attempt to dilute the efforts of the two by packing them with ineffective or timid people.

The United States has a major role to play. If, as I have suggested, a concern with human values is an essential element in our contemporary foreign policy, and if the establishment of human rights standards should in the first instance be those set down by international compact and measured by international machinery, then it is our obligation to insure that that international machinery rapidly achieves a measure of competence, respect and permanence which will insure that its efforts are taken seriously and its writ runs wide. To this end, we must insure that the Commissions are blessed with effective and courageous members, that they are adequately staffed, that their budgets allow for the full range of essential activities and that finally their efforts are encouraged and supported in the member states.

The question whether international machinery can bear effectively on human rights issues is particularly acute in this Hemisphere. The nations of the Americas share many things. But the most significant common bond is not geography or history but morality. Here, if anywhere, the nations of this part of the world are bound by a common dedication to the rights of man.

So, in a sense, the capacity of the Inter-American system to serve, protect and enhance those rights is very much at stake just now. That system has traditionally concentrated on relations between nations. The record of the Organization of American States on issues of peace and political security is well-known; now, it is increasingly seized with vexing questions of our economic relationships—and, I might add, has been not very much more immune than its sister organization in New York to the rhetorical temptations of that issue.

The human rights issue, however, is of a new sort for the OAS. It represents a challenge to the inter-American system unlike the challenges of the past. For it tests whether the nations of the Hemisphere share enough common moral ground to cooperate, not merely in addressing relations between states, but as well in the application of international standards of how nations should treat their own citizens.

It is early yet to say whether the inter-American system can discharge this important task. The Inter-American Human Rights Commission, as I have said, is in its infancy.

But its efforts are of a piece with the humane tradition which has inspired the political development of the nations of the New World for two centuries. If there is any task more appropriate for the Organization of American States, I am unaware of it.

Its success—the extent to which the Commission can indeed nurture, protect and enhance respect for human rights in the Hemisphere—could come to be considered the most significant accomplishment of the inter-American system in the years to come.

The United States pledges its full support to that effort.

PENSION ABSURDITIES

HON. EDWARD MEZVINSKY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. MEZVINSKY. Mr. Speaker, anyone directly involved with the Federal Government is aware of bureaucratic absurdities, wasteful duplication and regulatory inconsistencies.

One of the most distressing of those regulations is the provision that any increase in social security benefits triggers an equal decrease in the pensions for World War I veterans and widows. This means that the benefits are actually decreased in a period of rampant inflation. Those hurt by this provision are those least able to afford it: senior citizens and those on fixed incomes.

This provision violates our sense of propriety, the needs of those veterans and widows, and the intent of Congress in providing additional cost-of-living benefits for those in need.

I have introduced legislation, H.R. 5732, which would correct this situation. That bill is currently pending in the Veterans' Affairs Committee. I would hope that the committee acts expeditiously.

RX FOR HOSPITALS

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. SYMMS. Mr. Speaker, several weeks ago representatives of the Idaho Hospital Association paid a visit to my office. We had a good visit about the issues bothering hospitals not only in Idaho but across the Nation.

The highest priority concern of these hospital administrators was the rising tide of unchecked Government regulations. I know that this is a concern of many of my colleagues here in the Congress as well. We face some real problems if we do not monitor these regulations more carefully to be sure that they carry out the congressional intent of the laws we create. I would recommend that my colleagues consider H.R. 10164, sponsored by Representative DEL CLAWSON, as an effective means to bring sometimes unruly agencies under control.

Mr. John Hutchison of the Idaho Hospital Association presented me with a position paper prepared by the IHA regarding other Federal programs which affect hospitals. I commend this paper to my fellow Members and to the readership of the CONGRESSIONAL RECORD.

IDAHO HOSPITAL ASSOCIATION COMMENTS AND POSITION ON FEDERAL LEGISLATION

We constantly hear comments, primarily through the press and federal agencies, on the high cost of health care. We do not argue the point that health care costs are high, but so are other costs.

Regardless of statements by federal officials, we believe health care costs in the last 10 years have not gone up significantly greater than other consumer products and services.

Our association recently made a telephone survey, at random, of costs of certain products in 1966 and the cost in 1976, on comparable items. We learned that in this 10 year period the cost of these services and consumer products had almost doubled or tripled. Therefore, we would request that the Congress and the bureaucrats not single out health care as being extremely costly. The Idaho Hospital Association is constantly alert in attempting to do everything possible to keep the cost of health care in Idaho at a reasonable level. (Please note attachments A, B & C.)

Even though our association and its members attempt to take advantage of every situation which will reduce cost and keep the quality of health care high, we find rules and regulations promulgated by the Department of Health, Education and Welfare greatly hinder us.

Many of these rules and regulations actually cause spending over which our hospitals have no control unless they choose to disobey the law.

It is our opinion that the bureaucrats in Washington develop rules and regulations that are contrary to the intent of Congress. Therefore, we believe Congress should review all rules and regulations which are promulgated by bureaucratic agencies prior to their becoming law.

We request that you support legislation which would require congressional review of administrative rulemaking.

MEDICARE/MEDICAID REFORM

The Medicare/Medicaid Act is in need of reform. We recommend that you support changes in the current law that would require: 1) a state option to determine reimbursement on a prospective basis, 2) a modification of the present cost limits approach that would use hospital classification only as a screen for identifying institutions to be individually and carefully reviewed for assessment of the special circumstances causing their apparently higher costs, 3) consideration of specific proposals, with respect to malpractice, to permit hospitals to self-insure, 4) revision in home health care provisions, 5) revisions in hemodialysis and kidney transplant provision to improve administration and enhance cost effectiveness.

CHARITABLE CONTRIBUTIONS—PHILANTHROPY

The Idaho Hospital Association recommends that you not support any legislation that would change the current law on charitable contributions—philanthropy, as pertains to hospitals.

Philanthropy has been an essential source of support for hospitals throughout the history of our country. Today, 70 percent of the nation's hospital beds are located in voluntary nonprofit short-term hospitals and these hospitals admit 71 percent of all patients in general or community hospitals. Most of these voluntary, nonprofit hospitals were organized and constructed either in whole or part with charitable contributions.

In addition to helping meet the costs of constructing and equipping health care facilities, private philanthropy has been an important factor in financing medical research, in promoting innovative approaches to health care delivery, in education of health care personnel including physicians, nurses and allied health personnel, and in meeting the general operating costs of health care facilities and programs.

PSRO

The Idaho Hospital Association is still committed to the repeal of the PSRO law.

In December 1975, Congress passed legislation H.R. 10284 which authorized payment for PSRO activities to come from the Social Security Trust Fund. In our opinion, this payment method will deplete that fund at least $100 million per year. It will be a hidden cost that Congress will not know about unless it asks specifically to be kept informed of the cost of these activities.

We feel this is an unjustified cost to the taxpayer and will accomplish nothing but create more rules and regulations and additional cost to the patient. After this legislation was passed the President announced that he was proposing an increase in the Social Security taxes.

PUBLIC LAW 93–641 NATIONAL HEALTH PLANNING AND DEVELOPMENT ACT

Public Law 93–641 will probably be the most costly piece of legislation for tax payers of any enacted in recent years. This law is designed to totally control health care through the hospital industry. We have voiced our opposition, regarding P.L. 93–641, through a resolution which was passed by the House of Delegates of the Idaho Hospital Association on October 1, 1975. Our position has not changed. We request that you initiate the repeal of P.L. 93–641.

REIMBURSEMENT PROBLEMS OF SMALL HOSPITAL/NURSING HOME COMPLEXES

Thirteen of our 47 short-term acute-care hospitals in Idaho are operating attached long-term care facilities. This is being done primarily in the smaller communities where no other means of furnishing nursing home care is available. The cost of this nursing home care has been steadily increasing, due mainly to federally mandated (but necessary) increases in the minimum wage, and the high rate of inflation in the food industry.

Since Medicare does not provide coverage for most of these patients, the burden of payment has fallen on the individual (or his family) or on the State. Most of these facilities are county-operated. Realizing the strain any price increase may place on patients with relatively fixed incomes, county commissioners with hospital board approval have seen fit to partially subsidize their care through tax support to the institution.

These facilities have stressed the importance of quality nursing home care first, while worrying about reimbursement after the fact.

In early 1974, a state law was passed which raised the per diem for State nursing home patients from a nominal rate to "reasonable cost," effective 7–1–74. Since then, the State has modified their reimbursement to "the lower of (reasonable) cost or charges," presumably because of federal Title XIX restrictions, the effective date of which is still in doubt.

This places the hospital/nusing home complex in a very precarious situation. A lower of cost or charges provision virtually forces a facility to raise its rates to cost—which most of its private pay patients cannot afford. They face the embarrassing position of being forced into welfare which is inconsistent with their basic beliefs. Should the facility not raise its rates to cost, they then find themselves subsidizing State patients, as well as their own private pay patients.

Idaho Hospital Association can see two possible solutions to this problem:

1. Remove the restriction on lower of cost or charges, and revert to "reasonable cost"; or

2. Allow a more reasonable cost finding methodology—especially for the under 100-bed facilities. Thus "reasonable cost" will be truly reasonable, and not loaded with many hospital costs due to an improper transfer of costs in the current Medicare "simplified cost finding" for under 100-bed combined facilities, by regulation (Section 2313 of Provider Reimbursement Manual HIM–15), cost allocation for under 100-bed facilities is so inflexible that. . . . "(apportionment) bases cannot be changed," yet it ignores the impropriety of loading costs into the nursing home.

This problem must be solved now! These facilities must either force the elderly to unwillingly go on welfare, or suffer severe cash flow problems—which could ultimately destroy the institution itself.

EFFICIENCY OF HOSPITAL CARE IN IDAHO

Criticism regarding abnormally high increases in cost of hospital care cannot be justified in Idaho. The hospitals in Idaho are continuing to demonstrate an efficiency of operation which cannot be matched by the rest of the nation or even our own Intermountain area.

We have recently been analyzing national statistics regarding key performance and cost indicators for the hospital industry, and find that Idaho's hospitals have performed exceedingly well. In fact, the relative cost of care in the typical Idahoan's budget shrunk from 1973 to 1974!

Whereas, the Idahoan's per capita income was raising 14.1 percent, the case (per hospital stay) cost per capita was raising by only 9.0 percent. This was accomplished by holding the line on their own wages (up only 5½ percent), and continuing to provide the type of care which kept the average length of stay at only 5.3 days for the acute care patients—well below the national average of 7.8 days. Had it not been for a 14.3 percent increase in cost of supplies, utilities, malpractice insurance, etc., which are uncontrollable for the most part, Idaho's hospitals could have demonstrated even better cost containment results.

A comparison of the above per capita income increase with case cost per capita for the entire United States indicates that the relative portion of hospital care of the typical family's budget is increasing—a 14.6 percent case cost per capita increase compared to a 10.5 percent per capita income increase.

In looking at the Intermountain region, the median figures for average case cost and case cost per capita run 8–9 percent above the same figures for Idaho.

In an effort to hold down their health care costs, Idahoans are also beginning to make far better use of less-expensive outpatient services, as evidenced by a 17.7 percent increase in outpatient visits from 1973 to 1974, as compared to a national increase of only 5.6 percent.

Federal involvement in the hospital industry has had its impact in Idaho. Much of the 6.7 percent increase in the number of hospital personnel from 1973 to 1974 can be shown to be a direct result of federal regulation.

A regulation resulting from P.L. 92–603 requiring operating and capital expenditure budgeting by hospitals has caused the Idaho Hospital Association to become heavily involved in the education of hospitals regarding proper techniques of budgeting. An outgrowth of IHA's budgeting program is a voluntary Financial Review Program, which we hope will prove that voluntary peer review of hospital budgets will be more effective in controlling hospital costs than a state or federally-mandated rate control body.

In summary, we feel that Idaho's hospitals have done exceptionally well in controlling hospital costs. Any additional federal or state legislation designed to regulate hospitals further for the purpose of controlling costs will only have the opposite effect on our hospitals, as they struggle to comply with all the accompanying regulations which result from any such legislation.

GROUP PURCHASING PROGRAM

The Western Hospitals Improvement Program, Inc., (WHIP) Idaho Hospital Association's cooperative joint purchasing program, continues to provide its member institutions contracts on high volume/high dollar consumable supply items.

The program's contracts, since 1972, have resulted in total purchases in excess of $5.5 million. Purchases for 1975 alone will be in excess of $2.2 million. Savings averaged 20 percent or $1.1 million during the first four years of operation.

Major contract areas include: Intravenous Solutions, X-Ray film and processing chemicals, direct pharmaceuticals, wholesale pharmaceuticals, paper products, medical/surgical supplies, patient-care kits, hospital linen and wearing apparel, housekeeping products, laboratory supplies, and most recently, wholesale food items.

W.H.I.P. continues to initiate new contracts for its member institutions, which now total 41 hospitals.

This voluntary group purchasing program endeavors to keep spiraling costs of supplies as low as possible without sacrificing quality and service.

GROUP UNEMPLOYMENT INSURANCE PROGRAM

Non-profit organizations such as hospitals were once exempt from state and federal taxation for unemployment insurance coverage. In 1970, the Ninety-first Congress passed Public Law 91-373 which extended unemployment coverage to hospitals as of January 1, 1972.

Under the new amendments, non-profit institutions were allowed the option of electing a cost reimbursement method of financing rather than a tax-paying basis. The cost reimbursement method allows employers to reimburse the State Plan for actual claims paid. Under the Idaho Plan, cost reimbursement employers are billed quarterly for the incurred costs.

The State of Idaho also allows non-profit organizations to act as a group in fulfilling the requirements of the law. Thus, the Idaho Hospital Association Unemployment Insurance Program was formed on January 1, 1972.

In electing this method of financing, it is essential that the participating hospital be protected against above-normal loss in unemployment insurance reimbursement payments that are due to economic fluctuations, or even heavier losses due to a catastrophic type occurrence. The Idaho Hospital Association's plan provides each hospital with financial protection against losses by establishing a joint account, based on a 1.5 percent contribution of each member's taxable payroll. This also sets up a reserve for the hospital from which its reimbursement payments are made to the State by the Idaho Hospital Association.

The hospitals that participate in the group program generally realize savings in terms of not having to administer an unemployment insurance program of their own. The Director of the Group Unemployment Insurance Program for IHA handles the claims completely, from the initial claim through appeals to the Supreme Court, if necessary. Oftentimes this is quite a long and involved process which takes the total involvement on the part of the person processing the claim. Therefore, a lot of administrative time is saved by belonging to the group and having the group director handle the claims. The cost of the administration of the group program is partially offset by interest accrued on the funds.

Another advantage of the group program is that it offers catastrophic protection. Individual hospital self-insurers probably do not have such protection. Currently the group members are protected to the maximum amount of benefits that could be paid to all its employees for a year. This protection is provided by insuring the catastrophic fund. This reinsurance currently offers a limit of over $7 million for the participating hospitals.

Still another savings can be realized by the fact that more claims will be decided in favor of the hospital with the group director handling the claims because he is more knowledgeable about the Employment Security Laws and the techniques of fighting claims. Plus, he has the time to stay on top of and follow through on all claims, thereby ensuring that the proper decisions are made by the Department of Employment. A person handling unemployment cases on a sporadic basis would not have the expertise to handle the cases effectively and efficiently.

The director of the group program is constantly being informed (through updating services, contacts wth the Department of Employment, etc.) about changes in the laws, methods, or procedures regarding unemployment compensation, and in turn keeps the membership informed.

A personnel consultation service is provided through the program which, through updating personnel policies and practices in the individual hospitals, helps to reduce unemployment claims and to ensure that undeserved claims are not paid.

A placement service is also provided which attempts to find jobs for individuals who become unemployed through no fault of their own. This reduces the number of claims and thereby saves the hospitals time and money.

A final advantage of the group program is that the director can establish a good working relationship and rapport with the unemployment officials throughout the state which gives him an "inside" source of information and assistance. Oftentimes in getting something done for one group member through the unemployment officials of the state, benefits are reaped by the other hospitals.

LEFTISTS WARM UP AMNESTY CAMPAIGN FOR DRAFT DODGERS AND DESERTERS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. McDONALD of Georgia. Mr. Speaker, a coalition of radical left groups who have demonstrated their devotion to the cause of the North Vietnamese Communists and their Vietcong terrorists is attempting to reheat their campaign for amnesty for the draft dodgers and deserters of the Vietnam war period. The coalition, the National Council for Universal and Unconditional Amnesty—NCUUA—operated until early 1975 from the offices of the militant socialist pacifist War Resisters League in New York City, but now work from 239 East 49th Street, 11th floor, New York, N.Y. 10017 [212/688-8097].

NCUUA's statement of purpose says that the organization was created to "mobilize the American people to work for a universal and unconditional amnesty and to educate them concerning the structures and institutions that created the war in Southeast Asia." NCUUA's member groups have in general taken the line that it was not Communist aggression that caused the Vietnam war, but American capitalism and the military-industrial complex.

NCUUA further states that it "is committed to working for universal and unconditional amnesty for all persons suffering disabilities because of opposition to the United States involvement in the war in Southeast Asia, to the draft, and to the military." In practice what NCUUA wants is an "amnesty" which would not only excuse the deserters and draft dodgers, but which would provide honorable discharges to every veteran who received general or dishonorable discharges. The effect of handing out honorable discharges to former service personnel who had received courts martial for offenses including drug abuse, theft, assault, sexual perversion, insubordination, and conduct unbecoming an officer would be a demoralizing slap in the face to the hundreds of thousands of veterans of both the Vietnam conflict and other wars in our history, as well as the peacetime army, who served their country honorably and well.

NCUUA's bias in favor of the Communist Vietnamese was apparent in its frenetic 1974 demands issued at a time when the Vietnamese Communist apparatus in this country had redoubled its efforts at ending all U.S. military support for the non-Communist governments in Southeast Asia. Said NCUUA:

> The movement to achieve a universal and unconditional amnesty for American war resisters demands that the United States Government * * * immediately cease all military operations in Southeast Asia, end support of its client governments in Indochina, and insist upon the release of all political prisoners in South Vietnam.

The organizations comprising NCUUA reflect the range of the United States Left and its dupes. They include two identified Communist Party, U.S.A. fronts, the National Emergency Civil Liberties Committee and the National Lawyers Guild whose Maoist and New Left members are united in their support of the Vietnamese Communists; two Maoist-Communist dominated organizations, the Southern Conference Educational Fund which is dominated by the October League, and the Vietnam Veterans Against the War, controlled by the October League's rival, Revolutionary Communist Party, U.S.A. —Revolutionary Union.

Other members of the NCUUA include the American Civil Liberties Union; the American Friends Service Committee; the Black Economic Development Conference; Central Committee for Conscientious Objectors; Clergy and Laity Concerned; the Catholic, Episcopal and Jewish Peace Fellowships; Fellowship of Reconciliation; National Conference of Black Lawyers which parallels the National Lawyers Guild on many projects; the Socialist People's Party; SANE; the War Resisters League; Women Strike for Peace, and the Women's International League for Peace and Freedom. It will be recalled that nearly all of these groups worked with the Communist Party, U.S.A. dominated People's Coalition for Peace and Justice and its predecessors during the 1960's and 1970's.

It is also noted that the Emergency Ministries to the Vietnam Generation of the National Council of Churches; and two agencies of the United Church of Christ, the Council for Christian Social Action and the Interreligious Taskforce on Amnesty, are also NCUUA affiliates.

The NCUUA can be characterized as a direct outgrowth of the People's Coalition for Peace and Justice, a Communist-dominated agitational and propaganda organization which coordinated pressure campaigns against U.S. involvement in Southeast Asia. The group tended to follow the lead of both the Vietnamese Communists directly, with whom the PCPJ leaders met continually in Paris and Hanoi, and of the Soviet-directed World Peace Council. The World Peace Council serves as the model for these coalitions "of professional fellow travelers, congenital stooges and moonstruck clergymen steered * * * by hard-faced jockeys from the Stalinist riding stables." The man who so described those apparats was himself a leader of a Communist Party, but one which disagreed with the Soviet-led movement.

During the fall of 1975, the NCUUA developed plans for a 1976 campaign to gain amnesty, not mere clemency, for deserters and Selective Service law violators. In a letter dated December 16, 1975, NCUUA stated:

> 1976 will be the most critical year yet in our fight for justice—if we succeed in creating and maintaining the political climate around amnesty that requires government action, we will win; if not, we will lose. And that will be a grave loss * * * for all of us. Amnesty speaks to the real "lessons of the war" in a way that Ford won't but we must.

NCUUA has declared a "National Amnesty Week—a week of local amnesty activities coordinated nationally and internationally by NCUUA" to take place February 22-28. NCUUA will sponsor local support campaigns for draft dodgers and deserters, and it is expected that as usual NCUUA supporters will appear on Capitol Hill to lobby for total amnesty bills.

But, NCUUA admits that the cause of amnesty is not their real goal. The real goal is spreading propaganda against the Government which was elected by the American voters and in developing an acceptance of the idea that each individual should be able with impunity to refuse to serve his country under arms. The NCUUA supports the idea that soldiers should be exactly like civilians, at liberty to refuse any order they dislike, to choose where they will serve and under what conditions. This state of anarchy they term their "democratic right to resist unjust wars."

In their own words:

> * * * our amnesty work should not focus exclusively on relieving the hardships of war resisters, * * * . The historical importance of our work is to bring out the true, unjust nature of the U.S. war in Indochina as the basis of our amnesty arguments, emphasizing and defending our democratic right to resist such wars, past and future.

There is not a word in the NCUUA literature about the unjustness of the Communist North Vietnamese aggressors who waged first a guerrilla terrorist war against South Vietnam and then backed it with regular army troops. They harp on the one documented war crime committed by U.S. troops—My Lai—but somehow find it impolitic to mention the endless butcheries, beheadings and mutilations or the Hue massacres committed by the Communists.

NCUUA has advised its supporters to link up with several other projects whose programs dovetail with the NCUUA. These are:

Indochina Mobile Education Project—IMEP—1322 18th Street NW., Washington, D.C. 20036 [202/223-0527], a propaganda organization specializing in blaming the U.S. Government and its Armed Forces for all of the destruction which occurred during the war. The "logic" being that if the South Vietnamese had peacefully surrendered to "liberation" by the Vietcong, and submitted to the mass deportations—numbering over 475,000—from Saigon and to the execution and imprisonment of the anti-Communist leaders, there would have been no need for a war. Therefore it is the fault of the United States that civilian injuries happened.

Friendshipment, 235 East 29th Street, New York, N.Y. 10017 [212/486-0580], a project of the American Friends Service Committee—AFSC—an organization not under the control of the Religious Society of Friends—Quakers—which has supported Communist regimes since its foundation shortly after the First World War. Most of the member groups in the NCUUA are also sponsors of the Friendshipments of "reparations" to Hanoi.

The Continental Walk for Disarmament and Justice, 339 Lafayette Street, New York, N.Y. 10012 [212/677-5455], a project initiated by the War Resisters League—WRL—and supported by many of the groups involved in NCUUA and the Friendshipment operation. A detailed discussion of the Continental Walk program was provided in my report in the Congressional Record in 1975.

When we consider the arguments of NCUUA and its supporting groups during the next months, let us consider the true purpose of their "amnesty" calls. And when we consider legislation which would grant "amnesty" to those who refused to serve their country, let us remember the sacrifices of the overwhelming majority of veterans who have served their country with honor. Our recognition of their honorable service requires that we reject amnesty outright for deserters and draft dodgers.

CONGRATULATIONS TO MS. LEAH POULOS ON WINNING A BRONZE MEDAL AT THE WINTER OLYMPICS

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. MIKVA. Mr. Speaker, I would like to take this opportunity to congratulate Leah Poulos of Northbrook, Ill., on her second-place finish in the 1,000-meter speed skating competition at the winter Olympics in Innsbruck, Austria.

Ms. Poulos has been skating for 17 years, and during that time has won many honors. She was the U.S. outdoor champion in 1968 and has brought distinction to herself and our country in numerous international speed skating events since that time.

Speed skating is a demanding sport which requires enormous amounts of hard work and dedication—often with little public acclaim. Because speed skaters do not receive the attention which other sports enjoy, the will to succeed must come primarily from the athlete's inner determination to excel. That determination, which Leah Poulos has demonstrated, is the essence of what is best in athletic competition. And the Olympic games are the forum for testing that determination. The Olympics provide no monetary rewards; the athletes who participate are motivated solely by a desire to test their skills against the best athletes in the world. Leah Poulos has demonstrated that her skills are equal to that challenge.

I know that I speak for all of the people of Illinois and the United States in saluting her outstanding performance at Innsbruck. I am confident that the qualities which enabled Leah Poulos to succeed at Innsbruck will be applied to all her future endeavors. We look forward to congratulating her for winning more medals in the years to come. I am proud that she is a resident of the 10th District of Illinois.

GEN. THADDEUS KOSCIUSZKO—SON OF LIBERTY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. ANNUNZIO. Mr. Speaker, on February 12 this Nation will observe the 230th anniversary of the birth of Gen. Thaddeus Kosciuszko, a valiant Polish patriot whose contributions were decisive in this country's revolutionary struggle for independence.

Born in Poland of a long line of Polish officers, Thaddeus Kosciuszko grew up during a difficult period in the history of his beloved nation, for he had to witness the partition and domination of Poland by foreign enemies. Discouraged by events at home, and at the same time inspired by word of the American struggle and the newly proclaimed American Declaration of Independence, Thaddeus Kosciuszko set sail for America where his brilliant military mind was immediately utilized by the Continental Congress which put Koscuiszko to work in engineering the military defense of the Colonies.

The essence of the British military strategy was to split the New England Colonies from the rest of the Colonies by control of the Hudson Valley—a strategy which, if successful, would surely have meant ultimate defeat for the Americans. It was at this point that Koscuiszko made one of his most noted contributions. His engineering genius is given much credit for an American victory at the Battle of Saratoga—a battle which halted the British advancement in the north and is described by many as one of the 10 most important battles in recorded history.

Perhaps equally as impressive was the fortress designed by Kosciuszko and built at West Point. Its engineering was so skillful that the British dared not attack for fear of early defeat.

After being frustrated in the North, the British moved their offensive to the Carolinas, and, after proving himself so valuable in the North, Kosciuszko was made engineer of the South, where he was relied upon for selection of campsites, transportation, and fortifications. It was to a great measure through his ingenuity that the British were prevented from linking their forces. As a result, General Cornwallis was forced to surrender at Yorktown.

When independence had been achieved in America, General Kosciuszko returned to Poland to fight yet another battle for freedom in his divided homeland. As Catherine the Great started the second partitioning of Poland, General Kosciuszko with his ill-equipped peasant army fought valiantly against insurmountable odds. His small army was crushed and he was severely wounded and imprisoned. Finally released after the death of Catherine, Kosciuszko was exiled from his homeland and later returned to Philadelphia.

His small brick Philadelphia house at 301 Pine Street was visited by an impressive array of distinguished individuals: Cabinet members, Senators, Governors, and foreign diplomats. However, his most distinguished and regular guest was then Vice President Thomas Jefferson, with whom Kosciuszko shared many hours.

General Kosciuszko later returned to Europe and settled in Switzerland, vowing never to set foot on Polish soil while another flag flew over it. He died in Switzerland in 1817, a poor and discouraged man. It is ironic that while he had helped Americans to gain their freedom, he never saw the joy of liberty in the eyes of the Polish people.

The guidance and ingenuity Kosciuszko gave to the American Colonies was a service this country could never hope to repay. Yet, there are few monuments to his great contributions.

I am pleased to say that on February 4 Kosciuszko's Philadelphia home was formally dedicated as a national memorial. Through legislation I cosponsored in 1972, and through the efforts of American Polonia and Mr. Edward J. Piszek, president, Mrs. Paul's, Inc., Philadelphia, who purchased the brick home for restoration, Gen. Thaddeus Kosciuszko has now received the recognition which is long overdue.

His heroism and dedication to the cause of freedom in America as well as his beloved Poland, and his compassion for the sovereign human right of self-determination makes clear the respect Vice President Jefferson felt when he said of his Polish friend:

> He is as pure a son of liberty as I have ever known, and of that liberty which is to go to all and not the few and rich alone.

Mr. Speaker, as we celebrate this Nation's 200th birthday it is only fitting that we pay special homage to this "son of liberty."

As Congressman from the 11th Congressional District of Illinois, where many Polish-Americans reside, I am privileged to join them in this commemoration of the birth of General Kosciuszko and his devotion to democracy and human freedom.

CRISIS IN OUR SOCIAL SECURITY SYSTEM

HON. HELEN S. MEYNER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mrs. MEYNER. Mr. Speaker, I am sure that everyone in this Chamber is aware of the crisis revolving about our Nation's social security system. Designed a generation ago as a "compact between generations," the system has burgeoned into a vast structure that is strained at the seams as it tries to finance the legitimate needs of America's elderly, disabled, and dependent. And the situation is not going to improve.

Moreover, Mr. Speaker, the burden of the increased demands on the system is falling upon those workers who can least afford it—the low- and middle-income workers. When the social security system was established, it was financed by a flat, across-the-board contribution that was very small, something that everyone could afford, and something everyone wanted to contribute to. As the costs of the system increased, so did the "contributions," but there was no attempt to make the contributions more evenly distributed among the American workers. There was no attempt to make the contribution rates more progressive. Now we have a situation in which the contributions to finance the social security system are nothing more than a harsh form of regressive taxation.

Yet, Mr. Speaker, President Ford is proposing a social security contribution increase of three-tenths percent and a cost-of-living increase only in the wage base from which contributions can be extracted. This is an intolerable proposal and one that points dramatically to the need for reform of social security. We cannot continue to place the onus of this financial burden upon the middle- and low-income earner.

In an effort to correct this situation, I am joining with some of my colleagues in sponsoring legislation that would raise the social security wage base from $16,500 to $28,500 over a 3-year period.

As a substitute to the President's three-tenths percent social security contribution increase, the measure that we are introducing today would more than compensate for the perennial deficit in the system. At the same time, the upper income worker would contribute a more proportionate share and the end result would be the restoration of stability to the system.

Over the long run, Congress must face up to the task of a thorough and deliberate restructuring of the entire system. I have introduced several bills that, hopefully, could contribute significantly to this much-needed reform.

Presently, recipients of social security have their benefits reduced when they earn over $2,500 per year. Thus, many elderly citizens are forced to live in a state of poverty, unable to contribute and to utilize their skills. H.R. 6001, a bill which I cosponsored last year, would increase from $2,500 to $7,500 the amount of outside earnings a social security recipient is permitted without reductions in his or her benefits.

In 1975, I cosponsored H.R. 9607, a bill that would allow many noninstitutionalized elderly to take advantage of services like health, nutrition, and day care under the social security program. This would make available more intense, specialized care in surroundings that are less threatening, including one's own home.

Another possible reform that I coauthored would allow widows and widowers to continue to receive social security benefits after remarriage. Since benefits are now terminated upon remarriage many elderly couples are forced to live together out of wedlock in order to maintain income above the poverty level. This pitiful situation could be corrected by the legislation I suggest.

Another area in dire need of reform as Congress grapples with the social security system are health care benefits. At present the types and amounts of health care available under social security are woefully inadequate. I have cosponsored two bills that would extend coverage under social security to routine but essential diagnostic tests. H.R. 3764 would allow Pap tests for uterine cancer to be covered for senior citizens by social security, and H.R. 2207 would cover certain psychological services costs.

Mr. Speaker, the reforms that I outline are necessary to ease the financial and emotional burdens on that portion of our society now entering its twilight years. The elderly citizens of this country need and deserve an effective, responsive system of social security and I trust that the gravity of the situation will warrant serious consideration of the legislative approaches I have outlined. I believe that it is imperative that Congress do all it can to preserve the noble goal of a compact between generations.

LITHUANIAN INDEPENDENCE DAY

HON. TIM L. HALL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. HALL. Mr. Speaker, as we celebrate the birthday of the father of our country on February 16, Lithuanian-

Americans will also be observing the 58th anniversary of the reestablishment of the independent State of Lithuania.

Lithuania was to enjoy only some 20 years of freedom from oppression. In 1939, the Soviet Union began its occupation of the country. The U.S. Government to this day does not recognize the forcible annexation of Lithuania.

This year also marks the 725th anniversary of the founding of the Lithuanian State and it is most appropriate to commend those who continue to pray and work for the day when Lithuania will once again enjoy self-determination and religious freedom.

THE ANNIVERSARY OF THE BIRTH OF TADEUSZ KOSCIUSZKO

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. DERWINSKI. Mr. Speaker, in this Bicentennial Year, we are properly remembering the great events in our history, and I feel that it is appropriate that we remember the birth of a "Hero of Two Worlds," Tadeusz Kosciuszko. Kosciuszko, born February 12, 1746, is not only well known for the role he played in American history, but also for his fight for liberty for all peoples on the other side of the Atlantic.

Beginning his education as a member of the corps of cadets in Poland and later furthering his military instruction in Italy, France, and Prussia, Kosciuszko declined offers of positions in the British and French armies, and instead journeyed to America soon after the 13 Colonies declared their independence from Great Britain.

After receiving an appointment as an engineer, and within 2 months receiving the rank of colonel in the army of the infant Nation, Kosciuszko's first assignment was the fortification of the Delaware River approaches to Philadelphia in order to secure this position against the British forces. His strategy was so successfully carried out that the young Pole was awarded 50 pounds by the Pennsylvania Council of Safety as a token of appreciation.

Kosciuszko also supervised the construction of fortifications at Saratoga, Ticonderoga, and West Point. As a result of his military ingenuity, Congress granted him an appointment as brigadier general after the Revolutionary War.

He returned to Poland in 1784. After the second partition of his native country in 1793, Kosciuszko led a national uprising which was successful in its early stages, but finally collapsed, to be followed by the final partition which erased Poland from the map of Europe. Nonetheless, a proud page in the history of this unhappy nation was written by Kosciuszko and his fellow Poles.

Kosciuszko, who is rightly honored as "the Hero of Two Worlds," helped Americans to secure their independence and did his utmost in a vain effort to save Poland from extinction.

Mr. Speaker, as we celebrate our country's Bicentennial, I find it most appropriate to reemphasize the great donation made by Tadeusz Kosciuszko to our American heritage. In our battle for independence, he made a lasting contribution to the struggle for freedom as a native of a foreign land.

He believed that freedom was indivisible and that its blessings should be shared by everyone—by the slaves in America and by the peasants of Europe, no less than their more fortunate neighbors of the nobility.

Mr. Speaker, during the month of February, we are paying tribute to the memory of George Washington, who led our Nation to independence, and Abraham Lincoln, who led it during the war to preserve its union from dissolution.

Let us also take time to honor the memory of Tadeusz Kosciuszko who, like Washington, wanted freedom for all nations and, like Lincoln, wanted freedom for all people.

YESHIVA RAMBAM—BROOKLYN

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. SCHEUER. Mr. Speaker, the Yeshiva Rambam—a Jewish day school serving my community—will dedicate its new school building on Sunday evening, February 15.

Yeshiva Rambam bears a historic name—that of the great 15th century Jewish jurist and philosopher, Maimonides, the acrostics of whose Hebrew name are R'M'B'M—Rabbi Moses Ben Maimon.

The Yeshiva Rambam is a school that continues the devotion to scholarship, ethics, and morality that were the contribution of Maimonides to world civilization as well as to the Jewish people.

Yeshiva Rambam was organized in 1945. Its purpose, in its words, were to be a "living force that gives meaning to the ancient teachings of the Old Testament blended with a modern secular education."

The leaders of Yeshiva Rambam, Dr. Isadore Lefkowitz, Rabbi Sidney Harcsztark, and Herman Appel have built a school that serves our community with distinction.

The excellence of the Jewish and secular education being provided by Yeshiva Rambam is a source of knowledgeable and committed young people who rise to leadership in our communities.

American society, as well as the Jewish community, is the beneficiary of Yeshiva Rambam's excellent education.

I am pleased and honored to have been asked to address the dedication dinner for the beautiful new building on which the Yeshiva has just finished construction.

Mr. Speaker, I commend the leadership of Yeshiva Rambam for creating an educational institution that makes a great contribution to American life—as it imbues its students with the ageless teachings of Torah and Jewish tradition.

THE SUPPLEMENTAL COMMUNITY DEVELOPMENT EMPLOYMENT ASSISTANCE ACT OF 1976

HON. GARRY BROWN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. BROWN of Michigan. Mr. Speaker, today my colleague from Georgia (Mr. STEPHENS) and I introduced legislation which we would like to bring to the attention of our colleagues for the reasons I will herein state.

It is anticipated that the President will veto H.R. 5247, the so-called Public Works Employment Act of 1975, and that the House will be called upon to consider this measure again. Although the House vote upon final passage of H.R. 5247 was such as to indicate that an override of the veto might well be expected, the situation in the Senate is not so certain—but all of this is beside the point.

Many of our colleagues who supported H.R. 5247 have expressed concern, despite their favorable vote, that H.R. 5247 is too costly, cannot address the unemployment problem in a quick enough time frame, and leaves much to be desired with respect to its implementation and administration. In short, it constitutes another new program involving administrative costs unrelated to unemployment alleviation and very probably amounts to too much too late.

In view of this, we have introduced today H.R. 11860, a bill developed after much deliberation which we feel is a much more direct, effective, efficient, and equitable program of relief for those areas and communities especially hard hit by unemployment than is H.R. 5247.

Stated as briefly as possible, our proposal tracks to a certain extent the countercyclical assistance program incorporated in title II of H.R. 5247. However, it is significantly different with respect to its method of distribution of funds in that it uses the existing mechanism of the community development act—Housing and Community Development Act of 1974—which is already in place and can provide the conduit for the immediate financing of projects on an accelerated basis, whereas the distribution of funds under H.R. 5247 could be delayed for months while the necessary guidelines, regulations, and qualification standards are being adopted and promulgated.

Under our bill, the supplemental assistance would be activated when the national unemployment rate is over 7 percent, as it is now, and would make available for distribution each calendar quarter a sum determined by multiplying $15 million by each one-tenth of 1 percent by which unemployment exceeds 7 percent. Since under our proposal distribution of funds is based upon the next preceding quarter's unemployment and since unemployment the last quarter of 1975 was 8.5 percent, as of April 1 of this year $225 million would be available for distribution for that calendar quarter—8.5 percent minus 7 percent equals 1.5 percent and 15 times $15 million equals $225 million.

If unemployment remained at the 8.5-percent level, a total year's funding of this program would, therefore, cost $900 million—four quarters multiplied by $225 million. However, since unemployment has been dropping and is expected to continue to fall during the next year, the bill calls for a total authorization of $780 million, which is the best estimate we have been able to develop based upon the unemployment rates anticipated during such year.

Approximately 75 percent of the assistance would be provided to cities and urban counties with unemployment over 8 percent, based directly and proportionately on the extent to which their unemployment exceeds 8 percent. In the same manner, the remainder of the funds would be distributed to States for distribution in nonurban areas having unemployment over 8 percent.

Grants under this supplemental program would automatically flow to recipients' community development programs upon the submission of a brief statement of the recipient's planned use of the funding, referencing its community development plan and the proposed job intensive use, acceleration of planned projects, and reduction of unemployment to be accomplished by such assistance.

The special advantages of this program over H.R. 5247 are:

First. Areas and communities with the highest unemployment receive the greatest amount of assistance and the assistance tracks increases and reductions in unemployment.

Second. Being an emergency program, it automatically triggers in and triggers out when unemployment exceeds 7 percent or is reduced below 7 percent.

Third. In addition to stimulating the local economy with new money, the supplemental assistance will allow recipients to attract and keep industry and stabilize and improve declining neighborhoods. These activities will create private sector jobs and improve local economies.

Fourth. Use of the existing block grant administrative structure at the Federal, State, and local level practically eliminates startup time and administrative costs and will result in funds being available immediately for the creation of jobs for our unemployed.

Fifth. At a first year's cost of $780 million, 38,000 jobs will be created during the quarter beginning April 1 and another 25,000 jobs within the next 6 months. In contrast, H.R. 5247 at a total cost of over $6 billion would produce an estimated 28,000 jobs during the first quarter after implementation—which, for the reasons we have already indicated and will expand upon, might be as much as 3 to 6 months down the road. Ultimately, it is true that H.R. 5247 might create up to 198,000 additional jobs, but only long after the program was implemented and the need for the stimulus had substantially subsided.

We have emphasized the importance of the use of the administrative structure of the community development program and its benefits, because we feel it is all important that any jobs program should put people to work at the earliest possible moment. Our proposal does this; H.R. 5247 does not.

Let us give you one simple example as to why funds under title II of H.R. 5247 cannot start flowing by April 1 of this year as they can under our bill.

As you know, the formula for distribution under H.R. 5247 has two factors—unemployment and taxes. That act defines "local adjusted tax amount" as follows—and please consider the difficulty of interpretation if you can:

> (C) the local adjusted tax amount means—
>
> (i) the amount of compulsory contributions exacted by the local government for public purposes (other than employee and employer assessments and contributions to finance retirement and social insurance systems, and other than special assessments for capital outlay) as such contributions are determined for the most recent period for which such data are available from the Social and Economic Statistics Administration for general statistical purposes,
>
> (ii) adjusted (under rules prescribed by the Secretary) by excluding an amount equal to that portion of such compulsory contributions which is properly allocable to expenses for education,
>
> (and in the case of local governments treated as one local government under paragraph (3)(A), the local tax amount shall be the sum of the local adjusted tax amounts of all local governments within the State, adjusted by excluding an amount equal to the sum of the local adjusted tax amounts of identifiable local governments within the jurisdiction of that State);

From the foreging, let us ask: What does "exacted by the local government" mean? Does it include taxes collected by the State on behalf of the local government? Does it include a portion of general State revenues which are shared with units of local government as under a State general revenue sharing program? Does it only refer to taxes actually collected or are billed taxes included regardless of nonpayment? And, for what period of time is the tax comparison to be made? Are newly enacted taxes to be considered? Is it limited to taxes or are all user charges included?

We respectfully suggest that the problems of interpretation and of getting regulations adopted and promulgated permitting title II to get off the ground will delay the actual receipt of funds by recipients for many months and makes the argument in support of our proposal even more convincing.

We are convinced that our alternative proposal to H.R. 5247 is much more desirable and will put our unemployed to work much more quickly and in more satisfactory jobs than can H.R. 5247, and we urge support of this bill.

LITHUANIAN INDEPENDENCE DAY

HON. PAUL S. SARBANES

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. SARBANES. Mr. Speaker, next Monday will commemorate the 58th anniversary of the Republic of Lithuania. On February 16, 1918, an independent Lithuania was established, based on democratic principles. In 1922, a permanent constitution was adopted granting to the people of Lithuania the freedoms of speech, communication, assembly, and religion. The reestablishing of independence in Lithuania marked an end to years of repression during which the heroic people of this tiny Baltic state struggled to regain the freedoms lost to foreign control in 1795. As we pay tribute to the quest for human dignity and freedom which this anniversary represents, we are saddened to recall how quickly the events of World War II cut short the enjoyment of these hard-won freedoms, when, in 1940, barely two decades after proclaiming its independence, a brave Lithuania was overrun by the Soviet Union.

In 1970, the world was given a dramatic reminder of the continuing commitment of the Lithuanian people to freedom by the action of a courageous seaman named Simas Kudirka. Kudirka was just 11 years old when the Soviet Union occupied Lithuania in 1940. Thirty years later, he jumped from the Soviet ship *Sovetskaya Litva* to a U.S. Coast Guard cutter seeking political asylum. In a tragic and shameful episode this brave sailor was returned to the Soviet ship. Kudirka was subsequently returned to Vilnius, Lithuania, tried for his attempted defection, convicted, and sentenced to 10 years of hard labor in a Soviet concentration camp. From this camp, Kudirka continued to speak out against the denial of basic human rights. In recognition of this valiant young Lithuanian's attempt to gain his freedom, I joined with others in the Congress in sponsoring a resolution calling upon the President to urge the leaders of the Soviet Union to release Kudirka and return him to his family. In August 1974, Kudirka was released from prison and granted an exit visa, enabling him to come to the United States accompanied by his family. It was our privilege in Baltimore to have him visit our city and to speak out eloquently on the meaning of freedom.

The action of Simas Kudirka is symbolic of the dedication of the Lithuanian people to the cause of freedom and our concern for the plight of the Lithuanian people continues. In this regard, many of us in the House joined in voting for a resolution which expresses the sense of the Congress that no decision be taken at the European Security Conference which would accord recognition to the illegal annexation of the Baltic states.

An ancient tradition of national identification dating back to 1253 when a delegate of Pope Innocent IV crowned Mindaugas King of a united Lithuania has enabled these gallant people to withstand years of relentless pressure to abandon their religion, culture, and language. The success of Lithuanian immigrants in maintaining their cultural heritage has resulted in a number of valuable contributions to American society. In 1874, the oppression under the Tsarist government swelled Lithuanian immigration to this country and by the turn of the century, Lithuanians could be found working as foundrymen in western Pennsylvania; as weavers in New England and New Jersey; as tanners in Philadelphia; as dockworkers in Cleveland; as tailors in Baltimore. Today, they are to be found as leading members of the professions and the business, artistic, and academic communities. Many of the social and cultural activities repressed in the homeland found strong expression in America and the cultural pattern of this country has been greatly enriched by the range of artistic, literary, and social contributions made by Lithuanian Americans. In particular, however, Lithuanian Americans can be proud of their long-standing tradition of self-help and voluntarism. It has been estimated that there are over 2,000 Lithuanian charity and mutual aid organizations in the United States. Many such groups were active during World War I in aiding war suffering Lithuanians and in assisting Lithuania to obtain the cherished goal of autonomy and independence realized in 1918.

While it is indeed a great tragedy that the period of freedom enjoyed by the people of Lithuania should have been ruthlessly repressed, their ongoing devotion to principles involving basic human rights serves only to strengthen the admiration and support of all freedom loving peoples to their cause.

FOREIGN POLICY PERSPECTIVE

HON. JOHN B. ANDERSON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. ANDERSON of Illinois. Mr. Speaker, today I would like to call attention to the very substantial achievements of the Ford administration in the area of foreign policy. Despite the healthy volume of domestic disagreement over international issues, we should not overlook the consolidation and revitalization of our overseas position which has taken place under President Ford's leadership.

First, and most importantly, we have had peace. But the President and his advisers have not passively attended to a system already in place. Through his foreign policy and diplomacy initiatives, our alliance with Western Europe and Japan has been greatly strengthened. By judiciously making use of his leadership role, President Ford was able to attain a negotiated settlement in the Mideast, an agreement which has so far been successful in preventing further hostilities. In addition he has sought to maintain the delicate balance between the People's Republic of China and the U.S.S.R., each power providing a counterweight to the other, greatly increasing the stability of the world political structure.

Finally, the President is making a determined effort to negotiate a cap on the nuclear arms race. If he achieves success in this area it will mean the end to the most costly and potentially destructive rivalry in the history of international relations.

President Ford's deliberate, pragmatic, and sensible conduct of our foreign policy has placed this Nation in a truly enviable international position. While criticism at home and abroad should be accepted as necessary, rather than viewed with trepidation, it should not obscure the genuine and substantive accomplishments of President Ford's foreign policy.

HILDA LIFF—CITIZEN OF THE YEAR

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. WOLFF. Mr. Speaker, a society relies on the involvement of its members for the improvement of conditions within. Hilda Liff is a sterling example of longtime dedication to the community and was honored on February 4, 1976, by the B'nai B'rith Great Neck Chapter and Lodge and Bay Chapter as Citizen of the Year.

Mrs. Liff received recognition for "her special efforts in prison reform and in education of the deaf and teachers of the deaf." Her work with deaf students and their teachers at the Lexington School for the Deaf in the Roslyn school system and at Columbia University's Teachers College has spanned almost two decades.

Mrs. Liff, the widow of State Supreme Court Justice Joseph Liff, has lived in Nassau County since 1939. She has been involved in community education, youth, philanthropic, and social action groups. She is presently assistant to the commissioner at the Nassau County Correctional Center and handles program coordination, volunteer services, and community liaison activities.

Hilda and Joe Liff have rendered a great service to our community—to mankind. I join in saluting Joe who has passed from our midst though not forgotten and Hilda who continues to give leadership and devotion and compassion to all.

DOES A FREE ADMISSIONS PROGRAM GUARANTEE AN EDUCATION?

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. BIAGGI. Mr. Speaker, the present furor over the proposed restrictions on the open admissions policy at the City University of New York has degenerated into the usual rich-poor or white-black/Hispanic confrontation. The public demagoguery raises the specter of prejudice and discrimination as the real raison d'etre of open admissions restrictions.

In fact, the Board of Higher Education sought simply to economize by eliminating from the system those who clearly could not meet basic reading and math skills. Significantly the board set as a requirement that a prospective candidate for admission to the school demonstrate at least an eighth-grade level in both subject areas based on standardized testing.

Arguments have been set forth that the economies could be realized through other budgetary cuts or by rearranging the teaching staff. This may be true and if these other economies are possible they should be implemented as well. However, the notion of an individual attending the university with less than eighth-grade reading and math skills is an affront to the institution and jeopardizes the quality of education it offers.

The fact that large numbers of black and Hispanic applicants would be excluded as a result of such a test is not a sign of racism or discrimination. In fact, a significant number, albeit a lesser number, of whites also would be excluded. This is an utter condemnation of the public school system in New York City, a system that has failed to provide quality education for all its residents. To permit individuals to enter college, with all its hopes and promises, only to have them fail to cope with the work requirements, will result in disillusioned youths who rightly will feel cheated by a system that has let them progress so far without ever developing adequate tools to perform in the everyday world outside the sheltered realm of a self-serving academia.

Dr. Kenneth Clark, the well-known black educator, perhaps put it best by calling the New York school system's education efforts "a criminal abdication of the public school responsibility." He added,

> It's totally unreasonable for the City University to have to assume a burden created by the ineptitude of the public school system. It's shocking to find that pupils are being shoved out of high school with eighth grade literacy levels and below. They (the public school system) should be made accountable for this situation. It is also giving students with these deficient academic tools the illusion that they will be able to navi-

gate the stiff academic current at the City University level. It's unfair all around.

I have long supported the open admissions and free tuition concept at City University. It has offered to all—rich and poor alike—the opportunity for a college education. But all are not cut out for college, and there is the rub. Should high school graduates be drawn into a college through the lures of free admission and free tuition even though they have little chance of success? Or should they be offered alternatives to such education such as vocational training or work apprenticeships in labor-short trades and crafts?

Would it be better to assure the youth of a chance for success and happiness in life in a chosen occupation or should we hold out to all the golden goose of a college degree only to have it killed in the welfare lines following graduation or dismissal from the university for nonperformance?

The goal of the City University of New York—in fact, of every publicly supported institution of higher education—should be to provide a quality education for every applicant who demonstrates the capability to perform at the institution.

The goal of the elementary and secondary education system in New York must be to help every pupil reach the highest level of his academic capabilities and assist those with the ability to perform at high education levels to gain admission to CUNY or any other institution of their choice. For those whose talents and abilities direct them toward nonacademic training following college, they should be assisted in meeting that objective.

The goal of the Federal Government must be to assist all educational institutions in providing this program of instruction. In the case of institutions of higher learning, the Federal Government must also see that every student has an opportunity to choose the institution he feels can best meet his academic needs regardless of tuition costs or the student's ability to pay.

Since 1965, the Federal Government has poured billions into the educational system at all levels. In an effort to build a great society of educated scholars and academicians we have produced graduates who read and write a levels less than that of their predecessors who were schooled without the benefits of federally financed education and its modern instructional techniques. We are producing college graduates with questionable academic skills, who were told that their degree would be the ticket to success, but who find that there is no market for their type of training. We acclaim the high rate of education at the elementary and secondary education levels, yet the high school graduates of the public school system in New York City, one of the largest and wealthiest systems in the country, can barely pass eighth-grade reading and math tests. Is this the justification for spending billions more arguing that the results would have been much worse without Federal aid?

Let us spend money to develop an educational system that will truly help every child learn the skills he needs to contribute to our society and to realize his potential as a human being. Let us not compel every child to sit in a classroom for 16 years if his aptitude and inclinations indicate a better capacity for success in other than pure academic studies.

Let us provide our children with opportunities instead of promises, attainable goals instead of disenchantment, the reality of America instead of the American dream.

STRENGTHENING AMERICA'S PRIVATE INSTITUTIONS

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. VANDER JAGT. Mr. Speaker, I am introducing legislation today that will serve to strengthen the nonprofit institutions of America by providing a more equitable and useful income tax deduction for charitable contributions. My bill draws upon the substantive findings and legislative recommendations of the Commission on Private Philanthropy and Public Needs—Filer Commission—published in late 1975 under the title, "Giving in America: Toward a Stronger Voluntary Sector."

Mr. Speaker, the private institutions of this country, which throughout our history have played an enormously significant role in public service, are experiencing extremely serious economic difficulties. Their costs commonly have increased faster during the past decade than the general rate of inflation. Simultaneously, charitable giving has slackened, particularly among individuals of middle and lower income. This financial squeeze has sharply diminished the capacity of voluntary organizations and institutions to meet the needs of the public. In turn, greater resort is being made to governmental financing for education, health, social welfare activities and civic and cultural endeavors. Indeed, Government financing of voluntary organizations has expanded enormously, jeopardizing their identity as private institutions. This trend is of course also reflected in the burgeoning Federal budget deficit.

I believe that Congress would make a grievous error if we did not seek at every opportunity to protect the traditional role of our private social institutions by sustaining a legal framework in which they can flourish. Charitable organizations, whether they are educational, health-related, cultural or religious in nature, are characteristic of American life. Such institutions have served us well, in the process fortifying personal human values, encouraging that creativity and initiative so important in the American experience. If we allow these institutions to crumble, we will in no way lessen public need for their services. The demand will remain; appeals for governmental response and solutions will build, and the role of government in the lives of our people will steadily expand. Congress will have to increase taxes. Public services will be provided through a value-free environment whose sterility will rob our society of its fundamental diversity.

The gravity of the problem facing our private social institutions is starkly illustrated in the disappearance of many private educational institutions. Since 1969, almost 150 private colleges have closed their doors.

Mr. Speaker, after 2 years of exhaustive study of the role of America's nonprofit institutions, the Filer Commission was unable to achieve unanimity among its members in support of corrective tax measures. The Commission's outlook reflected the broad range of attitudes prevalent within our society as to the implications of the Internal Revenue Code for voluntary organizations and individual taxpayers. The charitable deduction, which is almost as old as the income tax itself and until recently was virtually universally accepted, is today being attacked by some groups as a "loophole" of disproportionate benefit to upper-income taxpayers.

Yet, the usefulness of the charitable deduction has been restricted as the standard deduction has been rapidly increased. In only 5 years the standard deduction has been increased from $1,000 to $2,600 for a couple. The net effect is a substantial reduction in the proportion of taxpayers electing to itemize their deductions and thereby to have the opportunity to reduce their tax obligations by supporting vital social institutions. In 1976, only about one-third of our taxpayers are expected to itemize their deductions.

Of the recommendations offered by a majority of the Filer Commission's members, I am particularly interested in two, and I have embodied these concepts in legislation being introduced today. The bill would permit taxpayers taking the standard deduction to also deduct charitable contributions from their adjusted gross incomes. This certainly would encourage middle- and lower-income taxpayers, currently discouraged from itemizing their deductions, to support our voluntary organizations, thus contributing to the well-being of institutions of which they feel closely supportive and whose services they particularly value. Second, the bill would allow low- and middle-income taxpayers to deduct up to 200 percent of the amount of their charitable contributions. The percentage of the deduction would be reduced in steps of 5 percent for each additional $1,000 of adjusted gross income in excess of $10,000 for taxpayers filing joint returns—$5,000 for single or separate returns—so that the deduction would equal the contribution at adjusted gross incomes of $30,000 for taxpayers filing joint returns—$15,000 for single and separate returns.

I believe that this increased deduction would serve as an effective inducement for contributions from millions of taxpayers at middle- and lower-income levels. It would remove the inequity which many observers believe is now present in the code to the advantage of higher income individuals. Contributions generated by these provisions would significantly assist our vital private institutions in meeting the financial crises they are confronting and lessen the demand for greater Government services. Our rich tradition of private social institutions contributing to the well-being of a free society would be sustained.

The following is a description of the legislation prepared by the Joint Committee on Internal Revenue Taxation:

EXPLANATION OF H.R. 11889

This bill amends the Internal Revenue Code of 1954 to increase the availability and the amount of the charitable contribution deduction for individual taxpayers.

It allows low- and middle-income taxpayers to deduct up to 200 percent of their charitable contributions. Married taxpayers filing joint returns (and certain surviving spouses) with adjusted gross incomes of up to $10,000 and single taxpayers and married persons filing separate returns with adjusted gross incomes of up to $5,000 may deduct 200 percent of the total amount of their contributions. The applicable percentage for the deduction is reduced by 5 percent for every $1,000 of adjusted gross income in excess of $10,000 for taxpayers filing joint returns and is reduced by 5 percent for every $500 of adjusted gross income in excess of $5,000 for taxpayers filing single or separate returns. The applicable percentage phases down to 100 percent so that the allowable deduction is the same amount as the contribution at $30,000 of adjusted gross income for taxpayers filing joint returns and at $15,000 for single persons and married taxpayers filing separate returns.

In addition, the bill provides a charitable contribution deduction for taxpayers electing the standard deduction by allowing such taxpayers to deduct charitable contributions from their adjusted gross income in addition to their standard deduction and personal exemptions. Under present law, taxpayers who elect the standard deduction may not claim a separate itemized deduction for charitable contributions.

The amendments provided by the bill would apply to taxable years beginning after December 31, 1975.

NATURAL GAS DEREGULATION

HON. PHILIP E. RUPPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. RUPPE. Mr. Speaker, it is difficult to confront the natural gas deregulation issue head-on, as this body so clearly demonstrated last week. My colleagues and I are understandably reluctant to raise consumer prices by even the smallest amount, and many members distrust the motives of those who argue in favor or deregulation. However, I personally supported the Krueger amendment to the Natural Gas Emergency Act because I have concluded that wellhead price regulation has not worked to the benefit of consumers.

During the past 25 years, natural gas has played an increasingly important role in meeting U.S. energy needs. In 1950 it accounted for only 18 percent of the total energy consumed by this Nation. Today it accounts for 31 percent and supplies 40 percent of the energy burned for purposes other than transportation.

Part of the increased popularity of natural gas can be attributed to the fact that it is a clean-burning and low-polluting fuel. However, its greatest appeal has been the fact that natural gas prices have been kept artificially low in comparison with other fuels. On a Btu basis, interstate natural gas prices are currently equivalent to a $3 barrel of oil when, in fact, oil presently sells for approximately $11 a barrel.

At the same time that these artificially low prices have been whetting demand for natural gas, they have been discouraging exploration for new supplies. For the past several years the United States has been consuming about three times as much gas as it has been finding, and natural gas production has declined for the second straight year. The seriousness of this situation is demonstrated by the fact that an annual average of 11.4 trillion cubic feet of gas was dedicated to the interstate market in the 1964–69 period, while in the 1970 to 1973 period annual interstate dedications fell to 1 trillion cubic feet.

As a result, we are faced with increasingly severe interstate natural gas shortages. These shortages resulted in total curtailments of 2 trillion cubic feet in 1974 and an estimated 2.9 trillion cubic feet in 1975. The forecast for 1976 is even gloomier—4 trillion cubic feet—with the bulk of these shortfalls occurring in the North-Central region of the country. In my own northern Michigan district, 87 interruptible customers narrowly escaped curtailment two winters ago when their natural gas supplier found itself short on gas. These curtailments would have cut off gas supplies to schools and businesses and would have dealt a serious blow to the already hard-pressed economy of northern Michigan.

I therefore concluded that gradual deregulation of the wellhead price of natural gas, as provided for by the Krueger amendment, was in the best long-range interests of natural gas users in my district and natural gas users throughout the country. For one thing, it would provide the incentives needed to stimulate increased natural gas exploration and production. For another, it would eliminate a large part of the market distortions caused by a regulated interstate market and an unregulated intrastate market.

It is important to note that the Krueger amendment would have had a relatively small impact on consumer prices because it would have applied only to new gas and to gas from contracts which have expired. On an annual basis, the amount of natural gas from expiring contracts constitutes less than 7 percent of total consumption. The FEA and GAO therefore estimate that gradual wellhead deregulation would only increase consumer prices by about $10 a year.

In addition, there are potential savings available to consumers which would help to offset their increased costs. Currently, the wellhead price of natural gas accounts for only 20 percent of the price the consumer pays for gas—most of the consumer's dollar goes to cover transportation and distribution costs. Since these costs are fixed, gas can be sold at a lower price if gas pipelines are 100 percent full because transportation and distribution costs can be spread over more cubic feet of gas. Currently, few pipelines are operating at full capacity, and consumers have had to pay more to get less.

Finally, the costs of converting to another fuel have to be weighed whenever one tries to assess the economic impact of wellhead deregulation. Without exception, the fuels which could be substituted for natural gas are more expensive, and many consumers will have difficulty converting to a new heating system. Moreover, since much of the shortfall will be made up by importing more oil and synthetic natural gas, our balance-of-payments picture will worsen and our susceptibility to energy blackmail will be increased.

Unfortunately, by narrowly defeating the Krueger amendment, the House passed up the opportunity to take strong and effective action to deal with our natural gas supply problems. However, this measure must still go to conference with the bill which was passed by the Senate, and I am hopeful that the conferees will see the need to report a measure which takes strong steps to increase our natural gas supplies. A well-thought-out, long-range decontrol bill will be a benefit to the American economy and American consumers. The absence of such a measure will be a disaster for both.

HAWAII VOICE OF DEMOCRACY CONTEST WINNERS TELL "WHAT OUR BICENTENNIAL HERITAGE MEANS TO ME"

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. MATSUNAGA. Mr. Speaker, the Hawaii Veterans of Foreign Wars recently concluded its annual Voice of Democracy speech contest for high school students. I was greatly privileged to listen to the three top winners, as was Congresswoman MINK. As a life member of the VFW, I take great pride in its annual sponsorship of this most worthwhile contest Hawaii VFW Department Commander Guy Merrill, the president of the VFW Ladies Auxiliary, Mrs. Helen Liu, program chairman, Walter Berg, Mrs. Evelyn Berg, of the Ladies Auxiliary, and the young people who participated in this year's contest deserve special commendation for making it one of the most successful ever. The love of our country and the respect for our democratic institutions expressed by the young participants make me feel very sure that our Nation's future will be in good hands.

The first place winner, Miss Joanne M. Paalani, will represent Hawaii in the national finals of the Voice of Democracy contest to be held here in Washington later this year. Miss Joanne M. Hamer and James Wright won second place and third place, respectively. The theme of this year's contest, "What Our Bicentennial Heritage Means to Me," is most appropriate. With the thought that my colleagues will find them as thought-provoking and inspiring as I did, I am submitting for inclusion in today's CONGRESSIONAL RECORD the remarks of Hawaii's three winners at the State level. The texts of their speeches follow:

"WHAT OUR BICENTENNIAL HERITAGE MEANS TO ME"

(By Joanne M. Paalani, 1st place winner)

Two hundred years ago, our nation was fighting for life. Many people lost their lives fighting for our nation's first attempt to enter the world. Here we are, 200 years later a rich baby among a multitude of aging nations. From our first breath of life in 1776, we have matured and proved our worth among the giants of the world.

With this in mind, there are many things in our country that I, as a person struggling for my first taste of life, am thankful for. Where else in the world can I feel relatively secure in my political system, and not worry about overthrows? Where else can I say I have certain basic inalienable rights protected by the law? What other nation can boast a heritage of many different cultures assimilating and adapting, living together in relative harmony? Nowhere else but here in the United States of America.

It seems that we take living for granted. We don't think about our freedom of speech, religion or movement. If we just stop and think awhile we'd realize that everything that we have is because some distinguished people like Thomas Jefferson, Benjamin Franklin, Thomas Paine, John Adams, Patrick Henry, Paul Revere, William Dawes and the minutemen, through their unceasing effort, and belief in freedom, made it all possible. We as Americans can be proud of our country's founders for speaking out against tyranny and the denial of our rights as people. They fought for a principle that is the spinal cord of the whole governing philosophy of the United States.

We also owe our religious freedom to people like William Penn. Our country was a retreat for some of those who were religiously persecuted, so from our very beginnings religious toleration was one of our virtues.

This golden land of opportunity opens avenues for individualism. It allows people to pursue goals without class restrictions. I am free to choose whether I want to be a street cleaner or a worker in the political system, if I have the ambition and patience to pursue my goal. Just because my family was not born into the intellectual class, it doesn't mean I can't be an intellectual. This is the beauty of living in the United States. I can pursue my own trail of happiness.

Politically, we are the freest nation in the world. We can speak out and air our views on our governing bodies without worry of being "knocked off" or silenced. We have the most voice in our government. We elect our immediate leaders like governor and mayor, and have a representative on the national circuit that understands our problems from our point of view. No other governmental structure has this much power invested in the people.

We also have the most powerful court system in the world. It has the power to interpret the law. This power was extended upon by the magnificent John Marshall. Our court is the basic check on the Executive and Legislative branches. No other country has such a sophisticated check and balance system to insure the freedom of its citizens.

Our constitution, the oldest constitution in the world is an example of how stable our governing system really is. With relative few changes over the years, our constitution has guided generations of Americans through the years, protecting certain inherent rights.

We have much to be thankful this bicentenial celebration. The whole world we live in today is owed to those dedicated men of the Revolution; the trees; the land; the opportunity, but most of all, the freedom to be you . . . the freedom to be me.

"WHAT OUR BICENTENNIAL HERITAGE MEANS TO ME"

(By Joanne M. Hamer, second place winner)

The Bicentennial of our country seems to be so over commercialized that it is difficult to completely understand its full meaning.

Business people are exploiting the meaning of our country's independence. Banks do it with "Bicentennial savings accounts," stores with "Bicentennial sales," and there is always a "Bicentennial collectors item" advertised.

How many people ever stop and think of what it actually took for this country to become free? The 200th birthday of this country wasn't supposed to be celebrated just so we would have a reason to have big sales, to make money, or to sell a product. I always thought that it was celebrated to remind us of the great courage that the early Americans showed. The courage that made this country free! Everything we do, everything we own is because of the independence of the United States. In celebrating the Bicentennial we should be thankful for our freedom, instead of taking advantage of it by trying to make money off of it. As a Massachusetts critic said "This celebration is turning into a buy-centennial."

The independence of this country was made possible by people with great courage; courage that I'd like to see reborn in Americans today.

Instead of buying that thing that's on sale in a "Bicentennial sale," why not buy a book and read about the great people to whom we should be thankful? Learn about John Locke, a man who, in 1688, stated ideas that were used years later as a basis for the American revolution. Or George Washington, a great general who led this troops to victory. Benjamin Franklin, who wrote newspaper articles and cartoons encouraging men to fight for their freedom.

The Sons of Liberty who dared to go against Britain by having the "Boston Tea Party." But most importantly learn why they did all this; why they went against Britain, why they risked their lives, why they died for what they believed in. In the final analysis you'll discover that they did it for us: for you, for me, for every citizen of the United States today.

The colonists didn't just fight without reason. They pleaded with Britain just to be treated fairly. All the colonists wanted was for the laws set up for Britain to work the same for the colonies.

When Britain did not respond to their pleas, the colonists knew what they had to do. They would now have to fight. Our forefathers didn't stand back and say they didn't want to get involved, like so many Americans today. They knew what they wanted and were even willing to die for it. These brave men and women fought until they accomplished what they set out to do. And once they won their independence, the colonists did not stop. They went on to set up a working government and to pay off great debts. All this took so much. It took even more than courage; it took spirit. And this spirit is what, I feel, the Bicentennial is trying to arouse in Americans today.

So many Americans today, when they don't like something, talk and complain about it, but they don't do anything about it. There are some people who stand up for what they want, fight for our continued freedom, and let themselves be heard, but not nearly enough.

The early Americans lost a lot. Towns were burned, people, many people, died. They lost money and went into great debt. But in the end they had something more precious than money. They had a country; a new and free country, ready to be shaped into something more than it used to be.

It took a lot of time and work; it took a lot of courage and spirit!

Today we just can't understand what it took to become a free country. We can't imagine the pain and suffering the colonists went through. We can't understand this because today everything is laid out for us. Our freedom is already won. Still people are not satisfied with our country. They dislike our President, our laws and our whole way of life. People argue, complain and even fight. But how many of these people have the courage and spirit to do what the first American colonists did?

Two hundred years ago when the colonists risked their lives to gain a free country, little did they know that, years later, their deeds would be used to sell products and make money. The only thing they were trying to sell was the idea of a free country, an idea that so many people just won't buy today.

The next time I am complaining about our country, or taking advantage of a Bicentennial sale, I'll stop and think of what our Bicentennial heritage really means, and I'll think of where we would be had we not won our independence. I'll remember that some people gave their lives for me. I've opened my eyes to America. I appreciate it more. I only wish more Americans could accept their country. Americans, buy the United States. You can't beat the price, because Its Free!

"WHAT OUR BICENTENNIAL HERITAGE MEANS TO ME"

(By James Wright, third place winner)

You have heard it said that:

> The evil men do lives after them;
> The good is oft interred with their bones

Marc Anthony may have made an apt assessment of the deeds of Caesar, but his words are poor prophecy for a nation such as ours.

This nation testifies that good is not interred with the bones of the dead. We, the children of our forefathers, still possess that torch of liberty which they ignited. The great freedoms we enjoy, of thought and action, constitute the legacy of those who preceded us. The question we must now ask is what will be *our* legacy? What may *we* bequeath to those who follow?

Our American Bicentennial calls, of course, for a great celebration. But it *also* summons us to take stock of the gifts we have received and the uses we have made of them; so that we may entrust a legacy of our own to those who will follow us.

Words of Winston Churchill capsulize a creed for our Bicentennial. He said:

". . . this is not the end. It is not even the beginning of the end. But it is, perhaps, the end of the beginning."

The strength of this beginning has brought us the fruits of our freedom; a freedom unparalleled anywhere else in the world. Yet what we have today lacks the vitality of the earlier generations. A people once noted for their independance of spirit, dedication to liberty, and courage in the face of adversity, now lean towards complacency instead.

There are a number of illustrations of this retreat from our heritage:

Detente beckons us to bargain away our military security to those who would destroy us.

Watergates inundate government from the highest to the lowest levels.

Our welfare system lures citizens to languish on the public dole, rather than develop self-reliance.

New York and some sister cities spend as though tomorrow would never come, but cry for aid when it finally does.

But more serious than any of these problems has been our present lack of response. There are some us us, though very few, who do act. But even these truly active cannot make significant headway against a tide when they lack meaningful support. The burden cannot be delegated to the few. It must be shouldered by the many. The strength of this nation resides in the many—in its people. Solving this nation's problems is in their hands; they can and must resolve their nation's trials.

The burden is great, and it demands much from many. But it is not so great that it cannot be borne. It calls upon each of us to shrug off complacency and substitute for its political involvement.

The means to achieve goals change is within the grasp of everyone. You and I need only reach out and seize the tools available to us. Let's enumerate just five of these tools:

First, through initiative we can propose laws to the legislature and electorate. Second, referendum gives us the power to review legislation, and to reject it when it doesn't serve our interests. Third, recall empowers us to remove our representatives when they abuse their offices.

Fourth, through widened participation in the political conventions and party activities we can shape the selection of candidates and the platforms they will uphold. And finally, by making use of the "sunshine" laws we are put in the position of being able to review the action of government at all levels. If we use these laws, they can serve as the most effective antidote to the poison of unlimited secrecy.

The only limitation on our power to effect change through these means is our willingness to become involved.

The legacy of our fathers is the free society which we enjoy. If we have steadily squandered their gifts through our indifference, and if complacency has blinded us to the decoy infecting our institutions, our Bicentennial celebration reminds us that it is not too late to reverse this trend. Providing we, as a people, act to restore our system, we will not just replenish the wealth we have squandered, but will leave an even greater legacy for those who follow.

I AM THE NATION

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. FLOOD. Mr. Speaker, I would like tho call the attention of my colleagues to the inspiring message entitled "I Am the Nation" that the Norfolk and Western Railway Co. recently published in the public interest. N. & W. originated this message in 1955 and has updated it as a fitting gesture to help celebrate the Nation's Bicentennial.

The thoughts expressed make one stop and think of what this country represents. They are eloquent testimony of our Nation's birth and proud history. They should remind all Americans of the rich heritage of this land of ours.

Norfolk and Western is an outstanding railroad and an exemplary public citizen; I commend its management on this timely statement.

I wish to have "I Am the Nation" included in the RECORD as follows:

I AM THE NATION

I was born on July 4, 1776, and the Declaration of Independence is my birth certificate. The bloodlines of the world run in my veins, because I offered freedom to the oppressed. I am many things, and many people. *I am the nation.*

I am 213 million living souls—and the ghost of millions who have lived and died for me.

I am Nathan Hale and Paul Revere. I stood at Lexington and fired the shot heard around the world. I am Washington, Jefferson and Patrick Henry. I am John Paul Jones, the Green Mountain Boys and Davy Crockett. I am Lee and Grant and Abe Lincoln.

I remember the Alamo, the Maine and Pearl Harbor. When freedom called I answered and stayed until it was over, over there. I left my heroic dead in Flanders Fields, on the rock of Corregidor, on the bleak slopes of Korea and in the steaming jungle of Vietnam.

I am the Brooklyn Bridge, the wheat lands of Kansas and the granite hills of Vermont. I am the coalfields of the Virginias and Pennsylvania, the fertile lands of the West, the Golden Gate and the Grand Canyon. I am Independence Hall, the Monitor and the Merrimac.

I am big. I sprawl from the Atlantic to the Pacific . . . my arms reach out to embrace Alaska and Hawaii . . . 3 million square miles throbbing with industry. I am more than 5 million farms. I am forest, field, mountain and desert. I am quiet villages—and cities that never sleep.

You can look at me and see Ben Franklin walking down the streets of Philadelphia with his breadloaf under his arm. You can see Betsy Ross with her needle. You can see the lights of Christmas, and hear the strains of "Auld Lang Syne" as the calendar turns.

I am Babe Ruth and the World Series, I am 110,000 schools and colleges, and 330,000 churches where my people worship God as they think best. I am a ballot dropped in a box, the roar of a crowd in a stadium and the voice of a choir in a cathedral. I am an editorial in a newspaper and a letter to a Congressman.

I am Eli Whitney and Stephen Foster. I am Tom Edison, Albert Einstein and Billy Graham. I am Horace Greeley, Will Rogers and the Wright Brothers. I am George Washington Carver, Jonas Salk, and Martin Luther King.

I am Longfellow, Harriet Beecher Stowe, Walt Whitman and Thomas Paine.

Yes, I am the nation, and these are the things that I am. I was conceived in freedom and, God willing, in freedom I will spend the rest of my days.

May I possess always the integrity, the courage and the strength to keep myself unshackled, to remain a citadel of freedom and a beacon of hope to the world.

This is my wish, my goal, my prayer in this year of 1976—two hundred years after I was born.

MODEST RETURN TO SANITY SIGNALED BY HOUSE VOTE

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. MICHEL. Mr. Speaker, despite the claims that some Members of the House Select Committee on Intelligence have made regarding an unrestricted right to release classified information in the select committee's "report," this House disagreed sharply.

I have found it interesting and significant that the press has spoken almost uniformally in favor of the decisive 246-to-124 majority vote in adopting the Young amendment to House Resolution 982, to require the removal of classified information before the publication of this document.

I was also interested to note that the distinguished columnist, Crosby S. Noyes, commented eloquently on this subject in the Thursday, February 5 issue of the Washington Star. I am pleased to attach a copy of Mr. Noyes article for review by my colleagues:

MODEST RETURN TO SANITY SIGNALED BY HOUSE VOTE

(By Crosby S. Noyes)

Even if it amounts to closing the barn door after the horses are long gone, the decision of the House last week to block the release of the final report of its select committee on intelligence could mark the beginning of a return to sanity in the continuing struggle between the legislative and executive branches.

The vote of 246 to 124 by no means marks the end of the confrontation that traces its origins to the twin disasters of Vietnam and Watergate. But it was a decisive reaffirmation of the view that it is the President, and not the Congress, who has the responsibility for determining what matters relating to the national security may be made public.

With characteristic intemperance, the committee chairman, Rep. Otis D. Pike, D-N.Y., takes it a good deal further. The House vote, he claims, makes "a complete travesty of the whole doctrine of separation of powers" and probably insures that the House "will never have a strong oversight commitee now" to prevent the past abuses of the intelligence agencies.

Of course, it will do no such thing. There is nothing in the vote to prevent Chairman Pike's committee, or a similar committee of the Senate, or, for that matter, the administration itself from making whatever legislative recommendations it wants to govern intelligence-gathering activities in the future.

What it may do, on the other hand, is to put an end to the diarrhea of sensitive classified material leaked from the Congress to the press—a process in which Chairman Pike's committee set something of a record.

What we are talking about here is an assault by a minority in Congress on the traditional governmental process of the United States. The assault is directed generally against the executive branch, with special emphasis on its most sensitive agencies, in this case, the Central Intelligence Agency, the Federal Bureau of Investigation and the military intelligence agencies.

The process is marvelously simple. In the aftermath of Watergate, every congressional committee asserts as its God-given right to delve into the most secret recesses of executive activity. And the executive—in its post-Watergate devotion to "openness"—readily complies, asking only that it should have the last say about what is made public.

This, of course, has been an entirely idle reservation. In the case of the intelligence investigations, everything of political importance was leaked to the press almost as soon as it was made known to the committees in secret session. Chairman Pike himself, in support of the publication of his final report, argued that "interest-wise and titillation-wise" about 75 percent of the report had already been made public.

It is a formula not only designed for wrecking the intelligence operations of the government which to a large degree it has already done, but the process of government itself. The Watergate experience has left some members of Congress with the notion that secrecy in government is the root of all evil, that the people's "right to know" is absolute and no government has any business doing anything that is unfit to print in the New York Times.

The vote in the House last week marks at least a modest recoil from the mania for self-exposure that possessed us for many months now. Whether it will—or should—result in legislation to prevent the flagrant dissemination of classified material in the future, is now open to discussion.

THIRD BUDGET RESCISSION BILL, 1976—CONSUMER PRODUCT SAFETY COMMISSION RESCISSION

HON. JOHN E. MOSS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. MOSS. Mr. Speaker, contrary to what might be inferred from the report of the Committee on Appropriations, the rescission bill approved yesterday will have a substantial effect on the work of the Consumer Product Safety Commission and consumer product safety. Although the proposed rescission of $2.256 million was acquiesced in by the Commission in testimony before its Appropriations Subcommittee, the Commission pointed out that this rescission would necessarily curtail some of its activities. Specifically, it mentioned that there would be "some reduction of surveillance activities in the field," activities which are necessary to ensure compliance with the laws CPSC administers. Moreover, although the committee report states that CPSC believes the funding level after the rescission "is sufficient to meet its responsibilities without serious degradation of the Commission's effectiveness in protecting the American consumer," the Commission stated in a letter to the Subcommittee on HUD Independent Agencies only that the rescission could be "accomplished without immediate serious degradation of CPSC's effectiveness in protecting the American consumer against unreasonable risk." Thus, although the proposed rescission may not immediately affect the adequacy of product safety regulation, the Commission clearly believes that, in the long run, there will be a significant effect.

In addition, it should be noted that this rescission is simply one more example of a series of administration attacks on this agency through the highly effective means of budget slashing. Exhibits A and B compare the CPSC's proposed budget for the last 3 fiscal years with the budgets recommended by the administration. Moreover, OMB has stated in a letter to the Commission chairman (exhibit C) that the budget of CPSC should remain constant through fiscal year 1981. When inflation and the increased number of standards which the Commission will each year be required to enforce are taken into account, these budget policies in effect result in substantial budget cuts, increasing in magnitude each year. Thus, the administration's policies are in essence designed to achieve a partial deregulation in the important area of consumer product safety. Although the benefits of Government safety regulation are not always as obvious as the benefits of other Government programs, they are both substantial and real. When consumer products are involved in an estimated 20 million injuries which cost the public in excess of $5.5 billion per year, the Government should be increasing its efforts to protect the safety of consumers. Consumer protection and consumer product safety are cost beneficial. They result in protection to the American public and avoid waste of national resources.

The exhibits follow:

EXHIBIT A

CPSC's BUDGET REQUEST, FISCAL YEARS 1975–77

[Figures in thousands of dollars]

Budget category	1975	1976	1977
Hazard identification	5,923	5,703	6,262
Hazard analysis and remedy	11,488	13,931	1,864
Regulatory development			6,831
Policy development and support	1,974	2,384	--------
Information and education	5,054	5,922	3,900
Compliance and enforcement	14,944	14,727	12,083
Administration	3,162	7,624	10,172
Administrative law judge	274	95	--------
Total	42,819	50,386	41,112
Total, personnel positions	989	1,000	890

[EXHIBIT B]

PRESIDENT'S BUDGET FOR CPSC FISCAL YEAR 1975–77

[Figures in thousand of dollars]

Budget category	1975	1976	1977
Hazard identification	5,923	4,935	5,714
Hazard analysis and remedy	11,488	7,212	1,288
Policy development and support	1,974	2,336	5,726
Information and education	5,054	4,736	3,332
Compliance and enforcement	14,944	12,077	--------
Administration	3,162	5,246	11,565
Administrative law judge	274	53	9,387
Total	42,819	36,595	37,012
Total, personnel positions	989	890	890

[EXHIBIT C]

EXECUTIVE OFFICE
OF THE PRESIDENT,
Washington, D.C., January 29, 1976.

HON. RICHARD O. SIMPSON,
Chairman, Consumer Product Safety Commission, Washington, D.C.

DEAR MR. CHAIRMAN: In this customary letter, we outline the major features of the President's 1977 Budget that are applicable to the Commission. Before doing so, I want to express our appreciation for your cooperation and that of the people in the Commission in developing this budget.

As you know, the President's budget plan aimed to restrain Federal spending and to curb the future growth of the government. With your help, the President's decisions have resulted in a budget that meets these objectives and at the same time provides for desirable initiatives and maintains important thrusts. It is a budget that we can all support with enthusiasm.

The budget the President has approved includes amounts for the Commission for 1976, the transition quarter, and for 1977 as shown on page 284 of the 1977 Budget. The President has also approved amounts for 1978 that are included in Enclosure A. Enclosure B sets forth ceilings on civilian employment established for the Commission.

The President expects you to develop detailed plans so that the operation of the Commission for these periods will be held within the totals included in the Budget, unless mandatory requirements necessitate otherwise. He expects employment to be held to the ceilings shown in Enclosure B.

Enclosure A also includes amounts for the years 1979, 1980, and 1981 projected from decisions made for the years 1976–1978. The degree of uncertainty surrounding future estimates is obviously greater for the later years than the earlier years. Accordingly, adjustments may be made during next year's budget process. The adjustments—whether increases or decreases—that are made next year will be based on unforeseen developments such as the outcome of the Administration's legislative program, later information on economic conditions, better appraisals of workload, and other changes in the external environment. Nevertheless, it is expected that, to the extent possible, future budget requirements that may result from legislation proposed or favored by the Commission will be offset by reductions elsewhere in the Commission.

Systematic evaluation of governmental programs is especially important when budgets are limited. Careful planning and management of evaluation activities, and the use of evaluation information in decisionmaking, are essential to effective management. You should place a high priority on evaluation activities, and make the fullest use of your evaluation resources during the coming year.

The 1977 budget request from the Commission represented a significant and commendable step forward in attempting to specify the effect of Commission actions on reducing consumer product injuries and deaths. We encourage the Commission to develop further the assumptions and methodology underlying these estimates so that the 1978 budget request can include refined and more detailed data concerning the effect of past and proposed Commission activities.

For the past several years, this letter has included policy guidance and in some cases allowances for certain government-wide programs or activities of special interest to the President (i.e., statistical programs, civil rights activities, automatic data processing systems, and intergovernmental relations). While the President's interest in these matters continues, specific guidance is not presented in this letter. ADP allowances will be furnished to the Commission by separate letter at a later date.

The President expects each official in the Commission to support actively the budget amounts set forth in this letter and its enclosures. This support should be given in testimony before congressional committees, in informal contacts with members of Congress and their staffs, and in speeches and meetings with outside groups.

Again, let me thank you for your help in preparing this budget.

Sincerely yours,

PAUL H. O'NEILL,
Deputy Director.

[ENCLOSURE A]

Amount for 1978

($ in millions)

1978

	Budget Authority	*Outlays*
Commission total	37	35

Projections for 1979–1981

		1979	*1980*	*1981*
Commission total	BA	37	37	37
	O	37	37	37

[ENCLOSURE B]

Employment Ceilings

Consumer Product Cafety Commission

	June 1976 (Revised)	*Sept. 1977*
Total employment, excluding disadvantaged youth and personnel participating in the Worker-Trainee Opportunity Program (WTOP)	935	935
Full-time employment in permanent positions, excluding personnel participating in WTOP	890	890

These ceilings represent the upper limits for June 1976 and September 1977 employment for the Commission. They cover all employment in the Commission, except for disadvantaged youth and personnel participating in the Worker-Trainee Opportunity Program.

THE FORTUNE SOCIETY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. RANGEL. Mr. Speaker, upon release from prison, the ex-offender faces formidible obstacles in returning to the community. Frequently he or she has few job skills, if any. Our corrections system fails to prepare inmates for joining the working world. In addition, the ex-offender often lacks the educational requirements such as a high school diploma for many jobs.

The current record high rate of unemployment makes job hunting a frustrating and often fruitless endeavor. The many ex-offenders who are from minority groups also find racial and ethnic discrimination a barrier to returning to school or getting a job.

Finally, there is widespread prejudice among potential employers toward ex-offenders.

It is no surprise that so many ex-offenders return to crime and prison. That is why the work of the Fortune Society is so crucial.

At a time when our society prefers turning its back on the needs of the ex-offender, the Fortune Society is committed to providing occupational and educational services. In addition, it helps ex-offenders with such problems as housing and medical care.

At this point I include in the CONGRESSIONAL RECORD an article from the New York Times of January 6, 1976, on one of the programs run by the Fortune Society of New York:

NEW PATHS FOR EX-CONVICTS

(By Dierdre Carmody)

Theodore Roosevelt Jones, known to his colleagues as Teddy, was a common figure in the Times Square area. He had been in and out of prisons. He was continually drunk. And he was, to understate the fact, not very presentable-looking.

That was a year ago. Now, at the age of 31, Teddy Jones has given up alcohol, has had several part-time jobs, is going to trade school and—to his astonishment—has learned to read.

When he first learned to read, Mr. Jones often found himself riding past his stop on the subway. In fact, he said, sometimes he would be so engrossed in what he was reading that he would continue to read on the street, and would bump into people.

"You see, people had always told me I was a dummy and I always believed them," he said.

The rehabilitation of Teddy Jones can be attributed to the Fortune Society, which was founded eight years ago to help former convicts adjust to the frightening rigors of the nonprison world.

Mr. Jones owes his reading skills to the efforts of Melanie Johnston, who volunteered to work for the Fortune Society addressing envelopes and who ended up developing one of the most meaningful programs there.

HOW IT STARTED

It began when one of the staff members at the Fortune Society, a former convict himself, asked her to help him improve his feeble reading skills. His progress made Mrs. Johnston realize how important reading was, not only to the man's chances of improving himself, but also to his self-esteem. She did some research and realized that many of the former prisoners who came to the society not only could not read, but also were agonizingly ashamed of it.

"I would say that about 12 percent of them are reading below fourth-grade level, and the greatest percentage of them between fourth and sixth grade," Mrs. Johnston said the other day in her small office at the Fortune Society.

She then realized that many of them were hesitant to go for job interviews because they did not know how to fill out application forms, although the job itself might not require reading ability and might mean the difference between their keeping out of prison and falling back into old habits. Some of them also felt that they were too old to go back to school.

"Being 33 years old, I felt like a fool getting in to a classroom," one of Mrs. Johnston's students said.

There are now more than 50 students and 25 tutors participating in the one-to-one tutoring program set up by Mrs. Johnston. The students range from total illiterates to people being channeled into college programs. The Fortune Society to join such people as Sister Mary is eagerly searching for more tutors as Jane Wilcox, a Roman Catholic nun, and Juanita Hurst, who herself began as a pupil of Mrs. Johnston and is now tutoring other people.

There is one 21-year-old student, a former drug addict, who spent 12 years in the New York City school system and did not even know the alphabet when he came out.

"He is really starting to learn now," Mrs. Johnston said.

Another student is James MacMillan, who is 27 years old and who comes in for intensive reading sessions every day with Sister Mary Jane.

"I enjoy it," he said quietly. "I had all these insecurities and I'm getting rid of them."

FALLING PRICES

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. FRASER. Mr. Speaker, in recent weeks I have had an opportunity to speak with many farmers in Minnesota. They are deeply concerned about falling prices and they are angered by policies of the Federal Government which they believe are designed to depress farm prices.

Recently the Minnesota Commissioner of Agriculture, Jon Wefald, wrote a letter to me spelling out these complaints in detail and outlining the programs he believes are needed to restore the health of our rural economy. The letter is forceful and succinct and deserves to be shared with my colleagues. The letter follows:

STATE OF MINNESOTA,
DEPARTMENT OF AGRICULTURE,
Saint Paul, Minn., January 21, 1976.

Hon. DON FRASER,
Longworth House Office Building, Washington, D.C.

DEAR CONGRESSMAN FRASER: An increasing number of telephone calls and letters are being received by the Minnesota Department of Agriculture from farmers throughout the state, expressing their unhappiness and anger over their agricultural situation today.

With these complaints in mind, I would like to sum up in this letter some of the reasons why farmers and ranchers are so upset and irate today. . . . and some recommendations for helping the farmer out of his present slump.

Farmers are not to blame for their present dilemma.

The number one reason for the recent serious slump in farm prices is federal government intervention in the farm economy—intervention designed to drive prices down.

That government intervention—which now seems to constitute a ceiling above which farm prices cannot go—has taken the form of unbelievable imports, export embargoes, and vetoes of positive, fair farm legislation.

First, what about the importance of competitive imports in driving down farm prices? Beef imports for 1975 were the third highest on record—nearly equal to the record beef and veal imports in 1972 and 1973. Indeed, what it boils down to is that in 1975 America imported one-half of the world's total exports of beef and veal. America did not have to import these near record beef and veal imports—if for no other reason than this nation had record domestic beef and veal production in 1975, 17 per cent more production than we had in 1973.

America's beef producers are supposed to be protected by the 1964 Meat Imports Law.

But the truth is that the 1964 Meat Imports Law does not protect our farmers and ranchers at all. Indeed, the law is counterproductive—mainly because it says that imports of beef and veal have to increase as our own domestic beef and veal production increases.

The law should be changed now so that beef and veal imports increase only if our domestic beef and veal production decreases.

The United States produces 30 per cent of the world's beef and nearly 25 per cent of the world's pork. The United States produces nearly 30 per cent of the world's milk and more than 26 per cent of the world's vegetable and animal fats and oils.

We also produce over 60 per cent of the world's soybeans, nearly 50 per cent of the world's corn, nearly 20 per cent of the oats, over 16 per cent of the wheat and nearly 16 per cent of the cotton.

No nation on earth is more self-sufficient in production of basic foods.

No nation on earth imports more competitive food products—and this has been going on for years.

No nation disregards more its essential industry of agriculture—and this has been true for years.

Yet the imports continue to come into America while virtually every other food-production nation tightly regulates imports. America is, in many ways, a dumping ground for the world.

Further, America has no quotas or restrictions on vegetable oil imports. This is perhaps the most devastating new problem for American agriculture.

Sharp increases in world production of vegetable oils, stimulated by American technology, and investments, and subsidized by American foreign aid and investments, are undermining our domestic and foreign markets for all fats and oils.

Palm oil from Indonesia and West Africa is alarmingly replacing soybean oils in our own domestic market. Combined with sharply increasing Brazilian soybean production, palm oils are seriously eroding our export markets for vegetable oils. In fact, palm oil imports for 1975 will exceed America's soybean oil exports.

Imports, restricted and unrestricted, are continuing to be used to carry out a cheap food policy that has plagued American farmers for most of the last quarter century, regardless, it seems, of the Administration in power. These imports have had an impact in driving down farm prices.

Second, export embargoes and export restrictions have also had a major impact in driving farm prices down.

While farmers have been urged since late 1972 to provide full production of food, they have also been promised a restoration to a totally free economy with full authority to raise whatever crops they wanted with unlimited access to world markets.

Farmers responded, as they always have, to opportunity and encouragement by their government.

But the promise of free access to world markets has been repeatedly broken by embargoes against grain export sales—in 1973, in 1974, and again in 1975—despite the fact that in two of those years, 1973 and 1975, farmers produced and harvested record crops.

Indeed, the upshot of imports, full production, and export embargoes, has been to drive American grain prices generally back to the levels of 1947. The drop in prices in the past year to year-and-a-half has been disastrous for many farmers.

Third, there are at present no good farm programs to help farmers get a fair price. Indeed, what we have in American agriculture today is a *ceiling* on farm prices—a ceiling that is maintained by embargoes on exports and unlimited imports. But the truth is that today American agriculture has no floor—just a ceiling.

The present Administration has vetoed almost every major farm bill passed by the Congress.

Congress occasionally triumphs over the exercised prerogatives of the Executive branch, but not often enough. The most recent triumph forced the Administration to release the full $175-million Congress had authorized to help restore the agricultural conservation practices program. The Administration earlier had released only $75-million of the appropriation.

Given reasonable opportunity, like they were in 1973 and part of 1974, farmers can contribute more to peace, progress, prosperity and full employment than any other industry in America. American agriculture is the largest industry in the nation—by far. This most efficient and largest industry has to be treated with the same respect, fairness and income accorded to the nation's corporations and organized working force. Food is in our national security. That means our nation's farmers are vital to the future of America. In short, if our nation's farmers and ranchers receive a fair price for their production, this will do more than anything to give America full production, full employment, and a balanced budget.

Some recommendations:

1. Limit imports of all competitive agricultural products to the quantities necessary to assure ample supplies for domestic consumers. That means we should sharply cut back almost all agricultural imports. That means the 1964 Meat Imports Law should be drastically revised.

2. There is no justification for the embargoes that have been applied these past three years to export grain sales. American farmers are consistently producing plenty . . . plenty . . . plenty. Congress should restrict and specify the conditions under which such embargoes may be fairly imposed.

3. The Congress has to establish a floor under farm prices—either higher target prices or the setting up of 90 per cent of parity five-year, non-recourse loans. I personally believe that the five-year, non-recourse loan at 90 per cent of parity would help farmers the most. This kind of loan program would tend to set a floor under farm prices below which farm prices could not go. This would help make up for the fact we have a ceiling. This loan program should be set up so that the grain could be under the control of the farmer. This, for example, would permit the farmer to hold his grain for a more favorable price above the 90 per cent of parity. The way it is now, there is no floor and many farmers have to sell their grain when the banker tells him to.

4. Soil and water conservation practices should have higher priority than they do now. In 1972, after nearly 40 years of soil and water conservation emphasis, America had over 60-million acres of agricultural land invested in its conservation reserve. Now, after three years of full production, virtually that entire conservation reserve has disappeared. Much of that reserve was marginal land that should never have been cropped . . . land that is erosion prone . . . land far more valuable in preserving our environment than its current potential for food production. Farmers need government incentives to restore and to maintain desirable environmental practices. Special emphasis is needed to restore tree shelterbelts and windbreaks throughout rural America. . . . Trees conserve soil, moisture, wildlife, and are a renewable natural resource for energy, lumber, paper, resins, nuts, fruits and almost countless industrial and consumer products.

5. Establishment of a national transportation policy is an essential companion to the affirmation of a sound new agricultural policy. The energy crisis underscores the need for an inventory of national transportation resources and development of a long-range plan for maintenance and development of these resources. Inland water transportation resources will be increasingly important in economical and energy-efficient movement of bulk materials, including fuels, fertilizers, and farm grain, will help relieve the car-truck congestion on our national highway system, and help offset the abandonment of rural railroad freight services. Congress should order a moratorium on railroad abandonments until it has developed and is ready to implement a complete, integrated national transportation policy. Congress should also expedite action on the pending essential maintenance project on the important Upper Mississippi Waterway, the replacement of the locks and dam at Alton, Illinois. Failure of this deteriorating old lock facility would severely damage Upper Midwest agriculture.

COMMEND COMPASSIONATE CONSTITUENTS

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. WINN. Mr. Speaker, the month of January can be of a particularly cruel month for travel through Kansas and the northern part of this country. Nevertheless, when people are cold, hungry, and out of work, they will do almost anything to change their circumstances.

Thus, the prospect of employment in Massachusetts brought a California couple and their 10-year-old daughter through Kansas City, Kans., in early January. However, by the time they reached my district their 15-year-old car gave out. A policeman found them cold and hungry and down to their last 18 cents with a long journey remaining.

Thanks to the efforts of three of my constituents, though, the family's stay in Kansas City was brief and ended on a happy note. They left with a repaired car, full stomachs and $50 in their pockets.

Mr. Speaker, I would like to take this opportunity to salute my constituents for the compassion and sympathy they showed for a family in trouble.

Andy Rollins, president of the local chapter of the NAACP and a Kansas City security officer organized the effort which also involved Cliff Nesselrode and other officials of the Home State Bank which gave the family $50, and Luther White, the owner of D&H Tire Co. who repaired the car at no charge and bought the family a full tank of gas.

Although color lines were crossed in this situation, that really was not the point. Instead, the action these men took once again demonstrated what can happen when people put aside their differences and work together to help others out of difficult situations. Naturally we all hope the family reached Massachusetts safely.

I would again like to commend my constituents for their generosity, and so that my colleagues will have a more complete report, I would like to insert the following article from the Kansas City Kansan into today's RECORD.

PENNILESS FAMILY FINDS HEART HERE

(By John Carras)

A young California couple and their 10-year-old daughter passing thru Kansas City, Kan., were cold, hungry and penniless Tuesday night.

By Wednesday morning they were warm, had full stomachs, $50 in their pockets, and were on the way to their destination in Massachusetts.

The family's turnabout in fortune was made possible by the local chapter of the National Association for the Advancement of Colored People, officals of the Home State Bank, and a local tire dealer.

The family was en route to Massachusetts where the father has a job waiting for him, if he can get there. The 15-year-old car in which the family was riding broke down Tuesday night near 72nd and State in bitterly cold weather. The family hadn't eaten in a day, and were down to their last 18 cents. Police found them huddled in their cold car not knowing what to do.

Police contacted Andrew Rollins, president of the local NAACP, to solicit help for the family. Rollins sprang into action.

He arranged for the family to eat supper and stay for the night at the Holiday Inn, 4th and Minnesota, all at NAACP expense.

Another benefactor, Luther White, owner of D&H Tire Co., 9th and Garfield, repaired the family car free of charge and bought them a full tank of gas.

Home State Bank officials donated $50 to get the family to Massachusetts. The family left here Wednesday morning.

The family appeared in good health. If they get to Massachusetts and the job waiting there, the trio will be okay, said Cliff Nesselrode, Home State Bank official.

"They'll have trouble with that car somewhere on the way, I'm sure. But if someone else down the road helps them out they'll make it," he said.

Nesselrode said the key to the story is that several persons got together to boost a family that needed immediate help.

"We didn't have time for the red tape that you find in some of these charitable agencies. We needed immediate action and got it."

Nesselrode said he understood why most charitable agencies desire to verify a needy person's background, etc. before giving aid.

"But sometimes delays can't fill the bill. We needed quick action. We took their word they had no money and were desperate. Heck, I don't know maybe we got ripped off. But who cares when there's a 10-year-old girl who's hungry and cold."

Nesselrode said a special pat on the back should go to the NAACP which helped the white family.

"You know, a lot of whites think the NAACP is a black militant organization that only looks out for black people. But that's not true. They give aid to all kinds of people, whether they're white, purple, green, blue, or black," Nesselrode said.

The local NAACP has alerted chapters in other cities to the family's plight in case the car should break down again on the way to Massachusetts.

THE NATIONAL CEMETERY SYSTEM

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. GOODLING. Mr. Speaker, this year the Congress will be asked to appropriate $26 million to fund the National Cemetery System for fiscal year 1977. This is an increase of $3.7 million over the current level of funding and will be used to operate the 103 existing cemeteries and for the opening of two new ones.

The National Cemetery System is the newest responsibility of the Veterans' Administration and on January 31, 1976, the Honorable Richard L. Roudebush, Administrator of Veterans' Affairs, reported on the VA's stewardship of this major program, when he addressed the Pennsylvania Department of the Veterans of Foreign Wars at their midwinter conference at Mechanicsburg, Pa.

Mr. Speaker, because of the growing national interest in the cemetery system, I include the text of Mr. Roudebush's speech in the RECORD:

REMARKS BY HON. RICHARD L. ROUDEBUSH, ADMINISTRATOR OF VETERANS' AFFAIRS

It is always good to attend functions of the Veterans of Foreign Wars and to have the opportunity to meet again with old comrades for a discussion of things important to this organization and to our nation's veterans.

It is also, of course, a pleasure to see you and spend some time with you socially. I am glad that you're doing so well, both as a group and individually, and I appreciate your kind invitation to spend a part of this weekend with you.

I hope that this conference is both productive and enjoyable and I am sure it will be. The Pennsylvania department is always among the best in the country in putting together good and instructive meetings and you have been known throughout the VFW for a long time for your departmental accomplishments.

You have asked that I speak to you briefly this afternoon on the national cemetery system. This is the Veteran Administration's newest major program and one in which activity has accelerated within recent months. It has special significance for Pennsylvania veterans because a major cemetery will be located in your state.

I am glad that you have an interest in this program and I will discuss it with you shortly. First, however, I would like to take a little of your time to outline where we are at the moment in all services to veterans and their dependents and what we can look forward to during the next fiscal year.

As you know, the President presented his budget recommendations for fiscal year 1977 to Congress ten days ago.

It is a budget that was designed to provide necessary services while holding spending to a prudent level and operating the government with a smaller deficit than the one for this year.

It includes an $18.1 billion appropriation request for VA to fund its programs on behalf of the 29-and-a-half million veterans, the 62-and-a-half million members of their families and the nearly four million survivors who are our political clientele.

More money has been requested for some activities than is now being spent and less has been requested for others. It is a budget that anticipates needs realistically and that will enable VA to meet those needs.

I don't want to burden you with an excessive number of statistics but I think a few are significant enough that you will be interested.

The budget provides for payment of $5.2 billion in compensation to 2.6 million veterans and survivors and for $2.8 billion in pensions to 2.2 million veterans and survivors.

It provides more than four billion dollars for education and training, most of it for the G.I. bill.

Medical care expenditures will go over four billion dollars for the first time. Employment in VA's department of medicine and surgery will rise by some 2,100 jobs.

Under the budget, inpatient medical care will be provided 1.4 million veterans. Outpatient visits will total 15.6 million. Both are all-time highs.

Some kind of medical care will be provided more than 183,000 persons on any given day.

There will be burial benefits of $161.4 million.

These are just a few highlights of the budget that has been presented. There are many programs I could cite for you and there is an almost endless series of figures I could present to you.

But I think this brief view indicates that VA activity will continue at a high level, that we will have the resources to do our job and that a strong commitment to the needs of veterans continues.

Let me assure you that we at VA will continue to be committed . . . both to good service and to making the money that is provided us by the taxpayers do the best job possible.

The budget calls for funding of the national cemetery system to be increased to $26 million in fiscal year 1977 from the current level of $22.3 million.

This money is for operating the 103 existing cemeteries and for opening two new ones. It provides for 38,500 burials expected during the year and for processing 250,000 headstone or marker applications.

We are proud of the progress being made within the system. I know you are glad that this program is moving and that you share our anticipation of a great deal of growth and progress in the future.

The VFW has long been a proponent of a comprehensive system of cemeteries that would give full honor to deceased veterans, and VFW support has been a significant factor in what has been, and is being, accomplished.

The two new cemeteries I mentioned will be near Riverside, California, and Falmouth, Massachusetts. They will be the first national cemeteries established since 1950.

They are situated so as to serve areas of large veteran population and are the first of five new, large cemeteries planned at this time.

Just this week I announced selection of a site in Virginia, at the Quantico Marine Corps base, for the establishment of a third new cemetery. It will be built on a 624-acre tract that is to be transferred to VA by the Navy. It, too, will serve an area where there is an extremely large number of veterans and their kin.

But I know your greatest interest is in VA cemetery plans for Pennsylvania, a subject with which you are extremely familiar. In fact, you are so familiar with our plans here and you have been so involved with them that I may not be able to add much to what you already know.

Pennsylvania was one of the States I selected for a new cemetery for a number of reasons which I know you agree with. Your State has a large veteran population, more than 1,750,000. It is centrally located so that a cemetery in Pennsylvania could serve many more veterans in the large population centers along the east coast. And there is no burial space now available in the State.

A number of sites were considered for the Pennsylvania cemetery and VA people visited and studied at least nine locations.

As a result of these evaluations, the decision was made that it would be desirable to develop a 600-acre site at Indiantown Gap. It is land owned by the Commonwealth of Pennsylvania.

I wrote Governor Shapp last fall stating that this was our choice and asking if the land could be made available. He agreed that Pennsylvania deserves a national cemetery and said that he would support the project to the fullest.

Negotiations are now under way to transfer the needed acreage and I am ready to announce our selection of this site and the start of its development as soon as the action is completed.

We are working closely with the Governor and other Commonwealth and local officials on this transaction and hope that it will take place in the near future.

In addition to the operating funds for the National Cemetery System that I mentioned earlier, the fiscal year 1977 budget has $13.5 million in construction funds for existing and new cemeteries. Included is $622,000 to start the Pennsylvania project. This would be the first increment of a total $2,250,000 that is to be spent to develop the first fifty acres of grave sites.

I am sorry I can not give you a date this afternoon when this construction will start . . . or even when the selection of the Indiantown Gap location can be announced officially.

I assure you, however, that we are eager to move on this most worthwhile project and look forward to a useful and beautiful facility that will do honor both to the Commonwealth of Pennsylvania and to its citizens who have served in our armed forces.

I thank you for the support and interest you and other VFW members have shown during the last few months as we have worked to make the cemetery a reality. I am sure you will be proud of the results of your efforts.

It has been a pleasure to meet with you today and, again, I thank you for your kind invitation and for your hospitality. I look forward to being with you tonight at what I know will be another enjoyable event.

A DISEASE THAT WILL NOT GO AWAY

HON. PAUL SIMON

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. SIMON. Mr. Speaker, one of the decisions Congress will make shortly is whether black lung benefits will go to those who have literally given part of their health to produce energy for this Nation. I wish every Member of this House could visit my district, talk to coal miners who under the present laws are not eligible for black lung benefits yet who obviously have major breathing problems because of working in coal mines.

Mike LeVelle, a columnist who appears regularly in the Chicago Tribune, has written about the black lung problem and I hope my colleagues will read his comments and reflect upon them before voting on this issue.

His column follows:

BLUE-COLLAR VIEWS: A DISEASE THAT WON'T GO AWAY

(By Mike LeVelle)

Black Lung is a coal miner's industrial disease and it is aptly named. If you were to drag a pink shirt through a coal mine, the accumulation of soot and coal dust would give you a graphic idea of what can happen to a coal miner's lungs.

The medical name for black lung is pneumoconiosis. The coal dust forms lesions in the lung tissues that inhibit breathing and the transfer of oxygen to the blood. Heavy work and sometimes any work at all, becomes impossible. Advanced cases of black lung can lead to a premature death.

For years, black lung was not even recognized by the coal industry or segments of the medical profession as an industrial disease. It was only in 1965 that Pennsylvania recognized black lung for what it is and provided for workmen's compensation in state law.

West Virginia followed suit in 1969, the same year Congress enacted a black lung benefit program. The federal legislation compensated miners who had to live with it as well as families whose husbands and fathers had been killed by it.

The public was finally made aware of the deadly disease after a series of strikes that focused attention on mine safety.

Before that, unfortunately, the general public's view was that black lung was simply a catch word to describe everything from a bad cold to a cigaret cough. That of course, is why the coal miners, through the United Mine Workers, had such a tough battle in many legislatures.

One must add, as Bernard Aronson of the staff of the United Mine Workers told me, that Tony Boyle [the corrupt ex-president of the UMW] fought the miners on black lung laws every step of the way—even in Pennsylvania in 1965.

"We were fighting not only against industry and the Nixon administration but a corrupt union leadership as well," Aronson said.

Black lung was first mentioned by Emile Zola in an 1885 novel about a French coal miner called "Germinal."

In 1946 the British started a national black lung compensation program to put that country 20 years ahead of the United States—which likes to be first in everything.

The federal black lung bill of 1969 has proved to be bureaucratically cumbersome and hard to implement. A study made by the General Accounting Office in 1972 found that of 63,000 denied claims for compensation, 14,000 were denied because of faulty X-rays. Nor was it uncommon for 7 to 12 months to pass before action on a claim. In 1973, the black lung program was taken from the Social Security Administration and turned over to the Labor Department.

The Labor Department has acted on only 22,000 of the 60,000 claims it has received since the middle of 1973. It is currently approving about 20 per cent of them. The UMW claims that the Labor Department black lung division is woefully understaffed for the job that it has been given.

Part of the reason for the backlog of claims is that the coal mining industry has challenged 97 per cent of the cases. One company doctor quoted in the Wall Street Journal admitted that "we've fought some claims we shouldn't have from a medical standpoint."

Because such a situation leads to slow settlement or rejected claims, the United Mine Workers is supporting a bill that would automatically assume that a miner with more than 30 years in deep mining—before 1971—has black lung.

That is not as drastic as it looks when one considers that even a miner starting at age 15 in 1941 would be 50 years old today. Other provisions of the bill would require a review of the 180,000 black lung claims that have been denied since 1969. It also would make the black lung program permanent. Presently it is supposed to run only to 1981.

Republicans opposed to the bill have called it "a federal welfare act for coal miners and their survivors."

The only comment I can add to that is that the Republicans with such cold-blooded members deserve to be the minority that they are now and will still be in November.

A FINAL VIEW OF THE SAGINAW CON-CON

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. TRAXLER. Mr. Speaker, today I present to you three additional articles from the Saginaw News which provide some concluding views of the Saginaw Student Con-Con. With these articles, we now have within the RECORD of our proceedings the history of this Bicentennial event and the names of those involved.

The first article describes the humanism of the Con-Con. Lasting friendships have been made, and all of the students have learned how to better cooperate with all of those around them in an attempt to reach a mutual goal.

The second article gives us a favorable view of the new Constitution. As I am certain all of you will realize by reading the text of the students' final Constitution, we can expect to have an America that continues to follow our basic ideals of government, but is careful to remind us that we need to listen to the will of the people who make up this country. The students do not claim perfection, but only that they have tried to work constructively to demonstrate their concerns with American Government.

The final article is a tribute to Mr. Fred I. Chase, the parliamentarian of the Con-Con. This most generous gentleman was indeed key to the smooth operation of the final days of the convention. We all recognize the need for effective leadership in the operations of proceedings of this type. I personally want to heartily commend and thank this gentleman for helping these students learn how to operate in an orderly manner.

Mr. Speaker, I invite you and all of my colleagues to read the following articles:

ALL ONE FAMILY: LASTING FRIENDSHIPS EMERGE FROM CON-CON EXPERIENCE

A few months ago, Jim Rocchio and Fred Wheeler had never met.

This fall they'll be roommates at Michigan State University.

The friendship of Wheeler, a black student from Saginaw High on the East Side, and Rocchio, a white policemen's son from St. Stephen's on the West Side, could symbolize the bonds formed among the 148 young people who devoted five months of their lives to writing a new U.S. Constitution.

Black, white and Latin, rich and poor, executive's son from Eisenhower and farmer's daughter from Chesaning, emerged from the experience in unity.

Wheeler himself recalled he won the presidency of the student Constitutional Convention with a speech declaring, "No more Saginaw High, no more Arthur Hill, no more Freeland—"

And when the convention had ended, Wheeler leaned forward at Saginaw's Civic Center and declared simply, "I can truly say at this time, we are all one family."

The rewriting of a Constitution was a task the delegates from Saginaw County's 19 high schools wished would end—and when it had, they wished it would go on, and on.

"You can't get this involved in a project and just forget it," explained Thomas Ulmer of Bridgeport, convention vice president.

Over the three days of the convention, the unity formed almost visably, from early raucous argument to a final joint understanding and appreciation whose depths did not need to be spoken to be felt.

It might not have started out that way, the students admitted.

"Some kids may have started out just because they could get off school and go to Lansing," said Ulmer.

"Now, if we called a meeting for next week, 148 delegates would show up."

"It's really something, how the kids really got into it," added Dean McClure of Bridgeport.

If this was to be a learning experience for the students, it certainly succeeded. The delegates offered their own word on that count.

"We learned parliamentary procedure," said Wheeler, with a sidewise glance at Rocchio, who emerged a master manipulator of procedural rules, often to the discomfiture of Wheeler in the chairman's seat.

"And discipline," said Ulmer. "We had to give up a lot of time for this, so we had to learn to use it well."

"We were living two lives," added Wheeler. "One as a delegate, and one as a student. We had to keep our eye on both things. But every delegate gave all they could to it."

"I find government interesting now," McClure said. "Before, I didn't know what was going on. Now I know, and I enjoy following the actions of government."

"And we learned the Constitution," Wheeler summed up. The adults who were the backbone of the body of the convention marveled, too. "They learned to come together," declared Robert A. Fitzgerald. "They found the difficulty of compromise. They found it takes a long time to make law." And Fitzgerald, chairman of the faculty advisory committee, added, "They learned the significance of one word, that it can change the entire meaning of a law."

Saginaw City Manager Edward H. Potthoff, Jr., who dropped by to watch the proceedings Thursday, wrapped up the adult sentiment: "They learned more here in three days than they would in three years of school." But it took Wheeler to point out not all learning is alike. "There's the work itself," he said. "And there's the enjoyment you get from doing the work. Those are two different types of learning." It may be the second kind that lasts longest through the lives of these young people. "I just wish more of the public had been here," said McClure. "A lot of them thought it was just a big farce. But the ones who were here—the kids—wanted to come back."

"I know a lot of people in the audience were surprised at how professional it was," added Ulmer.

"We didn't have any precedent for this," noted Wheeler. "We didn't know how the rules would work out, what would happen."

What happened was, in the words of teacher Anthony C. Martinez of Saginaw High, "three perfectly beautiful days. I feel relieved—and tired—and good."

The remark showed the students' pleasure at the results was more than shared by their adult helpers.

"I just feel kind of empty," Fitzgerald said Friday. "I don't think I've ever been part of something as exciting in my life."

The Vietnam veteran explained, "All of a sudden we go back to regular jobs and classrooms, but we're not regular people any more. We were part of such an exciting thing, it's hard to go back.

"Honest to God, it was fascinating. It was the most beautiful thing I've ever seen anybody—not just young people, anybody—involved in."

And the beauty of it, as Martinez observed was in the resolution of students from "19 different environments into a group working together."

Not just working at it, insisted Martha Houser, one of many adult aides at the convention. "They were living it."

The convention is over, the Constitution written and ratified. But a strong resistance to divorce has cropped up in this family.

"We should do something like this once a year," proposed Martinez, raising some good-natured groans from exhausted colleagues.

Nor do the students want it to end.

Wheeler, Ulmer, Rocchio and McClure were talking over a reunion of the 148 delegates, perhaps in the summer of '77.

CON-CON ACHIEVEMENT SILENCES THE DOUBTERS

(By John A. Puravs)

It's a Constitution the country can live with—and prosper under.

Some didn't believe it would turn out that way. The scoffers and disbelievers poked fun even as the new document was being written.

But after delegates to the Bicentennial Constitutional Convention completed their work Thursday night, the most confident among them were joined by the most pessimistic of adults in contemplating with some awe what they had achieved.

"We feel at any time this Constitution could take the place of the real one," said Frederick Wheeler Jr. of Saginaw High, president of the convention.

"What we did today," mused Thomas Ulmer of Bridgeport, convention vice president, "some adults thought we'd be terrible, that we would take their freedom and throw it away, be extremely radical.

"I thought it was fairly conservative."

Not all adults might be happy with the students' Constitution.

Congress might think it radical, for instance, that it would have to obey a minimum work schedule on pain of being fined.

A president might deem it radical to submit his executive agreement to Congress for approval.

A great many citizens might consider it radical to have to go to the polls if they're registered voters.

It was all done by design—and the convention leaders, in a relaxed retrospective late Thursday night, didn't think they were radical at all.

"The purpose of a constitution is to put restrictions on government," defined Ulmer. "That means more freedom is given to the people. In our new Constitution, there's more direct power to the people."

The theme was consistently reflected during deliberations.

Where the presidency seemed too powerful, it was made responsible to Congress. Just one example relevant to recent history was insisting on two-thirds congressional approval of presidential pardons.

The students seemed to respect the status of Congress as popular representatives. But they were not happy with, in their perception, a somewhat cavalier attitude by those lawmakers. So Congress, under their document, would have a strict work schedule.

But the cry of "power to the people" was hardly in the same tone as during the student stridency of the '60s.

The convention rejected, in one case, a move to enact universal referendum rights on government and labor union decisions, judging this would bring, as one delegate put it, "chaos."

"We tried to make a democracy in which people would have the most freedom," explained Ulmer, "and yet one not so loose there would be anarchy."

In large part, the students deemed the present Constitution good enough to last at least another two hundred years.

Few sections were thrown out, or revised wholesale. Instead, the delegates patched, mended, updated, condensed. They put into practice Wheeler's opinion last fall during planning sessions that the present Constitution "is a beautiful document."

"This wasn't meant to be Utopia," Wheeler noted last week. "It's down to earth."

The delegates felt they knew what they were doing, but others still sneered—and that stung.

During ratification Thursday afternoon, Michael Schachtner of SS Peter & Paul's declared, "We've been criticized. But the Founding Fathers were criticized too, and now their document is regarded as the best in the world.

"I feel we've done equally well."

Wheeler conceded, "It could never replace the real Constitution. The delegates realize that." But he added, "It's amendable. If people don't agree with it, they can amend it. That's why we can live under it."

"It's not perfect," agreed James Rocchio of St. Stephen's. "But it's the best way we could think of to make the country more representative."

"There are things I don't completely agree with in it," observed Ulmer. "But you have to learn to compromise."

It's a lesson the Founding Fathers learned too.

Many were uncomfortable with slavery, according to history, but to gain ratification from southern states, they yielded.

The original Constitution called blacks three-fifths of a person. It ordered states to return forthwith any slave who had escaped, even if that state did not have slavery.

Realistically, the delegates held out little expectation of a popular groundswell on behalf of their effort.

But they firmly believe that neither should their work molder in some dusty high school archive.

"We believe if the bigwigs down in Washington read it, they might get some ideas from it," said Rocchio. "If one good idea comes from it, it's a success. I'll be happy.

"That's the way most of us feel. That's why we took it so seriously."

MUTUAL RESPECT BRIDGES AGE GAP

Fred I. Chase has 16 grandchildren. He could have 148 more.

By the end of the three-day student Bicentennial Constitutional Convention, parliamentarian Chase was ready to adopt every delegate.

But it was too late, really. By their standing ovation, by their full-throated singing of "Happy Birthday" at Thursday night's banquet, the students showed they had already adopted him.

"What a beautiful man," breathed one male delegate.

For Fred Chase, about to turn 79, acting as convention parliamentarian was "the ice cream on the frosting on the cake" of a lifetime of parliamentary service in Michigan.

It began in 1919, when he emerged from World War I service seeking a job and finding it in the state legislature.

It was supposed to be, most likely, a part-time employment. But it lasted long enough for Chase to referee Michigan's own Con-Con back in 1961.

"What a fabulous guy," declared teacher Tim Fullerton after sharing a convention lunch break with Chase. "He's known everybody who was anybody. The anecdotes he tells!"

The rapport between Chase and his patrons of 17 and 18 built up through equal measures of impartiality on his part and respect for authority on the delegates' part.

Rulings by Chase were accepted without qualm. And why not? As Terry Ellison of Carrollton put it in a tribute to the parliamentarian, "We want to thank Mr. Chase for guiding us when most of us didn't know what we were doing."

Chase may have his opinions of what the students accomplished, but like a good arbiter, he's keeping them to himself for now.

Asked what he thought of the convention, he replied, "I haven't given any thought to it. I've been too busy keeping track of what's going on."

And he explained, "It's their convention, it's their thing. You can see their feelings in the articles they've adopted, insisting that Congress stay in session and work harder, and enacting a balanced budget."

Aside from specifics, though, Chase's opinion of the delegates was unreserved: "I think they're doing a terrific job," he declared at mid-convention. "Considering none of them had any parliamentary experience, a tremendous job."

As he told the students at the celebration banquet, this isn't his first experience with Saginaw County high school students.

There has, however, been a slight delay in making their reacquaintance.

"Back in 1913 or 1914," he began, with his youthful audience gasping in awe, "I played football for Lansing Central against Arthur Hill.

I forget the score or the winner," he twinkled. "But the Arthur Hill team was clean players, and that made them winners.

"Again I'm having the happy privilege of associating with winners."

If Chase held a dubious view of the convention, it was at the lack of time.

"They were under pressure," he mused. "If they had more time, there wouldn't have been this arguing over closing debate."

But he hinted those pressures may have produced floor parliamentarians to match those of his previous 55 years.

"You old sharpie," he told Jim Rocchio of St. Stephen's, a stalwart at the debate mike, "you can get in more things on a point of information than most people can in debate."

After the points of order, divisions of the house and motions to recall the previous immediate pending motion had all echoed and died away in the Civic Center's cavern, Fred I. Chase rose once more to a point of information of his own:

"You are terrific," he told his young people. "This has been an inspiration and a wonderful experience."

A TRIBUTE TO CHAIRMAN MORGAN

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. MURTHA. Mr. Speaker, it is hard to believe that after 31 years in the House of Representatives, Dr. THOMAS MORGAN has decided to retire. As chairman of the House International Relations Committee, his contribution to the progress of international peace, and interrelation of the world's people have possibly been unsurpassed in the history of the U.S. Congress.

His ability to work as chairman with five Presidents, five Secretaries of State, nine Congresses, three Senate Foreign Relations Committee chairmen, and an inestimable number of colleagues and international leaders spanning the philosophical, political, and ideological ranges is a tribute to his greatness.

Dr. MORGAN was born in Ellsworth, Pa., and graduated from local public schools before graduating from Waynesburg College and then going on to Detroit College of Medicine and Surgery. He has practiced medicine and surgery in his hometown of Fredericktown, even after coming to Congress.

Dr. MORGAN came to the House at the end of WW II. He has seen some of the most difficult international situations the United States has ever faced, and he handled each occasion with expertise, dedication, farsightedness, and above all, optimistic enthusiasm. He believes in the interdependence of all the nations in the world. Yet, he is pragmatic enough to realize that we can only do so much in the United States in order to accomplish peace.

The reason that I as a new member can see Dr. MORGAN being so effective is because of his empathy for the new member, his patience, his willingness to listen to a new member's suggestions, criticisms, and comments about the world situation, even though I am sure at times his new colleagues oversimplify the situation or repeat a theory Dr. MORGAN has heard 100 times before.

He worked continually toward what he felt was the good of the country and would integrate any member's suggestion that was in the best interests of this country and the world. When he rose on the floor, his speeches came from a background of knowledge and detailed study. He met with world leaders and knew their opinions and problems. He delegated authority and responsibility. To even the youngest members of the International Relations Committee, he delegated authority, yet he accepted the responsibility for any mistakes that were made in presenting a case.

In all the years that he presided over the committee, he only ever lost one bill, and that was only a temporary defeat. Nowhere was Dr. MORGAN's integrity and ability better shown than in the yearly shepherding of foreign aid legislation through a hostile House. Dr. MORGAN did it because he believed in the correctness of the legislation, and knew its unpopularity had to be overcome to maintain the U.S. role in the world.

One final footnote: As chairman, Dr. MORGAN could have traveled throughout the world, but he seldom did. One reason was because of his love for southwestern Pennsylvania, and his desire to spend his moments away from Washington in that area, with his family, helping his constituents whom he never forgot.

Throughout his long career on the committee as a member and as chairman, his accomplishments have been numerous. Certainly, Dr. MORGAN must go down in history as one of the most influential Members of Congress during our Nation's 200 years, and the most effective recent Member of Congress in relation to world peace and international relations.

PRESIDENT FORD ADDRESSED THE NATIONAL PRAYER BREAKFAST ON JANUARY 29

HON. STEVEN D. SYMMS

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. SYMMS. Mr. Speaker, President Ford addressed the National Prayer Breakfast on January 29. His remarks contain a message that all Americans should take to heart. I commend the President's remarks to my colleagues in Congress for their consideration:

REMARKS OF THE PRESIDENT AT THE 24TH ANNUAL NATIONAL PRAYER BREAKFAST

Congressman Preyer, distinguished guests, ladies and gentlemen:

Our Nation was born 200 years ago poor and very weak. Our leaders were untested and our land remote from much of the world. This continent was mostly a virgin wilderness.

Yet our new Nation displayed extraordinary determination and near limitless capacity for discovery about ourselves and about our future. Our Declaration of Independence surpassed all worldly doctrines in its enlightened pronouncements on human rights and individual liberty.

Our leaders showed that the inspired will and raw courage of our ragged defenders could defeat not only hardship and privation but the disciplined power of an empire. Our people demonstrated extraordinary belief that their cause was just and that it would prevail.

I think it is well to recall at the start of this Bicentennial year that it was not might nor wealth which ultimately gained American independence and liberty but more powerful forces—the unshakeable, unbreakable belief of our people in themselves and in their cause. They proved that a people's greatest strength is in its own faith.

We are gathered here this morning to recall and to renew that faith—faith in God and belief in the future of our country. We seek to sustain and to increase our spiritual strength at this time of prayer and recollection.

John Muhlenburg wrote in his diary in 1776, about 200 years ago: "There is a time to pray and a time to fight. This is the time to fight."

If he were alive today and writing in 1976, he may have written "This is the time to pray."

Let men and women of faith remember that this Nation, endowed by God with so many blessings, is also surrounded by incredible needs. At the beginning of this century in American history let us remember Jesus who surrounded by needs still early in the morning went away to a solitary place to pray.

We are one people, one Government and one Nation. We are, by any name, an indivisible land and people.

Benjamin Franklin, addressing himself to religious faith and worship in God in the society in which he lived, told the framers of the Constitution: "Without God's concurring aid, we shall succeed in this political building no better than the builders of Babel. We shall be divided by our little partial local interests. Our projects will be confounded and we ourselves shall become a reproach and a by-word down to future ages."

Today, unlike the times of Dr. Franklin, our Nation is mighty and is wealthy. The many changes in our land in these 200 years may be as frightening as they are wondrous.

This becomes apparent when we ask ourselves this question: Do we have the faith, the belief of Washington, Adams, Jefferson and the others? Has our spiritual growth matched our temporal destiny as a Nation?

We know that wealth and power do not measure the greatness of this or any other Nation. Our spiritual principles and moral values transcend the physical capacities and the boundaries of our land.

That is why we come here humbly this morning—to ask from God strength and guidance so we may leave to our third century a legacy of leadership worthy of the inheritance left us by our forebears.

Often, as I walk into the office, I realize that man's wisdom and strength are not sufficient so I try to practice the truth of Proverbs 3:5-6: "Trust in the Lord with all thine heart; Lean not unto thine own understanding. In all thy ways acknowledge Him, And He shall direct thy path."

Tolerance, understanding, love—let us pray for all of these because we need them as a people. Let us pray for God's guidance in our pursuit of peace.

Let us rediscover our past and renew ourselves in its cherished principles, and then let us begin our journey into this third century with the same faith and the same purpose of our Nation's founders. Let us span the centuries at this moment and unite the past, the present and the future in spiritual communion.

Let us make it our "earnest prayer," as George Washington did two centuries ago, that "God would graciously be pleased to dispose us all to do justice, to love mercy, and to demean ourselves with charity and humility and a peaceful temper of mind, without which we can never hope to be a happy Nation."

And let us make it our "constant prayer," as Lincoln did more than a century ago—not only that God is on our side, but that we "and this Nation should be on the Lord's side."

Finally, let it be said that in this great Nation of ours freedom still flourishes and liberty still lives. As we declare our dependence on God, let us unite in the same bond which united those who signed America's Declaration of Independence 200 years ago.

Let us today reaffirm their pledge, as written in the closing words of that majestic document, that "For the support of this Declaration, with a firm reliance on the protection of divine providence, we mutually pledge to each other our lives, our fortunes and our sacred honor."

Thank you.

WEATHER UNDERGROUND ORGANIZES NATIONAL SUPPORT APPARAT

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. McDONALD of Georgia. Mr. Speaker, I am sure that you and my colleagues will be as shocked as I was to learn that a recent national conference organized by the above-ground supporters of the terrorist Weather Underground Organization was funded, in part, with Federal money and that the conference has issued a call for mass demonstrations and violence during the Independence Day celebrations in Philadelphia.

On January 31, nearly 3,000 people attended the National Hard Times Conference, organized by the Prairie Fire Organizing Committee—PFOC—the overt arm of the Weather Underground Organization—WUO—with the assistance of the militant Trotskyist Communists of the Workers World Party—WWP. The conference was held at the University of Illinois Chicago Circle Campus from January 30 through February 1, 1976.

During the conference, a long-planned scheme to disrupt by mass demonstrations and violence the Bicentennial celebrations on July 4 in Philadelphia were ratified and expanded. Originally proposed by the Cuban-backed Puerto Rican Socialist Party—PSP—the plan has been adopted by a variety of groups operating under the name, the July 4th Coalition. Endorsers of the call include leading members of such diverse revolutionary organizations as the Venceremos Brigade, the New American Movement, National Lawyers Guild, Mass Party Organizing Committee—formerly the National Interim Committee for a Mass Party of the People—the Communist Party, U.S.A., and CPUSA fronts.

Other endorsers of the call for the continuation of the American Revolution in Philadelphia on July 4 include various clergymen and representatives of the National Council of Churches and the American Friends Service Committee—AFSC.

My information on this revolutionary conference indicates that the costs were in the region of $7,000. Of this sum, approximately $3,000 was provided by the American Issues Forum of Chicago—AIF—the local unit of a nationwide organization originally proposed by the well-known newscaster, Walter Cronkite, to promote a serious dialog on issues affecting various sectors of American society. In September 1975, the AIF of Chicago received a $350,000 grant from the National Endowment for the Humanities, an independent Federal agency.

In the 1975-76 program announcement of the National Endowment for the Humanities, it is stated that the NEH "was created in 1965 out of congressional concern that the U.S. position of world leadership be based on achievement 'in the realm of ideas and of the spirit' as well as on 'superior power, wealth, and technology.' "

Those responsible for the American Issues Forum of Chicago must be charged with lavishly giving away taxpayers' money without checking on its ultimate distribution. In this case, taxpayers' money was used to fund a meeting of those whose avowed purpose is to tear down the fabric of our society and replace it with a totalitarian Marxist-Leninist system.

In Chicago, the American Issues Forum offices at 203 North Wabash Avenue, Suite 918, Chicago, Ill. 60601 [312/443-1776] are staffed by Rev. Richard H. Luecke, director; Alan B. Anderson, and Jennifer R. Hecht, associate directors. The AIF Committee, which according to the AIF: Chicago guidelines must approve all contracted projects, includes:

Stanley N. Katz, chairman; professor and associate dean, Law School, University of Chicago.

Diane Abt, vice-chairwoman; producer, reporter, WBBM-CBS radio.

James W. Rottman, secretary; executive director, National Conference of Christians and Jews.

James Goodman, treasurer.

Benjamin Alexander, president, Chicago State University.

Thomas J. Boodell, Jr., Boodell, Sears, Sugrue, Giambalvo & Crowley.

Manford Byrd, Jr., deputy superintendent of schools, board of education.

Eugene Eidenberg, vice chancellor, University of Illinois, Circle Campus.

Neil Harris, professor, Department of History, University of Chicago.

Charles E. Hinds, Jr., executive director, Catholic Television Network of Chicago.

Cyril O. Houle, professor, Department of Education, University of Chicago.

William J. McCarter, vice president and general manager, WTTW television.

Ethel Payne, Associate Editor, Chicago Defender.

Angelina Pedroso, professor, Department of Foreign Language, Northeastern Illinois University.

Albert M. Ragland, executive director, Chicago Conference on Religion and Race.

Harold K. Skramstad, Jr., director, Chicago Historical Society.

Lawrence W. Towner, president, the Newberry Library.

E. Leland Webber, director, Field Museum of Natural History.

Robert Wedgeworth, executive director, American Library Association.

In a telephone interview with one of my staff on February 10, AIF Director Leucke confirmed that a substantial sum—to his recollection $2,700—had been provided to the Hard Times Conference as the result of an application by Shelly Miller and Russell Neufeld representing the conference organizers.

When my staff asked Mr. Leucke whether he was aware that Shelly Miller and Russell Neufeld were members of the Prairie Fire Organizing Committee national committee and whether he was aware that the PFOC was the overt support group for the terrorist Weather Underground, he professed dismay.

Mr. Leucke further stated that the Hard Times people had been vouched for to the American Issues Forum by Eugene Eidenberg, vice chancellor of the University of Illinois Circle Campus where the Hard Times Conference was held. Indeed, the helpful Mr. Leucke told my staff that Vice-Chancellor Eidenberg had reported back on Monday night, February 9, to the AIF Committee on his personal attendance at the Hard Times Conference, and that he had assured the AIF Committee that any misgivings they may have had regarding the Hard Times Conference could be forgotten.

And I am certain that my colleagues will share my additional concern about

Vice-Chancellor Eidenberg's role in this national meeting of revolutionaries because of the fact that Eugene Eidenberg is chairman of the Illinois State LEAA Commission which dispenses all Law Enforcement Assistance Administration funding in that State.

An additionally shocking development came when organizers of the Hard Times Conference boasted that Mr. Eidenberg, whose own field is political science and who must therefore be aware of the totalitarian amoral nature of Marxism-Leninism, had promised that he would use his influence to keep the police off the circle campus and keep police harassment, that is, surveillance of the Weather Underground supporters, to a minimum. Attempts by my office to reach Eidenberg for comment have been unsuccessful.

However, Mr. Leucke did say that he, as well as Vice-Chancellor Eidenberg, had been at the Hard Times Conference, Mr. Leucke stating that he had attended several workshops, but that he had not been present for the entire conference. Mr. Leucke may not have been aware of the ideology of the Prairie Fire group at the time they were introduced to the AIF by Eugene Eidenberg, but it is inconceivable that he could have overlooked the enormous amount of literature which was distributed by the wide range of Marxist-Leninist groups attending. And one of the publications which was much in evidence was the February 1976, issue of Groundswell, which states on its masthead that it is the "newspaper of the Prairie Fire Organizing Committee."

In its opening statement of purpose, Mr. Leucke could have read:

> The Prairie Fire Organizing Committee is a national organization of socialist revolutionaries with chapters in the San Francisco Bay Area, New York City, Columbus, Boston, Philadelphia and Vermont.
>
> We believe that it will take a socialist revolution—the seizure of power and control of the means of production by the working class—to bring justice, equality, and a productive, meaningful life to the people of the U.S. We believe that the working class of the U.S. can and will lead the battle to take power and build a socialist society.
>
> We believe that the revolutionary struggle of the U.S. working class is closely tied to the liberation struggles of nations colonized by the U.S. ruling class around the world and within the territorial United States. Our enemy, U.S. imperialism, is also the enemy of the Puerto Rican people, the people of Africa, Asia, and Latin America, the Native American people, Black and Mexican people within the U.S. Our enemy is the same enemy decisively defeated by the people of Indochina.* * *
>
> We believe that the liberation of women cannot be achieved without the defeat of capitalism and the building of socialism,***.
>
> We believe that revolutionaries should be engaged in the study of Marxism-Leninism, developing a deep and growing revolutionary base * * * and struggling to build organizations to develop and test out political line, strategy, and program. We are a part of this process.

And the PFOC statement concludes:

> We hope to join forces with other communist groups and organizations to build a communist party truly representative of the * * * U.S. working class. We are committed to building a militant movement willing and able to wage the long hard fight that will be necessary.

If Mr. Leucke had needed to look further in the copies of Groundswell distributed at the Hard Times Conference, he would have found the PFOC's own statement describing the origins of the conference and the reason for its organization:

> * * * The idea for the national Hard Times Conference was initially proposed by the Prairie Fire Organizing Committee at our national conference last July. It was taken up by other organizations involved in the working-class struggle and the national liberation struggles here, and was discussed, modified and strengthened. The National Board of the Hard Times Conference collectively issued a call which became the basis of the political program of the conference, the Hard Times Bill of Rights.
>
> Revolutionary organizations must lead in building a movement to fight these attacks [by the ruling class]. We must develop a program that speaks to the immediate needs of the working class while promoting unity and class consciousness. * * * We need to chart the direction to the full realization of that power, to the final resolution of the contradiction between the working class and the ruling class. This resolution is a socialist revolution.
>
> The national unity forged in struggle at the conference will be a critical step in this process. We must commit ourselves to build this unity, incorporate expanding numbers of people into a deepening national resistance to the ruling class.

In plain English, the Hard Times Conference was called by the Weather Underground Organization through its above-ground support apparatus to set the groundwork for a new Communist movement. The function of the conference was to bring new people into the orbit of the Weather Underground, surrounding the illegal terrorist center of the organization with many additional layers of sympathizers.

The July 4 Coalition, operating from P.O. Box 205, Cooper Station, New York, N.Y. 10003, issued a call for July 4th actions in line with the virulent anti-American diatribes previously produced by the PFOC and the Weather Underground in its publications such as Osawatomie. Under the heading, "The American Revolution Continues," the group paints a warped and twisted picture of American history, for example:

> But from the very beginning, great sectors of the population were excluded from the democratic vision of the United States of America: the Native Americans, whose land was stolen; * * * African people, kidnapped * * *; women, whose labor went unpaid * * *. And soon after the triumph * * * the small farmers, artisans, mechanics, and other workers joined the ranks of those to whom the ideals of equality would not be applied.
>
> * * * * *
>
> Today the abuses and crimes committed by the U.S. government and the giant corporations it serves against the people of the United States and the world exceed in their inhumanity those committed by the British against the people of the thirteen colonies.

The Marxist apocalyptic vision continues with such sweeping statements as we are celebrating the Bicentennial with "our housing, schools and entire cities in decay." The call then states that "it is time for action" by Native Americans, blacks, Mexicans, Puerto Ricans, Asians, Latin Americans, women and white workers. The July 4 Coalition call states:

> It is time to assert the long and heroic tradition of our people's resistance to all forms of tyranny.

But the statement makes plain that at this particular time and under these particular conditions, the most appropriate form of mass resistance is the "battle for democratic rights, against the effects of the system's economic crisis and for an end to colonialism"—by which they mean giving up all U.S. possessions and bases outside the mainland United States. But this is clearly within the framework of Lenin's teaching that flexibility of revolutionary tactics, ranging from petitions and picket lines to the various forms of armed struggle, including terrorism, are necessary for success.

The call states that many issues will be raised to attract people to Philadelphia—calls for Government-supplied "full employment"; women's issues; calls for subsidized housing, food, welfare, health care and education; ending "repressive legislation"; and for a U.S. foreign policy of total isolationism, giving the Communists a free hand throughout the world. It says that "we will observe the Bicentennial in Philadelphia on July 4 in protest and in celebration of our unity in struggle."

The Weather Underground Organization, in its Osawatomie publication, and the Prairie Fire Organizing Committee, in its confidential internal documents, have stated their intention even more plainly:

> The rulers have set the time for the party. Let us bring the fireworks.

As listed on the call of the July 4 Coalition, the endorsers of the Philadelphia action include:

PHILADELPHIA, JULY 4, 1976

Partial list of endorsers:

Jayma Abdoo, National Lawyers Guild, Philadelphia.

Frank Ackerman, Dollars and Sense.

Angelo Alicea, Council of Latinamerican Trade Unionists.

José Alberto Alvarez, Puerto Rican Socialist Party.

Harry Amana, Journalist, Philadelphia Tribune.

Esta Armstrong, Health Worker.

Rev. Cecilio Arrastia, Presbyterian Church.

Frances Beal, Third World Women's Alliance.

John Beckwith, Science for the People.

Clyde Bellecourt, American Indian Movement.

Rev. Milo Billman, Camden, N.J.

Rosa Borenstein, Executive Secretary, Puerto Rican Solidarity Committee.

Susan Borenstein, National Coordinating Center in Solidarity with Chile.

Carl Broege, National Lawyers Guild.

Marilyn Clement, National Council of Churches.

Ernie Chanes, Puerto Rico Decolonization Committee.

Allan Charney, Executive Director, Association of Legal Aid Lawyers.

Douglas Chin, President, Chinese for a Sane Society.

Prof. Johnetta Cole, Venceremos Brigade.

Robert Chrisman, Black Scholar Magazine.

Dave Dellinger, Seven Days Magazine.

Joan Drake, Independent Socialists of Lancaster, Pa.

Jennifer Dohm, Prairie Fire Organizing Committee.

Jeffrey Fogel, National Lawyers Guild, N.J.

Eva Gladstein, Tenants Action Group, Philadelphia.

Rafael González, Trade Unionist.

Larry Gossett, Chairman, Inner-City Youth Organizing Committee, Seattle, Wash.

Father David Gracie, Philadelphia.

Saralee Hamilton, National Women's Program, American Friends Service Committee.

Oom Harrison, Community Organizer, Philadelphia.

Jim Haughton, Fightback.

Paul Irish, American Committee on Africa.

Charles Isaacs, People Against Racism in Education.

David Kairys, Emergency Civil Liberties Committee, Philadelphia, Pa.

Rev. Muhammed Kenyatta, Black Economic Development Conference.

Arthur Kinoy, Mass Party Organizing Committee.

Yuri Kochiyama, New York, N.Y.

William Kunstler, Center for Constitutional Rights.

Luis López, Secretary, Local 264, Transport Workers Union.

Federico Lora, El Comité—Puerto Rican National Left Movement.

Roberta Lynch, National Committee, New American Movement.

Roberto Maestas, Direcor, La Raza Center, San Francisco, Cal.

Mel Madden, Co-founder Liberty Village.

Rev. Paul Mayer, New York Theological Society.

Rosemari Mealy, Third World Coalition.

Prof. Phillip Meranto, Chairman, Political Science Caucuses, U. of Washington.

William Mandel, Writer.

Holly Maguigan, Lawyer, Philadelphia, Pa.

Ruth Messinger, College for Human Services.

Sid Mills, Chairman, Survival of the American Indian Association.

Howard Moore, Lawyer, San Francisco, Cal.

Grace Mora, Communist Party.

Lora Mossten, Civil Liberties Education and Action Fund, N.J.

David McReynolds, War Resisters League.

Joseph Miller, Philadelphia, Pennsylvania.

Ed Nakawatase, National Representative Native American Affairs, American Friends Service Committee.

Rubén Nieves, Trade Unionist.

Sam Pérez, Vice Chairman, Council of Hospital Community Boards.

Alex Quiñonez, Trade Unionist.

David Rammler, Neighborhood Resources, Philadelphia.

David P. Richardson, Pennsylvania House of Representatives.

Antonio Rodriguez, C.A.S.A., Los Angeles, Cal.

Dr. Helen Rodriguez, Committee to End Sterilization Abuse.

David Rudovsky, Emergency Civil Rights Committee, Philadelphia.

Tyree Scott, Director, United Construction Workers Association, Seattle, Wash.

David Sola, Trade Unionist.

Father Antonio Stephens, PADRES.

Rachel Tilsen, Native American Solidarity Committee.

Chiqui Vicioso, United Methodist Office at the United Nations.

Lynn Weickart, District Leader, Democratic Party, New York.

Doron Weinberg, President, National Lawyers Guild.

Cora Weiss, Friendshipment.

Rev. Roger Zpernick, Pastor, Kingsway Lutheran Church, Philadelphia.

LITHUANIAN INDEPENDENCE DAY

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1976

Mr. ANNUNZIO. Mr. Speaker, 58 years ago, on February 16, 1918, the modern Republic of Lithuania was established as a free and independent nation and these courageous people proclaimed to the world their right as a nation to stand proudly among free countries.

Lithuania had enjoyed her independence for only 22 years when, in 1940, the Soviet Union invaded and occupied Lithuania, Latvia, and Estonia and forcibly annexed these Baltic States into the Soviet Union.

Today, only old maps of Europe show Lithuania as a distinct entity, but the newer ones display her territory as part of the Soviet Union. However, the U.S. Government and other great Western powers have steadfastly maintained a policy of nonrecognition of the forcible annexation of Lithuania. All Americans must continue to encourage the heroic Lithuanian people in the continuing struggle for freedom and speak out against the Soviet policies of Russification and their brutal attempts to absorb the Baltic States and destroy them as a people.

The determined spirit of the Lithuanian people is still unbroken and it was for this reason that I introduced House Concurrent Resolution 388, a sense of Congress resolution asking the President and the Secretary of State to urge that the United Nations request the Soviet Union to withdraw all Russian and other nonnative troops, agents, colonists, and controls from the Republics of Lithuania, Latvia, and Estonia, and to permit the return of all Baltic exiles from Siberia and from prisons and labor camps in the Soviet Union.

Mr. Speaker, the text of House Concurrent Resolution 388 follows:

H. CON. RES. 388

Whereas the United States, since its inception, has been committed to the principle of self-determination;

Whereas this essential moral principle is also affirmed in the Charter of the United Nations;

Whereas the Union of Soviet Socialist Republics is, according to its constitution, a voluntary federation of autonomous republics;

Whereas the three Baltic Republics (the Republic of Lithuania, the Republic of Latvia, and the Republic of Estonia, did not become member republics of the Union of Soviet Socialist Republics voluntarily, but rather were occupied militarily by Russian Armed Forces in the early days of World War II and subsequently incorporated by force into the Union of Soviet Socialist Republics and have since been governed by governments approved by, and subservient to, the government of the Union of Soviet Socialist Republics;

Whereas the ethnic makeup of the Baltic peoples (the Lithuanians, Latvians, and Estonians) is distinctly foreign in language, culture, common traditions, and religion from that of the Russian people;

Whereas, by deportation and dispersion of the native populations of the Baltic States to Siberia and by a massive colonization effort in which Russian colonists replace the displaced native peoples, the Soviet Union threatens complete elimination of the Baltic peoples as a culturally, geographically, and politically distinct and ethnically homogeneous population;

Whereas, despite such treatment, the spirit of the citizens of the Baltic States is not broken and the desire of the citizens of the Baltic States for national independence remains unabated;

Whereas the United States has consistently refused to recognize the unlawful Soviet occupation of the Baltic States and has continued to maintain diplomatic relations with representatives of the independent Republics of Lithuania, Latvia, and Estonia; and

Whereas the United Nations and the United States delegation to the United Nations have consistently upheld the right of self-determination of the people of those countries in Asia and Africa that are, or have been, under foreign imperialist rule: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) the President and the Secretary of State should take all necessary steps to bring the Baltic States question before the United Nations and to urge that the United Nations request the Soviet Union—

(A) to withdraw all Russian and other non-native troops, agents, colonists, and controls from the Republics of Lithuania, Latvia, and Estonia, and

(B) to permit the return of all Baltic exiles from Siberia and from prisons and labor camps in the Soviet Union;

(2) until the Baltic States become independent, the Secretary of State should, through such channels as the United States Information Agency and other information agencies of the United States Government, do his utmost to bring the matter of the Baltic States to the attention of all nations by means of special radio programs and publications;

(3) the right of self-determination should be returned to the people of Lithuania, Latvia, and Estonia through free elections conducted under the auspices of the United Nations after Soviet withdrawal from the Baltic States; and

(4) the right of self-determination should be made a prime political objective of the United Nations and should be accorded through free elections under the auspices of the United Nations to all people now involuntarily subjugated to Soviet communism.

Mr. Speaker, I cannot emphasize too strongly that every petition, every newspaper article, and every public statement by groups, organizations, and individuals on behalf of those being persecuted in the Soviet Union makes a difference in our ceaseless ideological struggle with the Soviet Union. Many, many courageous people in the Baltic States continue to suffer imprisonment, beatings, medical torture, and other harassment in defense of their religious beliefs and in attempts to regain the most fundamental human rights.

Simas Kudirka, the Lithuanian sailor whose defection, extradition, and release from a Soviet forced labor camp has inspired worldwide interest, has now dedicated himself to this struggle for human decency and I quote a portion of his statement on behalf of Sergei Kovalev:

> Please join me in signing the following petition on behalf of Sergei Kovalev who was arrested and imprisoned by Soviet authorities because he helped disseminate "The Chronicle of the Lithuanian Catholic Church." The Chronicle carried information about religious life in the USSR, including the persecution of the faithful. Kovalev was helping the church hierarchy and the Pope himself to keep faith alive under truly difficult circumstances, both in occupied Lithuania as well as in Soviet Russia itself. He is a remarkable man. Both my mother and I have met him personally. I learned from my contacts in Lithuania and Moscow that Kovalev is ill and needs help badly. I sent a gift parcel to his wife to forward to him, but he needs freedom and good medical treatment much more.

Since that appeal was made by Kudirka in March of 1975, Sergei Kovalev has been sentenced to a strict-regime labor camp, and I was happy to join with other concerned Americans recently in writing to the U.S.S.R.'s Procurator General, as well as to the Soviet Ambassador, to urge clemency.

Sergei Kovalev and many others are sacrificing their own well-being for the freedom of their peoples and on this commemoration of Lithuanian Independence Day, I want to assure the courageous Lithuanians that our Nation continues to support their just aspirations for freedom and independence, and I want to express the fervant hope that the goal of Lithuanian self-determination shall soon be realized.

SENATE—*Monday, February 16, 1976*

The Senate met at 12 meridian and was called to order by Hon. JOHN GLENN, a Senator from the State of Ohio.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

We shall pray today in the words of President George Washington's prayer for his country.

Let us pray.

"Almighty God: We make our earnest prayer that Thou wilt keep the United States in Thy holy protection; that Thou wilt incline the hearts of the citizens to cultivate a spirit of subordination and obedience to government; and entertain a brotherly affection and love for one another and for their fellow citizens of the United States at large. And finally that Thou wilt most graciously be pleased to dispose us all to do justice, to love mercy and to demean ourselves with that charity, humility, and pacific temper of mind which were the characteristics of the divine Author of our blessed religion, and without a humble imitation of whose example in these things we can never hope to be a happy nation. Grant our supplication, we beseech Thee, through Jesus Christ our Lord. Amen."

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 16, 1976.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JOHN GLENN, a Senator from the State of Ohio, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. GLENN thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, February 6, 1976, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar for unobjected-to measures be waived under rule VIII.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR PERIOD FOR THE TRANSACTION OF ROUTINE MORNING BUSINESS TODAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of the reading of the farewell address by our first President that there be a period for the transaction of routine morning business for a period of not to exceed 15 minutes, with a time limitation of 5 minutes attached thereto.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

IMPROVEMENTS IN PROGRAMS SERVING THE ELDERLY—MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

The ACTING PRESIDENT pro tempore (Mr. GLENN) laid before the Senate the following message from the President of the United States, which was received on February 9, 1976, during the adjournment of the Senate, under authority of the order of February 6, 1976:

To the Congress of the United States:

I ask the Congress to join with me in making improvements in programs serving the elderly.

As President, I intend to do everything in my power to help our nation demonstrate by its deeds a deep concern for the dignity and worth of our older persons. By so doing, our nation will continue to benefit from the contributions that older persons can make to the strengthening of our nation.

The proposals being forwarded to Congress are directly related to the health and security of older Americans. Their prompt enactment will demonstrate our concern that lifetimes of sacrifice and hard work conclude in hope rather than despair.

The single greatest threat to the quality of life of older Americans is inflation. Our first priority continues to be the fight against inflation. We have been able to reduce by nearly half the double digit inflation experienced in 1974. But the retired, living on fixed incomes, have been particularly hard hit and the progress we have made in reducing inflation has not benefited them enough. We will continue our efforts to reduce federal spending, balance the budget, and reduce taxes. The particular vulnerability of the aged to the burdens of inflation, however, requires that specific improvements be made in two major Federal programs, Social Security and Medicare.

We must begin by insuring that the Social Security system is beyond challenge. Maintaining the integrity of the system is a vital obligation each generation has to those who have worked hard and contributed to it all their lives. I strongly reaffirm my commitment to a stable and financially sound Social Security system. My 1977 budget and legislative program include several elements which I believe are essential to protect the solvency and integrity of the system.

First, to help protect our retired and disabled citizens against the hardships of inflation, my budget request to the Congress includes a full cost of living increase in Social Security benefits, to be effective with checks received in July 1976. This will help maintain the purchasing power of 32 million Americans.

Second, to insure the financial integrity of the Social Security trust funds, I am proposing legislation to increase payroll taxes by three-tenths of one percent each for employees and employers. This increase will cost no worker more than $1 a week, and most will pay less. These additional revenues are needed to stabilize the trust funds so that current income will be certain to either equal or exceed current outgo.

Third, to avoid serious future financing problems I will submit later this year a change in the Social Security laws to correct a serious flaw in the current system. The current formula which determines benefits for workers who retire in the future does not properly reflect wage and price fluctuations. This is an inadvertent error which could lead to unnecessarily inflated benefits.

The change I am proposing will not affect cost of living increases in benefits after retirement, and will in no way alter the benefit levels of current recipients. On the other hand, it will protect future generations against unnecessary costs and excessive tax increases.

I believe that the prompt enactment of all of these proposals is necessary to maintain a sound Social Security system and to preserve its financial integrity.

Income security is not our only concern. We need to focus also on the special health care needs of our elder citizens. Medicare and other Federal health programs have been successful in improving access to quality medical care for the aged. Before the inception of Medicare and Medicaid in 1966, per capita health expenditures for our aged were $445 per year. Just eight years later, in FY 1974, per capita health expenditures for the elderly had increased to $1218, an increase of 174 percent. But despite the dramatic increase in medical services made possible by public programs, some problems remain.

There are weaknesses in the Medicare program which must be corrected. Three particular aspects of the current program concern me: 1) its failure to provide our elderly with protection against catastrophic illness costs, 2) the serious effects that health care cost inflation is having on the Medicare program, and 3) lack of incentives to encourage efficient and economical use of hospital and medical services. My proposal addresses each of these problems.

In my State of the Union message I proposed protection against catastrophic health expenditures for Medicare beneficiaries. This will be accomplished in two ways. First, I propose extending Medicare benefits by providing coverage for unlimited days of hospital and skilled nursing facility care for beneficiaries. Second, I propose to limit the out-of-pocket expenses of beneficiaries, for covered services, to $500 per year for hospital and skilled nursing services, and $250 per year for physician and other non-institutional medical services.

This will mean that each year over a billion dollars of benefit payments will be targeted for handling the financial burden of prolonged illness. Millions of olders persons live in fear of being stricken by an illness that will call for expensive hospital and medical care over a long period of time. Most often they do not have the resources to pay the bills. The members of their families share their fears because they also do not have the resources to pay such large bills. We have been talking about this problem for many years. We have it within our power to act now so that today's older persons will not be forced to live under this kind of a shadow. I urge the Congress to act promptly.

Added steps are needed to slow down the inflation of health costs and to help in the financing of this catastrophic protection. Therefore, I am recommending that the Congress limit increases in medicare payment rates in 1977 and 1978 to 7% a day for hospitals and 4% for physician services.

Additional cost-sharing provisions are also needed to encourage economical use of the hospital and medical services included under Medicare. Therefore, I am recommending that patients pay 10% of hospital and nursing home charges after the first day and that the existing deductible for medical services be increased from $60 to $77 annually.

The savings from placing a limit on increases in medicare payment rates and some of the revenue from increased cost sharing will be used to finance the catastrophic illness program.

I feel that, on balance, these proposals will provide our elder citizens with protection against catastrophic illness costs, promote efficient utilization of services, and moderate the increases in health care cost.

The legislative proposals which I have described are only part of the over-all effort we are making on behalf of older Americans. Current conditions call for continued and intensified action on a broad front.

We have made progress in recent years. We have responded, for example, to recommendations made at the 1971 White House Conference on Aging. A Supplemental Security Income program was enacted. Social Security benefits have been increased in accord with increases in the cost of living. The Social Security retirement test was liberalized. Many inequities in payments to women have been eliminated. The 35 million workers who have earned rights in private pension plans now have increased protection.

In addition we have continued to strengthen the Older Americans Act. I have supported the concept of the Older Americans Act since its inception in 1965, and last November signed the most recent amendments into law.

A key component of the Older Americans Act is the national network on aging which provides a solid foundation on which action can be based. I am pleased that we have been able to assist in setting up this network of 56 State and 489 Area Agencies on Aging, and 700 local nutrition agencies. These local nutrition agencies for example provide 300,000 hot meals a day five days a week.

The network provides a structure which can be used to attack other important problems. A concern of mine is that the voice of the elderly, as consumers, be heard in the governmental decisionmaking process. The network on aging offers opportunities for this through membership on advisory councils related to State and Area Agencies on Aging, Nutrition Project Agencies and by participation in public hearings on the annual State and Area Plans. Such involvement can and will have a significant impact on determining what services for the aging are to be given the highest priorities at the local level.

The principal goal of this National Network on Aging is to bring into being coordinated comprehensive systems for the provision of service to the elderly at the community level. I join in the call for hard and creative work at all levels—Federal, State and Area in order to achieve this objective. I am confident that progress can be made.

Toward this end, the Administration on Aging and a number of Federal Departments and agencies have signed agreements which will help to make available to older persons a fair share of the Federal funds available in such areas as housing, transportation, social services, law enforcement, adult education and manpower—resources which can play a major role in enabling older persons to continue to live in their own homes.

Despite these efforts, however, five percent of our older men and women require the assistance provided by skilled nursing homes and other long term care facilities. To assist these citizens, an ombudsman process, related solely to the persons in these facilities, is being put into operation by the National Network on Aging. We believe that this program will help to resolve individual complaints, facilitate important citizen involvement in the vigorous enforcement of Federal, State and local laws designed to improve health and safety standards, and to improve the quality of care in these facilities.

Today's older persons have made invaluable contributions to the strengthening of our nation. They have provided the nation with a vision and strength that has resulted in unprecedented advancements in all of the areas of our life. Our national moral strength is due in no small part to the significance of their contributions. We must continue and strengthen both our commitment to doing everything we can to respond to the needs of the elderly and our determination to draw on their strengths.

Our entire history has been marked by a tradition of growth and progress. Each succeeding generation can measure its progress in part by its ability to recognize, respect and renew the contributions of earlier generations. I believe that the Social Security and Medicare improvements I am proposing, when combined with the action programs under the Older Americans Act, will insure a measure of progress for the elderly and thus provide real hope for us all.

GERALD R. FORD.

THE WHITE HOUSE, *February 9, 1976.*

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a message from the President of the United States relative to the health and security of older Americans be referred jointly to the Committees on Finance and Labor and Public Welfare.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

S. 1—REVISION OF THE CRIMINAL LAWS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a letter which the distinguished Republican leader and I wrote to all members of the Judiciary Committee on February 11, 1976, relative to S. 1, and also our recommendations contained in a memorandum attached to the communication be printed in the RECORD.

There being no objection, the letter and memorandum were ordered to be printed in the RECORD, as follows:

OFFICE OF THE MAJORITY LEADER,
Washington, D.C., February 11, 1976.

To: All Members of the Senate Judiciary Committee.
From: Mike Mansfield and Hugh Scott.
Subject: S. 1.

We are enclosing a memorandum which we have been discussing with our staffs relative to S. 1. We are sending copies of this letter and memorandum to all members of the Subcommittee on Criminal Laws and Procedures and the full Committee. We wish you would study it and give us the benefit of your views. We are faced with a situation where, at the present rate, we will accomplish nothing in the way of a criminal revision and reform bill, or something, perhaps, if the enclosed memorandum meets with your approval.

With best personal wishes, we are

Sincerely yours,
MIKE MANSFIELD,
Majority Leader.
HUGH SCOTT,
Republican Leader.

OFFICE OF THE MAJORITY LEADER,
Washington, D.C., February 9, 1976.

MEMORANDUM

To: Senators McClellan, Hruska, Philip Hart, and Kennedy.
From: Mike Mansfield and Hugh Scott.
Subject: S. 1, Revision of the Criminal Laws.

It has become clear that S. 1, under attack from both the left and the right, is in a great deal of jeopardy. It is also understood that many Senators, both liberal and conservative, are vitally interested in passing a criminal revision and reform bill during this session.

The controversy involves two broad areas. On the one hand are those sections of the bill that are deemed to be repressive, that change the existing law and existing procedures in ways that even the courts might later strike down in the face of the Constitution. On the other hand, the liberals would in some instances like not only to eradicate the more repressive features of the bill but to "liberalize" the existing law and in effect use the S. 1 vehicle to overturn court decisions that have supported so-called law enforcement interpretations. As a result an impasse has been reached and, unless resolved, it is unlikely that the remaining ninety percent of S. 1 (relatively noncontroversial) will be addressed by the Senate. This would be unfortunate because, as *all agree*, included in that ninety percent are measures that would bring a great deal of logic and relevance and consistency to the present law.

To break the impasse, Senator Scott and I—both cosponsors of S. 1 and both having strong reservations about S. 1 as it is presently written—think it would be advisable to *bring together the principals involved in the issue*. This would include *Senators Hart, Kennedy, McClellan and Hruska*. The full spectrum of viewpoints is represented by this group. All of you are extraordinarily sensitive to the urgent need to revise and reform the Criminal Code. All, too, recognize the necessity to resort to accommodation and negotiation and whatever to get results. In that context, we recommend the introduction of a brand new bill with certain understandings and having certain agreed upon characteristics as follows:

1. *A New Number*. The number, S. 1, now serves as a battle cry for both the right and the left who oppose its most objectionable features. To change its number would help to diminish the focus on that number which has become a source of pain and controversy. In other words, there would be a brand new criminal law reform and revision bill. S. 1, which has in the past served to polarize opposition forces, would be dead and with it the issues its mention raises.

2. *Draft a New Measure* designed to revise and reform the criminal laws but without the very sensitive and highly controversial features that are contained within S. 1.

a. It should be understood and agreed by the Senators most concerned that in the context of considering this new bill *at all stages* none of the heretofore controversial aspects of S. 1 would be raised. Thus *none* of the more "repressive" measures or the more "liberalizing" measures would be offered to the new bill (and would be opposed). They could be offered, of course, either in the form of separate vehicles or separate bills or as amendments to *other* legislation on the floor.

b. The controversial sections of S. 1 would not be included in the new bill to revise and reform the criminal laws. They would be deleted, thereby retaining present law in status quo. In sum, the *new* bill would contain most of what is now contained in S. 1 except the following features:

Sec. 521 (Mistake of Fact).
Sec. 522 (Insanity).
Sec. 541 (Exercise of Public Authority).
Sec. 542 (Protection of Persons).
Sec. 543 (Protection of Property).
Sec. 551 (Unlawful Entrapment).
Sec. 552 (Official Misstatement of Law).
Sec. 1101 (Treason).
Sec. 1121-1128 (Espionage and Related Offenses; Official Secrets).
Sec. 1842 (Obscene material).
Sec. 2001-2403 (These provisions on Sentencing should be shaped up).
Sec. 3101-3109 (Wiretapping).
Sec. 2401-2403 (Death Sentence).

INDOCHINA MIGRATION AND REFUGEE ASSISTANCE ACT AMENDMENTS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 603, S. 2760.

The ACTING PRESIDENT pro tempore. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 2760) to amend the Indochina Migration and Refugee Assistance Act of 1975 to provide for the inclusion of refugees from Laos.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United Statees of America in Congress assembled, That the Indochina Migration and Refugee Assistance Act of 1975 (Public Law 94–23; 22 U.S.C. 2601), is amended as follows:

(1) In section 2, strike out "Cambodia or Vietnam" and insert in lieu thereof "Cambodia, Vietnam or Laos".

(2) In section 3, strike out "Cambodia or Vietnam" and insert in lieu thereof "Cambodia, Vietnam, or Laos".

(3) In section 4(b), strike out "Cambodia and South Vietnam" and insert in lieu thereof "Cambodia, South Vietnam, and Laos".

(4) In section 4(b)(3), strike out "South Vietnam and Cambodia" and insert in lieu thereof "South Vietnam, Cambodia, and Laos".

AMENDMENT OF THE FEDERAL ELECTION CAMPAIGN ACT—S. 2953

Mr. MANSFIELD. Mr. President, I introduce for appropriate reference a bill to require that the members of the Federal Election Commission be nominated by the President of the United States and confirmed by the Senate in conformity with the decision of the U.S. Supreme Court of Thursday, January 26, 1976, *Buckley* v. *Valeo*, 75–436 and 75–437.

Mr. HUGH SCOTT. Mr. President, will the Senator yield?

Mr. MANSFIELD. Yes, indeed.

Mr. HUGH SCOTT. Mr. President, as the distinguished majority leader knows, I favor the reconstitution of the Federal Election Commission along lines made necessary by the recent Supreme Court decision.

The Senator from Massachusetts (Mr. KENNEDY) and I, have introduced a bill providing for this, and also providing at the same time for the Federal participation in the campaigns for membership in the U.S. Senate along the lines of the Presidential matching funds situation which has been found constitutional by the Supreme Court.

I hope that such a bill will pass. But, in any event, I believe the most important proposal pending before us on a short-range basis is the reconstitution of the Federal Election Commission so that it may continue to function to avoid confusion, to avoid the necessity for adoption of interim measures.

We have considered the use of the General Accounting Office in that regard in the event this legislation is not passed in time, and they have indicated it is a burden they cannot assume and would prefer not to assume. Therefore, I think we should proceed promptly with such new legislation, and I hope the other body will feel likewise.

I thank the Senator.

TAX TREATIES BETWEEN THE UNITED STATES AND ISRAEL AND BETWEEN THE UNITED STATES AND THE ARAB REPUBLIC OF EGYPT—REMOVAL OF INJUNCTION OF SECRECY

Mr. MANSFIELD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the convention between the Government of the United States of America and the Government of the State of Israel with respect to taxes on income, signed at Washington on November 20, 1975—Executive C, 94th Congress, second session—and the convention between the Government of the United States of America and the Government of the Arab Republic of Egypt for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income, signed at Washington on October 28, 1975—Executive D, 94th Congress, second session—both of which were transmitted to the Senate by the President of the United States on February 11, 1976.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MANSFIELD. I also ask unanimous consent that the conventions together with accompanying papers be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's messages be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The messages from the President are as follows:

To the Senate of the United States:

I transmit herewith, for Senate advice and consent to ratification, the Convention signed at Washington on November 20, 1975, between the Government of the United States of America and the Government of the State of Israel with respect to taxes on income. Also I desire to withdraw from the Senate the Convention for the avoidance of double taxation and prevention of fiscal evasion with respect to taxes on income between the Government of the United States of America and the Government of Israel which was signed at Washington on June 29, 1965 (Executive F, 89th Congress, 1st Session).

There is no convention on this subject presently in force between the United States and Israel.

The Convention signed on November 20, 1975, is similar in many essential respects to other recent United States income tax treaties.

I also transit, for the information of the Senate, the report of the Department of State with respect to the Convention.

Conventions such as this one are an important element in promoting closer economic cooperation between the United States and other countries. I urge the Senate to act favorably on this Convention at an early date and to give its advice and consent to ratification.

GERALD R. FORD.

THE WHITE HOUSE, *February 11, 1976.*

To the Senate of the United States:

I transmit herewith, for Senate advice and consent to ratification, the Convention signed at Washington on October 28, 1975, between the Government of the United States of America and the Government of the Arab Republic of Egypt for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income.

There is no convention on this subject presently in force between the United States and Egypt.

The Convention is similar in most essential respects to other recent United States income tax treaties.

I also transmit, for the information of the Senate, the report of the Department of State with respect to the Convention.

Conventions such as this one are an important element in promoting closer economic cooperation between the United States and other countries. I urge the Senate to act favorably on this Convention at an early date and to give its advice and consent to ratification.

GERALD R. FORD.

THE WHITE HOUSE, *February 11, 1976.*

HOUSE JOINT RESOLUTION 549—TO ESTABLISH A COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS

Mr. MANSFIELD. Mr. President, when we complete our consideration of the pending business, the copyright bill and the foreign aid bill, it is anticipated that the next order of business may well be Calendar No. 571, House Joint Resolution 549, a joint resolution to approve the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, and for other purposes.

In respect to House Joint Resolution 549, I ask unanimous consent that two articles taken from the New York Times, but printed by the Friends of the Earth in their publication, Not Man Apart, entitled "Planting The Flag" and "Destiny Unmanifest" be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

PLANTING THE FLAG

The United States is poised on the verge of a questionable new economic and military commitment thousands of miles overseas, without as yet even a semblance of serious Congressional consideration.

By executive branch decision and planning, the Mariana Island chain of the western Pacific has been offered commonwealth status under the formal sovereignty of the United States. If carried through, this would become the first territorial annexation by the country since 1925.

Even if such an historic transaction were straightforward and without controversy, it would have seemed proper for the Congress to be consulted and involved from the early planning stages. As it happens, the proposed annexation of the Marianas is far from straightforward and it is surrounded by controversy.

The United States may already be in defiance of the United Nations in drawing a political separation between the Northern Marianas and the broader Micronesia Trust Territory, which the U.N. assigned as a single unit to United States administration in 1948. As local authorities across Micronesia began to agitate for eventual independence, the United States singled out the more docile Marianas for special treatment. American negotiators agreed to provide some $140 million in development funds annually for seven years, announced plans for a lucrative new naval base and presented the islands' 15,000 residents with a take-it-or-leave-it choice. A plebiscite this month produced the expected result, a vote of nearly 80 percent in favor of commonwealth status and the prospect of becoming United States citizens.

The strategic reasons for extending United States sovereignty deep into the Pacific 3,300 miles west of Hawaii and alongside the established base at Guam, may have merit—but this may well be vitiated by the increased responsibilities and exposure. That is a decision which the Pentagon or the White House cannot be allowed to make on their own.

When all the relevant decisions are finally submitted to Congress, as President Ford said they will be soon, legislators need feel no obligation to give the rubber-stamp approval that is apparently expected of them. Here is one opportunity for the Congress to consider carefully a possible new American commitment in all its implications—political, economic and military—before discovering a *fait accompli*.

DESTINY UNMANIFEST

With a haste that is both unnecessary and ominous, the Congress is moving toward rubber-stamp approval of a far-reaching strategic commitment that Americans may come to regret. This is the covenant granting commonwealth status—hence United States citizenship and sovereignty—for the northern Mariana island chain in the western Pacific.

After perfunctory moments of debate with fewer than 25 members on the floor, the House of Representatives gave its approval by voice vote last week to this country's first territorial annexation since 1925. The Administration is seeking equally rapid and unquestioning action by the Senate.

There are countless questions about this whole issue which have yet to be considered by more than a handful of the Congress, involving this country's relations with the United Nations and with the other peoples of the Pacific Trust Territory, not to mention the entire defense and strategic posture of the United States in the Pacific.

"Commonwealth" is a vague juridical term, but under the covenant approved by a vast majority of the Marianas population in a plebiscite last month, the islands would receive financial and legal privileges even more generous in some ways than those accorded the other American commonwealth, Puerto Rico. The strangest feature in the present discussion—or lack thereof—is the ease with which a political change of this magnitude is contemplated; many legislators seem to regard it as the most natural development in the world for the United States simply to extend citizenship and sovereignty to another people who have asked for it.

It seems to us that the burden of proof falls upon advocates of annexation to justify why the United States should extend its responsibilities in this way. What are the specific and worthwhile benefits which the United States would receive from this new association? Perhaps eventually a convincing case will be made. A series of legal steps lies ahead before the change can be effected, including far from automatic approval by the United Nations, which assigned Pacific trust obligations to the United States in 1947.

But this is the first and last formal occasion for Congress to express its will on joining the Marianas to the United States. If the Senate allows itself to be steamrolled into a little-understood proposition now, it will be on weak ground to complain once the problems arise.

ORDER OF BUSINESS

Mr. HUGH SCOTT. Mr. President, I yield back my time.

READING OF WASHINGTON'S FAREWELL ADDRESS

The ACTING PRESIDENT pro tempore. Under the order of the Senate of January 24, 1901, as modified on January 30, 1976, the Senator from Indiana (Mr. HARTKE), having been appointed by the Vice President, will now read Washington's Farewell Address.

Mr. HARTKE, at the rostrum, read the Farewell Address, as follows:

To the people of the United States.

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns, external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently, want of success has countenanced the spirit of criticism—the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end but with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them the disinterested warnings of a parting friend, who can possibly have no personal motive to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquility at home; your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But, as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth; as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite moment, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, sufferings and successes.

But these considerations, however powerfully they address themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north*, in an unrestrained intercourse with the *south*, protected by the equal laws of a common government, finds in the production of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south* in the same intercourse, benefiting by the same agency of the *north*, sees its agriculture grow and its commerce expanded. Turning partly into its own channels the seamen of the *north*, it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east*, in a like intercourse with the *west*, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the *secure* enjoyment of indispensable *outlets* for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluble community of interest as *one nation*. Any other tenure by which the *west* can mold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource, proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalship alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter.—Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as the main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? Let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by *geographical* discriminations,—*northern* and *southern*—*Atlantic* and *western;* whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations; they tend to render alien to each other those who sought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head: they have seen, in the negotiation by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? Will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliances, however strict, between the parts can be an adequate substitute: they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and containing within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power and the right of the people to establish government, presuppose the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and, according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reins of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state it is requisite, not only, that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprises of faction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to founding them on geographical discrimination. Let me now take a mere comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a frightful despotism. But this leads at length to a more formal and permanent despotism. The disorder and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not to be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one part against another; foments occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchical cast, patriotism may look with indulgence, if not with favor upon the spirit of parity. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutary purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern: some of them in our country and under our own eyes.—To preserve them must be necessary as to institute them.

If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation *desert* the oaths which are the instruments of investigation in courts of justice? and let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering, also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinions should cooperate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes; that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice toward all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others, should be execluded; and that, in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment; sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest; in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessary parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gliding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, towards a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence. (I conjure you to believe me fellow citizens) the jealously of a free people ought to be *constantly* awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her friendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of Euroepan ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim no less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors of preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the Government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under the character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope that they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which has .been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe, my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representation in both houses of congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound, in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me, a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES,
17th September, 1796.

COMMENDATION FOR READING OF WASHINGTON'S FAREWELL ADDRESS

Mr. MANSFIELD. Mr. President, I commend the distinguished Senator from Indiana (Mr. HARTKE) for the reading of the Farewell Address of the First President of the United States. He did so on the 244th anniversary of the birth of George Washington.

It has been my pleasure to listen to these addresses for the past 34 years, and I must say that the distinguished Senator from Indiana has done us all proud with his rendition.

I hope that even today, long, long, after it was delivered, this country would pay heed to the remarks of the first President of the United States when he was getting ready to retire from office.

Mr. HARTKE. Mr. President, I thank the distinguished majority leader for his fine words.

If it is not inappropriate, I should like to comment on a provision of President Washington's will. As a man of war, he devoted much time to peace, as evidenced by his Farewell Address. In his will, he left the stock of the Potomac Corp., which he owned in the hope that it would be used for the development of peace and institutions of peace in the United States. Unfortunately, even in those times, the economic conditions did not do well by him. The Potomac Corp. became bankrupt, and those funds were not available for the use intended.

In the hope of reinstituting that concept, I have introduced in the Senate a bill, S. 1976, to create a peace academy called "The George Washington Peace Academy." On this day, I hope we can make reality, in some way, out of George Washington's dream.

He looked upon neutrality as the landmark of a nation which could have the confidence and the spirit of other nations, that it could do good. Perhaps we can take that lead toward being the country which will make true the prophesy that war shall be no more.

Mr. MANSFIELD. Mr. President, the distinguished Senator is correct. I know that he has introduced this measure. It has much in the way of merit. But I recall to the distinguished Senator from Indiana that President Washington believed in not being too friendly with anyone but being friendly with all.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a 15-minute period for the conduct of morning business, with statements therein limited to 5 minutes each.

WASHINGTON'S FAREWELL ADDRESS AND LITHUANIAN INDEPENDENCE DAY

Mr. PERCY. Mr. President, I add my words of commendation to the Senator from Indiana for the reading of Washington's Farewell Address. Not for another century will we have an occasion such as this, to do so on a centennial anniversary of our country.

The annual reading of George Washington's Farewell Address to the people of the United States, which has been a tradition in the Senate throughout this century, gives every American the opportunity to reflect upon the contemporary meaning of our first President's philosophy of free government.

The address, first published on September 19, 1796, stands today as one of the most important documents in our history. It was a personal statement of Washington's thoughts as he completed two terms in the Presidency and declined a third. It commented on the policy of American neutrality regarding England and France, a crucial issue of the time.

But more importantly, the address was a statement to future generations as well as Americans living at the time of its publication. The address provides as much guidance and food for thought today as it did nearly 200 years ago.

In almost every paragraph of the address we read statements of principles—freedom, morality, financial prudence, international understanding—that are instructive to contemporary America.

The address was highly prophetic. It emphasized that if Americans remained true to their founding principles, they would survive and prosper regardless of economic, political, and social developments impossible to predict.

Washington gave perhaps his best advice when he urged every American to fully comprehend, value, and preserve the strength of the national union. He wrote of our "indissoluble community of interest as one nation." Union is a "main prop of your liberty," he wrote, and love and preservation of national union are essential aims.

This is our objective as we seek today to make our economy strong nationally, not just for one sector of the country or for one type of American—city or urban dweller, black or white, young or elderly. There is perhaps no more important element of national unity than national economic security. We must build, maintain, and preserve it.

Washington wrote also of the moral values of our society, saying "that virtue or morality is a necessary spring of popular government." No one, he wrote, can call himself a friend of free government who ignores attempts to undermine its moral fabric.

This is a pressing concern for every American today. The impetus for more honest and fair elections is central to this concern. Moves to expose and correct financial dealings between American corporations and foreign governments reflects it also.

Central to our strength and security, Washington wrote, is public credit. Our resources should be spent sparingly to provide for the common defense, he warned, but we should not be reluctant to maintain a posture of strength. To support this and other government functions, he said, we must tax carefully.

This is also a central concern in America today. As government becomes more expensive, taxation becomes an issue of primary concern to all citizens. How can we best spend the resources we have and plan for the future in both defense and social programs? The success of the new congressional budget system is the key to how this question will be answered in the future.

Finally, Washington wrote that our foreign policy should be guided by a spirit of good faith and justice toward all nations. Justice and benevolence toward all must be our guide.

This portion of Washington's remarks made a special impression upon me as I prepared my remarks to commemorate the anniversary of Lithuanian independence, which we celebrate today. It pertains to our relations with all foreign nations. Let America approach all nations with a spirit of fairness, always mindful that wise men everywhere seek the preservation of peace.

Washington's Address has much to say to contemporary Americans. We should read it carefully as we seek to find solutions to our problems at home and continue to build a structure of peace around the world.

So it is quite fitting and proper that today, which is the 58th anniversary of Lithuanian independence, record be made of the fact that as we celebrate the birth of George Washington, who fought for American independence, let us also recall the Lithuanian patriots who established a Republic in 1918 and later adopted a constitution which guaranteed freedom of speech, assembly, religion, and communication.

The significance of democratic institutions and human rights is especially appreciated in this, our Bicentennial Year, when we look back at our history with appreciation for the freedoms we enjoy, and as we look ahead with determination to preserve these freedoms.

We cannot overemphasize the importance of freedom to us here in this blessed land, especially as we observe elsewhere in the world the widespread deprivation of freedom.

In Lithuania we observe a continuing campaign to stifle free speech, to isolate politically independent clerics, to inject idealogical content to cultural expression, and to deny emigration. The church, the press, study groups and even a club of folk singers have all suffered direct governmental intervention and repression.

Information about this does reach the West. Also reaching the West is information about the popularity of Radio Liberty's broadcasts to Lithuania. Despite jamming, these broadcasts are heard by the people of Lithuania who must depend on them for accurate coverage of the news in their own country.

The effectiveness of these broadcasts is confirmed by the editorial in Pravda of January 13, 1976, which denounced Radio Liberty—and Radio Free Europe—in an hysterical manner.

Further confirmation of the distress of Soviet and East European authorities with the effectiveness of these radios came only last week when Soviets and East Europeans persuaded the International Olympic Committee to withdraw Radio Free Europe's accreditation to cover the Winter Olympics at Innsbruck. This was a unique, callous, and deliberate act which has been roundly condemned by Secretary Kissinger and by innumerable newspapers throughout Western Europe.

As the principal sponsor of authorizing legislation for Radio Liberty and Radio Free Europe in the Senate, I pledge my continued best efforts to keep these radios on the air. I am very pleased with the way Sig Mickelson, who assumed the presidency of the radios last year, has moved to increase their effectiveness while reducing their cost through merged administration and other economies. Similarly, I commend the Board for International Broadcasting, under the leadership of Chairman David Abshire and Executive Director Walter Roberts, for its diligence in carrying out the oversight role assigned to it by Congress.

Here in the United States we feel close to the people of Lithuania because we have such a vital and impressive Lithuanian American community which contributes much to our own society while upholding the rights of the people in the old country. National organizations such as the Lithuanian American Council, the Lithuanian American Community and the Knights of Lithuania are strong and dedicated. Leaders such as Dr. Kazys Bobelis, Dr. John Genys, Vytautas Volertas, Ausra Zerr, Valdas Adamkus, Casimir Oksas and Regina Zymantas deserve the plaudits of all of us who care about this community.

Only yesterday, I heard about the passing of Dr. Bobelis' mother in Boston, and about the illness of his son. My prayers are with him and with his wife Dalia and all his children at this time.

On the occasion of Lithuanian Independence Day, I am also reminded of the time many years ago when Val Adamkus began to broaden my understanding of the Lithuanian community of Chicago and to brief me about the problems of Lithuania. Val is now doing an outstanding job as Deputy Regional Director of the Environmental Protection Agency in Chicago, and we are all extraordinarily proud of him.

My colleagues are aware of Senate Resolution 319 which affirms that it will continue to be the policy of the United States not to recognize in any way the annexation of the Baltic nations by the Soviet Union. This affirmation is in consonance with the policy of the Ford administration and serves to reassert our concern for the peoples of Lithuania, Latvia, and Estonia. I hope that the resolution will be adopted very soon, and I invite all Senators to cosponsor this measure.

Last year on Lithuanian Independence Day, I commented on the remarkable efforts of the Lithuanian American community, the Department of State, and Members of the House and Senate in bringing pressures to bear for the release from prison and emigration of that indomitable Lithuanian seaman, Simas Kudirka. Two months ago, he thoughtfully wrote on his Christmas card:

> Our first year in the United States has been wonderful. Thank you for your efforts.

I know that he was thanking, collectively, every Member of Congress who worked to bring him here.

Our success in bringing Simas Kudirka to freedom should be an inspiration for continuing public and diplomatic efforts on behalf of freedom for his countrymen and for all who live under foreign domination.

Let this be our goal as we salute today the steadfastness of the people of Lithuania who, under the most difficult and poignant circumstances, remain loyal to their heritage, their traditions, and their culture.

A PROGRAM FOR COMPENSATION OF CRIME VICTIMS

Mr. MANSFIELD. Mr. President, a week or so ago, the Washington Post published an article datelined Bonn which concerned West Germany's current efforts to establish a crime victims' compensation program. That account details some of the rationale that has compelled so many nations and States within our own land to, at long last, recognize the plight of the crime victim, to recognize that apprehension and prosecution of the criminal is only one part of the Government's responsibility.

Mr. President, it is my hope that these efforts of our sister nations will serve to encourage our own Government to face up to the crying need for the enactment of legislation at the national level aimed at aiding victims of crime. I hope that before this Congress adjourns, S. 1399—introduced by me—will be acted on by both bodies and signed into law. In doing so, this Nation would be joining England, Sweden, New Zealand, and other nations, as well as 15 of our own States.

It should be pointed out as well, in the case of foreign nations, that the U.S. Government has paid out millions of dollars to compensate citizens of foreign lands who happen to be victims of crimes committed by U.S. servicemen abroad.

Let me repeat that statement, Mr. President: It should be pointed out as well, in the case of foreign nations, that the U.S. Government has paid out millions of dollars to compensate citizens of foreign lands who happen to be victims of crime committed by U.S. servicemen abroad. There is simply no justification, in my judgment, for treating foreign nationals more favorably than citizens of the United States with respect to this issue.

It should be pointed out as well that, according to recent studies, it is the victim who is most responsible for solving crimes.

Let the record speak for itself, Mr. President. This Nation has been deficient in according the victim his rightful role in the criminal justice system. The Senate has passed legislation five times. It is time that the process be completed.

Mr. President, I ask unanimous consent that the Washington Post article be printed in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, Feb. 8, 1976]

West Germany Plans Broad Compensation for Crime Victims

(By Michael Getler)

Bonn.—A proposed law greatly expanding the duty of government to help victims of violent crime is making its way through the West German Parliament.

The measure, in the view of Justice Ministry officials here, is the most far-reaching yet developed among Western industrialized nations. The United States and others only belatedly are getting around to dealing with the innocent victims of a global increase in violent crime.

The West German law, which was approved by the lower house of Parliament here Friday, goes well beyond traditional social security, welfare and health care payments. If passed as expected by the upper house Feb. 20 for this nation of 61 million people, the law will do something West German experts say has never been done before—provide all victims of violent crime in a major nation with enough money to maintain their individual living standards.

A family breadwinner who becomes disabled as a result of unprovoked crime, and is forced to take work paying far less than what he earned while healthy, would be entitled to government money to raise his income.

A young worker with a family, who has not worked long enough to pay in very much to the basic social security system and whose family thus would not be entitled to much of an initial pension if the worker were killed by an attacker, would have his pension reevaluated on the basis of his likely earnings over the years.

A taxi driver who witnessed a violent crime, chases the attacker and wrecks his car in the process would be able to make a claim against the state for his losses and not have to hope that a kind-hearted insurance company will pay a bill that they can now legally avoid.

West German officials acknowledge that the plan will be expensive. Its first year cost is estimated at only about $5 or $6 million. But as new claims are added each year it is expected to nearly double by 1980. The cost is supposed to be borne by the 11 West German states rather than the federal government.

The West Germans are not pioneers in this area. The governments of New Zealand and Britain in 1964 were the first in the West to introduce programs for dealing more humanely with the victim of crime and not just the criminal.

The Dutch, Austrians, Australians and Swedes also have laws that provide some special compensation, as do some provinces in Canada and about 15 U.S. states including New York, California and Maryland.

The U.S. Senate has passed a bill that would allow a maximum $25,000 payment to crime victims and President Ford has proposed a $50,000 maximum payment, limited to victims of federal crimes. But crime victims in states that allow payments already have complained that compensation boards have been reluctant to grant adequate amounts of money.

"The awards to be made are not meant to represent full damages," the sponsors of the West German law wrote. "They must however, meet the social responsibility of the general public and go beyond the principle of neediness," as defined by current federal social security programs.

"The victims must be compensated by the general public to such an extent that a social degradation of the affected persons themselves, of their families and dependents, is avoided," the law's drafters have written.

The West Germans have also come up with a unique way to operate their proposed new system. They will tie it to the existing federal law on war victims benefits. That law, which dates back to 1920 and the aftermath of World War I, has been a basic provider of compensation for millions of veterans here whose property and incomes were destroyed by two world wars. In effect, the West Germans are now seeking to put their peacetime civilian population under the same wartime umbrella in terms of their lives being lost or sharply altered by violent crimes.

In part, that decision was made because the enormous bureaucracy to handle war victims' claims—which still cover some 2.5 million people here—is already in place.

The West Germans, however, with the exception of terrorist attacks, are not suggesting that the reason behind the new law is that crime against society has become a form of warfare.

"The philosophy behind it goes back to the ancient law of Hammurabi in 1790 B.C.," said Johangeorg Schaetzler, the Justice Ministry official who has been working on drafting the new law since government leaders first officially tabled the idea in 1971.

"A principal of that ancient law was that society must take responsibility for such crimes; they must acknowledge that one task of the state is to protect its citizens and as far as they do not succeed, they should not restrict themselves strictly to prosecuting the criminal, as has been done until recently," he said.

TIME LIMITATION AGREEMENT— S. 22

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a time limitation on the Humphrey amendment to the copyright bill, S. 22, of 1 hour, and a time limitation on the Mathias amendment to the Humphrey amendment——

Mr. McCLELLAN. Reserving the right to object.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that, on the Humphrey amendment to S. 22, the copyright bill, there be a time limitation of 1 hour, to be equally divided between Mr. HUMPHREY and Mr. McCLELLAN; and that there be a time limitation on the amendment of Mr. MATHIAS to the Humphrey amendment of 1 hour, to be equally divided and controlled in accordance with the usual form.

The PRESIDING OFFICER (Mr. FORD). Without objection, it is so ordered.

MESSAGE FROM THE PRESIDENT

A message from the President of the United States was communicated to the Senate by Mr. Marks, one of his secretaries.

ANNUAL REPORT ON THE NATIONAL HOUSING GOAL—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. GLENN) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Banking, Housing and Urban Affairs:

To the Congress of the United States:

I herewith transmit the Eighth Annual Report on the National Housing Goal as required by Section 1603 of the Housing and Urban Development Act of 1968.

GERALD R. FORD.

THE WHITE HOUSE, *February 16, 1976.*

PROPOSED FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1976—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. GLENN) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Rules and Administration:

To the Congress of the United States:

In only two weeks time, unless there is affirmative action by the Congress, the Federal Election Commission will be stripped of most of its powers.

We must not allow that to happen. The American people can and should expect that our elections in this Bicentennial year, as well as other years, will be free of abuse. And they know that the Federal Election Commission is the single most effective unit for meeting that challenge.

The Commission has become the chief instrument for achieving clean Federal elections in 1976. If it becomes an empty shell, public confidence in our political process will be further eroded and the door will be opened to possible abuses in the coming elections. There would be no one to interpret, advise or provide needed certainty to the candidates with regard to the complexities of the Federal Election law. If we maintain the Commission, we can rebuild and restore the public faith that is essential for a democracy.

The fate of the Commission has been called into question, of course, by the decision of the Supreme Court on January 30. The Court ruled that the Commission was improperly constituted. The Congress gave the Commission executive powers but then, in violation of the Constitution, the Congress reserved to itself the authority to appoint four of the six members of the Commission. The Court said that this defect could be cured by having all members of the Commission nominated by the President upon the advice and consent of the Senate. Under the Court's ruling, the Commission was given a 30-day lease on life so that the defect might be corrected.

I fully recognize that other aspects of the Court's decision and that, indeed, the original law itself have created valid concerns among Members of Congress. I share many of those concerns, and I share in a desire to reform and improve upon the current law. For instance, one section of the law provides for a one-House veto of Commission regulations, a requirement that is unconstitutional as applied to regulations of an agency performing Executive functions. I am willing to defer legislative resolution of this problem, just as I hope the Members of Congress will defer adjustment of other provisions in the interest of the prompt action which is now essential.

It is clear that the 30-day period provided by the Court to reconstitute the Commission is not sufficient to undertake a comprehensive review and reform of the campaign laws. And most assuredly, this 30-day period must not become a convenient excuse to make ineffective the campaign reforms that are already on the books and have been upheld by the Court. There is a growing danger that opponents of campaign reform will exploit this opportunity for the wrong purposes. This cannot be tolerated; there must be no retreat from our commitment to clean elections.

Therefore, I am today submitting remedial legislation to the Congress for immediate action. This legislation incorporates two recommendations that I discussed with the bipartisan leaders of the Congress shortly after the Court issued its opinion.

First, I propose that the Federal Election Commission be reconstituted so that all of its six members are nominated by the President and confirmed by the Senate. This action must be taken before the February 29 deadline.

Second, to ensure that a full-scale review and reform of the election laws are ultimately undertaken, I propose that we limit through the 1976 elections the application of those laws administered by the Commission. When the elections have been completed and all of us have a better understanding of the problems in our current statutes, I will submit to the Congress a new, comprehensive election reform bill to apply to future elections. I also pledge that I will work with the Congress to enact a new law that will meet many of the objections of the current system.

I know there is widespread disagreement within the Congress on what reforms should be undertaken. That controversy is healthy; it bespeaks of a vigorous interest in our political system. But we must not allow our divergent views to disrupt the approaching elections. Our most important task now is to ensure the continued life of the Federal Election Commission, and I urge the Congress to work with me in achieving that goal.

GERALD R. FORD,

THE WHITE HOUSE, *February 16, 1976.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. GLENN) laid before the Senate messages from the President of the United States received on February 9, 11, 12, and 13, 1976, during the adjournment of the Senate and pursuant to the authority contained in section 3 of Senate Concurrent Resolution 92, submitting sundry nominations and one withdrawal of a nomination, which were referred to the appropriate committees.

The nominations and withdrawal received during the adjournment are printed at the end of today's proceedings of the Senate.

MESSAGES FROM THE HOUSE

At 12:03 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills in which it requests the concurrence of the Senate:

H.R. 11665. An act to rescind certain budget authority recommended in the message of the President of January 23, 1976 (H. Doc. 94–342), transmitted pursuant to the Impoundment Control Act of 1974;

H.R. 11453. An act to authorize appropriations for fiscal year 1976, for the period beginning July 1, 1976, and ending September 30, 1976, and for fiscal year 1977 for carrying out title VI of the Comprehensive Employment and Training Act of 1973, and to amend title II and title VI of such Act.

The message also announced that the House has agreed without amendment to the concurrent resolution (S. Con. Res. 93) supporing Brussels Conference on Soviet Jewry.

The message further announced that the House has passed without amendment the joint resolution (S.J. Res. 167) to amend the Railroad Revitalization and Regulatory Reform Act of 1976.

The message also announced that the House has passed the bill (S. 1941) to increase the protection afforded animals in transit and to assure the humane treatment of animals, and for other purposes, with amendments in which it requests the concurrence of the Senate.

The message further announced that the House agrees to the amendments of the Senate to the amendment of the House to the bill (S. 2672) to extend the State Taxation of Depositories Act.

The message also announced that the Speaker has selected Mr. **Karth**, Mr. **Vander Veen**, Mr. **Rostenkowski**, Mr. **Vander Jagt**, and Mr. **Frenzel** to be accredited by the President and to serve on the part of the House as official advisers to the U.S. delegations to international conferences, meetings, and negotiation sessions relating to trade agreements during the 2d session of the 94th Congress.

The message further announced that the chairman of the Committee on Merchant Marine and Fisheries has appointed Mr. **Downing** of Virginia, Mr. **Zeferetti**, Mr. **McCloskey**, and Mrs. **Sullivan**, ex officio, to serve as members of the Board of Visitors to the U.S. Merchant Marine Academy for the year 1976 on the part of the House.

The message also announced that the Speaker has appointed Mr. **Scheuer** as a manager on the part of the House in the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7988) to amend the Public Health Service Act to revise and extend the program under the National Heart and Lung Institute, and for other purposes, vice Mr. **Preyer**, resigned.

The message further announced that the chairman of the Committee on Merchant Marine and Fisheries has appointed Mr. **Biaggi**, Mr. **de la Garza**, Mr. **du Pont**, and Mrs. **Sullivan**, ex officio, as members of the Board of Visitors to the U.S. Coast Guard Academy for the year 1976 on the part of the House.

At 1:45 p.m., a message from the House of Representatives delivered by Mr. Berry announced that the House has passed H.R. 9464, an act to assure the availability of adequate supplies of natural gas during the period ending June 30, 1976, in which it requests the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

At 2 p.m., a message from the House of Representatives delivered by Mr. Berry announced that the Speaker has signed the following enrolled bill and joint resolution:

H.R. 6184. An act to amend section 40 of the Bankruptcy Act to fix the salaries of referees in bankruptcy;

H.R. 6949. An act to make the film "Wilma Rudolph, Olympic Champion," which was produced by the U.S. Information Agency, available for certain limited use within the United States in conjunction with promotion of the 1976 Olympic Games;

S. 2672. An act to extend the State Taxation of Depositories Act; and

S.J. Res. 167. A joint resolution to amend the Railroad Revitalization and Regulatory Reform Act of 1976.

The enrolled bills and joint resolution were subsequently signed by the Acting President pro tempore (Mr. **Glenn**).

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. **Glenn**) laid before the Senate the following letters, which were referred as indicated:

FEDERAL ENERGY ADMINISTRATION

A communication from the President of the United States relating to his recommendations for the future of the Federal Energy Administration to the Committee on Government Operations.

HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred as indicated:

H.R. 11665. An act to rescind certain budget authority recommended in the message of the President of January 23, 1976 (H. Doc. 94–342), transmitted pursuant to the Impoundment Control Act of 1974; to the Committees on Appropriations, Budget, Commerce, Labor and Public Welfare, Armed Services, and Foreign Relations, jointly, pursuant to the order of January 30, 1975.

H.R. 11453. An act to authorize appropriations for fiscal year 1976, for the period beginning July 1, 1776, and ending September 30, 1976, and for fiscal year 1977 for carrying out title VI of the Comprehensive Employment and Training Act of 1973, and to amend title II and title VI of such Act; to the Committee on Labor and Public Welfare.

ORDER FOR H.R. 9464 TO BE HELD AT DESK

Mr. MANSFIELD. Mr. President, I ask unanimous consent that H.R. 9464, to assure the availability of adequate supplies of natural gas during the period ending June 30, 1976, be held at the desk until further action by the leadership.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. MANSFIELD:

S. 2953. A bill to amend the Federal Election Campaign Act of 1971 to provide for its administration by a Federal Election Commission appointed in accordance with the requirements of the Constitution. Referred to the Committee on Rules and Administration.

By Mr. MATHIAS:

S. 2954. A bill for the relief of Gregoria Ridler and her children, Maria Louise and Roberto Harry. Referred to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 2955. A bill for the relief of Mr. Sahdeo Pradhan. Referred to the Committee on the Judiciary.

By Mr. BUMPERS:

S. 2956. A bill for the relief of Teresa Marie Salman. Referred to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MANSFIELD:

S. 2953. A bill to amend the Federal Election Campaign Act of 1971 to provide for its administration by a Federal Election Commission appointed in accordance with the requirements of the Constitution. Referred to the Committee on Rules and Administration.

(The remarks of Mr. **Mansfield** on the introduction of the above bill are printed earlier in today's **Record**.)

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 595

At the request of Mr. **Bartlett**, the Senator from Texas (Mr. **Bentsen**) was added as a cosponsor of S. 595, a bill to amend Public Law 88–482.

S. 2015

At the request of Mr. **Eagleton**, the Senator from Connecticut (Mr. **Weicker**) was added as a cosponsor of S. 2015, a bill to amend title 39, United States Code.

S. 2795

At the request of Mr. **Bartlett**, the Senator from Arizona (Mr. **Fannin**), the Senator from Utah (Mr. **Garn**), the Senator from Wyoming (Mr. **Hansen**), and the Senator from South Carolina (Mr. **Thurmond**) were added as cosponsors of S. 2795, to amend the Hobbs Act to provide penalties for the damages to employers.

S. 2910

At the request of Mr. **Schweiker**, the Senator from Iowa (Mr. **Clark**) and the Senator from West Virginia (Mr. **Randolph**) were added as cosponsors of

S. 2910, to establish the National Diabetes Advisory Board.

S. 2911

At the request of Mr. SCHWEIKER, the Senator from Indiana (Mr. BAYH), the Senator from Kentucky (Mr. FORD), and the Senator from Missouri (Mr. SYMINGTON) were added as cosponsors of S. 2911, a bill to amend the Federal Election Campaign Act.

SENATE RESOLUTION 39

At the request of Mr. METCALF, the Senator from New Hampshire (Mr. MCINTYRE) was added as a cosponsor of Senate Resolution 39, to provide for radio and television coverage of proceedings in the Senate Chamber.

SENATE RESOLUTION 319

At the request of Mr. CURTIS, the Senator from New Jersey (Mr. CASE), the Senator from Wisconsin (Mr. PROXMIRE), the Senator from Delaware (Mr. ROTH), and the Senator from Arizona (Mr. FANNIN) were added as cosponsors of Senate Resolution 319, relating to the occupation of certain Baltic Nations by the Soviet Union.

SENATE RESOLUTION 351

At the request of Mr. BARTLETT, the Senator from Colorado (Mr. HASKELL) and the Senator from Arkansas (Mr. BUMPERS) were added as cosponsors of Senate Resolution 351, to request that the President engage in negotiations with other nations to halt international terrorist activities.

AMENDMENTS SUBMITTED FOR PRINTING

VETERANS OMNIBUS HEALTH CARE ACT OF 1976—S. 2908

AMENDMENT NO. 1393

(Ordered to be printed and referred to the Committee on Veterans' Affairs.)

Mr. HARTKE. Mr. President, on behalf of the Senator from California (Mr. CRANSTON), I submit for printing an amendment to S. 2908, the proposed Veterans Omnibus Health Care Act of 1976, which we introduced on February 2, 1976. Mr. President, I ask unanimous consent that the text of this amendment, which corrects certain drafting oversights, be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1393

On page 3, strike out all on lines 2 and 3 and insert in lieu thereof "except with respect to a veteran receiving hospital care for a service-connected disability under section 610(a)(1)(A) of this title or medical services for such disability under section 612(a) of this title,"

On page 6, line 15, insert "receiving treatment under paragraph (1)(B) or (2) of section 612(f) of this title" after "facilities)".

On page 11, line 19, insert a comma and "within the limits of Veterans' Administration facilities," after "furnish".

On page 23, line 16, insert "as part of medical services furnished under section 612 of this title," after "basis,".

On page 42, line 19, insert "(b) of section 121 and subsection" after "Subsection".

On page 42, between lines 22 and 23, insert the following new paragraph:

(8) Sections 407 (as added by such 1976 Act) and 408 of such 1972 Act and sections 321 and 333 of such 1970 Act are superseded insofar as they apply to activities of the Veterans' Administration.

Mr. HARTKE. Mr. President, I understand that Senator CRANSTON will make a detailed floor statement tomorrow discussing the provisions of S. 2908. At this point, Mr. President, also on behalf of the Senator from California (Mr. CRANSTON), I ask unanimous consent that a detailed section-by-section analysis of S. 2908—including the changes as made by the amendments submitted today and No. 1386 which Senator CRANSTON submitted on February 5—be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS OF S. 2908, PROPOSED VETERANS OMNIBUS HEALTH CARE ACT OF 1976

Section 1. Provides that this Act may be cited as the "Veterans Omnibus Health Care Act of 1976".

TITLE I—GENERAL VETERANS HEALTH CARE AND DEPEARTMENT OF MEDICINE AND SURGERY AMENDMENTS

Section 101. Amends section 111 of title 38, United States Code, relating to reimbursement of veterans for the cost of travel expenses incurred for trips to or from a Veterans' Administration facility, by adding a new subsection (e), as follows:

New subsection (e): Paragraph (1) directs the Administrator of Veterans' Affairs, after consultation with the heads of other relevant Federal Departments and agencies, to establish rates of reimbursement based on an analysis of objective factors, including the costs of owning and operating a private vehicle, the availability and relative convenience of public transportation, and the travel expense reimbursement rates for Federal employees under sections 5702 and 5704 of title 5, United States Code. Veterans in four specified categories are authorized to receive reimbursement at a rate equal to the cost of transportation by privately-owned vehicle, as determined by the Administrator, but in no case may the amount of reimbursement received exceed the veteran's actual travel expenses as certified by the veteran. The four categories of veterans are: (1) veterans treated on an outpatient basis for service-connected disabilities under section 612(a) of title 38; (2) veterans treated on an outpatient basis for service-connected disabilities under section 610(a)(1)(A) of title 38 (by virtue of Amendment No. — (February 15, 1976)); (3) any veteran for whom public transportation is inaccessible; or (4) any veterans for whom travel by public transportation would be medically inadvisable due to the nature or extent of the veteran's disability. For all other veterans, the rate of reimbursement is limited to the cost of travel by public transportation.

Paragraph (2) requires that, before determining the rates of reimbursement specified in the new subsection (e), the Administrator (A) report to Congress on the proposed rates, with a justification and an explanation of any differences between the rates proposed and the existing rates for Federal employees in effect under sections 5702 and 5704 of title 5; and (B) publish proposed rates in the Federal Register and hold a public hearing on them determining the final rates in a rulemaking proceeding under the Administrative Procedure Act.

Section 102. Amends section 601 of title 38, United States Code, to clarify the definitions of several terms used in chapter 17 of title 38, and to add several new definitions. The definitions to be amended or added by clauses (1), (2), (4), and (5) of this section are virtually identical to provisions which were passed in the Senate in S. 2108 in the 92d Congress and in S. 284 in the 93d Congress.

Clause (1) of section 102 adds a new definition of "veteran" as a new paragraph (2) of section 601 of title 38, and renumbers the existing paragraphs (2) through (7) of section 601 as paragraphs (3) through (8), respectively.

New paragraph (2): Under the new definition, any veteran holding a discharge other than a dishonorable discharge—thus any veteran with an honorable, general, undesirable, or bad conduct discharge—would initially be eligible for the treatment of a service-connected disability, provided that the veteran was not discharged under the conditions described in section 3103 of title 38—which eliminates virtually all bad conduct discharges since they are given in almost all cases by a general court martial. Veterans seeking treatment for a non-service-connected disability would still be required to hold an honorable or general discharge or be discharged under conditions other than dishonorable as a condition of eligibility for treatment by the VA.

Clause (2) of section 102 makes conforming changes in the definition of "hospital care" in paragraph (6) (as redesignated by clause (1) of this section, as described above) of section 601 to accord with the amendments made by clauses (3) and (5) of this section (see below).

Clause (3) of section 102 revises the definition of "medical services" contained in paragraph (7) (as redesignated by clause (1) of this section) of section 601. Under the new definition, "medical services" consist of three components, in addition to medical examination, treatment, and rehabilitative services: (1) professional services as described in a new clause (A) in paragraph (7), including optometry, poditary, surgery, dentistry, dental and other appliances, prosthetics, and others; (2) home health services as described in a new clause (B), limited to include improvements and structural alterations only when such improvements or alterations are of a minor nature and are necessary to assure the continuation of treatment or provide access to the home and to essential lavatory and sanitary facilities, and limited (by Amendment No.   (February 15, 1976)) to veterans receiving post-hospital outpatient care under section 612(f)(1)(B) or outpatient care for any disability in the case of a veteran with a fifty-per-cent-or-more service-connected disability; and (3) mental health services, consultation, professional counseling, and training of the members of the family of a veteran (or, in the absence of family members, of a veteran's legal guardian or certified household companion), on an outpatient basis, when necessary or appropriate to the effective treatment and rehabilitation of the veteran, including transportation expenses, as described in a new clause (C) (the provisions of which are virtually identical to existing clause (B) in section 601(5), which would be deleted by clause (2) of this section of the bill).

Clause (4) of section 102 amends the definition of "domiciliary care" in paragraph (8) (as redesignated by clause (1) of this section) of section 601 to make reference to "medical services" (as defined in paragraph (7) (as redesignated by clause (1) of this section) of section 601) and "rehabilitative services" (as defined in paragraph (9) of section 601, as added by clause (5) of this section).

Clause (5) of section 102 amends section 601 by adding a new paragraph (9) defining "rehabilitative services". Under paragraph (6) (as redesignated by clause (1), and amended by clause (2), of this section) of section 601, rehabilitative services are included under "hospital care", and under paragraph (7) (as redesignated by clause (1), and amended by clause (3), of this section) of section 601, they are included under "medical services".

New paragraph (9): Defines "rehabilitative services" as professional services or treatment programs necessary to restore the physical, mental, and psychological functioning of an ill or disabled person. Rehabilitative services would include vocational guidance and rehabilitation services other than those provided as part of vocational rehabilitation under chapter 31 of title 38.

Section 103. Amends section 602 of title 38, United States Code, to delete the reference to an "active psychosis", and substitute for it an unqualified reference to "a psychosis". Under present section 602, a psychosis developed within two years of discharge or release from the active military, naval, or air service is not presumed to be service-connected unless the psychosis is active and the veteran is suffering a disability as a result of the psychosis at the time application is made for hospital care or medical services under chapter 17 of title 38. By deleting the reference to an "active" psychosis, the amendment made by this section would extend the benefits of a presumption of service-connection to those veterans suffering from a psychosis not deemed to be "active" at the time of application for hosptial care or medical services. This provision is substantially similar to a provision which passed in the Senate in S. 2108 and in S. 284.

Section 104. Adds a new section 603 to subchapter I of chapter 17 of title 38, United States Code, to create a presumption of service-connection for disabilities suffered by former prisoners of war, under certain circumstances.

Subsection (a) of section 104 adds a new section 603 at the end of subchapter I of chapter 17, as follows:

New section 603: Creates a presumption of service-connection for any disability which, as determined in accordance with the exercise of sound medical judgment, have been incurred during or aggravated by internment as a prisoner of war, if the veteran was interned for more than six months and the Administrator does not find, on the basis of clear and convincing evidence, that a claim of service-connection is without merit.

Subsection (b) of section 104 amends the table of sections at the beginning of chapter 17 to reflect the addition of the new section 603 made by subsection (a) of this section of the bill.

Section 105. Amends section 612 of title 38 (relating to eligibility for outpatient medical treatment) to clarify the circumstances under which veterans with service-connected and non-service-connected disabilities qualify for outpatient medical services.

Clause (1) of subsection (a) of section 105 amends subsection (a) of section 612 by authorizing, as part of the outpatient treatment program for a veteran's service-connected disability, such home health services as the Administrator finds to be necessary or appropriate for the effective and economical treatment of the disability. These home health services would include improvements and structural alterations to the veteran's home, but only as necessary to assure the continuation of treatment for such disability or to provide access to the home and to essential lavatory and sanitary facilities.

The amendment authorizes home improvements and structural alterations to aid in the treatment of a service-connected disability, even when such projects are not minor in nature. A veteran seeking assistance from the VA for home improvements or structural alterations to aid in the treatment of a non-service-connected disability could obtain such assistance only for projects of a minor nature, as part of the "medical services" defined in paragraph (7) (as redesignated by clause (1), and redefined by clause (3), of section 102 of the bill) of section 601 and provided pursuant to subsection (f)(1) of section 612.

Clause (2) of subsection (a) of section 105 amends subsection (b)(4) of section 612 (which specifies the dental conditions or disabilities for which outpatient dental services and treatment may be provided) to authorize the provision of outpatient dental services and treatment (but not including any routine dental care) to any veteran with a dental condition or disability which is associated with or aggravating a medical or dental disability for which the veteran is then receiving treatment at a VA facility. At present, the authority to provide outpatient services and treatment for a non-service-connected dental condition or disability is limited to the treatment of those conditions or disabilities associated with a service-connected disease or injury. This amendment broadens, to a very limited degree, the authority to provide outpatient dental services and treatment, so that a veteran with a dental condition or disability associated with any disease or injury—regardless of service-connection—can receive dental services and treatment, on an outpatient basis, if the dental condition or disability is associated with or aggravating the disease or injury for which the veteran is then receiving outpatient treatment under section 612(f).

Clause (3) of subsection (a) of section 105 further amends subsection (b) of section 612 by adding a new clause (5) to define a second set of additional circumstances under which a veteran may receive outpatient dental services and treatment for a non-service-connected dental condition or disability, and redesignating the existing clause (5) as clause (6).

New clause (5): Authorizes the provision of outpatient dental services and treatment to a veteran for a non-service-connected condition or disability under two circumstances: (A) if treatment for the dental problem began while the veteran was receiving hospital care under chapter 17 of title 38, and treatment if the dental problem on an outpatient basis is reasonably necessary to complete the treatment begun during hospitalization; or (B) the veteran needs emergency care; but under this circumstance, such care may be provided, on an outpatient basis, only to the extent required to relieve pain, control infection, or both, and under no circumstances may such care include major restoration, prostheses, or therapy.

Clause (4) of subsection (a) of section 105 amends subsection (f) of section 612 (specifying circumstances under which medical services may be provided on an outpatient basis for a non-service-connected disability) by providing that such services may be furnished only within the limits of VA facilities, as the latter term is defined in paragraph (5) (as redesignated by clause (1) of section 102 of the bill) of section 601. The amendment is designed to overrule an interpretation of the VA holding that under present law a veteran with a non-service-connected disability can receive fee-basis outpatient treatment under section 612(f) without limitation because of the absence of the words "within the limits of Veterans' Administration facilities" from section 612(f); whereas a veteran can receive outpatient treatment for a service-connected disability on a fee basis only within certain limits because of the words "within the limits of Veterans' Administration facilities" in section 612(a).

Under section 601(5) (as redesignated by section 102(1), and amended by section 302(b)(3), of the bill), a VA facility includes a private facility for which the Administrator contracts in order to provide medical services for the treatment of a service-connected disability. A veteran seeking treatment for a service-connected disability can, therefore, utilize the services of a private facility on a fee basis, since such facility is defined as a VA facility under section 601(5)(i), while, under the amendment to section 612(f), a veteran seeking treatment for a non-service connected disability could not, since a private facility is defined as a VA facility only when utilized for the treatment of a service-connected disability. The effect of the amendment would be to make clear that the VA does not have authority to authorize fee-basis outpatient treatment for veterans with non-service-connected disabilities, except (by virtue of the amendment in section 302(b)(3) of the bill) with respect to veterans with service-connected disabilities rated at 50 percent or more or as part of post-hospital care.

Clause (5) of subsection (a) of section 105 amends section 612(f)(1) to limit the circumstances under which outpatient or ambulatory care may be provided to a veteran to obviate the need of hospitalization for a non-service-connected disability or illness. The amendment provides that such care may be provided only to the extent that direct VA outpatient or ambulatory facilities are available. Present section 612(f) establishes four categories of veterans eligible for outpatient or ambulatory medical services: (1) veterans eligible for hospital care and in need of preparation for hospital admission; (2) veterans eligible for hospital care for whom such services are reasonably necessary to obviate hospital admission; (3) veterans who have received hospital care and for whom such services are reasonably necessary to complete treatment incident to hospitalization; and (4) veterans with service-connected disabilities rated at 80 percent or more. The effect of this amendment would be to provide outpatient or ambulatory services for veterans in the "obviate" category only to the extent that outpatient or ambulatory care capacity is still available after veterans in the other three categories have received such services. Last priority in the provision of such services for non-service-connected disabilities would thus be given to those veterans for whom the services are provided under the "obviate" language in section 612(f)(1)(A).

Clause (6) of subsection (a) of section 105 limits the duration of outpatient or ambulatory services that may be provided to veterans receiving such services as post-hospital care under section 612(f)(1)(B). For veterans who have received hospital care and for whom post-hospital outpatient or ambulatory care is reasonably necessary to complete treatment incident to such hospitalization, such post-hospital outpatient or ambulatory care would be limited to a period not longer than 12 months after discharge from the hospital, subject to specified exceptions, as follows: If the Administrator finds that, because of the nature of the disability for which hospital care was provided, a longer period of outpatient or ambulatory care is required, then the Administrator may extend beyond 12 months the period of time for which such care is furnished to the veteran directly by the VA. With respect to veterans receiving outpatient post-hospital care on a fee basis at a private facility for a non-service-connected disability, such care at VA expense would be limited to 12 months in any event if alternative Federal reimbursement were reasonably available to defray substantially (but not entirely) the cost of such care after the first 12 months. Thus, under the amendment, outpatient post-hospital care could continue to be furnished beyond 12 months: (1) at a VA facility if such care were determined by the Administrator to be required beyond 12 months' duration for the particular disability being treated; and (2) on a fee basis if the first condition were present and substantial Federal reimbursement from non-VA resources were available.

Clause (7) of subsection (a) of section 105 amends section 612(f)(2) (authorizing outpatient or ambulatory medical services for any veteran with a service-connected disability rated at 80 percent or more) by substituting 50 percent for the current 80 percent, so that any veteran with a service-connected disability rated at 50 percent or more would be eligible for the full range of outpatient or ambulatory services at VA facilities.

The VA estimates that there are 102,000 veterans in the United States with service-connected disabilities (combined degree) rated at 50 percent; 112,000 with service-connected disabilities rated at 60 percent; and 70,000 rated at 70 percent. The amendment, therefore, would make approximately 284,000 more veterans eligible for total health care (including preventive health care under the amendment made by section 111 of the bill) in VA facilities, in addition to the approximately 152,000 veterans who now qualify for total care by virtue of a service-connected disability rated at 80 percent or more. However, treatments to the potential 284,000 new section 612(f)(2) beneficiaries would not be over and above the 14 million treatments currently provided but would be furnished as part of a redirecting of priorities and of resource utilization as required by clause (8) of section 105(a) of the bill, described immediately below.

Clause (8) of subsection (a) of section 105 adds at the end of section 612 a new subsection (i), the purpose of which is to establish a system of priorities among veterans seeking outpatient or ambulatory services under section 612, as follows:

New subsection (i): Provides that, except in cases of medical emergencies which pose a serious threat to life or health (which cases, of course, would receive the most urgent priority), veterans would receive outpatient medical services in the following order of priority:

(1) Highest priority would be accorded to veterans seeking treatment for a service-connected disability.

(2) Veterans with service-connected disabilities rated at 50 percent or more would be accorded second priority.

(3) Veterans with service-connected disabilities rated below 50 percent would be accorded third priority.

(4) Catastrophically-injured veterans who are being furnished medical services under section 612(g) would be accorded fourth priority over other non-service-connected veterans.

Last in priority would be veterans seeking treatment for non-service-connected disabilities not included in any of the priority categories listed above.

Subsection (b) of section 105 requires the Administrator to report annually to the Congress on the results of the regulations adopted by the VA to carry out the priorities for the furnishing of outpatient or ambulatory medical services established by the amendment made by subsection (a)(8) of this section of the bill.

Section 196. Amends subchapter II of chapter 17 by adding a new section 612A establishing a program of readjustment professional counseling for any veteran (including their family members under certain circumstances) who served in the Armed Forces after August 4, 1964.

Subsection (a) of section 106 adds a new section 612A ("Eligibility for readjustment professional counseling") in subchapter II of chapter 17, as follows:

New section 612A: Authorizes the Administrator to furnish readjustment professional counseling, in VA facilities (by virtue of Amendment No. —), to any veteran who served in the Armed Forces since the beginning of the Vietnam era (a veteran with service after August 4, 1964) and who requests such counseling to assist in the readjustment to civilian life. Readjustment professional counseling would include mental health services, as specified in section 601 (7)(C) (as redesignated by section 102(1), and as amended by section 102(3), of the bill) to include counseling and services to a veteran's family members when necessary or appropriate to the effective treatment of the veteran, and appropriate referral services. If hospital care and other medical services are deemed necessary as the result of a general physical, mental, and psychological assessment of the veteran, and if the veteran is eligible for such hospital care and medical services in accordance with the eligibility criteria set forth in chapter 17 (or as a humanitarian service in emergency cases under section 611(b)), then such care and services would be provided; if the veteran is not eligible for such care and services, then the Administrator is required to provide appropriate referral services to assure, to the maximum extent practicable, that the veteran receives such care or services from facilities outside the VA.

In providing readjustment professional counseling and referral services under new section 612A, the Chief Medical Director is directed to provide for the training of paraprofessional and lay personnel, in addition to professional personnel, and to make maximum use of these paraprofessional personnel, voluntary workers, and veteran students in the initial intake and screening activities under the new section. The Administrator is further directed, in cooperation with the Secretary of Defense, to take all appropriate action under the outreach services program provided for in section 241 of title 38, to ensure that all veterans (and terminating service personnel) eligible for readjustment professional counseling are advised of their eligibility and encouraged to take full advantage of it.

All veterans with service after August 4, 1964, would be given at least two years from the date of enactment of this new section within which to request assistance. Veterans discharged or released from active duty on or after the enactment date of the new section, or less than two years before the enactment date, would be given four years following the date of their discharge within which to request assistance.

This provision is substantially similar to a provision which was passed in the Senate in S. 2108 and in S. 284.

Subsection (b) of section 106 amends the table of sections at the beginning of chapter 17 to reflect the addition of the new section 612A made by subsection (a) of this section of the bill.

Section 107. Amends section 613 (which establishes the CHAMPVA contract-care program for certain veterans' dependents) to broaden the eligibility of survivors of a deceased veteran for contract medical care benefits under CHAMPVA. Under current law, a deceased veteran's widow or surviving children are eligible for medical care benefits under CHAMPVA only if the veteran died as the result of a service-connected disability. The amendment extends CHAMPVA coverage to the widow or surviving children of a veteran who, at the time of death, had a total and permanent disability resulting from a service-connected disability, regardless of whether it can be shown that the veteran died as a result of that disability. This extension of coverage would be synonymous with coverage under chapter 35 of title 38, War Orphans' and Widows' Educational Assistance, as provided in section 1701(a)(1) (A)(ii).

This amendment will extend CHAMPVA eligibility to less than 1,000 widows and surviving children not now eligible for CHAMPVA benefits, at a total annual additional cost of $57,000.

Section 108. Amends section 618 of title 38 to provide express statutory authority for, and make several substantive changes in the operation of, the VA's compensated-work therapy programs.

Subsections (a) (1) and (2) of section 108 make technical and conforming changes in existing section 618, so that the existing language, with some purely technical modifications, becomes subsection (a) of such section.

Subsection (a)(3) of section 108 inserts at the end of the present language in section 618 four new subsections, designated as subsections (b) through (e), respectively, as follows:

New subsection (b): Paragraph (1) authorizes the Administrator (upon recommendation of the Chief Medical Director) to enter into arrangements with sources outside the VA, including private industrial and commercial enterprises, for the provision of therapeutic work for remuneration for patients of VA hospitals and nursing homes and patient members in VA domiciliaries.

Paragraph (2) further authorizes the Administrator to enter into arrangements with non-profit entities for the provision of therapeutic work for remuneration for such patients (including domiciliary patient members), pursuant to such fiscal, accounting management, recordkeeping, and reporting requirements as the Administration establishes with respect to the activities of the non-profit entity.

New subsection (c) establishes a revolving fund for the purpose of carrying out the provisions of new subsection (b) of section 618.

Paragraph (1) provides that the fund shall be called the "Veterans' Administration Special Therapeutic and Rehabilitation Activities Fund".

Paragraph (2) requires the VA to deposit in this fund all monies received under arrangements with for-profit and non-profit sources outside the VA under new subsection (b), and to pay out of the fund remuneration to participating VA patients at rates prescribed by the Administrator; and further requires that these rates of remuneration be in accordance with the Fair Labor Standards Act, the regulations prescribed thereunder, and other applicable law and regulations.

Paragraph (3) makes available, for investment in the fund established by paragraph (1), monies in the National Service Life Insurance (NSLI) Fund continued under section 720 of title 38.

Paragraph (4) requires the Chief Medical Director to prepare an annual description of all activities carried out under the VA's compensated-work therapy programs, for inclusion in the annual report submitted to Congress under section 214 of title 38; and further requires that any excess balance in the fund established by paragraph (1) at the end of the fiscal year be covered into the

Treasury to meet any NSLI Fund obligations to the fund, or, in the event that all such obligations have been met, be credited to the VA medical care appropriation.

New subsection (d) requires the Administrator to coordinate the rehabilitative services offered under section 618 with vocational rehabilitation and education benefits provided pursuant to chapters 31, 34, and 35 of title 38.

New subsection (e) requires the rehabilitation services offered under section 618 to be provided to patients in accordance with the priorities set forth in subsection (i) of section 612 (as such section is amended by section 105(a)(8) of the bill).

Subsection (b) of section 108 authorizes the Administrator to settle outstanding VA claims against private non-profit corporations arising from the use of VA facilities and personnel as part of a therapeutic or rehabilitative work program.

Paragraph (1) authorities the settlement of such claims, and the binding release of all claims against such corporations, on such terms and conditions, and in such amounts, as the Administrator deems appropriate.

Paragraph (2) permits the Administrator to utilize any funds recovered pursuant to such settlements for any purpose agreed upon by the Administrator and the corporation in question, notwithstanding the provisions of section 484 of title 31 (relating to the deposit into the Treasury of monies received for the use of the United States.)

Section 109. Makes several changes in section 620 (authorizing the furnishing of nursing home care in community facilities at VA expense) of title 38 to facilitate the transfer of veteran hospital patients to community nursing homes, and the authorize the transfer of certain veterans to community intermediate care facilities.

Clause (1) of section 109 makes a conforming change in section 620(a).

Clauses (2) and (3) of section 109 liberalize the cost formula for determining the maximum amount which the VA may pay for care in a community nursing home. Under current law, the VA may bear the expense of care in a community nursing home up to a rate for such care which does not exceed 40 percent of the cost of care furnished in an index VA general hospital. Clause (2) raises the percentage to 45 percent; the VA, therefore, would be authorized to pay for nursing home care in community nursing homes charging as much as 45 percent of the cost of hospitalization in the index VA hospital. Clause (3) permits the cost to rise as high as 50 percent in those geographical areas where, as determined necessary by the Administrator upon the recommendation of the Chief Medical Director, the higher percentage is necessary to provide adequate care.

Clause (4) of section 109 adds at the end of section 620 a new subsection (e), as follows:

New subsection (e): Defines "nursing home care", for purposes of section 620, to include "intermediate care" as the latter term is defined by the Administrator pursuant to regulation. The effect of the amendment is to permit the transfer of certain VA hospital patients to community intermediate care facilities (a facility eligible for reimbursement under the Social Security Act). The rate of reimbursement for such facilities would be determined by the Administrator; the rate is required to be commensurately less than the rate provided for skilled nursing home care (as defined in section 101(28)) under section 620(a) (as amended by clauses (1) through (3) of this section of the bill).

Section 110. Makes two further amendments to chapter 17 of title 38.

Subsection (a) of section 110 amends section 624(b) (authorizing the furnishing of hospital care, medical services, and nursing home care abroad) of title 38 to permit the Administrator to provide hospital care and medical services to a veteran for the treatment of a service-connected disability if the veteran is in Canada or Mexico. Under current law, non-citizen veterans are eligible for treatment of service-connected disabilities only if they are in the Republic of the Philippines. The amendment would extend eligibility for treatment of a service-connected disability to non-citizen veterans of the United States Armed Forces who are now in Mexico or Canada. Such veterans are already fully eligible for such care while they are in the United States.

Subsection (b) of section 110 amends subchapter V of chapter 17 to raise the per diem rates paid by the VA for care in State home facilities, and to make other changes in the VA's State home program.

Paragraph (1) amends section 641 in three respects: (1) it raises the VA's per diem rates from $4.50 to $5.50 for domiciliary care, from $6.00 to $8.00 for nursing home care, and from $10.00 to $11.00 for hospital care, provided in a State home; (2) it broadens slightly the category of veterans for whose treatment a State home is eligible for per diem payments, by striking the reference to wartime service (already deleted as to hospital care, nursing home care, and medical services by P.L. 93-82) and permitting per diem reimbursement for any veteran eligible for care in a VA facility; and (3) it permits reimbursement at the nursing-home-care rates for domiciliary care provided by a State home in any State which has no VA hospital or domiciliary facility within its boundaries.

Paragraph (2) amends section 642 to permit the Administrator to stop or suspend per diem payments to any State home which fails to meet quality standards prescribed by the Administrator (which standards, with respect to nursing home care, are required to be as stringent as those prescribed for community nursing homes under section 620(b) of title 38).

Paragraph (3) makes the new per diem payment rates in section 641(a) (as amended by subsection (b)(1) of this section of the bill) retroactively applicable to the period beginning January 1, 1976.

Subsection (c) of section 110, makes a series of amendments to subchapter III of chapter 81, all designed to encourage and facilitate the construction of State home facilities in States without VA hospitals and domiciliary facilities.

Paragraph (1) amends section 5031 by (1) redesignating paragraphs (a) through (d) as (1) through (4), respectively; (2) amending the definition of "construction" in paragraph (3) (as so redesignated) to make it clear that the remodeling, modification, or alteration of an existing building not presently used to provide nursing home care qualifies as "construction" for purposes of subchapter III; and (3) inserting a new paragraph (5) at the end of section 5031 to provide that in States in which no VA hospital or domiciliary facility is located, "nursing home care" includes domiciliary care.

Paragraph (2) amends section 5034 to require that Administrator to prescribe general standards for the furnishing of nursing home care in State facilities constructed with the assistance of the VA under subchapter III. The standards are required to be as stringent as those prescribed by the Administrator for community nursing homes under section 620(b) of title 38 (except that, with respect to facilities providing domiciliary care pursuant to the definition in section 5031(5) (as added by section 109(c)(1) of the bill), the Administrator is required to prescribe new standards).

Paragraph (3) amends section 5035(a)(4) (which requires that the VA provide construction assistance only after receiving reasonable assurances that not more than 10 percent of the bed occupancy in the new State facility will consist of non-veteran patients) by adding at the end thereof "except as provided in subsection (c) of this section"; and amends section 5035(c) to waive the not-more-than-10-percent-non-veteran requirement for the construction of a facility in a State in which no VA hospital or domiciliary facility is located, and to authorize funding for the construction of a facility in such State if such State provides reasonable assurance that not more than such proportion as the Administrator deems reasonable (but in no case more than 50 percent) of the bed occupancy will consist of non-veterans.

Section 111. Amends chapter 17 of title 38 by adding a new subchapter VII establishing a comprehensive preventive health care program for eligible veterans.

Subsection (a) of section 111 amends chapter 17 by adding a new subchapter VII to provide for a preventive health care program for veterans with service-connected disabilities and to authorize the Administrator to carry out a pilot program (including research) on a geographical or other basis to determine the cost-effectiveness and medical advantages of furnishing preventive health care services to persons eligible for hospital care and medical care and services provided under title 38. Under the amendment, five new sections are added to chapter 17, as follows:

New section 660: Describes the purpose of the new subchapter.

New section 661: Defines "preventive health care services" which may be included in such programs. Such services may include but are not limited to periodic medical and dental examinations; patient education and awareness heightening techniques; maintenance of drug use profiles, patient drug monitoring, and drug utilization education; mental health preventive services (including family counseling) substance (including tobacco) abuse prevention measures; immunizations against infectious diseases; prevention of musculoskeletal deformity or other gradually developing disabilities of a metabolic or degenerative nature; genetic counseling concerning inheritance of genetically determined diseases; routine vision testing and eye care services; and nutrition education and counseling services. In addition, periodic re-examination of likely target populations considered to be at high risk for selected diseases may be included.

New section 662: Subsection (a) directs the Administrator, pursuant to regulations, to furnish on an inpatient or ambulatory basis, as part of medical services furnished under section 612 of title 38, such preventive health care services as are feasible and appropriate to any veteran in connection with the treatment of a service-connected disability and in the case of a veteran suffering from a service-connected disability rated at 50 percent or more, such preventive health care services as are feasible and appropriate to ensure the best possible health care.

Subsection (b) authorizes the Administrator, pursuant to regulations, to carry out a pilot program (including research) in various geographical areas in connection with furnishing such preventive health care services, to any veteran or person eligible for care under title 38, on an inpatient, outpatient, or ambulatory basis.

Subsection (c) directs the Administrator to utilize interdisciplinary health care teams in carrying out such a preventive health care program which, to the maximum extent feasible, shall be composed of various professional and paraprofessional personnel, especially public health nurses, psychologists, optometrists, technicians, physician assistants, and expanded-duty dental auxiliaries.

New section 663: Directs the Administrator to include in the annual report to Congress, a comprehensive report on the administration of new subchapter VII, including recommendations for additional legislation deemed necessary.

New section 664: Limits duration of the pilot program (authorized under new section 662(b)) to ten years.

Subsection (b) of section 111 amends the table of sections at the beginning of chapter 17 to add a reference to the new subchapter VII added to title 38 by section 111 of the bill.

Subsection (c) of section 111 provides that the programs authorized by the new subchapter VII shall be effective with respect to services furnished on and after January 1, 1977.

Section 112. Amends section 1903(e) (directing the VA to carry out adaptive equipment driver training courses) of title 38 to permit the Administrator to provide automobiles and other conveyances for use in training courses at VA hospitals and selected regional offices and other medical facilities.

Under current law, the Administrator is required to provide such training courses to any veteran or member of the Armed Forces who is eligible, under sections 1901 and 1902, for assistance in purchasing an automobile or other conveyance or in equipping such automobile or conveyance with adaptive equipment. The Administrator may also provide training courses to veterans or members of the Armed Forces who are not eligible for such assistance, if the Administrator determines that the veteran or member needs the special training provided in such courses.

Clause (1) of section 112 makes a technical amendment in section 1903(e)(1) to relocate the reference to members of the Armed Forces after, rather than before, the reference to eligibility for care under chapter 17 of title 38. Current law creates the erroneous and unintended impression that members of the Armed Forces are entitled to care under chapter 17; the technical amendment corrects this drafting oversight.

Clause (2) of section 112 adds at the end of section 1903(e) a new paragraph (3) which authorizes the Administrator to obtain automobiles or other conveyances deemed necessary to carry out the special driver training courses authorized by section 1903(e). The Administrator is also authorized to sell, assign, transfer, or convey any vehicle to which the VA obtains title for such price and upon such terms as are deemed appropriate. Proceeds realized from the sale or disposition of such vehicles are credited to the applicable VA appropriation.

Section 113. Amends section 3301 (relating to confidentiality of records) of title 38 to permit the release, under certain circumstances, of the name and address of any veteran to State and local public health agencies and other criminal or civil law enforcement governmental agencies charged under applicable law with the protection of the public health or safety.

Clauses (1) and (3) of subsection (a) of section 113 makes conforming changes in existing section 3301 to (1) designate the material above clause (1) as subsection (a), (2) insert immediately thereafter a new subsection (b) requiring disclosure of the files, records, reports, and other papers and documents described in new subsection (a) (as designated by section 113(a)(1) of the bill, in accordance with the circumstances specified in clauses (1) through (5), and (3) redesignate clauses (6) through (9) as subsections (c) through (f), respectively.

Clause (4) of subsection (a) of section 113 limits the Administrator's authority under section 3301(e) (as redesignated by section 113(a)(3) of the bill) to release information, statistics, or reports when in the Administrator's judgment such release would serve a useful function, by prohibiting the release under section 3310(e) of certain information specifically covered in other subsections of section 3301.

Clause (5) of subsection (a) of section 113 strikes out section 3301(f) (as redesignated by section 113(a)(3) of the bill) and inserts two new subsections with respect to the release of veterans' names and addresses, as follows:

New subsection (f): Provides that such names and addresses may be released by the Administrator (1) to any non-profit organization if the release is directly connected with the conduct of programs and the utilization of benefits under title 38 (as is now authorized under existing section 3301(9), or (2) to any criminal or civil law enforcement governmental agency charged under applicable law with the protection of the public health or safety, provided that a qualified representative of such agency has made a written request that such names and addresses be provided for an activity authorized by law. Knowing and willful release of names and addresses under circumstances other than those specified in new subsection (f) subjects the violator to criminal liability (instead of the civil liability now authorzed) and very substantal fines (a maximum of $5,000 for the first offense and $20,000 for subsequent offenses, instead of the $500 and $5,000 fines authorized under existing law).

New subsection (g): Provides that any disclosure of files, records, reports, other papers and documents, information, statistics, or names and addresses made pursuant to section 3301 must be made in accordance with the provisions respecting routine uses in section 552(a) of title 5—the Privacy Act of 1974.

Subsection (b) of section 113 makes the amendments made to subsection (f) (as redesignated by subsection (a)(3), and amended by subsection (a)(5), of this section of the bill) of section 3301 (except for the increase in criminal penalties for a violation of the second sentence of such subsection) retroactively effective to October 24, 1972, with respect to names and addresses released since that date. The date—October 24, 1972—is the effective date of Public Law 92-540, which added existing paragraph (9) to section 3301, and which the General Counsel of the Veterans' Administration has held precludes the VA from continuing its policy of voluntarily cooperating with local and State public health and safety agencies by releasing to such agencies names and addresses of veterans treated in VA health care facilities in certain situations, such as when a communicable disease or gunshot wound is treated.

Section 114. Makes a series of amendments to subchapter I of chapter 73 of title 38 to shorten the probationary period from three to two years for health care personnel appointed under title 38, to define more clearly the procedural rights due probationary employees (and interns and residents) whose employment the VA proposes to alter or terminate, and to define more clearly the procedural rights due an employee against whom disciplinary action is to be taken.

Clause (1) of subsection (a) of section 114 amends section 4106(b) (relating to appointments of probationary title 38 employees) of title 38, United States Code, by inserting four new pargraphs as follows:

New Paragraph (1): Reduces the probationary period of physicians, dentists, nurses, physician assistants, and expanded-duty dental auxiliaries from three years to two years, and would provide for periodic review of probationary employees by a board composed of employees. A probationary employee found not fully qualified and satisfactory for reasons relating to professional competence or performance may be separated from the service, reassigned, or made subject to other non-disciplinary action, consistent with employee's continued employment in a capacity in which such employee can effectively function.

New Paragraph (2): Defines the probationary employee's rights when it is proposed that the employees be separated for reasons relating to professional competent or performance. Such employee would have the right to a written statement or supporting reasons and proposed findings with respect to professional competence or performance, an opportunity for the employee to reply either orally or in writing, or both, the assistance (not at Government expense) by a person of the employee's choice with regard to such reply.

New Paragraph (3): Provides for review by the Chief Medical Director (in accordance with certain procedures specified in section 4110(e) as amended by subsection (a)(2) of this section) of any recommendation by a board that a probationary employee be separated from the service.

New Paragraph (4): Provides that when it is proposed to separate a probationary employee on grounds of misconduct (rather than professional competence or performance), such action shall be taken only in accordance with the procedures set forth in section 4110, as amended by subsection (a) (2) of this section.

Clause (2) of subsection (a) of section 114 amends section 4110 (relating to disciplinary boards) to provide in subsection (a) that only employees who have completed the probationary period—reduced from three to two years—or probationary employees and residents and interns against whom disciplinary action on the grounds of misconduct is proposed, come within the coverage of this section. The section as amended continues to provide that the Chief Medical Director will appoint a disciplinary board to hear charges of ineptitude, inefficiency, misconduct or other such cause as will promote the efficiency of the service, as appropriate.

Section 4410(b) is amended to provide that the board would consist of three to five employees (selected by the Chief Medical Director) of a grade comparable to or higher than that of the employee charged, and that a majority of the members of the board would be of the same profession as the employees charged.

Section 4110(c) is amended to provide that the Chief Medical Director appoint the chairman of the board who would be a member of the same profession as the employee charged. The subsection also would provide that a secretary be elected by a majority of the board, and that both the chairman and secretary would be empowered to administer oaths. This subsection would also authorize the Chief Medical Director to designate or appoint one or more investigators to assist in the collection of evidence, and to appoint counsel to represent the Department of Medicine and Surgery.

Section 4110(d) is amended to provide that the employee charged is entitled to the basic elements of due process—a specification of charges, a full hearing with opportunity to produce supportive witnesses and confront and cross-examine available (those who are VA employees or those of another Federal department, agency, or instrumentality) witnesses, and representation (not at Government expense) by a person of the employee's choice throughout the process.

Section 4110(e) is amended to provide that, when it finds the charges sustained, a disciplinary board would recommend appropriate action to the Chief Medical Director to include, but not be limited to, reprimand, suspension without pay, reassignment, reduction in grade, and separation. The Chief Medical Director would be given several options as to the board's recommendation and findings. These are basically, affirm, affirm with modification, or reverse or disapprove the findings and recommendations and take action deemed appropriate. The Chief Medical Director would also be given the option of remanding the matter to the board for further consideration. If this were done and the Chief Medical Director still could not accept the findings and recommendations of the board, the Chief Medical Director may make or cause to be made an independent review of the record before making a final decision in the matter. The Chief Medical Director's decision would be the final agency decision.

A new subsection (f) is added to section 4110 as follows:

New subsection (f): Provides certain remedies for employees who are reassigned (as defined in the new subsection to mean the transfer of an employee from one duty station to another or from one set of responsibilities to another, within the Department of Medicine and Surgery). Where reassignment is made after charges and a hearing, it is considered one of the remedies of the Chief Medical Director under subsection (e) as amended. The new subsection also recognizes, however, another kind of reassignment of an employee who has completed the probationary period as prescribed in section 4106(b) by the Chief Medical Director and provides that where such a transfer results in a reduction in grade, salary, or relative standing in the Department of Medicine and Surgery, the employee is entitled to the procedures of this section. When an employee alleges that a transfer, not resulting in a reduction in grade, salary, or relative standing in the Department of Medicine and Surgery, is punitive or disciplinary in nature, the employee may use the agency grievance procedure in seeking a determination that the allegation is correct. If the allegation is sustained, the employee is then entitled to the procedures of this section.

Clause (3) of subsection (a) of section 114 amends section 4114(b) (relating to residents and interns) of title 38, by redesignating paragraphs (2) and (3) as paragraphs (3) and (4) and inserting a new paragraph (2).

New paragraph (2): Authorizes the Chief Medical Director to cause to be appointed House Staff Review Committees which will review the academic and professional performance and progress of house staff. The procedures provided for in this new paragraph parallel those added to section 4106(b) of title 38, by subsection (a)(1) of this section of the bill, by extending the same rights to residents and interns as are extended to probationary employees under section 4106(b), with the exception of permanent status.

Subsection (b) of section 114 sets effective dates for the amendments made by subsection (a) of this section of the bill with respect to the period of probationary service under section 4106 of title 38. For probationary employees who, on the date of enactment of the bill, have served 18 months or more of their probationary period, the effective date is 180 days following the enactment date. For probationary employees with less than 18 months of service, the effective date is the enactment date.

Section 115. Amends section 4107 of title 38 to assist the Department of Medicine and Surgery in recruiting and retaining the services of nonphysician health care personnel.

Clause (1) of section 115 adds at the end of subsection (e) of present section 4107 (specifying overtime and premium pay for nurses) a new paragraph (10) as follows:

New paragraph (10): Makes the premium pay and overtime provisions in that subsection applicable to any employee of the Department of Medicine and Surgery (except physicians and dentists) whose principal responsibilities, as determined by the Chief Medical Director pursuant to regulations, relate directly to patient care. This would constitute a change in overtime and premium pay under the General Schedule for these personnel in the following respects: (1) make applicable the more liberal four-hour rule for night shifts; (2) pay overtime during Sundays at 175% rather than 150%; (3) apply the 15 minute pre-overtime rule; and (4) provide for on-call pay.

Clause (2) of section 115 inserts at the end of section 4107 a new subsection (g), as follows:

New subsection (g): Directs the Administrator to raise the pay to the maximum permissible levels within grade for certain VA health care professionals when needed on a nationwide, local, or other geographic basis to recruit a scarce speciality due to high-paying competition or the remoteness of the VA facility. There is similar Government-wide authority reposing in the Civil Service Commission.

Section 116. Amends section 4114(b)(1) (relating to the establishment of residencies and internships) to permit the Administrator to establish pay rates for residents and interns retroactively, when the customary amount and terms of pay are changed. The purpose of this amendment is to ensure parity for VA residents and interns with their non-VA peers in the same hospital whose amount and terms of pay may be adjusted retroactively.

Section 117. Amends chapter 73 of title 38 by adding at the end a new subchapter to promote the protection of patient rights in VA facilities.

Subsection (a) of section 117 adds a new subchapter III—"Protection of Patient Rights"—at the end of chapter 73. The new subchapter contains four new sections, as follows:

New Section 4131: Requires the Administrator (upon the recommendation of the Chief Medical Director, and pursuant to regulations) to establish procedures to ensure the full and informed consent of all subjects prior to the carrying out of any medical or prosthetic research or, to the maximum extent practicable, the furnishing of any patient care on or to patients.

New Section 4132: Provides for the general confidentiality of sensitive drug and alcohol abuse treatment medical records, and describes the circumstances under which the contents of such records may be disclosed. The provisions are virtually identical, except for subsection (b)(3), to the provisions in those existing laws of general applicability which would be superseded by virtue of section 117(c) of the bill. This provision is substantially similar to a provision which was passed in the Senate in S. 2108 and in S. 284.

Subsection (a) of new section 4132 provides that records of the identity, diagnosis, prognosis, or treatment of any patient maintained in connection with drug abuse, alcoholism, or alcohol abuse, or sickle cell anemia programs or activities (including education, training, treatment, rehabilitation, or research) carried out by or for the VA are (except as provided in subsection (e)) confidential, and may be disclosed only as expressly authorized under subsection (b).

Subsection (b) of new section 4132 authorizes the release of information from confidential medical records under the following circumstances:

(1) to anyone designated by the patient, so long as the patient has given prior written consent and the information is released under circumstances and for purposes specified in regulations prescribed by the Administrator (new subsection (b)(1)); (2) to medical personnel in bona fide medical emergencies (new subsection (b)(2)(4)); (3) to qualified personnel for research audit, or evaluation purposes, so long as the individual patients' identities are not disclosed (new subsection (b)(2)(3)); (4) pursuant to an appropriate order of a United States court of competent jurisdiction, but only if the court considers the adverse impact of such disclosures on the patient and on the physician-patient relationship, and only if it imposes appropriate safeguards against unauthorized disclosure (new subsection (b)(2)(C)); or (5) to anyone designated by the next kin, executor, administrator, or other personal representative of a deceased patient, if the request for the release of the information is in writing and is necessary for purposes of obtaining benefits to which the requesting survivor may be entitled, and if the release is under circumstances and for purposes specified in regulations prescribed by the Administrator (new subsection (b)(3)). The circumstances described under point 5, above, are in addition to those set forth in section 408 of the Drug Abuse Office and Treatment Act of 1972, as amended (21 U.S.C. 1175) and section 333 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1974 (42 U.S.C. 4582(h)).

Subsection (c) of the new section 4132 prohibits the use of confidential medical records to initiate or substantiate criminal charges against a patient or to conduct an investigation of a patient, except when such charges or investigation is authorized by a court order granted under new section 4132 (b)(2)(C).

Subsection (d) of new section 4132 provides that the prohibitions against the release of information from confidential patient records continue to apply to the records of any patient or former patient, regardless of whether or when such person ceased to be a patient.

Subsection (e) of new section 4132 provides that the confidentiality requirements of this section are not applicable to any interchange of records between VA health care facilities and the Armed Forces.

Subsection (f) of new section 4132 subjects violators of the confidentiality provisions of this section to criminal liability and fines.

New section 4133: Prohibits discrimination against alcohol and drug abusers who seek admission to a VA health care facility for the treatment of a medical disability, and requires the Administrator to prescribe regulations for the enforcement of this nondiscrimination policy. The provisions are virtually identical to provisions in the Drug Abuse Office and Treatment Act of 1972, as amended, and the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1974. These provisions would be superceded by virtue of section 117(c) of the bill.

The provisions in new section 4133 with respect to discrimination in the admission of alcohol and drug abusers derive from provisions in section 321 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, as amended in 1974, and section 407 of the 1972 Act, as proposed to be added by section 6(a) of S. 2017, now pending in conference.

The provisions in new section 4133 with respect to the prescribing of regulations by the Administrator are identical to those in section 121(b) of the 1974 Act and section 6(b) of S. 2017.

New section 4134: Subsection (a) requires the Administrator, in prescribing regulations for the protection of patient rights, to coordinate the regulations with existing regulations on the protection of patient rights prescribed by the Secretary of Health, Education, and Welfare, and to make these latter regulations applicable, to the maximum extent feasible consistent with the provisions of title 38, to the conduct of research and the provision of health care and medical services in the VA. To achieve the maximum possible coordination of regulations, the Administrator is required to consult from time to time with the Secretary of Health, Education, and Welfare (and, as appropriate, the Director of the Special Action Office on Drug Abuse Prevention, or successor authority). As to confidentiality of records (to be covered by new section 4132) and non-discrimination in admissions policies (to be covered by new section 4133), this coordination of regulations requirement is already required by law (the provisions of which would be superceded by subsection (c) of section 117 of the bill). As to informed consent, the similar requirement proposed in subsection (a) of new section 4134—is that the Administrator seek to follow those regulations prescribed by the Secretary of Health, Education, and Welfare, based on the recommendations of the National Commission for the Production of Human Subjects of Biomedical and Behavioral Research, established by section 201 of the National Research Act (Public Law 3-348)—is a new one which derives from the same theory that maximum efforts ought to be made to achieve Government-wide coordination of certain matters affecting patient rights, while at the same time preserving the independent final decision-making authority of the Administrator and the Chief Medical Director with respect to Veterans' Administration health care activities and policies.

Subsection (b) of new section 4134 requires the Administrator to submit a full report to the appropriate committees of the Congress within 60 days after the date of enactment of the subsection with respect to all regulations prescribed pursuant to new section 4134(a), explaining any inconsistencies between such regulations and the regulations of the Secretary of Health, Education, and Welfare, outlining the extent, substance, and results of consultations with the Secretary (or, as appropriate, the Director of the Special Action Office on Drug Abuse Prevention or successor authority), and recommending necessary and desirable legislation and administrative actions. The Administrator is required to publish the report required by this subsection in the Federal Register.

Subsection (b) of section 117 makes conforming amendments to the analysis at the beginning of chapter 73, to make reference to the new subchapter III and new section 4131 through 4134 added to the chapter by this section of the Act.

Subsection (c) of section 117 provides for the supersession of existing laws making applicable to the VA general provisions respecting the protection of patient rights. The applicability of these general provisions would no longer be required if (as would be provided by subsecton (a) of this section of the bill) title 38 included provisions to protect these rights of patients in VA health care facilities. The existing laws which would be generally or specifically superseded are:

(1) section 321(a) of the Drug Abuse Office and Treatment Act of 1972 (as added by section 121(a) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1974) (regarding nondiscrimination against alcohol abusers and alcoholics in admission to private and public hospitals);

(2) section 407(b)(2) of the 1972 Act (as proposed to be added by section 6(a) of S. 2017, now pending in conference) (requiring the Administrator of Veterans' Affairs to prescribe regulations making applicable to VA medical programs the nondiscrimination provisions to be contained in section 407(a) of the 1972 Act, as amended);

(3) section 408(h) of the 1972 Act (as added by section 303(a) of the 1974 Act) (requiring the Administrator to prescribe regulations making applicable to the drug abuse treatment medical records maintained by the VA the confidentiality requirements contained in section 408 of the 1972 Act, as amended);

(4) section 303(c) of the 1974 Act (requiring the Administrator to submit reports to Congress on regulations adopted in coordination with the Secretary of Health, Education, and Welfare with regard to the provision on confidentiality of drug abuse medical records contained in section 408(h) of the 1972 Act, as amended);

(5) section 333(h) of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehablitation Act of 1970 (as added by section 122 of the 1974 Act) (requiring the Administrator to prescribe regulations making applicable to the alcoholism treatment medical records maintained by the VA the confidentiality requirements contaned in section 333 of the 1970 Act, as amended by the 1974 Act);

(6) sections 121(b)—added by Amendment No. (February 15, 1976—and 122 (c) of the 1974 Act (requiring the Administrator to submit reports to Congress on regulations adopted in coordination with the Secretary of Health, Education, and Welfare with regard to the provisions on nondiscrimination against alcoholics and alcohol abusers contained in section 321(a) of the 1974 Act) and on confidentiality of alcoholism treatment medical records contained in section 333(h) of the 1970 Act, as amended by the 1974 Act);

(7) section 6(b) of S. 2017, now pending in conference (requiring the Administrator to submit reports to Congress on regulations adopted with regard to the provision on nondiscrimination against drug abusers contained in section 407(a) of the 1972 Act, as amended); and

(8) (as added by Amendment No. (February 15, 1976)) section 408 of the 1972 Act, as amended (regarding the confidentiality of drug abuse treatment records)—and section 407 as proposed to be added to that Act by S. 2107, pending in conference, regarding nondiscrimination against drug abusers in admissions to Federally-supported health care facilities—and sections 321 and 333 of the 1974 Act (regarding records confidentiality and nondiscrimination with respect to alcoholism treatment) insofar as these provisions apply to Veterans' Administration activities. These provisions are made unnecessary insofar as VA activities are concerned by the new sections 4132, 4133, and 4134 in the new subchapter III to be added to chapter 73 by subsection (a) of section 117 of the bill.

Section 118. Amends section 4123 of title 38 (relating to personnel eligible for training at Regional Medical Education Centers under subchapter II of chapter 73) to provide authority to credit proceeds received through the training of non-VA medical and health personnel to the applicable VA medical appropriation. Under current law, non-VA medical and health personnel are eligible for in-residence training at the VA's Regional Medical Education Centers, to the extent that facilities are available. Non-VA personnel must provide full reimbursement to the VA for training and related services provided at the Centers. The amendment provides the needed authority to permit proceeds to the VA to be credited to the applicable VA medical appropriation, Medical Administration and Miscellaneous Operating Expenses.

Section 119. Amends chapter 75 of title 38 to make changes in the budgeting and bookkeeping requirements of the Veterans Canteen Service.

Subsection (a) of section 119 would amend section 4204 (relating to financing of the Canteen Service) by making the current language subsection (a) and inserting a new subsection (b) to authorize the Canteen Service to incur obligations in excess of budgetary resources. Under existing law and regulations, the Veterans Canteen Service is required to maintain sufficient capital to fund outstanding obligations at all times during the year. Since it is necessary to place merchandise orders in the first fiscal year quarter, the Canteen has, for several years, reflected an over-obligation balance during the first fiscal year quarter, a technical violation of the Anti-deficiency Act (31 U.S.C. 665). The amendment would give the Canteen Service authority to incur obligations in excess of budgetary resources. Under new subsection (b), the Canteen service would still be required to be administered on a sound fiscal basis from year to year.

Clause (1) of subsection (b) of section 119 would amend section 4206 (relating to the budget of the Canteen Service) to delete the first and last reference to "year" and to insert a reference to "years". The proposed change would permit multi-year budget planning to prevent unanticipated deficits from being incurred. (The Canteen Service is precluded by law from borrowing funds to meet such deficits.) Under existing section 4206, the Veterans Canteen Service is required to prepare annually and submit a budget program containing an estimate of the needs of the Service for the "ensuing fiscal year" including an estimate of the amount required to restore any impairment of the revolving fund resulting from operations of the current fiscal year. The law requires also that any balance in the revolving fund at the close of the fiscal year in excess of the estimated requirements for the ensuing fiscal year shall be covered into the Treasury as miscellaneous receipts. The word "year" instead of "years" was inadvertently included in the enabling legislation in 1946.

Clause (2) of subsection (b) of section 119 would add a new sentence at the end of section 4206 to authorize the Veterans Canteen Service to use the revolving fund and its own proceeds to provide capital improvements to canteen facilities, including items which are constructed and become a part of the building or structure. This would enable the Service to proceed with needed remodelings and renovations of its facilities for which appropriated funds are not available.

Section 120. Amends section 5001(a)(3) (relating to the provision of nursing home care beds) of title 38 to continue the expansion of the VA's nursing home care program. Under current law, the VA is required to operate not less than 8,000 nursing home care beds. The amendment would require the Administrator (subject to the approval of the President) to establish and operate a minimum of 10,000 nursing home care beds in fiscal year 1977 and in each succeeding fiscal year.

Section 121. Amends subchapter IV of chapter 81 (relating to the Sharing of Medical Resources) of title 38.

Subsection (a) of section 121 amends section 5053 of title 38 to permit the sharing of other than specialized medical resources when in the best interest of the Veterans' Administration medical care program, when such an agreement will obviate the need for a similar resource to be provided in a VA facility or where such resources in a Veterans' Administration facility are not utilized to their maximum effective capacity, and adds new subsections (d) and (e) to section 5053, as follows:

New subsection (d): Requires the Administrator to publish in the Federal Register, thirty days prior to entering into a sharing agreement for other than specialized medical resources or renewing any such agreement, the subject matter and specific justification for the proposed contract or agreement. The new subsection also require that such contract or agreement specify that any veteran eligible for treatment under title 38 shall continue to be accorded priority in receiving services in the Veterans' Administration facility involved with highest priority (except in the case of medical emergencies which pose a serious threat to life or health) being accorded to any veteran for a service-connected disability and succeeding priority to any veteran with a service-connected disability rated at 50 percent or more; to any veteran with a disability rated as service-connected; and to any veteran in receipt of increased pension or additional compensation or allowance based on the need of regular aid and attendance. The new subsection (d) also specifies that these same priorities shall govern the referral by the VA of a veteran to a community health care facility under such arrangements; limits the duration of such agreements to one year; and conditions renewal or new arrangements with the same facility upon prior transmittal of a full report on the effect of such prior arrangements to the Veterans' Affairs Committees in Congress.

New subsection (e) (as proposed to be amended by amendment No. 1386): Provides that where services are provided a Medicare beneficiary pursuant to an agreement authorized by section 5053, reimbursement for such benefits shall be paid to the VA facility, or if the agreement provides, to the community health care facility in accordance with rates prescribed by the Secretary of Health, Education, and Welfare after consultation with the Administrator, and with procedures jointly prescribed by the Secretary and the Administrator to assure reasonable quality of care and services and efficient utilization of resources. This amendment would permit the Secretary and the Administrator to develop reasonable procedures and standards governing reimbursement, utilization, and quality assurance without regard to Social Security Administration strict requirements applied to non-Federal providers under Medicare and the End-Stage Renal Disease Program.

Subsection (b) of section 121 amends section 5054(b) (relating to the exchange of medical information) of title 38 to require that any proceeds to the Government received for providing medical information to the medical community under such program be credited to the applicable VA medical appropriation.

Subsection (c) of section 121 amends section 5055(c) (authorizing appropriations to carry out exchange of medical information programs) of title 38 to extent through fiscal year 1980 the such-sums-as-may-be-necessary authorization of appropriations.

Subsection (d) of section 121 amends section 5056 (relating to coordination with H.E.W. programs formerly carried out under title IX of the Public Health Service Act) of title 38 to conform the reference to new comparable programs carried out under newly enacted (by Public Law 93-641) part F of title XVI of the Public Health Service Act.

Subsection (e) of section 121 adds two new sections to subchapter IV of chapter 81 of title 38, as follows:

New section 5058: Subsection (a) directs the Administrator and the Secretary of H.E.W. to attempt to coordinate the Professional Standards Review Organization (P.S.R.O.) program carried out pursuant to part B of title XI of the Social Security Act and comparable programs carried out by the Department of Medicine and Surgery and provides that such coordination shall include sharing of information with regard to norms of health care services developed on a regional and national basis and arrangements for joint memberships on entities established under the two programs.

Subsection (b) directs the Chief Medical Director to report to Congress annually on the effectiveness of the coordination achieved pursuant to subsection (a) of the new section in improving the evaluation of the quality of patient care provided by the Department of Medicine and Surgery and in achieving the purposes of the P.S.R.O. program carried out under the Social Security Act.

New section 5059: Directs the Chief Medical Director, through the Administrator, to report to Congress on all activities (and the results thereof) in which the Chief Medical Director or a designee, as a representative of the Veterans' Administration, has participated in an advisory or coordinating capacity with respect to programs carried out by other departments, agencies, or instrumentalities of the executive branch. The following is a partial list of statutory authorities establishing an advisory or cooperative role for the VA hospital and medical program:

(1) The National Cancer Act of 1971, (P.L. 92–218);

(2) the Drug Abuse Office and Treatment Act of 1972, (P.L. 92–255);

(3) the National Heart, Blood Vessel, Lung, and Blood Act of 1972, (P.L. 92–423);

(4) the Emergency Medical Services Systems Act of 1973, (P.L. 93–154);

(5) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1974, (P.L. 93–282);

(6) the Research on Aging Act, (P.L. 93–296;)

(7) the Health Services Research, Health Statistics, and Medical Libraries Act of 1974, (P.L. 93–353);

(8) the National Arthritis Act of 1974, (P.L. 93–640); and

(9) the National Health Planning and Resources Development Act of 1974, (P.L. 93–641).

Subsection (f) of section 121 amends the table of sections at the beginning of subchapter IV to reflect the conforming changes made in section 5056 and to add references to the new sections 5058 and 5059 which would be added to title 38 by section 121 of the bill.

Section 122. Amends chapter 82 of title 38 to make minor changes in the circumstances and conditions under which the VA provides support to affiliated medical schools and other health personnel training institutions.

Clause (1) of section 122 amends section 5070 by inserting a new subsection (e) and redesignating subsections (e) and (f) of section 5070 as subsections (f) and (g), respectively, to conform with the insertion of the new subsection (e) in such section.

New subsection (e): Incorporates the provisions now contained in section 5073(a)(1). These provisions permit the Administrator to lease land, buildings, and structures under the control and jurisdiction of the VA to an eligible medical institution, under terms and conditions deemed appropriate by the Administrator, without regard to limitations on the terms of such a lease imposed by other provisions of law. Under current law, such extraordinary leasing authority, contained in section 5073(a)(1), applies only with respect to grants to medical institutions participating in the pilot program for assistance in the establishment of new State medical schools under subchapter I of chapter 82. By moving these provisions to section 5070—which applies to all of chapter 82—the Administrator's leasing authority is broadened to include leasing arrangements with affiliated medical schools under subchapter II, and with institutions of higher learning, hospitals, and other health personnel institutions under subchapter III of chapter 82.

Clause (2) of section 122 adds a new subsection (h) at the end of section 5070, requiring the Administrator to submit an annual report to the Congress on all activities carried out under chapter 82. The first report would be due no later than June 30, 1976, and subsequent reports would be due no later than 90 days after the end of each fiscal year.

Clause (3) of section 122 strikes out section 5073(a)(1)—the provisions of which, under the amendments in clause (1) of this section of the bill, would be relocated as new section 5070(e)—and redesignates paragraphs (2) and (3) of section 5073(a) as paragraphs (1) and (2), respectively.

Clause (4) of section 122 corrects a technical error in the grant program authorized by section 5083. Under current law, an affiliated medical school is eligible for a grant under section 5083 only if that school has entered into a sharing agreement with the VA pursuant to subchapter IV of chapter 81; but such subchapter does not relate to the affiliation of a medical school with the VA. The amendment would permit grants to any affiliated medical school, including those which have agreements with the VA under subchapter I, II, or III of chapter 82.

Section 123. Encourages and facilitates short-range and long-range planning for the adaptation of current VA hospital, nursing home, domiciliary, and medical service capacity to accommodate the growing number of elderly veterans in the United States and the increasing average age of the eligible veteran population; and ensures notification of all individuals eligible for new or expanded care or services as a result of the amendments made by this Act, of the changes in eligibility made by this Act.

Subsection (a) of section 123 requires the Chief Medical Director to carry out or provide for a study to determine the short-range and long-range direction of the title 38 health care program in light of the increasing average age of the eligible veteran population. The report is required to include specific plans for increasing the VA's capacity to provide hospital, nursing home, intermediate care, and domiciliary beds; for increasing the contract community nursing home program; for improving the quality of health care for elderly veterans through the education and training of specialized geriatric health care personnel through research designed to solve geriatric care problems; for expanded alternatives to institutional care; for dealing with the special architectural, transportation, and environmental needs of an aging population; and for emphasizing treatment programs particularly suited to the health care needs of an aging population. The Chief Medical Director, through the Administrator, is required to submit this report to the House and Senate Committees on Veterans' Affairs no later than 12 months after the date of enactment of the bill.

Subsection (b) of section 123 requires the Administrator, within 90 days of the effective date of this Act, to take all appropriate steps (to the maximum extent feasible) to ensure that each individual eligible for new or expanded care and services as a result of the amendments made by this Act is personally, clearly, and simply notified to that effect. The Administrator is also required to send copies of all such notification forms, and descriptions of the manner in which such forms were distributed, to the appropriate committees of the House of Representatives and the Senate.

Title II—Veterans Drug and Alcohol Treatment and Rehabilitation Amendments

Section 201. Establishes the short title of this title of the bill as the "Veterans Drug and Alcohol Treatment and Rehabilitation Act of 1976".

Section 202. Amends section 601(1), which defines the term "disability" for purposes of chapter 17 (Hospital, Domiciliary and Medical Care) of title 38, to include "alcoholism and drug dependence" within the meaning of "disease". An identical provision was passed by the Senate in S. 2108 in the 92d Congress and S. 284 in the 93d Congress.

Section 203. Establishes a special program for the treatment and rehabilitation of veterans suffering from alcoholism. A virtually identical provision was passed by the Senate in S. 2108 and S. 284.

Subsection (a) amends subchapter II of chapter 17 by adding a new section 620A, as follows:

New Section 620A: Subsection (a) states a Congressional finding and declaration of the seriousness of alcoholism and alcohol abuse in the Nation, including among the veteran population.

Subsection (b) directs the Administrator to carry out specialized medical programs providing inpatient and outpatient treatment and rehabilitative services (as defined in new paragraph (9) added to present section 601 by section 102(5) of the bill) and including treatment of the symptoms of detoxification on a nationwide basis to veterans eligible for chapter 17 medical care who are suffering from alcoholism or alcohol abuse. The Administrator is further directed to stress the use in such program of recovered alcoholic counselors, half-way houses, encounter-style therapeutic communities, and other treatment modalities—in a comprehensive program ranging from detoxification to recovery. The Administrator is further authorized to utilize either facilities over which the Administrator has direct jurisdiction, or other Government or private facilities for which the Administrator contracts in accordance with regulations.

Subsection (c) requires an annual report regarding the specialized alcohol abuse programs carried out under the new section, in the same detail as required (in new section 667) for implementation of the new subchapter VII on drug dependence or abuse treatment, as added by section 204 of the bill.

Subsection (b) of section 203 amends the table of sections at the beginning of chapter 17 to add a reference to the new section 620A added to title 38 by subsection (a) of section 203 of the bill.

Section 204. Amends chapter 17 of title 38 to establish a comprehensive program for the treatment and rehabilitation of veterans suffering from drug addiction and related drug use disabilities. Substantially similar provisions were passed by the Senate in S. 2108 and S. 284.

Subsection (a) of section 204 amends chapter 17 by adding a new subchapter VII ("Special Medical Treatment and Rehabilitative Services for Drug Dependence or Drug Abuse Disabilities"), consisting of seven new sections, as follows:

New section 661: Establishes a definition of the term "veteran" for purposes of this new subchapter and thereby establishes eligibility for treatment and services under such subchapter for any person discharged from active military service with other than a dishonorable discharge (except as provided in section 3103) who has a drug dependence or a drug abuse disability (hereinafter referred to as the drug disabilities) without any need for a finding of service-connection in connection with such disability. This definition is identical to the proposed overall chapter 17 "veteran" definition for eligibility for service-connected care set forth in the new paragraph (2) which section 102(1) of the bill would add to present section 601 of title 38.

New section 662: Sets forth the basic provisions governing the provision of treatment and rehabilitative services for veterans suffering from one of the drug disabilities.

Subsection (a) directs the Administrator to furnish any veteran suffering from one of the drug disabilities with such special medical treatment and rehabilitative services or hospital and domiciliary care as he finds reasonably necessary to effect the veteran's recovery and rehabilitation.

Subsection (b) specifies that treatment and rehabilitative services under the new subchapter shall include (in addition to those services described in the definitions of hospital care, medical services, and rehabilitative services set forth in section 601) individual counseling and referral services and crisis intervention. The subsection also specifies that such treatment and services shall be made available in VA directly-administered hospitals, domiciliary facilities, and outpatient clinics, as well as halfway houses and other community-based facilities, and in non-VA public or private facilities under contract with the Administrator.

Subsection (c) directs the Administrator to offer alternative modalities of treatment to each such veteran receiving treatment and rehabilitative services under the new subchapter (whether in VA or contract facilities) and specifies that the alternatives offered shall be based upon the individual needs of each such veteran.

Subsection (d) directs the Administrator to contract for treatment and services under the new subchapter to give the greatest feasible priority to community-based, multiple-modality programs employing peer-group veterans, and to include in such contractual arrangements the carrying out of maximum outreach efforts to identify and counsel veterans eligible under the new subchapter.

Subsection (e) directs the Administrator, upon receiving an application for treatment and services under the new subchapter from a veteran with an other than honorable or general discharge, to (1) advise the veteran of his right to apply to the appropriate military service to obtain a review of the nature of his discharge with a view toward removing any bar to eligibility for the receipt of veterans benefits under title 38; (2) advise the veteran of the current military policy regarding a review of discharges received in connection with drug abuse offenses; and (3) advise the veteran of all programs under title 38 and any other law to which the veteran is or would be entitled if the veteran had a general or honorable discharge. The subsection also directs the Administrator to offer any veteran within the coverage of the new subsection—and, if requested, to provide—all appropriate assistance needed to facilitate the process of preparing and filing with the military an application for a review of the nature of the veteran's discharge.

Subsection (f): Paragraph (1) directs the Administrator to provide for treatment and rehabilitative services in the case of any veteran eligible under the new subchapter who has been charged with, or convicted of, a criminal offense by any court of competent jurisdiction in the United States, who is not confined, and who is not required to participate in the treatment and rehabilitation by such court.

Subsection (f): Paragraph (2) authorizes the Administrator to provide (either in VA-directly-administered facilities or programs or those under contract) for treatment and services to any veteran eligible under the new subchapter who has been criminally charged or convicted and who is required to participate in a treatment and rehabilitation program by a court of competent jurisdiction, but only under such conditions as the Administrator determines, on a case-by-case basis, will insure that the veteran's participation in the particular program will not impair the voluntary nature of the services provided other patients in such program.

New section 663: Subsection (a) directs the Administrator to utilize all VA resources to seek out and counsel toward treatment and rehabilitation all veterans eligible under the new subchapter, especially veterans who served after August 4, 1964.

Subsection (b) directs the Administrator to carry out, in consultation with the Secretary of Labor and the Chairman of the Civil Service Commission, an affirmative action program under which all Federal agencies, private and public firms, and persons would be urged to provide maximum employment opportunities for veterans provided treatment and rehabilitative services under the new subchapter who are determined to be sufficiently rehabilitated to hold gainful employment and, to provide all possible assistance to the Secretary of Labor in placing such veterans in such employment opportunities.

New section 664: Subsection (a) establishes the right of the Comptroller General of the United States, for the purposes of audit, to access to all books, records, documents, things, or property of non-VA facilities carrying out treatment or rehabilitation programs under the new subchapter.

Subsection (b) directs the Comptroller General to carry out the G.A.O. audit responsibilities so as to comply with the provisions respecting medical confidentiality set forth in new section 4132, which would be added by section 117(a) of the bill.

New section 665: Requires a line item in the President's annual budget submission showing the estimated VA expenditures under the new subchapter and under new section 620(a) (regarding alcoholism treatment and rehabilitation) which would be added by section 203(a) of the bill.

New section 666: Establishes procedures and requirements regarding the transfer, and treatment therein, of active-duty service personnel to VA health care facilities in connection with a drug disability.

Subsection (a) provides for the transfer of a member of the active military, naval, or air service with a drug disability to a VA medical facility for treatment pursuant to mutually agreed upon terms between the Secretary of the military Department concerned and the Administrator and subject to reimbursement by such Service. Such transfers are authorized only within the last 90 days of a tour of duty. After such a transfer, such individual would receive treatment and rehabilitative services on the same terms and conditions as prescribed for a veteran in the new subchapter.

Subsection (b) requires the Administrator to report periodically to the Secretary concerned regarding the progress of the treatment of each such individual transferred and to release an individual back to the Secretary concerned when the Administrator finds that the disability is stabilized or certifies that such individual is refusing to comply with reasonable terms and conditions of treatment or that treatment would otherwise no longer be beneficial to such individual.

Subsection (c) prohibits transfers under new section 666 unless the individual in question specifically requests transfer for a specified period of time within the remaining tour of duty and does so in writing, and further prohibits the extension of such treatment beyond such specified period of time unless the individual specifically requests a specified extension and such request is approved by the Secretary and the Administrator.

New section 667: Requires the Administrator to submit to the Congress six months after enactment and thereafter on each February 1 a report on the implementation of the new subchapter and new section 620A (regarding alcoholism treatment and rehabilitation) which would be added by section 203(a) of the bill, broken down separately with respect to alcoholism and drug abuse disabilities, and an evaluation of the effective alternate treatment and rehabilitation modalities provided under the new subchapter and under new section 620A. The report will also include (1) numbers of patients treated, (2) average duration of treatment, (3) estimates of successful rehabilitation and recovery, (4) an analysis of rehabilitation experience, (5) a description of outreach and employment assistance and referral efforts, (6) a full accounting of payments to non-VA facilities and an evaluation of services provided therein, (7) experience under the medical confidentiality provisions in section 4132 (added to title 38 by section 117(a) of the bill), (8) new program plans, and (9) any legislative recommendations.

Subsection (b) of section 203 amends the table of sections at the beginning of chapter 17 of title 38 to reflect the addition of the new subchapter which would be added by subsection (a) of this section.

TITLE III—MEDICAL TECHNICAL AND CONFORMING AMENDMENTS

Section 301. Provides that title III of this bill may be cited as the "Veterans Medical Technical and Conforming Amendments of 1976".

Section 302. Subsection (a) amends the title of chapter 17 by inserting the words "Nursing Home" in such title. This technical change is being made to reflect a benefit which is currently available.

Subsection (b) of section 302 amends section 601 of title 38 to (1) strike out the reference to the Administrator's "exclusive" jurisdiction over VA facilities in clause (A) of paragraph (5) (as redesignated by section 102(1) of the bill); a reference made obsolete by the addition of section 5007 to title 38 by Public Law 93-82, much Veterans' Administration property is now within the concurrent jurisdiction of local authorities;

(2) make a conforming change in clause (C) of paragraph (5) (as so redesignated) to make it clear that the Administrator may contract with private facilities only when VA or other Government facilities are not geographically accessible or are incapable of furnishing the care or services required; and (3) make conforming changes in clause (C) (i) of paragraph (5) (as so redesignated), adding a new subclause (ii), and renumbering existing subclauses (ii) and (iii) as subclauses (iii) and (iv), respectively.

Subsection (c) of section 302 amends the title of subchapter II of chapter 17 by inserting the words "Nursing Home" in such title. This technical change is being made to reflect a benefit which is curently available.

Subsection (d) of section 302 amends section 610 by inserting the words "nursing home" in the title and in subsection (a) (1) (B) and deleting a reference to the "exclusive" jurisdiction of the Administrator in subsection (d). These technical changes are made to reflect a benefit which is currently available, and changes in Federal law (made by Public Law 93-82 in adding section 5007 to title 38) providing for concurrent jurisdiction over VA facilities.

Subsection (e) of section 302 amends section 610(b) (2) by striking out the reference to wartime service or service after January 1, 1955. This change conforms to the major eligibility changes made by P.L. 93-82 with respect to basic eligibility for hospital care, medical services, and nursing home care under chapter 17 of title 38.

Subsection (f) of section 302 amends section 611(b) to permit the furnishing of medical services as a humanitarian service in emergency cases. The present 611(b) does provide for furnishing hospital care in such cases. Emergency cases requiring only outpatient care, as in the case of a deep wound requiring immediate attention without hospital admission, would be covered by this new authority. Since care obviously cannot be refused in an emergency situation, the amendment would merely provide the technical authority which was inadvertently not provided when the present emergency humanitarian treatment language was enacted. A technical correction is also made in the title of section 611.

Subsection (g) of section 302 corrects a technical error in section 612 relating to veterans of Indian Wars. Section 612 currently uses the term "Indian wars". The amendment in clause (1) of this subsection merely replaces the lower case "wars" with the grammatically correct upper case "Wars". Clause (2) of the subsection makes a grammatical change in section 612(f) (2) (B), replacing the word "granted" with the grammatically correct word "furnished". Clause (3) of the subsection makes a conforming change in section 612(g) by limiting the furnishing of medical services under that subsection to the limits of VA facilities. The change is comparable to the amendment made by section 105(a) (4) of the bill with respect to section 612(f) of title 38 (regarding outpatient care for non-service connected disabilities). This amendment to section 612 (g) may be moved to title I of the bill as part of section 105(a) because its impact may be more substantive than originally contemplated.

Subsection (h) of section 302 substitutes the term "Office of Management and Budget" for the term "Bureau of the Budget" in section 616. The Bureau of the Budget was redesignated the Office of Management and Budget by Reorganization Plan No. 2 of 1970. This change reflects the redesignation.

Subsection (i) of section 302 amends the title of subchapter III of chapter 17 by inserting the words "Nursing Home" in such title. This technical change is being made to reflect a benefit which is currently available.

Subsection (j) of section 302 amends clauses (1) through (3) of section 621. This section currently permits the Administrator to prescribe rules and regulations governing the furnishing of hospital and domiciliary care. The adding of nursing home care merely reflects a benefit which is currently available.

Subsection (k) of section 302 amends subsection (a) of section 622. This section pertains to an applicant's statement under oath of inability to defray necessary expenses. The reference in section 622 to "section 610(a) (1)" is changed to "section 610(a) (1) (B)", and the reference to "section 632(b)" is changed to "section 632(a) (2)". The current reference to section 610(a) (1) would require a statement of inability to defray expenses both by veterans with a service-connected and nonservice-connected condition. The current reference to section 632(b) relates to payments to the Republic of the Philippines rather than to the care and treatment of veterans with a nonservice-connected disability. These technical changes, though necessitated by the passage of Public Law 93-82, were inadvertently omitted at that time. This amendment corrects the oversight. These technical changes are being made to permit accurate citation to the various subsections referred to.

Subsection (l) of section 302 amends section 624(c) (relating to hospital care, medical services, and nursing home care provided in the Veterans Memorial Hospital in the Philippines) of title 38 by deleting the reference to wartime service in so far as eligibility is concerned. This change conforms to the major eligibility changes made by P.L. 93-82, as explained under section 302(e) of this bill.

Subsection (m) of section 302 amends section 627 by striking out "1958" and inserting "1957". That section is a savings provision which was intended to preserve entitlement to certain individuals who met service requirements under laws prior to the codification of title 38, but who would fail to meet those requirements on the effective date of that codification. Those laws were codified by Public Law 85-56, which carried an effective date of January 1, 1958. Therefore, the savings clause should have preserved that entitlement as of the day before the effective date, which would have been on December 31, 1957. This amendment corrects that error.

Subsection (n) of section 302 would amend subsection (a) (1) of section 628 to correct a grammatical error. Section 628 (relating to reimbursement of certain medical expenses incurred in non-VA health care facilities), added by Public Law 93-82, provides, in pertinent part "where such care and services were rendered in a medical emergency of such nature that they would have been hazardous to life or health". The word "they" should be changed to read "delay". This amendment effects the change.

Subsection (o) of Section 302 amends section 641 (relating to payments to State homes) to delete the reference to wartime service. This change would be rendered unnecessary by enactment of section 110(b) (1) of the bill, and is a conforming change to amendments made by P.L. 93-82, as explained under section 302(e) of the bill.

Subsection (p) of section 302 amends section 643 for the same purpose as discussed in subsection (o) of this section, immediately above.

Section 303. Makes technical amendments to reflect in the heading of chapters, parts, subchapters, and sections, the prior amendments authorizing nursing home care.

Section 304. Amends section 903 to authorize the Administrator to pay for transportation to the place of burial in the same or any other State of a deceased individual where death occurs in a VA nursing home facility. Under current law, such expenses are authorized for individuals who die while receiving VA hospital or domiciliary care. Though Public Law 93-82 sought to equalize eligibility for care in VA hospitals, domiciliaries, and nursing care facilities, it inadvertently omitted the extension of this burial benefit to VA nursing home beneficiaries. This section also makes a conforming amendment in subsection (a) of section 903 to change the reference to section 611 therein to subsection (a) of that section.

Section 305. Makes a series of technical amendments in chapters 3, 39, and 73 of title 38, as follows:

Clause (1) of subsection (a) of section 305 amends section 4101(a) to strike out an unnecessary first sentence (in light of section 4103, "Office of the Chief Medical Director"), define as the "primary" function of the Department of Medicine and Surgery the provision of a complete medical and hospital service, and delete the reference to medical research therein in light of the new subsection (c) which clause (3) of this subsection would add to present section 4104.

Clause (2) of subsection (a) of section 305 makes conforming changes in section 4101 (b) to delete the reference to the Department of Medicine and Surgery's "primary function", made redundant by the amendment made by clause (1) of this subsection.

Clause (3) of subsection (a) of section 305 redesignates existing subsection (c) of section 4101 as subsection (d) and inserts a new subsection (c) defining and describing the Department's medical and prosthetic research program. The new subsection incorporates the existing provisions of section 216 and portions of section 1904, relating to the biomedical and prosthetic research program, indemnification of contractors, and development of new technologies, and adds a reference to health care services and delivery research.

Subsection (b) of section 305 makes the conforming changes in chapter 39 necessitated by the inclusion in chapter 73 of some of the provisions in section 1904.

Subsection (c) of section 305 makes the conforming changes in chapter 3 (including repeal of section 216) necessitated by the inclusion in chapter 73 of the provisions in section 216.

Subsection (d) of section 305: Clause (1) makes a conforming change in subsections (a) (2) and (3) of section 4103 to clarify the practice that appointment of the Deputy Chief and Associate Deputy Chief Medical Directors is made "upon recommendation of the Chief Medical Director" by the Administrator.

Clause (2) amends section 4103(a)(4) to correct a grammatical error.

Clause (3) amends section 4103(b)(3) to permit the removal for cause of employees whose appointments are extended, as well as employees appointed or reappointed.

Clause (4) amends section 4103(c) to authorize the Administrator to redesignate a member of the Chaplain Service as Director, Chaplain Service for any period not exceeding 2 years. Redesignations are currently for 2-year periods, as is the original designation. Clause (4) clarifies that redesignations could be made for periods of less than 2 years.

Subsection (e) of section 305 amends section 4105(a)(5) to provide that optometrists appointed to positions in the Department of Medicine and Surgery must hold the degree of doctor of optometry from an approved school of optometry. This conforms the law to the procedures already followed by the Department, which recognizes the accreditations provided by the bodies sanctioned by the Office of Education.

Subsection (f) of section 305 amends section 4108(b) so as to make accurate the context for the reference to section 4112(b). Although an affiliation agreement is a prerequisite to the applicability of an advisory committee called for in section 4112(b), such section is not basic authority for the agreement itself; therefore, the change from "pursuant to" to "as referred to in" more accurately describes the situation.

Subsection (g) of section 305 amends section 4114(b)(2) to define in more precise fashion the terms "internship" and "intern".

Section 306. Makes technical and conforming amendments to chapter 81 of title 38, as follows:

Clause (1) of subsection (a) of section 306 amends subsection (a)(2) of section 5001 to correct a grammatical error. The word "tuberculous" is substituted for the word "tuberculosis", which is erroneous in the context used in the subsection. The pertinent portion of the subsection would then read "eligible veterans who are tuberculous".

Clause (2) of subsection (a) of section 306 deletes the reference to the Administrator's "exclusive" jurisdiction over VA facilities to take account of the addition of section 5007 to title 83 by Public Law 93–82.

Subsection (b) of section 306 amends subchapter III of chapter 81 by deleting all references to wartime service in sections 5031, 5032, 5034, 5035, and 5036, for the reason described under the discussion of section 302(e) of the bill.

Subsection (c) of section 306 changes the incorrect reference to "paragraphs" in the first sentence of section 5053(a) to "clauses"; and changes to "Veterans' Administration health care facility" references to "Veterans Administration facility," in order to conform those references to references elsewhere in title 38.

Subsection (d) of section 306 makes a grammatical change in section 5054(b) by inserting "the" before "surrounding medical community" the second place it appears to correct the inadvertent omission of that word.

Subsection (e) of section 306 amends section 5055(a) to delete a reference to the Assistant Chief Medical Director for Research and Education in Medicine—a nonstatutory title—and substitute in its place the more proper reference to the Assistant Chief Medical Director charged with administration of the Department of Medicine and Surgery medical research program.

Section 307. Amends section 5083 to delete the reference to any medical school affiliated with the Veterans' Administration under an agreement entered into pursuant to subchapter IV of chapter 81 of this title. This would correct a technical error since subchapter IV (Sharing of Medical Facilities, Equipment, and Information) of chapter 81 does not relate to the affiliation of a medical school with the VA. As section 5083 would be amended, grants would be made if the medical school is affiliated with the VA under an agreement entered into pursuant to title 38, United States Code. Enactment of this section would be rendered unnecessary if section 122(4) of the bill is enacted.

Section 308: Subsection (a) amends section 5202(b) to provide that the Administrator may dispose of the unclaimed personal property of a dependent or survivor of a veteran who dies while receiving care in a Veterans' Administration medical facility. Through oversight, this section was not amended at the time of passage of Public Law 93–82, which authorized such care.

Subsection (b) of section 308 amends section 5220(a) to provide that the property of a dependent or survivor of a veteran who dies while receiving care in a Veterans' Administration medical facility shall vest in the United States if the deceased leaves no surviving heirs. Through oversight, this section was not amended at the time of passage of Public Law 93–82, which authorized such care.

Subsection (c) of section 308 amends section 5221 to provide that the fact of death of a dependent or survivor of a veteran who dies while receiving care in a Veterans' Administration medical facility and leaves no surviving heirs shall give rise to a conclusive presumption of a valid contract for the disposition of all property left by the decedent. Through oversight, this section was not amended at the time of passage of Public Law 93–82, which authorized such care.

Section 309. Amends chapter 73 of title 38 for three purposes: (1) to change all references to "physician's assistants" and "physicians' assistants" to a standardized reference to "physician assistants", and to change all references to "dentists' assistants" to "expanded-duty dental auxiliaries"; (2) to change all references to "pay", "compensation", or "wages" to a standardized reference to "rate of basic pay"; and (3) to change references to "individuals" and "employees" to a standardized reference to "persons" and "personnel".

Section 310. Amends chapters 17, 73, 81, and 82 to eliminate all nouns and pronouns which discriminate on the basis of gender, and substitute nondiscriminatory references to "the Administrator", "the Chief Medical Director", "the veteran", other nouns, and the possesssive adjectival forms of such nouns where appropriate.

Section 311. Establishes as the effective date for all amendments made by the bill (except as otherwise provided in the bill) the date 30 days after the first day of the first calendar month following the date of enactment of the bill. Specific other effective dates are provided in section 110(b)(3) of the bill (regarding increased rates for payments of State homes); section 111(c) of the bill (relating to the establishment of a preventive health care program); section 113(b) of the bill relating to disclosure of certain names and addresses of veterans); and section 114(b) of the bill (regarding shortening and probationary period for title 38 employees).

INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT OF 1976—S. 2662

AMENDMENT NO. 1394

(Ordered to be printed and to lie on the table.)

Mr. HELMS (for Mr. GOLDWATER) submitted an amendment intended to be proposed by him to the bill (S. 2662) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

AMENDMENTS NOS. 1398 THROUGH 1401

(Ordered to be printed and to lie on the table.)

Mr. TOWER submitted four amendments intended to be proposed by him to the bill (S. 2662), supra.

COPYRIGHT LAW REVISION—S. 22

AMENDMENT NO. 1395

(Ordered to be printed and to lie on the table.)

Mr. HOLLINGS (for himself, Mr. STONE, and Mr. MORGAN) submitted an amendment intended to be proposed by them jointly to the bill (S. 22) for the general revision of the copyright law, title 17 of the United States Code, and for other purposes.

AMENDMENT OF THE FEDERAL ELECTION CAMPAIGN ACT—S. 2911

AMENDMENT NO. 1396

(Ordered to be printed and referred to the Committee on Rules and Administration.)

Mr. METCALF. Mr. President, today I am submitting an amendment to S. 2911 which, in effect, will authorize a Presidentially appointed Federal Election Commission to operate only until April 1, 1977.

Let me explain, briefly, my reasons for urging this course of action.

It is increasingly apparent, first, that now is not a propitious time for a thoroughgoing revision of the Federal Election Campaign Act. Whatever the implications of the Supreme Court's recent ruling for the act's regulation of campaign spending—and however desirable it may be to extend public financing to congressional campaigns—we are highly unlikely to reach any kind of consensus on comprehensive legislation in this election year.

Attempts to change the rules in the middle of the game inevitably generate a good deal of heat but seldom produce much of anything beyond delay and irritated spectators.

Mr. President, on February 3, I joined the Senator from Pennsylvania (Mr. SCHWEIKER) and others as a cosponsor of S. 2911, a bill to reconstitute the Commission. At that time, during a colloquy with the Senator from New York (Senator BUCKLEY), I stated in part:

> I am not in complete accord with S. 2911, because I do not think we should reconstitute the Commission on a permanent basis. I think the Commission should be reconstituted temporarily, just for the purpose of the elections this year. . . . If Congress decides that the Comptroller General, or someone else, should provide for the allocation of the public money that has been collected for the Presidential election campaigns, that is all very well.
>
> But I would prefer that we continue the Commission temporarily, with appointment of its members by the President and with the advice and consent of the Senate, confirmed as others are confirmed, and retain in it the

power to certify candidates for receipt of matching and other authorized public financing.

I do not believe that we should go any further than that at this time. . . .

As all of us are aware, by striking the Commission as presently constituted, the Court placed the act's administration—including further disbursement of public financing—in limbo. Unless Congress either reconstitutes the Commission, providing for Presidential appointment of all its voting members, or creates an alternative arrangement for the discharge of its administrative responsibilities by a legally qualified "Officer of the United States," neither the Presidential candidates nor the parties can be "certified" for public financing after the expiration of the Court's 30-day grace period.

Equity and commonsense demand that we move—and move now—so that those who are presently in the Presidential primaries and who are counting on Federal support can continue their campaigns.

Comptroller General Elmer Staats has advised us that certification by the General Accounting Office, either permanently or for a limited period, "would place upon GAO a responsibility that it is inadequately prepared to take." He has recommended instead that the Commission be reconstituted within the time allowed by the Court.

I am convinced, however, that we should not move precipitously to place authority to regulate Federal elections permanently in the hands of a commission made up entirely of Presidential appointees. Surely a decision to delegate such power, which if abused can benefit so directly some candidates at the expense of others, should not be made without the most careful consideration.

Specifying a termination date for a reconstituted commission, as provided by my amendment, will operate as a powerful safeguard over the next year.

During that period, the appropriate committees of Congress will have an opportunity to monitor the Commission's activities closely. It is my fervent hope that these committees will exercise their oversight responsibility systematically and vigorously, so that they will be in a position—prior to April 1977—to recommend whatever changes may be necessary to insure even-handed use of the Commission's authority.

It is my hope, too, that the necessity to reauthorize the Commission will serve as a spur to the Congress to look carefully at other aspects of the truncated Federal Election Campaign Act, to review, in an off year, our experience with public financing, and to determine in an orderly manner where campaign reform should go from here.

Mr. President, neither S. 2911 nor my amendment affect in any way the Commission's present statutory authority. The intent is simply to provide for implementation and enforcement of the act with as little disruption as possible for the remainder of this election year and for completion of the postelection audit early next year.

I hope that the Senate will demonstrate its ability to act expeditiously. I now submit my amendment and I ask unanimous consent that the amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. 1396

On page 2, line 4, insert the following immediately before the quotation marks: "The Commission shall cease to exist on April 1, 1977.".

On page 2, strike out lines 5–16, and insert the following in lieu thereof:

"(b) Paragraph 2 of section 310(a) of such Act (2 U.S.C. 437c(a)) is amended to read as follows:

"(2) Any vacancy occurring in the membership of the Commission shall be filled in the same manner as in the case of the original appointment.".

On page 2, strike out all after line 21 through page 3, line 2.

On page 3, line 3, strike out "(c)" and insert in lieu thereof "(b)".

NOTICE OF HEARINGS

Mr. PROXMIRE. Mr. President, the Committee on Banking, Housing and Urban Affairs will commence hearings on H.R. 5620, relating to the construction of U.S. Mint buildings, at 10 a.m. on February 27 in room 5300 of the Dirksen Senate Office Building.

For further information, please contact Marion Mayer at 224–7391.

HEARINGS ON TRANSPORTATION OF ALASKAN NATURAL GAS

Mr. BUMPERS. Mr. President, the Senate Commerce and Interior and Insular Affairs Committees will conduct a joint oversight hearing on issues relating to the transportation of Alaskan natural gas to markets in the lower 48 States.

The hearing will begin at 9:30 a.m. on Tuesday, February 17, in room 3110 of the Dirksen Senate Office Building. Witnesses will include representatives from a number of Federal agencies and the State of Alaska.

The Commerce and Interior Committees have developed a questionnaire, which was sent to all prospective witnesses, in an effort to focus attention on some of the major issues involved in transporting Alaskan natural gas. I ask unanimous consent that the text of this questionnaire, as well as the memorandum sent to members of the two committees by Senator MAGNUSON and Senator JACKSON, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ISSUES CONCERNING THE TRANSPORTATION OF ALASKAN NATURAL GAS

MEMORANDUM OF THE CHAIRMEN

In February 1976, the Senate Committee on Interior and Insular Affairs and the Senate Committee on Commerce will conduct joint oversight hearings on Arctic natural gas reserves and alternative transportation systems for delivery of this gas to markets in the lower 48 States. The committees will examine the institutional, resource and other factors which may constrain or significantly influence the cost, timing and mode of delivery of this natural gas into existing distribution systems.

To facilitate our respective committees' consideration of this matter and to develop a factual background on the major policy decisions respecting Alaska gas, interested persons are invited to respond to all or any of the attached questions by February 11, 1976. Materials submitted will be included in the hearing record on this matter.

HENRY M. JACKSON,
Chairman, Committee on Interior and Insular Affairs.
WARREN G. MAGNUSON,
Chairman, Committee on Commerce.

I. ASSESSMENT OF NATURAL GAS SUPPLIES

A. Natural gas supplies

(1) What are the current estimates of proven reserves in:

(a) the Sadlerochit formation of the Prudhoe Bay field,

(b) other formations in the Prudhoe Bay field,

(c) reserves elsewhere in Arctic or Interior Alaska, or on the Arctic OCS, and

(d) the Mackenzie Delta and adjacent Canadian onshore and offshore areas.

(2) What additional reserves can reasonably be expected to be discovered and produced from each of these areas by 1985?

(3) What is the range of uncertainty and/or dispute in each of the estimates in questions 1 and 2 above:

(a) resulting from geological or engineering uncertainty,

(b) depending on leasing or resource development policies, or

(c) resulting from uncertainty about other factors (economic incentives, industry response, logistical problems, etc.)?

(4) What are the potential natural gas resources in each of the areas identified in question (1) and the likelihood of their producibility in volumes which could influence the viability or relative merits of alternative systems for delivery of Prudhoe Bay natural gas?

(5) Consider specifically what leasing or development policy regarding the Alaska outer continental shelf, Naval Petroleum Reserve No. 4, the Arctic Wildlife Range, state lands and lands controlled by Alaska Native corporations might be necessary to make viable various alternative transportation systems? Consider also the possibility of major discoveries in Lower Cook Inlet, the Gulf of Alaska, or other areas of Alaska, and their implications for the viability or merits of alternative transport systems?

B. Deliverability and cost

(1) What levels of natural gas production could each of the areas considered in subpart A above reasonably be expected to support in each year 1980 through 1985, if transportation were available, given due allowance for the time necessary for field development?

(2) What is the range of uncertainty or dispute over each of these estimates? Consider particularly the relationship between crude oil recovery and natural gas production from the Prudhoe Bay Field.

(3) The Van Poollen study for the State of Alaska implies that the potential tradeoff between gas and oil production from the Sadlerochit formation will not be known until

(a) tests have been made of the ability to inject water into the reservoir and a source of water has been assured, and

(b) the operation of the aquifer underlying the reservoir has been observed during oil production.

Is this inference correct? If not, can the optimum rate of gas production presently be calculated? If so, what is it? If the inference is correct, when are the earliest and latest dates that enough information might be available to make a prudent decision on the rate of gas production and the system to transport such natural gas?

(4) (a) What is the statutory mandate and policy of the oil and gas conservation authority in Alaska with respect to optimizing the joint production of oil and gas?

(b) To what extent is there a requirement or authority for the agency or the State to consider economic or development factors (as opposed to physical conservation alone) in regulating field production levels?

(5) (a) Could the rates of production at Prudhoe Bay now contemplated by the applicants in Docket CP-75-96 before the Federal Power Commission be appreciably reduced by actions of the State of Alaska?

(b) When will the Alaskan conservation agency decide on the allowable rate of natural gas and oil production?

(c) Can its initial decision be later modified?

(d) Is there a conflict between the FPC's certificating authority and the State's conservation authority? If so, which authority would prevail?

(6) What is the anticipated cost (not necessarily equal to price) of Prudhoe Bay natural gas at the wellhead? Please supply the assumptions and detailed back-up for such estimates. Specifically:

(a) Are these calculations incremental costs, assuming that all joint costs of lease acquisition and field development are borne by oil production, or do they assume an allocation of such joint costs to gas production; and

(b) Does the cost estimate include the value of oil production forgone, if any?

II. DEMAND FOR ALASKAN NATURAL GAS

A. Anticipated shortages

In the absence of the Alaskan gas, what are the anticipated natural gas shortages in the lower 48 states by region in the 1980–85 period?

(1) Which pipelines are expected to be in deepest curtailment of priority users in that period? What is the range of uncertainty associated with these estimates?

(2) What is the anticipated intrastate demand for natural gas in Alaska during the 1980–85 period?

(a) How much of the Prudhoe Bay gas is planned to be consumed in Alaska?

(b) To what extent do these projections of Alaskan consumption assume natural gas use for boiler fuel and other uses for which oil or coal could be substituted?

(c) How much do these estimates vary with different assumptions concerning natural gas and oil prices?

(3) Which pipelines or distributors have options to purchase Alaskan natural gas at this time?

(a) Would the same pipelines and distributors obtain Alaskan natural gas regardless of whether the Arctic Gas or the El Paso project are approved?

(b) What are the terms and conditions of these options to purchase?

(c) If Prudhoe Bay gas were to be sold to the pipeline systems in greatest need on the basis of the best current projections pursuant to the FPC's current curtailment policy, which pipelines would receive the gas and what quantity would be sold to each?

(d) On what terms would non-transportation system owners have access to the Alaskan gas transportation system?

(4) The State of Alaska has not yet committed its royalty share of the Prudhoe Bay gas to sale or options. Will the State's decision regarding disposition of its royalty gas (a), between interstate and intrastate purchasers, or (b) among interstate purchasers, significantly influence the viability or the FPC's evaluation of alternative transportation systems?

B. Price

(1) Is the demand for Alaskan natural gas sensitive to natural gas prices and to the price of alternative fuels in the lower 48 states?

(2) When do the producers and purchasers intend to enter into firm long-term contracts for the sale of the Prudhoe Bay natural gas?

(a) What is the reason for the delay to date?

(b) What price will the producers receive in the absence of FPC price controls?

(c) What will be the duration of the sales price?

(d) What are the other likely major terms of such contracts?

(3) For the two transportation systems proposed by the applicants and the modifications recommended by the FPC environmental staff, what are the anticipated:

(a) capital costs (in 1975 dollars);

(b) the initial total transportation tariff per Mcf delivered to points on the West Coast, in the Midwest and in the East; and

(c) the total transportation tariff per Mcf delivered to such destinations 15 years after initial delivery?

(4) Are current estimates realistic in light of the large cost overruns that recently have characterized major construction projects like the Trans-Alaska oil pipeline, the Washington Metro or nuclear generating plants? To what extent do the current cost estimates take into account the likelihood of materials shortages, failure to perform by certain contractors, defects or late delivery of equipment, labor disputes, unusually severe weather, regulatory delays, etc.? If the experience of the Alaskan oil pipeline and all these factors are taken into consideration, what is the magnitude of total system costs (in both current dollars and 1975 constant dollars) that conceivably could be expected?

(5) To what extent does transportation at each system's design capacity depend upon additional discoveries of new reserves? What is the range of anticipated total capital and operating costs per Mcf at various levels of throughput?

(6) (a) What is the size of the market for Alaskan gas in the lower 48 states if its average lower 48 city gate price (in constant 1975 dollars) is $2.00 per Mcf? $2.50 per Mcf? $3.00 per Mcf? $4.00 per Mcf? $5.00 per Mcf? What is the assumed oil price in these estimates?

(b) At each average price what portion of the total gas over the course of a year would be consumed by priority users, (residential and commercial) and at what price; and what portion would have to be sold for boiler fuel or as interruptible supply, and at what price?

(7) What would be the impact on demand for Alaskan gas if its price at the city gate were substantially higher than the equivalent average price of oil? At what price per Mcf would pipelines no longer be willing to purchase Alaskan gas? What is the probability and under what circumstances, taking into account production costs, all tariffs and taxes, that the price of Alaskan gas would exceed the amount purchasers are willing to pay for an equivalent volume of base load supply?

Please provide the estimates requested in questions (6) and (7) on the alternative assumptions that Alaska natural gas is required to be priced (1) incrementally or (2) on a "rolled in" basis.

C. Cost of delay

(1) What revisions must be made in project costs for each year of delay (up to five years) in the commencement of construction?

(2) What is the best estimate of the total cost to consumers for each year of delay beyond 1980 in terms of the price of alternative fuels or impact on the economy of a gas shortage?

III. STATUS OF REGULATORY APPROVALS

A. Agencies involved

List all of the Federal and state agencies which must issue permits or approvals as a prerequisite to the construction or operation of an Alaskan gas transmission system.

(1) State the estimated timetable for the applicants to obtain such approvals in the absence of expediting legislation.

(2) Is it possible or reasonable for the FPC to grant a certificate for any gas transportation system before the deliverability issues identified in subpart I, B are resolved?

(3) State any approvals required after the FPC issues a certificate of public convenience and necessity. Can the necessity of any such approvals delay or even prohibit construction of the system?

(4) Identify the possibilities for slippage and delay in the timetable for the FPC and other agency approvals?

B. Federal-State relations

(1) Are Federal and state approval processes coordinated?

(2) Is there a potential for conflict between state land-use, coastal zone management, construction, conservation, safety and other regulatory or taxation activities and Federal requirements and permits?

(3) What is the mechanism, or what mechanism should be established, for encouraging early state input and resolving differences between Federal and state policies?

C. Judicial review

(1) Which Federal or state agency decisions regarding the transportation of Alaskan gas are the likely subjects of judicial review? What is a reasonable estimate of the time required to complete such judicial review of agency decisions? Could construction commence while such judicial review was underway?

(2) In the absence of any legislation, what is the expected date on which construction could commence? Be completed?

D. Alternatives

Please provide estimates of the costs, environmental impacts, construction lead times and other relevant facts concerning:

(1) An alternative pipeline route from the North Slope to Fairbanks and then paralleling the Alcan Highway;

(2) Conversion of natural gas to methanol and shipment by the trans-Alaska oil pipeline or tanker or submarine; and

(3) Other possible alternatives.

E. Safety

What are the design and operation techniques to assure safe and continuous operation of Alaskan natural gas transportation systems?

1. What is the relationship between the Federal Power Commission and the Department of Transportation with respect to safety standards during gas pipeline construction and operation?

2. What are the probable and worst case estimates of injury and damage of natural gas pipeline accidents?

3. Which State and/or Federal agencies have jurisdiction over LNG terminal siting with respect to safety, distance from population centers, and ship traffic control?

4. What plans or procedures have the responsible agencies or the applicant devised to prevent or deal with LNG tanker collisions or other LNG handling accidents? What is the best available technology to minimize the risk of an LNG accident and to deal with serious LNG accidents?

5. What are the probable and worst case estimates of injury and damage that could result from an LNG tanker, or terminal accident? What are the owners' liabilities for

such an accident? Are existing liability laws adequate to provide compensation for all damages resulting from a probable and worst case accident?

F. Canadian procedure

(1) What is the status of Canadian proceedings regarding the Arctic Gas and Maple Leaf projects? What is the anticipated schedule for final approvals by the National Energy Board and the Cabinet? What approvals are required by Provincial Governments? Are there other opportunities for delay of a Canadian decision, such as settlement of Canadian native claims? What is the best estimate of when the Canadian Government will reveal whether a trans-Canada route to transport Alaskan gas is acceptable to Canada?

(2) To what extent does the Canadian decision in fact await or depend upon a decision by the United States?

(3) What diplomatic channels or other mechanisms are available to assure coordination of the U.S. and Canadian approval processes? How would differences be resolved if incompatible trans-Canada routes are approved in the U.S. and Canada?

G. Treaty status

(1) What is the anticipated initialing date for the U.S.-Canadian pipeline treaty?

(2) What are the terms of the draft treaty?

(3) Would the treaty limit or restrain the taxation or regulatory authority of state or Provincial governments?

(4) What other issues remain to be resolved in a specific protocol dealing with an Alaska-Canadian transmission system?

IV. FINANCING

A. Private capability

(1) Do private capital markets have the capability to provide the necessary funds for the construction of an Alaskan gas transportation system? Can the equity capital for this project be attracted solely on the basis of regulated revenues from natural gas consumers? What is the anticipated interest rate at which needed long-term debt capital can be raised?

(2) Assume the project encountered substantial cost overruns. Could it still be financed privately? What are the outer limits of the amount of capital that could be privately raised?

B. Subsidies

(1) To what extent are either of the applicants intending to seek Federal subsidies, loan guarantees or other forms of financial assistance to offset costs or provide cost overrun protection?

(2) Can either project be constructed and operated without any such Federal assistance?

(3) If Federal assistance to protect against cost overruns is required, what incentives can be incorporated to give the successful applicant incentives to minimize costs?

(4) If a project requiring LNG transportation is certified:

(a) How many vessels would be needed?

(b) Where would such vessels be constructed?

(c) What is the amount of subsidies or loan guarantees likely to be requested?

C. Tariffs

(1) Is it anticipated that Alaskan gas will be sold pursuant to an all-events full cost of service tariff whereby rates are automatically adjusted to reflect any costs incurred and are paid by purchasers whether natural gas is delivered or not?

(2) What is the anticipated risk that gas deliveries will be interrupted over the life of a project?

(3) Is the private financing of the Alaskan gas transportation system contingent upon state and Federal approval of such an all-events tariff?

(4) Are there precedents for an all-events tariff in other situations?

(5) What is the likelihood that state public utility commissions would approve natural gas purchases conditioned upon such tariffs?

(6) Can purchasers obtain insurance from private markets to insulate them against financial difficulties if gas deliveries are interrupted?

(7) If the risk of interruption is significant, would it be prudent to limit the percentage of Alaskan gas entering any pipeline or distribution company?

V. LEGISLATION

(1) What legislation, if any, is required to facilitate the construction of an Alaskan natural gas transportation system?

(2) What subjects should such legislation address? Consider and comment on such matters as:

(a) an expedited schedule for FPC action;

(b) a narrowing of judicial review in time and scope;

(c) establishment of a Congressional review process;

(d) congressional selection of one or more routes by directing all involved federal agencies to expeditiously grant all required permits and licenses;

(e) establishment of wellhead price ceilings and tariffs for Alaskan gas;

(f) establishment of a consolidated administrative process for the siting of LNG facilities;

(g) basis for and extent of an LNG vessel owner's liability for damages in the event of accident;

(h) provision for financial assistance to assure project construction;

(i) providing for allocation of Alaskan gas to pipeline systems in greatest need;

(j) resolution of environmental issues associated with the transportation of Alaskan gas; and

(k) other matters.

MEMORANDUM

To: Members of the Senate Committees on Commerce and Interior and Insular Affairs.

From: Warren G. Magnuson and Henry M. Jackson, Chairmen.

Subject: Hearings on Alaskan natural gas.

The Senate Commerce and Senate Interior Committees are scheduled to conduct a joint oversight hearing on February 17 on the transportation of Alaskan natural gas to markets in the lower 48 states. The Commerce Committee has jurisdiction over transportation matters generally and has jurisdiction over the Federal Power Commission which, under the Natural Gas Act, certifies the construction of facilities for the transportation of natural gas for resale in interstate commerce. The Interior Committee has jurisdiction over the Interior Department and the Mineral Leasing Act under which the Secretary of the Interior has authority to grant right-of-way permits for the use of such lands for natural gas pipelines. The hearings will commence at 9:30 AM in room 3110 of the Dirksen Senate Office Building. Representatives of the Federal Power Commission, the State of Alaska and the principal Federal agencies involved—the Departments of Interior, Transportation, Treasury and State and the Federal Energy Administration—have been invited to appear.

Industry and Government forecasters are projecting rapid declines of natural gas production from conventional sources in the years ahead. A bright spot in this otherwise dismal picture is the discovery of an estimated 26 trillion cubic feet at Prudhoe Bay in Alaska. But in order for this discovery to make a significant contribution toward alleviating natural gas shortages, a transportation system that can deliver the gas at prices that consumers will pay is required. Currently, two applications are pending before the Federal Power Commission to transport this gas to major markets in the lower 48 states:

The El Paso Alaska Company proposes to construct a natural gas pipeline parallel to the Alaskan Oil Pipeline from the North Slope to Southern Alaska. The gas would then be liquefied and shipped to Southern California in cryogenic tankers. From there, the gas would be transported by displacement, primarily through existing pipeline facilities to contract purchasers throughout the nation.

The Arctic Gas Project would be an all-pipeline route from the North Slope of Alaska to the Mackenzie Delta area of Canada's Northwest territories and then South, dividing into two legs to directly serve markets in the West and Midwest. This project would also deliver Canadian Mackenzie Delta gas to Canadian markets.

In Canada, Foothills Pipelines, Ltd., has also applied to the National Energy Board to construct an all-Canadian pipeline from the Canadian Mackenzie Delta to Southern Canada. If either the El Paso Alaska Plan or the Foothills Project were approved and built, the Arctic Gas Project would probably not be economical.

The Westinghouse Oceanic Division and the U.S. Martitime Administration have also undertaken conceptual studies of bringing Alaska natural gas energy to lower 48 markets in the form of methanol. Under this proposal, North Slope gas would be converted to Methanol and initially shipped through the trans-Alaska oil pipeline and transported by conventional tanker to markets for use as a petrochemical feedstock, gasoline additive, and industrial fuel. As more of the oil pipeline capacity was required to ship crude oil, the methanol could be transported to East Coast markets by submarine tanker.

As background for the hearings the staffs of the Commerce and Interior Committees have prepared a questionnaire for response by witnesses and other interested persons on the issues concerning the transportation of natural gas. Some of the area which the witnesses have been requested to address are as follows:

1. The location and size of natural gas resources in Alaska. It is estimated that there are substantial potential natural gas reserves in Alaska outside of Prudhoe Bay and if major discoveries are made in the future it would be desirable to initially construct a transportation system that is flexible enough to provide access to the maximum amount of natural gas supplies. This may require consideration of transportation systems other than those proposed by the two applicants before the Federal Power Commission.

2. Recent studies indicate that maximum natural gas production may result in reduction of the amount of crude oil that is recoverable at Prudhoe Bay. The Alaska State Division of Natural Resources has authority under current law to establish rates of production. The State has been invited to appear at the oversight hearings. The amount of gas production permitted and the timing of this decision is a critical factor in the feasibility and timing of a transportation system.

3. The financing of an Alaska natural gas transportation system will present major hurdles. The issue is whether the pending proposals can be financed by private capital, and if so, what risks consumers must take. The Alaska-Canada system is now estimated to cost $12.5 billion; the current Alaska LNG system cost estimate is $11.2 billion. However, large unique construction projects have experienced chronic cost overruns. For example, the price tag for the Alaska oil pipeline project has risen from $2 billion in 1972 to a current estimate of $6.4 billion. Virtually all other construction projects are now suffering from massive cost increases.

Studies by the Department of the Interior indicate that a one-year delay in construction and a 55 to 83 percent increase in costs could render both alternatives economically unfeasible. For example, if the production and transportation costs of Alaskan gas are $4 per Mcf, that is the equivalent of $23 per barrel oil ($5 per Mcf gas is equivalent to $29 per barrel oil).

4. If the United States certifies an Alaska-Canada route, the certification must also be obtained from Canadian authorities. On January 29, a U.S.-Canadian draft treaty was initialled which provides government-to-government assurances on unimpeded transmission and non-discriminatory treatment of oil and gas in transit pipelines across both countries. However, this agreement does not eliminate such questions as whether the Canadian government will permit rates for the pipeline segment through Canada that might be higher than what the FPC would authorize. A protocol dealing with the specifics of the Arctic Gas Project may be required to provide further detailed assurances.

In addition, the timing and substance of Canadian regulatory decisions is an open question. The National Energy Board of Canada has certification responsibility similar to the FPC except that it can act more expeditiously and its decision is a recommendation to Parliament, which grants final approval. However, there are potential delays due to Canadian native claims and opposition to any pipeline by some native organizations. Also, the Canadian Foothills Pipeline project is an all-Canadian alternative to the Arctic Gas Project which the Canadian Government would want to afford due process. At the hearings, the State Department will comment upon the Canadian situation.

5. Other important issues that remain to be addressed include:

(1) determining which regions in the lower 48 states should obtain the Alaskan natural gas and who should make this decision;

(2) the comparative costs of alternative transportation systems over the life of the projects;

(3) the price at which the producers will be selling Alaskan natural gas at the wellhead;

(4) the environmental impact of each of the proposals, including the potential damage to the Wildlife Refuge and the safety of liquefied natural gas handling;

(5) the most likely time that deliveries could commence under each of the proposed projects; and

(6) which alternative would result in the largest deliveries of energy to consumers.

It is hoped that the oversight hearings can provide the basic facts to clarify these issues and help the Committees decide whether legislation is needed on these matters, and if so, what the substance of the legislation should be.

ADDITIONAL STATEMENTS

CHILD NUTRITION

Mr. THURMOND. Mr. President, on January 30, 1976, the South Carolina General Assembly passed a concurrent resolution memorializing the Congress of the United States to continue the child nutrition program as assistance to State school lunch programs at present levels.

On behalf of the junior Senator from South Carolina (Mr. Hollings) and myself, I ask unanimous consent that this resolution be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

A Concurrent Resolution

To memorialize the Congress of the United States to continue the Child Nutrition Program as assistance to State school lunch programs at present levels

Whereas, for many years the Child Nutrition Program of the Federal Government has greatly enhanced the quality of school lunches served to the children of our Nation; and

Whereas, the President and other administrative officials plan to modify and apparently substantially reduce the level of this program which has proved so helpful to nutritional standards, particularly for children in the lower economic levels; and

Whereas, despite the need for belt tightening and economy in government the health of our school children would seem to be an unfortunate target for such economy. Now, therefore, be it resolved by the House of Representatives, the Senate concurring:

That the General Assembly by this resolution memorializes the Congress of the United States to take whatever action is necessary to maintain the Child Nutrition Program, in aid to State school lunch programs, at its present level and thereby avoid possible damage to the nutritional health of the children of this Nation, particularly at the lower economic levels.

Be it further resolved that copies of this resolution be forwarded to the President of the Senate, the Speaker of the House of Representatives and each member of the South Carolina Delegation in Washington, D.C.

TV OR NOT TV? THAT IS NOT THE QUESTION

Mr. PROXMIRE. Mr. President, Joseph Kraft in a Washington Post column on February 8 makes an important point in considering the importance of the news media in elections. His point is that newspapers and televisions play second fiddle to other factors in the way public opinion is formed.

I believe Mr. Kraft is right.

Critics of the press—graphic and electronic—repeatedly make the mistake of confusing the message with the messenger. Killing the messenger that brings the bad news has become a cliche. Like so many cliches, the truth in it has become lost with overusage.

The information and opinions brought to us by newspapers, magazines, radio, and television—particularly television—is used by us as readers-listeners-viewers. The way we use that information and those opinions is a very personal thing. Each of us uses its differently. We may use it similarly to others with which we have some things in common. But then, again, we may not.

Each of us belongs to a number of publics; not just one public. Our varying backgrounds—no two precisely the same—puts us into an array of publics based on economic class, religious, education, ethical rearing, ethnic origin, social adjustment, and other considerations.

Also, too many of us are prone to give good marks to our own powers of judgment while downgrading the powers of others. We might know that we are capable of making up our own minds. Yet, somehow, we might not be too sure about the rest of men. We too often play the Pharisee to the publicans in the temple.

In actuality, we look at the candidates through the press. We see the candidates differently. Enough of us make the same choices so as to put men and women in public office. Mr. Kraft says that eloquently.

If we were all influenced by the press, as some charge, there would be lopsided victories all the time.

Sometimes, even the press forgets that. Why else do reporters and commentators spend so much space and time trying to foresee the outcome of elections. Much more of that time and space might be better used to explain and comment on what has happened rather than on what will happen. Guessing at the future is fun—and it has some usefulness—but over and over we are shown that hindsight is much more accurate.

Despite these truisms, critics of television, especially, will tell us that we need controls over broadcasting to insure that everyone gets a fair shake. Thus the equal time rule for political candidates and the fairness doctrine for controversial issues of public importance.

These governmental controls over broadcasting content were instituted out of a false perception of psychology. The power of the messenger has been magnified beyond reality.

Mr. Kraft writes about that in this column.

Mr. President, I ask unanimous consent that the column be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Media Factor

(By Joseph Kraft)

Are the early presidential primaries and caucus votes media happenings, as distinct from real events? So claim some of the losers, supported by many of those assigned to write about the press and television.

But their argument, I think, is based on a false reading of what elections are all about. It tends also to include a sometimes self-important exaggeration of the role played by the media in shaping American opinion.

Elections are not, and never have been, highly accurate measures of how public opinion judges whether or not candidates have qualities relevant to the great issues of the day. On the contrary, they're elimination contests, haphazardly connected with opinion on leading issues and only dimly relevant to the intrinsic merit of the vying candidates.

The test of an electoral system is not whether it consistently picks the best candidate or perfectly mirrors public opinion. The test is that it yields results which do not cause rival factions to reach for their guns and head for the hills. What counts is acceptability. Elections are merely a means of making choices which cannot be made—with unpalatable results—by other means.

Set against that background the disparaging comments made about the early precinct caucuses and primaries are not nearly as awful as they sound. It is true that only a tiny fraction of the Democratic voters turned out for the Iowa precinct caucuses. It is also true that New Hampshire is an unrepresentative state, far smaller, less industrial and urban than many of the others.

But so what? The important fact is that six Democratic candidates, fully mindful of these facts, chose to enter the Iowa contest. They visited the state themselves, and set up state organizations.

Thus they accepted the caucuses as a test of their campaigning techniques and personal appeal. Inevitably the television networks and prominent newspapermen went out to see for themselves. Not to do so would have been dereliction of duty.

Similarly with New Hampshire. Nobody has to tell President Ford and Gov. Reagan that the Granite State is not Michigan or California. But the two men have decided to test their fortunes there, and inevitably journalists will want to report what happens.

To be sure, one of the reasons candidates enter the early primary and caucus states is precisely to attract the attention of the news media. But, again, so what?

All figures and institutions in public life—or at least all sensible ones—act with a high degree of consciousness about press and television. The opponents and proponents of the Vietnam war, for example, both tried to manipulate events in ways that would sway the media. Which doesn't mean there was no Vietnam war.

Almost all of us who follow the candidates in the early primaries and caucuses try to distinguish what is being said and done for effect from what is really going on. I do not think we are noticeably worse at making these distinctions when we cover primaries and caucuses than when we report Senate hearings or the Pentagon budget. If anything, I think we are fairly good—and getting better—at taking the spin off manufactured political stories. That extends even to the tricky business of calling a winner. Most of the reporting I saw out of the Iowa contests pointed out that though Jimmy Carter ran first, there were an even greater number of uncommitted delegates.

Given that kind of caution, it seems absurd to think that the calls made one week by a newspaper or network are going to decide the votes the following week in some other caucus, or primary. On the contrary, the record shows that the lift Jimmy Carter received from good headlines in Iowa was diminished next week in the Mississippi caucuses where he ran far behind George Wallace.

One serious charge, I think, can be made. Newspapers and television have a vested interest in finding fresh faces. There is an inbuilt bias against such familiar figures as Hubert Humphrey or Gerald Ford or Henry Jackson. But the system even has a safeguard against that danger.

Internal rivalries are no less prevalent and acute in the media than in any other part of American life. So no sooner does one set of journalists begin to extol the virtues of, say, Jimmy Carter, than another set will zealously trumpet forth his weaknesses.

Moreover, as the case of George Wallace abundantly demonstrates, the sway of television and the press on public opinion is limited. Americans tend to make up—or not make up—their minds on the basis of a fabulously rich diet of experience, prejudice, background and interests in which the press and television figure as only secondary or even tertiary influences.

A DECLARATION OF INTERDEPENDENCE

Mr. HUGH SCOTT. Mr. President, I ask unanimous consent that the remarks of Arthur C. Kaufmann to the congressional delegation on the occasion of their visit to Philadelphia in connection with the signing of "A Declaration of Interdependence" be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF ARTHUR C. KAUFMANN TO CONGRESSIONAL DELEGATION AND GUESTS ON THE OCCASION OF THEIR VISIT TO PHILADELPHIA IN CONNECTION WITH THE SIGNING OF "A DECLARATION OF INTERDEPENDENCE," UNDER THE AUSPICES OF THE WORLD AFFAIRS COUNCIL OF PHILADELPHIA

A hearty welcome to our honored guests from out of the city and our friends and neighbors from this area. We are doubtful that any of you Congressmen were among those present when Philadelphia was the capital of the United States, so we are especially glad to welcome you here at this magnificent Penn Mutual Tower, overlooking the park.

I, too, am a representative, but only of the members of the Independence Hall Association, who are indeed pleased to be your hosts at this luncheon—on this unique occasion for the Interdependence Program of the World Affairs Council, which we believe in so wholeheartedly.

There are probably more quotes from Dr. Benjamin Franklin than any other one man in history, however, it seems to me this one is quite appropriate:

"Waste neither time nor money, but make the best use of both."

You gentlemen of the Congress and your families will soon be given the opportunity to judge how we have spent your money here in Independence National Park—and—in chairing this luncheon ceremony today, we hope to utilize your time with equal discretion.

It is always difficult for people to differentiate between the Independence Hall Association and the Independence National Historical Park Advisory Commission, so let me explain:

The association was, and is, composed of a group of public spirited citizens; who in the early 1940's became interested in creating this great national shrine. This same group prevailed on your predecessors in Congress, State officials in Harrisburg and the city to join hands in this tripartite project. Fortunately, some of them who conceived and carried on this project are still active and are represented in this audience.

In 1948 when an act of Congress established the Independence National Historical Park Advisory Commission, it recognized the necessity of this organization in several ways—but primarily through specifying in that bill that there shall always be one member of this association appointed to the Commission.

All of us, of course, are grateful to the Congress for having the foresight, and for providing the funds over the past 25 years, thus making it possible for our building plans to be on schedule. Probably, this is the right place for a commercial—we hope you will be equally generous in providing funds so that the staff will be adequate to intelligently handle the throngs of visitors here during this Bicentennial Year, and for many years thereafter.

May we quote just two facts which may be of interest to you:

"(1) Many years ago, when this program was conceived we had only the nucleus of Independence Hall and the Liberty Bell—now this area covers approximately 20 acres. With the Federal funds that Congress has provided, the National Park Service has, with its characteristic thoroughness, carried out the master plan on which the Independence National Historical Park Advisory Commission worked out with them, the Commonwealth of Pennsylvania and the city."

(2) The park has been host to about 2 million people annually until 1975 when the number of guests soared to 4 million, which will give you some idea of what we may expect this year and in the future.

LITHUANIAN INDEPENDENCE

Mr. CASE. Mr. President, on February 12, Lithuanians everywhere celebrated the 725th anniversary of the unification of their homeland. Today, February 16, they celebrate the 58th anniversary of the restoration of the independent Republic of Lithuania. I would like to take the occasion of these notable anniversaries to honor once again the courageous and hard-working Lithuanians who have contributed so much to both the United States and the world.

This year, we Americans will celebrate not only the 200th birth of our Nation, but the 200th anniversary of the American principle of self-determination. Unfortunately, the citizens of Lithuania cannot now lay claim to this basic human right.

As I look ahead to the next 200 years, and the independence that we often take for granted, I can only hope that Lithuanians everywhere will soon gain the freedom they so deeply cherish.

FARE INCREASES FOR EASTERN AIRLINES

Mr. BUCKLEY. Mr. President, I recently received a letter from Mr. Frank Borman, the president of Eastern Airlines, requesting my "understanding" and "assistance" concerning Eastern's request for fare increases. The letter raises issues as to: First, when it is most appropriate for a Senator to become involved in a matter docketed before a regulatory agency; and second, what is being done to remedy the underlying causes of the airline's difficulties—which ultimately turn into the fare payers' difficulties. For the purpose of generating discussion of these issues, I ask unanimous consent that there be printed in the RECORD, a copy of Mr. Borman's letter and my reply thereto.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

JANUARY 15, 1976.

Hon. JAMES L. BUCKLEY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BUCKLEY: Eastern Airlines has asked the Civil Aeronautics Board for a 1% fare increase effective February 1 and declared its intention to ask for a 2% increase in each of five successive months, March through July.

It is extremely important that all quarters of government fully understand the reasons behind this request. I respectfully request that you read the attached justification carefully.

The airline industry is in dire need of understanding from all quarters of government right now. Fare increases such as we request are absolutely essential to preserve our industry's very existence. We have done all we can on our own, with wage freezes by our employees, loan extensions by our lenders, expense cutting to bare bones levels, etc. Still, we have been unable to offset the rampant inflation in operating costs.

Please keep in mind that the round trip coach fare on the Miami-New York route increased only 27% between 1948 and 1974, an inconsequential rise when compared with other consumer prices. As an example, the price of a family-size sedan rose 228.2% in the same period. In addition, air fares in the United States are the lowest in the world today.

We need understanding and we need assistance in this matter. Otherwise, the airlines will spin into the same situation as the railroad industry, with nationalization as the only means of salvage.

Sincerely,

FRANK BORMAN.

U.S. SENATE,
Washington, D.C., February 10, 1976.

Mr. FRANK BORMAN,
President and Chief Executive Officer, Eastern Air Lines Incorporated, International Airport, Miami, Fla.

DEAR MR. BORMAN: I received your letter dated January 15, 1976 requesting my "understanding" and "assistance" in the matter of your requested fare increases.

As you stated in your letter, it may very well be true that airline costs are increasing, that you are doing your best to bring them under control, and that air fares have increased less percentagewise than other commodities. As a short-term matter, a fare increase may be necessary to stave off financial ruin.

However, I am not ready to commit myself to acceptance of facts concerning airline costs and services until the record before the CAB is fully developed. After the record is developed, I will evaluate it to determine whether the CAB has properly analyzed it. This would be a proper legislative oversight activity by an elected official like myself. Again, however, I stress that I must wait until all of the facts are in before I can determine what assistance I am able and willing to give you in this matter.

Aside from the factual issues posed by your letter, I am disturbed by your apparent assumption that the only alternatives are (a) your requested fare increase or (b) "nationalization as the only means of salvage." There is a third alternative: reform of the existing industry structure and regulatory framework so that the *underlying causes* of the "rampant inflation in operating costs" mentioned in your letter can be cured. I believe that there is something wrong with the "system" when air fares continue to rise while (according to a CAB special staff report on regulatory reform) air trunk carriers are operating at an average system load factor of only from 50–55 percent. In the *short* run, a fare increase may be the only way to avoid dislocations of service to the detriment of the consumer. However, it is my belief that long term solutions are necessary, and to this end I (as a member of the Commerce Committee) will be giving serious consideration to the issue of air carrier regulatory reform.

I hope that this letter will give you a clearer idea as to where I stand on the issue of air fare increases. If you have further questions or comments concerning this or any other issue of interest, please do not hesitate to contact my office.

Sincerely,

JAMES L. BUCKLEY.

FEDERAL ESTATE TAX FARM EXEMPTION

Mr. BUMPERS. Mr. President, one of the unfortunate social and economic trends that this Nation has been experiencing in the past few years is the disappearance of the family farm and the growth of large corporate farming conglomerates. While I recognize the necessity of economic and technological advance in agriculture as in other fields, still there is a good deal of sadness in the year-by-year dwindling of the number of families actually making their own living off their own land.

Partly this trend is a result of economic forces over which control is difficult to exercise, but partly, also, it results from governmental policies that are within our power to change. The Federal estate tax is one of those policies. Under the Revenue Act of 1942, the terms of which have not been changed to this day, only the first $60,000 of an estate is exempt from estate tax. Most farms were worth nowhere near that in 1942, but their value has climbed dramatically in recent years, primarily on account of inflation.

According to the Agriculture Department, the average value of farm assets in the United States was only $51,440 in 1960. By 1974 that figure had climbed to $169,744, and farmers who earn no more than $10,000 or $12,000 a year typically are leaving estates valued at about $320,000.

An estate of that amount is liable for $20,200 in Federal estate taxes, assuming that there is a surviving widow qualified to claim the marital deduction. Then, when the widow dies, the children must pay an additional $83,190 in estate taxes, if the estate is kept intact.

The result is that farms must be sold in many cases to pay the tax. Sometimes they are sold to large corporate farming concerns. Sometimes they are sold to real-estate developers who subdivide the land and contribute to urban sprawl. In either event, the social consequences are unforunate.

A number of bills have been introduced in the 94th Congress to remedy this situation, among them S. 227, of which I am a cosponsor. This bill would raise the $60,000 exemption to $200,000 for farms inherited by family members and not sold within 5 years of death.

I am hopeful that the Committees on Ways and Means and Finance of the House and Senate, respectively, will act expeditiously on this or similar legislation this year. The case for relief is strong, and the need for speedy action is great.

Mr. President, the entire problem is graphically explored and outlined in a story in the New York Times of Sunday, February 15, by Roy Reed, a distinguished reporter formerly with the Arkansas Gazette. I ask unanimous consent that the text of Mr. Reed's article be printed in the RECORD immediately after these remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DEATH TAXES COMPELLING HEIRS TO SELL FARM LAND

(By Roy Reed)

SPRINGFIELD, NEB.—Lloyd Royal, 59 years old, drives a 7-year-old Chevrolet with 110,000 miles on it. He lives in an ordinary farmhouse next to a barn lot. If anyone called him rich, he would laugh.

But if he died his wife, Doris would have to pay $32,000 to the Internal Revenue Service in Federal estate taxes. That's because their modest farm has quadrupled in value since they bought it, thanks to inflation and spiraling land prices. They have become "paper rich."

"There's an old saying that a farmer lives poor and dies rich," Mrs. Royal said this week. "If he died, I'd be in the job market and probably at the minimum wage, because the only thing I know anything about is farming."

Death taxes are making it increasingly difficult for farm families to keep their land. Children who inherit land usually pay even higher taxes than spouses. Just this week, a man near here had to sell his parents' 80-acre farm to pay the death taxes. He sold it to one of the largest landowners in the area—a pattern that has become familiar in the farm country here and elsewhere.

Farmers in New Jersey and on Long Island have also told of hardships because of the tax structure—and many are seeking change.

The inflated land prices that have caused death taxes to become a problem are also keeping young people from entering farming. It now takes at least $250,000 by many estimates to start farming after high equipment prices are added to high land prices.

From her kitchen table, Mrs. Royal has set out to change what she and many others regard as an absurdity in the tax law. She and a handful of friends have rounded up 70,000 petition signers in 42 states asking Congress to act on it.

This election year is apparently going to bring a new attack on the problems of death taxes and prohibitive start-up costs for farmers.

President Ford and several members of Congress have proposed legislation to make estate taxes more bearable for all small and middle-sized estates, including those of farmers. The proposals vary widely.

Senator George McGovern, the South Dakota Democrat, and 16 other Senators representing varied philosophies have introduced another bill to have the Federal Government buy land, lease it to young farmers, then sell it to them at a reduced price after seven years' labor.

The Young Farmers' Homestead Act, as the bill is called, has drawn favorable attention from such varied sources as the National Farmers Union and Progressive Farmer Magazine.

Progressive Farmer, a generally conservative publication, cited projections that 200,000 to 400,000 farms a year would disappear for the next 20 years if today's trend was not stopped.

"The legislation faces up squarely to what probably has to be done if not-rich but bright youngsters are really going to get into ranching or farming for themselves," it said in its January issue.

Estate taxes were no problem to farmers until a few years ago. Federal law exempts the first $60,000 of an estate from the death tax. Most farms were worth nowhere near that when that law was written in 1942.

W. Fred Woods, an economist with the Agriculture Department, estimates that the average value of farm assets in the United States was only $51,440 in 1960. By 1974 that had climbed to $169,744.

Farm values have continued to rise. Land prices in eastern Nebraska are going up more than 20 percent a year, according to observers.

TYPICAL ESTATE: $320,000

In 1960 the Royals paid $72,000 for their 240 acres—a small farm by Nebraska standards. Today, the land alone would cost close to $300,000. The Royals have become rich in the eyes of the Internal Revenue Service, even though they live little better than they did in 1960.

Gilbert Brody, president of the Wisconsin division of the National Farmers Union, says a farmer who earns $10,000 to $12,000 a year typically leaves an estate valued at about $320,000.

His widow pays a Federal estate tax of $20,200 on that, in addition to smaller state inheritance taxes.

When she dies, the children pay $83,190 in estate taxes, their share being larger because they do not receive the 50 percent marital deduction. According to Mr. Brody, the children probably will have to sell the farm to pay the death taxes.

President Ford has proposed delaying the payment of those taxes until five years after the death of the owner. Then the heirs could elect to pay the tax over 20 years, with the addition of 4 percent interest. Heirs may now stretch the payment over 10 years, but at an interest rate of 7 percent.

Mr. Ford's 20-year proposal would apply only to the first $300,000 of an estate. Descending benefits would be allowed up to $600,000, after which the present 10-year stretch-out provisions would apply.

$200,000 EXEMPTION PROPOSED

The Royals and their friends do not think much of the Ford proposal. They regard it simply as a postponement of an unjust debt.

"What on earth good is that when you don't have that kind of money in the first place?" a California woman said in a letter to Mrs. Royal.

At least 10 bills pending in the Senate would raise the $60,000 exemption to $200,000 on all estates, farmers' included.

Other bills would require the I.R.S. to assess farmland at its agricultural value and not at the "fair market value" it would bring if sold for some other use.

Land values here are being pushed up by the growth of Omaha, which is less than 25 miles from the Royals' farm. As the city pushes out, it absorbs farmland at dizzyingly inflated prices and converts it into housing developments and shopping centers.

Many argue that farmers would be less likely to sell to developers if their land was assessed at its value for farming and not for commercial or residential use.

Arthur H. West, president of the New Jersey Farm Bureau, said that Federal estate taxes, inflation and the system of appraising property had imposed unfair burdens on farmers. He added that many New Jersey farmers were actively supporting proposed legislation that would require that the assessment of a property be based on its value for farming.

Mr. Woods, the economist, warned in a recent interview in Washington that changes in the estate tax law should be made carefully if they are not to exacerbate the problem.

Assessing land at its value for farming or as open land instead of at fair market value could result in a low-tax device for the wealthy in passing their estates on to their heirs, he said.

"That would run up farmland prices and make it more difficult for producing farmers," he said.

LETTERS OF HARDSHIP

No one knows how many farmers have had to sell land to pay estate taxes, but there are indications that this is happening more often.

Thomas Pulaski, who used to own a 25-acre potato field near Riverhead on Long Island, says he sold his farm because of his tax bill. He drives a truck for a living.

Mr. Pulaski, who lives in Coram, L.I., said: "If I had decide to stay on my farm after my father's death, I'd have spent half my lifetime paying off loans through which my taxes would have been paid." He sold his property to a real-estate developer and made $6,000 profit—after taxes.

Suffolk County, New York State's largest agricultural county because of its potato and cauliflower crops, is trying to encourage farmers to stay by means of a farmland preservation program. In a $60-million project, the county is buying development rights—not the fee title—to the existing 57,000 acres of farmland. In effect, a farmer will get the market value of the property from the county and may keep the land. But he must agree not to use the land for any purpose other than agriculture.

More than half of 258 farmers surveyed last month by the Wisconsin division of the National Farmers Union said they had known farm families that had had to sell all or part of their farms to pay estate taxes.

Many of those who have written to Mrs. Royal have told of hardships caused by the tax. After her campaign was described by the Farm Journal last fall, the magazine received a letter from William Jones of Lakeport, Calif.

"Our orchard land has been in the family for over 100 years," he wrote, "and now because of this unfair tax in an inflationary period, the resources of the family [never more than provided a living for the family during the past 30 years] is now about to be confiscated by the Government for taxes."

Another Californian, William G. Cox of Capistrano Beach, wrote that his family had already lost its farm because of an exorbitant estate tax bill after his mother's death.

"The I.R.S. is killing the goose that lays the golden egg," Mr. Cox wrote. "The big corporations that are buying up the small farms will never pay another death tax on the land because a corporation never dies. Forming trusts and corporations within families seems to be the only way to go now."

Dixon G. Adams, a Springfield lawyer who is donating time to Mrs. Royal's campaign estimates that 40 or 50 of Sarpy County's 600 farms have been incorporated in recent years to escape or lessen the impact of death taxes. But many farmers resent that alternative. They feel that incorporation would impose more bookkeeping and "red tape" and would diminish their independence, Mr. Adams agrees.

"I don't want to construct a scheme where a farmer has to have a lawyer and a C.P.A. riding on the tractor with him," he said. "We are doing it, though, because of necessity."

Many of the farm wives who write to Mrs. Royal complain of what they believe to be sex discrimination in the Federal tax law. These women dislike being treated in the same way as wives of city residents and millionaires.

Federal law allows a widow to deduct from her tax payment any financial contribution she has made to the family estate, but only if she can prove it with payroll check stubs or the like. Simply working shoulder to shoulder with her husband on the farm for 30 or 40 years is not enough for the I.R.S.

Resentment against that drew Mrs. Royal into her campaign. "I got started one day during the blizzard of 1975," she said. "I had been out in the snow all day helping get the cattle into the barn and then throwing hay to them and getting everything ready for the storm.

"I got back in the house after dark, worn out, and I said, 'Lloyd, do you realize that I haven't contributed a dime to this farm today, according to the I.R.S.?' If he'd have dropped dead the next day, I hadn't done anything at all the day before, as far as they were concerned at the I.R.S."

Mary Heath is a rancher in the sparse sand hills of northern Nebraska, where the grass is so thin that it takes 20 acres to sustain one cow, and where the winters are so grim that only the hardiest can survive.

Her husband, Floyd, died a year and a half ago. She inherited a $40,000 debt along with the ranch. Cattle prices have been depressed for three years.

Now she has had to borrow another $5,000 from the bank to make the first payment on her estate tax. The tax, by her figuring, is $28,000. She has been waiting for months to learn whether the Internal Revenue Service will settle for that.

"When the Government takes my place away from me, it takes my livelihood," she wrote to Mrs. Royal. "I don't know where I can get a job at my age [55] and I'm not old enough for Social Security. This is all the work I know how to do. I wouldn't even be able to get housework for I'm not much good at that, either. My work has been with cattle and hogs.

"I had worked alongside of him from the time we got this place. I don't consider this place a gift. It makes me sick to think I'll lose everything my husband and I worked for. Unless times get better it could very well happen.

ANNIVERSARY OF LITHUANIAN INDEPENDENCE

Mr. BEALL. Mr. President, today marks the 58th anniversary of Lithuania's declaration of independence. This year is also the 725th anniversary of the formation of the Lithuanian State.

The proud and fiercely independent people of Lithuania occupy a fertile but hotly contested buffer zone between the major powers of North-Central and Eastern Europe and have had to deal with aggression from their neighbors at various times during their history.

It is a great compliment to the Lithuanian spirit that 35 years of Communist repression has failed to crush the desire to be free. The torch of freedom still burns within the hearts of the Lithuanian people and by visibly celebrating the anniversary of Lithuanian independence, we can hold out the hope that they have not been forgotten.

Mr. President, this year also marks the 100th anniversary of the founding of the Lithuanian community in Baltimore. Yesterday, I had the opportunity to attend the traditional banquet sponsored by the Council of Lithuanian Societies of Baltimore at Lithuanian Hall, 815 Holland Street, in that city.

Under the leadership of Dr. Elena Armanas, president of the council, an inspiring program was presented. Of particular note was the invocation offered by Rev. Anthony Dranginis, pastor-administrator, St. Alphonsus Lithuanian Church. Mr. President, I ask unanimous consent that Father Dranginis' invocation be printed in the Record at this point.

There being no objection, the invocation was ordered to be printed in the Record, as follows:

58TH ANNIVERSARY OF LITHUANIA'S INDEPENDENCE!

O Heavenly Father, Bless all who are gathered here this afternoon and the food which we have received from thy bounty. We humbly beg You to shower Your Blessings on the suffering people of Lithuania, grant them the freedoms that we enjoy here in these United States of America, the Freedoms that all men are entitled too and that You desire for all men.

May this 58th anniversary commemorating Lithuania's Independence be effective in making actual what we celebrate here today in hope.

Dear God hasten the day when Lithuania and her people will be able to join the ranks of Free Nations. As we celebrate the 200th year of America's Independence, we beg you to continue to Bless America. Give our leaders the courage and wisdom to guide us in the ways of peace. Keep us mindful, that liberty is not only to be loved but also to be lived, that freedom does not mean the right to do as we please but rather the responsibility to do what is right. In all decisions and crises of the future, grant that we remain, One Nation under God, a symbol of Liberty and a fortress against all oppression. Dear God Bless America, Bless Lithuania.

We ask this through Christ our Lord.

Mr. BEALL. Also, at this meeting the Maryland council adopted a resolution that is worthy of consideration by our colleagues. I ask unanimous consent, Mr. President, that a copy of the resolution be printed at this point in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution

We, Lithuanian Americans of the Council of Lithuanian Societies of Maryland celebrating and commemorating the By-Centennial Anniversary of the United States of America, the 725 years of the formation of the Lithuanian State when Mindaugas the Great unified all Lithuanian principalities into one Kingdom in 1251 and the 58th Anniversary of the Republic of Lithuania on February 16th 1918, unanimously adopt the following Resolution:

Whereas in 1918 the Lithuanian people exercised their right of self-determination and restored the Independent Lithuanian State by establishing the Republic of Lithuania which was won and protected by the great sacrifices of the Lithuanian people.

Whereas in the peace treaty of July 12, 1920 Soviet Russia officially recognized the sovereignty and independence of Lithuania and voluntarily renounced forever all sovereign rights and claims by Russia over Lithuanian soil and her people; and

Whereas from 1920 to 1940 Lithuania was fully independent and sovereign nation, a member of the League of Nations, and a signatory of numerous international treaties with the Soviet Union; and

Whereas the Soviet Union during June 15–17th, 1940 invaded with overwhelming armed forces occupied Lithuania, and forcefully annexed the Lithuanian Nation in violation of all the existing treaties and the principles of international law.

Whereas the Soviet Union has systematically conducted within Lithuania a policy of colonization, ethnic dilution, exploitation, brutal oppression of fundamental rights, by intensive russification, suppression of religious freedom and political persecutions which is contrary to the Charter of the United Nations, contrary to the stipulation of the Helsinki Agreement, and is an impediment to the promotion of world peace and cooperation.

Whereas that for so many centuries Lithuania having enjoyed the blessings of freedom is now subjugated to the most brutal Russian oppression of the aspirations of the Lithuanian people for freedom and the exercise of their human rights.

Now, Therefore, be it Resolved, that we demand that the Soviet Union withdraw its military forces, administrative apparatus and the imported Russian colonists from Lithuania and allow the Lithuanian people to govern themselves freely:

That we demand immediate release of all Lithuanians who are imprisoned for political and religious reasons and who for years are lingering in various Soviet jails and concentration camps or kept in psychiatric wards;

That in expressing our gratitude to the United States Government for its firm position of non-recognition of the seizure of Lithuania and forced annexation of this freedom-loving country into the Soviet Union.

That we request an activation of non-recognition principles stressing them at every opportunity the denial of freedom and national independence to Lithuania and the other Baltic countries;

That the Soviet Union, in seeking a policy of detente with the United States, shall be requested to demonstrate its good faith and will by restoring freedom and national independence to Lithuania and the other Baltic States;

That we are deeply greatful to the President of the United States, Gerald R. Ford, for his firm declaration on July 25, 1975, that the United States of America will not recognize the incorporation of Lithuania into the Soviet Union; we are sincerely grateful to the House of Representatives of the United States for passage of a new resolution expressing a sense of the House relating to the status of the Baltic States and we ask the President, Senators and Congressmen of the United States for their support of the cause of freedom for the Lithuanian nation.

That the copies of this Resolution be forwarded this day to the President of the United States, the United States Secretary of State, the United States Ambassador to the United Nations, the United States Senators from Maryland, the Members of the United States House of Representatives from Maryland, Republican and Democratic Parties, Leaders in the United States Congress, the Charge d'Affairs of Lithuania in Washington, D.C. and the Lithuanian Consul General in New York, Chicago, Los Angeles, press and the newsmedia.

This Resolution was adopted on February 15th, 1976.

Council of Lithuanian Societies of Baltimore, *Lithuanian Hall, 851 Hollins Street, Baltimore, Md.*

Mr. BEALL. Mr. President, in commemorating the 58th anniversary of the Republic of Lithuania on February 16, 1976, we demonstrate our support for the people of Lithuania in their wish to regain freedom.

REV. MARTIN LUTHER KING, SR. AND OTHER RELIGIOUS LEADERS VIEW FOREIGN POLICY CHOICES FOR THE 1970'S AND 1980'S

Mr. SPARKMAN, Mr. President, on January 21 the Foreign Relations Committee reconvened its series of hearings on "Foreign Policy Choices for the 1970's and 1980's" and heard from a panel of religious leaders.

Rev. Martin Luther King, Sr., who recently retired from the pulpit of the Ebeneezer Baptist Church in Atlanta;

Rev. Evagoras Constatinedes, Merrillville, Ind., substituting for Archbishop Iakovos who was ill;

Archbishop Peter Gerety of Newark, N.J., vice chairman of the National Conference of Catholic Bishops' Justice Subcommittee;

Rabbi Marc H. Tanenbaum, National inter-religious director of the American Jewish Committee; and

Mrs. Clair Randall, general secretary of the National Council of Churches.

We asked this distinguished panel for their thoughts on the goals and values of American foreign policy in the years ahead and also to assess the impact of foreign policy on the spiritual well-being of the American people and the people of foreign nations.

This was a most interesting and fruitful session, filled with ideas that I think will be of interest to Members of Congress unable to attend. Mr. President, I therefore ask unanimous consent to have excerpts of the panel's prepared remarks printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Statement of Dr. Martin Luther King, Sr.

I, Mr. Chairman, am going to limit what I am saying to "What kind of nation do we want to be among the family of nations?" I have long believed in a world citizenry; I have been preaching across the world now for a good while. But I am disturbed, bothered and worried by some of the things that we must come to grips with.

I think if we would come on as a nation and come to really love and live together as brothers and make brotherhood work, that it would work all over the world. Love every man. Every man's a brother. I am that.

I believe in the church. My religion transcends denomination. I am as much at home with the Catholic as I am the Jew. What is the difference? The things I think that separate us anyhow, as to nation, as to all, if we really come to grips with it, it is just infinitsimal. But the ideas really, that would bring us together, and that should bring us together are infinity, and I think we are moving in that direction for the better, and I hope the Seventies and the Eighties will bring a world of peace.

I hope that we do not have to have war. I hope that we will come to the point when we will study war no more. We can live together, the world over, in peace. God has given us space enough; He has given us men enough to live together peacefully in this world. I think America has the tools, she has the know-how, she has the economic strength, if she would. I look toward to that day when America will really get at the business of getting across the word, carrying a message of peace.

Not peace spoken out of the mouth, but peace coming from sermons that men everywhere can see. Those are our greatest sermons; sermons that we preach, that we see every day.

I look toward a day when mankind everywhere will keep politics—dont get rid of it; we have to have it. It's all right. There is nothing wrong about politics. Politics belongs in the church and anywhere else if we let it be what it really is—the science of government, the science of good government—and I want to rush to tell you I am not a politician. I do not know how to be one. I believe in it, but I believe it ought to be clean, decent, brotherly, kind toward every man, and considerate.

You see, what bothers me also, and should bother you, is that man is awfully—and I repeat the word over again, awfully considerate about oneself, about his nature, his belonging. But so inconsiderate of others.

Until we can come to see, in my thinking, that we must be awfully considerate of others—you know, back of this cosmic world there is a God who operates every minute, on time, never late to a single moment, not slack as men, no slackness. He stands there to share in all we are doing.

I am a very committed man. I believe in God. That is the only one I am afraid of. I am not afraid of anything else but God because he has the authority to get me. He rules, whether we want it to be that way or not.

So, back of this cosmic world, I will repeat, there is God operating every minute, on time. But I think men, in many instances, have lost the sense of being God's person. And we have to come back to this I think. Let God operate this world and teach us how.

Finally, I talked about it, I believe I belong with Him to the least of these. I would like to see America address herself more toward the least of these for there are more of them than all the rest and there always will be—the least of these.

Lord, when the question was raised there in the Scriptures themselves—I was in prison, you did not visit me, and I was sick, you did not come to see me; I was thirsty and you gave me no drink. And then they raised a question, Lord, we admit that we have seen these folks here on the streets threadbare, hungry, in need, but we just don't ever remember seeing you in this position. And He quickly answered, inasmuch as you did not do it for the least of these, you did not do it for me. That is it, I think.

Silver and gold I have none, but such as I have I give thee. America ought to keep that in her hip pocket every day, just such as I have I give thee. America ought to keep that world, just me, simply such as I am, and that is a word of life, a sense of belonging, a sense of being wanted, a sense of being a part of, a sense of being a real honest-to-God human being.

Well, Mr. Chairman, that is old Brother King's message.

STATEMENT OF FATHER EVAGORAS CONSTANTINIDES

Thank you Mr. Chairman:

At the outset I would like to express the sincere regrets of His Eminence Archbishop Iakovos of the Greek Orthodox Church of North and South America for being unable to come because of a severe cold. Also, to express his thanks, as well as mine, for this opportunity to appear before the Committee.

I am Father Evagoras Constantinides, pastor of the SS. Constantine and Helen Church in Merrillville, Indiana, and Coordinator of the United Hellenic American Congress for the State of Indiana.

It is an undisputed fact that America is the nation created by the oppressed and persecuted, the lowly and the heavy laden. It is also true that America has been the refuge of all these people during its 200-year history.

Lately, however, America is being scorned and reviled by the oppressed and the persecuted and the lowly and the heavy laden. Why?

Is it because she is big and strong and affluent, and they are envious and jealous of her? Perhaps there is some truth in that. But it is not the main reason. In my view it is because America is dreadfully lacking in three very critical areas in her relations with the rest of the world.

The first is the lack of any positive foreign policy. For the last fifty years America's foreign policy has been a policy of reaction rather than a policy of action. Instead of charting a course of action which is based on "liberty and justice for all", as we so often sing, and then pursuing it to the maximum of her potential, we wait to see how will Russia or England or France or Germany or Japan or whichever power will act in a certain situation so that we can react accordingly, which frequently makes us too late or too wrong. There should be no doubt in anyone's mind that if a climate of collective security is to be created in the world, other nations must know within reasonable limits what to expect from a country like ours from whose actions and/or inactions everyone of them takes cues. I am certain that not many nations are in doubt concerning the course the Soviet Union is following, despite the many internal upheavals and blood baths. One might argue that it is not easy in a democracy to plot such a course and remain faithful and loyal to it since the input in its formulation has to come from so many divergent sources, groups, interests and biases; that the decision-makers lose control of policy because powerful public reactions take over and divert the course of events into unforeseen or unwanted channels. True! But the skillful and successful foreign policy maker formulates an honorable course and sells it to the folks at home rather than engage in covert and devious actions and surprise even the most cynical. If consultation on every subject on a day-to-day basis is impossible, at least the framework of the overall policy has to be made explicit.

A positive foreign policy based on fairness and justice can never be mistaken by anyone and, whether agreeable or not agreeable to others, it will in the long run become a respected and trusted characteristic of our country. If diligently pursued and faithfully and lawfully practiced, it will attract the support of the people at home as well, and create in them a sense of pride, confidence and self-respect which is not particularly obvious at the moment.

The second area where America is lacking in her foreign relations is morality. I must readily admit that when one speaks of fairness and justice there is a greater degree of agreement than when one speaks of morality. It is my belief, however, that when the men who formulate and execute foreign policy do not permit themselves to become devious, treacherous or base, their actions will be moral. And when they try to preserve all characteristics that are definitive of a society and worth preserving, their actions are moral. Man has vices but also virtues. Even though many evils have been brought about by passions, there exist passionate men on the side of goodness. "Only a passion can conquer a passion" remarked a great philosopher (Spinoza). If passionate devotion and sacrificial execution has brought Communism to where it is today, only a passion for morality, fairness and justice can conquer its menacing spread over the globe.

Perhaps the greatest test of morality comes when it is placed in direct opposition to the so-called national interest. It has been pointed out by many great thinkers that self-love is the strongest single emotion in most people. Yet, love for family, a yearning for recognition and the respect of fellow men, certain collective aspirations such as nationalism, and quite a few ideologies have often proved strong enough to override self-love. If what we convince ourselves to accept as a national interest is dispassionately evaluated and weighed against the misery, agony and suffering of thousands or even millions of fellow human beings, perhaps we could recognize it as more of a selfish interest and view it as an arrogant exercise of power and be less inclined to pursue it. Is it moral or in the national interest to topple foreign governments, assassinate heads of states and invite invasions of one country by another because we do not like them, do not agree with them or suspect them? I do not say because we fear them since we do not carry out these machinations against those we fear; we carry them out against those who are really or allegedly cooperating with those we fear but who, thanks to a peculiar one-way street called "détente," we consider sacrosanct. Is it in the national interest to hold the view that moral principles are for children and that nothing counts in foreign affairs but success? Especially so when we consider success the acquisition of some geopolitical advantages at the sacrifice of morality and traditional values?

What is truly moral and in the national interest is to stop the theatrics of spectacular agreements by chiefs of state on forms of words, and the exhibitionist shuttle flights, by their chief ministers, and buckle down to carefully spelled-out working understandings not only on the diplomatic level but in trade, philanthropy, science, culture, art, etc., on a people-to-people level in BOTH directions. Rather than retaliate against a small nation for casting a wrong vote or refusing to become a satellite and pay obeisance to "big brother", every effort should be made to reach a workable understanding and cultivate the development of mutual trust and respect. I distinctly remember, for example, the words of our Secretary of State on August 26, 1974, when, in the aftermath of the aggressive invasion of Cyprus by Turkey, I asked him what he thought of Makarios, ousted from his country at the time. This was his answer. "I like Makarios. He is the one head of state who makes the best wiener schnitzel for me. But, Makarios' talents are too large for his country. In fact, his thinking is too global as is the thinking of most Greek politicians." The implication was unavoidably clear that leaders and politicians of small countries must not look beyond the ends of their noses but limit their talents to the local problems while the American Secretary of State can twirl the globe at will. "Of course", the Secretary continued, "this is not enough reason to want him out of his position." Later events and revelations proved that in this case, as well as many others, the statements of the makers of our foreign policy were not credible.

And this brings us to the third area of concern in American foreign policy: Credibility. Our view in this matter is the traditional Christian teaching: Search the truth and the truth shall make you free. Perhaps most of the reaction against America abroad, and the depressing situation of no confidence in our institutions at home is the lack of credibility from the highest to the lowest levels. Watergate, and revelations about the C.I.A., F.B.I., Internal Revenue, etc., etc., which show the contempt for the governed by their government; the pursuit by the politicians of votes at the expense of the national interest and the insensitivity of so many in government to the plight of the people renders America not a land to be admired and a leader to be followed but just another big kid who realizes that this is a tough world and the best chance you have of winning is to get into the fight and roll in the mud with the rest of them.

I believe that America should return to her classic tradition in foreign policy spelled out by both Wilson and his opponents: "scorn for mere balance-of-power politics and for selfish nationalism and imperialism; conviction that America's role must be uniquely that of protecting liberty, law and moral principle"; concern for real people everywhere instead of abstract formulations.

As the President said last July 4:

"Let us be people of values, of liberty, equality and justice, no matter what the cost. That has been our history and we are proud of it. We have never counted the cost of freedom and I don't think America ever will."

America must show real concern for poverty, freedom, self-determination and the dignity of all people everywhere. She must actively combat oppression by the right or the left by not supporting any nation or regime or business or individuals who prey on human beings anywhere by suppressing their God-given rights. And she must stop arming any and all nations unless she has hard and fast guarantees that these arms will be used for self-defense and not the killing of weak neighbors. If America will fight for these principles as hard as she fought against colonialism, she will emerge as a true leader in this fight as she did in the other.

STATEMENT OF ARCHBISHOP PETER GERETY

Mr. Chairman and Distinguished Members of the Committee:

I am Peter Gerety, Archbishop of Newark, New Jersey and Chairman of the Justice Subcommittee of the United States Catholic Bishops Bicentennial Committee. As Chairman of the Bicentennial Subcommittee I have heard the views of hundreds of Americans in the past year, and I appreciate your invitation to appear before this Committee to discuss the goals and values of American foreign policy.

In appearing before you as a bishop of the Roman Catholic Church in the United States, I speak out of a specific and substantially articulated transnational religious-moral tradition concerning the ethics of international relations. This tradition can be traced from the New Testament through Augustine's *City of God* and Aquinas' *Summa Theologica* to the Spanish contributors to international law, Vitoria and Suarez, and finally to modern documents of papal teaching on international relations. In the years since World War II the problems of justice and peace in international affairs have assumed an increasingly visible role in the official teaching of the Roman Catholic Church as they have for other religious bodies nationally and internationally.

The fundamental perspective of this body of doctrine is that the human community should be understood primarily as a family bound together by ties of mutual responsibility and respect for each person's human dignity. This perspective is rooted in a belief that we share a common origin in the creative act of God, and a common destiny of eternal life. These assertions of faith are not shared universally in the global community, but they are widely held in our national community. Moreover, the political-ethical implications of this basically religious vision are open to rational analysis and can be shared even if the faith premises are not.

The structural character of the political-moral vision in Catholic teaching is that of a community of nations organized as sovereign states. In the Catholic tradition, the sovereign state is to provide the conditions and content of a decent human existence for its citizens and to cooperate with other states in building an international community with justice as the ruling norm and peace as the fruit of justice. The primary characteristic of this Catholic conception is that it is internationalist rather than nationalist in its basic structure; it affirms the reality of an international community, with consequent obligations, beneath the empirical manifestations of a globe divided into competing sovereign units. Hence in Catholic teaching the concept of the national interest is a limited one; the national interest should be conceived and understood in light of the developing international interest.

In summary the Catholic tradition does not deny either the reality or the validity of the state, but it affirms that the sovereign state must constantly be subjected to political and moral critique by its own citizens and others. The purpose of the critique is to test whether the policies and practices of the state do in fact serve the legitimate needs and aspirations of the people in the international community.

A sense of the content of Catholic teaching may be grasped in the following assertions:

Politically: it affirms the imperative of an international order articulated in terms of rights and responsibilities among states; the order is designed to produce an international political community governed by the values of justice, truth, charity and freedom;

Strategically: it acknowledges a right of defense in an imperfectly organized world, but in recent years it has systematically restricted the scope of this right to the use of force to the point where today it is recognized as legitimate only for defense, then within defined limits and always as a last resort;

Economically: it asserts that the existing maldistribution of wealth in the international system is an indictment of the existing system and an imperative for those with substantial control of the political-economic power to take specific steps to allocate "the global product" in a more rational and equitable fashion.

My purpose in this testimony is to provide an illustration of how these general substantive norms take shape in the context of assessing the foreign policy of specific states. The illustration is meant also to be an indication of how I think U.S. policy should be directed in light of the present structure of the international system.

U.S. STRATEGIC AND MILITARY POLICY: TWO THEMES

Perhaps the oldest and most refined ethical issue in Christian political morality is the morality of the use of force. Living in one of the two strategic superpowers makes this issue of prime importance for the religious communities. I will point toward two examples which manifest the nature of the moral question in U.S. strategic policy.

The possession and use of nuclear weapons

We live in the nuclear age; at the heart of the military question is the fact of nuclear weapons. A representative and authoritative Catholic statement on the morality of nuclear weapons is found in the document *Gaudium et Spes* of Vatican II. Synthetically stated, the conciliar text lays down three principles regarding nuclear weapons: *first,* use of these weapons against cities and populated areas is prohibited in a special way because of their destructive capacity; *second,* while use is prohibited, the possession of these weapons for deterrence may possibly be legitimated as the lesser of two evils; *third,* even deterrence is questionable unless it is conceived as an interim expedient accompanied by extraordinary efforts to negotiate their limitation and reduction.

These three principles direct our attention toward three areas of U.S. strategic policy; the possible use of nuclear weapons; the posture of our deterrent; and the policy of arms limitation. My purpose here is to comment on the state of these questions, not to provide a final moral judgment on them.

First, on the basis of statements of our government officials, it is clear that we are prepared to use nuclear weapons which are presently targeted against cities. This policy has been developed in tandem with a similarly declared policy on the part of the Soviet Union. In technical terms we both rely upon a counter-city strategy. The paradox of this position, as the Vatican Council noted, is that it preserves a "kind of peace" at the cost of threatening to perform mass murder. The rationale of the policy seems to be to make the threat of nuclear war so devastating that it will keep either side from initiating it.

A moral reflection grounded in the Vatican Council's position can acknowledge the utility of the deterrence function of nuclear weapons but cannot legitimate their countercity use.

The Council explicitly condemned the use of weapons of mass destruction, but refrained from condemning the possession of such weapons as a deterrent.

In recent years a strategic concept known as "counterforce strategy" has emerged which envisages the use of strategic nuclear weapons primarily on military targets as preferable to targetting them on cities and large populated areas. An objection to this strategy (which has not yet been officially adopted) is that such use of nuclear weapons tends to break down the barrier between possession and use of weapons of mass destructiveness, i.e., makes nuclear war more likely. A similar objection attaches to the use of tactical (battlefield) nuclear weapons in Central Europe or (perhaps in lesser measure in Korea) where the "first use" of such weapons appears to be part of approved strategy.

I do not seek to adjudicate the details, ethically or empirically, of this complex strategic discussion, but I would personally be of the opinion that moves to erode the barrier against use of nuclear weapons, whether of the tactical or strategic variety, is not in the best interests of maintaining peace.

As I have indicated already, the other condition placed upon a deterrence strategy by the Council is that efforts must continually be made to reduce the level of armaments. In hearings such as these our attention should be directed toward the question whether our efforts of arms limitation and reduction are commensurate with the dangers with which we and others are constantly threatened. The results of our efforts thus far are not strikingly successful. The presently agreed upon levels of nuclear parity are set far above the capabilities now possessed by either of the superpowers. Admittedly, the responsibility here does not rest upon the United States alone or even principally with us; it is shared by both superpowers.

The point to be made, however, is that the treacherous trap of the arms race continues vertically between the superpowers and horizontally through proliferation of nuclear weapons to third countries. Admittedly, arms limitation in either of these categories even with the best of intentions on all sides is not easily achieved. After surveying the evidence of past and present policies, however, one is left with uneasy feeling that a policy which is designated to protect our survival by correlating survival with nuclear security may unwittingly be risking the survival of ourselves and others.

In the nuclear age there are risks inherent in seeking too much security as well as in possessing too little. Some questions seem legitimate in the debate about what constitutes real security: could our security be as well assured with a lesser deterrent capability? Would it be unreasonably hazardous to experiment with some unilateral reduction in U.S. capabilities? I pose these questions as a Christian who by himself cannot answer them, but as a contribution from recent Catholic teaching to the resolution of complex policy issues.

U.S. military assistance and arms sales

A second issue, closely related to the first, is U.S. arms sales and military assistance programs. Mr. Chairman, the Administration request this fiscal year for so-called security assistance programs comes to $2.8 billion; this is more than will be provided for economic development assistance.

The bulk of this ($1.5 billion) is for Israel, with which I will not quarrel, since we are plausibly assured it is essential to Israel's security. A modest amount is provided for other Near East countries, mainly Egypt. Another $534 million is provided to Europe primarily to Greece and Turkey, who, one might suppose, could be supplied by their more prosperous NATO Europe neighbors. Africa is to receive $68.0 million and this item has already received sufficient attention in Congress.

But in a discussion of the moral foundations of foreign policy, can one ignore almost $200 million for Latin America and almost $450 million for East Asia? We are told that the bulk of the funds for Latin America is for training. The Administration's position before the Senate Appropriations Committee speaks of "remaining responsive to Latin America's reasonable military needs within a framework of cooperation and growing economic self-sufficiency." I would be inclined to question the need for such programs until it was demonstrated that they are not associated with domestic security measures or the result of bureaucratic pressures from U.S. military agencies that wish to perpetuate a raison d'etre for the U.S. military presence in those countries.

The almost half billion dollars provided for East Asia is, I suppose, at least partially related to legitimate U.S. security concerns, especially in Korea. The other recipients are Thailand (border problems and internal subversion), the Philippines (internal security problems) and Indonesia (to patrol and protect its extensive archipelago). I would question whether we have an obligation to help such countries with their internal security problems as great as some of our needed domestic programs in the field of housing or welfare that are being slighted because of budgetary stringency. Moreover, such assistance tends to identify the United States with the measures employed by those regimes in the name of internal security which are, in the case of Korea, the Philippines and Indonesia, measures of severe repression and maltreatment which violate the U.N. Declaration of Human Rights.

Substantial as are U.S. military assistance programs (including military sales on credit) total U.S. arms sales to the rest of the world are vastly greater, amounting to about $11 billion in FY 1975. The United States has shipped $100 billions worth of weapons to 136 nations since the end of World War II, an amount equal to arms sales by all other countries. As with nuclear weapons, here too the lay critic with an eye to the moral aspect of U.S. policy has fueling the arms race rather than containing it.

Such arms sales are justified with a variety of reasons: commercial, technical and political depending on whether the salesman is the corporate producer, the military forces, or the Department of State. Often one hears that old argument which is the bane of every moralist, "if we don't sell them, somebody else will." Very often one has the impression that arms sales are an important tool of U.S. diplomacy, serving, it is said, to "revitalize our bond to allies who share our values, institutions and interests."

U.S. sales have increased from $2 billion a year in 1967 and seem likely to go on increasing unless some restraints are imposed. It seems to me that if U.S. credibility is to be based on a genuine long range commitment to peace rather than on the credibility of power, the United States should exercise tighter controls on these transactions.

THE LESS-DEVELOPED NATIONS

The relationship between the United States and the less-developed countries raises two problems for policy makers: economic development and agricultural production. In 1967 Pope Paul issued his encyclical letter "On the Development of Peoples" (Populorum Progressio). This remarkable document anticipated the demands that the less industralized world presented in the last two Special Sessions of the UN General Assembly. It described the effort of colonial and mercantilist policies in shaping the economies of the non-European areas. It pointed out that the rules of a liberal international trading system worked to the disadvantage of the poorer countries, just as unrestricted economic individualism exploited the wage earners in the new industrial countries of the 19th century. It advocated massive capital transfers to the poor nations, "regional agreements among weak nations for mutual support," and new institutions for "international collaboration on a world wide scale" to assist in the development of the poorer nations.

Since 1967 the gap between rich and poor countries has grown wider, and the poor countries, having observed the success of the oil-producing countries in organizing to raise the price of their exports, concluded that this could be done with other basic commodities as well, and that such actions or other actions to control commodity prices would give them the resources they need for their own development. This conclusion may well be unrealistic but it should come as no surpise or shock to the leaders of the industrialized countries.

For years the United States has advocated economic development aid, while insisting that a liberal world trading system was best for all concerned. The conviction, supported by a collection of mutually reinforcing conclusions of economists, sociologists and foreign policy bureaucrats, seems to have been that economic growth led to political stability and the rejection of Marxist alternatives—hence a "more congenial world environment" for the United States. When it gradually became clear to the Third World that the level of aid was not only less than was promised, but far from being adequate, their leaders decided to do what wage earners have been doing for decades in almost all industralized capitalist countries: change the contract through collective bargaining.

The United States has taken the lead in responding to this tack, and has developed a long list of specific proposals with which members of the Committee are familiar. All of these proposals seem reasonable and they were well received in the United Nations.

On closer examination the U.S. proposals may leave something to be desired from the viewpoint of the less developed countries. It is estimated that some $40 billion of outside capital a year will be required by the year 1980 to bring about a modest acceleration of recent growth rates, whereas total bilateral concessional assistance last year from the industrialized nations amounted to only $7.2 billion. However, as U.S. spokesmen have pointed out, the political climate for bilateral aid has deteriorated, and political leaders do not seem inclined to attempt to reverse this trend.

It seems fairly clear that the United States position is that developing countries must look to private investment to finance their development, and the implication of this is, better not tinker with the existing system. A minimal concession is the expressed willingness of the United States to join in the establishment of an international code of conduct to regulate affairs between multinational companies and governments.

In the face of the need for extensive capital in many Third/Fourth World countries for industrialization and infrastructures (e.g., schools, roads, hospitals, utilities) to suggest that foreign private investments—either in terms of quantity or in direction—will be sufficient is to offer a delusion. Poorer nations' development will be vulnerable to a system characterized by Pope Paul as one which "considers profit as the key motive for economic progress, competition as the supreme law of economics, and private ownership of the means of production as an absolute right." Foreign private capital investment in poorer countries is not necessarily an agent of desirable development any more than is such investment in highly industrialized areas. When the poorest nations require large sums of outside capital assistance, to advocate reliance upon private foreign investment is to offer them a weak reed.

In the world food problem, the United States has a unique role of leadership. I need not review the various courses of action being pursued. Having just read of the establishment in the State Department of an office to review the UN voting records of aid recipients and administer a "carrot and stick" policy of rewarding or punishing the recipients by giving or withholding aid I am sceptical that the objective of a depoliticized aid policy—as least toward the most severly affected nations—is fully supported by the Administration.

I am also disturbed by the lack of a larger long term commitment to emergency food aid. One sometimes gets the impression that U.S. policy in this area is committed to selling every possible bit of surplus to cash foreign customers and letting PL 480 dispose of the rest.

This brief and admittedly cursory review leaves me disquieted. I see no prospect of an effective U.S. initiative to bring about what Kissinger called a just share in global prosperity for the developing countries. Perhaps this Committee could ask Administration spokesmen to spell out what is meant by this and how the measures proposed in the UN address will help to bring it about. Without such a demonstration, I am left with the fear that economic growth in many poor countries will continue to be too slow and if that happens no one can say that the response of the industrialized countries has been adequate.

Today, we find that income in the world is unequally distributed with a few people in the rich countries overconsuming, and at least a fourth to a third of the world population lacking necessities. Spokesmen for the United States and other industrialized countries try to justify this by poining out that the rich countries produce more, and more efficiently, while the poor countries have themselves to blame for producing too little. While this thesis may find support in some circles, it is not acceptable in a Christian critique.

Faced with the contending positions between the nations of the North and those of the South and the marked contrast in the life styles of peoples of the two regions, U.S. policy makers must accept the task of mobilizing public opinion to accept the necessary increases in taxes to fund multilateral assistance programs for economic development.

Admittedly, this task can be distasteful and politically unpopular. However, I believe that other sectors of American society, including the Churches, share this responsibility with leaders of government. Certainly in times like these in which domestic conditions are seriously strained, the instinctive reactions of many Americans is to reject talk about the needs of others overseas. But it is necessary, nevertheless, to present in as forceful a way as is possible, the concrete facts of absolute need abroad versus relative poverty at home.

HUMAN RIGHTS AND FOREIGN POLICY

The defense and promotion of human rights continues to take on an increasing importance in world affairs. In Pope John's encyclical, "Pacem In Terris," he described the approval of the Universal Declaration of Human Rights by the U.N. General Assembly (1948) as an "act of highest importance."

The protection of human rights is especially vulnerable because of two distinguishing elements of the international system: a lack of moral consensus and the absence of centralized authority, both of which are presumed in domestic societies. At the same time, the international community is committed in principle to human rights standards as these are expressed in the Universal Declaration of Human Rights. Since no centralized authority exists to implement the principles of the document, the burden falls primarily on individual states which remain the principal agents of authority and action in world politics. To pose the issue of human rights in the context of foreign policy inevitably raises the question: what responsibility does one state have concerning the violation of basic human rights in another sovereign state?

On the one hand, in terms of classic diplomacy, the sovereign state is the basic unit of international politics and the conduct of its internal affairs is beyond the purview or the criticism of other states. Complementing this perspective is the assertion that a sovereign state's survival is its first and ultimate responsibility, hence the domestic affairs of another state are only brought into the matrix of foreign policy calculations if they threaten the first nation's security.

On the other hand, Catholic theory, as expressed, for example, in "Pacem In Terris," places the nation within a framework of moral and legal restraints. The sovereign state in this conception is not seen as immune from criticism by its own citizens or by other agents in the international community. Violations of basic human rights within one nation, therefore, are the legitimate concern of outsiders. This concern is especially compelling for us when it is provoked by the oppressive conduct of nations with whom the United States is closely allied.

It is encouraging to note the recent appearance of an increasing awareness among citizens and a growing consensus within the Congress that human rights be given greater weight in U.S. foreign policy. When the internal conduct of a nation with whom the United States has a significant association becomes blatantly and seriously restrictive of human rights, the moral integrity of the United States is challenged. The basis of America's domestic commitment to human rights is a belief in the dignity of the human person. The affirmation of that belief is universal in its intent and implication; this means that to affirm the rights and dignity of the person here in fact, is to be committed to affirm it in other places in principle. To put the same case from another perspective, when rights are violated with impunity somewhere, they are implicitly threatened everywhere.

In U.S. bilateral relations, the standards to which we as a nation are committed domestically on human rights set a correspondingly high standard for our foreign policy. If we cannot maintain a certain consistency between our national ideals and our international behavior, we weaken the moral claim upon which our own rights are based.

Minimum standards in the protection of human rights, below which no nation's conduct may fall without incurring the ire of outsiders, are part of the fabric of international affairs.

It is incumbent upon U.S. foreign policy makers that ways be found to factor specific human rights concerns into the foreign policy, as they have learned to do with a variety of other concrete issues, such as our commercial, labor, agricultural and fisheries interests.

A second method by which the United States can positively manifest its commitment to human rights is in its support of the U.N. Human Rights Commission and the InterAmerican Human Rights Commission.

There is, therefore, a pressing need for the U.S. to pursue a double task: to strengthen and expand international mechanisms by which human rights can be protected and promoted, and to take seriously in this "interim period" the human rights dimension of our own foreign policy.

In conclusion, Mr. Chairman, I note in your invitation you mentioned an "overriding question that must be answered, 'What kind of a nation do we want to be among the family of nations?'"

This is a question that cannot be answered fully or mainly in the context of foreign policy. We would all like to be seen as a nation conscious and respectful of its moral and political heritage of law and free institutions, preserving of our rich bounty of resources and natural beauty, living in harmony with one another, and caring lovingly for the poor, the aged and the handicapped. Our success in presenting that image has been marred recently; God willing we will recover our balance. The Bishops Bicentennial Committee, to which I referred earlier, has held a series of hearings around the country, the results of which we think will enable us to contribute to the national effort to set new directions and infuse a new moral purpose in national life and policy.

In the area of foreign policy, the national leadership has a more direct and decisive impact on the kind of nation we are and are seen to be. It goes without saying that most of the world expects us to continue to be strong, militarily, economically and technologically. But it also looks to the United States for moral purpose and inspiration, to be assured that we avoid the temptations of power and the abuses which come so easily to the powerful. This means, I think, that we need to act with more restraint, to avoid intervention in marginal situations, to act calmly and deliberately and with the understanding that we don't have the solution to every problem.

Our greatest challenge is to learn to live in a world in which many are still obsessed with power but in which power is not always the ultimate arbiter. Only two great powers, the United States and the U.S.S.R., have great military power and their relations to each other are dominated by considerations of power. But events today in many parts of the world are not susceptible to control by these two powers. Many new nations have a different approach to the solution of their problems: their criteria are public opinion, the appeal to nationalism, and the drive for modernization. In such a world, we must accept the limits to the utility of sheer power and to recognize that it may not be effectual in establishing or restoring order and peace in every situation, especially those of internal political and social conflict. And, there are many evils in the world whose eradication require our compassion, not our force, our resources and technology, not our political dictation. The challenge in short is, while retaining the ability to use force when absolutely necessary, to avoid dignifying the use of force and, where possible, to discredit the resort to violence.

Our greatest opportunity, it seems to me, will lie increasingly in our response to Third/Fourth World countries, in our willingness and ability to provide capital and technical assistance without dictating the modalities of their particular economic and social development. We should be willing, to some extent, to share our abundance with them, and in the process, at least for some of us, to experience some of their suffering. Only in this way can we help make the family of nations a real family, based not on national egotism and striving for power, but on a shared and living commitment to the international common good.

STATEMENT OF RABBI MARC TANENBAUM

INTRODUCTORY REMARKS

Mr. Chairman and Distinguished Members of the U.S. Senate Foreign Relations Committee,

My name is Rabbi Marc H. Tanenbaum. I serve as National Director of Interreligious Affairs of the American Jewish Committee, a major human relations agency of the Jewish community. I am grateful, Mr. Chairman, for the privilege of your invitation to testify here today together with eminent leaders and friends from the Roman Catholic, Protestant, Greek Orthodox, and Black Church communities. The views that I present are my own, although I should like to think that they find concurrence among many in the Jewish community.

The American Jewish Committee was established in 1906, in the wake of programs in Czarist Russia, to protect the lives and rights of Jews in the United States and abroad. Basic to its philosophy is the conviction that the denial of justice or equal opportunity to any group threatens the rights of all.

The American Jewish Committee has been committed from its earliest days to the ideals of the promotion of peace based on the right to self-determination, co-existence, mutual respect between peoples and nations, and constructive collaboration between the nations and peoples of the earth in service of our common human welfare. In particular, we have sought to make a contribution to the advancement of international human rights; that is, to the idea that it is desirable and feasible to promulgate universal standards of human rights to establish institutions or procedures for implementing them. In addition, we have pioneered in a program of religious and general education designed to uproot the sources of group hatred found in negative or hostile stereotypes that frequently feed religious bigotry and political-ideological fanaticism, the explosive chemistry which is responsible for so much of the religious-ethnic conflicts that tragically pockmark virtually every continent of the globe.

Moral and ethical values and ideals of Judaism

Neither the Bible nor Rabbinic Judaism has a word for "ethics". A small volume in the Mishnah often referred to as the "Ethics of the Fathers"—because it contains much ethical instruction—is entitled in Hebrew merely "The Chapters of the Fathers." Ethics is not conceived apart from religion, so that it is included in whatever expression the Bible and the Talmud use for religion. Ethics is part and parcel of "the way of life" of Judaism.

That Jewish "way of life" has its origins in the experience of the Divine Presence in the midst of the decisive events of the Exodus and of Sinai, events which have altered the entire course of human history.

Israel's religion, Prof. David Flusser asserts, was a breakthrough in human consciousness. The God of Israel initiated a new era in the history of mankind, introducing a new concept of justice—which is the central message of His revelation—an uncompromising moral law, and an original social order to be established paradigmatically in the Holy Land of Palestine,[1] conceived in this justice. This postulate of individual and social justice was not to be limited to Israel only. The Creator of the universe postulates this justice for all His human creatures; it was incumbent on all the peoples of the world.

The concept of justice which emerges from the Hebrew Bible is not just the regimen of mighty men—the Bible does not identify God on the side of Pharaoh and his *imperium!* It stresses that God cares for the poor and unprotected, for the orphan, the widow and the stranger. The basis of social justice was not to be external power and might, but the reverence of God and obedience to His moral will.

To understand the idea of justice in Israel, we must bear in mind the Biblical teaching that the human being is created in the image of God, that each human life is sacred and of infinite worth. In consequence, a human being cannot be treated as a chattel, or an object to be disposed of for someone's program or project or ideology, but must be treated as a personality. Every human being is the possessor of the right-to-life, dignity and honor, and the fruits of his or her labor.

Justice is respect for the personality of others and their inalienable rights, even as injustice is the most flagrant manifestation of disrespect for the personality of others. Judaism requires that human personality be respected in every human being—in the female prisoner of war, in the delinquent, even in the criminal condemned to death.

The stability, as well as the happiness of a community, can only be assured when it rests upon a foundation of peace. In the absence of peace there can be neither prosperity nor well-being.

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[1] See *The Holy Year and Its Origins in the Jewish Jubilee Year*, by this writer, published by the Vatican Office for the Holy Year, 1975, Vatican City.

While the Prophets of Israel and the Rabbis believed that God intended the nations to be at peace with one another, war was not prohibited. Jewish ethics would admit the duty to defend the higher values in human life by war if necessary. If Isaiah or Jeremiah had thought that yielding to the foreign invader would mean destruction to the religion or the people they valued, they would have urged resistance, with the same vigor that they demanded constantly the practice of righteousness in obedience to God's will. All the facts of Biblical and post-Biblical Judaism taken together lead to the conclusion that the ethical judgment on war, according to Judaism, is that it must be eradicated to make human life conform to the Divine rule, that those guilty of causing it commit a crime against humanity and a sin against God.

However, they are justified who, to defend the higher values in human life, resist, if necessary by war, an attack on them. The justification would extend to a nation's defense of its liberty. The spiritual values in the life of a nation, which include its historic distinctiveness, may justify it, when attacked or threatened to engage in war to save its independent existence.

The American Democratic Ethos: A Bicentennial perspective

As we mark the observance of the American Bicentennial, it will be helpful at this Senate hearing to recall that however angrily the Founding Fathers might argue over points of constitutional structure, they agreed unanimously that it would take more than a perfect plan of government to preserve ordered liberty. Something else was needed, some moral principle diffused among the people to strengthen the urge to peaceful obedience and hold the community on an even keel.

Samuel Adams spoke for all American thinkers when he reminded James Warren,

"We may look up to armies for our defense, but virtue is our best security. It is not possible that any state should long remain free where virtue is not supremely honored."

Another Bostonian added, "Liberty cannot be preserved if the manners of the people are corrupted, nor absolute monarchy introduced, where they are sincere."

The decade of crisis preceding the Revolution brought new popularity to the cult of virtue that had long held sway in the colonies. Revolutionary thinkers drew heavily on their colonial heritage in proclaiming virtue the essence of freedom. There was a widespread conviction that free government rested on a definite moral basis—a virtuous people. Conversely, the decay of a people's morals signaled the end of liberty and happiness. On no point in the whole range of political theory were Americans more thoroughly in accord.[2] Free government was in large part a problem in practical ethics.

In the process of exhorting one another to be brave, frugal, and honest, and of damning England as "that degenerate land," American writers worked out a well-rounded theory of the ethical basis of the government. In particular, they identified the essential public virtues, described the contrasting political fates of good men and bad, and recommended techniques for promoting virtue and discouraging vice.

In addition to approving all recognized Biblical (Jewish and Christian), Roman, and English virtues, Americans singled out several attitudes or traits of special consequence for a free republic:

First, the willingness to act morally without compulsion, to obey the laws of nature as interpreted by reason and the laws of man as established in consent;

Second, the love of liberty, the desire for the adventure and sacrifices of free government rather than the false security of tyranny;

Third, public spirit and patriotism, defined by a native in 1776 for the enlightenment of his fellow Virginians as "a disinterested attachment to the publick [sic] good, exclusive and independent of all private and selfish interest;"

Fourth, official incorruptibility, a state of virtue saluted by Jefferson in The Summary View when he reminded George III that "the whole act of government consists in the art of being honest;" and

Fifth, industry and frugality, hard work and plain living, the only path to personal liberty and national independence. Special attention was devoted to the fifth of these qualities for industry and frugality were essential to the success of America's program of economic resistance.

The cultivation of these great public virtues—moral action without compulsion, love of liberty, public spirit, incorruptibility, and industry and frugality—was considered the first duty of a free people. Men and women who displayed these qualities were the raw material of liberty. Without such people, in low places as well as high, free government could not possibly exist. The fruits of virtue, for nations as well as men and women, were liberty, prosperity, and happiness; the fruits of corruption and luxury were tyranny, poverty and misery. "And as too great authority intoxicates and poisons kings, so luxury poisons a whole nation," Nathaniel Ames warned.

How to encourage virtue and thus "keep up the spirit of good government?" To this key question of political liberty, Americans replied: (a) hortatory religion; (b) sound education; (c) honest government; and (d) a simple economy.

Just as religion, education, government, and agriculture could raise the level of public and private morality, so morality could strengthen each of these great human undertakings. It was the business of political philosophers to discover the virtues that lead to free government, and the form of government that leads men and women to virtue.

SOME MORAL AMBIGUITIES

Like Israel of old, we were a messianic nation from our birth. The Declaration of Independence and the Constitution defined the mission. We were born to exemplify the virtues of democracy and to extend the frontiers of the principles of self-government throughout the world.

A sense of mission can be a fruitful source of discipline and inspiration. The substance and content of our national sense of mission, namely, the preservation and extension of democratic self-government, is more valid than other forms of national messianism. Indeed, Prof. Bayless Manning, writing in the January 1976 issue of *Foreign Affairs* on "Goals, Ideology, and Foreign Policy," makes precisely this point in discussing the conduct of foreign policy in the nation's "third century":

"Whatever policy the United States may follow in economic matters, it is debatable whether the developing nations that have adopted central economic planning systems will ever welcome the return of fully free-market forces to their economies. But if America preserves at home its steadfast stand in favor of the claim of the free individual, and also continues to make progress in dealing with its own internal social inequities, the United States will eventually regain its moral leadership among the nations of the world—not by force of its economic power and its arms but by virtue of its ideological example as a society of free men."

While concurring with much that Prof. Manning stands for, it would be helpful to keep in mind continually something of the moral realism associated with the thinking of the late Prof. Reinhold Niebuhr. One of the moral hazards of a democracy, Dr. Niebuhr wrote, particularly with a strong sense of mission, is that it ascribed a purity of motive which no nation possesses, or for that matter all but saintly individuals lack. American foreign policy expressed the simple anti-imperialism which was a staple of our policy for a generation. It had the defect that it was blind to the moral ambiguity of the imperial enterprise, of the mixture of creative and exploitative purposes and consequences in the impingement of strong nations on weak ones. For a nation of great economic strength like ours was bound to express itself in economic penetration of weaker nations—a form of covert imperialism which permits the expression of power without too obviously contradicting original ideals.

Such nations are inclined to pretend that they have triumphed over the baser impulses—chiefly the will to power, political lust, and ambition—screened behind the ideal purposes with which our sense of mission has endowed us.

The pretension of superior virtue of a particularly powerful nation gives comfort to our Communist adversaries with their dogmatic anti-imperialism, more deceptive and simpler than our own, and is bound to prove vexatious to even the friendliest and closer allies.

While I believe democracy to be the ultimate norm of political organization, no better way can be found for chastening correctives to false messianic pretensions than by making every center of power responsible to the people whom it affects; by balancing subordinate centers with other centers of power to prevent injustice; and by denying immunity from criticism to any organ or mouthpiece of prestige or authority.

SOME APPLICATIONS OF MORAL VALUES TO CURRENT FOREIGN POLICY CONCERNS

Arms race and nuclear weapons proliferation

The deep concern for upholding and preserving the preciousness of human life and for building a just and peaceful world community has at no time in human history been more seriously threatened than by the current spiraling arms race and insane proliferation of nuclear weapons. Following a study that I made of the rise in crime and the spread of violence and terrorism, accompanied by the staggering increase in international trade in arms and in nuclear installations, I found no more appropriate characterization of this period than that of "An Age of Terror" or an "Age of Violence". (See my paper, "Religion In An Age of Violence," delivered before the International Conference of Christians and Jews on the Nazi Holocaust in Hamburg, Germany, June 9–11, 1975.)

Consider some representative data:

In each of the 60 military conflicts since the end of World War II imported weapons were used almost exclusively, and those arms have brought not only violence and destruction but death to more than ten million people. (The MIT Center for International Studies.)

In 1973, $240 billion were spent to train, equip and maintain armed forces. The international trade in non-nuclear arms now tops $18 billion annually—up from a mere $300 million in 1952, and a jump of 550% since 1950. In fiscal 1975, the United States sold $9.5 billion in military supplies to 71 countries; $600 million worth more was sold through commercial channels and another $600 million worth was given away.

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[2] *The Political Thought of the American Revolution* by Clinton Rossiter, Harvest Books.

The Soviet Union is second in international arms sales—$39 billion since 1950, $5.5 billion in 1974. France is third with a sale of $3 billion to 80 nations, and Britain follows with $1.5 billion.

In 1973, Third World nations imported $7.7 billion. Impoverished India has doled out $3 billion to the Soviet Union for arms in the past three years. Pakistan, scrimping to find $250 million for a new fertilizer factory, spends at least that much on weapons annually.

Today there are 426 nuclear power plants in 39 nations, a number of which would permit production of atomic bombs as well as electricity. The International Atomic Energy Agency in Vienna, according to the New York Times of Nov. 2, 1975, predicts "the installation of 356 nuclear generating stations in the third world by 1990."

Poor nations can be expected to obtain nuclear weapons as a by-product of the atomic power plants that many of them are now building or contemplating, and it is quite conceivable that some may use these as instruments of blackmail to force the developed world to undertake a massive transfer of wealth to the poverty-stricken world.

Five arms control experts, writing in the Harvard magazine of Nov. 1975, predict that some nuclear wars are likely to occur before this century's end as a direct result of bombs spreading around the world like an "epidemic disease." The proliferation of "peaceful" nuclear power only aggravates the danger because as MIT Political Scientist George Rathjens (formerly of the U.S. Arms Control and Disarmament Agency) writes, "by the end of the century there will be several thousand reactors around the world, each producing enough material to build a weapon a week."

The peril is compounded by the knowledge disclosed by Dr. Ted Taylor in his study, "Nuclear Theft," that an atomic weapon would not be impossible for a guerrilla-group to construct with just over 13 pounds of plutonium. It is believed that more than 4,000 pounds of plutonium were shipped in the United States last year and nobody knows exactly how much of that material was lost in transit or production.

I fully appreciate, and support in many ways, the argument made by Dr. Paul Nitze that "the United States take positive steps to maintain strategic stability and high-quality deterrence" as a means of assuring that the Soviet Union or an enemy is deterred from believing he could profit from seeking a nuclear-war-winning capability or effectively use pressure tactics to get their way in a crisis situation (*Foreign Affairs*, January 1976). Nor am I unmindful of the need and possibilities of controlling the defense budget through judicious pruning of waste. (*Foreign Affairs*, January 1976, "Controlling the Defense Budget," by Barry M. Blechman and Edward R. Fried.)

Given the "absolutely catastrophic nature of nuclear war," we must ask whether our Government and its allies have done enough to restrict their sales of nuclear reactors to unstable countries and to countries of uncertain political persuasion. Andrei Sakharov has proposed the creation of an international committee to investigate all nations, forbidding all bombs. Sen. Hubert Humphrey has introduced a bill calling for Congress to share systematically in shaping policies guiding arms exports. We sincerely trust that Congress will help America finally to develop a rational approach to arms sales as well as to the intensification of universal disarmament measures. The very survival of the human family depends on such measures taken vigorously here and in concert with other nations.

STATEMENT OF CLAIRE RANDALL

I. INTRODUCTION

My name is Claire Randall, I am the General Secretary of the National Council of Churches of Christ in the U.S.A., a cooperative agency of thirty Protestant and Orthodox churches in this country.

As General Secretary, I do not purport to speak for all members of the communions which constitute the National Council of Churches. I am speaking for the Governing Board, the policy-making body which is composed of persons selected by member denominations in proportion to their size.

Senator Sparkman, we appreciate the Senate Foreign Relations Committee's invitation to persons from a broad cross section of American life to help formulate directions for foreign policy through the 1980s. The consent of the governed is a basic precept of our democracy. It is the opinion of some that many Americans, because they feel increasingly alienated from the policies made by elected officials, are withholding their consent to these policies. This committee has sensed the urgency of listening to the people.

While as representatives of the National Council of Churches we share many concerns with others who come before this Committee, we wish to testify specifically concerning three concepts which grow out of our understanding of the Christian faith and which are especially critical in the area of foreign policy.

II. INTERDEPENDENCE OF THE WHOLE HUMAN FAMILY

I speak as a representative of the ecumenical movement within the Christian Church. The word "oikoumene", from which the word "ecumenical" is derived, means "the whole world". The concept of the wholeness of the world, and thus the interdependence of all people, is a religious concept and an important part of the Christian faith. However, in today's world, it is also a very practical truth, for our political, economic, and environmental life are so deeply intertwined that there is no real way any of us now can act alone as individuals or nations.

There is a need for a new definition of national interest. A National Council of Churches resolution concerning the national interest of the United States concluded that "our neighbor's growth is a part of our growth. We seek their well-being in partnerships for peace, realizing that we are mutually dependent for security. It is both out-of-date and dangerous, economically and politically, for a minority of humankind to live in abundance surrounded by misery."

A. Economic interdependence

In 1961 the United Nations launched the First Decade of Development. The industrialized world agreed on a goal of 0.7% of each country's Gross National Product as a contribution to the development of the poorer nations. In 1975, the United States is contributing only 0.25% of its G.N.P. At the same time the U.S. is consuming a disproportionate share of the world's resources. Such imbalance means that 460 million of the world's people are starving; 200 million are unemployed; and the ecosystem which sustains *all* life—at home and abroad—is being pushed to the outer limits of tolerance.

From the 1950s to the 1970s there has been no significant transfer of economic resources or power on the international level. While a few improvements can be noted, the relative economic status of the Third World remains virtually unchanged. The developing nations are urging that adjustments be made in international trade arrangements. Raw materials now account for 80% of the developing world's export earnings, and except for oil are subject to weak demand and falling prices.

The churches have long been leaders in supplying aid to countries around the world. However, such aid can never provide the long-term benefits which will result from transforming the social and economic structures of nation-states and increasing the per capita income of the poverty-stricken masses throughout the world. Therefore we hope that U.S. foreign policy will give leadership to the western world in responding to the call of Third World nations for a new economic order. We particularly urge the U.S. to work with other nations to develop a system of indexing which will stabilize the relationship between the prices developing nations pay and the prices they receive. A second area needing attention is the development of commodity agreements which will insure stable markets at stable prices for stable quantities of raw materials.

B. Transnational corporations

Many U.S. transnational corporations have annual budgets larger than most countries of the world. They exercise enormous influence on the economies of the countries in which they operate and recently we have learned that they have illegally influenced the governments of some countries.

Historically U.S. foreign policy has been protective of American business interests overseas. When these business interests are in conflict with American foreign policy or with U.S. national interest, they should no longer expect U.S. government support. I suggest it is in the national interest for the Congress to support international codes and guidelines for the conduct of transnational corporations.

Let us now affirm that our national interest is dependent upon relationships with other nations which are just—both economically and politically. Developing nations gave indications at the Seventh Special Session of the United Nations that they believed the United States heard their pleas for a new economic order. They wait expectantly—and even impatiently—for concrete evidence of U.S. commitment to a just economic order for all nations. A just world economic order depends not only on a more equitable distribution of resources, but also on ensuring a voice for developing nations in making the decision which affect them. Without such a voice, these nations will see any transfer of resources as a form of imperialism.

C. United States support of the United Nations

The heritage of the Christian community provides us with a wholistic view of the world.

Our nation is also a part of the family of nations, and it too must consider the whole family. Both the recognition that our future as a nation is interrelated with that of other countries, and the commitment to insuring a voice for developing nations should motivate us to responsible participation in the United Nations and its related agencies. The U.N. and related international bodies deserve not only U.S. support, but our leadership in making them effective in serving the needs and aspirations of those nations which suffer most from poverty and where people's lives are dominated by racism and repression of human rights.

III. SIDING WITH THE POWERLESS

A. Withdrawal of support from repressive governments

Our religious tradition is also one which is always concerned for the oppressed. United States support of repressive regimes has brought our nation dishonor. It is our national shame that the governments of South Africa, Rhodesia, South Korea, the Philippines, and Chile are able to stay in power in part due to American support. We do not minimize the problems in these countries.

But surely the most effective way to promote democracy and oppose communism is to support those activities of other nations which build a decent standard of living and political freedom for all persons. Détente has helped us to understand it is possible for nations with opposing ideologies to work together for common goals.

Our foreign policy must have its own integrity. It must be more than a response to communism or even to the fear of communism. And surely our government must withdraw all support of authoritarian regimes on the right as well as on the left. By its control of appropriations, the Congress is uniquely equipped to play a vital role in determining what policies and what values the United States does and does not support.

B. Reducing defense appropriations

The proportion of the nation's resources that go into so-called defense and arms sales flaunts U.S. wealth and power. Both actually and symbolically, such expenditure increases oppression and reduces the possibility that poor and oppressed people at home and abroad will believe that we care about them at all. The Governing Board of the National Council of Churches spoke of the necessity "to proceed to more far-reaching steps in the control and reduction of armaments." It specifically recommended "significant reductions in defense spending and the channeling of the funds into development projects at home and abroad. We believe it could not be taken without concern for its effect on the nation's economy.

Some fear widespread loss of jobs if defense expenditures are reduced. Studies show that the increasing sophistication of weapons development has made the defense industry increasingly capital intensive. Thus the number of jobs generated by defense expenditures is actually lower than the number of jobs which would be created by comparable non-defense appropriations.

C. Arms sales

Huge arms purchases by nations not only produce a potentially explosive situation in the Middle East, but use precious resources urgently needed for development. Swollen budgets for defense needs in the U.S. and in developing nations have contributed to the swollen stomachs of the starving both at home and abroad.

The National Council of Churches calls for a "radical curtailing and strict controlling of the supply of arms to other countries" and for "a major and sustained effort, in conjunction with other nations, for substantial and rapid progress toward arms control and general disarmament through international agreement."

The potential for manipulation of the natural fears of citizens in the name of defense, i.e. "national security," has been so exploited as to create a military monster in direct opposition to the will of the founders of our nation who worked hard to create checks and balances against just such usurpation of power by the military.

IV. HUMAN RIGHTS

Concern for human dignity and human rights has deep roots in the Judeo-Christian tradition, and is an integral part of our nation's life. The first ten amendments to the Constitution have provided protection of basic rights throughout the history of our Republic. United States representatives played a vital role in the development of the Universal Declaration of Human Rights and in writing concern for human rights into the United Nations Charter.

Yet today, of the eighteen U.N. Covenants related to human rights, the United States has ratified only four—and three of these are against slavery! A comprehensive review of the international human rights treaties which the U.S. government has not yet ratified is a matter of some priority. The U.S. should also seek to strengthen the Human Rights functions of the United Nations. Congress should establish some mechanism responsible for observing and commenting upon the attention given to human rights by U.S. foreign policy.

In recent years we have seen an increase in the violation of human rights in many parts of the world. We deplore these violations in whatever country they occur, but we are filled with shame at the degree to which the United States government has provided economic, military, and political support to some of the most flagrant violators. Our support of the repressive, authoritarian governments of South Korea, the Philippines, South Africa, and Chile undermine confidence at home and abroad in our commitment to liberty.

Let us never again use national interest as an excuse for condoning, or worse, supporting repression, brutality, torture, or terrorism any place in the world.

V. PUBLIC READINESS FOR A NEW VISION IN FOREIGN POLICY

Some of the foreign policy directions that have been suggested may at first sound visionary. But throughout our nation's history both the religious tradition and the patriotic tradition have supported such values. After 200 years the American people still declare officially that all persons are "created equal and endowed by their creator with certain inalienable rights."

When we help make possible an adequate standard of living for all persons, ensure people's political rights, and enhance the quality of life at home and abroad, our government is fulfilling its most basic commitments.

Peace that is based on justice requires sacrifice by those who are rich and powerful. There are powerful interests within the U.S. more concerned for private gain than for the future of humankind. Let us choose goals in foreign policy which conform to the historical American values of justice and freedom and let us find means to attain them of which we can feel proud.

VI. THE ROLE OF PRIVATE ORGANIZATIONS

I have spoken of the directions in which foreign policy ought to be moving in the 1970s and 1980s. Let me add a word about the role of private organizations in the development of policy. Staff from the National Council of Churches and individual denominations serve in every part of the globe, providing relief, refugee, and development services. They often work closely with government personnel providing related services. Many staff members in the U.S. have served overseas and have a high degree of competence related to international affairs.

Under no circumstances do these staff of the National Council of Churches want to relate in any way to any covert operations of the U.S. government. However, the National Council of Churches hopes the informed judgement of these highly skilled persons on a variety of policy and operational matters is a resource which will be used by those making policy decisions.

More and more people who work on farms, in mines, and in factories realize the interrelatedness of their own welfare and that of the world. Along with millions of citizens with roots in Asia, Latin America, and Africa, these Americans see national and international affairs as one. Through churches and other private groups, they want a voice in the development of foreign policy. We therefore hope that government leaders in this and other areas of decision-making will seek imaginatively for ways to take advantage of the competence of private organizations and to become aware of the opinions of more of the American people.

VII. CONCLUSION

Speaking as a representative of Protestant and Orthodox churches in the ecumenical movement in this country, I have chosen to lift up issues which grow out of deep religious conviction; the interdependence of the whole human family; the need to stand with and work for those who are powerless, and the basic human rights belonging to every person. These are values which run very deep in the American conscience. They are eloquently referred to in the Declaration of Independence.

Narrow definitions of "national interest" or "national security" must not be used to lead us into alliances with influence, power and corruption, to subvert these basic values by repressing liberty and denying opportunity. Let us affirm that our national interest lies in ensuring a fair share of the earth's resources for the Third World. Let us affirm that our national interest lies in reducing defense expenditures and arms sales. Let us affirm that our national interest is in strong support of the United Nations and related international organizations. Let us affirm that our national interest requires the development of an international code of conduct applicable to and complied with by U.S. based transnational corporations. Let us affirm that it is in our national interest to withdraw support from governments that deny basic human rights and enrich the few at the expense of many. In the 1970s and '80s, let us pledge our allegiance as a nation to one world with liberty and justice for all.

ALISTAIR BUCHAN

Mr. MATHIAS. Mr. President, I learned with sorrow of the passing of Alistair Buchan, one of the rare individuals who served to enlighten the rest of us through his brilliant conversation and thoughtful writing.

Alistair Buchan moved freely between the halls of scholarship and the halls of power. In his own country, he served to forge a useful link between the two. In the United States, his influence served to expand the perspective of both government and the private sector as they confronted a new international order.

His writings on the relations of international powers will continue to influence politicians and students. The Institute for Strategic Studies reflects his intellect and his ability to range from science to diplomacy, from East to West. His influence will continue to be felt despite his death.

The Washington Post of February 5, published a brief account of Alistair Buchan's life, and subsequently a tribute to him by Chalmers Roberts. I ask unanimous consent that they be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Alistair Buchan, 58, Dies, Scholar, Military Expert

(By Stephen Klaidman)

Alistair Buchan, 58, Montague Burton professor of international relations at Oxford University and a founder of the Institute for Strategic Studies, died yesterday after a heart attack at his home in Brill, Buckinghamshire, England.

Mr. Buchan, the first civilian to serve as a commandant of the Royal College of Defense Studies in London, was a world-renowned expert on international relations and military affairs.

He also was well known as a writer on strategic affairs, and perhaps most of all for his 1959 biography, "The Spare Chancellor: The Life of Walter Bagehot." Bagehot was a 19th century editor, economist and political philosopher whose book on British politics, "The English Constitution," became a classic.

Other books by Mr. Buchan include "China and the Peace of Asia," "War and Modern Society," "A World of Nuclear Powers," "Europe's Futures; Europe's Choices" and "Power and Equilibrium in the 1970s."

As the titles suggest, his arena was the world of nuclear strategy and superpower rivalry. He dealt in the major themes of postwar diplomacy. Stephen S. Rosenfeld reviewing "Power and Equilibrium in the 1970s" in The Washington Post wrote:

"To Buchan, the world is essentially an integrated political unit, or at least its medium and big powers compose such a unit."

To better understand the power balance in the world, Mr. Buchan joined in founding the Institute for Strategic Studies in 1958. The institute's staff analyzes strategic data and publishes annually what is generally considered the most reliable unofficial compilation of military information available anywhere. Mr. Buchan served as director of the institute from 1958 to 1969.

Mr. Buchan was the son of novelist John Buchan, later Lord Tweedsmuir, governor general of Canada.

He served in Europe with the Canadian Army during World War II, rising to the rank of lieutenant colonel.

In 1948, he joined the Economist Weekly in London as an assistant editor. Three years later he went to work for The Observer as diplomatic and defense correspondent, and from 1953 to 1955 he represented the newspaper as its Washington correspondent.

When he returned to London he continued covering international affairs. In 1958, Mr. Buchan left The Observer to start the Institute for Strategic Studies.

He served as head of the Royal College of Defense Studies, which is roughly equivalent to the U.S. National War College, from 1969 to 1972.

Mr. Buchan, who was made a commander of the Order of the British Empire in 1968, was a fellow of the Woodrow Wilson International Center for Scholars of the Smithsonian Institution during the 1973–74 academic year.

Survivors include his wife, the former Hope Gordon Gilmour of Brill; two sons, David and Benjamin of London; a daughter, Anna Virginia of Brill; two brothers, John Lord Tweedsmuir, and William, and a sister, Alice Lady Fairfax-Lucey.

ALISTAIR BUCHAN'S MONUMENT

(By Chalmers M. Roberts)

The glory of Britain has been not her empire but her people. One such was Alistair Buchan, who died the other day at an untimely 58. He was a journalist, scholar, head of the Royal College of Defense Studies, a professor at Oxford.

The son of John Buchan, the novelist who became Lord Tweedsmuir, he had a way with words and imaginative global insights. A soldier in World War II, Buchan early on saw the relationship between politics and military power, between science and diplomacy. As the Observer's correspondent he was stationed in Washington in the early Eisenhower years when such relationships took on increasing importance.

All this would have been a distinguished career by itself. But there was something more: in 1958 Buchan founded the Institute for Strategic Studies (the International was added later) on a shoestring he wrangled from the Ford Foundation and a few others. It has been sustained by nongovernment money and income from its limited but influential membership ever since. At the start Buchan began, and wrote himself, the institute's best known annual publication: The Military Balance. It very soon became required reading at the White House and in the Kremlin as well as in defense and foreign ministries in every nation that plays a role in international relations. No writer in this field could do without it nor can he today.

"Think tanks," such as Rand, were proliferating in the United States but there were none in Britain. Buchan had a hard time getting the admirals and generals to take his effort seriously or to proffer help. He did have a couple of influential friends: one was Denis Healey, later defense minister; another was Peter Ramsbottom, then head of the foreign office planning staff, now ambassador to the United States. They helped get top officials to attend Buchan's seminars; then came others from the Western world and in time officials from the East, curious about the work of this increasingly important, and international, institute.

Buchan made everybody think. One friend describes him as a "big hypothesist"; another says he had a "mind like a well-tuned Jaguar." His American friends remember him as a soft-spoken man of great analytical powers, someone who made you reexamine your premises. He was, too, an Atlanticist but not a romanticist about trans-Atlantic relationships. He sought bridges to East as well as West. Like the late Denis Brogan, Buchan had an encyclopedic knowledge of the United States. He was forever crossing the ocean to see us and check up on us; the doors of the powerful and influential were always open to him.

After a decade's effort at the Institute, Buchan turned it over to others. However, he wrote books and articles on strategic-military-political issues and what he wrote was paid attention to. Unfortunately, at his death he was only half through what promised to be a monumental history of the United States since World War II. He had spent a year here to work on that as a fellow of the Woodrow Wilson Center.

"The evil that men do lives after them, the good is oft interred with their bones." Not true for Alistair Buchan. In his Institute, he has left us a living monument of importance.

PRESS CONFERENCE, USA

Mr. ROBERT C. BYRD. Mr. President, on Thursday, January 15, I was interviewed on "Press Conference, USA," a Voice of America public affairs program which is distributed overseas. The panel of newsmen included Joseph McCaffrey of the Evening Star Broadcasting Co., John Lindsay of Newsweek, and Patrick Brogan of the London Times.

I ask unanimous consent that the transcript of the program be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

"PRESS CONFERENCE, USA"—VOICE OF AMERICA

JOSEPH McCAFFREY. Senator Byrd, take a look into this new upcoming second session of the 94th Congress, what do you expect, what do you think the issues are going to be, what do you think the conflict with the President will be?

BYRD. Tax reform, I think we will have some degree of tax reform legislation, confrontations over the budget, some consideration of limited modified health insurance program perhaps—that's about it in the main.

McCAFFREY. What do you see here in the Congressional relationship with the President?

BYRD. Continuing to be rather good on a person to person basis, rather abrasive otherwise.

PATRICK BROGAN. Senator, I wonder if I could ask you about your Presidential ambitions. When did you decide to run for the Presidency, and is this really what you are after?

BYRD. I've been thinking about it for quite some time. I've had encouragement from my own people in West Virginia, very enthusiastic support there. I've been getting around over the country for the past seven years, going back to 1968, assisting senatorial candidates, speaking out for the national ticket and I have had encouragement; and I thought that the country needed leadership. I think that I can provide leadership. So, this is what caused me to announce. And your second question was, is this really what you're after? I ask a rhetorical question, why would I announce for the Presidency of the United States if I were after anything else?

BROGAN. Well Senator, if I may follow up, it has been suggested that you might be interested in the Vice Presidency and might be interested to succeed Senator Mansfield.

BYRD. Well, let's take the second proposal first. You refer to the Majority Leadership of the United States Senate. It's utterly ridiculous to state that one in my position as Assistant Majority Leader at this time—having served in the leadership for nine years and going into my tenth—would announce as a candidate for the President of the United States in order to get the Majority Leadership in the United States Senate. If anything, it would be the reverse. If, based on my fairness and my objectivity and my dedication to duty, my record of performance and competence in the Senate as a member of the leadership, I can not get the Majority Leadership without going on this devious circuitous course, my situation in the Senate would be poor indeed. As to the Vice Presidency, nobody campaigns for the Vice Presidency. However, I doubt that there are many aspirants for the Presidency in the field today, who, if they could not get the nomination for the Presidency and were offered the nomination for the Vice Presidency, would reject it. I would accept it if it were offered, if I could not get the nomination for the Presidency.

JOHN LINDSAY. Senator Byrd, apropos of running a devious campaign for the leadership by running for President, the last one who was said to have done that was Wilbur Mills in 1972, seeking the speakership of the House of Representatives. It ended in disaster, and the track record of those who have done this is not very bright, so that leads to the question that you've been asked, but are you interested in becoming Majority Leader? What I'm trying to suggest here is, Sen. Humphrey having run for President for a period of 15–16 years has said recently that you can't do your other job if you're really running for President of the United States. I chided him about that since he seemed to do both successfully. But do you think that it is possible to run for President, seriously run for President, you expect us to take you seriously having made the announcement, and still do your job as United States Senator from West Virginia and the Majority Whip of the Senate?

BYRD. Of course, I expect you to take me seriously. I have indicated that I will continue to fulfill my duties to my people who have elected me from the state of West Virginia, and that I would continue to fulfill the duties incumbent upon me as the Majority Whip of the Senate—having been elected to that very responsible position by my colleagues in the Senate. I think that the people of this country are looking for competence; they need leadership, and they are not getting leadership; and the only person who, under our constitutional form of government, is in a position to provide leadership, is the President of the United States. He speaks with one voice, represents the executive branch, and leads the nation. Now, if they are looking for competence, if they are looking for a record of dedication to duty, a record of efficiency in a very tough job, then I am one of the people in this country who has that kind of record. I'm not such a person *sui generis*; there are others, but I am one. I'm in a position, I think, to show that I can provide leadership. I have provided leadership in the Senate of the United States and I've been able to handle what ever assignments are given me—efficiently, competently and with dedication, and I can do the same with any other assignment that is given me.

Lindsay. Would you comment on what attitude you think the Democratic Party and the Democratic Leadership in the United States Senate is going to take toward this challenge in Angola, with the Vietnamese experience very much in mind?

Byrd. I think the only realistic position that the Democratic Leadership, or this country, or the Administration could take is that of speaking out against and opposing outside intervention in Angola from any source. We see what's happening there, of course. But I don't think that the fact that the Soviets are involved necessitates our getting involved. And I don't think the Soviets will stay there very long, even if the Popular Movement succeeds in the end. I think we ought to do everything that we can to bring about a coalition government, a negotiated peace, and do everything that we can to keep others out of that area—and when I say everything that we can, I don't mean that we ought to resort to military means. All three movements are Marxist movements. The very fact that the Popular Movement should win doesn't mean that it would be necessarily unfriendly to the United States, unless we go too far. We ought to try and maintain the kind of relationship with all of the three groups that would assist in their getting together. If the Soviet Union gets in there, they probably won't last very long. They didn't last very long in Egypt; they were unsuccessful in the Sudan; and I have an idea that those African nations will not like the Soviets anymore than they like the South Africans.

McCaffrey. It looks as though the Administration is determined to follow its preannounced course in Angola, despite the vote in the Senate which rejected the use of American military help. The State Department now intends to get the House to override what the Senate has done.

Byrd. I don't know what the House would do in that event. I have my doubts (that the House would undo the Senate action), but that remains to be seen.

McCaffrey. Would you comment on this apparent stubbornness on the part of the Administration in this area?

Byrd. I can't do anything other than speculate. It may be that the Administration feels that by some kind of bluff or threat, or indications that they're going to stay with the thing, they might move the negotiations to a conclusion or get them on track sooner. I don't know what the objective is, but I think that Angola could be another bottomless pit if we got into it—if there were so much money this year, there would be more to be spent next year. Once we got in, we wouldn't be liked any better than the Russians would be liked if they get in. We'd be thrown out. (Our getting involved) would be counterproductive. I think we've taken the right position in the Senate.

McCaffrey. What response have you gotten on this Angola thing from your own people in West Virginia, for example?

Byrd. Very little, either way.

Brogan. Senator, you said that you think that the people of this country are looking for competence, do you think the President is competent?

Byrd. I'm not addressing myself to his inherent ability; I'm simply saying that his record is not one that would indicate competence. I think that his leadership has proved to be a disaster.

Brogan. Well in that case Senator, why did you vote for him as Vice President?

Byrd. Because it was my responsibility as a member of the Senate Rules Committee to determine his qualifications. He had the qualifications. I have not said that he is not capable of producing leadership; I've simply said that his record at this point does not reflect a record of efficiency and competence.

Brogan. Well the follow-up of this, is how America should select the Vice President. The experience really hasn't been very good in 1972, the two candidates turned out to be less than satisfactory. Do you think that it is time perhaps, for the two parties, seriously, to reconsider the method of choosing a Vice President? You said that nobody is going to run for the Vice Presidency, isn't that a mistake?

Byrd. It may very well be a mistake. No one runs for the Vice Presidency. It may very well be that there ought to be some attention given to a new method of selecting a Vice President and the President. But under the situation, in which Mr. Ford ascended to the Vice Presidency and the Presidency later, and the situation in which Mr. Rockefeller was nominated as Vice President, we had to move in accordance with the Constitutional amendment, and I think it worked very well. I think Mr. Ford could be a good President; he is a personable, open—at least, gives the appearance of openness—friendly man. He served in the Congress for many years; he has good contacts here. I see nothing wrong with that method of selection and I can not find fault with the Congress for having approved his nomination. I think I did the right thing. I think I did the right thing in the case of Mr. Rockefeller. This doesn't mean that I approved of their actions since then, or that I stand with them ideologically on many of the issues that have risen.

Lindsay. Senator Byrd, you say that no person runs for Vice President that is true, but probably more true now with the new campaign financing law, with the only way that you can really get out in the open to expose yourself to the public for consideration of the Vice Presidency is to run for President. Which may explain why we have eleven persons running for President right now. Nevertheless, I think that there is one problem that if you view Washington from around the country, that seems to be plagueing the citizens of this country and the politicians in this country, two members, prominent members of your party, Governor Dukakis of Mass., Governor Brown of Calif. were elected as these moderately liberal Democrats. Both of them however, have seemed to watch out for a very cautious much more moderate almost conservative in many cases a view point to government spending and the total structure of state government with experience of New York in front of us. You've mentioned one of the major spending bills that's going to add an enormous amount of money to the flow of government money in taxes and in the national health insurance program. You have indicated that you would probably support some modified version of a national health insurance program. Is that correct?

Byrd. I would probably support a very modified form at this time—one dealing with catastrophic illnesses. I think to go beyond that, in view of the extraordinary costs of a comprehensive health insurance plan, would simply be unrealistic now. You've talked about the cost of government. I think that this is going to be one of the big issues confronting our country. People are tired of what they see as big government. But I think that people ought to also realize that they're going to have government to solve some of their problems. We have 215 million people in this country. A nation that is that large—with the kind of living standards that our people are accustomed to being the most powerful country in the world and a country that is rich in natural resources—is going to have a government, and it is going to have some size. So I don't think that the people are really against government. They don't want to see a President preside over the dissolution of government. What they want is a more efficient government. They want value received for their dollars; they want the waste cut out. I think this is going to be one of the very big issues in this election and I think we are all going to have to come to grips with it. I would propose that one way of beginning to deal with this would be to break up HEW. Break it up into three departments. Have three cabinet heads—so there could be a streamlining of each of these tremendous departments and the multitudinous programs that flow from each of these three areas. I think that this country could move toward some kind of a national health policy if we had a department of health. I think that we would do better in the administration of our public school programs and the public school system if we had a department of education. We have seen the public schools deteriorate; we've seen more federal monies spent on education in this country, and the result has been the graduation of students who show less performance than before—scholastically. The same thing with welfare. It's becoming unmanageable. So I think that the time has come to break up these three departments and make them more efficient, cut out the waste, streamline the programs, and give the people better service.

McCaffrey. Senator Byrd, do you feel that we're at a crisis period in this country?

Byrd. I must say that I don't think that this country today has the stomach to face up to a crisis—a serious crisis. I think that leadership in recent years has been disastrous. Nobody trusts anybody anymore; the people on the Hill don't trust the people in the White House; the people on the Hill don't trust the CIA; the CIA people don't trust the people on the Hill; and the people themselves don't trust the government. This country has lost its way, and it needs leadership.

McCaffrey. Do you think it has lost its will too?

Byrd. To some extent it has. There are too many people anymore who don't want to start at the bottom; they don't want to work to achieve, and they feel they can get something for nothing. I think that we are living in tough times.

McCrory. What about the bread and butter issues? Do you agree that such things as unemployment and inflation will dominate the Presidential campaign this year or will they be more refined than that?

Byrd. They're going to be very important issues this year. As long as we have 8.3 percent unemployment or 8 percent or 7½, 7 percent or 6 percent, it's going to be an issue—an important one. One of the reasons why we have budget deficits at this time is because we are in a recession. We have reduced tax revenues because people are out of work. We have increased compensation welfare payments because people are out of work. This is bound to be one of the issues—it's a bread and butter issue. The issue of detente is bound to be an issue. We see the Soviet Union playing around in Angola and spreading their wings all over Africa and in the Indian Ocean. Then we talk about detente. I think the people are going to want to know more about detente. The terrorist bombings are scaring people; people in the cities live in constant fear—all of these things are issues.

McCrory. In other words, you're saying that foreign policy will figure in the campaign?

Byrd. It has to be a part of the campaign. The American people are concerned about the growing strength of the Soviet Union. We want detente—we ought to strive toward detente. But at the same time, it ought to be on a quid pro quo basis; we ough to get something when we give something. And we ought to quit kidding ourselves about the Soviet Union. They indicate they may be ready to compromise their stand on SALT II. Well, if they're ready to compromise their stand on SALT II today, they'll do it a month from now—because anytime they get ready to modify their stand, they see something in it for themselves. I think we ought to watch what they're doing in Angola. I think the people have lost faith in Mr. Kissinger, and in this Administration—because everywhere in the world, we see America in retreat. Detente and foreign policy will have to be an issue.

Brogan. But aren't you advocating that Russia be allowed to do whatever it likes in Angola?

Byrd. We ought to focus opinion on what the Soviet Union is doing in Angola, and we ought to do everything we can to get the (Angolan) parties to work together to negotiate some kind of peace and structure some kind of coalition.

Brogan. You're not succeeding very well so far.

Byrd. We certainly won't succeed by putting armaments there.

Lindsay. You seem to be suggesting that, maybe if we allowed the Soviet Union to take over some of the responsibilities elsewhere in the world, their client states would make great demands on them—and it would be intolerably difficult for them to deal with those problems.

Byrd. I don't want to see the Soviet Union take over anywhere.

Lindsay. You suggest that if they do get into Angola, they won't stay there very long because they would see in Angola precisely what we got into in Vietnam.

Byrd. I think they will. This does not mean, though that we will simply fold our tents and go away. We can exercise tremendous influence. We have food, which is becoming the most powerful instrument of diplomacy in the world. The Soviet Union wants our food; their system has failed to produce the food and the grain for their people. I think we ought to use some of the things that they want as instruments of diplomacy and put some pressure on them in this regard.

McCaffrey. Let's go back to the domestic area. The campaign finance act may have been a creature that Congress put together not knowing what it was putting together and the latest development seems to be that the campaign finance commission is saying to the President, that he can't have a political advisor in the White House; that this violates the law. Are you happy with what is happening with this creature which you helped create?

Byrd. I think that in theory, it has been good. In practice, it will have been good in many ways. I'm sure that as time comes and goes there will have been many bugs in the machinery.

McCaffrey. Do you think it will be refined?

Byrd. It probably will be, and ought to be. I think that we are seeing many problems arise as a result of the regulations that are being promoted. It's becoming extremely difficult for people to help the candidate of their choice. Of course, there are basic reasons why we had to have some legislation of this sort. But in practive we are going to have to wait and see how it works, and I'm not sure that it is going to solve all the problems without creating new ones.

Brogan. Senator, I wonder if you would agree with Mr. Curtis who is Chairman of the electrical commission who criticized the President for having Rogers Morton on his staff at the public expense, when Mr. Morton was going to work for the President's reelection. Mr. Curtis went on to suggest that other public officials including Senators had people on their staffs who were in fact political aides, publicly paid and he critized that, do you agree with this?

Byrd. Well, I'll have to let his statement speak for itself. I can only speak for myself. I've been in Congress 23 years, and I've been the only politician in my office in that 23 years. I've not had people on my staff who are politicians or who handle my political affairs. I can only speak for myself; I can't speak for others.

Lindsay. Everyone of your competitors has a label of some kind, how do you describe yourself in a context of conservatives, liberals, moderates, etc?

Byrd. No man sees himself as others see him. I'll answer your question, however. I see myself—based on my record in the Senate—as a moderate, middle of the road, centrist. I vote sometimes as a liberal, and sometimes a conservative. As a member of the leadership, it is my duty to bring north and south, liberals and conservatives together; to work out compromises; hammer out unanimous consent agreements; and keep the legislation moving. I think it takes a centrist to do that.

McCaffey. Do you see a controllable United States in the new second session?

Byrd. I have never seen a controllable United States Senate, and I don't expect to live to see one.

McCrory. Do you expect the Senate in fact the Congress to accomplish much in legislation this Presidential election year?

Byrd. I do.

McCrory. Thank you.

THE PLIGHT OF THE LITHUANIAN PEOPLE

Mr. CURTIS. Mr. President, the United States is now celebrating its 200th year of independence and at the same time is also observing a Bicentennial of freedom for its people. As we celebrate this birthday of our liberty, I think we should stop and think of people around the world who still yearn for the freedom we have and sometimes take for granted.

Americans of Lithuanian descent are commemorating the 58th anniversary of the reestablishment of Lithuania as an independent state, even though their homeland is now being held under "alien" rule by Soviet Russia. No matter how brief the independence for Lithuania was, its people still cherish and desire freedom, the very liberty that many of us take for granted. The Lithuanian people have stood through the years as a strong, independent and spirited group, even though the country has been forced to exist many times under the hand of dictatorial, outside rule. Under Russian czarist domination until 1915, Lithuania was occupied by the Germans during World War I, and then, after a brief period of freedom, engulfed by forces from the Soviet Union. Lithuania today remains occupied by the Soviets, who dominate the affairs of the country and the way it is run.

Members of the free world should recognize the country's spirit of independence and refuse to acknowledge its incorporation as just another part of the Soviet Union. This anniversary of Lithuanian independence 58 years ago should remind us of the spirit of its people in resisting total oppression by the Soviets and how some of the same feelings are exhibited here as existed before the American Revolution.

The Lithuanian people have managed to preserve the strength and beauty of their culture and heritage that political bondage has minimized to the outside world. Lithuanian descendents throughout the free world continue to battle for the realization of Lithuanian goals in education, religion, freedom of speech and the right to own property in their homeland. This anniversary should remind us of the contributions the more than 1 million Americans of Lithuanian descent have made toward development of the liberties and freedoms in the United States, and a continued hope should stand that freedom and full Lithuanian integration into the international community will soon come.

We should remember the plight of the Lithuanian people and give thanks for the freedoms and liberties that we have and may take for granted.

THE ARMY GOLF SHOE FLIGHT

Mr. PROXMIRE. Mr. President, I think the taxpayers of this country may be interested in a rather unusual military airlift flight last Friday.

It seems that the four-star Army Commander of the Forces Command at Fort McPherson, Gen. Bernard Rodgers, departed on a flight from the Fulton Industrial Airport near Atlanta to Fort Leavenworth, Kans. He flew on an Air Force jet due to the length of his planned travels in the next several days.

The mystery begins when the general's staff discovers that the general's golf shoes and accompanying tote bag did not make the flight with the general. Therefore someone ordered up another flight, this time an Army U–21F, similar to a Beachcraft, to bring the errant shoes and bag to the general.

I can report that this second mission was carried out in proper military style. The mission was successfully accomplished and the shoes and bag caught up with the general in Leavenworth.

In fairness, I should point out that General Rodgers says he had no knowledge of this golf shoe catch-up flight. It was authorized at a lower level and did not have his approval.

Further the general has informed my office that he will conduct a thorough investigation into this matter and that a full reimbursement will be made to the Treasury.

According to Air Force pilots, such a flight would cost approximately $2,000 for fuel, operation, maintenance and pilot time.

Mr. President, I welcome this prompt investigation by the Army. But in retrospect certainly the American taxpayer deserved better—even on Friday the 13th.

LITHUANIAN INDEPENDENCE DAY

Mr. SCHWEIKER. Mr. President, February 16, 1976, marks the 58th anniversary of the Declaration of Independence in Lithuania. But although the United States of America is able to celebrate the 200th anniversary of its Declaration of Independence in freedom, Lithuania must commemorate hers as an occupied country.

Lithuania achieved independence from German occupation on February 16, 1918. But since 1944, Lithuania has been occupied by the Soviet Union. It is fitting that we pause today to commemorate Lithuania's struggle for freedom, and reconfirm our support for Lithuania's right to self-determination.

Lithuanians are a courageous and proud people, and the continued occupation of their country has not dimmed their hopes for freedom. I am proud to know and work closely with many Lithuanian-Americans in Pennsylvania, and to know of their strong loyalties for their native country.

Today I join with the Lithuanian-American community to express our dedication to the Lithuanian people, and to people throughout the world, who share the important goal of living daily lives with freedom and justice. It is my hope that one day Lithuania will be able to rejoin the world community as a free and independent state.

THE ESTATE TAX

Mr. THURMOND. Mr. President, on February 10, 1976, the South Carolina General Assembly passed a concurrent resolution memorializing the Congress of the United States to increase the estate tax exemption and to provide an alternate method of valuing certain real property for estate tax purposes.

On behalf of the junior Senator from South Carolina (Mr. Hollings) and myself, I ask unanimous consent that this resolution be printed in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

S. 677

Concurrent resolution to memorialize the Congress of the United States to increase the estate tax exemption and to provide an alternate method of valuing certain real property for estate tax purposes

Amend title to conform.

Whereas, the present exemption of the first sixty thousand dollars of Federal estate taxes is not sufficient to keep pace with inflationary forces in the American economy; and

Whereas, this low figure oftentimes forces the remaining family members to sell the very assets that are necessary for their livelihood to pay the estate taxes that become due when the breadwinner dies; and

Whereas, our present law does not foster the development and maintenance of the family business as our forefathers intended because, when a husband dies it frequently is very difficult for the remaining members of a family to benefit from his lifetime labors. It is imperative that we preserve the family business and the family farm for the sake of our future generations. Both give strength and stability to our economy; and

Whereas, outmoded estate tax laws affect us in other ways. Woodlands, farmland and scenic open space near towns are being taxed according to the development potential of the land, thereby, forcing many of these properties to be turned into developments upon the death of the owner. Such laws do not help maintain the scenic landscapes that have for so long been a part of the American heritage; instead they add fuel to the ever increasing "urbanization" of our countryside. Now, therefore,

Be it resolved by the Senate, the House of Representatives concurring:

That the General Assembly by this Resolution memorializes the Congress of the United States to raise the estate tax exemption from sixty thousand dollars to one hundred twenty thousand dollars and to provide that woodlands, farmlands or scenic open space upon the death of the owner be taxed not on its fair market value or development potential but on the value of the land as it is actually used as long as it continues to be operated as such.

Be it further resolved that copies of this resolution be forwarded to the President of the Senate, the Speaker of the House of Representatives, each United States Senator from South Carolina and each member of the House of Representatives of Congress from South Carolina.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, because many of the opponents of the Genocide Convention root their arguments in emotionalism rather than in fact, it is difficult for me to refute all their objections. A prime example of this emotionalism is in the opposition to article VII of the convention which deals with extradition. When some people hear the very word "extradition," they automatically recoil, and oppose any measure that involves the extradition of U.S. citizens. Today I want to look at the facts of the extradition clause of the convention and show why it is absolutely no cause for alarm.

Under article VII: Genocide and the other acts enumerated in article III shall not be considered as political crimes for the purpose of extradition. The contracting parties pledge themselves in such cases to grant extradition in accordance with their laws and treaties in force.

Article VII is not an extradition treaty in itself. Because genocide is not at present covered either by U.S. law or any extradition treaty to which the United States is a party, article VII has no immediate effect.

I want to reinforce the fact that article VII of the convention is not self-executing. Upon ratification of the convention it would then require a further specific act of Congress on the extradition treaties we now have in force as they come before the Senate for renewal. Since extradition treaties are carefully worded to be as explicit as possible with regard to the crimes covered and the treatment of individuals, we can rest assured that the United States is surrendering nothing in its agreement to article VII of the convention.

Mr. President, if we let fact rather than emotionalism guide our actions, then we will conclude that ratification of the Genocide Convention does not compromise in any way the safety of American citizens.

CONGRESSMAN BOB JONES RETIRES

Mr. SPARKMAN. Mr. President, within the last few days Bob Jones, Congressman from Alabama announced his planned retirement from Congress at the end of his present term. Bob Jones is my Congressman. In fact, he succeeded me in Congress from the district in Alabama that lies across the northern part of Alabama, a district consisting of seven counties, all of them along the Tennessee River. At the time of his retirement, he will have completed 30 years in the House of Representatives.

In his statement announcing his planned retirement, Bob mentioned that he had served 30 years, and added an understandable note that he wanted now to go back home.

Bob Jones has been an outstanding Congressman. He has served on the Public Works Committee, working up to the point of becoming chairman of the committee. In his time, he has been a moving force in initiating such programs as Appalachia, EDA, and the construction of the Interstate Highway System.

He has been one of the most ardent supporters of the Tennessee Valley Authority, having sponsored just last year a bill that greatly increased TVA's bonding authority in order to make it possible to complete TVA's nuclear power plant program.

Several years ago, I had the privilege of joining with Congressman Jones in the interest of rural housing that has meant so much toward good housing for those who till the soil.

Congressman Jones is now serving as vice chairman of the National Commission on Water Quality. He is an expert on the problems of water pollution and was a sponsor of the $27 billion water pollution control bill that passed Congress in 1971.

Bob's retirement from Congress will be a great loss not only to his congressional district and the State of Alabama, but to the Nation as a whole. I regret exceedingly to see him leave Congress.

CBS' "CAPITOL CLOAKROOM"

Mr. ROBERT C. BYRD. Mr. President, on January 21, I was interviewed on "Capitol Cloakroom," a public affairs program aired over the CBS radio network. The panel of correspondents included Fred Graham, Connie Chung, and Moderator Neil Strawser.

I ask unanimous consent that the transcript of the program be printed in the Record.

There being no objection, the transcript was ordered to be printed in the Record, as follows:

Capitol Cloakroom

Neil Strawser. Welcome once again to Capitol Cloakroom, Senator Byrd. Your biography tells us that you have held more legislative elective offices than any other individual in the history of West Virginia. Starting with the West Virginia House in 1946 and on to the State Senate, to the U.S. House, and finally to the U.S. Senate in 1958. You are a member of the Appropriations, Judiciary, and Rules Committees of the Senate, and Assistant Democratic Leader; sometimes master of the fiddle and the latest announced candidate for the Democratic Presidential nomination, all of which appears to qualify you for a wide variety of questions on this broadcast. In your capacity as a Senate leader, Senator Byrd, do you think the Congress will hold the President's $394.2 billion budget?

BYRD. Depending upon the circumstances, I should think that the Congress will stay somewhere in that ball park. It may readjust priorities. Under the new budget reform act, Congress has been moving in the direction of setting its own budget ceiling and its own priorities.

STRAWSER. This budget calls for rather deep cuts in welfare, education, and for increases in defense spending. Do you think the Congress will follow suit?

BYRD. It would certainly take a look at the President's budget, will read the fine print, and make its own priorities based on its own judgment.

CONNIE CHUNG. Do you think it is realistic, though, to believe that the Congress will go along with the kinds of proposals that the President has put forth?

BYRD. Some of them yes; some of them no.

CHUNG. Which ones?

BYRD. Well, as to increased spending for defense. Now, this is something the Congress will take a very good look at. We have been cutting defense where cuts were justified in the past. We ought to continue to do this, but we also ought to make cuts in other agencies where justifications can be made. We have to keep in mind that the Soviet Union is spending 15 percent of its gross national product in real terms on defense; we're spending about 5 percent; in other words, the Soviets are spending 3 times as much of their gross national product. They have a 3½ million-man armed force; we have a 2.1 million; so we have to be realistic in dealing with defense. But, again, we will make cuts where it can be justified. We'll establish our own priorities. We'll try to be, and will be, reasonable and responsive to the needs of the country.

FRED GRAHAM. Now turning that around Senator, where do you think that this Democratic Congress will want to spend more than the President wants to spend?

BYRD. Possibly in areas with unemployment. I think the President's message was weak on this. His actions in the past have been weak in this regard, and the Congress will see unemployment as a priority need and will govern its actions accordingly.

GRAHAM. Do you mean public service jobs or aid to the unemployed?

BYRD. I think that the Congress will certainly want to stimulate the private sector, because it's the private sector that can employ the most people. The Federal Government cannot employ everybody. We have 85 million people employed in this country, and most of them are employed by the private sector. The private sector has the know-how. Congress will want to stimulate, for example, the housing industry, the construction industry. In the construction industry, the unemployment rate is double the national unemployment rate. The Congress, I should think, would want to take a look at some public works employment on a temporary basis. But it is vital in my judgment, and I think that the Congress will recognize that unemployment ought to be brought down to a healthy figure.

CHUNG. There has been some criticism that the President has ignored the lower income people—for instance, one of his proposals has to do with a tax advantage to those who would invest in the stock market. Do you agree with that, do you believe that he has forgotten a segment of this society?

BYRD. I don't want to say that the President has forgotten any segment of this society. I think that by his actions, however, he has put the emphasis in areas where I think the people—and certainly their representatives in Congress—have not agreed with. For example, last spring when unemployment in the construction industry was at its highest, the President vetoed the middle-income housing bill; he also vetoed the emergency employment appropriations bill—both measures being calculated to put people to work, stimulate employment. The President vetoed those bills. So, in this regard, I think he was late in recognizing that there is a recession—once having recognized it, he doesn't act appropriately.

STRAWSER. One of the President's principal proposals now is taxes—as in business investment and high unemployment areas; you don't believe that alone will do the job?

BYRD. No, I don't believe that that alone will do the job. I think that's something that Congress will want to take a look at and it certainly has some merit. But I think that we are going to have to do more. We cannot continue with a 8.3 percent unemployment rate in this country. The President is concerned about the budget deficits, he's concerned about inflation, he is concerned about the economy—to use his own words—and so is Congress. But the President has not acted in a way that would realistically deal with these problems. I have indicated that he vetoed two bills that the Congress sent down to deal with unemployment. One way of getting at the budget deficit is to reduce unemployment. What the President fails to say—and what I think the American people have to realize—is that the budget deficits have been largely brought about by a recession which the President was 3 months late in admitting existed, and even after he admitted it existed, he has failed to cope with it. That recession has brought about reductions in tax revenues and increased spending for unemployment compensation and welfare benefits. These have been the results of the recession and the cause of the deficits. And to deal with unemployment and the economy and the deficits, we are going to have to get back to some of the positive programs that the Congress has proposed.

GRAHAM. Senator, perhaps that does take us back to my first question, in which referred to your recent announcement as a candidate to become President. Do you think that the country is ready for a President who is a former member of the Ku Klux Klan?

BYRD. I have explained that many times; it's a matter that goes back well over a quarter of a century. I've repeatedly said that it was a mistake, and I have also recalled that Hugo Black—one of the late Supreme Court Justices—was a former member of the Ku Klux Klan. Now, I don't know how long I have to keep repeating that this was a mistake, but I'm willing to repeat it as often as I am asked the question. You know, I've made a mistake or two in my life, and I would imagine that most people have. I would hope that the people of this country would not judge me on the basis of a mistake, but on my record of competence, performance, and effectiveness in the jobs that I've held in public office.

GRAHAM. Well, then, going back to that first question, with the field crowded, the Democratic field crowded with candidates, what are you offering the public that isn't there already?

BYRD. I'm not going to compare myself with other candidates. I'm sure that each candidate brings strengths to the campaign. I can offer a record of competence and effectiveness—a long record of legislative experience. And I would hope that by my announcement, I would cause the delegates to the convention—and the political leaders throughout this country and the people—to look at my legislative record, and to judge me on the basis of that record.

CHUNG. Does Senator Robert Byrd really believe that he can be elected President and can get the nomination? The field is just so packed with candidates.

BYRD. Of course, I believe it. I would not have announced my candidacy if I had not believed it. The fact that the field is crowded means nothing. After all, we have 215 million people in this country. The first time that I ran for the House of Delegates in West Virginia, I ran in a field of 13. Why not have a field of a dozen or 2 dozen for the Presidency of the United States? That field will not be quite so crowded by the time the convention arrives. I think that the primaries will probably eliminate more aspirants than they will encourage.

STRAWSER. How do you assess the outcome of the precinct caucuses in Iowa?

BYRD. I don't have any assessment to make on that. I think that it is too early.

STRAWSER. Does it indicate to you that Jimmy Carter may be one of your prime competitors? And he seems to offer something somewhere in the middle of the road as you would.

BYRD. Well, of course, it's always better to come out first than to come out second or somewhere else along the line. But I think that it's too early to make any judgment as to what the convention will do, or what the results will be, based on one caucus.

GRAHAM. Senator, one thing at one point that Jimmy Carter hit over and over again was the proposal to reduce the number of federal programs. He said from about 2,000 down to 200 and you are going the other way. You're talking about splitting HEW up into three more. We'd have more cabinets.

BYRD. I'm not going the other way. The American people are concerned about big government. But, more importantly, they're concerned about inefficiency in government, waste in government, and over-regulation by government. My proposal would break up HEW. Here we have a tremendous, sprawling department, and it is impossible to get a handle on any one of the three major components in that department. I would propose dividing it into three separate cabinets. By division into three cabinets, I think we would be better able to get a handle on the various programs that are involved in each of those three major categories, they can be streamlined, the waste can better be eliminated, and, in the long run, I think it would be a savings to the American people—in addition to having better, more realistic programs.

GRAHAM. Well on that score, whether you split them up or put them back together, is there any way to actually reduce the size of the federal government?

BYRD. Of course there is, but one man sitting at the head of such a department obviously cannot control the functions and operations and administer the programs that are involved as efficiently as can three men, if the departments are separated. The responsibility can be better focused in each department. For example, this country has no health program, no national health policy. If the department were broken into three segments, I should think that we would come nearer to having a national health policy. Take education; the public schools in this country are deteriorating. The federal government is spending more money than it has ever spent on federal aid to education; yet, we're turning out poorer graduates throughout the country. It seems to me that if the department were broken down, we would have three cabinet heads, and there would be two additional plates to set down at the White House when the President calls his cabinet heads in for breakfast. But the finger of responsibility could be pointed at the Department of Education, and that Department could better focus on the problems and come up with better programs, streamline its administration, cut out the waste and the frills, and, in the long run, the people would have less government and more efficient government at a lower cost.

Strawser. This means Senator Byrd, that you are basically buying the Ford-Reagan approach that the less federal government the better; the states could do it much better?

Byrd. The American people realize that a growing boy has to have a larger size shoe than when he was small. We have 215 million people. Obviously, we have to have more government than we had when we had 4 million people under George Washington's presidency. The people are going to expect government to continue to do certain things for them. But what they want is more efficient government, and they don't want so many government regulations. This is something that we can do something about. I have introduced, along with Senator Percy, a piece of legislation that would bring about a new look at the federal regulatory agencies, with the purpose in mind of eliminating those functions and regulations that are out of date, modifying other regulations and functions, eliminating some, and bringing about a streamlining of regulatory agencies which would mean, in the final analysis, less regulation of the people's lives and businesses in this country.

Strawser. Realistically, can you do without some of the regulation however?

Byrd. Some of the regulations can be done without. There are too many regulations. This is what this piece of legislation which I have introduced along with Senator Percy would attempt to do—weed out the bad regulations, weed out those ineffective ones, weed out the overlapping ones, and streamline the agencies, eliminate some of them and give the people better government. I think we also have to remember that big government did not spawn itself. It was brought about by big demand, and the people of this country and the public officials of this country at all levels are going to have to restrain their appetites on the public treasury if we ever hope to get this federal budget down.

Strawser. If the President were to substitute greater enforcement of the anti-trust laws for the regulations, is that realistic, is that really effective?

Byrd. Well, certainly, I should think that anyone ought to support appropriate enforcement of the anti-trust laws. That can go so far. That's not the only thing we need to do. And I've touched upon one of the areas I think . . .

Strawser. It seems to be very slow and complex at times, doesn't it?

Byrd. Yes.

Chung. Senator Byrd, many Democrats criticized the President's state of the union message saying that it didn't contain any new ideas. But isn't it true that perhaps the American people are tired of new bold promises?

Byrd. Yes they are. They are tired of new bold promises, but this doesn't mean that we don't have a responsibility in the Congress and in the Executive Branch to come to grips with problems such as unemployment.

Chung. Why did you call the President's speech a "Return of Death Valley Days" and you called it Reaganish?

Byrd. It was obviously an attempt to counteract Mr. Reagan. In doing that, it proposed some of the things Mr. Reagan is proposing, and so I think that the President, in doing this, overlooked the more important problems and answers to problems that the American people are going to require. For example, he vetoed these two bills I spoke of earlier—the emergency employment appropriations bill, the middle income housing bill. Now, I can only assume that those vetoes were—at least in part—in answer to the challenge of Mr. Reagan at that time. So I think his speech was Reaganish in its rhetoric, and for that reason it would bring us back to "Death Valley Days" because we would be content to live with the kind of unemployment rate we have. The speech doesn't deal with the problems in a positive way. It appeals to Mr. Reagan, not to the people, not to the problems, and that is the reason for my reference to "Death Valley Days."

Graham. Senator, can I change the subject just slightly to a matter of legislation rather than politics—although perhaps it's a little of both. In the coming session of Congress, we are told that one of the largest controversies will be over what's known as S. 1—that's the recodification of the criminal laws, a huge bill, the longest one ever introduced in Congress, and the American civil liberties union and some other groups are calling that a repressive hangover from the Nixon days. What's your attitude toward that bill?

Byrd. That is a massive piece of legislation. Obviously, some of the provisions in it will be eliminated or modified in full committee and in the Senate.

Graham. What about the secrecy provisions, do you have those in mind?

Byrd. Those and others, but I think that a recodification of the criminal laws is going to be absolutely necessary. There are some features of that bill that are necesary and may I say that I have some amendments that I'm preparing to offer to that bill. For example, I would deal with crimes against the person by applying a mandatory sentence without parole. Everybody is concerned in this country about crime, and so I think that this is a realistic way to deal with the criminals—have a mandatory sentence without parole. Also, I would attempt to incorporate into the bill, when I have the opportunity, legislation which I am preparing to deal with terrorist bombings. I would make the crime of bombing, when it results in the death of individuals, I would make that a mandatory death sentence. For those bombings that did not result in death, but resulted in injuries to properties or were attempts at bombing, I would place a mandatory sentence of life, without parole.

Strawser. Now, Senator, the two proposals that you just made will be extremely controversial. The first one, mandatory minimum sentences is totally opposite to the thesis of the Senate's provisions all through the bill and of course the death penalty will be one of the most hotly fought ones. Other Senators have other ideas; won't this get so controversial that it could get bogged down?

Byrd. It's controversial. But this doesn't justify our backing away from the problems. The American people are concerned about the growing threats upon their lives and properties, and this is one way of getting the criminals off the streets, and may I say that my bill, or my amendment, would also provide for an additional mandatory sentence without parole for the commission of a crime with a deadly weapon. As to the death penalty side of it, it would be not capricious, but it would be in conformity with the Supreme Court holding in Furman vs. Georgia, which did not say that the death penalty is unconstitutional per se, but it was unconstitutional in its application. So, my legislation would be in conformity with that ruling and would let the criminal know that if he commits a crime he is definitely going to jail.

Chung. What about, since you bring up the idea about the death penalty, what do you think of considering assassination attempts on Presidents?

Byrd. I think that the death penalty should be mandatory for an assassination of a President. I think that mandatory life in prison without parole should be mandatory for an attempted assassination of a President.

Chung. What I meant was an attempted assassination; you don't believe that it should carry a death penalty or anything like that because the instance occurred in which a judge suggested that type of deterrent would have prevented . . .

Byrd. I'm not saying that I would vote against that, but I'm saying that it ought to carry at least a mandatory life sentence without a parole.

Strawser. Back to what's going to be another controversy as the session goes along. What's going to happen to the proposal for an additional $10 billion tax cut?

Byrd. That's a warmed-over suggestion by the President. Congress will take a good look at it, and if it can be justified, then Congress will enact it.

Strawser. Do you think he has the Congress over a barrel with that proposal?

Byrd. I don't think so. He didn't have it over a barrel last fall when he proposed it.

Strawser. What about Angolan aid?

Byrd. I think the Senate was right in cutting off Angolan aid.

Strawser. Do you think the House will follow suit?

Byrd. I cannot answer that question.

Thank you.

MILWAUKEE JOURNAL EDITORIALS ON THE ESSENCE OF U.S. FOREIGN POLICY

Mr. PROXMIRE. Mr. President, at no recent time in our history have foreign policy questions been so in the public view. The Middle East, SALT, relations with the Peoples Republic of China, force reductions in Europe, charges of CIA intervention in various countries, bribery by U.S. corporations of overseas officials—all of these command our attention.

It is quite timely, therefore, that some long-range thinking be put forth as to the basic strategy underlying U.S. overseas commitments and the operation of our foreign policy.

This subject has been reviewed recently in a series of editorials in the Milwaukee Journal by David G. Miessner. They address a number of major issues in a foreign policy perspective and I commend them to my colleagues as informative and thoughtful.

Mr. President, I ask unanimous consent that this series be printed in the Record.

There being no objection, the series of editorials was ordered to be printed in the Record, as follows:

The Essence of U.S. Foreign Policy—1

"There is a school of thought which claims that morality and foreign policy do not mix. That never has been, is not, and I pray never will be, the American ideal. Diplomacy which is divorced from mortality also divorces the government from the people."—John Foster Dulles, 1955.

That statement by one of our more powerful secretaries of state, a man who helped fashion the strategies that guided this nation through the Cold War years, exhibits one of the enduring principles in America's concept of its relations with its neighbors of the globe—idealism. Rationality is not enough to marshal support for foreign policy initiatives in a democracy. People must also believe, believe that what they are doing is right and just. As Secretary of State Kissinger stated at his confirmation hearings in 1973: "Our foreign policy . . . must rest on a broad national base and reflect a shared community of values."

These values become increasingly important today. American foreign policy the last few years has been experiencing some fundamental changes caused by the imprint of new world forces and the personality of one man—Kissinger. It may be proper at this moment then, when so much is in flux, to examine the essence of American foreign policy, focusing on those fundamentals that have been necessary historically to the conduct of positive, fruitful foreign relations.

From the inception of this nation, a strong stream of moralism and idealism has been used to justify America's actions. Most generations of Americans have cast a mission for their country. For the Founding Fathers it was a feeling of innocence and rebirth in a new continent, a place where life could be started anew, free from the contaminants of the Old World. Manifest Destiny, the strong moral belief that we were the ones destined to bring civilization to the continent, was a driving force of westward expansion and in our 19th century foreign policy.

Most of the nation's great conflicts were steeped in idealistic, moral fervor. The issue of slavery dominated the Civil War. Woodrow Wilson entered World War I to "make the world safe for democracy." World War II was fought to destroy fascism, the Cold War to contain and roll back the evil of communism.

Idealism, however, is not benign. It can lead to unfulfilled expectations, disappointment and withdrawal typified by the era of isolationism between the two great wars. It can be twisted into righteous justification for wrongs such as the destruction of the American Indian in the 19th century. Or it can become morally bankrupt, as it did in Vietnam.

Much of the turmoil and radicalism that we have experienced at home, and the uncertainty we have exhibited abroad in recent years, find their birth in the death of idealism in Vietnam. Our job today is not to reject idealism because it failed us in Southeast Asia. Our job is to restore it, but in proper balance. "For Americans, then," said Kissinger last summer, "the question is not whether our values should affect our foreign policy, but how."

THE ESSENCE OF U.S. FOREIGN POLICY—2

To be acceptable to the public, American foreign policy must rest on a foundation of morals and ideals. This is borne out by a national survey conducted by the Chicago Council on Foreign Relations in December, 1974. The primary goal of foreign policy, as far as 85% of the public sample was concerned, was "keeping peace in the world."

But today's foreign policy must also rest on another consideration, realistic self-interest. This also was reflected in the Chicago Council poll. The second through fourth foreign policy goals of the public were "promoting and defending our own security," "securing adequate supplies of energy" and "protecting the jobs of American workers."

American farmers and businessmen want to sell their crops and products abroad. American labor fears cheap imports that, it claims, eliminate U.S. jobs. All these interests impose themselves on foreign policy decisions. As Secretary of State Charles Evans Hughes declared in 1923: "Foreign policies are not built on abstractions. They are the result of practical conceptions of national interest arising from some immediate exigency or standing out vividly in historical perspective."

There is another reason for realism in our foreign affairs. We still live in a world where the ultimate recourse of one nation in dealing with another is force. In today's nuclear era, resorting to force could bring national, even international, catastrophe. Realistic compromise between interests and ideals is necessary for survival.

Realistically, the United States must deal with its superpower rival, the Soviet Union. Realistically, America must carry on a dialog with the world's most populous nation, China. Realistically, the U.S. must recognize its growing dependence on the rest of the world for its economic necessities.

America must deal with the cartel of oil producing nations. It must listen to the cries of the underdeveloped Third World. It must balance its interests with those of its allies in Western Europe and those of Japan because this axis remains central to America's own security. These are the realistic goals professed by Secretary of State Kissinger in his effort "to define . . . the contours of a new world, and to shape America's contribution to it."

However, there is a limit to realism. Relied on too heavily it can be transformed easily into unprincipled opportunism. It may be expedient, as Secretary of State Kissinger apparently felt, to tilt toward Pakistan in its war with India over Bangladesh, or to lean first toward the Greeks and then the Turks in the dispute over Cyprus. But such actions can backfire. The moral weight of the world was on India's side. And American flipflops over Cyprus have only made both parties distrustful of U.S. motives.

We can arm dictators as a realistic means of building world security. But when such actions become an end in themselves, then the goals of American foreign policy differ little from those of our authoritarian Communist adversaries.

THE ESSENCE OF U.S. FOREIGN POLICY—3

Looking at America's farflung foreign commitments, Senate Majority Leader Mansfield said not long ago: "We are spread too far, too wide, too thin, and we have neither the resources nor the manpower to undertake the kind of foreign policy which has been the hallmark of all administrations—Democratic and Republican—since the end of World War II."

The kind of foreign policy that Mansfield was talking about was composed of activist strategies. They were designed to contain communism during the Cold War years. They involved us in wars in Korea and Southeast Asia. Yet, if they are in disrepute today, what strategies are appropriate?

One alternative would be to return to the isolationist and Fortress America philosophy that dominated a large portion of American thinking in the years between the world wars. Certainly the hangover resulting from the debacle in Vietnam has tempted acceptance of such a conclusion.

But is such an approach viable today? The answer is an emphatic no. The U.S. need to maintain a strong, activist brand of diplomacy by virtue of its place in the world. Troubled, disturbed and shaken in its confidence though the nation might be by the setbacks it has experienced in the last decade, the country can't put its head in the sand and wish away the rest of the globe. The world won't go away.

The world won't go away because it depends so heavily upon what this country does. The U.S. no longer is the single dominant force that it was immediately after World War II. But America remains the most influential economy on the globe. What happens here ripples throughout the industrialized and underdeveloped nations. What is more, as the American economy has grown, so has its dependence on other nations.

Militarily the U.S. remains one of the two greatest forces in existence. A nation can't have at its fingertips the power to destroy most of the planet and then ignore its neighbors.

Strong diplomacy today, however, must recognize the limits alluded to by Mansfield. We are not omnipotent; we can't be the world's policeman. We can't impose our way on others unilaterally. Designing a foreign policy that recognizes these limits has been the aim of Secretary of State Kissinger.

But strong American diplomacy, to be successful, also must include another element—broad based support by the American people. This requires a healthy and co-operative working relationship with Congress in the shaping of American diplomacy. No longer will the nation accept the idea that the president, or the secretary of state, knows best. Vietnam destroyed that illusion.

Here a great deal of work needs to be done. Kissinger, with a penchant for personalized, secretive diplomacy, has grated under some justified congressional skepticism over his actions. Congress, in turn, has tended at times to overstep its bounds, showing a dangerous determination to go beyond a policy input role and meddle in the day to day operations of diplomacy.

These are problems that can be solved. What the U.S. can't afford to do is to turn inward. "Such an attitude, and the foreign policy it would produce," said Kissinger two years ago, "would deal a savage blow to global stability."

THE ESSENCE OF US FOREIGN POLICY—4

For the great part of this nation's history, Americans have been able to live assured that they faced no massive external threat. The United States reigned supreme over its own continent, safe behind the buffer of two great oceans. Today, in an age of nuclear weapons and intercontinental missiles, that no longer is true. Thirty minutes separates peace and the incineration of most of our big cities. It is this ever present fact that makes defense such an important factor in foreign policy decision making.

Because defense has loomed so large in our national thinking over the last 30 years, it has been the center of a great deal of controversy—with good reason. One estimate puts our national security costs since 1946 at $1.3 trillion. Seeing the number written out gives a better idea of its astronomical size—$1,300,000,000,000, or $6,500 for every citizen.

That represents a tremendous diversion of national resources into essentially unproductive items. People can't eat arms or plow fields with them. Bombs don't make buildings or create higher standards of living. The question that has to be asked, as it has time and again, is, "How much is enough?"

That is a very difficult question because the answer is subjective. In a world in which the key to military stability is nuclear deterrence—the threat of mutual destruction—enough has to be spent to keep that threat credible. And credibility lies in the mind of the beholder as much as it does in the actual weapons that cover the ground, fly overhead or plow through and under the sea.

In assessing current defense spending several factors must be taken into consideration. In spite of the increasingly large amounts being requested by the Pentagon—over $100 billion for this fiscal year—the sums represent a decreasing share of the total US output. Twenty years ago, defense spending represented close to 10% of our national output. Today it is nearer to 6%. At the same time the spending mix has changed. The number of men in uniform has dropped precipitously in the last few years; yet, because of the high cost of creating an all-volunteer armed force, over half the Pentagon budget is devoted to payroll. The old bang-for-the-buck is not what it used to be.

Even so there are areas, both budgetary and policy making, that need to be scrutinized carefully. For instance, strategic weapons development, fed by interservice rivalries, can create a momentum of its own. Weapons used as so-called bargaining chips in arms control talks invariably are given permanence in resulting agreements. With thousands of nuclear weapons in stock, must we continue to develop new land, air and sea based systems to deliver them? Or should we concentrate our efforts where these weapons will be the most invulnerable—under the sea?

Finally, there is the crucial question of how this great potential of military power is used. The history of the last 25 years has seen too many instances where the existence of military power became a crutch. Diplomatic questions have been militarized because the use of force provided an easy answer. Vietnam was a horrendous example of where that answer proved wrong.

Today, we are seeing another example of such militarization of diplomacy in the billions of dollars in arms being poured into the Middle East. The US long has been the world's largest arms merchant. Nations heavily armed tend to use arms. Yet national leaders only seem to wince momentarily when these arms end up as the instruments of war in the Mideast, in South Asia or the Mediterranean.

There is a requirement for an adequate defense, but it should be shaped to meet our foreign policy goals. Too often in the past, defense demands have been the chief determinant.

THE ESSENCE OF U.S. FOREIGN POLICY—5

Chilled by the winds of the Cold War, America responded in the decade following World War II by forming a worldwide network of alliances aimed at containing communism. Today, with the Cold War supposedly melting into detente, some of the justifications for these treaties—with 43 countries—appear archaic. Reassessment is called for.

At the same time, certain ties remain basic to the national security and well-being of this country. Keeping those ties solid should be a primary aim of American foreign policy.

Readjustments are necessary in many of our commitments, forged in the 1950s, because communism clearly is not the monolith it once appeared to be. The US has found also that there is a limit to its ability to play world policeman. More emphasis needs to be placed on regional security and co-operation and less on American guarantees. Some treaties, such as SEATO, have lost their reason for being.

However, of continuing fundamental importance are our relationships with Japan and Western Europe. NATO and the Atlantic Alliance remain at the root of our security relationships in Europe. Japan, as a great industrial power and outpost of Western democratic ideals in Asia, is central to our security in the Pacific. The shifting currents of world power should not, cannot, be allowed to rupture or weaken these alliances.

These ties remain basic beyond security questions. Canada, Japan and the European Common Market are our major trading partners. Our economic prosperity and theirs are interdependent. Political and economic turmoil in Western Europe or Japan would have serious effects here. America needs these allies.

Secretary of State Kissinger has realized the strategic importance of these partnerships. It underlies his often expressed concern for the problems now being experienced in the southern tier of NATO—in the political turmoil in Portugal and the conflict between Greece and Turkey over Cyprus. There is no question that the Soviet Union, despite its professed support of detente, would relish the deterioration of NATO, not because Russian armies could then sweep to the Atlantic, but because Soviet political-military pressure could be used to fill the vacuum that would be created in Central Europe.

But Kissinger's tactics have not always matched his strategic concerns. Nor has this country always been willing to acknowledge the interdependence that has grown between the US, Japan and Western Europe. Early in the Nixon years, Kissinger was so intent on realigning our relationships with our adversaries that he spent little time buttressing our alliances. Japan's sensibilities have never fully recovered from the shock of America's surprise rapprochement with China. There is a lingering suspicion by many European diplomats that, when the US acts as a superpower, it acts mainly in its own interest. Kissinger's personal style of diplomacy has not diminished that fear.

Another area of friction has been perceived economic interests. A resurgent Japan and Western Europe have been viewed here as bitter trade rivals. Europe and Japan have viewed their dependence on petroleum in a much different light than the US has. Trade and energy will remain continuing problems.

The key to controlling these differences is a spirit of co-operation, equality and mutual respect. This may be difficult for the US, which has been used to a dominant role, but it is necessary if America is to live securely in an interdependent world.

THE ESSENCE OF U.S. FOREIGN POLICY—6

Any studied view of world realities today must lead to the conclusion that the only rational approach to the Communist world is detente.

"In the thermonuclear age, there is no alternative to a serious effort to ease tensions on a reliable and reciprocal basis," Secretary of State Kissinger has pointed out.

Following World War II, the United States could afford to take a different stance, and did. As the globe's strongest economic and military power—the holder of a nuclear monopoly—the US could assume an intransigent position in the path of the expansionist Soviet Union. America's policy of "containment" was largely successful. Western Europe and Japan rose from the rubble of the great war as democratic societies and rejuvenated industrial powers.

But detente became inevitable almost as soon as the Cold War began. Russia's rise to nuclear capability insured that. So did the very success of restoring Japan and Western Europe to economic strength. "Clearly, political, military and economic power are no longer synonymous," Kissinger explains today. In the face of such dynamics, the rigid East-West military and ideological postwar confrontation could not safely continue.

Yet detente remains a very controversial subject. Why? Part of the problem stems from an apparent misconception by portions of the public and by some national leaders about exactly what detente means. Furthermore, there is disagreement over the tactics that Kissinger and the Nixon-Ford administrations have used to implement detente.

Kissinger's State Department has been careful to point out that "detente is not based on the compatibility of domestic systems, or rooted in agreement on values . . . Both major nuclear powers must base their policies on the premise that neither can expect to impose its will on the other without running an intolerable risk. A stable relationship must provide advantages to both sides."

The difficulty with this approach, correct though it may be, is that the necessity for realistic accommodation clashes historically with the ideological and moralistic content of American foreign policy. Critics of detente either demand that accommodation mean Soviet subservience, or complain that accommodation amounts to a US "sellout" to Moscow. Detente can be neither if it is to be successful.

Here the argument over tactics enters. Foreign policy must have domestic support. And there has been a tendency on the part of Kissinger and Presidents Nixon and Ford, for domestic political reasons, to oversell the immediate benefits of detente.

Strategic arms control, one of the major thrusts of Kissinger's detente policy, is vitally necessary if the potential dangers of military confrontation are to be lowered. Yet, this does not make less valid a skepticism over the terms reached with the Soviet Union. Is the arms race actually being dampened? Are the safeguards adequate?

East-West trade, another arm of Kissinger's detente policy, is an excellent way to break down barriers between the free world and Communist states. Yet, are long term US economic investments in the Soviet Union really in our interest? What, realistically, are we getting in return?

Healthy debate over these and other issues surrounding the tactics of detente are worthwhile and should be encouraged. Accommodation with the Soviet Union is the only realistic way of moving into the future. But, as Kissinger has stated, it must be accomplished in such a way that we achieve peace while "defending our essential values and ideals."

THE ESSENCE OF U.S. FOREIGN POLICY—7

Economics has always played an important role in American foreign policy. Our Revolutionary Founding Fathers were traders and farmers interested in international commerce and overseas markets in which to sell agricultural surpluses. Secretary of State Charles Evans Hughes boldly stated this economic interest in 1922, declaring: "The Department of State is carrying the flag of the 20th century. It aims to be responsive in its own essential sphere to what it recognizes as the imperative demands of American business."

Yet, if the routine extension of American foreign commerce is a historical theme in US foreign policy, the importance and influence of economics has climbed to a new level in present foreign policy decision making. The American people have found that their huge national economy no longer is insular, immune from international shocks that have affected other nations in the past. A dim awareness of that fact came in 1971 when the US abandoned the international tie between the dollar and gold, fixed exchange rates and the principles that had governed international trade and monetary transactions for the last quarter century. Total awareness was brought home by the Arab oil embargo of 1973 and the quadrupling of petroleum prices.

It has been the success of OPEC, the oil producers' cartel, that has been the biggest reason for the rise of what television commentator Bill Moyers has called "the economic imperative." An oil dependent, Western industrialized world has watched helplessly as huge flows of its cash have piled up in the producer countries. For the West, this flow continually threatens its economic and political stability. For the unfortunate developing countries, dependent on petroleum imports, these cost outlays promise economic and political disaster.

The cartel's success has also bolstered the expectations of the rest of the underdeveloped countries that control much of the raw materials needed by industrialized societies. These poor nations want a better distribution of the world's economic fruits. At the same time, rising world population and a series of natural disasters have underscored the global scarcity of food.

What this combination of economic crises has made clear is that the US and the other nations can no longer look at themselves as independent entities. We have entered an era of economic scarcity and interdependence, belatedly recognized by Secretary of State Kissinger but to which he has now turned his full attention.

There are some dangers ahead. Ties between foreign and domestic policy must be made stronger; the two must be co-ordinated. These steps are likely to be opposed in the US and other countries by powerful interests, narrow in their outlook, that will demand protection and insulation from changing world economic realities.

The US is going to have to broaden its outlook toward international trade and monetary reform and the problems of the have-not nations. If nationalism, protectionism and what Kissinger calls "the unfettered exploitation of national advantage" occur instead of co-operation, the world faces a bitter period of confrontation, possibly war or economic collapse, that will cut across all current ideological rivalries.

The US has many advantages in the present setting. It remains the world's richest economy, the engine upon which much of the globe depends. It has abundant natural resources, which, if husbanded wisely, can buffer outside influences. The US is the breadbasket of the world, a tremendous level in economic diplomacy.

But these advantages include international responsibilities. There can be no turning inward. "If we act wisely and with vision," says Kissinger, "I think we can look back to all this turmoil as the birth pangs of a more creative and better system. If we miss the opportunity, I think there is going to be chaos."

The Essence of U.S. Foreign Policy—8

It would be nice if foreign policy could be conducted always in the classic, stereotyped manned—in morning coats and striped pants. But the glue that steadies our nuclear world today is the mutual fear of destruction. When fear and the threat of force enter, there is need for intelligence to assess both the capability and intent of one's adversary. The gathering of intelligence information and its appraisal is indispensable to carrying out a coherent foreign policy.

The key question today then is not whether there should be intelligence operations undertaken by the government. It is, rather, how an intelligence apparatus should be structured so that there is surety of good information and control. The latter is most important. Spying by its very nature tends toward surreptitiousness, covertness, stealth and ruse. Out of hand, it can be a dangerous instrument.

And out of hand it is, judging from testimony about the Central Intelligence Agency in the last year or so. Let there be no mistake; there is a need for the CIA. Created after World War II as a civilian intelligence organization, the CIA performs the solid function of providing an intelligence voice independent of its military counterparts.

Military intelligence tends to be a captive of the service for which it functions, reinforcing the operational views of the military commanders. No better example of this can be found than Vietnam, where the CIA record of assessment was consistently better than the rosy appraisals of the war dredged up by military intelligence.

Where government has failed is in properly overseeing the CIA. Initially given a long leash, in order to be flexible in its operations, the CIA soon forgot to tell its master exactly what it was doing. And government, particularly Congress, seldom asked. Active, covert operations, in which the CIA became a participant in foreign intrigue, assumed as much importance as passive intelligence analysis. Thus, we have had classic accounts over the last 25 years of CIA meddling in Iran, Guatemala and Chile. And we have heard horror stories about unlawful domestic spying, poison caches, dart guns, attempted assassinations and unscrupulous efforts by the executive branch to use the CIA for its own domestice political purposes.

Intelligence activities need more independent oversight, both on the executive and congressional levels. Congress particularly needs to assess whether the CIA should be limited to passive intelligence gathering activities. De we need a surreptitious arm of policy that secretly topples governments and foments coups?

Certainly, we need chief executives who are more sensitive to this problem than is President Ford, who justified CIA intervention in Allende's Chile as "in the best interest of the people of Chile, and certainly in our best interest." Who are we to decide for Chile?

A good starting point for reform is the Rockefeller commission report on the CIA. It has proposed much fuller public disclosure of the CIA's spending, heretofore a perennial secret. It would establish much closer oversight of intelligence activities both by the White House and Congress.

Our foreign policy needs good intelligence. But what a democratic society must have is assurance that its intelligence activities are being carried out in a well monitored manner.

The Essence of U.S. Foreign Policy—9

Few secretaries of state have been as immediately successful as Henry Kissinger. American foreign policy today is shaped in his image. He has fostered detente with the Soviet Union, opened the door toward normal relations with China and brought the Arab-Israeli conflict closer to resolution than at any time in the last 25 years.

In light of this remarkable record, it is worthwhile to appraise Kissinger's foreign policy in terms of his own principles and those discussed in the previous eight editorials. For clearly, Kissinger will not be secretary of state forever. And his legacy—for better or for worse—will influence U.S. foreign policy for years to come.

Probably Kissinger's greatest strength is his intellectual ability to conceptualize the problems facing the nation and the globe. He thinks and acts in terms of grand strategy. As he told one interviewer last October: "My associates will confirm that when we tackle a problem, we spend the greatest part of our time at the beginning trying to relate it to where America and the world ought to go before we ever discuss tactics."

Kissinger's strategy also is dipped in realism. "All foreign policy begins with security," he stated in St. Louis. "No great nation can afford to entrust its destiny to the whim of others. Any stable international system therefore requires a certain equilibrium of power."

The secretary of state has combined this penchant for strategy and power with the personal charm and physical stamina of the superlative negotiator. Probably not since Franklin Roosevelt has a top U.S. leader placed so much emphasis on his own personality in conducting diplomacy.

But there are legitimate concerns about the path down which the secretary is leading the nation. Some of his very strengths, namely his preoccupation with strategy and power, have their Achilles heel when stretched to their limit. Sometimes Kissinger seems so taken by his strategic goals that he loses sight of the tactics he is employing. Was it necessary for the Vietnam War to drag on so long, with its killing and murderous bombings, except for Kissinger's and President Nixon's apparent deep fixation on the strategic consequences of American withdrawal? Or more immediate, how deeply committed is the U.S. in the Mideast today now that it appears that Kissinger promised more than he legally could to bring Egypt and Israel to their latest agreement?

Related to Kissinger's concern for power and its use is a certain ambivalence to a strong moral foundation for American foreign policy, a foundation he has declared necessary for the lasting support of the American people. On the one hand, Ambassador to the U.N. Moynihan bitterly attacks "enemies of freedom." On the other, the U.S. remains strangely silent about the acts of Franco's Spain and the demise of democracy in India, and has supported a brutally errant Pakistan against Bangladesh.

These questions lead to the most important one—Kissinger's ability to leave an enduring policy. The secretary of state's heavy reliance on personal diplomacy has not accomplishd two key requirements. He has not yet established a strong bipartisan foreign policy that closely involves Congress, and that is paramount to lasting grass roots support. Nor has he institutionalized his policy within the government so that, in his words, there will be "a more permanent structure that we can pass on to succeeding administrations."

It is on these two requirements that Kissinger's energies need to be focused now.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

COPYRIGHT LAW REVISION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume the consideration of the pending business, S. 22, which the clerk will state.

The assistant legislative clerk read as follows:

A bill (S. 22) for the general revision of the Copyright Law, title 17, of the United States Code, and for other purposes.

The Senate resumed the consideration of the bill.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 1:30 P.M.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate stand in recess until the hour of 1:30 p.m. today.

The motion was agreed to, and at 1:09 p.m. the Senate took a recess until 1:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. Ford).

The PRESIDING OFFICER. The Chair suggests the absence of a quorum. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCLELLAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TUNNEY addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

COPYRIGHT LAW REVISION

The Senate continued with the consideration of the bill (S. 22) for the general revision of the copyright law, title 17, of the United States Code, and for other purposes.

Mr. TUNNEY. Mr. President, today the Senate takes up S. 22, the copyright revision bill. This bill, when enacted, will mark the first major revision of the copyright law since 1909.

Article I, section 8, of the Constitution gives to Congress the power:

> To promote the Progress of Science and Useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.

Twenty-one years ago, the Judiciary Subcommittee on Patents, Trademarks and Copyrights began publishing a series of 34 studies on all aspects of copyright revision. That series of comprehensive studies culminated in 1964 when Senator McClellan, the chairman of the subcommittee, introduced a bill that incorporated the revisions which were necessary to bring the 1909 law into conformity with the technological developments that had outgrown the limits of the statute.

Hearings were held and new bills introduced in each Congress from the 88th through the 93d as the subcommittee modified the previous year's bill to reflect the conclusions drawn from the hearings. In every case, witnesses were heard and Senator McClellan attempted to persuade them that as compelling as many of their individual situations were, the overriding concern was the need for a fair and equitable law that took into account the problems of the different applications of the copyright law and the constitutional mandate to promote the progress of science and useful arts. In my view, Senator McClellan has discharged his duties in a thorough, responsible manner that should serve as a model of fairness and technical craftsmanship.

S. 22 is in many ways a unique bill. The problems that are addressed by the bill have received the most careful study and scrutiny. Yet, because it serves to establish limitations on property rights, it remains controversial in many aspects.

DURATION OF THE COPYRIGHT

Perhaps the most important provision is contained in section 302, the duration of the copyright. The bill calls for a copyright duration of the life of the author plus 50 years, the duration recognized in most countries of the Western world. Since American authors are frequently protected longer in foreign countries than in the United States, substantial resentment has arisen among American authors who have questioned the national interest in the support of the arts. The duration specified in the bill indicates that the United States recognizes that the present term of 56 years is too short and that the increase in longevity since 1909 as well as the adherence to the Berne Copyright Union mandate the necessity for the life-plus-50 term.

FAIR USE OF PHOTOCOPYING

Another area of substantial concern centered upon the doctrine of fair use. Section 107 is a restatement of this judicially developed doctrine—it neither enlarges nor changes it in any way. The application of the doctrine requires consideration of a number of elements in determining when fair use has been exceeded. Among the prominent elements are the following: whether or not the organization using the copyrighted material is a nonprofit entity; whether or not the reproduction of a copyrighted work was spontaneous or part of a general pattern or practice; whether a single copy or multiple copies were created; and, whether or not the works were copied for a special use. The intent, as I see it, was not to create a specific line that would apply in all situations, but instead, to create a number of guidelines that could be looked to in order to determine whether a particular method or use was fair.

Libraries and archives were particularly desirous of clarity since they often received a number of requests for photocopies of articles in copyrighted works. Section 108 provides that under certain conditions it is not an infringement of copyright for a library or archives, or any of their employees acting within the scope of their employment, to reproduce or distribute not more than one copy of photocopy of a work provided: First, the reproduction or distribution is made without any purpose or direct or indirect commercial advantage, second, the collections of the library or archives are open to the public or available not only to researchers affiliated with the library or archives, but also to other persons doing research in a specialized field; and third, the reproduction or distribution of the work includes a notice of copyright. I strongly believe that language of section 108 reflects an adequate balancing of interests between copyright owners and those of educational institutions and libraries.

COMPULSORY LICENSES

Much of the controversy surrounding S 22 stems from the sections creating compulsory licenses. In order to fully appreciate the effect of the compulsory license sections, it is necessary to understand the normal licensing procedures that apply to copyrighted material.

The vast majority of copyrighted works enter the stream of commerce after the copyright owner has undertaken the expense of manufacturing and distribution, or has licensed someone else to do so in exchange for a negotiated royalty. In the latter case, the copyright owner is free to bargain for the terms and conditions which best meets the author's concepts and goals. The role of Government in those circumstances is a simple one: the Copyright Office serves a ministerial function in registering the work in exchange for a nominal fee. Compulsory licenses are an exception to that method of operation and as such, require, in my opinion, an extraordinary justification for Government intervention in an area that is best served by private parties negotiating with each other in their own best interests.

Many copyright owners in my own State of California who are subject to compulsory licenses have written to me and stated that they often find two areas of dissatisfaction with the concept. First, the copyright owner loses control over the manner in which the work is used. Second, the copyright owner loses the right to negotiate for the amount of money that he or she believes that the property is worth. What we obtain in the compulsory license area is an adversary process in exchange for the loss of the negotiation process.

Section 801 calls for the creation of a Copyright Royalty Tribunal in the Library of Congress whose purpose is to set the royalty rates which are applicable to the compulsory license sections. In order to determine whether or not an adjustment is needed, the Tribunal would listen to the economic arguments of the interested parties and decide upon the necessity for change. If the Tribunal decided that the royalty rate should be adjusted it would have the authority to do so. The new rate would become effective after 90 days unless either the House or the Senate adopted a resolution stating its disfavor of the new royalty determination.

In my opinion, the concepts of compulsory licenses and the Royalty Tribunal are only appropriate under circumstances that clearly indicate that they are more desirable than the negotiation process. The Committee on the Judiciary has determined that four industries have such particular needs that the compulsory license procedure is the most sensible method to resolve the licensing problems.

S. 22 authorizes compulsory licenses for the use of copyrighted material in the following areas: Section 111 provides for compulsory licenses for cable television system operators for the secondary transmissions of copyrighted television programs whose signals have been transmitted over the air by FCC regulated TV stations; section 115 creates a compulsory license which allows anyone to manufacture and sell a phonograph record containing a copyrighted song if that song has been previously recorded. Similarly, section 116 creates a compulsory license for jukebox operators to use records containing copyrighted songs in coin operated "phonorecord players." Section 118 creates a compulsory license for public broadcasting stations for their use of nondramatic literary, musical, and pictorial works only.

CABLE TELEVISION SYSTEMS

One of the more difficult problems involved in the copyright revision legislation has centered upon cable television. Californians are understandably pleased that we have nearly 300 cable television operators bringing programs to more than 1½ million home viewers in over 700 communities who, without cable TV, would be denied the benefit of this home entertainment medium. These subscribers pay the cable operators between $5 and $9 per month to bring distant TV signals into their homes. Across the Nation these systems now number about 3,400 and reach over 10 million homes servicing about 30 million people in more than 7,400 communities. It is estimated that in 1974 these systems generated over $600 million in revenues. In that same year not 1 cent in royalty was required to be paid to a copyright owner by a cable system operator. Section 111 provides for a very modest royalty for the copyright owner—the average cable subscriber would have his subscription increased by less than 10 cents per month. No reasonable person, in my mind, could argue that the creative persons who are most responsible for the programs that the subscribers wish to see should not be compensated for their efforts.

I would ask my fellow Senators to consider the nature of the task before us in section 111. As I indicated earlier, in the compulsory license area the Congress and the Royalty Tribunal are called upon to act as arbitrators between conflicting economic interests. I strongly urge that you consider the equities involved and support section 111 as reported by the Judiciary Committee.

PHONOGRAPH RECORDS

The present copyright law calls for a payment of 2 cents per song to the copyright owner of each song on a phonograph record. I sought to see that those songwriters would obtain an increase in two ways. First, I authored an amendment in the committee that called for an increase in the present rate from 2 cents per song to 2.5 cents per song. That amendment carried and the 2.5-cents rate is now part of the bill. Second, the bill presently calls for the Royalty Tribunal to review the royalty rates every 10 years. I will offer an amendment which calls for the Tribunal to review the rates every 7 years. By insuring more frequent reviews the copyright holder and user are both in stronger positions to convince the Tribunal of any changes in the economic situation which should be reflected in the royalty rates.

JUKEBOXES

An exemption from copyright liability has been enjoyed by the jukebox industry since the law was revised in 1909. Section 116 of the bill ends that exemption and sets an annual royalty for each machine at $8 per year. Again, we have an extraordinarily small royalty which would be divided among the copyright owners. In fact, they now receive nothing from an industry that enjoys the commercial use of their work and generates annual revenues in the neighborhood of $500 million.

PUBLIC BROADCASTING

When the Judiciary Committee considered and approved section 118, the section creating compulsory licenses for public broadcasting stations, it was with the understanding that the parties involved would continue to negotiate in order to settle the differences among their views prior to the consideration of the bill by the full Senate. I have been informed that those negotiations have broken down and, as a consequence, I will support the amendment offered by Senator HUMPHREY to strike the majority of this section from the bill.

In her "second supplementary report," Ms. Barbara Ringer, the Register of Copyrights, stated the following in assessing the impact of section 118:

> The Copyright Office considers the dangers of an unqualified compulsory license for literary works so great and the need for it so unproven that it could not support a copyright bill containing such a provision, including the revision bill as it was reported by the Senate Judiciary Committee on October 7, 1975. The loss of control by authors over the use of their work in a major mass communications medium, and the dangers of State control and loss of freedom of expression implicit in the proposed system would probably be too high a price to pay even if public broadcasting were being severly hampered by the legal obligation to get clearance . . . It cannot be said that the practical problems of public broadcasters in getting clearance for reading literary works have been illustrated convincingly, much less proved . . . The Copyright Office is not convinced that any complusory license is necessary for public broadcasting . . .

I have been in contact with the Public Broadcasting Service here in Washington. I have reviewed their statements outlining the need for a compulsory license and I have concluded that PBS has not demonstrated that other alternative methods for reducing the time and administrative costs involved with obtaining copyright clearances were adequately explored.

Earlier in my remarks, I indicated that I consider the compulsory license concept to be an exemption from the preferable procedure of allowing the parties involved to negotiate on a voluntary basis. This is what PBS does with their producers, directors, and actors as well as those who produce its program materials—film companies and television packagers. Why not authors? Why should authors be penalized because their work is presumed to have some social value? Is the Congress or the Royalty Tribunal really in a position to determine the fair market value of these products? Compulsory licensing works best when the copyright owners and the copyright users voluntarily forfeit their right to negotiate in exchange for the understanding that the compulsory licensing process benefits both sides of the economic equation. When section 118 was considered by the Judiciary Committee last October, a situation existed in which it appeared that such an accommodation might be reached. The fact that it was not should not be taken to mean anything other than the parties were not able to reach a compromise at this time and that the Congress should not force the parties into a compulsory licensing posture. Thus, a vote against section 118 cannot be interpreted as a vote against PBS. I, like many other Senators who will vote for the Humphrey amendment, are longtime supporters of PBS. Many of us voted for long-range funding for the Corporation for Public Broadcasting last year that provides the stability which I believe facilitates more effective program planning and development. Furthermore, it provides PBS with a degree of insulation from Government influence, thereby insuring the integrity of program content.

In closing, I would again urge my colleagues to support my amendment to reduce the cycle of review of the Royalty Tribunal from 10 years to 7 years. If this bill passes, the Tribunal will have the initial responsibility to decide whether changes in the economic position of the industries affected by compulsory licenses should be reflected in royalty adjustments. In my opinion, frequent reviews help to insure that the parties adversely affected by sudden changes in economic conditions will be able to argue their case before an impartial body. A 7-year cycle is the least we can do to provide this insurance.

Mr. HARTKE. Mr. President, the bill before us, S. 22, represents many years of work by the Judiciary Committee. There is good reason to hope that copyright revision will pass both Houses of the Congress and be signed into law this year. There are many compelling reasons for doing so.

We are now bringing up to date the law of the land in the field of copyright, something that was important enough to be recognized in our Constitution.

Copyright law has as a fundamental principle that one should receive royalties for the exploitation of his creative talents. There is one very glaring omission in S. 22. I refer to sound recordings.

Composers and publishers of music are protected. They receive royalties from records sold and from public performance of these records. But the companies that make these records and the musicians and artists whose efforts bring music to life in new creativity receive no royalties. This is inequitable.

Originally, this principle of performance royalties in recordings was a part of copyright revision. Now it is embodied in separate legislation introduced by the distinguished minority leader, S. 1111, which I have cosponsored.

I have agreed not to try to include performance royalties in the pending bill. However, I hope that the Judiciary Committee will expedite consideration of S. 1111 so that this inequity may be corrected and performance royalties will become a part of a revised copyright law.

Mr. President, I ask unanimous consent to have printed in the RECORD a memorandum setting forth answers to publishers' statements.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MECHANICAL ROYALTY: ANSWERS TO THE PUBLISHERS' STATEMENTS

(The music publishers use a variety of arguments in their effort to achieve an increase in the statutory mechanical royalty payment, which is now two cents per tune. The publishers main arguments are set forth below, followed by a factual answer.)

INFLATION

They say: Copyright owners deserve an increase because of inflation. Everything else is going up while the mechanical rate stays at two cents.

The facts: Mechanical rate payments to the publishers have far outstripped inflation. The cost-of-living index rose 45 percent from 1963 through 1973, while payments to the publishers rose more than 100 percent.

NO CHANGE SINCE 1909

They say: The rate should be increased because it has been two cents since 1909.

The facts: When Congress set the two-cent rate in 1909, there was only one tune on a record, so the publishers received 2 cents a record. Today, with the long-playing record, there are 10–12 tunes on each recording and the publishers get paid for each tune. Average payment: 27 cents per recording. Recording company technology brought about the long-playing record.

HIGHER RECORD PRICES

They say: Record prices have gone up and copyright holders deserve a greater share of the retail sales price.

The facts: 1. The retail sales price is beside the point, since this includes wholesaler and retailer costs and income. The relevant figure is the factory price. The publisher/composer share of the factory price has gone up nearly 50 percent since 1909. In 1909, it was five percent. Today, 7.4 percent. At a three-cent rate, it would be 11 percent.

2. The publishers mistakenly use retail list prices in their arguments. In fact, list price means little. Bureau of Labor Statistics data show actual record prices rose only 11 percent from 1964 to 1974, from an average of $4.26 to $4.74—far less than the rise in inflation.

CEILING NOT A RATE

They say: Increasing the statutory rate would merely allow more "room for bargaining"; the rate is just a "ceiling."

The facts: More than 99 percent of all licenses are issued at the statutory rate, or at standard variations based on the statutory rate. These variations include standard discounts for budget records, record club sales, and block licensing of tunes. Publishers have the legal right to insist on the statutory rate; they license at these standard variations only when it is in their economic interest. If the statutory rate is increased, the new rate will become the new standard, and the standard variations will rise accordingly.

INCOME CEILING

They say: The two-cent rate "fixes the dollar maximum we can hope to receive."

The facts: Payments per tune licensed have more than doubled over the last ten years. The publishers are intentionally confusing the rate with income. Income rises with inflation, because of practical limits on the amount of time a person can work. A rate, however, is applied to a limitless volume and is not bound by time constraints. Their earnings are limited only by the volume of record and sheet music sales.

A "GREAT" TUNE

They say: When a publisher knows he has a "great" tune, he should be able to charge more than two cents for it.

The facts: 1. There is no ceiling on the rate that can be charged for the first license granted. There's no legal reason why the owner can't charge five cents or ten cents, or more. In fact, this seldom happens.

2. The "great" songs are recorded many, many times, and each recording sold brings in two cents to the copyright holder. (Paul McCartney's "Yesterday" was licensed for recording 91 times.)

PAYMENT PER TUNE

They say: Even if total mechanical royalty payments have doubled, royalties per songwriter have declined because there are twice as many members in the songwriters' guilds.

The facts: The number of members in songwriter guilds is not the same as the number of songwriters earning royalties from the release of sound recordings. When the mechanical royalties paid are divided by the number of tunes released—a far more accurate measure—it turns out that the mechanical royalties per tune have more than doubled during the last decade.

PUBLISHERS SAY THEY'RE HURTING AT "OLD" RATE

They say: They're being hurt economically by an outdated, arbitrary statutory rate.

The facts: The publishers have not submitted any profit and loss data to demonstrate that they are being hurt. The recording companies have submitted complete profit and loss data, as well as other economic information to document their statements.

COMPOSERS DON'T GET MUCH?

They say: A song that sold 24,000 records could not earn its "creators" more than $600.

The facts: A song that sold 24,000 copies would earn the recording company nothing. In fact, the recording company would lose money. It takes 61,000 copies sold for a long-playing record to break even. It takes 46,000 copies for a "single" to break even. Nearly 80 percent of the recordings produced lose money. Yet the copyright holder gets two cents for every tune on every record sold, regardless of whether the recording company—which takes the financial risk—makes any money.

RECORD COMPANIES GET TOO MUCH?

They say: The recording company is getting too much, while the copyright holder is not getting a big enough share.

The facts: The copyright holder averages a bigger share of the U.S. record sales dollar in mechanical royalties (7.2 percent) than recording companies get in pretax profits on domestic sales (4.5 percent).

HIGH RECORD PROFITS?

They say: Recording profits are high.

The facts: The recording industry has submitted full profit and loss data. Profits tend to go up and down. Net profits after taxes in 1974 were 5 percent; for 1973, the figure was 3.4 percent. So far, profits seem to be moving down in 1975. The publishing companies have declined to submit profit and loss data.

THE AUTO ARGUMENT

They say: If our argument were correct, then autos should still sell at 1909 prices.

The facts: That's a misleading analogy. Autos have direct marginal cost increases built in the present volume that could not be absorbed at 1909 prices. The publishers have demonstrated no such direct costs which today's volume cannot absorb with ease. The correct analogy would be transcontinental telephone calls. Vast increases in volume have provided generous revenues to the telephone companies despite sharp declines in rates.

ONLY TWO CENTS?

They say: The publishers basically are trying to suggest that all they get is two cents, and that "ain't much," even when multiplied by record sales.

The facts: The copyright holder has multiple sources of income. The publisher gets two cents for each tune on each individual recording sold, whether it is on a disc, tape, cassette or cartridge. Recording companies pioneered the development of these new forms of recording. The invention of tape expanded the market—including publisher income—by some 30 percent. Hit recordings are licensed many, many times. Publishers also get income from: (1) mechanical royalties from foreign record producers, a market largely developed by U.S. recording companies; (2) performance royalties each time a tune is performed live, or played on the radio, or by a background music service; and, (3) sheet music sales.

AMENDMENT NO. 1353

Mr. TUNNEY. Mr. President, I call up my amendment No. 1353 and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from California (Mr. TUNNEY) proposes the following amendment:

On page 139, line 27, strike "1990" and "tenth" and substitute in lieu thereof "1987" and "seventh", respectively.

Mr. TUNNEY. Mr. President, first, I should like to say something with which I believe everyone who is a member of the Judiciary Committee agrees. That is that the distinguished chairman of the Copyright Subcommittee, the senior Senator from Arkansas, has done an outstanding job in bringing this legislation before the Senate. There is no question but that this is one of the most complex bills that we have addressed in this or any Congress.

Part of the problem is that there are so many economic interests that are directly affected by the legislation, and Congress is being called upon to make very specific decisions as it relates to these economic matters, decisions which normally would be worked out by the parties themselves in contract negotiations. When the copyright law was originally passed back in 1909, built into this law was a statement of fees that related to the economic interests.

Senator MCCLELLAN and members of his subcommittee have been faced, for many years now, with the very difficult decision as to how to write into law a statement of these interests and a description of the fees that would be paid in such a way that no one group would be able to take advantage of another group, and to try and use Solomon-like wisdom to bring about an equitable decision on what was fair to the various parties.

I want to congratulate the Senator from Arkansas for the extraordinarily good work he has done in trying to balance the various interests.

I have never sat down and tried to count the number of interests that are involved in this legislation but they clearly run into the hundreds. Because we are dealing with very controversial issues, it has been almost impossible to avoid a great deal of intense emotions in passing this bill out of committee and getting it before the Senate.

My hat is off to the chairman of the subcommittee.

Mr. President, my amendment would reduce from 10 years to 7 years the period between the times the royalty tribunal will hold hearings to review the various matters that are under their jurisdiction. Because economic interests change so rapidly in this country, and what is fair today could be very unfair 2 or 3 years from now, it is my feeling that a 10-year review period is just too long a time to guarantee that what is equitable today will be reviewed as to its equitableness in future years. I believe that a 7-year review period is far preferable to a 10-year period.

The bill as it was passed out of the subcommittee provided for a 5-year review. A vote was taken in committee to make it 10 years. That carried by one vote. I was with the Senator from Arkansas in that vote. I was in the minority. I voted to retain the 5-year period. But, unfortunately, we did not win on that vote. So what I am now doing is offering a compromise. I believe that 5 years would be preferable, but 7 years is a lot better than 10 years.

I have to say that I believe the basic concept of the royalty tribunal is a major step forward in its conception as to how to handle these very difficult economic interests.

Congress really should not be dictating fees to the parties in copyright matters. We cannot get the amount of time necessary for a consideration of what the fees should be as would be necessitated in fair play.

I think we have to have some third party, such as the royalty tribunal, that is not going to be swayed by the pressures of special interest groups making a decision on what they feel is best as a result of the evidence that is brought before them in extensive hearings.

There are very few Senators and Congressmen who have the time to carefully weigh the information that the subcommittee received in hearings as to what would be fair or unfair. As a result of that, the vast majority of Senators are going to be voting on amendments as they arise based upon which special interest group in their State or their district has the greatest clout.

That is just not a fair way of deciding matters that are as important as these to the parties involved. So what the world tribunal will do is give a third party, an objective third party, an opportunity to develop the data and to make a decision based upon what fair-minded men consider to be a balancing of the economic interests.

Because the tribunal is such a good idea, I think that a period of review of 7 years is preferable to a period of review of 10 years, because too much can happen in a 10-year period that has direct effect upon the economic interests of the parties involved, which should be rectified if there is inequality before a full decade passes.

Basically, Mr. President, the amendment is a very simple one. I think everyone can understand it, and I am prepared to ask the chairman of the subcommittee whether he will accept the amendment. If he will accept it, I think we ought to be able to move on to other matters.

I have nothing further to say on the matter, unless the distinguished Senator from Arkansas has some comments he would like to direct to me, or questions he would like to ask.

Mr. McCLELLAN. Mr. President, we are under a time limitation, are we not?

The PRESIDING OFFICER. No; there is no time limitation.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, will the Senator yield to me briefly?

Mr. McCLELLAN. I yield.

Mr. MANSFIELD. Mr. President, I am about to make a unanimous-consent request, which I hope will not interrupt the colloquy between the distinguished Senator from California and the distinguished Senator from Arkansas, the sponsor of the amendment and the manager of the bill.

The Senate has already agreed to a limitation on the Humphrey and Mathias amendments for Thursday next.

I ask unanimous consent at this time, beginning on Thursday next, after the unfinished business is disposed of, that is, Calendar No. 579, S. 2662, a bill to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes, on which there is an agreement to vote on final passage not later than 5 o'clock on Wednesday next, that following the disposal of that measure, the matter now under consideration again be laid before the Senate as the pending business, and that beginning on Thursday next there be a 1-hour limitation on amendments, to be equally divided between and controlled by the sponsor of the amendment and the manager of the bill or whomever he may wish to designate; that there be a limitation of 3 hours on the bill; and that the unanimous-consent agreement be in accord with the usual practice.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. McCLELLAN. As I understand it, at the conclusion of business today this bill will go over until next Thursday, when we convene next Thursday?

The PRESIDING OFFICER. The Chair's impression is Wednesday evening.

Mr. MANSFIELD. Yes; but there will be no business transacted; it will just be laid before the Senate as the pending business for Thursday morning.

Mr. McCLELLAN. Will it come up Thursday?

Mr. MANSFIELD. Yes.

Mr. McCLELLAN. It will become the pending business, with action being taken Thursday on amendments, and so on?

Mr. MANSFIELD. Yes.

The PRESIDING OFFICER. Is there objection?

Mr. MANSFIELD. I further ask unanimous consent that there be a time limitation of 30 minutes on amendments to amendments, motions, and appeals, under the same conditions.

Mr. McCLELLAN. Amendments to amendments, motions, and appeals?

Mr. MANSFIELD. Yes.

Mr. McCLELLAN. But on original amendments, 1 hour?

Mr. MANSFIELD. One hour, with 3 hours on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TUNNEY. Mr. President, on behalf of the Senator from Maine (Mr. HATHAWAY), I ask unanimous consent that Larry Gage of the staff have the privilege of the floor during the consideration of this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, since I support the amendment offered by the distinguished Senator from California, I am perfectly willing to delegate the control of the time in opposition to anyone who opposes the amendment. All I care to say, and I will take just a couple of minutes, is that the companion bill passed in 1974 had a 5-year review period. This bill, as reported by the subcommittee, had a 5-year review period. The amendment to make it a 10-year review period was adopted, as the distinguished Senator from California has said, by the full committee. I supported the position he takes now in the full committee and I shall support it again. Therefore, I am glad to yield control of the time to whoever wishes to oppose the amendment.

Mr. HUGH SCOTT. Mr. President, if the Senator will yield, I am not rising in opposition to the amendment, I suppose to the relief of the Senator from California, because I heard the debate in the committee, and if the amendment is satisfactory to the distinguished chairman and manager of the bill, I would interpose no objection to it.

Mr. McCLELLAN. And I interpose no objection, though there may be others who do. All I have to say is that we have gone over this thing over and over again, and it occurs to me that with the rapid changes that occur today in our economy, in our social affairs, and in Government, a 5-year review is in order. A 10-year review, I think, might delay proper supervision and determination as to how the law is working, whether it is working equitably, whether justice is being preserved and protected, or if inequalities may arise and emerge that ought to be corrected.

It is not a vital or a fatal provision one way or the other, but as a matter of good practice, I think 5-year supervision would be appropriate.

If anyone wishes control of the time in opposition, I am perfectly willing to yield it.

The PRESIDING OFFICER. There is no time in opposition.

Mr. HUGH SCOTT. If the Senator from South Carolina wishes to oppose the amendment, I am willing to yield control of the time to him. I am happy to do so.

The PRESIDING OFFICER. There is no controlled time on this amendment. Does the Senator from South Carolina seek recognition?

Mr. TUNNEY. Mr. President, I am prepared to move the adoption of my amendment, unless the Senator from South Carolina wishes to speak.

Mr. THURMOND. Mr. President, I shall want a rollcall on this amendment.

Mr. TUNNEY. The Senator will want a rollcall?

Mr. THURMOND. Yes. Mr. President, I am opposed to this amendment offered by the distinguished Senator from California. The Committee on the Judiciary, on which both Senator TUNNEY and I serve, has dealt with this matter of royalty tribunal review periods, and I believe the result as it stands in the bill before us is both fair and, indeed, most equitable.

I remind my colleagues that S. 22 imposes copyright liability for the first time on several industries, including cable television. It has been my concern throughout the years that I have served on the Committee on the Judiciary and dealt with this legislation, that these industries not be overpowered by long-established and more prominent industries who also have an interest in this bill.

Under S. 22, cable television systems are granted compulsory licenses. An initial fee is fixed on percentage of gross revenues, and a royalty tribunal is established to periodically review the fee rates to insure that the rates continue to be fair and equitable to all parties. This review process begins only 3 years after enactment of this bill and continues every 10 years thereafter.

The amendment offered by the Senator from California would reduce these subsequent review intervals from 10 years to 7 years, with the charge that 10 years is too long a period for these fees to be fixed and as such would be harmful and discriminatory against the copyright owners in Hollywood.

Mr. President, I sincerely hope that it is fully and thoroughly understood that when we speak of reviews by the royalty tribunal, we are not talking about reviewing fixed dollar amounts. To the contrary—and this is a vitally important point—we are talking about fees based on a percentage of gross revenues. As cable television grows, the payments to the copyright owners grow. From the testimony I have seen, some of which has come from the copyright owners, cable TV is said to be on the move again and is expected to grow by leaps and bounds in the years ahead. If these forecasts are accurate, the payments by the cable TV people to the copyright owners will likewise grow by leaps and bounds. The fears of discriminatory treatment to the copyright owner, then, are without basis when you consider the application of this part of the bill.

What we have here is a balance of compulsory license, fees based on gross revenues, and periodic review by the royalty tribunal. It is a fair and equitable balance for all parties. However, it is a delicate balance, and one that I earnestly hope will not be upset.

I urge our colleagues to remember this balance, how it applies fairly to all, and to reject the amendment now before us.

Mr. President, I ask unanimous consent to have printed in the Record a statement by Mr. Abourezk relating to this matter.

THE PRESIDING OFFICER. Without objection, it is so ordered.

Statement by Mr. Abourezk

I join the distinguished Senator from South Carolina in opposition to this amendment now before us. I share the Senator's concern over making changes in this particular section of S. 22—a section which holds together a very delicate balance of payment rates and review for cable television systems in this country.

It should be remembered that this bill creates for the first time copyright liability for cable television as well as several other industries. The issue of cable and copyright liability has been hotly contested for over a decade, with two Supreme Court decisions declaring cable not liable under the present statutes. Nonetheless, throughout the years that Congress has wrestled with revision of the copyright laws, the cable television industry has worked with the Committee on the Judiciary in a spirit of cooperation to bring about a fair and workable bill.

I believe this spirit of cooperation is highly commendable, especially in light of the financial uncertainties these long years of debate on copyright revision have imposed on CATV systems—particularly the smaller systems which serve communities that might otherwise not have adequate availability of television signals.

In South Dakota there are many of these smaller systems—some being family businesses. As with any cable system, it took large sums of money and extensive financing to build these systems and wire the community. In addition, the day-to-day operation of the system is heavily regulated by the Federal Communications Commission, controlling which TV signals may be carried and even those which must be blacked out from time to time. In short, it is a tough, financially intensive business for these systems.

Now, through this bill, a new financial liability will be added in the form of copyright payments based on a percentage of the system's gross revenues. While I think it only fair that cable should pay its share of royalties, the industry needs rate certainty for a fixed, stable period.

Even though this fee schedule of payments on gross revenues is the result of years of work by the Committee on the Judiciary, I agree with the thinking of the committee that these rates should be reviewed periodically. This is established in S. 22. Rates will be reviewed 3 years after enactment and every 10 years thereafter.

Again, I concur in the committee's findings that these review intervals are fair and equitable for all parties.

The amendment now before us would reduce these intervals to 7 years following the initial third year review.

This amendment is said to be one to correct an alleged inequity to the copyright owners.

This is just not the case. A schedule of payments on gross revenues coupled with periodic reviews leaves no room for inequities. But furthermore, it seems to me that the question before us is—if there could be any inequity in this scheme of payments, with whom would it lie? The multimillion dollar corporate giants in Hollywood? Or with the small family-owned CATV systems across the country that will, for the first time, be making copyright payments?

Mr. President, I submit that the payment schedule and review intervals as reported by the Committee on the Judiciary are fair and equitable for all parties. I urge our colleagues to vote "no" on this amendment before us.

Mr. TUNNEY. Mr. President, simply to make the record clear, what we are dealing with here when we talk about the royalty tribunal is a review of royalties which are required to be paid under a compulsory license. The copyright bill provides for compulsory licenses. Under normal common law principles, a person who had a copyright would not have to license his work product to anyone unless a fair price could be negotiated between the parties, or an unfair price, as the case may be, as far as the person was concerned who wanted to use the material that was under copyright law. Because we are departing from the normal principles of contract negotiation in this copyright law and saying that we are going to mandate a compulsory license, it has been felt, since this law was originally passed in 1909, that the law also ought to describe what the royalty fee ceiling would be. In every instance of which I am aware what the specified fee schedule states is the ceiling that can be charged by the owner of the copyright.

It seems to me to be unfair for us to build into the law, with these changing economic circumstances, a royalty fee which cannot be reviewed periodically. I think, with the point that has been made by many that because of changing economic circumstances in this country there is a need for constant review of what would be a fair contract price for royalties, it is incumbent upon this royalty tribunal, consistent with sound administrative practice, to review the factors that have an economic impact upon the rights of the parties as frequently as possible.

I thought that the 5-year review was a far better prescription in the law than the 7 years that is the subject of this amendment, and I supported the 5 years in committee. I have heard from staff that the vote was 7 to 6 in committee. I had a few moments ago said 8 to 7. It was 7 to 6. My memory was refreshed that two of the absentees would have been prepared to vote in favor of 5 years, which would have meant that the amendment of the Senator from South Carolina would have failed in committee. So if everyone had been present, this bill would have come to the Chamber with a 5-year period of review for the royalty tribunal.

But we lost on the 5 years, as a result of the two absentees. We now are not asking the clock to be set back to 5 years. We are asking that there be a compromise, and my amendment provides the opportunity for that compromise, because it states 7 years, which is basically dividing the difference between the 5-year period and the 10-year period that is now prescribed in the bill as it came out of committee.

Mr. BEALL. Mr. President, I ask the Senator in control of the opposition to the amendment——

The PRESIDING OFFICER. There is no time limitation and the Senator may proceed.

Mr. BEALL. Mr. President, I rise in opposition to the amendment offered by the distinguished Senator from California.

When S. 22 was introduced at the outset of the 94th Congress, it provided, as has been pointed out, for 5-year intervals between royalty rate reviews by the royalty tribunal. The Committee on the Judiciary, after some deliberation, chose to enlarge that period to 10 years. I am not a member of that committee but, as I understand it, the rationale for that enlargement is based upon sound principles and the committee's decision should, therefore, not be tampered with.

First of all, the procedure set out in chapter 8 for accomplishing a review of the fee schedules entrusted to the tribunal is a complex one. It will take almost 2 years to complete, even disregarding the possibility of subsequent judicial review. Because this process is time-consuming and complex, it will necessarily be costly for the industries involved, and these costs obviously must be passed on eventually to consumers.

Furthermore, if this amendment were adopted, the interval from the end of one review to the beginning of the next would be so short that meaningful changes in circumstances could hardly have evolved. It is certainly logical to allow a reasonable period of years to elapse before embarking on a brand new tribunal review. Ten years, the period chosen by the Judiciary Committee, seems eminently reasonable to me.

In addition, I wish to express my concern about the effect of this amendment on the American consumer. No statutory guidance is provided for the royalty tribunal to use as they periodically review the copyright schedule. This open-ended approach to future tribunal fee review is fraught with uncertainty for the industries involved, and in most cases any future upward fee revisions will be passed directly on to consumers. The Judiciary Committee's action in lengthening the intervals between tribunal reviews from 5 to 10 years was at least a partial attempt to deal with this issue.

It seems to me that the amendment before us represents a step backard. Indeed, we should be inserting safeguards against abuses by the tribunal, rather than instructing it to review rates faster than the financial marketplace can adjust. I accordingly urge my colleagues to vote "no" on this amendment.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the pending amendment.

The PRESIDING OFFICER (Mr. GARN). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HOLLINGS. Mr. President, I rise in opposition to the Tunney amendment. Chapter 8 of this bill provides for tribunal review of the statutory fee schedule for CATV provided in section 111. Those CATV fees are now expressed as a progressive percentage of the CATV operator's gross revenues. Thus, the bill already provides a built-in mechanism for increased copyright payments by the cable industry resulting from growth, inflation, and cable subscriber rate increases. It is incorrect to say that the amendment to increase tribunal review to every 7 years rather than 10 represents a correct compromise. It is a compromise to include cable in chapter 8 review at all. Thus, I am opposed to the Tunney amendment and believe that if section 111 cable rates are to be subject to review, they should be infrequent and hence the bill's present provision for review every 10 years should stand.

Mr. MORGAN. Mr. President, I am opposed to this amendment. Chairman MCCLELLAN and the Committee on the Judiciary have, in my opinion, done an excellent job in producing legislation that deals with a variety of diverse interests and new technologies. It has been a 10-year process of lengthy hearings and research. I commend the committee for its work and result.

This amendment now before us would create an area of instability for one of these new technologies—cable television—that I believe the committee resolved in S. 22 as reported. That is this matter of royalty tribunal review intervals.

The committee has developed a balance for CATV copyright payments of a compulsory license, payments based on a percentage of gross revenues, and periodic review of these rates by the royalty tribunal. This balance seems equitable and fair to me, and it concerns me that the Senate would entertain any motion to upset this balance that resulted from 10 years of work by the Judiciary Committee.

Those of us who do not serve on the committee have not participated in these years of work. We have not had the opportunity to hear and question the long list of witnesses who have testified on the bill. We must, then, place a great deal of importance on the results and recommendations of the committee.

The committee's recommendation that royalty tribunal review intervals be set at a third-year initial review, with subsequent reviews every 10 years, seems proper to me, and I intend to oppose Senator TUNNEY's amendment that would reduce these intervals.

Mr. TUNNEY. Mr. President, will the Senator yield?

Mr. THURMOND. I am pleased to yield.

Mr. TUNNEY. Does the Senator from South Carolina object to going ahead with the vote right now?

Mr. THURMOND. Mr. President, I move to table the amendment.

Mr. BEALL. Mr. President, I ask unanimous consent that Ward White and Phil Grill of the staff of the Committee on Commerce be accorded privileges of the floor during debate and vote on this matter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that my assistant, Mary Jo Manning, be permitted the privilege of the floor during consideration of S. 22.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I ask unanimous consent that Bill Coates, of my staff, be allowed the privilege of the floor during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUGH SCOTT. Mr. President, I suggest the absence of a quorum.

Mr. TUNNEY. Mr. President, I ask for the yeas and nays on the motion to table.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the motion to table.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Alabama.

The PRESIDING OFFICER. A motion to table is pending. Debate is not in order.

Mr. MANSFIELD. I ask unanimous consent that I be recognized for that purpose.

The PRESIDING OFFICER. Without objection, it is so ordered.

CHANGE OF REFERENCE

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be discharged from further consideration of the resolution (S. Res. 370), continuing and authorizing additional expenditures by the Special Committee on National Emergencies and Delegated Emergency Powers, and that the resolution be referred to the Committee on Rules and Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that I be recognized for the purpose of allowing the distinguished Senator from Maryland (Mr. MATHIAS) to be recognized.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE 1976 U.S. WINTER OLYMPIC TEAM HONORED FOR OUTSTANDING PERFORMANCE AT THE XII WINTER OLYMPIC GAMES

Mr. MATHIAS. Mr. President, I call up a resolution I have at the desk.

The PRESIDING OFFICER. The resolution will be stated.

The legislative clerk read as follows:

> A resolution (S. Res. 386) honoring the 1976 United States Winter Olympic Team for its outstanding performance at the XII Winter Olympic Games at Innsbruck, Austria.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

The question is on agreeing to the resolution.

The resolution (S. Res. 386) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 386

Whereas, the Winter Olympic Games are held every four years to let the great athletes of the world vie with each other in a spirit of peace and friendship; and

Whereas, the 1976 United States Olympic Team consisted of many of the finest amateur athletes in America; and

Whereas, these American athletes expended every effort in competition by winning 10 medals, the best showing of any United States winter team since 1952 and displayed the highest degree of sportsmanship in the truest spirit of the Olympic Games; and

Whereas, the performance of the United States Team demonstrates the training, discipline, sacrifice, skill and courage of the men and women chosen to represent this nation in the Winter Olympic Games; and

Whereas, the bright vision of the future which is traditionally American is seen by many as uncertain and cloudy, because of a series of national misfortunes of unprecedented severity; and

Whereas, the members of the United States Team have reminded all their fellow countrymen that the American vision is valid today for all Americans who exercise discipline, skill and courage; and

Whereas, the nation is heartened by the example set by the United States Team who have exerted themselves out of honor for their country, love for their sport and respect for themselves; and

Whereas, the members of the United States Team have shown that flowers will bloom in the snow: Now, therefore, be it

Resolved, That the Senate of the United States expresses pride in and gratitude for the conduct and achievement of the athletes, coaches, trainers and Committee members of the 1976 United States Winter Olympic Team for their excellent performance at the XII Winter Olympic Games.

COPYRIGHT LAW REVISION

The Senate continued with the consideration of the bill (S. 22) for the general revision of the copyright law, title 17, of the United States Code, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the amendment of the Senator from California.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from South Dakota (Mr. Abourezk), the Senator from Indiana (Mr. Bayh), the Senator from Texas (Mr. Bentsen), the Senator from Delaware (Mr. Biden), the Senator from North Dakota (Mr. Burdick), the Senator from Florida (Mr. Chiles), the Senator from Idaho (Mr. Church), the Senator from California (Mr. Cranston), the Senator from Mississippi (Mr. Eastland), the Senator from Alaska (Mr. Gravel), the Senator from Colorado (Mr. Gary Hart), the Senator from Michigan (Mr. Philip A. Hart), the Senator from Kentucky (Mr. Huddleston), the Senator from Hawaii (Mr. Inouye), the Senator from Washington (Mr. Jackson), the Senator from Louisiana (Mr. Long), the Senator from Washington (Mr. Magnuson), the Senator from New Mexico (Mr. Montoya), the Senator from Maine (Mr. Muskie), the Senator from West Virginia (Mr. Randolph), the Senator from Connecticut (Mr. Ribicoff), the Senator from Florida (Mr. Stone), the Senator from Georgia (Mr. Talmadge), and the Senator from New Jersey (Mr. Williams) are necessarily absent.

I further announce that the Senator from Colorado (Mr. Haskell), the Senator from Minnesota (Mr. Humphrey), the Senator from Massachusetts (Mr. Kennedy), the Senator from Vermont (Mr. Leahy), the Senator from South Dakota (Mr. McGovern), the Senator from Wisconsin (Mr. Nelson), the Senator from Rhode Island (Mr. Pell), and the Senator from Illinois (Mr. Stevenson) are absent on official business.

I further announce that, if present and voting, the Senator from California (Mr. Cranston) and the Senator from West Virginia (Mr. Randolph) would each vote "nay."

I further announce that, if present and voting, the Senator from Washington (Mr. Jackson) would vote "yea."

Mr. HUGH SCOTT. I announce that the Senator from Tennessee (Mr. Brock), the Senator from Massachusetts (Mr. Brooke), the Senator from New Mexico (Mr. Domenici), the Senator from Arizona (Mr. Fannin), the Senator from Hawaii (Mr. Fong), the Senator from Arizona (Mr. Goldwater), the Senator from Michigan (Mr. Griffin), the Senator from Nebraska (Mr. Hruska), the Senator from New York (Mr. Javits), the Senator from Nevada (Mr. Laxalt), the Senator from Idaho (Mr. McClure), the Senator from Kansas (Mr. Pearson), the Senator from Delaware (Mr. Roth), the Senator from Alaska (Mr. Stevens), the Senator from Ohio (Mr. Taft), the Senator from Connecticut (Mr. Weicker), and the Senator from North Dakota (Mr. Young) are necessarily absent.

The result was announced—yeas 28, nays 23, as follows:

[Rollcall Vote No. 28 Leg.]

YEAS—28

Allen
Bartlett
Beall
Bellmon
Byrd, Harry F., Jr.
Cannon
Case
Clark
Culver
Curtis
Ford
Garn
Hansen
Hartke
Hatfield
Helms
Hollings
McGee
Metcalf
Morgan
Moss
Nunn
Packwood
Percy
Schweiker
Scott, William L.
Stafford
Thurmond

NAYS—23

Baker
Buckley
Bumpers
Byrd, Robert C.
Dole
Durkin
Eagleton
Glenn
Hathaway
Johnston
Mansfield
Mathias
McClellan
McIntyre
Mondale
Pastore
Proxmire
Scott, Hugh
Sparkman
Stennis
Symington
Tower
Tunney

NOT VOTING—49

Abourezk
Bayh
Bentsen
Biden
Brock
Brooke
Burdick
Chiles
Church
Cranston
Domenici
Eastland
Fannin
Fong
Goldwater
Gravel
Griffin
Hart, Gary
Hart, Philip A.
Haskell
Hruska
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Laxalt
Leahy
Long
Magnuson
McClure
McGovern
Montoya
Muskie
Nelson
Pearson
Pell
Randolph
Ribicoff
Roth
Stevens
Stevenson
Stone
Taft
Talmadge
Weicker
Williams
Young

So, Mr. Thurmond's motion to lay on the table Mr. Tunney's amendment was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. CANNON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1396

Mr. TUNNEY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

Mr. FORD. Mr. President, may we have order in the Chamber?

The PRESIDING OFFICER. There will be order in the Senate. Please clear the well so the clerk can be heard.

The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from California (Mr. Tunney) offers the following amendment No. 1396:

On page 139, line 27, strike "1990" and "tenth" and substitute in lieu thereof "1988" and "eighth", respectively.

ORDER FOR ADJOURNMENT UNTIL 9:30 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 9:30 a.m., tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER DESIGNATING PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order tomorrow, there be a period for the transaction of routine morning business not to extend beyond the hour of 10 a.m., with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF THE EFFECTIVE DATE OF CERTAIN PROVISIONS OF THE DEFENSE PRODUCTION ACT AMENDMENTS OF 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing and Urban Affairs be discharged from further consideration of House Joint Resolution 784, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 784), to amend the effective date of certain provisions of the Defense Production Act Amendments of 1975.

The PRESIDING OFFICER. Without objection——

Mr. TOWER. Reserving the right to object——

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. PROXMIRE. Mr. President, the purpose of House Joint Resolution 784 is to clarify an anomaly regarding the effective date of the Defense Production Act Amendments of 1975 (Public Law 94-152).

As finally reported in the Senate and as referred in the House, the DPA

Amendments of 1975 (S. 1537) contained language which made the provisions relating to voluntary agreements effective 120 days after the effective date of the act.

This was done in order to afford agencies with voluntary agreement responsibilities adequate time to prepare new voluntary agreements in conformance with the new provisions. It had no other purpose and I am entirely certain that there was never any intention of delaying the effect of the other provisions of S. 1537.

However, when the House Banking Committee substituted for S. 1537 a new bill—H.R. 10031 which was reported on October 30—the effective date language was inadvertently modified in such a way as to include not just the voluntary agreements provisions, but all other amendments save the actual extension of the basic legislation. This may have been done in the name of drafting simplicity without regard for its impact on the other amendments.

Since, in conference, the Senate managers agreed to the House substitute bill with the inclusion of certain substantive changes desired by the Senate, the offending language on effective dates went unnoticed and remained in the bill finally passed by both bodies. Except for funding the National Commission on Supplies and Shortages, this language error has no material effect on the other provisions of the bill.

To correct this drafting oversight, I recommend the Senate approve the adoption of House Joint Resolution 784.

The PRESIDING OFFICER. The question is on the third reading of the joint resolution.

The joint resolution (H.J. Res. 784) was read the third time, and passed.

ORDER FOR ADJOURNMENT FROM CONCLUSION OF BUSINESS ON WEDNESDAY UNTIL 12 NOON ON THURSDAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on Wednesday, it stand in adjournment until the hour of 12 o'clock noon on Thursday.

The PRESIDING OFFICER. Without objection, it is so ordered.

COPYRIGHT LAW REVISION

The Senate continued with the consideration of the bill (S. 22) for the general revision of the copyright law, title 17, of the United States Code, and for other purposes.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment——

Mr. PASTORE. Well, now, wait a minute.

Mr. ROBERT C. BYRD. Yes.

Mr. PASTORE. Mr. President, there is an amendment pending at the desk sponsored by the Senator from California (Mr. CRANSTON). It is an amendment that is damaging to public broadcasting, and as a matter of fact public broadcasting does not live on commercialism. There are no fees charged. They get their money from contributions, and they get it from the taxpayers.

Year after year, we have been trying to raise the allotment, both by authorization and by appropriation, and now an amendment comes forward to the point that they want to put public broadcasting in the same category as commercial broadcasting, which means that the money that we authorize and appropriate for public broadcasting will be paid to the artists.

So here we are, going to shell out the taxpayers' money to make sure they are paid these royalties, something they never had before.

I am not against royalties, but I say there is a distinction between public broadcasting, which is supported by taxpayers' money, and commercial broadcasting, where there may be barrels and barrels of money.

I intend to fight that amendment. But here we are, going to adjourn at 3 o'clock.

I asked that this matter be considered either today or tomorrow. Do you know why? Because my administrative assistant is being buried on Thursday and that's when the leadership wants the amendment to come up.

I think that is most unfair. I talked it over with the majority leader, and the majority leader told me that he accommodated me on Friday, February 6.

Be that as it may, my administrative assistant was not dead on Friday; he died on Sunday, and will be buried on Thursday. I cannot understand why we have to adjourn now, at 3 o'clock, and cannot consider this matter now and tomorrow. I think that it is most unfair.

I tell you, if that amendment should pass without PASTORE being here, we are doing a great harm to the taxpayers of this country, and I hope that it does not happen.

Mr. MANSFIELD. Mr. President, it is true that the leadership tried to accommodate the distinguished Senator from Rhode Island on Friday. As far as the leadership is concerned, it does the best it can with what it has to work with, and it has to depend upon the understanding and the consideration of the other 98 Senators.

The Senator knows that we have a unanimous-consent agreement, beginning at 10 o'clock tomorrow, to vote on the foreign aid and arms sales bills. He knows that we have amendments coming up which will take some time to consider. He knows that on Wednesday at 5 o'clock, or no later, we will vote on final passage of that bill.

He knows that when the Senate adjourned on Friday a week ago, the Senate agreed at that time that we would take up the copyright bill on this Monday.

Mr. PASTORE. That is right.

Mr. MANSFIELD. It was my information that the senior Senator from Rhode Island was going to be back on Monday. Let me finish.

Mr. PASTORE. All right; I am listening.

Mr. MANSFIELD. Now the Senator from Rhode Island makes the statement, "Why do we not take up a particular amendment now?"

The reason is, if I remember correctly, it is an amendment jointly sponsored by Senators HUMPHREY, CRANSTON, and HUDDLESTON, I believe. The reason we brought up the copyright bill today was that Senator HUMPHREY was holding hearings in Boston on this day and could not be here, and therefore we squeezed in the copyright bill.

I asked the assistant majority leader to request that the Senate, when it adjourns on Wednesday next, come in at 12 o'clock noon on Thursday. At that time, the pending business will be the second Tunney amendment. It would be my hope that we can get in another amendment after that is disposed of, one by Mr. HOLLINGS, I believe, so that insofar as it is possible, keeping in mind the commitments made by the joint leadership of the Senate, we would be able to take care of the dilemma in which the Senator from Rhode Island finds himself. It may or may not be possible, but that is the best that the leadership can do in view of the circumstances involved. Senator ABOUREZK has an amendment also.

Mr. PASTORE. No. 1, Mr. President, when I heard about this amendment, I called up Mr. HUMPHREY and explained the damage, and he told me he was going to withdraw his sponsorship, because he realized exactly the box we were putting ourselves into.

After all, public broadcasting is for education. Public broadcasting does not depend upon commercial fees, and public broadcasting is supported by taxpayers' money. Now we have these fellows coming out of Hollywood telling us we have to take that taxpayers' money and pay royalties.

I will tell you how far this bill goes. If a man produces a work of art when he is 22, and he lives to be 92, he has got 70 years, plus another 50 years after death which is 120 years. That is more than half of the life of the Republic. That is what we would be doing for them under this bill. I say it is a crying shame. What they want to do is gouge the taxpayer, who has to support public broadcasting.

When I brought this to the attention of Mr. HUMPHREY, he understood, and he was responsive. I do not know what Senator CRANSTON is going to do, but I want to be here to resist this amendment.

They told me, "It has to come up under the regular order," and the regular order was 2 o'clock on Monday. I came down here today. I missed my 10 o'clock plane out of Rhode Island because the flight was canceled, and I hung around the airport until 12:30, because they told me this bill was coming up.

Now as soon as I get down here, I find we are adjourning at 3 o'clock. If that is what you call the regular order, it is beyond me, I am sorry. But I have to go to that funeral.

Mr. THURMOND. Mr. President, is there any reason why we cannot take up the amendment now? Is there any reason why we cannot take up the Tunney amendment? We just voted on one Tunney amendment which was identical to this one, except that this one is 8 years instead of 7. I am willing to have a vote on that right now, with no argument whatever. Why can we not vote on that, and vote on this public television matter? It is extremely important. I think the distinguished Senator from Rhode Island is eminently correct. Why should the public have to pay composers and others in Hollywood?

Those people make enough money already. I think the taxpayers of this country should not be called upon to pay. Why can we not act on both of these measures now? As far as I am concerned we can act on the first one, which is the Tunney amendment, and get through in 10 minutes. I am ready to vote on it right now.

Mr. President, I move to table the Tunney amendment.

Mr. PASTORE. No. I hope the Senator would withdraw that. I do not think we ought to do that at all. I do not think we ought to use any pressure tactics.

All I am asking for here is a little bit of justice.

The PRESIDING OFFICER. The motion to table is not debatable.

Mr. MANSFIELD. Mr. President, I move that the Senate stand in adjournment.

Mr. THURMOND. I am asking for time for debate and to go ahead and finish it.

Mr. MANSFIELD. I move that the Senate stand in adjournment until the hour set tomorrow.

Mr. ROBERT C. BYRD. Mr. President, will the Senator from South Carolina withdraw his motion?

Mr. THURMOND. What is that?

Mr. ROBERT C. BYRD. Will the Senator from South Carolina withdraw his motion now?

Mr. THURMOND. Can we not act on the Tunney amendment this afternoon?

Mr. ROBERT C. BYRD. He is gone and we have only 51 Senators.

Mr. THURMOND. He is not here now?

Mr. HOLLINGS. We have only 51 Senators.

Mr. THURMOND. Mr. President, I withdraw the motion reluctantly out of courtesy to the Senator from California, who has left the Chamber.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I move that the Senate stand in adjournment until 9:30 a.m. tomorrow morning.

The motion was agreed to; and at 3:01 p.m., the Senate adjourned until Tuesday, February 17, 1976, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate on February 9, 1976, pursuant to the provisions of section 3 of Senate Concurrent Resolution 92, as amended:

Department of the Treasury

George H. Dixon, of Minnesota, to be Deputy Secretary of the Treasury, vice Stephen S. Gardner.

Department of Health, Education, and Welfare

William H. Taft IV, of Virginia, to be General Counsel of the Department of Health, Education, and Welfare, vice John B. Rhinelander, resigned.

Executive nomination received by the Secretary of the Senate on February 11, 1976, pursuant to the provisions of section 3 of Senate Concurrent Resolution 92, as amended:

National Endowment for the Humanities

Ronald S. Berman, of Virginia, to be Chairman of the National Endowment for the Humanities for a term of 4 years (reappointment).

Executive nominations received by the Secretary of the Senate on February 12, 1976, pursuant to the provisions of section 3 of Senate Concurrent Resolution 92, as amended:

U.S. Arms Control and Disarmament Agency

Leon Sloss, of the District of Columbia, to be an Assistant Director of the U.S. Arms Control and Disarmament Agency, vice Robert H. Miller, resigned.

Federal Energy Administration

John D. Christie, of Virginia, to be an Assistant Administrator of the Federal Energy Administration, vice Eric Roger Zausner, elevated.

Corporation for Public Broadcasting

Diana Lady Dougan, of Utah, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1980, vice Albert L. Cole, term expired.

Executive nominations received by the Secretary of the Senate on February 13, 1976, pursuant to the provisions of section 3 of Senate Concurrent Resolution 92, as amended:

In the Navy

The following-named captains of the line of the Navy for temporary promotion to the grade of rear admiral, subject to qualification therefor as provided by law:

Robert W. Watkins
Henry A. Hoffmann
George E. Jessen
Robert C. Conolly II
Robert J. Eustace
Robert C. Mandeville, Jr.
John J. Ekelund
Gordon H. Smith
Cecil J. Kempf
Guy H. B. Shaffer
Edward A. Burkhalter, Jr.
Leland S. Kollmorgen
James R. Lewis
David M. Cooney
Sayre A. Swarztrauber
Peter K. Cullins
Lawrence C. Chambers
Nils R. Thunman
Kenneth L. Shugart, Jr.
James D. Murray, Jr.
James H. Morris
Edward J. Otth, Jr.
Eugene S. Ince, Jr.
Sumner Shapiro
Karl J. Bernstein
George B. Shick, Jr.
Bryan W. Compton, Jr
Dauglas F. Mow
Paul D. Tomb
Joseph Metcalf III
Robert F. Dunn
Carol C. Smith, Jr.
Robert E. Kirksey
Ralph R. Hedges
David M. Altwegg

Capt. Fran McKee, U.S. Navy, for appointment to the grade of rear admiral pursuant to title 10, United States Code, section 5767 (c) while serving as Director of Naval Education Development.

U.S. Marine Corps

The following-named officers of the Marine Corps for temporary appointment to the grade of brigadier general.

David M. Twomey
Kenneth L. Robinson, Jr.
Joseph V. McLernan
Hal W. Vincent
Robert J. Chadwick
Stephen G. Olmstead
Bernard E. Trainor
Marc A. Moore
Robert E. Haebel
Lawrence F. Sullivan
Francis X. Quinn
William E. H. Fitch III
Alfred M. Gray, Jr.
Leo J. Leblanc, Jr.
James L. Day

The following-named officer of the Marine Corps Reserve for temporary appointment to the grade of brigadier general.

Keith A. Smith

WITHDRAWAL

Withdrawal of a nomination, received by the Secretary of the Senate on February 12, 1976, pursuant to the provisions of section 3 of Senate Concurrent Resolution 92, as amended:

Joseph Coors, of Colorado, to be a member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring March 26, 1980, vice Albert L. Cole, term expired, which was sent to the Senate on May 16, 1975.

HOUSE OF REPRESENTATIVES—*Monday, February 16, 1976*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Lord who shall abide in Thy tabernacle? Who shall dwell in Thy holy hill? He that walketh uprightly and worketh righteousness, and speaketh the truth in his heart.—Psalms 15: 1, 2.

O God, our Father, on this day we call to mind our first President whose towering personality has left his image upon our national life and upon our Capital City. As we listen to his words of wisdom, may we also hear his call to courage in adversity, to faith in times of trouble, and to pray that we may walk humbly with Thee. Grant that the memory of George Washington may strengthen our hearts, steady our spirits, and send us forth into this new day to labor faithfully for the good of our country and for the welfare of all mankind: through Jesus Christ our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

GEORGE WASHINGTON'S FAREWELL ADDRESS

The SPEAKER. Pursuant to the order of the House of February 9, 1976, the Chair recognizes the gentleman from Virginia (Mr. HARRIS) to read George Washington's Farewell Address.

Mr. HARRIS. Mr. Speaker, I want to express my appreciation to you and to this House for permitting me to present this address 180 years after George Washington presented it. I think it is interesting to note that he presented these remarks as to the future of our Nation on our 20th anniversary as a country, and we present it again here today in our Bicentennial Year, on our 200th anniversary. Many of the problems he speaks to, and many of the predictions he speaks to, still are presented to us as a nation.

It is a great honor, living as I do next to George Washington's home in Mount Vernon, having just placed a wreath on his grave at Mount Vernon this morning, that I am able to present this in our Bicentennial Year.

Mr. Speaker, this is Washington's Farewell Address to the people of the United States.

Mr. HARRIS read the Farewell Address as follows:

To the people of the United States.

FRIENDS AND FELLOW CITIZENS: The period for a new election of a citizen to administer the executive government of the United States being not far distant, and the time actually arrived when your thoughts must be employed in designating the person who is to be clothed with that important trust, it appears to me proper, especially as it may conduce to a more distinct expression of the public voice, that I should now apprise you of the resolution I have formed, to decline being considered among the number of those, out of whom a choice is to be made.

I beg you, at the same time, to do me the justice to be assured, that this resolution has not been taken, without a strict regard to all the considerations appertaining to the relation which binds a dutiful citizen to his country; and that, in withdrawing the tender of service which silence in my situation might imply, I am influenced by no diminution of zeal for your future interest; no deficiency of grateful respect for your past kindness; but am supported by a full conviction that the step is compatible with both.

The acceptance of, and continuance hitherto in the office to which your suffrages have twice called me, have been a uniform sacrifice of inclination to the opinion of duty, and to a deference for what appeared to be your desire. I constantly hoped that it would have been much earlier in my power, consistently with motives which I was not at liberty to disregard, to return to that retirement from which I had been reluctantly drawn. The strength of my inclination to do this, previous to the last election, had even led to the preparation of an address to declare it to you; but mature reflection on the then perplexed and critical posture of our affairs with foreign nations, and the unanimous advice of persons entitled to my confidence, impelled me to abandon the idea.

I rejoice that the state of your concerns, external as well as internal, no longer renders the pursuit of inclination incompatible with the sentiment of duty or propriety; and am persuaded, whatever partiality may be retained for my services, that in the present circumstances of our country, you will not disapprove my determination to retire.

The impressions with which I first undertook the arduous trust, were explained on the proper occasion. In the discharge of this trust, I will only say that I have, with good intentions, contributed towards the organization and administration of the government, the best exertions of which a very fallible judgment was capable. Not unconscious in the outset, of the inferiority of my qualifications, experience, in my own eyes, perhaps still more in the eyes of others, has strengthened the motives to diffidence of myself; and, every day, the increasing weight of years admonishes me more and more, that the shade of retirement is as necessary to me as it will be welcome. Satisfied that if any circumstances have given peculiar value to my services they were temporary, I have the consolation to believe that, while choice and prudence invite me to quit the political scene, patriotism does not forbid it.

In looking forward to the moment which is to terminate the career of my political life, my feelings do not permit me to suspend the deep acknowledgment of that debt of gratitude which I owe to my beloved country, for the many honors it has conferred upon me; still more for the steadfast confidence with which it has supported me; and for the opportunities I have thence enjoyed of manifesting my inviolable attachment, by services faithful and persevering, though in usefulness unequal to my zeal. If benefits have resulted to our country from these services, let it always be remembered to your praise, and as an instructive example in our annals, that under circumstances in which the passions, agitated in every direction, were liable to mislead amidst appearances sometimes dubious, vicissitudes of fortune often discouraging—in situations in which not unfrequently, want of success has countenanced the spirit of criticism—the constancy of your support was the essential prop of the efforts, and a guarantee of the plans, by which they were effected. Profoundly penetrated with this idea, I shall carry it with me to my grave, as a strong incitement to unceasing vows that heaven may continue to you the choicest tokens of its beneficence—that your union and brotherly affection may be perpetual—that the free constitution, which is the work of your hands, may be sacredly maintained—that its administration in every department may be stamped with wisdom and virtue—that, in fine, the happiness of the people of these states, under the auspices of liberty, may be made complete by so careful a preservation, and so prudent a use of this blessing, as will acquire to them the glory of recommending it to the applause, the affection and adoption of every nation which is yet a stranger to it.

Here, perhaps, I ought to stop. But a solicitude for your welfare, which cannot end with my life, and the apprehension of danger, natural to that solicitude, urge me, on an occasion like the present, to offer to your solemn contemplation, and to recommend to your frequent review, some sentiments which are the result of much reflection, of no inconsiderable observation, and which appear to me all important to the permanency of your felicity as a people. These will be offered to you with the more freedom, as you can only see in them, the disinterested warnings of a parting friend, who can possibly have no personal motives to bias his counsel. Nor can I forget, as an encouragement to it, your indulgent reception of my sentiments on a former and not dissimilar occasion.

Interwoven as is the love of liberty with every ligament of your hearts, no recommendation of mine is necessary to fortify or confirm the attachment.

The unity of government which constitutes you one people, is also now dear to you. It is justly so; for it is a main pillar in the edifice of your real independence; the support of your tranquility at home; your peace abroad; of your safety; of your prosperity; of that very liberty which you so highly prize. But, as it is easy to foresee that, from different causes and from different quarters much pains will be taken, many artifices employed, to weaken in your minds the conviction of this truth; as this is the point in your political fortress against which the batteries of internal and external enemies will be most constantly and actively (though often covertly and insidiously) directed; it is of infinite moment, that you should properly estimate the immense value of your national union to your collective and individual happiness; that you should cherish a cordial, habitual, and immovable attachment to it; accustoming yourselves to think and speak of it as of the palladium of your political safety and prosperity; watching for its preservation with jealous anxiety; discountenancing whatever may suggest even a suspicion that it can, in any event, be abandoned; and indignantly frowning upon the first dawning of every attempt to alienate any portion of our country from the rest, or to enfeeble the sacred ties which now link together the various parts.

For this you have every inducement of sympathy and interest. Citizens by birth, or choice, of a common country, that country has a right to concentrate your affections. The name of American, which belongs to you in your national capacity, must always exalt the just pride of patriotism, more than any appellation derived from local discriminations. With slight shades of difference, you have the same religion, manners, habits, and political principles. You have, in a common cause, fought and triumphed together; the independence and liberty you possess, are the work of joint counsels, and joint efforts, of common dangers, sufferings and success.

But these considerations, however powerfully they address themselves to your sensibility, are greatly outweighed by those which apply more immediately to your interest.—Here, every portion of our country finds the most commanding motives for carefully guarding and preserving the union of the whole.

The *north,* in an unrestrained intercourse with the *south,* protected by the equal laws of a common government, finds in the production of the latter, great additional resources of maritime and commercial enterprise, and precious materials of manufacturing industry.—The *south* in the same intercourse, benefitting by the same agency of the *north*, sees its agriculture grow and its commerce expand. Turning partly into its own channels the seamen of the *north* it finds its particular navigation invigorated; and while it contributes, in different ways, to nourish and increase the general mass of the national navigation, it looks forward to the protection of a maritime strength, to which itself is unequally adapted. The *east*, in a like intercourse with the *west*, already finds, and in the progressive improvement of interior communications by land and water, will more and more find a valuable vent for the commodities which it brings from abroad, or manufactures at home. The *west* derives from the *east* supplies requisite to its growth and comfort—and what is perhaps of still greater consequence, it must of necessity owe the *secure* enjoyment of indispensable *outlets* for its own productions, to the weight, influence, and the future maritime strength of the Atlantic side of the Union, directed by an indissoluable community of interests as *one nation*. Any other tenure by which the *west* can hold this essential advantage, whether derived from its own separate strength; or from an apostate and unnatural connection with any foreign power, must be intrinsically precarious.

While then every part of our country thus feels an immediate and particular interest in union, all the parts combined cannot fail to find in the united mass of means and efforts, greater strength, greater resource, proportionably greater security from external danger, a less frequent interruption of their peace by foreign nations; and, what is of inestimable value, they must derive from union, an exemption from those broils and wars between themselves, which so frequently afflict neighboring countries not tied together by the same government; which their own rivalship alone would be sufficient to produce, but which opposite foreign alliances, attachments, and intrigues, would stimulate and embitter.—Hence likewise, they will avoid the necessity of those overgrown military establishments, which under any form of government are inauspicious to liberty, and which are to be regarded as particularly hostile to republican liberty. In this sense it is, that your union ought to be considered as the main prop of your liberty, and that the love of the one ought to endear to you the preservation of the other.

These considerations speak a persuasive language to every reflecting and virtuous mind and exhibit the continuance of the union as a primary object of patriotic desire. Is there a doubt whether a common government can embrace so large a sphere? Let experience solve it. To listen to mere speculation in such a case were criminal. We are authorized to hope that a proper organization of the whole, with the auxiliary agency of governments for the respective subdivisions, will afford a happy issue to the experiment. It is well worth a fair and full experiment. With such powerful and obvious motives to union, affecting all parts of our country, while experience shall not have demonstrated its impracticability, there will always be reason to distrust the patriotism of those who, in any quarter, may endeavor to weaken its hands.

In contemplating the causes which may disturb our Union, it occurs as matter of serious concern, that any ground should have been furnished for characterizing parties by *geographical* discriminations,—*northern* and *southern*—*Atlantic* and *western;* whence designing men may endeavor to excite a belief that there is a real difference of local interests and views. One of the expedients of party to acquire influence within particular districts, is to misrepresent the opinions and aims of other districts. You cannot shield yourselves too much against the jealousies and heart burnings which spring from these misrepresentations; they tend to render alien to each other those who ought to be bound together by fraternal affection. The inhabitants of our western country have lately had a useful lesson on this head: they have seen, in the negotiation by the executive, and in the unanimous ratification by the senate of the treaty with Spain, and in the universal satisfaction at the event throughout the United States, a decisive proof how unfounded were the suspicions propagated among them of a policy in the general government and in the Atlantic states, unfriendly to their interests in regard to the Mississippi. They have been witnesses to the formation of two treaties, that with Great Britain and that with Spain, which secure to them everything they could desire, in respect to our foreign relations, towards confirming their prosperity. Will it not be their wisdom to rely for the preservation of these advantages on the union by which they were procured? Will they not henceforth be deaf to those advisers, if such they are, who would sever them from their brethren and connect them with aliens?

To the efficacy and permanency of your Union, a government for the whole is indispensable. No alliances, however strict, between the parts can be an adequate substitute: they must inevitably experience the infractions and interruptions which all alliances, in all times, have experienced. Sensible of this momentous truth, you have improved upon your first essay, by the adoption of a constitution of government, better calculated than your former, for an intimate union, and for the efficacious management of your common concerns. This government, the offspring of our own choice, uninfluenced and unawed, adopted upon full investigation and mature deliberation, completely free in its principles, in the distribution of its powers, uniting security with energy, and containing within itself a provision for its own amendment, has a just claim to your confidence and your support. Respect for its authority, compliance with its laws, acquiescence in its measures, are duties enjoined by the fundamental maxims of true liberty. The basis of our political systems is the right of the people to make and to alter their constitutions of government.—But the constitution which at any time exists, until changed by an explicit and authentic act of the whole people, is sacredly obligatory upon all. The very idea of the power and the right of the people to establish government, presuppose the duty of every individual to obey the established government.

All obstructions to the execution of the laws, all combinations and associations under whatever plausible character, with the real design to direct, control, counteract, or awe the regular deliberations and action of the constituted authorities, are destructive of this fundamental principle, and of fatal tendency.—They serve to organize faction, to give it an artificial and extraordinary force, to put in the place of the delegated will of the nation the will of party, often a small but artful and enterprising minority of the community; and, according to the alternate triumphs of different parties, to make the public administration the mirror of the ill concerted and incongruous projects of faction, rather than the organ of consistent and wholesome plans digested by common councils, and modified by mutual interests.

However combinations or associations of the above description may now and then answer popular ends, they are likely, in the course of time and things, to become potent engines, by which cunning, ambitious, and unprincipled men, will be enabled to subvert the power of the people, and to usurp for themselves the reins of government; destroying afterwards the very engines which have lifted them to unjust dominion.

Towards the preservation of your government and the permanency of your present happy state it is requisite, not only, that you steadily discountenance irregular opposition to its acknowledged authority, but also that you resist with care the spirit of innovation upon its principles, however specious the pretext. One method of assault may be to effect, in the forms of the constitution, alterations which will impair the energy of the system; and thus to undermine what cannot be directly overthrown. In all the changes to which you may be invited, remember that time and habit are at least as necessary to fix the true character of governments, as of other human institutions:—that experience is the surest standard by which to test the real tendency of the existing constitution of a country:—that facility in changes, upon the credit of mere hypothesis and opinion, exposes to perpetual change from the endless variety of hypothesis and opinion: and remember, especially, that for the efficient management of your common interests in a country so extensive as ours, a government of as much vigor as is consistent with the perfect security of liberty is indispensable. Liberty itself will find in such a government with powers properly distributed and adjusted, its surest guardian. It is, indeed, little else than a name, where the government is too feeble to withstand the enterprise of faction, to confine each member of the society within the limits prescribed by the laws, and to maintain all in the secure and tranquil enjoyment of the rights of person and property.

I have already intimated to you the danger of parties in the state, with particular references to the founding them on geographical discrimination. Let me now take a more comprehensive view, and warn you in the most solemn manner against the baneful effects of the spirit of party generally.

This spirit, unfortunately, is inseparable from our nature, having its root in the strongest passions of the human mind.—It exists under different shapes in all governments, more or less stifled, controlled, or repressed; but in those of the popular form it is seen in its greatest rankness, and is truly their worst enemy.

The alternate domination of one faction over another, sharpened by the spirit of revenge natural to party dissension, which in different ages and countries has perpetrated the most horrid enormities, is itself a rightful despotism. But this leads at length to a more formal and permanent despotism. The disorders and miseries which result, gradually incline the minds of men to seek security and repose in the absolute power of an individual; and, sooner or later, the chief of some prevailing faction, more able or more fortunate than his competitors, turns this disposition to the purpose of his own elevation on the ruins of public liberty.

Without looking forward to an extremity of this kind, (which nevertheless ought not be entirely out of sight) the common and continual mischiefs of the spirit of party are sufficient to make it the interest and duty of a wise people to discourage and restrain it.

It serves always to distract the public councils, and enfeeble the public administration. It agitates the community with ill founded jealousies and false alarms; kindles the animosity of one part against another; foments occasional riot and insurrection. It opens the door to foreign influence and corruption, which finds a facilitated access to the government itself through the channels of party passions. Thus the policy and the will of one country are subjected to the policy and will of another.

There is an opinion that parties in free countries are useful checks upon the administration of the government, and serve to keep alive the spirit of liberty. This within certain limits is probably true; and in governments of a monarchical cast, patriotism may look with indulgence, if not with favor, upon the spirit of party. But in those of the popular character, in governments purely elective, it is a spirit not to be encouraged. From their natural tendency, it is certain there will always be enough of that spirit for every salutory purpose. And there being constant danger of excess, the effort ought to be, by force of public opinion, to mitigate and assuage it. A fire not to be quenched, it demands a uniform vigilance to prevent it bursting into a flame, lest instead of warming, it should consume.

It is important likewise, that the habits of thinking in a free country should inspire caution in those intrusted with its administration, to confine themselves within their respective constitutional spheres, avoiding in the exercise of the powers of one department, to encroach upon another. The spirit of encroachment tends to consolidate the powers of all the departments in one and thus to create, whatever the form of government, a real despotism. A just estimate of that love of power and proneness to abuse it which predominate in the human heart, is sufficient to satisfy us of the truth of this position. The necessity of reciprocal checks in the exercise of political power, by dividing and distributing it into different depositories, and constituting each the guardian of the public weal against invasions of the others, has been evinced by experiments ancient and modern: some of them in our country and under our own eyes.—To preserve them must be as necessary as to institute them. If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the constitution designates.—But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed. The precedent must always greatly overbalance in permanent evil any partial or transient benefit which the use can at any time yield.

Of all the dispositions and habits which lead to political prosperity, religion and morality are indispensable supports. In vain would that man claim the tribute of patriotism, who should labor to subvert these great pillars of human happiness, these firmest props of the duties of men and citizens. The mere politician, equally with the pious man, ought to respect and to cherish them. A volume could not trace all their connections with private and public felicity. Let it simply be asked, where is the security for property, for reputation, for life, if the sense of religious obligation *desert* the oaths which are the instruments of investigation in courts of justice? and let us with caution indulge the supposition that morality can be maintained without religion. Whatever may be conceded to the influence of refined education on minds of peculiar structure, reason and experience both forbid us to expect, that national morality can prevail in exclusion of religious principle.

It is substantially true, that virtue or morality is a necessary spring of popular government. The rule, indeed, extends with more or less force to every species of free government. Who that is a sincere friend to it can look with indifference upon attempts to shake the foundation of the fabric?

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it should be enlightened.

As a very important source of strength and security, cherish public credit. One method of preserving it is to use it as sparingly as possible, avoiding occasions of expense by cultivating peace, but remembering also, that timely disbursements, to prepare for danger, frequently prevent much greater disbursements to repel it; avoiding likewise the accumulation of debt, not only by shunning occasions of expense, but by vigorous exertions, in time of peace, to discharge the debts which unavoidable wars may have occasioned, not ungenerously throwing upon posterity the burden which we ourselves ought to bear. The execution of these maxims belongs to your representatives, but it is necessary that public opinions should co-operate. To facilitate to them the performance of their duty, it is essential that you should practically bear in mind, that towards the payment of debts there must be revenue; that to have revenue there must be taxes; that no taxes can be devised which are not more or less inconvenient and unpleasant; that the intrinsic embarrassment inseparable from the selection of the proper object (which is always a choice of difficulties,) ought to be a decisive motive for a candid construction of the conduct of the government in making it, and for a spirit of acquiescence in the measures for obtaining revenue, which the public exigencies may at any time dictate.

Observe good faith and justice toward all nations; cultivate peace and harmony with all. Religion and morality enjoin this conduct, and can it be that good policy does not equally enjoin it? It will be worthy of a free, enlightened, and, at no distant period, a great nation, to give to mankind the magnanimous and too novel example of a people always guided by an exalted justice and benevolence. Who can doubt but, in the course of time and things, the fruits of such a plan would richly repay any temporary advantages which might be lost by a steady adherence to it; can it be that Providence has not connected the permanent felicity of a nation with its virtue? The experiment, at least, is recommended by every sentiment which ennobles human nature. Alas! is it rendered impossible by its vices?

In the execution of such a plan, nothing is more essential than that permanent, inveterate antipathies against particular nations and passionate attachments for others, should be excluded; and that, in place of them, just and amicable feelings towards all should be cultivated. The nation which indulges towards another an habitual hatred, or an habitual fondness is in some degree a slave. It is a slave to its animosity or to its affection, either of which is sufficient to lead it astray from its duty and its interest. Antipathy in one nation against another disposes each more readily to offer insult and injury, to lay hold of slight causes of umbrage, and to be haughty and intractable when accidental or trifling occasions of dispute occur. Hence, frequent collisions, obstinate, envenomed, and bloody contests. The nation, prompted by ill will and resentment; sometimes impels to war the government, contrary to the best calculations of policy. The government sometimes participates in the national propensity, and adopts through passion what reason would reject; at other times, it makes the animosity of the nation subservient to projects of hostility, instigated by pride, ambition, and other sinister and pernicious motives. The peace often, sometimes perhaps the liberty of nations, has been the victim.

So likewise, a passionate attachment of one nation for another produces a variety of evils. Sympathy for the favorite nation, facilitating the illusion of an imaginary common interest; in cases where no real common interest exists, and infusing into one the enmities of the other, betrays the former into a participation in the quarrels and wars of the latter, without adequate inducements or justifications. It leads also to concessions, to the favorite nation, of privileges denied to others, which is apt doubly to injure the nation making the concessions, by unnecessary parting with what ought to have been retained, and by exciting jealousy, ill will, and a disposition to retaliate in the parties from whom equal privileges are withheld; and it gives to ambitious, corrupted or deluded citizens who devote themselves to the favorite nation, facility to betray or sacrifice the interests of their own country, without odium, sometimes even with popularity; gliding with the appearances of a virtuous sense of obligation, a commendable deference for public opinion, or a laudable zeal for public good, the base or foolish compliances of ambition, corruption, or infatuation.

As avenues to foreign influence in innumerable ways, such attachments are particularly alarming to the truly enlightened and independent patriot. How many opportunities do they afford to tamper with domestic factions, to practice the arts of seduction, to mislead public opinion, to influence or awe the public councils!—Such an attachment of a small or weak, toward a great and powerful nation, dooms the former to be the satellite of the latter.

Against the insidious wiles of foreign influence. (I conjure you to believe me fellow citizens) the jealousy of a free people ought to be *constantly* awake; since history and experience prove, that foreign influence is one of the most baneful foes of republican government. But that jealousy, to be useful, must be impartial, else it becomes the instrument of the very influence to be avoided, instead of a defense against it. Excessive partiality for one foreign nation and excessive dislike for another, cause those whom they actuate to see danger only on one side, and serve to veil and even second the arts of influence on the other. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people, to surrender their interests.

The great rule of conduct for us, in regard to foreign nations, is, in extending our commercial relations, to have with them as little *political* connection as possible. So far as we have already formed engagements, let them be fulfilled with perfect good faith:—Here let us stop.

Europe has a set of primary interests, which to us have none, or a very remote relation. Hence, she must be engaged in frequent controversies, the causes of which are essentially foreign to our concerns. Hence, therefore, it must be unwise in us to implicate ourselves, by artificial ties, in the ordinary vicissitudes of her politics, or the ordinary combinations and collisions of her frendships or enmities.

Our detached and distant situation invites and enables us to pursue a different course. If we remain one people, under an efficient government, the period is not far off when we may defy material injury from external annoyance; when we may take such an attitude as will cause the neutrality we may at any time resolve upon, to be scrupulously respected; when belligerent nations, under the impossibility of making acquisitions upon us, will not lightly hazard the giving us provocation, when we may choose peace or war, as our interest, guided by justice, shall counsel.

Why forego the advantages of so peculiar a situation? Why quit our own to stand upon foreign ground? Why, by interweaving our destiny with that of any part of Europe, entangle our peace and prosperity in the toils of European ambition, rivalship, interest, humor, or caprice?

It is our true policy to steer clear of permanent alliance with any portion of the foreign world; so far, I mean, as we are now at liberty to do it; for let me not be understood as capable of patronizing infidelity to existing engagements. I hold the maxim not less applicable to public than private affairs, that honesty is always the best policy. I repeat it, therefore, let those engagements be observed in their genuine sense. But in my opinion, it is unnecessary, and would be unwise to extend them.

Taking care always to keep ourselves by suitable establishments, on a respectable defensive posture, we may safely trust to temporary alliances for extraordinary emergencies.

Harmony, and a liberal intercourse with all nations, are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the Government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary, and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view, that it is folly in one nation to look for disinterested favors from another; that it must pay with a portion of its independence for whatever it may accept under the character; that by such acceptance, it may place itself in the condition of having given equivalents for nominal favors, and yet of being reproached with ingratitude for not giving more. There can be no greater error than to expect, or calculate upon real favors from nation to nation. It is an illusion which experience must cure, which a just pride ought to discard.

In offering to you, my countrymen, these counsels of an old and affectionate friend, I dare not hope they will make the strong and lasting impression I could wish; that they will control the usual current of the passions, or prevent our nation from running the course which has hitherto marked the destiny of nations, but if I may even flatter myself that they may be productive of some partial benefit, some occasional good; that they may now and then recur to moderate the fury of party spirit, to warn against the mischiefs of foreign intrigue, to guard against the impostures of pretended patriotism; this hope will be a full recompense for the solicitude for your welfare by which they have been dictated.

How far, in the discharge of my official duties, I have been guided by the principles which have been delineated, the public records and other evidences of my conduct must witness to you and to the world. To myself, the assurance of my own conscience is, that I have, at least, believed myself to be guided by them.

In relation to the still subsisting war in Europe, my proclamation of the 22d of April, 1793, is the index to my plan. Sanctioned by your approving voice, and by that of your representatives in both houses of congress, the spirit of that measure has continually governed me, uninfluenced by any attempts to deter or divert me from it.

After deliberate examination, with the aid of the best lights I could obtain, I was well satisfied that our country, under all the circumstances of the case, had a right to take, and was bound, in duty and interest, to take a neutral position. Having taken it, I determined, as far as should depend upon me, to maintain it with moderation, perseverance and firmness.

The considerations which respect the right to hold this conduct, it is not necessary on this occasion to detail. I will only observe that, according to my understanding of the matter, that right, so far from being denied by any of the belligerent powers, has been virtually admitted by all.

The duty of holding a neutral conduct may be inferred, without any thing more, from the obligation which justice and humanity impose on every nation, in cases in which it is free to act, to maintain inviolate the relations of peace and amity towards other nations.

The inducements of interest for observing that conduct will best be referred to your own reflections and experience. With me, a predominant motive has been to endeavor to gain time to our country to settle and mature its yet recent institutions, and to progress, without interruption, to that degree of strength, and consistency which is necessary to give it, humanly speaking, the command of its own fortunes.

Though in reviewing the incidents of my administration, I am unconscious of intentional error, I am nevertheless too sensible of my defects not to think it probable that I may have committed many errors. Whatever they may be, I fervently beseech the Almighty to avert or mitigate the evils to which they may tend. I shall also carry with me the hope that my country will never cease to view them with indulgence; and that, after forty-five years of my life dedicated to its service, with an upright zeal, the faults of incompetent abilities will be consigned to oblivion, as myself must soon be to the mansions of rest.

Relying on its kindness in this as in other things, and actuated by that fervent love towards it, which is so natural to a man who views in it the native soil of himself and his progenitors for several generations; I anticipate with pleasing expectation that retreat in which I promise myself to realize, without alloy, the sweet enjoyment of partaking, in the midst of my fellow citizens, the benign influence of good laws under a free government—the ever favorite object of my heart, and the happy reward, as I trust, of our mutual cares, labors and dangers.

GEO. WASHINGTON.

UNITED STATES,
17th September, 1796.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

FEBRUARY 13, 1976.

Hon. CARL ALBERT,
The Speaker,
House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 12:10 P.M. on Friday, February 13, 1976, and said to contain H.R. 5247, An Act to authorize a local public works capital development and investment program, to amend the Public Works and Economic Development Act of 1965 to increase the antirecessionary effectiveness of the program, and for other purposes, and a veto message thereon.

With kind regards, I am,

Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.

PUBLIC WORKS EMPLOYMENT ACT OF 1975—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94-367)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning without my approval H.R. 5247, the Public Works Employment Act of 1975.

Supporters of this bill claim that it represents a solution to the problem of unemployment. This is simply untrue.

The truth is that this bill would do little to create jobs for the unemployed. Moreover, the bill has so many deficiencies and undesirable provisions that it would do more harm than good. While it is represented as the solution to our unemployment problems, in fact, it is little more than an election year pork barrel. Careful examination reveals the serious deficiencies in H.R. 5247.

First, the cost of producing jobs under this bill would be intolerably high, probably in excess of $25,000 per job.

Second, relatively few new jobs would be created. The bill's sponsors estimate that H.R. 5247 would create 600,000 to 800,000 new jobs. Those claims are badly exaggerated. Our estimates within the Administration indicate that at most some 250,000 jobs would be created—and that would be over a period of several years. The peak impact would come in late 1977 or 1978, and would come to no more than 100,000 to 120,000 new jobs. This would represent barely a one tenth of one percent improvement in the unemployment rate.

Third, this will create almost no new jobs in the immediate future, when those jobs are needed. With peak impact on jobs in late 1977 or early 1978, this legislation will be adding stimulus to the economy at precisely the wrong time: when the recovery will already be far advanced.

Fourth, Title II of the bill provides preferential treatment to those units of government with the highest taxes without any distinction between those jurisdictions which have beeen efficient in holding down costs and those that have not.

Fifth, under this legislation it would be almost inmpossible to assure taxpayers that these dollars are being responsibly and effectively spent.

Effective allocation of over $3 billion for public works on a project-by-project basis would take many months or years. The provision that project requests be approved automatically unless the Commerce Department acts within 60 days will preclude any useful review of the requests, and prevent a rational allocation of funds.

Sixth, this bill would create a new urban renewal program less than two years after the Congress replaced a nearly identical program—as well as other categorical grant programs—with a broader, more flexible Community Development block grant program.

I recognize there is merit in the argument that some areas of the country are suffering from exceptionally high rates of unemployment and that the Federal Government should provide assistance. My budgets for fiscal years 1976 and 1977 do, in fact, seek to provide such assistance.

Beyond my own budget recommendations, I believe that in addressing the immediate needs of some of our cities hardest hit by the recession, another measure already introduced in the Congress, H.R. 11860, provides a far more reasonable and constructive approach than the bill I am vetoing.

H.R. 11860 targets funds on those areas with the highest unemployment so that they may undertake high priority activities at a fraction of the cost of H.R. 5247. The funds would be distributed exclusively under an impartial formula as opposed to the pork barrel approach represented by the bill I am returning today. Moreover, H.R. 11860 builds upon the successful Community Development Block Grant program. That program is in place and working well, thus permitting H.R. 11860 to be administered without the creation of a new bureaucracy. I would be glad to consider this legislation more favorably should the Congress formally act upon it as an alternative to H.R. 5247.

We must not allow our debate over H.R. 5247 to obscure one fundamental point: the best and most effective way to create new jobs is to pursue balanced economic policies that encourage the growth of the private sector without risking a new round of inflation. This is the core of my economic policy, and I believe that the steady improvements in the economy over the last half year on both the unemployment and inflation fronts bear witness to its essential wisdom. I intend to continue this basic approach because it is working.

My proposed economic policies are expected to foster the creation of 2 to 2.5 million new private sector jobs in 1976 and more than 2 million additional jobs in 1977. These will be lasting, productive jobs, not temporary jobs payrolled by the American taxpayer.

This is a policy of balance, realism, and common sense. It is an honest policy which does not promise a quick fix.

My program includes:

—Large and permanent tax reductions that will leave more money where it can do the most good: in the hands of the American people;

—Tax incentives for the construction of new plants and equipment in areas of high unemployment;

—Tax incentives to encourage more low and middle income Americans to invest in common stock;

—More than $21 billion in outlays for important public works such as energy facilities, wastewater treatment plants, roads, and veterans' hospitals representing a 17 percent increase over the previous fiscal year;

—Tax incentives for investment in residential mortgages by financial institutions to stimulate capital for home building.

I have proposed a budget which addresses the difficult task of restraining the pattern of excessive growth in Federal spending. Basic to job creation in the private sector is reducing the ever-increasing demands of the Federal Government for funds. Federal Government borrowing to support deficit spending reduces the amount of money available for productive investment at a time when many experts are predicting that we face a shortage of private capital in the future. Less investment means fewer jobs and less production per worker.

Last month, under our balanced policies, seasonally adjusted employment rose by 800,000. That total is almost three times as large as the number of jobs that would be produced by this legislation and the jobs those men and women found will be far more lasting and productive than would be created through another massive public works effort.

I ask the Congress to act quickly on my tax and budget proposals, which I believe will provide the jobs for the unemployed that we all want.

GERALD R. FORD.

THE WHITE HOUSE, *February 13, 1976.*

The **SPEAKER**. The objections of the President will be spread at large upon the Journal, and the bill and message will be printed as a House document.

Mr. **RONCALIO**. Mr. Speaker, I ask unanimous consent that further consideration of the bill and veto message from the President on the bill (H.R. 5247) be postponed until Thursday, February 19, 1976.

The **SPEAKER**. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

EIGHTH ANNUAL REPORT ON NATIONAL HOUSING GOAL—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94–368)

The **SPEAKER** laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Banking, Currency and Housing and ordered to be printed with illustrations:

To the Congress of the United States:

I herewith transmit the Eighth Annual Report on the National Housing Goal as required by Section 1603 of the Housing and Urban Development Act of 1968.

GERALD R. FORD.

THE WHITE HOUSE, *February 16, 1976.*

ANNOUNCEMENT BY THE SPEAKER ON REPORT OF SELECT COMMITTEE ON INTELLIGENCE

The **SPEAKER**. The Chair desires to make an announcement concerning the reference of and access to the report filed by the Select Committee on Intelligence.

The report has been referred today to: the Committee on Appropriations, the Committee on Armed Services, the Committee on International Relations, the Committee on the Judiciary, and the Committee on Rules, pursuant to the provisions of House Resolution 982, for study of the report and recommendations of the select committee.

The report will be available for inspection by all Members at the rooms of those committees, the front page of the report imposes an obligation on all Members wishing to read the report. Briefly stated, the reports are to remain under the control of the committees to which referred. While the report may be examined in the committee rooms or in a suitable place provided by the committees, no copies are to be made and no portions of the report are to be published or otherwise released, unless and until the House shall permit disclosure. The Chair expects that all Members who seek access to this report will abide by the requirements for inspection and will also abide by the will and intent of the House expressed during debate on House Resolution 982, which prohibited release of the report to the public.

"OUR LITTLE PARADISE"

(Mr. **ALBERT** asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. **ALBERT**. Mr. Speaker, the January 1976 issue of Soil Conservation, the official magazine of the Soil Conservation Service, has an interesting article in it about a successful outdoor classroom project for elementary students in Wewoka, Okla. It was written by Anne Zack of the Information Division of the Soil Conservation Service. I hope my colleagues will read it with as much interest as I have.

The article follows:

"OUR LITTLE PARADISE"

(By Anne Zack)

Elementary students in Wewoka, Oklahoma, call their outdoor classroom "Our Little Paradise."

When it's time to go outdoors for classwork, "they brighten up as if I had waved a magic wand," said Neva Chelf, one of the teachers at Wewoka Elementary School southeast of Oklahoma City.

Now in its second year of use, the outdoor classroom covers 7 acres of privately owned land within three short blocks of the school. The use of the land was donated by Albert Norvell, a rancher and cooperator with the Seminole County Conservation District.

"Our Little Paradise" is on a hilly site with meadows,, fossil deposits, and a pond. Twenty-six species of trees grow there—an unusually large number for that part of Oklahoma. These include hickory, oaks, and pecan, as well as less common species in the area such as wild plum.

The size of the tract and the variety of resources offer many different learning opportunities. In planning the outdoor classroom, teachers assigned each class an area of responsibility outdoors to tie in with its area of concentration in the science program indoors. The students suggested and planned their specific projects.

First graders are building and maintaining a rock garden, and second graders, a flower garden. Third, fourth, and fifth graders study and maintain the pond, bird feeders, and a weather station. Sixth graders are mapping the outdoor classroom and identifying trees as well as taking charge of general maintenance.

Keeping the concept of the total environment in mind, Wewoka teachers try to weave all these separate lessons into an understanding of the interdependence of life systems.

In addition to their science projects, the students use "Our Little Paradise" for other subjects. It is a source of illustrations for math problems and an inspiration for art and poetry, for instance.

Special education teachers are finding the outdoor classroom to be an invaluable aid. One teacher explained that her students learn to write and spell more easily by writing in sand because the "feel" of the sand around their fingers helps them remember what they have written.

Interest in an outdoor classroom began in 1973 when Mrs. Chelf and four other Wewoka Elementary School teachers attended a 3-week National Science Foundation workshop in Colorado. Camilla Nash, principal of the school, gave her enthusiastic support to the outdoor classroom project.

John Chelf, SCS district conservationist in Wewoka and husband of Neva Chelf, helped with a conservation plan, and the Seminole County Conservation District donated planting materials and funds for the project. Several townspeople contributed money or volunteered their services. John Chelf said one source of pride in the outdoor classroom is that it is a community project developed entirely with local funds.

The students were involved in developing the outdoor classroom from the beginning, said Mrs. Nash. That is nothing new for Wewoka Elementary School. Students have participated in environmental projects on the school grounds for the last 5 years.

For example, 2 years ago students contributed nickels, dimes, and quarters to buy plants to protect an eroded terrace in front of the school. A committee of students accompanied teachers to a nursery to select the plants. The students planted their pyracantha, yellow and white euonymus, holly, and ground cover on the terrace. They still water those plants, which is about the only maintenance they need. And they have stopped sliding down the terrace, which caused the erosion in the first place.

"The students' care in maintaining their school grounds and outdoor classroom proves that when children are given an active part in improving their environment, they do respond with a sense of responsibility," said Mrs. Nash.

"We take the environment too much for granted. If we don't make a conscious effort to take care of it, it will be destroyed.

"This is something children should learn early in their lives, and it is the most important lesson 'Our Little Paradise' can teach."

THE 200TH ANNIVERSARY

The **SPEAKER**. Under a previous order of the House, the gentleman from Wyoming (Mr. RONCALIO) is recognized for 30 minutes.

Mr. **RONCALIO**. Mr. Speaker, this is a fitting day not only to hear the annual reading of George Washington's Farewell Address, but also to observe what men of current greatness and achievement have advanced as their theory as to what George Washington may have felt were he alive today, and, more particularly, what he might have written on his 200th birthday in 1932.

John Sanford, an author of renown, had published a book entitled, "A More Goodly Country." It contains a letter from the grave on what the author surmised as to what would be Washington's observations on his 200th birthday back in the year 1932. I believe it will be enjoyable reading for all to whom today's CONGRESSIONAL RECORD has a deep and special meaning, as it does to this Member from Wyoming, and I am sure to other Members who have the same feelings concerning the subject addressed today.

Mr. Speaker, the "Letter From the Grave" follows:

LETTER FROM THE GRAVE

1932.

FROM WASHINGTON ON HIS 200TH BIRTHDAY

Sirs: I take my penn in Hand to correct some Misapprehentions which came into Being at my Death, & which have persisted untill the present Time. I am not concerned with these erronious beliefs insofar as they touch upon Events, for Events, under the forme of Govt known as a Republick, are susceptible of as many Interpretations as there are men to make them. But I begg leave to say that I am most deeply concernd with such Beliefs where they relate to Character. My owne Character, Sirs, has been most grieviously misunderstood.

Whether willfully or otherwise, this Misunderstanding has been fosterd by some of the very best people, to such an extent that I now find some of the very worst speaking my name in the same connexion as Thos Paine, Andw Jackson, & A. Lincoln, Esqs, to cite but three Instances of the tortious Mingling which I have reference to. It cannot fail to be noted that I do not include the Honble Thos Jefferson, nor can my reason for the Omission be obscure: Mr. Jefferson was at least a Gentleman. The others, whatever their Accomplishments may have been, & however great their Contributions to the power and independency of the United States, were members of the Mobility.

To put the matter flatly, Sirs, I deplord the notion of Equality all my Life, even such a fictitious Equality as the Constitution guarantees, & similarly, all my Death—espetially since being joind here by Mr Hamilton—I have deplord the constant encroachment of that fiction upon the reality. If this trend should continue without Lett or Hindrance, I make free to say that the evil day cannot be far removd when the Tresspass will have been compleated, & the Squatter become the Soveraigne.

Sirs, this must not come to pass. It was toward no such dismal End that I spent my 67 yrs on earth. It was not for this that I accompanied that Lobster, Genl Braddock, among the Savvages in the wilderness of Penn's Sylvania, that I servd 6 yrs without remuneration as Commdr in chf of the Continental army, or that I accepted the office of the Presidency to the Negleckt of my Affairs & family. It is humiliating in the extream to find it necessary to point to a Career which one might suppose would speak for itself. That I deign to call attention to it should prove the Depths of my Anxiety. I do strongly believe, Sirs, that if what was fought for & won in my time should be lost without a fight in yours, it were far better for our Interests that we should still be under the dominion of the Crowne.

This correspondence, I venture to remind you, is for your Private perusal only, & once read and assimilated, it were prudent to Destroy it. Trusting to your Discretion, then, I should like to animadvert upon what I feel is the cardinal Sinn of the nineteenth and twentieth centuries: the Spirit of Doubt. Persons of Substance & quality have suffered their minds to become poysond with the fear that, after all's said, they do hold their Havings by the will of the Mob, & that the course of wisdom is to placate, to trimm and truckle, in the hope that the Mob, pacifyd by such outward Deference, will live & lett live. Nothing, Sirs, could be further from the Truth. Indeed, the reverse is true, for the only limit to the demands of Inferiors is the sum-total possessed by their Betters, their Bloode included. Who, Sirs, can deny that Shays' Rebellyon might well have ended as the French revolution began—with the Knife?

It was with no such intention that our owne War of Independency was fomented: we who had a tangible Stake in the Collonys did not propose to break the shackles of King George only to bend the knee to King Tom, Dick, or Harry. It is no secret among ourselves that *we* purposd to rule the new World. In order to achieve that aime, Sirs, it was indispensable to assure that while our battels would be fought by the Many, the profitts would inure to the Few. In the raising of slogans to rally support from an apathetick Yeomanry & a hostile Artizan-class, great risks had to be runn in the respeckt that words seeming at the time to promiss Everything might later be constrewd to yield Nothing, nor were we invariably successful in this due to the Rantings of such plebeians as Paine, Benj Franklin, S. Adams, & others. But that which was possible to us, we did do. Item: we officerd the army with Gentlemen. Item: we establishd a Continental Congress of Gentlemen. Item: a Gentleman wrote the Declaration, & 56 Gentlemen signd it, but not one Artizan nor one Farmer that workd with his hands. Item: through the genius of Mr. Hamilton, we funded all certificates of Debt issyued to soldiers during the War, & despite Mr Madison's unreasonable opposition, we managed to conceal that Gentlemen bought up those certificates from needy Veterans at 5 cents on the dollar and cashd them at Par. And lastly, item: we shewd the proper hostility to a certain Event in France, the excesses of which bore too close a relation to our owne Popular temper.

It was but natural, therefore, that the Constitution would emboddy the Principles for which we had suffered so much Irritation, & sacrificed so much Money & time. That Document, I rejoise to say, has a noble ring to it even now, & none of the Amendments—aye, not even the 13th—injures the Tone given it by the Signers, all of whom, here beside me as I write, are satisfyd with their work. Structurally, the Country is much as it was when we confided it to your Care, & from a legalistick point-of-view, notwithstanding an Extension here & an Elaboration there, what you have is on the Whole what we fashiond for you, to wit: a Nation with a strong and unrepresentative central Govt; a spate of Tradition & Language rendered harmless by judicial misconstruction; & a two-party System of succession & self-perpetuation immutable enough to assure the ascendancy of Property; to say naught of a People now long tutord to condemn Revolt as unAmerican.

With so much in your favor, Sirs, nevertheless you have wrought so poorly as to fill us with Apprehention & Dismaye. You are haunted (to change a figure of Speech coind in the middle of the last Century) by the Spectre of Democracy—and well you may be But the way in which to lay that Ghoast is not to temporize with it, but to oppose it by Force, to put it down with cold Steele and hott Ledd, as Genl Wayne did with his mutineers. But mark you, Sirs, if you wait for the Ghoast with hatt in hand, good God and God damn, you will find yourself with Alms in it! With Mr. Hamilton and the rest, Sirs, I say put this Brute the People down!

Be assurd that I am, Sirs, with most unfeignd Regard, your ever obedt servt.

GENERAL LEAVE

Mr. RONCALIO. Mr. Speaker, without it being considered a precedent, I ask unanimous consent that all Members who desire to do so may have permission to revise and extend their remarks and include extraneous material in the RECORD and also in that portion of the RECORD entitled "Extensions of Remarks."

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

WHY CAN'T DR. BURNS HIT HIS MONETARY TARGETS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, this Nation is struggling to emerge from the worst recession since the Great Depression of the 1930's. The one thing necessary for our continued recovery and growth is confidence in the economy.

To create an atmosphere of confidence we need a moderate and steady growth in money supply—a sensible monetary policy. Steady growth is vital. Wild swings in the growth rate, and rapidly changing policies only lead to confusion and, understandably, overcaution.

Mr. Speaker, Dr. Burns has set what he describes as moderate monetary growth targets for our Bicentennial year of 4.5–7.5 percent for M_1 and 7.5–10 percent for M_2. Naturally, I would prefer that the bottom limits of these target ranges be set higher, but I am much more concerned about Dr. Burns' ability to hit any announced targets.

Of course, the Congress would be in a much better position to judge these money supply projections if it had more timely data on the deliberations of the Open Market Committee. We need to know—in specifics—what these targets mean in terms of employment, prices, and economic growth. The Open Market Committee receives detailed projections in these areas from its staff, but it refuses to share this information with the Congress.

We can only judge the future, Mr. Speaker, by the past. In the last two years Dr. Burns has not come close to hitting the growth targets he established. In 1974 the narrowly defined money supply (M_1) grew by 4.66 percent. This growth rate, already too low, fell in 1975 to 4.17 percent. This is below the level of growth generally accepted as necessary for a healthy economy.

In view of this past performance it is interesting to note that Dr. Burns is lowering from 5 to 4.5 percent the lower range of the growth target for the narrowly defined money supply (M_1).

My own suspicions that this is a ploy to make Dr. Burns' failures look better was echoed by Mr. Alan Abelson who observed in the February 9, 1976 issue of Barron's:

> What occasions our present awe of Dr. Burns' capacity for contrivance is the Fed's latest action on the monetary front. You may recall that a while back, after due and sober deliberation, it set a target for growth of the money supply of 5% to 7½% a year. For reasons not entirely clear, but probably numbering among them sheer ineptitude, it has failed to come anywhere near even the lower limit of that range. So, what do you do? Well, what Dr. Burns did is simple and simply beautiful: unable to reach the target, he lowered the target!

What is perhaps even worse is the wild fluctuations in the money supply on a month-to-month basis. In January 1975, M_1 shrank at a frightening 5.09 percent annual rate. Just two months later it was growing at the rate of 13.24 percent per year. This growth rate was reduced in April, but rocketed to 14.19 percent in June, only to plummet to 3.71 percent the following month. Nor has more recent history seen any improvement. The growth rate for M_1 in October, November and December of last year was −0.82, 9.41 and −3.25 percent, respectively.

The following table shows the actual money supply and its growth rate for the last 2 years—it is a bleak picture:

Date	Amount (billions)	M_1 growth target	Actual growth	Amount (billions)	M_2 growth target	Actual growth
1974						
January	$271.3	(1)	3.55	$575.5	(1)	8.61
February	272.6	3 -6	5.75	580.5	6- 9	10.43
March	274.1	6½-9½	6.60	584.3	9½-12½	7.86
April	275.5	6½-7½	6.13	588.2	7¾-9¾	8.01
May	276.2	3 -7	3.05	590.2	5½- 8½	4.08
June	277.7	3 -7	6.52	594.4	4½- 7½	8.54
July	278.9	3½-7½	5.19	597.9	5½-8½	7.07
August	279.5	2 -6	2.58	600.7	4½-7½	5.62
September	279.8	4¾-6¾	1.29	602.5	5½- 7½	3.60
October	281.1	3 -6	5.58	607.2	5 - 7½	9.36
November	282.5	4¾-7¼	5.98	610.5	8-10½	6.52
December	283.1	6½-9½	2.55	612.4	8-10½	3.73
Total 1974			4.66			7.18

Date	Amount (billions)	M_1 growth target	Actual growth	Amount (billions)	M_2 growth target	Actual growth
1975						
January	$281.9	5 - 7	−5.09	$614.5	7½-10	4.11
February	281.9	3½- 6½	0	618.2	7 -10	7.23
March	284.1	5½- 7½	13.24	623.0	6½- 8½	9.32
April	284.9	5 - 7½	3.38	626.7	8 -10	7.13
May	287.6	6½- 9	11.37	633.7	9½-11¾	13.40
June	291.0	7 - 9½	14.19	642.4	9 -11½	16.47
July	291.9	6½- 9½	3.71	647.5	9 -12	9.53
August	293.2	3 - 5½	5.34	650.6	8 -10½	5.75
September	293.6	4½- 7	1.64	652.9	8¼-10¾	4.24
October	293.4	3 - 7	−.82	655.7	5½- 8½	5.15
November	295.7	6 -10	9.41	661.6	7½-10½	10.80
December	294.9	4 - 7	−3.25	663.3	7 -10	3.08
Total 1975			4.17			8.31

[1] Not available.

Now the Fed, Mr. Speaker, is attempting to dismiss the M_1 measurement as being of little consequence. Dr. Burns observes that there are "profound uncertainties" in the behavior of the narrowly defined money supply and that the Fed is giving more weight to the broader measurements of the money supply such as M_2.

Unfortunately, Dr. Burns' record in achieving his established goals for M_2 growth has been as poor as for M_1. In the past twenty-three months Dr. Burns has missed his goal for M_2 growth eighteen times, and only achieved his goal five times. Of the five times he achieved his goal twice, and did so by barely reaching the bottom of the range.

This poor performance, Mr. Speaker, on both M_1 and M_2 leads to one of two possible conclusions. One conclusion for this failure is that Dr. Burns and the Open Market Committee are incompetent and unable to attain the established goals. The other conclusion is that Dr. Burns is setting false goals, ones that he has no intention of trying to attain in order to placate the Congress, and the people, while he secretly operates as he pleases.

Regardless of which conclusion you believe, there is only one course of action available—the removal of Dr. Arthur Burns from his position on the Board of Governors. The problem lies not in the choice of targets so much as Dr. Burns' failure to come close to hitting them.

In a period that requires confidence in our leaders charged with responsibility for our economic growth only the foolhardy can maintain faith in Dr. Burns.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered. was granted to:

(The following Members (at the request of Mr. RONCALIO) to revise and extend their remarks and include extraneous material:)

Mr. RONCALIO, for 15 minutes, today.

Mr. PATMAN, for 30 minutes, today.

Mr. GONZALEZ, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. ALBERT (at the request of Mr. RONCALIO) in the body of the RECORD and to include extraneous material.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled bill and a joint resolution of the Senate of the following titles:

S. 2672. An act to extend the State Taxation of Depositories Act; and

S.J. Res. 167. A joint resolution to amend the Railroad Revitalization and Regulatory Reform Act of 1976.

ADJOURNMENT

Mr. RONCALIO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock p.m.) the House adjourned until tomorrow Tuesday, February 17, 1976, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2533. A letter from the President of the United States, transmitting a request for supplemental appropriations for the transition quarter and a proposed budget amendment for fiscal year 1977 for the legislative branch (H. Doc. No. 94–369); to the Committee on Appropriations and ordered to be printed.

2534. A letter from the President of the United States, transmitting a proposed program for the construction of nonnuclear powered ships equipped with the AEGIS area air defense weapon system, together with an alternative all-nuclear program, pursuant to section 804 of Public Law 93–365 (H. Doc. No. 94–370); to the Committee on Armed Services and ordered to be printed.

2535. A letter from the Secretary of Agriculture, transmitting the annual report of the Federal Crop Insurance Corporation for the 1975 crop year, pursuant to 61 Stat. 719, to the Committee on Agriculture.

2536. A letter from the Chairman, Commodity Futures Trading Commission, transmitting a draft of proposed legislation to amend the Commodity Futures Trading Commission Act of 1974 to make certain technical changes; to the Committee on Agriculture.

2537. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council act No. 1–89, "To provide for the semiannual safety inspection of all buses registered in the District of Columbia and for other purposes;" pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

2538. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of Council act No. 1–91, "To amend the

Revenue Act of 1975, as amended, and to adopt implementing regulations," pursuant to section 602(c) of Public Law 93–198; to the Committee on the District of Columbia.

2539. A letter from the Commissioner of Education, Department of Health, Education, and Welfare, transmitting his 24th annual report covering fiscal year 1974, on Federal financial assistance for maintenance and operation of schools and for construction of school facilities in federally affected areas and disaster relief of schools in major disaster areas, pursuant to section 401(c) of Public Law 81–874 and section 12(c) of Public Law 81–815; to the Committee on Education and Labor.

2540. A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting a report of the Office's activities under the Freedom of Information Act during calendar year 1975, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

2541. A letter from the Governor of the Canal Zone, President, Panama Canal Company, transmitting a report of disposal of foreign excess property by the Panama Canal Company and Canal Zone Government for the year ended December 31, 1975, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949; to the Committee on Government Operations.

2542. A letter from the Secretary of the Interior, transmitting a proposed plan for the use and distribution of the judgment funds awarded to the Pillager Bands of Chippewa Indians in docket 144 before the Indian Claims Commission, pursuant to 87 Stat. 466; to the Committee on Interior and Insular Affairs.

2543. A letter from the Director, Bureau of Land Management, Department of the Interior, transmitting a report on negotiated sales contracts for the disposal of materials during the period July 1 through December 31, 1975, pursuant to section 2(b) of Public Law 87–689; to the Committee on Interior and Insular Affairs.

2544. A letter from the Director, U.S. Information Agency, transmitting a draft of proposed legislation to authorize appropriations for the U.S. Information Agency, and for other purposes; to the Committee on International Relations.

2545. A letter from the Executive Director, Board for International Broadcasting, transmitting a draft of proposed legislation to amend the Board of International Broadcasting Act of 1973 and to authorize appropriations for fiscal years 1977 and 1978 for carrying out that act; to the Committee on International Relations.

2546. A letter from the Administrator, Federal Energy Administration, transmitting notice of a meeting to be held to develop a voluntary agreement to implement the allocation and information provisions of the International Energy Program, pursuant to section 252(c) of the Energy Policy and Conservation Act; to the Committee on Interstate and Foreign Commerce.

2547. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to remove the limitation on dues for U.S. membership in the International Criminal Police Organization, and for other purposes; to the Committee on the Judiciary.

2548. A letter from the Chairman, Commodity Futures Trading Commission, transmitting a draft of proposed legislation to amend title 18 of the United States Code as it pertains to the immunity of certain witnesses; to the Committee on the Judiciary.

2549. A letter from the president, Jewish War Veterans U.S.A. National Memorial, Inc., transmitting the annual audit reports of the organization for the fiscal year ended March 31, 1975, pursuant to Public Law 88–504; to the Committee on the Judiciary.

2550. A letter from the national president, Ladies of the Grand Army of the Republic, Inc., transmitting the official audit of the organization as of August 31, 1975, and for the 4 fiscal years then ended, pursuant to Public Law 88–504; to the Committee on the Judiciary.

2551. A letter from the Chairman, Interstate Commerce Commission, transmitting the report of the final valuation of properties of common carriers, pursuant to section 19a (d) of the Interstate Commerce Act; to the Committee on Public Works and Transportation.

2552. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend the Social Security Act and the Internal Revenue Code of 1954 to increase FICA and Self-Employment Taxes; and to amend the Social Security Act to revise the retroactive payments and retirement test provisions, and phase out student benefits under the Old-Age, Survivors, and Disability Insurance Program; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

RECEIVED FROM THE COMPTROLLER GENERAL

2553. A letter from the Comptroller General of the United States, transmitting a report on actions that the Department of Health, Education, and Welfare can take to reduce the hepatitis risk associated with blood transfusions; jointly to the Committees on Government Operations, and Interstate and Foreign Commerce.

2554. A letter from the Comptroller General of the United States, transmitting a report on the need to change the policy of paying a cost-of-living allowance to certain Federal employees serving in nonforeign areas outside the 48 contiguous States; jointly, to the Committees on Government Operations, and Post Office and Civil Service.

2555. A letter from the Comptroller General of the United States, transmitting a report on the need for management improvements in the Nuclear Regulatory Commission's program for licensing users of radioactive materials; jointly, to the Committee on Government Operations, and the Joint Committee on Atomic Energy.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[*Pursuant to H. Res. 982, the following report was filed on Feb. 11, 1976*]

Mr. PIKE: Select Committee on Intelligence. Report on the recommendations of the final report of the House Select Committee on Intelligence (Rep. No. 94–833). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII,

Mr. SPENCE introduced a bill (H.R. 11891) to authorize the establishment of the Congaree Swamp National Preserve in the State of South Carolina, and for other purposes, which was referred to the Committee on Interior and Insular Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

292. By the SPEAKER: Memorial of the Legislature of the State of Oklahoma, relative to regulations of the Environmental Protection Agency and congressional control on regulatory agencies; to the Committee on Agriculture.

293. Also, memorial of the Legislature of the State of Georgia, relative to calling a constitutional convention; to the Committee on the Judiciary.

294. Also, memorial of the Legislature of the State of South Carolina, relative to the estate tax exemption; to the Committee on Ways and Means.

295. Also, memorial of the Legislature of the State of South Dakota, relative to amending the Internal Revenue Code; to the Committee on Ways and Means.

296. Also, memorial of the Legislature of the State of Michigan, relative to malnutrition; jointly, to the Committees on Agriculture, and International Relations.

297. Also, memorial of the Senate of the Commonwealth of Massachusetts, relative to funding for the women's, infants' and children's nutrition program; jointly to the Committees on Education and Labor, and Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under Clause 1 of rule XXII,

Mr. HARRINGTON introduced a bill (H.R. 11892) for the relief of Choong Law, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

394. By the SPEAKER: Petition of the Ninth Annual Convention of Teachers of English to Speakers of Other Languages, Washington, D.C., relative to compensatory education; to the Committee on Education and Labor.

395. Also, petition of the city council, Lakewood, Calif., relative to general revenue sharing; to the Committee on Government Operations.

396. Also, petition of the Maui County Council, Wailuku, Hawaii, relative to the return of the island of Kahoolawe to the State of Hawaii; to the Committee on Interior and Insular Affairs.

397. Also, petition of the Grand National Assembly of the Socialist Republic of Romania, relative to the Conference on European Security and Cooperation; to the Committee on International Relations.

398. Also, petition of Doug Farnam, Mission Hills, Calif., and others, relative to gun control; to the Committee on the Judiciary.

399. Also, petition of the Ulster County Legislature, Kingston, N.Y., relative to the Local Public Works and Capital Investment Act of 1975; to the Committee on Public Works and Transportation.

400. Also, petition of the National Cotton Council, Memphis, Tenn., relative to energy, jointly, to the Committees on Interstate and Foreign Commerce and Ways and Means, and the Joint Committee on Atomic Energy.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, 79th Congress, title III, Regulation of Lobbying Act, section 308(b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received.

REGISTRATIONS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following registrations were submitted for the second calendar quarter 1974:

(NOTE.—The form used for report is reproduced below. In the interest of economy in the RECORD, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

FILE ONE COPY WITH THE SECRETARY OF THE SENATE AND FILE TWO COPIES WITH THE CLERK OF THE HOUSE OF REPRESENTATIVES:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

PLACE AN "X" BELOW THE APPROPRIATE LETTER OR FIGURE IN THE BOX AT THE RIGHT OF THE "REPORT" HEADING BELOW:

"PRELIMINARY" REPORT ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19______ ◄

REPORT

PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

NOTE ON ITEM "A".—(a) IN GENERAL. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) SEPARATE REPORTS. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. ORGANIZATION OR INDIVIDUAL FILING:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

NOTE ON ITEM "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. EMPLOYER.—State name, address, and nature of business. If there is no employer, write "None."

NOTE ON ITEM "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

AFFIDAVIT

[Omitted in printing]

PAGE 1◄

A. Achilles Marine Company, 410 Lakeville Road, Lake Success, N.Y.

A. A. John Adams, John Adams Associates, Inc., 1825 K Street, NW, Suite 210, Washington, D.C. 20006.

B. John Adams Associates, 1825 K Street, NW, Suite 210, Washington, D.C. 20006 (for Industrial Gas Cleaning Institute).

A. John Adams Associates Inc., 1825 K Street NW., Suite 210, Washington, D.C. 20006.

B. Industrial Gas Cleaning Institute, Stamford, Conn.

A. Aeron Marine Shipping Co., 410 Lakeville Road, Lake Success, N.Y.

A. Ajax Marine Shipping Co., 410 Lakeville Road, Lake Success, N.Y.

A. Webb M. Alspaugh, 1050 17th Street NW, Suite 650, Washington, D.C. 20036.

B. The Standard Oil Company (an Ohio Corporation), Midland Building, Cleveland, Ohio 44115.

A. Alston, Miller & Gaines, 1200 Citizens & Southern National Bank Building, Atlanta, Ga. 30303.

B. West Paces, Inc., 1385 West Paces Ferry Road NW., Atlanta, Ga. 30327.

A. Nancy Altman, National Council to Control Handguns, 1910 K Street NW., Washington, D.C. 20006.

B. National Council to Control Handguns.

A. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. American Honey Producers Association, P.O. Box 368, Minco, Okla. 73059.

A. American Paratransit Institute, 6822 Mindello Street, Coral Gables, Fla.

A. American Public Gas Association, 2600 Virginia Avenue NW., Suite 1114, Washington, D.C. 20037.

A. Appalachian Hardwood Manufacturers, Inc., 164 South Main Street, NCNB Building, Room 408, High Point, N.C. 27260.

A. Andrea Apple, 4410 Olando Lane, Bowie, Md. 20715.

B. Women's Lobby, Inc., 1345 G Street SE., Washington, D.C. 20003.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.

B. National Association of Greeting Card Publishers, 200 Park Avenue, New York, N.Y. 10017.

A. Jean Arthurs, 4023 25th Road North, Arlington, Va. 22207.

B. Society of Military Widows, P.O. Box 254, Coronado, Calif. 92118.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Securities Industry Association, 20 Broad Street, New York, N.Y. 10005.

A. Athena Marine Shipping Co., 410 Lakeville Road, Lake Success, N.Y.

A. Atlas Marine Co., 410 Lakeville Road, Lake Success, N.Y.

A. Automotive Parts Rebuilders Association, 6849 Old Dominion Drive, McLean, Va. 22101.

A. Baker & McKenzie, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Lyric Opera of Chicago, 20 North Wacker Drive, Chicago, Ill. 60606.

A. Nancy L. Ball, Edelman International, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Aerospatiale, c/o DGA International, 1225 19th Street NW., Washington, D.C. 20006.

A. E. Clinton Bamberger, Jr., 733 15th Street NW., Washington, D.C. 20005.

B. Legal Services Corp., 733 15th Street NW., Washington, D.C. 20005.

A. Tom Barlow, Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

B. Environmental Action, Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

A. Sadie R. Baulch, 1619 Massachusetts Avenue, Washington, D.C. 20036.

B. National Forest Products Association, 1619 Massachusetts Avenue, Washington, 20036.

A. John N. Bauman, 333 Barr Building, 910 17th Street NW., Washington, D.C.

B. White Consolidated Industries, Inc., 11770 Berea Road, Cleveland, Ohio 44111.

A. John E. Bearer, 1001 Broad Street, Johnstown, Pa. 15907.

B. Pennsylvania Electric Co., et al., 1001 Broad Street, Johnstown, Pa. 15907.

A. Noreen H. Beebe, 1016 20th Street NW., Washington, D.C. 20036.

B. National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.

A. Howell E. Begle, Jr., Verner, Liipfert, Bernhard & McPherson, Suite 1110, 1660 L Street NW., Washington, D.C.

B. Commonwealth of Puerto Rico, La Fortaleza, San Juan, P.R. 00902.

A. C. Robert Benedict, 1211 Connecticut Avenue NW., Suite 212, Washington, D.C. 20036.

B. American Osteopathic Hospital Association, 930 Busse Highway, Park Ridge, Ill. 60068.

A. William S. Bergman, 1001 Connecticut Avenue NW., Suite 800, Washington, D.C. 20036.

B. American Collectors Association, 4040 West 70th Street, Minneapolis, Minn. 55436.

A. Ellen Berman, 1012 14th Street NW., Suite 901, Washington, D.C. 20005.

B. Consumer Federation of America.

A. Robert B. Bizal, 1000 16th St. NW., Washington, D.C. 20036.

B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

A. Alan W. Bock, 1121 National Press Building, Washington, D.C. 20045.

B. Libertarian Advocate, 1121 National Press Building, Washington, D.C. 20045.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.

B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.

A. Bregman, Abell, Solter & Kay, 1900 L Street NW., Suite 610, Washington, D.C. 20036.

B. Avis Rent A Car System, Inc., 900 Old Country Road, Garden City, N.Y. 11530.

A. Jacqueline Brunell, American Nurses' Association, Inc., 1030 15th Street NW., Washington, D.C.

B. American Nurses' Association, Inc., 2420 Pershing Road, Kansas City, Mo. 64108.

A. D. V. Burke, P.O. Box 1724, Rockville, Md. 20850.

B. National Association of State Lotteries (NASL), c/o Connecticut State Lottery, 1290 Silas Deane Highway, Wethersfield, Conn. 06109.

A. Harry W. Buzzerd, Jr., 1725 K Street NW., Suite 903, Washington, D.C. 20006.

B. Outdoor Power Equipment Institute, Inc., 1725 K Street NW., Suite 903, Washington, D.C. 20006.

A. Cable, McDaniel, Bowie & Bond, 915 Blaustein Building, Baltimore, Md. 21201.

B. Crown Central Petroleum Corp., 1 North Charles Street, P.O. Box 1168, Baltimore, Md. 21203.

A. F. Murray Callahan, 1700 K Street NW., Washington, D.C. 20006.

B. International Home Furnishings Representatives, Association, 666 Lakeshore Drive, Suite 1726, Chicago, Ill. 60611.

A. F. Patricia Callahan, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.

B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.

A. David A. Caney, 1735 New York Avenue NW., Washington, D.C. 20006.

B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

A. Carl J. Carlson, 575 Madison Avenue, New York, N.Y.

B. Cigar Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.

A. Charles M. Carroll, 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

A. Jared G. Carter, Post Office Box 720, Ukiah, Calif. 95482.

B. Gulf Interstate Engineering Co., Post Office Box 1916, Houston, Tex. 77001.

A. Ann M. Case, Phelps Dodge Corp., 1630 I Street NW., Washington, D.C. 20006.

B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.

A. Chester Bank; Chester, Connecticut. Chester Savings Bank; Chester, Connecticut 06412.

A. Katherine M. Christie, Edelman International, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Aerospatiale, c/o DGA International, 1225 19th Street NW., Washington, D.C. 20006.

A. Citizens for Class Action Lawsuits, 4914 Belt Road NW., Washington, D.C. 20016.

A. CLA, Inc., 1101 N. Calvert Street, Suite 1708, Baltimore, Md. 21202.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.

B. Ashland Oil, Inc., 1401 Winchester Avenue, Ashland, Ky. 41101.

A. Cladouhos & Brashares, 1750 New York Avenue, NW., Washington, D.C. 20006..

B. Crown Central Petroleum Corp., One North Charles Street, P.O. Box 1168, Baltimore, Md. 21203.

A. Joseph M. Clapp, 11833 Goya Drive, Potomac, Md. 20854.

B. Roadway Express, Inc., P.O. Box 471, Akron, Ohio 44309.

A. Thomas R. Clark, 777 14th Street NW., Washington, D.C. 20005.

B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

A. Clifford Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. The Congress of Micronesia, Saipan, Mariana Islands 96950.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. Crown Central Petroleum Corp., One North Charles Street, P.O. Box 1168, Baltimore, Md. 21203.

A. Committee for Handgun Control, Inc., 111 East Wacker Drive, 23d Floor, Chicago, Ill. 60601.

A. Dana C. Contratto, 1800 M Street NW., Washington, D.C. 20036.

B. Morgan, Lewis & Bockius (for Associated Gas Distributors), 1800 M Street NW., Washington, D.C. 20036.

A. Council for the Preservation of Worldwide Meetings, 1101 16th Street NW., Washington, D.C. 20036.

A. John A. Couture, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Everett E. Cutter, 620 Southwest, Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.

B. Oregon Railroad Association, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.

A. David Cynamon, 1910 K Street NW., Washington, D.C. 20006.

B. National Council to Control Handguns, 1910 K Street NW., Washington, D.C. 20006.

A. Dairyman, Inc., 604 Portland Building, 200 West Broadway, Louisville, Ky. 40202.

A. Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Stephen I. Danzansky, Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. A. Richard Davis, 15216 Charlotte Avenue, San Jose, Calif. 95124.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.

B. People's Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.

A. Thomas A. Davis, 1776 F Street NW., Suite 108, Washington, D.C. 20006.

B. National Corporation for Housing Partnerships, 1776 F Street, NW., Suite 108, Washington D.C. 20006.

A. Thomas A. Davis, 1776 F Street NW., No. 108, Washington, D.C. 20006.

B. The National Life and Accident Insurance Co., et al., National Life Center, Nashville, Tenn. 37250.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.

B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.

B. Electronic Industries Association, Consumer Electronics Group, 2001 I Street NW., Washington, D.C. 20006.

A. Gaston de Bearn, Hoffman-La Roche, Inc., 1775 K Street NW., Suite 300, Washington, D.C. 20006.

B. Hoffman-La Roche, Inc., 340 Kingsland Street, Nutley, N.J. 07110.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

A. Henry L. Diamond, One Farragut Square South, 3rd floor, Washington, D.C. 20006.

B. Charles Benenson, 380 Madison Avenue, New York, N.Y. 10017.

A. Dickstein, Shapiro & Morin, 1735 New York Avenue NW., Washington, D.C. 20006.

B. Integrated Resources, Inc., 295 Madison Avenue, New York, N.Y. 10017.

A. Dickstein, Shapiro & Morin, 1735 New York Avenue NW., Washington, D.C. 20006.

B. National Federation of Societies for Clinical Social Work, 698 West End Avenue, New York, N.Y. 10025.

A. Michael F. Dineen, Lumbermen's Mutual Casualty Co., 1511 K Street NW., Washington, D.C. 20005.

B. Lumbermen's Mutual Casualty Co., Long Grove, Ill. 60049.

A. Dennis C. Dix, 1725 K Street NW., Suite 903, Washington, D.C. 20006.

B. Outdoor Power Equipment Institute, Inc., 1725 K Street NW., Suite 903, Washington, D.C. 20006.

A. Domestic Petroleum Council, Inc., 1629 K Street NW., Washington, D.C. 20006.

A. Richard M. Donaldson, 1735 Midland Building, Cleveland, Ohio 44115.

B. The Standard Oil Company (an Ohio Corporation), Midland Building, Cleveland, Ohio 44115.

A. John H. Dunne, 1126 16th Street NW., Washington, D.C. 20036.

B. International Federation of Professional and Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.

A. David Dunning, National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C.

A. Clifford E. Edwards, 1750 Pennsylvania Avenue NW., Washington, D.C.

B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

A. Thomas Ehrlich, 733 15th Street NW., Washington, D.C. 20005.

B. Legal Services Corp., 733 15th Street NW., Washington, D.C. 20005.

A. William Emerson, TRW Inc., 2030 M Street NW., Washington, D.C. 20036.

B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.

A. Steven L. Engelberg, Price, Grove, Engelberg, & Fried, 1737 De Sales Street, Washington, D.C. 20036.

B. Legal Services Corp., 733 15th Street NW., Washington, D.C. 20005.

A. Jay S. Engerman, 1101 North Calvert Street, Suite 1708, Baltimore, Md. 21202.

B. CLA, Inc., 1101 North Calvert Street, Suite 1708, Baltimore, Md. 21202.

A. James F. Flug, 2904 Brandywine Street NW., Washington, D.C. 20008.

B. Energy Action Committee, P.O. Box 19,100, Washington, D.C.

A. Esther Safran Foer, 1825 K Street NW., Suite 210, Washington, D.C.

B. John Adams Associates Inc. (for Industrial Gas Cleaning Institute), 1825 K Street NW., Suite 210, Washington, D.C. 20006.

A. Gerard J. Forney, 141 Battery Street, San Francisco, Calif. 94111.

B. Uranium Enrichment Associates, 141 Battery Street, San Francisco, Calif. 94111.

A. John S. Forsythe, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Gary R. Frink, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.

B. The Organization for the Management of Alaska's Resources, Inc., Pouch 7010, Anchorage, Alaska 99510.

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A. Gailor & Elias, 700 E Street SE., Washington, D.C. 20003.

B. Century Oil Co., P.O. Box 4649, Anaheim, Calif. 92803.

A. William T. Gibb III, 1730 Pennsylvania Ave NW., Washington, D.C. 20006.

B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. James M. Gibson, 956 North Monroe Street, Arlington, Va. 22201.

B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

A. Ginsburg, Feldman & Bress, 1700 Pennsylvania Avenue, Washington, D.C. 20006.

B. Northeast Petroleum Industries, Inc., 295 Eastern Avenue, Chelsea, Mass. 02150.

A. Howard Goldberg, 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

A. Golden Eagle Refining Co., Inc., 615 South Flower Street, Los Angeles, Calif.

A. Abe A. Goldman, 2834 28th Street NW., Washington, D.C. 20008.

B. Coalition For Fair Copyright Protection, Suite 700, 1920 L Street NW., Washington, D.C. 20036.

A. Ruth Gonze, 2600 Virginia Avenue NW., Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.

A. Charles E. Goodell, 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

A. Donald R. Greeley, 1101 17th Street NW., Suite 603, Washington, D.C. 20036.

B. Celanese Corp., 1211 Avenue of the Americas, New York, N.Y. 10036.

A. Theodore R. Groom, Groom and Nordberg, Suite 500, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. The Ad Hoc Group on Life Insurance Company Taxation of Pension Funds.

A. Wesley E. Gross, 604 Portland Building, 200 West Broadway, Louisville, Ky. 40202.

B. Dairymen, Inc., 604 Portland Building, 200 West Broadway, Louisville, Ky. 40202.

A. James L. Gundy, 164 South Main Street, NCNB Building, Room 408, High Point, N.C. 27260.

B. Appalachian Hardwood Manufacturers, Inc., 164 South Main Street, NCNB Building, Room 408, High Point, N.C. 27260.

A. B. VanDenburg Hall, 1400 North Uhle Street, Arlington, Va. 22201.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. Freda R. Caspersen, P.O. Box 595, Venice, Fla. 33595.

A. William B. Harman, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Walter Harris, TRW Inc., 2030 M Street NW., Washington, D.C. 20036.

B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.

A. Richard Dean Henderson, 1101 17th Street NW., Suite 1008, Washington, D.C. 20036.

B. Private Truck Council of America, Inc., 1101 17th Street NW., Suite 1008, Washington, D.C. 20036.

A. Jack E. Herington, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.

B. United States Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.

A. Hewes & Wolf, 1720 I Street NW., Suite 400, Washington, D.C. 20006.

B. Pennsylvania Petroleum Association, Building 2, Suite D, 2101 North Front Street, Harrisburg, Pa. 17110.

A. Frederic W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.

B. The First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.

A. Frederic W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.

B. National Association of Independent Insurers, 2600 River Road, DesPlaines, Ill. 60018.

A. Frederic W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill.60603.

B. Northwest Industries, Inc., 6300 Sears Tower, Chicago, Ill. 60606.

A. Frederic W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill 60603.

B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.

A. Catherine J. Hill, 421 New Jersey Avenue SE., Washington, D.C. 20003.

B. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.

A. Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.

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B. American Paper Institute, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Arthur L. Howard, 4300 North Old Dominion Drive, Apartment 910, Arlington, Va. 22207.

B. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20005.

A. Deborah Imle, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

A. International Society of Professional Bums, P.O. Box 6296, Washington, D.C. 20015.

A. W. Pat Jennings, 490 L'Enfant Plaza East SW., Room 3210, Washington, D.C. 20024.

B. Slurry Transport Association, 490 L'Enfant Plaza East SW., Room 3210, Washington, D.C. 20024.

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B. Aerospatiale, c/o DGA International, 1225 19th Street NW., Washington, D.C. 20006.

A. Charles W. Karcher, 1735 Midland Building, Cleveland, Ohio 44115.

B. The Standard Oil Co. (an Ohio corporation), Midland Building, Cleveland, Ohio 44115.

A. Jefferson D. Keith, 1343 L Street NW., Washington, D.C. 20005.

B. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C. 20005.

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B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Kominers, Fort, Schlefer & Boyer, 1776 F Street NW., Washington, D.C. 20006.

B. Athena Marine Shipping Co., et al., 410 Lakeville Road, Lake Success, N.Y.

A. John T. Korsmo, P.O. Box 3556, Washington, D.C. 20007.

B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.

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A. George B. Kummer III, 299 Park Avenue, New York, N.Y. 10017.

B. Westvaco Corp., 299 Park Avenue, New York, N.Y. 10017.

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B. League of Women Voters of the U.S., 1730 M Street NW., Washington, D.C. 20036.

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A. Donald Lerch & Co., Inc., 1030 15th Street NW., Washington, D.C. 20005.

B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., Washington, D.C. 20006.

A. Gilbert B. Lessenco, 2021 L Street NW., Washington, D.C. 20036.

B. General Mills, Inc., 9200 Wayzata Boulevard, Minneapolis, Minn. 55440.

A. Libertarian Advocate, 1121 National Press Building, Washington, D.C. 20045.

A. Leigh Lindjord, 1800 M Street NW., Washington, D.C. 20036.

B. Morgan, Lewis & Bockius (For Associated Gas Distributors), 1800 M Street NW., Washington, D.C. 20036.

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B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

A. Christian J. Lund, 1125 15th Street NW., Washington, D.C. 20005.

B. United Technologies Corp., 1125 15th Street NW., Washington, D.C. 20005.

A. Eugene H. Luntey, 195 Montague Street, Brooklyn, N.Y. 11201.

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B. American Council of Life Insurance, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Ronald D. McCall, Fowler, White, Gillen, Boggs, Villareal and Banker, P.A., P.O. Box 1438, Tampa, Fla. 33601.

B. Otto Pottberg Trust, Landmark Union Trust Bank of St. Petersburg, N.A., and Alric C. T. Pottberg, Trustees, Central and Ninth Street, St. Petersburg, Fla.

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B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.

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B. Republic of Turkey, Embassy of Turkey, 1606 23d Street NW., Washington, D.C.

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B. Legal Services Corp., 733 15th Street NW., Washington, D.C. 20005.

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B. Chester Bank, Chester Savings Bank, Chester, Conn., 06412.

A. Beverly C. Moore, Jr., 4914 Belt Road NW., Washington, D.C. 20016.

B. Citizens for Class Action Lawsuits, 4914 Belt Road NW., Washington, D.C. 20016.

A. Morgan, Lewis & Bockius, 1800 M Street NW., Washington, D.C. 20036.

B. Associated Gas Distributors, 1800 M Street NW., Washington, D.C. 20036.

A. Frederick Moring, 1800 M Street NW., Washington, D.C. 20036.

B. Morgan, Lewis & Bockius, 1800 M Street NW., Washington, D.C. 20036.

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B. BankAmerica Corp., Bank of America Center, San Francisco, Calif. 94104.

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A. National Citizens Communications Lobby, P.O. Box 19101, Washington, D.C. 20036.

A. National Clean Air Coalition, Inc., 620 C Street SE., Washington, D.C. 20003.

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B. National Council to Control Handguns, 1910 K Street NW., Washington, D.C., 20006.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C., 20006.

B. The Lehigh Coal and Navigation Co., Minneapolis, Minn.

A. Patrick E. O'Donnell, 777 14th Street NW., Washington, D.C. 20005.

B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.

A. Dudley L. O'Neal, Jr., National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.

B. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611; 925 15th Street NW., Washington, D.C. 20005.

A. Charles J. Orasin, 1910 K Street NW., Washington, D.C. 20006.

B. National Council to Control Handguns, 1910 K Street NW., Washington, D.C. 20006.

A. Kathleen F. O'Reilly, 1012 14th Street NW., Washington, D.C. 20005.

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A. J. Denis O'Toole, 15th and M Streets NW., Washington, D.C. 20005.

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A. Roland A. Ouellette, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.

A. Peabody, Rivlin, Lambert & Meyers, 1730 M Street NW., Washington, D.C. 20036.

B. Diversified Industries, Inc., 7701 Forsyth Boulevard, Clayton, Mo. 63105.

A. Robert Pope, 1910 K Street NW., Washington, D.C. 20006.

B. National Council to Control Handguns, 1910 K Street NW., Washington, D.C. 20006.

A. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Prather, Levenberg, Seeger, Doolittle, Farmer & Ewing, 1101 16th Street NW., Washington, D.C. 20036.

B. H. J. Baker & Brother, Inc., 360 Lexington Avenue, New York, N.Y. 10017.

A. Lloyd Preslar, 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International Inc., 1225 19th Street NW., Washington, D.C. 20036.

A. Donald E. Purcell, 1725 K Street NW., Suite 903, Washington, D.C. 20006.

B. Outdoor Power Equipment Institute, Inc., 1725 K Street NW., Suite 903, Washington, D.C. 20006.

A. Graham Purcell, 1819 H Street NW., Washington, D.C. 20006.

B. Association of Independent Grain Inspection Agencies, Fort Worth, Tex.

A. Graham Purcell, 1819 H Street NW., Washington, D.C. 20006.

B. PBI/Gordon Corporation, Kansas City, Kans.

A. Robert N. Pyle, Suite 450, 1707 L Street NW., Washington, D.C. 20036.

B. Fur Conservation Institute of America, Suite 450, 1707 L Street NW., Washington, D.C. 20036.

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B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

A. Roberts & Holland, 1301 Avenue of the Americas, New York, N.Y. 10019.

B. The Estate of Bernice P. Bishop/Kamehameha Schools, 519 Halekauwila Street, Honolulu, Hawaii.

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A. William C. Rountree, 1050 17th Street NW., Suite 650, Washington, D.C. 20036.

B. The Standard Oil Co. (an Ohio Corporation), Midland Building, Cleveland, Ohio 44115.

A. Ruckelshaus, Beveridge, Fairbanks & Diamond, One Farragut Square South, Third Floor, Washington, D.C. 20006.

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B. Daniel J. Edelman (for American Safety Belt Council, New Rochelle, N.Y.).

A. Schiff Hardin & Waite, 7200 Sears Tower, Chicago, Ill. 60606.

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A. Robert L. Schmidt, 918 16th Street NW., Washington, D.C. 20006.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

A. Marsha Schramm, 1629 K Street NW., Washington, D.C. 20006.

B. Domestic Petroleum Council, Inc., 1629 K Street NW., Washington, D.C. 20006.

A. Roger D. Semerad, American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

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A. John J. Sharkey, Room 204, 1629 K Street NW., Washington, D.C. 20006.

B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga. 30320.

A. Sharon, Pierson, Semmes, Crolius and Finley, 1054 31st Street NW., Washington, D.C. 20007.

B. Pennsylvania Co., 1616 North Fort Myer Drive, Arlington, Va. 22209.

A. Shaw, Pittman, Potts & Trowbridge, 910 17th Street NW., Washington, D.C. 20006.

B. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.

A. Morris Shipley, Room 204, 1629 K Street NW., Washington, D.C. 20006.

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A. Leland R. Sorteberg, 1750 Pennsylvania NW., Washington, D.C.

B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.

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B. The Standard Oil Co. (an Ohio corporation), Midland Building, Cleveland, Ohio 44115.

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A. O. R. Strackbein, 3505 North Abingdon Street, Arlington, Va. 22207.

B. International Allied Trades Association, 1900 L Street NW., Washington, D.C. 20036.

A. F. Patrick Sullivan, 1612 Commonwealth Avenue, Alexandria, Va. 22301.

B. Institute of Hobby Manufacturers & Suppliers, P.O. Box 55, Alexandria, Va. 22313.

A. Surrey, Karasik & Morse, 1156 15th Street NW., Washington, D.C. 20005.

B. Aeromaritime International Corporation, Suite 401, 1156 15th Street NW., Washington, D.C.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.

B. GAF Corp., 140 West 51st Street, New York, N.Y. 10020.

A. Matsuo Takabuki, 519 Halekauwila Street, Honolulu, Hawaii.

B. Estate of Bernice P. Bishop/Kamehameha Schools, 519 Halekauwila Street, Honolulu, Hawaii.

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A. Target '76, 951 Arden Way, Sacramento, Calif., 95815.

A. Gregory A. Thomas, 324 C Street SE., Washington, D.C. 20003.

B. Sierra Club, 324 C Street SE., Washington, D.C. 20003.

A. Myron Thompson, c/o Estate of Bernice P. Bishop/Kamehameha Schools, 519 Halekauwila Street, Honolulu, Hawaii.

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A. Gilbert Thurm, 925 15th Street NW., Washington, D.C. 20005.

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A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.

B. Alabama Gas Corp., 1918 First Avenue, North, Birmingham, Ala. 35295.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.

B. Atlanta Gas Light Co., P.O. Box 4569, Atlanta, Ga. 30302.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.

B. Citizens Gas & Coke Utility, 2020 North Meredian Street, Indianapolis, Ind. 46202.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.

B. Connecticut Natural Gas Corp., P.O. Box 1230, Hartford, Conn. 06101.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.

B. Elizabethtown Gas Co., One Elizabethtown Plaza, Elizabethtown, N.J. 07207.

A. Timmons & Co., Inc., 1776 F Street NW.. Washington, D.C. 20006.

B. Sea Oil & General Corp., 910 17th Street NW., Washington, D.C. 20006.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.

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B. Navajo Tribe, Window Rock, Navajo Nation, Ariz. 86515.

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B. Fallek Chemical Corp., 460 Park Avenue, New York, N.Y. 10022.

A. Young, Kaplan & Edelstein, 277 Park Avenue, New York, N.Y. 10017.

B. Madison Equities, 115 East 57th Street, New York, N.Y. 10022.

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A. Robert B. Washington, Jr., Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Webster, Kilcullen & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Fishing Tackle Manufacturers Association, 20 North Wacker Drive, Chicago, Ill. 60606.

A. Webster Sheffield Fleischmann Hitchcock & Brookfield, One Rockefeller Plaza, New York, N.Y. 10020.

B. Aluminum Association, 750 Third Avenue, New York, N.Y. 10017.

A. Webster Sheffield Fleischmann Hitchcock & Brookfield, One Rockefeller Plaza, New York, N.Y. 10020.

B. International Council of Shopping Centers (ICSC), 445 Park Avenue, New York, N.Y. 10022.

A. Weisman, Celler, Spett, Modlin & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.

B. Mr. P. S. Seymour-Heath, 3094-A Panorama Road, Riverside, Calif., 92509.

A. Gordon A. Whitt, 11821 Farmland Drive, Rockville, Md. 20852.

B. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20005.

A. Williams & Jensen, 11330 17th Street NW., Washington, D.C. 20036.

B. Krause Milling Co., P.O. Box 1156, Milwaukee, Wis. 53201.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. Martin Ryan Haley and Associates, Inc., 40 Central Park South, New York, N.Y. 10019.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. Powell Lumber Company, P.O. Box P, Lake Charles, La. 70601.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. Truck Body and Equipment Association, 5530 Wisconsin Avenue NW., Suite 1220, Washington, D.C. 20015.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.

B. Tyson Foods, Inc., Drawer E, Springdale, Ark. 72764.

A. Samuel M. Williams, 1825 Connecticut Avenue NW., Washington, D.C. 20009.

B. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.

B. Essential Oil Association, 60 East 42nd Street, New York, N.Y. 10017.

A. Worth Oil Transport Co., 410 Lakeville Road, Lake Success, N.Y.

QUARTERLY REPORTS*

*All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.

The following quarterly reports were submitted for the third calendar quarter 1974:

(Note.—The form used for report is reproduced below. In the interest of economy in the Record, questions are not repeated, only the essential answers are printed, and are indicated by their respective letter and number.)

File One Copy With the Secretary of the Senate and File Two Copies With the Clerk of the House of Representatives:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

Place an "X" Below the Appropriate Letter or Figure in the Box at the Right of the "Report" Heading Below:

"Preliminary" Report ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"Quarterly" Report: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_______

REPORT

Pursuant to Federal Regulation of Lobbying Act

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

Note on Item "A".—(a) In General. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) Separate Reports. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. Organization or Individual Filing:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

Note on Item "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. Employer.—State name, address, and nature of business. If there is no employer, write "None."

Note on Item "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. Legislative Interests, and Publications in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

AFFIDAVIT

[Omitted in printing]

PAGE 1◄

Note on Item "D."—(*a*) *In General.* The term "contribution" includes *anything of value.* When an organization or individual uses printed or duplicated matter in a campaign attempting to influence legislation, money received by such organization or individual—for such printed or duplicated matter—is a "contribution." "The term 'contribution' includes a gift, subscription, loan, advance, or deposit of money, or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make a contribution"—Section 302(a) of the Lobbying Act.

(*b*) **If This Report Is for an Employer.**—(i) *In General.* Item "D" is designed for the reporting of all receipts from which expenditures are made, or will be made, in accordance with legislative interests.

(ii) *Receipts of Business Firms and Individuals.*—A business firm (or individual) which is subject to the Lobbying Act by reason of expenditures which it makes in attempting to influence legislation—but which has no funds to expend except those which are available in the ordinary course of operating a business not connected in any way with the influencing of legislation—will have no receipts to report, even though it does have expenditures to report.

(iii) *Receipts of Multipurpose Organizations.*—Some organizations do not receive any funds which are to be expended solely for the purpose of attempting to influence legislation. Such organizations make such expenditures out of a general fund raised by dues, assessments, or other contributions. The percentage of the general fund which is used for such expenditures indicates the percentage of dues, assessments, or other contributions which may be considered to have been paid for that purpose. Therefore, in reporting receipts, such organizations may specify what that percentage is, and report their dues, assessments, and other contributions on that basis. However, each contributor of $500 or more is to be listed, regardless of whether the contribution was made solely for legislative purposes.

(*c*) **If This Report Is for an Agent or Employee.**—(i) *In General.* In the case of many employees, all receipts will come under Items "D 5" (received for services) and "D 12" (expense money and reimbursements). In the absence of a clear statement to the contrary, it will be presumed that your employer is to reimburse you for all expenditures which you make in connection with legislative interests.

(ii) *Employer as Contributor of $500 or More.*—When your contribution from your employer (in the form of salary, fee, etc.) amounts to $500 or more, it is not necessary to report such contribution under "D 13" and "D 14," since the amount has already been reported under "D 5," and the name of the "employer" has been given under Item "B" on page 1 of this report.

D. Receipts (Including Contributions and Loans):

Fill in every blank. If the answer to any numbered item is "None," write "None" in the space following the number.

Receipts (other than loans)

1. $--------Dues and assessments
2. $--------Gifts of money or anything of value
3. $--------Printed or duplicated matter received as a gift
4. $--------Receipts from sale of printed or duplicated matter
5. $--------Received for services (e.g., salary, fee, etc.)
6. $--------Total for this Quarter (Add items "1" through "5")
7. $--------Received during previous Quarters of calendar year
8. $--------Total from Jan. 1 through this Quarter (Add "6" and "7")

Loans Received

"The term 'contribution' includes a . . . *loan* . . ."—Sec. 302(a).

9. $--------Total now owed to others on account of loans
10. $--------Borrowed from others during this Quarter
11. $--------Repaid to others during this Quarter

12. $--------"Expense money" and Reimbursements received this Quarter

Contributors of $500 or more
(from Jan. 1 through this Quarter)

13. Have there been such contributors?

Please answer "yes" or "no": --------

14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last days of this Quarter total $500 or more:

Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount	*Name and Address of Contributor*
	(*"Period"* from Jan. 1 through ------------------, 19----)
$1,500.00	John Doe, 1621 Blank Bldg., New York, N.Y.
$1,785.00	The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00	Total

Note on Item "E".—(*a*) *In General.* "The term 'expenditure' includes a payment, distribution, loan, advance, deposit, or gift of money or anything of value, and includes a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure"—Section 302(b) of the Lobbying Act.

(*b*) **If This Report Is for an Agent or Employee.** In the case of many employees, all expenditures will come under telephone and telegraph (Item "E 6") and travel, food, lodging, and entertainment (Item "E 7").

E. Expenditures (Including Loans) in connection with legislative interests:

Fill in every blank. If the answer to any numbered item is "None," write "None" in the spaces following the number.

Expenditures (other than loans)

1. $--------Public relations and advertising services
2. $--------Wages, salaries, fees, commissions (other than item "1")
3. $--------Gifts or contributions made during Quarter
4. $--------Printed or duplicated matter, including distribution cost
5. $--------Office overhead (rent, supplies, utilities, etc.)
6. $--------Telephone and telegraph
7. $--------Travel, food, lodging, and entertainment
8. $--------All other expenditures
9. $--------Total for this Quarter (Add "1" through "8")
10. $--------Expended during previous Quarters of calendar year
11. $--------Total from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others

"The term 'expenditure' includes a . . . *loan* . . ."—Sec. 302(b).

12. $--------Total now owed to person filing
13. $--------Lent to others during this Quarter
14. $--------Repayment received during this Quarter

15. Recipients of Expenditures of $10 or More

In the case of expenditures made during this Quarter by, or on behalf of the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following heading: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount	*Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00	7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo.—Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00	7-15, 8-15, 9-15: Britten & Blaten, 3127 Gremlin Bldg., Washington, D.C.—Public relations service at $800.00 per month.
$4,150.00	Total

A. Action for Legal Rights, 2030 M Street NW., Room 300, Washington, D.C. 20037.
D. (6) $440. E. (9) $139.31.

A. A. John Adams, 1825 K Street NW., Suite 210, Washington, D.C. 20006.
B. John Adams Associates Inc., 1825 K Street NW., Suite 210, Washington, D.C. 20006 (for Industrial Gas Cleaning Institute).

A. Bruce Adams, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,200.01.

A. John Adams Associates Inc., 1825 K Street NW., Suite 210, Washington, D.C. 20006.
B. Industrial Gas Cleaning Institute, Stamford Conn.

A. John J. Adams, Suite 1060, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Ethyl Corp., 330 South Fourth Street, Richmond, Va.
D. (6) $850.

A. John J. Adams, Suite 1060, 1730 Pennsylvania Avenue NW., Washington, D.C.
B. Vepco, 7th and Franklin Streets, Richmond, Va.
D. (6) $600.

A. Clarence G. Adamy, 1725 I Street NW., Washington, D.C. 20006.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.
D. (6) $450.

A. Ad Hoc Committee of Concerned Cable Television Operators for a Fair Copyright Law, P.O. Box 389, Painted Post, N.Y. 14870.
D. (6) $933.36. E. (9) $206.37.

A. Aerospace Industries Association of America, Inc., 1725 De Sales Street NW., Washington, D.C. 20036.
D. (6) $9,916.60. E. (9) $9,916.60.

A. Aircraft Owners and Pilots Association, P.O. Box 5800, Washington, D.C. 20014.
E. (9) $4,303.85.

A. Randolf H. Aires, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $850. E. (9) $286.45.

A. John N. Ake, 1775 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

A. Akin, Gump, Strauss, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Gibbs Oil Co., 40 Lee Burbank Highway, Revere, Mass. 02151.
D. (6) $3,000.

A. Akin, Gump, Strauss, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. The Industry Coordinating Committee To Conserve Energy, which is sponsored by the Motor and Equipment Manufacturers Association, 222 Cedar Lane, Teaneck, N.J. 07660.

A. Akin, Gump, Strauss, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Republic of Texas Corp., P.O. Box 22105, Dallas, Tex. 75222.
D. (6) $5,815.

A. Akin, Gump, Strauss, Hauer & Feld, 1110 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Riviana Foods, Inc., 277 Allen Parkway, Houston, Tex. 77019.
D. (6) $8,340.

A. Akin, Gump, Strauss, Hauer & Feld, 1100 Madison Office Building, 1155 15th Street NW., Washington, D.C. 20005.
B. Society of Independent Gasoline Marketers of America (SIGMA), 230 South Bemiston Street, St. Louis, Mo.
D. (6) $7,500.

A. Alcalde, Henderson & O'Bannon, Ltd., 1911 Fort Myer Drive, No. 1207, Rosslyn, Va.
B. Jim Walter Corp., P.O. Box 22601, Tampa, Fla.
D. (6) $3,000.

A. Alcalde, Henderson & O'Bannon, Ltd., 1911 Fort Myer Drive, No. 1207, Rosslyn, Va.
B. Latin American Manufacturers Association, 1015 18th Street NW., No. 408, Washington, D.C.

A. Alcalde, Henderson & O'Bannon, Ltd., 1911 Fort Myer Drive, No. 1207, Rosslyn, Va.
B. Tampa Electric Co., P.O. Box 111, Tampa, Fla. 33601.
D. (6) $1,500.

A. Alcalde, Henderson & O'Bannon, Ltd., 1911 Fort Myer Drive, No. 207, Rosslyn, Va.
B. Tampa Port Authority, P.O. Box 2192, Tampa, Fla. 33601.
D. (6) $3,600.

A. Alderson, Catherwood, Ondov & Leonard, 105 East Oakland Avenue, Austin, Minn. 55912.
B. The Hormel Foundation, Austin, Minn. 55912.

A. Willis W. Alexander, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $512.81.

A. Maxton Allcox, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Maintenance of Way Employees, 12050 Woodward Avenue, Detroit, Mich. 48203.
D. (6) $4,200.

A. John Allen, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Lost Angeles, Calif. 90017.
D. (6) $300. E. (9) $60.

A. Nicholas E. Allen, 1701 K Street NW., Suite 706, Washington, D.C. 20006.
B. Music Operators of America, Inc., 228 North La Salle Street, Chicago, Ill. 60601.
D. (6) $1,668. E. (9) $309.60.

A. Webb M. Alspaugh, 1660 L Street NW., Suite 212, Washington, D.C. 20036.
B. The Standard Oil Company (an Ohio Corporation), Midland Building, Cleveland, Ohio 44115.
D. (6) $250. E. (9) $150.

A. Alston, Miller & Gaines, 1200 Citizens & Southern National Bank Building, Atlanta, Ga. 30303.
B. West Paces, Inc., 1385 West Paces Ferry Road NW., Atlanta, Ga. 30327.
D. (6) $5,000.

A. Ricardo R. Alvarado, 6108 Fort Hunt Road, Alexandria, Va. 22307.
B. Lockheed Aircraft Corp., P.O. Box 551, Burbank, Calif. 91520.
D. (6) $380. E. (9) $274.82.

A. Robert Alvarez, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $3,499.98.

A. Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Amalgamated Transit Union, National Capital Local Division 689, 100 Indiana Avenue NW., No. 403, Washington, D.C.

A. American Academy of Family Physicians, 1740 West 92d Street, Kansas City, Mo. 64114.
D. (6) $1,202.18. E. (9) $1,202.18.

A. American Association of Meat Processors, 224 East High Street, Elizabethtown, Penn. 17022.
D. (6) $416.85. E. (9) $4.30.

A. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
E. (9) $21.

A. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $26,312.94. E. (9) $26,312.94.

A. The American College of Radiology, 20 North Wacker Drive, Chicago, Ill. 60606.
D. (6) $2,550.50. E. (9) $2,550.50.

A. American Committee on U.S.-Soviet Relations, 122 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $6,625.

A. American Farm Bureau Federation, 425 13th Street NW., Washington, D.C. 20004.
D. (6) $59,257. E. (9) $59,257.

A. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C. 20006.
E. (9) $79,854.09.

A. American Feed Manufacturers Association, Inc., 1701 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $300. E. (9) $300.
A. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $63,412.75. E. (9) $350.

A. American Hellenic Institute, Public Affairs Committee, Inc., 1730 K Street NW., Suite 903, Washington, D.C. 20006.
D. (6) $364. E. (9) $361.70.

A. American Hotel & Motel Association, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $4,334.93. E. (9) $4,044.31.

A. American Insurance Association, 85 John Street, New York, N.Y. 10038.
D. (6) $40,324. E. (9) $40,324.

A. American Land Title Association, 1828 L Street NW., Suite 303, Washington, D.C. 20036.
E. (9) $2,952.17.

A. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.
D. (6) $573.40. (9) $2,218.03.

A. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $2,190.50.

A. American Maritime Association, 17 Battery Place-North Building, New York, N.Y. 10004; 1612 K Street NW., Washington, D.C. 20006.
E. (9) $683.70.

A. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007; 1600 Wilson Boulevard, Arlington, Va.

A. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
E. (9) $26,051.14.

A. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $4,855.

A. American National Cattlemen's Association, 1001 Lincoln Street, Denver, Colo. 80202.
E. (9) $4,036,37.

A. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C. 20006.
D. (6) $13,302.45. E. (9) $11,694.91.

A. American Nurses' Association, Inc., 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $2,774.95. E. (6) $2,774.95.

A. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $244.36.

A. American Parents Committee, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,121.25. E. (9) $5,668.32.

A. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $18,203. E. (9) $53,209.

A. American Physical Therapy Association, 1156 15th Street NW., Washington, D.C. 20005.
D. (6) $6,564.82. E. (9) $6,564.82.

A. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
E. (9) $13,332.41.

A. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.
D. (6) $1,912,034.06. E. (9) $111,573.18.

A. American Public Transit Association, 1100 17th Street NW., Suite 1200, Washington, D.C. 20036.
D. (6) $10,469. E. (9) $10,469.

A. American Pulpwood Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. American Rivers Conservation Council, 324 C Street SE., Washington, D.C. 20003.
D. (6) $2,175.30. E. (9) $1,498.34.

A. American Seed Trade Association, 1030 15th Street NW., Suite 964, Washington, D.C. 20005.
E. (9) $2,000.

A. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $684.35. E. (9) $684.35.

A. The American Society of Radiologic Technologists, 500 North Michigan Avenue, Suite 836, Chicago, Ill. 60611.
D. (6) $1,211.51. E. (9) $6,271.17.

A. American Surveys, Embassy Square, Suite 901, 2000 N Street NW., Washington, D.C. 20036.
B. National Customs Brokers & Forwarders Association of America, Inc., One World Trade Center, Suite 1109, New York, N.Y. 10048.
D. (6) $244.69. E. (9) $139.66.

A. American Textile Manufactures Institute, Inc., Wachovia Center, 400 S. Tryon Street, Charlotte, N.C. 28285.
D. (6) $24,029.82. E. (9) $24,029.82.

A. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $10,290.06. E. (9) $43,888.48.

A. American Veterinary Medical Association, 1522 K Street NW., Suite 828, Washington, D.C. 20005.
E. (9) $125.

A. Anthony L. Anderson, Sun Oil Co., Suite 820, 1800 K Street NW., Washington, D.C. 20006.
B. Sun Oil Co., 240 Radnor-Chester Road, St. Davids, Pa. 19087.
D. (6) $5,000. E. (9) $1,175.

A. J. Lem Anderson, 400 First Street NW., Washington, D.C. 20001.
B. Time Inc., Rockefeller Center, New York, N.Y. 10020.
D. (6) $1,750. E. (9) $1,136.36.

A. M. Kent Anderson, 2020 14th Street North, Arlington, Va. 22201.
B. The Trane Co., 3600 Pammel Creek Road, La Grosse, Wis. 54601.
D. (6) $300. E. (9) $21.

A. Donald M. Andersson, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $66.25.

A. Scott P. Anger, 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.
B. Enserch Corp., 301 South Harwood, Dallas, Tex. 75201.
D. (6) $200. E. (9) $53.78.

A. J. Donald Annett, 1001 Connecticut Avenue NW., Suite 510, Washington, D.C. 20036.
B. Texaco Inc., 135 East 42nd Street, New York, N.Y. 10017.
D. (6) $100.

A. Leonard Appel, Wilson, Woods & Villaon, 425 13th Street NW., Suite 1032, Washington, D.C. 20004.
B. Everett Terminal Co., Inc., Post Office Box 1478, Hewitt Avenue Marine Terminal, Everett, Wash. 98206.
E. (9) $302.40.

A. Clarence A. Arata, Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $3,500.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. Combined Insurance Co. of America, 5050 Broadway, Chicago, Ill. 50640.
D. (6) $699.50. E. (9) $10.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. Motor & Equipment Manufacturers Association, 222 Cedar Lane, Teaneck, N.J. 07666.
D (6) $500. E. (9) $50.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. National Association of Greeting Card Publishers, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $240. E. (9) $2.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. National Association of Recording Merchandisers, Inc., 1060 Kings Highway North, Suite 200, Cherry Hill, N.J. 08034.
D. (6) $120. E. (9) $2.

A. Arent, Fox, Kintner, Plotkin and Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $108.

A. Howard Arnett, Pacific Power & Light Co., 918 16th Street NW., Washington, D.C. 20006.
B. Pacific Power & Light Co., Public Service Building, Portland, Oreg. 97204.
D. (6) $918. E. (9) $592.42.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037
D. (6) $7,500.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Electronic Data Systems, 7171 Forest Lane, Dallas, Tex. 75280.
E. (9) $32.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Quintana Petroleum Corp., 500 Jefferson Building, Houston, Tex. 77002.
D. (6) $1,597. E. (9) $89.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Quintana Refining Co., 500 Jefferson Building, Houston, Tex. 77002.
D. (6) $1,597. E. (9) $89.

A. Carl F. Arnold, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Securities Industry Association, 20 Broad Street, New York, N.Y. 10005.
D. (6) $583. E. (9) $34.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Council on Atmospheric Sciences, % Ralph Engel, Chemical Specialties Manufacturing Association, Inc., 1001 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,800. E. (9) $405.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Fairchild Camera and Instrument Corp., 464 Ellis Street, Mountain View, Calif. 94040.

A. Associated Builders & Contractors, Inc., 1156 15th Street NW., Suite 731, Washington, D.C. 20005.
D. (6) $8,000. E. (9) $7,270.54.

A. Associated Credit Bureaus, Inc., 6767 Southwest Freeway, Houston, Tex. 77036.
E. (9) $256.93.

A. Associated Third Class Mail Users, Suite 607, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300. E. (9) $300.

A. Association for Improvement of Mississippi River, 10 Broadway, St. Louis, Mo. 63102.
E. (9) $2,110.50.

A. Association of American Publishers, 1920 L Street NW., Room 750, Washington, D.C. 20036.
D. (6) $4,866.84. E. (9) $4,866.84.

A. Association of American Railroads, American Railroads Building, Room 211, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $11,993.89. E. (9) $11,939.89.

A. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. The Association of Trial Lawyers of America, 20 Garden Street, Cambridge, Mass. 02138.

D. (6) $6,482. E. (9) $6,482.

A. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.

E. (9) $500.

A. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

D. (6) $825. E. (9) $850.

A. Robert L. Augenblick, 1775 K Street NW., Washington, D.C. 20006.

B. Investment Co., Institute, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $113. E. (9) $12.95.

A. Automotive Parts Rebuilders Association, 6849 Old Dominion Drive, McLean, Va. 22101.

D. (6) $1,800. E. (9) $310.

A. John S. Autry, Johns-Manville Corp., 1025 Connecticut Avenue, Suite 214, Washington, D.C. 20036.

B. Johns-Manville Corp., Post Office Box 5108, Denver, Colo. 80217.

D. (6) $400. E. (9) $500.

A. Richard W. Averill, 1730 M Street, NW., Washington, D.C. 20036.

B. American Optometric Association, c/o Alvin Levin, O.D., 120 South Hanover Street, Carlisle, Pa. 17013.

D. (6) $800. E. (9) $346.

A. Donald L. Badders, TRW Credit Data, 2030 M Street NW., Suite 800, Washington, D.C. 20036.

B. TRW Credit Data, 100 Oceangate, Suite 800, Long Beach, Calif. 90802.

D. (6) $900. E. (9) $207.35.

A. Baer & Marks, 70 Pine Street, New York, N.Y. 10005.

B. Commodity Exchange, Inc., 81 Broad Street, New York, N.Y. 10004.

A. Carl E. Bagge, Coal Building, Washington, D.C. 20036.

B. National Coal Association, Coal Building, Washington, D.C. 20036.

E. (9) $2,211.18.

A. Charles W. Bailey, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.

B. National Right To Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.

A. James F. Bailey, 101 Constitution Avenue NW., Washington, D.C. 20001.

B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.

D. (6) $6,825. E. (9) 606.40.

A. David L. Baird, Jr., 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.

B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.

E. (9) $750.92.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C., 20036.

B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Thomas F. Baker, 1101 16th Street NW., Washington, D.C. 20036.

B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. James G. Banks, 1511 K Street, No. 439, Washington, D.C. 20005.

B. Washington Board of Realtors, 1511 K Street NW., No. 439, Washington, D.C. 20005.

A. Robert D Bannister, 925 15th Street NW., Washington, D.C. 20005.

B. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611; 925 15th Street NW., Washington, D.C. 20005.

D. (6) $1,787.50. E. (9) $107.20.

A. Jo Ann S. Barefoot, 925 15th Street NW., Washington, D.C. 20005.

B. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611; 925 15th Street NW., Washington, D.C. 20005.

D. (6) $1,219. E. (9) $29.15.

A. Thomas H. Barksdale, Jr., 2101 L Street NW., Washington, D.C. 20037.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $2,400. E. (9) $180.

A. Robert W. Barrie, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn. 06431.

D. (6) $250. E. (9) $85.

A. David S. Barrows, 214 Century Building, Portland, Oreg. 97205.

B. Association of Oregon and California Land Grant Counties, Douglas County Court House, Roseburg, Oreg. 97470.

D. (6) $1,200.

A. T. Michael Barry, 1771 N Street NW., Washington, D.C. 20036.

B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.

D. (6) $1,500. E. (9) $270.39.

A. William M. Bates, 814 Carnegie Building, Atlanta, Ga. 30303.

B. Georgia Farm Bureau Federation, 814 Carnegie Building, Atlanta, Ga. 30303.

D. (6) $3,000. E. (9) $896.11.

A. Lucius D. Battle.

B. Communications Satellite Corp., 950 L'Enfant Plaza SW., Washington, D.C. 20024.

A. John F. Battles, Massachusetts Petroleum Council—A Division of American Petroleum Institute, 11 Beacon Street, Boston, Mass. 02108.

B. American Petroleum Institute, 2101 L Street NW, Washington, D.C. 20037.

D. (6) $200.

A. Batzell, Nunn & Bode, 1523 L Street NW., Washington, D.C. 20005.

B. Consumers Power Co., 212 West Michigan Avenue, Jackson, Mich. 49201.

D. (6) $500.

A. Batzell, Nunn & Bode, 1523 L Street NW., Washington, D.C. 20005.

B. Herbst Oil Co., P.O. Box 2983, Huntridge Station, Las Vegas, Nev. 89104; Kocolene Oil Corp., Box 448, Seymour, Ind. 47274.

D. (6) $500.

A. Batzell Nunn & Bode, 1523 L Street NW., Washington, D.C. 20005.

B. Independent Terminal Operators Association, 1523 L Street NW., Washington, D.C. 20005.

D. (6) $500.

A. Gary Lee Bauer, 1730 K Street NW., Suite 905, Washington, D.C. 20006.

B. Direct Mail/Marketing Association, Inc., 1730 K Street NW., Suite 905, Washington, D.C. 20006.

D. (6) $5,000. E. (9) $1,290.

A. John N. Bauman, 312 Barr Building, 910 17th Street NW., Washington, D.C. 20006.

B. White Consolidated Industries, Inc., 11770 Berea Road, Cleveland, Ohio 44111.

D. (6) $5,000. E. (9) $140.

A. Bruce A. Beam, 40 Franklin Road SW., Roanoke, Va. 24011.

B. Appalachian Power Co., 40 Franklin Road SW., Roanoke, Va. 24011.

D. (6) $1,091.53. E. (9) $1,789.31.

A. John E. Bearer, 1001 Broad Street, Johnstown, Pa. 15907.

B. Pennsylvania Electric Co., 1001 Broad Street, Johnstown, Pa. 15907; Metropolitan Edison Co., 2800 Pottsville Pike, Reading, Pa. 19603; Jersey Central Power & Light Co., Madison Avenue at Punch Bowl Road, Morristown, N.J. 07960.

D. (6) $890.27. E. (9) $1,092.77.

A. Donald S. Beattie, 400 First Street NW., Washington, D.C. 20001.

B. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.

D. (6) $1,770.84.

A. Christine T. Beatty, Suite 911, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.

D. (6) $1,500.

A. Orren Beaty, 417 New Jersey Avenue SE., Washington, D.C. 20003.

B. National Association of Railroad Passengers, 417 New Jersey Avenue SE., Washington, D.C. 20003.

D. (6) $5,353.20.

A. R. C. Beerbower, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. M. Wendell Belew, Jr., 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C. Street SE., Washington, D.C. 20003.

D. (6) $2,332.68.

A. Thomas Belford, 2030 M Streeet NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $4,800. E. (9) $130.23.

A. Alexander B. Bell, 9618 Cottrell Terrace, Silver Spring, Md. 20903.

B. United Association of Journeymen & Apprentices of the Plumbing & Pipe Fitting Industry of the United States and Canada, 901 Massachusetts Avenue NW., Washington, D.C. 20001.

D. (6) $3,750. E. (9) $61.55.

A. C. Thomas Bendorf, 1620 I Street NW., Washington, D.C. 20006.

B. Association of Trial Lawyers of America, 1620 I Street NW., Washington, D.C. 20006.

D. (6) $3,000. E. (9) $150.

A. Bruce Benefield, 2030 M Street NW., Washington, D.C. 20036.

B. TRW Inc., Suite 800, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $1,000.

A. Kathleeen M. Bennett, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. William C. Bennett, Jr., 1025 Connecticut Avenue NW., Washington, D.C.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

D. (6) $200. E. (9) $200.

A. Nancy C. Benson, 1625 I Street NW., Suite 514, Washington, D.C. 20006.

B. American Cyanamid Co., Wayne, N.J. 07470.

D. (6) $120. E. (9) $33.60.

A. Ellen Berman, 1012 14th Street NW., Washington, D.C. 20005.

B. Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.

D. (6) $2,200. E. (9) $65.

A. James Bernhart, 1776 K Street NW. Suite 200, Washington, D.C. 20006.

B. Motorola, Inc., 1776 K Street NW., Suite 200, Washington, D.C. 20006.

D. (6) $400. E. (9) $75.

A. Berry, Epstein & Sandstrom, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Atalanta Corp., 17 Varick Street, New York, N.Y. 10013.

D. (6) $8,000.

A. Berry, Epstein & Sandstrom, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Berry, Epstein & Sandstrom, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Oeheg, Sudtiroler Platz 8, A-6020 Innsbruck, Austria; Oemolk, P.O. Box 176, A-1013, Vienna, Austria.

A. Max N. Berry, Berry, Epstein & Sandstrom, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Meat Products Group, American Importers Association, 420 Lexington Avenue, New York, N.Y. 10017.

A. Robert L. Bevan, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $650. E. (9) $42.

A. Andrew J. Biemiller, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations 815 16th Street NW., Washington, D.C.

D. (6) $10,346. E. (9) $195.15.

A. Walter J. Bierwagen, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

B. Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Linda M. Billings, Sierra Club, 324 C Street SE., Washington, D.C. 20003.

B. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.

D. (6) $4,222. E. (9) $430.

A. Charles L. Binsted, No. 301, 2021 K Street NW., Washington, D.C. 20006.

B. National Congress of Petroleum Retailers, No. 301, 2021 K Street NW., Washington, D.C. 20006.

D. (6) $1,554. E. (9) $1,575.

A. Birch, Jermain, Horton & Bittner, 4400 Jenifer Street NW., No. 300, Washington, D.C. 20015.

B. Calista Corp., 516 Denali Street, Anchorage, Alaska.

A. Birch, Jermain, Horton and Bittner, 4400 Jenifer Street NW., Suite 300 Washington, D.C., 20015.

B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del.

A. Robert J. Bird, 1140 Connecticut Avenue NW., Suite 412, Washington, D.C. 20036.

B. Ad Hoc Coalition for Cemetery Care, 6216 South Stanford Way, Whittier, Calif. 90601.

A. Robert J. Bird, 1140 Connecticut Avenue NW., Suite 412, Washington, D.C. 20036.

B. Occidental Life Insurance Co., 12th and Hill, Los Angeles, Calif. 90054.

A. Robert J. Bird, 1140 Connecticut Avenue NW., Suite 412, Washington, D.C. 20036.

B. The Paul Revere Corp., Worcester, Mass. 01808.

A. Tracy Bird, Suite 302, 1725 K Street NW., Washington, D.C. 20006.

B. National Motorsports Committee of ACCUS, Suite 302, 1725 K Street NW., Washington, D.C. 20006.

D. (6) $275.

A. Robert B. Bizal, 1000 16th Street NW., Washington, D.C. 20036.

B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.

D. (6) $364.13. E. (9) $4.16.

A. Gerrie Bjornson, 1800 K Street NW., Suite 929, Washington, D.C. 20006.

B. The B. F. Goodrich Co., Akron, Ohio 44318.

D. (6) $100.

A. Neal R. Bjornson, 30 F Street NW., Washington, D.C. 20001.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

D. (6) $1,750. E. (9) $52.80.

A. Brent Blackwelder, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $1,556.26. E. (9) $344.08.

A. Richard W. Blake, 1776 K Street NW., Washington, D.C. 20006.

B. National Sugarbeet Growers Federation, Greeley National Plaza, Suite 740, Greeley, Co. 80631; 1776 K Street, Washington, D.C. 20006.

D. (6) $40.

A. Edwin C. Bliss, 1462 Teal Drive, Sunnyvale, Calif. 94087.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $550. E. (9) $123.94.

A. Richard W. Bliss, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $30. E. (9) $75.

A. Jerald Blizin, 1425 K Street NW., Washington, D.C. 20005.

B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Becky Bogard, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $155.

A. Christie K. Bohner, 900 17th Street NW., Suite 1000, Washington, D.C. 20006.

B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C.

D. (6) $100. E. (9) $75.

A. A. Dewey Bond, American Meat Institute, P.O. Box 3556, Washington, D.C. 20007.

B. American Meat Institute, 1600 Wilson Boulevard, Arlington, Va.

D. (6) $500. E. (9) $30.

A. G. Stewart Boswell, American Textile Manufacturers Institute, Inc., Suite 1001, 1150 17th Street NW., Washington, 20036.

D. (6) $2,150.40. E. (9) $264.

B. American Textile Manufacturers Institute, Suite 2124, 400 South Tryon Street, Charlotte, N.C. 28285.

A. Charles G. Botsford, 1730 M Street NW., Suite 609, Washington, D.C. 20036.

A. A. D. Bourland, 1660 L Street NW., Suite 804, Washington, D.C. 20036.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

D. (6) $3,000. E. (9) $2,128.77.

A. Kenneth J. Bousquet, 2021 K Street NW., Suite No. 709, Washington, D.C.

B. General Atomic Co., San Diego, Calif.

D. (6) $1,600. E. (9) $425.

A. Frank J. Bowden, Jr., Associated Petroleum Industries of Pennsylvania, A Division of API, Post Office Box 925, Harrisburg, Pa. 17108.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $377. E. (9) $161.20.

A. Robert R. Bowers, West Virginia Petroleum Council, Division of API, Suite 714, Atlas Building, Charleston, W. Va. 25301.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20036.

D. (6) $484. E. (9) $423.10.

A. Edward L. Bowley, 817 14th Street NW., Washington, D.C. 20005.

B. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.

D. (6) $9,469.50. E. (9) $1,871.17.

A. Richard P. Bowling, 1616 P Street NW., Washington, D.C. 20036.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $500. E. (9) $44.75.

A. Boyden, Kennedy, Romney & Howard, 1000 Kennecott Building, Salt Lake City, Utah 84133.

B. The Zuni Indian Tribe, Zuni, N. Mex.

D. (6) $3,252.11. E. (9) $2,483.52.

A. Melvin J. Boyle, 1125 15th Street NW., Washington, D.C. 20005.

B. International Brotherhood of Electrical Workers, AFL-CIO-CLC, 1125 15th Street NW., Washington, D.C. 20005.

D. (6) $8,500.

A. Frank W. Bradley, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

B. Chevron Oil Co., subsidiary of Standard Oil Co. of California, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

E. (9) $100.

A. George E. Bradley, Room 1247, South Building, Department of Agriculture, 14th and Independence Streets NW., Washington, D.C. 20250.

B. Organization of Professional Employees of USDA (OPEDA), Room 1247, South Building, Department of Agriculture, Washington, D.C.

D. (6) $1,260. E. (9) $25.

A. Charles N. Brady, American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

E. (9) $21.

A. Joseph E. Brady, 5018 E. Summer Moon Lane, Phoenix, Ariz. 85044.

B. National Coordinating Committee of the Beverage Industry.

A. Charles G. Bragg, P.O. Box 12285, Memphis, Tenn. 38112.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $878.79. E. (9) $225.28.

A. Jacques Bramhall, Jr., 199 Cherry Hill Road, Parsippany, N.J. 07054.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $1,250.

A. Breed, Abbott & Morgan, 1 Chase Manhattan Plaza, New York, N.Y. 10005.

B. Lehman Brothers, 1 William Street, New York, N.Y.—Lasker, Stone & Stern, 20 Broad Street, New York, N.Y.

E. (9) $167.21.

A. Betsy Bretz, 706 Seventh Street SE, Washington, D.C. 20003.

B. National Abortion Rights Action League, 706 Seventh Street SE., Washington, D.C. 20003.

D. (6) $750. E. (9) $30.

A. Beverly B. Brilliant, American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $1,270. E. (9) $350.

A. Claude S. Brinegar, Sr., 461 S. Boylston Street, Los Angeles, Calif. 90017.

B. Union Oil Co. of California, 461 South Boylston Streets, Los Angeles, Calif. 90017.

E. (9) $400.

A. Parke C. Brinkley, The Madison Building, 1155 15th Street NW., Washington, D.C. 20005.

B. National Agricultural Chemicals Association, 1155–15th Street NW., Washington, D.C. 20005.

D. (6) $112.50.

A. Wally Briscoe, 918 16th Street NW., Washington, D.C. 20006.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

D. (6) $912.50.

A. David A. Brody, Anti-Defamation League of B'nai B'rith, 1640 Rhode Island Ave. NW., Washington, D.C. 20036.

B. Anti-Defamation League of B'nai B'rith, 315 Levington Avenue, New York, N.Y. 10016.

D. (6) $450.

A. Michael D. Bromberg, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.

B. Federation of American Hospitals, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.

D. (6) $4,500.

A. David W. Broome, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $600. E. (9) $65.

A. Joe B. Browder, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $1,500. E. (9) $50.90.

A. Charles B. Brown, 900 17th Street NW., Washington, D.C. 20006.

B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C.

A. Chris H. Brown, 3249 O Street NW., Washington, D.C. 20007.

B. National Council for a World Peace Tax Fund, 2111 Florida Avenue NW., Washington, D.C. 20008.

D. (6) $750.

A. Donald K. Brown, 1127 11th Street, Suite 525, Sacramento, Calif. 95814.

B. Hughes Air Corp., 3125 Clearview Way, San Mateo, Calif. 94403.

A. Donald K. Brown, 1127 11th Street, Suite 525, Sacramento, Calif. 95814.

B. Summa Corp., Post Office Box 309, Las Vegas, Nev. 89101.

D. (6) $300. E. (9) $58.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensington, Md. 20795.

B. Centar Associates, 369 Passaic Avenue, Fairfield, N.J. 07006.

D. (6) $3,000. E. (9) $517.50.

A. Howard C. Brown, Jr., 9618 Carriage Road, Kensington, Md. 20795.

B. National Association of Life Sciences, 1710 Chapman Avenue, Rockville, Md. 20852.

D. (6) $625. E. (9) $35.

A. J. D. Brown, 2600 Virginia Avenue NW., Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.

D. (6) $300.

A. Michael F. Brown, 919 18th Street NW., Washington, D.C. 20006.

B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.

D. (6) $200.

A. Stanley R. Browne, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.

B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

A. Brownstein, Zeidman, Schomer and Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. Council of Housing Producers, 8th Floor, 9255 Sunset Boulevard, Los Angeles, Calif. 90069.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. International Foodservice Manufacturers Association, One East Wacker Drive, Chicago, Ill. 60601.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue, Washington, D.C. 20036.

B. International Franchise Association, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. Massachusetts Bankers Association, 125 High Street, Boston, Mass.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. Mortgage Guaranty Insurance Corp., MGIC Plaza, Milwaukee, Wis. 53201.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Restaurant Association, Suite 2600, One IBM Plaza, Chicago, Ill. 60611.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C. 20036.

B. New York State Urban Development Corp., 1345 Avenue of the Americas, New York, N.Y. 10019.

A. Brownstein, Zeidman, Schomer & Chase, 1025 Connecticut Avenue NW., Suite 900, Washington, D.C.

B. PruLease, Inc., 1255 Boylston Street, Boston, Mass.

A. Lawrence E. Bruce, Jr., 1125 15th Street NW., Washington, D.C. 20005.

B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

D. (6) $3,750. E. (9) $9,746.

A. Paul A. Brunkow, 1776 F Street NW., Washington, D.C. 20006.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $1,225.

A. J. Charles Bruse, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.

B. Allstate Enterprises, Inc., Allstate Plaza, Northbrook, Ill. 60062.

A. J. Charles Bruse, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.

B. Allstate Insurance Co., Allstate Plaza, Northbrook, Ill. 60062.

A. Marguerite E. Bryan, 400 First Street NW., Suite 700, Washington, D.C. 20001.

B. District No. 1—Pacific Coast District Marine Engineers' Beneficial Association, AFL–CIO, 17 Battery Place, New York, N.Y. 10004.

D. (6) $1,204.50. E. (9) $274.93.

A. George S. Buck, Jr., Post Office Box 12285, Memphis, Tenn. 38112.

B. National Cotton Council of America, Post Office Box 12285, Memphis, Tenn. 38112.

A. Philip N. Buckminster, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Chrysler Corp., 12000 Lynn Townsend Drive, Highland Park, Mich. 48231.

D. (6) $2,000. E. (9) $315.15.

A. Robert D. Buehler, 1800 K Street NW., Suite 929, Washington, D.C. 20006.

B. The B. F. Goodrich Co., Akron, Ohio 44318.

D. (6) $220.

A. Norman D. Burch, 1775 K Street NW., Washington, D.C. 20006.

B. College of American Pathologists, 7400 North Skokie Boulevard, Skokie, Ill. 60076.

D. (6) $3,375. E. (9) $142.14.

A. William J. Burhop, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

D. (6) $2,250.

A. Thomas G. Burke, 1625 I Street NW., Washington, D.C. 20006.

B. Association of General Merchandise Chains, Inc., 1625 I Street NW., Washington, D.C. 20006.

A. Burley and Dark Leaf Tobacco Exporters Association, 1100 17th Street NW., Washington, D.C.

D. (6) $44,532.07. E. (9) $731.24.

A. Philip C. Burnett, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $693.75. E. (9) $32.47.

A. George Burnham IV, United States Steel Corp., 1625 K Street NW., Washington, D.C. 20006.
B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.
D. (6) $312. E. (9) $386.

A. Charles S. Burns, Phelps Dodge Corp., 1620 I Street NW., Washington, D.C. 20006.
B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.
D. (6) $1,200. E. (9) $324.15.

A. David Burpee, Fordhook Farms, Doylestown, Pa. 18901.
E. (9) $500.

A. James L. Burridge, 10 Hardwicke Place, Rockville, Md. 20850.
B. FMC Corp., 1625 I Street NW., Suite 520, Washington, D.C. 20006.
D. (6) $1,000. E. (9) $604.63.

A. Busby Rivkin Sherman Levy and Rehm, 900 17th Street NW., Washington, D.C. 20006.
B. Feather & Down Association, Inc., 257 West 38 Street, New York, N.Y. 10018.
D. (6) $1,680.

A. Richard M. Bush, Suite 501, Barr Building, Washington, D.C. 20006.
B. Pacific Northwest Power Company, Suite 501, Barr Building, Washington, D.C. 20006.
D. (6) $650. E. (9) $1,050.

A. Business Executives Move for New National Priorities, 901 North Howard Street, Baltimore, Md. 21201.
D. (6) $1,494.46. E. (9) $990.39.

A. James J. Butera, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.
B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $1,625. E. (9) $347.28.

A Harry W. Buzzerd, Jr., 1725 K Street NW., Suite 903, Washington, D.C. 20006.
B. Outdoor Power Equipment Institute, 1725 K Street NW., Suite 903, Washington, D.C. 20006.
D. (6) $554. E. (9) $554.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for Cabot Corp.), 815 Connecticut Avenue, NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for the Dealer Bank Association), 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for Encyclopaedia Britannica, Inc.), 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for Insurance Association of Connecticut), 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for Joseph Schlitz Brewing Co.), 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. John W. Byrnes, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Foley, Lardner, Hollabaugh & Jacobs (for U.S. Steel Corp.; Bethlehem Steel Co.; Inland Steel Co.; Freeport Minerals Co.; Hanna Mining Co.; and AMAX), 815 Connecticut Avenue NW., Washington, D.C. 20006.

A. Cable, McDaniel, Bowie & Bond, 915 Blaustein Building, Baltimore, Md. 21201.
B. Crown Central Petroleum Corp., 1 North Charles Street, P.O. Box 1168, Baltimore, Md. 21203.

A. M. Douglas Caddy, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611; 925 15th Street NW., Washington, D.C. 20005.
D. (6) $2,000. E. (9) $66.69.

A. Alan Caldwell, 1825 K Street NW., Washington, D.C. 20006.
B. Del Monte Corp., 215 Fremont Street, San Francisco, Calif. 94119.
D. (6) $1,000. E. (9) $50.

A. David W. Calfee III, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $1,908.75. E. (9) $9.

A. F. Patricia Callahan, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.

A. John H. Callahan, 1126 16th Street NW., Washington, D.C. 20036.
B. International Union of Electrical, Radio & Machine Workers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $875. E. (9) $500.

A. Gordon L. Calvert, New York Stock Exchange, 1800 K Street NW., Washington, D.C. 20006.
B. New York Stock Exchange, 11 Wall Street, New York, N.Y. 10005.
D. (6) $1,000. E. (9) $475.

A. Donald L. Calvin, 11 Wall Street, New York, N.Y. 10005.
B. New York Stock Exchange, 11 Wall Street, New York, N.Y. 10005.

A. Arthur E. Cameron, 918 16th St. NW., Washington, D.C. 20006.
B. LFE Corp., 1601 Trapelo Road, Waltham, Mass. 02154; Eagle Signal, 736 Federal Street, Davenport, Iowa 52803.
D. (6) $3,000.

A. Arthur E. Cameron, 918 16th Street NW., Washington, D.C. 20006.
B. Prismo Universal Corp., et al., 4 Research Place, Rockville, Md. 20850.
D. (6) $3,996.

A. Camp, Carmouche, Palmer, Carwile & Barsh, Pioneer Building, Lake Charles, La. 70601.
B. Louisiana Department of Conservation, State of Louisiana, P.O. Box 44275, Capitol Station, Baton Rouge, La. 70804.
D. (6) $1,500.

A. Carl C. Campbell, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $132.58.

A. Charles Argyll Campbell, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, D.C. 20062.
E. (9) $267.

A. Charles O. Campbell, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.

A. Sharyn G. Campbell, 1620 I Street NW., Washington, D.C. 20006.
B. National BankAmericard Inc., 555 California Street, San Francisco, Calif. 94126.
D. (6) $2,500. E. (9) $2,549.24.

A. W. Dean Cannon, Jr., 9800 South Sepulveda Boulevard, Suite 500, Los Angeles, Calif. 90045.
B. California Savings and Loan League, 9800 South Sepulveda Boulevard, Suite 500, Los Angeles, Calif. 90045.
D. (6) $1,500.

A. David L. Cantor, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Co., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $387.50. E. (9) $165.21.

A. Marvin Caplan, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $4,821.45. E. (9) $112.50.

A. Ross Capon, 417 New Jersey Avenue SE., Washington, D.C. 20003.
B. National Association of Railroad Passengers, 417 New Jersey Avenue SE., Washington, D.C. 20003.
D. (6) $3,500.

A. Ronald A. Capone, Kirlin, Campbell & Keating, 1150 Connecticut Avenue NW., No. 800, Washington, D.C. 20036.
B. Council of European and Japanese National Shipowers Association, 30/32 St. Mary Axe, London, EC3A 8ET, England.
D. (6) $5,000. E. (9) $367.85.

A. Caplin & Drysdale, 1101 17th Street NW., Suite 1100, Washington, D.C. 20036.
B. Council on Foundations, Inc., 888 Seventh Avenue, New York, N.Y. 10019.

A. Norval E. Carey, 2021 K Street NW., Washington, D.C. 20006.
B. General Atomic Co., San Diego, Calif.
D. (6) $1,000. E. (9) $375.

A. Philip Carlip, 675 Fourth Avenue, Brooklyn, N.Y. 11232.
B. Seafarers International Union, 675 Fourth Avenue, Brooklyn, N.Y. 11232.
D. (6) $2,500. E. (9) $1,873.20.

A. Charles R. Carlisle, Suite 911, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.
D. (6) $5,300.

A. Austin B. Carlson, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $3,921.78.

A. Elizabeth Carpenter, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y.

A. L. C. Carpenter, 201 South Seventh Street, Columbia, Mo. 65201.

B. Midcontinent Farmers Association, 201 South Seventh Street, Columbia, Mo. 65201.
D. (6) $5,299.32. E. (9) $810.27.

A. Charles M. Carroll, 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International Inc., 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $821.25. E. (9) $9.75.

A. John R. Carson, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
B. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.
D. (6) $6,250.

A. Harlon B. Carter, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $1,125.

A. Frank H. Case III, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $200. E. (9) $75.

A. John L. Casey, 345 Park Avenue, New York, N.Y., 10022.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. James B. Cash, Jr., 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $4,000. E. (9) $113.35.

A. Frank R. Cawley, Room 511, Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Agricultural Publishers Association, 511 Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
E. (9) $115.35.

A. Frank R. Cawley, Room 511, Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.
D. (6) 125. E. (9) $168.66.

A. Dorothy D. Cecelski, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,000.01.

A. Justice M. Chambers, 2300 Calvert Street, Washington, D.C. 20008.
B. Swaziland Sugar Association, P.O. Box 445, Mbabane, Swaziland.
D. (6) $7,500. E. (9) $271.07.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street NW., Washington, D.C. 20008.
B. Cordage Institute, 2300 Calvert Street NW., Washington, D.C. 20008.
D. (6) $1,181.25.

A. J. M. Chambers & Co., Inc., 2300 Calvert Street NW., Washington, D.C. 20008.
B. Satra Corp., 475 Park Avenue South, New York, N.Y. 10016.
D. (6) $1,500.

A. J. W. Chandler, York Division, Borg-Warner Corp., 1101 17th Street NW., Washington, D.C. 20036.
B. York Division, Borg-Warner Corp., South Richland Avenue, York, Pa. 17405.
E. (9) $64.

A. William C. Chapman, 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich., 48202.
D. (6) $3,000. E. (9) $3,692.65.

A. Charles E. Chace, c/o Nebraska Petroleum Council, a Division of API, 334 South 13th Street, Lincoln, Nebr. 68508.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. John E. Chapoton, 2100 First City National Bank Building, Houston, Tex. 77002.
B. Vinson, Elkins, Searls, Connally & Smith, 2100 First City National Bank Building, Houston, Tex., 77002 (*for* Belco Petroleum Corp., One Dag Hammarskjold Plaza, New York, N.Y. 10017).
E. (9) $150.79.

A. John E. Chapoton, 2100 First City National Bank Building, Houston, Tex., 77002.
B. Vinson, Elkins, Searls, Connally & Smith, 2100 First City National Bank Building, Houston, Tex. 77002 (*for* Domestic Wildcatters Association, 900 First City National Bank Building, Houston, Tex. 77002).
E. (9) $539.43.

A. John E. Chapoton, 2100 First City National Bank Building, Houston, Tex. 77002.
B. Vinson, Elkins, Searls, Connally & Smith, 2100 First City National Bank Building, Houston, Tex. 77002 (*for* Quintana Petroleum Corp., 500 Jefferson, Houston, Tex. 77002).
E. (9) $506.43.

A. Leslie Cheek III, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $1,500. E. (9) $250.

A. Children's Rights, Inc., 3443 17th Street NW., Washington, D.C. 20010.
D. (6) $300. E. (9) $243.68.

A. Hal M. Christensen, 1101 17th Street NW., Washington, D.C. 20036.
B. American Dental Association, 1101 17th Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. James Ciarrocchi, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $656.25. E. (9) $476.51.

A. Cigar Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.
D. (6) $112,246.49. E. (9) $5,152.32.

A. Citizens Committee for the Right To Keep and Bear Arms, 1601 114th Avenue, SE., Suite 151, Bellevue, Wash. 98004.
D. (6) $136,602.44. E. (9) $13,828.79.

A. Citizens for Class Action Lawsuits, 4914 Belt Road, NW., Washington, D.C. 20016.
D. (6) $375. E. (9) $206.38.

A. Cladouhos & Brashares, 1750 New York Avenue NW., Washington, D.C. 20006.
B. Toyota Motor Sales, U.S.A., 2055 West 190th Street, Torrance, Calif. 90504.

A. Carlton S. Clark, Baltimore Gas & Electric Co., 1412 Gas and Electric Building, Baltimore, Md. 21203.
B. Baltimore Gas & Electric Co., Gas and Electric Building, Baltimore, Md. 21203.
D. (6) $69.42.

A. Earl W. Clark, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $1,810. E. (9) $14.

A. Kimball Clark, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $139.44. E. (9) $158.60.

A. Richard W. Clark, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $5,500.02. E. (9) $212.25.

A. Thomas R. Clark, 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.
D. (6) $10.

A. Vernon A. Clark, 1660 L Street NW., Suite 215–216, Washington, D.C. 20036.
B. Outdoor Advertising Association of America, Inc., 1660 L Street NW., Suite 215–216, Washington, D.C. 20036.
D. (6) $550. E. (9) $1,771.50.

A. Joan B. Claybrook, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $3,000.

A. Jacob Clayman, 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $999.99.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Colonial Sugar Refining Co., Ltd., 1–7 O'Connell Street, Sydney, Australia.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Getty Oil Co., 3810 Wilshire Boulevard, Los Angeles, Calif. 90010 et al.
D. (6) $3,600. E. (9) $116.60.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Interbank Card Association, Suite 3600, 110 East 59th Street, New York, N.Y. 10022.
E. (9) $8.15.

A. Cleary, Gottlieb, Steen & Hamilton, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Synthetic Organic Chemical Manufacturers Association, 1075 Central Park Avenue, Scarsdale, N.Y. 10533.
D. (6) $180. E. (9) $10.50.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. American Brands, Inc., 245 Park Avenue, New York, N.Y. 10017.
E. (9) $43.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Brown & Williamson Tobacco Corp., Louisville, Ky. 40201.
E. (9) $43.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.
B. Liggett & Myers Inc., 4100 Roxboro Road, Durham, N.C. 27702.
E. (9) $43.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.

B. Lorillard, Division of Loews Theatres, Inc., 200 East 42nd Street, New York, N.Y. 10017.

E. (9) $43.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.

B. Philip Morris Inc., 100 Park Avenue, New York, N.Y. 10017.

E. (9) $43.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.

B. R. J. Reynolds Industries, Inc. (Tobacco Division), Winston-Salem, N.C. 27102.

E. (9) $43.

A. Earle C. Clements, 1776 K Street NW., Washington, D.C. 20006.

B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

A. Ronald D. Clements, 1016 20th Street NW., Washington, D.C. 20036.

B. National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.

E. (9) $175.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. American Electric Power Co., Inc., 2 Broadway, New York, N.Y. 10004.

D. (6) $150. E. (9) $30.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Australian Meat Board, 30 Grosvenor Street, Sydney, N.S.W., Australia.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Avco Corp., 750 Third Avenue, New York, N.Y. 10017.

E. (9) $5.50.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. New York Cocoa Exchange, Inc. and New York Cocoa Clearing Association, Inc., 127 John Street, New York, N.Y.; New York Coffee & Sugar Exchange, Inc., 79 Pine Street, New York, N.Y.; Commodity Exchange, Inc., 81 Broad Street, New York, N.Y.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Owens-Illinois, Inc., Madison Avenue and St. Clair Street, Box 1035, Toledo, Ohio 43601.

A. Clifford, Warnke, Glass, McIlwain & Finney, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Teleprompter Corp., 50 West 44th Street, New York, N.Y. 10036.

E. (9) $27.65.

A. Larry D. Cline, 1315 16th Street NW., Washington, D.C. 20036.

B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.

E. (9) $20.15.

A. COALition Against Strip Mining, 324 C Street SE., Washington, D.C. 20003.

D. (6) $500. E. (9) $556.90.

A. Coalition for Fair Copyright Protection, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $5,000. E. (9) $5,000.

A. Coalition of Concerned Charities, c/o Barbara J. Washburn, 1776 F Street NW., No. 200, Washington, D.C. 20006.

D. (6) $300. E. (9) $2,500.

A. Grover B. Cobb, Houston Natural Gas Corp., 1200 Travis, Houston, Tex. 77002.

B. Houston Natural Gas Corp., Post Office Box 1188, Houston, Tex. 77001.

A. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.

E. (9) $240.90.

A. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga.

E. (9) $1,677.69.

A. John J. Coffey, Suite 638, 2101 L Street NW., Washington, D.C. 20037.

B. Western Oil & Gas Association, 609 South Grand Avenue, Los Angeles, Calif. 90017.

D. (6) $825.

A. Jeffery Cohelan, 1717 Massachusetts Avenue NW., Washington, D.C. 20036.

B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $1,080.

A. David Cohen, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $7,124.79. E. (9) $853.56.

A. Jerry S. Cohen, Suite 708, 1776 K Street NW., Washington, D.C. 20006.

B. National Congress of Petroleum Retailers, Suite 301, 2021 K Street NW., Washington, D.C.

D. (6) $3,000.

A. Timothy A. Colcord, 1620 I Street NW., Washington, D.C. 20006.

B. National BankAmericard, 555 California Street, San Francisco, Calif. 94126.

D. (6) $6,875. E. (9) $7,942.61.

A. Cole Corette & Bradfield, 1200 17th Street NW., Washington, D.C., 20036.

B. The Chase Manhattan Bank, N.A., One Chase Manhattan Plaza, New York, N.Y. 10015.

D. (6) $11,114.69. E. (9) $707.52.

A. Cole Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.

B. Claude Charles, 37 Severn Road, The Peak, Hong Kong.

A. Cole Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.

B. PPG Industries, Inc., One Gateway Center, Pittsburgh, Pa. 15222.

E. (9) $24.80.

A. Cole Corette & Bradfield, 1200 17th Street NW., Washington, D.C. 20036.

B. H. H. Robertson Co., Two Gateway Center, Pittsburgh, Pa. 15222.

E. (9) $5.48.

A. Eleanor Cole, 720 Hotel Washington, Washington, D.C. 20004.

B. UBA, Inc., 720 Hotel Washington, Washington, D.C. 20004.

D. (6) $1,000. E. (9) $1,000.

A. R. Michael Cole, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $6,000. E. (9) $202.70.

A. Stacey W. Cole, New Hampshire Petroleum Council, A Division of the American Petroleum Institute, 23 School Street, Concord, N.H. 03301.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. William Cole, 461 South Boylston Street, Los Angeles, Calif., 90017.

B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.

D. (6) $300. E. (9) $45.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. Committee of American Tanker Owners, Inc., 1 Chase Manhattan Plaza, New York, N.Y. 10005.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. Crown Central Petroleum Corp., 1 North Charles Street, P.O. Box 1168, Baltimore, Md. 21203.

A. Coles & Goertner, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. Independent U.S. Tanker Owners Committee, 1612 K Street NW., Suite 510, Washington, D.C. 20006.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Academy of General Dentistry, 211 East Chicago Avenue, Chicago, Ill. 60611.

D. (6) $3,000.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Cardio Pulmonary Contractors Association, 1200 17th Street NW., Washington, D.C. 20036.

D. (6) $9,000.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. National Ethical Pharmaceutical Association, P.O. Box 13547, St. Petersburg, Fla. 33733.

D. (6) $12,000.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: American Guild of Authors and Composers).

D. (6) $1,650.

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: American Imported Automobile Dealers Association).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: American Maritime Association).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: American Society of Association Executives).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: Association of Trial Lawyers of America).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: Boating Industry Associations).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: Chicago Board Options Exchange).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: Council of State Chambers of Commerce).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: Machinery Dealers National Association).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: National Association of Engine & Boat Manufacturers).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: National Medical Care, Inc.).

A. William J. Colley, 1200 17th Street NW., Washington, D.C. 20036.

B. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036 (for: Reading Co.).

D. (6) $75.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

B. American Feed Manufacturers Association, Inc., 1701 North Fort Myer Drive, Arlington, Va. 22209.

D. (6) $300.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

B. American Footwear Industries Association, 1611 North Kent Street, Arlington, Va. 22209.

D. (6) $500. E. (9) $475.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

B. Bicycle Manufacturers Association of America, Inc., 1101 15th Street NW., Washington, D.C. 20005.

D. (6) $500. E. (9) $100.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

B. Department of Information, Private Bag X152, Pretoria, 0001, Republic of South Africa.

D. (6) $1,178.11. E. (9) $2,314.39.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.

D. (6) $450.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.

D. (6) $450.

A. Collier, Shannon, Rill & Edwards, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

B. Tool and Stainless Steel Industry Committee, 1666 K Street NW., Suite 701, Washington, D.C. 20006.

D. (6) $1,250. E. (9) $525.

A. Robert B. Collyer, 720 Hotel Washington, Washington, D.C. 20004.

B. UBA, Inc., 720 Hotel Washington, Washington, D.C. 20004.

D. (6) $1,000. E. (9) $1,000.

A. Colorado Railroad Association, 702 Majestic Building, Denver, Colo. 80202.

D. (6) $1,035. E. (9) $2,385.

A. Committee for Hand Gun Control, Inc., 111 East Wacker Drive, Chicago, Ill. 60601.

E. (9) $1,116.

A. Committee For Jobs Through Economic Development, 1006 State Street, Erie, Pa. 16501.

A. Committee on Strikes in Transportation, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.

A. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $1,564,124.25. E. (9) $317,397.96.

A. Computer Industry Association, 1911 N. Fort Myer Drive, Suite 801, Arlington, Va. 22209.

D. (6) $56,120. E. (9) $7,997.

A. Basil G. Condos, 1815 Kilbourne Place NW., Washington, D.C. 20010.

B. American Hellenic Institute Public Affairs Committee, Inc., 1730 K Street NW., Washington, D.C. 20006.

D. (6) $175.00.

A. Harold B. Confer, 245 Second Street NE., Washington, D.C.

B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $2,229.

A. Congress Watch (Public Citizen), 133 C Street SE., Washington, D.C. 20003.

D. (6) $23,365.06. E. (9) $23,365.06.

A. Raymond F. Conkling, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.

D. (6) $120. (9) $16.45.

A. Ross Conlin, Chessie System, 840 Washington Building, 15th Street and New York Avenue NW., Washington, D.C. 20005.

B. Chessie System, Inc., Terminal Tower, Cleveland, Ohio 44101.

D. (6) $2,350. E. (9) $1,000.

A. Connecticut Bankers Association, 100 Constitution Plaza, Hartford, Conn. 06103.

D. (6) $2,211.33. E. (9) $2,211.33.

A. Robert J. Conner, Jr., Chrysler Corp., 1100 Connecticut Avenue NW., Washington, D.C.

B. Chrysler Corp., 12000 Lynn Townsend Drive, Highland Park, Mich. 48231.

D. (6) $500. E. (9) $593.37.

A. Albert J. Conners, Air Force Sergeants Association, Inc., 1608 Pittsfield Lane, Bowie, Md. 20715.

B. Air Force Sergeants Association, Inc., 4235 28th Avenue, Marlow Heights, Md. 20031.

A. Jerry C. Connors, 8111 Gatehouse Road, Falls Church, Va. 22042.

B. American Automobile Association, 8111 Gatehouse Road. Falls Church, Va. 22042.

A. Consolidated Edison Co. of New York, Inc., 4 Irving Place, New York. N.Y. 10003.

E. (9) $3,000.92.

B. Dana C. Contratto, 1800 M Street NW., Washington, D.C. 20036.

B. Morgan, Lewis & Bockius (on behalf of Associated Gas Distributors), 1800 M Street NW., Washington, D.C. 20036.

A. Charles F. Cook, Jr., American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

D. (6) $686.75. E. (9) $39.30.

A. Cook & Franke, 660 East Mason Street, Milwaukee, Wis. 53202.

B. M&I (Marshall & Ilsley) Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. Frederick N. Cook, Vermont Petroleum Association, a division of API, P.O. Box 566, Montpelier, Vt. 05602.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $987.50. E. (9) $26.50.

A. Howard Lee Cook, Jr., 1616 H Street NW., Washington, D.C.

B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $1,575. E. (9) $480.

A. James A. Cook, 2311 West El Segundo Boulevard, Hawthorne, Calif. 90250.

B. Ernest W. Hahn, Inc., 2311 West El Segundo Boulevard, Hawthorne, Calif. 90250.

E. (9) $1,850.

A. Eileen D. Cooke, American Library Association, 110 Maryland Avenue Northeast, Suite 101, Washington, D.C.

B. American Library Association, 50 East Huron Street, Chicago, Ill. 60611.

D. (6) $704.90.

A. Jesse D. Cooper, North Dakota Petroleum Council, Division of ARI, P.O. Box 1395, Bismarck, N. Dak. 58501.

B. American Petroleum Institute, 2101 L Street Northwest, Washington, D.C. 20037.

D. (6) $324. E. (9) $35.

A. Joshua W. Cooper, 626 South Lee Street, Alexandria, Va. 22314.

B. Portsmouth-Kittery Armed Services Committee, Inc., Box 1123, Portsmouth, N.H. 03801.

D. (6) $2,100. E. (9) $983.52.

A. Mitchell J. Cooper, 1001 Connecticut Avenue, Washington, D.C. 20036.

B. Council of Forest Industries, 1055 West Hastings Street, Vancouver 1, Canada.

D. (6) $3,000.

A. Mitchell J. Cooper, 1001 Connecticut Avenue, Washington, D.C. 20036.

B. Footwear Division, Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $7,500.

A. Samuel Cooper III, 918 16th Street NW., Washington, D.C. 20006.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

D. (6) $312.50. E. (9) $15.

A. Cooperative League of the U.S.A., 1828 L Street NW., Suite 1100, Washington, D.C. 20036.

D. (6) $3,000. E. (9) $1,194.25.

A. Darrell Coover, 1625 I Street NW., No. 1001, Washington, D.C. 20006.

B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.

D. (6) $2,000. E. (9) $289.

A. James T. Corcoran, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Association of Motor Bus Owners, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $975. E. (9) $87.50.

A. Richard L. Corrigan, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $550. E. (9) $172.42.

A. Allan D. Cors, 1800 K Street NW., Washington, D.C. 20006.
B. Corning Glass Works, Corning, N.Y. 14830.

A. William R. Corson, 1707 H Street NW., Washington, D.C. 20006.
B. Penthouse International Ltd., 1707 H Street NW., Washington, D.C. 20006.
D. (6) $7,500. E. (9) $5,687.

A. Eugene E. Cortright, 1660 L Street NW., Washington, D.C. 20036.
B. Cities Service Co., 1660 L. Street NW., Washington, D.C. 20036.

A. John E. Cosgrove, 815 16th Street NW., Washington, D.C. 20006.
B. Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $8,492.34.

A. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $26,839.94. E. (9) $18,689.91.

A. Council for Responsible Nutrition, Suite 600, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $20,041.76.

A. Council of State Chambers of Commerce, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $527.40. E. (9) $1,111.36.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Classroom Periodical Publishers Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Industrial Diamond Association of America, 59 East Main Street, Moorestown, N.J. 08057.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Linen Supply Association of America, 917 Arthur Godfrey Road, Miami Beach, Fla. 33140.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Casualty & Surety Agents, 5225 Wisconsin Avenue NW., Washington, D.C. 20015.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Printing Ink Manufacturers, 550 Mamaroneck Avenue, Harrison, N.Y. 10528.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Optical Manufacturers Association, 1720 N. Lynn Street, Arlington, Va. 22209.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. American Society of Oral Surgeons, 211 East Chicago Avenue, Chicago, Ill. 60611.
E. (9) $526.38.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Association of American Publishers, Inc., 1920 L Street NW., Suit 750, Washington, D.C. 20036.
E. (9) $96.74.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Atlantic Richfield Co., et al. 515 South Flower St., Los Angeles, Calif. 90071.
D. (6) $150.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Eli Lilly & Co., P.O. Box 618, Indianapolis, Ind. 46206.
E. (9) $53.28.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.
E. (9) $96.61.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Irving Trust Co., 1 Wall Street, New York, NY. 10015.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Committee for Limited Profit Housing, care of HRH Construction Corp., 515 Madison Avenue, New York, N.Y. 10022.
E. (9) $22.43.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Federation of Independent Business, 921 Washington Building, Washington, D.C. 20005.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. National Football League, 410 Park Avenue, New York, N.Y.
E. (9) $52.95.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. Perdue Inc., P.O. Box 1537, Salisbury, Md. 21801.
D. (6) $20,850.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.
B. The Superior Oil Co., P.O. Box 1521, Houston, Tex. 77001.
E. (9) $226.72.

A. Eugene S. Cowen, 9024 Willow Valley Drive, Potomac, Md. 20854.
B. American Broadcasting Co., 1150 17th Street NW., Washington, 20036.
D. (6) $96. E. (9) $96.

A. Carol A. Cowgill, 470 L'Enfant Plaza East SW., Suite 3100, Washington, D.C. 20024.
B. American Academy of Family Physicians, 470 L'Enfant Plaza East SW., Suite 3100, Washington, D.C. 20024.
D. (6) $450. E. (9) $136.82.

A. Cox, Langford & Brown, 21 Dupont Circle, NW., Washington, D.C. 20036.
B. American Society of Anesthesiologists, Inc., 515 Busse Highway, Park Ridge, Ill. 60068.

A. William M. Crane, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Paper Institute, Inc., 260 Madison Aeevue, New York, N.Y. 10016.

A. Robert W. Crawford, 1625 I Street NW., Washington, D.C. 20006.
B. Association of General Merchandise Chains, Inc., 1625 I Street NW., Washington, D.C. 20006.

A. Joseph M. Cribben, 3104 Valley Lane, Falls Church, Va. 22044.
B. United Association of Journeymen & Apprentices of the Plumbing & Pipe Fitting Industry of the United States & Canada, 901 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $1,750. E. (9) $50.10.

A. P. H. Croft, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $999.99. E. (9) $1,140.78.

A. H. C. Crotty, Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.

A. Jack A. Crowder, American Textile Manufacturers Institute, Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, 400 South Tryon Street, Suite 2124, Charlotte, N.C. 28285.
D. (6) $1,500. E. (9) $65.94.

A. James M. Cubie, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,500.

A. Barry M. Cullen, 1620 I Street NW., Suite 700, Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $150. E. (9) $100.

A. William E. Cumberland, 1125 15th Street NW., Washington, D.C. 20005.
B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $394. E. (9) $819.

A. Frank Cummings, Gall, Lane & Powell, 1150 Connecticut Avenue NW., Washington, D.C. 20036.
B. Institute of Electrical and Electronics Engineers, 345 East 47th Street, New York, N.Y. 10017.
D. (6) $2,020.

A. Cummins Engine Co., Inc., 1000 Fifth Street, Columbus, Ind. 47201.
E. (9) $11,983.

A. Henry E. Cunningham, 900 17th Street NW., Suite 1000, Washington, D.C. 20006.
B. Kaiser Industries Corp., 900 17th Street NW., Washington, D.C.

A. John T. Curran, 905 16th Street NW., Washington, D.C.
B. Laborers' International Union of N.A., AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
D. (6) $9,979.23. E. (9) $3,339.76.

A. Everett E. Cutter, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.
B. Oregon Railroad Association, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.
E. (9) $905.84.

A. Cystic Fibrosis Foundation, 3379 Peachtree Road NE., Atlanta, Ga. 30326.
E. (9) $15,725.08.

A. William Kay Daines, 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,400. E. (9) $87.

A. John Jay Daly, Direct Mail/Marketing Association, Inc., 1730 K Street NW., Suite 905, Washington, D.C. 20006.
B. Direct Mail/Marketing Association, Inc., 1730 K Street NW., Suite 905, Washington, D.C. 20006.
D. (6) $5,000. E. (9) $1290.

A. Thomas A. Daly, 1101 16th Street NW., Washington D.C. 20036.
B. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.

A. David S. Danielson, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Alvin Levin, O.D., 120 South Hanover Street, Carlisle, Pa. 17013.

A. Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006
D. (6) $697.50. E. (9) $697.50.

A. Stephen I. Danzansky, Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $20.75. E. (9) $20.75.

A. Fred E. Darling, 110 Maryland Avenue NE., Suite 511, Washington, D.C. 20002.
B. Non Commissioned Officers Association of the USA (NCOA), P.O. Box 2268, San Antonio, Tex. 78298.
D. (6) $341.25.

A. Philip J. Daugherty, Industrial Union Department, AFL–CIO, 815 16th Street, NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $4,723.95. E. (9) $118.50.

A. John B. Davenport, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $324.68.

A. Arthur R. Davis (A. Richard Davis) A. R. Davis & Co., 15216 Charlotte Avenue, San Jose, Calif. 95124 or P.O. Box 14424, San Jose, Calif. 95154.
E. (9) $347.50.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Bankers Life and Casualty Co., 4444 Lawrence Avenue, Chicago, Ill. 60630.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. The First National Bank of Chicago, One First National Plaza, Chicago, Ill. 60670.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Inland Steel Co., 30 West Monroe Street, Chicago, Ill. 60603.
D. (6) $315. E. (9) $35.49.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. The Myron Stratton Home, P.O. Box 1178, Colorado Springs, Colo. 80901.
E. (9) $214.31.

A. Charles W. Davis, One First National Plaza No. 5200, Chicago, Ill. 60603.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $760. E. (9) $251.90.

A. Charles W. Davis, One First National Plaza No. 5200, Chicago, Ill. 60603.
B. Northwest Industries, Inc., 6300 Sears Tower, Chicago, Ill. 60606.
D. (6) $315. E. (9) $30.49.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.
D. (6) $1,030. E. (9) $197.99.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.
E. (9) $377.86.

A. Charles W. Davis, One First National Plaza No. 5200, Chicago, Ill. 60603.
B. Trans Union Corp., 90 Half Day Road, Lincolnshire, Ill. 60015.
D. (6) $500. E. (9) $30.49.

A. Charles W. Davis, One First National Plaza, No. 5200, Chicago, Ill. 60603.
B. United Insurance Co., One East Wacker Drive, Chicago, Ill. 60601.

A. Claire Davis, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $162.

A. David R. Davis, Indiana Petroleum Council, Division of API, 714 Harrison Building, Indianapolis, Ind. 46204.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $282.56. E. (9) $86.15.

A. George R. Davis, Amalgamated Transit Union, Local Division 689, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.
B. Amalgamated Transit Union, National Capital Local Division 689, 100 Indiana Avenue NW., No. 403, Washington, D.C. 20001.

A. Ovid R. Davis, P.O. Drawer 1734, Atlanta, Ga. 30301.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $710. E. (9) $78.

A. R. Hilton Davis, 1615 H Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, D.C. 20062.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. American Horse Council, Inc., 1700 K Street NW., Washington, D.C. 20006.
D. (6) $1,560. E. (9) $77.88.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. The Chicago Board of Trade, LaSalle at Jackson, Chicago, Ill. 60604.
D. (6) $1,875. E. (9) $1,468.23.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. Florida Power & Light Co., P.O. Box 013100, Miami, Fla. 33101.
D. (6) $629.68. E. (9) $76.34.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. Jockeys' Guild, Inc., 555 Fifth Avenue, New York, N.Y. 10017.
E. (9) $23.88.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. National Corporation for Housing Partnerships, 1133 15th Street NW, Washington, D.C. 20005.
E. (9) $34.18.

A. Thomas A. Davis, 1776 F Street NW., Washington, D.C. 20006.
B. National Life & Accident Insurance Co., et al., National Life Center, Nashville, Tenn. 37250.
D. (6) $1,546.87. E. (9) $138.04.

A. Walter L. Davis, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $750.

A. Daniel P. Dawson, 200 E. Randolph, Mail Code 3101, Chicago, Ill. 60601.
B. Standard Oil Company (Indiana), 200 E. Randolph Drive, Mail Code 3101, Chicago, Ill. 60601.

A. Charles W. Day, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Company, Dearborn, Mich. 48121.
D. (6) $650. E. (9) $640.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.

A. J. Edward Day, 21 Dupont Circle NW., Washington, D.C. 20036.
B. Electronic Industries Association, Consumer Electronics Group, 2001 I Street NW., Washington, D.C. 20006.

A. John Russell Deane III, 1128 16th Street NW., Washington, D.C. 20036.
B. Concerned Sportsmen of America, 1128 16th Street NW., Washington, D.C. 20036.

A. John Russell Deane III, 1128 16th Street NW., Washington, D.C. 20036.
B. Specialty Equipment Manufacturers Association, 11001 East Valley Mall, Suite 204, El Monte, Calif. 91734.
D. (6) $300. E. (9) $39.20.

A. Tony T. Dechant, 1012 14th Street NW., Washington, D.C.
B. The Farmers' Educational and Co-Operative Union of America, P.O. Box 39251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.
D. (6) $4,000. E. (9) $168.58.

A. DeHart and Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Council on Foundations, 888 Seventh Avenue, New York, N.Y. 10019.
D. (6) $245.

A. DeHart and Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Kansas City Southern Industries, Inc., 114 West 11th Street, Kansas City, Mo. 64105.
D. (6) $615.

A. DeHart and Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Recording Industry Association of America, Inc., 1 East 57th Street, New York, N.Y. 10022.
D. (6) $875. E. (9) $41.75.

A. DeHart and Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.
B. Recycled Paperboard Division of the American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.
D. (6) $70.

A. John L. Delano, Box 1172, Helena, Mont. 59601.
B. Montana Railroad Association, Box 1172, Helena, Mont. 59601.
E. (9) $1,732.05.

A. Richard A. Dell, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $168.82.

A. Ray Denison, American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,667.50. E. (9) $581.81.

A. John H. Denman, Missouri Oil Council, A Division of API, 208 Madison Street, Jefferson City, Mo. 65101.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $478.

A. Daniel B. Denning, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C., 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $625. E. (9) $200.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. American Society of Composers, Authors and Publishers, One Lincoln Plaza, New York, N.Y. 10023.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. Flavor & Extract Manufacturers Association of the United States, 900 17th Street NW., Washington, D.C. 20006.

A. Claude J. Desautels, Sute 811, 1725 K Street NW., Washington, D.C. 20006.
B. Merrill Lynch, Pierce, Fenner & Smith, Inc., One Liberty Plaza, N.Y., N.Y. 10006.

A. Claude J. Desautels, Suite 811, 1725 K Street NW., Washington, D.C. 20006.
B. O'Brien Associates, 2700 Calvert Street NW., Suite L–517, Washington, D.C. 20008.

A. R. Daniel Devlin, Trans World Airlines, Inc., 1000 16th Street NW., Washington, D.C. 20036.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.
D. (6) $210.

A. Ralph B. Dewey, 1150 17th Street NW., No. 1109, Washington, D.C. 20036.
B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.
D. (6) $3,217.50. E. (9) $1,221.76.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $3,482.50. E. (9) $49,316.23.

A. Charles J. DiBona, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. John M. Dickerman, John Dickerman & Associates, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Lumber & Building Material Dealers Association, 1990 M Street NW., Suite 350, Washington, D.C. 20036.
D. (6) $4,838.70. E. (9) $42.75.

A. Annette Dickinson, Suite 600, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
B. Council for Responsible Nutrition, Suite 600, 1225 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $3,750.

A. John R. Dierker, 1150 17th Street NW., Washington, D.C. 20036.
B. McDonnell Douglas Corp., P.O. Box 516, St Louis, Mo. 63166.
D. (6) $300. E. (9) $190.

A. Timothy V. A. Dillon, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Committee for Marysville Dam, P.O. Drawer B, Marysville, Calif. 95902.
D. (6) $291.40 E. (9) $21.40.

A. Timothy V. A Dillon, 1730 Rhode Island Avenue NW, Washington, D.C. 20036.
B. Department of Water Resources, State of California, P.O. Box 388, Sacramento, Calif. 95802.
D. (6) $2,215.02. E. (9) $115.02.

A. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky. 41076.
D. (6) $60,945.48. E. (9) $60,945.48.

A. District of Columbia Bankers Association, 1709 New York Avenue NW., Washington, D.C. 20006.
E. (9) $4,936.16.

A. Dennis C. Dix, 1725 K Street NW., Suite 903, Washington, D.C. 20006.
B. Outdoor Power Equipment Institute, 1725 K Street NW., Suite 903, Washington, D.C. 20006.
D. (6) $527. E. (9) $527.

A. James F. Doherty, Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $5,197.50.

A. Robert C. Dolan, Suite 1010, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue, Suite 1010, Washington, D.C. 20036.
D. (6) $198. E. (9) $26.33.

A. Domestic Wildcatters Association, 900 First City National Bank Building, Houston, Tex. 77002.
D. (6) $6,000. E. (9) $20,829.16.

A. Richard M. Donaldson, 1735 Midland Building, Cleveland, Ohio 44115.
B. The Standard Oil Co. (an Ohio corporation), Midland Building, Cleveland, Ohio 44115.

A. The Reuben H. Donnelley Corp., 2000 Clearwater Drive, Oak Brook, Ill. 60521.
E. (9) $10,303.08.

A. Gary W. Donnelly, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $21.20.

A. James A. Dorsch, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, Inc., 1701 K Street NW., Washington, D.C.
D. (6) $306.24. E. (9) $86.37.

A. Richard Morgan Downey, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,875.

A. James E. Drake, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,500. E. (9) $386.

A. Andrew Drance, Room 511, Wilson Plaza Building, 2425 Wilson Boulevard, Arlington, Va. 22201.
B. Media General, Inc., 333 East Grace Street, Richmond, Va. 23219.
D. (6) $517.50. E. (9) $118.20.

A. Wilburn B. Dronen, Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.
D. (6) $1,000. E. (9) $21,156.79.

A. Thomas E. Drumm, Jr., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. MacMillan, Inc., 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $400. E. (9) $600.

A. Franklin B. Dryden, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $500. E. (9) $300.

A. Evelyn Dubrow, 1710 Broadway, New York, N.Y. 10019.
B. International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y. 10019.
D. (6) $4,896.45. E. (9) $3,652.41.

A. Morgan D. Dubrow, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $120.

A. William E. Duke, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Robert A. DuLong, 1421 Peachtree Street NE., Suite 201, Atlanta, Ga. 30309.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $1,468.75.

A. M. L. DuMars, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $60.

A. Louise C. Dunlap, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 325 C Street SE., Washington, D.C. 20003.
D. (6) $3,499.98. E. (9) $249.48.

A. Douglas G. Dunn, Northern Natural Gas Co., 1133 15th Street NW., Room 503, Washington, D.C. 20005.
B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $1,500.

A. J. D. Durand, Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
B. Association of Oil Pipe Lines, 1725 K St. NW., Washington, D.C. 20006.
E. (9) $510.

A. Henry I. Dworshak, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Jack D. Early, The Madison Building, 1155 15th Street NW., Washington, D.C. 20005.

B. National Agricultural Chemicals Association, 1155 15th Street NW., Washington, D.C. 20005.

A. Roy W. Easley, 1735 DeSales Street NW., Washington, D.C. 20036.

B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. East-West Trade Council, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Robert E. Ebel, Enserch Energy, Inc., 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.

B. Enserch Corp., 301 South Harwood, Dallas, Tex. 75201.

D. (6) $1,450. E. (9) $1,065.

A. N. Boyd Ecker, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.

D. (6) $1,500. E. (9) $24.50.

A. William R. Edgar, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

B. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

D. (6) $1,531.25.

A. Edelman International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Aerospatiale, c/o DGA International, 1225 19th Street NW., Washington, D.C. 20026.

D. (6) $47,690. E. (9) $32,610.68.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Safety Belt Council, Inc., New Rochelle, N.Y.

D. (6) $25,000. E. (9) $700.

A. Arthur B. Edgeworth, Jr., 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.

D. (6) $712.50.

A. John P. Edwards, 1030 15th Street NW., Suite 720, Washington, D.C. 20005.

B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.

D. (6) $2,500. E. (9) $1,174.11.

A. J. Rodney Edwards, 260 Madison Avenue, New York, N.Y. 10016.

B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Macon T. Edwards, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $437.50. E. (9) $26.54.

A. Charles E. Ehrhart, 1800 K Street NW., Suite 924, Washington, D.C. 20006.

B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.

D. (6) $400. E. (9) $135.

A. J. C. B. Ehringhaus, Jr., 1600 South Eads Street, Arlington, Va. 22202.

B. The Tobacco Institute, 1776 K Street, NW., Washington, D.C. 20006.

D. (6) $165.

A. Harmon L. Elder, 2000 L Street, NW., Washington, D.C. 20036.

B. Wilson E. Hamilton & Associates, Inc., 2000 L Street, NW., Washington, D.C.; *for* United States Industrial Council, Nashville, Tenn.

D. (6) $250. E. (9) $98.76.

A. Electronic Data Systems Corp., 7171 Forest Lane, Dallas, Tex 75230.

E. (9) $32.

A. George K. Eliades, 1501 Wilson Boulevard, Arlington, Va. 22209.

B. Imported Hardwood Products Association, Inc., 1501 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $700. E. (9) $470.

A. Charles W. Elliott, Wisconsin Petroleum Council, Division of API, 25 West Main Street, Room 703, Madison, Wis. 53703.

B. American Petroleum Institute, 2101 L Street, NW., Washington, D.C. 20037.

D. (6) $398.76. E. (9) $81.92.

A. John Doyle Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.

A. Ruth Bowdey Elliott, 5500 Quincy Street, Hyattsville, Md. 20784.

D. (6) $745.85. E. (9) $1,352.34.

A. Roy Elson, 1771 N Street, NW., Washington, D.C. 20036.

B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.

D. (6) $4,200. E. (9) $691.25.

A. Emergency Committee for American Trade, 1211 Connecticut Avenue, NW., Washington, D.C. 20036.

D. (6) $11,278.28. E. (9) $10.297.44.

A. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.

E. (9) $4,170.18.

A. Richard W. Emory, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.

B. Maryland State Fair & Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.

E. (9) $427.49.

A. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.

E. (9) $625.

A. Lowell J. Endahl, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $235.

A. Energy Action Committee, Inc., 1523 L Street NW., Washington, D.C. 20005.

D. (6) $52,560.06. E. (9) $16,880.69.

A. Gertrude Engel, 2450 Virginia Avenue NW., Washington, D.C. 20037.

B. Bob Hoffman, York Barbell, Co., York, Pa. 17405.

D. (6) $1,950. E. (9) $305.46.

A. Susain M. Engelhart, 1920 L Street NW., Suite 750, Washington, D.C. 20036.

B. Association of American Publishers, Inc., 1920 L Street NW., Washington, D.C. 20036.

D. (6) $1,250. E. (9) $135.

A. M. Dale Ensign, 1625 I Street NW., Washington, D.C. 20006.

B. Husky Oil Co., P.O. Box 380, Cody, Wyo. 82414.

E. (9) $40.61.

A. Grover W. Ensley, 200 Park Avenue, New York, N.Y. 10017.

B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.

D. (6) $1,104.

A. Environmental Policy Center, 324 C. Street SE., Washington, D.C. 20003.

D. (6) $24,655.14. E. (9) $44,173.83.

A. John L. Erickson, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Ford Motor Co., Dearborn, Mich.

D. (6) $580. E. (9) $369.66.

A. George T. Esherick, United States Steel Corp., 1625 K Street NW., Washington, D.C. 20006.

B. United States Steel Corp., 600 Grant Street, Pittsburgh, Pa. 15230.

D. (6) $110. E. (9) $246.

A. David C. Evans, Suite 404, Madison Building, 1155 15th Street NW., Washington, D.C. 20005.

B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22101.

A. Robert R. Fahs, 1030 15th Street NW., Washington, D.C. 20005.

B. Cargill, Inc., 1200 Cargill Building, Minneapolis, Minn. 55402.

D. (6) $2,500. E. (9) $17.

A. Robert J. Falasca, 1030 15th Street NW., Washington, D.C.

B. American Seed Trade Association, Suite 964, 1030 15th Street NW., Washington, D.C.

D. (6) $375.

A. Thomas B. Farley II, 2101 L Street NW., Washington, D.C. 20037.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $1,354. E. (9) $47.85.

A. The Farmers' Educational and Co-Operative Union of America (National Farmers Union), P.O. Box 39251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.

D. (6) $16,073.88. E. (9) $35,066.69.

A. R. Roy Fausset, 1800 M Street NW., Washington, D.C. 20036.

B. Freeport Minerals., 161 East 42 Street, New York, N.Y. 10017.

D. (6) $150.

A. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.

D. (6) $351.63. E. (9) $351.63.

A. Federation of American Hospitals, 1101 17th Street NW., Suite 310, Washington, D.C. 20036.

D. (6) $4,500. E. (9) $4,500.

A. Stuart F. Feldstein, 918 16th Street NW., Washington, D.C. 20006.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

D. (6) $1,930. E. (9) $95.

A. Kenneth E. Feltman, 222 South Prospect Avenue, Suite 130, Park Ridge, Ill. 60068.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $1,281.25.

A. Carol Fielders, American Nurses' Association, 1030 15th Street NW., Washington, D.C. 20005.

B. American Nurses' Association, 2420 Pershing Road, Kansas City, Mo. 64108.

D. (6) $2,774.95. E. (9) $2,774.95.

A. Herbert A. Fierst, 607 Ring Building, 1200 18th Street NW., Washington, D.C. 20036.

B. Council of Forest Industries of British Columbia, 1500/1055 West Hastings Street, Vancouver V6E 2H1, British Columbia, Canada.

D. (6) $8,882.07. E. (9) $235.

A. Herbert A. Fierst, 607 Ring Building, 1200 18th Street NW., Washington, D.C. 20036.

B. Joint Committee of Printing and Publishing Industries of Canada, Suite 1001, 150 Ferrand Drive, Don Mills, Ontario M3C 1H6, Canada.

D. (6) $1,500. E. (9) $205.

A. Francis S. Filbey, 817 14th Street NW., Washington, D.C. 20005.

B. American Postal Workers Union, AFL-CIO, 817 14th Street NW., Washington, D.C. 20005.

D. (6) $6,624.75.

A. Matthew P. Fink, 1775 K Street NW., Washington, D.C. 20006.

B. Investment Company Institute, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $28. E. (9) $5.

A. James W. Finley, Crown Zellerbach, 1660 L Street NW., Suite 915, Washington, D.C. 20036.

B. Crown Zellerbach, One Bush Street, San Francisco, Calif. 94119.

E. (9) $250.

A. Firearms Lobby of America, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $5,138.40. E. (9) $7,426.52.

A. First Class Mailers Association, Inc., 1101 New Hampshire Avenue NW., Suite 107, Washington, D.C. 20037.

D. (6) $1,025. E. (9) $365.

A. James H. Fitzgerald, 767 Fifth Avenue, New York, N.Y. 10022.

B. The J. E. Williams Co., Inc., 767 Fifth Avenue, New York, N.Y. 10022.

D. (6) $900. E. (9) $400.

A. Susan Garber Flack, 1616 H Street NW., Washington, D.C. 20006.

B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $2,000. E. (9) $275.

A. William J. Flaherty, Disabled American Veterans, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.

B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.

D. (6) $8,750.

A. James J. Flanagan, 20 Turnpike Road, Westborough, Mass. 01581.

B. New England Power Service Co., 20 Turnpike Road, Westborough, Mass. 01581.

D. (6) $472.71. E. (9) $782.27.

A. Francis R. Fleming, 1101 15th Street NW., Washington, D.C. 20005.

B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55101.

D. (6) $2,000.

A. James F. Fleming, United Egg Producers, 991 National Press Building, Washington, D.C.

B. United Egg Producers, 3951 Snapfinger Parkway, Suite 580, Decatur, Ga. 30032.

D. (6) $1,000.

A. Carl J. Fleps, The Greyhound Corp., 1629 K Street NW., Suite 300, Washington, D.C. 20006.

B. The Greyhound Corp., Greyhound Tower, Phoenix, Ariz. 85077.

D. (6) $165. E. (9) $39.60.

A. James F. Flug, 2904 Brandywine Street NW., Washington, D.C.

B. Energy Action Committee, 1523 L Street NW., Washington, D.C. 20005.

D. (6) $4,218.04.

A. John F. Fochtman, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $2,000. E. (9) $770.

A. Esther Safran Foer, 1825 K Street NW., Suite 210, Washington, D.C.

B. John Adams Associates, Inc., 1825 K Street NW., Suite 210, Washington, D.C. 20006.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW.. Washington, D.C. 20006.

B. Cabot Corp. and Subsidiaries, 125 High Street, Boston, Mass. 02110.

D. (6) $2,000.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. The Dealer Bank Association, P.O. Box 479, Wall Street Station, New York, N.Y. 10005.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Encyclopaedia Britannica, Inc., 425 North Michigan Avenue, Chicago, Ill. 60611.

D. (6) $10,320. E. (9) $192.04.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Insurance Association of Connecticut, 60 Washington Street, Hartford, Conn. 06106.

D. (6) $3,220. E. (9) $12.15.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Jos. Schlitz Brewing Co., 235 West Galena Street, Milwaukee, Wis. 53201.

D. (6) $700.

A. Foley, Lardner, Hollabaugh & Jacobs, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. United States Steel Corp., et al., 71 Broadway, New York, N.Y. 10006.

D. (6) $7,575. E. (9) $73.83.

A. Gordon Forbes, 203 Hanover Building, 480 Cedar Street, St. Paul, Minn. 55101.

B. Minnesota Railroads Association, 203 Hanover Building, 480 Cedar Street, St. Paul, Minn. 55101.

D. (6) $500. E. (9) $1,394.08.

A. Forest Farmers Association, 4 Executive Park East, NE., Atlanta, Ga. 30329.

A. James W. Foristel, 1776 K Street NW., Washington, D.C. 20006.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $2,300. E. (9) $313.

A. John S. Forsythe, 1730 Pennsylvania Avenue N.W., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $740. E. (9) $73.

A. Francis C. Fortune, 3211 South Leisure Boulevard, Silver Spring, Md. 20906.

E. (9) $37.65.

A. David H. Foster, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Natural Gas Supply Committee, 4025 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $2,187.50. E. (9) $228.91.

A. Ebert E. Fournace, 301 Cleveland Avenue SW., Canton, Ohio 44702.

B. Ohio Power Co., 301 Cleveland Avenue SW., Canton, Ohio 44702 (subsidiary of American Electric Power Co., Inc., 2 Broadway, New York, N.Y. 10004).

D. (6) $178. E. (9) 95.58.

A. David E. Fox, 1100 17th Street NW., Suite 1200, Washington, D.C. 20036.

B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.

D. (6) $237.50. E. (9) $105.

A. John G. Fox, American Telephone and Telegraph Co., 2000 L Street NW., Washington, D.C. 20036.

B. American Telephone & Telegraph Co., 195 Broadway, New York, N.Y. 10007.

A. Joe H. Foy, Houston Natural Gas Corp., 1200 Travis, Houston, Tex. 77002.

B. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

D. (6) $4,500. E. (9) $3,307.22.

A. Ron Frank, 1101 16th Street NW., Washington, D.C. 20036.

B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.

E. (9) $12.33.

A. Robert M. Frederick, 1616 H Street NW., Washington, D.C. 20006.

B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $5,961.80.

A. Harry L. Freeman, American Express Co., 1701 K Street NW., Washington, D.C. 20006.

B. American Express Co., 65 Broadway, New York, N.Y. 10006.

E. (9) $200.

A. James O. Freeman, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.

D. (6) $2,500. E. (9) $57.20.

A. Verrick O. French, National Retail Merchants Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.

D. (6) $200. E. (9) $25.

A. George L. Frick, c/o Delaware Oil Men's Association, a Division of A.P.I., 437 North DuPont Highway, Dover, Del. 19901.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Benjamin W. Fridge, 1900 South Eads Street, Arlington, Va. 22202.

B. National Border Patrol Council, c/o Richard Brannick, RD 2, Dexter, N.Y. 13634.

D. (6) $90.

A. Benjamin W. Fridge, 1900 South Eads Street, Arlington, Va. 22202.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $450. E. (9) $190.58.

A. Susan Fridy, 30 F Street NW., Washington, D.C. 20001.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.

D. (6) $837.50. E. (9) $84.31.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. The Hualapai Tribe of the Hualapai Reservation, Peach Springs, Ariz.

D. (6) $163. E. (9) $14.10.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. LTV Aerospace Corp., P.O. Box 5907, Dallas, Tex. 75222.

D. (6) $48,251. E. (9) $10,316.48.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. The Oglala Sioux Tribe of the Pine Ridge Reservation, Pine Ridge, S. Dak. 57770.

E. (9) $11.95.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. Salt River Pima-Maricopa Indian Community, Box 120, Route 1, Scottsdale, Ariz.

D. (6) $262.50. E. (9) $33.

A. Fried, Frank, Harris, Shriver & Kampelman, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. The Seneca Nation of Indians, Box 231, Haley Building, Salamanca, N.Y. 14779.

D. (6) $1,940. E. (9) $23.50.

A. Philip P. Friedlander, Jr., 1343 L Street NW., Washington, D.C. 20005.

B. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C. 20005.

D. (6) $500. E. (9) $10.

A. Gay H. Friedmann, 1025 Connecticut Avenue NW., Suite 1206, Washington, D.C. 20036.

B. Enserch Corp., 301 South Harwood, Dallas, Tex. 75201.

D. (6) $1,000. E. (9) $358.38.

A. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $77,898. E. (9) $16,490.

A. Owen V. Frisby, 900 17th Street, Washington, D.C. 20006.

B. The Chase Manhattan Bank, National Association, 1 Chase Manhattan Plaza, New York, N.Y. 10015.

D. (6) $1,130.25. E. (9) $5,446.63.

A. Frank W. Frisk, Jr., 2600 Virginia Avenue NW., Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.

D. (6) $1,000.

A. Charles H. Fritzel, 1625 I Street NW., No. 1001, Washington, D.C. 20006.

B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.

D. (6) $1,500. E. (9) $102.

A. Cornelius F. Froeb, 1660 L Street NW., Washington, D.C. 20036.

B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.

D. (6) $374.

A. Paul K. Frost II, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Ronald K. Fuller, 101 Ash Street, Post Office Box 1831, San Diego, Calif. 92112.

B. San Diego Gas & Electric Co., 101 Ash Street, P.O. Box 1831, San Diego, Calif. 92112.

D. (6) $801. E. (9) $1,666.66.

A. Terry Gabrielson, 470 L'Enfant Plaza East, SW., Washington, D.C. 20024.

B. Transcontinental Gas Pipe Line Corp., 2700 South Post Oak Road, Houston, Tex. 77001.

D. (6) $450. E. (9) $29.65.

A. John Gabusi, 434 1st Street SE., Washington, D.C. 20003.

B. Energy Action Committee, 1523 L Street NW., Washington, D.C. 20005.

D. (6) $459.57. E. (9) $15.24.

A. Franklin L. Gage, 153 E Street SE., Washington, D.C. 20003.

B. Task Force Against Nuclear Pollution Inc., 153 E Street SE., Washington, D.C. 20003.

D. (6) $192.22. E. (9) $7,344.30.

A. Peter N. Gammelgard, 2101 L Street NW., Washington, D.C. 20037.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Nicole Gara, 1735 New York Avenue NW., Washington, D.C. 20006.

B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.

D. (6) $4,500. E. (9) $4,621.12.

A. Terry D. Garcia, 5801 Quantrell Avenue, No. 409, Alexandria, Va. 22312.

B. World Federalists, USA, 1424 16th Street NW., Washington, D.C. 20036.

D. (6) $2,500.

A. William B. Gardiner, Disabled American Veterans, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.

B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.

D. (6) $7,750.

A. John W. Gardner, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $4,000.02. E. (9) $1,339.13.

A. W. Bradford Gary, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $4,250. E. (9) $200.

A. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.

E. (9) $870.

A. Philip Gasteyer, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.

D. (6) $1,612.50.

A. Gausewitz, Carr & Rothenberg, Suite 711 South Tower, Union Bank Square, Orange, Calif. 92668.

B. The Patent Law Association of Los Angeles, Suite 2400, Equitable Plaza, 3435 Wilshire Boulevard, Los Angeles, Calif. 90010.

A. Robert B. Geddie, Jr., c/o Alabama Petroleum Council a division of API, 660 Adams Avenue, Suite 188, Montgomery, Ala. 36104.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $892.50. E. (9) $254.88.

A. Margaret L. Gehres, 1156 15th Street NW., Suite 731, Washington D.C. 20005.

B. Associated Builders & Contractors, 1156 15th Street NW., Washington, D.C. 20005.

D. (6) 1,371. E. (9) $37.

A. General Aviation Manufacturers Association, Inc., 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.

D. (6) None. E. (9) $1,793.87.

A. Geothermal Resources International, Inc., 4676 Admiralty Way, Suite 503, Marina del Rey, Calif. 90291.

D. (6) None. E. (9) $1,152.85.

A. Mary Condon Gereau, Suite 1101, 1730 K Street NW., Washington, D.C. 20006.

B. National Treasury Employees Union, Suite 1101, 1730 K Street NW., Washington, D.C. 20006.

D. (6) $5,778.40. E. (9) $281.95.

A. Donald H. Gerrish, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Bakers Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $118.68. E. (9) $7.65.

A. Wayne Gibbens, Mid-Continent Oil & Gas Association, 1800 K Street NW., Washington, D.C. 20006.

B. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.

D. (6) $1,010. E. (9) $36.92.

A. William T. Gibb III, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $50. E. (9) $10.

A. Joseph L. Gibson, Montgomery Ward & Co., Inc., 1101 15th Street NW., Washington, D.C. 20005.

B. Montgomery Ward & Co., Inc., 535 West Chicago Avenue, Chicago, Ill. 60680.

D. (6) $74.80. E. (9) $100.

A. William L. Gifford, General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

B. General Electric Co., Fairfield, Conn. 06431.

D. (6) $250.

A. Arthur P. Gildea, Holiday Park East, Suite 428–432, 801B West Eighth Street, Cincinnati, Ohio 45203.

B. National Conference of Brewery & Soft Drink Workers (International Brotherhood of Teamsters, Chauffeurs, Warehousemen & Helpers of America), Affiliate, 300 South Ashland Boulevard, Chicago, Ill. 60607.

A. Joseph S. Gill, 16 East Broad Street, Columbus, Ohio 43215.

B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio, 43215.

E. (9) $290.38.

A. James T. Gillice, 1776 F Street NW., Washington, D.C. 20006.

B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.

E. (9) $765.

A Dave Givens, Tennessee Railroad Association, 916 Nashville Trust Building, Nashville, Tenn. 37201.

B. Class I Railroads in Tennessee.

A. Glass-Steagall Act Study Committee, 1000 Ring Building, Washington, D.C. 20036.

D. (6) $5,900. E. (9) $3,086.61.

A. George L. Gleason, 1750 K Street NW., Suite 300, Washington, D.C.

B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.

D. (6) $499.98. E. (9) $24.55.

A. Godfrey Associates, Inc., 918 16th Street NW., Washington, D.C. 20006.

E. (9) $104.56.

A. Horace D. Godfrey, 918 16th Street NW., Washington, D.C. 20006.
B. Godfrey Associates, 918 16th Street NW., Washington, D.C. 20006.
D. (6) $312.50. E. (9) $104.56.

A. Howard Goldberg, 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International Inc., 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $187.50. E. (9) $6.

A. Abe A. Goldman, 2834 28th Street NW., Washington, D.C. 20008.
B. Coalition for Fair Copyright Protection, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. John Goldsum, P.O. Box 1148, Austin, Tex. 78767.
B. Texas Power & Light Co., Dallas, Tex. et al.
E. (9) $1,632.52.

A. R. Kinnan Golemon, 1300 American Bank Tower, Austin, Tex. 78701.
B. ASARCO Inc., 120 Broadway, New York, N.Y. 10005.

A. Ruth Gonze, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $800.

A. Don A. Goodall, 1625 I Street NW., Suite 514, Washington, D.C. 20006.
B. American Cyanamid Co., Wayne, N.J. 07470.
D. (6) $182. E. (9) $38.

A. Charles E. Goodell, 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $680.

A. Vance V. Goodfellow, 307 Fourth Avenue South, P.O. Box 15047, Minneapolis, Minn. 55415.
B. Crop Quality Council, 307 Fourth Avenue South, P.O. Box 15047, Minneapolis, Minn. 55415.
D. (6) $7,250.06.

A. Edward Gottlieb & Associates, 485 Madison Avenue, New York, N.Y. 10022.
B. Flextime Corp., 31–45 Park Road, New Shrewsbury, N.J. 07724.

A. Edward Gottlieb & Associates, 485 Madison Avenue, New York, N.Y. 10022.
B. Florists, Transworld Delivery Association, P.O. Box 2227, Southfield, Mich. 48076.

A. Gould, Reichert & Strauss, 2613–20 Carew Tower, Cincinnati, Ohio 45202.
B. Francis J. Rorke, et al., Box 1336, Christobal, C.Z.
D. (6) $234.50. E. (9) $234.50.

A. David B. Graham, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $125.

A. Dan L. Grant, 226 Kingsway, Saint Simon Island, Ga. 31522.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Wm. W. Grant, Utah International Inc., 1150 Connecticut Avenue, Suite 710, Washington, D.C. 20036.
B. Utah International, Inc., 550 California Street, San Francisco, Calif. 94104.
E. (9) $110.20.

A. James A. Gray, 7901 Westpark Drive, McLean, Va. 22101.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22101.
D. (6) $920. E. (9) $25.

A. Robert K. Gray, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Virginia M. Gray, Citizens Committee for UNICEF, 3501 Williamsburg Lane NW., Washington, D.C. 20008.
B. Citizens Committee for UNICEF, 110 Maryland Avenue NE., Washington, D.C. 20002.
E. (9) $137.95.

A. Samuel A. Grayson, Union Pacific Railroad, 611 Idaho Building, Boise, Idaho 83702.
B. Union Pacific Railroad, 1416 Dodge Street, Omaha, Nebr. 68179.
E. (9) $1,983.26.

A. Mary E. Greer, 2000 L Street NW., Suite 520, Washington, D.C. 20036.
B. Wilson E. Hamilton & Associates, Inc., 2000 L Street NW., Washington, D.C.
D. (6) $250.

A. Claiborne D. Gregory, Virginia Petroleum Industries, a division of API, 1809 Staples Mill Road, Richmond, Va. 23230.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. William G. Greif, 1155 15th Street NW., Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $1,000.

A. Theodore R. Groom and Carl A. Nordberg/Groom & Nordberg, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Chrysler Corp., P.O. Box 1919, Detroit, Mich. 48231.
D. (6) $700. E. (9) $14.

A. Groom & Nordberg, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Prudential Insurance Co. of America, Prudential Plaza, Newark, N.J. 07101.
D. (6) $200. E. (9) $5.

A. Theodore R. Groom/Groom & Nordberg, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Ad Hoc Group on Life Insurance Co. Taxation of Pension Funds, 1701 Pennsylvania Avenue, NW., Washington, D.C. 20006.
D. (6) $100. E. (9) $10.

A. Frank N. Grossman, The Atchison, Topeka and Santa Fe Railway Co., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Atchison, Topeka and Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill. 60604.
D. (6) $2,000. E. (9) $300.

A. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $20,618.84. E. (9) $20,618.84.

A. Charles S. Gubser, 8905 Bradley Boulevard, Bethesda, Md. 20034.
B. Applied Technology a Division of Itek Corp., 645 Almanor Avenue, Sunnyvale, Calif. 94086.
D. (6) $1,500.

A. Charles S. Gubser, 8905 Bradley Boulevard, Bethesda, Md. 20034.
B. Morena Enterprises, Presidio of San Francisco, Calif. 94129.
D. (6) $1,500.

A. Charles S. Gubser, 8905 Bradley Boulevard, Bethesda, Md. 20034.
B. WEMA, 2600 El Camino Real, Palo Alto, Calif. 94306.
D. (6) $2,250. E. (9) $153.59.

A. James J. Gudinas, 8111 Gatehouse Road, Falls Church, Va. 22042.
B. American Automobile Association, 8111 Gatehouse Road, Falls Church, Va. 22042.
E. (9) $21.

A. Kenneth J. Guido, 2030 M Sereet NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $724.98. E. (9) $60.64.

A. Samuel Gusman, Rohm & Haas Co., 1025 Connecticut Avenue NW., Suite 202, Washington, D.C. 20036.
B. Rohm & Haas Co., Independence Mall West, Philadelphia, Pa. 19105.
D. (6) $500. E. (9) $100.

A. Loyd Hackler, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $300.

A. William S. Haga, Volunteer State Oil Committee, a division of API, 19th Floor, Third National Bank Building, Nashville, Tenn. 37219.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Howard R. Hague, Jr., 815 16th Street NW., Washington, D.C. 20006.
B. Industrial Union Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $3,405.25. E. (9) $11.55.

A. Hall, Estill, Hardwick, Gable, Collingsworth & Nelson, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Williams Co's., National Bank of Tulsa Building, Tulsa, Okla.
D. (6) $285.

A. J. G. Hall, General Motors Corp., 1660 L Street NW., Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.
D. (6) $4,500. E. (9) $1,186.01.

A. Keith Halliday, 1725 K Street NW., Washington, D.C. 20006.
B. Associated Third Class Mail Users, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Paul Hallisay, 905 16th Street NW., Washington, D.C. 20006.
B. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.
D. (6) $4,050. E. (9) $603.05.

A. Jerald Vinson Halvorsen, Allied-General Nuclear Services, 7101 Wisconsin Avenue, Suite 901, Bethesda, Md. 20014.
B. Allied-General Nuclear Services, P.O. Box 847, Barnwell, S.C. 29812.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Belize Sugar Industries, Ltd., Belize City, Belize (Central America).
D. (6) $3,750. E. (9) $71.70.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. The Business Roundtable, 888 17th Street NW., Washington, D.C. 20006.
D. (6) $500. E. (9) $50.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.

B. Freda R. Caspersen, P.O. Box 595, Venice, Fla. 33595.
E. (9) $100.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Government of Republic of Panama, Compania Azucarera La Estrella, S.A., and Azucarera Nacional, S.A., Panama City, Panama.
D. (6) $3,000. E. (9) $74.27.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. National School Supply & Equipment Association, 1500 Wilson Boulevard, Arlington, Va. 22209.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. National Wool Growers Association, 600 Crandall Building, Salt Lake City, Utah, 84101.
E. (9) $1,193.72.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Sociedad Agricola e Industrial San Carlos, S.A., Compania Azucarera Valdez, S.A., Azucarera Tropical Americana, S.A., Tababuela Industrial Azucarera, C.A., Ecuador.
D. (6) $2,156.15. E. (9) $101.66.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Suite 400, Washington, D.C. 20006.
B. Standard Oil Co. (Indiana), 200 East Randolph Street, Chicago, Ill. 60601.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. Sugar Association of the Caribbean, Port of Spain, Trinidad.
D. (6) $8,750. E. (9) $214.73.

A. Hamel, Park, McCabe & Saunders, 1776 F Street NW., Washington, D.C. 20006.
B. United Student Aid Funds, Inc., 200 East 42d Street, New York, N.Y. 10017.

A. Patricia L. Hanahan, 1155 15th Street NW., Washington, D.C. 20005.
B. Bristol-Myers Co. 345 Park Avenue, New York, N.Y. 10022.
D. (6) $250.

A. Christopher G. Hankin, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $14.05.

A. Robert B. Harding, 1801 K Street NW., No. 1041, Washington, D.C. 20006.
B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.
D. (6) $235. E. (9) $157.82.

A. William E. Hardman, 9300 Livingston Road, Washington, D.C. 20022.
B. National Tool, Die & Precision Machining Association, 9300 Livingston Road, Washington, D.C. 20022.

A. Eugene J. Hardy, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $2,500. E. (9) $2.20.

A. Andrew E. Hare, 8316 Arlington Blvd. Suite 600, Fairfax, Va. 22038.
B. National Right to Work Committee, 8316 Arlington Blvd., Suite 600, Fairfax, Va. 22038.
D. (6) $1,083. E. (9) $313.

A. William J. Hargett, 1100 17th Street NW., Washington, D.C. 20036.
B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $1,500. E. (9) $826.

A. Bryce N. Harlow, 1801 K Street NW., Suite 1104, Washington, D.C. 20006.
B. The Procter & Gamble Manufacturing Co., 301 East Sixth Street, Cincinnati, Ohio 45203.
D. (6) $75. E. (9)$266.14.

A. Donald L. Harlow, Air Force Sergeants Association, Inc., 310 Riley Street, Falls Church, Va. 22046.
B. Air Force Sergeants Association., Inc., 4235 28th Avenue, Marlow Heights, Md. 20031.

A. William B. Harman, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $100. E. (9) $46.50.

A. C. Wayne Harmon, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.
D. (6) $700. E. (9) $300.

A. Eugene J. Harmon, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.
B. U.S. Independent Telephone Association, 1801 K Street NW., Suite 1201, Washington, D.C. 20006.

A. William J. Harrington, 8726 Preston Place, Chevy Chase, Md. 20015.
B. Veriprint Systems Corp., 20747 Dearborn Street, Chatsworth, Calif. 91311.
D. (6) $2,500.

A. A. J. Harris II, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
B. Securities Industry Association, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.
D. (6) $444.27. E. (9) $33.81.

A. Saul J. Harris, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $80. E. (9) $16.93.

A. Stephanie Harris, 2000 P Street NW., Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Washington, D.C. 20036.

A. William C. Hart, 1625 I Street NW., Washington, D.C. 20006.
B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.
D. (6) $612.50. E. (9) $873.50.

A. Fred L. Hartley, 461 South Boylston Street, Los Angeles, Calif. 90017.
B. Union Oil Co. of California, 461 South Boylston Street, Los Angeles, Calif. 90017.
E. (9) $879.

A. Rita M. Hartz, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, Washington, D.C. 20036.
D. (6) $8,076.95. E. (9) $112.32.

A. Clifford J. Harvison, 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Charles W. Havens III, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $25.

A. Sidney G. Hawkes, The Mead Corp., 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Mead Corp., 118 West First Street, Dayton, Ohio 45402.
D. (6) $990. E. (9) $570.

A. John H. Hawkins, Jr., 600 North 18th Street, Birmingham, Ala. 35291.
B. Alabama Power Co., 600 North 18th Street, Birmingham, Ala. 35291.
D. (6) $2,125. E. (9) $328.63.

A. Paul M. Hawkins, 1701 K Street NW., Washington, D.C.
B. Health Insurance Association of America, Inc., 1701 K Street NW., Washington, D.C.
D. (6) $39.75. E. (9) $12.80.

A. Robert T. Hayden, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $5,728.02. E. (9) $1,011.21.

A. Patrick J. Head, Montgomery Ward & Co., Inc., 1101 15th Street NW., Washington, D.C. 20005.
B. Montgomery Ward & Co., Inc., 535 West Chicago Avenue, Chicago, Ill. 60610.
D. (6) $521.38. E. (9) $150.

A. Health Insurance Association of America, Inc., 1701 K Street NW., Washington, D.C.
D. (6) $4,839.92. E. (9) $4,839.92.

A. Health Research Group, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
D. (6) $321.89. E. (9) $321.89.

A. Patrick B. Healy, 30 F Street NW., Washington, D.C. 20001.
B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $431.25.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N.Y. 10017.
B. American Parents Committee, Inc., 1346 Connecticut Avenue, Washington, D.C. 20036.

A. William H. Hecht, 1776 K Street NW., Washington, D.C. 20006.
B. Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.
D. (6) $1,500. E. (9) $435.

A. John F. Heilman, Disabled American Veterans, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.
B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.
D. (6) $5,500.

A. William F. Heimlich, 1725 K Street NW., Washington, D.C. 20006.
B. Association of National Advertisers, 155 East 44th Street, New York, N.Y. 10017.
E. (9) $46.46.

A. Spencer H. Heine, Montgomery Ward & Co., Inc., 1101 15th Street NW., Washington, D.C. 20005.
B. Montgomery Ward & Co., Inc., 535 W. Chicago Avenue, Chicago, Ill. 60680.
D. (6) $91. E. (9) $150.

A. Barbara Heller, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $528.12. E. (9) $445.19.

A. Phil D. Helmig, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

D. (6) $225. E. (9) $250.

A. Leslie P. Hemry, 1701 K Street NW., Washington, D.C.

B. Health Insurance Association of America, Inc., 1701 K Street NW., Washington, D.C.

D. (6) $488.49. E. (9) $6.40.

A. Robert C. Hendon, Consolidated Freightways, Inc., 6845 Elm Street, Suite 608, McLean, Va. 22101.

B. Consolidated Freightways, Inc., 601 California Street, San Francisco, Calif. 94108.

E. (9) $685.78.

A. Edmund P. Hennelly, 150 East 42d Street, New York, N.Y. 10017.

B. Mobil Oil Corp., 150 E. 42d Street, New York, N.Y. 10017.

D. (6) $1,500.

A. George F. Hennrikus, Jr., 1625 I Street NW., Washington, D.C. 20006.

B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.

D. (6) $2,818.

A. Maurice G. Herndon, 425 13th Street NW., Washington, D.C. 20004.

B. National Association of Insurance Agents, 85 John Street, New York, N.Y. 10038.

E. (9) $5,087.10.

A. Esther Herst, 510 C Street NE., Washington, D.C. 20002.

B. National Committee Against Repressive Legislation, 1250 Wilshire Boulevard, Los Angeles, Calif. 90017.

D. (6) $1,755. E. (9) $1,212.69.

A. Elena Hess, 3705 Porter Street NW., Washington, D.C. 20016.

B. Self-Determination for District of Columbia, Suite 300, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $1,500. E. (9) $133.98.

A. Hewes & Wolf, 1720 I Street NW., Suite 400, Washington, D.C. 20006.

B. Bart B. Chamberlain, Jr., Citronelle-Mobile Gathering, Inc., 717 First Federal Tower, Mobile, Ala. 36616.

D. (6) $1,000. E. (9) $25.

A. Hewes & Wolf, 1720 I Street NW., Suite 400, Washington, D.C. 20006.

B. Pennsylvania Petroleum Association, Building 2, Suite D, 2101 North Front Street, Harrisburg, Pa. 17110.

D. (6) $2,000. E. (9) $245.

A. Faye P. Hewlett, National Retail Merchants Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.

D. (6) $100. E. (9) $10.

A. Russell L. Hibbard, 920 Lake Angelus Shores, Pontiac, Mich. 48055.

B. Southwestern Employers' Unemployment Benefit Advisors, c/o Robert T. Davis, 500 West 13th Street, Austin, Tex.

D. (6) $2,362.50. E. (9) $733.06.

A. Andrew I. Hickey, Jr., 1133 15th Street, NW., Washington, D.C. 20005.

B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.

D. (6) $15,532.19. E (9) $1,648.80.

A. Frederic W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.

B. The First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.

A. Frederic W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.

B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.

D. (6) $760. E. (9) $251.90.

A. Frederic W. Hickman, 1 First National Plaza, No. 5200, Chicago, Ill. 60603.

B. Northwest Industries, Inc., 6300 Sears Tower, Chicago, Ill. 60606.

D. (6) $315. E. (9) $30.49.

A. Paul T. Hicks, R.I. Petroleum Association, a division of API, 134 Francis Street, Providence, R.I. 02903.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Janet Hieber, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $2,225.

A. J. Thomas Higginbotham, Mellon Bank, N.A., Pittsburgh, Pa. 15230.

B. Mellon Bank, N.A., and Mellon National Corp., Mellon Square, Pittsburgh, Pa. 15230.

D. (6) $2,000. E. (9) $730.38.

A. J. Eldred Hill, Jr., 720 Hotel Washington, Washington, D.C. 20004.

B. UBA, Inc., 720 Hotel Washington, Washington, D.C. 20004.

D. (6) $2,000. E. (9) $2,000.

A. Kathryn Hilton, 918 16th Street NW., Washington, D.C. 20006.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

D. (6) $31.25.

A. James D. Hittle, 3137 South 14th Street, Arlington, Va. 22204.

B. LTV Aerospace Corp., P.O. Box 5907, Dallas, Tex. 75222.

D. (6) $7,000. E. (9) $500.75.

A. Lawrence S. Hobart, 2600 Virginia Avenue NW., Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.

D. (6) $543.75.

A. Claude E. Hobbs, Westinghouse Electric Corp., 1801 K Street NW., 9th Floor, Washington, D.C. 20006.

B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $900. E. (9) $195.

A. Howard E. Hoelter, Illinois Petroleum Council, a division of API, P.O. Box 5034, Springfield, Ill. 62705.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $324. E. (9) $22.11.

A. Herbert E. Hoffman, American Bar Association, 1800 M Street NW., Washington, D.C. 20036.

B. American Bar Association, 1155 East 60th Street, Chicago, Ill. 60637.

D. (6) $400. E. (9) $50.

A. Hogan & Hartson, 815 Connecticut Avenue, Washington, D.C. 20006.

B. Energy Transportation Systems, Inc., 50 Beale Street, San Francisco, Calif. 94119.

D. (6) $3,840. E. (9) $269.60.

A. Thomas P. Holley, 1625 I Street NW., Washington, D.C. 20006.

B. Boise Cascade Corp., 1625 I Street NW., Washington, D.C. 20006.

D. (6) $1,000. E. (9) $153.89.

A. Henry W. Holling, 100 Northeast Adams Street, Peoria, Ill. 61629.

B. Caterpillar Tractor Co., 100 Northeast Adams Street, Peoria, Ill. 61629.

D. (6) $240. E. (9) $193.25.

A. Holly Corp., 2001 Bryan Tower, Dallas, Tex. 75201.

A. Thomas D. Holman, 1776 F Street NW., Washington, D.C. 20006.

B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.

E. (9) $860.

A. Eric Holmes, Jr., Petroleum Council of Georgia, a division of API, 161 Peachtree Street NE., Suite 506, Atlanta, Ga. 30303.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Lee B. Holmes, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.

B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.

D. (6) $2,812.50.

A. John W. Holton, 1120 Connecticut Avenue, NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue, NW., Washington, D.C. 20036.

D. (6) $1,750. E. (9) $26.40.

A. Wayne K. Horiuchi, Japanese American Citizens League, 1730 Rhode Island Avenue NW., Suite 204, Washington, D.C. 20036.

B. Japanese American Citizens League, 1765 Sutter Street, San Francisco, Calif. 94115.

D. (6) $687.

A. The Hormel Foundation, Austin, Minn. 55912.

A. Craig Hosmer 1750 K Street NW., Suite 300, Washington, D.C.

B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.

D. (6) $1,237.50. E. (9) $69.16.

A. Houger, Garvey & Shubert, 1019 19th Street NW., 8th Floor, Washington, D.C. 20036.

B. American Paper Institute, 1619 Massachusetts Avenue NW., Washington, D.C.

E. (9) $263.26.

A. Houger, Garvey & Schubert, 1019 19th Street NW., 8th Floor, Washington, D.C. 20036.

B. American Pyrotechnics Association, 407 Campus Avenue, Chestertown, Md. 21620.

D. (6) $5,078.66. E. (9) $2,316.90.

A. Houger, Garvey & Schubert, 1019 19th Street NW., 8th Floor, Washington, D.C. 20036.

B. Committee for Protection of American Trade, 1019 19th Street NW., 8th Floor, Washington, D.C. 20036.

D. (6) $8,723. E. (9) $9,324.32.

A. Thomas B. House, 919 18th Street NW., Washington, D.C. 20006.

B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.

D. (6) $750.

A. Houston Natural Gas Corp., P.O. Box 1188, Houston, Tex. 77001.

E. (9) $9,521.54.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C., 20006.

B. Allstate Insurance Co., Allstate Plaza, Northbrook, Ill. 60062.

A. Joe L. Howell, 1700 Pennsylvania Avenue NW., Suite 750, Washington, D.C. 20006.

B. Allstate Insurance Corp., Allstate Plaza, Northbrook, Ill. 60062.

A. John B. Howerton, ASARCO Inc., 1730 Rhode Island Avenue NW., Suite 206, Washington, D.C. 20036.

B. ASARCO Inc., 120 Broadway, New York, N.Y. 10005.

D. (6) $1,200. E. (9) $686.84.

A. Charles L. Huber, Disabled American Veterans, 1221 Massachusetts Avenue NW., Washington, D.C. 20005.

B. Disabled American Veterans, 3725 Alexandria Pike, Cold Spring, Ky.

D. (6) $11,250. E. (9) $305.75.

A. Linda Hudak, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE, Washington, D.C. 20003.

D. (6) $100.

A. James C. Hughes, 2029 K Street NW., Washington, D.C. 20006.

B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.

D. (6) $2,500.

A. Vester T. Hughes, Jr., 4300 First National Bank Building, Dallas, Tex. 75202.

B. American National Financial Corp., 300 Delaware Avenue, Wilmington, Del. 19801.

A. Vester T. Hughes, Jr., 4300 First National Bank Building, Dallas, Tex. 75202.

B. Holly Corp., 2001 Bryan Tower, Dallas, Tex. 75201.

E. (9) $20.

A. Stanley W. Hulett, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. David C. Hull, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $315. E. (9) $5.29.

A. William J. Hull, 1025 Connecticut Avenue NW., No. 507, Washington, D.C. 20036.

B. Ashland Oil, Inc., 1409 Winchester Avenue, Ashland, Ky.

A. William J. Hull, 1025 Connecticut Avenue NW., No. 507, Washington, D.C. 20036.

B. Ohio Valley Improvement Association, Inc., Cincinnati, Ohio.

A. Richard M. Hunt, 490 L'Enfant Plaza East SW., Washington, D.C. 20024.

B. NL Industries, Inc., 1221 Avenue of the Americas, New York, N.Y. 10020.

D. (6) $1,125.

A. Milton F. Huntington, Maine Petroleum Association, a division of API, 283 Water Street, Augusta, Maine 04330.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $100.

A. James L. Huntley, Active Ballot Club Department, Retail Clerks International Association, AFL-CIO, 1775 K Street NW., Washington, D.C. 20006.

B. Retail Clerks International Association, AFL-CIO, 1775 K Street NW., Washington, D.C. 20006.

D. (6) $8,185.80. E. (9) $874.52.

A. Gerard F. Hurley, Suite 602, 1129 20th Street NW., Washington, D.C. 20036.

B. National Club Association, Suite 602, 1129 20th Street NW., Washington, D.C. 20036.

D. (6) $625. E. (9) $125.

A. John Edward Hurley, 1101 New Hampshire Avenue NW., Washington, D.C. 20037.

D. (6) $100. E. (9) $25.

A. Philip A. Hutchinson, Jr., 475 L'Enfant Plaza SW., Suite 2450, Washington, D.C. 20024.

B. Volkswagen of America, Inc., 818 Sylvan Avenue, Englewood Cliffs, N.J. 07632.

D. (6) $300.

A. David C. Hyer, Ohio Petroleum Council, a division of API, 88 East Broad Street, Columbus, Ohio 43215.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $125. E. (9) $136.70.

A. F. N. Ikard, 2101 L Street NW., Washington, D.C. 20037.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $2,875. E. (9) $1,197.

A. Industrial Union Department, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $14,883.19. E. (9) $14,883.19.

A. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

E. (9) $11,220.87.

A. International Brotherhood of Painters and Allied Trades, 1750 New York Avenue NW., Washington, D.C. 20006.

E. (9) $5,513.55.

A. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.

E. (9) $22,232.25.

A. International Union, United Automobile, Aerospace and Agricultural Implement, Workers of America, UAW, 8000 East Jefferson, Detroit, Mich. 48214.

D. (6) $131,038. E. (9) $131,038.

A. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.

E. (9) $4,671.80.

A. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

E. (9) $238.

A. Iron Ore Lessors Association, Inc., 1500 First National Bank Building, Saint Paul, Minn. 55101.

D. (6) $2,750.79. E. (9) 8,250.03.

A. Joseph S. Ives, 2000 Florida Avenue NW., Washington, D.C.20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $115.

A. Robert C. Jackson, American Textile Manufacturers Institute, Inc., 1150 17th Street NW., Suite 1001, Washington, D.C. 20036.

B. American Textile Manufacturers Institute, Inc., 400 South Tryon Street, Suite 2124, Charlotte, N.C. 28285.

D. (6) $2,750. E. (9) $25.28.

A. Deborah Jacobs, 706 Seventh Street, SE., Washington, D.C. 20003.

B. National Abortion Rights Action League, 706 Seventh Street SE., Washington, D.C. 20003.

D. (6) $227.50.

A. E. A. Jaenke & Associates, Inc., 1735 I Street NW., Washington, D.C. 20006.

B. The Cooperative League of the U.S.A., 1828 L Street NW., Washington, D.C. 20006.

D. (6) $1,000.

A. Jim Jaffe, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Bakers Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $75.57. E. (9) $6.30.

A. Joseph A. Jeffrey, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Philip F. Jehle, 300 National Press Building, Washington, D.C. 20045.

B. Smith Kline Corp., 1500 Spring Garden Street, Philadelphia, Pa. 19101.

E. (9) $515.

A. James Courtney Jennings, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.

B. Hills & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. W. Pat Jennings, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.

B. Slurry Transport Association, 490 L'Enfant Plaza East SW., Suite 3210, Washington, D.C. 20024.

D. (6) $400. E. (9) $6.85.

A. Chris L. Jensen, Florida Petroleum Council, Division of API, 111 N. Gadsden Street, Tallahassee, Fla. 32301.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. A. W. Jessup, 1025 Connecticut Avenue NW., No. 1014, Washington, D.C. 20036.

B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y. 10020.

A. Guy E. Jester, 2150 Kienlen Avenue, St. Louis, Mo. 63121.

B. Association for Improvement of Mississippi River, 10 Broadway, St. Louis, Mo. 63102.

A. Ronald P. Johnsen, 1625 I Street NW., Suite 302, Washington, D.C. 20006.

B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.

E. (6) $175. E. (9) $56.19.

A. Anita Johnson, 2000 P Street NW., Washington, D.C. 20036.

B. Health Research Group, 2000 P Street NW., Washington, D.C.

D. (6) $120.

A. Bruce T. Johnson, Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

D. (6) $2,875. E. (9) $2,590.

A. H. Bradley Johnson, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Jess Johnson, Jr., Shell Oil Co., Suite 200, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Shell Oil Co., One Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.

D. (6) $500.

A. John B. Johnson, c/o Alabama Petroleum Council, a Division of API, 660 Adams Avenue, Suite 188, Montgomery, Ala. 36104.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $1,102.50. E. (9) $1,600.71.

A. John Paul Johnson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $8,125.02. E. (9) $3,162.51.

A. Nicholas Johnson, Suite 411A, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Citizens Communications Lobby, P.O. Box 19101, Washington, D.C. 20036.

A. Rady A. Johnson, 1000 16th Street NW., Washington, D.C. 20036.

B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60680.

D. (6) $2,395.55. E. (9) $13.58.

A. Reuben L. Johnson, 1012 14th Street NW., Washington, D.C.

B. The Farmers' Educational & Cooperative Union of America, P.O. Box 39251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.

D. (6) $5,196.96. E. (9) $180.26.

A. Stanley L. Johnson, 1001 Connecticut Avenue NW., Suite 510, Washington, D.C. 20036.

B. Texaco Inc., 135 East 42d Street, New York, N.Y. 10017.

D. (6) $72.

A. James D. Johnston, 1660 L Street NW., Washington, D.C. 20036.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich. 48202.

D. (6) $3,600. E. (9) $630.81.

A. Allan R. Jones, 1616 P Street NW., Washington, D.C. 20036.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $6,000. E. (9) $791.35.

A. Charlie W. Jones, 1150 17th Street NW., Suite 310, Washington, D.C. 20036.

B. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Suite 310, Washington, D.C. 20036.

D. (6) $300. E. (9) $150.

A. L. Dan Jones, 1101 16th NW., Washington, D.C. 20036.

B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.

E. (9) $30.88.

A. Oliver H. Jones, 1125 15th Street NW., Washington, D.C.

B. Mortgage Bankers Association of America, 1125 15th Street NW., Washington, D.C. 20005.

D. (6) $3,750. E. (9) $10,727.

A. Carl D. Jordan, 408 East Maple Street, Fremont, Mich. 49412.

B. Gerber Products Co., 445 State Street, Fremont, Mich. 49412.

D. (6) $305. E. (9) $42.

A. Brenda Joyce, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.

B. Gulf Oil Corp., P.O. Box 1166, Pittsburgh, Pa. 15230.

D. (6) $750. E. (9) $200.

A. Mrs. Fritz R. Kahn, 9202 Ponce Place, Fairfax, Va. 22030.

B. National Congress of Parents & Teachers, 700 North Rush Street, Chicago, Ill. 60611.

E. (9) $23.65.

A. Charles W. Karcher, 1735 Midland Building, Cleveland, Ohio 44115.

B. The Standard Oil Co. (an Ohio corporation) Midland Building, Cleveland, Ohio 44115.

E. (9) $392.

A. Gerald M. Katz, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.

B. Maryland State Fair & Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.

E. (9) $427.49.

A. Emanuel M. Kay, 491 National Press Building, Washington, D.C. 20045.

B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20045.

E. (9) $76.79.

A. Carleton R. Kear, Jr., 1625 I Street NW., Washington, D.C. 20006.

B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.

D. (6) $212.

A. William J. Keating, 725 15th Street NW., Washington, D.C. 20005.

B. National Grain & Feed Association, 725 15th Street NW., Washington, D.C. 20005.

E. (6) $19.50.

A. Howard B. Keck, 555 South Flower Street, Los Angeles, Calif. 90071.

B. The Superior Oil Co., 555 South Flower Street, Los Angeles, Calif. 90071.

E. (9) $300.

A. Patricia Keefer, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $4,500. E. (9) $130.80.

A. John B. Kelley, Suite 1200, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. Avco Corp., 1275 King Street, Greenwich, Conn. 06830.

D. (6) $1,300. E. (9) $438.50.

A. Paul J. Kelley, 2727 North Central Avenue, Phoenix, Ariz. 85004.

B. Amerco, Inc., 2727 North Central Avenue, Phoenix, Ariz. 85004.

E. (9) $4,850.

A. Harold V. Kelly, 1101 15th Street NW., Washington, D.C. 20005.

B. Republic Steel Corp., Republic Building, Cleveland, Ohio. 44101.

A. Robert F. Kelly, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.

B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

A. George Kelm, 1 First National Plaza, Suite 5200, Chicago, Ill., 60603.

B. The Myron Stratton Home, P.O. Box 1178, Colorado Springs, Colo. 80901.

E. (9) $214.31.

A. Harold L. Kennedy, Marathon Oil Co., 420 Cafritz Building, Washington, D.C. 20006.

B. Marathon Oil Co., Findlay, Ohio 45840.

E. (9) $324.45.

A. Jerry W. Kennedy, 1030 15th Street NW., Suite 700, Washington, D.C. 20005.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

A. Jeremiah J. Kenney, Jr., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Union Carbide Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Robert T. Kenney, 1001 Connecticut Avenue NW., Washington, D.C. 20036.

B. Texaco, Inc., 135 East 42d Street, New York, N.Y. 10017.

A. John V. Kenny, 918 16th Street NW., Washington, D.C. 20006.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

D. (6) $787. E. (9) $85.

A. James L. Kimble, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.

B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.

D. (6) $1,500. E. (9) $250.

A. Charles L. King, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $75.

A. John M. Kinnaird, 1616 P Street NW., Washington, D.C. 20036.

B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $7,500. E. (9) $2,479.52.

A. Paul K. Kirkpatrick, Jr., 1000 Ouachita Bank Building, Monroe, La. 71201.

B. National Association of Manufacturers of Agricultural Trailers, Inc., 421 North Crockett Street, Sherman, Tex. 75090.

D. (6) $500. E. (9) $2.53.

A. Richard P. Kleeman, 1920 L Street NW., Suite 750, Washington, D.C. 20036.

B. Association of American Publishers, Inc., 1920 L Street NW., Suite 750, Washington, D.C. 20036.

A. John J. Klocko III, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.

B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

E. (9) $160.

A. Andrew Kneier, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036

D. (6) $3,200.01.

A. Gary D. Knight, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D.C. 20062.

E. (9) $25.

A. Keith R. Knoblock, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. John S. Knox, Jr., 166 16th Street NW., Atlanta, Ga. 30318.

B. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.

D. (6) $50.

A. Philip M. Knox, Jr., 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.

B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.

E. (9) $223.66.

A. Ruth E. Kobell, 1012 14th Street NW., Washington, D.C.

B. The Farmers' Educational & Co-Operative Union of America, P.O. Box 39251, Denver, Colo., 1012 14th Street NW., Washington, D.C.

D. (6) $2,215.37. E. (9) $124.02.

A. Bradley R. Koch, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $130.

A. Robert M. Koch, 1315 16th Street NW., Washington, D.C. 20036.

B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.

E. (9) $36.25.

A. Robert M. Koch, Jr., 1315 16th Street NW., Washington, D.C. 20036.

B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.

E. (9) $18.10.

A. Horace R. Kornegay, 1776 K Street NW., Suite 1200, Washington, D.C. 20006.

B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

D. (6) $1,000. E. (9) $150.

A. Paul A. Korody, 1725 I Street NW., Washington, D.C. 20006.

B. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.

E. (9) $750.

A. Kenneth S. Kovack, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.

B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.

D. (6) $5,728.02. E. (9) $1,208.68.

A. Amos Kramer, Kansas Petroleum Council, a division of API, Eighth and Jackson Streets, Suite 1414, Topeka, Kans. 66612.

B. American Petroleum Institute, 2101 L Street, NW., Washington, D.C. 20037.

A. Stephen W. Kraus, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Lawrence E. Kreider, 1015 18th Street NW., Washington, D.C. 20036.

B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

A. Richard W. Kreutzen, 1700 K Street NW., Washington, D.C. 20006.

B. Chevron Oil Co., subsidiary of Standard Oil Co. of California, 1700 K Street NW., Washington, D.C. 20006.

D. (6) $600. E. (9) $422.85.

A. Homer L. Krout, 1605 North Johnson Street, Arlington, Va. 22201.

B. National Association of Theatre Owners, Inc., 1500 Broadway, Suite 2002, New York, N.Y. 10036.

E. (9) $147.69.

A. William J. Kuhfuss, 225 Touhy Avenue, Park Ridge, Ill. 60068.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill. 60068.

D. (6) $1,175.

A. Lloyd R. Kuhn, 1725 DeSales Street NW., Washington, D.C. 20036.

B. Aerospace Industries Association of America, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.

D. (6) $8,448. E. (9) $1,393.01.

A. Thomas R. Kuhn, 1750 K Street NW., Suite 300, Washington, D.C.

B. American Nuclear Energy Council, 1750 K Street NW., Washington, D.C.

D. (6) $850. E. (9) $20.26.

A. Daniel M. Kush, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C. 20062.

A. Kyokuyo U.S.A., Inc., Suite 604, Central Building, 810 Third Avenue, Seattle, Wash. 98104.

E. (9) $700.

A. Labor Bureau of Middle West, 1200 15th Street NW., Washington, D.C. 20005; 11 South LaSalle Street, Chicago, Ill. 60603.

A. Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C. 20006.

E. (9) $20,814.07.

A. Labor-Management Maritime Committee, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $12,012. E. (9) $4,882.

A. Edward J. Lachowicz, 4317 Brandywine Street NW., Washington, D.C. 20016.

B. International Brotherhood of Electrical Workers, 1125 15th Street NW., Washington, D.C. 20005.

A. Philip A. Lacovara, 1660 L Street NW., Washington, D.C. 20036.

B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.

D. (6) $950. E. (9) $25.

A. Sarah M. Laird, 1730 M Street NW., Washington, D.C. 20036.

B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $570.

A. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. David P. Lambert, 1701 K Street NW., Washington, D.C. 20006.

B. Health Insurance Association of America., Inc., 1701 K Street NW., Washington, D.C.

A. David R. Lambert, 1616 H Street NW., Washington, D.C. 20006.

B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $2,000.

A. A. M. Lampley, 400 First Street NW., Suite 704, Washington, D.C. 20001.

B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.

E. (9) $200.

A. Richard M. Landis, American Optometric Association, 1730 M Street NW., Suite 206, Washington, D.C. 20036.

B. American Optometric Association, % Alvin Levin, O.D., 120 South Hanover Street, Carlisle, Pa. 17013.

D. (6) $292.22. E. (9) $162.29.

A. Karl S. Landstrom, 510 North Edison Street, Arlington, Va. 22203.

B. Geothermal Resources International, Inc., 4676 Admiralty Way, Suite 503, Marina del Rey, Calif. 90291.

D. (6) $1,152.85. E. (9) $180.55.

A. Karl S. Landstrom, 510 North Edison Street, Arlington, Va. 22203.

B. Sportsmans Paradise Homeowners Association, Route 2, Box 228, Blythe, Calif. 92225.

A. Lane and Edson, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

B. The National Leased Housing Association, Suite 707, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $450.

A. R. Josh Lanier, 918 16th Street NW., Washington, D.C. 20006.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

D. (6) $2,250. E. (9) $635.

A. James J LaPenta, Jr, 905 16th Street NW, Washington, DC

B Laborers' International Union of North America, AFL–CIO, 905 16th Street NW., Washington, D.C.

E. (9) $966.95.

A. Reed E. Larson, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.

B. National Right To Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.

D. (6) $155. E. (9) $15.

A. Delmar Dale Lawson, 900 15th Street NW., Washington, D.C. 20005.

B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.

D. (6) $1,077.14.

A. Robert W. Lee, 1028 Connecticut Avenue NW., No. 1004, Washington, D.C. 20036.

B. The John Birch Society, Inc., 395 Concord Avenue, Belmont, Mass. 02178.

A. Gilbert LeKander, 910 17th Street NW., No. 501, Washington, D.C. 20006.

B. Montana Power Co., 40 East Broadway, Butte, Mont. 59701; Washington Water Power Co., P.O. Box 3727, Spokane, Wash. 99202.

D. (6) $450.

A. Michael Lehrman, 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International Inc., 1225 19th Street NW., Washington, D.C. 20036.

D. (6) $212.50. E. (9) $159.35.

A. Richard Leighton Vorys, Sater Seymour & Pease, 1701 K Street NW., Washington, D.C. 20006.

B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Washington, D.C. 20005.

A. Joseph L. Leitzinger, 900 Fourth Avenue, Seattle, Wash. 98164.

B. Simpson Timber Co., 900 Fourth Avenue, Seattle, Wash. 98164.

D. (6) $320. E. (9) $917.

A. Nils A. Lennartson, 801 North Fairfax Street, Alexandria, Va. 22314.

B. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.

D. (6) $783.33.

A. David M. Lenny, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.

D. (6) $1,965.

A. Earl T. Leonard, Jr., P.O. Drawer 1734, Atlanta, Ga. 30301.

B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.

D. (6) $476. E. (9) $413.69.

A. Donald Lerch & Co., Inc., 1030 15th Street NW., Washington, D.C. 20005.

B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., Washington, D.C. 20006.

D. (6) $249.90.

A. Donald Lerch & Co., Inc., 1030 15th Street NW., Washington, D.C. 20005.

B. Shell Chemical Co., 2401 Crow Canyon Road, San Ramon, Calif.

A. Gilbert B. Lessenco, 2021 L Street NW., Washington, D.C. 20036.

B. General Mills, Inc., 9200 Wayzata Boulevard, Minneapolis, Minn. 55440.

A. Morris J. Levin, 1620 I Street NW., Washington, D.C. 20006.
B. Association of American Railroads, American Railroad Building, Washington, D.C. 20006.
D. (6) $1,000.

A. Harry LeVine, Jr., General Electric Co., 777 14th Street NW., Washington, D.C.
B. General Electric Co., 3135 Easton Turnpike, Fairfield, Conn.
D. (6) $7,500.

A. David Lewis, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Alvin Levin, O.D., 120 South Hanover Street, Carlisle, Pa. 17013.
D. (6) $86.50. E. (9) $111.51.

A. Robert G. Lewis, 1012 14th Street NW., Washington, D.C.
B. The Farmers' Educational and Co-Operative Union of America, P.O. Box 39251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.
D. (6) $1,476.92. E. (9) $29.26.

A. Ronald L. Leymeister, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $255. E. (9) $24.50.

A. Leigh Lindjord, 1800 M Street NW., Washington, D.C. 20036.
B. Morgan, Lewis, & Bockius (on behalf of Associated Gas Distributors), 1800 M Street NW., Washington, D.C. 20036.

A. Lester W. Lindow, 1735 DeSales Street NW., Washington, D.C. 20036.
B. Association of Maximum Service Telecasters, Inc., 1735 DeSales Street NW., Washington, D.C. 20036.

A. John E. Linster, 2000 Westwood Drive, Wausau, Wis. 54401.
B. Employers Insurance of Wausau, 2000 Westwood Drive, Wausau, Wis. 54401.
D. (6) $500.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. County of Baltimore, 111 West Chesapeake Avenue, Towson, Md. 21204.
D. (6) $1,200. E. (9) $44.46.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. The Metropolitan Sanitary District of Greater Chicago, 100 East Erie Street, Chicago, Ill. 60611.
D. (6) $9,294.40. E. (9) $1,806.62.

A. Ron M. Linton, 1015 18th Street NW., Suite 200, Washington, D.C. 20036.
B. Wayne County Board of Commissioners, 706 City County Building, Detroit, Mich. 48226.
D. (6) $7,000. E. (9) $732.36.

A. Maxine Lipeles, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $1,122.50.

A. Charles B. Lipsen, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $5,312.50. E. (9) $900.

A. Robert G. Litschert, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $240. E. (9) $84.44.

A. E. F. Livaudais, Jr., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $200. E. (9) $200.

A. H. Richard Lloyd, Jr., 777 14th Street NW., Washington, D.C. 20005.
B. General Electric Co., 777 14th Street NW., Washington, D.C. 20005.

A. Frank M. Lobach, 2000 Clearwater Drive, Oak Brook, Ill., 60521.
B. The Reuben H. Donnelley Corp., 2000 Clearwater Drive, Oak Brook, Ill. 60521.
D. (6) $220.

A. Harold D. Loden, 1030 15th Street NW., Washington, D.C. 20005.
B. American Seed Trade Association, 1030 15th Street NW., Washington, D.C. 20005.
D. (6) $700.

A. Sheldon I. London, National Home Furnishings Association, 1025 Vermont Avenue NW., Washington, D.C. 20005.
B. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.
D. (6) $1,200.

A. Philip J. Loree, 17 Battery Place North, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.
D. (6) $200.

A. Herschel C. Loveless, 918 16th Street NW., No. 501, Washington, D.C. 20006.
B. Chromalloy American Corp., 120 South Central Avenue, St. Louis, Mo. 63105.
D. (6) $281.50. E. (9 $281.50.

A. James F. Lovett, 1801 K Street NW., Washington, D.C. 20006.
B. Westinghouse Electric Corp., Westinghouse Building, Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $700. E. (9) $100.

A. James P. Low, 1101 16th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.

A. Gerald N. Lowrie, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $1,043.14.

A. Freddie H. Lucas, 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $200. E. (9) $199.82.

A. Milton F. Lunch, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,000.

A. Christian J. Lund, 1125 15th Street NW., Washington, D.C. 20005.
B. United Technologies Corp., 1125 15th Street NW., Washington, D.C. 20005.
D. (6) $2,500. E. (9) $71.10.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. The Consolidated Edison Co. of New York, Inc., 4 Irving Place, Room 208, New York, N.Y. 10003.
E. (9) $224.70.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Pacific Northwest Power Co., Public Service Building, Portland, Oreg. 97206.
E. (9) $18.61.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Pennsylvania Power & Light Co., 2 North 9th Street, Allentown, Pa. 18101.
D. (6) $600. E. (9) $59.30.

A. Lund Levin & O'Brien, 1625 I Street NW., Washington, D.C. 20006.
B. Shanghai Power Co., 100 West 10th Street, Wilmington, Del. 19801.
D. (6) $120.

A. Eugene H. Luntey, 195 Montague Street, Brooklyn, N.Y. 11201.
B. The Brooklyn Union Gas Co., 195 Montague Street, Brooklyn, N.Y. 11201.
D. (6) $23,333. E. (9) $200.

A. Lusk-Evans Limited, 1730 North Lynn Street, Suite 400, Arlington, Va. 22209.
E. (9) $5.

A. James H. Lynch, Jr., 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $5,941.60. E. (9) $258.24.

A. Richard Lyng, P.O. Box 3556, Washington, D.C. 20007.
B. American Meat Institute, P.O. Box 3556, Washington, D.C. 20007; 1600 Wilson Boulevard, Arlington, Va.
D. (6) $500.

A. James H. Mack, 7901 Westpark Drive, McLean, Va.
B. National Machine Tool Builders' Association, 7901 Westpark Drive, McLean, Va. 22101.

A. Duncan H. Mackenzie, 3019 Goat Hill Road, Bel Air, Md. 21014.
D. (6) $48. E. (9) $80.19.

A. John P. Mackey, Ad Hoc Committee in Defense of Life, Inc. 810 National Press Building, Washington, D.C. 20045.
B. Ad Hoc Committee in Defense of Life, Inc., 150 East 35th Street, New York, N.Y.
D. (6) $4,000. E. (9) $3,908.35.

A. Thomas J. Mader, 2030 M. Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $26.50.

A. John F. Magnotti, Jr., 1700 Pennsylvania NW., Washington, D.C. 20006.
B. National Council of Professional Services Firms, 1700 Pennsylvania, NW., Washington, D.C. 20006.
D. (6) $120. E. (9) $10.

A. John F. Mahoney, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,000. E. (9) $867.

A. Robert L. Maier, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C.
D. (6) $200.

A. Andre Maisonpierre, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill.
E. (9) $375.

A. Thomas M. Malone, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $940.79.

A. Ben J. Man, 400 First Street NW., Suite 700, Washington, D.C. 20001.
B. District No. 1, Pacific Coast District, Marine Engineers' Beneficial Association, AFL-CIO, 17 Battery Place, New York, N.Y. 10004.
D. (6) $2,192.19. E. (9) $325.76.

A. Carter Manasco, 5932 Chesterbrook Road, McLean, Va., 22101.
B. National Coal Association, 1130 17th Street, Washington, D.C. 20036.
D. (6) $7,334.99. E. (9) $106.80.

A. Man-Made Fiber Producers Association, Inc., 1150 17th Street NW., Suite No. 310, Washington, D.C. 20036.
E. (9) $450.

A. Forbes Mann, 1155 15th Street NW., No. 1004, Washington, D.C. 20005.
B. The LTV Corp., 1525 Elm Street, Dallas, Tex. 75222.
D. (6) $2,500. E. (9) $550.

A. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue, NW., Washington, D.C. 20009.
D. (6) $5,000. E. (9) $3,000.

A. Dallace E. Marable, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F. Street, NW., Washington, D.C. 20006.
D. (6) $1,050.00. E. (9) $79.25.

A. March for Life Inc., Box 2950, Washington, D.C.
E. (9) $14,743.62.

A. Carl Marcy, 122 Maryland Avenue NE., Washington, D.C. 20002.
B. American Committee on U.S.-Soviet Relations, 122 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $2,000.

A. Carl Marcy, 100 Maryland Avenue NE., Washington, D.C. 20002.
B. Council for a Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.
D. (6) $3,249.45.

A. District No. 1, Pacific Coast District, Marine Engineers' Beneficial Association, AFL-CIO, 17 Battery Place, New York, N.Y. 10004.
E. (9) $8,917.61.

A. David J. Markey, 1771 N Street, NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street, NW., Washington, D.C. 20036.
D. (6) $800. E. (9) $318.54.

A. Rodney W. Markley, Jr., Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich. 48121.
D. (6) $10,000. E.(9) $795.50.

A. Matthew J. Marks, Prather, Levenberg, Seeger, Doolittle, Farmer & Ewing, 1101 16th Street NW., Washington, D.C. 20036.
B. Heterochemical Corp., 111 East Hawthorne Avenue, Valley Stream, Long Island, N.Y. 11580.
E. (9) $10.

A. Ralph J. Marlatt, 1511 K Street NW., Washington, D.C. 20005.
B. National Association of Mutual Insurance Agents, 1511 K Street NW., Washington, D.C. 20005.
E. (9) $830.

A. Dan V. Maroney, Jr., 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. C. Travis Marshall, 1776 K Street NW., Suite 200, Washington, D.C. 20006.
B. Motorola Inc., 1776 K Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $500. E. (9) $145.

A. J. Paull Marshall, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L. Street NW., Washington, D.C. 20036.
D. (6) $335.58. E. (9) $271.20.

A. Thomas A. Martin, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $500. E. (9) $200.

A. Steven A. Martindale, Hill & Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $3.14.

A. Maryland State Fair & Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $427.49.

A. Mike M. Masaoka, Suite 520, 900 17th Street NW., Washington, D.C. 20006.
B. American Japanese Trade Committee, Suite 520, 900 17th Street NW., Washington, D.C. 20006.

A. Mike M. Masaoka, Association on Japanese Textile Imports, Inc., Suite 520, 900 17th Street NW., Washington, D.C. 20006.
B. Association on Japanese Textile Imports, Inc., 551 Fifth Avenue, New York, N.Y. 10017.
D. (6) $500.

A. Mike M. Masaoka, Suite 520, 900 17th Street NW., Washington, D.C. 20006.
B. Nisei Lobby, 900 17th Street NW., Suite 520, Washington, D.C. 20006.

A. Mike M. Masaoka, Masaoka-Ishikawa & Associates, Inc., Suite 520, 900 17th Street NW., Washington, D.C. 20006.
B. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogalez, Ariz. 85621.
D. (6) $500.

A. Paul J. Mason, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Cliff Massa III, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. David Masselli, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. Jon G. Massey, Oil Investment Institute, P.O. Box 8293, Washington, D.C. 20024.
B. Oil Investment Institute, P.O. Box 8293, Washington, D.C. 20024.

A. P. H. Mathews, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $1,690.78. E. (9) $786.70.

A. Robert A. Matthews, 801 North Fairfax Street, Alexandria, Va. 22314.
B. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va. 22314.
D. (6) $391.67.

A. C. V. and R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Georgia Power Co., 270 Peachtree Street, Atlanta, Ga.

A. C. V. and R. V. Maudlin, 1111 E Street NW., Washington, D.C. 20004.
B. Joint Government Liaison Committee, 1111 E Street NW., Washington, D.C. 20004.

A. Anthony F. Mauriello, c/o New York State Petroleum Council, Division of API, 551 Fifth Avenue, Room 718, New York, N.Y. 10017.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) 823.75. E. (9) $327.48.

A. Thomas H. Maxedon, Kentucky Petroleum Council, a division of the American Petroleum Institute, 4010 Dupont Circle, Suite 469, Louisville, Ky. 40207.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $141.48. E. (9) $60.97.

A. Arnold Mayer, Amalgamated Meat Cutters & Butcher Workmen of North America 100 Indiana Avenue NW., Room 410, Washington, D.C. 20001.
B. Amalgamated Meat Cutters & Butcher Workmen of North America (AFL-CIO), 2800 North Sheridan Road, Chicago, Ill. 60657.
D. (6) $7,878. E. (9) $935.

A. Mayer, Brown & Platt (Attention: Frank P. Cihlar), 231 South LaSalle Street, Chicago, Ill. 60604.
B. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,967.50.

A. Mayer, Brown & Platt (Attention: Frank P. Cihlar), 231 South LaSalle Street, Chicago, Ill. 60604.
B. Encyclopaedia Britannica, Inc., 425 North Michigan Avenue, Chicago, Ill. 60611.

A. Mayer, Brown & Platt (Attention: Frank P. Cihlar), 231 South LaSalle Street, Chicago, Ill. 60604.
B. Trustees of several trusts for the benefit of members of the L. M. Williams and Clayton Burch families, c/o Continental Illinois National Bank & Trust Co., 231 South LaSalle Street, Chicago, Ill. 60693.

A. Mayer, Brown & Platt (Attention: Frank P. Cihlar), 888 17th Street NW., Washington, D.C. 20006.
B. Santee River Cypress Lumber Co. & Beidler Owners, Suite 1354, 222 West Adams Street, Chicago, Ill. 60606.

A. H. Wesley McAden, Cook Industries, Inc., 1707 L Street NW., Suite 650, Washington, D.C. 20036.
B. Cook Industries, Inc., 2185 Democrat Road, Memphis, Tenn. 38116.
D. (6) $1,500.

A. J. R. McAlpin, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Armco Steel Corp., Suite 419, 815 Connecticut Avenue NW., Washington, D.C. 20006.

D. (6) $360. E. (9) $90.

A. William J. McAuliffe, Jr., 1828 L Street NW., Suite 303, Washington, D.C. 20036.

B. American Land Title Association, 1828 L Street NW., Suite 303, Washington, D.C. 20036.

D. (6) $826.

A. Ann McBride, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $4,500.

A. William C. McCamant, 1725 K Street NW., Washington, D.C. 20006.

D. (6) $300.

A. John A. McCart, 815 16th Street NW., Washington, D.C. 20006.

B. Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.

D. (6) $2,324.13.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. Avon Products, Inc., 9 West 57th Street, New York, N.Y. 10019.

E. (9) $43.07.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. Cities Service Co., Box 300, Tulsa, Okla. 74102.

D. (6) $1,251.25. E. (9) $100.46.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. The Coca-Cola Co., P.O. Box 1734, Atlanta, Ga. 30301.

D. (6) $400. E. (9) $25.41.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. Gulf + Western Industries, Inc., 1 Gulf + Western Plaza, New York, N.Y. 10023.

D. (6) $575.75. E. (9) $238.21.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.

D. (6) $7,826.25. E. (9) $212.43.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. Montgomery Coca-Cola Bottling Co., Inc., North Perry and Jefferson Streets, Montgomery, Ala. 35102.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. Quaker State Oil Refining Corp., Oil City, Pa. 16307.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. Alfred P. Slaner, 640 Fifth Avenue, New York, N.Y. 10019.

A. McClure & Trotter, 1100 Connecticut Avenue NW., Suite 600, Washington, D.C. 20036.

B. United Artists Corp., 729 Seventh Avenue, New York, N.Y. 10019.

D. (6) $276.50. E. (9) $34.47.

A. Robert A. McConnell, 2721 North Central Avenue, Phoenix, Ariz. 85004.

B. AMERCO, International, 2727 North Central Avenue, Phoenix, Ariz. 85004.

D. (6) $312. E. (9) $232.85.

A. Wayne McCormack, Suite 370, 1 Dupont Circle NW., Washington, D.C. 20036.

B. Association of American Law Schools, Suite 370, 1 Dupont Circle NW., Washington, D.C. 20036.

A. John L. McCormick, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $1,750.02.

A. E. L. McCulloch, Brotherhood of Locomotive Engineers, Room 819, 400 First Street NW., Washington, D.C. 20001.

B. Brotherhood of Locomotive Engineers, Cleveland, Ohio 44114.

D. (6) $284.60. E. (9) $81.50.

A. D. McCurrach, 1500 Wilson Boulevard, No. 609, Arlington, Va. 22209.

B. National School Supply and Equipment Association, 1500 Wilson Boulevard, Arlington, Va. 22209.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.

B. The First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.

B. Iowa Beef Processors, Inc., Dakota City, Nebr. 68731.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.

B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.

D. (6) $760. E. (9) $251.90 .

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.

B. Peoples Gas Co., 122 South Michigan Avenue, Chicago, Ill. 60603.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.

B. Sears, Roebuck & Co., Sears Tower, Chicago, Ill. 60684.

E. (9) $377.86.

A. Francis O. McDermott, 1750 K Street NW., Suite 1110, Washington, D.C. 20006.

B. Trustees under will of Warren Wright, c/o The First National Bank of Chicago, 1 First National Plaza, Chicago, Ill. 60670.

A. Michael D. McDonald, Maryland Petroleum Association, a division of API, 60 West Street, Annapolis, Md. 21401.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $80.

A. Joseph A. McElwain, 40 East Broadway, Butte, Mont. 59701.

B. The Montana Power Co., Butte, Mont. 59701.

E. (9) $199.88.

A. Michael B. McFarland, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.

D. (6) $525. E. (9) $108.85.

A. J. Raymond McGlaughlin, 400 First Street NW., Washington, D.C. 20001.

B. Brotherhood of Maintenance of Way Employes, 12050 Woodward Avenue, Detroit, Mich. 48203.

D. (6) $8,637.60.

A. Robert M. McGlotten, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

D. (6) $9,337.50. E. (9) $907.95.

A. Gordon McGowan, Highwood, Mont. 59450.

B. Montana Railroad Association, Box 1172, Helena, Mont. 59601.

A. Joseph B. McGrath, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

B. National Forest Products Associaton, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

D. (6) $7,875. E. (9) $185.97.

A. Jack E. McGregor, 825 Third Avenue, New York, N.Y. 10022.

B. New England Petroleum Corp., 825 Third Avenue, New York, N.Y. 10022.

A. F. Howard McGuigan, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

D. (6) $9,667.50. E. (9) $465.27.

A. Clarence M. McIntosh, Jr., 400 First Street NW., Washington, D.C. 20001.

B. Railway Labor Executives Association, 400 First Street NW., Washington, D.C. 20001.

D. (6) $900.72.

A. C. A. "Mack" McKinney, 110 Maryland Avenue NE., Suite 511, Washington, D.C. 20002.

B. National Headquarters, Marine Corps League, 933 North Kenmore Street, Suite 321, Arlington, Va. 22201.

E. (9) $13.

A. C. A. "Mack" McKinney, 110 Maryland Avenue NE., Suite 511, Washington, D.C. 20002.

B. Non-Commissioned Officers Association of the U.S.A. (NCOA), P.O. Box 2268, San Antonio, Tex. 78298.

D. (6) $4,625.04. E. (9) $7,250.

A. John S. McLees, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C. 20062.

E. (9) $250.

A. William F. McManus, General Electric Co., 777 14th Street NW., Washington, D.C.

B. General Electric Co., Fairfield, Conn. 06431.

D. (6) $425. E. (9) $239.30.

A. Jane Pierson McMichael, 1921 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. National Women's Political Caucus, 1921 Pennsylvania Avenue NW., Washington, D.C. 20006.

E. (9) $2,986.05.

A. Ralph J. McNair, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Margaret E. McNamara, 100 Maryland Avenue NE., Washington, D.C. 20002.

B. Council For A Livable World, 100 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $3,162.41.

A. McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Washington, D.C. 20006.

B. American Dredging Co., et al., 12 South 12th Street, Philadelphia, Pa. 19107.

D. (6) $11,250. E. (9) $4,954.07.

A. McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Washington, D.C. 20006.

B. Republic of Turkey, Embassy of Turkey, 1606 23rd Street NW., Washington, D.C.

D. (6) $6,300. E. (9) $351.58.

A. Harry McPherson, Suite 1100, 1660 L Street NW., Washington, D.C. 20036.

B. Small Producers for Energy Independence, Suite 970, 4th Financial Center, Wichita, Kans. 67202.

D. (6) $8,562.50. E. (9) $150.

A. George G. Mead, 1616 P Street NW., Washington, D.C. 20036.

B. American Trucking Association, Inc., 1616 P Street NW., Washington, D.C. 20036.

D. (6) $6,000. E. (9) $370.53.

A. John Martin Meek, Edelman International, 1730 Pennsylvania Avenue NW., Washington, D.C.

B. Aerospatiale, c/o DGA International, 1225 19th Street NW., Washington, D.C.

D. (6) $1,500. E. (9) $574.36.

A. William H. Megonnell, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $415. E. (9) $9.09.

A. Kenneth A. Meiklejohn, 815 16th Street 815 16th Street NW., Washington, D.C.

B. American Federation of Labor & Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

D. (6) $9,667.50. E. (9) $327.64.

A. Robert L. Melbern, Route 3, Gatesville, Tex. 76528.

B. National Association of Farmer Elected Committeemen, c/o Robert L. Melbern, Route 3, Gatesville, Tex. 76528.

E. (9) $94.61.

A. R. Otto Meletzke, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $230. E. (9) $125.

A. Jeffrey M. Menick, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.

B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.

D. (6) $1,500. E. (9) $250.

A. Ellis E. Meredith, 1611 North Kent Street, Arlington, Va. 22209.

B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.

E. (9) $1,415.75.

A. Edward L. Merrigan, 888 17th Street NW., Washington, D.C. 20006.

B. National Association of Recycling Industries, Inc., 330 Madison Avenue, New York, N.Y. 10017.

D. (6) $9,375. E. (9) 1,180.28.

A. John A. Merrigan, Suite 1100, 1660 L Street NW., Washington, D.C. 20036.

B. Small Producers for Energy Independence, Suite 970, Fourth Financial Center, Wichita, Kans. 67202.

D. (6) $7,261.25. E. (9) $50.

A. Lawrence C. Merthan, The Carpet and Rug Institute, 1015 18th Street NW., Washington, D.C. 20036.

B. The Carpet and Rug Institute, Dalton, Ga. 30720.

D. (6) $1,500. E. (9) $349.

A. Marc Messing, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $375.

A. Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.

A. George F. Meyer, Jr., 1625 I Street NW., Washington, D.C. 20006.

B. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.

D. (6) $508.

A. M&I Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. James G. Michaux, 1801 K Street NW., Washington, D.C. 20006.

B. Federated Department Stores, Inc., 222 West Seventh Street, Cincinnati, Ohio 45202.

D. (6) $500.

A. Bryan P. Michener, 245 Second Street NE., Washington, D.C.

B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $1,539.

A. Mid-Continent Oil & Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.

D. (6) $71.82. E. (9) $1,401.83.

A. Roy H. Millenson, 1920 L Street NW., Room 750, Washington, D.C. 20036.

B. Association of American Publishers, 1920 L Street NW., Room 750, Washington, D.C. 20036.

D. (6) $1,450. E. (9) 140.

A. A Stanley Miller, 910 16th Street NW., Room 302, Washington, D.C. 20006.

B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.

D. (6) $100.

A. Miller, Cassidy, Larroca & Lewin, 2555 M Street NW., Suite 500, Washington, D.C. 20037.

B. Alaska Federation of Natives, International, 133 Queen Ann Avenue, North, Seattle, Wash. 98109.

E. (9) $125.

A. Miller, Cassidy, Larroca & Lewin, 2555 M Street NW., Suite 500, Washington, D.C. 20037.

B. American Motors Corp., 14250 Plymouth Road, Detroit, Mich. 48232.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Columbia Gas System, Inc., 20 Montchanin Road, Wilmington, Del. 19807.

D. (6) $350.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Investors Diversfied Services, Inc., IDS Tower, Minneapolis, Minn. 55402.

D. (6) $2,000.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Pacific Lighting Corp., P.O. Box 60043, Terminal Annex, Los Angeles, Calif. 90054.

D. (6) $3,235.

A. Miller & Chevalier, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. The Sperry & Hutchinson Co., 330 Madison Avenue, New York, N.Y. 10017.

D. (6) $1,400.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.

B. Gulf Intracoastal Canal Association, Houston, Tex.

D. (6) $262.50. E. (9) $29.20.

A. Dale Miller, 377 Mayflower Hotel, Washington, D.C. 20036.

B. Texasgulf, Inc., New York, N.Y.

D. (6) $375. E. (9) $386.87.

A. Edwin Reid Miller, Union Pacific Building, 1416 Dodge Street, Omaha, Nebr. 68179.

B. Nebraska Railroad Association, Union Pacific Building, 1416 Dodge Street, Omaha, Nebr. 68179.

D. (6) $7,755. E. (9) $728.29.

A. Joe D. Miller, 535 North Dearborn Street, Chicago, Ill. 60610.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.

D. (6) $875.

A. Luman G. Miller, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.

B. Oregon Railroad Association, 620 Southwest Fifth Avenue Building, Suite 912, Portland, Oreg. 97204.

E. (9) $239.33.

A. Robert C. Miller, 3818 Congreve Avenue, Cincinnati, Ohio 45213.

D. (6) $397.38. E. (9) $329.88.

A. Jack Mills, 1776 K Street NW., Washington, D.C. 20006.

B. The Tobacco Institute, Inc., 1776 K Street NW., Washington, D.C. 20006.

D. (6) $2,100. E. (9) $200.

A. William E. Minshall, 1730 M Street NW., Suite 905, Washington, D.C. 20036.

B. Werner G. Smith, Inc., 1730 Train Avenue, Cleveland, Ohio 44113.

E. (9) $360.

A. William E. Minshall, 1730 M Street NW., Suite 905, Washington, D.C. 20036.

B. Northrop Corp., Los Angeles, Calif.

D. (6) $3,100.

A. Thomas F. Mitchell, Georgia-Pacific Corp., 1735 I Street NW., Washington, D.C. 20006.

B. Georgia-Pacific Corp., 900 Southwest Fifth Avenue, Portland, Oreg. 97204.

E. (9) $410.

A. Phillip W. Moery, 1110 Marion Drive, Wynne, Ark. 72396.

B. Riviana Foods, Incorporated, 2777 Allen Parkway, Houston, Tex. 77019.

D. (6) $2,988. E. (9) $581.27.

A. Graham T. T. Molitor, 1629 K Street NW., Suite 403, Washington, D.C. 20006.

B. General Mills, Inc., P.O. Box 1113, Minneapolis, Minn. 55440.

D. (6) $375. E. (9) $505.

A. Lawrence A. Monaco, 1600 I Street NW., Washington, D.C. 20006.

B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D.C. 20006.

A. John S. Monagan, Whitman & Ransom, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Connecticut Bankers' Association, 100 Constitution Plaza, Hartford, Conn. 06103.

D. (6) $2,042. E. (9) $169.33.

A. Michael Monroney, TRW Inc., 2030 M Street NW., Washington, D.C. 20036.

B. TRW Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $1,000.

A. Montgomery Ward & Co., Inc., 535 West Chicago Avenue, Chicago, Ill. 60680.
E. (9) $902.18.

A. G. Merrill Moody, Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $674.25. E. (9) $250.31.

A. O. William Moody, Jr., 815 16th Street NW., Room 510, Washington, D.C. 20006.
B. Maritime Trades Department, AFL–CIO, 815 16th Street NW., Room 510, Washington, D.C. 20006.
D. (6) $2,500. E. (9) $1,315.83.

A. Alan J. Moore, The Atchison, Topeka, and Santa Fe Railway Co., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. The Atchison, Topeka, and Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill. 60604.
D. (6) $1,500. E. (9) $300.

A. Beverly C. Moore, Jr., 4914 Belt Road, NW., Washington, D.C. 20016.
B. Citizens for Class Action Lawsuits, 4914 Belt Road NW., Washington, D.C. 20016.

A. Moore-McCormack Resources, Inc., One Landmark Square, Stamford, Conn. 06901.
E. (9) $1,680.

A. Cynthia Mordaunt, 1717 Massachusetts Avenue NW., Washington, D.C. 20036.
B. Group Health Association of America, Inc., 1717 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $3,541.64.

A. E. Joyce Morgan, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Earl J. Morgan, 1150 17th Street NW., Washington, D.C. 20036.
B. McDonnell Douglas Corp., P.O. Box 516, St. Louis, Mo. 63166.
D. (6) $150. E. (9) $160.60.

A. Morgan, Lewis & Bockius, 1800 M Street NW., Washington, D.C. 20036.
B. Associated Gas Distributors, 1800 M Street NW., Washington, D.C. 20036.

A. Frederick Moring, 1800 M Street NW., Washington, D.C. 20036.
B. Morgan, Lewis & Bockius (on behalf of Associated Gas Distributors), 1800 M Street NW., Washington, D.C. 20036.

A. Morison, Murphy, Abrams & Haddock, 1776 K Street NW., Suite 900, Washington, D.C. 20006.
B. The Sperry & Hutchinson Co., 330 Madison Avenue, New York, N.Y.

A. Morris Associates, Inc., 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Council of Community Mental Health Center, 2233 Wisconsin Avenue NW., Washington, D.C. 20007.
D. (6) $12,635. E. (9) $15,580.34.

A. Alan B. Morrison, Public Citizen, Inc., Suite 700, 2000 P Street NW., Washington, D.C. 20036.
B. Public Citizen, Inc., Box 19404, Washington, D.C. 20036.
D. (6) $690. E. (9) $690.

A. James A. Morrissey, American Textile Manufacturers Institute, Inc., Suite 1001, 1150 17th Street NW., Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Suite 2124, 400 Tryon Street, Charlotte, N.C. 28285.
D. (6) $1,000. E. (9) $42.

A. John W. Morton, 1660 L Street NW., Washington, D.C. 20036.
B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.
D. (6) $302.50.

A. Jack Moskowitz, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $8,100. E. (9) $242.71.

A. Lynn E. Mote, Northern Natural Gas Co., 1133 15th Street NW., Suite 503, Washington, D.C. 20005.
B. Northern Natural Gas Co., 2223 Dodge Street, Omaha, Nebr. 68102.
D. (6) $2,000.

A. John J. Motley, 490 L'Enfant Plaza East, SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $2,250. E. (9) $545.

A. Roger L. Mozingo, 4207 Sideburn Road, Fairfax, Va. 22030.
B. The Tobacco Institute, 1776 K Street NW., Washington, D.C. 20006.
D. (6) $100.

A. Karen Mulhauser, 706 Seventh Street SE., Washington, D.C. 20003.
B. National Abortion Rights Action League, 706 Seventh Street SE., Washington, D.C. 20003.
D. (6) $160.28.

A. William G. Mullen, 491 National Press Building, Washington, D.C. 20045.
B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20045.
E. (9) $276.30.

A. Robert M. Mulligan, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers and Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.
E. (9) $374.08.

A. Mullin, Connor and Rhyne, 307 Southern Building, Washington, D.C. 20005.
B. Alberto de la Vega-Ripol, 804 Garching, Konigsbergerstr. 2, West Germany.
D. (6) $1,376.48. E. (9) $716.57.

A. Daniel J. Mundy, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
B. Building and Construction Trades Department, 815 16th Street NW., Suite 603, Washington, D.C. 20006.
D. (6) $6,731.12. E. (9) $4,470.83.

A. Beverly J. Murphy, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $220.

A. Richard E. Murphy, 900 17th Street NW., Washington, D.C. 20006.
B. Service Employees International Union, AFL–CIO, 900 17th Street NW., Washington, D.C., 20006.
D. (6) $1,000. E. (9) $100.

A. Richard W. Murphy, 1200 18th Street NW., Suite 1109, Washington, D.C. 20036.
B. Merck & Co., Inc., Rahway, N.J. 07065.
D. (6) $500.

A. D. Michael Murray, 1120 Connecticut Avenue, No. 842, Washington, D.C. 20036.
B. Chicago, Milwaukee, St. Paul & Pacific R.R. Co., 516 West Jackson Boulevard, Chicago, Ill. 60606.
D. (6) $200. E. (9) $96.

A. D. Michael Murray, 1120 Connecticut Avenue No. 842, Washington, D.C. 20036.
B. The Cleveland Cliffs Iron Co., 1460 Union Commerce Building, Cleveland, Ohio 44115.
D. (6) $100. E. (9) $99.80.

A. D. Michael Murray, 1120 Connecticut Avenue, Suite 842, Washington, D.C. 20036.
B. Freeport Minerals, Co., 161 East 42d Street, New York, N.Y. 10017.
D. (6) $100. E. (9) $71.30.

A. D. Michael Murray, 1120 Connecticut Avenue, Washington, D.C. 20036.
B. Iron Ore Lessors Association, Inc., 1500 First National Bank Building.
D. (6) $100.

A. D. Michael Murray, 1120 Connecticut Avenue, Suite 842, Washington, D.C. 20036.
B. National Association of Industrial Parks, 1800 North Kent Street, Arlington, Va. 22209.
D. (6) $100. E. (9) $22.

A. D. Michael Murray, 1120 Connecticut Avenue, Suite 842, Washington, D.C. 20036.
B. National Council of Coal Lessors, 1130 17th Street NW., Washington, D.C.
D. (6) $50. E. (9) $25.

A. D. Michael Murray, 1120 Connecticut Avenue, Suite 842, Washington, D.C. 20036.
B. United Service Organization, 237 East 52d Street, New York, N.Y. 10022.
D. (6) $100. E. (9) $62.

A. William E. Murray, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $162.

A. Thomas H. Mutchler, 1620 I Street NW., Suite 700, Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Suite 700, Washington, D.C. 20006.
D. (6) $300. E. (9) $20.

A. Lawrence P. Mutter, 6849 Old Dominion Drive, McLean, Va. 22101.
B. Automotive Parts Rebuilders Association, 6849 Old Dominion Drive, McLean, Va. 22101.
D. (6) $100. E. (9) $10.

A. Fred J. Mutz, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $350. E. (9) $45.50.

A. Gary D. Myers, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
D. (6) $500. E. (9) $62.52.

A. J. Walter Myers, Jr., 4 Executive Park East NE., Atlanta, Ga. 30329.
B. Forest Farmers Association, 4 Executive Park East NE., Atlanta, Ga. 30329.

A. William T. Nachbaur, 1800 K Street NW., Suite 920, Washington, D.C. 20006.
B. BankAmerica Corp., Bank of America Center, San Francisco, Calif. 94104.
D. (6) $1,232. E. (9) $26.53.

A. Naman, Howell, Smith & Chase, Texas Center, Waco, Tex.
B. Our Land, Our Lives, a Coalition for Human Rights, P.O. Box 1000, Gatesville, Tex. 76528.
E. (9) $191.19.

A. John J. Nangle, National Association of Independent Insurers, 1625 I Street NW., Suite 1001, Washington, D.C. 20006.
B. National Association of Independent Insurers, 2600 River Road, Des Plaines, Ill. 60018.
D. (6) $2,000. E. (9) $500.

A. National Agricultural Chemicals Association, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $112.50. E. (9) $112.50.

A. National Air Carrier Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $996.62. E. (9) $996.62.

A. National Associated Businessmen, Inc., 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $348.85. E. (9) $754.84.

A. National Association for Humane Legislation, Inc., 675 Pinellas Point Drive South, St. Petersburg, Fla. 33705.
D. (6) $138. E. (9) $1,271.61.

A. National Association of Electric Companies, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
D. (6) $1,616.19. E. (9) $10,964.44.

A. National Association of Farmers Elected Committeemen, c/o Robert L. Melbern, Route No. 3, Gatesville, Tex. 76528.
D. (6) $1,682.70. E. (9) $1,682.70.

A. National Association of Food Chains, 1725 I Street NW., Washington, D.C. 20006.
D. (6) $450. E. (9) $450.

A. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 200015.
D. (6) $1,750. E. (9) $1,230.

A. National Association of Insurance Agents, Inc., 85 John Street, New York, N.Y. 10038.
E. (9) $10,174.20.

A. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $1,540,153.80. E. (9) $70,170.07.

A. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $39,219.50. E. (9) $39,219.50.

A. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. National Association of Mutual Insurance Cos., 2511 East 46th Street, Suite H, Indianapolis, Ind. 46205.

A. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.
D. (6) $6,429.49. E. (9) $6,429.49.

A. National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.
D. (6) $6,511.39. E. (9) $6,511.39.

A. National Association of Railroad Passengers, 417 New Jersey Avenue SE., Washington, D.C. 20003.
D. (6) $16,477.43. E. (9) $25,585.08.

A. National Association of Realtors, 155 East Superior Street, Chicago, Ill.; 925 15th Street, Washington, D.C.
E. (9) $18,193.12.

A. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22030.
D. (6) $5,440.39. E. (9) $7,168.27.

A. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $450. E. (9) $450.

A. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $20,587. E. (9) $20,587.

A. National Citizens Communications Lobby, P.O. Box 19101, Washington, D.C. 20036.
D. (6) $1,551.

A. National Coal Association, Coal Building, Washington, D.C. 20036.
D. (6) $639,969.49. E. (9) $3,496.28.

A. National Committee for Research in Neurological Disorders, 927 National Press Building, Washington, D.C. 20045.
D. (6) $2,463. E. (9) $6,566.43.

A. National Consumer Finance Association, 1000 16th Street NW., Washington, D.C.
B. National Consumer Finance Association, 1000 16th Street NW., Washington, D.C. 20036.
E. (9) $492.13.

A. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $13,258.66. E. (9) $13,258.66.

A. National Council for a Responsible Firearms Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,040.50. E. (9) $170.

A. National Council for a World Peace Tax Fund, 2111 Florida Avenue NW., Washington, D.C. 20008.
D. (6) $4,521.22. E. (9) $5,595.66.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Belco Petroleum Corp., 1 Dag Hammarskjold Plaza, New York, N.Y.
D. (6) $10,000. E. (9) $257.63.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Domestic Wildcatters Association, 900 First National Bank Building, Houston, Tex. 77002.
D. (6) $15,000. E. (9) $3,419.03.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. North American Telephone Association, 1725 DeSales NW., Washington, D.C. 20036.
D. (6) $5,333.33. E. (9) $500.94.

A. National Electrical Manufacturers Association, 155 East 44th Street, New York, N.Y. 10017.
D. (6) $377. E. (9) $377.

A. National Federation of Business and Professional Women's Clubs, Inc., 2012 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $73,294.02. E. (9) $6,422.70.

A. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $379,680.48. E. (9) $23,515.97.

A. National Federation of Independent Business, 490 L'Enfant Plaza SW., Washington, D.C. 20024.
B. National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
D. (6) $33,913.25. E. (9) $33,913.25.

A. National Grain & Feed Association, 725 15th Street NW., Washington, D.C. 20005.
B. National Grain & Feed Associations, 725 15th Street NW., Washington, D.C. 20005.

A. National Guard Association of the United States, 1 Massachusetts Avenue NW., Washington, D.C. 20001.
D. (6) $55,785. E. (9) $1,376.48.

A. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.
E. (9) $1,084.

A. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
D. (6) $8,464.91. E. (9) $8,464.91.

A. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $5,333.52. E. (9) $5,333.52.

A. National Motorsports Committee of ACCUS, Suite 302, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $351.59.

A. National Oil Jobbers Council, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $101,626.41. E. (9) $15,059.15.

A. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.
E. (9) $1,947.

A. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
D. (6) $8,596. E. (9) $8,596.

A. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
E. (9) $5,857.79.

A. National School Transportation Association, 9001 Braddock Road, Springfield, Va. 22151.
D. (6) $1,395.35. E. (9) $1,395.35.

A. National Security Traders Association, Inc., 55 Broad Street, New York, N.Y. 10004.
E. (9) $1,500.

A. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $12,500. E. (9) $12,500.

A. National Soft Drink Association, 1101 16th Street NW., Washington, D.C. 20036.
E. (9) $3,132.08.

A. National Solid Wastes Management Association, 1730 Rhode Island Avenue NW., Suite 800, Washington, D.C. 20036.

A. National Tax Equality Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,464.05. E. (9) $2,756.20.

A. National Tire Dealers & Retreaders Association, 1343 L Street NW., Washington, D.C.
D. (6) $735. E. (9) $735.

A. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston Ill. 60201.
D. (6) $1,110.40. E. (9) $1,982.60.

A. National Women's Political Caucus,

1921 Pennsylvania Avenue NW., Suite 300, Washington, D.C. 20006.

D. (6) $42,527. E. (9) $12,646.59.

A. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., No. 505, Washington, D.C. 20036.

D. (6) $246,467.75. E. (9) $70,701.61.

A. Alexander W. Neale, Jr., 1015 18th Street NW., Washington, D.C. 20036.

B. Conference of State Bank Supervisors, 1015 18th Street NW., Washington, D.C. 20036.

D. (6) $1,645. E. (9) $36.59.

A. Alan M. Nedry, 1801 K Street NW., No. 1041, Washington, D.C. 20006.

B. Southern California Edison Co., P.O. Box 800, Rosemead, Calif. 91770.

D. (6) $185. E. (9) $125.37.

A. Allen Neece, Jr., 512 Washington Building, Washington, D.C. 20005.

B. National Association of Small Business Investment Co., 512 Washington Building, Washington, D.C. 20005.

D. (6) $1,500.

A. Frances E. Neely, 245 Second Street NE., Washington, D.C.

B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.

D. (6) $2,176.

A. Stanley Nehmer, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.

B. American Footwear Industries Associaton, 1611 North Kent Street, Arlington, Va. 22209.

D. (6) $750. E. (9) $500.

A. Stanley Nehmer, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.

B. International Leather Goods, Plastics, and Novelty Workers Union, 265 West 14th Street, New York, N.Y. 10011.

D. (6) $250. E. (9) $225.

A. Stanley Nehmer, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.

B. The National Handbag Association, 347 Fifth Avenue, New York, N.Y. 10016.

D. (6) $250. E. (9) $225.

A. George Nelson, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $4,000. E. (9) $72.86.

A. L. James Nelson, 801 Northland Towers-West, Southfield, Mich. 48075.

B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

D. (6) $988.30.

A. Robert W. Nelson, 2000 Florida Avenue NW., Washington, D.C. 20009.

B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.

D. (6) $160.

A. A. S. Nemir Associates, 1230 Pennsylvania Building, Washington, D.C. 20004.

B. Brazilian Sugar and Alcohol Institute, Rio de Janeiro, Brazil.

D. (6) $2,500. E. (9) $1,100.

A. Network, 224 D Street SE., Washington, D.C. 20003.

D. (6) $12,061.60. E. (9) $3,190.89.

A. E. John Neumann, 1515 Wilson Boulevard, Arlington, Va. 22209.

B. American Gas Association, 1515 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $920. E. (9) $333.

A. Robert B. Neville, 1155 15th Street NW., Suite 505, Washington, D.C. 20005.

B. National Restaurant Association, 1155 15th Street NW., Washington, D.C.; One IBM Plaza, Suite 2600, Chicago, Ill.

D. (6) $3,000. E. (9) $1,441.05.

A. Louis H. Nevins, 1709 New York Avenue NW., Suite 200, Washington, D.C. 20006.

B. National Association of Mutual Savings Banks, 200 Park Avenue, New York, N.Y. 10017.

D. (6) $2,562.50. E. (9) $653.90.

A. John A. Nevius, 600 New Hampshire Avenue NW., Washington, D.C. 20037.

B. District of Columbia Bankers Association, 1709 New York Avenue NW., Washington, D.C. 20006.

D. (6) $4,891. E. (9) $1,512.48.

A. E. J. Newbould, 1130 17th Street NW., Washington, D.C. 20036.

B. National Clay Pipeline Institute, P.O. Box 310, Crystal Lake, Ill., 60014.

D. (6) $150. E. (9) $15.48.

A. New England Petroleum Corp., 825 Third Avenue, New York, N.Y. 10022.

E. (9) $1,500.

A. Charles E. Nichols, 101 Constitution Avenue NW., Washington, D.C. 20001.

B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.

D. (6) $860. E. (9) $263.80.

A. F. Clayton Nicholson, Box 15, Route 1, Henryville, Penn. 18332.

B. Northern Helex Co., 2223 Dodge Street, Omaha, Nebr. 68102.

D. (6) $2,522. E. (9) $528.

A. Patrick J. Nilan, American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.

B. American Postal Workers Union, AFL–CIO, 817 14th Street NW., Washington, D.C. 20005.

D. (6) $8,655.44. E. (9) $1,566.98.

A. NL Industries, Inc., 1221 Avenue of the Americas, New York, N.Y. 10020.

E. (9) $1,325.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

D. (6) $100.

A. Charles M. Noone, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Association of Small Business Investment Co's., 512 Washington Building, Washington, D.C. 20005.

D. (6) $1,500. E. (9) $30.61.

A. Carl A. Nordberg, Jr., Groom & Nordberg, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Gulf Oil Corp., Gulf Building, Pittsburgh, Pa. 15230.

D. (6) $300. E. (9) $6.

A. Carl A. Nordberg, Jr., Groom & Nordberg, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Natomas Co., International Building, San Francisco, Calif. 94108.

D. (6) $400. E. (9) $8.

A. Julia J. Norrell, 1730 M Street NW., Washington, D.C. 20036.

B. League of Women Voters of the United States, 1730 M Street NW., Washington, D.C. 20036.

D. (6) $788. E. (9) $3,776.

A. Robert B. Norris, 1000 16th Street NW., Suite 601, Washington, D.C. 20036.

B. National Consumer Finance Association, 1000 16th Street NW., Suite 601, Washington, D.C. 20036.

D. (6) $324.

A. Robert H. North, 910 17th Street NW., Washington, D.C. 20006.

B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.

E. (9) $96.35.

A. Victor L. Nutt, 600 New Hampshire Avenue NW., Suite 920, Washington, D.C. 20037.

B. Gulf + Western Industries, Inc., 600 New Hampshire Avenue NW., Suite 920, Washington, D.C. 20037.

D. (6) $200. E. (9) $50.

A. Seward P. Nyman, 20 Chevy Chase Circle NW., Washington, D.C. 20015.

B. American Podiatry Association, 20 Chevy Chase Circle NW., Washington, D.C. 20015.

D. (6) $650.

A. Dallin H. Oaks, Brigham Young University, Provo, Utah 84602.

B. Brigham Young University, Provo, Utah 84602.

A. George O'Bea, Jr., 815 16th Street NW., No. 304, Washington, D.C. 20006.

B. United Paperworkers International Union, 815 16th Street NW., No. 304, Washington, D.C. 20006.

D. (6) $1,000. E. (9) $181.50.

A. O'Brien Associates, 2700 Calvert Street NW., Suite L–517, Washington, D.C. 20008.

B. Parcel Post Association, 1211 Connecticut Avenue NW., Washington, D.C.; American Business Press, Wyatt Building, Washington, D.C.; National Newspaper Association, National Press Building, Washington, D.C.

D. (6) $5,500.

A. Coleman C. O'Brien, 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.

B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.

D. (6) $1,312.50. E. (9) $60.

A. John F. O'Brien, care of Connecticut Petroleum Council, a division of API, 410 Asylum Street, Hartford, Conn. 06103.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $200.

A. W. Brice O'Brien, 1100 Ring Building, Washington, D.C. 20036.

B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Alleghany Corp., New York, N.Y.

D. (6) $500. E. (9) $50.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. American Clinical Laboratory Association, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

D. (6) $2,250. E. (9) $378.95.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.

D. (6) $3,750. E. (9) $388.85.

A. O'Connor & Hannan, 1747 Pennsylvania

Avenue NW., Suite 600, Washington, D.C. 20006.
B. Association of Public Radio Stations, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $200.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Automotive Parts & Accessories Association, Inc., 1730 K Street NW., Washington, D.C. 20006.
D. (6) $300. E. (9) $15.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. Committee for Jobs Through Economic Development, 1006 State Street, Erie, Pa., 16501.
D. (6) $666.66.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. Glass-Steagall Act Study Committee, 1200 18th Street NW., Washington, D.C. 20036.
D. (6) $2,222.22. E. (9) $208.53.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. Hospital Financing Study Group, New York, N.Y.
D. (6) $1,125. E. (9) $197.01.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Investors Diversified Services, Inc., Suite 2900, IDS Tower, Minneapolis, Minn. 55402.
D. (6) $1,000. E. (9) $50.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006
B. The Lehigh Coal & Navigation Co., Minneapolis, Minn. 55402.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. Minneapolis City Council, 307 City Hall, Minneapolis, Minn. 55415.
D. (6) $4,495. E. (9) $640.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. National Association of Church & Institutional Financing Organizations, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
D. (6) $100. E. (9) $124.42.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. National Association of Women's & Children's Apparel Salesmen (NAWCAS), 515 Peachtree-Palisades Building, Atlanta, Ga. 30309.
D. (6) $1,000. E. (9) $200.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
D. (6) $2,000. E. (9) $450.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. National Hockey League, 2 Pennsylvania Plaza, Suite 2480, New York, N.Y. 10001.
D. (6) $3,500. E. (9) $50.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. Upper Mississippi Waterway Association, 1200 Northstar Center, Minneapolis, Minn. 55402.
D. (6) $2,500. E. (9) $419.82.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.
B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.
D. (6) $2,581.25. E. (9) $50.

A. L. L. O'Connor, 20 North Wacker Drive, Chicago, Ill. 60606.
B. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. T. J. Oden, 1523 L Street NW., Washington, D.C.
B. Independent Gasoline Marketers Council, No. 604, 1001 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $10,600.

A. James F. O'Donnell, American Plywood Association, 1119 A Street, Tacoma, Wash. 98401.
B. American Plywood Association, 1119 A Street, Tacoma, Wash. 98401.

A. John A. O'Donnell, 1001 Connecticut Avenue NW., No. 716, Washington, D.C. 20036.
B. Philippine Sugar Institute, 1001 Connecticut Avenue NW., No. 716, Washington, D.C. 20036.
D. (6) $3,000. E. (9) $250.

A. Jane O'Grady, Amalgamated Clothing Workers of America, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.
B. Amalgamated Clothing Workers of America, 15 Union Square, New York, N.Y. 10003.
D. (6) $5,569.98 E. (9) $782.54.

A. Bartley O'Hara, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $6,249.99.

A. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio 43215.
E. (9) $290.38.

A. Oil Investment Institutes, P.O. Box 8293, Washington, D.C. 20024.

A. Robert Spencer O'Leary, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $2,000.01.

A. Alvin E. Oliver, 725 15th Street NW., Washington, D.C. 20005.
B. National Grain & Feed Association, 725 15th Street NW., Washington, D.C. 20005.
D. (6) $37.32.

A. Edward W. Oliver, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL-CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. William P. Oliver, Jr., 1901 North Fort Myer Drive, Arlington, Va. 22209.
B. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $580.

A. Nancy J. Olson, Johns-Manville Corp., 1025 Connecticut Avenue, Suite 214, Washington, D.C. 20036.
B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.
D. (6) $100. E. (9) $50.

A. Roy E. Olson, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $24.87.

A. Samuel Omasta, 1315 16th Street NW., Washington, D.C. 20036.
B. National Limestone Institute, Inc., 1315 16th Street NW., Washington, D.C. 20036.
E. (9) $11.60.

A. Dudley L. O'Neal, Jr., National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611.
D. (6) $6,500. E. (9) $430.61.

A. Charles T. O'Neill, Jr., 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000. E. (9) $208.05.

A. Joseph G. O'Neill, 1620 I Street NW., Washington, D.C. 20006.
B. The Association of Trial Lawyers of America, 20 Garden Street, Cambridge, Mass. 02138.
D. (6) $750.

A. Kathleen F. O'Reilly, 1012 14th Street NW., Washington, D.C. 20005.
B. Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $2,100. E. (9) $90.

A. Organization of Professional Employees of the U.S. Department of Agriculture (OPEDA), Room 1247 South Building, U.S. Department of Agriculture, Washington, D.C. 20250.
D. (6) $4,281.82. E. (9) $3,086.27.

A. Edward R. Osann, 1321 South Carolina Avenue SE., No. 3, Washington, D.C. 20003.
B. Save the Dunes Council, Inc., P.O. Box 863, Chesterton, Ind. 46304.
D. (6) $1,000. E. (9) $282.97.

A. John L. Oshinski, United Steelworkers of America, 815 Sixteenth Street NW., Suite 706, Washington, D.C.
B. United Steelworkers of America, 5 Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $5,799.78. E. (9) $1,121.55.

A. Our Land, Our Lives, A Coalition for Human Rights, 103 North 7th Street, P.O. Box 1000, Gatesville, Tex. 76528.
D. (6) $1,326.40. E. (9) $3,738.67.

A. J. Allen Overton, Jr., 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
D. (6) $770.61. E. (9) $83.

A. Juris Padegs, 345 Park Avenue, New York, N.Y. 10022.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.

A. Raymond S. Page, Jr., Mill Creek Terrace, Gladwyne, Pa. 19035.
B. Campbell Soup Co., Campbell Place, Camden, N.J. 08101.

A. Norman Paige, 1300 Pennsylvania Building, Washington, D.C. 20004.
B. Distilled Spirits Council of the United States, Inc., 1300 Pennsylvania Building, Washington, D.C. 20004.

A. William G. Painter, 324 C Street SE., Washington, D.C.
B. American Rivers Conservation Council, 324 C Street SE., Washington, D.C.
E. (9) $838.66.

A. Edward J. Panarello, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerks International Association, AFL–CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $8,185.80. E. (9) $1,160.58.

A. Frederick Panzer, 1776 K Street NW., Washington, D.C. 20006.
B. The Tobacco Institute, Inc., 1776 K Street NW., Suite 1200, Washington, D.C. 20006.
D. (6) $520. E. (9) $180.

A. G. Oliver Papps, New Jersey Petroleum Council, Division of API, 170 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
E. (9) $33.90.

A. Lew M. Paramore, P.O. Box 1160, Kansas City, Kans. 66117.
B. Mo–Ark Basins Flood Control & Conservation Association, P.O. Box 1160, Kansas City, Kans. 66117.

A. Parcel Post Association, 1211 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $5,100. E. (9) $5,100.

A. Herschell E. Parent, care of Arkansas Petroleum Council, Division of A.P.I., Little Rock., Ark. 72201.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $105.

A. Carol Ames Parker, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $2,100.

A. Michael J. Parker, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $850. E. (9) $24.72.

A. Robert D. Partridge, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $316.82.

A. Pasco, Inc., P.O. Box 1677, Englewood, Colo.
E. (9) $1,289.45.

A. The Patent Law Association of Los Angeles, Suite 2400 Equitable Plaza, 3435 Wilshire Boulevard, Los Angeles, Calif. 90010.

A. Kenton Pattie, 3150 Spring Street, Fairfax, Va. 22030.
B. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22030.
D. (6) $1,904.82.

A. David J. Pattison, 1701 K Street NW., Washington, D.C. 20006.
B. Health Insurance Association of America, Inc., 1701 K. Street NW., Washington, D.C.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
D. (6) $1,725.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Alyeska Pipeline Service Corp., P.O. Box 576, Bellevue, Wash. 98004.
D. (6) $2,260. E. (9) $355.

A. Patton, Boggs & Blow, 1200 17 Street NW., Washington, D.C. 20036.
B. American Guild of Authors & Composers, 50 West 57th Street, New York, N.Y. 10019.
D. (6) $1,800. E. (9) $1,829.74.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Imported Automobile Dealers Association, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $180.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Maritime Association, 17 Battery Place, New York, N.Y. 10004.
D. (6) $584. E. (9) $124.25.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20006.
D. (6) $2,430. E. (9) $175.75.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Armco Steel Corp., General Offices, Middletown, Ohio 45042.
D. (6) $1,150. E. (9) $7.

A. Patton, Boggs & Blow, 1200 17th Street, Washington, D.C. 20036.
B. Association of Oil Pipelines, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $480.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Association of Trial Lawyers of America, 20 Garden Street, Cambridge, Mass.
D. (6) $2,275. E. (9) $146.75.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., P.O. Box 360, Anchorage, Alaska 99510.
D. (6) $412.50. E. (9) $34.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Boating Industry Association, 401 North Michigan Avenue, Chicago, Ill. 60601; National Association of Engine & Boat Manufacturers, P.O. Box 5555, Grand Central Station, New York, N.Y. 10017.
D. (6) $135. E. (9) $93.50.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. BP Alaska, Inc., 100 Pine Street, San Francisco, Calif. 94111.
D. (6) $412.50. E. (9) $34.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Central American Sugar Council, 1200 17th Street NW., Washington, D.C. 20036.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Chicago Board Options Exchange, LaSalle at Jackson, Chicago, Ill. 60604.
D. (6) $175.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Classic Chemicals, Ltd., 1101 Avenue G, East, Arlington, Tex. 76011.

A. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Council of State Chambers of Commerce, 1028 Connecticut Avenue NW., Suite 1018, Washington, D.C. 20036.
D. (6) $402. E. (9) $135.50.

A. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Donaldson, Lufkin & Jenrette, Inc., 140 Broadway, New York, N.Y. 10005.

A. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Exxon Co., U.S.A., P.O. Box 2180, Houston, Tex. 77701.
D. (6) $412.50. E. (9) $34.

A. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Hobby Industry Association of America, 200 Fifth Avenue, New York, N.Y. 10010.

A. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Institute of Scrap Iron and Steel, Inc., 1729 H Street NW., Washington, D.C. 20006.
D. (6) $1,400. E. (9) $31.25.

A. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Landmark Services, Inc., 900 Ohio Drive SW., Washington, D.C. 20024.
D. (6) $150.

A. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Louisiana Educational Television Authority, P.O. Box 44064, Baton Rouge, La. 70804.

A. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Machinery Dealers National Association, 1400 20th Street NW., Washington, D.C. 20036.
D. (6) $900.

A. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Mail Order Association of America, 1200 17th Street NW., Washington, D.C. 20036.
D. (6) $300.

A. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Marcor, Inc., 619 West Chicago Avenue, Chicago, Ill. 60607.

A. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. National Medical Care, Inc., 560 Sylvan Avenue, Englewood Cliffs, N.J. 07632.

A. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. New Process Co., 220 Hickory Street, Warren, Pa. 17365.
D. (6) $2,000.

A. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Outboard Marine Corp., 1401 Cushman Drive, P.O. Box 82409, Lincoln, Nebr. 68501.

A. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo. 63188.

A. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Reader's Digest Association, Inc., Pleasantville, N.Y. 10570.
D. (6) $1,000.

A. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Reading Co., Reading Terminal, 12th and Market Streets, Philadelphia, Pa. 19107.
D. (6) $2,800. E. (9) $75.

A. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.
D. (6) $412.50. E. (9) $34.

A. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. State of Louisiana, Department of Conservation, P.O. Box 44275, Baton Rouge, La. 70804.
D. (6) $250. E. (9) $2,099.80.

A. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Tax Corp. of America, 2441 Honolulu Avenue, Montrose, Calif. 91020.

A. Patton, Boggs and Blow, 1200 17th Street NW., Washington, D.C. 20036.
B. Uncle Ben's, Inc., 13000 Westheimer Boulevard, Houston, Tex. 77001.
D. (6) $2,238. E. (9) $33.50.

A. Paul, Weiss, Rifkind, Wharton and Garrison, 345 Park Avenue, New York, N.Y. 10022.
B. Warner Bros., Inc., 4000 Warner Boulevard, Burbank, Calif. 91505.
D. (6) $3,545. E. (9) $100.70.

A. Paul, Weiss, Rifkind, Wharton and Garrison, 345 Park Avenue, New York, N.Y. 10022.
B. Warner Communications, Inc., 75 Rockefeller Plaza, New York, N.Y. 10019.
D. (6) $1,927.20. E. (9) $217.21.

A. Diana R. Payne, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $1,315.

A. John J. Pecoraro, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Brotherhood of Painters and Allied Trades, AFL-CIO, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $2,932.

A. Pennsylvania Power & Light Co., 2 North Ninth Street, Allentown, Pa. 18101.
E. (9) $659.30.

A. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
E. (9) $9,929.71.

A. Dominic V. Pensabene, 1700 K Street NW., Washington, D.C. 20006.
B. Chevron Oil Co., subsidiary of Standard Oil Co. of California, 1700 K Street NW., Washington, D.C. 20006.
D. (6) $50. E. (9) $25.

A. Pepper, Hamilton & Scheetz, 1776 F Street NW., No. 200, Washington, D.C. 20006.
B. Coalition of Concerned Charities, c/o Barbara J. Washburn, 1776 F Street NW., No. 200, Washington, D.C. 20006.
D. (6) $2,500. E. (9) $2,500.

A. J. Carter Perkins, Shell Oil Co., Suite 200, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Shell Oil Co., One Shell Plaza, P.O. Box 2463, Houston, Tex. 77001.
D. (6) $1,000.

A. A. Harold Peterson, 715 Cargill Building, Minneapolis, Minn. 55402.
B. National R.E.A. Telephone Association, 715 Cargill Building, Minneapolis, Minn. 55402.
D. (6) $3,333.33. E. (9) $1,776.83.

A. Kenneth Peterson, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,337.50. E. (9) $318.92.

A. John P. Philbin, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42d Street, New York, N.Y. 10017.
D. (6) $1,500.

A. Pierson, Ball & Dowd, 1200 18th Street NW., Washington, D.C. 20036.
B. Glass-Steagall Act Study Committee, 1000 Ring Building, Washington, D.C. 20036.

A. Plains Cotton Growers, Inc., P.O. Box 10425, Lubbock, Tex. 79408.
D. (6) $5,883.95. E. (9) $1,350.

A. Amos A. Plante, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.
E. (9) $182.15.

A. E. Rogers Pleasants, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.
B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.
D. (6) $150. E. (9) $16.

A. Frances A. Pollak, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $700. E. (9) $585.

A. Judith A. Pond, 1800 K Street NW., Suite 924, Washington, D.C. 20006.
B. Ralston Purina Co., Checkerboard Square, St. Louis, Mo., 63188.
D. (6) $200. E. (9) $20.

A. Everett O. Post, 1511 K Street NW., Washington, D.C. 20005.
B. National Association of Service Contractors, 1511 K Street NW., Washington, D.C. 20005.
D. (6) $250. E. (9) $14.05.

A. John Post, 888 17th Street NW., No. 601, Washington, D.C. 20006.
B. The Business Roundtable, 405 Lexington Avenue, New York, N.Y. 10017.
D. (6) $100. E. (9) $5.

A. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $697.50.

A. Edmond A. Potter, NCR Corp., 2301 Research Boulevard, Rockville, Md. 20850.
B. NCR Corp., Main and K Streets, Dayton, Ohio 45479.
D. (6) $8,150. E. (9) $2,570.

A. Ramsay D. Potts, Shaw, Pittman, Potts & Trowbridge, 910 17th Street NW., Washington, D.C. 20006.
B. Investment Co. Institute, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $4,500.

A. Ramsay D. Potts, Shaw, Pittman, Potts & Trowbridge, 910 17th Street NW., Washington, D.C. 20006.
B. Investment Counsel Association of America, Inc., 127 East 59th Street, New York, N.Y. 10022.
D. (6) $238.

A. Richard M. Powell, 7315 Wisconsin Avenue, Washington, D.C. 20014.
B. International Association of Refrigerated Warehouses, 7315 Wisconsin Avenue, Washington, D.C. 20014.

A. William I. Powell, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.
E. (9) $83.50.

A. Carlton H. Power, 1918 North Parkway, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $562.50. E. (9) $49.47.

A. John J. Power, 101 Constitution Avenue NW., Washington, D.C. 20001.
B. United Brotherhood of Carpenters and Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.
D. (6) $2,899. E. (9) $65.

A. William C. Prather, 111 East Wacker Drive, Chicago, Ill. 60601.
B. U.S. League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (9) $650.

A. Brainard E. Prescott, 220 C Street SE., Apartment 309, Washington, D.C. 20003.
B. Coalition of Independent Ophthalmic Professionals, 75 East 55th Street, New York, N.Y.
D. (6) $5,343.81. E. (9) $5,343.81.

A. Dan Prescott, Mid-Continent Oil and Gas Association, 1800 K Street NW., Washington, D.C. 20006.
B. Mid-Continent Oil and Gas Association, 1111 Thompson Building, Tulsa, Okla. 74103.
D. (6) $120.10. E. (9) $12.75.

A. Preservation Action, 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $3,404.96. E. (9) $3,786.66.

A. Lloyd Preslar, 1225 19th Street NW., Washington, D.C. 20036.
B. DGA International Inc., 1225 19th Street NW., Washington, D.C. 20036.
D. (6) $84. E. (9) $6.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, Suite 201, 1776 F Street NW., Washington, D.C. 20006.
B. Kyokuyo Co., Ltd., Suite 604, Central Building, 810 Third Avenue, Seattle, Wash. 98104.
D. (6) $700.

A. Preston, Thorgrimson, Ellis, Holman & Fletcher, Suite 201, 1776 F Street NW., Washington, D.C. 20006.
B. Moore-McCormack Resources, Inc., One Landmark Square, Stamford, Conn. 06901.
D. (6) $1,680.

A. Forrest J. Prettyman, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Registered Bank Holding, Cos., 730 15th Street NW., Washington, D.C. 20005.
D. (6) $437.50.

A. Price, Cushman, Keck, Mahin & Cate, 8300 Sears Tower, 233 South Wacker Drive, Chicago, Ill. 60606.
B. Schwinn Bicycle Co., 1856 North Kostner Avenue, Chicago, Ill. 60639.
D. (6) $1,980.95. E. (9) $2,180.98.

A. Arnold J. Prima, Jr., 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,200. E. (9) $122.98.

A. PROD, Inc., 2000 P Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $80. E. (9) $129.12.

A. Profit Sharing Council of America, 20 North Wacker Drive, Chicago, Ill. 60606.

A. The Proprietary Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $4,250. E. (9) $200.

A. Jerry Z. Pruzan, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.
D. (6) $200. E. (9) $200.

A. Public Employee Department, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
D. (6) $22,966.59. E. (9) $22,810.28.

A. David E. Pullen, Johns-Manville Corp., 1025 Connecticut Avenue, Suite 214, Washington, D.C. 20036.
B. Johns-Manville Corp., P.O. Box 5108, Denver, Colo. 80217.
D. (6) $200. E. (9) $50.

A. Donald E. Purcell, 1725 K Street NW., Suite 903, Washington, D.C. 20006.
B. Outdoor Power Equipment Institute, 1725 K Street NW., Suite 903, Washington, D.C. 20006.
D. (6) $624. E. (9) $624.

A. Graham Purcell, 1819 H Street NW., Washington, D.C. 20006.
B. American Rice Growers Cooperative Association, Lake Charles, La.
D. (6) $300.

A. Graham Purcell, 1819 H Street NW., Washington, D.C. 20006.
B. American Rice, Inc., Houston, Tex.
D. (6) $500.

A. Graham Purcell, 1819 H Street NW., Washington, D.C. 20006.
B. Association of Independent Grain Inspection Agencies, Fort Worth, Tex.
D. (6) $450.

A. Graham Purcell, 1819 H Street NW., Washington, D.C. 20006.
B. PBI/Gordon Corp., Kansas City, Kans.
D. (6) $600.

A. Graham Purcell, 1819 H Street NW., Washington, D.C. 20006.
B. United Rice Growers & Millers, Maxwell, Calif.
D. (6) $500.

A. Earle W. Putnam, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Howard Pyle, 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $1,720.97. E. (9) $37.07.

A. Joseph E. Quin, 1616 H Street NW., Washington, D.C. 20006.
B. The National Grange, 1616 H. Street NW., Washington, D.C. 20006.
D. (6) $1,250.

A. James H. Rademacher, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $2,785.20.

A. Alex Radin, 2600 Virginia Avenue NW., Washington, D.C. 20037.
B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $437.04.

A. Raymond Raedy, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $10.

A. Richard J. Ragan, 1140 Connecticut Avenue NW., Suite 1010, Washington, D.C. 20036.
B. National Association of Electric Companies, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $247.50. E. (9) $75.93.

A. Railway Labor Executives' Association, 400 First Street NW., Washington, D.C. 20001.
D. (6) $39,568.50. E. (9) $39,568.50.

A. Railway Progress Institute, 801 North Fairfax Street, Alexandria, Va., 22314.

A. Clarence B. Randall, Jr., 1156 15th Street NW., Suite 731, Washington, D.C. 20005.
B. Associated Builders & Contractors, Inc., 1156 15th Street NW., Suite 731, Washington, D.C. 20005.
D. (6) $2,375. E. (9) $200.

A. Donald A. Randall, Suite 1201, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Automotive Service Councils, Inc., Suite 112, 188 Industrial Drive, Elmhurst, Ill. 60116.
D. (6) $3,000. E. (9) $1,180.50.

A. Arthur Randol, 1750 K Street NW., Suite 300, Washington, D.C.
B. American Nuclear Energy Council, 1750 K Street NW., Suite 300, Washington, D.C.
D. (6) $472.99. E. (9) $22.90.

A. Jerry F. Rapp, 1155 15th Street NW., Suite 606, Washington, D.C. 20005.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10022.
D. (6) $250.

A. D. Michael Rappoport, P.O. Box 1980, Phoenix, Ariz. 85001.
B. Salt River Project, P.O. Box 1980, Phoenix, Ariz. 85001.
D. (6) $736.24. E. (9) $453.68.

A. Carol L. Raulston, 1620 I Street NW., Suite 700, Washington, D.C. 20006.
B. International Paper Co., 1620 I Street NW., Suite No. 700, Washington, D.C. 20006.

A. G. J. Rauschenbach, 950 L'Enfant Plaza South SW., Washington, D.C. 20024.
B. Communications Satellite Corp., 950 L'Enfant Plaza South SW., Washington, D.C. 20024.
D. (6) $1,000. E. (9) $820.

A. Harry A. S. Read, 2 Militia Drive, Lexington, Mass. 02173.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.
D. (6) $500.

A. Susan E. Recce, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $337. E. (9) $48.58.

A. Timothy J. Redmon, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Alvin Levin, O.D., 120 South Hanover Street, Carlisle, Pa. 17013.
D. (6) $235.48. E. (9) $199.52.

A. Dwight C. Reed, 1101 16th Street NW., Washington, D.C. 20036.
B. National Soft Drink Association, 110 16th Street NW., Washington, D.C. 20036.

A. David J. Reedy, 3306 Sheffield Circle, Sarasota, Fla. 33580.
B. National Advertising Co., 6850 South Harlem Avenue, Bedford Park, Argo, Ill. 60501.
D. (6) $600.

A. J. Mitchell Reese, 1025 Connecticut Avenue NW., Suite 700, Washington, D.C. 20036.
B. Gulf Oil Corp., Pittsburgh, Pa. 15230
D. (6) $1,500. E. (9) $300.

A. Robert S. Reese, Jr., American Trucking Association, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $530.85.

A. John T. Reggitts, Jr., Socio-Economic Research, Socio-Politico Research, R.D. No. 2 Boonton Avenue, Boonton, N.J. 07005.

A. W. W. Renfroe, 69 Fountain Place, Capital Plaza, Frankfort, Ky. 40601.
B. Kentucky Railroad Association, 69 Fountain Place, Capital Plaza, Frankfort, Ky. 40601.
E. (9) $1,011.48.

A. Diane Rennert, 1920 L Street NW., Suite 750, Washington, D.C. 20036.
B. Association of American Publishers, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $950. E. (9) $337.02.

A. Reproductive Freedom League, P.O. Box 11921, Lexington, Ky. 40511.
D. (6) $225.40. E. (9) $150.98.

A. The Retired Officers Association, 1625 I Street NW., Washington, D.C. 20006.
D. (6) $3,538.

A. James J. Reynolds, 1625 K Street NW., Washington, D.C. 20006.
B. American Institute of Merchant Shipping, 1625 K Street NW., Washington, D.C. 20006.
D. (6) $1,875. E. (9) $497.02.

A. W. A. Reynolds, 4400 Lincoln Boulevard, Suite 155, Oklahoma City, Okla. 73105.
B. Aerospatiale Aircraft Corp., 1225 19th Street NW., Washington, D.C. 20006.
D. (6) $4,100. E. (9) $2,336.44.

A. Austin T. Rhoads, 910 17th Street NW., Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 910 17th Street NW., Washington, D.C. 20006.
E. (9) $384.64.

A. Rice Genocide Research, P.O. Box 7307, Washington, D.C. 20044.
E. (9) $32.70.

A. Theron J. Rice, Continental Oil Co., 1130 17th Street NW., Suite 400, Washington, D.C. 20036.
B. Continental Oil Co., High Ridge Park, Stamford, Conn. 06904.

A. Maxwell E. Rich, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $625.

A. Harry H. Richardson, 335 Austin Street Bogalusa, La. 70427.
B. Louisiana Railroads, 335 Austin Street, Bogalusa, La.

A. Peter S. Ridley, Jr., 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $525. E. (9) $42.

A. S. F. Riepma, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

B. National Association of Margarine Manufacturers, 1725 K Street NW., Suite 1202, Washington, D.C. 20006.

A. Judith Assmus Riggs, 1520 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Washington Research Project Action Council, 1520 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $1,181.25.

A. Morris A. Riley, American Medical Association, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $1,750. E. (9) $196.

A. John S. Rippey, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.
D. (6) $166.66. E. (9) $60.15.

A. John D. Ritchie, 1119 A Street, Tacoma, Wash.
B. American Plywood Association, 1119 A Street, Tacoma, Wash.

A. Stark Ritchie, 2101 L Street, Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. George W. Ritter, 3914 King Arthur Road, Annandale, Va. 22003.
B. Alton Box Board Co., Alton, Ill. 62002.
D. (6) $5,000. E. (9) $1,319.

A. William Neale Roach, American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
B. American Trucking Associations, Inc., 1616 P Street NW., Washington, D.C. 20036.
D. (6) $6,000. E. (9) $196.18.

A. Paul H. Robbins, National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
B. National Society of Professional Engineers, 2029 K Street NW., Washington, D.C. 20006.
D. (6) $1,500.

A. Kenneth Roberson, 193 Stuart Road, Valley Stream, N.Y. 11581.
B. Meat Importers Council of America, Inc., 1 Penn Plaza, New York, N.Y. 10001.

A. Roberts & Holland, 1301 Avenue of the Americas, New York, N.Y. 10019.
B. The Estate of Bernice P. Bishop/Kamehameha Schools, 519 Halekauwila Street, Honolulu, Hawaii.
E. (9) $305.

A. William S. Roberts, National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $45.

A. Charles A. Robinson, Jr., 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 200 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $245.90.

A. Jerome Robinson, Florida Restaurant Association, 500 Three Islands Boulevard, Hallandale, Fla. 33009.
B. Florida Restaurant Association, 1077 Northeast 125th Street, North Miami, Fla. 33161.

A. Juan Rocha, Jr., Montgomery Ward & Co., 1101 15th Street NW., Washington, D.C. 20005.
B. Montgomery Ward & Co., 535 W. Chicago Avenue, Chicago, Ill. 60608.
D. (6) $65. E. (9) $150.

A. Charlotte Roe, 1710 Broadway, New York, N.Y. 10019.
B. International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y. 10019.
D. (6) $3,999.97. E. (9) $576.08.

A. Mitchell A. Rofsky, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $2,000.

A. Byron G. Rogers, 918 16th Street NW., Washington, D.C. 20006.
B. Denver Board of Water Commissioners, 144 West Colfax Avenue, Denver, Colo. 80202.
D. (6) $2,720. E. (9) $6.40.

A. Donald L. Rogers, 730 15th Street NW., Washington, D.C. 20005.
B. Association of Registered Bank Holding Companies, 730 15th Street NW., Washington, D.C. 20005.
D. (6) $937.50.

A. Frank W. Rogers, 2101 L Street, NW., Suite 635, Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $5,400.

A. Frank W. Rogers, 313 Cambridge Road, Alexandria, Va. 22314.
B. Vetco Offshore Industries, Inc., 5808 Telephone Road, Suite 201, Ventura, Calif. 93003.
D. (6) $1,500.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.
B. Air France, 1350 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $385.

A. Rogers & Wells, 1666 K Street NW., Washington, D.C. 20006.
B. National Customs Brokers & Forwarders Association of America, Inc., 1 World Trade Center, New York, N.Y. 10048.
D. (6) $270.

A. Rogers & Wells, 1666 K. Street NW., Washington, D.C. 20006.
B. Twentieth Century Fox Film Corp. P.O. Box 900, Beverly Hills, Calif. 90213.
D. (6) $675.

A. John F. Rolph III, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
American Bankers Association, 120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Kenneth S. Rolston, Jr., 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. American Pulpwood Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

A. Nicholas Roomy, Jr., 301 Virginia Street, East, Charleston, W. Va. 25301.
B. Appalachian Power Co. (subsidiary of the American Electric Power Co., Inc., 2 Broadway, New York, N.Y. 10004), 301 Virginia Street, East, Charleston, W. Va. 25301.

A. Albert B. Rosenbaum III, 1616 P Street NW., Washington, D.C. 20036.
B. National Tank Truck Carriers, Inc., 1616 P Street NW., Washington, D.C. 20036.

A. Harry N. Rosenfield, 1735 DeSales Street NW., Washington, D.C. 20036.
B. American Chiropractic Association, 2200 Grand Avenue, Des Moines, Iowa 50312.
D. (6) $2,000. E. (9) $750.

A. Larry M. Rosenstein, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. William F. Ross, South Carolina Petroleum Council, a Division of API, 716 Palmetto State Life Building, Columbia, S.C. 29201.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
E. (9) $12.90.

A. William C. Rountree, 1660 L Street NW., Suite 212, Washington, D.C. 20036.
B. The Standard Oil Co. (an Ohio corporation), Midland Building, Cleveland, Ohio 44115.
D. (6) $200. E. (9) $330.

A. Rouss and O'Rourke, Lawyers Building, 231 East Vermijo Avenue, Colorado Springs, Colo. 80903.
B. Union Nacional de Productores de Azucar, S.A. de C. V., Balderas 36, Mexico, D. F. Mexico.
D. (6) $3,200. E. (9) $1,601.99.

A. Eugene F. Rowan, J. C. Penney Co., Inc., 1156 15th Street NW., Washington, D.C. 20005.
B. J. C. Penney Co., Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.

A. John W. Rowland, Jr., 5025 Wisconsin Avenue NW., Washington, D.C. 20016.
B. Amalgamated Transit Union, AFL–CIO, 5025 Wisconsin Avenue NW., Washington, D.C. 20016.

A. Ruckelshaus, Beveridge, Fairbanks & Diamond, 1 Farragut Square South, 3d floor, Washington, D.C. 20006.
B. The Society of the Plastics Industry, Inc., 1150 17th Street NW., Suite 1000, Washington, D.C. 20036.

A. Leonard H. Ruppert, New Jersey Petroleum Council, Division of API, 170 West State Street, Trenton, N.J. 08608.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $273.08.

A. Perry A. Russ, 901 North Washington Street, Alexandria, Va. 22314.
B. Society of American Florists and Ornamental Horticulturists, 901 North Washington Street, Alexandria, Va. 22314.

A. Albert R. Russell, P.O. Box 12285, Memphis, Tenn. 38112.
B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.
D. (6) $3,693.18. E. (9) $298.94.

A. Wally Rustad, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $160.

A. J. T. Rutherford & Associates, Inc., 1660 L Street NW., No. 514, Washington, D.C. 20036.
B. American Association of Bioanalysts, 411 North 7th Street No. 805, St. Louis, Mo. 63101.
D. (6) $300. E. (9) $334.24.

A. J. T. Rutherford & Associates, Inc., 1660 1660 L Street NW., No. 514, Washington, D.C. 20036.
B. American College of Radiology, 20 N. Wacker Drive, Chicago, Ill. 60606.
D. (6) $1,000. E. (9) $1,550.80.

A. J. T. Rutherford & Associates, Inc., 1660 1660 L Street NW., No. 514, Washington, D.C. 20036.

B. American Optometric Association, 1730 M Street NW., Washington, D.C.

D. (6) $1,000. E. (9) $1,602.66.

A. J. T. Rutherford & Associates, Inc., 1660 1660 L Street NW., No. 514, Washington, D.C. 20036.

B. International Society of Clinical Technology, 411 North 11th Street, No. 805, St. Louis, Mo.

D. (6) $300. E. (9) $334.24.

A. Millard H. Ruud, Suite 370, One Dupont Circle NW., Washington, D.C. 20036.

B. Association of American Law Schools, Suite 370, One Dupont Circle NW., Washington, D.C. 20036.

A. Ella Marice Ryan, 1156 Fifteenth Street NW., Washington, D.C. 20005.

B. J. C. Penney Company, Inc., 1301 Avenue of the Americas, New York, N.Y. 10019.

D. (6) 100. E. (9) $152.02.

A. William Ryan, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

B. International Association of Machinists and Aerospace Workers, 1300 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $3,500. E. (9) $29.13.

A. C. Hill Rylander, 425 13th Street, Washington, D.C. 20004.

B. National Association of Insurance Agents, 85 John Street, New York, N.Y. 10038.

E. (9) $5,087.10.

A. Fred J. Sacco, N. J. Petroleum Council, Division of API, 170 West State Street, Trenton, N.J. 08608.

B. American Petroleum Institute, 2101 L Street, Washington, D.C. 20037.

D. (6) $327.65. E. (9) $234.43.

A. Carl K. Sadler, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.

D. (6) $7,175. E. (9) $20,182.53.

A. Frank P. Sanders, 815 Connecticut Avenue NW., Washington, D.C.

B. Burmah Oil and Gas Co., P.O. Box 94193, Houston, Tex. 77018.

D. (6) $510.

A. Frank P. Sanders, 815 Connecticut Avenue NW., Washington, D.C.

B. The Signal Cos., Inc., 9665 Wilshire Boulevard, Beverly Hills, Calif. 90212.

D. (6) $480.

A. Charles E. Sandler, 2101 L Street NW., Washington, D.C. 20037.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $1,000.

A. Peter G. Sandlund, Room 400, 919 18th Street NW., Washington, D.C. 20006.

B. Council of European and Japanese National Shipowners' Associations, 30–32 St. Mary Axe, London EC3A 8ET, England.

D. (6) $11,250. E. (9) $11,614.72.

A. Thomas H. Saunders, 1825 K Street NW., Suite 501, Washington, D.C. 20006.

B. The Dow Chemical Co., Midland, Mich. 48640.

A. Ruth M. Saxe, 2030 M Street NW., Washington, D.C. 20036.

B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.

D. (6) $3,500.01. E. (9) $113.87.

A. Harold B. Say, 916 Prince Street, Alexandria, Va. 22314.

B. Veterans of World War I of the U.S.A., Inc., 916 Prince Street, Alexandria, Va. 22314.

D. (6) $580.

A. Michael B. Scanlon, Edelman International, 1730 Pennsylvania Avenue NW., Washington, D.C.

B. Aerospatiale, c/o DGA International, 1225 19th Street NW., Washington, D.C.

D. (6) $1,500. E. (9) $47.20.

A. Michael B. Scanlon, Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Daniel J. Edelman (for: American Safety Belt Council, New Rochelle, N.Y.).

D. (6) $500. E. (9) $630.62.

A. Jerome D. Schaller, 1101 15th Street NW., Washington, D.C. 20005.

B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55101.

E. (9) $2,328.38.

A. Kenneth D. Schanzer, 1771 N Street NW., Washington, D.C. 20036.

B. National Association of Broadcasters, 1711 N Street NW., Washington, D.C. 20036.

D. (6) $1,249.98. E. (9) $348.

A. Fred E. Schillreff, 1750 New York Avenue NW., Washington, D.C. 20006.

B. International Association of Fire Fighters, AFL–CIO, 1750 New York Avenue NW., Washington, D.C. 20006.

D. (6) $607.

A. Jacques T. Schlenger, 1800 Mercantile Bank and Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.

B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.

E. (9) $3.14.

A. Jacques T. Schlenger, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.

B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.

E. (9) $427.49.

A. Stephen I. Schlossberg, 1125 15th Street NW., Suite 600, Washington, D.C. 20005.

B. International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.

D. (6) $10,496.59. E. (9) $1,807.76.

A. Richard M. Schmidt, Jr., 1920 L Street NW., Suite 700, Washington, D.C. 20036.

B. Association of American Publishers, 1920 L Street NW., Washington, D.C. 20036.

D. (6) $500.

A. Richard M. Schmidt, 1920 L Street NW., Suite 700, Washington, D.C. 20036.

B. Coalition for Fair Copyright Protection, 1920 L Street NW., Washington, D.C. 20035.

D. (6) $2,000.

A. Robert L. Schmidt, 918 16th Street NW., Washington, D.C. 20006.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

D. (6) $200. E. (9) $1,275.

A. Mahlon C. Schneider, Hazeltine Gates, Chaska, Minn. 55318.

B. Green Giant Co., Hazeltine Gates, Chaska, Minn. 55318.

D. (6) $250. E. (9) $318.17.

A. N. Donald Schroeder, Maryland Petroleum Association, a division of API, 60 West Street, Annapolis, Md. 21401.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Hilliard Schulberg, 4311 Sunflower Drive, Rockville, Md. 20853.

B. National Liquor Stores Association, Inc., 1025 Vermont Avenue NW., Washington, D.C. 20005.

D. (6) $225. E. (9) $80.

A. Roger A. Schultz, 767 Fifth Avenue, New York, N.Y. 10022.

B. The J. B. Williams Co., Inc., 767 Fifth Avenue, New York, N.Y. 10022.

D. (6) $900. E. (9) $400.

A. Robert L. Schulz, Iowa Petroleum Council, Division of API, 1012 Fleming Building, Des Moines, Iowa 50309.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Donald H. Schwab, 200 Maryland Avenue NE., Washington, D.C. 20002.

B. Veterans of Foreign Wars of the U.S., 200 Maryland Avenue NE., Washington, D.C. 20002.

D. (6) $3,125. E. (9) $134.97.

A. Bari Lee Schwartz, 2030 M Street NW., Room 300, Washington, D.C. 20037.

B. Action for Legal Rights, 2030 M Street NW., Room 300, Washington, D.C. 20037.

E. (9) $6.79.

A. Sydnee M. Schwartz, 900 15th Street NW., Washington, D.C. 20005.

B. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.

D. (6) $1,107.94. E. (9) $103.25.

A. Harold B. Scoggins, 1101 16th Street NW., Washington, D.C. 20036.

B. Independent Petroleum Association of America, 1101 16th Street NW., Washington, D.C. 20036.

E. (9) $22.

A. John W. Scott, 1616 H Street NW., Washington, D.C. 20006.

B. The National Grange, 1616 H Street NW., Washington, D.C. 20006.

D. (6) $6,250.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Washington, D.C. 20036.

B. Colonial Penn Group, Inc. and Affiliated Corps., 5 Penn Center Plaza, Philadelphia, Pa. 19103.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Washington, D.C. 20036.

B. Occidental Life Insurance Co., of California, Occidental Center, Los Angeles, Calif. 90054.

A. Scribner, Hall, Thornburg & Thompson, 1200 18th Street NW., Washington, D.C. 20036.

B. Provident Life and Accident Insurance Co., Chattanooga, Tenn. 37402.

A. Earl W. Sears, P.O. 12285, Memphis, Tenn. 38112.

B. National Cotton Council of America, P.O. Box 12285, Memphis, Tenn. 38112.

D. (6) $300. E. (9) $12.33.

A. Carol A. Seeger-Risher, 918 16th Street NW., Washington, D.C. 20006.

B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.

D. (6) $1,425. E. (9) $75.

A. Ronald C. Seeley, 1357 Nicolet Place, Detroit, Mich. 48207.

B. Estate of Bert Adams, et al., 1357 Nicolet Place, Detroit, Mich. 48207.
E. (9) $168.73.

A. Donald E. Selby, 1500 Rhode Island Avenue NW., Washington, D.C. 20005.
B. National Paint and Coatings Association, Inc., 1500 Rhode Island Avenue NW., Washington, D.C. 20005.
D. (6) $619.22. E. (9) $114.65.

A. Self-Determination for D.C., Room 300, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $1,629.50. E. (9) $1,697.78.

A Peter J. Semper, 13915 Panay Way, Marina del Rey, Calif. 90291.
B. Council for Responsible Nutrition, 13915 Panay Way, Marina del Rey, Calif. 90291.
D. (6) $11,745.88. E. (9) $4,545.88.

A. Stanton P. Sender, 1211 Connecticut Avenue NW., Suite 802, Washington, D.C. 20036.
B. Sears, Roebuck and Co., Sears Tower, Chicago, Ill. 60684.
D. (6) $440. E. (9) $130.

A. Theodore A. Serrill, 491 National Press Building, Washington, D.C. 20045.
B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20045.
E. $224.21.

A. J. Richard Sewell, 1701 K Street NW., Suite 503, Washington, D.C. 20006.
B. Florida Power & Light Co., P.O. Box 013100, Miami, Fla. 33101.
D. (6) $2,074. E. (9) $979.44.

A. Robert L. Shafer, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pfizer Inc., 235 East 42d Street, New York, N.Y. 10017.
D. (6) $575. E. (9) $445.

A. James M. Shamberger, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Reinsurance Association of America, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
E. (9) $25.

A. Harry D. Shapiro, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland Savings-Share Insurance Corp., 901 North Howard Street, Baltimore, Md. 21201.
E. (9) $3.14.

A. Harry D. Shapiro, 1800 Mercantile Bank & Trust Building, 2 Hopkins Plaza, Baltimore, Md. 21201.
B. Maryland State Fair and Agricultural Society, Inc., Timonium State Fair Grounds, Timonium, Md. 21093.
E. (9) $427.49.

A. John J. Sharkey, Room 204, 1629 K Street NW., Washington, D.C. 20006.
B. Delta Air Lines, Inc., Hartsfield, Atlanta International Airport, Atlanta, Ga. 30320.
D. (6) $878.61. E. (9) $64.93.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Albright Title and Trust Co., 100 North Main Street, Newkirk, Okla. 74647.
D. (6) $638. E. (9) $827.96.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. American National Cattlemen's Association, Denver, Colo.
D. (6) $400.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Detroit, Toledo and Ironton Railroad Co., 1 Park Lane Boulevard, Dearborn, Mich. 42816.
E. (9) $383.07.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Independent Grocers' Alliance, 5725 East River Road, Chicago, Ill. 60631; Topco Associates, Inc., 7711 Gross Point Road, Skokie, Ill. 60076.
D. (6) $275. E. (9) $161.05.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Mauritius Sugar Syndicate, Mauritius Chamber of Agriculture, Plantation House, Port Louis, Mauritius.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C.
B. Oklahoma Natural Gas Co., P.O. Box 871, Tulsa, Okla. 74002.
D. (6) $1,200. E. (9) $260.

A. Sharon, Pierson, Semmes, Crolius & Finley, 1054 31st Street NW., Washington, D.C. 20007.
B. Pennsylvania Co., 1616 North Fort Myer Drive, Arlington, Va. 22209.
E. (9) $2,347.31.

A. James R. Sharp, 1108 16th Street NW., Washington, D.C. 20036.
B. American Fur Merchants Association, 224 West 30th Street, New York, N.Y.
D. (6) $500. E. (9) $165.37.

A. Shaw, Pittman, Potts & Trowbridge, 910 17th Street NW., Washington, D.C. 20006.
B. Association for Improvement of Mississippi River, 10 Broadway, St. Louis, Mo. 63102.
D. (6) $2,107.50. E. (9) $3.

A. Shaw, Pittman, Potts & Trowbridge, 910 17th Street NW., Washington, D.C. 20006.
B. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.
D. (6) $3,506.

A. Shaw, Pittman, Potts & Trowbridge, 910 17th Street NW., Washington, D.C. 20006.
B. Institute of Foreign Bankers, 10 Pine Street, New York, N.Y.
D. (6) $3,000.

A. James V. Sheahan, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.
D. (6) $1,500. E. (9) $709.

A. Shearman & Sterling, 53 Wall Street, New York, N.Y. 10005.
B. First National City Bank, 399 Park Avenue, New York N.Y. 10022.
D. (6) $92,500. E. (9) $10,305.74.

A. John J. Sheehan, United Steelworkers of America, 815 16th Street NW., Suite 706, Washington, D.C. 20006.
B. United Steelworkers of America, Five Gateway Center, Pittsburgh, Pa. 15222.
D. (6) $7,545.03. E. (9) $2,970.84.

A. Jowanda Shelton, 910 16th Street NW., Washington, D.C. 20006.
B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.
D. (6) $3,900.

A. Laurence P. Sherfy, 1100 Ring Building, Washington, D.C. 20036.
B. American Mining Congress, 1100 Ring Building, Washington, D.C. 20036.

A. Seymour Sheriff, 1126 Woodward Building, Washington, D.C. 20005.
B. Man Made Fiber Producers Association, Inc., 1126 Woodward Building, Washington, D.C. 20005.
E. (9) $4.

A. Morris Shipley, Room 204, 1629 K Street NW., Washington, D.C. 20006.
B. Delta Air Lines, Inc., Hartsfield Atlanta International Airport, Atlanta, Ga. 30320.
D. (6) $695. E. (9) $28.

A. Harvey A. Shipman, Penn Central Transportation Co., 1725 K Street NW., Suite 1103, Washington, D.C. 20006.
B. Penn Central Transportation Co., 6 Penn Center Plaza, Philadelphia, Pa. 19104.

A. Fred B. Shipree, 1611 North Kent Street Arlington, Va. 22209.
B. American Apparel Manufacturers Association, Inc., 1611 North Kent Street, Arlington, Va. 22209.

A. James K. Shiver, 1629 K Street NW., Suite 600, Washington, D.C. 20006.
B. Diamond Shamrock Chemical Co., Cleveland, Ohio.

A. W. Ray Shockley, American Textile Manufacturers Institute, Inc., 1150 17th Street NW., Suite 1001, Washington, D.C. 20036.
B. American Textile Manufacturers Institute, Inc., 400 South Tryon Street, Suite 2124, Charlotte, N.C. 28285.
D. (6) $2,550. E. (9) $11.77.

A. Maureen Shubow, 1012 14th Street NW., Washington, D.C. 20007.
B. Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20007.
D. (6) $300. E. (9) $50.

A. L. J. Sichel, Abbott Laboratories, 1730 M Street NW., No. 808, Washington, D.C. 20036.
B. Abbott Laboratories, North Chicago, Ill. 60064.

A. Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Reuben H. Donnelley Corp., 2000 Clearwater Drive, Oak Brook, Ill. 60521.
D. (6) $300.

A. Richard D. Siegel, McNees, Wallace & Nurick, 1776 F Street NW., Washington, D.C. 20006.
B. American Association of Marriage and Family Counselors, 225 Yale Avenue, Claremont, Calif. 91711.
D. (6) $1,150. E. (9) $7.36.

A. Richard H. Siemsen, 8100 Florissant, St. Louis, Mo. 63136.
B. Emerson Electric Co., 8100 Florissant, St. Louis, Mo. 63136.
E. (9) $664.18.

A. Bernard H. Sieracki, Illinois Petroleum Council, a Division of API, P.O. Box 5034, Springfield, Ill. 62705.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. Raymond W. Sifley, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $1,300. E. (9) $200.

A. Mark S. Sigurski, 1776 K Street NW., Suite 200, Washington, D.C. 20006.

B. Motorola, Inc., 1776 K Street NW., Suite 200, Washington, D.C. 20006.
D. (6) $600. E. (9) $185.

A Harry G. Silleck, Jr., 20 Broad Street, New York, N.Y. 10005.
B. Trustees of Erie Lackawanna Railway Co., Midland Building, Cleveland, Ohio.

A. David Silver, 1776 K Street NW., Washington, D.C. 20006.
B. Investment Company Institute, 1776 K Street NW., Washington, D.C. 20006.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Association for Advanced Life Underwriting, 1922 F Street NW., Washington, D.C. 20006.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Bristol-Myers Co., 345 Park Avenue, New York, N.Y. 10002.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. General American Transportation Co., 120 South Riverside Plaza, Chicago, Ill. 60606.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Government of the Netherlands Antilles, Fort Amsterdam, Willemstad, Curaçao, Netherlands Antilles.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Music Corporation of America, Inc., 100 Universal City Plaza, Universal City, Calif. 91608.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 2006.
B. National Association of Home Builders, 15th and M Streets NW., Washington, D.C.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Savings and Loan League, 1200 17th Street NW., Washington, D.C. 20036.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. National Venture Capital Association, 4300 Sigma Road, Dallas, Tex. 75240.

A. Silverstein and Mullens, 1776 K Street NW., Washington, D.C. 20006.
B. Venezuelan-American Chamber of Commerce and Industry, Apartado 5181, Caracas 101, Venezuela.
E. (9) $60.22.

A. Gilbert Simonetti, Jr., 1620 I Street NW., Washington, D.C. 20006.
B. American Institute of CPA's, 1211 Avenue of the Americas, New York, N.Y. 10036.
E. (9) $400.

A. James E. Simmons, 1730 Pennsylvania Avenue NW., Suite 220, Washington, D.C. 20006.
B. National Association of Blue Shield Plans, 211 East Chicago Avenue, Chicago, Ill. 60611.

A. Thomas K. Singer, 900 17th Street NW., Washington, D.C. 20006.
B. Kaiser Aluminum & Chemical Corp., 900 17th Street NW., Washington, D.C. 20006.
D. (6) $145. E. (9) $3.50.

A. Julian H. Singman, International Marine Division, International Longshoremen's Association, 815 16th Street NW., Room 310, Washington, D.C. 20006.
B. International Longshoremen's Association, AFL-CIO, 17 Battery Place, Suite 1530, New York, N.Y. 10004.
D. (6) $5,000.

A. Jean Head Sisco, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $37.50.

A. Roma D. Skeen, Marathon Oil Co., 1625 I Street NW., Suite 420, Washington, D.C. 20006.
B. Marathon Oil Co., Findlay, Ohio 45840.
E. (9) $117.48.

A. Edgar M. Skinner, III, 1016 20th Street NW., Washington, D.C. 20036.
B. National Association of Plumbing-Heating-Cooling Contractors, 1016 20th Street NW., Washington, D.C. 20036.
D. (6) $900. E. (9) $162.50.

A. James A. Skinner, Jr., 1136 2nd Avenue North, Nashville, Tenn. 37208.
B. Brick Institute of America, 1750 Old Meadow Road, McLean, Va. 22101.

A. Barney J. Skladany, Jr., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Mobil Oil Corp., 150 East 42 Street, New York, N.Y. 10017.
D. (6) $1,125.

A. Carstens Slack, Phillips Petroleum Co., 1825 K Street NW., Washington, D.C. 20006.
B. Phillips Petroleum Co., Bartlesville, Okla. 74004.

A. William L. Slayton, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The American Institute of Architects, 1735 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,500.

A. G. Bernard Slebos, United Airlines, 1825 K Street NW., No. 607, Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $2,000. E. (9) $96.43.

A. Small Producers for Energy Independence, Suite 970, 4th Financial Center, Wichita, Kans. 67202.
D. (6) $61,900. E. (9) $16,023.75.

A. Smathers, Merrigan and Herlong, 888 17th Street NW., No. 1200, Washington, D.C. 20006.
B. American Horse Council, 1700 K Street NW., Washington, D.C.
D. (6) $5,500. E. (9) $1,488.82.

A. Smathers, Merrigan and Herlong, 888 17th Street NW., No. 1200, Washington, D.C. 20006.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20006.
D. (6) $6,520. E. (9) $189.78.

A. Smathers, Merrigan and Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. Court appointed trustee in behalf of former bondholders of Bankers, Joint Stock Land Bank of Milwaukee, Wisconsin.
E. (9) $7.10.

A. Smathers, Merrigan and Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. The Chicago Board of Trade, LaSalle at Jackson, Chicago, Ill. 60604.
D. (6) $6,000. E. (9) $10.67.

A. Smathers, Merrigan and Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. Florida East Coast Railway Co., One Malaga Street, St. Augustine, Fla. 32084.
D. (6) $2,500. E. (9) $100.46.

A. Smathers, Merrigan and Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. Oscar Dooley Associates, Room 2650, First Federal Building, Miami, Fla. 33131.
E. (9) $756.21.

A. Smathers, Merrigan and Herlong, 888 17th Street NW., Washington, D.C. 20006.
B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
D. (6) $6,000. E. (9) $367.44.

A. Donald E. Smiley, 1025 Connecticut Avenue NW., Suite 1014, Washington, D.C. 20036.
B. Exxon Corporation, 1251 Avenue of the Americas, New York, N.Y.
E. (9) $647.37.

A. Arthur J. Smith, Shell Oil Co., 1025 Connecticut Avenue NW., Suite 200, Washington, D.C. 20036.
B. Shell Oil Co., P.O. Box 2463, Houston, Tex. 77001.
D. (6) $500.

A. Gordon L. Smith, 818 18th Street NW., Washington, D.C. 20006.
B. Edward Gottlieb & Associates (for Flextime Corp.) 485 Madison Avenue, New York, N.Y. 10022.

A. Gordon L. Smith, 818 18th Street NW., Washington, D.C. 20006.
B. Edward Gottlieb & Associates Ltd. (for Florists' Transworld Delivery Association), 485 Madison Avenue, New York, N.Y. 10022.
E. (9) $33.30.

A. Hugh H. Smith, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Express Co., 65 Broadway, New York, N.Y. 10006.
D. (6) $150.

A. Hugh H. Smith, 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. Weyerhaeuser Company, Tacoma, Wash. 98401.
D. (6) $100.

A. J. Kenneth Smith, Sun Oil Co., Suite 820, 1800 K Street NW., Washington, D.C. 20006.
B. Sun Oil Co., 240 Radnor-Chester Road, St. Davids, Pa. 19087.
D. (6) $4,500. E. (9) $1,175.

A. Robert B. Smith, Jr., American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $625. E. (9) $116.

A. Robert William Smith, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich., 48121.
D. (6) $725. E. (9) $492.

A. William H. Smith, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

A. Wayne H. Smithey, Ford Motor Co., 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., Dearborn, Mich.
D. (6) $2,367. E. (9) $981.75.

A. Arthur V. Smyth, 1625 I Street NW., Washington, D.C. 20006.
B. Weyerhaeuser Co., Tacoma, Wash. 98401.
D. (6) $4,000.

A. Frank B. Snodgrass, 1100 17th Street NW., Suite 306, Washington, D.C. 20036.
B. Burley & Dark Leaf Tobacco Export Association, 1100 17th Street NW., Suite 306, Washington, D.C. 20036.
D. (6) $640.75. E. (9) $90.49.

A. John M. Snow, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
B. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $500. E. (9) $30.

A. Edward F. Snyder, 245 Second Street NE., Washington, D.C.
B. Friends Committee on National Legislation, 245 Second Street NE., Washington, D.C.
D. (6) $2,613.

A. J. R. Snyder, 400 First Street NW., Suite 704, Washington, D.C. 20001.
B. United Transportation Union, 400 First Street NW., Suite 704, Washington, D.C. 20001.
E. (9) $300.

A. John M. Snyder, 1721 DeSales Street NW., Washington, D.C. 20036
B. Citizens Committee for the Right To Keep and Bear Arms, Bellefield Office Park, 1601 114th SE., Suite 151, Bellevue, Wash. 98004.
D. (6) $3,750.

A. Carl A. Soderblom, 1 East First Street, Suite 905, Reno, Nev. 89501.
B. Nevada Railroad Association, et al., 1 East First Street, Suite 905, Reno, Nev. 89501.

A. Charles B. Sonneborn, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Association of Blue Shield Plans, 211 East Chicago Avenue, Chicago, Ill. 60611.

A. Society for Animal Protective Legislation, P.O. Box 3719, Georgetown Station, Washington, D.C. 20007.
D. (6) $11,398.33. E. (9) $11,172.70.

A. Shelby E. Southard, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
B. Cooperative League of the USA, 1828 L Street NW., Suite 1100, Washington, D.C. 20036.
D. (6) $3,000. E. (9) $1,194.25.

A. Charles E. Spahr, 1750 Midland Building, Cleveland, Ohio 44115.
B. The Standard Oil Co. (an Ohio Corp.), Midland Building, Cleveland, Ohio 44115.
D. (6) $485.

A. William W. Spear, 1000 16th Street NW., Washington, D.C. 20036.
B. Standard Oil Co. (Indiana), 200 East Randolph Drive, Chicago, Ill. 60601.
D. (6) $900.72. E. (9) $8.74.

A. Frank J. Specht, Schenley Distillers, Inc., 1725 DeSales Street NW., Washington, D.C. 20036.
B. Schenley Distillers, Inc., 888 Seventh Avenue, New York, N.Y. 10019.

A. John F. Speer, Jr., 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. Robert A. Spelman, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
B. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $500. E. (9) $30.

A. Joseph L. Spilman, Jr., 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW, Washington, D.C. 20037.
D. (6) $483. E. (9) $100.

A. J. Roy Spradley, Jr., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Association of Electric Cos., 1140 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $312.50. E. (9) $13.20.

A. Squibb Corp., 40 West 57th Street, New York, N.Y. 10019.
E. (9) $310.

A. Lynn E. Stalbaum, 30 F Street NW., Washington, D.C. 20001.

B. National Milk Producers Federation, 30 F Street NW., Washington, D.C. 20001.
D. (6) $1,718.25. E. (9) $458.91.

A. The Standard Oil Co. (Ohio), Midland Building, Cleveland, Ohio 44115.
E. (9) $1,857.

A. Harker Stanton, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Agricultural Chemicals Association, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $100.

A. Melvin L. Stark, 1025 Connecticut Avenue NW., (Suite 415–Blake Building), Washington, D.C. 20036.
B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.
D. (6) $3,000. E. (9) $350.

A. Leon P. Stavrou, 1730 K Street NW., Washington, D.C. 20006.
B. American Hellenic Institute Public Affairs Committee, Inc., 1730 K Street NW., Suite 903, Washington, D.C. 20006.
D. (6) $186.70.

A. Eugene H. Stearns, South Dakota Petroleum Council, Division of API, P.O. Box 669, Pierre, S. Dak. 57501.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. David J. Steinberg, 1028 Connecticut Avenue NW., Washington, D.C. 20036.
B. National Council for a Responsible Firearms Policy, Inc., 1028 Connecticut Avenue NW., Washington, D.C. 20036.

A. Steinhart, Goldberg, Feigenbaum & Ladar, One Post Street, Suite 3400, San Francisco, Calif. 94104.
B. Valley Center Municipal Water District, Valley Center, Calif. 92082.
D. (6) $1,325. E. (9) $75.99.

A. Robert Stengel, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $325.

A. Paul W. P. Sternberg, 1750 New York Avenue NW., Washington, D.C. 20006.
B. National Oil Jobbers Council, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,750.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C.
B. Atlantic Richfield Co., 515 South Flower Street, Los Angeles, Calif. 90071.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Robert College of Istanbul, Turkey, 380 Madison Avenue, New York, N.Y. 10017.

A. Steptoe & Johnson, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
B. Rule of Law Committee, Suite 800, 1250 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $190. E. (9) $8.

A. Wynne A. Stevens, Jr., 1901 North Fort Myer Drive, Arlington, Va. 22209.
B. Gas Appliance Manufacturers Association, 1901 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $290.

A. Travis B. Stewart, Hoffmann-La Roche Inc., 1775 K Street NW., Washington, D.C. 20006.
B. Hoffmann-La Roche Inc., 340 Kingsland Street, Nutley, N.J. 07110.
D. (6) $375. E. (9) $150.

A. Edward W. Stimpson, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20036.
B. General Aviation Manufacturers Association, 1025 Connecticut Avenue NW., Suite 1215, Washington, D.C. 20008.
D. (6) $262.62.

A. B. R. Stokes, 1100 17th Street NW., Washington, D.C. 20036.
B. American Public Transit Association, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $750. E. (9) $111.

A. William M. Stover, 1825 Connecticut Avenue NW., Washington, D.C. 20009.
B. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $1,000. E. (9) $100.

A. O. R. Strackbein, 3505 North Abingdon Street, Arlington, Va. 22207.
B. International Allied Printing Trades Association, 1900 L Street NW., Washington, D.C. 20036.
D. (6) $625.

A. John D. Stringer, American Mutual Insurance Alliance, 1776 F Street NW., Washington, D.C. 20006.
B. American Mutual Insurance Alliance, 20 North Wacker Drive, Chicago, Ill. 60606.
E. (9) $1,760.

A. Norman Strunk, 111 East Wacker Drive, Chicago, Ill. 60601.
B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.
D. (6) $2,750. E. (9) $206.61.

A. Walter B. Stults, 512 Washington Building, Washington, D.C. 20005.
B. National Association of Small Business Investment Companies, 512 Washington Building, Washington, D.C. 20005.
D. (6) $2,400.

A. Barry Sullivan, 536 Washington Building, Washington, D.C. 20005.
B. The National Association of Dredging Contractors, 536 Washington Building, Washington, D.C. 20005.
D. (6) $600. E. (9) $81.72.

A. Roger H. Sullivan, Hawaiian Sugar Planters' Association, 723 Investment Building, Washington, D.C. 20005.
B. Hawaiian Sugar Planters' Association, Honolulu, Hawaii.

A. A. D. Sutherland, 104 South Main Street, Fond du Lac, Wis. 54935.

B. Alex Sullivan, court-appointed trustee for bondholders of the Joint Stock Land Bank of Milwaukee, Wisconsin, 434 South Marr Street, Fond du Lac, Wis. 54935.
E. (9) $196.34.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. World Airways, Inc., Oakland International Airport, Oakland, Calif. 94614.

A. Glenn A. Swanson, Independent Bankers Association of America, 1625 Massachusetts Avenue NW., No. 203, Washington, D.C. 20036.
B. Independent Bankers Association of America, Sauk Centre, Minn. 56378.
D. (6) $34,552.35. E. (9) $5,263.88.

A. Noble J. Swearingen, American Lung Association, 101 2d Street NE., Washington, D.C. 20002.
B. American Lung Association, 1740 Broadway, New York, N.Y. 10019.
D. (6) $1,000.

A. David A. Sweeney, 25 Louisiana Avenue NW., Washington, D.C. 20001.
B. International Brotherhood of Teamsters, 25 Louisiana Avenue NW., Washington, D.C. 20001.
D. (6) $8,750.06.

A. John R. Sweeney, Solar Building, 1000 16th Street NW., Washington, D.C. 20036.
B. Bethlehem Steel Corp., Bethlehem, Pa., 18016.
D. (6) $300. E. (9) $197.15.

A. Russell A. Swindell, P.O. Box 2635, Raleigh, N.C. 27602.
B. North Carolina Railroad Association, P.O. Box 2635, Raleigh, N.C. 27602.
D. (6) $916.50. E. (9) $999.48.

A. Matsuo Takabukia, 519 Halekauwila Street, Honolulu, Hawaii.
B. Estate of Bernice P. Bishop/Kamehameha Schools, 519 Halekauwila Street, Honolulu, Hawaii.

A. Charles C. Talley, 1725-A Solomon Road, Charlottesville, Va. 22901.
B. National Congress of Parents & Teachers, 700 North Rush Street, Chicago, Ill.

A. Norman Wilson Tanner, Jr., 1660 L Street NW., Suite 215-216, Washington, D.C. 20036.
B. Outdoor Advertising Association of America, Inc., 1660 L Street NW., Suite 215-216, Washington, D.C. 20036.
D. (6) $112. E. (9) $224.

A. Target '76, 951 Arden Way, Sacramento, Calif. 95815.
D. (6) $127,183.49. E. (9) $103,105.52.

A. Task Force Against Nuclear Pollution, Inc., 153 E Street NE., Washington, D.C. 20003.
D. (6) $11,157.55. E. (9) $9,167.40.

A. Sid Taylor, 625 East Capitol Street, Washington, D.C. 20003.
B. National Taxpayers Union, 625 East Capitol Street, Washington, D.C. 20003.
D. (6) $150. E. (9) $180.

A. William A. Taylor, c/o Mississippi Petroleum Council, a division of API, P.O. Box 42, Jackson, Miss. 39205.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

A. William K. Tell, Jr., 1001 Connecticut Avenue NW., Washington, D.C. 20036.
B. Texaco, Inc., 135 East 42d Street, New York, N.Y. 10017.
E. (9) $132.85.

A. Jerry P. Thompson, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
B. International Association of Machinists & Aerospace Workers, 1300 Connecticut Avenue NW, Washington, D.C. 20036.
D. (6) $3,432. E. (9) $186.28.

A. Myron Thompson, c/o Estate of Bernice P. Bishop/Kamehameha Schools, 519 Halekauwila Street, Honolulu, Hawaii.
B. Estate of Bernice P. Bishop/Kamehameha Schools, 519 Halekauwila Street, Honolulu, Hawaii.

A. William D. Thompson, General Motors Corp., 1660 L Street NW., Suite 804, Washington, D.C. 20036.
B. General Motors Corp., 3044 West Grand Blvd., Detroit, Mich.
D. (6) $3,000. E. (9) $2,679.79.

A. Terence Hastings Thorn, 1515 Wilson Blvd., Arlington, Va. 22209.
B. American Gas Association, 1515 Wilson Blvd., Arlington, Va. 22209.
D. (6) $1270. E. (9) $500.

A. Robert T. Thornburg, Minnesota Petroleum Council, 1020 Northern Federal Building, St. Paul, Minn. 55102.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $560.

A. Gilbert Thurm, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611; 925 15th Street NW., Washington, D.C. 20005.
D. (6) $1,500. E. (9) $13.50.

A. Samuel Thurm, 1725 K Street NW., Washington, D.C. 20006.
B. Association of National Advertisers, 155 East 44 Street, New York, N.Y. 10017.
E. (9) $21.93.

A. Cyrus C. Tichenor III, 815 Connecticut Avenue NW., Suite 1007, Washington, D.C. 20006.
B. A. H. Robins Co., Inc., 1407 Cummings Drive, Richmond, Va. 23220.
D. (6) $5,500. E. (9) $3,305.04.

A. Drew V. Tidwell, 1725 K Street NW., Washington, D.C. 20006.
B. Consumer Bankers Association, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $2,000. E. (9) $4,121.59.

A. Paul J. Tierney, 1100 17th Street NW., Washington, D.C. 20036.
B. Transportation Association of America, 1100 17th Street NW., Washington, D.C. 20036.
D. (6) $45. E. (9) $43.

A. Wallace Tillman, 2000 Florida Avenue NW., Washington, D.C. 20009.
B. National Rural Electric Cooperative Association, 2000 Florida Avenue NW., Washington, D.C. 20009.
D. (6) $165.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Alabama Gas Corp., 1918 First Avenue North, Birmingham, Ala. 35295.
D. (6) $43.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. The Association of Trial Lawyers of America, 1620 I Street NW., Washington, D.C. 20006.
D. (6) $457.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Atlanta Gas Light Co., P.O. Box 4569, Atlanta, Ga. 30302.
D. (6) $43.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Citizens Gas & Coke Utility, 2020 North Meredian Street, Indianapolis, Ind. 46202.
D. (6) $43.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Connecticut Natural Gas Corp., P.O. Box 1230, Hartford, Conn. 06101.
D. (6) $43.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Elizabethtown Gas Co., 1 Elizabethtown Plaza, Elizabethtown, N.J. 07207.
D. (6) $43.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Laclede Gas Co., 720 Olive Street, St. Louis, Mo. 63101.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Middle South Services, Inc., Box 61000, New Orleans, La. 70161.
D. (6) $550.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. National Rifle Association of America, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $913.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Natural Gas Supply Committee, 1025 Connecticut Avenue NW., Washington, D.C. 20006.
D. (6) $720.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Riviana Foods, Inc., P.O. Box 2636, Houston, Tex. 77001.
D. (6) $1,325.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Sea Oil & General Corp., 910 17th Street NW., Washington, D.C. 20006.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. G. D. Searle & Co., P.O. Box 1045, Skokie, Ill. 60076.
D. (6) $415.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Standard Oil Co. of Indiana, 1000 16th Street NW., Washington, D.C. 20036.
D. (6) $1,577.

A. Timmons & Co., Inc., 1776 F Street NW., Washington, D.C. 20006.
B. Washington Gas Light Co., 1100 H Street NW., Washington, D.C. 20800.
D. (6) $43.

A. Michael L. Tiner, Active Ballot Club Department, Retail Clerks International Association, AFL-CIO, 1775 K Street NW., Washington, D.C. 20006.
B. Retail Clerk's International Association, AFL-CIO, 1775 K Street NW., Washington, D.C. 20006.
D. (6) $3,704.74. E. (9) $569.14.

A. E. Linwood Tipton, 1105 Barr Building, Washington, D.C. 20006.

B. International Association of Ice Cream Manufacturers & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. Tobacco Associates, Inc., 1101 17th Street NW., Washington, D.C. 20036.

E. (9) $2,011.

A. Maurice B. Tobin, Potlatch Corp., 1010 16th Street NW., Washington, D.C.

B. Potlatch Corp., 1 Maritime Plaza Box 3591, San Francisco, Calif. 94119.

D. (6) $25.

A. H. Willis Tobler, 1735 I Street, Washington, D.C. 20006.

B. E. A. Jaenke & Associates, Inc., 1735 I Street NW., Suite 610, Washington, D.C. 20006.

D. (6) $750.

A. David R. Toll, 1140 Connecticut Avenue, No. 1010, Washington, D.C. 20036.

B. National Association of Electric Companies, 1140 Connecticut Avenue NW., No. 1010, Washington, D.C. 20036.

D. (6) $975. E. (9) $378.30.

A. William D. Toohey, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Discover America Travel Organizations, Inc., 1100 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $1,425. E. (9) $50.

A. John Tope, 1101 15th Street NW., Washington, D.C. 20005.

B. Republic Steel Corp., Republic Building, Cleveland, Ohio 44101.

A. Howard A. Topel, 307 Southern Building, Washington, D.C. 20005.

B. Mullin, Connor & Rhyne, 307 Southern Building, Washington, D.C. 20005. (Client: Alberto de la Vega-Ripol, 804 Garching, Konigsbergerstr. 2, West Germany.

D. (6) $414. E. (9) $3.10.

A. John P. Tracey, American Bar Association, Washington, D.C. 20036.

B. American Bar Association, 1800 M Street NW., Washington, D.C. 20036.

D. (6) $200. E. (9) $25.

A. Transportation Association of America, 1100 17th Street NW., Suite 1107, Washington, D.C. 20036.

E. (9) $91.20.

A. W. M. Trevarrow, 976 National Press Building, Washington, D.C. 20045.

B. American Motors Corp., 14250 Plymouth Road, Detroit, Mich. 48232.

D. (6) $5,625. E. (9) $287.50.

A. Paul E. Trimble, 1411 Rockefeller Building, Cleveland, Ohio 44113.

E. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. Glenwood S. Troop, Jr., 1709 New York Avenue NW., Suite 801, Washington, D.C. 20006.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill.

D. (6) $6,875. E. (9) $82.

A. Ronald R. Tullos, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $400. E. (9) $63.

A. Bruce H. Turnbull, National Retail Merchants Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Retail Merchants Association, 100 West 31st Street, New York, N.Y. 10001.

D. (6) $100. E. (9) $12.

A. John G. Turner, Jr., Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

B. Chevron Oil Co., a subsidiary of Standard Oil Co. of California, Suite 1204, 1700 K Street NW., Washington, D.C. 20006.

D. (6) $150. E. (9) $82.44.

A. Richard F. Turney, 1725 K Street NW., Washington, D.C. 20006.

B. Courtney & McCamant, 1725 K Street NW., Washington, D.C. 20006.

D. (6) $300.

A. St. Clair J. Tweedie, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.

B. American Footwear Industries Association, 1611 North Kent Street, Arlington, Va. 22209.

D. (6) $750. E. (9) $1,500.

A. St. Clair J. Tweedie, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.

B. International Leather Goods, Plastics & Novelty Workers' Union, 265 West 14th Street, New York, N.Y. 10011.

D. (6) $250. E. (9) $225.

A. St. Clair J. Tweedie, Suite 800, 1101 17th Street NW., Washington, D.C. 20036.

B. The National Handbag Association, 347 Fifth Avenue, New York, N.Y. 10016.

D. (6) $250. E. (9) $225.

A. Joseph D. Tydings, Danansky, Dickey, Tidings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.

B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $40.51. E. (9) $40.51.

A. Wayne Underwood, 1030 15th Street NW., Washington, D.C.

B. American Seed Trade Association, Suite 964, 1030 15th Street NW., Washington, D.C.

D. (6) $375.

A. United Brotherhood of Carpenters & Joiners of America, 101 Constitution Avenue NW., Washington, D.C. 20001.

E. (9) $12,883.39.

A. United Egg Producers, 3951 Snapfinger Parkway, Suite 580, Decatur, Ga. 30032.

E. (9) $1,375.

A. United Mine Workers of America, 900 15th Street NW., Washington, D.C. 20005.

E. (9) $2,672.95.

A. U.S. Cane Sugar Refiners' Association, 1001 Connecticut Avenue, Washington, D.C. 20036.

E. (9) $360.94.

A. United States League of Savings Associations, 111 E. Wacker Drive, Chicago, Ill.

E. (9) $74,398.36.

A. Herbert C. Upson, 260 Madison Avenue, New York, N.Y. 10016.

B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. J. Joseph Vacca, 100 Indiana Avenue NW., Washington, D.C. 20001.

B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.

D. (6) $4,048.21.

A. John A. Vance, Pacific Gas & Electric Co., 1150 17th Street, NW., No. 1109, Washington, D.C. 20036.

B. Pacific Gas & Electric Co., 77 Beale Street, San Francisco, Calif. 94106.

D. (6) $1300. E. (9) $839.59.

A. Ted Van Dyk Associates, Inc., 1156 15th Street NW., No. 900, Washington, D.C. 20005.

B. Eli Lilly & Co., 307 East McCarty Street, Indianapolis, Ind. 46206.

E. (9) $164.75.

A. Ted Van Dyk Associates, Inc., 1156 15th Street NW., Suite No. 900, Washington, D.C. 20005.

B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.

E. (9) $63.55.

A. H. Stewart Van Scoyoc, 1701 Pennsylvania Avenue NW., Suite 210, Washington, D.C. 20006.

B. E. I. du Pont de Nemours & Co., 1007 Market Street, Wilmington, Del. 19898.

D. (6) $80. E. (9) $8.00.

A. Louis Van Valkenburg, Citizens Committee for UNICEF, 3512 Halcyon Drive, Alexandria, Va. 22305.

B. Citizens Committee for UNICEF, 110 Maryland Avenue, NE. Washington, D.C. 20002.

D. (6) $92.50. E. (9) $5.36.

A. Gerald J. Van Heuven, 100 NE. Adams Street, Peoria, Ill. 61629.

B. Caterpillar Tractor Co., 100 NE. Adams Street, Peoria, Ill. 61629.

D. (6) $300. E. (9) $193.25.

A. Jerry T. Verkler, 1660 L Street NW., Suite 901, Washington, D.C. 20036.

B. Texas Eastern Transmission Corp., P.O. Box 2521, Houston, Tex. 77001.

E. (9) $374.39.

A. Richard E. Vernor, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. R. Eric Vige, 1660 L Street NW., Washington, D.C. 20036.

B. Cities Service Co., 1660 L Street NW., Washington, D.C. 20036.

A. Elizabeth Alderman Vinson, 1730 M Street N.W., Washington, D.C. 20036.

B. League of Women Voters of the U.S., 1730 M Street, NW., Washington, D.C. 20036.

D. (6) $812.

A. Walter D. Vinyard, Jr., 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.

B. American Insurance Association, 1025 Connecticut Avenue NW., Suite 415, Washington, D.C. 20036.

D. (6) $1,500. E. (9) $250.

A. Andrew Vitali, Jr., 2101 L Street NW., Washington, D.C. 20037.

B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.

D. (6) $3,600. E. (9) $650.

A. David K. Voight, 490 L'Enfant Plaza East, SW., Suite 3206, Washington, D.C. 20024.

B. National Federation of Independent Business, 490 L'Enfant Plaza East SW., Suite 3206, Washington, D.C. 20024.

D. (6) $2,250. E. (9) $751.

A. Robert J. Wager, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Bakers Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Alameda Naval Employees' Association, Alameda Naval Air Station, Alameda, Calif.
D. (6) $750. E. (9) $456.48.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. American Association of Independent News Distributors, 50 California Street, San Francisco, Calif.
D. (6) $3,000. E. (9) $1,229.87.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Friends of Earth, 529 Commercial, San Francisco, Calif.
D. (6) $624. E. (9) $115.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. National Association of Letter Carriers, 100 Indiana Avenue NW., Washington, D.C. 20001.
D. (6) $8,739.88. E. (9) $348.85.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Recording Industry Association of America, One East 57th Street, New York, N.Y. 10022.
D. (6) $6,672. E. (9) $234.89.

A. Jerome R. Waldie, 100 Indiana Avenue NW., Washington, D.C. 20001.
B. Task Force One, Pt. Mugu, Calif.
D. (6) $750.

A. Robert E. Waldron, c/o Associated Petroleum Industries of Michigan, a division of American Petroleum Institute, 930 Michigan National Tower, Lansing, Mich. 48933.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $391.25. E. (9) $448.43.

A. E. F. Waldrop, Jr., Association of American Railroads, 40 Ivy Street SE., Washington, D.C. 20003.
B. Association of American Railroads, 1920 L Street NW., Washington, D.C. 20036.
D. (6) $752.50.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Allen Products Co., Inc., P.O. Box 2187, R. D. No. 3, Allentown, Pa. 18001.
D. (6) $725.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Allied Chemical Corp., P.O. Box 1057–R, Morristown, N.J. 07960.
D. (6) $300.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Aluminum Co. of America, Washington, D.C. 20006.
D. (6) $657.14.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Airlines, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Bethlehem Steel Corp., Bethlehem, Pa. 18016.
D. (6) $300.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Cigar Association of America, Inc., 575 Madison Avenue, New York, N.Y. 10022.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Eastern Airlines, Inc., 10 Rockefeller Plaza, New York N.Y. 10020.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. E. I. duPont de Nemours, Wilmington, Del. 19898.
D. (6) $300.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Federal National Mortgage Association, 1133 15th Street NW., Washington, D.C. 20005.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Ford Motor Co., The American Road, Dearborn, Mich. 48121.
D. (6) $657.14.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. General Electric Co., Washington, D.C. 20005.
D. (6) $300.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. General Motors Corp., General Motors Building, Detroit, Mich. 48202.
D. (6) $300.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Geothermal Kinetics, Inc., 301 West Indian School Road, Phoenix, Ariz. 85013.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., 1800 K Street NW., Washington, D.C. 20006.
D. (6) $357.14.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. International Paper Co., 1620 I Street, Suite 700, Washington, D.C. 20006.
D. (6) $357.14.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Laredo National Bank, Laredo, Tex. 78040, et al.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Magma Power Co., 631 South Witmer Street, Los Angeles, Calif. 90017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. McCulloch Oil Corp., 10880 Wilshire Boulevard, Los Angeles, Calif. 90024.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Bankers Association, Suite 1192, South Building, 950 L'Enfant Plaza, Washington, D.C. 20024.
D. (6) $250.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. National Steel Corp., 2800 Grant Building, Pittsburgh, Pa. 15219.
D. (6) $300.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Owens-Illinois, Inc., Owens-Illinois Building, P.O. Box 1035, Toledo, Ohio. 43666.
D. (6) $416.66.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Pan American World Airways, Inc., Pan Am Building, New York, N.Y. 10017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Procter & Gamble, Cincinnati, Ohio 45201.
D. (6) $357.14.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Trans World Airlines, Inc., 605 Third Avenue, New York, N.Y. 10016.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Carbide Corp., 270 Park Avenue, New York, N.Y. 10017.
D. (6) $657.14.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Union Oil Co. of California, 461 South Boylston, Los Angeles, Calif. 90017.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. United Air Lines, Inc., P.O. Box 66100, Chicago, Ill. 60666.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. United States Steel Corp., 1625 K Street NW., Washington, D.C. 20006.
D. (6) $300.

A. Charls E. Walker Associates, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Wheelabrator-Frye, Inc., 299 Park Avenue, New York, N.Y. 10017.

A. R. Duffy Wall, 1800 M Street NW., Washington, D.C. 20036.
B. Freeport Minerals Co., 161 East 42 Street, New York, N.Y. 10017.
D. (6) $250.

A. Carl S. Wallace, 1800 K Street NW., Suite 614, Washington, D.C. 20006.
B. Bipartisan Committee on Absentee Voting, Inc., 1800 K Street NW., Suite 614, Washington, D.C. 20006.
E. (9) $42.03.

A. Carl S. Wallace, 1800 K Street, NW., Suite 614, Washington, D.C. 20006.
B. Purolator, Inc., 255 Old New Brunswick Road, Piscataway, N.J. 08854.

A. Lionel L. Wallenrod, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, Inc., 260 Madison Avenue, New York, N.Y. 10016.

A. Jack A. Waller, 1750 New York Avenue NW., Washington, D.C. 20006.

B. International Association of Fire Fighters, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $7,050.70.

A. Charles S. Walsh, 918 16th Street NW., Washington, D.C. 20006.
B. National Cable Television Association, Inc., 918 16th Street NW., Washington, D.C. 20006.
D. (6) $900. E. (9) $50.

A. J. W. Walsh, Brotherhood of Railroad Signalmen, 400 First Street NW., Washington, D.C. 20001.
B. Brotherhood of Railroad Signalmen, 601 West Golf Road, Mount Prospect, Ill. 60056.
D. (6) $350.

A. Richard D. Warden, 1125 15th Street NW., Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $7,168.86. E. (9) $558.47.

A. Jack Ware, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $2,190. E. (9) $162.90.

A. Michael O. Ware, 1776 F Street NW., Washington, D.C. 20006.
B. National Association of Manufacturers, 1776 F Street NW., Washington, D.C. 20006.

A. Peter F. Warker, TRW, Inc., 2030 M Street NW., Washington, D.C. 20036.
B. TRW, Inc., 23555 Euclid Avenue, Cleveland, Ohio 44117.
D. (6) $350.

A. Washington Board of Realtors, 1511 K Street NW., No. 439, Washington, D.C. 20005.

A. Washington Research Project Action Council, 1520 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $3,030. E. (9) $2,782.87.

A. Robert B. Washington, Jr., Danzansky, Dickey, Tydings, Quint & Gordon, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. Potomac Electric Power Co., 1900 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $20.75. E. (9) $20.75.

A. J. Wesley Watkins III, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $3,000.

A. Ralph J. Watson, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Rockwell International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $360. E. (9) $142.75.

A. George B. Watts, 1155 15th Street NW., Washington, D.C.
B. National Broiler Council, 1155 15th Street NW., Washington, D.C. 20005.
D. (6) $450.

A. Ray Wax, c/o Robert L. Melbern, Route 3, Gatesville, Tex. 76528.
B. National Association of Farmer Elected Committeemen, c/o Robert L. Melbern, Route 3, Gatesville, Tex. 76528.
E. (9) $78.34.

A. W. H. Weatherspoon, N.C. Petroleum Council, Division of API, P.O. Box 167 Raleigh, N.C. 27602.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $275.

A. Clyde M. Webber, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
B. American Federation of Government Employees, 1325 Massachusetts Avenue NW., Washington, D.C. 20005.
D. (6) $12,828.90. E. (9) $1,555.12.

A. Webster, Kilcullen & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Paratransit Institute, 222 Wisconsin Avenue, Lake Forest, Ill. 60045.
D. (6) $425.

A. Webster, Kilcullen & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Society of Association Executives, 1101 16th Street NW., Washington, D.C. 20036.
D. (6) $3,310. E. (9) $172.

A. Webster, Kilcullen & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Society of Radiologic Technologist, 500 North Michigan Avenue, Chicago, Ill. 60611.
D. (6) $3,000.

A. Webster, Kilcullen & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Associated Credit Bureaus, Inc., 6767 Southwest Freeway, Houston, Tex.
D. (6) $350.

A. Webster, Kilcullen & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Sands Springs Home, care of E. J. Doerner, 1200 Atlas Life Building, Tulsa, Okla.

A. Webster, Kilcullen & Chamberlain, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Truck Body & Equipment Association, Inc., Suite 1220, 5530 Wisconsin Avenue NW., Washington, D.C. 20015.

A. Theodore F. Weihe, 1730 M Street NW., Washington, D.C. 20036.
B. League of Women Voters of the U.S., 1730 M Street NW., Washington, D.C. 20036.
D. (6) $727.

A. David M. Weiman, 1012 14th Street NW., Washington, D.C.
B. The Farmers' Educational and Co-Operative Union of America, P.O. Box 39251, Denver, Colo.; 1012 14th Street NW., Washington, D.C.
D. (6) $2,492.28. E. (9) $99.42.

A. Joan Weinstock, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometic Association, care of Alvin Levin, O.D., 120 South Hanover Street, Carlisle, Pa. 17013.
D. (6) $259.61. E. (9) $95.72.

A. Weisman, Celler, Spett, Modlin, & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. American Society of Composers, Authors & Publishers, ASCAP Building, One Lincoln Plaza, New York, N.Y. 10023.
D. (6) $3,600.

A. Weisman, Celler, Spett, Modlin, & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. Beneficial Management Corp., 200 South Street, Morristown, N.J.
D. (6) $2,000.

A. Weisman, Celler, Spett, Modlin, & Wertheimer, 1025 Connecticut Avenue NW., Suite 910, Washington, D.C. 20036.
B. National Football League Players Association, 1300 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $2,000.

A. Morton N. Weiss, 55 Broad Street, New York, N.Y. 10004.
B. National Security Traders Association, Inc., 55 Broad Street, New York, N.Y. 10004.
D. (6) $1,500.

A. Thomas F. Wenning, 1625 K Street NW., Washington, D.C. 20006.
B. National Association of Retail Grocers of the United States, 2000 Spring Road, Oak Brook, Ill. 60521.
D. (6) $50. E. (9) $14.95.

A. Carol Werner, 706 Seventh Street SE., Washington, D.C. 20003.
B. National Abortion Rights Action League, 706 Seventh Street SE., Washington, D.C. 20003.
D. (6) $3,750.

A. Fred W. Wertheimer, 2030 M Street NW., Washington, D.C. 20036.
B. Common Cause, 2030 M Street NW., Washington, D.C. 20036.
D. (6) $8,250. E. (9) $832.08.

A. Harry H. Westbay III, 1625 I Street NW., Suite 805, Washington, D.C. 20006.
B. St. Regis Paper Co., 150 East 42d, New York, N.Y. 10017.
D. (6) $300. E. (9) $150.

A. West Mexico Vegetable Distributors Association, P.O. Box 848, Nogales, Ariz. 85621.
E. (9) $500.

A. Harvey J. Wexler, Continental Airlines, Inc., 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Continental Airlines, Inc., International Airport, Los Angeles, Calif. 90009.
D. (6) $200. E. (9) $129.65.

A. Clyde A. Wheeler, Jr., 1800 K Street NW., Suite 820, Washington, D.C. 20006.
B. Sun Oil Co., 240 Radnor-Chester Road, St. Davids, Pa., 19087.
D. (6) $10,000. E. (9) $2,075.

A. Edwin M. Wheeler, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
E. (9) $25.

A. Wheeler, Van Sickle & Anderson, 25 West Main Street, Madison, Wis. 53703.
B. Marshall & Ilsley Bank, 770 North Water Street, Milwaukee, Wis. 53202.

A. White & Case, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. New England Petroleum Corp., 825 Third Avenue, New York, N.Y. 10022.

A. White & Case, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. North American Car Corp., 222 South Riverside Plaza, Chicago, Ill. 60606.

A. Donald F. White, 1616 H Street NW., Washington, D.C. 20006.
B. American Retail Federation, 1616 H Street NW., Washington, D.C. 20006.
D. (6) $1,000. E. (9) $70.

A. John C. White, 1101 17th Street NW., Suite 1008, Washington, D.C. 20036.
B. Private Truck Council of America, Inc., 1101 17th Street NW., Suite 1008, Washington, D.C. 20036.

A. John S. White, Marathon Oil Co., 1625 I Street NW., Suite 420, Washington, D.C. 20006.
B. Marathon Oil Co., Findlay, Ohio 45840.

A. Douglas Whitlock II, 1660 L Street NW., Suite 512, Washington, D.C. 20036.
B. Zale Corp., 1660 L Street NW., Suite 512, Washington, D.C. 20036.
D. (6) $500. E. (9) $150.

A. Anne Wickham, 620 C Street SE., Washington, D.C. 20003.
B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.
D. (6) $1,800.

A. Leonard M. Wickliffe, 1620 I Street NW., Suite 615, Washington, D.C. 20006.
B. California Railroad Association, Eleventh and L Building, Sacramento, Calif. 95814.
D. (6) $8,750.01. E. (9) $5,313.23.

A. Richard J. Wiechmann, 260 Madison Avenue, New York, N.Y. 10016.
B. American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.
E. (9) $149.49.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. American Society of Travel Agents Inc., 711 Fifth Avenue, New York, N.Y. 10022.
E. (9) $1,175.97.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Arapahoe Tribe of Indians, Fort Washakie, Wyo.
E. (9) $150.61.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Association of Data Processing Service Organizations, Inc., 420 Lexington Avenue, New York, N.Y. 10017.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Bonneville International Corp., Suite 2100, 36 South State Street, Salt Lake City, Utah.
E. (9) $187.53.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Brigham Young University, Provo, Utah.
E. (9) $3.44.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. College Placement Council, Inc., 65 East Elizabeth Street, Bethlehem, Pa.
E. (9) $31.03.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Confederated Salish and Kootenai Tribes of the Flathead Reservation, Mont.
E. (9) $186.40.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Estate of Albert W. Small, c/o Mrs. Albert W. Small, 5803 Greentree Road, Bethesda, Md.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Hoopa Valley Tribe, P.O. Box 817, Hoopa, Calif.
E. (9) $110.63.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Nana Regional Corp., Inc., Box 48, Kotzebue, Alaska 99752.
E. (9) $12.50.

A. Wilkinson, Cragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. National Association of Insurance Agents, Inc., 85 John Street, New York, N.Y. 10038.
E. (9) $150.

A. Wilkinson, Gragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. Quinaielt Tribe of Indians, Taholah, Wash.
E. (9) $133.92.

A. Wilkinson, Gragun & Barker, 1735 New York Avenue NW., Washington, D.C. 20006.
B. The Three Affiliated Tribes of the Fort Berthold Reservation, New Town, N. Dak.
E. (9) $167.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. The Coca-Cola Co., P.O. Drawer 1734, Atlanta, Ga. 30301.
D. (6) $387.50. E. (9) $9.90.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. Pasco, Inc., P.O. Box 1677, Englewood, Colo. 80110.
D. (6) $1,287.50. E. (9) $1,289.45.

A. Williams, Connolly & Califano, 1000 Hill Building, Washington, D.C. 20006.
B. Pfizer, Inc., 235 East 42d Street, New York, N.Y. 10017.

A. Francis G. Williams, 919 18th Street NW., Washington, D.C. 20006.
B. American Frozen Food Institute, 919 18th Street NW., Washington, D.C. 20006.
D. (6) $50.

A. Harry D. Williams, 1025 Connecticut Avenue NW., No. 507, Washington, D.C. 20036.
B. Ashland Oil, Inc., P.O. Box 391, Ashland, Ky. 41101
D. (6) $500.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Blomquist, Batte, & Campbell, Inc., 1039 College Avenue, Wheaton, Ill. 60187.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Estee Lauder, Inc., 767 Fifth Avenue, New York, N.Y. 10022.
D. (6) $1,200. E. (9) $110.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Farmers Land & Canal Co., Inc, P.O. Box 996, Lake Charles, La. 70601.
D. (6) $200. E. (9) $7.50.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. IU International Management Corp., 1500 Walnut Street, Philadelphia, Pa. 19102.
D. (6) $3,000. E. (9) $300.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Litton Industries, Inc., 360 North Crescent Drive, Beverly Hills, Calif. 90210.
E. (9) $110.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Krause Milling Co., P.O. Box 1156, Milwaukee, Wis. 53201.
D. (6) $750. E. (9) $75.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. The Louisiana Land and Exploration Co., P.O. Box 60350, New Orleans, La. 70160.
D. (6) $1,100. E. (9) $110.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
E. (9) $10.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Martin, Ryan, Haley & Associates, Inc., 40 Central Park South, New York, N.Y. 10019.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. National Health Legislation Council, P.O. Box 4626, Columbus, Ohio 43212.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Truck Body and Equipment Association, Inc., 5530 Wisconsin Avenue NW., Suite 1220, Washington, D.C. 20015.
D. (6) $100. E. (9) $10.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Tyson Foods, Inc., Drawer E, Springdale, Ark. 72764.
D. (6) $500. E. (9) $50.

A. Williams & Jensen, 1130 17th Street NW., Washington, D.C. 20036.
B. Ward Industries, Inc., P.O. Box 849, Conway, Ark. 72032.

A. Lucinda L. Williams, 1600 South Eads Street, Arlington, Va. 22202.
B. F.A.I.R., 3706 Washington Boulevard, Indianapolis, Ind.
D. (6) $2,500. E. (9) $100.

A. Robert E. Williams, United Airlines, 1825 K Street NW., No. 607, Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $1,250. E. (9) $379.76.

A. Thomas C. Williams, One Farragut Square South, Washington, D.C. 20006.
B. National Football League, 410 Park Avenue, New York, N.Y. 10022.
D. (6) $1,500. E. (9) $45.

A. George S. Wills, Hill and Knowlton, Inc., 1425 K Street NW., Washington, D.C. 20005.
B. Hill and Knowlton, Inc., 633 Third Avenue, New York, N.Y. 10017.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Business Roundtable, 888 17th Street NW., Washington, D.C. 20006.
D. (6) $838.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Council for Responsible Nutrition, 1225 Connecticut Avenue NW., Washington, D.C. 20036.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Manufacturing Chemists Association, Inc., 1825 Connecticut Avenue NW., Washington, D.C. 20009.
D. (6) $1,655.50. E. (9) $25.30.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Marianas Political Status Commission, P.O. Box 977, Saipan, Mariana Islands 96950.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. National Corporation for Housing Partnerships and The National Housing Partnership, 1133 15th Street NW., Washington, D.C. 20005.
D. (6) $7,360. E. (9) $7,380.

A. Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.
B. Oil Investment Institute, 2500 Dunstan, Houston, Tex. 77005.

A. Dorothy Wilson, 4201 Cathedral Avenue NW., 1205 East, Washington, D.C.
B. Coalition of Concerned Charities, c/o Barbara J. Washburn, 1776 F Street NW., Washington, D.C. 20006.

A. W. E. Wilson, 623 Ockley Drive, Shreveport, La. 71106.
B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
D. (6) $937.50. E. (9) $342.21.

A. R. J. Winchester, 900 Southwest Tower, Houston, Tex. 77002.
B. Pennzoil Co., 900 Southwest Tower, Houston, Tex. 77002.
D. (6) $6,600. E. (9) $2,050.

A. Curtin Winsor, Jr., 900 17th Street NW., Washington, D.C. 20006.
B. The Chase Manhattan Bank, 1 Chase Manhattan Plaza, New York, N.Y. 10015.
D. (6) $62.50. E. (9) $17.66.

A. Winston & Strawn, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Gould, Inc., 8550 West Bryn Mawr Avenue, Chicago, Ill. 60631.

A. Winston & Strawn, Suite 1040, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. International Council of Shopping Centers, 445 Park Avenue, New York, N.Y. 10022.
D. (6) $150. E. (9) $315.94.

A. A. W. Winter, P.O. Box 1677, Englewood, Colo. 80110.
B. Pasco, Inc., P.O. Box 1677, Englewood, Colo. 80110.

A. Russell C. Wisor, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
B. National Rifle Association, 1600 Rhode Island Avenue NW., Washington, D.C. 20036.
D. (6) $537. E. (9) $132.34.

A. Richard F. Witherall, 702 Majestic Building, Denver, Colo. 80202.
B. Colorado Railroad Association, 702 Majestic Building, Denver Colo.
D. (6) $1,035. E. (9) $2,385.

A. John H. Witmer, Jr., Sidley & Austin, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. The Reuben H. Donnelley Corp., 2000 Clearwater Drive, Oak Brook, Ill. 60521.

A. Glenn P. Witte, 1105 Barr Building, Washington, D.C. 20006.
B. International Association of Ice Cream Manufacturer & Milk Industry Foundation, 1105 Barr Building, Washington, D.C. 20006.

A. James E. Wolf, The Trane Co., 2020 14th Street North, Arlington, Va. 22201.
B. The Trane Co., 3600 Pammel Creek Road, La Crosse, Wis. 54601.
D. (6) $600. E. (9) $36.70.

A. Sidney M. Wolfe, 2000 P Street NW., Suite 708, Washington, D.C. 20036.
B. Health Research Group, 2000 P Street NW., Washington, D.C.
D. (6) $100.

A. Nathan T. Wolkomir, 1016 16th Street NW., Washington, D.C. 20036.
B. National Federation of Federal Employees, 1016 16th Street NW., Washington, D.C. 20036.
D. (6) $10,769.22. E. (9) $155.05.

A. David G. Wood, United Airlines, 1825 K Street NW., Suite 607, Washington, D.C. 20006.
B. United Airlines, P.O. Box 66100, Chicago, Ill. 60666.
D. (6) $1,230. E. (9) $363.

A. Merle E. Wood, 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
B. Ewing M. Kauffman, Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
D. (6) $450. E. (9) $589.56.

A. Merle E. Wood, 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
B. Marion Laboratories, Inc., 10236 Bunker Ridge Road, Kansas City, Mo. 64137.
D. (6) $450. E. (9) $589.56.

A. Albert Young Woodward, 1625 I Street NW., Washington, D.C.
B. The Flying Tiger Line, Inc., Los Angeles International Airport, Los Angeles, Calif.

A. James W. Woodward, 2000 Clearwater Drive, Oak Brook, Ill. 60521.
B. The Reuben H. Donnelley Corp., 2000 Clearwater Drive, Oak Brook, Ill. 60521.
D. (6) $300.

A. Perry W. Woofter, 2101 L Street NW., Washington, D.C. 20037.
B. American Petroleum Institute, 2101 L Street NW., Washington, D.C. 20037.
D. (6) $3,000. E. (9) $173.10.

A. George M. Worden, 1425 K Street NW., Washington, D.C. 20005.
B. Hill & Knowlton, Inc., 1425 K Street NW., No. 1000, Washington, D.C. 20005.

A. World Federalists, USA, 1424 16th Street NW., Washington, D.C. 20036.
D. (6) $2,500.

A. Edward E. Wright, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Rubber Manufacturers Association, 1901 Pennsylvania Avenue NW., Washington, D.C. 20006.
D. (6) $5,400.

A. Wyman, Bautzer, Rothman & Kuchel, Suite 1000, the Watergate 600, 600 New Hampshire Avenue NW., Washington, D.C. 20037.
B. Petersen Publishing Co., 8490 Sunset Boulevard, Los Angeles, Calif. 90069.
D. (6) $50.

A. Dennis M. Yamamoto, American Optometric Association, 1730 M Street NW., Washington, D.C. 20036.
B. American Optometric Association, c/o Alvin Levin, O.D., 120 S. Hanover Street, Carlisle, Pa. 17013.
D. (6) $864.72. E. (9) $641.80.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. John H. Yingling, 1156 15th Street NW., Suite 701, Washington, D.C. 20005.
B. First National City Bank, 399 Park Avenue, New York, N.Y. 10022.
D. (6) $200. E. (9) $174.49.

A. Kenneth Young, AFL-CIO, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $9,315. E. (9) $364.50.

A. Robert J. Young, Suite 1014, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
B. Exxon Corp., 1251 Avenue of the Americas, New York, N.Y.

A. Your Man in Washington, P.O. Box 343, Glenn Dale, Md. 20769.
B. The Good Sam Club, 23945 Craftsman Road, Calabasas, Calif. 91302.
D. (6) $350.

A. Your Man in Washington, P.O. Box 343, Glenn Dale, Md. 20769.
B. Otis Elevator Co., 750 Third Avenue, New York, N.Y. 10017.
D. (6) $1,360.

A. Eugene A. Yourch, 17 Battery Place North, New York, N.Y. 10004.
B. Federation of American Controlled Shipping, 17 Battery Place North, New York, N.Y. 10004.

A. Donald Zahn, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22038.
D. (6) $658. E. (9) $208.

A. John S. Zapp, 1776 K Street NW., Washington, D.C. 20006.
B. American Medical Association, 535 North Dearborn Street, Chicago, Ill. 60610.
D. (6) $2,400. E. (9) $257.

A. Thomas K. Zaucha, 1725 I Street NW., Washington, D.C.
B. National Association of Food Chains, 1725 I Street NW., Washington, D.C.
E. (9) $750.

A. Donald P. Zeifang, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $321.41.

A. Paul G. Zurkowski, 4720 Montgomery Lane, Bethesda, Md. 20014.
B. Information Industry Association, 4720 Montgomery Lane, Bethesda, Md. 20014.
D. (6) $462.50. E. (9) $35.

A. Charles O. Zuver, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
B. American Bankers Association, 1120 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $4,000. E. (9) $212.09.

***All alphanumeric characters and monetary amounts refer to receipts and expenditures on page 2, paragraphs D and E of the Quarterly Report Form.**

The following quarterly reports were submitted for the third calendar quarter of 1974:

File One Copy With the Secretary of the Senate and File Two Copies With the Clerk of the House of Representatives:

This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.

Place an "X" Below the Appropriate Letter or Figure in the Box at the Right of the "Report" Heading Below:

"Preliminary" Report ("Registration"): To "register," place an "X" below the letter "P" and fill out page 1 only.

"Quarterly" Report: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.

Year: 19_______ ◄

REPORT

Pursuant to Federal Regulation of Lobbying Act

P	QUARTER			
	1st	2d	3d	4th
(Mark one square only)				

Note on Item "A".—(a) In General. This "Report" form may be used by either an organization or an individual, as follows:

(i) "Employee".—To file as an "employee", state (in Item "B") the name, address, and nature of business of the "employer". (If the "employee" is a firm [such as a law firm or public relations firm], partners and salaried staff members of such firm may join in filing a Report as an "employee".)

(ii) "Employer".—To file as an "employer", write "None" in answer to Item "B".

(b) Separate Reports. An agent or employee should not attempt to combine his Report with the employer's Report:

(i) Employers subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their agents or employees.

(ii) Employees subject to the Act must file separate Reports and are not relieved of this requirement merely because Reports are filed by their employers.

A. Organization or Individual Filing:

1. State name, address, and nature of business.

2. If this Report is for an Employer, list names of agents or employees who will file Reports for this Quarter.

Note on Item "B".—*Reports by Agents or Employees.* An employee is to file, each quarter, as many Reports as he has employers, except that: (*a*) If a particular undertaking is jointly financed by a group of employers, the group is to be considered as one employer, but all members of the group are to be named, and the contribution of each member is to be specified; (*b*) if the work is done in the interest of one person but payment therefor is made by another, a single Report—naming both persons as "employers"—is to be filed each quarter.

B. Employer.—State name, address, and nature of business. If there is no employer, write "None."

Note on Item "C".—(*a*) The expression "in connection with legislative interests," as used in this Report, means "in connection with attempting, directly or indirectly, to influence the passage or defeat of legislation." "The term 'legislation' means bills, resolutions, amendments, nominations, and other matters pending or proposed in either House of Congress, and includes any other matter which may be the subject of action by either House"—§ 302(e).

(*b*) Before undertaking any activities in connection with legislative interests, organizations and individuals subject to the Lobbying Act are required to file a "Preliminary" Report (Registration).

(*c*) After beginning such activities, they must file a "Quarterly" Report at the end of each calendar quarter in which they have either received or expended anything of value in connection with legislative interests.

C. Legislative Interests, and Publications in connection therewith:

1. State approximately how long legislative interests are to continue. If receipts and expenditures in connection with legislative interests have terminated, ☐ place an "X" in the box at the left, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known; (*d*) whether for or against such statutes and bills.

3. In the case of those publications which the person filing has caused to be issued or distributed in connection with legislative interests, set forth: (*a*) Description, (*b*) quantity distributed; (*c*) date of distribution, (*d*) name of printer or publisher (if publications were paid for by person filing) or name of donor (if publications were received as a gift).

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed)

4. If this is a "Preliminary" Report (Registration) rather than a "Quarterly" Report, state below what the nature and amount of anticipated expenses will be; and if for an agent or employee, state also what the daily, monthly, or annual rate of compensation is to be. If this is a "Quarterly" Report, disregard this item "C4" and fill out item "D" and "E" on the back of this page. Do not attempt to combine a "Preliminary" Report (Registration) with a "Quarterly" Report.◄

AFFIDAVIT

[Omitted in printing]

PAGE 1◄

Copies With the Clerk of the House of Representatives:

A. Dean E. Abrahamson, 1092 25th Avenue SE., Minneapolis, Minn. 55414.
B. Congress Watch, 133 C Street SE., Washington, D.C.
E. (9) $604.73.

A. Ad Hoc Committee of Concerned Cable Television Operators For a Fair Copyright Law, P.O. Box 389, Painted Post, N.Y. 14870.
D. (6) $3,712.80. E. (9) $2,444.12.

A. Air-Conditioning and Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209
D. (6) $815.10. E. (9) $774.

A. Air Traffic Control Association, Suite 409, ARBA Building, 525 School Street SW., Washington, D.C. 20024.

A. Air Transport Association of America, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $11,280.93. E. (9) $11,280.93.

A. Alaskan Arctic Gas Pipeline Co., P.O. Box 979, Alaska Mutual Bank Building, Anchorage, Alaska 99510.
E. (9) $8,425.

A. Roger D. Allan, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Robert Alvarez, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $1,166.66.

A. American Association of University Women, 2401 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $238.72. E. (9) $11,559.62.

A. American Conservative Union, 422 First Street SE., Washington, D.C.
D. (6) $17,288.23. E. (9) $17,674.85.

A. The American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
D. (6) $7,500. E. (9) $7,500.

A. American League of Anglers, Inc., 810 18th Street NW., Washington, D.C. 20006.
D. (6) $12,334. E. (9) $16,790.62.

A. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
E. (9) $1,494.50.

A. American Maritime Association, 17 Battery Place, North Building, New York, N.Y. 10004; 1612 K Street NW., Washington, D.C. 20006.
E. (9) $973.

A. American Nurses' Association, Inc., 2420 Pershing Road, Kansas City, Mo. 64108.
D. (6) $9,650.51. E. (9) $9,650.51.

A. American Paratransit Institute, 6822 Mindello Street, Coral Gables, Fla.
D. (6) $9,287. E. (9) $7,041.90.

A. The American Society of Radiologic Technologists, 500 North Michigan Avenue, Suite 836, Chicago, Ill. 60611.
D. (6) $4,567.43. E. (9) $4,773.07.

A. American Textile Machinery Association, 1730 M Street NW., Washington, D.C. 20036.
D. (6) $14.40.

A. Morris J. Amitay, 1341 G Street, No. 908, Washington, D.C. 20005.
B. American Israel Public Affairs Committee, 1341 G Street, No. 908, Washington, D.C. 20005.
D. (6) $10,000.

A. William C. Anderson, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C.
B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.
D. (6) $2,687.

A. Apco Oil Corp., 1700 Houston Natural Gas Building, Houston, Tex. 77002.
E. (9) $1,073.68.

A. Clarence A. Arata, Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.
B. Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.
D. (6) $3,500.

A. Roy A. Archibald, National Education Association, 1705 Murchison Drive, Burlingame, Calif. 94010.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,086.20. E. (9) $100.

A. Arent, Fox, Kintner, Plotkin & Kahn, 1815 H Street NW., Washington, D.C. 20006.
B. Motor & Equipment Manufacturers Association, 222 Cedar Lane, Teaneck, N.J. 07666.
D. (6) $250. E. (9) $50.

A. Fred Armstrong, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Commissioner of Baseball, 15 West 51st Street, New York, N.Y. 10019.
E. (9) $40.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. Recording Industry Association of America, Inc., 1 East 57th Street, New York, N.Y. 10022.
D. (6) $18,750. E. (9) $4,476.20.

A. Arnold & Porter, 1229 19th Street NW., Washington, D.C. 20036.
B. State Farm Mutual Automobile Insurance Co., 1 State Farm Plaza, Bloomington, Ill. 61701.
D. (6) $9,519. E. (9) $213.

A. Leonard Arrow, Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
B. Environmental Action, Inc., Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,384.62.

A. Joseph Ashooh, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Associated Employers Inc., 8107 Broadway, Suite 202, San Antonio, Tex. 78209.
E. (9) $421.42.

A. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Associated Railroads of New Jersey, Pennsylvania Station, Raymond Plaza, Newark, N.J. 07102.
D. (6) $255. E. (9) $90.

A. Associated Third Class Mail Users, Suite 607, 1725 K Street NW., Washington, D.C. 20006.
D. (6) $300. E. (9) $300.

A. Association of Oil Pipe Lines, 1725 K Street NW., Washington, D.C. 20006.
E. (9) $470.

A. Richard E. Ayres, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $2,988.

A. Charles W. Bailey, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22030.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22030.

A. Markham Ball, Kenneth I. Schaner, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Leva, Hawes, Symington, Martin & Oppenheimer for Cooperative for American Relief Everywhere, Inc., 600 First Avenue, New York, N.Y.

A. Emil F. Baker, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. David O. Banks, Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Daniel J. Edelman, (for American Safety Belt Council, New Rochelle, N.Y.)
D. (6) $200. E. (9) $47.75.

A. Jo Ann S. Barefoot, National Association of Realtors, 925 15th Street NW., Washington, D.C. 20005.
B. National Association of Realtors, 155 East Superior Street, Chicago, Ill. 60611.
D. (6) $1,219. E. (9) $51.55.

A. Joseph Baroody, 1100 17th Street NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $300. E. (9) $150.

A. James C. Barr, 1156 15th Street NW., Washington, D.C. 20005.
B. National Association of Federal Credit Unions, 1156 15th Street NW., Washington, D.C. 20005.
D. (6) $300. E. (9) $117.50.

A. Roger V. Barth, 1140 Connecticut Avenue NW., Suite 412, Washington, D.C. 20036.
B. American Association of Clinical Chemists, 1725 K Street NW., Washington, D.C. 20006.

A. Davis M. Batson, 1155 15th Street NW., Suite 611, Washington, D.C. 20005.
B. Ethyl Corp. 1155 15th Street NW., Suite 611, Washington, D.C. 20008.
D. (6) $1,400.

A. Christine T. Beatty, Suite 911, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. St. Joe Minerals Corp., 250 Park Avenue, New York, N.Y. 10017.
D. (6) $1,500.

A. Orren Beaty, 417 New Jersey Avenue SE., Washington, D.C. 20003.
B. National Association of Railroad Passengers, 417 New Jersey, Avenue SE., Washington, D.C. 20003.
D. (6) $4,307.76.

A. Winston Everett Bell, P.O. Box 1718, Las Vegas, Nev. 89101.

A. James Bernhart, 1776 K Street NW, Suite 200, Washington, D.C. 20006.

B. Motorola Inc., 1776 K Street NW., Suite 200, Washington, D.C. 20006.

D. (6) $400. E. (9) $100.

A. Andrew J. Biemiller, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

D. (6) $10,346. E. (9) $304.45.

A. Linda M. Billings, Sierra Club, 324 C Street SE., Washington, D.C. 20003.

B. Sierra Club, 1050 Mills Tower, 220 Bush Street, San Francisco, Calif. 94104.

D. (6) $3,825. E. (9) $265.

A. Brent Blackwelder, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $1,493.77.

A. Richard W. Blake, 1776 K Street NW., Washington, D.C. 20006.

B. National Sugarbeet Growers Federation, Greeley National Plaza, Suite 740, Greeley, Colo. 80631; 1776 K Street, Washington, D.C. 20006.

A. Larry Blanchard, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $952. E. (9) $77.73.

A. Boasberg, Hewes, Klores & Kass, 1225 19th Street NW., Washington, D.C. 20036.

B. National Board of Young Men's Christian Associations, 291 Broadway, New York, N.Y. 10007.

D. (6) $5,180.05.

A. Mark Borinsky, 1910 K Street NW., Washington, D.C. 20006.

B. National Council to Control Handguns, 1910 K Street NW., Washington, D.C. 20006.

A. Rodney A. Bower, 1126 16th Street NW., Washington, D.C. 20036.

B. International Federation of Professional & Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.

D. (6) $240. E. (9) $20.

A. William W. Brackett, Alaskan Arctic Gas Study Co., 1730 Pennsylvania Avenue NW., Suite 230, Washington, D.C. 20006.

B. Alaskan Arctic Gas Study Co., P.O. Box 979, Alaska Mutual Bank Building, Anchorage, Alaska 99510.

D. (6) $4,500. E. (9) $100.

A. Gene M. Bradley, 955 L 'Enfant Plaza North SW., Washington, D.C. 20024.

B. The Boeing Company, P.O. Box 3707, Seattle, Wash. 98124.

D. (6) $700. E. (9) $1,102.

A. George E. Bradley, Organization of Professional Employees of the U.S. Department of Agriculture, Room 1247, South Building, Department of Agriculture, 14th Street and Independence Avenue NW., Washington, D.C. 20250.

B. Organization of Professional Employees of USDA (OPEDA), Room 1247, South Building, Department of Agriculture, Washington, D.C.

D. (6) $1,260. E. (9) $25.

A. Cyril F. Brickfield, Miller, Singer, Michaelson, Brickfield & Raives, 1909 K Street NW., Washington, D.C. 20006.

B. National Retired Teachers Association, American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20006.

E. (9) $316.10.

A. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $29,805.82. E. (9) $29,805.82.

A. Joe B. Browder, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $1,750.02. E. (9) $53.99.

A. Travis Taylor Brown, 2525 49th Street NW., Washington, D.C.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. The Hearst Corporation, 959 Eighth Avenue, New York, N.Y. 10019.

D. (6) $900. E. (9) $300.

A. David A. Bunn, 1211 Connecticut Avenue NW., Washington, D.C. 20036.

B. Magazine Publishers Association, 575 Lexington Avenue, New York, N.Y. 10022.

D. (6) $4,000. E. (9) $300.

A. J. J. Burke, Jr., 40 East Broadway, Butte, Mont. 59701.

B. The Montana Power Co., Butte, Mont. 59701.

E. (9) $17.48.

A. Charles S. Burns, Phelps Dodge Corp., 1620 I Street NW., Washington, D.C. 20006.

B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.

D. (6) $1,200. E. (9) $331.45.

A. David W. Calfee III, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $1,252.50.

A. F. Murray Callahan, Suite 1300, 1700 K Street NW., Washington, D.C. 20006.

B. International Home Furnishings Representatives Association, 666 Lakeshore Drive, Suite 1726, Chicago, Ill. 60611.

D. (6) $125. E. (9) $139.50.

A. Donald L. Calvin, 11 Wall Street, New York, N.Y. 10005.

B. New York Stock Exchange, 11 Wall Street, New York, N.Y. 10005.

A. Charles Argyll Campbell, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C. 20062.

E. (9) $265.

A. Ross Capon, 417 New Jersey Avenue SE., Washington, D.C. 20003.

B. National Association of Railroad Passengers, 417 New Jersey Avenue SE., Washington, D.C. 20003.

D. (6) $3,230.88.

A. Charles R. Carlisle, Suite 911, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

B. St. Joe Minerals Corp, 250 Park Avenue, New York, N.Y. 10017.

D. (6) $5,300. E. (9) $215.45.

A. Chapin Carpenter, Jr., Magazine Publishers Association, Inc., 1629 K Street NW., Washington, D.C. 20036.

B. Magazine Publishers Association, Inc., 575 Lexington Avenue, New York, N.Y. 10022.

D. (6) $1,000. E. (9) $300.

A. Alfred Carr, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $4,629.30. E. (9) $450.65.

A. Richard M. Carrigan, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $4,899.90. E. (9) $237.44.

A. Charles M. Carroll, 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

D. (6) $821.25. E. (9) $14.25.

A. Charles T. Carroll, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

D. (6) $1,000.

A. Jared G. Carter, P.O. Box 720, Ukiah, Calif. 95482.

B. Gulf Interstate Engineering Co., P.O. Box 1916, Houston, Tex. 77001.

D. (6) $2,500.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Apco Oil Corp., 1700 Houston Natural Gas Building, Houston, Tex. 77002.

D. (6) $1,025. E. (9) $51.49.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Washington, D.C.

B. Arctic Gas Study Company, 1730 Pennsylvania Avenue NW., Washington, D. C.

D. (6) $23,217.50. E. (9) $424.08.

A. Casey, Lane & Mittendorf, 815 Connecticut Avenue NW., Washington, D.C.

B. Northwest Energy Co., P.O. Box 1526, Salt Lake City, Utah 84110.

D. (6) $3,575. E. (9) $149.48.

A. Rita L. Castle, 1709 New York Avenue NW., Suite 312, Washington, D.C. 20006.

B. The Organization of Plastics Processors, 1709 New York Avenue NW., Suite 312, Washington, D.C. 20006.

D. (6) $3,692.28.

A. Donald E. Channell, 1819 H Street NW., Washington, D.C. 22044.

B. Southern Furniture Manufacturing Association, P.O. Box 951, High Point, N.C. 27261.

D. (6) $$6,000. E. (9) $1,318.

A. Gale H. Chapman, 5300 Williston Road, Minnetonka, Minn. 55343.

B. Upper Mississippi Waterway Association, 700 Midland Bank Building, Minneapolis, Minn. 55401.

A. Linda Chavez, American Federation of Teachers, AFL–CIO, 11 Dupont Circle NW., Washington, D.C. 20036.

B. American Federation of Teachers, AFL–CIO, 11 Dupont Circle NW., Washington, D.C. 20036.

D. (6) $3,062.49. E. (9) $124.78.

A. Linda Chavez, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $3,631.95. E. (9) $178.94.

A. Joan Claybrook, 133 C Street SE., Washington, D.C. 20003.

B. Congress Watch (Public Citizen), 133 C Street SE., Washington, D.C. 20003.

D. (6) $3,000.

A. Charles M. Clusen, 324 C Street SE., Washington, D.C. 20003.

B. Sierra Club, 1050 Mills Tower, San Francisco, Calif. 94104.

D. (6) $3,925. E. (9) $213.

A. COALition Against Strip Mining, 324 C Street SE., Washington, D.C. 20003.

D. (6) $2,002. E. (9) $3,421.61.

A. Carl A. S. Coan, Jr., 15th & M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th & M Streets NW., Washington, D.C. 20005.

D. (6) $8,437.50. E. (9) $812.68.

A. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.

E. (9) $112.08.

A. Lynn R. Coleman, Vinson, Elkins, Searls, Connally & Smith, Suite 1120, 1701 Pennsylvania Avenue NW., Washington, D.C. 20006.

D. (6) $1,700.

A. Collier, Shanon, Rill and Edwards, 1666 K Street NW., Washington, D.C. 20006.

B. American Cylinder Manufacturers Committee, 1666 K Street NW., Washington, D.C. 20006.

D. (6) $50.

A. The Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.

D. (6) $64,000. E. (9) $61,230.71.

A. Committee on Modern, Efficient Transportation (COMET), 1000 Connecticut Avenue NW., No. 1200, Washington, D.C. 20036.

D. (6) $6,500. E. (9) $11,544.56.

A. Computer Industry Association, 1911 North Fort Myer Drive, Suite 801, Arlington, Va. 22209.

D. (6) $138,927. E. (9) $6,997.

A. Congress Watch (Public Citizen), 133 C Street SE., Washington, D.C. 20003.

D. (6) $21,263.59. E. (9) $21,263.59.

A. Albert J. Conners, Air Force Sergeants Association Inc., 1608 Pittsfield Lane, Bowie, Md. 20715.

B. Air Force Sergeants Association, Inc., 4235 28th Avenue, Marlow Heights, Md. 20031.

A. Consumer Action Now, Inc., 30 East 68th Street, New York, N.Y.

D. (6) $475.30. E. (9) $927.40.

A. Council of Construction Employers, Inc., 1625 I Street NW., Suite 711, Washington, D.C. 20006.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. Classroom Periodical Publishers Association, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. Industrial Diamond Association of America, 59 East Main Street, Moorestown, N.J. 08057.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue N.W., Washington, D.C. 20036.

B. Linen Supply Association of America, 917 Arthur Godfrey Boulevard, Miami, Fla. 33140.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Association of Casualty & Surety Agents, 5225 Wisconsin Avenue NW., Washington, D.C. 20015.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Association of Printing Ink Manufacturers, 101 Executive Building, Elmsford, N.Y. 10523.

A. Counihan, Casey & Loomis, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. Optical Manufacturers Association, 1730 North Lynn Street, Arlington, Va. 22209.

A. Covington & Burling, 888 16th Street NW., Washington, D.C. 20006.

B. American Can Co., Greenwich, Conn.

E. (9) $1,773.65.

A. Carol A. Cowgill, 470 L'Enfant Plaza East SW., Suite 3100, Washington, D.C. 20024.

B. American Academy of Family Physicians, 470 L'Enfant Plaza East NW., Suite 3100, Washington, D.C. 20024.

D. (6) $450. E. (9) $259.25.

A. Elizabeth M. Cox, c/o NOW Legislative Office, 1266 National Press Building, Washington, D.C. 20045.

B. National Organization for Women, Inc., 1266 National Press Building, Washington, D.C. 20045.

D. (6) $3,249.99. E. (9) $328.11.

A. Roger C. Cramton, Cornell Law School, Ithaca, N.Y. 14850.

B. Legal Services Corp., 733 15th Street NW., Washington, D.C. 20005.

D. (6) $300. E. (9) $160.

A. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $8,233. E. (9) $1,359.54.

A. Richard C. Creighton, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Cuba Claims Association, Executive Committee, P.O. Box 014004, Miami, Fla. 33131.

E. (9) $80.60.

A. Frank Cummings, Gall, Lane and Powell, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

B. Institute of Electrical and Electronics Engineers, 345 East 47th Street, New York, N.Y. 10017.

D. (6) $2,900.

A. John T. Curran, Laborers' International Union of North America, AFL-CIO, 905 16th Street NW., Washington, D.C. 20006.

B. Laborers' International Union of North America, AFL-CIO, 905 16th Street NW., Washington, D.C. 20006.

D. (6) $11,457.69. E. (9) $1,595.32.

A. Robert J. Cushman, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

D. (6) $2,200. E. (9) $162.02.

A. John C. Datt, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

D. (6) $4,375. E. (9) $89.03.

A. R. Hilton Davis, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the U.S.A., 1615 H Street NW., Washington, D.C. 20062.

A. Donald S. Dawson, 723 Washington Building, Washington, D.C. 20005.

B. Atlantic Time Products et al., St. Croix, V.I.

D. (6) $5,987.

A. Donald S. Dawson, 723 Washington Building, Washington, D.C. 20005.

B. Opticians Association of America, 1250 Connecticut Avenue NW., Washington, D.C. 20036.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.

B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20005.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.

B. Association of Plaintiffs Trial Attorneys for Metropolitan Washington, D.C., Washington, D.C. 20005.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.

B. Beneficial Finance Co., Morristown, N.J.

D. (6) $6,250.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.

B. C.I.T. Financial Corp., 650 Madison Avenue, New York, N.Y. 10022.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 723 Washington Building, Washington, D.C. 20005.

B. Consumer Credit Insurance Association, 307 North Michigan Avenue, Chicago, Ill. 60601.

A. Dawson, Riddell, Taylor, Davis & Holroyd, 823 Washington Building, Washington, D.C. 20005.

B. United States Brewers Association, Inc., 1750 K Street NW., Washington, D.C. 20006.

A. Dealer Bank Association, P.O. Box 8796, St. Louis, Mo. 63102.

E. (9) $753.

A. DeHart and Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.

B. Council on Foundations, 888 Seventh Avenue, New York, N.Y. 10019.

D. (6) $305. E. (9) $78.15.

A. DeHart and Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.

B. Kansas City Southern Industries, Inc., 114 West 11th Street, Kansas City, Mo. 64105.

D. (6) $210. E. (9) $49.85.

A. DeHart and Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.

B. Recording Industry Association of America, Inc., 1 East 57th Street, New York, N.Y. 10022.

D. (6) $1,715. E. (9) $88.35.

A. DeHart and Broide, Inc., 1505 22d Street NW., Washington, D.C. 20037.

B. Recycled Paperboard Division of the American Paper Institute, 260 Madison Avenue, New York, N.Y. 10016.

D. (6) $1,005. E. (9) $82.35.

A. Ray Denison, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

D. (6) $7,969. E. (9) $347.69.

A. L. E. Dennis, Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $1,050. E. (9) $170.89.

A. C. H. DeVaney, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

D. (6) $3,000.

A. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

D. (6) $3,307.50. E. (9) $38,662.69.

A. Jane Dickson, Phelps Dodge Corp., 1620 I Street NW., Washington, D.C. 20006.

B. Phelps Dodge Corp., 300 Park Avenue, New York, N.Y. 10022.

D. (6) $300. E. (9) $32.

A. Dickstein, Shapiro & Morin, 1735 New York Avenue NW., Washington, D.C.

B. Committee for the Martin Report, Washington, D.C.

A. Dickstein, Shapiro & Morin, 1735 New York Avenue NW., Washington, D.C.

B. Federated Investors, Inc., Pittsburgh, Pa.; Vance, Sanders & Co., Boston, Mass.; Fidelity Management & Research Co., Boston, Mass.

A. Dickstein, Shapiro & Morin, 1735 New York Avenue NW., Washington, D.C.

B. Tennessee Gas Transmission Co., P.O. Box 2511, Houston, Tex. 77001.

A. Disabled Officers Association, 1612 K Street NW., Suite No. 310, Washington, D.C. 20006.

E. (9) $3,709.75.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. American Sod Producers Association, Hastings, Nebr. 68901.

D. (6) $150. E. (9) $150.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. Bill Blakemore, P.O. Box 4605, Midland, Tex. 79701.

D. (6) $100. E. (9) $100.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. Buck & Doe Valley, Farm's Co., Coatsville, Pa.

D. (6) $6,000. E. (9) $6,000.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. CLEW, Inc., 5625 Poplar, Memphis, Tenn. 38117.

D. (6) $1,009.27. E. (9) $1,709.27.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. Giffen Industries, Inc., P.O. Box 10821, Dallas, Tex. 75207.

D. (6) $5,000. E. (9) $5,000.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. Guardsmark, Inc., 22 South Second Street, Memphis, Tenn.

D. (6) $43,34. E. (9) $43.34.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. Helena Vertac, 5100 Poplar Avenue, Memphis, Tenn. 38137.

D. (6) $3,269.10. E. (9) $3,269.10.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. T. J. Jarret, 1209 Griner, Del Rio, Tex. 78840.

D. (6) $100. E. (9) $100.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. Longfellow Corp., P.O. Box 4605, Midland, Tex. 79701.

D. (6) $6,000. E. (9) $6,000.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. Norton Manufacturing Co., P.O. Box 9067, Memphis, Tenn.

D. (6) $1,500. E. (9) $1,500.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006.

B. Ross Kreamer Hardwood Veneers, 1657 Lamar Avenue, Memphis, Tenn.

A. DK Consultants, Inc., 918 16th Street NW., Suite 402, Washington, D.C. 20006 .

B. Texas Sheep and Goat Raisers Association, P.O. Box 1486, San Angelo, Tex. 76901.

D. (6) $1,000. E. (9) $1,000.

A. DK Consultants, Inc., 918 16th Street NW, Suite 402, Washington, D.C. 20006.

B. Tom J. Yates, Route 1, Box 149, Ringsland, Tex. 78639.

D. (6) $100. E. (9) $100.

A. Evelyn Dubrow, 1710 Broadway, New York, N.Y. 10019.

B. International Ladies' Garment Workers' Union, 1710 Broadway, New York, N.Y. 10019.

D. (6) $4,896.45. E. (9) $2,209.58.

A. Louise C. Dunlap, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $3,499.98. E. (9) $215.48.

A. John H. Dunne, 1126 16th Street NW., Washington, D.C. 20036.

B. International Federation of Professional and Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.

D. (6) $600. E. (9) $100.

A. David Dunning, 1909 K Street NW., Washington, D.C. 20049.

B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

E. (9) $65.75.

A. A. Blakeman Early, Room 731, 1346 Connecticut Ave NW., Washington, D.C. 20036.

B. Environmental Action, Inc., Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $1,269.24.

A. Donald R. Ebe, 1800 K Street NW., Suite 800, Washington, D.C. 20006.

B. The Goodyear Tire & Rubber Co., Akron, Ohio 44316.

A. Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. American Safety Belt Council, Inc., New Rochelle, N.Y.

D. (6) $2,500. E. (9) $700.

A. Edelman International Corp., 1730 Pennsylvania Avenue NW., Washington, D.C.

B. Aerospatiale, c/o DGA International, 1225 19th Street NW., Washington, D.C. 20026.

D. (6) $37,760. E. (9) $17,108.10.

A. Hallett D. Edson, 956 North Monroe Street, Arlington, Va. 22201.

B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

D. (6) $2,012.50.

A. George K. Eliades, 1501 Wilson Boulevard, Arlington, Va. 22209.

B. Imported Hardwood Products Association, Inc., 1501 Wilson Boulevard, Arlington, Va. 22209.

D. (6) $700. E. (9) $355.

A. John C. Ellis, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Dorothy A. Ellsworth, Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $8,250. E. (9) $1,596.70.

A. Roy Elson, 1771 N Street NW., Washington, D.C. 20036.

B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.

D. (6) $4,200. E. (9) $787.50.

A. Employee Relocation Council, Inc., 333 North Michigan Avenue, Chicago, Ill. 60601.

E. (9) $2,439.54.

A. Energy Action Committee, Inc., 1156 15th Street NW., Washington, D.C. 20005.

D. (6) $80,741.50. E. (9) $57,408.56.

A. Environmental Action, Inc., Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $9,032.53. E. (9) $9,032.53.

A. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $38,380. E. (9) $36,635.61.

A. Ethyl Corporation, 1155 15th Street NW., Suite 611, Washington, D.C. 20005.

E. (9) $1,400.

A. Leon Felix, Jr., National Education Association, 1419 Joan Drive, Palatine, Ill. 60067.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $2,927.20. E. (9) $75.

A. Fensterwald & Ohlhausen, 910 16th Street NW., Washington, D.C. 20006.

B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.

D. (6) $3,600. E. (9) $1,235.02.

A. C. H. Fields, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

D. (6) $3,063. E. (9) $64.25.

A. James H. Fitzgerald, 767 Fifth Avenue, New York, N.Y. 10022.

B. The J. B. Williams Co., Inc., 767 Fifth Avenue, New York, N.Y. 10022.

D. (6) $900. E. (9) $400.

A. Robert R. Fitzgerald, 13174 Putnam Circle, Woodbridge, Va. 22191.

B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

D. (6) $2,800.

A. Francis R. Fleming, 1101 15th Street NW., Washington, D.C. 20005.

B. Minnesota Mining & Manufacturing Co., 3M Center, St. Paul, Minn. 55101.

D. (6) $2,000.

A. Roger Fleming, American Farm Bureau

Federation, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

D. (6) $2,175. E. (9) $13.04.

A. Carl J. Fleps, The Greyhound Corp., 1629 K Street NW., Suite 300, Washington, D.C. 20006.

B. The Greyhound Corp, Greyhound Tower, Phoenix, Ariz. 85077.

D. (6) $75. E. (9) $17.

A. James F. Fort, 1101 15th Street NW., Suite 302, Washington, D.C. 20005.

B. United Parcel Service, 1101 15th Street NW., Suite 302, Washington, D.C. 20005.

D. (6) $674. E. (9) $596.61.

A. Ronald C. Frankis, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $1,127. E. (9) $49.23.

A. Gary R. Frink, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.

B. The Aetna Life & Casualty, 151 Farmington Avenue, Hartford, Conn. 06115.

D. (6) $750.

A. Gary R. Frink, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.

B. National Committee for Effective No-Fault, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.

D. (6) $1,950.

A. Robert D. Fritz, Brotherhood Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $456. E. (9) $558.30.

A. Terry D. Garcia, 5801 Quantrell Avenue, No. 409, Alexandria, Va. 22312.

B. World Federalists, U.S.A., 1424 16th Street NW., Washington, D.C. 20036.

D. (6) $2,500. E. (9) $900.

A. John Gentille, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Louis Gerber, 1925 K Street NW., Washington, D.C. 20006.

B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.

D. (6) $3,228.90. E. (9) $3,475.44.

A. Vernie R. Gleason III, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

D. (6) $3,125. E. (9) $14.63.

A. Godfrey Associates, Inc., 918 16th Street NW., Washington, D.C. 20006.

E. (9) $329.21.

A. Horace D. Godfrey, 918 16th Street NW., Washington, D.C. 20006.

B. Godfrey Associates, 918 16th Street NW., Washington, D.C. 20006.

D. (6) $375. E. (9) $329.21.

A. Howard Goldberg, 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International Inc., 1225 19th Street NW., Washington, D.C. 20036.

D. (6) $62.50.

A. Ruth Gonze, 2600 Virginia Avenue NW., Washington, D.C. 20037.

B. American Public Power Association, 2600 Virginia Avenue NW., Washington, D.C. 20037.

D. (6) $400.

A. Michael Goodman, 15th and M Streets NW., Washington, D.C. 20005.

B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.

D. (6) $3,749.99. E. (9) $376.85.

A. James W. Green, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $5,045. E. (9) $402.80.

A. Jill L. Greenbaum, 2001 Plymouth Street NW., Washington, D.C. 20012.

B. National Taxpayers Union, 325 Pennsylvania Avenue SE., Washington, D.C. 20003.

D. (6) $750. E. (9) $210.

A. Dale Greenwood, 302 Hoge Building, Seattle, Wash. 98104.

B. Washington Railroad Association, 302 Hoge Building, Seattle, Wash. 98104.

A. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.

A. James Hacking, 1909 K Street NW., Washington, D.C. 20049.

B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

E. (9) $185.01.

A. Keith Halliday, 1725 K Street NW., Washington, D.C. 20006.

B. Associated Third Class Mail Users, 1725 K Street, Washington, D.C. 20006.

D. (6) $300.

A. Thomas A Hammer, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

D. (6) $2,625. E. (9) $35.20.

A. Andrew E. Hare, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22030.

B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22030.

D. (6) $651. E. (9) $211.

A. Donald L. Harlow, Air Force Sergeants Association, Inc., 310 Riley Street, Falls Church, Va. 22046.

B. Air Force Sergeants Association, Inc., 4235 28th Avenue, Marlow Heights, Md. 20031.

A. Robert E. Harman, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $3,600. E. (9) $75.

A. William C. Hart, 1625 I Street NW., Washington, D.C. 20006.

B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.

D. (6) $612.50. E. (9) $862.65.

A. Heavy Duty Truck Manufacturers' Association, Suite 1300, 1700 K Street NW., Washington, D.C. 20006.

D. (6) $120. E. (9) $124.50.

A. Barbara Heller, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $463.50. E. (9) $380.19.

A. Richard A. Henneges, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.

D. (6) $1,058. E. (9) $571.04.

A. Hewes & Wolf, 1720 I Street NW., Suite 400, Washington, D.C. 20006.

B. Bart B. Chamberlain, Jr., Citronelle-Mobile Gathering, Inc., 717 First Federal Tower, Mobile, Ala. 36616.

D. (6) $1,000. E. (9) $133.35.

A. Hewes & Wolf, 1720 I Street NW., Suite 400, Washington, D.C. 20006.

B. Pennsylvania Petroleum Association, Building 2, Suite D, 2101 North Front Street, Harrisburg, Pa. 17110.

D. (6) $1,000. E. (9) $1,043.50.

A. Janet Hieber, 324 C Street SE., Washington, D.C. 20003.

B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.

D. (6) $781.25.

A. Hill, Christopher and Phillips, 2000 L Street NW., Washington, D.C. 20036.

B. Association of Closed-End Investment Companies, c/o Malcom Smith, 330 Madison Avenue, New York, N.Y. 10017.

D. (6) $1,688. E. (9) $22.93.

A. Arthur Hintze, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington D.C. 20006.

A. Robert Hitzhusen, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

D. (6) $2,250. E. (9) $23.38.

A. Ralph D. Hodges, Jr., National Forest Products Association, Washington, D.C.

B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.

E. (9) $359.46.

A. Holiday Inns, Inc., 3742 Lamar Avenue, Memphis, Tenn. 38118.

E. (9) $1,545.

A. John F. Horty, 4614 Fifth Avenue, Pittsburgh, Pa. 15213.

B. Council of Community Hospitals, 4614 Fifth Avenue, Pittsburgh, Pa. 15213.

A. C. T. Hoversten, 209 West 53d Street, Western Springs, Ill. 60558.

B. National Advertising Co., 6850 South Harlem Avenue, Bedford Park, Argo, Ill. 60501.

D. (6) $300.

A. Karl T. Hoyle, Independent Bankers Association of America, 1625 Massachusetts Avenue NW., Suite 203, Washington, D.C. 20036.

B. Independent Bankers Association of America, Sauk Centre, Minn. 56378.

E. (9) $805.83.

A. Casey Hughes, care of NOW Legislative Office, 1266 National Press Building, Washington, D.C. 20045.

B. National Organization for Women, Inc., 1266 National Press Building, Washington, D.C. 20045.

D. (6) $3,588.07. E. (9) $751.51.

A. Peter W. Hughes, 1909 K Street NW., Washington, D.C. 20049.

B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

E. (9) $111.62.

A. Gregory A. Humphrey, 11 Dupont Circle NW., Washington, D.C. 20036.

B. American Federation of Teachers, AFL–CIO, 11 Dupont Circle NW., Washington, D.C. 20036.

D. (6) $7,125. E. (9) $249.47.

A. David J. Humphreys, Paulson and Humphreys, 1140 Connecticut Avenue NW., Washington, D.C. 20036.

B. Recreation Vehicle Industry Association, P.O. Box 203, 14650 Lee Road, Chantilly, Va. 22021.

D. (6) $15,000. E. (9) $4.

A. Gerard F. Hurley, Suite 602, 1129 20th Street NW., Washington, D.C. 20036.

B. National Club Association, Suite 602, 1129 20th Street NW., Washington, D.C. 20036.

D. (6) $625. E. (9) $80.

A. David L. Ivey, National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.

B. National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.

D. (6) $2,437.50. E. (9) $32.45.

A. Japanese American Citizens League, 1765 Sutter Street, San Francisco, Calif. 94115.

D. (6) $3,130. E. (9) $687.

A. Gary L. Jarmin, 422 First Street SE., Washington, D.C. 20003.

B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.

D. (6) $2,373.10.

A. David M. Jenkins, 1775 K Street NW., Suite 315, Washington, D.C. 20006.

B. Miles Laboratories, Inc., 1127 Myrtle Street, Elkhart, Ind. 46514.

E. (9) $243.

A. Ronald P. Johnsen, 1625 I Street NW., Suite 302, Washington, D.C. 20006.

B. Columbia Gas System Service Corp., 20 Montchanin Road, Wilmington, Del. 19807.

D. (6) $175. E. (9) $38.70.

A. Stuart H. Johnson, Jr., 910 17th Street NW., Washington, D.C. 20006.

B. New York Dock Railway, 334 Furman Street, Brooklyn, N.Y.

D. (6) $587.50. E. (9) $35.60.

A. David Johnston, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036

B. Pan American World Airways, Inc., Pan Am Building, New York, N.Y. 10017.

E. (9) $38.

A. Ernest W. Jones, 1957 E Street NW., Washington, D.C. 20006.

B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Ronald K. Jones, 7841 Doane Court, Springfield, Va. 22152.

B. Manufactured Housing Institute, 14650 Lee Road, Chantilly, Va. 22021.

D. (6) $5,530. E. (9) $19.24.

A. Robert E. Juliano, Hotel and Restaurant Employees and Bartenders International Union, 1666 K Street NW., Suite 304, Washington, D.C. 20006.

B. Hotel and Restaurant Employees and Bartenders International Union, 120 East Fourth Street, 13th Floor, Cincinnati, Ohio 45202.

D. (6) $7,500. E. (9) $4,094.55.

A. Emanuel M. Kay, 491 National Press Building, Washington, D.C. 20045.

B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20045.

E. (9) $75.72.

A. George J. Kelley, Blue Cross Association, 1700 Pennsylvania Avenue NW., Washington, D.C. 20006.

B. Blue Cross Association, 840 North Lake Shore Drive, Chicago, Ill. 60611.

D. (6) $2,000. E. (9) $525.

A. James J. Kelly, Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road, Rosemont, Ill. 60018.

A. James J. Kennedy, Jr., Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.

B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road, Rosemont, Ill. 60018.

D. (6) $7,000. E. (9) $4,556.

A. Carl F. Kettler, 1709 New York Avenue, Washington, D.C. 20006.

B. Air Transport Association of America, 1709 New York Avenue, Washington, D.C. 20006.

D. (6) $1,625. E. (9) $395.72.

A. Peter M. Kirby, 1709 New York Avenue NW., Washington, D.C. 20006.

B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20006.

D. (6) $2,031.25. E. (9) $320.14.

A. Paul K. Kirkpatrick, Jr., 1000 Ouachita Bank Building, Monroe, La. 71201.

B. National Association of Manufacturers of Agricultural Trailers, Inc., 421 North Crockett Street, Sherman, Tex. 75090.

E. (9) $2.53.

A. Jeffrey W. Knight, 620 C Street SE., Washington, D.C. 20003.

B. Friends of the Earth, 620 C Street SE., Washington, D.C. 20003.

D. (6) $2,100.

A. John S. Knox, Jr., 166 16th Street NW., Atlanta, Ga. 30318.

B. The Coca-Cola Bottlers' Association, 166 16th Street NW., Atlanta, Ga. 30318.

D. (6) $50.

A. Louis C. Kramp & Associates, 1819 H Street NW., Suite 420, Washington, D.C. 20006.

B. Holiday Inns, Inc., Memphis, Tenn.

D. (6) $1,545.

A. Daniel M. Kush, 1615 H Street NW., Washington, D.C. 20062.

B. Chamber of Commerce of the USA, 1615 H Street NW., Washington, D.C. 20062.

A. Ralph D. B. Laime, National Education Association, 245 Northampton Drive, Willingboro, N.J. 08046.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $3,086.20. E. (9) $75.

A. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. Lane and Edson, 1025 Connecticut Avenue NW., Suite 707, Washington, D.C. 20036.

B. National Leased Housing Association, Suite 707, 1025 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $450.

A. Laurence F. Lane, 1909 K Street NW., Washington, D.C. 20049.

B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20049.

E. (9) $461.04.

A. Clifford C. LaPlante, 955 L'Enfant Plaza North SW., Washington, D.C.

B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.

D. (6) $800. E. (9) $91.60.

A. Reed E. Larson, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22030.

B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22030.

D. (6) $78. E. (9) $8.

A. Robert B. Laurents, 7205 Reservoir Road, Springfield, Va. 22150.

B. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.

D. (6) $3,525.

A. Susannah Lawrence, 215 East 72d Street, New York, N.Y.

B. Consumer Action Now, Inc., 30 East 69th Street, New York, N.Y.

D. (6) $208. E. (9) $208.

A. Michael Lehrman, 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International Inc., 1225 19th Street NW., Washington, D.C. 20036.

D. (6) $204. E. (9) $146.01.

A. Richard J. Leighton, 1701 K Street NW., Washington, D.C. 20006.

B. Grocery Manufacturers of America, Inc., 1425 K Street, D.C. 20005.

A. Joseph A. Letorney, National Education Association, 112 Union Street, South Weymouth, Mass. 02190.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $3,271.20. E. (9) $75.

A. Leva, Hawes, Symington, Martin & Oppenheimer, 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Cooperative for American Relief Everywhere, Inc., 660 First Avenue, New York, N.Y. 10016.

A. Leva, Hawes, Symington, Martin & Oppenheimer, (Kenneth I. Schaner and John S. Hoff), 815 Connecticut Avenue NW., Washington, D.C. 20006.

B. Council of Community Hospitals ("CCH"), 4614 Fifth Avenue, Pittsburgh, Pa. 15213.

D. (6) $450. E. (9) $25.

A. Morris J. Levin, 1620 I Street NW., Washington, D.C. 20006.

B. Association of American Railroads, American Railroad Building, Washington, D.C. 20006.

D. (6) $1,000.

A. Liberty Lobby, Inc., 130 Third Street SE., Washington, D.C. 20003.

D. (6) $23,760.56. E. (9) $25,620.35.

A. Russell B. Light, 955 L'Enfant Plaza North SW., Washington, D.C. 20024.
B. The Boeing Co., P.O. Box 3707, Seattle, Wash. 98124.
D. (6) $1,500. E. (9) $635.66.

A. Jonathan Lindley, 1730 Rhode Island Avenue NW., Washington, D.C. 20036.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $2,135. E. (9) $104.17.

A. Maxine Lipeles, 324 C Street SE., Washington, D.C. 20003.
E. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (3) $775.50.

A. Nils A. Lofgren, Motor Vehicle Manufacturers Association of the U.S., Inc., 1909 K Street NW., Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the U.S., Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $400.

A. Sheldon I. London, National Home Furnishings Association, 1025 Vermont Avenue NW., Washington, D.C. 20005.
B. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.
D. (6) $1,000.

A. James Rowland Lowe, Jr., Alaskan Arctic Gas Study Co., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Alaskan Arctic Gas Study Co., P.O. Box 979, Alaska Mutual Bank Building, Anchorage, Alaska 99510.
D. (6) $1,000. E. (9) $95.

A. C. Lance Lujan, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $4,105.65. E. (9) $147.50.

A. Lumbermens Mutual Casualty Co., Long Grove, Ill. 60049.

A. James E. Lyons, 1126 16th Street NW., Washington, D.C. 20036.
B. International Federation of Professional and Technical Engineers, AFL–CIO, 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $435. E. (9) $200.

A. Timothy MacCarthy, Motor Vehicle Manufacturers Association of the United States, Inc., 1909 K Street NW., Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $400.

A. Manufactured Housing Institute, P.O. Box 201, 14650 Lee Road, Chantilly, Va. 22021.
D. (6) $1,535.24. E. (9) $1,535.24.

A. Robert V. Mariani, Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $300. E. (9) $585.33.

A. Charles E. Mattingly, National Legislative Commission, 1608 K Street NW., Washington, D.C.
B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.
D. (6) $4,683. E. (9) $79.96.

A. Charles H. Mauzy, National Education Association, 3951 Snapfinger Parkway, Decatur, Ga. 30032.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,086.20. E. (9) $75.

A. Mayer, Brown & Platt. Attention: Dale W. Wickham, 231 South LaSalle Street, Chicago, Ill. 60604.
B. UAL, Inc., P.O. Box 66100, Chicago, Ill. 60666.

A. Anthony Mazzocchi, 1126 16th Street NW., Washington, D.C. 20036.
B. Oil, Chemical & Atomic Workers International Union, 1636 Champa Street, Denver, Colo. 80201.
D. (6) $2,362.50. E. (9) $318.50.

A. Ellen M. McCartney, 2401 Virginia Avenue NW., Washington, D.C. 20037.
B. American Association of University Women, 2401 Virginia Avenue NW., Washington, D.C. 20037.
D. (6) $5,342.40. E. (9) $91.86.

A. John L. McCormick, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $1,416.66.

A. Stanley J. McFarland, 1201 16th Street NW., Washington, D.C. 20036.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $5,850. E. (9) $496.25.

A. Robert M. McGlotten, AFL–CIO, 815 16th Street NW., Washington, D.C. 20006.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $7,702.50. E. (9) $302.90.

A. Joseph B. McGrath, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
B. National Forest Products Association, 1619 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $7,875. E. (9) $270.64.

A. Jack E. McGregor, 825 Third Avenue, New York, N.Y. 10022.
B. New England Petroleum Corp., 825 Third Avenue, New York, N.Y. 10022.

A. F. Howard McGuigan, 815 16th Street N.W., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $7,969. E. (9) $544.27.

A. Peter E. McGuire, National Association of Retired & Veteran Railway Employees, Inc., 400 First Street NW., Washington, D.C. 20001.
B. National Association of Retired & Veteran Railway Employees, Inc., P.O. Box 6060, Kansas City, Kans. 66106. Hotel and Restaurant Employees & Bartenders International Union, 1666 K Street NW., Washington, D.C.; International Conference of Police Association, 1239 Pennsylvania Avenue SE., Washington, D.C. 20003.
D. (6) $800. E. (9) $800.

A. Dianne McLaughlin, American League of Anglers, Inc., 810 18th Street NW., Washington, D.C. 20006.
B. American League of Anglers, Inc., 810 18th Street NW., Washington, D.C.
D. (6) $2,031.90. E. (9) $879.62.

A. John S. McLees, 1615 H. Street NW., Washington, D.C. 20062.
B. Chamber of Commerce of the U.S.A. 1615 H Street NW., Washington, D.C. 20062.
E. (9) $250.

A. McNutt, Dudley, Easterwood & Losch, 910 17th Street NW., Washington, D.C. 20006.
B. Republic of Turkey, Embassy of Turkey, 1606 23d Street NW., Washington, D.C.
D. (6) $2,100. E. (9) $470.81.

A. John Martin Meek, Edelman International, 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Aerospatiale, care of DGA International, 1225 19th Street NW., Washington, D.C.
D. (6) $1,500. E. (9) $691.84.

A. Kenneth A. Meiklejohn, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.
D. (6) $7,969. E. (9) $237.01.

A. Robert L. Melbern, Route No. 3, Gatesville, Tex. 76528.
B. National Association of Farmer Elected Committeemen, care of Robert L. Melbern, Route No. 3, Gatesville, Tex. 76528.
E. (9) $84.75.

A. Marc Messing, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $1,111.10.

A. Metropolitan Washington Board of Trade, 1129 20th Street NW., Washington, D.C. 20036.

A. Joseph S. Miller, 210 A Street NE., Washington, D.C.
B. MEBA Political Action Fund, 17 Battery Place, New York, N.Y. 10004.
D. (6) $3,000. E. (9) $1,850.

A. Joseph S. Miller, 210 A Street NE., Washington, D.C. 20002.
B. The Navajo Nation, Window Rock, Ariz. 86515.

A. Joseph S. Miller, 210 A Street NE., Washington, D.C. 20002.
B. O. & C. Counties Association, Douglas County Court House, Roseburg, Oreg.

A. Joseph S. Miller, 210 A Street NE., Washington, D.C. 20002.
B. Port of Portland, Box 3529, Portland, Oreg. 97208.
D. (6) $600.

A. Joseph S. Miller, 210 A Street NE., Washington, D.C. 20002.
B. Western Forest Industries Association, 1500 Southwest Taylor Street, Portland, Oreg. 97205.
D. (6) $1,500. E. (9) $800.50.

A. Lester F. Miller, National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $351. E. (9) $30.

A. Clarence Mitchell, NAACP, 733 15th Street NW., Suite 410, Washington, D.C. 20005.
B. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.
D. (6) $4,000.

A. John Moller, Motor Vehicle Manufacturers Association of the United States, Inc, 1909 K Street NW., Washington, D.C. 20006.
B. Motor Vehicle Manufacturers Association of the United States, Inc., 320 New Center Building, Detroit, Mich. 48202.
D. (6) $400.

A. Christopher Monek, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. O. William Moody, Jr., 815 16th Street NW., Room 510, Washington, D.C. 20006.
B. Maritime Trades Department, AFL–CIO, 815 16th Street NW., Room 510, Washington, D.C. 20006.
D. (6) $2,500. E. (9) $1,053.56.

A. John Morgan, Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
B. Communications Workers of America, 1925 K Street NW., Washington, D.C. 20006.
D. (6) $588. E. (9) $25.76.

A. Christopher M. Mould, 1666 Connecticut Avenue NW., Washington, D.C.
B. National Board of Young Men's Christian Associations, 291 Broadway, New York, N.Y. 10007.
D. (6) $450.

A. William G. Mullen, 491 National Press Building, Washington, D.C. 20045.
B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20045.
E. (9) $359.61.

A. Richard W. Murphy, 1200 18th Street NW., Suite 1109, Washington, D.C. 20036.
B. Merck & Co., Inc., Rahway, N.J. 07065.
D. (6) $500.

A. Rosemary G. Murray, 1800 K Street NW., No. 900, Washington, D.C. 20006.
B. Pan American World Airways, 1800 K Street NW., No. 900, Washington, D.C. 20006.
E. (9) $386.30.

A. George E. Myers, 1730 Rhode Island Avenue NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $962. E. (9) $119.97.

A. Augustus Nasmith, Pennsylvania Station, Raymond Plaza, Newark, N.J. 07102.
B. Associated Railroads of New Jersey, Pennsylvania Station, Raymond Plaza, Newark, N.J. 07102.
D. (6) $90.

A. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.
D. (6) $25,775. E. (9) $26,038.28.

A. National Association for Humane Legislation, Inc., 675 Pinellas Point Drive South, St. Petersburg, Fla. 33705.
D. (6) $205.37. E. (9) $69.18.

A. National Association for Uniformed Services, 956 North Monroe Street, Arlington, Va. 22201.
D. (6) $57,937. E. (9) $12,115.74.

A. National Association of Farmer Elected Committeemen, care of Robert L. Melbern, Route No. 3, Gatesville, Tex. 76528.
D. (6) $1,825.01. E. (9) $1,825.01.

A. National Association of Federally Licensed Firearms Dealers: American Press Media, 7001 North Clark Street, Chicago, Ill. 60626.
D. (6) $4,000. E. (9) $4,000.

A. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $1,750. E. (9) $1,230.

A. National Association of Home Builders, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $69,158.57. E. (9) $35,371.36.

A. National Association of Railroad Passengers, 417 New Jersey Avenue SE., Washington, D.C. 20003.
D. (6) $12,741.06. E. (9) $23,904.33.

A. National Association of Recording Merch., Inc., 1060 Kings Highway North, Suite 200, Cherry Hill, N.J. 08034.
E. (9) $132.

A. National Audio-Visual Association Inc., 3150 Spring Street, Fairfax, Va. 22030.
D. (6) $4,571.28. E. (9) $7,186.02.

A. National Beer Wholesalers' Association of America, Inc., 6310 North Cicero Avenue, Chicago, Ill. 60646.
D. (6) $20,622. E. (9) $656.43.

A. National Board of Young Men's Christian Associations, 291 Broadway, New York, N.Y. 10007.
D. (6) $10,948.60. E. (9) $5,730.05.

A. National Committee for Effective No-Fault, 2535 Massachusetts Avenue NW., Washington, D.C. 20008.
D. (6) $7,800. E. (9) $2,056.58.

A. National Council to Control Handguns, 1910 K Street NW., Washington, D.C. 20006.
D. (6) $6,636. E. (9) $6,192.90.

A. National Counsel Associates, 421 New Jersey Avenue, Washington, D.C. 20003.
B. Cenco Instruments Corp., 2600 South Kostner Avenue, Chicago, Ill.
D. (6) $2,475. E. (9) $185.92.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Committee for the Study of Revenue Bond Financing, 1000 Ring Building, Washington, D.C.
D. (6) $333.33. E. (9) $61.16.

A. National Counsel Associates, 421 Jersey Avenue SE., Washington, D.C. 20003.
B. Encyclopaedia Britannica Educational Corp., 425 North Michigan Avenue, Chicago, Ill.
D. (6) $1,600. E. (9) $153.92.

A. National Counsel Associates, 421 New Jersey Avenue SE., Washington, D.C. 20003.
B. Purolator Services, Inc., 2 Nevada Drive, Lake Success, N.Y. 11040.
D. (6) $1,000. E. (9) $136.20.

A. National Counsel Associates, 421 New
B. Western Railroad Association, 222 South
Jersey Avenue SE., Washington, D.C. 20003.
Riverside Plaza, Chicago, Ill. 60606.
D. (6) $3,000. E. (9) $573.15.

A. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $60,118.20. E. (9) $33,007.73.

A. National Employment Association, 2000 K Street NW., Washington, D.C. 20006.
D. (6) $90,000. E. (9) $4,900.

A. National Federation of Business and Professional Women's Clubs, Inc., 2012 Massachusetts Avenue NW., Washington, D.C. 20036.
D. (6) $540,596.10. E. (9) $6,511.16.

A. National Federation of Independent Business, 490 L'Enfant Plaza SW., Washington, D.C. 20024.
B. National Federation of Independent Business, 150 West 20th Avenue, San Mateo, Calif. 94403.
D. (6) $40,546.69. E. (9) $40,546.69.

A. National Home Furnishings Association, 405 Merchandise Mart, Chicago, Ill. 60654.
E. (9) $1,500.

A. National Housing Conference, Inc., 1126 16th Street NW., Washington, D.C. 20036.
D. (6) $10,898.50. E. (9) $26,747.83.

A. National Leased Housing Association, Suite 707, 1025 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $450. E. (9) $450.

A. National Organization for the Reform of Marijuana Laws, 2317 M Street NW., Washington, D.C. 20037.
D. (6) $2,347. E. (9) $2,700.

A. National Organization for Women, Inc., 1266 National Press Building, Washington, D.C. 20045.
D. (6) $14,789.26. E. (9) $14,789.26.

A. National Parking Association, 1101 17th Street NW., Washington, D.C. 20036.
E. (9) $4,281.81.

A. National Public Employer Labor Relations Association, 5109 Western Avenue NW., Washington, D.C.
D. (6) $63. E. (9) $297.

A. National Rehabilitation Association, 1522 K Street NW., Suite 1120, Washington, D.C. 20005.
D. (6) $3,176. E. (9) $1,130.

A. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22030.
D. (6) $4,948. E. (9) $4,948.

A. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $6,259. E. (9) $3,523.

A. National School Transportation Association, 9001 Braddock Road, Springfield, Va. 22151.
D. (6) $2,000. E. (9) $139.25.

A. National Taxpayers Union, 625 East Capitol Street SE., Washington, D.C. 20003.
D. (6) $72,120. E. (9) $70,361.

A. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill. 60201.
D. (6) $2,260. E. (9) $2,041.07.

A. A. S. Nemir Associates, 1230 Pennsylvania Building, Washington, D.C. 20004.
B. Brazilian Sugar and Alcohol Institute, Rio de Janeiro, Brazil.
D. (6) $6,000. E. (9) $2,692.92.

A. Ivan A. Nestigen, 1010 16th Street NW., Suite 700, Washington, D.C. 20036.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $900. E. (9) $225.

A. New England Petroleum Corp., 825 Third Avenue, New York, N.Y. 10022.

A. Robert W. Nolan, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $100.

A. Charles M. Noone, 1225 Connecticut Avenue, Washington, D.C. 20036.

B. National Association of Small Business Investment Cos., 512 Washington Building, Washington, D.C. 20005.

D. (6) $1,500. E. (9) $174.63.

A. M. Kathryn Nordstrom, 1133 20th Street N.W., Washington, D.C. 20036.

B. National Canners Association, 1133 20th Street, NW., Washington, D.C. 20036.

D. (6) $400. E. (9) $100.

A. Robert D. Nordstrom, 1133 20th Street NW., Washington, D.C. 20036.

B. National Canners Association, 1133 20th Street NW., Washington, D.C. 20036.

D. (6) $400. E. (9) $100.

A. Northwest Energy Co., P.O. Box 1526, Salt Lake City, Utah 84110.

E. (9) $3,730.64.

A. Rebekah Norton, 422 First Street SE., Washington, D.C. 20003.

B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.

D. (6) $2,783.04.

A. Dallin H. Oaks, Brigham Young University, Provo, Utah 84602.

B. Brigham Young University, Provo, Utah 84602.

A. George O'Bea, Jr., 815 16th Street NW., No. 304, Washington, D.C. 20006.

B. United Paperworkers International Union, 815 16th Street NW., No. 304, Washington, D.C. 20006.

D. (6) $1,000. E. (9) $181.50.

A. Louis F. Oberdorfer, Wilmer, Cutler & Pickering, 1666 K Street NW., Washington, D.C. 20006.

B. Legal Services Corp., 733 15th Street NW., Washington, D.C. 20005.

A. O'Brien Associates, 2700 Calvert Street, Suite L-517, Washington, D.C. 20008.

B. Parcel Post Association, 1211 Connecticut Avenue NW., Washington, D.C.; American Business Press, Wyatt Building, Washington, D.C.; National Newspaper Association, National Press Building, Washington, D.C.

D. (6) $8,060.

A. William B. O'Connell, 111 East Wacker Drive., Chicago, Ill. 60601.

B. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Ill. 60601.

D. (6) $1,125.

A. O'Connor & Hannan, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

B. American Clinical Laboratory Association, 1747 Pennsylvania Avenue NW., Suite 600, Washington, D.C. 20006.

D. (6) $2,000. E. (9) $139.25.

A. Jane O'Grady, Amalgamated Clothing Workers of America, AFL-CIO, 815 16th Street NW., Washington, D.C. 20006.

B. Amalgamated Clothing Workers of America, AFL-CIO, 15 Union Square, New York, N.Y. 10003.

D. (6) $5,244.98. E. (9) $499.99.

A. James T. O'Hara, Jones, Day, Reavis & Pogue, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Andersen Foundation, Bayport, Minn.

E. (9) $5.

A. James T. O'Hara, Jones, Day, Reavis & Pogue,, 1100 Connecticut Avenue NW., Washington, D.C. 20036.

B. Stackpole Hall Foundation, St. Mary's, Pa.

E. (9) $4.

A. Charles E. Olson, 1201 16th Street NW., Washington, D.C. 20036.

B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.

D. (6) $4,629.30. E. (9) $342.95.

A. James J. O'Neill, 22 Thames Street, New York, N.Y. 10006.

B. The Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.

D. (6) $13,248. E. (9) $954.21.

A. Charles J. Orasin, 1910 K Street NW., Washington, D.C.

B. National Council to Control Handguns, 1910 K Street NW., Washington, D.C. 20006.

D. (6) $1,398.06.

A. Kathleen F. O'Reilly, 1012 14th Street NW., Washington, D.C. 20005.

B. Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.

D. (6) $2,100. E. (9) $90.

A. The Organization of Plastics Processors, 1709 New York Avenue NW., Suite 312, Washington, D.C. 20006.

D. (6) $3,500. E. (9) $4,692.28.

A. Organization of Professional Employees of the United States Department of Agriculture (OPEDA), Room 1247, South Building, United States Department of Agriculture, Washington, D.C. 20250.

D. (6) $741.16. E. (9) $2,952.21.

A. Otis Elevator Co., P.O. Box 7293, Denver, Colo. 80207.

E. (9) $7,000.52.

A. David A. Oxford, 1016 North Carolina Avenue SE., Washington, D.C. 20003.

B. Manufactured Housing Institute, 14650 Lee Road, Chantilly, Va. 22021.

D. (6) $6,625. E. (9) $16.

A. Pasco, Inc., P.O. Box 1677, Englewood, Colo. 80110.

A. The Patent Law Association of Los Angeles, Suite 2400, Equitable Plaza, 3435 Wilshire Boulevard, Los Angeles, Calif. 90010.

A. Kenton Pattie, 3150 Spring Street, Fairfax, Va. 22030.

B. National Audio-Visual Association, Inc., 3150 Spring Street, Fairfax, Va. 22030.

D. (6) $1,632.69.

A. Ellen Pattin, 6907 Lyle Street, Lanham, Md. 20801.

B. Women's Lobby Inc., 1345 G Street SE., Washington, D.C. 20003.

A. Patton, Boggs & Blow, 1200 17th Street NW., Washington, D.C. 20036.

B. Chicago Board Options Exchange, LaSalle at Jackson, Chicago, Ill. 60604.

D. (6) $360. E. (9) $83.75.

A. Peabody, Rivlin, Lambert, 1730 M Street NW., Washington, D.C. 20036.

B. Westinghouse Electric Corp., 1801 K Street NW., Washington, D.C. 20006.

D. (6) $525. E. (9) $267.85.

A. Jack Pearce, Pearce and Brand, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. Committee on Modern, Efficient Transportation (COMET), 1000 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $4,000. E. (9) $1,062.84.

A. Jack Pearce, Pearce & Brand, 1000 Connecticut Avenue NW., Washington, D.C.

B. Computer Industry Association, 1911 North Fort Myer Drive, Rosslyn, Va.

D. (6) $8,820. E. (9) $55.41.

A. Jack Pearce, 1000 Connecticut Avenue NW., Washington, D.C. 20036.

B. National Association for Milk Marketing Reform (NAMMR), 1000 Connecticut Avenue NW., Washington, D.C. 20036.

D. (6) $8,250. E. (9) $545.42.

A. Kenneth Peterson, AFL-CIO, 815 16th Street NW., Washington, D.C.

B. American Federation of Labor and Congress of Industrial Organizations, 815 16th Street NW., Washington, D.C.

D. (6) $7,702.50. E. (9) $218.75.

A. Richard W. Peterson, Independent Bankers Association of America, 1625 Massachusetts Avenue NW., Suite 203, Washington, D.C. 20036.

B. Independent Bankers Association of America, Sauk Centre, Minn. 56378.

E. (9) $805.83.

A. Sam Pickard, 1101 17th Street NW., Washington, D.C. 20036.

B. Monsanto Co., 800 N. Lindbergh Boulevard, St. Louis, Mo. 63166.

D. (6) $500. E. (9) $254.70.

A. J. Francis Pohlhaus, Washington Bureau, NAACP, Suite 410, 733 15th Street NW., Washington, D.C.

B. National Association for the Advancement of Colored People, 1790 Broadway, New York, N.Y. 10019.

D. (6) $500.

A. Frederick T. Poole, American Farm Bureau Federation, 425 13th Street NW., Washington, D.C.

B. American Farm Bureau Federation, 225 Touhy Avenue, Park Ridge, Ill.

D. (6) $2,812. E. (9) $73.83.

A. James T. Prendergast, 250 East 87th Street, New York, N.Y. 10028.

B. Staff Builders, Inc., 122 East 42d Street, New York, N.Y. 10017.

D. (6) $1004.52. E. (9) $121.35.

A. Lloyd Preslar, 1225 19th Street NW., Washington, D.C. 20036.

B. DGA International, Inc., 1225 19th Street NW., Washington, D.C. 20036.

D. (6) $252. E. (9) $12.

A. Jerry C. Pritchett, 5530 Wisconsin Avenue, Suite 750, Washington, D.C. 20015.

B. Mechanical Contractors Association of America, Inc., 5530 Wisconsin Avenue, Suite 750, Washington, D.C. 20015.

A. Graham Purcell, 1819 H Street NW., Washington, D.C. 20006.

B. American Rice Growers Cooperative Association, Lake Charles, La.

D. (6) $300.

A. Graham Purcell, 1819 H Street NW., Washington, D.C. 20006.

B. American Rice, Inc., Houston, Tex.

D. (6) $500.

A. Graham Purcell, 1819 H Street NW., Washington, D.C. 20006.

B. CSR, Limited, Box 483 GPO, Sydney, Australia.

D. (6) $1,000.

A. Graham Purcell, 1819 H Street NW., Washington, D.C. 20006.

B. United Rice Growers & Millers, Maxwell, Calif.

D. (6) $500.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.

B. Bermuda Department of Tourism, Hamilton, Bermuda.

D. (6) $1,666. E. (9) $44.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Gulf Oil Corporation, P.O. Box 1166, Pittsburgh, Pa.
D. (6) $2,000.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. International Leisure Hosts, Inc., 100 West Clarendon, Phoenix, Ariz.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. National Bulk Carriers, Inc., 1345 Avenue of the Americas, New York, N.Y.
D. (6) $3,000.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. National Ski Areas Association, 99 Park Avenue, New York, N.Y.
D. (6) $1,500.

A. Ragan & Mason, 900 17th Street NW., the Farragut Building, Washington, D.C.
B. Princess Hotels International, 1345 Avenue of the Americas, New York, N.Y.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. R. J. Reynolds Industries, Inc., 401 North Main Street, Winston-Salem, N.C.
D. (6) $1,000. E. (9) $72.45.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Sea-Land Service, Inc., P.O. Box 900, Edison, N.J.
D. (6) $3,000. E. (9) $712.90.

A. Ragan & Mason, 900 17th Street NW., The Farragut Building, Washington, D.C.
B. Stimson Lumber Co., and Miller Redwood Co., 315 Pacific Building, Portland, Ore.
D. (6) $125.

A. Rial M. Rainwater, National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carriers' Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $351. E. (9) $28.

A. Recording Industry Association of America, Inc., One East 57th Street, New York, N.Y. 10022.
D. (6) $49,601.92. E. (9) $43,931.65.

A. Recreation Vehicle Industry Association, P.O. Box 203, 14650 Lee Road, Chantilly, Va. 22021.
E. (9) $15,004.

A. Campbell L. Reed, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. D. J. Reedy, 3306 Sheffield Circle, Sarasota, Fla. 33580.
B. National Advertising Co., 6850 South Harlem Avenue, Bedford Park, Argo, Ill. 60501.
D. (6) $600.

A. Thomas J. Reese, 3751 Jenifer Street NW., Washington, D.C. 20015.
B. Taxation with Representation, Suite 201, 732 17th Street NW., Washington, D.C. 20006.
D. (6) $1,391.97. E. (9) $45.62.

A. Reid & Priest, 1701 K Street NW., Washington, D.C. 20006.
B. Consolidated Edison Co. of New York, Inc., 4 Irving Place, New York, N.Y. 10003.
E. (9) $197.11.

A. Reproductive Freedom League, P.O. Box 11921, Lexington, Ky. 40511.
D. (6) $115.50. E. (9) $191.80.

A. Reserve Officers Association of the United States (ROA), 1 Constitution Avenue NE., Washington, D.C. 20002.
D. (6) $1,529.58 E. (9) $8,431.

A. Warren S. Richardson, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.
D. (6) $2,060.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. The Kellogg Co., Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. Pan American World Airways, Inc., 1800 K Street NW., Washington, D.C. 20006.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. W. K. Kellogg Foundation, Battle Creek, Mich.

A. James W. Riddell, 723 Washington Building, Washington, D.C. 20005.
B. Volume Footwear Retailers of America, 51 East 42d Street, New York, N.Y. 10017.

A. Judith Assmus Riggs, 1520 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Washington Research Project Action Council, 1520 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $1,181.25.

A. John Riley, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $739.77. E. (9) $5.96.

A. George W. Ritter, 3914 King Arthur Road, Annandale, Va. 22003.
B. Alton Box Board Co., Alton, Ill. 62002.
D. (6) $5,000. E. (9) $2,117.

A. Kenneth Roberson, 193 Stuart Road, Valley Stream, N.Y. 11581.
B. Meat Importers Council of America, Inc., One Penn Plaza, New York, N.Y. 10001.

A. James C. Roberts, 422 First Street SE., Washington, D.C. 20003.
B. American Conservative Union, 422 First Street SE., Washington, D.C. 20003.
D. (6) $1,999.99.

A. Kenneth A. Roberts, 1730 M Street NW., Washington, D.C. 20006.
B. Sharman Associates, Inc., (On Behalf of Committee for Do-It-Yourself Household Moving), Suite 1000, 1100 17th Street NW., Washington, D.C. 20036.

A. Jerome Robinson, Florida Restaurant Association, 500 Three Islands Boulevard, Hallandale, Fla. 33009.
B. Florida Restaurant Association, 1077 Northeast 125th Street North, Miami, Fla. 33161.

A. Ronn Robinson, National Education Association, P.O. Box 558, Mercer Island, Wash. 98040.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $2,927.20. E. (9) $100.

A. Ted V. Rodgers, Suite 304, 1000 Connecticut Avenue NW., Washington, D.C. 20036.
B. Nationwide Insurance Companies and Affiliates, 246 North High Street, Columbus, Ohio 43216.
D. (6) $2,500.

A. Mitchell Alan Rofsky, 133 C Street SE., Washington, D.C. 20003.
B. Congress Watch, 133 C Street SE., Washington, D.C. 20003.
D. (6) $625.

A. Nathaniel H. Rogg, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $2,437.50. E. (9) $135.22.

A. June A. Rogul, 1341 G Street No. 908, Washington, D.C. 20005.
B. American Israel Public Affairs Committee, 1341 G Street No. 908, Washington, D.C. 20005.
D. (6) $5,500.66.

A. Gail Rosenberg, 705 G Street SE., Washington, D.C. 20003.
B. National Abortion Rights Action League, 250 West 57th Street, New York, N.Y. 10019.
D. (6) $2,070.

A. Harry N. Rosenfield, 1735 DeSales Street NW., Washington, D.C. 20036.
B. American Chiropractic Association, 2200 Grand Avenue, Des Moines, Iowa 50312.
D. (6) $2,000. E. (9) $650.

A. Richard Royce, 2011 Eye Street NW., Washington, D.C. 20006.
B. Committee on Section 311, 2011 Eye Street NW., Washington, D.C. 20006.
D. (6) $9,000. E. (9) $427.65.

A. Sand Springs Home, Sand Springs, Okla.
E. (9) $777.30.

A. Stanley J. Sawacki, 16543 Beech Daly Road, Detroit, Mich.
B. Stanley J. Sawicki & Son, 1521 West Lafayette, Detroit, Mich.

A. Michael B. Scanlon, Edelman International, 1730 Pennsylvania Avenue NW., Washington, D.C.
B. Aerospatiale, c/o DGA International, 1225 19th Street NW., Washington, D.C.
D. (6) $500. E. (9) $35.10.

A. Michael B. Scanlon, Daniel J. Edelman, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. Daniel J. Edelman (*for* American Safety Belt Council, New Rochelle, N.Y.).
D. (6) $500. E. (9) $116.10.

A. Fred E. Schillreff, 1750 New York Avenue NW., Washington, D.C. 20006.
B. International Association of Fire Fighters, AFL–CIO, 1750 New York Avenue NW., Washington, D.C. 20006.
D. (6) $575.

A. Roger A. Schultz, 767 Fifth Avenue, New York, N.Y. 10022.
B. The J. B. Williams Co., Inc., 767 Fifth Avenue, New York, N.Y. 10022.
D. (6) $900. E. (9) $400.

A. Bari L. Schwartz., 2030 M Street NW., Room 300, Washington, D.C. 20037.
B. Action for Legal Rights, 2030 M Street, Washington, D.C. 20037.

A. Richard B. Scudder, Garden State Paper Co., 960 River Drive, Garfield, N.J. 07026.

A. Theodore A. Serrill, 491 National Press Building, Washington, D.C. 20045.
B. National Newspaper Association, 491 National Press Building, Washington, D.C. 20045.
E. (9) $332.74.

A. Leo Seybold, 1709 New York Avenue NW., Washington, D.C. 20006.

B. Air Transport Association, 1709 New York Avenue NW., Washington, D.C. 20006.
D. (6) $1,192.75. E. (9) $93.28.

A. Yvonne L. Shafer, National Education Association, Western States Regional Office, care of Classroom Teachers of Dallas, 3816 San Jacinto Street, Dallas, Tex. 75204.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $2,256.70. E. (9) $100.

A. Steven Shamburek, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washignton, D.C. 20003.
D. (6) $1,500.

A. Sharman Associates, Inc., 1100 17th Street NW., Suite 1000, Washington, D.C. 20036.
B. Committee for Do-It-Yourself Household Moving, 1100 17th Street NW., Suite 1000, Washington, D.C. 20036.
D. (6) $6,711.31. E. (9) $5,182.57.

A. Jowanda Shelton, 910 16th Street NW., Washington, D.C. 20006.
B. Committee for Humane Legislation, Inc., 11 West 60th Street, New York, N.Y. 10023.
D. (6) $3,700.

A. Norman R. Sherlock, 1709 New York Avenue NW., Washington, D.C. 20006.
B. Air Transport Association, 1709 New York Avenue NW., Washington D.C. 20006.
D. (6) $2,376.87. E. (9) $497.63.

A. Nelson T. Shields, 1910 K Street NW., Washington, D.C. 20006.
B. National Council to Control Handguns, 1910 K. Street NW., Washington, D.C. 20006.

A. A. Z. Shows, Suite 502, 2600 Virginia Avenue NW., Watergate Office Building, Washington, D.C. 20037.
D. (6) $2,055.41. E. (9) $3,189.50.

A. Maureen Shubow, 1012 14th Street NW., Washington, D.C. 20005.
B. Consumer Federation of America, 1012 14th Street NW., Washington, D.C. 20005.
D. (6) $300. E. (9) $50.

A. Barry M. Siegel, 22 Thames Street, New York, N.Y. 10006.
B. The Committee of Publicly Owned Companies, 22 Thames Street, New York, N.Y. 10006.
D. (6) $9,252. E. (9) $1,218.
A. Sierra Club, 530 Bush Street, San Francisco, Calif. 94108.
D. (6) $29,900. E. (9) $83,081.

A. Mark S. Sigurski, Suite 200, 1776 K Street NW., Washington, D.C. 20006.
B. Motorola, Inc., Suite 200, 1776 K Street NW., Washington, D.C. 20006.
D. (6) $500. E. (9) $165.

A. Julian H. Singman, International Marine Division, Internatioinal Longshoreman's Association, 815 16th Street NW., Suite 310, Washington, D.C. 20006.
B. International Longshoremen's Association, AFL-CIO, 17 Battery Place, Suite 1530, New York, N.Y. 10006.
D. (6) $5,000. E. (9) $1,909.76.

A. Marcus W. Sisk, Jr., 1775 K Street NW., Suite 220, Washington, D.C. 20006.
B. The Oil Shale Corp., 10100 Santa Monica Boulevard, Los Angeles, Calif. 90067.
D. (6) $4,150. E. (9) $387.65.

A. Roma Skeen, Marathon Oil Co., 1625 I Street NW., Suite 420, Washington, D.C. 20006.
B. Marathon Oil Co., Findlay, Ohio 45840.

A. John M. Snow, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
B. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $500. E. (9) $30.

A. John M. Snyder, 1735 DeSales Street NW., Suite 500, Washington, D.C. 20036.
B. Citizens Committee for the Right to Keep and Bear Arms, Bellefield Office Park, 1601 114th SE., Suite 151, Bellevue, Wash. 98004.
D. (6) $3,750.

A. Wilbur D. Sparks, 1815 North Fort Myer Drive, Arlington, Va. 22209.
B. Air-Conditioning and Refrigeration Institute, 1815 North Fort Myer Drive, Arlington, Va. 22209.
D. (6) $624. E. (9) $150.

A. John B. Spears, Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $400. E. (9) $498.45.

A. Robert A. Spelman, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
B. National Association of Furniture Manufacturers, 8401 Connecticut Avenue, Suite 911, Washington, D.C. 20015.
D. (6) $500. E. (9) $30.

A. Larry N. Spiller, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
D. (6) $1,850. E. (9) $75.

A. James M. Sprouse, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. John W. Sroka, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Staff Builders, Inc., 122 East 42d Street, New York, N.Y. 10007.
E. (9) $1,121.35.

A. Robert H. Starkey, 1750 Pennsylvania Avenue NW., Washington, D.C.
B. National Rural Letter Carrier's Association, 1750 Pennsylvania Avenue NW., Washington, D.C.
D. (6) $311. E. (9) $12.

A. George E. Steele, Jr., Steele & Utz, 1225 19th Street NW., Suite 700, Washington, D.C. 20036.
B. Zoological Action Committee, Inc., 1225 19th Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $9,000. E. (9) $12,226.46.

A. Glenn C. Stophel, Stophel, Caldwell & Heggie, 722 Chestnut Street, Chattanooga, Tenn. 37402.
B. Legal Services Corp., 733 15th Street, Washington, D.C. 20005.
D. (6) $135. E. (9) $35.

A. Arthur H. Stoup, 950 Home Savings Building, Kansas City, Mo. 64106.
E. (9) $177.34.

A. O. R. Strackbein, 3505 North Abingdon Street, Arlington, Va. 22207.
B. International Allied Printing Trades Association, 1900 L Street NW., Washington, D.C. 20036.
D. (6) $625. E. (9) $63.

A. R. Keith Stroup, 2317 M Street NW., Washington, D.C. 20037.
B. National Organization for the Reform of Marijuana Laws, 2317 M Street NW., Washington, D.C. 20037.
D. (6) $2,250.

A. John H. Studebaker, 1019 19th Street NW., Washington, D.C. 20036.
B. United Fresh Fruit & Vegetable Association, 1019 19th Street NW., Washington, D.C. 20036.
D. (6) $225. E. (9) $114.87.

A. Surrey, Karasik & Morse, 1156 15th Street NW., Washington, D.C. 20005.
B. Recording for the Blind, Inc., 215 East 58th Street, New York, N.Y. 10022.
D. (6) $5,179. E. (9) $27.42.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Connecticut Mutual Life Insurance Co., 140 Garden Street, Hartford, Conn. 06115.
D. (6) $500. E. (9) $20.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. The Equitable Life Assurance Society of the United States, 1285 Avenue of the Americas, New York, N.Y. 10019.
D. (6) $500. E. (9) $20.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. Massachusetts Mutual Life Insurance Co., 1295 State Street, Springfield, Mass. 01101.
D. (6) $500. E. (9) $20.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. New England Mutual Life Insurance Co., 501 Boylston Street, Boston, Mass. 02117.
D. (6) $500. E. (9) $20.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. The Northwestern Mutual Life Insurance Co., 720 East Wisconsin Avenue, Milwaukee, Wis. 53202.
D. (6) $500. E. (9) $20.

A. Sutherland, Asbill & Brennan, 1666 K Street NW., Washington, D.C. 20006.
B. World Airways, Inc., Oakland International Airport, Oakland, Calif. 94614.

A. Noble J. Swearingen, 101 Second Street NE., Washington, D.C. 20002.
B. American Lung Association, 1740 Broadway, New York City, N.Y. 10019.
D. (6) $1,000.

A. Fred R. Tammen, 1522 K Street NW., Suite 1120, Washington, D.C. 20005.
B. National Rehabilitation Association, 1522 K Street NW., Suite 1120, Washington, D.C. 20005.
D. (6) $17,800. E. (9) $180.

A. David S. Tatel, Hogan & Hartson, 815 Connecticut Avenue NW., Washington, D.C. 20006.
B. Legal Services Corp., 733 15th Street NW., Washington, D.C. 20005.
D. (6) $68. E. (9) $4.

A. Taxation With Representation, 732 17th Street NW., Washington, D.C. 20006.
D. (6) $5,380.80. E. (9) $10,269.72.

A. Patricia Taylor, Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.

B. Environmental Action, Inc., Room 731, 1346 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,384.62.

A. Samuel D. Thurman, University of Utah College of Law, Salt Lake City, Utah 84112.
B. Legal Services Corp., 733 15th Street, Washington, D.C. 20005.
D. (6) $135. E. (9) $35.

A. William D. Toohey, 1100 Connecticut Avenue NW., Washington, D.C. 20036.
B. Discover America Travel Organizations, Inc., 1100 Connecticut Avenue NW., Washington, D.C. 20036.
D. (6) $1,425. E. (9) $50.

A. Joseph P. Trainor, Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 815 16th Street NW., Washington, D.C. 20006.
B. Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employes, 6300 River Road, Rosemont, Ill. 60018.
D. (6) $5,250. E. (9) $969.41.

A. W. M. Trevarrow, 976 National Press Building, Washington, D.C. 20045.
B. American Motors Corp., 14250 Plymouth Road, Detroit, Mich. 48232.
D. (6) $4,150. E. (9) $202.50.

A. Paul E. Trimble, Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.
B. Lake Carriers' Association, 1411 Rockefeller Building, Cleveland, Ohio 44113.

A. R. Dick Vander Woude, National Education Association, 648 A Dauphine Court, Elk Grove Village, Ill. 60007.
B. National Education Association, 1201 16th Street NW., Washington, D.C. 20036.
D. (6) $3,086.20. E. (9) $75.

A. Richard E. Vernor, American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. American Life Insurance Association, Inc., 1730 Pennsylvania Avenue NW., Washington, D.C. 20006.

A. Rudolph A. Vignone, 1800 K Street NW., Suite 800, Washington, D.C. 20006.
B. The Goodyear Tire & Rubber Co., Akron, Ohio 44316.

A. Bruce E. Vogelsinger, American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
B. American Consulting Engineers Council, 1155 15th Street NW., Suite 713, Washington, D.C. 20005.
D. (6) $1,700. E. (9) $75.

A. Bart Walker, 324 C Street SE, Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6). $500.

A. DeMelt E. Walker, 1730 Rhode Island Avenue NW., Washington, D.C.
B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.
D. (6) $799. E. (9) $62.40.

A. Richard D. Warden, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 1125 15th Street NW., Washington, D.C. 20005.
B. International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW), 8000 East Jefferson Avenue, Detroit, Mich. 48214.
D. (6) $6,164.04. E. (9) $564.33.

A. Washington Research Project Action Council, 1520 New Hampshire Avenue NW., Washington, D.C. 20036.
D. (6) $1,140. E. (9) $2,670.71.

A. Janet Wegner, 1909 K Street NW., Washington, D.C. 20515.
B. National Retired Teachers Association/American Association of Retired Persons, 1909 K Street NW., Washington, D.C. 20515.

A. Edwin M. Wheeler, 1015 18th Street NW., Washington, D.C. 20036.
B. The Fertilizer Institute, 1015 18th Street NW., Washington, D.C. 20036.
E. (9) $25.

A. Thomas E. Wheeler, 1425 K Street NW., Suite 900, Washington, D.C. 20005.
B. Grocery Manufacturers of America, Inc., 1425 K Street NW., Suite 900, Washington, D.C. 20005.
D. (6) $5.45. E. (9) $109.

A. White & Case, 1747 Pennsylvania Avenue NW., Washington, D.C. 20006.
B. New England Petroleum Corp., 825 Third Avenue, New York, N.Y. 10022.

A. Donald K. White, 417 New Jersey Avenue SE., Washington, D.C. 20003.
D. (6) $859.05. E. (9) $766.01.

A. Harding deC. Williams, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.
B. National Savings and Loan League, 1101 15th Street NW., Suite 400, Washington, D.C. 20005.

A. Harry D. Williams, 1025 Connecticut Avenue NW. No. 507, Washington, D.C. 20036.
B. Ashland Oil, Inc., P.O Box 391, Ashland, Ky. 41101.
D. (6) $500.

A. A. W. Winter Pasco, Inc., P.O. Box 1677, Englewood, Colo. 80110.
B. Pasco, Inc., P.O. Box 1677, Englewood, Colo. 80110.

A. Kenneth D. Wollack, 1341 G Street No. 908, Washington, D.C. 20005.
B. American Israel Public Affairs Committee, 1341 G Street No. 908, Washington, D.C. 20005.
D. (6) $5,625.

A. Burton C. Wood, 15th and M Streets NW., Washington, D.C. 20005.
B. National Association of Home Builders of the United States, 15th and M Streets NW., Washington, D.C. 20005.
D. (6) $6,140.61. E. (9) $667.52.

A. Joyce Wood, 324 C Street SE., Washington, D.C. 20003.
B. Environmental Policy Center, 324 C Street SE., Washington, D.C. 20003.
D. (6) $3,273.88. E. (9) $12.95.

A. William E. Woods, 440 National Press Building, Washington, D.C. 20045.
B. National Association of Retail Druggists, 1 East Wacker Driver, Chicago, Ill. 60601.
D. (6) $750. E. (9) $150.

A. World Federalists, USA, 1424 16th Street NW., Washington, D.C. 20036.
D. (6) $2,500. E. (9) $900.

A. Wyatt and Saltzstein, 1300 Wyatt Building, Washington, D.C. 20005.
B. American Business Press, Inc., 205 East 42d Street, New York, N.Y. 10017.
D. (6) $2,250. E. (9) $100.

A. Jack Yelverton, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.
B. Fleet Reserve Association, 1303 New Hampshire Avenue NW., Washington, D.C. 20036.

A. Kenneth Young, AFL-CIO, 815 16th Street NW., Washington, D.C.
B. American Federation of Labor and Congress of Industrial Organiations, 815 16th Street NW., Washington, D.C.
D. (6) $8,073. E. (9) $296.75.

A. Robert Zacharias, 1957 E Street NW., Washington, D.C. 20006.
B. The Associated General Contractors of America, 1957 E Street NW., Washington, D.C. 20006.

A. Donald Zahn, 8316 Arlington Boulevard, Suite 600, Fairfax Va. 22030.
B. National Right to Work Committee, 8316 Arlington Boulevard, Suite 600, Fairfax, Va. 22030.
D. (6) $549. E. (9) $174.

A. Donald P. Zeifang, 1771 N Street NW., Washington, D.C. 20036.
B. National Association of Broadcasters, 1771 N Street NW., Washington, D.C. 20036.
D. (6) $3,000. E. (9) $176.69.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Confederated Tribes of the Colville Indian Reservation, P.O. Box 150, Nespelem, Wash., 99155.
D. (6) $760. E. (9) $79.06.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Lummi Tribe of Indians, P.O. Box 309, Marietta, Wash. 98268.
D. (6) $745. E. (9) $85.98.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Makah Indian Tribe, P.O. Box 115, Neah Bay, Wash. 98357.
D. (6) $1,000. E. (9) $86.44.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Metlakatla Indian Community, P.O. Box 8, Annette Islands Reserve, Alaska. 99926.
D. (6) $657. E. (9) $77.56.

A. Ziontz, Pirtle, Morisset, Ernstoff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Northern Cheyenne Indian Tribe, P.O. Box 128, Lame Deer, Mont. 59043.

A. Ziontz, Pirtle, Morisset, Ernstaff & Chestnut, 208 Pioneer Building, 600 First Avenue, Seattle, Wash. 98104.
B. Suquamish Indian Tribe, P.O. Box 556, Suquamish, Wash. 98392.
E. (9) $0.69.

A. Zoological Action Committee, Inc., 1225 19th Street NW., Suite 700, Washington, D.C. 20036.
D. (6) $8,336. E. (9) $24,097.84.

A. John L. Zorack, 1800 K Street NW., Suite 900, Washington, D.C. 20006.
B. Pan American World Airways, 1800 K Street NW., No. 900, Washington, D.C. 20006.
E. (9) $212.76.

A. Paul G. Zurkowski, 4720 Montgomery Lane, Bethesda, Md. 20014.
B. Information Industry Association, 4720 Montgomery Lane, Bethesda, Md. 20014.
D. (6) $462.50. E. (9) $54.53.

EXTENSIONS OF REMARKS

A TRIBUTE TO WARREN G. GRIMES OF URBANA, OHIO

HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1976

Mr. BROWN of Ohio. Mr. Speaker, it was with great sadness that I learned over Christmas recess of the passing of one of the giants in the field of aviation, Warren G. Grimes, founder and board chairman of Grimes Manufacturing Co. of Urbana, Ohio, the hometown we both had adopted.

One cannot learn of this man without feeling both humbled and inspired. His is a true "rags to riches" story, but the most remarkable thing about Mr. Grimes is the universal fondess and respect for him by all who knew him and, particularly, by those who worked for him.

Grimes President Lewis B. Moore eulogized at a memorial service in Urbana on January 4—

> While he was blessed with unusual talents, perhaps not granted so freely to most of us, he used his gifts to the fullest in his continuing efforts to be of service to others.

Mr. Grimes was known among his employes for his generosity and for the personal relationship he liked to keep with them. He was a hard worker, and expected the same of his employees. But he was not above kidding around and joining in on the fun.

Many of the Grimes workers, particularly those who were there in the early years, consider Mr. Grimes to have been their "buddy." The Grimes Times reported that one employe recently remembered—

> He worked right along with us—good clothes, white shirt and all. Most of us can picture him bent over a screw machine or operating a punch press.

Grimes Manufacturing Co. is a recognized world leader in the field of aviation. The company produces more than 6,000 lighting and integrated electronic items for a worldwide market. Grimes products are used around the world on commercial airliners, military aircraft, and in general aviation. Every NASA spacecraft from Mercury to Skylab has been equipped with caution and warning lights and other Grimes products.

Times were not always so glorious for Mr. Grimes. His early life was quite difficult. After his birth near Dayton, Ohio, his family moved to Kansas, but after 3 years their holdings there were wiped out in floods. They returned to Osborn—now Fairborn—Ohio, where Mr. Grimes' father was accidentally drowned.

The young Warren Grimes was placed in a Tiffin, Ohio, orphanage for a few years, but he returned home to Fairborn for vacations. While there, he would ride his bicycle to a nearby field where Wilbur and Orville Wright were experimenting with aviation. The experience shaped the rest of his life.

After dropping out of school in the ninth grade to do odd jobs, Mr. Grimes went to Detroit at age 16 to work for the Ford Motor Co. He designed lights for the Ford Trimotor airplane.

In 1930, Mr. Grimes returned to Urbana, Ohio, where he and his brother, Frank, started small businesses. But the depression wiped out his small business and illness put him in the hospital. Then, at the low point of his career, two things happened which gave him a new start.

Mr. Grimes' wife, Charlotte, gave him a copy of a book called "Working with God" which gave him the faith to go forward, and the U.S. Department of Commerce approved his design for aircraft navigation lights. In 1933, he started the Grimes Manufacturing Co. in a rented garage in Urbana with one employee, beginning his climb to success.

Among the Grimes innovations:

Development of the first retractable landing light.

Development of the idea of making a glass lamp with a built-in reflector to replace the separate reflector and lamp used in position lights. Mr. Grimes blew the first lamp himself from a piece of glass tubing.

Development of back panel instrument lighting using the "grain of wheat" lamp.

In later years, Mr. Grimes made his home in the gentler climate of Florida. He established the Grimes Research and Development Center in Delray, Fla., in order to research and develop new ways to light the world's aircraft. He tried retirement briefly about 10 years ago, but soon found he could be happy only by continuing to search for new product innovations.

Mr. Grimes returned to his research center, where he toiled away at the workbench he called his "office" until he became too ill last summer to continue any longer.

Mr. Speaker, Warren Grimes lived a full, productive life for 77 years. He and Mrs. Grimes enjoyed more than 50 years of marriage. He brought his company and the aircraft lighting industry through more than 40 years of progress.

All who knew Mr. Grimes loved and respected him, and we will miss him.

THE FAITH OF OUR FOREFATHERS

HON. J. KENNETH ROBINSON

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1976

Mr. ROBINSON. Mr. Speaker, on this day, in the year of our Nation's Bicentennial, we are moved to reflect on the remarkable achievements of George Washington and the other heroic figures of the formative years of this republic.

The patriots who shaped our heritage through courage, tenacity, ingenuity, and reason were sustained by a strong faith. I think it appropriate, therefore, to bring to the notice of the House an address by James F. Bell, Esq., a respected attorney, delivered several months ago at the Thanksgiving Breakfast of the Washington, D.C., Brotherhood, International Christian Leadership.

I include the text of Mr. Bell's address, under leave to extend my remarks, as follows:

> On the occasion of our Nation's Bicentennial, it is particularly appropriate to consider the attitude of our forefathers to God in the direction of their lives. In this analysis I hope that the genius and magnificence of the Declaration of Independence, coupled with the first amendment to the Constitution, will emerge.
>
> At the risk of oversimplification, I would like to break down the history of our country into three periods. In the beginning was the settlement of the colonies, marked by a magnificent and enviable faith in God, but marred in some respects by restrictions in the freedom of expression of such a faith. The Declaration of Independence coupled with the first amendment, combined both: a fundamental assumption in a personal and creative God, and freedom of the individual to worship Him in the light of the dictates of individual consciences. I would unfortunately have to describe our current times as one in which faith in God has little or no fundamental significance, but where we seem to have lots of freedom!
>
> Let's turn first to the early settlers and the faith which permitted them to leave the relative security of the Old World for the unknown perils of the New. Theirs was an awe-inspiring and incredible faith. God was *real* to them. Listen to the words of the Pilgrims in the cabin of the Mayflower as they enscribed their covenant on November 11, 1620:
>
> "Having undertaken for the glory of God, and advancements of the Christian faith, and honor of our king and country, a voyage to plant the first colony in the Northern parts of Virginia, (we do) by these presents solemnly and mutually in the presence of God, and one of another, covenant and combine ourselves together into a civil body politic. . . ."
>
> Or the words of Governor Bradford describing their first winter:
>
> ". . . And for the season it was winter, and they that know the winters of that country know them to be sharp and violent and subject to cruel and fierce storms, dangerous to travel to known places, much more to search an unknown coast. Besides, what could they see but a hideous and desolate wilderness, full of wild beasts and wild men? And what multitudes there might be of them they knew not . . .
>
> "What could sustain them but the Spirit of God and His grace? . . . ."
>
> And here are the words of the Fundamental Orders of Connecticut in 1639:
>
> "Forasmuch as it hath pleased the Allmighty God by the wise disposition of his divyne pruvidence so to Order and dispose of things that we the Inhabitants and Residents of Windsor, Harteford and Wethersfield are now cohabiting and dwelling in and upon the River on Conectecotte and the Lands thereunto adioyneing; And well knowing where a people are gathered together, the word of God requires that to mayntayne the peace and union of such a people there should be an orderly and decent Government established according to God, . . . do therefore assotiate and join our selves to be as one Publike State or Commonwealth. . . ."

The same was true of the southern colonies. The first charter of Virginia granted by James I in 1606 had a missionary ring when he stated that he accepted the desires of the colonists—

". . . for the Furtherance of so noble a Work, which may, by the Province of Almighty God, hereafter tend to the Glory of his Divine Majesty, in propagating of Christian Religion to such People, as yet live in Darkness and miserable Ignorance of the true Knowledge and Worship of God. . . ."

Faith was there—a faith which we do not see today. Yet, sometimes, we tend to make of our forefathers some kind of mystical saints, which they were not. They shared our humanity with us, with all of its imperfections. One of them was some measure of religious intolerance.

I recall the shock I had in reading up on family history in finding that a multiple great grandfather was disinherited and driven from Virginia when he married a Quaker, an afront to the Established Anglican Church. Up north, similar intolerances existed and we all know of Roger Williams' expulsion from the Massachusetts Bay Colony. The Connecticut colony abolished English common law, adopted Leviticus as the law with all of its dire penalties. (Incidentally, it published those laws on blue paper, which is the origin of our "blue laws.") The covenants of many New England towns were rather inconsistent. Listen to this one from Dedham, Massachusetts, where the residents—

". . . generally promise amongst ourselves to each to other to profess and practice one truth according to the most perfect rule, foundation whereof is everlasting love (and to) keep off from us all such as are contrary minded."

Fortunately, there is the shining exception of William Penn and the Pennsylvania Charter of Privileges adopted on October 28, 1701. It is a masterpiece of faith and freedom:

"Because no People can be truly happy, though under the greatest Enjoyment of Civil Liberties, if abridged of the Freedom of their Consciences, as to their Religious Profession and Worship: And Almighty God being the only Lord of Conscience. Father of Lights and Spirits; and the Author as well as Object of all divine Knowledge, Faith and Worship, who only doth enlighten the Minds, and persuade and convince the Understandings of People, I do hereby grant and declare, That no person or Persons, inhabiting in this province or Territories, who shall confess and acknowledge One Almighty God, the Creator, Upholder and Ruler of the World; and profess him or themselves obliged to live quietly under the Civil Government, shall be in any Case molested or prejudiced, . . .

". . . all Persons who also profess to believe in Jesus Christ, the Saviour of the World, shall be capable (notwithstanding their other persuasions and Practices in Point of Conscience and Religion) to serve this Government in any Capacity, both legislatively and executively. . . ."

You might note that it simply never occurred to Penn that there might be people who had no faith in God.

Before we smile tolerantly at our ancestors who in their zeal established religious restrictions which would offend us today, focus upon their faith. God was the source of their joy, direction and vitality. How rudderless that makes our society seem today. We have no restrictions on faith, but some would say we have no faith to be restricted.

This brings us to the Declaration of Independence. As you know, the resolution of independence was adopted on July 2, 1776, and Mr. Jefferson's "Declaration" on the 4th. The Continental Congress had appointed a Committee of five persons to draft the declaration: Jefferson, John Adams, Franklin, Roger Sherman, and Robert Livingston. The draft of Jefferson was accepted by the Committee except for three major points: Jefferson's criticism of the British people, as opposed to the British Government, was deleted—which was good; Jefferson's ringing denunciation of slavery was deleted—which was bad. But most importantly, the Committee did not accept the Deist views of Jefferson. There are two ringing affirmations of Faith in the Declaration:

First, is this noble phrase:

"We hold these truths to be self-evident, that all men are created equal; that they are endowed by their Creator with certain unalienable rights; that among these are life, liberty, and the pursuit of happiness. . . ."

Focus upon this: Life, liberty, and the pursuit of happiness do not just happen. They are endowments to men from God Almighty—a creator and personal God. The Declaration goes on to say that "to secure these rights, Governments are instituted among men. . . ." To the signers of the Declaration, therefore, the Government of the United States, as a republic, is designed to secure the rights which God Almighty has given men.

Secondly, consider the closing words of the Declaration:

"We, therefore, the representatives of the United States of America, in general Congress assembled appealing to the Supreme Judge of the World for the rectitude of our intentions . . . (do declare our independence). . . .

"And, for the support of this declaration, with a firm reliance on the protection of Divine Providence, we mutually pledge to each other our lives, our fortunes, and our honor."

The signers of the Declaration here recognized a fundamental fact: man's judgment is not the ultimate standard of judgment of right and wrong. That is the prerogative of God himself. God is also our protector.

I do not know who on the Committee wrote those specific words. They could have been Franklin—that worldly gentleman who nevertheless captured the essence of the vital life when he said:

"He who shall introduce into public affairs the principles of primitive Christianity, will change the face of the world."

It was he who continually called the Continental Congress into prayer. Perhaps it was John Adams. I have always been impressed by a quotation from his wife, Abigail, who said:

"A patriot without religion in my estimation is as great a paradox as an honest man without the fear of God."

In any event, there it is. Let us not forget in this forthcoming Bicentennial year that the independence from Britain was to establish a government to protect *God*-given unalienable rights of life, liberty, and the pursuit of happiness.

Coupled with the Declaration was the establishment of freedom of religion. Thomas Jefferson, in the 1786 Virginia Statute of Religious Liberty, stated that all attempts to influence the mind by civil incapacities

". . . are a departure from the plan of the holy author of our religion, who being lord both of body and mind, yet chose not to propagate it by coercions on either, as was in His Almighty power to do. . . ."

This statement of religious freedom was, of course, embodied in the first amendment to our Constitution.

If we now review the period from the Declaration of Independence to date, and fully take into account cyclical revivals, we must reach the conclusion that somehow freedom has been great, but faith has eroded. Freedom of religion has somehow been translated into freedom from religion. How many people in our country today, how many leaders in our country today, really stand with the settlers of this country to whom belief in God was so interwoven into the very fabric of their beings, that almost every decision they make was made with reference to Him. How many stand with the authors of the Declaration of Independence in the belief that our liberty, our pursuit of happiness, indeed, even life itself, is a gift from a Creator God, and act accordingly?

Let me close with this thought. The Golden Gate Bridge is swung between two great towers. If either erode and fall, the bridge will crash down. So it can be with Western Civilization which rests upon the twin towers of the Graeco-Roman and Judeo-Christian traditions. The freedom Jefferson sought came through to John Locke, whom Jefferson followed, from Aristotle, and others from the Graeco-Roman tradition. The belief in the fundamental direction of God, who was a reality to our forebears, is the God of the Judeo-Christian tradition. Neither can be ignored. If either erode and fall so will the Western Civilization, and, I would submit, so will the greatness of this country.

Even more important, however, if the Judeo-Christian tradition is, as we believe, the blueprint for both earthly life and eternity, to ignore it is to court individual as well as corporate oblivion. It would not be inappropriate in this Bicentennial Year, therefore, to issue a clarion call to a return to the Bible and Christianity in the fabric of our nation: to the faith of our fathers in that blueprint as set forth in the Bible. And, in that connection, I would like to close with some quotations from some great political figures of our country as to where they place the Bible and Christianity in the fabric of our nation:

John Quincy Adams: The first and almost the only book deserving of universal attention is the Bible.

Andrew Jackson: The Bible is the Rock on which this Republic rests.

Daniel Webster: To preserve the government we must preserve morals. Morality rests on religion, if you destroy the foundation, the superstructure must fall.

Theodore Roosevelt: The teachers of the Bible are so interwoven with our whole civic and social life that it would be literally impossible for us to figure what life would be if those teachings were removed.

Woodrow Wilson: America was born a Christian nation. America was born to exemplify that devotion to the elements of righteousness which are derived from the Holy Scriptures.

CELEBRATION OF LITHUANIAN INDEPENDENCE

HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1976

Mr. COTTER. Mr. Speaker, on February 16, 1918, a democratic state was established in Lithuania. This had been the goal Lithuanian patriots had been seeking throughout the centuries of Russian control and the German occupation during World War I. At last, in 1920, after successfully driving out the Red Army, Lithuania gained Soviet recognition as an independent nation.

During this time of independence, the state of Lithuania displayed its ability for self-government as it made marked advancements towards its national goals. This was a period of widespread social, economic, and political reforms; a period of relative prosperity and happiness in Lithuania. Yet this was not to be long lasting as the outbreak of World War II led first to Russian and later to a German takeover.

However, with the fall of Germany, Lithuania did not regain its independence but was retaken by the Soviet Union in 1944. To the present day, Lithuania has been recognized by the Soviet Union as a part of the U.S.S.R. Its people have been subjugated and exploited by the Soviet Union.

Soviet propaganda confidently reports that the Lithunian people are very happy with their status as a Soviet satellite. Yet we know that the proud people of Lithuania are trying to free themselves from Soviet religious and political persecution.

It is with this thought in mind that on February 16, 1976, we of the free world commemorate the 58th anniversary of the formation of the state of Lithuania to inspire hope for their continuing struggle for freedom and its eventual realization.

CONSUMER PROTECTION ACT

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1976

Mr. ROSENTHAL. Mr. Speaker, although the House and Senate have passed legislation to establish an independent, Federal Consumer Protection Agency, a threatened Presidential veto clouds its future.

A massive facts-be-damned anticonsumer campaign by the bill's big business and White House opponents kept the House majority too low to override a veto at this time.

This would not be another regulatory agency or captive in-house "advisor" with a title but no teeth. It would be an independent ombudsman representing the interest of consumers before Federal agencies and courts when decisions are made affecting the public health, safety and economic well-being.

It seeks to guarantee America's 210 million consumers the same right to be heard in the councils of government which is available to big business. This is a right that is indispensible to the cause of consumer justice and fundamental fairness.

The Agency's modest budget would cost each American less than 10 cents a year, or a fraction of what Anacin alone spends to advertise its aspirin. The potential savings to consumers for having this new watchdog agency far exceeds the modest investment. The net result will be less not more Government as regulations serving special interests are eliminated through the Agency's efforts.

Opposition to the Agency comes from the same business people who warn us Government is getting too involved in our lives while they flood this city with their highly paid executives and lobbyists to stalk the corridors of the agencies and the Congress asking, indeed demanding, that Government help and protect them with special tax incentives, special loan guarantees, special tariffs, special rules and regulations, and all manner of special treatment.

They are the same people who cry "waste" when someone proposes spending $10 million a year for a Consumer Protection Agency but call for "more" when the Commerce Department spends $1.4 billion to foster, promote, and develop commerce and industry.

One widely circulated opinion poll taken for the Business Roundtable, a well-heeled and powerful opponent of the bill, claimed that 75 percent of the public opposed creation of the consumer agency. The results were quite different from impartial polls and the Library of Congress concluded:

> The Business Roundtable study does not appear to present conclusive evidence that the public is opposed to the creation of the Consumer Advocacy Agency. The public may favor the Consumer Advocacy Agency or oppose it, but it is not possible to use the . . . poll to arrive at a final conclusion on this matter.

The February 1976 issue of Trial magazine discusses the battle to create a Consumer Protection Agency and cites a number of persuasive examples of the need for such an agency. I am inserting the article in the RECORD at this point in order to bring it to the attention of the widest number of people.

CONSUMER PROTECTION ACT—VETO EXPECTED

(By Stephen A. Bennett)

About a dozen years ago, when his name was just becoming a household word, Ralph Nader, wearing his customary forlorn look, was in Baltimore's Unitarian Universalist Church delivering a talk on automobile safety. He had good reason to look forlorn that evening, for only a handful of people came to hear him; but that didn't daunt Nader, whose resounding lecture echoed through the empty cathedral. In spite of the apathy, Ralph Nader has had a lot of victories since then. Last year he was shooting for another one, this one especially dear to him: passage of the Consumer Protection Act, which would establish a consumer protection agency, a bill he has pushed in both houses for six years. The Senate passed its version, 61 to 28, in May, and now the House was to act. A year before the House had voted 293 to 94 in favor of the proposed agency, and so 1975 was the anticipated year of passage in both houses. But as the November voting climax neared, the support eroded like a sandcastle at high tide. When the balloting stopped, the bill had passed in the House, but it was a hollow victory: 208 in favor, 199 against, a bare nine-vote margin. That wasn't enough to override President Ford's veto, which he has promised to make once the House and Senate versions are reconciled, probably in the spring. Nader was obviously stung by the poor vote, but The New York Times described him afterward as "undaunted" by setbacks to the consumer movement. And reporter Joseph Lelyveld quoted a former Nader associate as saying, "He [Nader] has an inexhaustibility to feel outrage."

Nader, the best known consumerism advocate in America, may need that capacity for outrage judging by the fading interest in the consumer movement. There seems to be common agreement on a number of factors that have caused the movement, as Nader admits, to become "seriously stalled." A primary one in this legislative battle was the argument that the new agency would simply create more bureaucracy. Observers say that seems to be the result of what Congressmen perceive as a mood of disenchantment with governmental activity by their constituencies. Maybe it's a kind of an Eisenhower lull, a required respite after the convolutions of Watergate. Nader blames Watergate itself for shoving the Movement off the front pages for two years, and for what he sees as the undermining of the consumer cause by lax enforcement of existing consumer laws since the late 1960s.

Nader and allies also complained, the Wall Street Journal reported, that they had found it difficult to correct the "distortions and mistruths" circulated against the proposed Consumer Protection Agency (CPA). According to the Journal, one poll by Opinion Research Corp. for the powerful Business Roundtable reported 75% of the public opposed to the proposed agency "on top of all other agencies," but Nader's forces maintained that the poll's questions were loaded. The Harris Survey posed the question differently and reported that the public favored the agency by a 44% to 41% plurality.

President Ford has pushed the argument that the government doesn't need another bureaucratic office, and declares that existing consumer-function branches ought to be made more effective.

The President and a number of Congressmen have also raised the related objection of cost, saying the agency would expend $60 million its first three years (the advocates predicted an average of $10 million a year). The proponents argued that the first year the agency's budget couldn't exceed $15 million, which they note is but four hours of the annual Pentagon budget, Colman McCarthy reported in The Washington Post, adding: "Another graphic comparison places the $15 million figure against the $1.4 billion in public money that the Commerce Department uses to foster, promote, and develop commerce and industry."

Overall, Congress appeared to react to what it perceived as the antibureaucracy and antigovernment sentiment of the people. Lost somewhere in all the rhetoric was the purpose of the agency and what it might or might not help correct. It would be staffed by about 300 lawyers, economists, and other specialists, according to the Journal, and would represent the consumer viewpoint in the proceedings of other federal agencies.

Among other functions, the proposed agency could seek court review of decisions by these agencies, send questionnaires (or "interrogatories") to large businesses, collect and disseminate information about consumer products and services, and encourage the testing of consumer products, the Times related.

One argument in favor of the bill was in the form of a statement written by Dr. Samuel S. Epstein of the School of Medicine of Case Western Reserve University and signed by more than 100 scientists, physicians, and educators across the country. It noted that a Federal Trade Commission official had recently testified before Congress that "business representatives outnumber consumer representatives by 100 to 1 in appearances before federal agencies."

The statement ticked off a number of examples of the need for the agency, including failures of the Food and Drug Administration to protect the consumer. The FDA, the statement said, has still taken no regulatory action on 2,300 of the 2,800 drugs found to be ineffective by the National Academy of Sciences—13 years after the Federal Food, Drug and Cosmetic Act passed requiring most drugs marketed after 1938 to be proven effective.

Other examples it cited:

"In the face of evidence that about 5,000 deaths and 200,000 injuries result each year from burns associated with flammable fabrics, Congress strengthened the Flammable Fabrics Act in 1967. The Commerce Department, charged with administering this law, waited four full years before establishing a strict flammability standard covering sizes 0–6X of children's sleepwear."

"The Consumer Product Safety Commission delayed banning the sale of aerosol cans containing vinyl chloride propellants, in spite of the overwhelming data on carcinogenicity of vinyl chloride, until six months following petition by a public interest group (The Health Research Group)."

"A Federal Energy Administration regulation issued in November 1974 mandated that oil refiners treat refinery-fuel costs as a non-product cost subject to profit margin limitations, rather than as a product cost which could be automatically passed through dollar-for-dollar to the consumer. The FEA decided not to make the new clarification retroactive. The potential cost to consumers of that refusal is estimated at $750 million."

"The Civil Aeronautics Board, according to a recent report of the Senate Subcommittee on Administrative Practice and Procedure, has for the last five years regularly violated its own rules and sometimes federal law while acting to protect the interests of the airlines at the expense of the traveller. Violations of the Board include closing of an investigation on possibly illegal campaign contributions by airlines, failure to follow 'commonly accepted standards of fairness and openness,' and failure to hold hearings on decisions not to grant new routes to airlines."

President Ford says he favors tightening up the present consumer agencies, which they apparently need, although the moves in that direction are not apparent. He, like a great many in Congress, sees a tide of public revolt against bureaucracy in the meantime and is expected to cast his veto.

Some Consumer advocates express optimism that President Ford's penchant for vetoing key legislation these days may begin wearing thin in the spring, as the election draws nearer, and he may decide his negativism may hurt him and change his mind on the veto. That is cockeyed optimism at best in the view of most observers. It would mean that President Ford would go back to his 1971 position when, as a Congressman, he supported similar legislation. Although Ralph Nader would consider that a step forward, it is an unlikely prospect.

INDIANA DUNES LAKESHORE PARK, 12 MILLION AMERICANS WILL BENEFIT

HON. RAY J. MADDEN

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1976

Mr. MADDEN. Mr. Speaker, on Tuesday's suspension bills our Members can vote for the Indiana Dunes National Lake-Michigan Shore Recreation Park Center which is within 1½ hours auto ride for 12 million Illinois, Indiana, Michigan, and Ohio residents.

The Indiana Dunes Park is truly a national park brought to the people. In the past, many parks have been built in remote areas of our Nation, far distant from 80 percent of our population.

I ask to include with my remarks a magnificent editorial from Sunday Chicago Tribune, February 15, 1976:

PROTECT THE DUNES LAKESHORE

On Tuesday the House of Representatives is expected to vote on H.R. 11455, providing $55 million to purchase 4,300 additional acres for the Indiana Dunes National Lakeshore. The bill has remarkably broad support for anything affecting that historic battleground between industrialists and conservationists. Its 70 cosponsors include 13 Illinois members of the House, from both parties.

The two big battles have been fought and won. There is a national lakeshore of 5,600 acres, in addition to the Indiana Dunes State Park. And there is the Burns Ditch steel mill and harbor development. With those two decisions made, one for conservation and one for industry, no all-out victory for either interest is any longer possible.

The areas involved in the pending bill are numerous and for the most part small. Three are detached parcels of land, illustrative of some aspect of the natural history of the area. The other areas will, if acquired, round out the principal national lakeshore, from Crescent Dune near Michigan City to the Miller Lagoons west of Marquette Park in Gary. The bill provides for the ultimate absorption of Beverly Shores into the lakeshore, with the approval of most of the residents.

Sponsors of H.R. 11455 contend plausibly that many compromises have been made in hammering out the measure. A bill to enlarge the lakeshore by 6,900 acres was introduced in 1971. The pending bill for 4,300 acres lacks at least a thousand acres that conservationists strongly desire.

Bethlehem and National Steel and Northern Indiana Public Service Company would naturally like to keep for their own purposes some of the acreage involved. But the argument that the existing national lakeshore, a compromise of a compromise, urgently requires rounding out as a protection from present and potential industrial and residential neighbors is a cogent one.

To the general satisfaction of a vast public, the decision to have an Indiana Dunes National Lakeshore has been made. No other large scenic area in the national park system is as close to the homes of 10 million people as is the Indiana Dunes Lakeshore. The pending bill to augment and protect this lakeshore has the support of the three congressmen closest to the site—Ray Madden of Gary, Floyd J. Fithian of Lafayette, and John Brademas of South Bend—and presumably of a majority of their constituents. Action to conserve fragile landscapes and habitats on or near Indiana's Lake Michigan shore must be taken now if ever.

The arguments that the optimum uses for the acreage involved in H.R. 11455 are for recreation and conservation are convincing.

BICENTENNIAL SALUTE TO REV. WILLIAM L. TURLEY

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1976

Mr. FAUNTROY. Mr. Speaker, as this great Republic celebrates its Bicentennial, and we reflect upon the virtues of the Founding Fathers of our Nation, I think it most appropriate that we pay tribute also to those who today carry on in the best tradition of the faith and works of the fathers of our country. Here in our Nation's Capital, we are privileged to have one such man whose life and works are the very embodiment of the faith, the sense of conscience, and the response to duty that have so endeared the Founding Fathers to us all. I speak of the Rev. William L. Turley, pastor of the Mount Gilead Baptist Church.

History, Mr. Speaker, is nourished by instructive example. The instructive example of the life of the Rev. William L. Turley has indeed enriched the public service, exalted the public life, and added lustre to the work of the church in America. Known to his faithful followers as the "Illustrious Shepherd of Mount Gilead," Reverend Turley, more than any other minister, understands the economic power of the black church to improve the quality of life for the "least among us." A man with a genius for financial management, Reverend Turley in 1950 pioneered the establishment of a federally chartered credit union, which is under the direct control of the members of the Mount Gilead Baptist Church. Under his perceptive hand, the credit union since its inception has loaned out over $200,000 to inner city residents. As Mount Gilead Church is an oasis of spiritual salvation, the Mount Gilead Credit Union has become a source of financial salvation to many D.C. citizens unable to obtain loans from commercial institutions and facing financial disaster.

Ordained to the ministry in 1923, Reverend Turley has spent 53 years of his life in an effort to make the church responsive to the social as well as spiritual needs of all the people. As a young minister preaching his first sermon, he selected the subject: "The Church, the World's Hope." This sermon symbolizes the faith that Reverend Turley has in the power of the church to break down barriers of racial discrimination, to feed the hungry, and clothe the naked.

In 1932, under Reverend Turley's inspired leadership, the members of the Mount Gilead Baptist Church purchased a church at 11th and Rhode Island Avenue. In less than 14 years, the church members were able to celebrate the burning of the mortgage as a testament to the managerial skills of Reverend Turley and the devotion of the members of Mount Gilead to build a house of worship to glorify God and to serve humanity.

A man of immense wisdom and vision, Reverend Turley graduated from Union Industrial College in Pennsylvania. After moving to our Nation's Capital, he studied theology at Howard University. He is recognized as one of the most influential ministers in the metropolitan area and has served since 1953 as the leader of the Mount Bethel Baptist Association.

Washingtonians celebrating our Nation's Bicentennial see reflected in Reverend Turley the sterling qualities that endear the Founding Fathers to all Americans.

As the patriots recognized the outstanding leadership qualities of George Washington, so did the members of the Mount Bethel Baptist Association recognize the zestful leadership of Reverend Turley, whom they selected to lead them for over 20 years.

As our young Republic called on Alexander Hamilton to establish a U.S. Treasury system, the members of Mount Gilead called on Reverend Turley to establish a credit union that would enable them to put their savings to work within their community to improve the living standards of that community.

The courage of a Thomas Paine who

challenged the Colonies to found a nation based on democratic principle and human dignity is reflected in the preaching of Reverend Turley, who, in his first sermon, called upon the church to use its spiritual and financial resources to bring hope to people around the block and around the globe.

In a reflection of the political wisdom of a Thomas Jefferson, Reverend Turley, has been a "behind-the scenes" adviser to our elected officials and has been instrumental in building a unified Democratic Party.

I consider it a privilege to submit this testimonial in recognition of the Reverend William L. Turley, a great American, who has earned, by his deeds, the respect and admiration of the citizens of our Nation's Capital as a founding father of religious leadership.

FEBRUARY 16, 1976, AND LITHUANIAN INDEPENDENCE

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1976

Mr. RINALDO. Mr. Speaker, on February 16, we celebrate both the birthday of the founder of our Nation and the 58th anniversary of the reestablishment of the independent state of Lithuania. It is fitting that these two commemorations share the same date for the principles which are the foundation of our Nation are the same as those Lithuania strives to achieve.

Lithuania had her independence only 22 years when, in 1940, the Soviet Union invaded and occupied her land. Yet, the courage and conviction that secured that independence still flourishes today. While her lands are occupied, her spirit is not repressed.

The history of the Republic of Lithuania is one of tragic misfortune. Her people have had to face the severest hardships. Yet, the people of Lithuania are willing to sacrifice and take risks for the cause which they wholeheartedly believe in.

One of the strongest beliefs in the United States is in the principle that human rights should and must be respected. So as Americans and as the defenders of freedom, we join the Lithuanians in celebrating their 58th anniversary of the reestablishment of the independent state of Lithuania and the 725th anniversary of the founding of Lithuania.

I have here a copy of the resolution adopted by the Lithuanian American Council of Linden, N.J. The resolution notes:

> That the subjection of peoples to alien domination and exploitation constitutes a denial of the right to self determination and the other fundamental human rights; is contrary to the charter of the United Nations, contrary to the stipulations of the Helsinki agreement, and is an impediment to the promotion of world peace and cooperation. . . .

I am proud to endorse this resolution; and I am confident, that given the strong determination of these brave people, their freedom will be regained.

I insert the entire resolution for your consideration:

RESOLUTION

We, the Lithuanian-Americans of Linden and vicinity assembled this Twenty-fifth day of January, 1976, at Linden Lithuanian Liberty Hall to commemorate the restoration of Lithuania's independence, do hereby state as follows:

That February 16, 1976, marks the 58th anniversary of the restoration of independence to the more than 700 year-old Lithuanian State, which was won and protected by the blood sacrifices of the Lithuanian people during the wars of independence of 1919–1920, and recognized by the international community of states;

That the Republic of Lithuania was for forcibly occupied and illegally annexed by the Soviet Union in 1940, in violation of all the existing treaties and the principles of international law;

That the subjection of peoples to alien domination and exploitation constitutes a denial of the right to self determination and the other fundamental human rights; is contrary to the charter of the United Nations, contrary to the stipulations of the Helsinki agreement, and is an impediment to the promotion of world peace and cooperation;

That so many countries under foreign colonial domination have been given the opportunity to establish their own independent states; while Lithuania having enjoyed the blessings of freedom for centuries is now subjugated to the most brutal Russian oppression and is nothing but a colony of the Soviet empire;

That, though the Soviet Union, through the programs of resettlement of peoples, intensified russification, suppression of religious freedom and political persecutions, continues in its efforts to change the ethnic character of the population of Lithuania, the Soviet invaders are unable to suppress the aspirations of the Lithuanian people for freedom and the exercise of their human rights.

Now, Therefore, Be It Resolved:

That we demand that the Soviet Union withdraw its military forces, administrative apparatus and the imported Russian colonists from Lithuania and allow the Lithuanian people to govern themselves freely;

That we demand immediate release of all Lithuanians who are imprisoned for political and religious reasons and who for years are lingering in various Soviet jails and concentration camps or kept in psychadelic wards;

That in expressing our gratitude to the United States government for its firm position for non-recognition of the Soviet occupation and annexation of Lithuania, we request an activation of the non-recognition principle by stressing at every opportunity the denial of freedom and natonal independence to Lithuania and the other Baltic countries;

That the Soviet Union, in seeking a policy of detente with the United States, shall be requested to demonstrate its good faith and good will by restoring freedom and national independence to Lithuania and the other Baltic states;

That we are deeply grateful to the President of the United States, Gerald R. Ford, for his firm declaration on July 25, 1975, that the United States of America will not recognize the incorporation of Lithuania into the Soviet Union; we are sincerely grateful to the House of Representatives of the United States for passage of a new resolution expressing a sense of the House relating to the status of the Baltic states, and we ask the President, Senators, and Congressmen of the United States for their support of the cause of freedom for the Lithuanian nation;

That copies of this resolution be forwarded to the President of the United States, to the Secretary of State, to the United States Senators and Congressmen from our state and the news media.

LITHUANIAN INDEPENDENCE DAY

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1976

Mr. SARASIN. Mr. Speaker, on Sunday, February 15, I had the privilege of speaking before the Waterbury Lithuanian-American Council in Waterbury, Conn., on the occasion of the 58th anniversary of the reestablishment of the independence of Lithuania. I was pleased to be able to address them directly on my concerns for the Lithuanian people under bondage, and so I am offering my comments on that occasion for insertion in the RECORD.

I have also heard from other groups concerned with Lithuanian freedoms, notably the New Haven American-Lithuanian Community, Inc., in Branford, Conn. I would like to assure all those concerned with this vital issue of basic human rights that I do seek positive action in support of the aspirations of the Baltic peoples. Accordingly, I have joined Representative MILLICENT FENWICK in cosponsoring legislation which she has introduced, H.R. 9466, which would establish a Commission on Security and Cooperation in Europe to monitor Soviet compliance with the final act of the Helsinki conference providing for a greater recognition of human freedoms within her borders.

The text of my remarks to the Waterbury Lithuanian-American Council follows:

REMARKS BY MR. SARASIN

I am certainly glad to be with you again this year to commemorate the 58th Anniversary of the reestablishment of the Independence of Lithuania.

We commemorate today the brief flicker of independence that Lithuania knew in 1918, and that was so quickly extinguished by the Soviet Union in 1940. But we also take heart at this time with the unyielding spirit of the Lithuanians and all the Baltic peoples in their resistance to Soviet domination. With Lithuania in particular, after it was virtually erased from the map of Europe in the year of 1795 with the third partition of the Lithuanian-Polish State, the Lithuanian people struggled valiantly, provoking revolts in 1831, 1863, 1907, and 1917. Ultimately, this determination of the people to regain their freedom led to the restoration of the Lithuanian state and, at the same time, to the establishment of the republics of Estonia and Latvia. This spirit of the freedom-loving Baltic peoples will not be so easily extinguished, and today, we renew our support and encouragement to them in their legitimate struggle for self-determination.

Much concern has been voiced lately over the effect of our policy of detente on our determination to stand by and encourage the aspirations of the Baltic peoples. For this reason, I am quite pleased to tell you that the Congress has overwhelmingly supported the long-standing U.S. policy not to recognize the annexation of Estonia, Latvia, and

Lithuania by the Soviet Union. On December 2, 1975, the House of Representatives voted in a 407–0 determination, that it was the sense of the House that the signing in Helsinki of the Final Act of the Conference on Security and Cooperation in Europe did not in any way change our longstanding policy of nonrecognition of Soviet aggression. I was one of the co-sponsors of this resolution, and I was very encouraged by the unanimity of the House on this vital issue.

For the Soviet Union had chosen to interpret the signing of the Helsinki Agreement as international acceptance of its illegal occupation of the Baltic states. It is essential that we not let this impression become generalized in the West, but rather that we make it clear that our view of the status of the Baltic states remains unchanged. It is also important that the resolve of the United States in support of the Baltic nations be known, and that we serve notice on the Soviet Union that we expect compliance with the provisions of the Helsinki Agreement which call for a freer movement of people and ideas across national boundaries. We also can, in our dealings with the Soviet Union, create the conditions whereby they would feel compelled to grant their people more freedoms.

It is particularly important with the Baltic nations that we understand the significance of maintaining their distinctive cultural and ethnic identities. It has been the practice of the Soviet Union to force numbers of Baltic peoples to move into the central parts of Russia, and to force emigration of Russian people into the Baltic states, thereby lessening their national cohesivness and cultural uniqueness. However, from reports from the area, we find that despite these attempts to dilute the language, religion, and culture of the Baltic people, that they continue to speak their own language, worship their own religion, and maintain their own distinctive customs. These efforts of the Lithuanians, Estonians, and Latvians can only be lauded considering the many obstacles before them.

In closing, I would like to say: (in Lithuanian)

The support of people, like ourselves, in the free countries of the West, is imperative to the spirit and high hopes of the Baltic peoples who yearn so greatly for their freedom. I can only affirm to you my continuing support for Lithuanian Independence, and the independence of her sister states, Estonia and Latvia. And today, we might also pause to remind ourselves of our own good fortune to be able to live in this great free land called America, and cherish the hope that some fine day the people of Lithuania may also be able to enjoy these same freedoms.

BEATING THE BOYCOTT

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1976

Mr. ROSENTHAL. Mr. Speaker, I was very pleased that President Ford spoke out against the Arab boycott and related actions and signed the November 20 Executive order regarding foreign discrimination against U.S. citizens. However, I would be less than candid if I did not say that I have serious questions as to whether the executive branch is following up on the policy the President enunciated.

The Executive order itself is very narrow in scope and, as the White House concedes, does not prohibit any American firm from complying with the boycott. In the event of discrimination against Americans, such as that so notoriously practiced by Saudi Arabia, our State Department would do little more than file a protest note.

The Export Administration Act of 1969 makes it a matter of U.S. policy to oppose restrictive trade practices or boycotts such as those initiated by the Arabs against American Jews and Israel. Unfortunately, that law is long on intention and short on teeth.

One bill that would have the teeth needed to combat this form of discrimination is H.R. 5246, introduced by my colleague from New York, ELIZABETH HOLTZMAN. As a sponsor of this bill, I wish to commend Ms. HOLTZMAN for the fine work she has been doing to halt the spread of the boycott and to urge my colleagues to support her legislation.

"America needs a law to prohibit its citizens and corporations from discriminating against each other because of instructions from a foreign customer," states an editorial in the January 23, 1976, Los Angeles Times endorsing this bill. That will not be easy, for, as the editorial points out—

> The Ford Administration seems to be resisting the adoption of new laws that would help root out the blacklist before it spreads.

The editorial follows:

BEATING THE BOYCOTT

Two months ago President Ford announced major new measures to keep American companies from becoming involved in the pernicious Arab boycott against Israel and so-called Zionist interests. His actions sounded like a comprehensive program. They weren't, as recent events have demonstrated.

Ford told the Commerce Department to require more information from exporters on their subjection to the boycott. He told American embassies abroad not to provide U.S. firms with data on business opportunities that involve compliance with the blacklist. He ordered the Justice Department to pursue antitrust actions against companies that cooperate with the Arabs by discriminating against Americans because of their race, religion or sex.

Good actions, all of them. Yet they leave untouched much of the boycott's effect in this country, because existing laws and Court precedents just don't fit the problem of fighting a foreign-inspired blacklist. Worse, the Ford Administration seems to be resisting the adoption of new laws that could help root out the blacklist before it spreads.

This is a dangerous situation. Lacking resolute federal action, the American economy faces the risk of being deeply divided as oil exporters' constantly increasing purchasing power gives the boycott more clout. Not too many years in the future, the nation could have two kinds of auto companies, steel makers, trading firms and banks: those that deal with the Arabs, and those that don't. If that happened, the two groups would be hampered by the blacklist in their dealings with each other. Imagine the effects on the nation's economy, its sense of nationhood, its integrity.

American law prohibits discrimination against anyone on the basis of sex, or race, or religion, or ancestry. It says little about discrimination against people because their names are on a list kept by some foreign nation.

Some of the 2,000-odd blacklisted firms are owned or headed by Jews. Many are not; among them are Ford, American Electric Power, Sears, Coca-Cola, Leyland. That vitiates the effectiveness of antidiscrimination law. Yet the whole boycott effort is aimed at the starvation of Israel; each firm on the list is there because of something it has done in, for or with Israel or Jewish people who are supporters of Israel.

Federal authorities eventually may be able to discourage cooperation with the boycott by using the Sherman Antitrust Act. Attorney General Edward H. Levi is trying to do so now, reportedly over the objections of the State, Commerce and Treasury departments. In a case involving the Bechtel Corp. of San Francisco, Bechtel indicated it doesn't think the law applies to the boycott, though, and some independent legal authorities agree with that opinion. It will take years for the courts to decide.

America needs a law to prohibit its citizens and corporations from discriminating against each other because of instructions from a foreign customer. Several such bills have been introduced in Congress, and the Ford Administration is opposing them. Instead, it has offered its own measure—basically another civil-rights law—which would have little effect, if any at all, on the boycott.

This impasse cannot continue. For the benefit of all Americans, the Administration should begin some motion toward a measure that will stop the boycott's spread. Either of two major bills now in Congress deserves favorable study—S 953, the Foreign Boycott Act of 1975, sponsored by Democratic Senators Adlai E. Stevenson III of Illinois and Harrison A. Williams Jr. of New Jersey; and HR 5246, a boycott bill modeled on antitrust laws and sponsored by Representative Elizabeth Holtzman (D-N.Y.).

Though, specific measures against the blacklist can give American businessmen a united front in their negotiations with Arab customers. That unity is crucial. So is the necessity of insulating American workers and businessmen from the disruptive whims of others.

SAGINAW STUDENTS DO NOT TRUST CONGRESSMEN UNDER 30

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1976

Mr. TRAXLER. Mr. Speaker, the students of Saginaw, Mich., have completed their constitution. The document is certainly an impressive one, and it makes no unconsidered changes in the method of American Government. Today I will present to you some of the more important initial overviews of this document as presented in the Saginaw News, which, along with the Saginaw County Bicentennial Commission, sponsored the event.

The constitution directly provides the purpose of Government: the protection of the rights of the individual and the safety of the entire society. The constitution indicates at the outset that the individual should make his own decisions as to what affects him or her directly, and should not have to be forced by the Government to follow a predetermined path which may not be in the individual's best interest.

As I have indicated to you previously, the new constitution mandates our work program by establishing minimum legislative sessions. This provision is not at all radical to us. We have already confirmed our schedule for budget review under the Budget Control Act of 1974. I am certain that all of my colleagues on the Appropriations Committee and the Budget Committee recognize this particular provision. The students' work also provides for penalties if a Member misses too many days of the session.

The early provisions of the first article of this document provide us with an orderly understanding of how Congress shall operate and the duties it shall have.

Perhaps one of the most notable features of this first article is that under the Saginaw Student Constitution, in order to become a Member of Congress, an individual must have attained the age of 30. It appears that these young people are becoming increasingly conservative in their views. Congressmen BLOUIN, DOWNEY, DAVID EVANS, HAROLD FORD, and GEORGE MILLER might all take note of this provision. If the students had had their constitution in effect, these colleagues would not have been eligible for election to the House.

Mr. Speaker, I invite you and all of my colleagues to share this segment of the Saginaw Student Constitution of 1976:

SENIORS' SALUTE TO THE BICENTENNIAL—THE SAGINAW STUDENTS' CONSTITUTION OF 1976

A WORD OF EXPLANATION

The document on this and two following pages bears, in both outward appearance and content, distinct resemblance to the United States Constitution.

But it's not the same. It is a U.S. Consitution as conceived, written and ratified by 148 high school students of Saginaw County whose signatures are affixed.

In three days of debate Jan. 27–29 at the Saginaw Civic Center, a convention of these young people produced a new Constitution for the U.S. as their Bicentennial gift—and as a message to their fellow citizens.

In many ways the document represents a consolidation and an updating, as in making the Bill of Rights an integral part of the Constitution itself.

But there are other changes designed to deliver the substance of the delegates' thoughts on their government, evoked by months of preparation, research and study leading up to the convention.

If there is a theme, it is restriction of government power and expansion of citizen rights—and responsibilities.

For those reading the result of their effort, both the delegates and their advisers have one request: That people study the changes, consider them, and pass on their views to government officialdom.

"If it stimulates some dialogue between government and the people," said one adviser, "that's what the Constitution is all about, to guide the government in serving the people."

PREAMBLE

We, the People of the United States, in order to form a more perfect union, do hereby ordain and establish the government of the United States of America. The two sole purposes of the government are: 1. To protect the individual rights and privileges of each citizen from any infringement whatsoever; the government is never to protect the individual from himself. 2. To provide for the common defense and to promote the general welfare of the citizenry as a whole.

ARTICLE 1, SECTION 1

1. All proceedings within the Congress will be run in accordance with parliamentary procedures.

2. All legislative powers herein granted shall be vested in a Congress of the United States which shall consist of a Senate and a House of Representatives.

3. The primary function of a Congressman will be to make laws.

SECTION 2

1. The terms of the President and Vice President and the terms of the Senators and Representatives shall end at noon on the first Monday after January 1 of the years in which such terms would have ended. The terms of their successors shall then begin.

2. A regular session will consist of twelve weeks or sixty days maximum. The United States Congress will work the equivalent of two and one half regular sessions, which is thirty weeks or one hundred fifty days at minimum.

3. The United States Congress may adjourn no later than January 1 of each year, unless because of a declared war, or if Congress otherwise provides.

4. The United States Congress will meet from twelve noon and remain until at least 5 p.m. when in session. Two-thirds of each house shall constitute a quorum to do business.

5. For every day that legislators miss over fifteen days in any year, they will be fined one day's pay.

SECTION 3

1. Each House may determine the rules of its proceedings, punish its members for disorderly behavior, and, with the concurrence of the two-thirds of the membership that day, expel a member.

2. No Senator or Representative shall, during the time for which he was elected, be appointed to any civil office under the authority of the United States which shall have been created, or the emoluments whereof shall have been increased during such time; and no person holding any office under the United States, shall be a Member of either House during his continuance in office.

3. Each House shall keep a journal of its proceedings to be published for public inspection, excepting such parts as may in their judgment, require secrecy. Required in this journal are all roll calls, proposals, amendments and votes. Neither House, without the consent of the other House, (sine die) shall adjourn for more than three days, nor to any other place except that in which the two houses are sitting.

SECTION 4

1. The actual enumeration shall be made within three years after the first meeting of the Congress of the United States, and within every subsequent term of ten years, in such manner as they shall by law direct. The number of representatives shall not exceed one for every thirty thousand, but each state shall have at least one representative, and until enumeration shall be made.

2. The Senate of the United States shall be composed of two Senators from each state, chosen by their respective states for six years. One Senator from each State will be elected every two years so that the Senators and their terms are two years apart. Each Senator shall have one vote.

3. The times, places and manner of holding elections for Senators and Representatives shall be prescribed in each tSate by the Legislature thereof; but the Congress may at any time by law, make or alter such regulations, except as to the places of choosing Senators.

4. The Senate of the United States of America will also function in the area of advising and consenting to treaties and to certain nominations of the President.

SECTION 5

1. In order to fill vacancies in either House, an election will be held in thirty days to fill the seat from whichever district the vacancy originated.

2. The President of the Senate will be elected from that House and the Vice president of the Senate will break any tie votes which arise.

3. The House of Representatives shall choose their Speaker and other officers, and shall have the sole Power of Impeachment.

4. Judgment in cases of impeachment shall not extend further than to removal from office, and disqualification to hold and enjoy any office of honor, trust or profit under the United States; but the party convicted shall nevertheless be liable and subject to indictment, trial, judgment and punishment, according to law.

SECTION 6

1. The Congress shall have power to declare the Punishment of Treason, but penalties and punishment for the crime of Treason shall be confined solely to the person convicted and shall not extend to other; nor shall they extend beyond such person's lifetime.

2. To establish post offices and post roads.

3. To promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries.

4. To constitute tribunals inferior to the Supreme Court.

5. To define and punish piracies and felonies committed on the high seas, and offences against the law of nations.

6. To declare war, grant letters of reprisal and marque during wartime, and make rules concerning capture from land and water.

7. To raise and support armies, but no appropriation of money to that use shall be for a longer term than two years.

8. To provide and maintain a navy.

9. To make rules for the government and regulation of the land and naval forces.

10. To provide for calling forth the militia to execute the laws of the union, suppress insurrections and repel invasions.

11. To provide for organizing, arming, and disciplining the militia, and for governing such part of them as may be employed in the service of the United States, reserving to the States respectively, the appointment of the officers, and the authority of training the militia according to the discipline prescribed by Congress.

12. To exercise exclusive legislation in all cases whatsoever, over such district (not exceeding ten miles square) as may, by cession of particular States, and the acceptance of Congress, become the seat of the government of the United States, and to exercise like authority over all places purchased by the consent of the legislature of the state in which the same shall be, for the erection of forts, magazines, arsenals, dock-yards, and other needful buildings.

13. To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this constitution in the government of the United States, or in any department or officer thereof.

SECTION 7

1. The Senate may propose or concur with amendments as on other Bills.

2. Every Bill which shall have passed the House of Representatives and the Senate, shall, before it becomes a Law, be presented to the President of the United States. If he approves, he shall sign it, but if not, he shall return it with his objections to that House in which it shall have originated, who shall enter the objections at large on their journal and proceed to reconsider it. If after such reconsideration two-thirds of that House shall agree to pass the Bill, it shall be sent, together with the objections, to the other House, by which it shall likewise be reconsidered, and if approved by two-thirds of that House, it shall become a Law. But in all such cases, the votes of both Houses shall be determined by yeas and nays, and the names of the persons voting for and

against the Bill shall be entered on the Journal of each House respectively. If any Bill shall not be returned by the President within ten days (Sundays excepted) after it shall have been presented to him, the same shall be a Law, in the manner as if he had signed it, unless the Congress by their adjournment prevent its return, in which case, it shall not be a Law.

3. The privilege of the Writ of Habeas Corpus shall not be suspended unless when in cases of rebellion or invasion the public safety may require it.

4. No Bill of Attainer or ex post facto law shall be passed.

5. The United States Congress will make all laws necessary and proper to carry into execution all powers vested by this Constitution in the Government of the United States.

6. The Congress shall have the power to regulate Commerce with foreign nations, and among the several states and with Indian tribes.

SECTION 8

1. All Bills for raising revenue shall originate in the house of Representatives.

2. The Senators and Representatives shall receive compensation for their services, to be ascertained by law, and paid out of the Treasury of the United States. They shall be in all cases, except treason, felony, and breach of peace, be privileged from arrest during their attendance at the session of their respective Houses, and for any speech or debate in either House, they shall not be questioned in any other place.

3. The Congress shall have the power to levy and collect taxes, duties, imports and excises to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imports, and excises shall be uniform throughout the United States.

4. The Congress shall not spend, in any fiscal year, more than was collected as revenue in the previous fiscal year. During transitional period (such as after a national disaster), an amount equal to at least two per cent of the original existing national debt shall be paid off yearly. The appropriations shall have precedence over all other appropriations for this period until the debt is paid. In beginning any fiscal year, the Congress must relieve itself of all debts before it can appropriate funds for any other purpose. In the event that, at the end of fiscal year, excess funds exist, they may be spent in the following fiscal year. These restrictions on spending may be suspended in the time of war or national disaster by Congress.

SECTION 9

The Congress shall have the power:

1. To borrow money on the credit of the United States.

2. To establish a uniform Rule of Naturalization and uniform laws on the subject of bankruptcies throughout the United States.

3. To coin money, regulate the value thereof and of foreign coin, and for the Standard of Weights and Measures.

4. To provide for the punishment of counterfeiting the securities and current coin of the United States.

5. No tax or duty shall be paid on articles exported from any state.

6. No capitation, or other direct, tax shall be laid, unless in proportion to the census or enumeration herein before directed to be taken.

SECTION 10

1. No preference shall be given by any regulation of commerce or revenue to the ports of one State over those of another: nor shall vessels bound to, or from one State be obliged to enter, clear or pay duties in another.

2. No money shall be drawn from the Treasury but in consequence of appropriations made by law, and a regular statement and account of the receipts and expenditures of all public money shall be published from time to time.

3. No State shall, without the consent of the Congress, lay any imposts or duties on imports or exports, except what may be absolutely necessary for executing its inspection Laws: and the net produce of all duties and imposts laid by any State on imports or exports, shall be for the use of the Treasury of the United States, and all such laws shall be subject to the revision and control of the Congress.

4. The Congress shall have power to lay and collect taxes on incomes from whatever source derived without apportionment among the several States and without regard to any census or enumeration.

SECTION 11

1. No person shall be a member of Congress who shall not have attained to the age of thirty years, and been seven years a citizen of the United States, and who shall not when elected, be an inhabitant of that State for which he shall be chosen.

2. The Senators and Representatives before mentioned and the members of the several State Legislatures, and all executive and judicial officers, both of the United States and of the several States, shall not be discriminated against because of religion, sex or race, shall be bound by Oath of Affirmation to support this Constitution; but no religious test shall ever be required as a qualification to any office or public trust under the United States.

GEORGE WASHINGTON, ENGINEER

HON. J. KENNETH ROBINSON

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1976

Mr. ROBINSON. Mr. Speaker, on a monument at Valley Forge, can be seen a bronze plaque bearing the words of President Herbert Hoover, himself a notable engineer, dated November 19, 1930, recalling the substantial achievements of George Washington as an engineer.

I quote the inscription of President Hoover's citation of Washington's active and constructive interest in engineering, as follows:

GEORGE WASHINGTON, ENGINEER

A much neglected side of his character is Washington as an engineer. His countrymen have not realized how modern he was in his engineering and operations—as reclaimer of the Dismal Swamp; as advisor and engineer of the Potomac and James River Canal; as the first advocate of a combined highway and waterway from the Atlantic coast to the Ohio River; as a bank director; as an investor; as one of the earliest Americans to recognize the possibilities of power transportation by water; and the first to suggest that air navigation might be very useful to the people of the United States.

In this connection, as of likely interest to the House on this day, I include, under leave to extend my remarks, an article by a distinguished soldier and valued constituent, Gen. Bruce C. Clarke, U.S.A., retired, which appeared in the January-February 1976 issue of the Military Engineer, as follows:

WE STILL NEED GOOD FIXERS

(By Gen. Bruce C. Clarke)

A couple of doors from where we live there is a bright, three-year old boy who stays with his grandparents. When I am working in the yard or tinkering at my bench in the garage, little John is often my companion, asking questions and making suggestions. He rides a tricycle which shows signs of age and a lack of what the soldier calls "first echelon maintenance." Recently I noted it squeaked when he rode it, so, under his close observation, I oiled it for him. He rode away, but soon came back and said, "Mr. Clarke, you are a good fixer."

This set me to thinking of the part "good fixers" have played in the creation and development of our society in America.

When I entered the Army many years ago, a valuable part of each company was a soldier known as the Company Artificer. Our dictionary says that an artificer is a skilled handicraftsman. He could repair or improvise many things around the barracks quickly and well, with practically no administrative overhead or paperwork. I recall one such artificer who always responded with, "No problem," when I pointed out to him something that needed fixing.

In the early days of our nation, as the settlers and soldiers progressed westward from the original Colonies, they relied heavily upon those who could make repairs on the trail and keep the pioneer groups moving. Those repair people were invaluable, too, as new homesteads and communities were established in the virgin areas of the frontier.

With progress in methods and equipment, the artificer's work became more complicated and more sophisticated, and his title gave way to that of "engineer."

General George Washington's most trusted staff officer, Maj. Gen. Lord James Stirling was his Chief Artificer. In the spring of 1778, realizing that technical education was sorely needed in America, General Washington directed Lord Stirling to establish a school for such a purpose in the Continental Army at Valley Forge. Eleven enlisted men made up the first class. This event now is marked by a plaque on a monument on the grounds of Freedoms Foundation at Valley Forge which reads:

UNITED STATES ARMY ENGINEER SCHOOL

General George Washington, while commanding the Continental Army at Valley Forge in the winter of 1777–78, directed the establishment of a school for training engineers for the Army. Thus, the first American military engineer school was born 9 June, 1778.

During the past 190 years, the school has been moved to several locations, one being West Point, New York, where in 1802 it was established as the United States Military Academy, the first technical school in America. The school is presently located at Fort Belvoir, Virginia, the site of Belvoir Manor where the young George Washington practiced surveying and developed into a modern engineer of his time.

General Clarke has a deep appreciation of the lessons of history, and, in retirement, he continues to have an active concern for the security of his country, as witness his thought-provoking comments in a recent public letter, which I also include, as follows:

NEVER-ENDING STRUGGLE

Having spent nearly ten years commanding troops facing the iron and bambo curtains, I have arrived at certain convictions about the nature of the communist threat to the western world.

Communist and western ideologies are not compatible and therefore cannot coexist in the same area. Because of this, there is, and will continue to be, an ideological struggle between the two for supremacy.

This constant, never-ending struggle is not new. It will go on for some time, until there is a "breakthrough." What form it will take, I cannot predict, but it is manifested by pressure tactics appearing at different places where there are soft spots.

The struggle must be won by the West and I believe it will be. However, it will take constant effort and vigilance over a long period of time. The *side which will ultimately lose is the one which tires of the struggle first.* The greatest threat to the West is complacency for we are prone to want to get the problem over with in a hurry, even to the extent of trying to buy a solution with dollars.

Let us all adopt a positive attitude of being *for* the American way of life which has produced such good things for so many of us. Let us not be reluctant in taking a firm stand for Americanism.

And let us remember the basic communist policies used for taking over Southeast Asia:

Keep enemies divided and weak.

Exploit weakness, disorder and confusion.

Communist expansion is not linked to a time schedule.

Encourage and support wars of "national liberation."

Avoid all-out war until sure of winning.

Taking two steps forward, then one back if necessary, produces a net "gain" for communism.

Gen. BRUCE C. CLARKE,
U.S. Army, retired.

PALMYRA, VA.

THE UNITED STATES IN THE UNITED NATIONS

HON. BENJAMIN S. ROSENTHAL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1976

Mr. ROSENTHAL. Mr. Speaker, the House International Relations Subcommittee on International Organizations yesterday opened hearings on the United States in the United Nations.

The role our country should play during coming years in the United Nations, and, indeed, the future of the world today itself, has been a subject of great concern to all of us, particularly since the General Assembly vote last fall equating Zionism with racism.

That action brought many calls from long-time supporters of the U.N. for a reassessment of our membership, and some even advocated withdrawal.

Of those 72 nations voting to condemn Zionism, "fully three-quarters are either totalitarian or authoritarian regimes or are military dictatorships. In contrast, the bulk of the minority—almost 70 percent—are free societies," according to Dr. William Korey in testimony before the International Organizations Subcommittee yesterday.

Dr. Korey, director of the B'nai B'rith United Nations office, noted that—

> The anti-Zionism vote is but the most recent disturbing step of the international organization whose Charter Preamble requires it—among three principal aims—to promote human rights.

But he cautioned against American withdrawal from the world organization, noting such a decision "would only abdicate the arena of a major international forum to the totalitarians and remove the use of the veto that can prevent irresponsible action by the Security Council." Instead he called for "the vigorous articulation of America's profound concern" and congressional use of "financial leverage" at its disposal.

We provide one-fourth of the U.N.'s regular budget and make major contributions to the organization's many voluntary programs. These, particularly the latter, "ought to be reassessed not for punitive purposes but, rather, for bringing about, over the long run, more responsible and constructive action."

He recommended rejecting funding of programs of the Decade for Action To Combat Racism and possibly also our contribution to UNRWA. Our UNESCO contribution should not be restored, he added, until the General Conference rescinds its politicising resolutions of 1974.

I commend Dr. Korey's testimony to all our colleagues and am inserting it in the RECORD at this point:

TESTIMONY TO HOUSE SUBCOMMITTEE ON INTERNATIONAL ORGANIZATIONS

(By Dr. William Korey)

My name is William Korey. For the past 15 years, I have been Director of the B'nai B'rith United Nations Office. Currently, I also serve as Chairman of the Human Rights Committee of the Conference of Non-Governmental Organizations in Consultative Status with the United Nations Economic and Social Council. This Committee is comprised of some 80 international non-governmental representatives.

I appreciate the opportunity of presenting my views to the Subcommittee on International Organizations. In the area of my principal interest, human rights, I have set forth some of my perceptions in an essay published last year by the United Nations Association in the work UN at 30, and I ask that it be incorporated in the records of this subcommittee. Here I should like to address myself to certain of the points made in that essay and agument them in order, first, to take account of developments at the recent thirtieth session of the General Assembly and, second, to propose what our posture ought to be with regard to these developments.

On November 10, the Assembly, by a vote of 72 to 35 with 32 absentions, took the extraordinary step of declaring, in essence, the standard definition of Zionism, as found in responsible international dictionaries, to be null and void. By an arbitrary act, the concept of a specific form of national-liberation and self-determination was redefined as a form of racism and racial discrimination. One could not but be reminded of the distorted "looking-glass" world of Lewis Carrol's Alice. Humpty-Dumpty had scornfully advised the bewildered Alice: "When I use a word, it means just what I choose it to mean—neither more nor less!"

The modern assault upon language and, therefore, upon communication and intelligence was foreseen in the writings of George Orwell. The totalitarians of "1984" would create a special language—"Newspeak"—in which words would mean the very opposite of their historic and common sense meaning. The object of Orwellian inversion is to manipulate thought for political-ideological purposes. In this connection, one finds particularly striking the Orwellian character of most of the regimes comprising the majority on the Zionism resolution and, indeed, on numerous other resolutions adopted by the Generaly Assembly. Fully three-quarters of the majority, in fact, are either totalitarian or authoritarian regimes or are military dictatorships. In contrast, the bulk of the minority—almost 70 per cent—are free societies.

The overt political and ideological purpose of the anti-Zionist resolution is patently clear. It is to delegitimize one of the member-states of the United Nations—Israel. Already, in November, 1974, this purpose was publicly unveiled when the spokesman of the Arab bloc at UNESCO, following two key votes concerning Israel, declared: "Israel is a state that belongs nowhere because it comes from nowhere."

The grand design of transforming Israel into a pariah in the international community and then cast beyond the pale of society was pursued throughout the succeeding year without regard to the niceties of international law and the constitutional bases of various international organizations. In the process, UN Specialized Agencies were politicized, their stated purposes subverted. The climax was to have been the exclusion or suspension of Israel from the General Assembly, possibly by means of an illegal maneuver. If the strategy was not consummated in 1975, it was not because the plan was discarded. Rather, the time-table was postponed because of a variety of other considerations even as the aim of delegitimization of Israel was pressed.

But the resolution is far more incendiary in its consequences for it legitimates anti-Semitism. Zionism, in numerous quarters, is merely a code-word for Judaism; Zionist for Jew. The speech of Ugandan President Idi Amin at the UN in late September and the comments of Egyptian President Anwar Sadat at the National Press Club in Washington, D.C., on October 27 illuminate the widespread use of the code-words. Official Arab and Communist propaganda, like the propaganda of bigots everywhere, echo their formulations.

With the anti-Zionist resolution now integrated into the UN Decade For Action to Combat Racism and Racial Discrimination, sanction has been given to anti-Semitic outpourings and actions. Governments are called upon to report every two years to the UN on the steps they are taking to combat Zionism. Fulminations about Zionism will fill the chamber in Accra, Ghana when a major UN-sponsored conference on racism is held in 1977. The implementing organ of the UN Convention on the Elimination of All Forms of Racial Discrimination will no doubt be seized with the issue at its regular meetings. Conferences of UNESCO on racism will echo with the monstrous lie. Every debate on racial discrimination in UN organs will be polluted by bigotry. The danger was recognized by over 60 UN representatives of leading non-governmental organizations, who, in a formal statement to the President of the General Assembly, branded the resolution "a perversion of historical and contemporary fact" that is "likely to incite racial hatered."

Ratifiers of the Convention on the Elimination of Racial Discrimination can now claim, if they are so inclined, that international law requires that Zionists be treated as criminals. Certain totalitarian regimes may have no hesitancy to do so. The Soviet Union, for example, which has conducted a virulent mass media camgaign against Zionism—that but thinly masked unabashed anti-Semitism—has pronounced the UN action "authoritative" in a series of laudatory articles in the Soviet press concerning the Assembly resolution.

Legitimating anti-Semitism is but the most recent disturbing step of the international organiztaion whose Charter Preamble requires it—among three principal aims—to promote human rights. In fact, desipte eloquent and important norms, the UN human rights program is today a disaster area. Examples of genocide, torture, mass expulsion, and imprisonment of dissenters go unnoticed, while a systematic "selective morality" or "double standard" is applied. Indeed, the norms themselves are subjected to erosion.

The desecration of language as well as of fundamental concepts of civilization reached a particular level of barbarity in the General Assembly debate three years ago. After the murder of the Israeli athletes at the Munich Olympics and following numerous outrages perpetrated by terrorists on innocent victims in over a dozen countries, Secretary-General Waldheim called upon the UN "to take adequate measures to prevent acts of violence against innocent people in the future." During the debate, a new normative judgment was made about terrorism which did violence to a meticulous UN Secretariat study of the subject. Terrorism which "emanates from the struggle for freedom and self-determination"—as one spokesman noted—was justified. Ultimately, the judgment would give an arch-exponent of terrorism special and extraordinary status at the UN.

Whether the process of the disintregation of UN standards can be halted, let alone reversed, is an open question. But withdrawal from the UN would only abdicate the arena of a major international forum to the totalitarians and remove the use of the veto that can prevent irresponsible action by the Security Council. What is welcome and potentially effective is the vigorous articulation of America's profound moral concern. It has mobilized public opinion in the Western world and therewith marshalled a fairly solid bloc of opposition to the erosion of humanist values. At the same time, it has made some Third World countries more circumspect in supporting, merely out of bloc considerations blatantly objectionable and irresponsible courses of action.

Accompanying the expression of moral outrage with determined displomacy can and does produce salutory results. If a UNESCO conference on racial discrimination was recently cancelled simply because so few indicated that they would attend, it was in large part a consequence of energetic signalling by the United States that we would not participate. (The tactic of non-participation in selective situations at the General Assembly or in other organs of the UN or in its Specialized Agencies could have similar positive consequences.) If the effort to suspend Israel from the UN was frustrated at the OAU meeting in Kampala and at the Conference of the Non-Aligned in Lima, it too was a response, at least to some degree, of strong American initiatives. Wherever multilateral diplomacy has been reinforced by bilateral diplomatic efforts in the capitals of the Third World, the outcome has proved especially instructive and effective.

Such efforts should be augmented by the financial leverage at the disposal of the American Congress. It is one of the striking anomalies of the vote on the Zionism resolution that the contributions of the 72 governments to the regular UN budget constitute but 30 percent of it. And without the assessments upon the USSR, the total figure would be far smaller. Indeed, the entire Arab bloc provides less than one per cent (.84) of the regular UN budget. In contrast, the minority of 35 contributes approximately 60 per cent of the budget. Here is "taxation without representation" carried to the ultimate absurdity.

The United States not only provides 25 per cent of the regular budget; it makes a sizeable contribution to the various voluntary programs of the UN. The latter, especially, ought to be reassessed and a determination made of how best to utilize our financial leverage, not for punitive purposes but, rather, for bringing about, over the long run, more responsible and constructive action. The "Goldberg reservation" of 1965 provides a basis for such action. It reserved the right to withhold funds for "strong and compelling" reasons. Certainly, all funding of the programs of the Decade For Action to Combat Racism ought to be rejected. Consideration should be given to dropping our contribution to UNRWA, the benefits of which are open to serious question. As for UNESCO, restoration of our allocation would be warranted only if the General Conference in 1976 rescinds its politicizing resolutions of 1974. Bilateral aid should buttress multilateral objectives. How a country votes on critical issues should be an important factor in consideration of the extent of assistance programs to it.

Building bridges to moderate elements in the Third World ought to parallel these efforts. The Kissinger proposals, outlined at the Special Seventh Session of the General Assembly with respect to the creation of institutions for stabilization of export earnings, and for extending capital and agrarian assistance, should be pursued. Such economic-institutional programs could be accompanied by visible demonstration of our concern on colonial and racial issues. This concern ought, however, to be registered as part of a broader and more aggressive posture on human rights generally.

When a bewildered Alice asked the cat in Wonderland which direction she ought to take, the latter, with irrefutable logic, replied: "that depends a good deal on where you want to get to." Our purpose is clear enough: the preservation of the Charter and the principles upon which it rests. In the face of a rampant irresponsibility that results in the heightening of tension and the perversion of human rights, vigorous and determined steps are urgently required.

FOOD STAMP INELIGIBILITY RATE ONLY ONE-FOURTH OF PREVIOUSLY REPORTED FIGURES

HON. FREDERICK W. RICHMOND

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1976

Mr. RICHMOND. Mr. Speaker, I am sure that we are all aware that in any Federal program there exists a certain percentage of people who receive benefits to which they are not entitled. This is no reason however, to deny benefits to those truly in need. The food stamp program is no exception. But we are led to believe that the number of ineligible recipients in the food stamp program is higher than usual. This is in large part due to the publishing of newspaper reports which greatly exaggerate the rate of ineligibility.

Reporters, taking the lead from the Department of Agriculture, have failed to make the distinction between those who are truly ineligible and those who meet all the eligibility requirements but are found to have a procedural error in their files such as a missing signature on an application.

In fact, the actual ineligibility rate is only one-quarter of the rate published in many accounts. Many of these accounts fail to mention the fact that the rate they are publishing applies only to nonwelfare families. Since all welfare families automatically receive food stamps, there can be no errors in eligibility in this category. So error rates apply only to nonwelfare families which are about one half of the households participating in the program. About half of those who are "ineligible" are so because of procedural errors. When these two factors are taken together, one can see that the true rate for the overall program is only one-fourth of the figure that is most often published.

An article published in the Community Nutrition Institutes Weekly Report on January 31, 1976, clarifies this misconception. It also corrects many of the incorrect figures published about State ineligibility rates. Most of these mistakes are due to faulty reporting by the Department of Agriculture.

These exaggerated figures are being used to damage a program vital to many people in this Nation. It is imperative that we rebut these attacks and work to improve this program so that all those in need of this assistance will be assured of receiving it.

The article and a table showing the true nationwide and State-by-State ineligibility rates follows:

NEWSPAPERS EXAGGERATE INELIGIBILITY RATES

In recent months, newspapers in a number of states have carried reports greatly exaggerating the percentage of food stamp households in their states that are ineligible for stamps and are getting them improperly.

Reporter after reporter has made the fundamental mistake of failing to distinguish between households that are indeed ineligible and households that meet all the program's basic eligibility criteria but that are found by program investigators to have a technical or procedural error in their casefile such as lack of a signature on an application or lack of a work registration card.

In addition, many press accounts have neglected to explain that the food stamp ineligibility rates published by USDA apply only to non-welfare households, and that welfare households are automatically eligible for stamps.

The ineligibility rates in question were released by USDA in September and cover the period July-December 1974. In publishing these error rates, USDA noted that 8.8 percent of all non-welfare households studied nationwide were found to be ineligible. USDA reported that an additional 8.5 percent of the households did meet program eligibility criteria but had a procedural error in their casefiles.

In subsequent testimony before Congressional committees, USDA officials observed that the food stamp benefits paid to households with a procedural error in their casefile do not represent wasted federal funds because these households are actually eligible for program benefits and are entitled to receive their stamps.

Some national reporters understand these issues well. The Associated Press (AP) and United Press International (UPI) both accurately reported last fall that 8.8 percent of the non-welfare households had been found to be ineligible and improperly receiving the stamps, and that since about half of all households are welfare households that are automatically eligible, this meant that 4.3 percent of all food stamp households nationwide were found to be getting stamps improperly.

By contrast, the Washington Star and a number of other publications lumped together the 8.8 percent of non-welfare households found to be ineligible with the 8.5 percent of non-welfare households who were eligible but had procedural errors in their files, and reported that 17.3 percent of the households were ineligible. Some of these papers also failed to explain that the rates applied only to non-welfare households, and hence led their readers to believe that 17.3 percent of all food stamp households had been found ineligible—a figure four times greater than the correct 4.3 percent statistic reported by AP and UPI.

Reporting on state ineligibility rates has proved even worse than reporting at the national level. Much of the blame for this must be assigned to USDA.

Although USDA carefully distinguished true ineligibles from those with procedural errors when giving the national ineligibility figures, USDA itself lumped the two categories together in a chart handed to the press that purported to show the ineligibility rate for each state. As a result, virtually every reporter writing about his or her state's ineligibility rate used a misleading statistic that included a large percentage of households that really had satisfied the eligibility requirements.

In addition, the USDA table on state ineligibility rates failed to indicate that only non-welfare households were involved, and many newspapers inaccurately applied these figures to all food stamp households in their state.

STATE INELIGIBILITY RATES

The Atlanta Constitution, for example, reported that 31.2 percent of all Georgia food stamp households were ineligible. In fact, only 9 percent of non-welfare households in Georgia, and only 5.7 percent of all the food stamps households in that state, really were found to fail the program's eligibility requirements and to be getting stamps improperly (see chart).

Similarly the Topeka State Journal reported that Kansas had a far worse error rate than the national average, because 4.3 percent of all households in the nation were found to be ineligible, but 14.6 percent of all Kansas households were ineligible. The figure that should have been used for the Kansas ineligibility rate, however, was 3.4 percent—lower than the national average.

CNI Weekly Report has obtained the official USDA figures on the percentage of non-welfare households in each state that were actually ineligible, as distinguished from the percentage for each state with procedural or technical errors in their files. These figures appear in the second and third columns of the chart on page 5.

In addition, the chart also shows (in column 4) what percentage of each state's total caseload consisted of non-welfare households during the months the error rate study was conducted. Since the ineligibility rates cover only non-welfare households, and since welfare households are automatically eligible for stamps, we have computed (in column 5) the state-by-state ineligibility rates when applied to all households in each state.

FOOD STAMP INELIGIBILITY RATES BY STATE [1]

	(1) Percentage initially used by USDA as the eligibility error rate for nonwelfare households	(2) Percentage of nonwelfare households actually failing to meet eligibility criteria	(3) Percentage of nonwelfare households that did meet eligibility criteria but had an administrative error in their case file	(4) Percentage of all food stamp households that were nonwelfare households	(5) Percentage of all households receiving food stamps found to be ineligible and improperly getting stamps (col. 2×col. 4)
Nationwide total	17.3	8.8	8.5	48.9	4.3
Alabama	15.3	6.3	9.0	75.6	4.8
Alaska	17.6	6.9	10.7	74.1	5.1
Arizona	12.6	8.6	4.0	74.0	6.4
Arkansas	10.4	5.0	5.4	79.0	4.0
California	17.1	8.8	8.3	29.7	2.6
Colorado	22.3	12.7	9.6	49.8	6.3
Connecticut	24.0	12.8	11.2	38.4	4.9
Delaware	22.2	18.9	3.3	38.0	7.2
District of Columbia	17.9	15.3	2.6	28.3	4.3
Florida	25.6	5.4	20.2	68.4	3.7
Georgia	31.3	9.3	22.0	61.3	5.7
Hawaii	9.5	8.9	.6	33.0	2.9
Idaho	2.3	.8	1.5	55.0	.4
Illinois	51.5	15.3	36.2	17.5	2.7
Indiana	9.4	4.2	5.2	53.6	2.3
Iowa	14.8	7.8	7.0	49.4	3.9
Kansas	14.6	8.3	6.3	40.8	3.4
Kentucky	15.4	7.5	7.9	76.4	5.7
Louisiana	11.4	6.4	5.0	66.0	4.2
Maine	9.1	8.1	1.0	69.4	5.6
Maryland	24.2	14.3	9.9	27.9	4.0
Massachusetts	50.0	45.7	4.3	33.3	15.2
Michigan	20.4	8.6	11.8	23.3	2.0
Minnesota	28.6	14.7	13.9	52.8	7.8
Mississippi	9.2	2.8	6.4	73.4	2.1
Missouri	12.3	6.3	6.0	45.1	2.8
Montana	35.1	7.6	27.5	60.2	4.6
Nebraska	10.0	6.1	3.9	51.4	3.1
Nevada	8.8	5.0	3.8	72.7	3.6
New Hampshire	17.8	16.4	1.4	49.2	8.1
New Jersey	14.7	10.2	4.5	35.6	3.6
New Mexico	28.7	11.0	17.7	74.5	8.2
New York	25.6	21.5	4.1	14.4	3.1
North Carolina	14.4	6.3	8.1	80.5	5.1
North Dakota	7.6	3.0	4.6	73.0	2.2
Ohio	19.6	9.6	10.0	40.2	3.9
Oklahoma	2.5	2.2	.3	45.0	1.0
Oregon	26.1	9.3	16.8	55.4	5.2
Pennsylvania	20.9	18.3	2.6	34.6	6.3
Rhode Island	23.6	15.1	8.5	30.0	4.5
South Carolina	27.8	13.0	14.8	81.3	10.6
South Dakota	7.0	6.0	1.0	64.5	3.9
Tennessee	14.2	5.6	8.6	73.4	4.1
Texas	7.7	5.4	2.3	75.7	4.1
Utah	3.1	3.1	0	26.6	.8
Vermont	19.5	12.8	6.7	57.4	7.3
Virginia	11.1	5.9	5.2	58.6	3.5
Washington	5.2	4.4	.8	52.4	2.3
West Virginia	6.3	6.2	.1	62.0	3.8
Wisconsin	16.2	8.1	8.1	40.9	3.3
Wyoming	14.8	11.1	3.7	58.3	6.5

[1] All figures are for the period July–December 1974, which is the period covered in USDA's latest quality control report.

THE SCANDAL OF "BRITANNICA 3"

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 16, 1976

Mr. McDONALD of Georgia. Mr. Speaker, on September 23, 1975, on page 29903, I placed in the CONGRESSIONAL RECORD, with appropriate comments, some material critical of the most recent edition of the Encyclopaedia Britannica. This material noted the fact that the Communist authors had been allowed to put in the Britannica typical propagandistic material showing that communism was without blemish. Recently, another and even more critical article, written by the assistant to the president of Boston University, Samuel McCracken, appeared in Commentary magazine for February 1976. Mr. McCracken not only goes into the problem of the Communist authors, but also mentions some of the more glaring errors in other parts of the publication and some of their misleading advertising as to who contributes to this publication. Since this is a standard reference work in almost every public and school library, I feel this article needs wider dissemination, therefore, I insert it at this point:

THE SCANDAL OF "BRITANNICA 3"

(By Samuel McCracken)

The *Encyclopaedia Britannica* is, despite its name, an American institution. For over half a century, it has been published in the United States under American ownership, including that of Sears, Roebuck & Co. In public reputation, the *Britannica* has no serious rival, and a copy of the current edition is an essential in each of the country's thousands of public and educational libraries.

The recently-published 15th edition [1] represents the first thorough reworking of the *Britannica* since 1929. The decision to overhaul was undertaken, according to the editor, partially on structural grounds. As he explains it in his Preface, the structure of the *Britannica* had grown visibly more obscure over the years because revision—begun on a yearly basis in 1936—had been carried out with little regard for the original plan of the work. As a result, the encyclopedia [2] had gradually lost coherent design, and had become a collection of increasingly unrelated articles. The present edition was undertaken, among other reasons, to restore a sense of plan to the *Britannica*. There is no doubt that it is planned, and with a vengeance. But it is not clear whether the plan is an improvement, or merely an eccentric innovation.

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[1] Encyclopaedia Britannica, Inc., 30 volumes, $699.00.

[2] COMMENTARY's style is to use the preferred American spelling; the Britannica follows the English spelling. Hence the discrepancy throughout this article.—Ed.

Although known on its title page as the 15th edition, the new work is merchandised as Britannica 3. A more accurate, but perhaps less merchandisable way of putting it would be "3 Britannicas." Or "Britannica in Thirds." The first section is known for some reason as the Propaedia, a term which must have been coined by the editors, since it occurs in no known language. The Prodaedia fills one volume and contains a variety of ancillary material as well as an elaborate subject-index arranged according to one of those comprehensive partitions of all knowledge familiar to anyone who has come within hailing distance of the Great Books. The secon section (the Micropaedia, comprises ten volumes containing brief articles (750 words or less), voluminous cross-references (the only alphabetical index supplied with Britannica 3), and abstracts of the 4,027 articles contained in the major segment of the encyclopedia, which is known as the Macropaedia. This third section contains the major articles and runs to nineteen volumes.

This arrangement has nothing to recommend it except commercial novelty. The Propaedia, at least, is harmless, for there is nothing in it that might profitably have been printed elsewhere. But the dismembering of the body of the Britannica into mini- and maxi-pedias is not only devoid of benefits, it has also given us the spectacle of a ten-volume index for a nineteen-volume work.

There is something to be said for distinguishing between topics best dealt with in small fragments and those best integrated into larger and more comprehensive essays. But nowhere in Britannica 3 or its publicity have its editors justified their decision to isolate the two types physically. They merely assert its desirability: "It made eminent sense to collect these major articles into one part of the encyclopedia. Previous editions had scattered them, according to the whims of the alphabet, among a host of shorter factual entries." The major articles are still scattered in the Macropaedia according to the whims of the alphabet, and it would be interesting to know why the editors did not organize them topically rather than alphabetically, a practice with distinguished antecedents in the history of encyclopedias. Is it possible that at one time it was intended to do just this, and is the Macropaedia the fossil record of an abandoned intention?

The Micropaedia was fabricated in a novel way. Although a certain amount of its almanac-like material is no doubt original, the majority of its brief articles—those that are not simply abridgements of the articles in the Macropaedia—the staff-produced abridgements of articles from the 14th edition.[3] That is, none of this material has had the benefit of vetting by experts. It does not seem that the Editor was particularly proud of this process, for although he has in several places written with great fullness about the manner in which Britannica 3 was produced, the one process he never describes is the cannibalization of the 14th edition and, following digestion, its regurgitation as the Macropaedia. Although the names of the authors of the original articles are supplied in an appendix, being described vaguely as "authorities" for the Micropaedia, the Britannica never makes clear that the work of these scholars has simply been exploited as fodder for the none-too-tender attentions of the rewrite men.

The Micropaedia faithfully reflects its conception and birth: it is just the sort of encyclopedia one would expect rewrite men to produce. It is rife with exactly the kind of unexplained inconsistency and eccentricity that the editor makes a point of claiming to avoid. It affects, for example, to use British spellings, though not in every case and according to no discernible principle. Yet it is alphabetized with a thoroughness that makes the telephone book look random. All kings named Henry I come in one series, followed by all kings named Henry II, and so forth. King John, lacking a numeral, is idiotically filed as John of England, between John of Damascus and John of Ephesus, placing him well after all the other kings named John, and far away from where the reader is likely to look for him. Proper names are said to be in the form used by their bearers unless there is a danger of obscurity, but the rule is applied very inconsistently (the German kings named Ludwig are listed as Louis), and although Japanese names are, as claimed, listed with family name first, sometimes the article itself confuses given and family names.

Equally erratic is the Britannica's practice of identifying modern governmental jurisdictions for various historical place names. This is an admirable practice in itself but it is better done not at all than done badly, as so often here. Thus, the Danish physicist Olaus Römer is said to have been born in "Aarhus, Jutland, now in Denmark," leaving presumably countless readers with the false impression that in the 17th century Jutland was not in Denmark. What is the significance of such an error? The maker must be pretty ignorant of Danish geography—a minor defect, perhaps, but surely intolerable in someone who is trying to be authoritative about Denmark.

The biography of Thomas Arundel, an Archbishop of Canterbury who died in 1414, is illustrated with Reubens's portrait of Thomas Howard, second Earl of Arundel, who died in 1646. The person (or persons) who made this and other similar errors must have almost no sense of how people have looked in the past, even in periods that are well-represented in paintings. Nor is the linguistic scholarship of the Micropaedia above reproach. An alleged illustration of the first bestiary in English is not only of another manuscript, but of one in Latin.

To be sure, these errors, turned up in a few minutes' browsing, are fairly trivial ones, but as a matter of fact it is for exactly this sort of minor detail that encyclopedias are apt to be relied upon. An encyclopedia that is often wrong on such matters is like a clock that strikes thirteen: by committing a preposterous and blatant mistake, it puts all that it says into doubt.

Such errors of simple incompetence, however, can at least be remedied by a careful program of revision. A more serious class of defects involves not minor errors of fact, but serious misstatements and sometimes even downright nonsense. These are the fruit of entrusting the adaptation of the *Micropaedia* to people who are not only ignorant of the fields involved, but also who seem to have trouble reading an original text and understanding it. All too often, the abridged *Micropaedia* entries resemble nothing so much as papers cribbed from the *Britannica* by an incompetent high-school sophomore: a required quantity of verbiage gets transcribed, but somehow the facts are never quite right.

The entry on René Coty, last President of the Fourth French Republic, is a good example. Coty, we are told, "was generally unable to take forceful actions to resolve the multiple ills that plagued the Fourth Republic." If this is meant to imply that another President of the Republic might have taken forceful action and solved its ills, then the reviser knows nothing whatever about the French Republic since 1875. The only hint for this misunderstanding in the 14th edition is the statement that Coty was less active than his predecessor in "trying to influence policy." Further, we are told: "In May 1958, the Algerian crisis exploded, and, in the face of a coup d'état, Coty resigned to be succeeded by General Charles de Gaulle and a new constitution." Except for the date of the Algerian crisis, this is all wrong. Coty did not resign, but threatened to do so if de Gaulle were not made Prime Minister. When he was, Coty continued in office for another six months until de Gaulle became President under the new constitution of the Fifth Republic. One can only conclude that the author of this *pastiche* was unable to read the clear statements of the 14th edition and compress them without major error. If this is the sort of thing that results "from the most exhaustive fact checking ever imposed on copy for a general encyclopaedia," one trembles to think what a more casual checking might have produced.

Another example of the high-school student at work is in the entry for Napoleon's brother, Joseph Bonaparte, of whom it is said that "as eldest brother Joseph claimed to be Napoleon's legitimate heir since both he and his brother were childless." There are three important things wrong with this statement: the term "legitimate heir" is redundant; Napoleon was not childless; whether or not Joseph was childless is irrelevant to the question of whether or not he was an heir. If one turns to the article in the 14th edition from which this rigmarole was cribbed, one understands how an uninformed rewrite man might have produced it, for the account to be found there is of the situation prevailing at the founding of the Empire in 1802. Napoleon was at that point childless, and the question of an heir to the new throne did indeed arise. As Napoleon's elder brother, Joseph did claim to be his heir, and Napoleon, for reasons that should be obvious, rejected the claim. The transcriber of these facts unknowingly lifted them out of the context that gave them precision, and generalized them into a nearly meaningless hash.

One last example is too apposite to omit: in his Foreword, Robert M. Hutchins makes the claim that the 14th edition was strong on facts but weak on setting them into context: "If one wanted to discover the birthday of Marie Antoinette [to send her flowers?] . . . one could do so and be confident of the accuracy of the information received. It was harder to discern Marie Antoinette's place in history." Whether or not the new *Britannica* in fact does a better job of getting Marie Antoinette set into the context of history than the 14th did, it has certainly done worse on her family, for her great-niece Marie-Louise is said to be at the same time the niece of Marie Antoinette and (*mirabile dictu!*) the daughter of her father as well. It may be well to let sleeping Hapsburgs lie.

As worrisome as the constant small errors that deface the *Micropaedia* is the bleary sense of proportion. There is an inordinate fascination with minor figures, so long as they are topical: all the astronauts' biographies are here, as well as those of numerous professional sports figures, including in such comparatively minor fields as golf. No doubt a certain proportion of the *Britannica's* readership finds these interesting, but surely the space could have been put to better use. How often does one have occasion to look up the birthplace of an astronaut? And why, for that matter, in a work that claims to be internationally oriented, are nearly all these sports figures Americans? For a foreigner to get in, it seems he must be a world-famous celebrity like the Brazilian soccer-player Pele; the English footballer George Best, as sensational a figure off the pitch as on it, does not appear.

These idiosyncrasies of proportion are not limited to sports. Gifford Pinchot, who is generally acknowledged as one of the great public servants of this century—founder of the Yale school of forestry, two-time governor of Pennsylvania, dean of the American conservation movement, instrumental in the founding of Theodore Roosevelt's Bull Moose party—is allotted a scant 3½ inches of space; on the same page, P. B. S. Pinchback, a comparatively obscure black Reconstruction politician from Louisiana, is given 11 inches. Pinchback's entry is a useful one, demonstrating among other things how far superior he and the other Reconstruction black legislators were to the stereotyped image held of them, but his career simply was not of the magnitude to warrant such expatiation, given the severe compression enforced upon Pinchot. There is more than a suggestion of some misguided notion of affirmative action at work here, made even harder to take by the fact that for Scott Joplin there is no entry.

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[3] The 14th edition was in circulation between 1929 and 1974, but it ceased to carry an edition number after 1940.

To turn from the Micropaedia—so often apparently untouched by human mind—to the Macropoedia is a relief, for here at last we are faced with articles apparently written, and even proofread to some extent, by actual scholars, and the difference is immediately apparent. Much of the Macropaedia is of superior quality. Though it falls short of being that seamless web of knowledge claimed for it by its fabricators, still there are within its compass any number of first-rate articles. Although I am not able to comment on its substance, the writing on science—particularly in the area of zoology—is generally distinguished by its lucidity and elegance. The essay on visual arts in the West, especially the section on architecture, is exemplary. And a number of other articles as well are worthy of the tradition established by the 11th edition, and indeed add to it. It is sad that the editors of Britannica 3 were not content with such solid excellence, and went wantoning after the strange god of innovation for its own sake.

But even the Macropaedia sometimes nods and falls out of its chair. The article on the topic "Encyclopaedia" is an especially spectacular example. The outline provided for it is confusing merely to read, and within the body of the text the author commits such enormities as identifying the Third New International Dictionary ("Webster III") as an encyclopaedia; it may be remembered that the total exclusion of encyclopaedia material from this dictionary occasioned wide protest on its publication in 1961. The account of the history of hobbies is unbelievably naive in its understanding of the place of leisure. Hobbies are alleged to have been formerly denied to the proletariat, so that scrimshaw appears not as the product of the leisure time of sailors but as an object for the delectation of the hobby-pursuing middle class.

By far the most serious flaw in Britannica 3, however, and one which is beginning to cause a major scandal in scholarly circles, is its political tendentiousness, not to say its outright bias. This is to be seen most obviously when one compares the entries for New York and Moscow. The former describes a city in crisis, beset with crime, drug addiction, random sadism, slum housing, and a variety of other problems which will come as no surprise to New Yorkers. The author has not made any of this up, and he has also included much that is favorable about New York, but the impression remains of an ungovernable garrison city on the verge of capture.

In the article on Moscow, by contrast, we find ourselves not merely on a different continent, but in a different universe. All is upbeat, even cheerful; World War II was only a passing phase: "By 1950, the painful traces of this conflict had been eliminated, and the capital had undergone a transformation unparalleled by any other major world capital." No unpleasant reality is allowed to intrude, save perhaps for the inadvertent admission contained in the statement that the government's "gigantic" housing program has as its goal (date of attainment unspecified) a flat of its very own for every Muscovite family and in that flat a room of his own for every Muscovite.

The language in which the Moscow article is written is at first puzzling—not quite American or British English, but still very good; upon reflection, one realizes it is the English one hears on Radio Moscow—the correct but clearly distinctive English of a cultural bureaucracy. And with good reason: the initials appended to the article belong to one Ivan Kirillovich Myachin, described as Head of Section, Mysl Publishing House, Moscow.

Mr. Myachin may be perfectly trustworthy in certain respects: there seems, for example, no reason to doubt his account of the Moscow subway. It's what he leaves out that is bothersome. Eloquent about the role of the Moscow workers in the revolution of 1905, and the October revolution of 1917, he simply ignores the revolution of March 1917—the revolution which deposed the Czar and brought to power the short-lived liberal regime headed by Alexander Kerensky. Mr. Myachin is equally reticent about more contemporary matters. Would not as hard a look at Moscow as is here applied to New York have turned up a thing or two wrong with the Soviet capital? Crime on the streets may be pretty well under control in Moscow, but what about crime under the streets, say in the cellars of Lubyanka prison?

Taken together, these two articles illustrate a perfect double standard. And though a Musovite reading the article on Moscow would presumably know better than to take Mr. Myachin quite literally, a Nigerian reader equally uninformed about both cities and attempting to compare them would be bound to draw exceedingly unfavorable conclusions about New York.

The same travelogue air pervades all the articles on Eastern European countries and for the same reason: all of them have been written by government employees. Those on the Soviet Republics were actually supplied to the Britannica by Novosti, the official Soviet press agency.

The implications of this fact may take a moment to sink in: these Britannica articles have, perforce, been passed through the crystalline lattices of Soviet censorship. As surely as that censorship pulled the plug on the American networks on the occasion of Richard Nixon's last visit to Moscow, it controls, courtesy of the Britannica, what many Americans will know of Eastern Europe. The article on Czechoslovakia is typical of the view they will get: it somehow forgets to mention the events of August 1968. The Britannica does not actually suppress these unpleasant events; it simply squirrels them away in an article entitled, "Bohemia and Czechoslovakia, History of," the great virtue of such a heading being that it safely prevents the topic from getting in the way of the sunny present.

The Britannica's selection of authors for these articles has been justified on the principle of having foreign countries discussed by nationals of those countries. If this principle had governed the 14th edition, one can imagine who would have written the article on Germany for the 1938 revision.

The travelogue is not confined to the Macropaedia. The Micropaedia contains an article on the so-called "Karelian Autonomous Soviet Socialist Republic," in which we are told of that statelet's great progress since "the Great October Socialist Revolution." This surrender to the explicit jargon of totalitarianism comes on a small point, but it shows how far Britannica 3 is from having any way of insuring even verbal neutrality.

The problem of political bias in Britannica 3 goes deeper, however, than travel brochures handed out by Communist governments. In such articles, at least, the bias is easily spotted and may be allowed for by a moderately knowledgeable reader. But there are also articles by American scholars which are less blatantly, though no less dangerously, biased. On such case is the article on international relations by the historian William Appleman Williams, which sets forth the familiar revisionist interpretation of American culpability for the cold war. There is nothing inherently wrong with contributions by revisionist historians, of whom Williams is certainly among the best, but such contributors owe their readers some acknowledgement of their own position in the ideological spectrum, as well as of the range of opinion on the subject under scrutiny. These Williams does not supply. After a perfunctory sketch of the opposing view, he goes on to make highly debatable assertions as though they were self-evident. Thus, writing about John Foster Dulles's foreign policy, Williams states that "Dulles's rhetoric about liberating the people under Communism could not be acted upon because such an effort would very probably produce a nuclear war (just as if the Soviets had intervened to liberate Mexico or Canada)."

In a world in which the Soviet Union has three times sent tanks against civilians in order to maintain its Eastern European empire, this casual equation of America's relation to Canada and Mexico with Russia's relation to its satellites amounts to deliberate deception. Such an equation would be excessive even according to the ground rules of avowed polemic; in a piece of allegedly neutral scholarship it is inadmissible.

The further one looks, the more examples one finds of such bias. In the article on colonialism—which is here made interchangeable, incidentally, with imperialism—the period from 1945 to 1970 is covered by Harry Magdoff, an editor of the Marxist Monthly Review. Not surprisingly, the Soviet Union figures in Mr. Magdoff's discussion only as one of colonialism's opponents. In his account of colonization and imperialism he ignores the USSR's occupation and annexation of Estonia, Latvia, and Lithuania, and its annexation of portion of Poland and Germany. In his discussion of decolonization, he ignores the Central Asian colonies acquired by the Czars and to this day held on to by the Soviets. And in his discussion of neocolonialism (which he defines as "the existence of considerable foreign direction over a nominally independent nation") he ignores the empire maintained by the Soviets in Eastern Europe. He, too, ignores the invasion of Czechoslovakia in August 1968. We can look forward, in the next revision, to his account of Angola.

The editors of the Britannica walked onto thin ice when they assigned such obviously loaded subjects to such writers. Worse, they clearly made little or no attempt to square the text these writers produced with their own announced principle that "Articles should . . . avoid expressions of bias or prejudice on any matter about which a respectable and reasonable difference of opinion exists. . . ," and that "in all areas in which the scholarly world acknowledges significant and reputable differences of opinion, diverse views concerning such differences should be fairly presented, though the majority or accepted view may be so designated."

The fate suffered by Ernest van den Haag's article on civil disobedience is instructive in this connection. The article had originally been commissioned by the present Edtor's predecessor, according to van den Haag's account of the episode,[4] and had been both accepted and paid for. When, in due course, he failed to receive galley proofs, the author queried the new Editor, who replied that owing to a "reorganization" the article would not be appearing. Further inquiries elicited the information that the article had in the end been judged not sufficiently "encyclopaedic," and that the Britannica had decided not to publish any article at all on civil disobedience because "we do not now think that we will be able to obtain at this time an encyclopaedically acceptable, dialectically neutral article on the subject."

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[4] In the National Review, January 21, 1972.

As it happens the Micropaedia does contain a brief and rather innocuous article on civil disobedience, though on allied subjects there is an extraordinary reserve; the entries on "Freedom of Speech" and "Freedom of the Press," for example, are each one-sentence long and contain one cross-reference apiece. But this is beside the point. Equally beside the point are the merits of van den Haag's article, a scholarly and non-tendentious treatment of a complex subject, which was published both in the National Review and later as a Harper Torchbook. The real point is that the principle of "dialectical neutrality" by which van den Haag's piece was judged is invoked selectively and perversely by the editors. It is not applied to Marxist polemic, but is spuriously employed to silence a prominent conservative scholar, regardless of the merits of his contribution. It is almost as if the Editor had decided to reject van den Haag's piece unread.

Where does the blame for all this lie? Warren Preece, the editor, whose talents are glowingly described in the Foreword by Robert M. Hutchins, is the man officially in charge. Some of the flavor of Mr. Preece's operation is conveyed in a recent article by him in the Britannica's house organ, in which he jocularly reveals that shortly after a world-famous authority in linguistics had agreed to write for the encyclopedia, his chained body was fished out of an Eastern European river. When application was made on my behalf to Mr. Preece's office for the name of the central figure in so sensational an episode, his secretary said that he had forgotten the details, and that the records in the case had lamentably been destroyed.

That such a memorable incident seems to have escaped from Mr. Preece's memory and his records alike does not speak well for the tightness of his editorial ship. But given the tangled infrastructure and far-flung advisory network of the Britannica, it is hard to lay responsibility at any one office door. The matter is still further complicated by the equivocal relation between the Britannica and the University of Chicago.

Facing the title page of each volume of the Britannica is the statement that "The Encyclopedia Britannica is published with the editorial advice of the faculties of the University of Chicago; a committee of persons holding academic appointments at the Universities of Oxford, Cambridge, London, and Edinburgh; a committee at the University of Toronto; and committees drawn from members of the faculties of the University of Tokyo and the Australian National University." Under this statement, as if to make the point quite clear, appears the coat of arms of the University of Chicago.

The statement itself is worded with exquisite care: it is only by checking a list in the back of the Propaedia that one discovers that the "committee at the University of Toronto" is not composed of faculty of that university, but rather of editors of its press. There is nothing wrong, of course, with having advice from university-press editors; one wonders why the editors of the Britannica seem to be at pains to disguise the true nature of this committee.

Who in fact serves on these committees? According to the list in the *Propaedia*, there are a numer of very distinguished names among them, but there is no way of knowing just what these individuals do, or whether they have any role in setting policy. Nor, for that matter, is there any way of knowing just what is meant by "the editorial advice of the faculties of the University of Chicago," since it is obvious that those faculties do not gather to read the *Britannica* proofs. Whatever the exact nature of this advisory function, it is clear that the benefits accruing from the Chicago connection matter less than the inestimable prestige and legitimation conferred by the appearance of university sponsorship.

It must be remembered that the *Encyclopaedia Britannica* is produced, published, and distributed, not by the University of Chicago, but by a commercial enterprise called Encylopaedia Britannica, Inc. According to the Federal Trade Commission, this corporation's sales practices include recruiting salesmen with the bait of nonexistent "executive" positions, gaining entry to houses on false pretexts, and falsely claiming that the sales price represents a sharp discount. Such practices have involved Encyclopaedia Britannica, Inc. in litigation before the FTC for the past thirty years, and an FTC judge has recently once again held them unlawful and ordered the company to cease and desist from them. It is probably generally assumed—with how little foundation should be apparent—that the intellectual standards of the *Britannica* are those of the University of Chicago rather than of dance-lesson salesmen. The Chicago connection is the principal reason for this general assumption, and the connection is therefore of immense benefit to Encyclopaedia Britannica, Inc.

What the university for its part gets out of the arrangement is less clear. According to a statement printed in the 14th edition, the university receives a royalty in exchange for its editorial services, but has no control over the operation of the *Britannica*. In effect, then, the university, whether wittingly or not, allows its name, and the prestige that it confers, to serve as a kind of trademark for a commercial enterprise which consistently fails to live up to its own intellectual standards, and to the university's as well.

Robert M. Hutchins has described the editors of *Britannica 3* as pioneers. After they had established their design "the question became one of execution . . . there were no models to imitate and no horrible examples to shun." One of these deficiencies has been made good by *Britannica 3* itself: they have their horrible example now.

HOUSE OF REPRESENTATIVES—*Tuesday, February 17, 1976*

The House met at 12 o'clock noon.

The Reverend James S. Massie, Jr., the Church of the Covenant, Junction City, Kans., offered the following prayer:

Almighty God, as this body begins its function and deliberations this day, we ask that You be with the Members as they face the tasks of their office.

We ask that the Representatives be aware of whose authority they bear, and that, ultimately, we owe all allegiance to You. We ask that this body be guided in its decisions, that all in this great Nation be afforded equal justice and opportunity.

Finally, grant that those to whom government has been committed may, at this time, have the gift of wisdom and understanding, counsel, and strength that they may obey Your holy will and divine purpose to the glory and honor of Your Son, our Lord and Saviour, Jesus Christ. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Marks, one of his secretaries, who also informed the House that on February 15, 1976, the President approved and signed bills of the House of the following titles:

H.R. 508. An act to amend title 5, United States Code, to authorize civilians employed by the Department of Defense to administer oaths while conducting official investigations;

H.R. 1399. An act for the relief of Maria Del Carmen Alvarado Martinez;

H.R. 1758. An act for the relief of Terrence Jarome Caguiat;

H.R. 4046. An act for the relief of Valerie Ann Phillips, nee Chambers;

H.R. 4113. An act for the relief of Mitsue Karimata Stone;

H.R. 4939. An act for the relief of Manuel Bonotan;

H.R. 5750. An act for the relief of Chu Wol Kim;

H.R. 8451. An act for the relief of Jung Shik Yang.

H.R. 8555. An act for the relief of Angel Pader Cabal; and

H.R. 8907. An act for the relief of Yong Won Lee.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 784. Joint resolution to amend the effective date of certain provisions of the Defense Production Act Amendments of 1975.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested.

S. 2760. An act to amend the Indochina Migration and Refugee Assistance Act of 1975 to provide for the inclusion of refugees from Laos.

REV. JAMES S. MASSIE, JR.

(Ms. KEYS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KEYS. Mr. Speaker, it is an honor to have the Reverend James S. Massie, Jr., from Junction City in the Second District of Kansas, as the guest chaplain today in the House of Representatives.

Reverend Massie has been ordained 8 years, and he is the rector of the Episcopal Church of the Covenant in that city.

Mr. Speaker, I would like to briefly pay tribute to his conviction that interest and involvement in politics and government are the duties of a Christian. His parishioners include not only many Kansans, but people from all over the world who are stationed at Fort Riley, a historic fort, and in his outreach to them his service to humankind, to community, to God and to country is expressed.

Mr. Speaker, his being here today for this brief participation is but a demonstration of that commitment and that understanding of his responsibility in the divine plan for the world.

I am proud to have him here today. It is a great privilege which I share with his family and his friends who are with us today.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. This is the day for the call of the Consent Calendar and also for the call of the Private Calendar. It is the day for the mandatory call.

The Chair will take requests from Members after the call of the calendars.

CONSENT CALENDAR

The SPEAKER. The Clerk will call the first bill on the Consent Calendar.

RECOGNIZING THE WASHINGTON-ROCHAMBEAU HISTORIC ROUTE

The Clerk called the concurrent resolution (H. Con. Res. 225) to recognize the Washington-Rochambeau National Historic Route.

There being no objection, the Clerk read the concurrent resolution, as follows:

H. CON. RES. 225

Whereas, the Washington-Rochambeau National Historic Route over which General Washington marched his combined French and American forces in August and September, 1781, has not been recognized by the Congress of the United States; and

Whereas, that march, simultaneously with the arrival of the French fleet off the mouth of the Chesapeake, made the victory at Yorktown, Virginia, October 19, 1781, possible; and

Whereas, that march and that victory at Yorktown in effect, ended British hopes of continuing colonial rule here, and changed the Declaration of Independence of July 4, 1776, from a magnificent and brave statement of revolting colonials, to the accepted basic charter of a new nation, free, independent, and sovereign; and

Whereas, Princeton and Brown Universities have jointly published two volumes which document the entire Washington-Rochambeau National Historic Route so adequately by reproducing maps made in 1780, 1781, 1782, and 1783 that each mile of the routes through eight of the original thirteen States can be located on present-day maps; and

Whereas, recognition of this Washington-Rochambeau National Historic Route by the Congress may well be one of the more useful and enduring educational patriotic accomplishments to come from the bicentennial of the American War for Independence, 1776–1783: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the routes identified by the Princeton and Brown University volumes, "The American Campaigns of Rochambeau's Army, 1780, 1781, 1782, 1783"; copyrighted in 1972 by Princeton University Press as the Washington-Rochambeau Route and used by the combined French and American forces of General Washington to accomplish the decisive victory that changed world history at Yorktown, Virginia, October 19, 1781, should be recognized by the Federal, State, county, and local governments of this country as "The Washington-Rochambeau National Historic Route".

With the following committee amendment:

Delete the word "National" whenever it appears in the preamble and on page 2, line 11.

The committee amendment was agreed to.

The concurrent resolution was agreed to.

The title was amended so as to read: "Concurrent resolution to recognize the Washington-Rochambeau Historic Route."

A motion to reconsider was laid on the table.

COURT LEAVE FOR FEDERAL EMPLOYEES

The Clerk called the bill (H.R. 11438) to amend title 5, United States Code, to grant court leave to Federal employees when called as witnesses in certain judicial proceedings, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

H.R. 11438

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6322(a)(2) of title 5, United States Code, relating to leave for witness service, is amended to read as follows:

"(2) other than as provided in subsection (b) of this section, as a witness on behalf of any party in connection with any judicial proceeding to which the United States, the District of Columbia, or a State or local government is a party;".

SEC. 2. Section 6(b)(2) of the Act entitled "An Act to amend title 5, United States Code, to revise, clarify, and extend the provisions relating to court leave for employees of the United States and the District of Columbia", approved December 19, 1970 (2 U.S.C. 130b (b)(2)), is amended to read as follows:

"(2) other than as provided in subsection (c) of this section, as a witness on behalf of any party in connection with any judicial proceeding to which the United States, the District of Columbia, or a State or local government is a party;".

SEC. 3. (a) Subsection (g) of section 8906 of title 5, United States Code, is amended by striking out the period at the end thereof and inserting in lieu thereof the following: "and which may be made available until expended.".

(b) Section 10 of the Retired Federal Employees Health Benefits Act of 1960 (74 Stat. 849) is amended by striking out the period at the end thereof and inserting in lieu thereof the following: "and which may be made available until expended.".

SEC. 4. The amendments made by this Act shall take effect on October 1, 1976, or on the date of the enactment of this Act, whichever date is later.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HEALTH BENEFITS COVERAGE FOR CERTAIN SURVIVOR ANNUITANTS

The Clerk called the bill (H.R. 11439) to amend title 5, United States Code, to restore eligibility for health benefits coverage to certain individuals whose survivor annuities are restored.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SCHULZE. Mr. Speaker, reserving the right to object, unless the gentleman from Texas (Mr. WHITE) can give me some actuarial facts on this, I am afraid there is a possibility of this going over 1,000 applicants. The cost figures on 1,000 are given, but if it goes over that, then it may be over our $1 million limitation. I wonder if the gentleman can give me the figures on it.

Mr. WHITE. Mr. Speaker, will the gentleman yield?

Mr. SCHULZE. I yield to the gentleman from Texas.

Mr. WHITE. Mr. Speaker, I thank the gentleman for yielding.

We received figures from the Director of the Civil Service Commission, who indicates that he estimates that those who would otherwise be eligible amount to no more than 1,300, and he estimates no more than 1,000 persons would apply for this benefit. Of course, many of these might not apply, depending upon their own situations and whether or not they are carrying other health programs.

So, Mr. Speaker, it is estimated that no more than 1,000 persons will apply.

Mr. SCHULZE. Mr. Speaker, we would very much like to have an opportunity to go over these figures, and, therefore, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

CAREER STATUS FOR CERTAIN FEDERAL EMPLOYEES WITH OVERSEAS LIMITED APPOINTMENTS

The Clerk called the bill (H.R. 11462) to provide for the acquisition of career status by certain employees of the Federal Government serving under overseas limited appointments.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SCHULZE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AN ACT TO AMEND SECTION 5202 OF TITLE 10, UNITED STATES CODE, RELATING TO THE DETAIL, PAY, AND SUCCESSION TO DUTIES OF THE ASSISTANT COMMANDANT OF THE MARINE CORPS

The Clerk called the Senate bill (S. 2117) to amend section 5202 of title 10, United States Code, relating to the detail, pay, and succession to duties of the Assistant Commandant of the Marine Corps.

There being no objection, the Clerk read the Senate bill as follows:

S. 2117

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (d) of section 5202 of title 10, United States Code, is amended by striking out the colon after the word "Senate" and all that follows down through the word "appointment".

(b) Subsection (e) of section 5202 of such title is repealed.

SEC. 2. (a) Section 1216 of title 10, United States Code, is amended—

(1) by striking out "The Secretary" in subsection (b) and inserting in lieu thereof "Except as provided in subsection (d) of this section, the Secretary"; and

(2) by adding at the end thereof the following new subsection:

"(d) The Secretary concerned may not, with respect to any member who is in pay grade O–7 or higher or is a Medical Corps officer being processed for retirement under chapter 63 or 65 of this title—

"(1) retire such member under section 1201 of this title;

"(2) place such member on the temporary disability retired list pursuant to section 1202 of this title; or

"(3) separate such member from an armed force pursuant to section 1203 of this title by reason of unfitness to perform the duties of his office, grade, rank, or rating unless the determination of the Secretary concerned with respect to unfitness is first approved by the Secretary of Defense on the recommendation of the Assistant Secretary of Defense for Health and Environment.".

(b) The amendments made by subsection (a) of this section shall apply with respect to unfitness determinations made on or after the date of the enactment of this Act by the Secretaries of the military departments concerned for purposes of sections 1201, 1202, and 1203 of title 10, United States Code.

With the following committee amendments:

On page 2, line 8, immediately following the word "officer", insert the phrase "or medical officer of the Air Force".

On page 2, line 9, strike the words "chapter 63 or 65 of this title" and insert therefor the words "any provisions of this title by reason of age or length of service".

The committee amendments were agreed to.

Mr. O'BRIEN. Mr. Speaker, I also rise in support of S. 2117.

What the House has before it today are two distinct legislative actions each of which has already been passed by this body at separate points in the past.

The Members may recall that in July of 1971 the House passed a bill allowing the Marine Corps up to four four-star general officers, but that legislation was never considered by the Senate. This bill, originating in the Senate, would allow the Marine Corps two four-star general officers. The bill allows a four-star officer, in addition to the Commandant, to serve as the Assistant Commandant of the Marine Corps, regardless of the strength of the Corps.

The other section of this bill was passed in the House last November by an overwhelming margin. As the Members will recall, that bill grew out of an exercise of the committee's oversight responsibilities and is aimed at providing a further safeguard against possible abuses in the administration of the physical disability retirement procedures.

Mr. Speaker, once again the House should act favorably on this legislation.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "To amend section 5202 of title 10, United States Code, relating to the detail, pay, and succession to duties of the Assistant Commandant of the Marine Corps and to amend title 10 of the United States Code in order to make certain disability retirement determinations by the Secretaries of the military departments subject to review by the Secretary of Defense."

A motion to reconsider was laid on the table.

PRIVATE CALENDAR

The SPEAKER. The Clerk will call the first individual bill on the Private Calendar.

ALAN STURT

The Clerk called the bill (H.R. 4052) for the relief of Alan Sturt.

There being no objection, the Clerk read the bill as follows:

H.R. 4052

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a) (23) of the Immigration and Nationality Act, Alan Sturt may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RODERIC PATRICK STAFFORD

The Clerk called the bill (H.R. 4053) for the relief of Roderic Patrick Stafford.

The being no objection, the Clerk read the bill as follows:

H.R. 4053

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provision of section 212(a) (23) of the Immigration and Nationality Act, Roderic Patrick Stafford may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this Act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FIDEL GROSSO-PADILLA

The Clerk called the bill (H.R. 6817) for the relief of Fidel Grosso-Padilla.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

AUTHORIZING THE SECRETARY OF THE INTERIOR TO CONVEY CERTAIN LANDS IN MADERA COUNTY, CALIF., TO MRS. LUCILLE JONES, AND FOR OTHER PURPOSES

The Clerk called the bill (H.R. 1404) to authorize the Secretary of the Interior to convey certain lands in Madera County, Calif., to Mrs. Lucille Jones, and for other purposes.

Mr. WYLIE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The SPEAKER. This concludes the call of the Private Calendar.

FAIR AND HUMANE TREATMENT FOR U.S. CITIZENS IN MEXICO

(Mr. STARK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STARK. Mr. Speaker, I am happy to report that this morning in a meeting the Committee on International Relations unanimously accepted an amendment offered by the gentleman from Florida (Mr. FASCELL) wherein Congress urges the President to secure fair and humane treatment for U.S. citizens detained at the hands of Mexican officials. In light of my involvement with this issue for some 2 years, I am delighted the committee has now acted to instruct the President to intervene to protect American citizens in Mexico from torture, forced confessions, incommunicado detention, extortion, and various other forms of mistreatment.

I hope President Ford will act promptly to comply with this amendment.

Mr. Speaker, I want to commend the gentleman from Pennsylvania (Mr. MORGAN), the chairman of the Committee on International Relations, and all the members of that committee for taking this action at this time.

JOBLESS PAY FOR LAYOFFS

(Mr. BURKE of Massachusetts asked and was given permission to address the

House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BURKE of Massachusetts. Mr. Speaker, may I take this opportunity to include a newsstory that appeared in today's Wall Street Journal with reference to jobless pay for layoffs caused by imports. At the time of the debate on the trade bill I charged that the adjustment assistance section of the bill was a "cruel hoax" perpetrated on the unemployed American worker who lost his job because of cheap imports. Today the chickens have come home to roost. Millions of Americans have lost their jobs. Unemployment is rampant. The promises made by those who caused this loss of jobs have been broken. I include the article:

> Jobless pay for layoffs caused by imports proves too elusive, unions charge.
>
> The government boasts that about 50,000 workers were certified last year to receive new benefits created to cover job losses from import competition. But, by last month, only half of those certified were drawing checks. In Detroit, 150 Chrysler workers recently demonstrated at an unemployment office to protest months of delay in their payments. "It's an absolute bureaucratic nightmare," a UAW official says.
>
> The Labor Department blames the delays on state-run unemployment offices, which actually pay the benefits after Washington certifies eligible workers. Those offices, already overworked, will improve their service, federal officials predict. But the AFL-CIO says the snafus make the much-touted benefits a "cruel hoax" used to lull workers about the threat of imports.
>
> Though the program can pay workers up to $170 a week for a full year, actual payments have averaged only $46 weekly for about 20 weeks because regular unemployment benefits are deducted.

FARMERS REQUIRE ASSURANCE OF ADEQUATE MONETARY RETURNS FOR THEIR PRODUCTS

(Mr. MAHON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAHON. Mr. Speaker, the distinguished gentleman from Massachusetts (Mr. BURKE) made reference to imports into the United States.

I would like to take a moment to make reference to exports from the United States. The farmers of the Nation are responsible for exports totaling about $22 billion a year. Without these exports this Nation's position in the world would be in jeopardy. Our balance of trade is greatly affected by agricultural exports and without them our domestic economy would be severely damaged.

Let me say that the farmer cannot continue to carry on a massive program of production and exportation unless he is able to receive cost of production for his products and enough profit to stay in business.

I have recently acquired some very interesting information in regard to the status of agriculture in the district which I have the honor to represent and at a later time I shall place some of this information in the RECORD.

KUDOS TO ABC-TV FOR COVERAGE OF 12TH OLYMPIC WINTER GAMES

(Mr. KETCHUM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KETCHUM. Mr. Speaker, quite often we rise on this floor to condemn the national media for one reason or another. I rise today to offer a compliment and my congratulations to ABC-TV for its spectacular coverage of the 12th Olympic winter games. I believe that they were able to bring all Americans face to face with the fine young people who competed and helped us all realize the sacrifice and dedication these great athletes give to their sport.

Surely it cost the network millions to produce, and surely—I hope—they made a great deal of money. More power to them for those wonderful hours—it was truly the only show in town.

CALL OF THE HOUSE

Mr. DEVINE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BRADEMAS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 55]

Ambro
Andrews, N.C.
Ashley
Aspin
Badillo
Barrett
Bergland
Blouin
Boggs
Bolling
Burke, Calif.
Burke, Fla.
Cederberg
Chappell
Clay
Conlan
Conte
Conyers
D'Amours
Dellums
Diggs
Drinan
Early
Eilberg
Esch
Eshleman
Fish
Flowers
Ford, Tenn.
Hansen
Harsha
Hayes, Ind.
Hébert
Heinz
Hinshaw
Horton
Ichord
McCollister
Mathis
Metcalfe
Mills
Murphy, N.Y.
Pattison, N.Y.
Pepper
Pettis
Peyser
Rhodes
Risenhoover
Rodino
Rostenkowski
Roybal
Ryan
Scheuer
Shriver
Sikes
Sisk
Stanton,
James V.
Steed
Steiger, Ariz.
Stephens
Stratton
Teague
Udall
Vanik
Wilson, Bob
Young, Alaska

The SPEAKER. On this rollcall 366 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

INDIANA DUNES NATIONAL LAKESHORE ACT AMENDMENTS

(Mr. MADDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MADDEN. Mr. Speaker, I asked for this time to remind the Members that this afternoon a bill which has been in this House for about 20 years and which we enacted about 10 years ago will be called up. It is the Indiana Dunes National Park legislation to preserve the Lake Michigan shore and sand dunes on the south shores of Lake Michigan in northern Indiana.

That bill is coming up today, and I want to commend the Committee on Interior and Insular Affairs for reporting it out by a vote of, I think, 34 to 4. I ask that the Members read, in the appendix in yesterday's CONGRESSIONAL RECORD, where the Chicago Tribune of last Sunday in a magnificent editorial, brought out the necessity for the Congress to pass this legislation.

I do hope that all the Members will read that editorial which I inserted in the appendix of yesterday's RECORD on the necessity for passing this bill and preserve for future centuries this beautiful area for recreation and enjoyment for the generations of the future.

Yesterday's RECORD is at the seat of each Member and I ask you to read the Chicago Tribune editorial endorsing favorable action on this great protection for millions of our families of our generation and centuries in the future.

INDIANA DUNES NATIONAL LAKESHORE ACTS AMENDMENTS

(Mr. SKUBITZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKUBITZ. Mr. Speaker, I have just listened to the remarks by my colleague from Indiana (Mr. MADDEN) regarding the Indiana Dunes. I would like to call the attention of the Members to one thing: This bill today authorizes $53.3 million. That is 50 times more than the administration requested. It is $32 million more than the Congress allowed in 1966 when we established the Indiana Dunes Lakeshore.

Mr. Speaker, I hope that the Members listen to the debate. This bill puts the Government in the business of operating a city—Beverly Shores—fire department, streets, police, et cetera. It establishes a precedent never intended by the Congress.

AMENDING THE NATIONAL WILDLIFE REFUGE SYSTEM ADMINISTRATION ACT OF 1966

Mr. LEGGETT. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 5512) to amend the National Wildlife Refuge System Administration Act of 1966, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Page 2, strike out lines 8 to 12, inclusive and insert: "Service. With respect to refuge lands in the State of Alaska, those programs relating to the management of resources for which any other agency of the Federal Government exercises administrative responsibility through cooperative agreement shall remain in effect, subject to the direct supervision of the United States Fish and Wildlife Service, as long as such agency agrees to exercise such responsibility."

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, will the gentleman tell us what the Senate amendment does?

Mr. LEGGETT. Mr. Speaker, H.R. 5512 passed the House on November 14, 1975, by a rollcall vote of 341 yeas to 10 nays.

Briefly explained, the bill, as it passed the House, would provide that all areas included in the national wildlife refuge system, as of January 1, 1975, as well as those areas added to the system after such date—would continue to be a part of the system, and in general could not be transferred or otherwise disposed of except pursuant to an act of Congress. In addition, the bill would require all areas within the system to be administered by the Secretary of the Interior through the U.S. Fish and Wildlife Service. However, an exception would be made with respect to those areas within the system as of January 1, 1975, that were jointly administered by the Secretary through the U.S. Fish and Wildlife Service and another Federal agency—such as the Bureau of Land Management—or a State governmental agency so as to allow such joint administration to continue.

Also, the legislation would require the Secretary, when disposing of lands acquired with funds from the migratory bird conservation fund, to collect the fair market value or the acquisition costs of such lands, whichever is greater. Present law only requires the acquisition costs to be collected, whatever that might be, even though the lands may have appreciated in value considerably since the date of acquisition.

In addition, the bill would prohibit the transfer of any lands within the system by the Secretary without the prior approval of the Migratory Bird Conservation Commission. Present law requires the Secretary to only consult with the Commission before disposing of such lands.

Mr. Speaker, the Senate—when it passed the bill—amended it in two respects: First, the language in the bill that would permit joint administration of areas within the System—such as the Kofa, Sheldon, and Russell Game Ranges—was stricken, thereby having the effect of requiring these areas to be administered by the Secretary of the Interior through the U.S. Fish and Wildlife Service, just as all other areas in the System would be administered.

Mr. Speaker, I think this is a commendable change on the part of the Senate as it would resolve a problem that has developed over the years as a result of the joint administration of these areas by the U.S. Fish and Wildlife Service and the Bureau of Land Management. The testimony at my Subcommittee's hearings on this legislation clearly indicated that dual administration has been an extremely difficult and unsatisfactory arrangement, and one which both BLM and the Fish and Wildlife Service agree should be terminated.

Mr. Speaker, in accepting this portion of the Senate amendment, I do so with the clear intent on the part of the Committee on Merchant Marine and Fisheries that these three ranges will be administered at least at the same level of funding and personnel as they have been jointly administered in the past by the U.S. Fish and Wildlife Service and the Bureau of Land Management. I am delighted to include in the record at this point a copy of a letter, and an attachment, I have received from Mr. Lynn A. Greenwalt, Director, U.S. Fish and Wildlife Service, dated February 10, 1976, which clearly spells out the intent on the part of the U.S. Fish and Wildlife Service, not only to maintain the existing level of funding and personnel, but to considerably increase such funding and staffing at these ranges. The letter and attachment follow:

FISH AND WILDLIFE SERVICE,
Washington, D.C., February 10, 1976.

Hon. ROBERT L. LEGGETT,
House of Representatives,
Washington, D.C.

DEAR MR. LEGGETT: Mr. Everett of your staff requested that we furnish you with information on the three ranges affected by H.R. 5512.

In the 1975 fiscal year activities on Kofa, Charles M. Russell and Charles Sheldon Ranges were funded jointly by the Bureau of Land Management ($151,600—9 personnel) and the U.S. Fish and Wildlife Service ($335,400—17 personnel) for a total budget of $487,000 and 26 personnel.

The Service has reviewed the program at the three ranges, and we estimate that an annual appropriation of $805,000 will be necessary to bring management of the wildlife and the range up to an acceptable level. If grazing is to be properly regulated, Charles M. Russell Range will require extensive fencing which we estimate will cost an additional $800,000 over a four year period.

If. H.R. 5512 is enacted as passed by the Senate, the Service will seek to fully fund and staff the program on the ranges at the earliest opportunity.

We have not been contacted by any of the Bureau of Land Management personnel on the three ranges concerning transfers. Should this legislation be enacted, any BLM personnel who will be affected will have an opportunity to transfer to the Service.

Sincerely yours,
LYNN A. GREENWALT,
Director.

GAME RANGES—STATUS AND FUNDING

A summary judgment was issued by the District Court which held that the Secretary of the Interior did not have the authority to transfer jurisdiction of the game ranges to the Bureau of Land Management and that such a transfer was a major Federal action as defined in the NEPA and would require preparation of an EIS.

The House, on November 14, 1975 passed an amendment (HR 5512) to the Refuge Administration Act which would, among other things, place jurisdiction on all units of the National Wildlife Refuge System under jurisdiction of Fish and Wildlife Service, except those under joint jurisdiction (the Game Ranges) as of January 1, 1975.

The Senate considered and passed a modified version of HR 5512 on February 4, 1976. The bill that passed was similar to the House version except all units of the System would be under the sole jurisdiction of the Fish and Wildlife Service. The House has not considered the Senate version as of February 9, 1976.

	Fiscal year 1975			Proposed funding level [1]
	BLM	FWS	Total	
Kofa	(2) 55,600	(3) 53,000	(5) 108,600	(7) 104,000
C. M. Russell	(6) 76,100	(10) 225,400	(16) 201,500	(25) [2] 520,000
Sheldon	(1) 19,900	(4) 57,000	(5) 76,900	(5) 145,000
Total	(9) 151,600	(17) 335,400	(26) 487,000	(37) 805,000

[1] Single agency jurisdiction.

[2] An additional 200,000 would be necessary for fencing to improve managerial capability for a period of 4 years (total cost $800,000).

NOTES:

Denotes permanent full-time positions.

Data for fiscal year 1975 was provided to Congressman Leggett's subcommittee July 2, 1975 (S. Mayer).

Data for proposed single agency jurisdiction worked up in refuges July 1, 1975. C. M. Russell data cleared with Calvert Jan. 28, 1976. Data from Sheldon discussed with Gilmore Jan. 29, 1976.

Mr. Speaker, the second change to the bill made by the Senate has to do with refuge lands in the State of Alaska. In this regard, the Senate added a provision to the bill which provides that with respect to refuge lands in Alaska, where other Federal Government agencies presently administer a portion of the refuge program pursuant to a cooperative agreement, those programs shall remain in effect under the direct supervision of the U.S. Fish and Wildlife Service, so long as such agency agrees to exercise such responsibility.

Mr. Speaker, I endorse this change in the bill also. In fact, I wholeheartedly endorse the idea of using cooperative agreements in the administration of any of these areas within the system—not only with other Federal agencies, but with State agencies as well—particularly when the expertise of these agencies can be employed to the benefit of these areas. In all such agreements, however, the Fish and Wildlife Service must have the ultimate authority to ensure that all activities authorized to be carried out on these areas are compatible with other refuge purposes and this is exactly what the Senate amendments allow for.

Mr. Speaker, a question has arisen concerning the grazing policy of the U.S. Fish and Wildlife Service on these three ranges—the Kofa, Sheldon, and Russell ranges. I would like to include in the RECORD at this point a statement—along with a statement concerning the leases on such ranges—I have received from the U.S. Fish and Wildlife Service which clearly indicates the policy of the Service with respect to grazing on these areas. The documents follow:

GRAZING POLICY ON U.S. FISH AND WILDLIFE SERVICE LANDS

Administration of the grazing program on the Kofa, Charles M. Russell, and Charles Sheldon Game Ranges by the Fish and Wildlife Service will not result in the instantaneous termination of existing grazing privileges on these areas. Rather, the Service will honor valid existing grazing licenses that were issued by BLM under the Taylor Grazing Act until their natural expiration. When these licenses expire, the Service will then reexamine them to determine if continued grazing is compatible with wildlife needs and service objectives. Grazing will be permitted in conformance with the Service's policy on grazing dated May 9, 1975, and pursuant to the National Wildlife Refuge System Administration Act of 1966.

Under the Service policy, grazing activities may be permitted on refuges (i.e., game ranges) as follows:

On a primary basis when these activities enhance, support and contribute to established wildlife management objectives.

On a secondary basis when these activities wisely utilize a renewable natural resource and do not conflict with established wildlife management objectives.

Number and duration of grazing licenses on game ranges

Charles M. Russell:	
Licenses issued annually	77
Licenses issued under an allotment management plan (licenses issued for a 4 year grazing cycle—All will expire within next 3 years)	13
Total licenses	90
Charles Sheldon: Licenses issued annually	10
Kofa: Licenses issued annually (active licenses, 2)	4

Finally, Mr. Speaker, there has been concern expressed by some of my colleagues over the proposed transfer of a number of refuges by the Secretary of the Interior to other Federal agencies or departments or State agencies, as the case may be. For example, it is my understanding that the Secretary is presently negotiating with the Commonwealth of Puerto Rico to transfer certain areas of the refuge system, in particular the island of Culebrita, to Puerto Rico. Naturally, Mr. Speaker, any such transfer that has not already taken place would not be permitted under this legislation, except by a subsequent act of Congress. In this regard, I would like at this time to assure all interested parties that the passage of this legislation in no way prejudices the consideration by the Committee on Merchant Marine and Fisheries of the merits of this proposed transfer or any other transfer in the making and that, as chairman of the Subcommittee on Fisheries and Wildlife Conservation and the Environment, I pledge now to give my colleagues speedy hearings on any such legislative proposals that may be forwarded to the committee for consideration.

Mr. Speaker, I urge the prompt passage of H.R. 5512.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, is the gentleman telling us that he is satisfied that the Senate amendment puts the responsibility in one place?

Mr. LEGGETT. If the gentleman will yield, the Senate amendment does put the responsibility in one place. It requires all units of the System to be administered by the Secretary of the Interior through the U.S. Fish and Wildlife Service. And, in addition, there was a second amendment relating to the State of Alaska. The House bill was rather silent on that point. There were a number of cooperative agreements in effect with respect to Alaskan refuges, and the Stevens amendment to the bill very specifically sets forth that all of those cooperative agreements between various Federal agencies would continue in effect subject to the direct supervision of the U.S. Fish and Wildlife Service so long as such agency agrees to exercise such responsibility. I believe we have a bill that is flexible and it is coordinated and it is as good as we can do for now.

Mr. ROUSSELOT. I thank the gentleman.

Mr. Speaker, further reserving the right to object, I yield to my colleague, the gentleman from New Jersey (Mr. FORSYTHE).

Mr. FORSYTHE. I thank the gentleman for yielding.

Mr. Speaker, I urge that the House accept the Senate amendment to H.R. 5512. In my view the amendment properly focuses on the difficulties which have surrounded joint management of the Kofa, Sheldon, and Russell Ranges.

The 1969 report of the Special Advisory Board on Wildlife Management concluded that—

> No refuge in split jurisdiction * * * was properly managed. Every unit of the National Wildlife Refuge System should, if possible, be incorporated into the jurisdiction of the (Fish and Wildlife Service).

Since 1969 other reports reached similar conclusions. The problem that has been found with joint management is that differences in public laws governing the Fish and Wildlife Service and BLM and the differences in the philosophies of natural resource management have led to irreconcilable conflicts which impede effective refuge management. The result is that the public in whose name these natural resources are managed has not received the full benefit of the resource nor has the resource been adequately protected.

If joint management is an ineffective mechanism for the protection of wildlife resources, the question becomes which agency should be charged with single management responsibility. Clearly, the Fish and Wildlife Service, which has as its sole mission the protection of wildlife values, is better suited to this task than is BLM whose varied missions such as mining, logging, livestock grazing, and fossil fuel development often conflict with wildlife management.

In light of these facts, I believe we should accept the amended language of H.R. 5512 and, thus, insure that the Fish and Wildlife Service assume complete management responsibility for all elements of the National Wildlife Refuge System.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

Mr. DINGELL. Mr. Speaker, I stand to express my support for passage of H.R. 5512.

Briefly the bill requires that all areas within the National Wildlife Refuge System be administered by the Secretary of the Interior through the U.S. Fish and Wildlife Service. The legislation also requires the Secretary when disposing of lands acquired with funds from the migratory bird conservation fund to collect the fair market value or the acquisition costs of such lands, whichever is greater. The bill also prohibits the transfer of any lands within the System without prior approval of the Migratory Bird Conservation Commission.

The Senate passed an amended bill requiring that joint administration of areas within the System, specifically the Charles M. Russell National Wildlife Range, the Charles Sheldon National Wildlife Range, and the Kofa National Wildlife Range, be stricken, thereby requiring administration of these areas by the Secretary through the U.S. Fish and Wildlife Service consistent with the administration of other areas in the System.

In accepting this portion of the Senate amendment, I do so with the clear intent that I will seek to assure that these three ranges be administered at least at the same level of funding and personnel as they have been jointly administered in the past by the U.S. Fish and Wildlife Service and the Bureau of Land Management. I am delighted to agree with the remarks by Mr. LEGGETT and I am in agreement with the remarks received from Mr. Lynn A. Greenwalt, Director, U.S. Fish and Wildlife Service, not only to maintain the existing level of funding and personnel but also to increase such funding and staffing for these ranges. This is important to bring management of the wildlife and the range up to an acceptable level. In addition, I support the additional funding required by the Service for extensive fencing of the Russell Range over the next 4-year period in order to properly regulate grazing.

Mr. Speaker, I will continue to make every effort to insure that the Service is properly funded to manage these three ranges.

The SPEAKER. Is there objection to the request of the gentleman from California (Mr. LEGGETT)?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LEGGETT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the legislation just considered.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

FEBRUARY 16, 1976.

Hon. CARL ALBERT,
The Speaker,
House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: I have the honor to transmit herewith a sealed envelope from the White House, received in the Clerk's Office at 1:35 p.m. on Monday, February 16, 1976, and said to contain a message from the President wherein he transmits a draft bill entitled "Federal Election Campaign Act Amendments of 1976."

With kind regards, I am

Sincerely,
EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.
By W. RAYMOND COLLEY,
Deputy Clerk.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1976—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94–371)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on House Administration and ordered to be printed:

To the Congress of the United States:

In only 2 weeks time, unless there is affirmative action by the Congress, the Federal Election Commission will be stripped of most of its powers.

We must not allow that to happen. The American people can and should expect that our elections in this Bicentennial Year, as well as other years, will be free of abuse. And they know that the Federal Election Commission is the single most effective unit for meeting that challenge.

The Commission has become the chief instrument for achieving clean Federal elections in 1976. If it becomes an empty shell, public confidence in our political process will be further eroded and the door will be opened to possible abuses in the coming elections. There would be no one to interpret, advise or provide needed certainty to the candidates with regard to the complexities of the Federal election law. If we maintain the Commission, we can rebuild and restore the public faith that is esential for a democracy.

The fate of the Commission has been called into question, of course, by the decision of the Supreme Court on January 30. The Court ruled that the Commission was improperly constituted. The Congress gave the Commission executive powers but then, in violation of the Constitution, the Congress reserved to itself the authority to appoint four of the six members of the Commission. The Court said that this defect could be cured by having all members of the Commission nominated by the President upon the advice and consent of the Senate. Under the Court's ruling, the Commission was given a 30-day lease on life so that the defect might be corrected.

I fully recognize that other aspects of the Court's decision and that, indeed, the original law itself have created valid concerns among Members of Congress. I share many of those concerns, and I share in a desire to reform and improve upon the current law. For instance, one section of the law provides for a one-House veto of Commission regulations, a requirement that is unconstitutional as applied to regulations of an agency performing executive functions. I am willing to defer legislative resolution of this problem, just as I hope the Members of Congress will defer adjustment of other provisions in the interest of the prompt action which is now essential.

It is clear that the 30-day period provided by the Court to reconstitute the Commission is not sufficient to undertake a comprehensive review and reform of the campaign laws. And most assuredly, this 30-day period must not become a convenient excuse to make ineffective the campaign reforms that are already on the books and have been upheld by the Court. There is a growing danger that opponents of campaign reform will exploit this opportunity for the wrong purposes. This cannot be tolerated; there must be no retreat from our commitment to clean elections.

Therefore, I am today submitting remedial legislation to the Congress for immediate action. This legislation incorporates two recommendations that I discussed with the bipartisan leaders of the Congress shortly after the Court issued its opinion.

First, I propose that the Federal Election Commission be reconstituted so that all of its six members are nominated by the President and confirmed by the Senate. This action must be taken before the February 29 deadline.

Second, to ensure that a full-scale review and reform of the election laws are ultimately undertaken, I propose that we limit through the 1976 elections the application of those laws administered by the Commission. When the elections have been completed and all of us have a better understanding of the problems in our current statutes, I will submit to the Congress a new, comprehensive election reform bill to apply to future elections. I also pledge that I will work with the Congress to enact a new law that will meet many of the objections of the current system.

I know there is widespread disagreement within the Congress on what reforms should be undertaken. That controversy is healthy; it bespeaks of a vigorous interest in our political system. But we must not allow our divergent views to disrupt the approaching elections. Our most important task now is to ensure the continued life of the Federal Election Commission, and I urge the Congress to work with me in achieving that goal.

GERALD R. FORD.

THE WHITE HOUSE, *February 16, 1976.*

ANNUAL REPORT BY SECRETARY OF TRANSPORTATION ON OPERATIONS AND ACTIVITIES OF THE ALASKA RAILROAD — MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce:

To the Congress of the United States:

I transmit herewith the annual report by the Secretary of Transportation on the operations and activities of the Alaska Railroad, as required by the Alaska Railroad Act of March 12, 1914.

GERALD R. FORD.

THE WHITE HOUSE, *February 17, 1976.*

ANNUAL REPORT OF OFFICE OF ALIEN PROPERTY, DEPARTMENT OF JUSTICE, FISCAL YEAR 1974—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on International Relations:

To the Congress of the United States:

I herewith transmit the annual report of the Office of Alien Property, Department of Justice, for the fiscal year ended June 30, 1974, in accordance with section 6 of the Trading with the Enemy Act.

GERALD R. FORD.

THE WHITE HOUSE, *February 17, 1976.*

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 3(b) of rule XXVII, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

After all motions to suspend the rules have been entertained and debated, and after those motions to be determined by "nonrecord" votes have been disposed of, the Chair will then put the question on each motion on which the further proceedings were postponed.

EXTENSION OF LIBRARY SERVICES AND CONSTRUCTION ACT

Mr. BRADEMAS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 11233) to amend the Library Services and Construction Act to extend the authorizations of appropriations contained in such act, and for other purposes.

The Clerk read as follows:

H.R. 11233

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section

4(a)(1) of the Library Services and Construction Act (20 U.S.C. 351b(a)(1)), hereinafter in this Act referred to as the "Act", is amended by striking out "and" immediately after "1975," and by inserting immediately before the period at the end thereof the following: ", such sums as may be necessary for the period beginning July 1, 1976, and ending September 30, 1976, $100,000,000 for the fiscal year ending September 30, 1977, $110,000,000 for the fiscal year ending September 30, 1978, $130,000,000 for the fiscal year ending September 30, 1979, and such sums as may be necessary for the fiscal years ending September 30, 1980, and September 30, 1981".

(b) Section 4(a)(2) of the Act (20 U.S.C. 351b(a)(2)) is amended by striking out "and" immediately after "1975," and by inserting immediately before the period at the end thereof the following: ", and such sums as may be necessary for the period beginning July 1, 1976, and ending September 30, 1976, and for the fiscal years ending September 30, 1977, September 30, 1978, September 30, 1979, September 30, 1980, and September 30, 1981".

(c) Section 4(a)(3) of the Act (20 U.S.C. 351b(a)(3)) is amended by striking out "and" immediately after "1975," and by inserting immediately before the period at the end thereof the following: ", such sums as may be necessary for the period beginning July 1, 1976, and ending September 30, 1976, $10,000,000 for the fiscal year ending September 30, 1977, $15,000,000 for the fiscal year ending September 30, 1978, $20,000,000 for the fiscal year ending September 30, 1979, and such sums as may be necessary for the fiscal years ending September 30, 1980, and September 30, 1981".

(d) Section 4(a)(4) of the Act (20 U.S.C. 351b(a)(4)) is amended by striking out "and" immediately after "1975," and by inserting immediately before the period at the end thereof the following: ", the period beginning July 1, 1976, and ending September 30, 1976, and the fiscal years ending September 30, 1977, September 30, 1978, September 30, 1979, September 30, 1980, and September 30 1981".

SEC. 2. (a) The Act (20 U.S.C. 351 et seq.) is amended by inserting immediately after section 7 the following new section:

"ADMINISTRATIVE COSTS

"SEC. 8. The amount expended by any State, from an allotment received under this Act for any fiscal year, for administrative costs in connection with any program or activity carried out by such State under this Act shall be matched by such State from funds other than Federal funds.".

(b) Section 102(b) of the Act (20 U.S.C. 353(b)) is amended by inserting immediately after "Subject to" the following: "the provisions of section 8 and".

The SPEAKER. Is a second demanded?

Mr. QUIE. Mr. Speaker, I demand a second.

The SPEAKER Without objection, a second will be considered as ordered

There was no objection.

Mr. BRADEMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill H.R. 11233 extends the Library Services and Construction Act for 5 additional years, that is, through fiscal year 1981.

Mr. Speaker, few programs of Federal assistance have won such widespread support as has the Library Services and Construction Act.

Since the Federal Government began to assist public libraries, in fiscal year 1957, under the then Library Services Act and, subsequently, the Library Services and Construction Act, the United States has gone a long way toward achieving the objective of providing modern library services for the people of our country.

The stimulation of Federal funds has helped strengthen library services at the local level as well as encouraging more effective leadership on the part of State library agencies in providing library services.

The bill under consideration would continue this important support for an activity that is indispensible to a genuinely civilized society.

Let me, Mr. Speaker, describe briefly the purpose of the bill under consideration.

Title I of the Library Services and Construction Act provides funds for the acquisition of books, materials, and equipment as well as paying salaries and operating expenses.

Under title I, States also receive funds to extend library services to those whose access to them is limited, such as the poor, the handicapped and people who live in remote areas.

This title also supplies support for metropolitan public libraries which function as regional or national resource centers.

In addition, the title strengthens the capacity of State library agencies to provide library services.

H.R. 11233 authorizes title I expenditures of $100 million, $110 million, and $130 million for fiscal years 1977, 1978, and 1979, respectively.

The bill authorizes such sums as may be necessary for fiscal years 1980 and 1981.

Title II of the Library Services and Construction Act provides grants to the States for public library construction of and alteration and remodeling.

The bill under consideration recommends such sums as may be necessary for this title of the act.

I am well aware, Mr. Speaker, that this title of the act has not been funded in recent years but the committee notes that a substantial backlog of public library construction projects has developed and considers the continuation of this provision of the act, therefore, to be necessary.

I now will say a word about title III of the act, also extended by H.R. 11233, and which encourages cooperation and coordination among libraries of all types.

Such cooperation is made possible by grants to the States for the planning, establishment, and maintenance of cooperative networks of libraries at the local, regional, or interstate level.

Only yesterday, while visiting the University of Evansville in my own State of Indiana, I learned of the great progress being made toward such statewide cooperation by the establishment of an interlibrary network in Indiana.

These networks are intended to provide for coordination of the resources of school, public, academic, and special libraries and information centers.

H.R. 11233 provides authorizations for title III of $10 million, $15 million, and $20 million, respectively, for each of the next 3 fiscal years while authorizing such sums as may be necessary for fiscal years 1980 and 1981.

Let me now, Mr. Speaker, speak of title IV of the Library Services and Construction Act, under which grants are authorized to the States for the provision of library services to the elderly.

Title IV has not yet been funded but the committee, aware from the testimony that there is a genuine need for a program that is targeted on providing library services to older Americans, has extended this provision of the act, authorizing such sums as Congress may deem necessary.

There is, Mr. Speaker, a particular modification in the Library Services and Construction Act made by H.R. 11233 of which I want to say a word. I refer to that language in the bill which requires that the administrative moneys expended by the States in carrying out programs under the act must be matched by the States from other than Federal funds.

The General Accounting Office has advised Congress that all States retain large percentages of title I funds at the State level for administration and support services or for statewide projects.

The committee believes that, with respect to the administrative expenses of the States in carrying out programs under the act, the prohibition against the use of Federal funds for matching purposes will encourage greater use of State funds for this purpose. State legislatures will in turn be encouraged to increase their own activities in overseeing the operations of State library agencies.

The committee was reluctant to impose a limit on all States that might work a hardship on some. However, it does expect the Federal administrators of the act to monitor State practices and to advise the committee if corrective legislation seems to be necessary. Administrative expenses in excess of 10 percent of program costs would appear to be unwarranted.

Mr. Speaker, on December 16, 1975, the Subcommittee on Select Education unanimously recommended the extension of the Library Services and Construction Act as reflected in H.R. 11233. The bill was thereafter reported to the House by voice vote of the Committee on Education and Labor on January 28.

Mr. Speaker, at this point I would like to thank all of the members of the Committee on Education and Labor for their support of this bill. In particular, I would like to thank the distinguished chairman of the Education and Labor Committee (Mr. PERKINS) and the distinguished ranking minority member (Mr. QUIE) for their help in bringing this measure before you today.

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. BRADEMAS. I yield to the distinguished chairman of the committee, the gentleman from Kentucky.

Mr. PERKINS. Mr. Speaker, H.R. 11233 provides for the needed extension of programs carried on under the Library

Services and Construction Act—the direct descendant of the Library Services Act we enacted in 1956. That original legislation was approved with strong support on both sides of the aisle, and bipartisan cooperation has been the watchword since that time, in consideration of legislation to amend and extend public library legislation.

In 1960, when we extended the act for 4 years, the political platforms of our great political parties contained planks and pledges dealing with the needs for libraries and library services. That was the first time both parties had gone on record in this manner.

Mr. Speaker, I want to take opportunity initially to compliment the distinguished chairman of our Select Subcommittee on Education for the timeliness and substance of this legislation. A 5-year extension of the act as is proposed will continue these public library programs on a stable basis.

I also wish to compliment the ranking minority member of the committee (Mr. QUIE) and members of the committee on both sides of the aisle for their work and support of H.R. 11233. As I have indicated, the original public library legislation in 1956 received bipartisan support and I am pleased that today the bill we are considering has the same support.

The original Library Services Act was limited to rural areas of the Nation and it did not authorize assistance for library facilities. The Committee on Education and Labor has been most attentive to this legislation through the years and to the needs to which it is addressed. Accordingly, a series of amendments have been enacted to broaden, improve, and extend the original act. The act was expanded to reach all areas of the country and funds were authorized to provide desperately needed assistance for the construction of public library facilities. In 1966 we expanded the act to authorize services for the physically handicapped, to enable the States to provide library services in State institutions, and to foster many forms of cooperation among libraries. The act was last amended in 1970, and the present law will expire on June 30 of this year.

To give a specific example of how this program works, in my own State of Kentucky, LSCA title III funds have been used to establish the Kentucky cooperative library information project—Kenclip. The program links the libraries within the State with each other, so that an individual with a need for special information has only to turn to his own local library. If his local library does not have the needed information, it will turn to one of the larger libraries in the region, which will, if need be, turn to yet a larger library until the specific item is located and made available to the patron who requested it.

Not so long ago, a heavy equipment operator in my congressional district needed some information on repairing a piece of equipment. The gentleman placed his request at the local public library, which did not have the information he needed. The use of regional and State bibliographic tools developed with assistance from LSCA title III enabled the local library to locate the information from Morehead State University Library, a participating library in the statewide Kenclip network.

Individuals from all walks of life make similar requests for information every day at local public libraries in every congressional district. Title III of LSCA has enabled all States to begin planning for the better coordination of their libraries, but much more remains to be done.

We now have a 20-year record of limited Federal assistance to libraries under this act with a solid record of benefits derived from this stimulation of Federal grants matched in State and local tax effort. And this has occurred without a hint of Federal control or stifling of intellectual freedom. There has been no compulsion or coercion of the Nation's 30,000 libraries. Indeed, this act has expanded freedom, not curtailed it. Some 17 million Americans have gained access to library services for the first time, and and another 90 million men, women, and children have benefited from better public libraries.

Mr. Speaker, a moment ago I mentioned some of the accomplishments which occurred under this act in Kentucky. Much of this success has been due to the admirable and untiring efforts of State and local librarians. For so many years our State was guided in library matters by a good friend and very able individual—Margaret Willis. Her influence is still being felt. The reins are now in the hands of State Librarian Charles F. Hinds—and he is doing an equally fine job. I want to compliment all librarians across the State, including those in public libraries, and in college and school libraries.

The bill before us today is a simple extension and authorization of appropriations for the coming 5 years. It authorizes such sums as may be necessary to continue all programs through the transitional quarter. It authorizes a total of $340 million for title I, Library Services, for the 1977, 1978, and 1979 fiscal years, and it authorizes a total of $45 million for title III, Interlibrary Cooperation, for the same 3 fiscal years. For title II of the act, Public Library Construction, and title IV, Older Readers Services, the bill would authorize such sums as may be necessary.

For Library Services under title I and Interlibrary Cooperation under title III of the act, the committee bill would authorize such sums as necessary for fiscal years 1980 and 1981. We are hopeful that in due time we will have before us the recommendations of the White House Conference on Library and Information Services. Members will recall that the bill we enacted to authorize this conference, which was signed by President Ford on December 31, 1974 (Public Law 93-568), requires that the conference be held not later than 1978. The findings and recommendations of the White House Conference, and especially of the State conferences that will precede it, will provide us with an up-to-date evaluation from the grassroots of the needs of public libraries.

We do not need a White House Conference to tell us that those needs are great and growing. The cost of books, magazine subscriptions, and everything else that a library must obtain for its users has been rising rapidly. Postal fees are upward bound, and so is the cost of fuel and everything else needed to keep a library's doors open to the public. Some of the greatest libraries in the land are reducing their staff, limiting their purchases of new publications, curtailing their hours, and tragically even considering closing some of their facilities.

These are hard times, yes, and belts must be tightened. But it is unthinkable that we would retreat in our support of public libraries in a country where they were invented, any more than we would think of closing the doors of our schools. Both play their part in educating our people for self-government and for useful, productive, rewarding lives in freedom and dignity. Our libraries and our schools and colleges are the very bedrock on which our democracy and our productivity and progress as a nation are founded.

I want to emphasize that we have no practical alternative to the Library Services and Construction Act. At one time, general revenue sharing was presented as the answer, or one answer, to the financial problems of public libraries. It is true that the State and Local Fiscal Assistance Act does authorize use of Federal funds provided under the act for library construction and support. Although libraries are among the priority expenditure categories at the local level, they have not gained much thereby. Less than a modicum of aid—only 1 percent of the total—has been allocated to libraries, and witnesses before the Committee testified that in many cases Federal funds were merely substituted for money that would have been available under their regular budgets.

We have required the Office of Education to arrange for independent evaluation studies of the operation of the Library Services and Construction Act. Under contract to the Office, the Systems Development Corporation reported in 1973 that:

> LSCA funds have been a critical factor in projects for special clienteles, and they have provided the bulk of the funds used for innovative projects: without LSCA (or a real substitute) there would be little or no innovation—in short, a rather static, even moribund public library in the U.S.

That is from one of the official evaluation reports to the administration. The General Accounting Office has also reviewed the programs under the act before us today. The Comptroller General recommended that some limitation be placed on the use of funds by the States for administrative expenses and accordingly the bill requires that Federal funds allocated for administrative costs be matched by non-Federal funds. This will assure that for the most part Federal funds will be used for the extension and improvement of public library services in parts of the State where they do not exist or where they are less than adequate.

I want to point out that funds provided under this act are matched—in fact, this money is more than matched—by State and local dollars. Under titles I and II, in no case can the Federal share be more than two-thirds of the total project cost, nor less than one-third. Under title III, there is no matching formula, but matching is required because Federal funds do not cover all the costs. So this is a sound, prudent bill from a fiscal standpoint.

H.R. 11233 will continue the authorization of assistance for construction, remodeling or modernization of library facilities, as the committee has been advised that some 750 construction projects located in every State are on the drawing board almost ready for contracting. Matching funds are in hand at the State and local levels, and sponsors are waiting only for the necessary Federal share. At the close of my remarks, I will insert in the Record a list of some of Kentucky's pending LSCA construction projects to show the continuing need for this program.

The Library Services and Construction Act is vital legislation whose beneficial effects are visible in every State and every congressional district. Our public libraries are under the watchful eye of independent boards of trustees, people from all walks of life, and I doubt that any Member has not received some communication or even visitation from respected, knowledgeable local people asking that the act be extended and supported. Let us respond affirmatively to their pleas.

Mr. Speaker, I urge overwhelming approval of the bill. At this point, Mr. Speaker, I insert the chart showing planned library construction projects in Kentucky:

LIBRARY CONSTRUCTION PROJECTS IN KENTUCKY READY FOR IMPLEMENTATION WHEN FEDERAL SHARE AVAILABLE

Name of library	Type of project	Square feet	Estimate cost			
			LSCA II	State	Local	Other
I.						
Ashland Public Library (Boyd County) (potential project cost $900,000)	New	11,785	$350,721	$100,000	$215,680	$250,000
Henderson County Public Library (Henderson, Ky.) (potential project cost $900,000)	New	14,412	249,987	250,000	153,217	0
II.						
Allen County Public Library (Scottsville, Ky.)	New	6,000	186,000	0	114,000	0
Fayette County Public Library Branch (Lexington, Ky.)	New	7,500	232,500	0	142,500	0
Hopkins County Public Library (Madisonville, Ky.)	New	15,266	473,270	0	290,070	0
Lee County Public Library (Beattyville, Ky.)	New	4,500	139,500	0	45,000	4,500
III.						
Bourbon County Public Library (Paris, Ky.)	R. & A.	[1]6,823	186,000	0	114,000	0
Graves County Public Library (Mayfield, Ky.)	New	12,375	383,643	0	235,137	0
Henry County Public Library (Eminence, Ky.)	R. & A.	6,000	186,000	0	114,000	0
Knox County Public Library (Barbourville, Ky.)	R. & A.	9,475	293,743	0	94,756	85,280
McCreary County Public Library (Whitley City, Ky.)	New	6,000	186,000	0	60,000	54,000
IV.						
Boyle County Public Library (Danville, Ky.)	R. & A.	5,000	155,000	0	95,000	0
Carroll County Public Library (Carrollton, Ky.)	R. & A.	2,500	77,500	0	47,500	0
Greenup County Public Library, South Shore Branch (South Shore, Ky.)	New	3,000	93,000	0	30,000	27,000
Harlan County Public Library (Harlan, Ky.)	R. & A.	2,500	77,500	0	25,000	22,500
Knott County Public Library (Hindman, Ky.)	New	4,200	130,200	0	42,000	37,800
Hardin County Public Library, North Hardin Branch (Radcliff, Ky.)	New	3,500	108,500	0	66,500	4
Pike County Public Library (Pikeville, Ky.)	New	12,211	378,560	0	122,116	109,900
Shelby County Public Library (Shelbyville, Ky.)	R. & A.	2,500	77,500	0	47,500	0
Taylor County Public Library (Campbellsville, Ky.)	R. & A.	2,500	77,500	0	47,500	0

[1] Renovation to make complete facility usable.

Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. BRADEMAS. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, I appreciate my colleague's yielding.

Could the gentleman tell me how much construction actually was completed under this bill last year?

Mr. BRADEMAS. None.

Mr. ROUSSELOT. Is there any anticipated in the future?

Mr. BRADEMAS. The committee hopes very much that there will be money appropriated for construction in the future, in that, as the report indicates, there exists a substantial backlog of public library construction projects.

Late last year, the committee was advised that about 750 such construction projects were planned, with matching funds already allocated, but that the several sponsors of the projects were awaiting the provision for Federal contributions in order to begin these projects.

I hope very much, therefore, that the authorization contained in the bill for construction will be continued.

Mr. ROUSSELOT. The reason I ask is that we have heard a great deal about the importance of construction of worthy public projects. I just wonder why, since construction money has been authorized, we have not actually used it where a need could be shown to exist.

Mr. BRADEMAS. I think the gentleman's point is a very well taken one. It is my own hope, may I say to the gentleman from California (Mr. Rousselot), that even as the House has just voted on a local public works construction bill for needed public works projects, I hope, in view of the very high continuing level of unemployment in the country, that greater attention will be given to the funding of title II of the Library Services and Construction Act. Quite obviously, there is a continuing and substantial need for library facilities in the country and at the same time, title II appropriations can be helpful in providing needed jobs in the construction industry.

Mr. ROUSSELOT. Does the gentleman know where most of these backlog construction projects of which he speaks are located or do we have any information as to that?

Mr. BRADEMAS. I do not have any information immediately before me, but I will be glad to supply it for the benefit of the gentleman from California. I can assure him, however, that there is a significant demand for these projects throughout the United States.

Mr. ROUSSELOT. It just seems strange to me to be calling this an extension of library services and construction when we do not have any construction actually going on.

Mr. BRADEMAS. I agree with the point the gentleman is making. In that respect, I share his concern that not enough moneys have been devoted to library construction. I might point out that the administration has, despite the need for such construction, requested no money for construction.

I would hope that our colloquy here will provide some incentives to the provision of such money.

Mr. ROUSSELOT. I would appreciate it if the gentleman will insert at this point in the Record the list of those areas where there is a backlog.

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that I be permitted to insert the information to which the gentleman from California (Mr. Rousselot) refers.

The SPEAKER pro tempore (Mr. McFall). Is there objection to the request of the gentleman from Indiana?

There was no objection.

The material referred to follows:

SURVEY OF STATE LIBRARY AGENCIES ON LIBRARY CONSTRUCTION: PRELIMINARY REPORT

The states report that approximately 226 library construction projects could be started by July 1, 1975 (column 1); an additional 224 projects could be underway by January 1, 1976 (column 2); 293 more could start by July 1, 1976 (column 3) if LSCA II is funded in FY 1975. An additional 766 projects are needed over the next 2–3 years (column 4).

	July 1, 1975	Jan. 1, 1976	July 1, 1976	1976–78
Total number of projects	226	224	293	766
Alabama	2			3
Alaska	12	2	5	30

	July 1, 1975	Jan. 1, 1976	July 1, 1976	1976–78
Arizona			2	5
Arkansas		3	2	
California	24	20		
Colorado	1	8	7	36
Connecticut	5	7	16	35
Delaware				
Florida	6	7	6	41
Georgia	2	3	7	27
Hawaii				
Idaho	12	10	5	8
Illinois	1		30	25
Indiana	3	2	5	20
Iowa	15	14	34	
Kansas	1			5
Kentucky	2	4	5	9
Louisiana	9			36
Maine	4	1	1	15
Maryland	2	2	2	11
Massachusetts	1	1	4	60
Michigan	11	16		35
Minnesota	2	5	7	16
Mississippi	22	17	16	42
Missouri	1	2	2	10
Montana		6		
Nebraska	3			12
Nevada	1	1		3
New Hampshire	3		7	15
New Jersey	2	6	20	
New Mexico	1	1	7	25
New York	7	20	23	
North Carolina	4	4	1	15
North Dakota				5
Ohio				
Oklahoma	3	4	5	4
Oregon	3	4	5	5
Pennsylvania	4	4	5	12
Rhode Island	4	2	5	16
South Carolina			1	3
South Dakota	1	2	2	15
Tennessee			1	8
Texas	18	27	15	39
Utah	9		3	22
Vermont	3	3	1	15
Virginia	3	4	4	7
Washington	6	4	13	36
West Virginia	3	3	3	25
Wisconsin	6	3	12	11
Wyoming	4	2	4	4

Mr. QUIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 11233, a bill to amend and extend the Library Services and Construction Act through 1981.

This is the only program which the Federal Government has which supports the public libraries of this Nation. In the last 2 fiscal years, the appropriation for these programs has been about $52 million. That is a small amount of money for the Federal Government to spend in support of the 8,000 public libraries in this Nation.

Newspaper stories across the land have highlighted the importance of libraries in times of high unemployment. Even in more normal times, the library often serves as the community center as well as a source of reference material, pleasure reading, records, and films.

The New York Times recently reported that the costs of inflation have had a particularly severe impact on libraries, largely because the publishing industry has been hit with large increases in the costs of paper, labor, and postage. The average periodical subscription now costs a library $19.94 per year. A single copy of a book—$14.09.

I share with many of my colleagues a concern over the increased costs of government. More often than not these problems first arise in the form of authorization figures which are far beyond what is actually achievable. In LSCA we have responded to these concerns by actually cutting authorizations back. For example, authorizations for the four titles of the act for fiscal year 1976 totaled $252 milliion. For fiscal year 1977 we have reduced authorizations to $110 million for titles I and III and simply provided for such sums for titles II and IV.

The only substantive amendment made to the current law provides that any funds retained by the State for administration must be matched on a dollar-for-dollar basis by a State appropriation for administration. This amendment will serve to reduce the percentage of funds being used by the State for administration while at the same time providing a mechanism for the State library agency to be accountable to the State legislature for its stewardship of Federal funds.

I wish to make clear that the matching funds for administration must come from State sources. It cannot come from local library funds or from other Federal funds, such as general revenue sharing.

I might also note that this bill was introduced with wide bipartisan sponsorship and was reported by the subcommittee and full committee without a single opposition vote.

In summary, I believe that the Library Services and Construction Act has been a positive factor in the growth of the Nation's public libraries. I urge support of the bill.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise to express my strong support for passage of H.R. 11233, the extension of the Library Services and Construction Act.

There can be no question that library services are a vital part of our Nation's total educational and social program. The original bill, rural in its orientation, has been expanded through the years as recognition of the need to provide modern library services to every American has become more evident.

This bill, through title I, provides assistance for the acquisition of books, materials, and equipment, and provides grants to extend library services to those whose access to such services is limited.

Title II authorizes grants for the construction of new buildings, acquisition, and expansion and remodeling of existing sites.

Title III provides grants for the States for planning and maintenance of library networks throughout the State, and title IV, which has never been funded, authorizes grants for the provision of library services for the elderly, including the payment of salaries for elderly persons who wish to work in libraries, and transportation to those without ready access to library services.

This is a comprehensive legislative package and while each title is vital to the program, I cannot stress too heavily the impact that titles II and IV have on the State of Arkansas.

At the present time, five libraries in Arkansas are awaiting construction—five communities have met the matching fund requirements, but can do nothing until this program is approved. Further, on a per capita basis Arkansas now has the second largest population of elderly in the country and the numbers are rising steadily. I cannot begin to tell you the great benefits that the provisions of title IV would bring to the thousands of elderly in Arkansas alone. Inclusion of this title in the bill is a boon to these people, and eventual funding of the title is vitally important.

Every Federal dollar spent on library services is matched by the States and localities, and the stimulation of Federal funds into this program has vastly strengthened State library agencies responsible for providing leadership in library development throughout the country. Where an economically disadvantaged community may never have been able to establish its own library independently, this program enables them to determine their basic needs, and obtain the necessary help to proceed.

The Education and Labor Committee tells us that under this program, 17 million people have been provided public library services for the first time, and another 90 million Americans have received much improved library services. What this means is that almost one-half of our population has received direct benefit under this act. Of all the Federal programs in existence today, how many can claim such a high rate of return for the taxpayer?

How do we place a dollar amount on the benefits this program provides to an inquiring young mind, when his prior limited horizons have been expanded to take in all the past, present, and future of this ever-changing world?

How do we equate in dollars the joy that library services bring to the sick, the handicapped, the institutionalized, and the elderly, when their lives are enhanced by a book, a magazine, or a newspaper?

Certainly, access to books, to reference sources, and periodicals can serve as the turning point in the lives of millions of Americans and the ultimate good that comes from such services cannot be ignored.

The ability to read, and ready access to reading sources, is a key to tomorrow and we cannot fail to respond to this need.

I have consistently supported library service programs and I strongly urge continued support for this program by the Congress today.

Mr. KOCH. Mr. Speaker, a most important bill is being voted on today, H.R. 11233, the extension of the Library Services and Construction Act. The Federal role in assisting public libraries began with aid to rural libraries under the Library Services Act of 1956. Since then some 17 million Americans have received library service for the first time and another 90 million have benefited from improved service. The Federal Government helps support libraries through various programs administered by several agencies, however the largest portion of support comes from title I of the Library Services and Construction Act of 1964—LSCA. Funding for public libraries, however, has been plagued by the following problems: Inadequate, untimely, unstable funding at every governmental level impeding a viable intergovernmental partnership and local planning; a lack of mutually reinforcing funding formulas; a Federal authorization—appropriations gap; and a backlog caused by previous impoundments.

But, even with a level of Federal support well under 10 percent of the operating expenditure of public libraries, the most severe critics would agree that the program had a significant impact on activating complementary support programs in many States. In reports to the National Commission on Libraries and Information Science, System Development Corporation made the following statements:

> LSCA funds have been a critical factor in projects for special clienteles and they have provided the bulk of the funds being used for innovative projects; without LSCA (or a real substitute) there would be little innovation—in short, a rather static, even moribund public library in the U.S.
>
> It is our (System Development Corporation's) belief that continued Federal intervention is necessary. Local governments, local communities and individual states, acting independently, cannot supply the coordination, direction, and support that is required to exploit the potential of the public library for providing information and education services during the coming decade. (The Public Library and Federal Policy, Final Report, April 1973.)

In 1973 the administration recommended the elimination of the Federal grant programs for libraries and suggested revenue sharing as an alternative. I for one strongly disagree with the administration that the Library Services and Constrution Act has outlived its usefulness. Though libraries have been included as one of the eight priority items for general revenue sharing, of the $9.5 billion of these funds spent during the first 2½ years of the program—January 1972–June 1974—public libraries received only 1 percent of the funds available to local governments. The American Library Association noted in a March 1975 paper that only 14 percent of the Nation's public libraries had received general revenue sharing funds. The vast majority have not been touched.

In general, revenue sharing funds have not spurred innovation or the extension of library services. Instead there is a growing tendency to use these funds to replace State or local funds previously provided for library support. This leaves local public libraries with the need to increase budget requests due to State and Federal cutbacks. The problem is especially severe in urban areas because of the gap between needs and resources. The preponderance of testimony before the National Commission on Libraries and Information Science indicates that revenue sharing does not work well for libraries because it forces them to compete for funds with higher priority local agencies. Regional library networks have particular difficulty in attracting funds under these circumstances. Local authorities in many instances have informed libraries that the funds that are provided under general revenue sharing are "one time only."

Representatives of the executive branch have repeatedly denied before congressional committees that general revenue sharing was not intended as a replacement for categorical grants. However, impoundments and proposed rescissions have been defended in part on the grounds that revenue sharing funds can be used in place of categorical aid. I am distressed by the position of the Office of Education which favors the proposed phase out of the Library Services and Construction Act, while citing the assistance provided by general revenue sharing.

Beyond the political battles over categorical versus block grants, there is a broad set of reasons for continuing substantial Federal funding of public libraries. The National Commission on Libraries and Information Science holds that the total library and information resource in this country is a national resource that should be developed, organized, and made available to the maximum degree possible. The benefits extended beyond the individual and the community. In addition, all people have a right to realistic access. The American Library Association estimates that 20 million Americans are without access to public library services.

A workable program to provide access requires close intergovernmental and interjurisdictional cooperation that can be fostered only by Federal initiative. Substantial and direct Federal financing is appropriate to provide national services, to meet interstate disparities, and to assist in upgrading a service to a desired level and support of local services. Aid to special groups is another legitimate national concern. Also, increasingly public libraries are being seen as valuable adjuncts and alternatives to formal public education because of their research, informational, and recreational functions. Public libraries supplement and complement other Federal programs, too, such as books for the adult blind.

At a minimum there is a strong Federal role in providing funds for research and development of innovative projects, expansion of data gathering, and technical assistance. An expansion of interlibrary cooperative programs to help ailing urban centers to make available their specialized library resources should be integral to any national program. Coordination of existing Federal programs should also be included.

The 93d Congress authorized a White House Conference on Library and Information Services to take place no later than 1978. Though planning has already begun on the conference and the local and State meetings that will precede it, a January 26 letter from Alan Kranowitz, Assistant to the Director of OMB for Congressional Relations, to Congressman JOHN BRADEMAS took the following position:

> After careful deliberations the Administration has decided it will not convene a White House conference, but will rely on the National Commission on Libraries and Information Science to develop and recommend plans for library information policy.

Though the Commission is most capable, it has neither the staff nor the funds to develop a grassroots national plan. The reasoning behind the administration's lack of action is reportedly that such a conference would be inflationary, if only by raising expectations.

I consider this conference an important step in reassessing Federal assistance to public libraries. I would expect that a better understanding of library needs and resources would result from the conference process as well as strengthened public support for library programs. I call for the administration to rethink and reverse its apparent decision on the conference. Meanwhile, the continuation of a Federal commitment to public libraries through categorical aid under existing titles is essential, with special emphasis on title III to maintain the movement toward cooperative projects.

Mr. BIAGGI. Mr. Speaker, I rise to give my enthusiastic support for H.R. 11233, the Library Services and Construction Act of 1976. I am proud to be among the original cosponsors of this legislation and its passage will represent an important national commitment to insuring access for all Americans, to the wealth of knowledge contained in our library system.

This legislation would extend the present Library Services and Construction Act, first passed in 1956 and amended in 1964, for 5 years. In the past 20 years, an estimated 107 million Americans have been provided new and improved library services. A major improvement in the act was made in the 1964 amendments when, for the first time, urban libraries were included under the coverage of the legislation. As a result, innovative projects have been funded, improving library and information services to residents of disadvantaged neighborhoods.

In addition, funds under title II, Library construction grants, have resulted in the construction of over 2,000 new public libraries. Furthermore, funds under the act have been provided to establish better cooperative networks between libraries, thus allowing the resources of public college and university libraries to be used to benefit all Americans.

The bill today seeks to extend and expand this most worthwhile, and proven legislation. Besides extending the act through 1981, the bill would increase funding for all of the existing titles of the act, and provides funding for other titles of the bill which have not been previously funded. One such title is title IV, which will provide State grants for improving library services for the elderly, including the purchase of special library materials, funds for salaries of older persons wishing to work in libraries, in-home visits to the elderly by library personnel, and transportation to allow the elderly better access to library facilities.

I am particularly enthused about this provision of the legislation. Today, when we are trying to provide meaningful activities for our senior citizens, this bill represents a very positive step in this direction. The alternative facing senior citizens today who do not have such activities is loneliness and institutionalization.

I wish to point out that this legislation provides funds under title I which can help prevent the closing of libraries in areas where fiscal problems prevail. Such a situation has occurred, and continues to exist, in the city of New York. The threat of closing libraries has caused great concern in communities throughout the city. It is hoped that the funds under title I, as well as matching state funds, will be available in sufficient quantity to prevent the closing of even one library.

Mr. Speaker, the United States has always been in the forefront of providing its citizens with educational opportunities. Our school systems remain the best in the world and in recent years, thanks to the Library Services and Construction Act, our libraries, too, are unmatched in quality.

Today, we are seeking to expand on these achievements through extending this important legislation. With over 100 million Americans benefiting from this act today, its record of accomplishment speaks for itself. I call on my colleagues to continue this important commitment to maintaining a free and viable public librray system.

Mr. PEYSER. Mr. Speaker, I urge adoption of H.R. 11233. This bill is of profound importance to the people of New York State as it is vital to the people of every other State. The Library Services and Construction Act promotes sound and sensible programs that light the lamps of learning and keep them lit. As my colleagues have pointed out, the funds available under this act are matched by State and local funds. There has been $2.50 in State or local money provided for every Federal dollar for library construction, for example. There is no foisting of this program on local people and local agencies; obviously they need and want and value and support this program.

The Federal assistance is vital for our urban libraries. In my own State about 45 percent of the funds provided under title I of the act have been allocated to our five major metropolitan areas. Most if not all of the libraries in the State benefit, too, through the cooperative networks that are spurred by the Library Services and Construction Act. Our network of interlibrary cooperation in New York State is paralleled by those in Illinois, Wisconsin, Minnesota, and Washington. I am told there are interstate groups for library cooperation in New England, in the Southwest, the Midwest, and the Southeast.

About one-third of the Nation's libraries are joined in these cooperative projects which unite public libraries with school libraries and college and university libraries to provide better service to the public. Obviously, there is scope for still further improvement and greater linkages. Economies must be effected, too, where these are possible. The number of titles issued by American publishers nearly doubled between 1960 and 1965 alone, while the average price of a library book rose by 15 percent between 1973 and 1974 alone. Our libraries are hard-pressed to meet the needs of their users of all ages.

Some have been forced by budget cuts to reduce their purchases, curtail their hours of service, reduce their staffs. Less than a half-million handicapped people now have access to the talking books and other specialized materials and services they require, while millions of others wait for their libraries to receive the resources they must have to provide such assistance. We cannot turn our backs on those who are out of the mainstream of our society.

This law has enabled many libraries to pioneer, to reach out to these without access to the stimulation and self-improvement afforded by libraries. Books-by-mail service is proving effective. It has been extended to some of our correctional institutions in New York State, and building on that, paperback books have been placed in cellblock libraries where inmates are trained to perform library duties. These are among the practical, constructive contributions of this program. We want to make more progress possible.

This is prudent legislation, farsighted legislation, providing a foundation for further progress. It is my hope and that of many of my colleagues that the State preconference and the national White House Conference on Library and Information Services we have authorized for 1978 (Public Law 93-568) will permit people in all walks of life to cast their votes and exert their influence for the continued sound development of their local libraries.

These are not elitist, ivory tower institutions we aid through this legislation. The library's doors are open to all—from the preschool child who comes for a storytelling hour to the businessman or technician who comes for technical data to the students of all ages to the elderly who come to continue as a part of the community. All are welcome, and a vote for the Library Services and Construction Act is a vote for all. Mr. Speaker, I urge adoption of the bill.

Mr. CONTE. Mr. Speaker, I rise in support of the bill to extend the Library Services and Construction Act through fiscal year 1981.

I entered the Congress more than 17 years ago when the predecessor of this legislation, Library Services Act of 1956, was still in its formative stages. Later, in 1964 the program was amended to provide construction funds as well. Since those early years, library facilities have reached 17 million Americans for the first time. More than 90 million Americans have since enjoyed more improved and expansive facilities.

Under the title III construction provision 177 million Federal dollars have been matched by more than $457 million in State and local matching funds. It is clear from the extensive participation by the States and local communities that these library extension services are of a high priority—and they should be.

The services that are provided under this act deserve mention. They are designed to assist the States to:

First. Develop and improve public library service in geographical areas and to groups of persons without such service or with inadequate service;

Second. Provide library services for patients and inmates of State-supported institutions, physically handicapped people, and disadvantaged persons in low-income areas, both urban and rural;

Third. Strengthen metropolitan public libraries which function is regional or national resource centers; and

Fourth. Strengthen the capacity of the State library agency to meet the library and information needs of all the people.

Finally, I should like to mention a section of this bill which I consider to be very important. Title IV provides grants for Older Readers Services. These grants enable the States to provide numerous library programs and services for the elderly. Some of the important ones are:

Providing for purchase of special library materials.

Providing salaries for the elderly who are employed by various library programs.

Providing funds to enable library personnel to visit the elderly and "bring the library" to their homes.

Provide transportation to and from the libraries for senior citizens.

I believe these programs are a most important aspect of this legislation and give them my sincere support.

It is with a great degree of consistency and concern for the future of our Nation's library programs that I stand in support of H.R. 11233 in the same manner as I have for its predecessors throughout my tenure in the House of Representatives.

I should like to conclude with a most appropriate quote by Ralph Waldo Emerson:

> In the highest civilization, the book is still the highest delight. He who has once known its satisfactions is provided with a resource against calamity.

I urge my colleagues to support this legislation.

Mr. FORD of Michigan. Mr. Speaker, I rise in support of H.R. 11233, a bill to amend the Library Services and Construction Act and extend it through fiscal year 1981.

The purpose of LSCA is to assist the States in the extension and improvement of public libraries so that all Americans have access to an adequate public library. This act provides for the extension and improvement of public library services in areas of the States which are without such services or in which such services are inadequate; the construction of public libraries; the improvement of library services for physically handicapped, institutionalized, disadvantaged, and elderly persons and people with limited English-speaking ability; the strengthening of State library administrative agencies; the promoting of interlibrary cooperation among all types of libraries; and the strengthening of metropolitan libraries which serve as regional or national resource centers.

Mr. Speaker, public libraries, like so many other public institutions, have suffered severely from the economic crisis which has plagued this country for the past several years, and at the same time demands on libraries are increasing dramatically—as the New York Times article which follows will illustrate. The extension of the LSCA will not necessarily improve the financial conditions of our libraries, but hopefully it will make it a little easier for them to weather the storm.

By extending the LSCA today we will be voting to continue a tradition of providing limited, but badly needed Federal assistance to libraries which began in

1957. Since then, it is estimated that approximately 17 million people have gained access to public library services for the first time, and another 90 million citizens have benefited from greatly improved services.

I would also like to emphasize to my colleagues that this is a matching grant program—which means that every Federal dollar spent under this program is matched by State and local funds. Since 1965, under title II, the construction grant program—the $177 million spent in Federal funds has been matched by $457 million in State and local funds—a ratio of $1 in Federal funds to $2.58 in State and local.

Mr. Speaker, earlier I referred to an article which recently appeared in the New York Times. This article illustrates quite well the situation our public libraries face today—severe budget restraints and greater demands. It points out that there is a dramatic increase in library activity in all age groups—ranging from children who are showing a renewed interest in reading, to unemployed workers who are turning to libraries in hopes of learning how and where to find new jobs.

Mr. Speaker, there is no question of the necessity to continue the program authorized by the Library Services and Construction Act, and I hope my colleagues from both sides of the aisle will join me in supporting this bill.

At this point, I would like to insert into the RECORD the article to which I have referred:

[From the New York Times, Feb. 15, 1976]

NATION'S LIBRARIES ARE BUSIER THAN EVER

(By Alden Whitman)

On a cold, sleeting, gray Sunday in Arlington, Va., recently the busiest place in town was the Arlington Central Library. A large parking lot behind the building was full, and the on-street spaces were taken.

Approaching the building at one moment were an elderly couple, a father with three children, two grammar school children with a clutch of books and two teen-agers.

Inside, a line six to eight deep waited to check out books and virtually all the reading tables were fully occupied.

This scene is typical of what is happening in public libraries across the country these days. Record numbers of borrowers and browsers are using their services, despite budget cutbacks. Book circulation was up as much as 10 percent in 1975 over the years since 1970. And in many instances, attempts to limit library services or to close branches have been thwarted by vigorous citizen protests, as happened in New York last month.

Not only is the number of borrowers increasing, but also, most significantly, children, who seemed to have dropped out of reading books in the 1960's, are back in the libraries and reading for pleasure above and beyond the books for school assignments.

These two developments stand out in interviews with officials of the New York Public Library System as well as spot checks of libraries and readers in New Jersey, Boston, Hartford, the Washington suburbs, Atlanta, Chicago and its suburbs, St. Louis, Seattle, San Francisco, Los Angeles and several Montana cities.

PRACTICAL USES STRESSED

The other principal developments noted by librarians in these areas and in New York were as follows:

A heavy demand for how to books, with an emphasis on home appliance repairs, automobile repairs and craft skills.

An equally large call for books on preparing job resumes or those that could help candidates for Civil Service employment.

A surge of requests for books describing the qualifications for jobs in those segments of the labor market that seem to be doing active hiring.

"Part of the increase in library usage is due to the economy," said Robert Hansbury, administrator of the Seattle Public Library System, adding:

"We just had our biggest year since 1932 in the height of the Great Depression as far as circulation goes."

And, continued Nancy Wilden, head librarian in the literature section of the Seattle library, "The business department has been really busy. People are out of work and looking for new fields; many are busy making out resumés. People can't afford repairmen, so they taking out books on do-it-yourself plumbing, car repair, home improvements. More people are also getting into recreational reading because they have more time."

In addition to reading that relates directly to the country's economic dislocations, there is a rise in demand for adult education books.

"At least half of our patrons are adults," Gay Jameson of the Denver Public Library System said. "Either they are in school learning to be teachers, or they are in art classes learning illustration, or they are just starting out in something and want the simplest possible explanation."

NONFICTION STILL LEADS

The preference of book purchasers for nonfiction over fiction by about 60 to 40 percent, observed in recent years, also holds true for adult library users. This is somewhat at variance with libraries' experience in the 1930's, when novels and "escape" literature were high in demand.

Novels, to be sure, remain sought after by borrowers. "A year ago, the more prosperous-looking, middle-class users would have bought the new hot novel," David Belch, information officer for the San Francisco Public Library System, said. "Now they come in and even though they are told there may be a two- or three-month wait for a book, they still put a reserve on it."

All librarians report that fiction that has television exposure experiences a rise in demand.

"There was a big run on 'The Forsythe Saga' after it appeared on TV," according to Jean Glafke of the Seattle Public Library, who also remarked, "The great demand is also in new books, because authors appear on TV so much."

EXPECTATION NOT REALIZED

Nonfiction choices are also visibly affected by television. A current favorite is George Sand, the nineteenth-century French novelist, whose life was recently portrayed on television. Now biographies of her and copies of her novels are being sought out by library users.

Another example is "Eleanor and Franklin," Joseph Lash's biography of Eleanor Roosevelt and her President-husband. "We had 23 copies of 'Eleanor and Franklin' at the St. Louis County Library," said Donell Gaertner of that system recalled, "and they were dead wood until a recent television program of that name. Then in one day they were gone."

"Librarians were terribly concerned when television first came on the national scene," Henry G. Shearouse Jr., Denver's head librarian, said. "Well, it's done exactly the opposite. As soon as a book is on TV, you've got somebody coming down here to know more about it."

In the nonfiction category, apart from biographies and books on money management and consumer information, most libraries find that readers look for books on the occult, mysticism and psychotherapy.

"Psychology books of all kinds are busy," Marjorie M. Gibbons supervisor of branches for the Boston Public Library, said. "People are concerned with the self."

In still further evidence of what one librarian called "the Dow Jones Industrials effect" on library usage, thousands of adult readers are going into libraries to read magazines, the news weeklies and periodicals to which they have let subscriptions lapse. Librarians note that the elderly, often pinched on their incomes, are among the most regular magazine readers.

Ethnic studies are also in demand, according to Lynn Jenks, adult book coordinator of the Los Angeles Public Library System. "Now we find that various ethnic groups want literature in their own language or translated materials," he said.

JOY OVER CHILDREN'S USE

The smiles of librarians turn into beams of sheer joy as they contemplate the influx of children. Virtually every library in the cities surveyed finds that youngsters are making increasing use of the circulating collections and the reading rooms for recreational reading.

"Over the Christmas holidays when school was out, we had a lot of kids come in, which is proof positive they come in to read for fun," Kerry Neiman of the San Francisco system said. Similarly, Jean Ross of the Atlanta Public Library System, remarked: "We are seeing more children who come to the library not just to check out something on their book list, but to stay and do recreational reading, or watch a film."

Books, it would appear, have given many children a keep critical eye for television. "I'd rather read than watch TV because the characters are too 'fixed' on TV," Jay Bridenstine, a seventh grader in Helena, Mont., said. "I'd rather read mysteries than watch TV," chimed in Alicia Cooper, a Helena fifth grade pupil. "The cops are too noisy and they're always doing the same thing."

PREPARATION FOR LIFE

In one Los Angeles branch library, a 15-year-old girl was reading Robin Wagner's "Portrait of a Teen-Age Alcoholic," because, she said, her mother was an alcoholic and she hoped the book would help her better to understand the problem.

At another table in the same library, an 11-year-old boy who lives in the Watts section of the city was reading Roy Campanella's "It's Good to Be Alive." "I plan to be a professional baseball player, and I wanted to know what I was going to be up against," he explained.

Librarians in New York and elsewhere have also noticed that many children now prefer books that deal with "real-life" situations. Topics such as family life and urban problems are reported in large demand all over the country. This is not to say that the Nancy Drew books have totally lost their appeal for the young, but Barbara Jones, a branch librarian in Denver, summed up the observations of many other librarians when she said, "Teenagers often go for books that deal with the problems they face, such as 'Mr. and Mrs. Bo-Bo Jones,' about a very young marriage, or 'Go Ask Alice,' which deals with abortion."

Virtually all library systems have been obliged to adjust to budget cuts. These have forced a reduction in hours, staff layoffs and, in New York, attempts to close some branch libraries. In a number of instances, citizen protests have been staged with effect.

Although the general increase in library use is widely regarded as recession-induced, librarians are nonetheless pleased to discover how much the public depends on them. Margery Nelson of the Evanston Public Library summed up the feeling by exclaiming: "We've got lots of 9 A.M. patrons."

Mr. JOHNSON of California. Mr. Speaker, I strongly support the legislation to extend the Library Services and Construction Act for 5 years. The Congress has established an outstanding record in recent years for developing and improving educational programs for the people of our Nation. I personally feel that the young people of our Nation are our most valuable resource. They will be the leaders of tomorrow's world. The education they receive today will significantly affect their ability to carry on the ideals of our country and the high tradition of achievement established by past generations.

One of the key elements in the educational process is the library. The library is a symbol of scholarship second only to the schoolhouse. The library serves not only our youth, but also other people in the community who wish to further expand their knowledge or who wish to read for enjoyment. In fact, the slogan used to observe National Library Week some years ago quite aptly describes the library as "Something for Everyone."

Although libraries basically are a local responsibility, Federal and State governments do help local cities and counties to build, maintain and operate these institutions. The Federal participation, when compared to mammoth Federal programs in other areas, is relatively small. It is provided under the provisions of the Library Services and Construction Act. This has been a continuing program, which in 1970 was broadened to include construction programs as well as basic assistance for supplies and materials.

With the existing program due to expire next year, I eagerly sponsored legislation to continue the Library Services and Construction Act in its present form. I sincerely believe in this program and feel it should be extended.

Under the library services programs, it is estimated that nearly 30 million people received help from small amounts of Federal aid, not including some 800,000 blind people and 400,000 physically handicapped who got special assistance under the program. In fiscal year 1974, over $4 million was made available to California libraries. Northern California counties received $465,000 with each and every county in the First Congressional District benefiting, primarily, through the cooperative library systems program.

I believe these funds have been well spent. One of the major reasons for the success of this program has been that the control of funds rests at the State and local levels, where the needs of the communities can best be determined and acted upon. I hope that the Congress will demonstrate its continued confidence in this program by voting to extend the Library Services and Construction Act.

Mr. BRADEMAS. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mr. McFALL). The question is on the motion offered by the gentleman from Indiana (Mr. BRADEMAS) that the House suspend the rules and pass the bill H.R. 11233.

Mr. ROUSSELOT. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 3 of rule XXVII and the prior announcement made by the Chair, further proceedings on this motion will be postponed.

WHITE HOUSE CONFERENCE ON HANDICAPPED INDIVIDUALS

Mr. BRADEMAS. Mr. Speaker, I move to suspend the rules and pass the Senate joint resolution (S.J. Res. 154) to extend the time period during which the President is authorized to call a White House Conference on Handicapped Individuals, and to extend the time period during which appropriated funds may be expended.

The Clerk read as follows:

S.J. RES. 154

> Whereas the White House Conference on Handicapped Individuals Act (Public Law 93-516) authorized the President to call a White House Conference on Handicapped Individuals not later than two years after the date of enactment of such Act; and
>
> Whereas that Act authorized funds appropriated to carry out the White House Conference to remain available for expenditure until June 30, 1977; and
>
> Whereas that Act provided that the White House Conference be planned and conducted under the direction of a National Planning and Advisory Council, appointed by the Secretary of the Department of Health, Education, and Welfare; and
>
> Whereas the National Planning and Advisory Council has recommended that the convening of the White House Conference be postponed in order to assure sufficient time to develop and convene required State conferences, to assure ease in travel to the Conference by individuals with handicaps, and to assure more effective mobilization of national awareness regarding the problems faced by individuals with handicaps: Now, therefore, be it
>
> *Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first sentence of section 302(a) of the White House Conference on Handicapped Individuals Act (Public Law 93-516) is amended to read as follows: "The President is authorized to call a White House Conference on Handicapped Individuals not later than three years from the date of enactment of this title in order to develop recommendations and stimulate a national assessment of problems, and solutions to such problems, facing individuals with handicaps.".
>
> SEC. 2. Section 306 of the White House Conference on Handicapped Individuals Act (Public Law 93-516) is amended by striking out "June 30, 1977" and inserting in lieu thereof "September 30, 1978".

The SPEAKER pro tempore. Is a second demanded?

Mr. QUIE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Indiana, Mr. BRADEMAS, and the gentleman from Minnesota, Mr. QUIE, will be recognized for 20 minutes each. The Chair recognizes the gentleman from Indiana (Mr. BRADEMAS).

Mr. BRADEMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I move to suspend the rules and pass Senate Joint Resolution 154, to extend the time period during which the President is authorized to call a White House Conference on Handicapped Individuals, and to extend the time period during which funds appropriated may be expended.

Mr. Speaker, Senate Joint Resolution 154 would simply amend the White House Conference on Handicapped Individuals Act—Public Law 93-516—to extend for 1 additional year, until December 7, 1977, the time period during which the President is authorized to call a White House Conference on Handicapped Individuals and to extend from June 30, 1977, until September 30, 1978, the period during which appropriated funds may be expended.

Mr. Speaker, the original measure authorizing the President to convene a White House Conference on Handicapped Individuals was signed into law on December 7, 1974. Over 11 months later, President Ford announced the appointment of a 28-member National Planning and Advisory Council for the White House Conference.

The chairperson of the National Planning and Advisory Council has advised the committee that insufficient time remains in which a meaningful White House conference can take place and has requested an extension of time for planning and for expenditure of funds to carry out the program. The additional time is primarily needed in order that State conferences can be conducted to develop an agenda and priorities for the national conference.

Mr. Speaker, the joint resolution authorizes no new moneys and we are assured by the advisory council that no request will be made of Congress for additional appropriations under this extension authority.

Mr. Speaker, this Conference will bring to the attention of the American people the problems of the handicapped persons in our society.

As President Ford said, on November 27, 1975, in announcing the appointment of the members of the National Planning and Advisory Council to the White House Conference on Handicapped Individuals:

> There are more than seven million children and at least 28 million adults in America with physical or mental handicaps. An estimated total of only 800,000 handicapped persons are employed. Thus, employment of the handicapped, and related personal and social problems, must be examined and creative solutions developed. I urge all Americans to support and participate actively in this great endeavor.

In like fashion, Mr. Speaker, I urge Members of the House to approve this joint resolution.

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. BRADEMAS. I yield to the distinguished gentleman from Kentucky.

Mr. PERKINS. Mr. Speaker, we enacted legislation in December of 1974 authorizing the President to call a White House Conference on Handicapped Individuals within 2 years from the date of enactment. The 2-year period provided in the original enactment was sufficient to allow for orderly planning and development for the national conference.

Unfortunately, there was a 10-month delay in the appointment of the National Advisory Council which is to oversee the planning of the Conference. Therefore, only 14 months rather than 24 are in fact available for this critical activity.

The success of any White House Conference depends on careful and comprehensive planning. A White House Conference on Handicapped Individuals must include the active and full participation of handicapped citizens from the initial stages on. Their participation and input would be most adversely affected if the planning and developmental period is unrealistically constrained or limited—as will be the case if we do not act to extend the period during which the Conference may be held.

Senate Joint Resolution 154 provides us with an opportunity to extend that period for an additional year. This is in line with recommendations we have received from the National Advisory Council now at work on the Conference.

With a year's extension, there will be time for the holding of important preliminary State conferences before the main White House Conference—and for adequate time for the development of greater national awareness of the problems facing the handicapped.

The resolution will extend also the period during which funds appropriated for the Conference may be extended from June 30, 1977, to September 30, 1978. I wish to emphasize, however, that Senate Joint Resolution 154 does not contemplate nor authorize the expenditure of any additional Federal moneys; $1,519,000 has already been appropriated for the Conference, and the President has requested an additional $1,461,000 for fiscal year 1977. A total of $2,980,000 will be available for the Conference with $980,000 reserved for the preliminary State conferences.

The Chairman of the National Planning and Advisory Council has advised our committee that "there will be no requests to the Congress for new appropriations" as a result of the enactment of Senate Joint Resolution 154.

Mr. Speaker, the resolution passed the other body without objection, and it was considered in the Committee on Education and Labor and approved with no dissenting votes. Before closing, I wish to compliment the distinguished chairman of our Subcommittee on Select Education—JOHN BRADEMAS—for his work on the resolution, in addition to the members of the committee on both sides of the aisle.

Mr. Speaker, I urge overwhelming approval of Senate Joint Resolution 154.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the resolution before us today calls for nothing more than an extension of the time in which to conduct the White House Conference on the Handicapped. It should be clearly understood by all that it is not a request for more money nor does it authorize more money; in fact, the Congress has received firm assurances from Dr. Henry Viscardi, Chairman of the National Planning and Advisory Council of the White House Conference, and Mr. Jack Smith, Director of the White House Conference, that there will be no request to the Congress for any appropriation over and above that which has already been approved.

I believe the extension of time will enable conference officials to better organize their efforts but most importantly, it will afford States planning to hold their own conferences an opportunity to develop meaningful efforts which will hopefully produce beneficial results for handicapped individuals. With the extension I expect that questions facing the handicapped of this Nation will be thoroughly discussed, assessed, and some viable solutions proposed.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding, and I rise in support of Senate Joint Resolution 154, the White House Conference on Handicapped Individuals. The purpose of this measure is to extend by an additional year the time during which the President is authorized to call the White House Conference and to extend from June 30, 1977 to September 30, 1978 the time during which appropriated moneys for the conference may be expended. No additional appropriations are requested to carry out his resolution. Under Public Law 93-516, the White House Conference on Handicapped Individuals Act, the President is authorized to call the Conference not later than 2 years after the enactment of the statute; namely, December 7, 1976. However, due to an 11-month delay in appointing the 28-member National Planning and Advisory Council to the Conference, the remaining 13 months is regarded as insufficient time to properly plan and prepare the authorized State and National conferences.

Mr. Chairman, the time extensions requested in this resolution are reasonable, particularly in view of the commendable objectives of the Conference, which, as noted by the Committee on Education and Labor in its report on Senate Joint Resolution 154, are:

> To provide a national assessment of problems faced by individuals with mental or physical handicaps;
>
> To generate a national awareness of those problems;
>
> To make recommendations to the President and Congress which, if implemented, will assure that all individuals with handicaps are able to live their lives independently, with dignity, and with complete integration into community life.

The committee's report highlights two salient facts: First, there are more than 35 million men, women, and children who are physically or mentally handicapped; and, second, only 800,000 of the more than 28 million handicapped adults are employed.

Mr. Speaker, too little national attention has focused on the problems of the handicapped, let alone on techniques that can best utilize the talents of these individuals, many of whom lead fruitful and productive lives. The handicapped should not be slighted, nor should they be regarded as second-class citizens. Our Nation has not devoted sufficient attention to their needs and to their problems. We have not fully tapped their talents. The White House conference, perhaps the first Presidential conference devoted to this problem, will, hopefully, correct this neglected situation.

Mr. Speaker, I enthusiastically endorse the White House Conference on Handicapped Individuals, and I look forward to the conference's recommendations that will be submitted to the President and the Congress. Accordingly, I call upon my colleagues to support this worthwhile resolution.

Mr. BRADEMAS. Mr. Speaker, I have no further requests for time.

Mr. QUIE. I have no further requests for time, Mr. Speaker.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana (Mr. BRADEMAS) that the House suspend the rules and pass the Senate joint resolution (S.J. Res. 154).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate joint resolution was passed.

A motion to reconsider was laid on the table.

REHABILITATION ACT EXTENSION OF 1976

Mr. BRADEMAS. Mr. Speaker, I move to suspend the rules and agree to the conference report on the bill (H.R. 11045) to amend the Rehabilitation Act of 1973 to extend the authorizations of appropriations contained in such Act.

The Clerk read the title of the conference report.

The SPEAKER pro tempore. Is a second demanded?

Mr. QUIE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

(For conference report and statement see proceedings of the House of February 5, 1976.)

The SPEAKER pro tempore. The gentleman from Indiana (Mr. BRADEMAS) will be recognized for 20 minutes, and the gentleman from Minnesota (Mr. QUIE) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Indiana (Mr. BRADEMAS).

Mr. BRADEMAS. I yield myself, Mr. Speaker, such time as I may consume.

Mr. Speaker, I am delighted to report to this body that after negotiations between the Committee on Labor and Public Welfare of the other body and the Committee on Education and Labor on H.R. 11045, the Rehabilitation Extension Act of 1976, we have reached a consensus which is embodied in the conference report now before the House.

Mr. Speaker, first of all, let me express appreciation for the efforts of the members of the committee who have worked to expedite the necessary extension of this successful 55-year-old Federal-State program.

In particular, Mr. Speaker, I would like to thank the distinguished chairman of the Education and Labor Committee, the gentleman from Kentucky (Mr. PERKINS), and the distinguished ranking minority member of the Education and Labor Committee (Mr. QUIE) for their important contributions to this bill. Let me also say a word of appreciation to all of the members of the Subcommittee on Select Education, which I have the honor to chair, for their help in advancing this important legislation.

Mr. Speaker, let me make these observations regarding the conference report.

The bill before us is similar in most respects to the bill that passed the House on December 15 under suspension of the rules.

The original House bill was reported by the Subcommittee on Select Education by a unanimous vote and subsequently by the Education and Labor Committee. Support for the legislation is bipartisan. Mr. Speaker, as I have previously noted, the House thereafter passed the bill under suspension of the rules, by voice vote, on December 15:

The conference report, as did the House bill, extends for 2 additional fiscal years, 1977 and 1978, the title I entitlement authorization, commonly referred to as the basic State-Federal program.

The Senate bill had provided for an extension of the act only through fiscal year 1977.

In this connection, Mr. Speaker, I should point out the following agreement on the part of the conference. With respect to the extension of authorization for the basic State-Federal program and all other extensions of authorizations in the bill, the conference agreement provides for an additional extension of 1 year, through September 30, 1978, in the event that Congress does not act on legislation to extend the authorizations for programs under the act by April 15, 1977.

Or to put the matter more simply, Mr. Speaker, if Congress has not acted on this authorizing legislation prior to April 15, 1977, all programs under the act would automatically be extended for the second fiscal year, fiscal 1978.

The authorizations provided for this basic State-Federal rehabilitation service program of $740 million and $760 million were adopted by the conference.

In addition, the conference accepted the House authorization of $25 million for innovation and expansion grants for both fiscal years 1977 and 1978.

In addition, Mr. Speaker, the conference accepted the House recommendation for authorization of "such sums as may be necessary" for several other programs for fiscal years 1977 and 1978, that is, programs authorizing vocational training services, construction of rehabilitation facilities, special rehabilitation projects, program and project evaluation, and the National Center for Deaf-Blind Youths and Adults.

Mr. Speaker, a compromise was reached with regard to several items. The House had recommended "such sums as may be necessary" for activities relating to research, training, secretarial responsibilities, and the Architectural and Transportation Barriers Compliance Board. The Senate had recommended for these programs for the 1 year authorized by the Senate bill specific sums based on the authorizations for the previous fiscal year, 1976. The authorizations which the conference agreed to for these programs for fiscal year 1977 are less than those proposed by the Senate and less than those authorized in present law for fiscal year 1976.

To carry out research activities, the conference report authorizes $30 million for both fiscal years 1977 and 1978.

For rehabilitation training activities, the conference bill authorizes $25 million for fiscal year 1977 and $30 million for fiscal year 1978.

For secretarial responsibilities, the conference bill authorizes $600,000 for both fiscal years 1977 and 1978.

To carry out the responsibilities of the Architectural Barriers and Transportation Compliance Board, the conference bill authorizes $1.5 million for each of the 2 fiscal years.

Mr. Speaker, while the overall cost of the report is slightly more than that agreed to earlier by this body, the conference report authorizes less money than was authorized for fiscal year 1976 and only $22.1 million more than was appropriated for fiscal year 1976. The authorizations for fiscal year 1978 are increased by only $20 million over those for fiscal year 1977.

Mr. Speaker, the State-Federal program of vocational rehabilitation has represented, for over 55 years, an outstanding example of a genuine partnership that effectively meets the needs of handicapped individuals.

The basic objective of the State-Federal program is to provide rehabilitation services which assist physically and mentally handicapped individuals to become employable.

Mr. Speaker, much of the successful development of the vocational rehabilitation program has been the result of the effective use which States have been able to make of advanced information on State allotment figures for the basic rehabilitation program. State allotments for the basic program are computed in part on the specific dollar authorization for the basic program provided in the Rehabilitation Act. With this advance State allotment information, which for the most part has been available in the past, States have been able to plan effectively for the orderly growth of their programs and to estimate the appropriate amount of State funds needed to match available Federal support.

With this factor in mind, handicapped clients as well as State directors of vocational rehabilitation programs have advised the committee of the importance of extending, as soon as possible, the authorization for Federal support of State programs of vocational rehabilitation services through fiscal years 1977 and 1978.

Mr. Speaker, unless Congress acts now to extend the authorizations, States will be unable to determine how much Federal money they can anticipate in fiscal year 1977 for their programs of vocational rehabilitation—and thus, they will be unable to plan their State expenditures accordingly. The proposed additional year of authorization will further give stability to a program which over the last several years has been extended on a year-to-year basis.

Because the authorization for the basic State programs constitutes a commitment of Federal funds to which each State is entitled if sufficient State funds are appropriated to match the State allotment, it is imperative that States have available sufficient matching funds.

Mr. Speaker, the amounts authorized in H.R. 11045 are modest and actually do not keep up with the rate of inflation. In fact, this modest increase in funding authority may even necessitate a reduction in the number of handicapped people who can be served under this act.

Mr. Speaker, this is a responsible measure—fiscally, economically, and humanistically—and I urge all Members to give their wholehearted support to the conference report.

Mr. Speaker, I yield to the distinguished chairman of the committee, the gentleman from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Speaker, first let me thank our distinguished chairman of the subcommittee, the gentleman from Indiana (Mr. BRADEMAS) for doing a tremendous job on this outstanding piece of legislation.

Mr. Speaker, the conference report before us is very close to the House version of H.R. 11045—a bill which passed the House on December 15, 1975, without, I believe, a dissenting voice.

In order to allow for effective planning and budgeting at the Federal and State levels, the House bill extended the Rehabilitation Act 2 years beyond its expiration date of June 30.

For all practical purposes, there was only one major difference between the House and the Senate versions of this bill. The Senate proposed only a 1-year extension in contrast to our 2-year extension.

The conference report is in line with the House bill. The compromise bill provides an extension of the act through fiscal year 1977 and a contingency extension for fiscal year 1978.

Most of the financing and activities under the Rehabilitation Act occur in the basic State grant program. The conference report retains the House authorizations for the basic program of $740,000,000 for fiscal year 1977 and $760,000,000 for fiscal year 1978.

Another important program authorized by the act is the innovation and expansion program for rehabilitative services. Again, the conference report follows the House bill authorizing $25,000,000 for each year.

For certain other programs in the act,

the House bill authorized such sums whereas the Senate stipulated a dollar ceiling. Some of these ceilings in the Senate version have been retained with the result that the total dollar amounts authorized in the conference report are slightly above the totals in the House bill.

A total dollar authorization of $822,100,000 is authorized in the conference report for fiscal year 1977—$57,000,000 more than in the House bill.

In fiscal year 1978 a total of $847,100,000 is authorized in dollar authorizations—$62,000,000 more than in the House bill. I wish to emphasize, however, that the proposed 1977 dollar authorization is $26,000,000 less than the dollar authorizattions for the current fiscal year in existing law and the proposed 1978 dollar authorizations are $1,000,000 less than the current levels.

Mr. Speaker, I very reluctantly agreed to the conference compromise authorizing only a contingent extension of the act for 1978. I can support the agreement because I believe it will result in providing the rehabilitation programs with stability and continuity as long as there is a clear understanding of the contingent extension.

I believe the report itself is quite clear. All of the rehabilitation programs including the basic program will be extended through fiscal year 1978 at the prescribed levels unless—prior to April 15, 1977—legislation is enacted to otherwise effect the 1978 fiscal year authorizations for such programs.

First, I wish to stress that only legislation enacted into law will nullify the 1978 extension authorized in this bill.

Second, the type of legislation contemplated to nullify the extension must deal with the authorization of these programs for fiscal year 1978. Appropriations measures and any legislation resulting from the new budget process would not meet this test. Only an authorization bill dealing with fiscal year 1978 will nullify the 1978 extension, and then it must be enacted into law before April 15, 1977.

Mr. Speaker, I believe that all the Members of the House are aware that the Federal-State partnership in rehabilitation is one of the finest examples of what Government should be doing for its people. I know of no objection to this legislation, and urge its overwhelming approval.

Mr. QUIE. Mr. Speaker, on December 15, 1975, the House passed an extension of the Vocational Rehabilitation Act Amendments of 1975 calling for a 2-year extension of the basic title I programs at $740 million and $760 million. We extended all of the other programs under the act and used "such sum" figures for all of them with the exception of the innovation and expansion grants section.

The Senate, in extending the rehabilitation program, extended all programs for only 1 year and put in existing authorization levels for all programs. In conference we came out with essentially the House bill, but in place of "such sums" put in the existing authorization levels for the other parts of the program.

The conferees made one specific compromise. As most Members know, questions have been raised about the equity of the title I formula in the act. The conferees agreed that because of concerns about the formula, the basic title I program would be extended for 1 year. During the next year, the Congress will reassess the State reallocation formula and modify it if facts and studies justify a change. Any change would have to be enacted into law prior to April 15, 1977. I must point out further that it was the desire of the conferees that State agencies must be able to plan for continuous operation and, therefore, we placed a proviso to the effect that if a new formula was not enacted into law prior to this date, there would be an automatic extension for a second year at the original House authorized level.

Both the gentleman from Kentucky (Mr. PERKINS) and the gentleman from Indiana (Mr. BRADEMAS) have assured our colleagues in the other body and those who were interested on our side that they will look seriously at the formula and, in fact, at other matters in the operation of vocational rehabilitation.

To the extent we can devise a better formula, I am sure that we will attempt to do it, but mostly what I am pleased about is that we are doing this in a way that the Congress can move as expeditiously as possible with plenty of time to give it thought and study, and at the same time not endanger in any way those who need the benefits of the vocational rehabilitation programs.

Lastly, I would say that the authorizations which have been agreed to, are just and within the possibility of reaching them with appropriations. They are not in any way, as may have been suggested in other years, setting authorizations too high. These authorizations are not too high, and my hope is that the Congress will meet them with actual appropriations.

Mr. DODD. Mr. Speaker, I rise to express my strong support for the extension of authorizations for the Rehabilitation Act of 1973. The Rehabilitation Act marks a major commitment of the Federal Government to aid the States in meeting the needs of the disabled, and it is essential that we continue the funding of these necessary programs to aid the handicapped, in coping with their disability through rehabilitation services which strive toward the goal of enabling the disabled to play meaningful and productive roles in our society.

However, in our extension of the authorizations for the Rehabilitation Act of 1973, it is imperative that we do not forget that beyond the funding provisions of the Rehabilitation Act, this legislation guarantees the civil rights of the handicapped vis-a-vis the Federal Government and/or Federal contractors and recipients of Federal financial assistance. Section 501 of the act prohibits employment discrimination against the handicapped in the Federal Government. Section 503 safeguards the rights of the handicapped vis-a-vis contractors with the Federal Government. Section 504 prohibits discrimination against an otherwise qualified handicapped individual solely on the basis of his handicap, under any program or activity receiving Federal financial assistance.

Unfortunately, since passage of the Rehabilitation Act of 1973 there has been little effective enforcement of these civil rights provisions. A GAO study, done at my request last summer revealed very limited progress in implementation of section 503, and virtually no implementation of section 504—aside from the assumption of the responsibility by the Office of Civil Rights of HEW, for enforcement of this section as pertains to HEW. After 3 years no agency has yet been assigned overall responsibility for implementation of section 504. Since the summer, an Executive order has been under consideration by the Justice Department and presently the White House which would vest overall responsibility for enforcement of the act with HEW's Office of Civil Rights. However, as yet there has been no action by the President, and thus millions of handicapped Americans, whose civil rights, Congress in 1973 acted to protect, as yet have no agency from which to seek redress for discrimination but instead face a bureaucratic vacuum of enforcement.

To borrow a phrase from Congressman CHARLES VANIK which he used to describe the entire Rehabilitation Act of 1973, it is indeed true that the enforcement mechanism of the civil rights portion of the act is an "orphan of neglect," lost in an immense bureaucratic quagmire. This week the Senate Subcommittee on the Handicapped of the Senate Committee Labor and Public Welfare will undertake oversight hearings on the implementation of the Rehabilitation Act of 1973. Given the lack of enforcement to date of this act, such hearings are vitally needed, and I believe that there is a similar hearing to be held by the House Select Subcommittee on Education of the House Education and Labor Committee.

In order for the handicapped to assume productive and meaningful roles in society, it is essential that in addition to provision of services that the barriers of discrimination in employment, architecture, education and so forth be removed. Section 504 stands as an affirmative step by the Congress to remove these barriers vis-a-vis recipients of Federal financial assistance—the only issue which remains is its enforcement.

Therefore, on this day when we are acting to extend the authorizations for this act, I would like to urge the President to act affirmatively by signing the Executive order, which would create a mechanism for enforcement, so as to insure protection of the rights of the millions of Americans involved in programs, institutions and so forth, receiving Federal financial assistance.

Mr. BRADEMAS. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mr. McFALL). The question is on the motion offered by the gentleman from Indiana (Mr. BRADEMAS) that the House suspend the rules and agree to the conference report on the bill H.R. 11045.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the conference report was agreed to.

A motion to reconsider was laid on the table.

ENDANGERED SPECIES ACT AMENDMENTS

Mrs. SULLIVAN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 10229) to amend the Endangered Species Act of 1973, as amended.

The Clerk read as follows:

H.R. 10229

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4(f) (2) (B) (ii) of the Endangered Species Act of 1973 (16 U.S.C. 1533(f) (2) (B) (ii)) is amended by striking out "subsection (b) (A), (B), and (C)" and inserting in lieu thereof "subsection (b) (1) (A)".

SEC. 2. Section 10 of the Endangered Species Act of 1973 (16 U.S.C. 1539) is amended by adding at the end thereof the following new subsections:

"(f) (1) As used in this subsection—

"(A) The term 'pre-Act endangered species part' means—

"(i) any sperm whale oil which was lawfully held within the United States on December 28, 1973, in the course of a commercial activity; or

"(ii) any finished scrimshaw product, if such product or the raw material for such product was lawfully held within the United States on December 28, 1973, in the course of a commercial activity.

"(B) The term 'scrimshaw product' means any art form which involves the etching or engraving of designs upon, or the carving of figures, patterns, or designs from, any bone or tooth of any marine mammal of the order Cetacea.

"(2) The Secretary, pursuant to the provisions of this subsection, may exempt, if such exemption is not in violation of the Convention, any pre-Act endangered species part from one or more of the following prohibitions:

"(A) The prohibition on exportation from the United States set forth in section 9(a) (1) (A) of this Act.

"(B) Any prohibition set forth in section 9(a) (1) (E) or (F) of this Act.

"(3) Any person seeking an exemption described in paragraph (2) of this subsection shall make application therefor to the Secretary in such form and manner as he shall prescribe, but no such application may be considered by the Secretary unless the application—

"(A) is received by the Secretary before the close of the one-year period beginning on the date on which regulations promulgated by the Secretary to carry out this subsection first take effect;

"(B) contains a complete and detailed inventory of all pre-Act endangered species parts for which the applicant seeks exemption;

"(C) is accompanied by such documentation as the Secretary may require to prove that any endangered species part or product claimed by the applicant to be a pre-Act endangered species part is in fact such a part; and

"(D) contains such other information as the Secretary deems necessary and appropriate to carry out the purposes of this subsection.

"(4) If the Secretary approves any application for exemption made under this subsection, he shall issue to the applicant a certificate of exemption which shall specify—

"(A) any prohibition in section 9(a) of this Act which is exempted;

"(B) the pre-Act endangered species parts to which the exemption applies;

"(C) the period of time during which the exemption is in effect, but no exemption made under this subsection shall have force and effect after the close of the three-year period beginning on the date of issuance of the certificate; and

"(D) any term or condition prescribed pursuant to paragraph (5) (A) or (B), or both, which the Secretary deems necessary or appropriate.

"(5) The Secretary shall prescribe such regulations as he deems necessary and appropriate to carry out the purposes of this subsection. Such regulations may set forth—

"(A) terms and conditions which may be imposed on applicants for exemptions under this subsection (including, but not limited to, requirements that applicants register inventories, keep complete sales records, permit duly authorized agents of the Secretary to inspect such inventories and records, and periodically file appropriate reports with the Secretary); and

"(B) terms and conditions which may be imposed on any subsequent purchaser of any pre-Act endangered species part covered by an exemption granted under this subsection; to insure that any such part so exempted is adequately accounted for and not disposed of contrary to the provisions of this Act. No regulation prescribed by the Secretary to carry out the purposes of this subsection shall be subject to section 4(f) (2) (A) (i) of this Act.

"(g) In connection with any action alleging a violation of section 9, any person claiming the benefit of any exemption or permit under this Act shall have the burden of proving that the exemption or permit is applicable, has been granted, and was valid and in force at the time of the alleged violation.".

SEC. 3. Section 10 of the Endangered Species Act of 1973 (16 U.S.C. 1539) is further amended—

(1) by striking out "subsection" in the first sentence of subsection (c) thereof and inserting in lieu thereof "section"; and

(2) by striking out the period at the end of the second sentence of subsection (c) thereof and inserting in lieu thereof the following: "; except that such thirty-day period may be waived by the Secretary in an emergency situation where the health or life of an endangered animal is threatened and no reasonable alternative is available to the applicant, but notice of any such waiver shall be published by the Secretary in the Federal Register within ten days following the issuance of the exemption or permit.".

SEC. 4. Section 11(e) (3) of the Endangered Species Act of 1973 (16 U.S.C. 1540(e) (3)) is amended—

(1) by inserting immediately before the words "execute and serve any arrest warrant," in the second sentence thereof the following: "make arrests without a warrant for any violation of this Act if he has reasonable grounds to believe that the person to be arrested is committing the violation in his presence or view, and may"; and

(2) by striking out the period at the end thereof and inserting in lieu thereof the following: ", but upon forfeiture of any such property to the United States, or the abandonment or waiver of any claim to any such property to the United States, or the abandonment or waiver of any claim to any such property, it shall be disposed of (other than by sale to the general public) by the Secretary in such a manner, consistent with the purposes of this Act, as the Secretary shall by regulation prescribe.".

SEC. 5. Paragraph (1) of section 3 of the Endangered Species Act of 1973 (16 U.S.C. 1532(1)) is amended by striking the period and inserting in lieu thereof ": *Provided, however,* That it does not include exhibition of commodities by museums or similar cultural or historical organizations.".

The SPEAKER pro tempore. Is a second demanded?

Mr. FORSYTHE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentlewoman from Missouri (Mrs. SULLIVAN) and the gentleman from New Jersey (Mr. FORSYTHE) will be recognized for 20 minutes each.

The Chair recognizes the gentlewoman from Missouri (Mrs. SULLIVAN).

Mrs. SULLIVAN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, H.R. 10229 embodies several amendments to the Endangered Species Act of 1973 which should be expeditiously enacted to assure the effective management of this important act.

The amendments contained in H.R. 10229 were the subject of extended committee consideration and discussion with both the Federal agencies and those affected by the act. This bill would modify and clarify certain troublesome language in the 1973 act and would assist the responsible agencies in enforcing its provisions. Similar conservation legislation, the Marine Mammal Protection Act of 1972, was passed to provide special protection for marine mammals throughout the world by removing the U.S. market for the parts and products of these mammals. This act prohibited the importation and sale in interstate and foreign commerce of such parts and products, although these prohibitions did not apply to marine mammals taken prior to December 21, 1972, the effective date of the act.

The Endangered Species Act of 1973, unlike the Marine Mammal Protection Act, contained no retroactive exemption for the interstate sale of parts and products of endangered marine mammals which were legally held under the 1972 act. This inconsistency has caused considerable trouble in the enforcement of the laws and has created financial hardships for scrimshanders and other artisans who deal in carved whale bone and teeth as well as those who held large inventories of sperm whale oil.

With respect to such whale oil and scrimshaw, H.R. 10229 would remedy this inconsistency between the two acts. It would provide limited but adequate exemptions for the disposal of these items without sacrificing the intent or diminishing the effectiveness of the 1973 Endangered Species Act.

Finally, H.R. 10229 makes several essential changes in the Endangered Species Act to provide for more flexibility in the interpretation of key provisions controlling the promulgation of emergency regulations in cases of where the health or life of endangered species is threatened; the disposal by the Government of species, parts, or products which have been forfeited to the United States; and the enforcement of the act's prohibitions. These technical amendments were recommended and are supported by the administration in order to remedy a number of problems which have emerged over the past several years in the course of administering the provisions of the act.

I urge the support of all Members to enact H.R. 10229.

Mr. Speaker, I yield such time as he may consume to the gentleman from California, the chairman of the subcommittee, Mr. LEGGETT.

Mr. LEGGETT. Mr. Speaker, as chairman of the subcommittee that heard this matter, I rise in support of H.R. 10229. This bill is essential to the equitable and effective management of the Endangered Species Act of 1973.

The phrase "extinct is forever" emphasizes the unique and serious nature of the problem facing the world's endangered species. Unlike some problems which can be remedied after a mistake is made, the extinction of a species is irreversible. The occurance of such a loss is not merely aesthetic, but educational, scientific, economic, and perhaps even ethical.

Between the years 1600 and 1850, only five domestic species became extinct. By contrast, 57 such species became extinct since 1850. At present, the estimated annual rate of animal extinction is between one and two species. This fact led to the enactment of a series of laws to protect the welfare of endangered species. The most recent legislation was the Endangered Species Act of 1973.

I would like to explain the significance and effect of the Endangered Species Act amendments contained in H.R. 10229. The 1973 act strengthened its 1969 predecessor by prohibiting not only the importation but also the sale of endangered species and their parts or products in interstate and foreign commerce. In addition, it provided for the establishment of specified comment periods for the issuance of new regulations affecting the determination of management of endangered species.

These new provisions along with others created a strong and a nearly unheralded law for the protection of such species. As the provisions of the 1973 act have been implemented by the agencies and applied to existing conditions, certain ambiguities and incidental problems have surfaced which now require our legislative attention. H.R. 10229 is designed to address these perturbations and clarify the act.

The first amendment contained in H.R. 10229 relates to the situation where an emergency condition poses a significant risk to the well-being of an endangered species of fish or wildlife. Under the existing act, if the jeopardized species is a resident species, the Secretary of Interior cannot issue emergency regulations until: First, notice is published in the Federal Register; second, notification of the contemplated action is given to the Governor of each State within which such species is then known to exist; third, 90 days is allowed after notification for each such State to submit its comments and recommendations, unless such period is otherwise shortened by agreement between the parties; and fourth, a summary of all such comments and recommendations received by the Secretary is published in the Federal Register. This procedure albeit worthwhile in the ordinary course of business, is inappropriate and cumbersome in an emergency situation which demands prompt action. Therefore, the first amendment would relieve the Secretary from waiting the required 90 days for comments and recommendations and the publication of a summary in the Federal Register for resident species in those instances where an emergency exists. However, this amendment leaves untouched the procedural safeguard that limits the force and effect of any such emergency regulations to 120 days unless, within the 120 days, the exempted 90-day comment period and required publications are complied with.

The second amendment in H.R. 10229 would allow a limited exemption to the prohibitions contained in the Endangered Species Act for certain endangered species parts or products which were legally obtained and held in the United States prior to its enactment on December 28, 1973. These exemptions apply only to sperm whale oil and to scrimshaw which is defined as the art form involving the carving or etching and engraving of designs upon the bone and teeth of marine mammals of the order Cetecea—Cē-ta′-shēē-a. As referred to earlier, the passage of the 1973 act, without the retroactive exemption similar to the one contained in the Marine Mammal Protection Act of 1972, caused severe economic hardship to those who heretofore could sell such pre-act endangered marine mammals parts or products in interstate or foreign commerce.

This amendment allows such exemptions, that is, the sale in interstate and foreign commerce or exportation so long as it does not violate the Convention on International Trade in Endangered Species of Wild Flora or Fauna. However, it also prescribes certain procedures and conditions which must be followed.

Any person seeking an exemption must make application to the Secretary before the close of the one 1-year period beginning on the date on which regulations promulgated by the Secretary first take effect: such application must contain a complete and detailed inventory of all preact endangered species parts for which the applicant seeks exemptions and must be accompanied by such documentation as the Secretary may require to prove that any endangered species part or product claimed by the applicant to be a preact endangered species part is in fact such a part.

Further, if the Secretary approves such an application, any certificate of exemption issued must detail the prohibition exempted, the preact endangered species parts to which the exemption applies, and the time period for such exemption which may in no case be longer than 3 years from the time of certification.

Finally, the Secretary shall prescribe such regulations as he deems necessary, including, but not limited to, terms and conditions which may be imposed on applicants for exemptions; requirements that applicants register inventories, keep complete sales records, permit duly authorized agents of the Secretary to inspect such inventories and records, and periodically file appropriate reports with the Secretary. Further, terms and conditions may be imposed on any subsequent purchase of any preact endangered species part covered by any exemption granted to insure that any such part so exempted is adequately accounted for and not disposed of contrary to the provisions of this act.

I might note parenthetically that these conditions are more stringent than those set by the other body when it passed a simliar amendment to the Endangered Species Act—S. 229—for a scrimshaw exemption.

The last subsection of this amendment provides an affirmative defense in connection with any action alleging a violation of the prohibition contained in section 9 of the act. In such a case, any person claiming the benefit of any exemption or permit has the burden of proving that the exemption or permit is applicable, has been granted, and was valid and in force at the time of the alleged violation—similar provisions are found in the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 885 (b)) and in the act prohibiting foreign fishing vessels in the territorial waters of the United States.

Section 3(1) of H.R. 10229 is a technical amendment which clarifies the intent of the notice and review requirements to apply to all applications for an exemption or permit.

Section 3(2) of H.R. 10229 also applies to emergency situations, as discussed earlier where the health or life of an endangered species is threatened.

Under the existing provision, the Secretary must publish notice in the Federal Register of each application for an exemption or permit allowing 30 days for comments. The amendment would permit the Secretary to waive the 30-day comment period in emergency situations where no reasonable alternative is available to the applicant.

If the Secretary should waive the 30-day comment period, he must publish notice of such waiver within 10 days following the issuance of any emergency exemption or permit. It should be noted that this emergency waiver is not intended for the mere convenience of an applicant, or even to avoid serious economic loss.

Section 4(1) of H.R. 10229 amends the act to permit duly authorized enforcement agents to make arrests without a warrant if the agent has reasonable grounds to believe that the person to be arrested is committing the violation in his presence or view. Similar authority is found in other wildlife legislation, for example, Marine Mammal Protection Act of 1972 (16 U.S.C. § 1377(c)); Protection of Bald and Golden Eagles Act (16 U.S.C. § 668b.(a)); Administration of National Wildlife Refuge System Act (16 U.S.C. § 68dd(f)); and the Migratory Bird Treaty Act (16 U.S.C. 106). Moreover, it is traditional law enforcement authority and is necessary in the proper enforcement of this act with its broad scope of prohibition.

Section 4(2) also amends the enforcement section of the Endangered Species Act to authorize the disposal of endangered species, parts or products which have been forfeited to and stored by the Government. The manner of such disposal must be consistent with the purposes of the act. In that regard, the committee felt that disposal by public sale to the general public would tend to perpetrate the market and desire for such items, thus increasing the likelihood of contraband.

Last, section 5 of the bill deals with the problem of museums and similar cultural and historical organizations to exchange displays of endangered species, parts or products across State line for exhibition without violating the act. Interstate transfers are only prohibited if they are in the course of a commercial activity. Inasmuch as the definition of the term "commercial activity" in the act is broad and not all together precise, this amendment would clarify its meaning to specifically exclude the exhibition of commodities by museums and the like from its definition.

I would like to add one important point of clarification with respect to this definitional amendment. Recently, the Department of Interior, by administrative regulation on September 26, 1975, further defined the term "industry and trade" as it is used in the act's definition of the term "commercial activity." The new DOI definition narrows the scope of those activities which are prohibited by the act, that is, activities which involve "the actual or intended transfer of wildlife or plants from one person to another person in the pursuit of gain or profit." This definition is broader than our amendment in the sense that it would probably permit other persons or institutions to make nonprofit transfers. However, our amendment was necessary because the Department of Commerce has not adopted the same definitions as the Department of Interior. The amendment in H.R. 10229 is not intended to limit the Department of the Interior's definition.

Mr. FORSYTHE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, when the Endangered Species Act of 1973 was passed, many persons, including the U.S. Government, found themselves holding inventories of endangered species parts and products which suddenly they could not dispose of. Particularly hard-hit were American scrimshanders who were selling between 85 percent and 95 percent of their uniquely American art form in interstate commerce. H.R. 10229 recognizes the economic plight of these individuals by permitting them to dispose of their legally acquired stocks.

H.R. 10229 also recognizes that GSA is spending approximately $38,500 per year to maintain a sperm oil stockpile which the Intergovernmental Materials Advisory Committee has declared to be surplus to the Nation's needs. If GSA could dispose of this oil, the taxpayers would be spared unnecessary storage costs and would realize a gain of $2.7 million from the sale. If enacted, H.R. 10229 would spare the taxpayers another unnecessary storage cost by authorizing the disposal of endangered species parts and products which have been forfeited to and stored by the Government. Without these amendments, the Government lacks the authority to dispose of the forfeited items.

H.R. 10229, however, makes other important and necessary changes in the Endangered Species Act. It is, as has been pointed out, incongruous to promulgate emergency regulations and then have to wait 90 days to implement them. It is also less than logical to require a 30-day comment period before granting an emergency permit for the treatment of a stranded or beached endangered species. Yet, technically, this is what the act now requires.

Mr. Speaker, H.R. 10229 is a simple and straightforward bill which rights an economic wrong, saves the taxpayers money and makes administration of an important statute easier.

Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. MOSHER).

Mr. MOSHER. Mr. Speaker, I strongly support H.R. 10229, a bill to authorize amendment of the Endangered Species Act, to permit interstate commerce in sperm oil and scrimshaw products lawfully acquired prior to enactment of ESA.

I greatly appreciate the intelligent sensitive responsible way that this legislation has been perfected in the Merchant Marine Committee, thanks to the bipartisan leadership of our colleagues, Messrs. LEGGETT and FORSYTHE, and the cooperation of the chairlady from Missouri (Mrs. SULLIVAN).

Just a year ago, I introduced legislation—H.R. 3465—to authorize disposition by the Federal Government of certain sperm whale oil held in the national strategic stockpile.

This particular oil, most of which is now a quarter of a century old, was placed in storage by the Government after World War II because of its "strategic and critical" properties as a lubricant. However, in the course of the years, adequate substitutes have been developed for all essential uses of this oil, and 3 years ago the Government oil was declared surplus.

Consequently the General Services Administration entered into contracts during 1973 for the sale of the stockpiled oil for a total of approximately $7.5 million. As the first deliveries were being made to private companies the Endangered Species Act became effective. Its stringent technical provisions prohibiting the sale or shipment of products derived from animals on the endangered species list blocked GSA from fulfilling its contracts. Since that time, this legal snafu has caused the bulk of the stockpiled oil to remain in storage—at a cost of more than $3,000 per month—and of no use to anyone.

As a strong supporter of the Endangered Species Act, indeed, as one of its original cosponsors, I have no intention to weaken or dilute that important and valuable law.

My bill—H.R. 3465—was really a very simple one. What I hoped to accomplish was threefold; to save the American taxpayers an appreciable amount of money, to add revenue for the Federal Treasury, and to allow the Government to fulfill its contractual obligations.

In recent years commercial users of sperm whale oil are, one by one, switching irreversibly to using sperm oil substitutes instead of the genuine substance. As the oil's value continues to decline—as a result of diminishing demand—the Government continues to charge itself—and therefore the taxpayers—$38,500 annually for storage costs when it could bring an additional $3 million—the estimated value of the unsold oil—into the Treasury and inject almost $7 million into the private sector upon processing.

These are impressive figures, especially as we once again enter into the maze of the budgetary process. It certainly was not the intention of the Congress to create this tieup of the Government-held supply of 25-year-old sperm oil.

The question of privately stockpiled scrimshaw prohibited from interstate commerce arose as a related issue. Thus, during the thorough hearings by the Merchant Marine Committee's Subcommittee on Fisheries and Wildlife, the members indicated their desire to also address that issue as well as that of privately held sperm whale oil—amounting to some 8 million pounds. The committee chose to add these provisions to the clean bill that is before us today.

I hasten to note that while this bill does provide for the sale of publicly held sperm oil, it contains very stringent safeguards to assure that disposition of this oil is such that there is virtually no likelihood that this whale oil may become a commodity to be used in illicit trade or for export. Any fears of this nature are unwarranted.

Obviously, the intent of this bill does not contemplate killing more whales. It is bad enough that so many whales were killed more than two decades ago to obtain this oil. I do not see the sense in aggravating this situation now by continuing the impoundment of this oil from the sperm whales that have been dead for so many years.

There is an extremely limited, finite supply of this oil available for industrial use. The users realize this; in fact, a good many former users have indicated that they are irrevocably out of the sperm oil market. Once this supply is exhausted the users will turn to substitutes that are or will be available on the market.

My use of the future tense here reflects a very fortunate and documented scientific discovery in the Southwestern United States. The seed oil of the jojoba bush, and obscure and peculiar desert plant, has a remarkable chemical similarity to sperm whale oil and it is anticipated that upon processing the jojoba bean oil could be used as a sperm oil substitute for the complete range of uses.

However, it is time-consuming and expensive to harvest the wild beans, so plans call for jojoba bean plantations on certain Indian reservations in Arizona and California. A minimum 5-year lag is anticipated before the jojoba bean oil will be available on the commercial market. It is expected that the finite supply of sperm whale oil will be just about exhausted by then. This bill provides for the interim period. The oil will be generally available for this short time only and then it will be gone.

H.R. 10229 is an extremely practical measure. It signals the end of one type of industry and the transition to another, far more socially desirable industry.

Mr. Speaker, I know from my own reseach that it is necessary and beneficial for us to amend the Endangered Species Act to permit the sale of the surplus sperm whale oil held by the General Administration. And I trust the judgment of my fellow committee members that it is equally desirable to permit the sale of other sperm whale oil and scrimshaw that was properly acquired before the ESA was enacted. Thus, I support passage of H.R. 10229.

Mrs. SULLIVAN. Mr. Speaker, we have no further requests for time.

The SPEAKER pro tempore (Mr. McFALL). The question is on the motion offered by the gentlewoman from Missouri (Mrs. SULLIVAN) that the House suspend the rules and pass the bill H.R. 10229, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to amend the Endangered Species Act of 1973 in order to permit the disposal of certain endangered species products and parts lawfully held within the United States on the effective date of such Act."

A motion to reconsider was laid on the table.

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries be discharged from further consideration of the Senate bill (S. 229) to amend the Endangered Species Act of 1973 to assure the perpetuation of the art of scrimshaw, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

The Clerk read the Senate bill as follows:

S. 229

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Scrimshaw Art Preservation Act of 1975".

SEC. 2. (a) The Congress finds and declares that—

(1) All forms of art and culture which reflect this Nation's heritage should be preserved, as the United States prepares for its bicentennial year.

(2) Scrimshaw is an art form which was developed during the Nation's early years by New England whalers and others; it has been practiced by skilled American craftsmen and artisans ever since.

(3) The perpetuation of this part of the culture and heritage of the United States is threatened by the prohibition enacted in 1973 against the marketing of whale bone and teeth.

(b) It is the purpose of the Congress in this Act to exempt scrimshaw and scrimshaw products from the prohibitions of the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).

SEC. 3. Section 3 of the Endangered Species Act of 1973 (16 U.S.C. 1532) is amended by (1) redesignating paragraphs "(10)" through "(16)" thereof as paragraphs "(11)" through "(17)" thereof; and (2) by inserting therein the following new paragraph:

"(10) The term 'scrimshaw' means an art form which involves the etching or engraving of designs upon, or the carving of figures, patterns, or designs from, the bones and teeth of marine mammals of the order Cetacea.".

SEC. 4. Section 10(b) of the Endangered Species Act of 1973 (16 U.S.C. 1539(b)) is amended by adding at the end thereof the following two new paragraphs:

"(4)(A) The Secretary of Commerce may exempt persons from the prohibitions contained in subparagraphs (E) and (F) of section 9(a)(1) of this Act—

"(i) with respect to the wholesale movement or sale of finished scrimshaw products, if such products or the raw materials for such products were held lawfully within the United States on December 21, 1972, except that no such exemption shall be granted or remain in effect more than two years after the date of enactment of this provision; and

"(ii) with respect to the retail sale of finished scrimshaw products for personal use by the purchasers thereof, if such products were held lawfully within the United States on December 21, 1972, except that no such exemption shall be granted or remain in effect more than seven years after the date of enactment of this provision.

As used in this paragraph, the term "lawfully" refers to the laws of the United States and to laws of the several States and political subdivisions thereof.

Any such exemption may be granted by such Secretary upon such terms and conditions as he shall prescribe, including, but not limited to, requiring such persons to register inventories; to maintain complete sales records; to permit duly authorized agents of such Secretary to inspect any such inventories and records; and to prepare and submit to such Secretary any reports requested by him.

"(B) Any person who seeks an exemption pursuant to any provision of subparagraph (A) of this paragraph shall—

"(i) submit to such Secretary, within one hundred and twenty days after the date of enactment of this paragraph, a complete and detailed inventory, in such form and manner as such Secretary shall prescribe, of the quantity of bone and teeth of marine mammals of the order Cetacea and of parts of and products from such bone and teeth, which are held or otherwise controlled by such person. The Secretary of Commerce shall grant an exemption pursuant to such subparagraph only for the holdings reported in such inventories;

"(ii) apply to such Secretary for such exemption, in such form and manner and with such submissions as such Secretary shall prescribe; and

"(iii) submit to such Secretary sales records, reports, and other documents and materials, to the extent reasonably necessary to establish that the holdings with respect to which an exemption is sought were acquired in accordance with the subparagraph (A).

"(C) There shall be a rebuttable presumption, in any action brought under this Act for a violation of a provision of section 9(a) of this Act, that no exemption authorized by this paragraph is applicable. Any person who claims the benefit of any exemption granted pursuant to this paragraph shall have the burden of rebutting such presumption in such an action. Regulations promulgated by the Secretary of Commerce with respect to exemptions pursuant to this paragraph shall be effective on the date of final publication, notwithstanding any other provision of this Act.

"(5) Within one hundred and twenty days after the date of enactment of this paragraph, the Secretary of the Interior, the Secretary of Commerce, and the Secretary of the Treasury shall establish an interagency task force to enforce the provisions of this Act applicable to the bone and teeth of marine mammals of the order Cetacea and parts of and products from such bone and teeth. This task force shall act in addition to, and not in lieu of, existing enforcement activities, and shall concentrate its activities in those regions and areas which are most susceptible to unlawful activity as a result of exemptions granted under paragraph (4) of this subsection. The Secretaries of the Interior, Commerce, and the Treasury shall report jointly to the Congress and the President, within twelve months after the date of enactment of this paragraph, on the extent to which the provisions of this Act have been violated with respect to the bone and teeth of such mammals and with respect to the effectiveness of this task force in preventing such violations.".

MOTION OFFERED BY MRS. SULLIVAN

Mrs. SULLIVAN. Mr. Speaker, I offer a motion.

Mrs. SULLIVAN moves to strike out all after the enacting clause of S. 229 and to insert in lieu thereof the provisions of H.R. 10229, as passed.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to amend the Endangered Species Act of 1973 in order to permit the disposal of certain endangered species products and parts lawfully held within the United States on the effective date of such Act.".

A motion to reconsider was laid on the table.

A similar House bill (H.R. 10229) was laid on the table.

GENERAL LEAVE

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 10229, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

INDIANA DUNES NATIONAL LAKESHORE ACT AMENDMENTS

Mr. TAYLOR of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 11455) to amend the act establishing the Indiana Dunes National Lakeshore to provide for the expansion of the lakeshore, and for other purposes.

The Clerk read as follows:

H.R. 11455

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to provide for the establishment of the Indiana Dunes National

Lakeshore, and for other purposes", approved November 5, 1966 (80 Stat. 1309), as amended (16 U.S.C. 460u), is further amended as follows:

(1) The last sentence of the first section of such Act is amended by striking out " 'A Proposed Indiana Dunes National Lakeshore', dated September 1966, and bearing the number 'LNPNE-1008-ID' " and inserting in lieu thereof " 'Boundary Map, Indiana Dunes National Lakeshore', dated December 1975, and bearing the number '626-91004' ".

(2) Section 3 of such Act is amended by inserting the following at the end of the first sentence: "By no later than January 1, 1977, the Secretary shall publish in the Federal Register a detailed description of the boundaries of the lakeshore and shall from time to time so publish any additional boundary changes as they may occur.".

(3) (a) Section 4(a) of such Act is hereby repealed, and subsection 4(b) is redesignated as section 4.

(b) The first sentence of section 4 of such Act is amended by inserting immediately after "was begun before" the following: "February 1, 1973, or, in the case of improved property located within the boundaries delineated on a map identified as 'A Proposed Indiana Dunes National Lakeshore', dated September 1966, and bearing the number 'LNPNE-1008-ID', which map is on file and available for public inspection in the office of the Director of the National Park Service, Department of the Interior, before".

(4) Subsections 5(d) and 5(e) of such Act are hereby repealed.

(5) (a) Section 6(a) of such Act is amended by revising the first sentence thereof to read as follows: "Any owner or owners, having attained age of majority, of improved property on the date of its acquisition by the Secretary may, as a condition to such acquisition, retain the right of use and occupancy of the improved property for noncommercial residential purposes for a term ending on the death of the owner or the death of his or her spouse, whichever occurs last, or for a term of twenty-five years, or for such lesser term as the owner or owners may elect at the time of acquisition by the Secretary.".

(b) Section 6 of such Act is further amended by inserting the following new subsection (c):

"(c) Nonpayment of property taxes, validly assessed, on any retained right of use and occupancy shall be grounds for termination of such right by the Secretary. In the event the Secretary terminates a right of use and occupancy under this subsection he shall pay to the owners of the retained right so terminated an amount equal to the fair market value of the portion of said right which remained unexpired on the date of termination.".

(6) Section 8(b) of such Act is amended (A) by striking out "seven members" and inserting in lieu thereof "eleven members", and (B) by striking out "and" immediately after "State of Indiana;", and (C) by striking out "Portage," immediately after "Dune Acres," and (D) by inserting immediately after "designated by the Secretary" the following: "; (7) one member who is a year-round resident of the city of Gary to be appointed from recommendations made by the mayor of such city; (8) one member who is a year-round resident of the towns of Highland, Griffith, or Schererville to be appointed from recommendations made by the board of trustees of such towns; (9) one member who is a year-round resident of the city of Portage to be appointed from recommendations made by the mayor of such city; and (10) one member who holds a reservation of use and occupancy and is a year-round resident within the lakeshore to be designated by the Secretary.".

(7) Section 10 of such Act is amended to read as follows: "There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, but not more than $89,014,400 for the acquisition of lands and interests in lands, and not more than $8,500,000 for development. By December 31, 1977, the Secretary shall develop and transmit to the Committees on Interior and Insular Affairs of the United States Congress a final master plan detailing the development of the national lakeshore consistent with the preservation objectives of this Act, indicating:

"(1) the facilities needed to accommodate the health, safety, and recreation needs of the visiting public;

"(2) the location and estimated cost of all facilities, together with a review of the consistency of the master plan with State, areawide, and local governmental development plans; and

"(3) the projected need for any additional facilities within the national lakeshore.".

(8) Such Act is amended by adding at the end thereof the following:

"SEC. 11. (a) With respect to those portions of the lakeshore authorized for acquisition by the Ninety-fourth Congress any acquisition of lands or interests therein shall not diminish any existing (as of March 1, 1975) rights-of-way or easements which are necessary for high voltage electrical transmission, pipelines, water mains, or line-haul railroad operations and maintenance.

"(b) Subject to such regulations as the Secretary deems advisable to protect the natural and recreational values for which the lakeshore was established, he may permit widening of rights-of-way or easements existing on the date of enactment of this section across areas II-E and II-F as designated on such map numbered 626-91004 for State, county, city or private roads; or for electric utilities, pipelines, water mains, or conveyors.

"SEC. 12. (a) Nothing in this Act shall be construed as prohibiting any otherwise legally authorized cooling, process, or surface drainage into the part of the Little Calumet River or Burns Waterway located within the lakeshore.

"(b) The authorization of lands to be added to the lakeshore by the Ninety-fourth Congress, as indicated on map numbered 626-91004 and the administration of such lands as part of the lakeshore shall in and of itself in no way operate to render more restrictive the application of Federal, State, or local air and water pollution standards to the uses of property outside the boundaries of the lakeshore, nor shall it be construed to augment the control of water and air pollution sources in the State of Indiana beyond that required pursuant to applicable Federal, State, or local law.

"SEC. 13. The Secretary shall accept the donation of a scenic easement for unit II-A, as designated on the map referenced in section 1 of this Act (and as further detailed on drawing number MS-150, Property Plat, Bailly Generating Station Nuclear 1, Northern Indiana Public Service Company, dated June 1975), subject to the completed negotiation and donation within six months of the date of enactment of this section, of a scenic easement for such unit which shall be satisfactory to him and the donor. Such easement shall contain provisions for adequate protection of unit II-A and the adjacent Indiana Dunes National Lakeshore from all forms of construction, pollution, degradation and adverse impact from whatever source and shall preserve for the donor sufficient degree of dominion and control to meet all requirements of part 100 of title 10, Code of Federal Regulations, and shall permit the donor to continue the use and maintenance of all structures and facilities existing upon the date of enactment of this section which do not adversely affect the lakeshore. The Secretary's authority to acquire unit II-A by condemnation is hereby suspended for the six-month period pending satisfactory negotiation of such scenic easement and the consummation of the donation, and shall be fully restored to the original boundary of unit II-A (as shown on the map referenced 'Boundary Map, Indiana Dunes National Lakeshore, dated January 1973, numbered 626-91003') upon expiration of that six-month period, should satisfactory negotiation of such scenic easement and donation thereof not be consummated within that time.

"SEC. 14. (a) The Secretary shall be authorized to acquire, by donation, or negotiated purchase agreeable to all parties, the remaining lands and waters between Burns Waterway and the eastern boundary of area I-C within section 25, township 37 north, range 7 west, as designated on map numbered 626-91003-A. The authority of the Secretary to acquire such lands and waters by condemnation shall be suspended on the condition that the Secretary is given the first opportunity to purchase such property or interests therein at the stated price, not to exceed fair market value.

"SEC. 15. The Secretary shall construct an adequate safety fence along the eastern edge of area I-C, within section 25, township 37 north, range 7 west, as designated on map numbered 626-91003-A, at the time that said land is acquired.

"SEC. 16. Within one year after the date of the enactment of this section, the Secretary shall submit, in writing, to the Committees on Interior and Insular Affairs and to the Committees on Appropriations of the United States Congress a detailed plan which shall indicate—

"(1) the lands which he has previously acquired by purchase, donation, exchange, or transfer for administration for the purpose of the lakeshore, and

"(2) the annual acquisition program (including the level of funding) which he recommends for the ensuing five fiscal years.

"SEC. 17. The Secretary may acquire only such interest in the right-of-way designated 'Crossing A' on map numbered 626-91004 as he determines to be necessary to assure public access along the banks of the Little Calumet River within fifty feet north and south of the centerline of said river.

"SEC. 18. The Secretary shall enter into a cooperative agreement with the landowner of those lands north of the Little Calumet River between the Penn Central Railroad bridge within area II-E and 'Crossing A' within area IV-C. Such agreement shall provide that any roadway constructed by the landowner south of United States Route 12 within such vicinity shall include grading, landscaping, and plantings of vegetation designed to prevent soil erosion and to minimize the aural and visual impacts of such construction, and of traffic on such roadway, as perceived from the Little Calumet River.

"SEC. 19. After notifying the Committees on Interior and Insular Affairs of the United States Congress, in writing, of his intention to do so and of the reasons therefor, the Secretary may, if he finds that such lands would make a significant contribution to the purposes for which the lakeshore was established, accept title to any lands, or interests in lands, located outside of the boundaries of the lakeshore but contiguous thereto or to lands acquired under this section, such the State of Indiana or its political subdivisions may acquire and offer to donate to the United States or which any private person, organization, or public or private corporation may offer to donate to the United States and he may administer such lands as a part of the lakeshore after publishing notice to that effect in the Federal Register.

"SEC. 20. With respect to the property identified as area VI-B on map numbered 626-91004, the Secretary shall proceed with the acquisition of said property only after entering into a cooperative agreement with the State of Indiana which shall specify that 50 per centum of the purchase price of the property, exclusive of the administrative costs associated with its acquisition, shall be borne by the State. Notwithstanding any other provision of law, the Secretary may accept title to the property with the restriction that said title shall revert to the ownership of the State if the property ceases to be used for the purposes of the national lakeshore. The Secretary may enter into a cooperative agreement whereby the State, any political subdivision thereof, or any nonprofit organization, may undertake to manage and interpret such area in a manner consistent with the purposes of this Act. The Secretary shall consult with the State with respect to the management and operation of area VI–B.".

The SPEAKER pro tempore. Is a second demanded?

Mr. SKUBITZ. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from North Carolina (Mr. TAYLOR) will be recognized for 20 minutes, and the gentleman from Kansas (Mr. SKUBITZ) will be recognized for 20 minutes.

The Chair now recognizes the gentleman from North Carolina (Mr. TAYLOR).

Mr. TAYLOR of North Carolina. Mr. Speaker, I yield myself 8 minutes.

Mr. Speaker, H.R. 11455 would amend the act passed by Congress in 1966 which provided for the establishment of the Indiana Dunes National Lakeshore.

The National Lakeshore is located along the southeastern shore of Lake Michigan, not far from Gary, Ind. The National Park Service manages the area to preserve both the spectacular high sand dunes—which are its namesake—and numerous other natural features. Years ago Carl Sandburg said:

> Save the dunes, they belong to the people, they represent the signature of time and eternity.

The other purpose here is also to provide a significant recreational opportunity for the many millions of people who live within a short distance of the area. The lakeshore serves the Chicago metropolitan area as well as the urban concentrations of northern Indiana.

The great difficulty here has been that the dunes are located in a highly industrialized area that includes the largest steel-making complex in the world. In addition, many of the lakefront lands have been recognized as desirable homesites and there are now heavily populated developments in the vicinity. Also, the proximity of the Greater Chicago urban area intensifies the demands for these lands.

But, after much debate, Congress did act, and the Indiana Dunes National Lakeshore was authorized. The National Park Service has now acquired most of the authorized land, and the area is being readied for visitor use.

But, many people recognized that the original act provided for an area of minimum size, and that many significant resources there were left unprotected. Representative ED ROUSH introduced legislation in the 92d Congress to expand the lakeshore by about 5,400 acres. In the 93d Congress, our Subcommittee on National Parks and Recreation held hearings on legislation to expand the lakeshore. Action was not completed on the bill, however.

In the 94th Congress, Representative FLOYD FITHIAN, who represents most of the dunes area, held extensive public meetings in the local area. He then introduced a compromise measure which would have expanded the lakeshore by some 4,600 acres.

Our hearings this Congress added to the extensive record we developed in our previous hearings. We found that the State of Indiana had also recommended an expansion of over 4,000 acres. The Advisory Commission for the lakeshore recommended an increase of about this same size. The National Park Service testified that a total of only about 1,000 acres should be added to the area.

After reviewing all this testimony, members of our subcommittee made a personal inspection of the lakeshore area. So, we have tried to make our own evaluation of all the many positions taken on the need to enlarge this area. It is apparent that there is general agreement that there should be some change in this area; the question is to determine how much is proper.

Now, let us look at the bill reported by the committee. We have recommended that about 4,340 acres be added to the National Lakeshore. This is less than the acreage recommended by Congressman ROUSH. It is less than that recommended by Congressman FITHIAN. But, I believe we can defend this bill as a reasonable determination of what is proper for this area.

What criteria did we use in modifying the bill in committee?

First, we considered all the parcels recommended for addition by the various bills, and rejected those which, in our judgment, were not of sufficient quality to be part of a national park area. We deleted a detached unit on this basis. We also rejected other parcels which we determined were marginal in quality.

We bring before you a somewhat amended but still an extremely expensive bill. The bill would increase the authorization for land acquisition at Indiana Dunes from about $35.5 million to $89 million, providing a net increase of nearly $53.5 million. The bill also authorizes $8.5 million for development purposes.

Second, we reviewed the original act for any provisions which should be improved. I want to call particular attention to this aspect of our work. Our bill would now amend the original act to permit the eventual full acquisition of the lands within the lakeshore. The original act did not permit certain residential properties to be acquired. These enclaves could have existed forever. This change is a key feature, for it means that in the case of the Beverly Shores area, all the lands will eventually be available for public use. Our determination was that, with this change in the existing statute, the acquisition of this area is justified and desirable.

During our committee deliberations, the gentleman from Kansas (Mr. SKUBITZ) opposed the inclusion of the Beverly Shores unit in the lakeshore and this is a very expensive unit estimated to cost $23,740,000. It is also true that 10 years ago these property owners opposed the inclusion of this unit in the lakeshore and that now most of them are requesting to be included. This unit, consisting of 652 acres, includes 250 homes scattered throughout a beautifully wooded, park-like area. After looking at this area, I was strongly of the opinion that it should be included in the lakeshore. It is in the nature of the hole in the donut, an enclave in the middle of the park. It appeared to me that the addition of this area would probably mean more to the park than all of the other additions combined.

Third, we attempted to include specific provisions to get the best land protection for the Federal investment in this case. For example, in one area, a drainage into a fragile bog area is to be protected by a donated easement. In another case, the State of Indiana is to provide 50 percent of the purchase price of a particular unit for addition.

Mr. Speaker, when the Committee on Interior and Insular Affairs first started consideration of this measure, it was a highly controversial issue. But, the vote on final passage of the amended bill from committee was 34 yeas, and only 4 nays. I believe this demonstrates that we have reached a position that practically everyone can agree is a reasonable solution to this issue.

It is important that a final decision be made as to the lands that are to be included in the lakeshore area and as to the lands that are to remain available for industrial use and for residential use. The controversy has gone on long enough.

I believe the work of the committee has produced a measure that will better protect this unique area. It will also permit better recreational use of the lakeshore. And, finally, it is a solution that most of the affected parties can accept. I urge my colleagues to join me in voting to pass H.R. 11455.

Mr. SKUBITZ. Mr. Speaker, I yield 3 minutes to my colleague, the gentleman from Kansas (Mr. SEBELIUS).

Mr. SEBELIUS. Mr. Speaker, I thank my colleague, the gentleman from Kansas (Mr. SKUBITZ) for yielding. I might say that I know good and well why the gentleman is yielding to me so early in the debate, it is so that the gentleman can have more time for rebuttal when I finish.

Mr. Speaker, I support the bill now under consideration by the House—H.R. 11455—which provides for some long sought and fought over expansion for the current Indiana Dunes National Lakeshore.

The initial lakeshore was fiercely fought over prior to its enactment by the Congress in 1966. That act was a result of much compromise between preservationists and industrial expansionists. I must say however, that as I now view the lakeshore today—a decade after its initial creation—the original job was certainly not done completely enough to bring forth a viable and managable lakeshore for either natural resource protection or public use. The existing lakeshore is not sufficiently compact, and numerous high caliber natural resource and potential public use areas remain outside of, but adjacent to the boundaries. These should promptly be brought inside to finalize the lakeshore, while the opportunity yet remains to do so. It is that objective which this bill addresses, and I believe it addresses that situation reasonably well.

Now there are a few land parcels in this bill which I believe are of marginal or very questionable worth. I participated extensively in the debate which prevailed over nearly every individual parcel of land proposed for addition to the lakeshore. I offered numerous amendments, some of which were adopted, and some of which I lost. I argued repeatedly that we must assure that the high caliber standard for lands to qualify for addition to the National Park System not be lowered. I believe that several parcels, now in the bill before us, do not qualify for this national status and protection. But correspondingly, a number of parcels were rejected over that same argument. The principal areas in question, however, were not the large or most expensive parcels. Nearly everyone agreed on their inclusion.

All things considered, I feel the lands included in the bill now before the House are principally worthy additions to the lakeshore. The full Interior Committee supported the reporting of the bill to the House by vote of 34 to 4, and I am one of those who supports this bill.

There is one particular parcel included in this bill which has become the subject of some concern late in full committee markup. That area is Beverly Shores, an area of about 640 acres bearing a price tag of nearly $23 million. While this one parcel amounts to a very substantial cost of the entire bill, it also lies as an enclave in the heart of the lakeshore. It has natural resource values which will be of great value to the lakeshore. This bill contains provisions to assure that all privately owned lands within the expanded lakeshore—including Beverly Shores, will eventually become publicly owned.

While the price tag on this entire bill—and for Beverly Shores—is substantial, we must recognize that we are buying land late in the game in an already highly settled and developed area. The little remaining open space incorporated in this bill is naturally going to be quite highly priced, but we must bear in mind that this lakeshore is within the very short reach of millions of people. Only an hour from Chicago, the cost of this lakeshore on a per capita basis for potential area users is relatively small.

Moreover, acquisition here is a now-or-never proposition. If we are ever to preserve the small remaining open space here, we must not wait any longer. It is my feeling that this bill should put the final cap on any further expansion of the lakeshore.

The acquisition of the Indiana Dunes National Lakeshore must be viewed as a long-term investment. We cannot afford to not take this final step of commitment to preserve these last remaining areas for the permanent benefit of future generations.

The final step of this process is the enactment of this legislation. I hope that my colleagues will help to get that effort moving onward by voting in support of this bill.

Mr. TAYLOR of North Carolina. Mr. Speaker, I yield 4 minutes to the gentleman from Indiana (Mr. FITHIAN), the principal author of the bill.

Mr. FITHIAN. I thank the Chairman.

Mr. Speaker, I would like to inform the House of the activities in which we have engaged in bringing this bill to the floor. More than a year ago my staff and I undertook a review of the Indiana Dunes National Lakeshore Park problem. In the course of the next 6 months we held hearings in the dunes area. More than 147 individuals from all sides of the issue came and made their presentations.

We followed that with a marathon session discussing the merits of the bill, what should be included and what should be excluded, with representatives from industry of the area, representatives from the environmental groups, the Save the Dunes Council, town boards, and chambers of commerce. Practically everybody who has ever had anything to say about the Dunes were given an opportunity to have a hand in fashioning this. Only after the longest and most arduous effort at bringing about a compromise do we bring the bill to the House.

I want to thank the distinguished chairman of the subcommittee, the gentleman from North Carolina (Mr. TAYLOR) for his long work in the committee, and the work that has come from this committee. And I want to thank Mr. SEBELIUS and Mr. RUPPE of the minority for their constructive help.

I want to make one observation that I think is very pertinent, particularly with the concern over Beverly Shores. The Governor of the State of Indiana 2 years ago opposed the inclusion of Beverly Shores, but subsequent to that in going over the cost of maintaining the beach erosion project, which approached in a one-time treatment $3½ million from the Corps of Engineers, it became clear that Governor Bowen was in favor of some other solution.

I would urge those who consider voting against this bill today on account of the cost of Beverly Shores to look at what it will cost us if Beverly Shores is left out.

Mr. SKUBITZ. Mr. Speaker, will the gentleman yield?

Mr. FITHIAN. I yield to the gentleman from Kansas.

Mr. SKUBITZ. I thank the gentleman for yielding.

I was under the impression that the beach in front of Beverly Shores is owned by the Government now, and any beach erosion would have to be taken care of by the Federal Government.

Mr. FITHIAN. That is correct, I would inform the distinguished gentleman. The Government does, and that is what I am objecting to. The Government has put $3½ million into the project in front of the beach. This bill will permit the normal course of action to take its way naturally, and the normal currents, therefore, will be allowed to work against that beach, once it is in the park, to establish the normal curvature of the lake.

What I am arguing is that it makes absolutely no sense at all to go down through the next decades dumping money into the revetment project.

Mr. TAYLOR of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. FITHIAN. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. I thank the gentleman for yielding.

I would just like to take this time to commend the gentleman from Indiana for the help that he has given with regard to this bill. When he was elected to Congress, he found himself in the middle of a local controversy which had been going on for years. The majority of the park is located in his district. Some Congressmen in such circumstances might try to dodge the issue, but he faced it squarely. He held local hearings. He listened to people in his district, and he came before our committee with positive recommendations. He helped us work out the compromise now before us, and his constructive aid is one reason that we are able to bring a bill here which the committee was able to perfect by a vote of 34 to 4.

Mr. FITHIAN. I thank the gentleman.

In addition to that, I would add, Mr. Speaker, that we have finally arrived at a compromise which is indeed supported by all sides. This is a bipartisan piece of legislation which is represented by the vote out of the committee, but it is also a compromise which is indicated by the support of such environmental groups as the Audubon Society, the Sierra Club, the Wilderness Society, and the Save the Dunes Council, as well as Midwest Steel, Bethlehem Steel and other industry in the area. It is truly a balanced compromise. In the long battle to save this great natural treasure two statesmen stand taller than the rest.

Two congressional leaders—former Senator Paul Douglas of Illinois and Representative EDWARD ROUSH of Indiana—who dedicated themselves to the preservation of the Indiana dunes deserve special recognition for their inspirational leadership and devoted determination, which has led to the creation of Indiana Dunes National Lakeshore Park.

Senator Paul Douglas and Congressman ED ROUSH led the fight in Congress in the mid-1960's to create this national park. Long before the public became concerned with environmental quality and preservation of dunes and wetlands, these farsighted legislators waged a vigorous battle to preserve the Indiana Dunes. Their success led to the legislation which created Indiana Dunes National Lakeshore Park in 1966, a park of about 8,000 acres. This urban national park is truly a monument to their heroic efforts. The bill we act on today would not be before this body had their leadership not been exerted over the years.

Mr. Speaker, I urge adoption of this bill.

Mr. SKUBITZ. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. RUPPE).

Mr. RUPPE. Mr. Speaker, I would simply like to add my voice to some of the speakers who have already addressed this body and say that I, too, support this particular legislation. I believe that it is a well shaped, well crafted compromise on the part of a bipartisan group of Congressmen on the committee. Certainly the Beverly Shores question raises a point of conflict for many of us, but it would seem to me that the desirability of acquiring Beverly Shores was perhaps shaped initially when the legislation first passed the Congress.

At that time Beverly Shores was totally surrounded by park acquisition and there was a public strip of land along the shore likewise acquired by the Federal Government. This left Beverly Shores a complete island and as the residents have testified and have stated to us on our field trip to that area, it gives them as far as the beach is concerned limited access. They have had to fight their way through hordes of tourists that utilize the beaches in the summer months. They also have no protection for their property. People visiting the Indiana Dunes area have trespassed upon their property at will. There has been a lot of damage, a lot of carnage, if I may say so, by those visiting the shore areas with no regard for the rights and values of the property owners there.

The people of Beverly Shores won out on the area and the park was founded well and I think they have a very legitimate request.

Mr. TAYLOR of North Carolina. Mr. Speaker, I yield 4 minutes to the gentleman from Indiana (Mr. MADDEN), the chairman of the Committee on Rules.

Mr. MADDEN. Mr. Speaker, this legislation has been pending in one way or another before this House for the last 20 years or thereabouts. It is the only piece of our National Parks with dunes and sandy shores left in the Middle West. I say that advisedly.

On Sunday, the Chicago Daily Tribune in an editorial stated that they are looking forward to the enactment of this legislation today. I insert in the RECORD parts from the editorial of the Chicago Tribune on Sunday:

PROTECT THE DUNES LAKESHORE

On Tuesday the House of Representatives is expected to vote on H.R. 11455, providing $55 million to purchase 4,300 additional acres for the Indiana Dunes National Lakeshore. The bill has remarkably broad support for anything affecting that historic battleground between industrialists and conservationists. Its 70 cosponsors include 13 Illinois members of the House, from both parties.

The two big battles have been fought and won. There is a national lakeshore of 5,600 acres, in addition to the Indiana Dunes State Park. And there is the Burns Ditch steel mill and harbor development. With those two decisions made, one for conservation and one for industry, no all-out victory for either interest is any longer possible.

The areas involved in the pending bill are numerous and for the most part small. Three are detached parcels of land, illustrative of some aspect of the natural history of the area. The other areas will, if acquired, round out the principal national lakeshore, from Crescent Dune near Michigan City to the Miller Lagoons west of Marquette Park in Gary. The bill provides for the ultimate absorption of Beverly Shores into the lakeshore, with the approval of most of the residents.

Sponsors of H.R. 11455 contend plausibly that many compromises have been made in hammering out the measure. A bill to enlarge the lakeshore by 6,900 acres was introduced in 1971. The pending bill for 4,300 acres lacks at least a thousand acres that conservationists strongly desire.

Bethlehem and National Steel and Northern Indiana Public Service Company would naturally like to keep for their own purposes some of the acreage involved. But the argument that the existing national lakeshore, a compromise of a compromise, urgently requires rounding out as a protection from present and potential industrial and residential neighbors is a cogent one.

To the general satisfaction of a vast public, the decision to have an Indiana Dunes National Lakeshore has been made. No other large scenic area in the national park system is as close to the homes of 10 million people as is the Indiana Dunes Lakeshore. The pending bill to augment and protect this lakeshore has the support of the three congressmen closest to the site—Ray Madden of Gary, Floyd J. Fithian of Lafayette, and John Brademas of South Bend and presumably of a majority of their constituents. Action to conserve fragile landscapes and habitats on or near Indiana's Lake Michigan shore must be taken now if ever.

The arguments that the optimum uses for the acreage involved in H.R. 11455 are for recreation and conservation are convincing.

This passed the Interior Committee by a vote of 34 to 4.

The pending bill to augment and protect this lakeshore has the support of every Congressman in Illinois, I think, with the exception of a couple, and 10 of the 11 Congressmen in Indiana.

To my knowledge, this is the only park legislation in the 33 years which I have been in Congress that brings a park to millions of people. It is estimated between 10 and 12 million people in the Chicagoland, Michigan, Illinois, and Indiana area live within a 1½-hour auto drive to the Indiana dunes lakeshore.

If this Congress today, considering all the billions of dollars that have been spent for parks during the last half century, reject the Indiana dunes preservation, generations in the future will regret it.

I remember over 20 years ago people and organizations would visit the south shore of Lake Michigan and spend their time walking over the sand and the dunes which took millions of years to be built.

I hope the Congress will vote in favor of this great recreation for the enjoyment of America's future generations.

Mr. SKUBITZ. Mr. Speaker, I yield 1 minute to the gentleman from Idaho (Mr. SYMMS).

Mr. SYMMS. Mr. Speaker, I would like to point out to the distinguished charman of the rules committee—who I know would not want to leave an error here with the Members of the House—that their are 43 members on the Interior Committee. I do not know where he got his figures about the vote when he was saying that the vote was 40 to 4.

Mr. MADDEN. Mr. Speaker, if the gentleman will yield, I thought it was 40 to 4. It was really 34 to 4, which is the correct figure.

Mr. SKUBITZ. Mr. Speaker, I yield 1 minute to the gentleman from Indiana (Mr. HILLIS).

Mr. HILLIS. Mr. Speaker, I rise in support of H.R. 11455, and strongly urge its passage on suspension.

Mr. SKUBITZ. Mr. Speaker, I yield myself 12 minutes.

Mr. Speaker, H.R. 11455 authorizes an expenditure of $53.3 million. That is 50 times more than the administration requested. It is $32 million more than Congress authorized for the creation of the Indiana Dunes National Lakeshore.

I hear my colleagues talk as though we are doing something new. We are not creating anything here; we are adding on. They have the lakeshore. It has been said that the President has never vetoed a park bill. This bill in its present form is a likely candidate for that dubious honor. Congressman Gerald Ford voted against the bill H.R. 51 in 1966. Certainly, there is nothing in this bill that would lead one to believe that President Ford would change his mind. The administration is strongly opposed to the bill.

Let me review a little history for some Members of this House. Ten years ago, in 1966, the Interior Committee reported and the Congress passed the old Dunes National Lakeshore. That bill was one of the most controversial bills in the Interior Committee that I have seen in the Congress since I have been here for 14 years. The hearings held on the bill H.R. 51 in 1966 were not perfunctory; they were in-depth studies.

Congressman MORRIS UDALL, who was the floor leader of the bill, said in the RECORD of October 11, 1966:

> H.R. 51 is probably the most controversial of the national park bills to come out of the Committee on Interior and Insular Affairs during the 89th Congress.

Congressman Aspinall, the chairman of the Interior Committee, speaking on the bill, said this:

> Exhaustive hearings were held by the National Park and Recreation Subcommittee, both in the field and in Washington. Every conceivable argument for and against the proposal was heard. I can honestly say no other park proposal has been given more intense consideration in this session of Congrees than has H.R. 51.

As a member of the subcommittee I went to Indiana, I attended the hearings there; I attended the hearings in Washington, and I surely agree with what Congressman UDALL and our former colleague, Wayne Aspinall, said.

H.R. 51, the bill we passed in 1966, the bill which provided for the creation of the Indiana Dunes National Lakeshore, became public law on November 5, 1966, and it authorized $27.9 million.

We have since increased the authorization by $7.4 million.

What it will finally cost for the land purchase authorized in the initial bill, no one can accurately say.

H.R. 11455, the bill that is before us now, does not create anything. I repeat: Does not create anything.

It is an effort to expand the lakeshore authorized in 1966, even before the land purchases for the initial project have been completed. It seeks to add a number of parcels of land, every one of which were considered and rejected in 1966, because they were found not essential to the lakeshore. Most of the parcels of land which this measure proposes to add are not even adjacent to the lakeshore. They lie across the railroad tracks, over which scores of trains pass each day, and on the other side of the super highway that goes through this area.

Consider Hoosier Prairie. It is more than 9 miles away from the recreation area, and by no stretch of the imagination can the inclusion of this area be considered essential to the national lakeshore.

Mr. TAYLOR of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. SKUBITZ. I yield to the gentleman from North Carolina (Mr. Taylor).

Mr. TAYLOR of North Carolina. I thank the gentleman for yielding. The gentleman realizes that the State of Indiana, so far as Hoosier Prairie is concerned, has appropriated money to pay one-half of the purchase price. This is the one area where the State is paying one-half of the consideration.

Mr. SKUBITZ. Let me read from the report, a letter from the Department:

> The introduced bills would also add the area known as Hoosier Prairie to the lakeshore as a detached addition. While this area has been recognized by the Secretary's Advisory Board as having national significance, its addition to the lakeshore is not recommended for several reasons. Resource management practices have long indicated that a prairie such as this is perpetuated by fire, a situation which would be nearly impossible here owing to the fact that it is partially surrounded by oil storage tanks and residential development. Additionally, the prairie exhibits little if any significance for which the lakeshore was established. Its management could only be accomplished by an agency other than the Service owing to its physical separation from the remainder of the lakeshore. Consequently, we recommend that the State of Indiana seek other sources of revenue such as the Land and Water Conservation Fund to effect the prairie's preservation and management.

Mr. Speaker, this view was shared by my good friend, the gentleman from Indiana (Mr. Madden), back in 1966. He was one of the moving forces during that discussion in 1966. The question was bitterly discussed on the addition of these acreages away from the lakeshore.

Let me read what the gentleman from Indiana (Mr. Madden) said during the hearings. The Members will find them on page 286. I quote:

> The demand to include areas miles removed from the proposed central National Park is impractical and if insisted upon by the proponents may jeopardize the establishment of the much needed Dunes National Park . . . I do hope the committee acts favorably on this pending legislation.

If the hodgepodge of parcels recommended in this bill are of real national significance—which they are not—let them fly under their own colors. Let the proponents prove they are worthy of national significance instead of carrying them piggyback upon a project to which they are not essential. If they are not of national significance, then let the State meet its responsibility. Let us not pawn them off on the taxpayers of the United States in this type of legislation.

The largest and most expensive acquisition in this bill is Beverly Shores. I heard one of my colleagues speak of Beverly Shores, that it is right in the center of the park, that we have to take it because it is the hole in the donut.

If we are going to take that, what about the Ogden Dunes and Dune Acres?

Beverly Shores is a fully incorporated town of approximately 633 acres, surrounded by existing Federal lakeshore lands. It contains 280 moderate to excellent homes with all the services provided a residential community.

During the 1966 hearings, as the chairman of the subcommittee told us, the committee was asked to purchase not only Beverly Shores but Ogden Dunes and Dune Acres as well. The gentleman from Arizona (Mr. Udall) at that time correctly explained the committee's position on this proposal when he said:

> As amended, the boundary of Indiana Dunes Lakeshore will include about 11 miles of beach and 8,250 acres of land . . . I may add this contrasts with approximately 11,300 acres which were included under the bill introduced.

Mr. Speaker, on that first figure he was referring to the park area on the lakeshore.

Then the gentleman from Arizona (Mr. Udall) made this significant statement:

> All of us were sorry that the area had to be so drastically cut, but a number of considerations led to this action. One of the reasons was the desire of members of the committee to keep the lakeshore as compact as possible and to avoid including in it a number of detached areas. Another was their desire to avoid appearing to inflate the acreage by including in it a lot of high-priced property that could probably not be developed for recreation purposes in any event. A good example of this is the 660 acres in the town of Beverly Shores that have been omitted from the national lakeshore.

Who is against it, then?

It is interesting to note that during the markup of H.R. 51 it was the gentleman from Arizona (Mr. Udall) who proposed that Beverly Shores be excluded. The motion carried, and Beverly Shores was excluded.

Mr. Speaker, this interesting colloquy took place between the gentleman from Arizona (Mr. Udall) and the chairman of the subcommittee, the gentleman from North Carolina (Mr. Taylor), on June 7, 1966, as disclosed on page 49 of the hearings:

> Mr. Taylor. The Beverly Shores area is a highly developed residential area?
>
> Mr. Udall. Yes.
>
> Mr. Taylor. Many beautiful homes?
>
> Mr. Udall. That is right.
>
> Mr. Taylor. The way the map is now drawn, it is not accessible by rail.
>
> Mr. Udall. That is correct.
>
> Mr. Taylor. It is not accessible by water transport?
>
> Mr. Udall. That is correct.
>
> Mr. Taylor. Therefore, the likelihood of industry coming in there is very remote.
>
> Mr. Udall. That is right. In fact, as the gentleman from Alaska pointed out yesterday, this would give you an enclave within the lakeshore where restaurants, motels, and service facilities might be developed, with the consent of local zoning authorities, to serve some of the people who are going in and out of the beaches.

Mr. Speaker, that is what I thought the gentleman from Indiana (Mr. Madden) was after 6 years ago.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. SKUBITZ. Mr. Speaker, since I used the gentleman's name, I do yield.

Mr. MADDEN. Mr. Speaker, I always try to live in the present. I must point out that I read in the hearings the fact that 80 percent of the residents and property owners of Beverly Shores are for this bill.

Mr. SKUBITZ. Mr. Speaker, I refuse to yield further.

Mr. MADDEN. Mr. Speaker, let me finish. Eighty percent of the residents in Beverly Shores are in favor of this bill, and I want to emphasize that point.

Mr. SKUBITZ. Mr. Speaker, may I say that I would not blame them, because when one can sell his property, get his money, and then get a 25-year leaseback at about 1 percent a year and have the Government pick up the chip for the operation of the town, for the fire department, the sewer lines, the schools, the roads, the police, and whatever else is needed, brother, they have the best of two worlds.

Mr. MADDEN. Mr. Speaker, will the gentleman yield further on that?

Mr. SKUBITZ. No, Mr. Speaker, I will not yield further at this point.

Mr. Speaker, we already have on the books land acquisition projects authorized for both the National Park Service and the Forest Service totaling some $2 billion to be paid for out of the land and water conservation fund.

We also have on the books today development plans for already authorized parks totaling $2.7 billion. The fact is that if not a single new addition were approved, it would take nearly 20 years to pay out the existing authorizations for land acquisition alone, and that is not even mentioning the development backlog.

Must these projects stand in line, those that have been on the books for years, while we add $51 million more for additions to a lakeshore that has not yet been completed, one that was proposed in 1966 at a cost of $32 million?

Mr. Speaker, I would like to point this out to my colleagues: Already this year we are putting about $300 million into the land and water conservation fund, and about $77 million of that has been going to the National Park Service.

What have we done in this committee? Already last year and this year we have authorized for Big Cypress $108 million, which is yet to be paid; Big Thicket, $62 million; Cuyuhoga, $29.4 million; and we now have Alpine Lakes for another big chunk of money.

Each one of these bills has a proviso in it that they are to be taken or that it is the intention of Congress that they be taken in the next 5 years. On that basis, $45 million a year would have to go out starting in 1977 for these projects, leaving $30 million for all the other projects on the books.

Mr. Speaker, as I said in the beginning, this is a likely candidate for Presidential veto. If there was ever a park bill that should be vetoed, it is this one. We should go back to the bill that the Department sent down, filling in the areas we missed before, but let us not get into the business of trying to operate a whole city.

Mr. Speaker, I hope the bill is defeated.

Mr. TAYLOR of North Carolina. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. ROUSH), who has been introducing bills and has been pushing this project for years.

Mr. Speaker, will the gentleman yield?

Mr. ROUSH. I yield to the gentleman from North Carolina.

Mr. TAYLOR of North Carolina. I just want to point out that Beverly Shores, which is surrounded on four sides by the park, was included in the National Park recommendations for the park in 1966. It is not a new idea. It was included in the Senate bill which passed in 1966. It was not included in the House bill, but the residents had been opposed to it. Now they are supporting it.

The bill contained no power of eminent domain at that time, so we did not think it wise to include this home development area then, but now we are supporting that.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. ROUSH. I yield to the gentleman from Ohio.

Mr. SEIBERLING. Mr. Speaker, I simply would like to express my support for this very important bill, carrying out the policy, enunciated by President Nixon, of putting the parks where the people are.

Mr. Speaker, I commend the gentlemen from Indiana Mr. ROUSH, Mr. BRADEMAS, and Mr. FITHIAN, for their outstanding work in getting this bill and working the various compromises that made it possible.

Mr. ROUSH. Mr. Speaker, I want to commend the subcommittee under the leadership of Mr. TAYLOR for the work which has gone into this legislation. Mr. SKUBITZ is correct. It has been a controversial piece of legislation. The committee, however, gave diligent attention to the various controversies which attended its deliberations. A compromise has been reached. There are parts of the compromise I do not like. I would have added an additional 1,000 acres to the proposal but I recognize that there must be some give and take as we go through the deliberative process. Mr. SKUBITZ has asked the questions. "Why was the proposal controversial in 1966? Why were certain areas excluded?"

I should like to take you back to those difficult days in the history of the Indiana Dunes National Lakeshore. The original legislation was opposed by the Governor of Indiana—a Democrat by the way. It was opposed by almost every industrial interest in the area. The Beverly Shores area inclusion was opposed by a majority of its residents. The legislation was opposed by the former minority leader of the House in whose congressional district a majority of the proposed lakeshore was and is located, Mr. Halleck. And as I recall it was opposed by a majority of the minority members of the Committee on Interior and Insular Affairs. But things change; attitudes change; and there have been dramatic changes since 1966.

The bill before us today does not have the opposition of the Governor of Indiana. Major industrial interests in the area are now supporting the legislation. Over 80 percent of the residents of the Beverly Shores area now approve the bill which includes their "island." The bill before us is enthusiastically supported by the Members of Congress who represent areas included in the bill. A majority of the minority members of the Committee on Interior and Insular Affairs now favor the legislation.

Yes, Mr. Speaker, many things have changed. I rise today in support of H.R. 11455, a bill amending the act establishing the Indiana Dunes National Lakeshore to provide for an additional 4,340 acres of land.

As the original author of the 1966 act establishing the Indiana Dunes National Lakeshore and the chief sponsor of legislation adding to the lakeshore since 1971 this bill has my enthusiastic response.

This bill, then, is a compromise endeavoring to satisfy the varied industrial, recreational, ecological interests that are involved. Bethlehem and Midwest Steel have endorsed this bill, as have many local residents and those indefatigable supporters of the beautiful and perishable dunes along the lakeshore.

The arguments that will be used against this bill involve the cost, estimated at some $50 million. Obviously this is an authorization bill and appropriations for purchase would not be forthcoming in a single year. I might add that the same arguments were used back in the 1960's when we first endeavored to create the lakeshore. The question to be resolved is whether the additions are worth the cost. I think there is no question that they are. Moreover, we cannot wait as the natural resources we would preserve by these additions are vanishing and time will not make those left any cheaper in cost.

It is time for those of us in the Midwest to enjoy a fully developed lakeshore which will be a recreational area within close reach of some 10 million people. This is the first urban national park. Full development for recreational purposes requires the additions that we would make today. Efforts to "save the dunes" and the surrounding area go back more than 50 years. How long will the people in Indiana, Illinois, Michigan have to wait for the completion of this natural lakeshore?

Mr. SKUBITZ has said that the bill does not create anything. He may be correct for only the Creator could create the over 4,000 acres this bill seeks to include within the protection of a national lakeshore. These are over 4,000 acres of indescribable beauty. They are acres of natural environment which are threatened by man's greed. The bill before us constitutes an investment in the future that we must make. I ask your support.

Mr. TAYLOR of North Carolina. Mr. Speaker, I yield 1 minute to the gentleman from Wyoming (Mr. RONCALIO), a member of our subcommittee.

Mr. RONCALIO. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I take this 1 minute only to say to my colleagues that I believe this legislation represents a classic example of the countless dozens of hours of ironing out in the best tradition of our Nation the myriad differences of opinion, and complexities of the legislation, and I take the well to commend, as never before, my colleagues, especially the gentleman from North Carolina (Mr. TAYLOR) and all members of our subcommittee on which I am honored to serve, as well as the minority member, the gentleman from Kansas (Mr. SKUBITZ) and his colleagues on that side of the aisle. I do not know of any committee that has done a better job of trying to write a piece of legislation that will have a more lasting and excellent effect than this legislation. I urge its adoption.

If it takes $80 million to do it, better than 10 times more than it was 10 years ago, it should be done, and at least those States who are to be putting money into our parks should do it now and not wait until 10 years hence when the cost will again be tenfold.

Mr. HAMILTON. Mr. Speaker, I rise in support of H.R. 11455, the Indiana Dunes National Lakeshore Act amendments. This bill would add about 4,300 acres of land to the existing national lakeshore, acres selected for natural values, buffer protection for sensitive areas already in the park, and diversified recreational opportunities. The properties to be added include beach land, dunes, marshes, a river corridor and several areas of geological and biological significance.

As long ago as 1916 a resolution was introduced in the U.S. Senate to establish a national park on the Indiana shores of Lake Michigan. That resolution was designed to stop the encroachment of industry from Chicago. The pressures of expanding industrial and recreational needs have continued to clash in this area since that time. The construction of the St. Lawrence Seaway acted as a catalyst in the lingering debate, as did the development of a deepwater, international port adjacent to and, in some cases, overlapping the dunes.

The Indiana Dunes National Lakeshore was finally authorized by Congress in 1966, and contained about 8,700 of the 11,000 acres originally proposed for inclusion within its boundaries. Then, as now, there were profound differences as to the areas that were most deserving of protection.

Expansion of the park—the Nation's first national lakeshore—is urgently needed. Many outstanding natural areas, such as the Burns Bog unit and Miller Lagoons and Woods, remain outside the current boundaries of the park. These areas will be lost to industrial or residential development if they are not protected. Since the lakeshore was created, many hundreds of acres of unprotected dunes have already been destroyed, as have some private plots within the park that were not acquired fast enough to avoid the bulldozers.

In addition, many of the fragile ecosystems within the park are vulnerable to nearby activities that are incompatible with them, activities like steel mills, a railroad yard, and industrial dumpsites. Buffer zones are needed to protect these ecosystems from damage.

Finally, expansion of the park is necessary if it is to adequately serve the recreational needs of the more than 10 million people living within 100 miles of it and who now have an insufficient number of high quality recreation sites from which to choose.

Mr. Speaker, the acreage included in this bill is the result of many months of discussion and compromise between the parties with competing interests in the parkland. It is supported by all but 1 member of the 11-man House delegation. The ability and opportunity to acquire additional lands for inclusion in the park diminish with each successive year. Now is the time to act to expand the park so that it contains all of the areas worthy of protection and necessary to make it one of the outstanding parks in the United States. H.R. 11455 would achieve those goals, and I urge its adoption today.

Mr. MIKVA. Mr. Speaker, I rise today to speak in support of the Indiana Dunes bill and to express my appreciation to my colleague, Congressman FITHIAN, who introduced this bill. His understanding of the needs of his constituents and his willingness to take on the industrial giants in and out of his district are to be commended. I admire his courage.

I have long been a supporter of the Indiana Dunes National Lakeshore Park. Even though I am not from Indiana, the dunes are a familiar sight to me, as they are to my constituents and to thousands of other midwesterners who visit and enjoy the dunes each year. The dunes are not just an Indiana treasure, they are a national treasure to be protected and developed for the enjoyment of all the Nation's citizens.

When Congress created the Indiana Dunes National Lakeshore Park in 1966, not all of the dunes area was protected. Industry has continued to bulldoze land not included in the 1966 legislation, and conservationists have continued to fight for every piece of remaining dunes property. Action must be taken now to permit industry and ecology to live side by side. The battle between the conservationists and the industrialists for the precious land along the southern shore of Lake Michigan must come to a just conclusion. We can provide for industry's need for expansion and for the public's need for a place to escape from the congestion and pollution of urban America. This bill is supported by the Save the Dunes Council, Audubon Society, Sierra Club, Wilderness Society, Izaak Walton League, Midwest Steel Co., Bethlehem Steel Co., and the Northern Indiana Power Co.

H.R. 11455 is a good bill, and I support it. But as good as it is, I hope the Senate will see fit to expand the dunes land to be protected. Four additional sections of land are essential to the completion of the park. There should be restoration of full acquisition authority for the Green Belt area, as originally appeared in the Fithian bill. This would provide needed buffer protection. Second, 200 acres of high wooded dune land, the balance of unit I–B, the Glacial Lake Dunes, should be added to the park. Third, Nipissing Dune land, a type of natural land form not now part of the park, should be included in the park lands. Finally, the balance of I–A East, which is adjacent to the existing park and which is scheduled to be subdivided into prestige lots, should remain a public recreation area for the millions of people who live near the park. With these additions, we can preserve the natural areas, broaden recreation areas, and provide for industry's needs.

Mr. Speaker, this is probably the last opportunity we will have to preserve this precious national resource for us all. As the editorial in the Washington Post this morning states:

> Land . . . is the one thing they aren't making any more of.

We must act today. I urge my colleagues to vote in favor of this bill.

Mr. BRADEMAS. Mr. Speaker, I rise today in support of the measure now pending before us, H.R. 11455, to complete the expansion of the Indiana Dunes National Lakeshore.

This legislation, Mr. Speaker, is not only of great significance to the people of my congressional district, but also to all the people of Indiana and the entire midwestern region of our country.

Before reviewing some of the issues involved in this legislation, Mr. Speaker, I would like to pay tribute to those visionary Members of Congress and citizens of Indiana whose tireless efforts over the past 20 years have prevented the destruction and loss of one of the Nation's great natural resources.

In particular, Mr. Speaker, I would like to express my appreciation to the distinguished chairman of the Interior Committee, the gentleman from Florida (Mr. HALEY), to the distinguished chairman of the National Parks and Recreation Subcommittee, the gentleman from North Carolina (Mr. TAYLOR), and to the subcommittee's distinguished ranking minority member, the gentleman from Kansas (Mr. SEBELIUS).

Mr. Speaker, I would also like to thank three of our distinguished Hoosier colleagues who have vigorously championed this legislation: The Hon. RAY J. MADDEN, J. EDWARD ROUSH, and FLOYD J. FITHIAN.

Mrs. Dorothy Buell, the first president of the Save the Dunes Council, her successor, Mrs. Sylvia Troy, and Thomas Dustin, the first chairman of the Indiana Dunes National Lakeshore Advisory Commission deserve special recognition for their herculean efforts in the establishment of the lakeshore.

The advocacy of these leaders and many other dedicated persons of a national park to preserve the dunes, marshes, and geological phenomena along the lakeshore has resulted in a superb natural legacy that will accrue to the benefit of future generations—a legacy this legislation seeks to enhance.

Mr. Speaker, it was in the earliest days of Indiana's statehood that trapper Joseph Bailey became the first settler on this sand-dune-covered shore of Lake Michigan through which the Calumet and Little Calumet Rivers flowed—a wilderness of rare beauty and tranquility in that year of 1822.

In 1916 Stephen Tyng Mather, the first director of the new National Park Service, recommended a national park be created on the Indiana shore of Lake Michigan, and the next year Secretary of the Interior Franklin K. Lane passed along this recommendation to the U.S. Senate.

But—with the exception of the establishment of the popular Indiana Dunes State Park in 1923—it was not until President Johnson signed Public Law 89–761 in November 1966 that there was established a national lakeshore along the Indiana tip of Lake Michigan.

But large expanses of the unspoiled shore were not included when the original legislation was passed in 1966. Now is the time for these areas to be included if they are to remain monuments to natural history and suitable for recreation.

Mr. Speaker, let me touch on these two reasons for preservation—saving a lasting monument of natural history, and guaranteeing land for recreation.

During the last great ice age, the region of the country I represent was covered by glacier. Its melting formed Lake Michigan, along the shoreline of which magnificent dunes were created out of ridges formed by the receding glacier. Winds off of the lake caused the foredunes along the lake to rise to heights of 200 feet while the lower inland dunes straddled poorly drained plains which gradually developed into bogs and marshes.

One can go on describing these rare phenomena but I think the picture I present is enough to illustrate that this is an area so unique that its preservation as one of the world's greatest laboratories of geology, plant ecology, and environmental education is essential.

Mr. Speaker, in addition to this natural history value, the lakeshore has enormous recreational value. The area is the center of a circle with a 100-mile radius in which approximately 10 million people live. It is within a few hours drive from such major cities as Rockford and Chicago, Ill., and South Bend, Fort Wayne, Gary, and East Chicago, Ind.

Needless to say, people in our Nation's third largest metropolitan area are going to be looking for recreational facilities closer and closer to home. We must make sure that the land will be there to accommodate them. But action is needed quickly to preserve the important parcels of land in northwestern Indiana included in this legislation.

Mr. Speaker, this is a critical time for the lakeshore. I feel compelled to close with the words of the poet who knew the Midwest so well—Carl Sandburg. He wrote:

> The Dunes are to the Midwest what the Grand Canyon is to Arizona and Yosemite is to California. They constitute a signature of time and eternity: Once lost the loss would be irrevocable.

We must act now to prevent such a loss.

Mr. HAYES of Indiana. Mr. Speaker, on the vote for final passage, I would have voted in favor of the bill, H.R. 11455, Indiana Dunes National Lakeshore Act Amendments. I preferred a stronger, more protective bill, along the lines originally proposed by Congressman EDWARD ROUSH, but the present compromise bill is satisfactory.

The SPEAKER pro tempore. All time has expired.

The question is on the motion offered by the gentleman from North Carolina (Mr. TAYLOR) that the House suspend the rules and pass the bill H.R. 11455.

The question was taken.

Mr. ROUSSELOT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to the provisions of clause 3(b) of rule XXVII and the prior announcement of the Chair, further proceedings on this motion will be postponed.

Does the gentleman from California withdraw his point of order that there is no quorum?

Mr. ROUSSELOT. Yes, I do, Mr. Speaker.

LIBRARY OF CONGRESS MADISON MEMORIAL BUILDING

Mr. RONCALIO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 11645) to amend the act of October 19, 1965, to provide additional authorization for the Library of Congress James Madison Memorial Building.

The Clerk read as follows:

H.R. 11645

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the joint resolution entitled "Joint resolution to authorize the Architect of the Capitol to construct the third Library of Congress building in square 732 in the District of Columbia to be named the James Madison Memorial Building and to contain a Madison Memorial Hall, and for other purposes", approved October 19, 1965 (79 Stat. 986; Public Law 89-260), is amended by striking out "$90,000,000" and inserting in lieu thereof "$123,000,000".

The SPEAKER pro tempore. Is a second demanded?

Mr. WALSH. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Wyoming (Mr. RONCALIO) and the gentleman from New York (Mr. WALSH) will be recognized for 20 minutes each.

The Chair now recognizes the gentleman from Wyoming (Mr. RONCALIO).

Mr. RONCALIO. Mr. Speaker, I yield myself such time as I may consume, not to exceed 5 minutes.

Mr. JONES of Alabama. Mr. Speaker, in 1965 the Congress recognized the pressing need for an additional Library of Congress by enacting legislation authorizing the Architect of the Capitol to construct the third Library of Congress building on property adjacent to the Cannon House Office Building at a cost of $75 million. The building is to be named in honor of James Madison the fourth President of the United States and to contain a suitable memorial hall honoring him.

In 1970, the Congress enacted legislation, Public Law 91-214, increasing the estimated cost to $90 million and prohibited the use of the third Library of Congress Building for general office building purposes. The increase was caused by the delay in appropriating the funds for the facility in a timely fashion. As an example, during the period from 1965 through 1969 only $500,000 had been appropriated for the preparation of preliminary plans and designs. This coupled with the rapidly escalating construction costs accounted for the increase.

H.R. 11645 would authorize an additional $33 million for completion of the James Madison Memorial Building. Phase four of the construction project—the interior and related work—is what remains to be contracted for. Because of escalating construction costs, however, the bids which were received in July exceeded the funds available.

The lowest bidder has for the past 7 months extended his bid upon request of the Architect of the Capitol for a reasonable period. It is my understanding, he cannot continue to extend this bid again. The appropriation of $33 million contains a reasonable amount for any contingencies which may arise during the completion of the project. The Architect of the Capitol during hearings before our committee assured us that the building can be completed within this increase. Thus, it is imperative, if the Government is to have the benefit of the low bid, we approve this legislation in order to avoid higher costs.

The Library, having long outgrown its two existing buildings, has staff and collections scattered in 10 different locations in Washington and nearby suburbs at a cost to the Federal Government of $5.4 million a year. Books are piled in every conceivable place; research facilities are jammed and damage to irreplaceable collections has been minimized only through great care and ingenuity. Scholars visiting the Library are also greatly inconvenienced due to cramped quarters and items required for their research not readily available.

The James Madison Memorial Building has been designed for the Library's needs. The building will provide 1.5 million square feet of well-planned space needed for the collections and will afford efficient working conditions for the staff of the Library. This building must be constructed and promptly if the Library is to continue to grow and meet its responsibilities to the Congress, the research and academic communities, and the Nation.

I urge passage of this legislation.

Mr. RONCALIO. Mr. Speaker, the House is being asked today to authorize another $33 million to complete the construction of the James Madison Memorial Library Building as an annex to the Library of Congress. I agree that the funds for the Library addition should be authorized, that the needs for the Library are vast and that additional space is now necessary and has long been needed and requested.

The needs are fully recognized because the shelf space has long been exhausted. The very, very lovely Jefferson Reading Room of the original Library of Congress has long been cluttered with a multitude of desks in virtually every nook and cranny. Now the Congressional Research Service, formerly known as the Legislative Reference Service has hardly room to move. There is a piling of books in every conceivable place of that facility, it is just jammed full.

Having said all of that, Mr. Speaker, I believe that the House, as it approaches the legislation for additional funds for the completion of the annex for the Library of Congress should begin considering enacting upon an equally critical space problem that confronts the House of Representatives itself. In view of that, my suggestion is that this is the appropriate time to examine the entire question of what Capitol Hill is all about, what its purposes are, both functional and philosophical. Unless we define that purpose, then it will be impossible for us to set any realistic or meaningful boundaries to the proliferation of Federal construction on this Hill or elsewhere.

Mr. SIKES. Mr. Speaker, will my distinguished colleague yield?

Mr. RONCALIO. I yield to the distinguished gentleman from Florida.

Mr. SIKES. I am very grateful to the gentleman for yielding.

Mr. Speaker, I am conducting a hearing in the Defense Appropriations Committee, but I do want to take just a moment or two of time to say that, I support thep roposal to complete the construction of the James Madison Library Building for use by the Library of Congress.

Whatever additional space is needed by the House of Representatives can and should be provided in an orderly way after being designed for the specific purposes for a congressional office building. To convert the James Madison Library into an office building would be a wasteful and costly process. It would still leave a serious need for additional library space.

This building project for needed Library purposes has been authorized by the Congress since 1965 and any further delay not only will cost the taxpayers additional money—a most important factor in these times of rising costs—but will seriously impair the services of this great Library to provide needed services for the Congress, scholars, other libraries, and the Nation. Across the street from our Nation's Capitol is housed the intellectual heritage of this country. Congress itself created this Library as its library and has extended its services through law and appropriations until today it is in effect the national library of the United States. It is no doubt the largest library in the world and it performs more national library functions than any other library in the world. The collections numbering over 70 million items, which are mostly unique, are now inadequately stored. Books, maps, newspapers, and other library items are stacked on the floor and in rental space that is less than adequate for their protection. Congress owes it to the American people to provide adequate housing for these Library materials.

Most Members, I am sure, are aware of the fine work done by the Congressional

Research Service to assist us in our legislative duties. Staff of the Congressional Research Service are presently crowded into poorly ventilated bookstack areas, exhibition galleries, and cellars. This can only impede the work of these specialists. The James Madison Memorial Building will provide the needed, efficient space for the Congressional Research Service as well as for other Library operations.

I know that libraries in my district depend upon the Library of Congress for their technical assistance such as providing cataloging information, automated library services, and certainly one well-known program is the great reading service for the blind and physically handicapped.

It is unfortunate that debate about the proper usage of the Madison Building has delayed the completion of construction. It would not serve the Congress well to contribute to any more delay. The building is badly needed by the Library of Congress; it has been designed to be a library building, and it has been designated as a memorial to our fourth President. Certainly it would be in the best interest of the American people to enact the legislation that is before us.

There are many alternative procedures which have been suggested to insure adequate office space for Members of Congress. They should be considered in proper form without reference to the proposal to modify a building which is nearing completion; is needed for its original purpose, and would be costly to convert to a House Office Building.

Mr. RONCALIO. Mr. Speaker, I am happy to see the gentleman from Washington (Mr. Pritchard) here, because I want to raise some matters that might require his response. Several months ago I had the good fortune to work with the eminent gentleman in the other body, the Senator from Nevada (Mr. Cannon) on the Joint Library Committee, and the gentleman from Michigan (Mr. Nedzi). We spent several very pleasant hours hoping to work out a possibility whereby employees of the committees of the House of Representatives whose duties are to work daily with the books and the shelves of the Library of Congress, and its bookstacks, might be given an opportunity to move their facilities from the Cannon, the Longworth, and the Rayburn Buildings and work side by side with their colleagues in scholastic research under those provisions of the Madison Building now being constructed for research employees. It was the hope that we could work out something of this kind and thereby render a displacement of several hundred thousand square feet of space much needed for Members' offices in the three Members' Office Buildings.

These discussions began, and they were meaningful, and they were, I believe, moving together with some degree of progress when on January 29, the gentleman from Washington (Mr. Pritchard) released to the institutions around here and the press an attack upon me which claimed that I was deliberately stalling on legislation to complete the James Madison Memorial Building.

The SPEAKER pro tempore. The time of the gentleman has expired.

(By unanimous consent, Mr. Roncalio was allowed to proceed for 3 additional minutes.)

Mr. RONCALIO. The gentleman from Washington warned further that this would result in bigger bills for the taxpayers.

Let me add then and there that the legislation we are proposing has $5 million locked into it as an excess in case of any additional fees for continuing time. The release went on to say,

> It has been more than a month and a half since House leaders agreed to a compromise. . . .

I now ask my good friend, the gentleman from Washington, who put out this press release what compromise he is talking about.

Furthermore, the press release said the leadership of this House has refused to live up to their part of the deal.

I ask the gentleman from Washington, what kind of back-biting is that, and what deal was not lived up to?

I will yield to the gentleman from Washington for a response.

Mr. PRITCHARD. I will respond at a later time.

Mr. RONCALIO. Mr. Speaker, I ask unanimous consent to include at this point the press release referred to.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

The press release is as follows:

Pritchard Chides Leadership for Library Stall

Congressman Joel Pritchard (R-Wash) today charged the House leadership with deliberately stalling on legislation to complete the James Madison Memorial Library Building, warning that further delay will result in a bigger bill for taxpayers.

It has been more than a month and a half since House leaders agreed to a compromise on their controversial plan to take over the library for office space. "But so far they have refused to live up to their part of the deal," Pritchard said.

Pritchard and a number of co-sponsors introduced legislation December 4 to finish the building as a library. Hearings have not yet been scheduled by the House Subcommittee on Public Buildings and Grounds.

He noted that unless final spending approval is given by Congress by February 21, the lowest bidder will have to pull out of the project. Rapidly rising costs prevalent in the construction industry have pushed the expense of finishing the building up several million dollars since the original bid was submitted.

"The leadership is fully aware of the February 21st deadline," Pritchard said, "and I cannot understand how it can justify slapping the additional bill on the taxpayers."

"Because of upcoming Congressional recesses, there are only nine legislative days left—when both the House and Senate will be in session—until the lowest bidder drops out," Pritchard said. "It is imperative that the committee move on our measure immediately."

Mr. RONCALIO. In any event, Mr. Speaker, we continued our discussions with the gentleman from Michigan (Mr. Nedzi), and the Senator from Nevada (Mr. Cannon), hoping that we could work out, as I said, some possibility of something that we could agree upon, not for Members' offices in the Madison Building, not for a take over of the Madison Building as 196 Members of this body had asked the Speaker, the gentleman from Oklahoma (Mr. Albert), to do less than a year ago, but to talk about where we can put these committees, the Joint Committee on Internal Revenue Taxation, who spend every day of their lives working with Prentice-Hall and commerce clearinghouse textbooks that are released from the Library of Congress.

Why could they not be moved out of the two office hallways of the Longworth Building and make room for the Members of the House, most of whom have less than 12,000 square feet for congressional offices, while Members of the other body have five times as much space for each senatorial office? I do not call that a Congress of coequal bodies. This might have been worked out had it not been for those so prone to take advantage of publicity with frontpage rollcalls 2 weeks in a row and the other things that were not of service to the majority and the minority to work out these difficult problems.

This legislation should pass. Of course, there is an overrun. So was the Rayburn Building. So was the FBI building. So was the Kennedy Center, so was the Hirshhorn Building, so was anything else built in the last 20 years.

I leave it to the gentleman from New York (Mr. Walsh) whether this overrun is in order or not. The gentleman had the professionals to examine the items in the report.

I intend to vote for the legislation. I wish it had been offered at the same time as this was gone over with the head of the Library of Congress.

The SPEAKER. The time of the gentleman from Wyoming has again expired.

(By unanimous consent, Mr. Roncalio was allowed to proceed for 1 additional minute.)

Mr. RONCALIO. Mr. Speaker, I conferred with that distinguished gentleman three times and I found that 50,000 or 60,000 feet of space might have been available for our people. The Library of Congress did not want to compete with this House and they do not wish to cause us any difficulty. I think it ill behooves this body to take advantage of these opportunities to backbite the leadership in an effort to solve these problems. Until every Member of Congress faces up to the proliferation of this body and abolishes half of the committees and half of the subcommittees, we will have to put up with this burden of the shortage of space. Someday we will abolish half our committees and dismiss half of our employees. Then we will not need this additional space.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. RONCALIO. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, some of the Members of the House including myself have been somewhat concerned about this "edifice complex" that keeps manifesting itself in so many ways on Capitol Hill. As is pointed out in the gentleman's report accompanying this bill, originally in 1965 this building was envisioned as costing $75 million. Five years ago it went to $90 million. Now we are being asked for another $33 million and this does not appear to be the end.

The gentleman says there is at least $5 million in this authorization to take care of any cost overruns. Will this cover furnishing the interior of the building once the construction is completed or are you going to come back and ask for more money for ornate desks and chandeliers as in the Rayburn Building?

Mr. RONCALIO. I believe on page 2 and 3 of the report it provides for modeling and carving, design and installation of decorative screen, design model, sculptural fountain, and design and sculpturing of two bronze medallions, architectural and engineering services. There is an itemization of what will be required and that includes a contingency allowance of $5,876,000; but I would not take an oath to the fact they might not be back in 5 or 6 or 7 years asking for a few more dollars for some particular need.

Mr. BAUMAN. If the gentleman will yield further, this bill does contemplate the complete furnishing of the building and there will not be a specific request for desks and things that cost millions of dollars afterward?

Mr. RONCALIO. Let me say that this $33 million includes those items on page 2.

Mr. BAUMAN. I do not see any furnishings listed.

Mr. RONCALIO. I do not see any furnishings, either, in answer to the gentleman from Maryland.

Mr. BAUMAN. This will be an empty building and you will be back again for still more millions of dollars?

Mr. RONCALIO. I leave it to the chairman of the full committee to answer that.

Mr. JONES of Alabama. Mr. Speaker, the question the gentleman from Maryland raises was very thoroughly examined by the committee when we had the Librarian and the Architect of the Capitol before the committee. It was anticipated that it would take approximately 2 years to complete the building and to furnish the building appropriately.

The gentleman from Ohio (Mr. HARSHA), the ranking Republican member, went into that proposition, as I say, very thoroughly and exacted from the Architect of the Capitol the fact that the amount of money of $33 million asked for in this bill would be sufficient to accomplish the completion of the building and also the fixtures and appurtenances thereto.

Mr. BAUMAN. Mr. Speaker, I appreciate that response, and I hope that we can hold the committee and the Library to that.

Is it also true that this facility is to include a rather massive private executive dining room that will not be available to the public? How much will that cost, and why do they need a private dining room in a library?

Mr. RONCALIO. The new building includes a hall which will be a tribute to the fourth President of the United States, James Madison Hall. How much of this is dedicated to the Madison memorial, I do not know.

It will include parking for 385 automobiles, not 1 of which will be allocated to an employee of the House of Representatives. It will include 1,500,000 square feet of space, and not 1 foot of space did we ever demand, but 150,000 square feet of this we hoped could have been worked out had we been given an opportunity to continue our discussions with the Library, with the Senators involved, with some hope that we could have displaced personnel of our committees, and particularly of our Joint Committee on Taxation, Office of Technology Assessment, and Budget personnel, might have been able to move into the building along with the congressional people.

As for the eating facilities, whether they will be open to the public I do not know, but I assume they will be before and after the hours set aside for employees.

Mr. BAUMAN. The only reason I ask this question is that it just seems to me that when we have a $40 million or $50 million cost overrun, we ought to be cutting back on the frills. If an executive dining room costs millions of dollars or hundreds of thousands of dollars and is included in this building it seems to me that it could be better put to uses such as library research and book space.

Mr. RONCALIO. I do not know that I would object to the dining room. It will be a dining room and have facilities for the employees of Congress. That is the only information I can use to answer the gentleman's question.

Mr. WALSH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 11645, a bill to authorize an additional $33 million for the completion of the James Madison Memorial Library annex. This bill was approved by the full Committee on Public Works and Transportation by a unanimous voice vote after receiving the endorsement of the Architect of the Capitol, Mr. George White, and the Library of Congress Librarian, Dr. Daniel V. Boorstin, both of whom appeared before the committee.

This money is needed to complete the interior and related work of the annex. At the present time bids for the completion of the Library have been accepted and with this authorization an award can be given so that the final phase of this project can begin. If the additional funds are not authorized, the bids will expire and new bids must be solicited, which may result in further increases in the cost of this building. At the present time the contractors with bids in for the final phase of this building have agreed to extensions, totaling 6 months, on the award of a contract. The final extension is due to expire February 21. It is obvious there is need to move this bill quickly.

Furthermore, nothing in this legislation authorizes any transfer of space in this building to any other purpose. The building remains intact for library use exclusively.

Mr. Speaker, one of the points that has been raised here today is about contingency fee and the increase of costs that would result if this building is delayed any longer. I would like to point out that we have gone into this very extensively in the committee, and everybody in the construction field is agreed on one thing: In this country we face an escalation of about 9 percent increase in cost of construction a year. So, if we delay this building further, the cost is going to increase to an even greater degree, so I strongly urge enactment of this legislation.

Mr. Speaker, I yield such time as he may consume to the gentleman from Washington (Mr. PRITCHARD).

Mr. PRITCHARD. Mr. Speaker, I do not want to involve myself into a long debate here over charges or the fact that the gentleman from Wyoming (Mr. RONCALIO) feels I have made unfair charges. I am very sorry if he feels that way. I was concerned because of what I thought was a tentative agreement which was not being implemented and that we were up against this deadline everyone has talked about.

What we want is the Madison Library completed and to be held for the use of the Library of Congress.

This has been a long battle. It started with 199 gentlemen saying they wanted to take it over for use for House offices. We have passed that threat.

Mr. Speaker, I want to compliment the chairman of the full committee, the gentleman from Alabama (Mr. JONES), and the gentleman from Ohio (Mr. HARSHA), the ranking member, who got this bill out and got it out in time. I think the record as to the dealings and all of the controversy is well known by all of the parties, and I do not think anything is served by looking backward.

The main point is that we are going to complete this Madison Library and it is going to be held for the use of the Library of Congress. I am convinced that the people who manage the Library are very, very willing to make some adjustments for those features which will be compatible with the Library of Congress and with Congress.

Mr. Speaker, I want to congratulate those people who have moved this legislation to the floor, and I certainly strongly support it.

Mr. RONCALIO. Mr. Speaker, will the gentleman yield?

Mr. PRITCHARD. I yield to the gentleman from Wyoming (Mr. RONCALIO).

Mr. RONCALIO. I thank the gentleman for yielding.

Mr. Speaker, I am grateful to my colleague, the gentleman from Washington, and I appreciate those remarks. I know that we can by working together solve the problems of mutual concern. I would like to say that with cooperation we can all look to the goal mentioned by my colleague, the gentleman from Washington.

Mr. WALSH. Mr. Speaker, before concluding—and I have no further request for time—I would like to express by appreciation to the gentleman from Alabama (Mr. JONES), the chairman of the full committee, and the gentleman from Wyoming (Mr. RONCALIO), the chairman of the subcommittee.

This has been a difficult piece of legislation. They spent a great deal of time on it, and I think we have brought a number of views together in an attempt to provide the best service for the Library of Congress. I want to compliment the gentlemen and tell them that it was a pleasure to work with them.

Mr. Speaker, I urge the passage of this bill.

Mr. RONCALIO. Mr. Speaker, when one observes that this is the third library building on Capitol Hill, and when one observes that we have an incessant, continuing demand for more space for our own facilities, I hope our colleagues and those who love this institution of Congress will recognize the time has come when we must begin a reorganization of our body so that we can better fulfill our jobs. This morning once again for at least the umpteenth time in the last year I found myself having to be in three different places at one time. How many other Members find this same situation, when we have so many committees to serve on. We fail to do our jobs adequately. We quarrel over energy in at least half a dozen committees. It is not in the best interest of this Nation. I hope we can take up a strong reorganization bill to reduce the number of committees, confine ourselves to one committee only, and we will find we will not need so much additional space. Building the library is certainly one of the ways we can help to improve the excellence of our work. It is an outstanding institution in North America.

While private dining rooms are urged by some professional bureaucrats and the building of Taj Mahal's, such as HEW on one side of us, and the Library Building on the other, I nevertheless encourage passage of this bill.

Mr. WALSH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I did send out for information on the question raised by the gentleman from Maryland (Mr. BAUMAN) about the cost of furnishings because it was my recollection, when I spoke with the Architect of the Capitol, Mr. White, when he appeared before the committee, that I asked the specific question: "Does this mean that we have a completed building?"

His answer was: "Yes."

Mr. Speaker, this does not include the cost of furnishings, but the Library of Congress does not intend to come back to this committee. It is my understanding that they will go through their own appropriation process and they will not be coming back to this committee. I did want to make the record clear on that point.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield?

Mr. WALSH. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, in all probability Library officials are going to come back and ask for many millions of dollars more in order to furnish this expensive building. Whether their request goes through the gentleman's committee or through some other committee is no comfort to the taxpayers of the United States who will foot the bill as usual.

Mr. WALSH. Mr. Speaker, I could not agree with the gentleman more. They are going to get the money to furnish the building from someplace. If we complete the building, we must have furnishings to put in it, so that means we will have to take these actions.

As the building stands now, unless we appropriate the $33 million, it is not going to be finished, and then we would have $90 million down the drain. We have no choice but to proceed with the authorization.

Mr. BAUMAN. Mr. Speaker, will the gentleman yield further?

Mr. WALSH. I will be glad to yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, one of our great Maryland poets, Ogden Nash, said: "Vice is nice, but incest is best."

It seems to me here on Capitol Hill, when it comes to our own comforts and additional buildings, we set ourselves constantly on this irrational course of constantly spending. We then argue incestuously that we have got to finish the buildings we started no matter what the cost. It appears that this library building is well on the way to surpassing the huge cost of the unlamented Rayburn Building. If the present trend continues, this building may well become the most expensive building since the pharoahs built some of the pyramids.

Mr. WALSH. Mr. Speaker, in defense of what I have said, I will mention that I have some people visiting here from Germany who are very much impressed with the legislative process here in our Capitol and what happens in this country, and in that regard I was talking about this particular bill.

They understand the functions of the Library of Congress very well, and they were impressed that every bit of literature that is written and produced in this country finds its place in the Library of Congress and is preserved there. They feel that $33 million is a small price to pay for what we are going to get out of it, namely preservation of our literary heritage and resources, and I agree with them.

Mr. GRASSLEY. Mr. Speaker, the appropriation authorization to complete the James Madison Library of Congress Building raises two important points:

First, why is it that the original estimated cost of the building and the original appropriation never turns out to be enough to complete the project?

If this were to happen only occasionally, I would think nothing of it. But, it seems like every building constructed in Washington—and particularly those on Capitol Hill—by the Federal Government always exceeds the estimate and usually requires supplemental appropriation. It almost seems as though it is a rule of thumb that it will take more than one pass to complete a project. It is a joke to think that the original authorization will ever suffice.

Additionally, we are now told that this is only enough money to complete the building. Money in addition to this $33 million will be sought to furnish the building in later years.

Second, it disturbs me that there was still talk of turning part of the building over to Congress for office space. Until the building is completed and occupied as a library, I fear we will always have to guard against attempts to steal part of the building for our own snobbish purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Wyoming (Mr. RONCALIO) that the House suspend the rules and pass the bill H.R. 11645.

Mr. BAUMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. Pursuant to clause 3 of rule XXVII and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. RONCALIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 11645.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

RELEASE OF RESTRICTIONS—ROLLA, MO.

Mr. ANDERSON of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1313) to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Rolla, Mo., for airport purposes, as amended.

The Clerk read as follows:

H.R. 1313

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding section 16 of the Federal Airport Act (as in effect on October 6, 1958), the Secretary of Transportation is authorized, subject to the provisions of section 4 of the Act of October 1, 1949 (50 App. U.S.C. 1622c), and the provisions of section 2 of this Act, to grant releases from any of the terms, conditions, reservations, and restrictions contained in the deed of conveyance dated October 6, 1958, under which the United States conveyed certain property to the city of Rolla, Missouri, for airport purposes.

SEC. 2. Any release granted by the Secretary of Transportation under the first section of this Act shall be subject to the following conditions:

(1) The ctiy of Rolla, Missouri, shall agree that in conveying any interest in the property which the United States conveyed to the city by deed dated October 6, 1958, the city will receive an amount for such interest which is equal to the fair market value (as determined pursuant to regulations issued by such Secretary).

(2) Any such amount so received by the city shall be used by the city for the development, improvement, operations, or maintenance of a public airport.

The SPEAKER. Is a second demanded?

Mr. SNYDER. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. ANDERSON of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill H.R. 1313 is necessary in order to permit the city of

Rolla, Mo., to use a portion of the airport property—which was conveyed to the city on October 6, 1958 by the United States—for the development of a light industrial park.

Under the deed of conveyance, 1,370 acres of Federal property were turned over to the city of Rolla to be used as an airport. If the lands were not developed or ceased to be used for airport purposes, then the title reverted to the United States. In this instance, more property was conveyed than was reasonably necessary for continued operation of the airport, and the city of Rolla would like to use a portion of the property—345 acres—for the development of a light industrial park.

To permit this activity, H.R. 1313 is necessary in order to grant the Secretary of Transportation authority to release the restrictions in the deed of conveyance. The Federal interests are protected since the Secretary must find that this release will not hinder civil aviation, that fair market value is received for the property, and that the proceeds from the sale or lease of the property will be used for the development, improvement, operation, or maintenance of the airport.

We conducted hearings on this proposal, and received testimony from the sponsor of H.R. 1313, our colleague DICK ICHORD—who presented an outstanding statement on the necessity of inactment of this legislation; from the mayor of Rolla, Herald G. Barnes, Jr., who gave us the necessary background and the need for development of a light industrial park to create jobs, and produce revenues on a portion of the airport property; and from the administration, which supports its enactment.

Mr. Speaker, I would like to take this opportunity to make a special note on H.R. 1313, a bill which would release restrictions on certain airport property conveyed to the city of Rolla, Mo., which we bring to the floor under the suspension calendar today. Our distinguished colleague from Missouri, Congressman DICK ICHORD, has worked long and closely with the Committee on Public Works and Transportation to bring this bill to the House for favorable consideration. I regret to report that Congressman ICHORD had a sudden death in his family over the weekend which precludes his being here today to speak on behalf of this bill.

However, he has provided us with a statement expressing the importance of this bill to Rolla, Mo., and requesting favorable passage of H.R. 1313 by the House. I would state that the Committee on Public Works and Transportation fully recommends passage of H.R. 1313 and the other airport land conveyance bills we have before us today and while I know we all regret the unfortunate circumstances which prevent Congressman ICHORD from being here today to speak on behalf of his bill, I am pleased to share his statement with my colleagues here in the House.

GENERAL LEAVE

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the airport bills to be considered today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SNYDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the six pending airport bills which would authorize the Secretry to grant releases from certain restrictions on the use of each of the six properties in question in order to enable the communities involved to use portions of the airports for other than airport purposes. As the chairman has said, the deeds of conveyance do not permit the communities to use any of the lands for other productive purposes. These clauses were included in the deeds as required under the old Federal Airport Act.

I would like to emphasize that these bills do not authorize the closure or disruption of aviation activities at the affected airports. They must continue to be operated as airports. They do, however, permit the Secretary to authorize the use of portions of the properties for such compatible and income-producing purposes as industrial sites.

We included provisions in each of the bills to require that the proceeds of the sale or rental of the affected lands be at fair market value. We do not contemplate that anyone will receive a free ride under this legislation. In addition, we stipulated in each of the bills that the proceeds be devoted exclusively to airport purposes. We believe that these conditions are reasonable and fair to all concerned.

I urge my colleagues to support the pending bills. They do not authorize the expenditure of a single dollar of Federal funds—and they have the full support of the administration.

Mr. ICHORD. Mr. Speaker, due to a death in my family this past weekend, I sincerely regret that I cannot be on the House floor today to speak personally on behalf of my bill, H.R. 1313, which would permit the city of Rolla, Mo., to lease certain real property previously conveyed to Rolla under the Federal Airport Act of 1946 for nonairport purposes. Were it at all possible I would be here today to personally advise my colleagues of the immense importance of this bill to the Rolla, Mo., area. In my stead, however, I submit this written statement to my House colleagues and request their favorable passage of this bill.

On October 6, 1958 the Federal Government conveyed land to the city of Rolla, Mo., under section 16 of the Federal Airport Act of 1946, to be used for a municipal airport. Rolla has made excellent use of this land and developed a fine airport which ably serves area residents. However, more land was conveyed to Rolla in 1958 than is required for the airport facility, and the Rolla community would now like to lease a portion of the unused land for development of a light industrial park. Unfortunately, section 16 of the Federal Airport Act of 1946 provided for automatic reversion to the United States of the property conveyed if the property was used for nonairport purposes thereby precluding communities operating such airports to put land not required for airport purposes to beneficial use. Specific legislation, in this case my bill H.R. 1313 on behalf of Rolla, Mo., is, therefore, necessary to allow the Secretary of Transportation to grant releases from this restriction.

This situation is not unique as my colleagues will note from the other bills before it today. These bills call not for preferential treatment but rather equity as the action authorized by these bills merely gives communities the same rights as avaliable to the many airports conveyed under the Surplus Property Act of 1944, as amended.

With specific reference to H.R. 1313, I would note that the Secretary of Transportation fully endorses this bill and states passage would benefit the overall operation of the Rolla National Airport. Indeed, the bill specifies that in leasing any of the unused airport land fair market value must be obtained and used by Rolla for the development, improvement, operations, and maintenance of the airport.

Like many communities, Rolla is a growing, vital area in need of expanded job opportunities to meet the employment demands of their area. Enactment of this legislation would correct a current inequity in Federal law and allow Rolla to attract vitally needed business, provide greater job opportunities, and at the same time improve its present airport facilities. It is an immensely important bill to this area of Missouri, and I urge favorable consideration by my colleagues here today.

Mr. JONES of Alabama. Mr. Speaker, I rise in support of the bill, H.R. 1313 which would release restrictions on the use of certain property conveyed to the city of Rolla, Mo., for airport purposes. Mr. Speaker, under the conditions of this conveyance in which 1,370 acres of Federal property was conveyed to Rolla, this property must be used for airport purposes or all of it would revert back to the Federal Government.

At this time and for the foreseeable future, all of this property is not necessary for the safe and efficient operation of the airport, therefore, in order to gain the most beneficial and economic use of the property, the city of Rolla would like to use a portion, 345 acres for the development of a light industrial park.

In order to do this, the Secretary must grant a release from the restrictions in the deed of conveyance. However, the Secretary is not authorized to grant this release without legislative action.

The bill before us today, H.R. 1313, would permit this action. The interests of the United States are protected since fair market value must be received for any sale or release of this property. And second, the procedes from any sale or release must be used to develop, operate, or maintain the airport.

I support this legislation and urge the House to adopt H.R. 1313.

Mr. SNYDER. Mr. Speaker, I have no further requests for time.

Mr. ANDERSON of California, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ANDERSON) that the House suspend the rules and pass the bill H.R. 1313, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

RELEASE OF RESTRICTIONS— ALGONA, IOWA

Mr. ANDERSON of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2575) to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Algona, Iowa, for airport purposes, as amended.

The Clerk read as follows:

H.R. 2575

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding section 16 of the Federal Airport Act (as in effect on March 20, 1947), the Secretary of Transportation is authorized, subject to the provisions of section 4 of the Act of October 1, 1949 (50 App. U.S.C. 1622c), and the provisions of section 2 of this Act, to grant releases from any of the terms, conditions, reservations, and restrictions contained in the deed of conveyance dated March 20, 1947, under which the United States conveyed certain property to the city of Algona, Iowa, for airport purposes.

SEC. 2. Any release granted by the Secretary of Transportation under the first section of this Act shall be subject to the following conditions:

(1) The city of Algona, Iowa, shall agree that in conveying any interest in the property which the United States conveyed to the city by deed dated March 20, 1947, the city will receive an amount for such interest which is equal to the fair market value (as determined pursuant to regulations issued by such Secretary).

(2) Any such amount so received by the city shall be used by the city for the development, improvement, operation, or maintenance of a public airport.

The SPEAKER pro tempore. Is a second demanded?

Mr. SNYDER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. ANDERSON) and the gentleman from Kentucky (Mr. SNYDER) will be recognized for 20 minutes each.

The Chair now recognizes the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I yield myself such time as I may consume, and ask permission to revise and extend my remarks.

The bill before us, H.R. 2575, is necessary to permit the Secretary of Transportation to release the city of Algona, Iowa, from the restrictions which are in the deed of conveyance dated March 20, 1947, in which the Federal Government granted 223 acres to the city to be used exclusively for an airport. Under the terms of the agreement, if the land is not used for airport purposes it would revert back to the U.S. Government.

After constructing an airport facility which ably serves the needs of the local community, the city now has the desire to use a portion of the property—approximately 60 acres—which is currently not utilized or necessary for airport purposes, for industrial development. But, in order to make the most practical and economic use of this property, H.R. 2575 is necessary so that the Secretary can permit this activity.

Our very able colleague, the Honorable BERKLEY BEDELL introduced this proposal, and testified before our subcommittee on its need and the potential benefit to the people of Algona if enacted.

If the property is sold or leased, fair market value must be received and the proceeds must be used to improve, operate, or maintain the airport.

It involves no cost to the Federal Government, and is supported by the administration.

Mr. Speaker, I now yield such time as he may consume to our colleague, the gentleman from Iowa (Mr. BEDELL) who so ably represents this area.

Mr. BEDELL. Mr. Speaker, I rise in support of H.R. 2575, a bill which would authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Algona, Iowa, for airport purposes.

This bill is neither complex nor controversial in nature. It involves no cost to the Federal Government. It simply seeks to correct an oversight in existing law which currently denies a community in northwest Iowa the right, already available to many similar communities throughout the United States, to petition the Secretary of Transportation for permission to use a portion of its airport property for nonairport purposes.

Allow me to explain.

In the immediate post World War II period, the U.S. Government began transferring tracts of surplus Federal property to various communities across the country for use as public airports. This practice proved to be a very beneficial element in the Federal-local partnership, and, in fact, the Federal Aviation Administration reports that there are 638 surplus property airports currently in operation in the United States. Most of these transfers were conducted under the authority of the Surplus Property Act of 1944 or the Federal Property Act of 1946. In order to insure adherence to the original intent of the program, the deeds of conveyance under both these statutes stipulated that any of the land not used for airport purposes would automatically revert to the U.S. Government.

In 1949, in recognition of the desirability of providing some flexibility for adjustment to local conditions, the Surplus Property Act of 1944 was amended to provide the Secretary of Transportation with the authority to grant releases from any of the terms of the original transfer agreement in cases where he should determine that—

> The property transferred * * * no longer serves the purpose for which it was transferred, or that such release * * * will not prevent accomplishment of the purpose for which the property was transferred and is necessary to protect or advance the interests of the U.S. in civil aviation.

The effect of this change was to allow communities who receive surplus Government property under the authority of the Surplus Property Act of 1944, as amended, to petition the Secretary of Transportation for permission to use portions of their original allotment for nonairport purposes. It did not, however, provide such recourse to communities who had received similar property under section 16 of the Federal Airport Act of 1946. The city of Algona, Iowa, is one such community that has been unintentionally discriminated against by this legislative oversight.

In 1947, the War Assets Administration transferred 223.1 acres of surplus Government property to the city of Algona for use as a public airport. The city has made good use of this property. It has constructed an excellent airport facility which ably serves the needs of the local community. Now, however, more than 28 years after the Federal bequest, it is clear that this facility does not require the use of all of the acreage originally transferred. And the city of Algona would like to secure permission to use approximately 60 acres of this property for the establishment of an industrial park.

The legislation we are considering today would correct an unintended discrepancy between the Surplus Property Act of 1944, as amended, and the Federal Airport Act of 1946, by providing the Secretary of Transportation with the authority to grant releases from the terms of section 16 of the Federal Airport Act under the same conditions as are currently established in the Surplus Property Act, as amended. In the process, it would allow the Secretary of Transportation to rule on the city of Algona's proposal to use a section of its airport property for economic development.

In reviewing this legislation, there are several important points which should be clearly understood.

First, H.R. 2575 does not constitute "special interest" legislation. It implies no preferential treatment of any kind for the city of Algona. The recourse authorized by this bill is presently available to most communities in similar situations under the Surplus Property Act of 1944, as amended.

Second, there is precedent for this type of legislation. In fact, a similar bill was enacted in 1966 in connection with airport property in Clarinda, Iowa (Public Law 89-649).

Third, H.R. 2575 contains safeguards against possible violation of the Federal interest. The legislation requires that a determination be made by the Secretary of Transportation that the property in question is no longer needed for airport use before the transfer can be implemented. It also requires that the Secretary grant such a release only if the city of Algona agrees to demand fair market value for the land and to use revenues from the sale or lease of the land for airport improvements.

And finally, the legislation will involve no Federal expenditures.

In my view, this legislation is clearly necessary, justifiable, and fair. It simply makes no sense and serves no reasonable purpose to continue to prevent the city of Algona from using a portion of their airport property for industrial growth in their community. I urge my colleagues to vote for passage of H.R. 2575.

Mr. ANDERSON of California. Mr. Speaker, I have no further requests for time.

Mr. SNYDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this legislation. We held ample hearings on this matter and I know of no objection to the legislation and not a bit of objection has been expressed.

I have no requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ANDERSON) that the House suspend the rules and pass the bill H.R. 2575, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

RELEASE OF RESTRICTIONS—ELKHART, KANS.

Mr. ANDERSON of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2740) to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Elkhart, Kans. for airport purposes, as amended.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding section 16 of the Federal Airport Act (as in effect on March 11, 1958), the Secretary of Transportation is authorized, subject to the provisions of section 4 of the Act of October 1, 1949 (50 App. U.S.C. 1622c), and the provisions of section 2 of this Act, to grant releases from any of the terms, conditions, reservations, and restrictions contained in the deed of conveyance dated March 11, 1958, under which the United States conveyed certain property to the city of Elkhart, Kansas, for airport purposes.

SEC. 2. Any release granted by the Secretary of Transportation under the first section of this Act shall be subject to the following conditions:

(1) The city of Elkhart, Kansas, shall agree that in conveying any interest in the property which the United States conveyed to the city by deed dated March 11, 1958, the city will receive an amount for such interest which is equal to the fair market value (as determined pursuant to regulations issued by such Secretary).

(2) Any such amount so received by the city shall be used by the city for the development, improvement, operation, or maintenance of a public airport.

The SPEAKER pro tempore. Is a second demanded?

Mr. SNYDER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. ANDERSON) and the gentleman from Kentucky (Mr. SNYDER) will be recognized for 20 minutes each.

The Chair now recognizes the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill (H.R. 2740) would permit the Secretary of Transportation to release restrictions on the use of property conveyed to the city of Elkhart, Kans., for airport purposes.

On March 11, 1958, the Federal Government conveyed 151.7 acres to the city of Elkhart to be used for an airport. In the deed, if the property were used for any other purpose, the title would revert to the Federal Government.

Today, in order to obtain the best practical and economic use of the property, the city of Elkhart would like to use a portion of this property for nonairport purposes.

The bill before us, H.R. 2740, would permit the Secretary to allow the city to use a portion of this property—approximately 35 acres—for its most beneficial use to the community. The proceeds from any sale or lease would be used to further the development, operation, or maintenance of the airport; and the fair market value of the property must be received.

The administration favors this legislation, and its sponsor, our colleague Mr. SEBELIUS, appeared before the subcommittee and stressed the necessity of this proposal to the people of Elkhart, Kans., whom he so ably represents.

Mr. SNYDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I, too, support the enactment of H.R. 2740. Our colleague, Hon. KEITH G. SEBELIUS, has worked hard and long on this legislation. It is important to his district and to his great State of Kansas.

Mr. Speaker, I now yield such time as he may consume to the gentleman from Kansas (Mr. SEBELIUS).

Mr. SEBELIUS. Mr. Speaker, first, I want to thank the members of the Public Works Committee, especially the chairman of the subcommittee, Mr. ANDERSON, and the ranking minority member, Mr. SNYDER, for their able help and assistance regarding H.R. 2740. This bill would authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Elkhart, Kans., for airport purposes and I appreciate this opportunity to discuss it in further detail.

In 1958, the Federal Government recognized Elkhart's remote location and the importance of air transportation facilities and deeded the city of Elkhart a portion of USDA property for the development of an airport.

Since the conveyance of the original acreage by the Government, the city of Elkhart and Morton County have acquired approximately 68 additional acres and air easements over the land which were vital to expanded service and improved safety. These expenses and certain airport improvements have been costly and stretched the resources of this rural community. This demonstrates that the local citizens have more than fulfilled their obligation to provide air transportation and service with the property conveyed to them by the Federal Government.

H.R. 2740 would authorize the Secretary of Transportation to grant a release from the reversionary clause contained in the deed of conveyance so that the city of Elkhart may proceed with the utilization of portions of the property for nonairport purposes. This property is so located that it is not needed for airport operations.

Enactment of this bill would still require a determination by the Secretary of Transportation that the property is no longer necessary to accomplish the purpose for which it was originally conveyed and is not necessary to protect or advance U.S. civil aviation. Such a release would allow part of the airport property to be used for leasing and economic development to generate revenue for airport improvements and improved air transportation services. Any sale of such property would be at fair market value and the proceeds would be used for development, improvement, operation or maintenance of the airport.

Elkhart is a community of 2,000 located in the extreme southwest corner of Kansas. Emergency medical care and business and industrial requirements require larger airplanes and costly runway improvements. An active oil and gas producing area is served by this airport.

The Senate passed S. 270, a similar bill, by unanimous consent on June 26, 1975. The Office of Management and Budget has no objection to H.R. 2740. The Department of Transportation has testified in support of this proposal. No new budget authority or increased tax expenditures would be required by enactment of this legislation. H.R. 2740 would simply provide flexibility and authorize the means to improve Elkhart's airport facilities and safety standards at the least public expense.

Your support of this bill will be greatly appreciated.

Mr. JONES of Alabama. Mr. Speaker, I rise in support of H.R. 2740, a bill which would permit the Secretary of Transportation to release restrictions on the use of certain airport property conveyed to the city of Elkhart, Kans.

Under the provisions of the deed of conveyance dated March 11, 1958, the city of Elkhart, Kans., must use the property conveyed for airport purposes. There are certain areas of the property which are not necessary for the safe and efficient use of the airport, and the city of Elkhart would like to put these areas to a better use.

They cannot, however, make the most efficient use of the property without a waiver from the Secretary, who, in turn, cannot release the restrictions without an act of Congress.

The bill before us—H.R. 2740—would permit the release of the restrictions. In this proposal, the interests of aviation and the Federal Government are preserved since first, under the law, the Secretary must find that the property in question is not necessary for the continued safe and efficient utilization of the airport; second, fair market value must be received for the lease or sale of the property; and third, the proceeds from any sale or lease must be used to develop, operate, or maintain the airport.

I support this proposal, and urge the House to adopt H.R. 2740.

Mr. ANDERSON of California. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ANDERSON) that the House suspend the rules and pass the bill H.R. 2740, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be discharged from further consideration of the Senate bill (S. 270) to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Elkhart, Kans, for airport purposes, a bill similar to the bill H.R. 2740 just passed by the House, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 270

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding section 16 of the Federal Airport Act (as in effect on March 20, 1947), the Secretary of Transportation is authorized, subject to the provisions of section 4 of the Act of October 1, 1949 (50 App. U.S.C. 1622c), to grant releases from any of the terms, conditions, reservations, and restrictions contained in the deed of conveyance dated March 11, 1958, under which the United States conveyed certain property to the city of Elkhart, Kansas, for airport purposes.

MOTION OFFERED BY MR. ANDERSON OF CALIFORNIA

Mr. ANDERSON of California. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. ANDERSON of California moves to strike out all after the enacting clause of S. 270 and insert in lieu thereof the provisions of H.R. 2740, as passed.

The motion was agreed to.

The Senate bill was ordered to be read the third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 2740) was laid on the table.

GENERAL LEAVE

Mr. SNYDER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

RELEASE OF RESTRICTIONS—GRAND JUNCTION, COLO.

Mr. ANDERSON of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3440) to clarify authorization for the approval by the Administrator of the Federal Aviation Agency of the exchange of a portion of real property conveyed to the city of Grand Junction, Colo., for airport purposes, as amended.

The Clerk read as follows:

H.R. 3440

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding section 16 of the Federal Airport Act (as in effect on September 14, 1951), the Secretary of Transportation is authorized, subject to the provisions of section 4 of the Act of October 1, 1949 (50 App. U.S.C. 1622c), and the provisions of section 2 of this Act, to grant releases from any of the terms, conditions, reservations, and restrictions contained in the deed of conveyance dated September 14, 1951, under which the United States conveyed certain property to the city of Grand Junction, Colorado, for airport purposes.

SEC. 2. Any release granted by the Secretary of Transportation under the first section of this Act shall be subject to the following conditions:

(1) The city of Grand Junction, Colorado, shall agree that in conveying any interest in the property which the United States conveyed to the city by deed dated September 14, 1951, the city will receive an amount for such interest which is equal to the fair market value (as determined pursuant to regulations issued by such Secretary).

(2) Any such amount so received by the city shall be used by the city for the development, improvement, operation, or maintenance of a public airport.

The SPEAKER pro tempore. Is a second demanded?

Mr. SNYDER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. ANDERSON) will be recognized for 20 minutes, and the gentleman from Kentucky (Mr. SNYDER) will be recognized for 20 minutes.

The Chair recognizes the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on September 14, 1951, the Federal Government granted 321 acres to the city of Grand Junction to be used as an airport. One of the conditions in the deed of conveyance was that the property could not be used for any purpose other than an airport.

Today, the city wishes to trade 21 acres of airport property for a similar sized parcel—of similar value—which is owned by a private citizen. The trade is necessary in order to provide better runway clearances and provide continuity for airport boundaries by making them more nearly conform to runway configuration. This action will improve the operation and the maintenance of the airport.

The author of this proposal, Congressman JIM JOHNSON, appeared at our hearings and made an excellent presentation of the facts involved.

Mr. SNYDER. Mr. Speaker, I want to associate my remarks with those of the chairman of our subcommittee in support of H.R. 3440. It is with great pleasure that I yield to our outstanding colleague, the gentleman from Colorado (Mr. JOHNSON). The untiring efforts of the gentleman from Colorado to advance this legislation are well known to those of us who are members of the Committee on Public Works and Transportation. Its enactment would prove to be extremely beneficial to that part of Colorado represented by the gentleman, I know.

Mr. Speaker, I yield such time as he may consume to the gentleman from Colorado (Mr. JOHNSON).

Mr. JOHNSON of Colorado. Mr. Speaker, I would like to add my thanks to the chairman and to the ranking member for their cooperation. This is something the people of western Colorado have desired for some time and the people of western Colorado feel a debt of gratitude to both these gentlemen.

Mr. JONES of Alabama. Mr. Speaker, I rise in support of H.R. 3440, a bill to permit the Secretary to release restrictions on the use of certain property conveyed to the city of Grand Junction, Colo., for airport purposes.

This measure is necessary in order to permit the city to trade 21 acres of airport property which was conveyed to the city by the Federal Government on September 14, 1951, for airport purposes. This 21-acre tract is part of 321 acres granted in 1951. The trade, which is for a similar sized parcel of similar value, is necessary in order to provide better runway clearances and to provide continuity for airport boundaries.

The bill before us today is necessary in order to permit this trade and thus improve the operation and maintenance of the airport.

I support this proposal and urge the House to adopt it.

Mr. SNYDER. Mr. Speaker, I have no further requests for time.

Mr. ANDERSON of California. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mr. MCFALL). The question is on the motion offered by the gentleman from California (Mr. ANDERSON) that the House suspend the rules and pass the bill (H.R. 3440), as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Grand Junction, Colorado, for airport purposes."

A motion to reconsider was laid on the table.

RELEASE OF RESTRICTIONS—CAMDEN, ARK.

Mr. ANDERSON of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8508) to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Camden, Ark., for airport purposes, as amended.

The Clerk read as follows:

H.R. 8508

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding section 16 of the Federal Airport Act (as in effect on August 5, 1954), the Secretary of Transportation is authorized, subject to the provisions of section 4 of the Act of October 1, 1949 (50 App. U.S.C. 1622c), and the provisions of section 2 of this Act, to grant releases from any of the terms, conditions, reservations, and restrictions contained in the deed of conveyance dated August 5, 1954, under which the United States conveyed certain property to the city of Camden, Arkansas, for airport purposes.

SEC. 2. Any release granted by the Secretary of Transportation under the first section of this Act shall be subject to the following conditions:

(1) The city of Camden, Arkansas, shall agree that in conveying any interest in the property which the United States conveyed to the city by deed dated August 5, 1954 the city will receive an amount for such interest which is equal to the fair market value (as determined pursuant to regulations issued by such Secretary).

(2) Any such amount so received by the city shall be used by the city for the development, improvement, operation, or maintenance of a public airport.

The SPEAKER pro tempore (Mr. McFall). Is a second demanded?

Mr. SNYDER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. Anderson) and the gentleman from Kentucky (Mr. Snyder) will each be recognized for 20 minutes.

The Chair now recognizes the gentleman from California (Mr. Anderson).

Mr. ANDERSON of California. Mr. Speaker, I yield myself such time as I may consume.

The purpose of H.R. 8508, Mr. Speaker, is to permit the Secretary of Transportation to allow the city of Camden to exchange 2 acres of airport property for 1 acre of nonairport property which is necessary for a safety clear zone.

Under the deed of conveyance of August 5, 1954, in which the Federal Government granted the airport property to the city of Camden, the title to the property would revert back to the Federal Government if it were used for nonairport purposes. Thus, in order to permit the exchange of property, this legislation—H.R. 8508—is necessary.

The administration supports this proposal, which was introduced by our very able colleague Ray Thornton, who represents this particular area.

Mr. Speaker, I now yield to the gentleman from Arkansas (Mr. Thornton).

Mr. THORNTON. Mr. Speaker, I would like to express my appreciation to the distinguished chairman of the committee and to the distinguished chairman of the subcommittee for their very fine efforts in behalf of this legislation, which is necessary in order to promote the safety of the airport at Camden and to benefit that area of our State.

The need for this bill arises from a Federal Aviation Administration requirement, as a part of a runway improvement program, that the Ouachita/Calhoun County Airport Authority acquire additional land to meet FAA clear zone safety requirements. In order to acquire a 1-acre parcel of land to the north of the airport, which was privately owned and used as a residence, the airport authority negotiated an agreement with the owner to convey in exchange 2 acres of surplus unimproved airport land in the extreme northwest part of the airport property. Those 2 acres had earlier been conveyed to the airport authority by the city of Camden, which in turn had acquired them from the United States as part of an approximately 1,000-acre tract in the years following World War II. In a very real sense the exchange of these 2 acres is essential for airport purposes.

We appreciate the action of the committee and ask that this legislation be given favorable consideration.

Mr. ANDERSON of California. Mr. Speaker, I have no further requests for time.

Mr. SNYDER. Mr. Speaker, I rise in support of this legislation. The chairman has well-explained it and the gentleman from Arkansas (Mr. Thornton) was before our committee and gave a very comprehensive explanation of the legislation.

Mr. JONES of Alabama. Mr. Speaker, I rise in support of H.R. 8508, a bill which would authorize the Secretary of Transportation to release restrictions on the use of certain property which was conveyed to the city of Camden, Ark., on August 5, 1954, for airport purposes.

The deed of conveyance was made on the condition that the property interest conveyed would revert to the United States if they were not used for airport purposes. In this particular case, the city of Camden would like to exchange approximately 2 acres of airport property for 2 acres of non-airport property in order to establish a necessary safety clear zone. But, since the 2 acres of airport property would "cease to be used for airport purposes," the city cannot exchange this land without a release by the Secretary, who in turn, cannot grant a release without the enactment of H.R. 8508.

I support this measure as in the best interests of the United States, of aviation, and of the people of Camden, Ark.

The SPEAKER pro tempore (Mr. McFall). The question is on the motion offered by the gentleman from California (Mr. Anderson) that the House suspend the rules and pass the bill (H.R. 8508), as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

RELEASE OF RESTRICTIONS—ALVA, OKLA.

Mr. ANDERSON of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 9617) to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Alva, Okla., for airport purposes, as amended.

The Clerk read as follows:

H.R. 9617

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding section 16 of the Federal Airport Act (as in effect on July 17, 1947), the Secretary of Transportation is authorized, subject to the provisions of section 4 of the Act of October 1, 1949 (50 App. U.S.C. 1622c) and the provisions of section 2 of this Act, to grant releases from any of the terms, conditions, reservations, and restrictions contained in the deed of conveyance dated July 17, 1947, under which the United States conveyed certain property to the city of Alva, Oklahoma, for airport purposes.

SEC. 2. Any release granted by the Secretary of Transportation under the first section of this Act shall be subject to the following conditions:

(1) The city of Alva, Oklahoma, shall agree that in conveying any interest in the property which the United States conveyed to the city by deed dated July 17, 1947, the city will receive an amount for such interest which is equal to the fair market value (as determined pursuant to regulations issued by such Secretary).

(2) Any such amount so received by the city shall be used by the city for the development, improvement, operation, or maintenance of a public airport.

The SPEAKER pro tempore (Mr. McFall). Is a second demanded?

Mr. SNYDER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. Anderson) and the gentleman from Kentucky (Mr. Snyder) are each recognized for 20 minutes.

The Chair now recognizes the gentleman from California (Mr. Anderson).

Mr. ANDERSON of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill, H.R. 9617, is necessary in order to permit the city of Alva, Okla., to use 233 acres of land conveyed by the United States to the city of Alva for purposes other than those for which the land was originally conveyed.

On July 17, 1947, the U.S. Government conveyed 640 acres to the city of Alva, Okla., to be used as an airport. In the deed of conveyance, the parties agreed that should the property be used for a nonairport purpose, then the land would revert back to the U.S. Government.

Today, this creates a problem, as the city of Alva would like to develop some of the airport property and establish an industrial park. Thus, on land actually not necessary for the operation of the airport, the city would like to put that portion to a beneficial use, and create jobs, and generate revenue.

However, this cannot be done unless this legislation—H.R. 9617—is enacted, permitting the Secretary to release the city of Alva from the restrictions contained in the deed of conveyance dated July 17, 1947.

Mr. Speaker, we conducted hearings on this proposal and our colleague, GLENN ENGLISH, who represents that area, made an eloquent and convincing statement of the need for this legislation.

By permitting the city to use a portion of this property for an industrial park, the people of Alva will be in a better position to attract industry, provide jobs, and increase revenues. The interests of the United States and of aviation are protected since fair market value must be used to develop, improve, operate, or maintain the airport.

Mr. Speaker, I yield at this time to the author of this legislation, the gentleman from Oklahoma (Mr. ENGLISH).

Mr. ENGLISH. Mr. Speaker, I would like to thank the members of the Committee on Public Works and Transportation for their assistance on this matter. I certainly feel that this is an action that would be most helpful to the people of western Oklahoma and would certainly be beneficial to the people of the city of Alva.

As the chairman stated, all revenues from this would go to assist the airport in Alva, Okla. I certainly urge its passage.

Mr. SNYDER. Mr. Speaker, this is similar in nature to the other five bills on the schedule. I rise in support of it, and I know of no objection to it. It is a good bill.

Mr. JONES of Alabama. Mr. Speaker, I rise in support of H.R. 2575, a bill to permit the Secretary to release restrictions contained in the deed of conveyance dated March 20, 1947, in which the Federal Government granted 223 acres to the city of Algona, Iowa for airport purposes.

This measure is necessary, Mr. Speaker, in order to permit the city of Algona to use a portion of that property, 60 acres—for its most efficient and beneficial use—in this case light industry, to provide jobs and revenue for the people of this area.

I support this measure and urge my colleagues to adopt H.R. 2575.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ANDERSON) that the House suspended the rules and pass the bill H.R. 9617, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

FEDERAL AVIATION ACT TARIFF CHANGES

Mr. ANDERSON of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7017) to amend the Federal Aviation Act of 1958 relating to tariff changes, as amended.

The Clerk read as follows:

H.R. 7017

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first sentence of section 403(c) of the Federal Aviation Act of 1958 (49 U.S.C. 1373) is amended to read as follows: "No change shall be made in any rate, fare, or charge, or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, specified in any effective tariff—

"(1) of any air carrier, or foreign air carrier, directly engaged in the operation of aircraft if such rate, fare, or charge is for the carriage of property in air transportation, except after sixty days' notice of the proposed change filed, posted, and published in accordance with subsection (a) of this section; and

"(2) (A) of any air carrier, or foreign air carrier, if such rate, fare, or charge is for the carriage of persons in air transportation, or (B) of any air carrier, or foreign air carrier, not directly engaged in the operation of aircraft if such rate, fare, or charge is for the carriage of property in air transportation, except after forty-five days' notice of the proposed change filed, posted, and published in accordance with subsection (a) of this section.".

(b) The first sentence of section 1002(g) of such Act (49 U.S.C. 1482) is amended by inserting "at least fifteen days before the day on which such tariff would otherwise go into effect" immediately after "and delivering to the air carrier affected thereby".

SEC. 2. (a) The amendment made by subsection (a) of the first section of this Act shall apply to any tariff change filed by any air carrier or foreign air carrier in accordance with section 403(c) of the Federal Aviation Act of 1958 after the thirtieth day after the date of enactment of this Act.

(b) The amendment made by subsection (b) of the first section of this Act shall apply to any tariff change filed by any air carrier for interstate or overseas air transportation in accordance with section 403(c) of the Federal Aviation Act of 1958 after the thirtieth day after the date of enactment of this Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. SNYDER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. pro tempore. The gentleman from California (Mr. ANDERSON) and the gentleman from Kentucky (Mr. SNYDER) will be recognized for 20 minutes each.

The Chair recognizes the gentleman from California.

Mr. ANDERSON of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 7017 is designed to insure that customers of airlines receive adequate notice of changes in airline fares.

Under present law, the CAB is permitted to issue its decision on fare changes any time before the effective date of a change. The Board has frequently waited until the last minute to issue its decision, and this has led to public confusion and a need for extra payments or refunds from passengers who purchased tickets in advance.

A recent example of these problems occurred during the last week in January. On Thursday of that week the CAB announced that it would permit a 1 percent fare increase. A number of airlines put the increase into effect on Sunday, only 3 days after the CAB's decision. The last minute CAB decision led to considerable confusion among passengers and travel agents. Passengers who had bought their tickets in advance had to pay an extra fare at the gate.

H.R. 7017 would help avoid these problems by requiring the CAB to issue its decision on fare changes at least 15 days before the effective date of a change.

To insure adequate public notice and adequate time for CAB review, H.R. 7017 would also extend the date for air carriers to file proposed rate changes with the CAB.

The present law requires changes to be filed 30 days before the effective date.

H.R. 7017 would require air carriers to file changes in passenger rates 45 days in advance of the effective date. For freight rates, H.R. 7017 would require direct air carriers to file 60 days in advance of the effective date. Indirect air carriers, who consolidate goods and ship on direct air carriers, would be required to file their rate changes 45 days in advance. The rates of indirect air carriers are largely based on the rates of direct air carriers and the 15 day lag would permit the indirect carriers to respond to changes in direct carrier rates.

Mr. Speaker, I urge passage of this needed legislation.

Mr. SNYDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do rise in support of the pending bill, H.R. 7017. Here we have a very simple bill, one which all will agree is a constructive step. As the chairman has noted, H.R. 7017 provides 15 days of public notice before new air passenger and freight rates can go into effect.

I am sure we all have had occasion to complain about inadequate notice of air fare changes. Heretofore, revised air fares went into effect immediately upon the expiration of the 30-day period for action by the Civil Aeronautics Board—if the Board chose not to act. The public was confronted with an accomplished fact—with no provision for getting the word around prior to the effective date. It seems to me that we are talking about a matter of simple courtesy. Surely it is only fair that the public be given prior notice when air fares are revised.

An important aspect of this bill is the fact that it places air freight forwarders, the so-called indirect carriers, on a par with direct air freight carriers, the airlines, in terms of the effective date of their rate changes. This is accomplished by requiring the direct carriers to file for new rates 60 days in advance of their effective date. The indirect carriers then can recompute their rates and file 45 days prior to the effective date. The result is that the two sets of rates can go into effect on the same date—both with the new 15-day notice period. Heretofore, the indirect carriers were placed in the difficult position of having to recompute their rates after the direct carriers filed theirs. For this reason, under the 30-day provision, the new rates of the indirect carriers could not go into effect until a week or more after the rates of the direct carriers. This simply is unfair and all members of the committee recognize it as a legitimate hardship.

I urge my colleagues to support the pending bill.

Mr. JONES of Alabama. Mr. Speaker, I rise in support of H.R. 7017. Although the subject matter of the bill is technical and complex, the problem it addresses is a real source of annoyance to millions of airline passengers and shippers. Under the present procedures, passengers and shippers frequently have to wait until the last minute to learn whether fare changes proposed by the airlines will take effect. When a proposed change does not take effect, passengers may have to make extra payments at the gate or file for refunds. H.R. 7017 will insure that the Civil Aeronautics Board decides whether to allow a fare charge no later than 15 days in advance of the change. This period of advance notice should reduce considerably the last minute confusion which occurs under the present system.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. ANDERSON) that the House suspend the rules and pass the bill H.R. 7017, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

FEDERAL AVIATION ACT—EMERGENCY LOCATOR TRANSMITTERS

Mr. ANDERSON of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8228) to amend the Federal Aviation Act of 1958 relating to emergency locator transmitters, and for other purposes, as amended.

The Clerk read as follows:

H.R. 8228

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 601(d) of the Federal Aviation Act of 1958 (49 U.S.C. 1421), relating to emergency locator transmitters, is amended as follows:

(1) In paragraph (1), immediately before ", minimum standards" insert the following: "and except as provided in paragraph (3) of this subsection".

(2) By adding at the end thereof the following new paragraph:

"(3) The Administrator shall issue regulations which permit, subject to such limitations and conditions as he prescribes in such regulations, the operation of any aircraft equipped with an emergency locator transmitter during any period for which such transmitter has been removed from such aircraft for inspection, repair, modification, or replacement.".

(b) (1) Section 601 of such Act is amended by relettering subsection (d), relating to aviation fuel standards, as subsection (e).

(2) Any reference to such relettered subsection (e) shall be relettered accordingly.

(c) That portion of the table of contents contained in the first section of such Act which appears under the side heading

"Sec. 601. General safety powers and duties." is amended by striking out

"(d) Aviation fuel standards."

and by inserting in lieu thereof the following:

"(d) Emergency locator transmitters.
"(e) Aviation fuel standards.".

The SPEAKER pro tempore. Is a second demanded?

Mr. SNYDER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. ANDERSON) will be recognized for 20 minutes, and the gentleman from Kentucky (Mr. SNYDER) will be recognized for 20 minutes.

The Chair recognizes the gentleman from California (Mr. ANDERSON).

Mr. ANDERSON of California. Mr. I yield myself such time as I may consume.

Mr. Speaker, the purpose of H.R. 8228, as reported, is to provide the Administrator of the Federal Aviation Administration increased flexibility, without compromising safety, in carrying out the law—first enacted in 1970—which required that emergency locator transmitters be installed on certain civil aircraft.

As reported, the bill requires the Administrator to issue regulations permitting the operation of civil aircraft—which are subject to the requirement—during any period for which the transmitter has been removed for inspection, repair, modification, or replacement.

The Federal Aviation Regulation—FAR—requiring an operable ELT on certain civil aircraft was adopted in response to a mandate from Congress (Public Law 91-596). This regulation, which carried out the intent of Public Law 91-596, prohibits the operation of airplanes subject to the law unless there is an operable automatic type emergency locator transmitter. The mandatory date for compliance was June 30, 1974, in accordance with Public Law 93-239, which extended the original date. There was no provision made in the two statutes to permit the operation of an airplane, subject to the ELT requirement when an installed ELT becomes inoperative. The FAA, then, cannot by regulation provide for flexibility in the ELT requirement.

This lack of flexibility has caused problems. For example, following installation of some 27,000 units built by one manufacturer, a high rate of inadvertent activations was experienced. Examination revealed that internal corrosion was evident, causing the transmitter to activate indicating that an emergency existed. When a number of units were found to be defective, an airworthiness directive—AD—was issued by FAA to require the removal and return to the manufacturer of some 27,000 units. This AD, therefore, in effect, required the grounding of some 27,000 aircraft, since there were not enough units available to replace those removed pending inspection and correction by the manufacturer. Current reports from airplane owners and ELT manufacturers indicate that time required to remove, repair, and reinstall a defective unit runs from 3 weeks to 2 months. The variation is dependent on the location of the owner and the backlog of the manufacturer. The airplanes that may be grounded have a variety of uses. Many are used for business and personal transportation while others are used for pilot training.

Provisions should be made in the law that would allow the continued operation of the airplane while the ELT is being repaired, inspected, modified, or replaced. Such provision in the law as is contained in H.R. 8228 would permit the FAA to maintain an adequate level of safety and to carry out the broad intent of the statutory requirement without causing unnecessary hardship due to inflexibility existing in the present law.

Mr. SNYDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a good bill. It is a necessary bill. And it does not cost the taxpayers a cent. As the chairman has indicated, H.R. 8228 merely authorizes the FAA Administrator to promulgate regulations under which aircraft which are required to be equipped with emergency locator transmitters—ELT's—may be moved in the event their ELT's have been removed for inspection, repair, modification, or replacement.

I want to emphasize that this legislation does not dilute or otherwise affect the statutory requirement that certain categories of aircraft shall be equipped with ELT's We are simply providing needed flexibility to cover those situations when, under the existing law, an aircraft with an inoperable ELT is in effect grounded. We have discovered that the inflexible statute now on the books has resulted in severe hardship in many cases and we believe that H.R. 8228 will provide the relief which we are convinced is justified by the facts.

All affected parties support this bill—including the FAA, the aviation community, and all members of the Committee on Public Works and Transportation. I urge all of my colleagues to support this constructive solution to a vexing problem.

Mr. Speaker, I would like to take just a moment to say that concerning all of these bills on which we have moved rather rapidly through the House today we held extensive and exhaustive hearings, and we went into the details and rewrote the bills which had to do with waiving the restrictions in order to see that aviation would be protected.

Mr. Speaker, I want to express my personal appreciation to the chairman of the subcommittee, the gentleman from California (Mr. ANDERSON), and the chairman of the full committee, the gentleman from Alabama (Mr. JONES) for the consideration the minority had during the deliberations on these bills. The hearings were fair, and I think they were extensive. I am grateful for their consideration, and I wish to publicly express my appreciation.

Mr. ANDERSON of California. Mr. Speaker, I yield myself 1 minute.

Mr. Chairman, I thank my colleague, the gentleman from Kentucky (Mr. SNYDER), for his remarks, and I want to compliment the ranking minority member for the time, effort, and great expertise he brought in working on these bills. He is the expert; he is the pilot; he has a firsthand, intimate knowledge of the problems facing the aviation community. I am a layman, so I rely on him and his judgment on many of these problems. So, I want to commend the gentleman for the tremendous cooperation the committee has had from him, and for the knowledge and ability he brings to the committee in the field of aviation.

We did hold extensive hearings, and these measures came out of our committee unanimously.

Mr. JONES of Alabama. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of California. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. Mr. Chairman, before we take leave of the various bills that have just been considered and passed, I certainly think it would be in order for me as chairman of the Committee on Public Works and Transportation to commend the distinguished gentleman from California (Mr. ANDERSON) and the distinguished gentleman from Kentucky (Mr. SNYDER) and the members of the subcommittee, inasmuch as they have been wholly and totally dedicated to their examinations of the propositions that have been placed before us and that have been considered today.

To me this is a very rewarding and satisfying exhibition of what can be accomplished by Members who are earnest in their efforts and who apply themselves and who bring forward important and significant legislation for the better building of a greater Republic. They are to be commended, and it is a wholesome day for all of us in the House of Representatives to witness efforts such as have been exhibited here today.

Mr. ANDERSON of California. Mr. Speaker, I thank the chairman of the committee, Mr. JONES, for his remarks; but more importantly, I want to thank him for his outstanding leadership and nonpartisan efforts on behalf of this country.

He is an example to all of us, and his attitude toward the many problems which face this Nation serve as an inspiration to all of us in this Chamber.

It is a very real pleasure to serve with my chairman, BOB JONES, and a great experience.

Mr. JONES of Alabama. Mr. Speaker, I rise in support of H.R.8228, a proposal which would permit the temporary operation of aircraft, which are subject to the law requiring an operable emergency locator transmitter, while that transmitter is being inspected, repaired, modified, or replaced.

At present, functioning ELT's are required by law in all U.S. civil aircraft, with certain exceptions such as scheduled airliners, turbojets, and single place airplanes. The locators are used to guide rescuers to the scene of an accident and the FAA now has no option but to ground planes that do not have ELT's in working order.

Because of this requirement, some 27,000 planes were effectively grounded when a number of ELT units built by one manufacturer were found to be defective and all units of that make had to be removed and returned to the manufacturer—who did not have enough units on hand to replace the originals.

Current reports from airplane owners and ELT manufacturers indicate that the time required to remove, repair, and reinstall a defective unit is approximately 3 weeks to 2 months.

The FAA official noted that the planes that have been, and could be, grounded under existing statutory requirements include many that are used for business and personal transportation and for pilot training.

He said:

> Considering the number of aircraft involved and the variety of uses to which they are put, considerable hardship will continue unless a reasonable measure of relief is forthcoming.

Any regulated relaxation of the ELT requirements would be "no greater than is necessary" and that limitation might include a requirement that a plane permitted to operate without a working ELT must be on a visual or instrument rule flight plan.

I wish to commend the members of the Public Works and Transportation Committee for their work on this proposal—especially DALE MILFORD and BARRY GOLDWATER, who brought their expertise and intimate knowledge of the situation to the attention of the committee, and, of course, Mr. ANDERSON, the chairman of the Aviation Subcommittee, and Mr. SNYDER, the ranking minority member of the subcommittee, for their diligence and hard work in producing this legislation which has the support of the aviation community and the administration.

Mr. Speaker, this legislation—H.R. 8228—is necessary to relieve this hardship and I urge the House to adopt this measure.

Mr. GOLDWATER. Mr. Speaker, I want to commend the chairman of our Aviation Subcommittee, Mr. ANDERSON, as well as other subcommittee members, who recognized the serious problems pilots face with the so-called emergency locator transmitter and responded forthrightly and quickly.

This is not a complex bill, but it addresses a very complex problem. Literally thousands of pilots nationwide have been inconvenienced as a result of a technical failure of their ELT equipment. This is a classic example of Congress mandating a standard without first investigating the ability of both industry and the Government to achieve the scientific and technical proficiency necessary to achieve that standard.

Accordingly, the Federal Aviation Administration has no authority to deviate from the mandatory ELT carriage requirements even when good and sufficient technical reasons exist and safety would not be derogated.

On May 19, 1975, I introduced H.R. 7064 for the purpose of giving the FAA the necessary flexibility to administer the ELT requirement. The bill before us today embodies the intent of my original bill, and in my judgment, it offers a reasonable and sound approach to this problem. I urge the passage of H..R 8228.

The SPEAKER pro tempore (Mr. MCFALL). The question is on the motion offered by the gentleman from California (Mr. ANDERSON) that the House suspend the rules and pass the bill, H.R. 8228, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bills, H.R. 1313, H.R. 2575, H.R. 2740, H.R. 3440, H.R. 8508, H.R. 9617, H.R. 7017, and H.R. 8228, which have been passed today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

AGRICULTURAL CENSUS

Mrs. SCHROEDER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7824) to amend section 142 of title 13, United States Code, entitled "Census," as amended.

The Clerk read as follows:

H.R. 7824

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 142 of title 13, United States Code, is amended to read as follows:

"§ 142. Agriculture, irrigation, and drainage

"(a) The Secretary shall in 1979, in 1983, and in every fifth year beginning after 1983, take a census of agriculture.

"(b) In conjunction with the census to be taken under subsection (a) of this section in 1979, in 1988, and every tenth year beginning after 1988, the Secretary shall take a census of irrigation and drainage.

"(c) The data collected in each of the censuses taken under this section shall relate to the year immediately preceding the year in which such census is taken.".

SEC. 2. The statistical classification of farms in effect on January 1, 1975, with respect to censuses taken under section 142 of title 13, United States Code, shall be effective through June 30, 1976, and any statistical report issued on or before June 30, 1976, with respect to any such census shall reflect such classification, but may also include additional classifications as deemed appropriate by the Secretary.

The SPEAKER pro tempore. Is a second demanded?

Mr. SYMMS. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentlewoman from Colorado (Mrs. SCHROEDER) will be recognized for 20 minutes and the gentleman from Idaho (Mr. SYMMS) will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Colorado (Mrs. SCHROEDER).

Mrs. SCHROEDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 7824 has two purposes. First, it changes the timing of the agriculture census so that it will no longer conflict with the taking of the population census. In changing the date of the agriculture census to years ending in 3 and 8, we will allow the Bureau of the Census to use its limited resources much more efficiently.

Second, this bill would reinstate through June 30, 1976, the Census Bureau's definition of a farm which was in effect prior to August of 1975. At that time, the Bureau of the Census and the Department of Agriculture jointly announced the adoption of a new definition of the term "farm" for census purposes. Under the old definition, a "farm" included any place which produced agricultural goods selling for at least $250 in a year, or any place measuring at least 10 acres and producing at least $50 in agricultural goods. Under the new definition, a "farm" includes only places which produce at least $1,000 worth of agricultural goods a year.

The eventual effects of this change in definition are unknown. The Bureau of the Census makes a point that it is in the business of collecting statistics, and purposefully stays away from making policy decisions. The Bureau of the Census does not make value judgments as to the desirability or the public policy ramifications of dropping up to 400,000 establishments from its official role of farms.

The Bureau of the Census does have an Advisory Committee for the Census of Agriculture, but there is little congressional involvement in that effort.

I believe that the Congress should assert itself in this area, become involved in proposed definitional changes, and make its will felt in terms of policy. Therefore, in order to give Congress sufficient time to assess fully the consequences of the new change in the farm definition, section 2 reinstates this old definition through June 30, 1976.

My subcommittee will be holding further hearings into this matter in the coming months.

For those of us who represent urban areas, I would like to emphasize that what happens to the family farms in the country is of vital concern to everyone. From my own experience, I can assure you that quite a few of my present constituents in Denver are former farmers, many of whom are in Denver because of necessity, not by choice. And, in many instances, it is the Government policy which has driven them off the farm.

This legislation has no effect on the costs of conducting the agriculture census. What section 1 does is simply move up by 1 year the cycle of funding. Finally, the administration supports H.R. 7824 as amended.

Mr. Speaker, I yield such time as he may consume to the gentleman from North Carolina (Mr. ROSE).

Mr. ROSE. Mr. Speaker, I want to rise in strong support of H.R. 7824 and to compliment my colleague, the gentlewoman from Colorado (Mrs. SCHROEDER), for her efforts in providing in section 2 of this bill for a little breathing spell on the redefinition of what is a "farm."

The gentleman from Louisiana (Mr. LONG) and the gentleman from Georgia (Mr. YOUNG) came before my Subcommittee on Family Farms and Rural Development and pointed out to the members of my subcommittee that if this redefinition of what is a farm is allowed to go through, 570,000 farms in this country will be redefined out of existence.

Mr. Speaker, 25 percent of the farms in my State of North Carolina will be redefined out of existence. As unusual as it may seem, when we eliminate all of the farmers below $1,000 a year in income, the average income of the American farmer takes an amazing $2,000 a year statistical leap.

There are many of us who are concerned that those who are not counted in rural America will soon not be remembered. By adding section 2 to this bill, the gentlewoman from Colorado (Mrs. SCHROEDER) and her subcommittee are giving those of us in agricultural committees and other committees of this Congress just a little added breathing time to look at what the ramifications will be of redefining what is a farm.

Mr. Speaker, I happen to believe very strongly that the family farm is a way of life in this country. Especially in the South, which I am so familiar with, literally thousands and thousands of our people do not make very much in agriculture and do not produce $1,000 worth of products for sale outside of what they give to their family; and we need, in my opinion, to reconsider them as farmers as much as we consider the corporate farms, the high-efficiency farms that are throughout this great Nation of ours and are seemingly being called on more and more to serve the American dollar.

Mr. Speaker, I thank the gentlewoman from Colorado (Mrs. SCHROEDER) for this proposition, and I hope that my colleagues will strongly support it.

Mr. ROUSSELOT. Mr. Speaker, H.R. 7824 amends section 142 of title 13, United States Code, to provide for the census of agriculture to be taken in 1979, then in 1983, and every fifth year thereafter and for the census of irrigation and drainage to coincide with the census of agriculture in 1979 and in 1988, and every 10th year.

An amendment to H.R. 7824 was adopted in committee which suspends the Bureau of Census' new definition of farm until July 1, 1976. The Bureau's new definition increases from $250 a year to $1,000 the amount of farm products which must be produced during a year to qualify as a farm. Since the new definition received considerable criticism from Members of Congress, this provision will give the Congress the necessary breathing spell to make its own determination as to the advisability of changing the definition of a farm.

The major purpose for this legislation is to change the agricultural census date so that by 1982 the data produced from the census of agriculture will coincide with economic census data taken that year and every fifth year thereafter. The Bureau of the Census has assured us that there is no intention to combine the census of agriculture and the economic censuses, but rather to merely conduct them concurrently so as to provide data for the same calendar year. This would provide data for the same reference period and permit data users to trace the flows of agricultural activity through the production, manufacturing, and distributive channels of the economy in a more meaningful fashion. These data, we are advised, are essential to a better understanding of how the changing economic structures affect the traditional agricultural production universe. The Bureau of the Census intends to match and link suppliers and services for the agricultural sector with agriculture production, and in turn, the production with the processing and marketing of agricultural commodities.

Taking the census of agriculture in the same year as the economic censuses will enable the Bureau to use its resources more effectively. Under the present law, the agriculture census taken in years ending in 0, for calendar years ending in 9, create priority conflicts in the use of personnel and equipment because of competition with the decennial censuses of population and housing. This will not be the case when the agriculture censuses are taken concurrently with the economic censuses. The sheer magnitude of a decennial census in handling literally the millions of pieces of paper associated with such a massive undertaking creates such a demand for computer capacity that the maximum resources of the Bureau must be made available in order to meet the stringent time schedules. By shifting the timing of the agriculture census to coincide with the economic censuses, there will be no conflict as the economic censuses workload demands are less taxing on the Bureau's capacity. Moreover, it will facilitate the shifting of personnel from one census program to another as different census workloads peak and subside.

In short, Mr. Speaker, this legislation provides for a more efficient Bureau of the Census, and I fully endorse the passage of H.R. 7824.

Mr. DERWINSKI. Mr. Speaker, I rise in support of H.R. 7824, a bill to change the years in which the agriculture census is conducted. This is an administration request and money is provided in the President's fiscal year 1977 budget.

Under existing law, the agriculture census is conducted every 5 years—with years ending in 5 and 0. This bill changes that to years ending in 3 and 8, except the next agriculture census will be conducted in 1979.

The reasons for the change are twofold. First, the change would avoid the tremendous workload occasioned by the taking of the agriculture census in the same year as the decennial census. Second, the change would provide agricultural data covering the same year as the data compiled in the economic census of manufacturing, mining, and industry, and thereby provide comparable data for evaluation of the Nation's economic and agricultural status.

In addition, this measure would be of added benefit to the Bureau of the Census, if and when a mid-decade census bill is enacted into law.

Another provision of the bill suspends a new definition of the term, "farm," for census purposes, and replaces it with the definition which was in effect on January 1, 1975.

This amendment was adopted in committee in recognition of a number of complaints raised by Members of Congress who objected to the change in definition and the procedure used in changing the definition because they were not informed in advance.

This amendment will allow the respective committees of Congress charged with the jurisdiction of census matters a reasonable period of time, until July 1, 1976, in which to study the possible effects of this change in the definition of a farm.

Mr. Speaker, the administration supports this bill. Therefore, since there is some urgency that we pass this bill today because it must be signed into law by the end of February if the new time schedule is to be implemented at the Bureau of the Census, I urge prompt approval.

Mrs. **SCHROEDER**. Mr. Speaker, I have no further requests for time.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentlewoman from Colorado (Mrs. Schroeder) that the House suspend the rules and pass the bill H.R. 7824, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to amend section 142 of title 13, United States Code, to change the date for taking censuses of agriculture, irrigation, and drainage, and for other purposes."

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The **SPEAKER**. Debate has been concluded on all motions to suspend the rules.

Pursuant to the provisions of clause 3 (b), rule XXVII, the Chair will now put the question on each motion, on which further proceedings were postponed, in the order in which that motion was entertained.

Votes will be taken in the following order:

H.R. 11233, by the yeas and nays;

H.R. 11455 (de novo); and

H.R. 11645, by the yeas and nays.

EXTENSION OF LIBRARY SERVICES AND CONSTRUCTION ACT

The **SPEAKER**. The unfinished business is the question of suspending the rules and passing the bill, H.R. 11233.

The Clerk read the title of the bill.

The **SPEAKER**. The question is on the motion offered by the gentleman from Indiana (Mr. Brademas) that the House suspend the rules and pass the bill, H.R. 11233, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 378, nays 7, not voting 47, as follows:

[Roll No. 56]

YEAS—378

Abdnor
Abzug
Adams
Addabbo
Alexander
Allen
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashbrook
Ashley
AuCoin
Badillo
Bafalis
Baldus
Baucus
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bennett
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burton, John
Burton, Phillip
Butler
Carney
Carter
Chappell
Chisholm
Clancy
Clausen, Don H.
Clawson, Del
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Conlan
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Derwinski
Devine
Dickinson
Diggs
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Duncan, Oreg.
Duncan, Tenn.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Emery
English
Erlenborn
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Fisher
Fithian
Flood
Florio
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fuqua
Gaydos
Giaimo
Gibbons
Gilman
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Grassley
Green
Gude
Guyer
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Hicks
Hightower
Hillis
Holland
Holt
Holtzman
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Jacobs
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Karth
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Kindness
Koch
Krebs
Krueger
LaFalce
Lagomarsino
Landrum
Latta
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
McClory
McCloskey
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, NY.
Perkins
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Roush
Rousselot
Runnels
Ruppe
Russo
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schneebeli
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Sikes
Simon
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steelman
Steiger, Wis.
Stokes
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, C. H.
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—7

Bauman
Burlison, Mo.
Collins, Tex.
Crane
McDonald
Shuster
Symms

NOT VOTING—47

Aspin
Barrett
Bergland
Bolling
Bonker
Buchanan
Burke, Fla.
Byron
Carr
Cederberg
Drinan
Eilberg
Esch
Eshleman
Findley
Fish
Flowers
Hansen
Harsha
Hayes, Ind.
Henderson
Hinshaw
Horton
Ichord
McCollister
Mathis
Metcalfe
Mills
Ottinger
Pepper
Pettis
Peyser
Rhodes
Rodino
Rostenkowski
Roybal
Ryan
Sisk
Steed
Steiger, Ariz.
Stephens
Stratton
Taylor, N.C.
Teague
Udall
Wilson, Bob
Young, Alaska

The Clerk announced the following pairs:

Mr. Eilberg with Mr. Harsha.
Mr. Rodino with Mr. Horton.
Mr. Barrett with Mr. Bob Wilson.
Mr. Drinan with Mr. McCollister.
Mr. Mills with Mr. Hansen.
Mr. Metcalfe with Mr. Fish.
Mr. Roybal with Mr. Eshleman.
Mr. Udall with Mr. Buchanan.
Mr. Taylor of North Carolina with Mr. Burke of Florida.
Mr. Stratton with Mr. Steiger of Arizona.
Mr. Rostenkowski with Mr. Young of Alaska.
Mr. Carr with Mr. Esch.
Mr. Bergland with Mr. Findley.
Mr. Byron with Mr. Cederberg.
Mr. Aspin with Mr. Bonker.
Mr. Ichord with Mr. Mathis.
Mr. Ottinger with Mrs. Pettis.
Mr. Pepper with Mr. Peyser.
Mr. Hayes of Indiana with Mr. Henderson.
Mr. Flowers with Mr. Ryan.
Mr. Sisk with Mr. Steed.
Mr. Stephens with Mr. Teague.

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. **BRADEMAS**. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed, H.R. 11233, and also on H.R. 11045, and to include extraneous matter.

The **SPEAKER**. Is there objection to the request of the gentleman from Indiana?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 3(b)(3) of rule XXVII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all the additional motions to suspend the rules on which the Chair has postponed further proceedings.

INDIANA DUNES NATIONAL LAKESHORE ACT AMENDMENTS

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill (H.R. 11455).

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from North Carolina (Mr. TAYLOR) that the House suspend the rules and pass the bill (H.R. 11455).

The question was taken.

Mr. SKUBITZ. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 272, nays 118, answered "present" 1, not voting 41, as follows:

[Roll No. 57]

YEAS—272

Abzug
Adams
Addabbo
Alexander
Ambro
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Ashley
AuCoin
Badillo
Baldus
Baucus
Beard, R.I.
Bedell
Bennett
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brodhead
Brooks
Brown, Calif.
Buchanan
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Burton, Phillip
Byron
Carney
Carr
Chappell
Chisholm
Clausen, Don H.
Clay
Cleveland
Cohen
Collins, Ill.
Conte
Conyers
Corman
Cornell
Cotter
Coughlin
Daniels, N.J.
Danielson
de la Garza
Delaney
Dellums
Dent
Derwinski
Diggs
Dingell
Dodd
Downey, N.Y.
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Calif.
Emery
Erlenborn
Evans, Colo.
Evans, Ind.
Fary
Fascell
Findley
Fisher
Fithian
Flood
Florio
Foley
Ford, Mich.
Ford, Tenn.
Fraser
Frenzel
Fuqua
Giaimo
Gibbons
Ginn
Gonzalez
Green
Gude
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Harkin
Harrington
Harris
Hawkins
Hays, Ohio
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks
Hightower
Hillis
Holland
Holtzman
Howard
Howe
Hubbard
Hyde
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Jones, Ala.
Jones, N.C.
Jordan
Karth
Kasten
Kastenmeier
Kazen
Keys
Koch
Krebs
LaFalce
Lagomarsino
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Long, La.
Long, Md.
McClory
McCloskey
McCormack
McDade
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Maguire
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Mikva
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Morgan
Mosher
Moss
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Natcher
Neal
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pickle
Pike
Poage
Preyer
Price
Pritchard
Railsback
Rangel
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Roberts
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Roush
Ruppe
Russo
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Schroeder
Sebelius
Seiberling
Sharp
Shipley
Sikes
Simon
Slack
Smith, Iowa
Solarz
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steelman
Steiger, Wis.
Stokes
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, N.C.
Thompson
Traxler
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waxman
Weaver
Whalen
White
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff
Wright
Yates
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—118

Abdnor
Allen
Archer
Armstrong
Ashbrook
Bafalis
Bauman
Beard, Tenn.
Bell
Bevill
Brinkley
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill
Burgener
Burleson, Tex.
Butler
Carter
Clancy
Clawson, Del
Cochran
Collins, Tex.
Conable
Conlan
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Davis
Derrick
Devine
Dickinson
Downing, Va.
du Pont
Edwards, Ala.
English
Fenwick
Flynt
Forsythe
Fountain
Frey
Gaydos
Gilman
Goldwater
Goodling
Gradison
Grassley
Guyer
Hagedorn
Hefner
Holt
Hughes
Hungate
Hutchinson
Jarman
Johnson, Colo.
Johnson, Pa.
Jones, Okla.
Jones, Tenn.
Kelly
Kemp
Ketchum
Kindness
Krueger
Landrum
Latta
Lloyd, Tenn.
Lott
Lujan
McDonald
McEwen
Madigan
Mahon
Mann
Martin
Michel
Milford
Miller, Ohio
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Myers, Ind.
Myers, Pa.
Nichols
Pressler
Quie
Quillen
Randall
Risenhoover
Robinson
Rousselot
Runnels
Satterfield
Schneebeli
Schulze
Shriver
Shuster
Skubitz
Smith, Nebr.
Snyder
Spence
Symms
Taylor, Mo.
Thone
Thornton
Treen
Waggonner
Walsh
Wampler
Whitehurst
Whitten
Wiggins
Winn
Wydler
Wylie
Young, Fla.

ANSWERED "PRESENT"—1

Evins, Tenn.

NOT VOTING—41

Aspin
Barrett
Bergland
Bolling
Burke, Fla.
Cederberg
Drinan
Eilberg
Esch
Eshleman
Fish
Flowers
Hansen
Harsha
Hayes, Ind.
Henderson
Hinshaw
Horton
Ichord
McCollister
Mathis
Metcalfe
Mills
Pepper
Pettis
Peyser
Rhodes
Rodino
Rostenkowski
Roybal
Ryan
Sisk
Spellman
Steed
Steiger, Ariz.
Stephens
Stratton
Teague
Udall
Wilson, Bob
Young, Alaska

The Clerk announced the following pairs:

Mr. Rostenkowski with Mrs. Pettis.
Mr. Stephens with Mr. Young of Alaska.
Mr. Rodino with Mr. Peyser.
Mr. Udall with Mr. Horton.
Mr. Teague with Mr. Harsha.
Mr. Eilberg with Mr. Esch.
Mr. Aspin with Mr. Cederberg.
Mr. Flowers with Mr. Burke of Florida.
Mrs. Spellman with Mr. Fish.
Mr. Sisk with Mr. Eshleman.
Mr. Ryan with Mr. Hansen.
Mr. Ichord with Mr. Bob Wilson.
Mr. Hayes of Indiana with Mr. Steiger of Arizona.
Mr. Drinan with Mr. McCollister.
Mr. Bergland with Mr. Stratton.
Mr. Barrett with Mr. Roybal.
Mr. Mills with Mr. Metcalfe.
Mr. Pepper with Mr. Mathis.
Mr. Steed with Mr. Henderson.

Mr. WYDLER changed his vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended, and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

LIBRARY OF CONGRESS MADISON MEMORIAL BUILDING

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill, H.R. 11645.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Wyoming (Mr. RONCALIO) that the House suspend the rules and pass the bill, H.R. 11645, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 342, nays 48, not voting 42, as follows:

[Roll No. 58]

YEAS—342

Abdnor
Abzug
Adams
Addabbo
Alexander
Allen
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Armstrong
Ashley
AuCoin
Badillo
Bafalis
Baldus
Baucus
Beard, R.I.
Bedell
Bell
Bennett
Bevill
Biaggi
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Calif.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton, John
Burton, Phillip
Butler
Carr
Carter
Chappell
Chisholm
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Conlan
Conte
Conyers
Corman
Cornell
Coughlin
Crane
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Danielson
Davis
de la Garza
Delaney
Dellums
Dent
Derrick
Derwinski
Dickinson
Diggs
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Ala.
Edwards, Calif.
Emery
English
Erlenborn
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Findley
Fisher
Fithian
Flood
Florio
Flynt
Foley
Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Fraser
Frenzel
Fuqua
Gibbons
Ginn
Goldwater
Gonzalez
Goodling
Gradison
Green
Gude
Hagedorn
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hannaford
Harrington
Harris
Hawkins
Hébert
Hechler, W. Va.
Heckler, Mass.
Hefner
Heinz
Helstoski
Hicks
Hightower
Hillis
Holland
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Jarman
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Johnson, Pa.
Jones, Ala.

Jones, N.C.
Jones, Tenn.
Jordan
Karth
Kasten
Kastenmeier
Kazen
Kelly
Kemp
Ketchum
Keys
Koch
Krebs
LaFalce
Lagomarsino
Landrum
Leggett
Lehman
Lent
Levitas
Litton
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lujan
McClory
McCloskey
McCormack
McEwen
McFall
McHugh
McKay
McKinney
Macdonald
Madden
Madigan
Maguire
Mahon
Mann
Martin
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Michel
Mikva
Milford
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moore
Moorhead, Calif.
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patman, Tex.
Patten, N.J.
Patterson, Calif.
Pattison, N.Y.
Perkins
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Quie
Railsback
Rees
Regula
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Roush
Runnels
Ruppe
Russo
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Scheuer
Schroeder
Schulze
Sebelius
Seiberling
Sharp
Shipley
Shriver
Shuster
Sikes
Simon
Slack
Smith, Nebr.
Snyder
Solarz
Spellman
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steelman
Steiger, Wis.
Stokes
Stuckey
Studds
Sullivan
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Wampler
Waxman
Weaver
Whalen
White
Whitehurst
Whitten
Wiggins
Wilson, Tex.
Winn
Wirth
Wolff
Wright
Wylie
Yates
Yatron
Young, Fla.
Young, Ga.
Zablocki
Zeferetti

NAYS—48

Ambro
Anderson, Calif.
Archer
Ashbrook
Bauman
Beard, Tenn.
Byron
Carney
Clancy
Clay
Collins, Tex.
Cotter
Devine
Duncan, Tenn.
Frey
Gaydos
Giaimo
Gilman
Grassley
Guyer
Harkin
Hays, Ohio
Holt
Holtzman
Jacobs
Jones, Okla.
Kindness
Krueger
Latta
Lott
McDade
McDonald
Miller, Ohio
Montgomery
Mottl
Murtha
Myers, Ind.
Obey
Quillen
Randall
Rousselot
Schneebeli
Skubitz
Smith, Iowa
Spence
Symms
Wilson, C. H.
Wydler

NOT VOTING—42

Aspin
Barrett
Bergland
Bolling
Burke, Fla.
Cederberg
Drinan
Eilberg
Esch
Eshleman
Fish
Flowers
Hansen
Harsha
Hayes, Ind.
Henderson
Hinshaw
Horton
Ichord
McCollister
Mathis
Metcalfe
Mills
Pepper
Pettis
Peyser
Rangel
Rhodes
Rodino
Rostenkowski
Roybal
Ryan
Sisk
Steed
Steiger, Ariz.
Stephens
Stratton
Teague
Udall
Wilson, Bob
Young, Alaska
Young, Tex.

The Clerk announced the following pairs:

Mr. Mills with Mr. Bob Wilson.
Mr. Eilberg with Mr. Steiger of Arizona.
Mr. Rangel with Mr. Peyser.
Mr. Metcalfe with Mr. McCollister.
Mr. Rostenkowski with Mr. Horton.
Mr. Pepper with Mr. Burke of Florida.
Mr. Aspin with Mr. Young of Alaska.
Mr. Bergland with Mrs. Pettis.
Mr. Drinan with Mr. Eshleman.
Mr. Barrett with Mr. Hansen.
Mr. Ryan with Mr. Fish.
Mr. Udall with Mr. Cederberg.
Mr. Rodino with Mr. Esch.
Mr. Steed with Mr. Harsha.
Mr. Ichord with Mr. Henderson.
Mr. Hayes of Indiana with Mr. Mathis.
Mr. Roybal with Mr. Stephens.
Mr. Stratton with Mr. Teague.
Mr. Sisk with Mr. Young of Texas.

Messrs. GIAIMO and McDONALD of Georgia changed their votes from "yea" to "nay."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mrs. SPELLMAN. Mr. Speaker, I would like to point out for the Record that I was unavoidably detained and missed the vote on H.R. 11455, the Indiana Dunes bill. Had I been present, I would certainly have voted for the bill.

VILLAGE VOICE EXCLUSIVE CHEAPENS HOUSE SELECT COMMITTEE WORK

(Mr. McCLORY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLORY. Mr. Speaker, it must have shocked every Member of this House to learn that what purports to be an official House document should appear in an antiestablishment New York tabloid called the Village Voice.

Without giving any authenticity to any part of the so-called suppressed report, I would only like to comment that what the staff of our committee put out—and the narrative to which a majority on the House Committee on Intelligence gave their approval—was, in my opinion, well suited for publication as a cheap paperback volume.

I am sure we could agree that what appeared yesterday in the Village Voice is in even a cheaper—and more degrading form.

Of course, the main headline is a flat lie. This House voted 246 to 124 to withhold publication of the committee's report until certain conditions were met—conditions testing the honor and respect which to me are essential elements of this body.

Let us remind ourselves that the secret information entrusted to a committee of this House for purposes of our investigation was provided pursuant to a solemn agreement, which the committee members voted upon and approved.

By renouncing, or circumventing that agreement, we are witnessing completely unjustified damage to the entire intelligence community—we are adversely affecting our foreign relations, we are risking the safety of foreign nationals who have cooperated with us—and we are endangering our entire national security.

The deliberate and admitted inclusion of classified information in the select committee's draft report has brought shame and dishonor to this body, and has cheapened the noble and sincere efforts of all who have sought to cleanse and strengthen our intelligence community.

What seems to be even more reprehensible and disgraceful is the reported attempted peddling—for cash—of a document not worthy of being released for publication.

It is, indeed, a sad day when a yen for a headline—or a political advantage—will result in clandestine dealings with personalities and information which are vital to our national welfare.

Let me point out that the leaks, and the present divisive and bitter controversy, would never have occurred if the majority of this committee and the staff had not deliberately and knowingly included classified information in our committee's draft report.

This action—in violation of our agreement, which enabled us to get the classified information in the first place and for the limited purposes of our investigation—is the evil, the inexcusable cause for the leaks, and accounts, in the end, for the alleged peddling of our draft report to a New York tabloid—for cash.

REPRESENTATIVE SHIRLEY PETTIS PROVIDES LEADERSHIP ON THE FUNDAMENTAL ISSUE OF BOTH 1776 AND 1976: HOW TO PRESERVE THE PEOPLE'S ECONOMIC FREEDOM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. Kemp) is recognized for 30 minutes.

Mr. KEMP. Mr. Speaker, we will hear and read much during our Bicentennial about the courses of the American War for Independence.

We will hear and read much about the issue of freedom of speech; of assembly; of worship; of the press; of the right to bear arms; of the right of the people to be secure in their homes; of open trial by jury and peers. In short, of all the rights synthesized into our Bill of Rights—a document which came almost a decade and a half after the Declaration of Independence.

But we must never forget that the authors of our Declaration of Independence, the Articles of Confederation, the Constitution, and the Bill of Rights believed—as the Declaration sets forth—that our rights are indivisible. That means, quite simply, that they cannot be separated. That they are all intertwined—tied together by our concepts of freedom. That if you destroy one right, you jeopardize all others. That you cannot tinker with economic rights without tinkering with political rights. They knew this.

It is in this context that I have found remarks on the importance of the American experience, given by our colleague, the distinguished gentlewoman from California, Shirley Pettis, to be profound, indeed. She goes straight to the heart of the matter: the character and role of economic freedom and its concommitant, political freedom.

As she says at the beginning of those remarks:

For at the risk of sounding "unpatriotic" just two months before the start of our bicentennial—I must point out the historical—yet unromantic truth—that the American revolution was not fought over the issues of freedom of speech—or assembly—or worship—or of a voice in how this land was to be governed—even though the leaders of the time claimed it was. Nor if we go back further in history—was this Nation founded for these same reasons and causes.

No—what dragged this Nation into bloodshed and stirred its populace into action—were not these lofty goals—but the basic issue of the Government's confiscating the people's economic freedom to prosper or to fail by their own initiative.

This freedom to fail or prosper—or as we know it—the free enterprise system—is what lured people to emigrate to this country in the first place. The promise of the right to own and dispose of property—to be individually free to be industrious and productive—to live in a land which abided by the unwritten proposition that government and the economy were separate—these were the promises which brought our forefathers to this land—and when reneged upon—drew them into war against their Mother Country—England.

Mr. Speaker, Congresswoman Pettis' remarks are worthy of the careful consideration and reflection of every Member of this House. To those who have become accustomed to the stereotypical view of the American War for Independence—as rewritten by the revisionist historians in the past 40 or more years—it is, indeed, refreshing to read this accurate and moving portrayal of what the American Revolution in 1776 was really all about. And what it—in 1976—must still be about, if we are to preserve freedom.

Congresswoman Pettis' remarks follow:

What Americans Want

By the time we Americans finish celebrating our Nation's 200th birthday next year—we will all have been inundated by a succession of patriotic speeches—Bicentennial minutes—and historical quotes.

By this time next year—each of us will be familiar to some degree—with the history of the events surrounding the American Revolution and the drafting of the Declaration of Independence and the Constitution. And most of us will be able to quote from memory—the words of Jefferson—Washington—Adams—Franklin and the other revolutionary patriots.

It seems more than a little ironic then—at the very same time when we are commemorating the founding of a most unique system of government—that so many in Washington should be pressing for an end to what started this Nation in the first place.

For at the risk of sounding "unpatriotic" just two months before the start of our Bicentennial—I must point out the historical—yet unromantic truth—that the American Revolution was not fought over the issues of freedom of speech—or assembly—or worship—or of a voice in how this land was to be governed—even though the leaders of the time claimed it was. Nor if we go back further in history—was this Nation founded for these same reasons and causes.

No—what dragged this Nation into bloodshed and stirred its populace into action—were not these lofty goals—but the basic issue of the government's confiscating the people's economic freedom to prosper or to fail by their own initiative.

This freedom to fail or prosper—or as we know it—the free enterprise system—is what lured people to emigrate to this country in the first place. The promise of the right to own and dispose of property—to be individually free to be industrious and productive—to live in a land which abided by the unwritten proposition that government and the economy were separate—these were the promises which brought our forefathers to this land—and when reneged upon—drew them into war against their mother country—England.

For nothing was as precious to these individuals as the opportunity to direct the course of their own livelihoods. And when the government began taking away that right—they rebelled. Because in essence—the majority of the people reasoned: "If the government denies us economic freedom—our means of survival—they own means to steal the other freedoms as well." As author Benjamin Rogge wrote in the Freeman:

"Give me control over a man's economic actions, and hence . . . except for a few occasional heroes, I'll promise to deliver to you men who think and write and behave as you want them to."

These patriots knew only too well the consequences of government interference in the economic system. They had learned from the experiences of the earliest settlers of the Massachusetts and Virginia colonies what happens when government legislates communal ownership of the means of production.

Wrote Virginia's Captain John Smith (and Governor Bradford up north said essentially the same):

"When our people were fed out of the common store and laboured jointly together, glad was he who could slip from his labour, or slumber over his taske he cared not how, nay, the most honest among them would hardly take so much true paines in a weeke, as now for themselves they will do in a day."

Out of that "social experiment" came the concept of private enterprise and a very healthy respect for personal initiative.

Unfortunately—somewhere between then and now—that respect has floundered—and perhaps even died.

It would be too easy to stand here today and fix the blame on one source or another for the strong attack on the foundations of the American free enterprise system which we are witnessing in Washington. But it seems that whenever our economy appears to falter—whether through inflation or unemployment—the people who should know better—the elected representatives of government—begin to press forward with ideas and plans which our Founding Fathers abhorred.

Don't misunderstand me. I'm not saying that the majority in Congress sit down collectively and decides to look for new ways to attack and destroy the free enterprise system. Actually—the attack on the free enterprise system is more of a by-product of the temper of the times—rather than a direct result of any planned action.

In this Congress one of the chief causes of this phenomenon is the widespread belief that the Federal Government can solve all of our major problems simply by legislating them away. If that means massive new spending programs—well, so-be-it. We can always pay for them by adding to the Federal deficit or increasing taxes in business. That's a very dangerous way to approach our problems—but it's exactly the kind of economic philosophy we're dealing with in this Congress.

Dangerous because the majority in Congress has chartered a course to continue outrageous deficit spending at the expense of the productivity of the American free enterprise system.

It took 186 years for this nation to reach a $100 billion budget. It took only another 9 years to reach a $200 billion budget. It took 3 more years to reach a $300 billion budget, and at the rate we are going within just a few short years—over fifty-five percent of the total private income of America will be taken by government in the form of taxes at one level of the government or another.

The Congress has already committed itself to a deficit in this fiscal year of at least $76.4 billion—$7.6 billion over the target it set for itself last spring. A deficit which promises to drive up interest rates and unemployment levels—and drive down available capital for private individuals and businesses.

Let me explain how this process works. When government spends more than it takes in—it still must pay its bills. It pays those bills through borrowing funds from the same financial institutions that lend them out privately—to business—to contractors—to prospective home purchasers—et cetera. The more capital government takes out of the markets—the less remains.

Thus—competition for the dollars remaining allows those institutions to set higher rates of interest. This—in and of itself—reduces the amount of speculative capital—because those with speculative ventures cannot nearly as well afford to pay the higher rates of interest. The effect is higher interest rates—and when business—contractors—home purchasers—and so forth—cannot borrow—recession is the inevitable result—meaning the loss of productivity and jobs.

Unlike you and me—the Federal Government has another way to pay off a portion of its new debt by "monetizing" it—a process by which the Federal Reserve system extends credit to its member banks—through "high-powered" money devices. If the money supply increases faster than production—higher prices are always the result. The net result of this Government action is quite likely to surface in a return to double-digit interest and inflation rates—of a magnitude which will make us think of 1974 nostagically.

There is an alternative though—if this Congress is willing to go through the tough soul searching that's necessary to bring it off.

I'm talking about taking a serious look at the approximately 975 Federal domestic programs which account for a large portion of the bulging Federal budget—with an eye toward cutting out the waste in existing spending programs and restraining the impulse to create new ones that we can't afford.

I'm also talking about dispelling the politically popular notion that you can tax and regulate the life out of the free enterprise system and still expect it to provide the jobs and incomes for the presently unemployed in this country. It just doesn't work that way.

There are some encouraging signs on the horizon, though. I am specifically referring to the President's recent proposal for individual and corporate income tax cuts Under his plan—individual income taxes would be permanently reduced by $20.1 billion—about $12.7 billion more than this year's temporary cuts.

Additionally—the President has recommended reducing the maximum corporate tax rate from forty-eight percent to forty-six percent and making permanent this year's increase in the investment tax credit from seven percent to ten percent—as a means for companies and plants to "regain their footing and to hire more employees in the future."

I am also encouraged by the President's call for an overhaul of the various regulatory agencies of the Federal Government—a move which I feel is necessary to strengthen the Nation's economy through greater reliance on competition in the marketplace.

Both of these proposals are needed to restore a sense of confidence in the economic system—which when it is allowed to function properly—has brought more benefits to more people at home and throughout the world than any other system since recorded history began.

I am terribly concerned though—when I hear my colleagues on the majority side claim that the President's proposal that Congress agree to set a $395 billion limit on Federal spending for fiscal 1977 in order to balance the tax-cuts—is "totally preposterous."

I am discouraged and greatly concerned—when I hear my colleagues talk of more Federal regulations—increased price controls—and the creation of a national economic planning board—which would increase and centralize the Federal government's control over the nation's economy.

I am discouraged and worried when I hear talk of reducing the individual's role in this country—and expanding the government's interference in the economic affairs—in the private economic lives—of the people.

Somewhere along the line—and it had better be soon—those of us who believe in the free enterprise system—people such as yourselves—are going to have to start doing a far better job of communicating with the majority in Congress and the people who elect congressmen and senators. Convincing these people—in language that doesn't require a master's degree in economic or corporate finance in order to be fully understood—that this Nation needs a strong free enterprise system. For free enterprise is less easily understood by those who see it as just some vague force that always seems to be causing higher prices. In their minds—the logical solution is to demand that the government do something about it.

We must convince—these people—that no matter how well intentioned or how well administered the programs of government may be—they can never duplicate the efficiency—productivity—and diversity of the economic marketplace—a marketplace composed of the countless millions of decisions made every day by American people on whether or not to produce or to purchase—how to organize their affairs to provide for their own welfare—when to cut costs and when to invest.

We must convince these people—that what is needed is to let this economy of ours get moving again. We must encourage people to work—to invest—to take risks. We must encourage investors to run the risk of investing in new capacity—we must encourage businessmen to run the risk of new product lines—and encourage the working man and his family to run the risk of investing in a new home—or maybe in his company's stock. We must—to put it simply—encourage America to restore its faith in itself—its self-esteem.

The American people do not want to line up for the dole—they just want jobs. The American people do not demand, or even want—their government to throw money at them. They are not insisting that the government solve their problems. Rather—the American people are looking to their government to let them solve their problems and to provide some assurance that they will not—once at work to solve their problems—have the rug pulled out from beneath them by a new edict from on high. They want some assurance that whatever success they achieve will not be penalized and that their government will allow risks to be run and the rewards to be kept.

The American people are not crying to be protected from their own individual errors—just from errors inflicted upon them.

The temper of the times in Washington needs to be carefully watched—watched because it appears that in the heat of political passions which abound on Capitol Hill—that many of my colleagues' memories of the fundamentals on which this Nation was founded—are beginning to fade.

A good many years ago—around the time when the Declaration of Independence was signed—John Randolph foresaw this danger and put it this way:

"The people of this country—if ever they lose their liberties—will do it by sacrificing some great principle of government to temporary passion."

My hope is that this current passion will quickly pass.

Thank you.

H.R. 3249, THE FINANCIAL DISCLOSURE ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. KASTENMEIER) is recognized for 5 minutes.

Mr. KASTENMEIER. Mr. Speaker, public financial disclosure by elected and high ranking Government officials is an idea whose time has come.

A financial disclosure law can help alleviate one of the Republic's more pressing and acute problems. That problem, in brief, is the widespread deterioration of the public's confidence in Government and in the persons who serve in elected or appointed offices. The polls indicate that the public agrees with the observations that too many political leaders are "just out for their personal financial gain," and that "quite a few of the people running the Government are a little crooked." Financial disclosure is important, not as a device to prosecute wrongdoing, but as a statement recognizing the public's right to have access to basic information regarding any outside financial interests of Government officials, and with financial disclosure, I believe that citizens will have the best assurance that their Government leaders are not using their offices for personal aggrandizement. I applaud the President and Mrs. Ford for their public disclosure, last week, of their personal net worth and financial affairs, and I feel that most Government officials will find that financial disclosure will be a benefit to them for it will relieve them of the burden of suspicion which today is so often attached to public acts.

An increasing number of States now require financial disclosure by State officials, and, in some instances, even local officials are covered by State law. The effort to obtain public financial disclosure on the Federal level, however, is lagging behind the actions taken by these States. If we are to begin to take those steps necessary to restore the faith of those who once had faith in us, then one of those steps we must take is the enactment of financial disclosure legislation.

Mr. Speaker, the Financial Disclosure Act, H.R. 3249, which Congressman ALAN STEELMAN and I have introduced, has been cosponsored by 162 Representatives. The following is a list of our colleagues who have cosponsored this legislation.

LIST OF COSPONSORS

Bella Abzug, New York.
Brock Adams, Washington.
Joseph Addabbo, New York.
Jerome Ambro, New York.
Glenn Anderson, California.
John Anderson, Illinois.
Thomas Ashley, Ohio.
Les AuCoin, Oregon.
Herman Badillo, New York.
Alvin Baldus, Wisconsin.
Max Baucus, Montana.
Edward Beard, Rhode Island.
Berkley Bedell, Iowa.
Alphonzo Bell, California.
Charles Bennett, Florida.
Edward Biester, Pennsylvania.
Jonathan Bingham, New York.
James Blanchard, Michigan.
Michael Blouin, Iowa.
Richard Bolling, Missouri.
Don Bonker, Washington.
William Brodhead, Michigan.
George Brown, California.
Clair Burgener, California.
James Burke, Massachusetts.
Yvonne Brathwaite Burke, California.
John Burton, California.
Phillip Burton, California.
Bob Carr, Michigan.
Shirley Chisholm, New York.
Thad Cochran, Mississippi.
William Cohen, Maine.
John Conyers, Michigan.
James Corman, California.
Robert Cornell, Wisconsin.
Norman D'Amours, New Hampshire.
Ronald Dellums, California.
Christopher Dodd, Connecticut.
Thomas Downey, New York.
Robert Drinan, Massachusetts.
John Duncan, Tennessee.
Pierre du Pont, Delaware.
Robert Edgar, Pennsylvania.
Don Edwards, California.
David Emery, Maine.
Glenn English, Oklahoma.
Marvin Esch, Michigan.
Edwin Eshleman, Pennsylvania.
David Evans, Indiana.
Dante Fascell, Florida.
Millicent Fenwick, New Jersey.
Paul Findley, Illinois.
Hamilton Fish, New York.
Floyd Fithian, Indiana.
James Florio, New Jersey.
William Ford, Michigan.
Edwin Forsythe, New Jersey.
Donald Fraser, Minnesota.
Don Fuqua, Florida.
Benjamin Gilman, New York.
Willis Gradison, Ohio.
Gilbert Gude, Maryland.
Tim Hall, Illinois.
John Hammerschmidt, Arkansas.
Mark Hannaford, California.
Tom Harkin, Iowa.
Michael Harrington, Massachusetts.
Herbert Harris, Virginia.
Augustus Hawkins, California.
Ken Hechler, West Virginia.
John Heinz, Pennsylvania.
Henry Helstoski, New Jersey.
Elwood Hillis, Indiana.
Frank Horton, New York.
Carroll Hubbard, Kentucky.
William Hughes, New Jersey.
Andrew Jacobs, Indiana.
James Jeffords, Vermont.
John Jenrette, South Carolina.
Robert Kastenmeier, Wisconsin.
Martha Keys, Kansas.
Edward Koch, New York.
John Krebs, California.
John LaFalce, New York.
William Lehman, Florida.
Norman Lent, New York.
Jim Lloyd, California.
Marilyn Lloyd, Tennessee.
Paul McCloskey, California.
Mike McCormack, Washington.
Matthew McHugh, New York.
Edward Madigan, Illinois.
Andrew Maguire, New Jersey.
Spark Matsunaga, Hawaii.
Romano Mazzoli, Kentucky.
Lloyd Meeds, Washington.
Ralph Metcalfe, Illinois.
Helen Meyner, New Jersey.
Abner Mikva, Illinois.
George Miller, California.
Norman Mineta, California.

Donald Mitchell, New York.
Parren Mitchell, Maryland.
Joe Moakley, Massachusetts.
Anthony Moffett, Connecticut.
Charles Mosher, Ohio.
Ronald Mottl, Ohio.
Stephen Neal, North Carolina.
Lucien Nedzi, Michigan.
Robert Nix, Pennsylvania.
Richard Nolan, Minnesota.
James Oberstar, Minnesota.
Richard Ottinger, New York.
Jerry Patterson, California.
Edward Pattison, New York.
Peter Peyser, New York.
Larry Pressler, South Dakota.
Richardson Preyer, North Carolina.
Joel Pritchard, Washington.
Albert Quie, Minnesota.
Tom Railsback, Illinois.
Charles Rangel, New York.
Henry Reuss, Wisconsin.
Frederick Richmond, New York.
Donald Riegle, Michigan.
Matthew Rinaldo, New Jersey.
Robert Roe, New Jersey.
Paul Rogers, Florida.
Benjamin Rosenthal, New York.
Martin Russo, Illinois.
Jim Santini, Nevada.
Paul Sarbanes, Maryland.
James Scheuer, New York.
Patricia Schroeder, Colorado.
Keith Sebelius, Kansas.
John Seiberling, Ohio.
Philip Sharp, Indiana.
Paul Simon, Illinois.
Stephen Solarz, New York.
Gladys Spellman, Maryland.
Fortney Stark, California.
Alan Steelman, Texas.
William Steiger, Wisconsin.
Gerry Studds, Massachusetts.
Burt Talcott, California.
Charles Thone, Nebraska.
Bob Traxler, Michigan.
Paul Tsongas, Massachusetts.
Morris Udall, Arizona.
Guy Vander Jagt, Michigan.
Richard Vander Veen, Michigan.
Joseph Vigorito, Pennsylvania.
William Walsh, New York.
Henry Waxman, California.
James Weaver, Oregon.
Charles Whalen, Ohio.
William Whitehurst, Virginia.
Charles Wilson, Texas.
Larry Winn, Kansas.
Timothy Wirth, Colorado.
Lester Wolff, New York.
Antonio Borja Won Pat, Guam.
Gus Yatron, Pennsylvania.
Clement Zablocki, Wisconsin.
Leo Zeferetti, New York.

A CHALLENGE TO BICENTENNIAL CANDIDATES

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California (Mr. VAN DEERLIN) is recognized for 15 minutes.

Mr. VAN DEERLIN. Mr. Speaker, for those of us who think of economics in political, rather than personal terms—and none of my colleagues, I imagine, wonders where he will be seeking food or shelter next month—it is well to be reminded of fellow citizens who may not share our contentment. Millions of Americans are scarcely better off in today's recession than were their fathers and mothers in depression days 40 years ago.

Not all of them are black. Yet inflation and a declining job market inevitably hit hardest among blacks and other minorities, too often the "last hired, first fired."

The Los Angeles Times asked the black author, James Baldwin, to comment on their plight. Mr. Baldwin, whose celebrated books include "The Fire Next Time" and, most recently, "If Beale Street Could Talk," responded with a particularly moving, highly personal testament in the Times of Sunday, February 1. I ask unanimous consent to include it in the RECORD.

A CHALLENGE TO BICENTENNIAL CANDIDATES

(By James Baldwin)

One grows up early on my street, and so I started looking for you around the time that I—and later my brothers—began selling shopping bags, shining shoes, scavenging for wood and coal, scavenging, period. I was about seven, certainly no more than that, and, as my brothers approached this august and independent age, they joined me in the streets.

My father, before me, also looked for you, for a long while. He gave up, finally, and died in an asylum: Perhaps I use the word "asylum" with some bitterness. My father was a big, strong, handsome, healthy black man, who liked to use his muscles, who was accustomed to hard labor. He went mad, and died in bedlam because, being black, he was always "the last to be hired and the first to be fired."

He—we—therefore, spent much of our lives on welfare, and my father's pride could not endure it. He resented, and eventually came to hate, the people who had placed him in this condition and who did not even have the grace or courage to admit it.

My father wasn't stupid and, God knows, he wasn't lazy. But his condition, against which I watched him struggle with all the energy that he had, was blamed on his laziness: And his wife, who knew better, and his children (who didn't) were assured, merely by the presence of the welfare worker, of his unworthiness. No wonder he died in an American asylum—and at the expense, needless to say, of the so victimized American taxpayer. (My father was also an American taxpayer, and he paid at an astronomical rate).

FREEDOM FROM THE PAST?

I gather, from the speeches I read and hear, and I see, in the sullen bewilderment in the faces of all the American streets, that the principal gift the Bicentennial candidate can offer the American people is freedom from the poor—a stunning gift indeed for so original a people, a people whose originality resides entirely and precisely in the poverty which drove them to these shores. It is like offering the American people, on their birthday, freedom from the past and freedom from any responsibility for the present: For the poor are always with us; and they can also be against us.

The Bicentennial candidate is to offer for our birthday freedom from the discontented, freedom from the criminals who roam our streets; he is to offer, out of such a dangerous history, at so dangerous a time, nothing less than freedom from danger. America's birthday present, on its 200th birthday, is to be the final banishment of the beast in the American playground.

The niceties of rhetoric, the pretense of democracy, and the explosive global situation prevent the candidate from identifying this beast too precisely, but real Americans know that the American taxpayer is being ruined by the worthless and undeserving poor. You can vote with your feet in this country (so someone said to my father, somewhere between the Reconstruction and the First World War): If you don't like it in this state, move. And so my father did, Dear Candidate, possibly looking for you. All the way from the Southern cottonfields, to the ghettoes, factories, prisons, and riots of the North, real Americans know that the American taxpayer is being ruined by the Indian/Chicano/Mexican/Puerto Rican/black. These dominate the welfare rolls, and the prison populations, and roam, and make unlivable, the streets of the American cities.

A COSTLY POLICY

I am saddened indeed to be forced to recognize that my father's anguish—to say nothing of my brothers'—has cost the Republic so dearly. I should have thought it cheaper, on the whole, for the American taxpayer to have found a way of allowing my father—and my brothers—to walk on earth, rather than scraping together all those pennies to send a man to walk on the moon. Man cannot live by nuclear warheads alone; so I would have thought. I would have thought that the ceaseless proliferation, the buying and selling and stockpiling of weapons was a far more futile and expensive endeavor than the rehabilitation of our cities. Cities, after all, are meant to be lived in, and weapons are meant to kill.

I may be somewhat bewildered by the passion with which so many labor for death against life. I could have hoped that pride in America's birthday might have invested the citizens of the great republic with such pride in their children that they would resolve, at last, and, God knows, not a moment too soon, to educate these children, and build schools and create teachers for that purpose.

The coalition of special interests which rule the American cities, and the collusion between these interests and the boards of education is responsible for the disaster in the schools. Or, in other words, schools are located in "neighborhoods" and neighborhoods are created—or, more precisely, in human terms, destroyed—by those who own the land and who are determined to preserve, out of a cowardice called nostalgia, the status quo.

Perhaps it is not too much to ask of the ex-governor of New York, he of the merry wink, and the casual billions, exactly why the reclamation of the land, in Harlem, began with the destruction of the black nationalist bookstore, on 125th St. and Seventh Ave., and, catty-corner from it, on 125th St. and Seventh Ave., the destruction of the Hotel Theresa. These two institutions were, in Harlem, what in Africa is called the "palaver tree," the place where we discussed and attempted to reclaim our lives. For my father, of course, the "palaver tree" would have been another place, the Lafayette Theatre, long before it was destroyed. For my younger brothers and sisters, and my nieces and my nephews, it was the balcony from which Fidel Castro spoke: spoke, Dear Candidate, to them, from the balcony of a Harlem hotel. The listening crowd knew nothing of Cuba, and couldn't have cared less about communism: But they knew that someone was speaking to them.

WHAT ARE WE PROTECTING?

It would seem to me that the American social disaster is a tremendous burden on the American taxpayer. It is an investment on which his only return is chaos.

Of course, the candidate will answer, his unhappy priorities are dictated by the responsibility of protecting the "free world."

If the candidate really believes this, and is not merely wondering on what unhappy market he can dump our excess Coca Cola, I challenge him to take a look at what he thinks he is protecting. I dare the candidate to take to the "chitterling" or the "fried chicken" or the Muslim or the Baptist or the Holy Roller circuit: to walk, not ride, through the black streets of Washington, D.C. and Watts and Detroit and Chicago and San Francisco and Boston and Philadelphia and Pittsburgh and Baltimore, and, yes, Atlanta, and Cleveland, and Gary, and Jackson, and New York. I dare him to teach to, speak to, not merely bow before, any class in any school in any ghetto.

I challenge the candidate to visit Harlem Hospital, and then stand in the streets and explain to the Harlem populace how Harlem Hospital comes about. I challenge the candidate to justify the methadone program. I challenge him to visit the prisons of this country, from hamlet to hamlet and coast to coast, even daring to go so far as to question Sen. Eastland's plantation: and not to wait, as in the case of the late, and much lamented J. Edgar, until he is safely dead.

I challenge the candidate to love the country which he claims to love to the entire extent of love: to face it, this present chaos, and help the country to face itself, and, for the sake of all our children, to change it.

NUCLEAR SAFETY: NEED FOR CONTINUING CONCERN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. DOMINICK V. DANIELS) is recognized for 5 minutes.

Mr. DOMINICK V. DANIELS. Mr. Speaker, it is not often that young scientists of exceptional promise abandon thriving careers in a symbolic protest against technology. But when four such scientists resign their positions with Government and industry within a 2-week period, citing safety concerns as their prime motivating factor, I believe we should take this matter quite seriously.

And, since the technology being protested is nuclear power, I believe there is even more reason for congressional concern.

Mr. Speaker, I wonder how many of my colleagues remember the House debate on the extension of the Price-Anderson Act? Colloquies that developed on that legislation frequently cited the fine safety record of the nuclear industry, and that the insurance subsidy was really a pro forma matter—a tacit congressional recognition that nuclear power is inherently safe and this insurance is required for nuclear accidents that are only remotely possible.

I listened very carefully to solemn pronouncements of safety by my pronuclear colleagues, and I am sure that they are convinced that this technology and the fruits that we derive from it are worth the risk. I am also well aware of the good safety record of commercial reactors—a fact that enabled me to vote in support of the legislation. However, I must admit that I am still troubled by the disparity in the industry position. On the one hand it says that it is safe, and that accidents requiring Price-Anderson coverage are very remote. On the other hand, it says that it cannot buy sufficient insurance in the private sector—apparently because of the insurance industry's lack of complete confidence in the safety of nuclear power.

With the House debate on nuclear insurance still fresh in my mind. I read an article in the Sunday New York Times on the issue of nuclear safety. I was not comforted by what I read, and I believe my colleagues would be interested in the perceptions of the author, Robert Gillette, on this complex and serious problem.

Mr. Speaker, the article from the Sunday New York Times follows:

The Age of Nuclear Energy: A Prolonged Adolescence

(By Robert Gillette)

Nuclear power by any measure is an awesome technology. Not even the men and women who design, build, regulate and operate power reactors are immune to the emotions these half billion-dollar machines can engender.

Most of them seem to react with a sense of pride in the mastery of nature's darker forces and of confidence in the reliability of these great congeries of concrete, steel and radioactive fuel. Yet for some, awe gives way to a deeply felt fear that, where a modern 1,000-million-watt atomic plant is concerned, simple and perhaps inevitable human error may lead to catastrophe. Such would seem to be the case for Dale Bridenbaugh, Richard Hubbard and Gregory Minor, the engineers who recently quit their jobs at General Electric's nuclear division—and for Robert D. Pollard, one of the Federal Nuclear Regulatory Commission's 48 project managers who followed suit a few days later.

These four engineers were not the first, and they are probably not the last, to renounce promising careers to tell the public that nuclear power is unsafe, or at any rate not safe enough. David E. Lilienthal, the first chairman of the Atomic Energy Commission, was an early skeptic: "What public policy demands or justifies going ahead with a program in which there are still unresolved risks to human health and safety?" Mr. Lilienthal asked in 1963.

In the late 1960's, John Gofman and Arthur Tamplin, two scientists at the Atomic Energy Commission's Lawrence Radiation Laboratory at Livermore, Calif., became celebrated if embittered critics of nuclear power. In 1972 a small band of A.E.C. safety researchers appeared in public hearings to voice concern about the adequacy of emergency cooling equipment then being used in large new power reactors. Still others in the industry and in government have covertly supplied newspaper reporters and groups of critics, such as the Union of Concerned Scientists, with technical advice and embarrassing documents.

What is the public to make of these acts of technological apostasy?

A cynic might say that jeopardizing one's job security may testify to a man's sincerity but not necessarily to his prescience. Yet there is no disputing that 30 years into the nuclear age this once-promising technology remains burdened with a host of unresolved problems. Mr. Pollard and the three General Electric engineers invoked the leading ones in explaining their public resignations: What to do with nuclear waste that remains lethal for centuries? How to mitigate the risks of theft and sabotage in a plutonium economy? And, most important, how to settle the scores of engineering questions that still cloud the day-to-day operation of the nation's 57 licensed nuclear power reactors?

Although some progress has been made in calculating the real risks involved in these problems, their urgency is still a matter of subjective engineering judgment: The best that can be said is that honest engineers disagree wildly. But it is worth asking why, at this late stage, the debate is still going on.

There are several answers. For one, the current debate began belatedly. The basic directions of American nuclear power development were set in the late 1940's and early 1950's, long before battles over pesticides and other forms of pollution had sensitized the public (to say nothing of government) to the adverse affects on big technology. Nor was public participation in the making of arcane technological policy as much in fashion then as it is now. For example, Glenn Seaborg, Atomic Energy Commission chairman from 1961 to 1971, has noted that in the 1950's, when it came time to decide which of several reactor technologies was to be emphasized by civilian power programs, the choice was left up to industry. Industry (mainly General Electric and Westinghouse) chose to scale up water-cooled reactors originally developed for nuclear submarines, not because this technology was not appropriate, but because it was the most familiar.

Reactor safety was always of interest to the old Atomic Energy Commission. But in 1966, safety became the subject of an important internal argument. Ironically, this argument began with Consolidated Edison's application for a permit to build the Indian Point No. 2 reactor, the plant that is a focus of Mr. Pollard's concern.

Located only about 24 miles from New York City, Indian Point Plant No. 2 was among the first of a large new generation of power reactors whose ability to withstand a major "loss of coolant" accident without a catastrophic melting of its radioactive core was only dimly understood. Nevertheless, the A.E.C. granted Con Edison its permit, then set about assessing the safety engineering questions it raised.

From there it was all downhill. The A. E. C.'s safety research program, afflicted with declining budget and growing tensions between headquarters and the national laboratories, stagnated. By the early 1970's, the Atomic Energy Commission had accumulated a list of 139 unsettled safety questions, 44 of which it designated as "very urgent."

The Atomic Energy Commission, of course, was disbanded in late 1974 and the new Nuclear Regulatory Commission assumed its responsibilty for safety research. The new commission's research budget has risen to $100 million this year, industry is spending $60 million more on commercial reactor safety, and some critics acknowledge that the Federal program's management is much improved. Even so, a study by the respected American Physical Society last year disclosed deficiencies as well as a continuing paucity of hard experimental evidence to back industry's assertions that reactor safety systems are adequate. This sparsity of data, and a consequent heavy reliance on computer simulation of reactor accidents, is a major worry of Mr. Pollard and the General Electric engineers.

NEW DESIGNS, NEW PROBLEMS

Not all the unsolved problems that worry them are part of a decade-old backlog, however. Like the aircraft industry, nuclear power is an evolving technology; new designs raise new problems or reveal previously unsuspected flaws in older plants. Until last year, for instance, hardly anyone would have guessed that a workman with a candle could start an electrical fire that would knock out two of the nation's largest reactors and narrowly miss causing a disastrous meltdown Yet that is precisely what happened to the Tennessee Valley Authority's Browns Ferry plant near Decatur, Ala. Mr. Minor says that his faith in the redundancy of nuclear safety systems evaporated with that fire. Says Mr. Pollard, "In so many near accidents we've had, what caught us up was something no one had thought of."

In effect, they are saying that reactor designs have evolved faster than have the abilities of scientists and engineers to understand their frailties.

Other engineers counter that designs are "conservative" enough to tolerate human error and to compensate for uncertainties in a reactor's performance. To that, Mr. Pollard and other critics contend that not enough experimental evidence exists to know whether design assumptions are really conservative or not.

Even so, Mr. Minor, for one, is not unsympathetic with Nuclear Regulatory Commission, a new agency eager to prove its mettle, and one which the nuclear industry has criticized for precipitous action in closing down nuclear plants deemed unsafe.

"They're under tremendous pressure to make difficult decisions in a complex environment," Mr. Minor says. "They are under pressure from utilities and reactor vendors to keep plants on line, from the President to speed things up, and from environmental groups to slow things down. I don't envy them."

CONTINUE SOCIAL SECURITY A MONTH AFTER DEATH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. Neal) is recognized for 5 minutes.

Mr. NEAL. Mr. Speaker, I have today introduced legislation to provide that an individual's entitlement to benefits under title II of the Social Security Act shall continue through the month of his or her death, or of the insured individual's death in the case of a dependent, instead of terminating with the preceding month, unless the resulting delay in survivor eligibility would reduce total family benefits.

Mr. Speaker, the present law contains inequities which would be corrected by enactment of my bill. For example, present law provides that if a husband receiving social security benefits should die on or after April 1, the widow would be required to return the entire check for the month of April.

Other of my colleagues have proposed that the benefits for the month in which death occurs should be prorated. My bill would permit the survivor to retain the check for the entire month.

There are several reasons for this act of seeming generosity. First, the period immediately following the death of a loved one is a time of deep grief and mourning, when survivors frequently are not competent to transact business or accept added responsibility. Second, the survivors usually are burdened also with extraordinary expenses such as the funeral costs and hospital bills of the decedent. Third, the closest survivor most often is elderly or infirm, frequently is in financial straits, and must rely on social security benefits for survival. Therefore, to require return of the final social security check often deprives the survivor of his or her only cash on hand.

We rectify this hardship when we permit the survivor to retain the benefits received at the beginning of the month of death. We can do that by simply declaring that the insured individual shall be deemed to have died the month following the actual month of death.

That provision would not apply, however, in the case of any person if their application with respect to the month of the insured individual's death would reduce the total of the benefits payable under this title for such month.

Mr. Speaker, this legislation is sorely needed by elderly Americans and others who find, alas, that the cost of living is made more painful by the cost of dying.

AUTHORIZING APPROPRIATIONS FOR THE BOARD FOR INTERNATIONAL BROADCASTING—RADIO FREE EUROPE AND RADIO LIBERTY—FOR FISCAL YEARS 1977 AND 1978

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. Fascell) is recognized for 10 minutes.

Mr. FASCELL. Mr. Speaker, at the request of the executive branch, I am introducing today a bill to authorize appropriations for the Board for International Broadcasting for fiscal years 1977 and 1978.

As drafted by the executive branch, this bill would provide an authorization of $53,385,000 for fiscal year 1977 and "such sums as may be necessary" for fiscal year 1978 to support the operations of Radio Free Europe, Radio Liberty, and the Board for International Broadcasting. In addition, the bill contains certain proposed clarifying amendments and reflects changes brought about by the consolidation of the radios' operations and management.

The Subcommittee on International Political and Military Affairs of the Committee on International Relations will hold hearings on this legislation and, in due course, will submit its recommendations. Until our subcommittee reviews and acts upon this legislative request, therefore, I am not committing myself at this time to support any specific figure or provision contained in this bill.

The executive communication and the text of the bill I am introducing today are as follows:

Board for International Broadcasting,
Washington, D.C., February 9, 1976.

Hon. Carl Albert,
The Speaker, U.S. House of Representatives,
The Capitol, Washington, D.C.

Dear Mr. Speaker: There is transmitted herewith proposed legislation to make required amendments to the Board for International Broadcasting Act of 1973 and to authorize appropriations for the Board to carry out its responsibilities as specified in that Act.

The bill provides for authorization of appropriation for the Board's operations during Fiscal Year 1977 and 1978 and reflects amendments to clarify sections of the Act. Some of those changes are required by the consolidation of the Radios' operations and management.

A section-by-section analysis explaining the proposed legislation is enclosed.

The Board has been informed by the Office of Management and Budget that there is no objection to the presentation of this proposed legislation to the Congress and that its enactment would be in accord with the program of the President.

Respectfully submitted,
Walter R. Roberts,
Executive Director.

H.R. 11926

A bill to amend the Board for International Broadcasting Act of 1973 and to authorize appropriations for fiscal years 1977 and 1978 for carrying out that Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Board for International Broadcasting Act of 1973 (22 U.S.C. 2877(a)), as amended, is further amended as follows:

Sec. 1. Section 3(b) is amended—

(a) by striking out "shall consist of seven members, two of whom shall be ex-officio members" in the first sentence of paragraph (1), and inserting in lieu thereof "shall consist of six members, one of whom shall be an ex-officio member";

(b) by striking out "the chief operating executive of Radio Free Europe and the chief operating executive of Radio Liberty shall be ex-officio members of the Board" in the fourth sentence of paragraph (1), and inserting in lieu thereof "the chief operating executive of Radio Free Europe and Radio Liberty shall be an ex-officio member of the Board";

(c) by striking out "Ex-officio members of the Board shall serve on the Board during their terms of services as chief operating executives of Radio Free Europe and Radio Liberty" in paragraph (4), and inserting in lieu thereof "The ex-officio member of the Board shall serve on the Board during his term of service as chief operating executive of Radio Free Europe and Radio Liberty";

(d) by striking out "Ex-officio members of the Board" in the third sentence of paragraph (5), and inserting in lieu thereof "The ex-officio member of the Board".

Sec. 2. Section 4(a) is amended by striking out "on or before the 30th day of October, summarizing the activities of the Board during the year ending the preceding June 30," in paragraph (8) and inserting in lieu thereof "on or before the 31st day of January, summarizing the activities of the Board during the year ending the preceding September 30."

Sec. 3. Section 8 is amended to read as follows:

"Sec. 8. There are authorized to be appropriated, to remain available until expended: (1) $53,385,000 for fiscal year 1977 and such additional or supplemental amounts as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law and for other nondiscretionary costs, and (2) such sums as may be necessary for fiscal year 1978.

LITHUANIAN INDEPENDENCE DAY: REAFFIRMING THE FIGHT FOR FREEDOM

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, it is a great honor for me to join Lithuanian-Americans throughout the country in the recognizing of February 16, the 58th anniversary of the establishment of the independent Republic of Lithuania.

The history of the Lithuanian people is one of constant struggle against overwhelming oppression. Their history reveals not only a quest for liberty, but the real, continuing struggle to regain the freedom that was lost.

During the Middle Ages, Lithuania was a powerful and independent state, halting for centuries the German drive to the East. At the same time, Lithuanians established and cherished individual freedoms and as one scholar noted:

> They blessed their subjects with more human freedoms than in neighboring countries. They encouraged education and toleration, and they played their part in the general development of European civilization.

Although Lithuania was established as an independent state in 1795, they were not strong enough to resist Russian occupation. The Tsarist Government began an intensive and deliberate campaign to eradicate the Lithuanian language and culture, which lasted until 1905. It is a tribute to the Lithuanian spirit that after almost a century and a half of trying, this campaign was abandoned as hopeless.

The advent of World War I brought both tragedy and triumph to the Lithuanian people. Russian and German armies used Lithuania as a battlefield. However, with Russia convulsed by internal turmoil and Germany also collapsing from within, the time was ripe for Lithuania to reassert its independence. On February 16, 1918, a council of delegates proclaimed an independent Lithuania based on democratic principles. In September of 1921 Lithuania was admitted to the League of Nations. Independence, however, was short-lived. Repeating the experience of World War I, first Russian and then Nazi troops engulfed the small republic during World War II. Lithuania suffered an overwhelming loss of life in that period.

Lithuania suffered the loss of 45,000 people as a result of Russian and Nazi executions and warring. Almost all Lithuanian Jews were executed by the Nazis.

After the war, Russia once again adopted a policy of repression through terrorism and deportation. The Soviet Union made a concerted effort to destroy the unique cultural and ethnic identity of the Lithuanian people. Between 1944 and 1950, 350,000 Lithuanians were deported. Imported were Russians from all areas. Despite this monumental effort to eliminate the Lithuanian national character, the Lithuanian spirit lives. The fight to regain their freedom continues.

Whether it is Alexandr Solzhenitsyn or Leonid Pluyshch, the spirit of resistance remains strong. The Soviet Union can never conquer the spirit of free people, especially Lithuanians. We salute the Lithuanians for their courage and determination, and we honor their fight for freedom. It can only end in victory.

SHOULD WE TREAT OVER HALF OF AMERICANS, AGE 18–25, AS CRIMINALS? WE DO NOW!

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I would like to report to my colleagues the latest evidence concerning the health effects of and public attitudes on marihuana. Last month, the New York Academy of Sciences Conference on Chronic Cannabis Use brought together 100 researchers from 10 countries. Thirty scientific papers were presented and the main conclusion of the findings should come as no surprise to anyone familiar with the issue of marihuana:

> Marijuana has no apparent significant adverse effect on the human body or mind or on their functions.

One study disputed the contention that college students who are chronic marihuana users suffer a loss of motivation. There was found no significant dropout differential between marihuana users and nondrug users. There was also found little disparity in clarity of occupational goals or grade point average in the two groups tested. Another study refuted the assertion that decriminalization would encourage marihuana use. The Drug Abuse Council found that when Oregon eased its marihuana laws to permit possession of 1 ounce or less of marihuana, the number of users did not increase significantly.

The latest Harris poll on marihuana has come up with some surprising results. First, about half the country favors the Oregon law approach. Three of the four sections in the country support the decriminalization of marihuana. Only the South remains firmly opposed to the Oregon approach. And I am very pleased to report that, according to the latest Daily News poll, New Yorkers favor Governor Carey's Oregon-like decriminalization proposal by 52 percent to 37 percent.

Perhaps most significantly, the American people now recognize alcohol as more dangerous than marihuana, a complete turnabout since the question was asked in 1969. And no wonder. For all the scare talk about marihuana's effect on sex drive and performance, research on this subject has been inconclusive. However, a study in New York has shown that prolonged drinking of alcohol alters male sexual behavior by stimulating the liver to drastically step up its destruction of the male sex hormone, testosterone. I suppose it is no surprise, then, that 73 percent of the country view alcohol as a very serious problem. While heavy drinking obviously is a serious threat to a person's health, we would not consider criminal penalties for the Nation's 8 million alcoholics. Why do we continue, on the other hand, to regard marihuana users as criminals? Last year, over 400,000 persons were arrested in this country for possession of marihuana—the vast majority of whom were in possession of very small amounts of marihuana.

Fifty-three percent of Americans between the ages of 18 and 25 have tried marihuana. Considering the research refuting any ill effects of marihuana use and the increasing acceptance of the American people that we should not jail marihuana users, I think it important that the Congress take the lead in easing the laws concerning possession of small amounts of marihuana. Six States have already changed their laws along the lines of the Oregon approach and more are sure to follow. A national law would act as a catalyst for further easing of the criminal sanction in States. The Javits-Koch bill, H.R. 6108, would impose a civil fine for possession of up to 1 ounce of marihuana in Federal jurisdictions.

The Washington Post editorial of Friday, February 13, points out the situation as it stands today:

> As far as is known, the most serious consequence of smoking marijuana is the danger of arrest.

I think it is about time that we ended that negative effect. It serves no useful purpose to jail marihuana users. It only wastes law enforcement resources and needlessly gives arrest records to otherwise law-abiding young people. The Congress should be leading instead of lagging.

THE PRESIDENT'S MEDICARE PROPOSAL—FALSE ADVERTISING

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, the change that the President has proposed be made in medicare to increase patient participation in the program has been billed as improving benefits, but in fact would work a hardship on the majority of medicare recipients. Under the President's plan, the elderly would indeed be participating more fully in the program—they would be paying more of their hospital and doctor bills. The offsetting new benefits in the area of catastrophic care would provide additional benefits for few; the less than 1 percent of the current beneficiaries requiring more than 75 days of hospitalization. It would increase costs in the first 2 months of medical care so that the number reaching the limits of $500 for hospital and extended care bills and $250 for doctor's services for medicare patients would rise to 3 million.

The President has talked a lot about his proposal's protection against catastrophic illness. But little publicity has been given to the $1.3 to $1.6 billion his proposal is designed to save the Federal Government. In short, medicare is going to cost the elderly some $1.3 to $1.6 billion a year if the President's plan is adopted and provide a $1.1 to $1.4 billion rebate in the form of catastrophic coverage. The budget saving would be achieved by requiring a 10-percent coinsurance charge for services to elderly people who are sick. Over half of the 24 million elderly covered by the medicare program would pay more for health care under this proposal. It is calculated that this new "protection" would help fewer than 1 percent of current beneficiaries, those requiring more than 75 days of hospitalization. There should be increased coverage for those with high medical costs such as kidney dialysis patients, but this protection should be provided by the Government and not provided in exchange for a cutback in overall benefits.

To illustrate what the President means when he says the "fees for short-term care will go up somewhat," I am including the following calculations. The average covered hospital stay in fiscal year 1974 was 12 days for an aged medicare beneficiary. Under present legislation a person who stayed this length of time with $500 in physician charges would only pay $268 for the 1977 deductible. The Congressional Research Service projects that under the President's proposal, this same person would pay a total of $450. This assumes hospital costs of $150 per day. The deductible for doctor's bills would be increased from $60 to $77 in calendar years 1977 and 1978 and thereafter at the same rate as retirement and disability social security benefits increase. The 20 percent existing coinsurance charge on doctor's bills would remain on medicare-determined reasonable charges.

The sleeper in this whole plan is the administration's scheme to hold down increases in medicare reimbursement. In fact, it is predictable that this provision for limiting increases in physicians' charges for 1977 to 4 percent and increases in hospital, nursing home, and home health per diem on per visit costs to 7 percent will have the opposite effect on patient fees. It is more likely that patients will be billed additional sums on an out-of-pocket basis. Rather than halting rising costs by imposing across-the-board controls, it would shift the financial burden from the Federal Government to the elderly.

Additional effects of the proposed limits to reimbursement could be to reduce availability of health services to the elderly poor, for the plan provides a clear financial incentive to discriminate against them. This could result in second-class health care for the elderly. Furthermore, studies show that if coinsurance and deductibles are high enough to cut down utilization—the elderly may fail to get timely care for conditions that could become more serious and require expensive hospitalization.

As prime sponsor of the National Home Health Care Act, I am concerned that the President's proposal adds inducements to institutionalized extended care. At a time when alternatives to nursing homes are being explored, this proposal would impose a new 10-percent coinsurance charge for home health care beneficiaries, while maintaining the ceiling of 100 days for the benefit period. In contrast, the 100-day limitation on extended care in skilled nursing homes has been lifted. The coinsurance formula for skilled nursing homes would be revised to 10 percent of charges.

Finally, I take this opportunity to again state my support for the national health security proposal which I have cosponsored. This offers a more comprehensive and equitable approach to catastrophic as well as more routine preventive medical services.

THE FEDERAL ELECTION COMMISSION AND CAMPAIGN REFORM

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, last month's Supreme Court decision dealt a very serious blow to the effort to secure and maintain meaningful election and campaign finance reform. As the New York Times so properly editorialized on February 4:

> By abolishing all restraints on political expenditures by individuals and organizations, the Supreme Court in its decision . . . opened wide the doors to a return of the evils that the 1974 Federal Campaign Reform Law was intended to prevent.

Although the Court did uphold a number of important sections of the 1974 law—such as a limit on the size of contributions, full disclosure of campaign contributions and public financing for Presidential candidates—there is no entity empowered to carry out these provisions; the Federal Election Commission has been left sterile because the Supreme Court found that the commissioners were appointed unconstitutionally.

The FEC's continued existence is vital if campaign spending is to be properly monitored and if the campaign laws are to be administered in an impartial and nonpartisan manner. Certainly this agency must be permitted to continue its work with minimal disruption and dislocation, most particularly as we are soon to be in the midst of Presidential, senatorial, and congressional campaigns. To revert to the former system would be a serious mistake and would negate whatever reform has been achieved to date.

In order to correct this situation, I am introducing legislation which reconstitutes the Federal Election Commission by having the President appoint the six commissioners with the advice and consent of the Senate.

Beyond a simple restructuring of the FEC, however, this bill—which was originally offered by our colleague from Massachusetts (Mr. STUDDS)—also provides for the comprehensive public financing of both primary and general elections for the House and Senate. One of the worst flaws in our political system is the excessive influence of money on our electoral process and the degree to which special monied interests receive special treatment as a result. A number of measures calling for public financing which I have sponsored are pending before congressional committees and I very strongly believe there must be public financing for House and Senate candidates as well as for the Presidency. The Supreme Court upheld the constitutionality of public financing for Presidential campaigns and the House must take affirmative action to apply this to congressional campaigns without further delay.

One important reason for acting on this with urgency is that the Supreme Court ruling allowed acceptance of public financing as the only constitutional vehicle for limiting campaign expenditures, and thus effectively taking the insidious and corrupting influence of private money largely out of our democratic processes.

Finally, this comprehensive measure increases to 60 days the time prior to an election in which a Federal legislator can utilize the frank for a mass mailing if that Member is a candidate for office in that election. I have long felt that incumbency gives a distinct advantage in an election and certainly one aspect which has been most widely utilized is the congressional frank. I believe that increasing the period of time in which the frank can be used before an election by an additional month will help to lessen this advantage by an incumbent, though I personally would extend the franking privilege and free media coverage to all candidates and will deal with this in separate legislation.

I commend Congressman STUDDS for his initiative in this area and I am pleased to serve as a cosponsor of his bill. I am hopeful that the appropriate committees will take prompt and affirmative action on this measure in order that effective reforms can be achieved at the earliest possible date.

JOBS AND THE ENVIRONMENT

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, there is currently a popular misconception which would have it that environmental protection and pollution abatement programs eliminate jobs. In fact, a number of recent studies indicate that jobs can be and are being created directly as a result of such programs.

An article which provides an excellent summary of the best available materials on the subject appears in the April issue of the Sierra Club Bulletin. As author Heffernan points out, the number of jobs lost, or estimated as expected to be lost, is quite small—50,000 to 125,000—especially when compared to the 500,000 jobs which have been exported by the multinational corporations during the past decade. On the positive side, several hundred thousand people are employed in manufacturing, operating and maintaining pollution abatement equipment.

I would like to commend the Heffernan article to my colleagues.

In addition, I would like to call to the attention of the Members a briefing on jobs and the environment to be held next Monday, February 23, by the Environmental Study Conference, which I chair. Representatives of organized labor, the Commerce Department and the Council on Environmental Quality will participate in a panel to be chaired by our colleague, Representative HENRY S. REUSS. The briefing will be at 2 p.m. in 2175 Rayburn.

The article follows:

JOBS AND THE ENVIRONMENT

(By Patrick Heffernan)

For the past decade, American business has been telling the American worker that any serious attempt to reduce pollution and improve the quality of life is going to cost his job. Enforcing standards for clean air, water, and amenities, the story goes, will raise prices, close plants, and divert the investment capital needed to keep America employed. Corporate executives, such as those at U.S. Steel, have backed up these claims with threats of shutdowns and layoffs whenever state and federal agencies have started to get tough with specific polluting facilities. Such threats are especially effective today, as indicated in a recent Time-Yankelovich survey, which found that 25 percent of all Americans are afraid of losing their jobs.

This is a fear that many elements of business and labor have translated into demands that we relax pollution standards and open up our coasts and wetlands to massive energy development, all in the name of lower prices and more jobs. Actually, environmental standards and programs, rather than eliminating jobs, are currently significant sources of employment. They will become major generators of new jobs in the next few years.

Nevertheless, environmental leaders have been hard put to deal with the jobs question. The corporate strategy of pitting environmentalists against the poor, the worker, and the consumer has been especially effective with politically powerful labor unions. With the current rate of inflation and rising unemployment, any program accused of costing jobs is under heavy attack. Environmentalists in the past have stressed the long-term benefits of a clean and healthy environment, but information now available shows that a national commitment to the goals of restored environmental quality will at once create millions of jobs and reduce our demand for energy and raw materials.

In 1972, Chase Econometrics reported in their summary of The Economic Impact of Pollution Control that an increase in short-term employment can be expected as pollution-control equipment is installed from 1975–77 or 1978. The studies, commissioned by the Environmental Protection Agency (EPA) and the Council on Environmental Quality (CEQ) covered air and water pollution, noise and radiation control, solid-waste disposal and recovery, and the reclamation of strip-mined lands. The consultants estimated that employment would first rise slightly as investments were made in environmental controls, dip by less than oen percent after installation was completed, and then level off in 1982. The study was a macroeconomic analysis, a broad look at the impacts on the nation's economy using mathematical models.

Jobs lost through specific plant shutdowns (less than 70 plants by 1974) and jobs gained through nonindustrial programs, such as mass transit and recreation, were not considered. Economists at Chase and the EPA stress that the figures are not meant to be precise predictions and do not take into account future technological breakthroughs and unexpected changes in the economy. However, the 1972 Chase study demonstrated that business could not support its claims of massive unemployment resulting from pollution-control efforts. A realistic estimate of potential jobs resulting from environmental programs has to be pieced together from dozens of scattered manpower studies in state and federal agencies and private industry.

The number of jobs that have been created to renew and protect the environment topped one million this year, according to EPA estimates, and may double by 1976 if current programs are continued. To date, less than ten percent of the required investment has been made to meet pollution-control standards, meaning that the next three or four years will see billions of dollars invested and millions of new jobs created in manufacturing, construction, research, and other areas.

The largest single source of environmental jobs is the Federal Water Pollution Control Act of 1970. The EPA estimates that more than 25,000 employers now engage some 150,000 people in operating and maintaining water-pollution-control equipment in accordance with the act's standards. Over 400 private companies manufacture water-pollution-control systems and parts, employing an additional 20,000 persons, according to the Journal of the Water Pollution Control Federation. Deputy EPA Director John Quarles told a congressional committee last October that over 55,000 construction workers were on the job installing waste-water treatment facilities across the nation. This number is more than doubled by the private and municipal crews that are now laying the sewer lines and connections to the new plants.

Altogether, a total work force of 220,000 to 250,000 is employed in the effort to clean up the nation's waters. EPA estimates that 123,000 new jobs will be added this year to those in equipment manufacturing and operation, 70,000 in installation construction, and 109,000 in operation and maintenance of publicly owned facilities—a total of 300,000 new jobs. EPA and private industry estimate that by the end of the next year over a half million persons will be employed in building, installing, and operating water-pollution-control facilities, the second largest publicworks program in the nation. EPA expects investment and employment in water-pollution-control programs to increase until 1977 or 1978, eventually reaching a total of $30 billion in equipment purchases and operating payroll.

Ironically, there is a shortage of labor in the existing plants despite the nation's current eight-plus percent unemployment. Authorities in the EPA's Office of Education and Manpower Planning report that many positions as treatment plant operators are unfilled. One EPA staffer complained that the budget for many training programs will run out this year, and that standards may not be met because of a lack of trained people to fill the jobs.

Solid-waste control and resource recovery represent the nation's second largest source of environmental jobs, with nearly a 100,000 people employed (including truck drivers), according to EPA's Task Force Study Preview on Issues and Manpower Training. The CEQ estimated in its Fourth Annual Report on Environmental Quality that the resource-recovery and collection industry spent almost $4 billion in operations and maintenance in 1973, creating a sizeable payroll in collection, disposal, and recycling. The CEQ is optimistic that solid-waste recovery employment will jump 20 percent by the end of 1975, and that many of the new jobs will be in resource recovery and in energy generation using solid waste. This optimism is based on the rising cost of conventional disposal methods plus the increased value of the recovered resources and the potential energy that can be developed from the nation's solid waste.

At least 18 cities are now designing energy-recovery facilities that will use solid waste as fuel. Thirty other cities began reviewing plans for similar plants last April, representing a potential energy conversion of over 36,000 tons of refuse a day. Construction of all 30 plants would require an investment of $4.6 billion and thousands of new jobs in collection and plant operation. The EPA estimates that by 1980, 48 major population regions can recover 1,259 billion BTU's of energy from their solid waste, and that 42 such regional plants are now being considered for completion by the end of the decade. On a smaller scale, Oregon has demonstrated the employment potential of not creating the waste in the first place with that state's now-famous bottle bill. The recycling of beverage containers in Oregon resulted in a net gain of 365 jobs.

Meeting the standards of the Clean Air Act promises to generate the nation's second largest investment in pollution-control equipment and may become the third largest major source of environmental jobs. The Cost of Clean Air, a report to Congress, estimated that the nation will invest a total of $47 billion in controlling air pollution by 1979, including over $23 billion for truck and auto devices. Operations and maintenance payrolls and expenditures are expected to reach a total of $89 billion by 1982, indicating that the manufacturing, installation, and operation of air-pollution-control equipment will become a major source of jobs for the environment by the end of the decade.

Estimates of the amount of employment these expenditures will generate are not available because of the difficulty of predicting air-pollution-control technology and future solutions to the problems of auto emissions. However, the Task Force Preview report calculated that there are 5,400 persons working in the manufacturing and operation of controls, and that this total may jump to over 70,000 by 1976, as plants gear up to meet standards. Already the construction industry is seeing operating engineers, plumbers, pipefitters, and laborers on the job installing new lead-free gasoline tanks and equipment in 110,000 service stations across the nation. Other occupations required in air-pollution control range from scientists and engineers to carpenters and mechanics.

Control of pesticide pollution, noise, and the supply of pure water currently employs 73,000 persons, according to the EPA. This number will rise to 95,000, EPA sources say, adding over 23,000 new jobs to the economy. Many of these new jobs, especially in water and wastewater treatment, will require only a high school diploma or two years of junior college.

JOBS AND THE URBAN ENVIRONMENT

Improving our quality of life, especially in the urban environment where over 70 percent of America lives, offers an exciting promise of new jobs. Meeting the nation's low- and moderate-income housing goals, developing fuel-saving transportation systems, rehabilitating and restoring urban neighborhoods, will all provide badly needed jobs in the cities. A serious commitment to these programs, as well as to the job of protecting the environment, constitutes a difficult major reordering of national priorities. But the evidence indicates that such a reordering will pay off with a net gain in employment in both the short and long run, plus tremendous savings in energy and raw materials.

One of the major goals of environmentalists has been the creation of practical alternatives to the automobile. The initial thrust was the reduction of auto emissions, but as the damage freeways and other auto support systems have caused became apparent, mass transit was recognized as necessary to save fuel, land, and the integrity of our cities. Now, over $20 billion is invested in highway-construction programs by federal, state, and local governments each year. In the 18 years since the establishment of the Highway Trust Fund in 1956, the taxpayers have spent $275 billion on highway construction. By contrast, funds for mass transit available under the 1974 transit assistance bill provide only $3.3 billion a year.

Dr. Bruce Hannon, in the Center for Advanced Computation at the University of Illinois, calculated that a shift of $5 billion annually from the Highway Trust Fund to rail and transit construction would result in a 3.2 percent increase in the number of transportation-construction jobs. Using the same formulas, a Sierra Club economist calculated that a complete shift of Highway Trust Fund expenditures to railroad and transit construction would result in a net gain of over 33,000 jobs a year. He also calculated that some 87 million barrels of oil would be saved each year by the changeover, reducing our balance-of-payments deficit by over half a billion dollars.

Whether or not these jobs will be created is doubtful. Our national priorities have recognized the need for rail, bus, and transit facilities. The 1975–80 Department of Transportation (DOT) Mass Transportation Financing Plan calls for a yearly expenditure of $5.9 billion until 1980 to meet the nation's transit needs—a total of $35 billion. However, the department reported in February that their Fiscal Year '75 budget allocated only $1.5 billion to transit and estimated only $1.6 for Fiscal Year '76, far short of what the agency itself knows is required. Full DOT appropriations would create over 8,000 new construction jobs each year and add 24,000 new buses to the nation's fleets. The latter would give Detroit a healthy shot in the arm by requiring the tooling up to reduce the present nine-month wait for the delivery of a single urban bus. (Los Angeles alone is planning on ordering 1,100 new buses for its transit plan.)

Other programs such as Dial-Ride, subscription commuter buses, and Seattle's Free Bus are being slowly implemented across the country despite a lack of funds. Most of the smaller flexible systems are labor-intensive and energy-saving. Dr. Hannon reported that the construction of rail and transit systems such as these would reduce the amount of energy used in transportation construction by 61 percent. Energy savings in the form of reduced fuel use would continue year after year.

Funding and providing urban transportation systems would constitute a major step toward rebuilding our cities, taking the growth pressure off surrounding suburbs and farms. But without additional housing in the urban core and nearby residential areas, the urban environment will continue to remain one of the worst places in the country to live, regardless of its transportation system.

Housing has always presented a problem to environmentalists. Everyone needs it, and it has to be built somewhere. But the demands of the construction industry on the nation's forests have resulted in thousands of acres of clear cuts. The building boom of the early 1970's consumed land at a phenomenal rate, especially in farming areas. At the same time, housing in the cities became even scarcer. Urban renewal programs destroyed 337,000 more units than they created, and much of what was built was priced out of reach of those who most needed it. Urban housing construction dropped from a high 24 percent of the nation's total in 1964 to a low of 15 percent last year. Worse yet, there was a net decrease in the number of low- and moderate-income units for rent or for sale. There has been no "trickledown" housing in the cities for several years, and the National Association of Homebuilders is predicting an 11 percent drop in the urban housing building next year. At the same time, thousands of units of substandard housing are abandoned each year in the central cities, creating overnight slums. At one point the National Urban Coalition estimated that as many as 10,000 units were being abandoned a day in the nation, mostly in large housing projects. President Nixon called for the rehabilitation of 595,000 units of abandoned and substandard housing between 1969 and 1974 in his Annual Housing Reports. The nation saw only 313,000 units restored, a shortfall of over 279,000.

The situation exists in the construction of low- and moderate-income homes for subsidy programs, The national goal called for building 2.6 million units from 1969–1974, the period of the building boom. The construction industry saw greener pastures in the suburbs, building almost two million units each year, but completing only 1.5 million of the needed subsidized homes in America's cities. The one million plus units shortfall represents crowded ghettos in every city in the country.

With unemployment in the construction industry as high as 30 percent or more in some areas, according to California Builder, meeting these shortfalls and going on to meet the current goals would go a long way toward putting the industry back on its feet and people back on the job. According to the Department of Labor, over two million man-years of construction would be generated in a national effort to build the 1.1 million units of subsidized housing required to meet the 1969–1974 housing goals. The current national housing goals call for 595,000 new units of subsidized urban housing, and meeting this figure would create 1.1 million jobs a year, more than enough to put "help wanted" signs up in every city. The National Urban Coalition estimated the cost of this effort was $17.5 billion in 1971. The Homebuilders Association puts the current figure at closer to $21 billion, half the cost of the B–1 bomber.

In addition to human needs, the rehabilitation of homes that are abandoned or substandard is also appealing in terms of the environmental goals of preserving open space and agricultural land and reducing dependency on the automobile. Builders and developers say it is very time consuming and not really profitable, but if the beauty and charm of our city neighborhoods are to be retained, a national drive to meet our national rehabilitation goals must be mounted.

One city that has tackled the problem is Pittsburgh, Pannsylvania. ACTION Housing, Inc., a nonprofit corporation, established to rehabilitate the city's vandalized ghetto neighborhoods, teamed up with a new construction firm to rehabilitate over 2,200 units in five years. The contractor, AHRCO, Inc., was founded especially to rehabilitate housing and show that it can be done with local skills and at a profit. Milton Washington of AHRCO estimates that over 50 new racial minority contracting firms have been established in Pittsburgh to work in rehabilitation. AHRCO has a staff of 80 and hires as many as 500 local workers, 90 percent black, to complete "rehab" projects. AHRCO has set up a training program in "rehab" construction techniques and graduated over 100 working apprentices, most of whom were formerly unemployed.

A sister organization in the same city, the Pittsburgh History and Landmarks Foundation, has demonstrated that restoring historically valuable buildings is not only more aesthetic than tearing them down, but cheaper. The foundation has restored 80 architecturally and historically significant homes, mostly in black ghetto areas, and rented them out to low-income families who maintain the buildings. The foundation has also used local minority workers and has convinced one construction union to let its older men work for the foundation on the painstaking restoration at reduced wages. Since these workers do not want to perform at the pace demanded by corporate employers, they are happy to volunteer under a new contract. The Urban Coalition reports similar projects in ten cities across the nation, but many of these are retrenching for lack of funds.

Using the Pittsburgh experience as a rule of thumb, a low estimate of the number of construction jobs that would be generated if the nation met its rehabilitation goals would exceed 100,000 a year. Altogether, jobs generated by the construction and rehabilitation of housing in urban neighborhoods, in line with the national goals, would total over six million jobs by 1978, or 1.2 million a year.

Environmental Investment and Inflation

The expenditure required to meet the goals of clean air and water and a healthy environment have been summarized in the table. These figures are estimates based on a Chase Econometrics study for the EPA, published in the Fourth Annual Report on Environmental Quality. They should not be regarded as exact predictions, but rather as estimates of the magnitude of investment involved. The CEQ estimates that the 1974 investment in pollution-control equipment and payroll amounted to 0.7 percent of the Gross National Product and should increase to 1.4 percent by 1976. Private pollution-control investment will amount to approximately three percent of gross domestic private investment and six percent of all business investment in plant and equipment. These percentages indicate that environmental investment will remain a small but significant sector of the economy, reflecting the true cost of production. It will not curtail other investments, as business spokesmen have claimed. This was proved by a Bureau of Economic Analysis survey that revealed only two percent of firms installing pollution-control equipment reported their other investments were curtailed. EPA consultants noted that much of the new investment in equipment was in the form of process changes that also improved the productivity of the plants.

Who will pay the cost is a question that is frequently raised about protecting the environment. EPA staff and Chase Econometrics consultants estimated that the cost of pollution control raised the Consumer Price Index in 1974 by one-half of one percent, or less than three percent of the total price increases for the year. By comparison, fuel price boosts accounted for 22 percent of the year's cost-of-living increases. In the long run, the total expenditure of $194 billion for pollution abatement and environmental protection may raise the Consumer Price Index by 1.04 percent, with some prices going up as much as ten percent. A study sponsored by the EPA and the Public Interests Economics Center indicated that most pollution-control costs will be passed on to consumers in the form of slightly higher prices and slightly higher taxes, assuming no change in current profit and tax policies. But these increases are not inflationary.

They represent real value received for the money spent. Better health, longer lasting products and homes, better car mileage, more crop production, and less pollution damage are the result—are all concrete benefits whose value can be and has been calculated. And, of course, the benefits of a beautiful environment are priceless.

One cost that environmentalists must consider, however, is the cost in human terms of those jobs that will disappear as a result of pollution-control programs. The EPA maintains an Economic Early Warning System to predict and monitor the impact of its programs on facilities that must close or lay off workers as a result of regulations. To date, only 69 plants have closed as a result of federal enforcement actions, involving 12,000 workers. EPA estimates most of these found work in other plants that expanded their share of the market as the result of competitors' closing. Many of the plants that closed were also the marginal profit makers that would have closed in the near future anyway. Some firms found it more profitable to cut payrolls in old, less efficient polluting plants and shift production to newer facilities with better productivity and pollution controls.

An estimated 50,000–125,000 workers are expected to be laid off by 1976 because of environmental regulations, according to the *Economic Impact of Pollution Control* summary of reports. This is far less than the 500,000 jobs multinational corporations exported to foreign nations in the late 60's and early 70's. Many of those workers will be quickly rehired in other plants, but the hardship this causes, even temporarily, allows business leaders to blackmail environmental programs. No American worker should suffer because of a lack of environmental responsibility on the part of his or her employer.

Environmental support for legislation compensating these workers should be a top priority. The labor unions' first responsibility is, properly for the security and wages of their members. But once paycheck protection and job security and opportunity are guaranteed, labor can work closely with environmentalists on pollution control as they have on workplace safety. At the same time, environmentalists should research and stress the jobs for the environment that are being created by their programs. As America's GNP continues to fall in what seems to be the coming steady-state economy, environmental protection will loom larger and larger as a major employer, one that saves energy and raw materials, and produces real benefits for all people.

OPEN LETTER TO GEORGE MEANY

(Mr. DEVINE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DEVINE. Mr. Speaker, once again,

I am submitting an editorial by Earl W. McMunn, director of public affairs of the Harvest Publishing Co., entitled, "Open Letter to George Meany."

This article appeared in the Ohio Farmer last month and I hope all Members of Congress will take the time to read through it and consider the very important points Mr. McMunn made:

Let's Reason Together: Open Letter to George Meany

(By Earl W. McMunn)

Dear George: We've never met, but I address you as a friend since we seem to share a common goal. I'm concerned about rising living costs and the threat of runaway inflation. You must be too. You said as much when you shut off our grain shipments to Russia last summer "to protect American consumers against rising food prices."

That move didn't halt inflation because you attacked the wrong culprit. American farm production was not at fault. We grow enough grain to feed our people with vast tonnages left over. We must export if we are to buy oil and other products from abroad. Exports also provide off-farm jobs which help keep the U.S. economy strong.

Don't let last summer's failure discourage you George, because you have another chance. This time you can play the game in your own ball park where you have the home-team advantage.

Perhaps you didn't know that farmers get less than 40 percent out of every food dollar. More than 60 percent is the off-farm cost of getting food from farms to consumers. And, labor accounts for more than half of the 60 percent. Let's look at that side of the question for a change.

There is general agreement that labor is entitled to a just return for services rendered. But, labor increases which are greater than gains in productivity are bound to be inflationary. Your experts have no doubt explained this basic economic fact to you.

According to new reports, this is to be a year of fateful negotiations in labor circles. The country faces the heaviest bargaining schedule in more than a decade, with 4 to 5 million workers involved in labor contract talks. Every citizen will be affected by the outcome of those negotiations.

As you know, last year's contract settlements averaged increases of about 10 percent during the first year of operation. This, in spite of the fact that productivity gains in industry were much less—probably no more than 1.5 to 3 percent. This year's demands appear to be even higher. Here's your opportunity. You can use your influence to head off contract provisions which create more new inflation.

Some of the most inflationary demands are coming from the Teamsters Union. Perhaps you don't see eye-to-eye with Frank Fitzsimmons on every issue. But here must be an area where you can cooperate. No doubt he shares your concern about the rising cost of living.

I understand the Teamsters are asking for wage and fringe benefits increases that could boost labor costs as much as 50 percent over the next 3 years. Wage demands alone would add something like $2.50 an hour during the contract period. That's on top of the $7 an hour now earned by the average hourly driver. Another dollar an hour is demanded for payments to pensions, health and welfare funds.

No thinking person can contend that farm price increases are inflationary, while labor increases which exceed gains in productivity are not. Remember, labor is now getting almost as much out of every food dollar as producers of farm products. Thanks to your power and the power of other labor leaders, wage rates move in one direction. That direction is upward. Farm prices, in contrast, move up and down, in response to the market demand.

There's another area where your influence can be decisive. This is in Congress where fiscal responsibility must start if we are to curb inflation. Already, we have watered down the value of our dollars with a public debt totaling well over half a trillion dollars. A quarter of this year's almost four-hundred-billion-dollar budget will be put "on the cuff."

Deficit spending, as you know, is a major cause of our inflation which has averaged about 5.5 percent per year over the past decade. New York City has demonstrated that overspending leads to bankruptcy. Need we repeat this folly on a national scale?

You hold the key to actions by Congress. Were not many of its members elected with your help and support? If you speak, they will listen and respond to your bidding.

The chart on this page should be of special value to you. Between 1960 and 1975, personal incomes for the people of this country soared an astounding 300 percent. During most of that time the percentage of income spent for food was in a steady decline. You will note that in 1960 consumers were spending about 20 percent of their income for food. In 1972 they were spending little more than 15 percent. Even now, it is only about 17 percent. Improvement in farm productivity was a major reason. Does this not tell you something about the folly of trying to "help consumers" by holding down farm income?

No doubt you can use this chart to persuade other labor leaders that they should moderate their demands to protect consumers against rising living costs. Also, you can use it in telling members of Congress why you want them to curb deficit spending.

George Washington was the Father of our Country and George Meany can be its Savior. Washington was "first in war, first in peace and first in the hearts of his countrymen." Now the opportunity is yours to gain a hallowed place in history by restoring the nation to economic health. "George Meany—Savior of America!" Doesn't that give you a spine-tingling feeling of patriotism? Here's your chance, George. Immortal glory can be yours. Don't blow it!

KENNAN DEBATES KISSINGER ON CONTAINMENT OF SOVIETS

(Mr. SEIBERLING asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SEIBERLING. Mr. Speaker, yesterday being a legal holiday, many Members may have been away from Washington and missed the interesting debate printed in the Washington Post, in which George F. Kennan responded to Secretary Henry Kissinger's February 3 speech on containment of the Soviet Union. Because of the importance of these two somewhat differing points of view about this vital subject, I am offering both statements for inclusion in the Record following these remarks.

Secretary Kissinger has used the Angolan issue to articulate the theory that the United States should always respond to Soviet moves outside the immediate Soviet orbit. He has castigated Congress for halting "national action" in the middle of a crisis.

The Secretary's choice of words is interesting. One wonders how there can be "national action" by the U.S. Government on a matter as grave as involvement in a war of such importance without prior approval of the Congress. As far as I am concerned, and I am sure for many other Members, the congressional vote against funding U.S. involvement in Angola was on the basis that the administration had failed to come to Congress and request such funds prior to any commitment to such involvement.

Had such approval been sought in June, before the administration made its unilateral decision to step up U.S. support for certain Angolan factions, it might well have been a different story. By the time the vote was taken in the House last month, it was already obvious that the Angolan situation was hopeless and that the administration's determination to pour more money into Angola would have had no significant effect on the course of events in that country.

Nevertheless, Secretary Kissinger argued that continued authority to spend the taxpayers' money in Angola would have strengthend his hand diplomatically. Without challenging his position, I would simply note that many of the Secretary's problems stem from the fact that he is more at home dealing with the Soviets than working within the constitutional mandate that Congress, and Congress alone, has the authority to authorize U.S. participation in war.

While Mr. Kennan's statement does not deal with specific problems related to Angola, he adds some very necessary—and all too frequently neglected—considerations to Secretary Kissinger's speech. In my view, Mr. Kennan's most important point is that if we are to succeed in containing Russian expansion:

> We will need the support of world, or at least regional, opinion; and we must be careful not to forfeit this by casting ourselves in the same light as our opponents. People are of course sensitive to the show of strength; but they are sensitive to other things, too.

Indeed, the words just quoted highlight what seems to have been the greatest weakness in our Nation's foreign policy in recent years, and particularly in the years of Henry Kissinger. To believe that the United States can go it alone or rely purely on military power is to exhibit a profound misunderstanding of what this country stands for. In our 200 years as a nation, our commitment to decency and humanitarian principles has been our greatest foreign policy asset. What better time than now to renew that commitment?

The referred to article appears as follows:

[From the Washington Post, Feb. 16, 1976]

Containment of the Kremlin

(Note.—The issue of how to deal with the Soviet Union is here explored by two of the Americans most intimately involved in it since World War II. Secretary of State Henry Kissinger, whose remarks are excerpted from a speech on Feb. 3, argues that "It is our responsibility to contain Soviet power . . ." George F. Kennan, the former State Department planner credited with authoring the original doctrine of "containment" in 1947, at our invitation responds.)

KISSINGER

"For the first time in history the Soviet Union can threaten distant places beyond the Eurasian land mass—including the United States."

The issue of how to deal with the Soviet Union has been a central feature of American policy for three decades. What is new today is the culmination of 30 years of postwar growth of Soviet industrial, technological and military power. No American policy caused this. No American policy could have prevented it. But American policy can keep this power from being used to expand Soviet influence to our detriment.

In the period after World War II, our nightmare was that the Soviet Union, after consolidating its occupation of Eastern Europe, might seek to spread its control to other contiguous areas in Europe and Asia. Our policies therefore sought to build alliances and positions of military strength from which we could contain and isolate the Soviet Union.

These policies served us and our allies well. Soviet expansion was checked.

Then, gradually, with the acquisiton of nuclear technology and the transformation of the international system through decolonization, the Soviet Union began to emerge as a first class military power.

For the first time in history the Soviet Union can threaten distant places beyond the Eurasian land mass—including the United States. With no part of the world outside the range of its military forces, the U.S.S.R. has begun to define its interests and objectives in global terms. Soviet diplomacy has thrust into the Middle East, Africa and Asia.

Coping with the implications of this emerging superpower has been our central security problem for the last several years. This condition will not go away. And it will perhaps never be conclusively "solved."

It is our responsibility to contain Soviet power without global war, to avoid both abdication, as well as unnecessary confrontation. This can be done, but it requires a delicate and complex policy. We must strive for an equilibrium of power, but we must move beyond it to promote the habits of mutual restraint, coexistence and ultimately, cooperation.

The policies pursued by this administration have been designed to prevent Soviet expansion, but also to build a pattern of relations in which the Soviet Union will always confront penalties for aggression, and also acquire growing incentives for restraint. These goals are well within our capabilities. Soviet power is evolving with considerable unevenness. Soviet society is no longer totally cut off from contact with, or the influences of, the world around it, nor is it without its own needs for outside relationships. It is the great industrial democracies, not the Soviet Union, that are the engines of the world economy and the most promising partners of the poorer nations.

The industrial democracies, if they face their challenges with confidence—if they do not mesmerize themselves with the illusion of simple solutions—possess vast strengths to contain Soviet power and to channel that power in constructive directions.

Angola represents the first time that the Soviets have moved militarily at long distance to impose a regime of their choice. It is the first time that the United States has failed to respond to Soviet military moves outside the immediate Soviet orbit. And it is the first time that Congress has halted national action in the middle of a crisis.

When one great power tips the balance of forces decisively in a local conflict through its military intervention—and meets no resistance—an ominous precedent is set, of grave consequences even if the intervention occurs in a seemingly remote area. Such a precedent cannot be tolerated if a lasting easing of tensions is to be achieved. And if the pattern is not broken now, we will face harder choices and higher costs in the future.

To claim that Angola is not an important country, or that the United States has no important interests there, begs the principal question. If the United States is seen to waiver in the face of massive Soviet and Cuban intervention, what will be the perception of leaders around the world as they make decisions concerning their future security? And what conclusions will an unopposed superpower draw when the next opportunity for intervention beckons?

If our divisions paralyze our international efforts, it is America as a whole that will suffer. We have no more urgent task than restoring the partnership between the American people, the Congress and the executive.

Debate is the essence of democracy. But restraint is the cement of national cohesion. It is time to end the self-torment and obsession with our guilt which has threatened to paralyze us for too many years.

Let us learn—even in an election year—the self-discipline to shape our domestic debates into a positive, not a destructive, process.

KENNAN

"First of all, it is important to recognize that not all places and regions are of equal importance from this standpoint."

Secretary of State Kissinger's thoughtful and statesmanlike speech represents a welcome and useful contribution from the official side to a public discussion of problems of foreign policy which has long lacked just this sort of steadying.

He pointed to some very real and important differences between the situation that confronted this country in its relationship to the Soviet Union in 1947, when the term "containment" first came into use, and the situation that confronts it today. The reference to the greatly increased military strength, particularly naval and amphibious strength, of the Soviet Union can be readily accepted even allowing for the measure of exaggeration which always seems to creep into American statements of this nature. It is also perfectly true that the Soviet Union has a far greater capacity for making this strength felt in regions far from its own shores than was the case 30 years ago. Nothing, finally, could be more true than that Washington, as well as Moscow, must find means of dealing with individual conflicts of interest between the two peoples by means short of all-out war, or even of the serious risk of war.

Nevertheless, when it comes to this complicated problem of Soviet expansionism, or the appearance of it, there are certain nuances and reservations that could usefully be added to what Dr. Kissinger had to say.

First of all, it is important to recognize that not all places and regions are of equal importance from this standpoint. There are some, such as Korea and Cuba, that are of high strategic importance in the sense that they affect the interests of this country and other great powers in an intimate and sensitive way. There are others which have what might be called a local strategic importance, especially from the standpoint of their immediate neighbors, but are of minor significance from the standpoint of the world balance of power. The two must not be equated.

Second, one is obliged to consider the nature of such gains as a great power—in this instance, the Soviet Union—might hope to make through an attempt to establish influence in a region far from its shores. There are many variations of the colonial and neocolonial relationship—and not all of them are greatly advantageous to the dominant external power. Short of total occupation of the territory and suppression of the indigenous government, the attempt to turn the resources of that territory to the exclusive benefit of the outside power is subject to a host of complications. Available evidence suggests that Cuba, for example, has been for years a financial stone around the Soviet neck. While it is certainly important to prevent the Soviet Union or any other great power from gaining positions on other continents from which world peace could be threatened or world stability seriously impaired, there is no reason the United States should feel itself obliged to protect any other power from the assumption of responsibilities that are going to be an awkward burden to it.

Third, most careful attention has to be given to the nature of the tools or the allies we have to work with. What happens if direct intervention is barred and our efforts are restricted to the attempt to assist an existing political faction in a foreign territory? The limits of the quality of that faction as a military and political competitor within the territory affected become the limits of the effectiveness of our own action. If there is any one factor, the ignoring of which has gone farthest to frustrate previous efforts of this sort on our part, it is this. It is not everyone who can be made successful, even with the greatest effort of outside aid.

Finally, there is the recognition that what we wish will not, in many instances, be anything we can hope to achieve with our efforts alone. For this, we will need the support of world, or at least regional, opinion; and we must be careful not to forfeit this by casting ourselves in the same light as our opponents. People are of course sensitive to the show of strength; but they are sensitive to other things, too.

These observations are offered not by way of rebuttal to the very solid appreciations brought forward in the Secretary's speech but to emphasize the point that, even departing from these sound insights, this government has still to evolve principles and methods for asserting its influence in overseas territories which would save it from the sort of failures it has experienced in the past—not just in Vietnam but elsewhere as well.

LEGISLATION TO PROHIBIT OIL OR GAS EXPLORATIONS UNDERNEATH WATERS WHICH HAVE BEEN DESIGNATED FOR MILITARY TRAINING AND TESTING

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. SIKES. Mr. Speaker, I am introducing a bill today to prohibit exploratory or production drilling for energy resources on Outer Continental Shelf lands underlying waters of the Gulf of Mexico which are reserved for defense training and testing. This prohibition can be waived by the certification from the President that exploratory or production training on energy resources are essential to the national defense of the United States. or when the military department concerned no longer requires the land for defense training or testing.

During the past several years, the Department of Defense, the Department of the Interior and the Federal Energy Administration have made arrangements for exploration for oil off the coast of Florida in areas where the Air Force and the Navy were conducting extensive training and research activities. Under pressure, the services agreed to a restriction of the ranges which were in use and certain areas of the ranges were made available for commercial exploration. These arrangements limited the areas available to the defense forces and present areas are considered minimal for their requirements in other words. The ranges now maintained by the Department of Defense for use for testing and training by the military forces are essential for programs involving modern, sophisticated weapons, whether for offense or defense.

After the Department of Defense granted permission to allow commercial exploration of several tracts of offshore fields in and near the Eglin Armament Development and Test Center Range and other military installations, no discovery indication of the presence of oil under the surface was made despite very extensive explorations. The commercial firms doing the exploratory drilling have given up most of their lease rights because they no longer see a potential for discovery of oil in this area. The FEA, however, continues to have an interest in further exploration in this area and is seeking additional exploration in the test ranges.

The correspondence I have recently received from the Department of Defense indicates that the Department may yield to the requests of the Department of the Interior and the Federal Energy Administration for further oil explorations in the Gulf of Mexico and that the new exploratory wells will be in the area previously set aside for defense purposes. This additional exploration would be at government expense. No funds are presently available for this purpose and I consider it unwise that appropriations be made for this purpose.

I consider additional explorations in areas clearly reserved for defense ranges would be in a clear violation of all existing agreements between the Department of Defense and the Department of the Interior and a definite threat to defense training and testing activities. Further exploration involving the present ranges which are reserved for military services could be highly limiting and detrimental to the effectiveness of training and testing involving both offensive and defensive weapons.

I urge my colleagues to support this legislation to insure the continuation of the essential testing and training programs that are conducted in these areas. These programs are vital to our national defense and must be allowed to continue without interference.

A SOCIETY TOO WEAK TO PUNISH VIOLENT CRIME IS DOOMED TO AN EVER-INCREASING CRIME RATE

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, the march of the antigun elements is again evident in the Halls of Congress. Since the passage of the 1968 Gun Control Act, they have prodded time and again for more militant legislation. Some are well meaning, conscientious individuals. There also are some who, for reasons of their own, want to take weapons away from all law-abiding, responsible citizens. They would accomplish this by oppressive legislation, including registration and licensing at high cost which, in effect, would leave only the criminal in possession of weapons with which to carry on his trade against a largely unarmed society.

These things also are clear. There is an increasing crime rate in America. The police obviously are unable to cope effectively with this growing threat to personal security and property. There is no apparent improvement in the operation of the courts which free one criminal after another almost as fast as they are apprehended. There is continuing overconcern with the criminal and apparent indifference to the plight of his victim. It should be very certain that antigun legislation now will worsen rather than improve this unhappy picture. Nevertheless, antigun elements continue their chant for additional antigun laws and the militant leftist press solidly sides with them. Regretfully, they have the support of those well-meaning individuals who are very sincere in feeling that more gun control means less crime, a situation which additional gun legislation has never produced.

It appears that Congress soon will have to face the reality of new antigun bills on the floor of the House and Senate. It is time to study the facts and strip away the dross of sentimentality with which the antigun advocates seek to obscure their motives.

All of this well stated by Merrill W. Wright, president of the National Rifle Association, in an editorial which appeared in the February 1976 issue of the American Rifleman. I submit it for printing in the RECORD, and I strongly urge that it be read and re-read:

A 1976 MESSAGE FROM THE NRA'S PRESIDENT: "A SOCIETY TOO WEAK TO PUNISH VIOLENT CRIME IS DOOMED TO AN EVER-INCREASING CRIME RATE"

On the 200th anniversary of these United States, all Americans pause to look back in time to the days our country began. On this occasion we reflect not only on the hardships of those days, but also on the great strengths of character, the high moral values, that brought our founders to victory in the birth of a great nation. The signers of the Declaration of Independence pledged to each other their "lives, and *sacred honor*." And while we consider the old moral codes, let us think, too, about the old rates of crime. Those founding fathers met crimes of violence with swift and stern justice. They faced violent crime squarely, not as people who feared crime, but as a people who would not tolerate crime.

Let us, today, not debate the narrow question, "should there be capital punishment?," but rather the broader question, "should justice be sure and swift?" To relieve our crime problem, we must convict the guilty. The rights of the victims must be recognized. Let me state a basic truth which must be remembered, *"a society too weak to punish violent crime is doomed to an ever-increasing crime rate."*

The absurd notion that we can curb crime by restricting legitimate gun ownership would have brought responses ranging from jeers to profanity from those early Americans. They would have asked, with stinging realism, "Who do you think you're fooling?" They would have dismissed such nonsense faster than you could dump tea in Boston harbor.

Modern Americans who are the realistic intellectual descendants of those early patriots, regardless of their own race, creed or ancestry, likewise refuse to be fooled by the anti-gun argument. Asked the clean, clear, unbiased question, "What steps do you think should be taken to reduce crime?" only 11% of Americans sampled in a recent major survey came up with gun control as their first recomendation. Three times as many favored more severe punishment of criminals.

The old-timers had the courage to control crime and criminals. Where did we lose that courage? Today we pamper and release and dismiss and parole, and we are up to here in crime!

We have listened to the appeasers and to "soft justice" thinking for most of the 20th Century. Our reward has been costly. Who dares walk the streets of any major American city after dark? Isn't it time to return to a way that worked? Let us demand Bicentennial Crime Control! Let us today demand that the convicted criminal be kept apart from his victims, the rest of our society! We need only insist that the "repeater" criminal be barred from us, and our homes, and our valuables.

In our Bicentennial year, we may well remember that the old values may well be good values. When you remember the worth of it all, and have the will to enforce it, then we can really cut crime, because *"with no free criminals, there can be no crime."*

MERRILL W. WRIGHT,
President, National Rifle Association.

SPEECH OF HON. MARK ANDREWS TO THE NATIONAL LIMESTONE INSTITUTE, JANUARY 27, 1976

(Mr. SIKES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, I am pleased to submit for printing in the CONGRESSIONAL RECORD a speech given by our distinguished colleague from North Dakota, the Honorable MARK ANDREWS, on January 27, 1976, at the 31st Annual Convention of the National Limestone Institute.

Those of us privileged to serve with Mr. ANDREWS know of his outstanding abilities and his great contributions to the work of the Congress. He enjoys the very high regard of his colleagues on both sides of the aisle. It is difficult to praise any man more highly than this.

The National Limestone Institute is one of the most respected organizations in the Capital area. For years it has enjoyed the confidence of the Congress. The message given by Mr. ANDREWS is one that is well worth the conscientious study of the Members of this great body:

Today we had, of course, Jim Lynn, Bill Simon, and the others talking on our foundation hearings this morning on the budget. The reason, however, for my being unable to stay and take part in the lunch and run a more, shall we say, normal schedule this noon, is the fact we just happen to have two rather important pieces of legislation up on the Floor. Now Bob Koch picked this day about three or four months ago. But today, we just happen to have, starting at noon, the veto override on the HEW Appropriations Bill, and I happen to be a member of the committee, of course. And then following that little gem, we just happen to have the Defense Appropriations Bill that's been hung up for three months fighting a provision about whether or not we should aid a country called Angola. So, you know we've got two real doozies back-to-back this noon. So when I leave early, you'll understand why. Mary and I look forward to joining you this evening, and I hope we can do it on a much more relaxed basis.

Congress is making any number of decisions. Someone told me at a seminar last night that good judgment comes from experience and experience comes from bad judgment. I don't know what this all means about some of the decisions we make in Congress and in business, but I think we have to realize that our actions today are based on what we remember that went before. And we're projecting those actions into the future, so as we build on the past, we can build a stronger and a better America for tomorrow.

Both as a farmer and as a Congressman, I deeply appreciate the opportunity to discuss a few things with you today. The years before I came to Washington in 1963, I made full and complete use of the Department of Agriculture's Conservation Programs, as did most of the farmers in my home state. It was mentioned in the introduction that I am a farmer. I am. My name is still on the notes at the bank back there. Shortly after we got a pay raise in Congress about eight or ten years ago, we had a farm forum back home. We had the usual question and answer session. There must have been 450 farmers there. The first question that came up, "What are you gonna do with that $10,000 raise you got?" You think for a minute, "how do you justify it? I really didn't vote for it because I don't think that Congress deserves one until they at least balance the budget." But I thought quick and I said, "Well, I'll keep right on farming as long as it lasts." And everyone understood just exactly what I said.

Now, back home I've used these Conservation Programs as most of our farmers have. I'm a third generation farmer. My son is now out on the farm with his wife, and they are the fourth generation on that particular land. We realize that we have to keep that land in shape. If we don't, our family farm suffers. But it's more important than just our farm and the farm of our neighbors. The resources of this Nation suffer. That Conservation Program was a Godsend to all of us from the Great Plains area. While I used the program, and appreciated its value, I was only dimly aware of the internal battles that went on down here in Washington to preserve and expand the program. Now, as a Congressman, I understand only too well.

Your great president and my close, personal friend, Bob Koch and I have gone through some pretty tough battles to save this Program (ACP). We've lost a few, haven't we, Bob? But, with your fine counsel and the great cooperation of your organization, we've managed to win most of the fights. You'll be glad that Jamie Whitten was up there today pounding Jim Lynn over the head, wondering why they deleted for the, I think it's the 14th or 15th time in a row, the ACP Program. Now, I've only served under four Presidents, two different political parties, but each one of them has cut out the ACP Program and each time the Congress has put it back in again with the help of your organization. There are few national organizations that I deal with on the Hill whose integrity and effectiveness I value more.

Since we farmers in North Dakota use little, if any, of your product—actually our soils are far more "limey" than most any soils in the whole Country—you may wonder why I maintain such a close relationship with Bob Koch and your organization. It's very simple. Aglime is fundamental to all soil conservation in the humid areas of this Nation. Without it, legumes couldn't be grown productively and we'd have to use a whale of a lot more nitrogenous fertilizers which, today are in very, very short supply, and at prices you wouldn't believe, unless you're out on the farm and then you'd know what has happened to those prices lately. But Bob Koch and your organization took a larger look at this whole national Conservation Program. The farmers in the South fighting acid soil conditions desperately need your product. Up in the great treeless prairies of the Great Plains we need other types of Conservation practices. Shelter belts, for instance, reducing the wind sweep that comes across those prairies is one of the key conservation practices that we use. It's just a simple matter of working together for mutual benefit. These programs aren't any ripoff. They talk about the great plus that the farmer gets and how this is really a welfare program. Well, that's a bunch of garbage.

Let me explain to you that tree planting program, for instance. If we go out to plant trees, we order the trees from the local soil conservation service. The government grows them; they come in and plant them; and they charge us $60 an acre or so for planting them. Then they turn around and give us a payment of $60 an acre, so we end up exactly even, except for one big thing. We've donated the land in perpetuity you might say, for the location of that shelter belt. So in order to have a shelter belt, the farmer breaks even, donates five or six acres of his land for all time, to building a stronger conservation base for this country. And the same thing, of course, with aglime. Without it, the soils can't be kept in as good a shape for posterity as they can be otherwise. So these are contributions not to the immediate present, but to the future, and for ongoing generations to benefit by.

Let me tell you something that your organization and many other people have done, both in and out of Congress: what you've done is something the whole Nation can be proud of. Of all the single programs we've had for agriculture down through the years, and there have been many, the one program that's most responsible for the incredible and consistent farm productivity—abundance—is this Conservation Program. Since this is the Bicentennial Year of our independence as a free Nation, I don't think it inappropriate to review a little history. You know, 200 years ago we were a Nation of farmers. Some 95% of the people lived off the land. It wasn't until well after the turn of this century that city and urban citizens began to outnumber farmers. Today, in 1976, less than 5% of our 215 million citizens live on farms. While the census bureaucrats seem to keep changing the definition formula of who is a farmer and who isn't, I believe the latest figure is somewhere over two million farmers. But this figure is misleading because in terms of actual production and volume of cash marketing, less than a million farmers today produce 85% of all of our food and fibre. But even if the figure is 5%, there are very few districts—only eleven congressional districts out of the 435—that have more than 20% farmers in them. So agriculture is outnumbered, you might say, eleven to 424.

We have to tell our story based on what we're doing for the Nation, not what we need for ourselves as one small segment of the Nation's economy. I think that we ought to point out that by producing that basic necessity, food, with only five percent of the people, we free up 95% of our people to produce the bathtubs, and the TV sets, and the automobiles and all of the other things that go to give us a high standard of living. And you can look at any Nation in the world, and if they've got an efficient agriculture, where a small percentage of the people are engaged in agriculture producing an abundance, that's the Nation that has the highest standard of living. What do we produce? Our farmers produce enough to make this Nation of 215 million people the best-fed Nation in the world and at prices the very lowest in the world. In addition, this year, the USDA estimates that we ship at least $23 billion in food to other nations. Twenty-two billion dollars in the form of outright commercial sales; and $1 billion in the form of the Food for Peace Program. This is going to be the fourth consecutive year that our farm exports have exceeded $20 billion. Agriculture is the largest exporter of all of our industries.

I happen to be on the Subcommittee that funds the Commerce Department, the State Department, the Justice Department, and a few other agencies as well—the Federal Trade Commission, the FCC, and a host of others. We have some interesting hearings there. I'm also the only farmer on that Subcommittee, and it doesn't normally deal with agriculture. I have a habit every now and then of asking the people in the Commerce Department whose job is to stimulate overseas trade: "Say, what is the biggest export dollar earner in this Country?" They of course have to admit its agriculture. And then I say, "Well, why don't we have agricultural attaches in all of the countries around the world trying to stimulate more sales?" The country in this world that has the greatest population, China, opened two years ago their doors to us for a semi-embassy. And the State Department hustled up their striped-pants boys and went over, but they didn't have one agricultural expert in the bunch. Not one. The Department of Commerce, when I asked them, "Who have you got in this overseas sales shop of yours that has any expertise in agriculture?" And they found one fellow whose father was born on a farm in Iowa, but had moved to town and he graduated from Harvard. Now there was their farm expert.

It's amazing what farmers do in spite of the misunderstanding that run around this country about agriculture in general. Consumers complain and not too long ago, we had the march on Washington. People were complaining that the price of beef was too high and that the general food prices were too high. Even the bakers, those friends of the farmers, said "You know, if the price of wheat goes up much more"—and it was then selling for about $5 a bushel— "we're going to have to charge $1 for a loaf of bread." Remember that? It got on every television show and every major newspaper around. $1 for a loaf of bread because wheat has reached $5 a bushel. Now all of you gals that spend some time in the kitchen know what goes into a loaf of bread: flour, and that's about all. That's almost the total ingredient of a loaf of bread. And before you can get a dollar's worth of wheat in a loaf of bread, wheat would have to sell for $68 a bushel. Nobody thought about that, you know. At $5 a bushel there is only 6¼¢ worth of wheat in a loaf of bread. Interestingly enough, the loaf of bread went up, and up, and up, as wheat went up somewhat. Well, wheat's down now, 30% from what it was a couple of years ago. Is your loaf of bread in the grocery store down? No. in fact, it kept going up—all blamed on the farmers.

The consumers continually say, "Well, you know, it's you folks in government." I went on a television show with one of these consumer leaders and the best advice I get, of course, comes from my wife. I went on this NBC outlet on the East Coast—Dimension Washington—and I was going to be interviewed by a panel of news hawks and people down here along with this consumer leader. And my wife told me before I went, "Now remember, whatever you do, don't lose your temper, because this other one is a gal and it's not gonna come off too well if you lose your temper." Well, I didn't lose my temper. As a matter of fact, I bit my tongue once or twice, but early into the program, she looked at me and said, "You know, you farmer-Congressmen are always trying to make it soft for the farmers. You're always trying to take care of them; you're always protecting them. You don't let us buy these meats from overseas that are so much cheaper because you want to protect the domestic farmer." I said, "Young lady, I'll have you know that today, and I have the prices, today's price of beef in Canada is about 10% higher than ours; in London it was 110% higher; in Paris it was 130% higher; and in Tokyo, Japan, it was 400% higher than in the United States." Our consumers, even at the height of the consumer revolt, were getting meat cheaper than consumers any place else. And then she began thinking and she smiled and came back at me. She said, "Well, Congressman," totally reversing her field, "that's all right, but you have to realize that the people in other countries can afford to pay more for their food because they don't have to maintain the second car, and the house on the beach like our family does." Right away this news hawk, very much the liberal, very much pro-consumer, was on my side. The head of the financial page of the Washington Star became on my side, and I got 25 minutes on television to tell the story of the American farmer. So kindness, in that case, did pay off.

One of the things that consumers ought to realize, too, that they overlook, is that Japan didn't buy our farm goods because of some action of the government. As I said earlier, it is in spite of government activity that people in foreign countries buy our farm goods. Why did the Japanese buy your farm goods? Well, three years ago, the consumers of America, on their own free accord, decided to buy some $4 billion more products than the Japanese bought from us. They bought the Toyotas, they bought the Hondas, they bought the cameras—the cameras that have been taking these pictures are probably Japanese cameras—they bought the hi-fi sets that teenagers have in their bedrooms and drive us out of our heads, you know, turning it on too high. Your T.V. set probably says on the back, "Made in Japan." The American consumers consciously bought $4 billion more products from Japan than Japan bought from us. Why? Because they were better; because American industry has priced itself really out of the market, and for a host of other reasons. But they bought them. And that gave the Japanese $4 billion of our dollars in their pocket! What did the Japanese do? The Japanese took a look at what these dollars would buy. What's the best bargain? And they found it, of course, in what we have overlooked for far too long as Americans: American food. So they came in to buy the soybeans; and to buy the meat; and to buy the wheat. And that caused the demand. They bought a whale of a lot more the year of the Russian wheat sale than the Russians bought.

Overseas demand came not because of the Russian wheat sale, per se, but because American consumers bought overseas goods. Perhaps because they were higher quality, produced at lower cost, and for other reasons. But this gave the other countries the purchasing power. Their use of this purchasing power was a salute really to the productive efficiency and uniqueness of the American farmer.

Let me remind you, also, that it was our farm exports that bailed us out of the energy crisis a year and a half ago. A crisis that still continues since we are now importing almost 40% of all the crude oil we need in this country. If I've said it once, I've said it at least 500 times in the past two months, if George Meany and some of the other labor bosses only knew what a great disservice they were doing to their own people and to the Nation in trying to stop shipments of food to other countries and imposing their powerful political clout to get embargoes declared which wrecks our reputation as dependable suppliers of food. Mr. Meany should know that without the imported oil to run the factories and the electric turbines, we wouldn't just have the 8% unemployment that we were worrying about in the hearings this morning. Unemployment, like inflation, would increase to the double-digit level. If we didn't have the 22 billion dollars of farm exports we had last year, we couldn't have paid the additional 22 billion dollars that the Arabs asked for their oil. The one just about exactly balanced out the other. This Country is a country that depends on energy for job opportunities. The AFL–CIO has a good stake in energy. If those oil imports that amount to 40% of our energy needs couldn't be paid for, and they couldn't have been paid for without agricultural exports, then George Meany's card-carrying labor members would really be in tough shape. In place of trying to put a yoke on the exportability of farm products he ought to be patting the farmers on the back for the contribution they have made to the Nation's economy.

A deplorable lack of understanding exists in this Country about most of the major issues. Not just of food, which I think is one of the most powerful instruments we have to achieve an enduring world peace, but a lack of understanding of the whole range of the basic economic principles that our society and economy have been building on for 200 years. There's a lack of understanding about how our government works—both the good and the bad parts of it. Where do we place the blame? I don't think you can point a finger at any person or institution and say truthfully he is to blame. Certainly we all share that blame. Community-spirited groups, the J.C.'s and other organizations always say get out to vote. That's good, I guess. But what happens if you go to the poll and get a choice between two "dolts", which often happens, you know. You've got to take part in politics to make sure you get a couple of good candidates, so when you go to vote you have a choice! It's up to all of us.

You have to realize that our Country is really a do-it-yourself kit. They gave us a Constitution and a government that works if we participate. When we don't participate we create a vacuum that a few pressure groups move into and take over. When the system moves in the direction we don't want it to move in, we've really got nobody to blame but those of us, ourselves, who didn't take part because we were too busy with our family, with our business, with our church. That makes a pretty good three-legged stool. Without any one of them, things don't work too well. But take a look at Russia—take a look at China—where the government went awry. What happened to the families? What happened to the churches? And what happened to the businesses? So its dreadfully important that we do take part in politics and in our government so that we can continue, in the next hundred years, to build on the lessons we've learned in the last 200 years and that we don't shift in a direction of the government taking over more and more, and leave us with less and less input.

I think we have to recognize that the downgrading of agriculture, which is really the subject of my speech, overlooks some of our unique opportunities as Americans. 2,000 years ago at the time of Christ, there were 250 million souls on this earth. It took us 1830 years before we reached one billion people in this world. Then it took us another 100 years to get the second billion, then another 30 years to get the third billion, another 15 years to get the four billion people that we now have. We know, estimates tell us, that we'll double that—we'll go from four billion people to eight billion people—by the year 2010. We'll add more people on this earth in the next 35 years than we have in all recorded history. And of course, the challenge is: how do we feed them? How do we feed 8 billion people on the face of this earth? Well, actually, we ought to put it a little differently. We ought to point out—and this is a statement of fact—if we don't feed them, they won't be here! And that's a pretty grim thing to think about, too.

I was appointed by the Speaker, along with Tom Foley, to represent the House at the Food and Agriculture Organization Meeting in Rome. We met there with underdeveloped countries from all over the world—countries that are trying to pull themselves up by their own bootstraps—that are looking for leadership, looking toward the Western World or toward the Communist World. As they make choices day-by-day, week-by-week, month-by-month, our agricultural productivity gives us the opportunity to assert moral leadership that no other nation has. If we're only wise enough to recognize what this God-given gift of food abundance can do for us.

Twelve years ago we had a young president by the name of Jack Kennedy. There was a change in the Russian Kremlin—the hierarchy. Some of the people who were willing to accommodate the West came up to power. They had a consumer problem in Russia in 1963. They weren't getting fed well and it manifests itself a little differently in a communist country than it does in a capitalistic society, I can assure you. But it manifests itself nonetheless. They were putting pressure on their leaders because they wanted a better standard of living and it began with food—the most basic of all necessities. And those people in the Kremlin approached the President of the United States, "Can you help us; can you sell us some wheat?" And he thought, "What a wonderful way to show that our system works; what a concrete way to bridge the gap that has been built up between our two cultures." Let's not kid ourselves; they are never going to be our friends. But we can sure get them more dependent on us and that means that they're moving into a less hostile posture then they've been before.

The deal was beginning to take place, and then came the tragic assassination in Texas. We were plunged in the Congress of the United States into debate on Christmas Eve of 1963 and the decision was, do we or do we not sell wheat to Russia? Not a give-away program, to sell it to them for gold. Gold they then wouldn't have to make mischief someplace else. That's history now, but that vote lost and misunderstanding won out. That summer our children were coming back from the County Fair, which is all of five miles from the farm and they said, "Daddy, what's a conscious communist?" And I said, "Well, I suppose a conscious communist is a little worse than an unconscious one, why?" They said, "Daddy, there is a person in a booth at the Fair passing out literature saying you're a conscious communist." I said, "Why?" My daughter said, "Well, because you advocated we should sell wheat to Russia."

Tempers were really running hot at that time. We didn't sell the wheat to Russia. The people that were looking toward the West in the Kremlin were removed from power and went wherever they go over there, to Siberia, I guess. Russia took a distinctly more warlike attitude towards us in the years after that, and we got mired down in Vietnam. History books tell us probably a lot of this was due directly to this shift in policy in the Kremlin. After ten years in Vietnam, we had a President of another political party, who opened gates to the Russians and the Chinese. They had a new group in the Kremlin then, again, including some willing to build bridges between the countries. Again the consumers revolt in Russia. This time we sold them the wheat. Through selling the wheat we got better understanding.

It isn't Russia that we need better understanding with. It is a whole host of countries around the world, who know that if they don't have the help of our agricultural abundance, their futures are mighty short indeed. With the help of your industry and with the understanding of Americans everywhere, in the cities and on the farms, we can build in this next hundred years that are ahead of us an even stronger foundation for a government of all of the people, by showing that our system does work for the people, it does function better than any other and it does have a heart. Not just as a system that donates our abundance, but a system that makes available in world trade our abundance of food.

This is a story really that we've got to look on with a great deal of pride today. This is a story that those of you in the aglime business can feel very proud that you've played an immeasurable part in over the last many decades. And this is why it is a great privilege for me to be with you this noon and why I wish I could spend more time with you. Good luck to you in your meeting. I'll look forward to being with you this evening. Thanks so very much.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Burke of Florida (at the request of Mr. Rhodes), for today on account of illness.

Mr. Drinan (at the request of Matsunaga), for today and tomorrow, on account of official business.

Mr. Eshleman (at the request of Mr. Hyde), for remainder of this week, on account of illness.

Mr. Horton (at the request of Mr. Rhodes), for today and the balance of the week, on account of official business.

Mr. Pepper (at the request of Mr. O'Neill), for today, on account of official business.

Mr. Rodino (at the request of Mr. O'Neill), for today, on account of illness.

Mr. Teague (at the request of Mr. O'Neill), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Hagedorn) to revise and extend their remarks and include extraneous material:)

Mr. Kemp, for 30 minutes, today.

Mr. McCloskey, for 60 minutes, today.

Mr. Archer, for 60 minutes, March 9, 1976.

(The following Members (at the request of Mr. McHugh) to revise and extend their remarks and include extraneous material:)

Mr. Gonzalez, for 5 minutes, today.

Mr. Kastenmeier, for 5 minutes, today.

Mr. Van Deerlin, for 15 minutes, today.

Mr. Dominick V. Daniels, for 5 minutes, today.

Mr. Dodd, for 5 minutes, today.

Mr. Vanik, for 10 minutes, today.

Mr. Neal, for 5 minutes, today.

Mr. Fascell, for 10 minutes, today.

Mr. Adams, for 60 minutes, February 18, 1976.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. O'Brien, to extend his remarks just prior to the vote on S. 2117.

Mr. Jones of Alabama, immediately preceding the remarks of Mr. Roncalio today on H.R. 11645.

(The following Members (at the request of Mr. Hagedorn) and to include extraneous matter:)

Mr. Kemp in three instances.

Mr. McKinney.

Mr. Kelly in three instances.

Mr. Crane.

Mr. Hagedorn.

Mr. Lagomarsino.

Mr. Broomfield.

Mr. Gilman.

Mr. Del Clawson.

Mr. Derwinski in three instances.

Mr. Hillis.

Mr. Forsythe.

Mr. Ketchum.

Mr. Wiggins in six instances.

Mr. Lott.

(The following Members (at the request of Mr. McHugh) and to include extraneous matter:)

Mr. Rosenthal in three instances.

Mr. Cotter.

Mr. Fauntroy.

Mr. Gonzalez in three instances.

Mr. Anderson of California in three instances.

Mr. Annunzio in six instances.

Mr. Madden.

Mr. Traxler.

Mr. Richmond.

Mr. McCormack.

Mr. Bennett in two instances.

Mr. Mikva.

Mr. Natcher.

Mr. Eilberg.

Mr. Brown of California in five instances.

Mr. Evins of Tennessee in two instances.

Mr. Rangel in eight instances.

Mr. Blanchard.

Mr. Moakley in two instances.

Mr. Morgan.

Mr. Brinkley.

Mr. Mazzoli.

Mr. Dominick V. Daniels.

Mr. Minish.

Mr. Jones of Oklahoma.

Mr. Ford of Michigan.

Mr. Riegle.

Mr. Rees.

Ms. Abzug in two instances.

Mr. Russo.

Mr. Hawkins in three instances.

Mr. Stokes in two instances.

Mr. Badillo in three instances.

Mr. Howard in two instances.

Mr. Reuss.

Mr. Milford.

Mr. Adams.

Mr. Matsunaga.

Mr. O'Hara.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2760. An act to amend the Indochina Migration and Refugee Assistance Act of 1975 to provide for the inclusion of refugees from Laos; to the Committee on the Judiciary.

ENROLLED JOINT RESOLUTION SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a Joint Resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 784. Joint resolution to amend the effective date of certain provisions of the Defense Production Act Amendments of 1975.

ADJOURNMENT

Mr. McHUGH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 50 minutes p.m.), the House adjourned until tomorrow, Wednesday, February 18, 1976, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

2556. Under clause 2 of rule XXIV, a letter from the President of the United States, transmitting his recommendation that the Federal Energy Administration be extended to September 30, 1979, pursuant to section 15(a) of Public Law 93–275 (H. Doc. No. 94–372), was taken from the Speaker's table, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ULLMAN (for himself and Mr. Schneebeli):

H.R. 11893. A bill to increase the temporary debt limit until July 31, 1976; to the Committee on Ways and Means.

By Mr. BROWN of California:

H.R. 11894. A bill to provide for sound forest mangement practices in the national forests of the United States consistent with the principles of multiple use and sustained yield; to the Committee on Agriculture.

By Mr. CONTE:

H.R. 11895. A bill to amend title 38, United States Code, for purposes of entitling veterans to 45 months of educational assistance for all educational programs under chapter 34 of such title and to eliminate the 10-year time limitation within which educational assistance must be used; to the Committee on Veterans' Affairs.

By Mr. CRANE (for himself, Mr. Robinson, and Mr. Goldwater):

H.R. 11896. A bill to provide for the confidentiality of medical and/or dental records of patients not receiving assistance from the Federal Government, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CRANE (for himself, Mr. Guyer, Mr. Archer, Mr. Goldwater, Mr. Conlan, and Ms. Schroeder):

H.R. 11897.A bill to amend title 39, United States Code, to eliminate certain provisions relating to private carriage of letters, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. DOWNEY of New York:

H.R. 11898. A bill to provide for a 1-year moratorium on further control or acquisition of marketing outlets by petroleum producers and refiners, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ECKHARDT (for himself and Mr. Richmond):

H.R. 11899. A bill to amend the Fair Packaging and Labeling Act to provide for the regulation of oversized and excessive packaging of consumer commodities; to the Committee on Interstate and Foreign Commerce.

By Mr. FREY (for himself and Mr. Fithian):

H.R. 11900. A bill to amend the Comprehensive Drug Abuse Prevention and Control Act of 1970 to establish minimum mandatory sentences for persons convicted of offenses involving narcotic drugs, to provide emergency procedures to govern the pretrial and post trial release of persons charged with offenses involving certain narcotic drugs, to provide procedures to reach large sums of money used for narcotic trafficking, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRIS (for himself, Mr. Mikva, Mr. James V. Stanton, and Mr. Richmond):

H.R. 11901. A bill to prohibit commercial flights by supersonic aircraft into and over the United States until certain findings are made by the Administrator of the Environmental Protection Agency and by the Secretary of Transportation, and for other purposes; to the Committee on Public Works and Transportation.

By Mrs. HECKLER of Massachusetts:

H.R. 11902. A bill to amend title II of the Social Security Act to provide that an individual over the age of 18 who is entitled to child's insurance benefits on the basis of disability shall not lose such entitlement by reason of marriage, regardless of the benefit status of the person such individual marries; to the Committee on Ways and Means.

By Mr. HELSTOSKI (for himself, Mr. Dominick V. Daniels, and Mr. Maguire):

H.R. 11903. A bill to extend as an emergency measure for 1 year the District of Columbia Medical and Dental Manpower Act of 1970; to the Committee on the District of Columbia.

By Mr. HILLIS (for himself, Mr. Abdnor, Mr. Beard of Rhode Island, Mr. Fithian, Mr. Hammerschmidt, Mr. Hannaford, Mrs. Heckler of Massachusetts, Mr. Howard, Mr. Hyde, Mr. Jenrette, Mr. Mazzoli, Mr. Mitchell of Maryland, Mr. Murphy of New York, Mr. Pepper, Mr. Rangel, Mr. Roe, Mr. Walsh, Mr. Bob Wilson, Mr. Winn, Mr. Wolff, and Mr. Yatron):

H.R. 11904. A bill to amend title 38 of the United States Code in order to authorize the Administrator of Veterans' Affairs to make scholarship grants to individuals attending medical schools on the condition that such individuals will serve in Veterans' Administration facilities for a certain period of time upon completion of professional training, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. KAZEN:

H.R. 11905. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purpose of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. KETCHUM (for himself, Mr. Collins of Texas, and Mr. McDonald of Georgia):

H.R. 11906. A bill to amend the Fair Labor Standards Act of 1938 to require that employers be given notice of complaints alleging violations of that act, the identity of the complainant, and the basis for the complaint; to the Committee on Education and Labor.

By Mr. KETCHUM (for himself, Mr. Anderson of California, Mr. Krebs, Mr. Lagomarsino, Mr. Rees, Mr. Sisk, Mr. Van Deerlin, and Mr. Bob Wilson):

H.R. 11907. A bill to provide certain benefits to State meat and poultry inspectors who are transferred to the Federal service; to the Committee on Post Office and Civil Service.

By Mr. MATSUNAGA:

H.R. 11908. A bill to amend title 5, United States Code, to include as creditable service under the civil service retirement system periods of service as contract technicians by persons hired by private authority to perform work under Federal supervision pursuant to a contract between such private authority and the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MEEDS (for himself and Mr. Young of Alaska):

H.R. 11909. A bill to authorize appropriations for the Indian Claims Commission for fiscal year 1977; to the Committee on Interior and Insular Affairs.

By Mr. MIKVA:

H.R. 11910. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. MIKVA (for himself, Mr. Rostenkowski, Mr. Derwinski, Mr. Erlenborn, Mr. Fary, Mr. Metcalfe, Mr. Murphy of Illinois, Mr. Russo, and Mr. Yates):

H.R. 11911. A bill to provide for the free entry of certain operatic sets for the Lyric Opera of Chicago, Chicago, Ill.; to the Committee on Ways and Means.

By Mr. MITCHELL of Maryland:

H.R. 11912. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. MITCHELL of Maryland (for himself, Mr. Badillo, and Mr. Rangel):

H.R. 11913. A bill relating to collective bargaining representation of postal employees; to the Committee on Post Office and Civil Service.

By Mr. MOAKLEY:

H.R. 11914. A bill to amend title XVIII of the Social Security Act to provide payment under the supplementary medical insurance program for optometrists' services and eyeglasses; to the Committee on Ways and Means.

By Mr. OTTINGER:

H.R. 11915. A bill to abolish the office of member of the Federal Election Commission, to establish the office of member of the Federal Election Commission appointed by the President, by and with the advice and consent of the Senate, to provide public financing of primary elections and general elections to the Senate and House of Representatives, to amend title 39, United States Code, to increase to 60 days the period before an election during which a Member of Congress may not make a mass mailing as franked mail if such Member is a candidate in such election, and for other purposes; to the Committee on House Administration.

By Mr. PERKINS:

H.R. 11916. A bill to amend the Federal Nonnuclear Energy Research and Development Act of 1974 to establish a program of loan guarantees for commercial demonstration facilities involving synthetic fuels and energy conversion technologies; jointly to the Committees on Science and Technology, and Banking, Currency and Housing.

By Mr. SHIPLEY:

H.R. 11917. A bill to amend title XVIII of the Social Security Act to authorize payment under the medicare program for certain services performed by chiropractors; to the Committee on Ways and Means.

By Mrs. SULLIVAN:

H.R. 11918. A bill to authorize additional funds to the Secretary of the Interior for development of an existing unit of the national park system in St. Louis, Mo., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TAYLOR of North Carolina (for himself and Mr. Neal):

H.R. 11919. A bill to authorize a study for the purpose of determining the feasibility and desirability of designating the Daniel Boone Trail as a national scenic trail; to the Committee on Interior and Insular Affairs.

By Mr. ULLMAN (for himself, Mr. Corman, Mr. Schneebeli, Mr. Conable, Mr. Mikva, Mr. Gibbons, and Mr. Stark):

H.R. 11920. A bill to terminate the use of exchange funds as a means of escaping income taxes on realized capital gains; to the Committee on Ways and Means.

By Mr. YATRON:

H.R. 11921. A bill to extend as an emergency measure for 1 year the District of Columbia Medical and Dental Manpower Act of 1970; to the Committee on the District of Columbia.

By Mr. BEARD of Rhode Island:

H.R. 11922. A bill to authorize recomputation at age 60 of the retired pay of members and former members of the uniformed services whose retired pay is computed on the basis of pay scales in effect prior to January 1, 1972, and for other purposes; to the Committee on Armed Services.

By Mr. CLAY:

H.R. 11923. A bill to authorize additional funds to the Secretary of the Interior for development of an existing unit of the national park system in St. Louis, Mo., and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. D'AMOURS (for himself, Mr. Ambro, Mr. Brodhead, Mr. Conte, Mr. Howe, Mr. Kindness, Mr. LaFalce, Mrs. Lloyd of Tennessee, Mr. Long of Maryland, Mr. Mitchell of Maryland, Mr. Ottinger, Mr. Rinaldo, Mr. Rosenthal, Mr. St Germain, Mr. Sarasin, Mr. Scheuer, Mr. Charles Wilson of Texas, Mr. Charles H. Wilson of California, and Mr. Won Pat):

H.R. 11924. A bill to amend title 38 of the United States Code in order to extend the delimiting period for completing programs of education for veterans pursuing such programs at the close of such period; to the Committee on Veterans' Affairs.

By Mr. D'AMOURS (for himself, Mr. Ambro, Mr. Brodhead, Mr. Fauntroy, Mr. Helstoski, Mrs. Lloyd of Tennessee, Mr. Mitchell of Maryland, Mr. Nedzi, Mr. Ottinger, Mr. Rosenthal, Mr. St Germain, Mr. Scheuer, Mr. Charles Wilson of Texas, and Mr. Won Pat):

H.R. 11925. A bill to amend title 38, United States Code, to eliminate the time period in which a veteran has to use his educational benefits and to extend the months of eligibility from 36 to 45 months; to the Committee on Veterans' Affairs.

By Mr. FASCELL (for himself and Mr. Winn) (by request):

H.R. 11926. A bill to amend the Board for International Broadcasting Act of 1973 and to authorize appropriations for fiscal years 1977 and 1978 for carrying out that act; to the Committee on International Relations.

By Mr. FORSYTHE (for himself, Mr. Pritchard, Mr. Whitehurst, Mr. Rodino, Mr. Edgar, Ms. Holtzman, Mr. Eilberg, Mr. Anderson of California, Mr. Zeferetti, Mr. Hughes, Mr. Bonker, Mr. Harrington, Mr. Lent, Mrs. Boggs, Mr. Adams, Mrs. Spellman, Mr. Mosher, Mr. AuCoin, Mr. Badillo, Mr. de Lugo, Mr. du Pont):

H.R. 11927. A bill to amend the Merchant Marine Act of 1936 in order to establish a national marine firefighting program; to the Committee on Merchant Marine and Fisheries.

By Mr. LITTON (for himself and Mr. MOSHER):

H.R. 11928. A bill to provide that the terms of office of the Director of Central Intelligence and the Director of the Federal Bureau of Investigation shall be 10 years and that no individual shall hold either such office more than once; jointly to the Committees on Armed Services, and the Judiciary.

By Mr. MURPHY of New York:

H.R. 11929. A bill to amend the Federal Aviation Act of 1958 to improve prevention of aircraft and airport violence, and for other purposes; to the Committee on Public Works and Transportation.

H.R. 11930. A bill to name the U.S. Customs Court and Federal Office Building at 1 Federal Plaza, New York, N.Y., the Paul P. Rao U.S. Customs Court and Federal Office Building; to the Committee on Public Works and Transportation.

By Mr. NEAL:

H.R. 11931. A bill to amend title II of the Social Security Act to provide that an individual's entitlement to benefits thereunder shall continue through the month of his or her death (or of the insured individual's death in the case of a dependent), instead of terminating with the preceding month, unless the resulting delay in survivor eligibility would reduce total family benefits; to the Committee on Ways and Means.

By Mr. SCHEUER (for himself, Mr. BINGHAM, Mr. LEHMAN, Mr. MCCOLLISTER, Mr. NOWAK, Mr. OTTINGER, Mr. RIEGLE, Mr. ROSENTHAL, Mr. RUSSO, Ms. SPELLMAN, Mr. STOKES, Mr. WEAVER, Mr. WON PAT, Mr. YATRON, and Mr. HYDE):

H.R. 11932. A bill to amend the Internal Revenue Code of 1954 to provide a tax credit with respect to housing senior citizens in the principal residence of the taxpayer; to the Committee on Ways and Means.

By Mr. STEIGER of Wisconsin:

H.R. 11933. A bill to amend the Federal Election Campaign Act to provide for the constitutional reinstitution of the Federal Election Commission, to establish the Election Law Section in the Department of Justice, and for other purposes; jointly to the Committees on House Administration, and the Judiciary.

By Mr. SIKES:

H.R. 11934. A bill to prohibit exploratory or production drilling for energy resources on Outer Continental Shelf lands underlaying waters of the Gulf of Mexico which are reserved for defense training and testing; to the Committee on Interior and Insular Affairs.

By Mr. KAZEN:

H.J. Res. 810. Joint resolution authorizing and requesting the President to issue a proclamation designating the 7 calendar days commencing on April 30 of each year as National Beta Sigma Phi Week; to the Committee on Post Office and Civil Service.

By Mr. HALEY:

H. Res. 1034. Resolution providing for the expenses for the 2d session activities of the Committee on Interior and Insular Affairs; to the Committee on House Administration.

By Mr. GONZALEZ (for himself, Mr. BAUCUS, Mr. JOHN L. BURTON, Mr. CONYERS, Ms. HOLTZMAN, Mr. MCCLOSKEY, Mr. MOAKLEY, Mr. NIX, Mr. OBERSTAR, Mr. PEPPER, and Mr. SCHEUER):

H. Res. 1035. Resolution creating a select committee to conduct an investigation and study of the circumstances surrounding the deaths of John F. Kennedy, Robert F. Kennedy, and Martin Luther King, Jr., and the attempted assassination of George Wallace; to the Committee on Rules.

FACTUAL DESCRIPTIONS OF BILLS AND RESOLUTIONS INTRODUCED

Prepared by the Congressional Research Service pursuant to clause 5(d) of House rule X. Previous listing appeared in the CONGRESSIONAL RECORD of January 27, 1976—page 1072.

HOUSE BILLS

H.R. 11352. January 19, 1976. Merchant Marine and Fisheries. Directs the Secretary of the Interior to regulate the trapping and capture of mammals and birds on Federal lands. Establishes an advisory commission to recommend to the Secretary acceptable methods for trapping and capture of mammals and birds.

Prohibits use of unacceptable traps in interstate or foreign commerce. Prescribes regulations to prohibit the interstate shipment of hide, skin, feathers, or resulting products of the use of unacceptable traps.

H.R. 11353. January 19, 1976. Agriculture. Provides that 75 percent of all moneys received during any fiscal year from each national forest shall be paid by the Secretary of the Treasury to the State in which such national forest is located to be expended for the public schools and public roads of the county or counties in which such national forest is located.

H.R. 11354. January 19, 1976. Veterans' Affairs. Amends the present requirement under which the Administrator of Veterans' Affairs must certify flight school programs for attendance by eligible veterans.

H.R. 11355. January 19, 1976. Judiciary. Amends the Gun Control Act of 1968 to require certain minimum prison sentences for any individual who uses or carries a firearm during the commission of any felony for which such individual may be prosecuted in a Federal court.

H.R. 11356. January 19, 1976. Judiciary. Amends the Gun Control Act of 1968 to require certain minimum prison terms for any person who commits a rape, assault, robbery, burglary, kidnaping, or homicide (other than involuntary manslaughter) using a firearm which has been transported in interstate and foreign commerce.

H.R. 11357. January 19, 1976. Judiciary. Establishes an Office of Special Prosecution to be headed by a Special Prosecutor appointed by the President and having exclusive jurisdiction to investigate and prosecute in the name of the United States all offenses against the United States which the Special Prosecutor determines were committed by any Federal officer, employee or agent in connection with intelligence or counterintelligence activities or operations.

H.R. 11358. January 19, 1976. Rules. Amends the Impoundment Control Act of 1974 by requiring the President to transmit a special message to Congress before rescinding or reserving any part of any budget authority. Declares that no such rescission shall become effective until Congress has acted on a bill effecting such rescission.

H.R. 11359. January 19, 1976. Veterans' Affairs. Authorizes the Administrator of Veterans' Affairs to modify pension payment provisions applicable to eligible veterans of the Mexican border period, World War I, World War II, the Korean Conflict, and the Vietnam era.

Sets forth monthly payment schedules based upon specified factors including need and earned income.

H.R. 11360. January 19, 1976. Veterans' Affairs. Strikes certain time limitations relating to veterans' education assistance programs administered by the Administrator of Veterans' Affairs.

H.R. 11361. January 19, 1976. Ways and Means. Amends the Internal Revenue Code to allow corporations and individuals to defer for 1 month the second and third installments of their estimated income tax.

H.R. 11362. January 19, 1976. Ways and Means. Amends the Internal Revenue Code to allow a credit in an amount equal to 50 percent of the depressed urban area employment expenses incurred with respect to an eligible business facility.

H.R. 11363. January 19, 1976. Ways and Means. Amends the Internal Revenue Code to authorize real property to be valued for estate tax purposes at its value as farmland, woodland, or open land rather than at its fair market value.

Amends the estate tax provisions of the Internal Revenue Code to allow a limited deduction from the gross estate of the value of the decedent's interest in a family farming operation which passes to an individual related to him or his spouse.

H.R. 11364. January 19, 1976. Judiciary. Institutes the death penalty for specified destructive acts to airports, airplanes, and related things and places where death of any person results and prescribes a fine of not more than $100,000, or imprisonment for any term of years, or both, where no death results.

H.R. 11365. January 19, 1976. Judiciary. Sets forth penalties for unauthorized disclosure of information identifying any individual's association with the foreign intelligence operation of the United States.

H.R. 11366. January 19, 1976. Ways and Means. Amends the Internal Revenue Code to increase the personal income tax exemption from $750 to $1,000.

H.R. 11367. January 19, 1976. Interstate and Foreign Commerce. Amends the Public Health Service Act to revise the standards for licensing and regulation of clinical laboratories.

H.R. 11368. January 19, 1976. Ways and Means. Amends the Internal Revenue Code to exempt individuals who are 72 years of age or older from the social security taxes.

Entitles any employee to a refund or credit of any amount deducted from wages before the end of the taxable year in which such employee becomes 72 years of age or older.

H.R. 11369. January 19, 1976. Armed Services. Provides that no veteran may be denied care or treatment under the CHAMPUS program for any service-connected disability solely because care or treatment for such disability is available at Veterans' Administration medical facilities.

H.R. 11370. January 19, 1976. Judiciary. Imposes penalties for willful or malicious injury, destruction, or interference with communication lines, stations, or systems used, controlled, or licensed by the United States.

H.R. 11371. January 19, 1976. Banking, Currency and Housing. Authorizes emergency rent payments on behalf of persons who are temporarily unemployed or underemployed.

H.R. 11372. January .19, 1976. Judiciary. Amends the Voting Rights Act of 1965 to repeal the prohibitions against voting qualifications, prerequisites, tests, or devices which abridge the right of a citizen to vote who is a member of a language minority.

Repeals the requirement that States and other political subdivisions make available registration and voting materials, and voting assistance in languages other than English.

H.R. 11373. January 19, 1976. Ways and Means. Amends the Internal Revenue Code to allow a limited tax credit in an amount of $250 for each individual who is at least 61 years of age before the beginning of the taxable year, whose principal place of abode during the taxable year is the principal residence of the taxpayer, and who is not a lodger with the taxpayer.

H.R. 11374. January 19, 1976. Ways and Means. Amends the Social Security Act to provide that, under the old-age, survivors, and disability insurance program, the special minimum primary insurance amount benefits shall be increased periodically to take account of increases in the cost of living.

H.R. 11375. January 19, 1976. Ways and Means. Amends the Internal Revenue Code to allow as a credit against the income tax the amount of the employment placement fees paid or incurred by the taxpayer during the taxable year to an employment agency.

H.R. 11376. January 19, 1976. Ways and Means. Amends the Social Security Act to maintain the inpatient hospital deductible under the medicare program at the level which was applicable during calendar year 1975.

H.R. 11377. January 19, 1976. Ways and Means. Amends the Internal Revenue Code to allow certain tax exempt organizations to elect to use a portion of their assets to influence legislation.

Prohibits the deduction of out-of-pocket expenditures made by any person on behalf of such eligible organization if the expenditure is made for the purpose of influencing legislation.

H.R. 11378. January 19, 1976. Ways and Means. Amends the Internal Revenue Code to allow an intemized deduction for a reasonable allowance paid for salaries or other compensation for personal services actually rendered by an individual who is not claimed as a personal exemption by the taxpayer.

H.R. 11379. January 19, 1976. Judiciary. Institutes the death penalty as punishment for the criminal destruction of aircraft or aircraft facilities where death results from such destruction.

H.R. 11380. January 19, 1976. Science and Technology; Small Business; Rules. Amends the Energy Reorganization Act of 1974 and the Energy Research and Development Act of 1974 to offer programs to small business concerns and individual investors. Places special emphasis on programs to develop solar energy technology.

Directs the Small Business Administration to cooperate with the Energy Research and Development Administration in the development of such opportunities. Establishes limits on the awarding of contracts to situations where non-Federal finances are inadequate and where the awarding of such contracts will not have an adverse impact on competition.

H.R. 11381. January 19, 1976. Ways and Means. Amends the Social Security Act to authorize payment under the medicare program for specified services performed by chiropracters, including x-rays, and physical examination; and related routine laboratory tests.

H.R. 11382. January 19, 1976. Judiciary. Specifies that the words "trade or commerce" as used in any provision of the Federal antitrust laws shall include the interstate business of any organized professional sport, including baseball.

H.R. 11383. January 19, 1976. Government Operations; Rules. Requires the President to report to the Congress yearly to make suggestions for the reform of independent regulatory bodies in order to decrease their inflationary effects and to increase competition.

H.R. 11384. January 19, 1976. Education and Labor. Amends the Randolph-Sheppard Act Amendments to redefine "Federal property" and "vending facility" for purposes of the blind vending stand program.

H.R. 11385. January 19, 1976. Ways and Means. Amends the Social Security Act to provide, under Title XX (Grants to States for Services) that no State shall be required to administer individual means tests for provision of education, nutrition, transportation, recreation, socialization, or associated services provided thereunder to individuals aged 60 or over.

H.R. 11386. January 19, 1976. Judiciary. Establishes criteria for the imposition of death penalty for specified explosive-related offenses.

H.R. 11387. January 19, 1976. Judiciary. Directs that certain individuals be lawfully admitted to the United States for permanent residence, under the Immigration and Nationality Act.

H.R. 11388. January 19, 1976. Judiciary. Directs that a nonimmigrant visa be issued to a certain individual.

H.R. 11389. January 19, 1976. Judiciary. Authorizes the admission of a certain individual to the United States for permanent residence.

H.R. 11390. January 20, 1976. Judiciary. Makes it a Federal crime to kill officers and employees of the Indian Health Services.

H.R. 11391. January 20, 1976. Post Office and Civil Service. Limits the rate of postage for letters of private individuals within any class of mail maintained for transmission of letters sealed against inspection to 10 cents per ounce per letter.

H.R. 11392. January 20, 1976. Ways and Means. Amends the Social Security Act to authorize payment under the medicare program for specified services performed by chiropractors, including X-rays, and physical examination, and related routine laboratory tests.

H.R. 11393. January 20, 1976. Interstate and Foreign Commerce. States that the purpose of this Act is to conserve natural resources and prevent the deception of consumers engendered by oversized and excessive packaging. Authorizes the making of regulations under the Fair Packaging and Labeling Act to prevent the utilization of packages which are larger or more extensive than necessary to enclose the commodity they contain.

H.R. 11394. January 20, 1976. Interstate and Foreign Commerce. Amends the Comprehensive Drug Abuse Prevention and Control Act of 1970 by establishing minimum mandatory sentences for persons convicted of offenses involving narcotic drugs. Details procedures to be used in determining whether to grant pretrial and posttrial release of persons, charged with offenses involving certain narcotic drugs. Makes all money used, or intended for use, in illegally manufacturing, distributing, dispensing or acquiring any controlled substances subject to forfeiture to the United States.

H.R. 11395. January 20, 1976. Public Works and Transportation. Provides that all sections of the officially designated National System of Interstate and Defense Highways shall become toll free.

H.R. 11396. January 20, 1976. District of Columbia. Amends the District of Columbia Medical and Dental Manpower Act to extend through fiscal year 1977 the authority of the Secretary of Health, Education, and Welfare to make grants to nonprofit medical and dental schools.

H.R. 11397. January 20, 1976. Government Operations. Terminates all Federal regulatory agencies three years after they are created unless extended by an Act of Congress.

H.R. 11398. January 20, 1976. Education and Labor. Amends the Domestic Volunteer Service Act of 1973 to stipulate that developmentally disabled children receiving services under the foster grandparent program may continue to receive such services without regard to age.

H.R. 11399. January 20, 1976. Post Office and Civil Service. Directs the Secretary of Commerce, in making agricultural censuses, to use the statistical method known as sampling.

H.R. 11400. January 20, 1976. Post Office and Civil Service. Abolishes the Postal Rate Commission. Requires that postal rates and fees and mail classifications be established by law. Sets the postage rates for fist-class mail. Entitles specified publications to be mailed as second-class mail.

H.R. 11401. January 20, 1976. Judiciary. Authorizes the Law Enforcement Assistance Administration, under the Omnibus Crime Control and Safe Streets Act, to make grants to States for development of plans and projects for the improvement of the State court system. Directs the National Center for State courts to maintain the capability to render technical, research, and coordination assistance upon the request of such States.

H.R. 11402. January 20, 1976. Government Operations; Rules. Requires the President to report to the Congress yearly to make suggestions for the reform of independent regulatory bodies in order to decrease their inflationary effects and to increase competition.

H.R. 11403. January 20, 1976. Veterans' Affairs. Strikes the present authority of the Secretary of Labor to approve the diversion of funds specified for State programs in employment counseling and placement of veterans.

Requires local employment service office to post openings for which private contractors have provided special emphasis for the employment of disabled veterans.

H.R. 11404. January 20, 1976. Education and Labor. Amends the Higher Education Act of 1965 to require recipients of Federal aid to higher education to give senior citizens access, on a space-available basis, to scheduled courses and programs.

H.R. 11405. January 20, 1976. Ways and Means. Amends the Internal Revenue Code to allow a tax deduction for State and local taxes paid on amounts paid or incurred for the rental of a dwelling unit.

H.R. 11406. January 20, 1976. Merchant Marine and Fisheries. Amends the Intervention on the High Seas Act to implement the Protocol Relating to Intervention of the High Seas in Cases of Marine Pollution by Substances Other than Oil, 1973.

H.R. 11407. January 20, 1976. Merchant Marine and Fisheries. Amends the statutory limitation upon the number of foreign nationals who may qualify for admission to the U.S. Coast Guard Academy.

H.R. 11408. January 20, 1976. Merchant Marine and Fisheries. Permits the leasing for military purposes of foreign structures and real property upon authority of a Secretary other than the Secretaries of the military departments.

H.R. 11409. January 20, 1976. Post Office and Civil Service. Authorizes the President to proclaim annually the 7-day period beginning June 1 as "National Safe Boating Week".

H.R. 11410. January 20, 1976. Merchant Marine and Fisheries. Transfers responsibility for measuring vessels from the Secretary of the Treasury to the Secretary of the department in which the Coast Guard is operating. Sets forth requirements for the measurement and remeasurement of vessels.

H.R. 11411. January 20, 1976. Merchant Marine and Fisheries. Repeals and revises specified provisions of law governing Federal documentation of pleasure vessels. Eliminates documentation under any law of the United States and provides for certification of pleasure vessels for the purpose of identifying a vessel to a foreign government as a vessel owned by a United States citizen.

H.R. 11412. January 20, 1976. Merchant Marine and Fisheries. Establishes a system for the documentation of vessels to be administered by the Secretary of the department in which the Coast Guard is operating. Sets forth requirements for the issuance of a registry, coastwise license, Great Lakes license, and fishery license.

H.R. 11413. January 20, 1976 Judiciary. Directs the Secretary of the Treasury to pay to a certain individual a specified sum in satisfaction of such individual's claim against the United States for the loss of personal property.

H.R. 11414. January 20, 1976. Judiciary. Relieves a certain individual of liability to the United States for overpayment by the

United States of specified expenses incident to reassignment by the United States.

H.R. 11415. January 21, 1976. Ways and Means. Amends the Tariff Schedules of the United States to repeal the duty imposed on articles assembled abroad with components produced in the United States.

H.R. 11416. January 21, 1976. Ways and Means. Amends the Tariff Schedules of the United States to exempt specified textile, leather, rubber, and plastic products and wearing apparel from the duty imposed on articles assembled abroad from components produced in the United States.

H.R. 11417. January 21, 1976. House Administration. Establishes six regional Presidential primary election districts and sets dates for primary elections to be held in such districts for the purpose of electing delegates to the national political conventions. Prohibits any State from conducting a Presidential primary election except in accordance with this Act.

H.R. 11418. January 21, 1976. Judiciary. Amends the Gun Control Act of 1968 to require certain minimum prison sentences for any individual who uses or carries a firearm during the commission of any felony for which such individual may be prosecuted in a Federal Court.

H.R. 11419. January 21, 1976. Public Works and Transportation. Increases the national maximum speed limit from 55 to 60 miles per hour.

H.R. 11420. January 21, 1976. Ways and Means. Amends the Tariff Schedules of the United States to repeal the duty imposed on (1) articles assembled abroad with components produced in the United States, and (2) certain metal articles manufactured in the United States and exported for further processing.

H.R. 11421. January 21, 1976. Government Operations. Requires, under the Office of Federal Procurement Policy Act, that Federal agenceis pay interest at an annual rate of at least 12 percent on any payment which is overdue by more than two weeks on a contract with a small-business concern.

H.R. 11422. January 21, 1976. Ways and Means. Amends the Internal Revenue Code to increase the estate tax exemption, and to increase the estate tax marital deduction.

Permits the executor of an estate to elect an alternate valuation of certain lands used for farming, woodland or scenic open space.

H.R. 11423. January 21, 1976. Ways and Means. Amends the Tariff Schedules of the United States to repeal the duty imposed on articles assembled abroad with components produced in the United States.

H.R. 11424. January 21, 1976. Government Operations. Establises an executive department to be known as the Department of Education and transfers the education functions of the Department of Health, Education, and Welfare to such Department. Creates a Federal Interagency Committee on Education to study and recommend actions intended to assure effective coordination of Federal education programs. Establishes a National Advisory Commission to review and make recommendations on the administration, regulation, and operation of Federal education programs.

H.R. 11425. January 21, 1976. Ways and Means. Amends the Internal Revenue Code to provide that in the case of an individual whose income tax prepayments exceed such individual's liability for the income tax with respect to any taxable year, interest shall be allowed and paid at a rate of five percent upon the excess portion of each such tax prepayment.

H.R. 11426. January 21, 1976. Ways and Means. Amends the Tariff Schedules of the United States to repeal the duty imposed on articles assembled abroad with components produced in the United States.

H.R. 11427. January 21, 1976. Ways and Means. Amends the Internal Revenue Code to increase the estate tax exemption, and to increase the estate tax marital deduction.

Permits the executor of an estate to elect an alternate valuation of certain lands used for farming, woodland or scenic open space.

H.R. 11428. January 21, 1976. Education and Labor. Amends the Education Amendments of 1972 to exempt Boys State, Boys Nation, Girls State and Girls Nation conferences, from the sex discrimination provisions of such Act.

H.R. 11429. January 21, 1976. Interior and Insular Affairs. Directs the Secretary of Agriculture to acquire specified lands to be added to the Coronado National Forest, Arizona.

H.R. 11430. January 21, 1976. Judiciary. Permits any person otherwise eligible to become a naturalized citizen during the year 1977 to become a naturalized citizen during the calendar year 1976.

H.R. 11431. January 21, 1976. Banking, Currency and Housing. Establishes pilot homestead programs whereby publicly owned structures will be made available to tenant cooperatives for use in providing low and moderate income housing.

Permits localities establishing such a program with a ten-year property tax abatement to participant cooperatives to credit tax losses to the required non-Federal share of Federal grant-in-aid programs.

Requires the Secretary of Housing and Urban Development to promulgate regulations for the administration of this program and submit them to certain House committees.

H.R. 11432. January 21, 1976. Ways and Means. Increases, under the Social Security Act and the Internal Revenue Code, the ceiling on the amount of earnings which may be counted for social security benefit and tax purposes.

H.R. 11433. January 21, 1976. Ways and Means. Amends the Internal Revenue Code to allow the exclusion from gross income of interest on industrial development bonds the proceeds of which are for the tax exempt activity of providing hospital facilities.

H.R. 11434. January 21, 1976. Judiciary. Excludes from admission into and provides for the deportation from the United States under the Immigration and Nationality Act all aliens who engaged in or directed or incited others to engage in the persecution of others on the basis of religion, race, or national origin under the direction of the Nazi government of Germany between March 23, 1933 and May 8, 1945.

HOUSE JOINT RESOLUTIONS

H.J. Res. 766. January 19, 1976. Post Office and Civil Service. Designates the square dance as the national dance of the United States.

H.J. Res. 767. January 19, 1976. Post Office and Civil Service. Designates March 16, 1976, as "James Madison Day".

H.J. Res. 768. January 20, 1976. Post Office and Civil Service. Designates 1976 as "National Bicentennial Highway Safety Year".

H.J. Res. 769. January 20, 1976. Government Operations. Establishes as a national policy the stabilization of the population of the United States.

H.J. Res. 770. January 20, 1976. Judiciary. Proposes a constitutional amendment which gives the States and Congress authority to impose the death penalty for specified crimes.

H.J. Res. 771. January 21, 1976. Judiciary. Confers honorary United States citizenship upon Thaddeus Kosciusko.

HOUSE CONCURRENT RESOLUTIONS

H. Con. Res. 524. January 19, 1976. Directs the two Houses of Congress to assemble on January 19, 1976, to receive a communication from the President of the United States.

H. Con. Res. 525. January 19, 1976. Rules; Post Office and Civil Service. Calls for the presentation of the patriotic production "America, O America, the Beautiful" to a joint meeting of the Congress as a celebration of the Bicentennial Year.

H. Con. Res. 526. January 19, 1976. Education and Labor; Veterans' Affairs. Requires the Congress and executive agencies administering educational and Veterans' programs to treat vocational education equally with other forms of education.

H. Con. Res. 527. January 20, 1976. Rescinds the signing of the enrolled bill (S. 2718) by the Speaker of the House and the President of the Senate. Vacates specified actions of the Senate and House concerning such bill.

H. Con. Res. 528. January 20, 1976. Interior and Insular Affairs. Expresses the sense of the Congress that the Federal, State, county, and local governments of this country should recognize "the Washington-Rochambeau National Historic Route".

HOME RESOLUTIONS

H. Res. 953. January 19, 1976. Creates a committee of the House of Representatives to join with a committee on the part of the Senate to notify the President that a quorum of each House has assembled.

H. Res. 954. January 19, 1976. Directs the Clerk of the House to inform the Senate that a quorum of the House is present and that the House is ready to proceed with business.

H. Res. 955. January 19, 1976. Provides that the daily hour of meeting of the House of Representatives shall be 12 o'clock meridian.

H. Res. 956. January 19, 1976. Authorizes Representative Charles E. Wiggins to appear in response to a subpena in a certain judicial proceeding.

H. Res. 957. January 19, 1976. Post Office and Civil Service. Designates January 22, of each year as Ukrainian Independence Day.

H. Res. 958. January 19, 1976. Post Office and Civil Service. Designates the week beginning April 4, 1976, as "National Rural Health Week." Urges that health services and dissemination of health information be improved in rural America.

H. Res. 959. January 19, 1976. Rules. Creates a House Select Committee on the Fiscal Problems of Cities which shall identify the nature and cause of problems afflicting large cities which face severe fiscal imbalance.

H. Res. 960. January 19, 1976. House Administration. Amends the Supplemental Appropriations Act of 1974 to make individuals attending or teaching at vocational schools eligible to serve as congressional interns in the House of Representatives.

H. Res. 961. January 19, 1976. International Relations. Declares it the sense of the House of Representatives that the United States should retain sovereignty and jurisdiction over the Panama Canal Zone.

H. Res. 962. January 19, 1976. Post Office and Civil Service. Designates January 22 of each year as Ukrainian Independence Day.

H. Res. 963. January 20, 1976. Rules. Amends clause 1 of rule 2 to the Rules of the House of Representatives to establish the Committee on Internal Security which shall investigate subversive activities affecting the internal security of the United States.

H. Res. 964. January 20, 1976. Post Office and Civil Service. Designates January 22 of each year as Ukrainian Independence Day.

H. Res. 965. January 20, 1976. Sets forth the rule for the consideration of H.R. 6721.

H. Res. 966. January 20, 1976. Sets forth the rule for consideration of H.R. 10680.

H. Res. 967. January 29, 1976. Sets forth the rule for consideration of H.R. 10807.

H. Res. 968. January 21, 1976. Rules. Directs the House Committee on Education and Labor to initiate an investigation designed to evaluate the impact of imported garments and textiles, upon unemployment in the United States.

H. Res. 969. January 21, 1976. Ways and Means. Directs the Special Representatives for Trade Negotiations and other Federal officials to initiate negotiations to develop an appropriate code of conduct and specific trading obligations among governments, together with suitable procedures for the settlement of disputes.

H. Res. 970. January 21, 1976. House Administration. Provides funds for the expenses of the House Committee on Ways and Means.

SENATE—*Tuesday, February 17, 1976*

The Senate met at 9:30 a.m. and was called to order by the Acting President pro tempore (Mr. CLARK).

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

We lift our hearts to Thee, O Lord, with thanksgiving for Thy care over this Nation in times past, and for the promise set before us in Thy Word, that the nation which remembers Thy commandments to do them is blessed by Thee. Show us what the past has to say to the present for guidance in the future. Amid all the uncertainties and ambiguities of the world today keep our vision high, our minds clear, our mood expectant. Redeem, renew, and refine our lives that as we work here and elsewhere, we may so order the life of this Nation as to advance Thy kingdom of justice and peace and brotherhood.

Through Him whose life began Thy kingdom on earth. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. EASTLAND).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., February 17, 1976.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. DICK CLARK, a Senator from the State of Iowa, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

Mr. CLARK thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, February 16, 1976, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Does the acting minority leader seek recognition?

Mr. HELMS. Mr. President, on behalf of the minority leader, I yield back his time.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, not to extend beyond 10 a.m., with statements therein limited to 5 minutes each.

Is there morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SENATOR ROBERT C. BYRD URGES HALT ON NEW SOVIET EMBASSY

Mr. ROBERT C. BYRD. Mr. President, in light of the recent information that the U.S. Embassy is being subjected to high levels of radiation from Soviet bugging devices, I urge that immediate diplomatic action be taken to halt plans underway permitting the Soviets to open a new embassy in Washington, unless the radiation bombardment on our Embassy in Moscow ceases. Unless this radiation ceases, the health and welfare of hundreds of American officials and their families are in danger.

Under the cloak of détente, the Soviets are placing American lives in jeopardy with their nefarious spying techniques. Such wanton disregard for human safety cannot be permitted. Immediate action is demanded.

The Soviet's reprehensible actions concerning the radiation episode is cause for serious reconsideration over this country's policy of détente. Any nation which willingly subjects American officials and their families to the threat of possibly virulent radiation exposure does deserve special consideration under the loosely defined terms of détente.

Due to Soviet callousness, détente is in danger of becoming politically extinct.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Heiting, one of his secretaries.

APPROVAL OF BILL

A message from the President of the United States announced that on February 6, 1976, he approved and signed the bill (S. 1847) to authorize the One Hundred and First Airborne Division Association to erect a memorial in the District of Columbia or its environs.

EXECUTIVE MESSAGE REFERRED

The ACTING PRESIDENT pro tempore (Mr. CLARK) laid before the Senate a message from the President of the United States submitting the nomination of Edward W. Mulcahy, of Arizona, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Tunisia.

REPORT OF THE SECRETARY OF TRANSPORTATION—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. CLARK) laid before the Senate the following message from the President of the United States which was referred to the Committee on Commerce:

To the Congress of the United States:

I transmit herewith the annual report by the Secretary of Transportation on the operations and activities of the Alaska Railroad, as required by the Alaska Railroad Act of March 12, 1914.

GERALD R. FORD.

THE WHITE HOUSE, *February 17, 1976.*

REPORT OF THE OFFICE OF ALIEN PROPERTY, DEPARTMENT OF JUSTICE—MESSAGE FROM THE PRESIDENT

The ACTING PRESIDENT pro tempore (Mr. CLARK) laid before the Senate the following message from the President of the United States which was referred to the Committee on the Judiciary:

To the Congress of the United States:

I herewith transmit the annual report of the Office of Alien Property, Department of Justice, for the fiscal year ended June 30, 1974, in accordance with section 6 of the Trading With the Enemy Act.

Gerald R. Ford.

The White House, *February 17, 1976.*

REPORT ON LITTLE BEAVER CREEK, OHIO—MESSAGE FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

The ACTING PRESIDENT pro tempore (Mr. Clark) laid before the Senate the following message from the President of the United States, which was received on February 10, 1976, during the adjournment of the Senate, under authority of the order of February 6, 1976, which was referred to the Committee on Interior and Insular Affairs:

To the Congress of the United States:

I am pleased to transmit this report on Little Beaver Creek, Ohio. The report was prepared in response to the provisions of the Wild and Scenic Rivers Act, Public Law 90-542, as amended.

This study found that 33 miles of the Little Beaver and its tributaries meet the criteria for inclusion in the National Wild and Scenic Rivers System, and recommended this stretch of the river be included in the National System under the administration of the State of Ohio as identified by Section 2(a) (ii) of the Act.

The State of Ohio filed an application requesting that this segment of the Little Beaver be included as a State-administered component of the National System. On October 23, 1975, Secretary Kleppe approved the application of the State of Ohio and so informed Governor Rhodes. The Congress is not required to take action in order for Little Beaver Creek to become a component of the Wild and Scenic Rivers system.

I am pleased that the Congress, in establishing this program, has made provision for the State administration of Wild and Scenic Rivers components. This report and its recommendations demonstrate the capability of both Federal and State governments to profitably cooperate with each other.

Gerald R. Ford.

The White House, *February 10, 1976.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. Clark) laid before the Senate messages from the President of the United States received on February 10, 1976, during the adjournment of the Senate and pursuant to the authority contained in section 3 of Senate Concurrent Resolution 92, submitting sundry nominations, which are referred to the appropriate committees.

(The nominations received during the adjournment are printed at the end of today's proceedings of the Senate.)

MESSAGE FROM HOUSE

At 12:21 p.m., a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House has passed without amendment the joint resolution (S. J. Res. 154) to extend the time period during which the President is authorized to call a White House Conference on Handicapped Individuals, and to extend the time period during which appropriated funds may be expended.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 11045) to amend the Rehabilitation Act of 1973 to extend the authorizations of appropriations contained in such act.

The message further announced that the House agrees to the amendment of the Senate to the bill (H.R. 5512) to amend the National Wildlife Refuge System Administration Act of 1966, and for other purposes.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker has signed the enrolled joint resolution (H.J. Res. 784) to amend the effective date of certain provisions of the Defense Production Act Amendments of 1975.

The enrolled bill was subsequently signed by the President pro tempore.

At 3:35 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the bill (S. 2117) to amend section 5202 of title 10, United States Code, relating to the detail, pay, and succession to duties of the Assistant Commandant of the Marine Corps, with amendments in which it requests the concurrence of the Senate.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ET CETERA

The ACTING PRESIDENT pro tempore (Mr. Clark) laid before the Senate the following letters, which were referred as indicated:

Report of the Secretary of Transportation

A letter from the Secretary of Transportation transmitting, pursuant to law, the 1976 annual report on the highway safety improvement programs (with an accompanying report); to the Committee on Public Works.

Report of the Boys' Clubs of America

A letter from the controller of the Boys' Clubs of America transmitting, pursuant to law, the audited financial report for the fiscal year ending September 30, 1975 (with an accompanying report); to the Committee on the Judiciary.

Proposed Legislation by the USIA

A letter from the Director of the U.S. Information Agency transmitting a draft of proposed legislation to authorize appropriations for the USIA (with accompanying papers); to the Committee on Foreign Relations.

Report of the Office of Management and Budget

A letter from the Director of the Office of Management and Budget transmitting a report of the activities of the OMB during the calendar year 1975 (with an accompanying report); to the Committee on the Judiciary.

Proposed Legislation of the Department of Health, Education, and Welfare

A letter from the Secretary of Health, Education, and Welfare transmitting a draft of proposed legislation entitled "Social Security Amendments of 1976" and "The Medicare Improvements of 1976" (with accompanying papers); to the Committee on Finance.

Proposed Legislation From the Secretary of the Treasury

A letter from the Acting Secretary of the Treasury transmitting a draft of proposed legislation to remove the limitation on dues for U.S. membership in the International Criminal Police Organization (with accompanying papers); to the Committee on the Judiciary.

Report of the Marine Mammal Commission

A letter from the Chairman of the Marine Mammal Commission transmitting, pursuant to law, the annual report of the Commission for the calendar year 1975 (with an accompanying report); to the Committee on Commerce.

Report of the Department of Health, Education, and Welfare

A letter from the Commissioner of Education transmitting, pursuant to law, the annual report of the Commissioner of Education (with an accompanying report); to the Committee on Labor and Public Welfare.

Report of the Secretary of Housing and Urban Development

A letter from the Secretary of Housing and Urban Development transmitting, pursuant to law, a report of the Department's intention to establish a new system of personal records (with an accompanying report); to the Committee on Government Operations.

Sale of Rice to Portugal

A letter from the Assistant Secretary of State transmitting, pursuant to law, a copy of a determination with statement of reasons permitting the sale of rice to Portugal (with accompanying papers); to the Committee on Agriculture and Forestry.

Report of the Department of the Army

A letter from the Assistant Secretary of the Army transmitting, pursuant to law, a report entitled "Projects Recommended for Deauthorization" (with an accompanying report); to the Committee on Public Works.

Report of the Immigration and Naturalization Service

A letter from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, a report relating to positions established in the Immigration and Naturalization Service (with an accompanying report); to the Committee on Post Office and Civil Service.

Federal Election Commission

A letter from the Vice Chairman of the Federal Election Commission relating to certain provisions of the Federal Election Campaign Act declared unconstitutional by the Supreme Court; to the Committee on Rules and Administration.

Proposed Legislation by the Department of Health, Education, and Welfare

A letter from the Secretary of Health, Education, and Welfare transmitting a draft of proposed legislation to amend and extend the Higher Education Act of 1965, and for other purposes (with accompanying papers); to the Committee on Labor and Public Welfare.

Report of the Department of Agriculture

A letter from the Assistant Secretary of Agriculture announcing the delay in the submission of its final report on the special supplemental food program for women, infants, and children; to the Committee on Agriculture and Forestry.

Proposed Legislation by Action

A letter from the Director of the ACTION program transmitting a draft of proposed legislation to amend the Domestic Volunteer Service Act of 1973 (with accompanying papers); to the Committee on Labor and Public Welfare.

APPROVAL OF LOAN BY THE REA

A letter from the Acting Administrator of the Rural Electrification Administration reporting, pursuant to law, on the approval of an REA-insured loan to Pedernales Electric Cooperative of Austin, Tex. (with accompanying papers); to the Committee on Appropriations.

REPORTS OF THE COMPTROLLER GENERAL

Three letters from the Comptroller General each transmitting, pursuant to law a report entitled as follows: "Policy of Paying Cost-of-Living Allowances to Federal Employees in Non-Foreign Areas Should Be Changed"; "Management of the Licensing of Users of Radioactive Materials Should Be Improved"; and "U.S. Assistance to Pakistan Should Be Reassessed" (with accompanying reports); to the Committee on Government Operations.

ORDERS OF THE IMMIGRATION AND NATURALIZATION SERVICE

Two letters from the Commissioner of the Immigration and Naturalization Service transmitting, pursuant to law, copies of orders entered by the Service relating to petitions of certain aliens (with accompanying papers); to the Committee on the Judiciary.

PROPOSED LEGISLATION OF THE ENVIRONMENTAL PROTECTION AGENCY

A letter from the Administrator of the Environmental Protection Agency transmitting a draft of proposed legislation to extend the Marine Protection, Research, and Sanctuaries Act for 2 years (with accompanying papers); to the Committee on Commerce.

REPORT OF THE LAND USE PLANNING COMMISSION FOR ALASKA

A letter from the Federal and State Cochairmen of the Federal-State Land Use Planning Commission for Alaska transmitting, pursuant to law, the annual report of the Commission for the year 1975 (with an accompanying report); to the Committee on Interior and Insular Affairs.

PROPOSED ACTS OF THE COUNCIL OF THE DISTRICT OF COLUMBIA

Three letters from the Chairman of the Council of the District of Columbia, each transmitting, pursuant to law, a copy of a proposed act adopted by the Council (with accompanying papers); to the Committee on the District of Columbia.

CUMULATIVE REPORT ON RESCISSIONS AND DEFERRALS

A letter from the Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on rescissions and deferrals, February 1976 (with an aaccompanying report); to the Committee on Appropriations, the Committee on the Budget, the Committee on Agriculture and Forestry, the Committee on Commerce, the Committee on Public Works, the Committe on Labor and Public Welfare, the Committee on Banking, Housing and Urban Affairs, the Committee on Interior and Insular Affairs, the Committee on Foreign Relations, the Committee on Finance, the Committee on Armed Services, the Committee on the Judiciary, the Committee on the District of Columbia, the Committee on Aeronautical and Space Sciences, and the Committee on Government Operations, jointly, pursuant to the order of January 30, 1975.

FINAL REGULATION FOR WOMEN'S EDUCATIONAL EQUALITY ACT PROGRAM

A letter from the Acting Executive Secretary to the Department of Health, Education, and Welfare, transmitting, pursuant to law final regulations for Women's Educational Equity Act program, section 408 of the Education Amendments of 1974 (Public Law 93-380) (with accompanying papers); to the Committee on Labor and Public Welfare.

PROCEEDING OF THE 84TH CONTINENTAL CONGRESS OF THE DAUGHTERS OF THE AMERICAN REVOLUTION

A letter from the Secretary, Smithsonian Institution, transmitting, pursuant to law, the National Society of the Daughters of the American Revolution "Official Proceedings of Eighty-fourth Continental Congress" (with an accompanying document); to the Committee on Rules and Administration.

PROPOSED AMENDMENT OF THE WATER RESOURCES PLANNING ACT

A letter from the Chairman, U.S. Water Resources Council, transmitting a draft of proposed legislation, to amend the Water Resources Planning Act (79 Stat. 244) as amended (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT OF THE AMERICAN REVOLUTION BICENTENNIAL BOARD

A letter from the administrator, American Revolution Bicentennial Administration, transmitting, pursuant to law, the second report of the American Revolution Bicentennial Board (with an accompanying report); to the Committee on the Judiciary.

REPORT ON THE ANTHRACITE MINE WATER CONTROL AND MINE SEALING AND FILLING PROGRAM

A letter from the Secretary of the Interior, transmitting, pursuant to law, the annual report on the anthracite mine water control and mine sealing and filling program (with an accompanying report); to the Committee on Interior and Insular Affairs.

REPORT ON PRESIDENTIAL ADVISORY COUNCIL RECOMMENDATIONS

A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on Presidential Advisory Council recommendations relating to the National Advisory Council on the Education of Disadvantaged Children (with an accompanying report); to the Committee on Labor and Public Welfare.

REPORT OF PRESIDENTIAL ADVISORY COMMITTEE RECOMMENDATIONS

A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on Presidential Advisory Committee recommendations relative to the U.S. Air Force Academy Board of Visitors (with an accompanying report); to the Committee on Armed Services.

REPORT OF PRESIDENTIAL ADVISORY COMMITTEE RECOMMENDATIONS

A letter from the Deputy Director, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on Presidential Advisory Committee recommendations relative to the National Advisory Council on Equality of Educational Opportunity (with an accompanying report); to the Committee on Labor and Public Welfare.

PROPOSED EXTENSION OF THE NOISE CONTROL ACT

A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a draft of proposed legislation to extend provisions of the Noise Control Act of 1972, for 2 years (with accompanying papers); to the Committee on Public Works.

PROPOSED DIPLOMATIC RELATIONS ACT OF 1976

A letter from the Assistant Secretary for Congressional Relations, Department of State, transmitting a draft of proposed legislation to complement the Vienna Convention on Diplomatic Relations (with accompanying papers); to the Committee on Foreign Relations.

PROPOSED EXTENSION OF THE FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT

A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a draft of proposed legislation to extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for one and one half years (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT ON LAKE TAHOE

A letter from the Administrator, U.S. Environmental Protection Agency, transmitting, pursuant to law, a report on the Lake Tahoe study (with an accompanying report); to the Committee on Public Works.

ORDERS SUSPENDING DEPORTATION OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, orders suspending deportation of certain aliens (with accompanying papers); to the Committee on the Judiciary.

DISTRICT OF COLUMBIA 1975 FINANCIAL REPORT

A letter from the District of Columbia auditor, transmitting, pursuant to law, the city's financial report for fiscal year 1975 (with an accompanying report); to the Committee on the District of Columbia.

SURFACE COMBATANT PROGRAM REQUIREMENTS

A communication from the President of the United States, relating to the requirements for surface combatants and a recommended program (with accompanying papers); to the Committee on Armed Services.

PROPOSED LEGISLATION TO PROVIDE PROTECTION TO CERTAIN MEDICAL PERSONNEL AGAINST CERTAIN MALPRACTICE SUITS

A letter from the Assistant Secretary for Congressional Relations, Department of State, transmitting a draft of proposed legislation to further amend the Foreign Service Act of 1946 to provide protection to medical personnel of the Department of State against certain malpractice suits, and for other purposes (with accompanying papers); to the Committee on Foreign Relations.

REPORT OF PROCUREMENT FROM SMALL AND OTHER BUSINESS FIRMS

A letter from the Acting Assistant Secretary of Defense (Installations and Logistics), transmitting, pursuant to law, the report of the Department of Defense procurement from small and other business firms for July-October 1975 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

REPORT OF THE EMERGENCY MEDICAL SERVICES SYSTEM ACT

A letter from the Under Secretary of Health, Education, and Welfare, transmitting, pursuant to law, the second annual report of the Emergency Medical Services Systems Act (with an accompanying report); to the Committee on Labor and Public Welfare.

PROPOSED LEGISLATION TO AMEND THE COMMODITY FUTURES COMMISSION ACT

A letter from the Chairman, Commodity Futures Trading Commission, transmitting a draft of proposed legislation to amend the Commodity Futures Trading Commission Act of 1974 to make certain technical changes (with accompanying papers); to the Committee on Agriculture and Forestry.

PROPOSED LEGISLATION RELATING TO IMMUNITY OF CERTAIN WITNESSES FROM PROSECUTION

A letter from the Chairman, Commodity Futures Trading Commission, transmitting a draft of proposed legislation to amend title 18 of the United States Code as it pertains to the immunity of certain witnesses (with accompanying papers); to the Committee on Agriculture and Forestry.

Proposed Extension of the Solid Waste Disposal Act

A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a draft of proposed legislation to extend the Solid Waste Disposal Act, as amended, for 2 years (with accompanying papers); to the Committee on Public Works.

Proposed Extension of the Clean Air Act

A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a draft of proposed legislation to extend certain provisions of the Clean Air Act for 2 years (with accompanying papers); to the Committee on Public Works.

Proposed Extension of the Federal Water Pollution Control Act

A letter from the Administrator, U.S. Environmental Protection Agency, transmitting a draft of proposed legislation to extend the Federal Water Pollution Control Act for 2 years (with accompanying papers); to the Committee on Public Works.

Report of the Department of Health, Education, and Welfare

A letter from the Under Secretary of Health, Education, and Welfare, transmitting, pursuant to law, the annual report of the U.S. Department of Health, Education, and Welfare on Federal activities related to the administration of the Rehabilitation Act of 1973, as amended (with accompanying report); to the Committee on Labor and Public Welfare.

Business and Industrial Loan Application Log File

A letter from the Secretary of Agriculture, transmitting, pursuant to law, notice of a new system of records covering the business and industrial loan application log file (with accompanying papers); to the Committee on Government Operations.

Report of the Pacific Northwest Regional Commission

A letter from the Federal Cochairman, Pacific Northwest Regional Commission, transmitting, pursuant to law, the 1975 annual report of the Commission (with an accompanying report); to the Committee on Public Works.

Report of the Commission of Fine Arts

A letter from the Secretary, the Commission of Fine Arts, transmitting, pursuant to law, a report of the Commission relating to the Freedom of Information Act (with an accompanying report); to the Committee on the Judiciary.

Report of the Department of Commerce

A letter from the Secretary of Commerce, transmitting, pursuant to law, the annual report of the activities of the Department of Commerce during fiscal year 1975 (with an accompanying report); to the Committee on Commerce.

Report of the Interstate Commerce Commission

A letter from the Chairman, Interstate Commerce Commission, transmitting, pursuant to law, final evaluations of properties (with accompanying papers); to the Committee on Commerce.

Report on the Army Reserve Officers' Training Corps Flight Instruction Program

A letter from the Secretary of the Army, transmitting, pursuant to law, a report on progress of the Army Reserve Officers' Training Corps flight instruction program (with an accompanying report); to the Committee on Armed Services.

Orders of Admission for Certain Aliens

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, orders in the cases of certain aliens found admissible to the United States (with accompanying papers); to the Committee on the Judiciary.

Report of the Jewish War Veterans U.S.A. National Memorial, Inc.

A letter from the president, Jewish War Veterans U.S.A. National Memorial, transmitting, pursuant to law, the annual report of the Jewish War Veterans U.S.A. National Memorial, Inc. (with an accompanying report); to the Committee on Veterans' Affairs.

Report of the Ladies of the Grand Army of the Republic, Inc.

A letter from the national president, Ladies of the Grand Army of the Republic, Inc., transmitting, pursuant to law, the annual report of the Ladies of the Grand Army of the Republic, Inc. (with an accompanying report); to the Committee on the Judiciary.

Typical Electric Bills, 1975

A letter from the Chairman, Federal Power Commission, transmitting, pursuant to law, a publication entitled "Typical Electric Bills, 1975" (with an accompanying document); to the Committee on Commerce.

Proposed Amendment of the Alaska Native Claims Settlement Act

A letter from the Acting Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend section 6 of the Alaska Native Claims Settlement Act (85 Stat. 688) (with accompanying papers); to the Committee on Interior and Insular Affairs.

Proposed Plan for Use and Disposition of Judgment Funds Awarded to the Pillager Bands of Chippewa Indians

A letter from the Secretary of the Interior, transmitting, pursuant to law, a proposed plan for the use and disposition of judgment funds awarded to the Pillager Bands of Chippewa Indians in docket 144 before the Indian Claims Commission (with an accompanying document); to the Committee on Interior and Insular Affairs.

Report on the Reserve Officers' Training Corps Flight Training Program

A letter from the Secretary of the Air Force, transmitting, pursuant to law, a report on the progress of the Reserve Officers' Training Corps flight training program for calendar year 1975 (with an accompanying report); to the Committee on Armed Services.

PETITIONS

The ACTING PRESIDENT pro tempore (Mr. CLARK) laid before the Senate the following petitions, which were referred as indicated:

House Resolution 34 adopted by the House of Representatives of the State of Kentucky; to the Committee on Labor and Public Welfare:

"House Resolution 34

"A resolution urging the U.S. Congress to prohibit federal funding of the Peoples Bicentennial Commission

"Whereas, the so-called Peoples Bicentennial Commission exhibits in its documents and propaganda a view and philosophy contrary to all cherished American beliefs in free enterprise, private wealth and freedom of choice; and

"Whereas, this self-designated organization, without official sanction whatsoever, has relied upon its chosen label in this bicentennial year of the United States to dupe the public as to its official status, and has by this means purveyed to public schools and libraries across the country over 100,000 copies of its publication called 'Common Sense II;' and

"Whereas, by such identical misnomer and illusion the Peoples Bicentennial Commission has obtained from the National Endowment for the Humanities, a federally funded association, a grant of some $394,000 to use in advancement of its collectivist proposals;

"Now, therefore, be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

"Section 1. That the Congress of the United States be and it hereby is urged, beseeched and implored to prevent any further or subsequent use of public tax moneys for support of the Peoples Bicentennial Commission.

"Sec. 2. That the Clerk be directed to transmit a copy of this resolution to the President of the Senate and the Speaker of the House of Representatives of the United States Congress, and to each member thereof from the Commonwealth of Kentucky."

House Joint Resolution No. 222 adopted by the Legislature of the State of Tennessee; to the Committee on the Judiciary:

"House Joint Resolution No. 222

"A resolution to petition the Congress of the United States to call a convention to propose an amendment to the Constitution of the United States to prohibit Congress or the President or any federal agency from withholding, withdrawing or threatening to withhold or withdraw any federal funds from any state as a means of imposing or implementing federal policies which the federal government is not empowered under the United States Constitution to impose or implement directly.

"Whereas, the powers delegated to the federal government by the United States Constitution are limited, and those powers not delegated to the federal government are reserved to the states; and

"Whereas, it is becoming increasingly the practice of the federal government to require states to enact state laws to implement federal policies by threatening to withhold or withdraw federal funds for failure to do so; and

"Whereas, the federal government has imposed upon the states many programs and obligations which require funding in excess of state means, thereby making the states subservient to and dependent upon the federal government for financial assistance; and

"Whereas, through the coercive force of withdrawing or withholding federal funds, or the threat of withdrawing or withholding federal funds, the federal government is indirectly imposing its will upon the states and requiring implementation of federal policies which neither Congress nor the President nor any administrative agency is empowered to impose or implement directly; and

"Whereas, this coercive power of the purse is being used to extend the power of the federal government over the states far beyond the powers delegated to the federal government by the United States Constitution; and

"Whereas, the power of the federal government should be exercised directly by the enactment, implementation and enforcement of federal laws governing only those areas in which the federal government is empowered to act by the United States Constitution, and the federal government should be prohibited from usurping the authority of the states and imposing its will indirectly in those areas in which it has no power to act directly; and

"Whereas, the federal government has imposed upon the states many programs and obligations which require state administration and such programs or other programs may lose federal financing if certain conditions attached to the program are not met; now, therefore,

Be it resolved by the House of Representatives of the Eighty-Ninth General Assembly of the State of Tennessee, the Senate Concurring, That pursuant to Article V of the Constitution of the United States, the legislature of the state of Tennessee petitions the Congress of the United States to call a convention for the purpose of proposing an amendment to the Constitution of the United States to prohibit the Congress, the President, and any agent or agency of the federal government, from withholding or withdrawing, or threatening to withhold or withdraw, any federal funds from any state as a means of requiring a state to implement federal policies which the Congress, the President, or the agent or agency of the federal government has no power, express or implied, under the Constitution of the United States, to impose upon the states or implement its own action, and to limit permissible conditions of federal financing by the Congress, or the President, or any agent or agency of the federal government designed to obtain state administration of federal programs at the risk of losing federal funds for other programs if any or all conditions of the programs are not met.

"Be it further resolved, That copies of this Resolution be sent to the Congress of the United States, one addressed to the President of the Senate, The Honorable Nelson A. Rockefeller, one to the Speaker of the House of Representatives, The Honorable Carl Albert, and one to each member of the Tennessee Congressional delegation."

A concurrent resolution adopted by the Legislature of the State of South Carolina; to the Committee on Agriculture and Forestry:

"Concurrent Resolution

"A Concurrent resolution to memorialize the Congress of the United States to continue the child nutrition program as assistance to State school lunch programs at present levels

"Whereas, for many years the Child Nutrition Program of the Federal Government has greatly enhanced the quality of school lunches served to the children of our Nation; and

"Whereas, the President and other administrative officials plan to modify and apparently substantially reduce the level of this program which has proved so helpful to nutritional standards, particularly for children in the lower economic levels; and

"Whereas, despite the need for belt tightening and economy in government the health of our school children would seem to be an unfortunate target for such economy: Now, therefore,

"Be it resolved by the House of Representatives, the Senate concurring:

"That the General Assembly by this resolution memorializes the Congress of the United States to take whatever action is necessary to maintain the Child Nutrition Program, in aid to State school lunch programs, at its present level and thereby avoid possible damage to the nutritional health of the children of this Nation, particularly at the lower economic levels.

"Be it further resolved that copies of this resolution be forwarded to the President of the Senate, the Speaker of the House of Representatives and each member of the South Carolina Congressional Delegation in Washington, D.C."

A resolution adopted by the Senate of the State of Indiana; to the Committee on the Judiciary:

"State of Indiana Resolution

"A resolution recognizing the third anniversary of the decision to legalize abortion

"Whereas, today January 22, 1976, is the third anniversary of the United States Supreme Court decision which legalizes abortion virtually on demand, and

"Whereas, this decision violates one of the most basic human rights upon which this country was founded, "the inalienable right to life", which is expressly stated in the Declaration of Independence whose two hundredth anniversary we are celebrating this year, and

"Whereas, this decision nullified the laws of all states in this matter, and constituted "judicial legislation" as Justice White pointed out in a dissenting opinion, and

"Whereas, millions of unborn children have been legally killed since this decision and an estimated two million more will be destroyed this year, and

"Whereas, Congress has it in its power through statutory means or constitutional amendment to rectify this decision:

"Now therefore, be it resolved by the Senate of the General Assembly of the State of Indiana:

"Section 1. That the Indiana State Senate on behalf of the people of Indiana ask the Congress to take appropriate action by statutory means if possible, or constitutional amendment, to nullify this decision and to insure the restoration and preservation in our nation of the inalienable right to life of all human beings, regardless of age, condition or development.

"Sec. 2. That the Secretary of the Senate be instructed to transmit a copy of this resolution to the President of the Senate of the United States Congress, to the Speaker of the House of Representatives of the United States Congress, and to each member of the Indiana Congressional delegation in the United States Congress."

House Concurrent Resolution No. 344 adopted by the Legislature of the State of Michigan; to the Committee on Government Operations:

"House Concurrent Resolution No. 344

"A concurrent resolution memorializing the Congress of the United States to establish a committee of the Congress to conduct an open and public investigation into the facts surrounding the assassination of President John F. Kennedy

"Whereas, Recent disclosures have made clear that the Federal Bureau of Investigation withheld, suppressed, and destroyed evidence which should have been given to the Warren Commission; and

Whereas, Allegations have been made characterizing the methods and procedures of the Warren Commission itself as being improper, hasty, and inadequate; and

"Whereas, Recent hearings into activities of the Central Intelligence Agency and the Federal Bureau of Investigation support suspicions of a possible coverup of the facts surrounding the assassination of President Kennedy; and

"Whereas, A number of witnesses and documents unavailable or unknown to the Warren Commission have been discovered since the time of the Warren Commission investigation; now, therefore, be it

"*Resolved* by the House of Representatives (the Senate concurring), That the Congress of the United States be hereby memorialized to conduct a full-scale, open, and public investigation into the assassination of President John F. Kennedy; and be it further

"*Resolved*, **That the Congress be urged,** in that investigation, to secure independent investigators in order that the American people may feel assured that the investigation is to be fully and fairly conducted; and be it further

"*Resolved*, That a copy of this resolution be transmitted to the presiding officer of the United States Senate, the Speaker of the United States House of Representatives, and **each member of the Michigan congressional delegation."**

A resolution adopted by the council of the city of Wheaton, Ill., in opposition to S. 2800; to the Committee on Banking, Housing and Urban Affairs.

A resolution adopted by the Kern Park Christian Church, Portland, Oreg., relating to bicentennial observance; to the Committee on the Judiciary.

A resolution adopted by the Longmont City Council, Longmont, Colo., relating to revenue sharing; to the Committee on Finance.

A resolution adopted by the council of the city of Pico Rivera, Calif., relating to impoundment of certain housing rehabilitation loan funds; to the Committee on Banking, Housing and Urban Affairs.

Resolutions adopted by the Propeller Club of the United States relating to elements of the U.S. maritime industry; to the Committee on Commerce.

A resolution adopted by the council of the city of Worcester, Mass., relating to revenue sharing; to the Committee on Finance.

Two resolutions adopted by the Good Citizenship League, Inc., relating to busing of school children and illegal aliens; to the Committee on the Judiciary.

PRESENTATION OF A PETITION

THE OLD NINETY SIX AND STAR FORT NATIONAL HISTORICAL PARK IN THE STATE OF SOUTH CAROLINA

Mr. THURMOND. Mr. President, on January 22, 1976, the South Carolina General Assembly passed a concurrent resolution memorializing the Congress of the United States and the Department of the Interior to establish the Old Ninety Six and Star Fort National Historical Park in the State of South Carolina.

On behalf of the junior Senator from South Carolina (Mr. HOLLINGS) and myself, who have jointly introduced the necessary authorizing legislation, S. 2642, I ask unanimous consent that this concurrent resolution be printed in the RECORD at the end of my remarks and referred to the appropriate committee for prompt consideration.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I commend this proposal to my colleagues and am pleased that five Senators have joined Senator HOLLINGS and me as cosponsors of S. 2642, to date. Congressman DERRICK has introduced similar legislation in the House, and I am hopeful that both Senate and House subcommittees can hold hearings in the near future.

For the benefit of those who are not familiar with Old Ninety Six, I urge them to carefully read this concurrent resolution of the South Carolina General Assembly. Old Ninety Six-Star Fort is much more than just another battlefield and fort, although it is recognized to be the site of the first Revolutionary War land battle in the South and the location of several other key Revolutionary War engagements. Beyond this, Old Ninety Six was the key to westward expansion through the Carolinas and the center of Carolina back-country civilization during much of the 18th century. As mentioned in this concurrent resolution, the National Park Service has recognized that the site's resources represent three major historical development themes—a cultural variety which no other existing or proposed park can claim.

I fully realize that Congress is asked each year to authorize numerous worthy park, monument, wilderness, et cetera proposals, and that budgetary constraints necessarily limit the areas that can be acquired and administered by the Park Service. However, I believe a close examination of the merits of Old Ninety Six-Star Fort clearly shows this to be an area of truly exceptional historical-cultural resources, which can be acquired and preserved with a minimum expenditure of taxpayer dollars. In fact, I do not think the American people of present and future generations are likely to encounter a better opportunity to obtain such a varied, unique historical treasure at such a bargain price.

Because the local Star Fort Historical Commission is willing to donate most of the land recommended for inclusion in the project, land acquisition costs are very modest. Furthermore, the additional property needed is rural in character and involves only a few landowners, all of whom have expressed a willingness to negotiate a fair price for their land. With this minimum land cost, the Park Service has tentatively estimated the total cost for acquisition and development at approximately $2 million.

Mr. President, the proposal to make this area a national historical park has been endorsed by the Secretary of the Interior's prestigious Advisory Board on National Parks, Historic Sites, Buildings, and Monuments. I am pleased that the proposal is supported by the Park Service and by Interior Secretary Kleppe, subject, of course, to Office of Management and Budget review now underway. The site has been widely acclaimed by historians, archeologists, and public-minded citizens throughout the Nation. I urge my colleagues to studiously consider the worthiness of this proposal, and toward that end, I ask unanimous consent that several supporting letters be printed in the RECORD following the concurrent resolution adopted by the South Carolina General Assembly.

The concurrent resolution, which was referred to the Committee on Interior and Insular Affairs, reads as follows:

CONCURRENT RESOLUTION

A concurrent resolution to memorialize the Congress of the United States and the Department of the Interior to establish the Old Ninety Six and Star Fort National Historical Park in the State of South Carolina

Whereas, the history of the United States Revolutionary War is an important and indivisible part of our American heritage; and

Whereas, the destiny of the young United States during the Revolution hung at times on events that took place at Old Ninety Six and Star Fort; and

Whereas, it is generally recognized that the first southern land battle of the Revolution took place at Old Ninety Six and Star Fort; and

Whereas, the siegeworks engineered by the memorialized Polish patriot, Thaddeus Kosciuszko, adjacent to the Star Fort were the last he engineered in America and, save Yorktown, are the only siegeworks to have survived from the Revolution; and

Whereas, Old Ninety Six and Star Fort incorporate the three major themes in the National Park System plan for preservation of historical areas; namely: (1) European exploration and settlement of America (major facet—settlement of the Carolinas), (2) Development of the English Colonies 1700–1775 (subtheme—population growth and territorial expansion), and (3) The American Revolution (specifically, the War in the South); and

Whereas, no other national historical park includes all of these three major themes, and such subthemes of settlement of the Carolinas and population growth in the English Colonies are not now represented at all in the National Park System; and

Whereas, the Star Fort Historical Commission owns approximately seven hundred acres of the Old Ninety Six and Star Fort site and is willing to donate it to the Department of the Interior; and

Whereas, the Department of the Interior's "Advisory Board on National Parks, Historic Sites, Buildings and Monuments" unanimously recommended to the Secretary of the Interior that the Old Ninety Six and Star Fort Historic Site be preserved and interpreted as a unit of the National Park System. Now, therefore,

Be it resolved by the Senate, the House of Representatives concurring:

That during this Bicentennial Year, the General Assembly of the State of South Carolina hereby memorializes the President, the Congress and Department of the Interior of the United States to establish the Old Ninety Six and Star Fort National Historical Park in the State of South Carolina.

Be it further resolved that copies of this resolution be forwarded to the President of the United States, the presiding officers of each House of the Congress of the United States, the Secretary of the Interior and the United States Senators and Congressmen from the State of South Carolina.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL GEOGRAPHIC SOCIETY,
Washington, D.C., November 19, 1975.

Hon. STROM THURMOND,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR SENATOR THURMOND: It is encouraging news to all historians that you and Senator Hollings have introduced a bill to establish the Old Ninety-Six and Star Fort National Historical Park. This site has too long been overlooked at a national park area; it was the scene of important events in Colonial and Revolutionary times that had meaning for the entire country. Of course I do not need to emphasize its importance to you and Senator Hollings, but I would like to place in the record a statement of the influence of Ninety Six in the early history of the whole region.

During the past year I have completed a history of South Carolina, one of those commissioned by the Association of State and Local Histories with the support of the National Endowment for the Humanities. This work gave me a renewed insight into the events centered upon Ninety Six from 1730 onwards.

During the year I visited Ninety Six and Star Fort and was impressed with the archaeological work already accomplished. Recently I had an opportunity to talk with Mr. John E. Eck and Mr. Frank E. Wideman, Jr., who are officers of the Self and Mathews Foundations of Greenwood. They are both enthusiastic about the historical work being carried on at Ninety Six, and I want to express my own appreciation of their endeavors.

Let me emphasize that this project is not merely of interest to South Carolina but has relevance for the whole nation. The destiny of the young United States during the Revolution at times hung on events that took place at Star Fort. In one instance, General Nathanael Greene pinned down there British troops that might otherwise have reinforced Cornwallis and influenced the outcome at Yorktown.

The addition of Old Ninety Six and Star Fort to the National Park system would preserve in perpetuity sites of national significance at a minimum cost to the government. No land acquisition is involved, I understand, because nearly 700 acres are already in possession of local historical societies.

This site in many respects is more important historically than Kings Mountain, which has long been included in the National Park system. Few Bicentennial undertakings would have more significance than this one, and I heartily recommend it. You and Senator Hollings will earn the gratitude of historians as well as of other patriotic citizens for sponsoring this worthy cause.

Faithfully yours,
LOUIS B. WRIGHT,
Consultant in History, National Geographic Society.

UNIVERSITY OF SOUTH CAROLINA,
Columbia, S.C., December 2, 1975.

Senator STROM THURMOND,
U.S. Senate, Congress of the United States,
Washington, D.C.

DEAR SENATOR THURMOND: Please allow me to express my sincere appreciation to you and to Senator Hollings for your far-sighted action in introducing S. 2642, a bill to authorize the Secretary of the Interior to establish the Old Ninety Six and Star Fort National Historical Park in the State of South Carolina. This action will add one of the most significant historical properties in the nation to the protective custody of the Department of the Interior.

The people of Greenwood County have, for more than a decade, worked diligently to develop this major historic area and they have done a magnificent job. The scope of the project is beyond local means and the importance of the area is of national value. The proposed establishment of a National Historical Park here is appropriate, timely, and I believe, essential.

The Institute of Archeology and Anthropology devoted two seasons of work to the archeology at Ninety Six and subsequent work by the Star Fort Historical Commission has carried on some of the projected archeological work. There are at least a dozen seasons of full scale archeological research needed before the full meaning of Ninety Six can be understood.

We who have worked on this project certainly support your bill and will do whatever we can to aid in its passage.

Sincerely yours,
ROBERT L. STEPHENSON,
Director and State Archeologist.

CLEMSON UNIVERSITY,
January 15, 1976.

Senator J. STROM THURMOND,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR THURMOND: The idea to include Ninety-Six Historic Site in the national park system has great merit, and I should like to commend you for your efforts to achieve this goal.

It may be argued that the battles of King's Mountain and the Cowpens were of greater significance in the Revolution than any single engagement occurring at Ninety-Six, but the latter site has at least equal claim to a place in the national system. Important engagements took place there both early and late in the Revolution, and the site would seem to lend itself naturally to interpretive efforts by the Park Service to demonstrate frontier village life in the period.

I heartily endorse the proposal and hope that you will persist in your efforts to see the legislation through to a successful conclusion.

Sincerely,
ROBERT S. LAMBERT,
Professor of History.

NORTHEAST LOUISIANA
STATE UNIVERSITY,
Monroe, La., December 8, 1975.
Senator J. BENNETT JOHNSTON, Jr.,
Chairman, Parks and Recreation Subcommittee, U.S. Senate, Washington, D.C.
In Reference: S. 2642 Old Ninety-six and Star Fort Historic Site.

DEAR SIR: I am writing to you to enlist your support for a location which I feel needs to be designated a National Historical Park. The Old Ninety-six and Star Fort in South Carolina dates from the 1730's. It was established as a settlement by pioneers encouraged by the Colonial Commons House of Assembly. As the scene of both peaceful and turbulent contact with the Cherokee Indians living nearby, it would be an important site to research for anyone delving into the understanding of Anglo-Indian relations. The location, itself, is relatively undisturbed and would lend itself to a sense of the wilderness which surrounded the pioneers, yet it is easily accessible from nearby State highways. It could well be included in a tour from Augusta, Georgia, to Greenville, South Carolina.

The conflicts which broke out in 1775 over the Provincial Congress divided the Ninety-six settlers into "patriots" and "loyalists," whose bitterness and intense emotions drove them to civil war in November of 1775. Although brief, these battles deepened the schism between families and friends who had struggled so hard together to establish the settlement. I feel the conflict here mirrors the national emotions during the time just prior to the Revolutionary War and is worth reflection by any American interested in the political background of this country.

The original fort, although burned by Indians in 1760, can feasibly be restored by archeologists. Other buildings, including a jail which served the vigilantes before Colonial law was established and which also served as fort, arsenal, and meeting house during the Revolutionary War, have been reduced to their foundations during the War, but can be restored according to their outlines and extensive records. A second, star-shaped fort, designed by the British Lieutenant Henry Haldane, was built to strengthen the defenses put up earlier by Colonel Cruger under Cornwallis. It, too, was torn apart during the War but can be restored.

In short, the Old Ninety-six and Star Fort reflects very effectively the hardships and conflicts that characterized all of the newly formed colonies. It is well located in terms of accessibility and public attention. Without going deeply into financial needs, the cost of preparation is reasonable in view of the donation of more than two-thirds of the acreage required.

I am genuinely excited about what this site has to offer, in terms of a National Historic site, and I would welcome your support in establishing it as such.

Sincerely,

LORRAINE H. GREENE,
Archeologist,
GLEN S. GREENE,
Assistant Professor, Department of Geosciences.

CROFTON, MD.,
December 8, 1975.
Senator CHARLES McC. MATHIAS,
U.S. Senate,
The Russell Building,
Washington, D.C.

DEAR SENATOR MATHIAS: On November 11, 1975, Senators Strom Thurmond and Ernest F. Hollings introduced bill S. 2642 for legislation which will authorize the Secretary of the Interior to establish the Old Ninety Six and Star Fort National Historical Park in South Carolina. I am writing to urge your support of this bill.

The preservation of this site should be of particular interest to your constituency in that during the siege of the Star Fort by General Nathaniel Greene's troops in 1781, the Maryland Continental troops occupied the position of honor on General Greene's right.

Another point of historical importance is that although the dominant ethnic population of this district was English, the settlers were international in origin and included Scotch-Irish, Highland, Irish, Welsh, Swiss, Dutch, German, French, Jew and African (both slave and free). During the Revolutionary War, the political assimilation which occurred here was typical American cultural fusion.

I became aware of the historical appeal of the old Ninety Six District while researching my family history. My ancestors were early settlers of Maryland, Virginia, Pennsylvania and North Carolina, who migrated to the Ninety Six District as early as 1762. They were active in the political and military events of that period, served in the South Carolina militia in the commands of Andrew Williamson and Andrew Pickens, and in the Revolutionary War, fought in the battles of Ninety Six. Hence my personal interest in the site.

The Bicentennial is an excellent time to emphasize the decisive role the Southern Colonies played in the Revolution and one way to do this is to preserve the Ninety Six-Star Fort Site. Again, I urge your support.

Sincerely,

JUNE CLARK HARTEL.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STENNIS, from the Committee on Armed Services:

S. Res. 387. An original resolution authorizing additional expenditures by the Committee on Armed Services for inquiries and **investigation. Referred to the Committee on** Rules and Administration.

By Mr. KENNEDY, from the Committee on Labor and Public Welfare, with an amendment:

S. 1664. A bill to amend the Lead-Based Paint Poisoning Prevention Act (Rept. No. 94-634).

COMMITTEE REPORT ON NASA'S AIRCRAFT FUEL EFFICIENCY PROGRAM—REPORT NO. 94-633

Mr. MOSS. Mr. President, today I am reporting from the Committee on Aeronautical and Space Sciences on the aircraft fuel efficiency program of the National Aeronautics and Space Administration.

It was only a year ago that Senator GOLDWATER, the ranking minority member on the committee, and I, wrote to Dr. James C. Fletcher, Administrator of the National Aeronautics and Space Administration, requesting that the agency establish a program to develop the technology for more fuel-efficient aircraft.

NASA responded promptly to our request and, in consultation with aircraft and engine manufacturers and airlines, developed a plan that is responsive to our request. This plan was presented to the committee at a public hearing last September and later when we held 2 more days of hearings. As a result of its investigation of the aircraft fuel efficiency program, the committee made certain findings and conclusions and agreed on recommendations. These are included in the report filed today.

In summary, the committee found that the aviation industry is facing a long-term crisis due largely to the dramatic increases in fuel prices. Research therefore should be carried out in a coordinated and orderly way to make aircraft more fuel efficient. However, the cost of this research is more than the aircraft and airline industries can afford alone, and it is appropriately in the national interest for the Government to undertake this work in conjunction with industry.

We also found that the problems of future cost and availability of aircraft fuel need to be addressed by Government planners. Serious study should be given to such possible alternatives as synthetic fuels from coal and oil shale, liquid hydrogen and direct nuclear propulsion.

The committee recommends that Congress provide NASA with the funds needed to carry out a technology program such as the one the agency presented to us. NASA should take a flexible approach throughout the program and continue to evaluate the overall economic costs and benefits.

The agency also should make reasonable efforts to assure that fuel efficiency technology is incorporated into military and general aviation aircraft as well as airline transports. NASA also needs to work closely with the Energy Research and Development Administration and the Federal Energy Administration to insure that future American aircraft will be compatible with available energy sources and that adequate provision is made for the future energy needs of aviation.

The PRESIDING OFFICER. The report will be received and printed.

Mr. MOSS. Mr. President, I ask unanimous consent that an additional 1,000 copies of the report be printed for the use of the Committee on Aeronautical and Space Sciences.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. SPARKMAN, from the Committee on Foreign Relations:

J. Owen Zurhellen, Jr., of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Surinam.

STATEMENT OF POLITICAL CONTRIBUTIONS

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: J. Owen Zurhellen, Jr.

Post: Paramaribo, Surinam. Nominated: ———.

CONTRIBUTIONS, AMOUNT, DATE, AND DONEE

(If none, write none)

1. Self: none.

2. Spouse: none.

3. Children and Spouses: none.

Names: J. Owen Zurhellen III and wife Katherine; William M. Zurhellen; Robert F. Zurhellen and wife Joanne; David J. Zurhellen; and Stephanie Jo Zurhellen.

4. Parents: none.

Names: Father, Joseph O. Zurhellen, deceased 1965; mother, Dorrial B. Zurhellen.

5. Grandparents: none.

Names: none living during past 4 years.

6. Brothers and Spouses: none.

Names: Edward I. Zurhellen and wife Cecelia; Henry S. Zurhellen and wife Joan.

7. Sisters and Spouses.

Names: no sisters.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

J. Owen Zurhellen, Jr.

Subscribed and sworn (or affirmed) before me this 15th day of January A.D. 1976, at Washington, D.C.

[Seal] Stella Makara.

Commission expires July 31, 1977. Notary Public.

Rozanne L. Ridgway, of the District of Columbia, Deputy Assistant Secretary of State for Oceans and Fisheries Affairs, for the rank of Ambassador.

Statement of Political Contributions

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Rozanne L. Ridgway.

contributions, amounts, date, and donee

(If none, write none)

1. Self. Rozanne L. Ridgway, None.

2. Spouse. None, N/A.

3. Children and Spouses, Names: None, N/A.

4. Parents. Names: Mrs. H. Clay (Ethel R.) Ridgway, None.

5. Grandparents. Names: None, N/A.

6. Brothers and Spouses. Names: Mrs. Arthur Ridgway (sister-in-law, wife of deceased brother), none; Mr. Robert Ridgway, None.

7. Sisters and Spouses: Names, none, N/A.

I have listed above the names of each member of my immediate family including their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is completed and accurate.

Rozzane L. Ridgway.

Subscribed and sworn (or affirmed) before me this 4th day of December A.D. 1975, at Washington, D.C.

[Seal] Mary E. Micsakeair.

Commission expires 4/30/76. Notary Public.

John Arthur Shaw, of Maryland, to be Inspector General, Foreign Assistance.

(The foregoing nominations from the Committee on Foreign Relations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. SPARKMAN. Mr. President, as in executive session, I report favorably sundry nominations in the Diplomatic and Foreign Service which have previously been printed in the Congressional Record and, to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they lie on the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the Record of January 21, 1976, at the end of the Senate proceedings.)

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on February 16, 1976, he presented to the President of the United States the following enrolled bill and joint resolution:

S. 2672. An act to extend the State Taxation of Depositories Act.

S.J. Res. 167. A joint resolution to amend the Railroad Revitalization and Regulatory Reform Act of 1976.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. ROBERT C. BYRD (for himself and Mr. Helms):

S. 2957. A bill to amend title 18, United States Code, relating to certain crimes of violence. Referred to the Committee on the Judiciary.

By Mr. MANSFIELD:

S. 2958. A bill for the relief of Aridio Arturo Sanchez, his wife, Teresa Sanchez, and their daughter, Gabriela Viviana Sanchez. Referred to the Committee on the Judiciary.

S. 2959. A bill for the relief of Kelvin Siu-Min Chen. Referred to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself, Mr. Nelson, Mr. McGovern, Mr. Burdick, Mr. Leahy, Mr. Mondale, Mr. Stafford, Mr. Javits, Mr. Clark, and Mr. Young):

S. 2960. A bill to provide for quarterly adjustments in the support price for milk, and for other purposes. Referred to the Committee on Agriculture and Forestry.

By Mr. JAVITS:

S. 2961. A bill for the relief of Pilar Hermosa and Corazon D. Hermosa. Referred to the Committee on the Judiciary.

By Mr. HUGH SCOTT:

S. 2962. A bill to amend title 39, United States Code, to require the United States Postal Service to make certain considerations prior to the closing of third- and fourth-class post offices. Referred to the Committee on Post Office and Civil Service.

By Mr. THURMOND:

S. 2963. A bill to authorize construction of pumped-storage power facilities as a project feature, if economically feasible, at Richard B. Russell Dam and Lake. Referred to the Committee on Public Works.

By Mr. THURMOND:

S. 2964. A bill to authorize a continuing program of shoreline erosion prevention at Clark Hill Lake, South Carolina and Georgia. Referred to the Committee on Public Works.

By Mr. STENNIS (for himself and Mr. Thurmond) (by request):

S. 2965. A bill to authorize appropriations during the fiscal year 1977, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes. Referred to the Committee on Armed Services.

By Mr. STENNIS (for himself and Mr. Thurmond) (by request):

S. 2966. A bill to authorize appropriations during the fiscal year 1978, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes. Referred to the Committee on Armed Services.

By Mr. STENNIS (for himself and Mr. Thurmond) (by request):

S. 2967. A bill to authorize certain construction at military installations and for other purposes. Referred to the Committee on Armed Services.

By Mr. BARTLETT (for himself, Mr. Bellmon and Mr. Hatfield):

S. 2968. A bill to restore Federal recognition of certain Indian tribes, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. WILLIAMS (for himself and Mr. Tower):

S. 2969. A bill to amend the Securities Exchange Act of 1934 to require the preparation of annual reports and distribution statements by issuers of municipal securities, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. METCALF for Mr. Jackson (for himself and Mr. Fannin) (by request):

S. 2970. A bill to designate certain lands in the North Cascades National Park and in the Ross Lake and Lake Chelan National Recreation Areas, Washington, as wilderness;

S. 2971. A bill to designate certain lands in the Cedar Breaks National Monument, Utah, as wilderness;

S. 2972. A bill to designate certain lands in the Colorado National Monument, Colorado, as wilderness;

S. 2973. A bill to designate certain lands in the Bryce Canyon National Park, Utah, as wilderness;

S. 2974. A bill to designate certain lands in the Theodore Roosevelt National Memorial Park, North Dakota, as wilderness;

S. 2975. A bill to designate certain lands in the Cumberland Gap National Historical Park, Tennessee, Virginia, and Kentucky, as wilderness; and

S. 2976. A bill to designate certain lands in the Yellowstone National Park, Idaho-Wyoming-Montana, as wilderness. Referred to the Committee on Interior and Insular Affairs.

By Mr. SPARKMAN (by request):

S. 2977. A bill to amend the "Foreign Relations Authorization Act, Fiscal Year 1976", to authorize appropriations for the fiscal years 1977 and 1978, and for other purposes. Referred to the Committee on Foreign Relations.

By Mr. SPARKMAN (by request):

S. 2978. A bill to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations. Referred to the Committee on Foreign Relations.

By Mr. SPARKMAN (by request):

S. 2979. A bill to amend further the Peace Corps Act. Referred to the Committee on Foreign Relations.

By Mr. BUCKLEY:

S. 2980. A bill to amend the Federal Election Campaign Act to provide for the constitutional reinstitution of the Federal Election Commission, to establish the Election Law Section in the Department of Justice, and for other purposes. Referred to the Committee on Rules and Administration.

By Mr. METCALF for Mr. Jackson (for himself and Mr. Fannin) (by request):

S. 2981. A bill to authorize appropriations for the Indian Claims Commission for fiscal year 1977. Referred to the Committee on Interior and Insular Affairs.

By Mr. HUGH SCOTT:

S. 2982. A bill to amend the Act of May 23, 1975, making appropriations for special assistance to refugees from Cambodia and Vietnam for the fiscal year ending June 30, 1975, and for other purposes. Referred to the Committee on Appropriations.

By Mr. PEARSON:

S. 2983. A bill to establish a Joint Committee on Intelligence Oversight and for other purposes. Referred to the Committee on Government Operations.

By Mr. DOMENICI (for himself and Mr. MONTOYA):

S. 2984. A bill to authorize the addition of certain lands to Bandelier National Monument in the State of New Mexico, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. RIBICOFF:

S. 2985. A bill to amend section 1504 of the Internal Revenue Code of 1954, as amended. Referred to the Committee on Finance.

By Mr. GRIFFIN (for himself, Mr. TOWER, and Mr. THURMOND):

S. 2986. A bill to amend the Housing and Community Development Act of 1974 to provide supplementary community development block grant assistance to communities with high unemployment due to adverse national economic conditions, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

By Mr. BARTLETT:

S.J. Res. 170. A joint resolution to authorize and direct the Indian Claims Commission to determine the amount of a claim of the Seminole Nation of Oklahoma and render final judgment thereon. Referred to the Committee on Interior and Insular Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROBERT C. BYRD (for himself and Mr. HELMS):

S. 2957. A bill to amend title 18, United States Code, relating to certain crimes of violence. Referred to the Committee on the Judiciary.

VIOLENT CRIME ACT OF 1976

Mr. ROBERT C. BYRD. Mr. President, I am today introducing legislation which would impose mandatory penalties, without suspension or parole, for the commission of violent crimes, crimes committed with a deadly weapon, and crimes committed by a repeat offender.

My bill would impose mandatory 2-year imprisonment minimums for those convicted of murder, rape, aggravated assault, and robbery. Under current provisions of Federal criminal law, there are no mandatory minimum sentences required in these cases.

The bill would impose an add-on penalty of a mandatory 2-year minimum sentence for the use of a deadly weapon in the commission of a felony under Federal law. This penalty would be in addition to the penalty attaching to the commission of the crime itself.

A mandatory minimum 2-year penalty would also be added on to the sentence of a repeat offender convicted before for any of the violent crimes covered under this bill.

While some may feel that 2 years is a very short sentence for crimes of this type, and I certainly do, these are only the minimum sentences which must be applied, and the maximums will still be available to judges for sentencing purposes. A mandatory sentence, without suspension or parole, of 2 years is equivalent to a prison sentence of 6 years under present law, since a prisoner is now eligible for parole after he has served one-third of his sentence.

The mandatory minimums would also prevent persons convicted of violent crimes from avoiding imprisonment due to receiving a suspended sentence.

The combination of mandatory sentences will often result in imprisonment for a minimum of 6 years, since violent crimes are often committed by repeat offenders with the use of a deadly weapon. In such a case, the 6-year mandatory imprisonment would be equivalent to an 18-year prison sentence under current statutory provisions.

The necessity of mandatory sentencing to get the violent criminals off the streets is becoming more clear as the crime rate continues to climb in the United States.

The estimated violent crime occurrences for 1974 were 969,820 incidents—up 47.3 percent from 1969. During the same 5-year period, all crime increased at a 38.3 percent rate—a slower rate of increase.

There were an estimated 20,600 murders in the United States in 1974—up 40.3 percent since 1969. It is estimated that a deadly weapon was used in at least 86 percent of these murders, with handguns accounting for an estimated 54 percent of the total number of murders.

There were an estimated 55,210 forcible rapes in the United States in 1974—a 49 percent increase since 1969.

In 1974, there were an estimated 452,720 aggravated assaults in this country—a 47 percent increase over 1969. Fifty percent of these unlawful attacks for the purpose of inflicting severe bodily injury were committed with a deadly weapon, equally divided between firearms and knives.

There were an estimated 441,290 robbery offenses committed in the United States in 1974—an increase of 48 percent since 1969. Fifty-eight percent of these robberies were committed with a deadly weapon; 44.7 percent with a firearm.

It is estimated that when criminal repeating is viewed by type of crime for which arrested in the period from 1970 to 1974, repeaters for murder were 68 percent; rape, 65 percent; aggravated assault, 65 percent; robbery, 79 percent; weapon offenses, 72 percent.

The percentage of repeaters released in 1972 and rearrested within 3 years by type of crime were: 76 percent burglary, 64 percent rape, 63 percent murder, 60 percent aggravated assault, and 55 percent weapon violations.

All statistics are statistical estimates from the 1974 Uniform Crime Reports, released November 17, 1975, by the Federal Bureau of Investigation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2957

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 924(c) of title 18, United States Code, is amended to read as follows:

"(c) Whoever—

"(1) uses a firearm or other dangerous weapon or device to commit any felony for which he may be prosecuted in a court of the United States, or

"(2) carries a firearm or other dangerous weapon or device unlawfully during the commission of any felony for which he may be prosecuted in a court of the United States,

shall, in addition to the punishment provided for the commission of such felony, be sentenced to a term of imprisonment for not less than two years or more than twenty-five years and, notwithstanding any other provision of law, the court shall not suspend the sentence or give him a probationary sentence, nor shall the term of imprisonment imposed under this subsection run concurrently with any term of imprisonment imposed for the commission of such felony. The provisions of section 4202 and chapters 309, 311, and 402 of this title shall not be applicable with respect to such sentence."

SEC. 2. Section 13 of title 18, United States Code, is amended by striking out "and subject to a like punishment" and adding at the end thereof the following: "Whoever is found guilty of a like offense under the provisions of this section shall be subject to a like punishment except that in those cases in which a person is convicted of committing any act which, according to the laws thereof in force at the time, constitutes the crime of aggravated assault (where a person, by physical force, intentionally causes serious bodily injury to another person), such person so found guilty shall be sentenced to a term of imprisonment which shall not be less than two years and may be up to the maximum otherwise provided by law for such offense. The imposition or execution of any sentence pursuant to this section relating to aggravated assault shall not be suspended, probation shall not be granted, and section 4202 and chapters 309, 311, and 402 of this title shall not be applicable with respect to such sentence."

SEC. 3. The third paragraph of section 1111 (b) of title 18, United States Code, is amended to read as follows:

"Whoever is guilty of murder in the second degree, shall be sentenced to a term of imprisonment which may not be less than two years and which may be up to life imprisonment.

"The imposition or execution of any sentence pursuant to this section shall not be suspended, probation shall not be granted, and section 4202 and chapters 409, 311, and 402 of this title shall not be applicable with respect to such sentence."

SEC. 4. Section 2031 of title 18, United States Code, is amended by deleting "imprisonment for any term of years or for life." and inserting in lieu thereof the following: "shall be sentenced to a term of imprisonment which may not be less than two years and which may be up to life imprisonment. The imposition or execution of any sentence pursuant to this section shall not be suspended, probation shall not be granted, and section 4202 and chapters 309, 311, and 402 of this title shall not be applicable with respect to such sentence.".

SEC. 5. (a) Section 2111 of title 18, United States Code, is amended by deleting "shall be imprisoned for not more than fifteen years." and inserting in lieu thereof "shall be sentenced to a term of imprisonment which may not be less than two years and which may be up to fifteen years."

(b) Section 2112 of title 18, United States Code, is amended by deleting "imprisoned not more than fifteen years" and inserting in lieu thereof "sentenced to a term of imprisonment which may not be less than two years and which may be up to fifteen years".

(c) Section 2113(a) of title 18, United States Code, is amended to read as follows:

"(a)(1) Whoever, by force and violence, or by intimidation, takes, or attempts to take, from the person or presence of another any property or money or any other thing of value belonging to, or in the care, custody, control, management, or possession of, any bank, credit union, or any savings and loan association, shall be sentenced to a term of imprisonment which shall not be less than two years and which may be up to twenty years, and, in addition thereto, may be fined not more than $5,000.

"(2) Whoever enters or attempts to enter any bank, credit union, or any savings and loan association, or any building used in whole or in part as a bank, credit union, or as a savings and loan association, with intent to commit in such bank, credit union, or in such savings and loan association, or building, or part thereof, so used, any felony affecting such bank, credit union, or such savings and loan association and in violation of any statute of the United States, or any larceny, shall be fined not more than $5,000 or imprisoned not more than twenty years, or both."

(d) Section 2113(d) of title 18, United States Code, is amended by deleting "fined not more than $10,000 or imprisoned not more than twenty-five years, or both" and inserting in lieu thereof "sentenced to a term of imprisonment which shall not be less than two years and which may be up to twenty-five years and, in addition thereto, may be fined not more than $10,000".

(e) Section 2113(e) of title 18, United States Code, is amended to read as follows:

"(e) Whoever, in committing any offense defined in this section, or in avoiding or attempting to avoid apprehension for the commission of such offense, or in freeing himself or attempting to free himself from arrest or confinement for such offense, kills any person, or forces any person to accompany him without the consent of such person, shall, in the case of any such killing, be sentenced to death, and, in the case of so forcing any such person to accompany him without the consent of such person, shall be sentenced to a term of imprisonment which shall not be less than ten years and which may be up to life imprisonment.".

(f)(1) Chapter 103 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 2117. No suspension, probation, or parole of sentence

"The imposition or execution of any sentence pursuant to section 2111 or 2112, subsection (a)(1), (d), or (e) of section 2113, or section 2114, of this title, shall not be suspended, probation shall not be granted, and section 4202 and chapters 309, 311, and 402 of this title shall not be applicable.".

(2) The chapter analysis of chapter 103 of title 18, United States Code, is amended by adding at the end thereof the following new item:

"2118. No suspension, probation, or parole of sentence.".

SEC. 6. (a) Chapter 227 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 3579. Additional punishment for certain repeat offenders

"(a) Whoever has been found guilty of an offense described in the provisions of section 13 of this title relating to aggravated assault as defined in such section, section 1111 of this title relating to murder in the second degree, or section 2031, 2111, 2112, 2113 (other than the provisions contained in the second paragraph of subsection (b) of such section), or 2114 of this title, shall, if such person is found to be a repeat offender pursuant to subsection (b) of this section, in addition to the punishment provided for the commission of such offense, be sentenced to a term of imprisonment for not less than two years and which may be up to the maximum provided by law for such offense for which he was convicted. The imposition or execution of any additional sentence pursuant to this section shall not be suspended, probation shall not be granted, and section 4202 and chapters 309, 311, and 402 of this title shall not be applicable with respect to such sentence, nor shall the term of imprisonment imposed under this subsection run concurrently with any term of imprisonment imposed for the commission of such offense for which such person was so convicted.

"(b) For purposes of this section, a defendant is a repeat offender if such defendant has previously been convicted in any court of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, any political subdivision, or any department, agency, or instrumentality thereof, for any offense within the purview of subsection (a) of this section committed on an occasion different from the alleged violation referred to in subsection (a) of this section, or has previously been convicted in any State court of a violation of a State law involving murder in the second degree, rape, robbery, or aggravated assault.

"(c) A conviction shown on direct or collateral review or at a hearing to be invalid or for which the defendant has been pardoned on the ground of innocence shall be disregarded for purposes of this section.".

(b) The chapter analysis of such chapter is amended by adding at the end thereof the following new item:

"3579. Additional punishment for certain repeat offenders.".

By Mr. HUMPHREY (for himself, Mr. NELSON, Mr. MCGOVERN, Mr. BURDICK, Mr. LEAHY, Mr. MONDALE, Mr. STAFFORD, Mr. JAVITS, Mr. CLARK, and Mr. YOUNG):

S. 2960. A bill to provide for quarterly adjustments in the support price for milk, and for other purposes. Referred to the Committee on Agriculture and Forestry.

LEGISLATION NEEDED TO ESTABLISH STABILITY IN OUR MILK MARKETS

Mr. HUMPHREY. Mr. President, recently the Senate failed in its attempt to override the President's veto of Senate Joint Resolution 121, a bill to establish milk support prices at 85 percent of parity with a quarterly adjustment of those supports.

At that time, I attempted to point out to this body the importance of establishing some stability in our dairy industry. We have seen the results of that instability over the last few years—the continued elimination of our dairy farmers in the face of sharply rising production costs followed by growing shortages of dairy products and rising commodity prices.

I pointed out to my colleagues that Senate Joint Resolution 121 would have stabilized consumer prices and the supply of dairy products. However, as a result of misleading cost data provided by the Department of Agriculture, the President's veto was sustained.

Another factor in sustaining that veto was the lobbying effort by Secretary Butz. He indicated that he was prepared to set the support level for milk at 80 percent of parity on April 1, and both he and the President indicated their plan to establish a quarterly review procedure.

I can recall earlier that the Department was strongly opposed to the idea of quarterly reviews, but the idea now seems to have caught on there. The bill I am introducing will test whether the Department really supports quarterly reviews and at not less than 80 percent of parity.

Today I am introducing legislation which would establish the milk support level at 80 percent of parity and with a mandatory quarterly adjustment of those support levels. Joining me in this effort is Senator GAYLORD NELSON of Wisconsin—one of this body's most eloquent spokesmen in matters of agriculture and dairying. Also joining in sponsoring are Senators MONDALE, MCGOVERN, LEAHY, STAFFORD, BURDICK, JAVITS, CLARK, and YOUNG.

This bill will give some small measure of predictability to our dairy farmers and to users of dairy products. It will certainly not provide a fair or adequate return to our farmers, but it is the absolute minimum which the administration is likely to accept. I would urge the Secretary of Agriculture to support this measure, and I would hope that the Congress would overwhelmingly pass this bill.

By Mr. HUGH SCOTT:

S. 2962. A bill to amend title 39, United States Code, to require the U.S. Postal Service to make certain considerations prior to the closing of third- and fourth-class post offices. Referred to the Committee on Post Office and Civil Service.

Mr. HUGH SCOTT. Mr. President, a large percentage of the 18,290 third- and fourth-class post offices in many small communities across the United States are in danger of being closed. I have introduced legislation today that would make it mandatory for the U.S. Postal Service to take a hard look at these facilities before they are eliminated.

I do not attempt to deny that the Postal Service is building up huge deficits with a great need to save money and increase efficient mail delivery. However, at this time, if the Postal Service followed the recommendations of the General Accounting Office and closed all fourth class post offices and one-half of the third class post offices at a projected savings of $100,000,000, there is no assurance that all aspects of a rural community's needs would be taken into consideration prior to a decision to close.

The bill would require the Postal Service to consider four areas in addition to unprofitability of each post office. These areas are, first, the number of individual's served by the post office; second, the substantiality of the loss of revenue to the Postal Service if it maintains that post office; third, the proximity of an alternative post office, the energy requirements of individuals traveling to the alternative post office and the effect on service of that alternative post office; and fourth, the economic impact on the area served by the existing postal facility.

Also, in order to keep Congress and all other interested parties informed on potential closings, the measure requires the Postal Service to publish notice in the Federal Register within 30 days of a final decision to close and at least 30 days prior to the implementation of any actions to effect such a closing.

The purpose of this measure is not to prevent the U.S. Postal Service from saving money, but to insure that the people of small communities are given every fair consideration. At this time eight small post offices in Pennsylvania have been notified that they are being considered for closing. It is my hope that the Senate will move expeditiously on this important legislation. I ask unanimous consent that a list of the States and territories and their post offices by class be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

NUMBER OF POST OFFICES BY STATE, BY CLASS AS OF JULY 1, 1974

	1	2	3	4	Total
Alabama	78	138	282	147	645
Alaska	11	20	64	99	194
Arizona	37	60	80	36	213
Arkansas	65	112	244	241	662
California	405	279	346	105	1,135
Colorado	48	99	154	111	412
Connecticut	105	92	50	2	249
Delaware	15	20	18	3	56
District of Columbia	1				1
Florida	140	131	159	36	466
Georgia	121	151	277	103	652
Hawaii	18	34	25		77
Idaho	30	53	104	78	265
Illinois	264	338	534	145	1,281
Indiana	139	219	296	106	760
Iowa	110	272	461	115	958
Kansas	71	158	356	113	698
Kentucky	70	134	319	771	1,294
Louisiana	83	123	236	97	539
Maine	46	102	241	113	502
Mary and	74	98	200	55	427
Massachussetts	170	155	97	16	438
Michigan	207	271	340	45	863
Minnesota	105	239	406	118	868
Mississippi	74	103	205	91	473
Missouri	118	198	426	234	976
Montana	29	66	144	144	383
Nebraska	49	132	291	83	555
Nevada	15	15	40	24	94
New Hampshire	37	72	118	18	245
New Jersey	268	161	87	4	520
New Mexico	28	40	101	170	339
New York	386	479	643	127	1,635
North Carolina	143	235	325	84	787
North Dakota	17	80	212	152	461
Ohio	214	338	403	129	1,084
Oklahoma	69	142	258	170	639
Oregon	66	94	141	61	362
Pennsylvania	347	479	752	220	1,798
Puerto Rico	19	58	14	0	91
Rhode Island	18	21	14	3	56
South Carolina	74	105	166	51	396
South Dakota	23	87	177	128	415
Tennessee	101	117	255	112	585
Texas	266	361	559	343	1,529
Utah	26	41	80	79	226
Vermont	28	66	154	41	289
Virginia	107	163	356	289	915
Virgin Islands	3	2	0	0	5
Washington	88	109	208	75	480
West Virginia	52	107	400	482	1,041
Wisconsin	135	277	312	59	783
Wyoming	23	20	59	70	172
Pacific Islands	3	5	1	2	11
Total	5,230	7,471	12,190	6,100	31,000

Note: Classified stations and branches as of Nov. 1, 1973 (latest update available):
Classified stations 1,307
Classified branches 2,639

By Mr. THURMOND:

S. 2963. A bill to authorize construction of pumped-storage power facilities as a project feature, if economically feasible, at Richard B. Russell Dam and Lake. Referred to the Committee on Public Works.

Mr. THURMOND. Mr. President, I am introducing legislation today to authorize the construction of jumper storage power facilities as a project feature, if economically feasible, at Richard B. Russell Dam and Lake. This project, formerly known as Trotters Shoals, is a hydroelectric impoundment now under construction through the U.S. Army Corps of Engineers on the Savannah River between South Carolina and Georgia.

Congress authorized this particular hydroelectric project in the Flood Control Act of 1966 (Public Law 89–789), and it has been in the planning stages for over a decade. The final Environmental Impact Statement was published in the Federal Register of May 31, 1974. In August 1974, the Corps began acquiring land for the project, and construction of access roads and other Government facilities has begun. Congress has appropriated $6.6 million for the project during fiscal year 1976 and the transition quarter. President Ford's fiscal year 1977 budget request contains an additional $10.3 million for continued construction. Total project cost is currently estimated at $231 million, with completion expected in 1982.

As authorized in the 1966 Flood Control Act, the Richard B. Russell facility was to be a conventional, once-through hydroelectric generating plant capable of producing 300,000 kilowatts of energy per year, mainly to meet peaking capacity power requirements in the Southeast.

In addition to these power benefits of over $16 million annually, the 26,650-acre lake is estimated to eventually provide water-related recreation to over 4 million persons a year. Other significant benefits of the project will be flood control, water supply, and area redevelopment. Even though the cost of construction has jumped considerably from the original 1966 estimate of $78.7 million, the project still enjoys a very favorable benefit to cost ratio of approximately 2 to 1.

Nevertheless, there is a growing feeling among knowledgeable persons that the benefits of the Richard B. Russell project would be significantly enhanced by the addition of pumped storage facilities, a feature which must be specifically authorized by Congress.

I am pleased to report that the Corps of Engineers is currently studying the feasibility of pumped storage, with a view toward possible presentation of such a request to Congress within the next few months. Preliminary studies indicate that, while the project is firmly justified without pumped storage facilities, the addition of four 75,000-kilowatt pumped storage units to the 300,000-kilowatt conventional plant now under construction would double the potential power output of the plan and make it even more economically worthwhile.

Both the Federal Power Commission and the Southeastern Power Administration are on record in favor of adding pumped storage units to the Richard B. Russell project. Furthermore, since this project is to be situated at the upper end of the existing Clark Hill hydroelectric impoundment, it is felt that pumped storage would be logical engineering feature.

Coupled with oxygen injection in the existing Hartwell Lake upriver from the Richard B. Russell site, pumped storage facilities below the Russell Dam could also improve trout fishery conditions throughout the Russell Lake.

Comprehensive environmental studies on the effects of adding pumped storage units to the project are currently underway. An appropriate supplement to the project's Environmental Impact Statement is expected to be filed with the Council on Environmental Quality on or about June 1, 1976. This information will enable Congress to make a more informed decision on this matter.

Mr. President, I have closely examined much of the reams of information and the many divergent views that have been expressed concerning this project during the past decade. While I recognize that there will be some adverse environmental impact from the Richard B. Russell project, I remain convinced that these undesirable effects will be minimal compared to the advantages of energy production, recreational opportunities, and increased employment generated by construction.

Since the electric power will be produced from the energy of falling water, the project will expend neither fossil fuels nor nuclear materials which are in short supply. Even without pumped storage units, it is estimated that the project will produce electricity valued at more than $800 million—based on January 1975 values—during the 50-year payout period. The fuel equivalent of this electric power will be 224.6 billion cubic feet of natural gas, or 40.6 million barrels of oil, or 10.2 million tons of coal.

As mentioned earlier, the addition of four pumped storage units as a project feature will approximately double the potential energy output of the project. Anticipating that studies now underway will support this additional feature as being economically feasible and environmentally desirable, I am now introducing this authorizing legislation.

I would also like to point out that substantial progress has been made in alleviating other potential problems surrounding the Richard B. Russell project. In response to requests by myself, South Carolina Gov. James B. Edwards, and others, the corps has agreed to make every effort to minimize the amount of land acquired as a buffer zone around the project. Furthermore, the corps has indicated a willingness to accommodate communities and industries who may wish to obtain water from the proposed lake.

I am also pleased that the corps is working on techniques to improve the dissolved oxygen content of this planned reservoir and other existing lakes on the Savannah River. If the full recreational potential of these lakes is to be realized, water quality conditions must be suitable for maintenance of fisheries. Furthermore, the corps is funding a wildlife mitigation study now being conducted by the U.S. Fish and Wildlife Service. All of these are positive steps which, together with the addition of pumped storage power units, will insure that the Richard B. Russell project best serves the public interest.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being on objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2963

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Richard B. Russell Dam and Lake (formerly Trotters Shoals) on the Savannah River, South Carolina and Georgia, authorized by the Flood Control Act of 1966 (Public Law 89-789), is hereby modified to provide that the Secretary of the Army, acting through the Chief of Engineers, is authorized to study and include pumped-storage power as a project purpose, if feasible.

By Mr. THURMOND:

S. 2964. A bill to authorize a continuing program of shoreline erosion prevention at Clark Hill Lake, South Carolina and Georgia. Referred to the Committee on Public Works.

Mr. THURMOND. Mr. President, I am today introducing legislation to authorize the U.S. Army Corps of Engineers—Civil Works Section—to undertake a continuing program of shoreline erosion prevention at Clark Hill Lake, which is a hydroelectric impoundment on the Savannah River between South Carolina and Georgia.

This bill would give the Corps authority to construct, operate and maintain both interim emergency measures and permanent devices, as are deemed necessary to protect private lands lying inland from Federal lands bordering Clark Hill Lake, which are seriously damaged or threatened by erosion from wind and wave action and water level fluctuations on the lake. It is intended that this project serve as an experimental model for determining the effectiveness of shoreline erosion preventive methods and their applicability to similar problem areas on other public lakes. Corps officials have tentatively estimated that this prototype project would cost approximately $150,000.

For the benefit of my colleagues and others who are not familiar with Clark Hill Lake, I would like to emphasize that this hydroelectric impoundment was constructed as a public project by the Corps of Engineers. The project was completed in the early 1950's, and the lake covers some 70,000 acres in South Carolina and Georgia. Originally, the Corps owned a buffer strip around the lake up to a minimum elevation contour of 346 feet—16 feet above the normal elevation of the lake. However, in many cases the Corps had purchased additional lands back from the lake, which were later leased to persons desiring to build lakefront cottages.

Then, with the passage of Public Law 84-999 in August 1956, the corps allowed the lessees who had constructed cottages in the prescribed area to purchase their lots, leaving a publicly owned buffer of varying width between the normal lake level and the 346-foot elevation contour.

These lakefront homeowners purchased their lots in good faith, not suspecting that the property for which they had paid the U.S. Government a fair market price would be gravely threatened by the processes of shoreline erosion more than a decade later. Over the years, the action of the wind, waves, and water level fluctuations has significantly reduced and, in a few cases, completely eliminated the remaining, publicly owned buffer zone between the normal lake level and adjoining private property. If effective corrective action is not taken soon, not only will the remaining buffer area be lost, but also these private landowners will be forced to spend exorbitant sums of money to protect their property. This situation threatens to become much more than a substantial financial loss and/or expense to private landowners. It also constitutes a safety hazard to the public using the shoreline, results in a loss in the recreational potential of the lake and surrounding area, and is detrimental to water quality and aquatic wildlife because of siltation.

At present, the corps reports that approximately 33 lots on the South Carolina side of Clark Hill Lake are most seriously affected by shoreline erosion—because the prevailing winds blow across the lake from the Georgia side, only the South Carolina shore is threatened at present. The experimental program envisioned in this legislation would confront the erosion problem on only a few of these lots where the situation is most critical. Corps officials have advised me that it will be far less expensive to undertake protective measures for these lots now, while the work can be done primarily on public land. If the situation is allowed to deteriorate further until all the public buffer zone is eroded away, it will be far more expensive and more difficult to halt these erosion processes.

The corps is now in the process of preparing a report of its recommendations for coping with these problems on an immediate and longer term basis. It is felt that this experimental program will provide valuable information to help us determine the best means of dealing with lakefront shoreline erosion in other areas. The Shoreline Demonstration Control Act of 1974 (section 54 of Public Law 93-251) authorized a limited number of shoreline demonstration projects on ocean beaches, bays, and inland waterways. However, corps officials have interpreted this legislative authority as not allowing them to undertake such projects on inland lakes and reservoirs. Hence, I am introducing this bill to clarify and broaden corps authority in this respect.

Mr. President, I think the public has a definite interest in seeing that an experimental effort such as this is undertaken while it can be done at minimum expense. Granted, this effort will have immediate benefits for a few, but, in a larger sense, it will help us find the best answer for dealing with a serious problem that confronts many throughout the Nation. I hope that Congress will view this proposal from the larger, futuristic perspective and take prompt action.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2964

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the authorization for the Clark Hill Lake project, South Carolina and Georgia provided in Section 10 of the Act of December 22, 1944 (Public Law 534, 78th Congress) is amended to authorize and direct the Secretary of the Army, acting through the Chief of Engineers, to develop and implement, at Federal expense, a continuing program of shoreline erosion prevention at the Clark Hill Lake project including the construction, operation, and maintenance of such interim emergency measures and permanent devices as the Chief of Engineers determines to be necessary to protect private lands adjacent to Federal lands at the lake damaged or threatened by erosion due to wind and wave action on the lake and fluctuation of its water level: *Provided,* That prior to the commencement of any such work to protect private lands, the owners of the lands shall provide without cost to the United States all easements and rights-of-way which the Chief of Engineers determines to be necessary to conduct the work.

SEC. 2. There are authorized to be appropriated such sums as are necessary to conduct the program authorized by this Act.

By Mr. STENNIS (for himself and Mr. THURMOND) (by request):

S. 2965. A bill to authorize appropriations during the fiscal year 1977, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty components and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other puropses; and

S. 2966. A bill to authorize appropriations during the fiscal year 1978, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes. Referred to the Committee on Armed Services.

Mr. STENNIS. Mr. President, by request, for myself and the senior Senator from South Carolina (Mr. THURMOND), I introduce, for appropriate reference, a bill to authorize appropriations during the fiscal year 1977 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes.

Also, I introduce, by request, for myself and the senior Senator from South Carolina (Mr. THURMOND), a bill to authorize appropriations during the fiscal year 1978. However, I want to point out that the committee does not have any plans at this time for considering the fiscal year 1978 bill along with the fiscal year 1977 bill.

I ask unanimous consent that a letter of transmittal requesting consideration of these legislative measures and explaining their purpose be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GENERAL COUNSEL OF THE
DEPARTMENT OF DEFENSE,
Washington, D.C., January 22, 1976.
Hon. NELSON D. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is forwarded herewith legislation "To authorize appropriations during the fiscal year 1977, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test and evaluation for the Armed Forces, and to prescribe the authorized personnel strength for each active duty component and of the Selected Reserve of each Reserve component of the Armed Forces and of civilian personnel of the Department of Defense, and to authorize the military training student loads and for other purposes."

We are also submitting herewith, as separate legislation, a similar request for authorization of appropriations for fiscal year 1978.

These proposals are part of the Department of Defense legislative program for the 94th Congress and the Office of Management and Budget has advised that enactment of the proposals would be in accordance with the program of the President. These proposals are being sent to the Speaker of the House.

The enclosed request for FY 1977 supersedes the previous request for that fiscal year which was submitted as part of the same draft bill as the FY 1976 appropriation authorization request. Because Congress did not act on the FY 1977 portion of that draft bill and in order to update our original request to make necessary changes reflecting, for example, Congressional action in our 1976 request, we believe it is appropriate to resubmit the proposed Department of Defense authorization legislation for fiscal year 1977.

Title I provides procurement authorization for the military departments and Defense agencies in amounts equal to new obligational authority included in the President's budget for fiscal year 1977.

Title II provides for the authorization of each of the research, development, test and evaluation appropriations for the military departments and the Defense agencies in amounts to new obligational authority included in the President's budget for fiscal year 1977.

Title III of the proposal prescribes the end component of the Armed Forces as required by section 138(c)(1) of title 10, United States Code, in the numbers provided for by new obligational authority and appropriations requested in these components in the President's budget for fiscal year 1977.

Title IV of the proposal provides for average strengths of the Selected Reserves of each Reserve component of the Armed Forces as required by section 138(b) of title 10, United States Code, in the numbers provided for by new obligational authority and appropriations requested for these components in the President's budget for fiscal year 1977.

Title V of the proposal provides for civilian personnel end strengths for each component of the Department of Defense as required by section 138(c)(2) of title 10. United States Code, in the numbers provided for by new obligational authority in appropriations requested for the Department of Defense in the President's budget for fiscal year 1977.

Title VI of the proposal provides for the average military training student loads as required by section 138(d)(1) of title 10, United States Code, in the numbers provided for this purpose in the President's budget for fiscal year 1977.

In accordance with the Budget Control Act of 1974, we are also submitting, in the form of a separate bill, authorization for appropriations for fiscal year 1978. The proposed fiscal year 1978 authorization request has six titles which are comparable to those requested for FY 1977. The amounts requested for FY 1978 authorizations reflect, of course, the presently anticipated budget requirements for that fiscal year.

Arms control impact statements as most recently required by section 36 of the Arms Control and Disarmament Act, as amended, are being prepared for appropriate selected programs and will be submitted to the Congress as soon as possible.

Sincerely,

RICHARD A. WILEY.

By Mr. STENNIS (for himself and Mr. THURMOND) (by request):

S. 2967. A bill to authorize certain construction at military installations and for other purposes. Referred to the Committee on Armed Services.

Mr. STENNIS. Mr. President, by request, for myself and the senior Senator from South Carolina (Mr. THURMOND), I introduce, for appropriate reference, a bill to authorize certain construction at military installations and for other purposes.

I ask unanimous consent that a letter of transmittal requesting consideration of this bill and explaining its purpose be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, D.C., February 5, 1976.
Hon. NELSON D. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation "To authorize certain construction at military installations and for other purposes."

This proposal is a part of the Department of Defense legislative program for FY 1977. The Office of Management and Budget on January 23, 1976 advised that its enactment would be in accordance with the program of the President.

Appropriations in support of Titles I through VII of this legislation are provided for in the Budget of the United States Government for the FY 1977.

Titles I, II, III, and IV of this proposal would authorize $1,938,296,000 in new construction for requirements of the Active Forces, of which $616,500,000 are for the Department of the Army; $526,913,000 for the Department of the Navy; $730,233,000 for the Department of the Air Force; and $64,650,000 for the Defense Agencies.

Title V contains legislative recommendations considered necessary to implement the Department of Defense family housing program and authorizes $1,302,847,000 for costs of that program for FY 1977.

Title VI contains General Provisions generally applicable to the Military Construction Program.

Title VII totaling $127,072,000 would authorize construction for the Guard and Reserve Forces, of which $40,817,000 is for the Army National Guard; $37,655,000 for the Army Reserve: $15, 300,000 for the Naval and Marine Corps Reserves; $24,300,000 for the Air National Guard; and $9,000,000 for the Air Force Reserve. These authorizations are in lump sum amounts and will be utilized in accordance with the requirements of chapter 133, title 10, United States Code.

Title VIII contains authorizations for FY 1978 military construction totaling $3,783,614,000. This authorization includes $885,800,000 for the Department of the Army; $639,649,000 for the Department of the Navy; $618,800,000 for the Department of the Air Force; $145,800,000 for the Defense Agencies; $1,340,865,000 for the Department of Defense family housing and homeowners assistance programs; and $152,700,000 for the Guard and Reserve Forces, of which $48,000,000 is for the Army National Guard; $46,900,000 for the Army Reserve; $21,200,000 for the Naval and Marine Corps Reserves; $26,600,000 for the Air National Guard; and $10,000,000 for the Air Force Reserve. The amounts requested for FY 1978 authorizations reflect, of course, the presently anticipated budget requirements for that fiscal year.

Additionally, included in Title I, pursuant to last year's amendment to section 138 of title 10, United States Code is authorization for construction of production base support at Army Ammunition Facilities, for which appropriations are being requested in the DoD Appropriation Act.

The projects which would be authorized by this proposal have been reviewed to determine if environmental impact statements are required in accordance with Public Law 91-190. Required environmental statements will be submitted to the Congress by the Military Departments.

Arms control impact statements as most recently required by section 36 of the Arms Control and Disarmament Act, as amended, will be prepared and furnished as soon as possible if it is determined that any of the authorization sought in this legislation is subject to the requirements of that section.

Sincerely,

WILLIAM P. CLEMENTS, Jr.,
Deputy.

By Mr. BARTLETT (for himself, Mr. BELLMON, and Mr. HATFIELD):

S. 2968. A bill to restore Federal recognition of certain Indian tribes, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. BARTLETT. Mr. President, I am today introducing legislation to restore Federal recognition to certain Indian tribes in the State of Oklahoma.

During the 1950's, several Indian tribes over the country were caught in the termination policy enunciated by the 83d Congress when it adopted House Concurrent Resolution 108. The Department of the Interior, under onus of this policy, established a priority listing of tribes for whom Federal recognition would no longer be given. Unfortunately, small tribes that possessed but limited political influence were included among tribes to be terminated. Four such tribes—Peoria, Ottawa, Wyandotte, and

Modoc—are located in the State of Oklahoma.

The act of August 13, 1954 (68 Stat. 718), directed that the Federal trust relationship with the Klamath and Modoc Tribes and the Yahooskin Band of Snake Indians be terminated within 7 years from that date. The trust relationship with the Peoria and Ottawa Indians was terminated by direction of the acts of August 2, 1959 (70 Stat. 973) and August 3, 1959 (70 Stat. 963), respectively. The act of August 1, 1956 (70 Stat. 893) directed the termination of the trust relationship with the Wyandotte Tribe upon the transfer of all tribal assets. Inability of the Bureau of Indian Affairs to dispose of a small Wyandotte burial tract within the limits of Kansas City, Kans., has prevented this provision from becoming effective.

All of the subject tribes have adopted resolutions, individually as tribes and collectively as an intertribal council, requesting that Federal recognition be restored to them. Although legislative reports on the termination acts indicate that termination of these tribes was imposed at the expressed wishes of the tribes involved, there has been contention that tribal leaders were coerced by overzealous departmental representatives into accepting termination. The Peoria and Ottawa Tribes imply in their reinstatement request that termination was sold to them with the understanding that their pending tribal claims would be expeditiously concluded upon tribal concurrence to be included among tribes to be terminated. These tribes further point out that the termination program for their respective tribes was endorsed by their respective business committee only and the adult membership of the tribes was not given an opportunity to express their wishes with regard to the termination question.

The four tribes that this legislation will affect, have felt a distinct loss of identity, both as individuals and as a tribe and/or group, as a result of being terminated. Congress itself has acknowledged that termination has worked adversely for individual and group development. Further, it has shown its receptiveness to a change in policy from one of termination to one of self-determination by its enactment of Public Law 93-197, the Menominee Restoration Act, and Public Law 93-638, Indian Self-Determination and Educational Assistance Act.

As individuals, members of these four tribes have lost eligibility for a considerable number of beneficial programs. These tribes are requesting reinstatement only for purposes of establishing eligibility for Federal, State, and local programs for Indians. They are not asking that any tribal or individual lands be taken from the tax roll and put under trust. They are very eager to again be federally recognized so they may work toward self-determination at the speed they choose. Enactment of the legislation I am introducing today would give them that opportunity.

The Peorias, Ottawas, Wyandottes, and Modocs are supported in their desire for and efforts to achieve Federal recognition by the Governor of Oklahoma, members of the Oklahoma State Legislature, other Oklahoma Indian tribes, and the local units of government.

Mr. President, I ask unanimous consent that the text of the bill and supporting documents be printed in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 2968

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the Indian Tribal Restoration Act of 1976.

SEC. 2. (a) Federal recognition is hereby extended or confirmed with respect to the Wyandotte Indian Tribe of Oklahoma, the Ottawa Indian Tribe of Oklahoma, and the Peoria Indian Tribe of Oklahoma, the provisions of the Acts repealed by subsection (b) of this section notwithstanding.

(b) The following Acts are hereby repealed—

(1) The Act of August 1, 1956 (70 Stat. 893) [25 U.S.C. 791–807] relating to the Wyandotte Tribe;

(2) The Act of August 2, 1956 (70 Stat. 937) [25 U.S.C. 821–826) relating to the Peoria Tribe; and

(3) The Act of August 3, 1956 (70 Stat. 963) [25 U.S.C. 841–853] relating to the Ottawa Tribe.

(c) There are hereby reinstated all rights and privileges of each of the tribes described in subsection (a) of this section and their members under Federal treaty, statute, or otherwise which may have been diminished or lost pursuant to the Act relating to them which is repealed by subsection (b) of this section. Nothing contained in this Act shall diminish any rights or privileges enjoyed by each of such tribes or their members now or prior to enactment of such Act, under Federal treaty, statute, or otherwise, which are not inconsistent with the provisions of this Act.

(d) Except as specifically provided in this Act, nothing contained in this Act shall alter any property rights or obligations, any contractual rights or obligations, including existing fishing rights, or any obligation for taxes already levied.

SEC. 3 (a) (1) The Modoc Indian Tribe of Oklahoma is hereby recognized as a tribe of Indians residing in Oklahoma and the provisions of the Act of June 26, 1936 (49 Stat. 1967), as amended [25 U.S.C. 501–509] are hereby extended to such Tribe and its members. The Secretary of the Interior shall promptly offer the said Modoc Tribe assistance to aid them in organizing under section 3 of said Act of June 26, 1936 [25 U.S.C. 503].

(2) The provisions of the Act of August 13, 1954 (68 Stat. 718) [25 U.S.C. 564–564w] hereafter shall not apply to the Modoc Tribe of Oklahoma or its members except for any right to share in the proceeds of any claim against the United States as provided in sections 6(c) and 21 of said Act, as amended [25 U.S.C. 564e(c) and 564t].

(b) The Secretary of the Interior shall promptly offer the Ottawa Tribe of Oklahoma and the Peoria Tribe of Oklahoma assistance to aid them in reorganizing under section 3 of the Act of June 26, 1936 (49 Stat. 1967) [25 U.S.C. 503] which Act is reextended to them and their members by this Act.

(c) The validity of the organization of the Wyandotte Indian Tribe of Oklahoma under section 3 of the Act of June 26, 1936 (49 Stat. 1967) [25 U.S.C. 503] and the continued application of said Act to such tribe and its members is hereby confirmed.

SEC. 4(a) It is hereby declared that enactment of this Act fulfills the requirements of the first proviso in section 2 of the Act of January 2, 1975 (88 Stat. 1920, 1921) with respect to the Wyandotte Tribe of Oklahoma, the Ottawa Tribe of Oklahoma, and the Peoria Tribe of Oklahoma.

(b) It is hereby declared that the organization of the Modoc Tribe of Oklahoma as provided in section 3(a) of this Act shall fulfill the requirements of the second proviso in section 2 of the Act of January 2, 1975 (88 Stat. 1920, 1921).

(c) Promptly after organization of the Modoc Tribe of Oklahoma, the Secretary of the Interior shall publish a notice of such fact in the Federal Register including a statement that such organization completes fulfillment of the requirements of the provisos in section 2 of the Act of January 2, 1975 (88 Stat. 1920, 1921) and that the land described in section 1 of said Act is held in trust by the United States for the eight tribes named in said Act.

SEC. 5. The Wyandotte, Ottawa, Peoria, and Modoc Tribes of Oklahoma and their members shall be entitled to participate in the programs and services provided by the United States to Indians because of their status as Indians, including but not limited to those under the Act of November 2, 1921 (42 Stat. 208) [25 U.S.C. 13] and for purposes of the Act of August 16, 1957 (71 Stat. 370) [42 U.S.C. 2005–2005F]. The members of such tribes shall be deemed to be Indians for which hospital and medical care was being provided by or at the expense of the Public Health Service on August 16, 1957.

PEORIA INDIAN TRIBE OF OKLAHOMA RESOLUTION

Whereas, the Peoria Tribe of Indians of Oklahoma was terminated by Public Law 921, 84th Congress, to become effective August 2, 1959, and,

Whereas, the Peoria Tribe of Indians of Oklahoma assumed that rapid legislation would provide for the settlement of all just claims against the Federal Government and,

Whereas, these claims have not been settled to date and,

Whereas, members of our tribe have not been eligible to receive assistance under the programs of Bureau of Indian Affairs nor the Department of Indian Health during this entire period of time and,

Whereas, the original meeting concerning the termination of the tribe was with the Business Committee of the tribe and the tribe, by majority vote, were not allowed to participate in this decision and,

Whereas, Indian citizens of other tribes within this locale have been enjoying the advantages of health services, educational opportunities, and business loans or guarantees and,

Whereas, this tribe feels that the total termination of this tribe was an enfringement upon the civil rights of individual members,

Now, therefore, be it resolved by the Peoria Tribe of Indians of Oklahoma in meeting assembled in the home of Chief Rodney Arette, Tulsa, Oklahoma, on this 19th day of September, 1973, passed this resolution appealing to the official representatives of the United States Government to reinstate those members appearing on the termination role and their descendants into their original status prior to the enactment of Public Law 921 of the 84th Congress. It is felt by all concerned that this Act was an injustice to this tribe and we appeal to the Federal Government for this reinstatement which would allow members of our tribe to receive the services of the Bureau of Indian Affairs and the Department of Indian Health. Inasmuch as there would be no requirement to reinstate any land into trust status as a result of this enactment, it is felt that this procedure would permit members of this tribe and our Tribal Business Committee to work

toward self-determination at the speed we choose.

OTTAWA INDIAN TRIBE OF OKLAHOMA RESOLUTION

Whereas, the Ottawa Tribe of Indians of Oklahoma was terminated by Public Law 943, 84th Congress, to become effective August 3, 1959, and,

Whereas, the Ottawa Tribe of Indians of Oklahoma assumed that rapid legislation would provide for the settlement of all just claims against the Federal Government and,

Whereas, these claims have not been settled to date and,

Whereas, members of our tribe have not been eligible to receive assistance under the programs of the Bureau of Indian Affairs nor the Department of Indian Health during this entire period of time and,

Whereas, the original meeting concerning the termination of the tribe was with the Business Committee of the tribe and the tribe, by majority vote, were not allowed to participate in this decision and,

Whereas, Indian citizens of other tribes within this locale have been enjoying the advantages of health services, educational opportunities, and business loans or guarantees and,

Whereas, this tribe feels that the total termination of this tribe was an enfringement upon the civil rights of individual members,

Now, therefore, be it resolved by the Ottawa Tribe of Indians of Oklahoma in meeting assembled in the Community Room of the Courthouse, Ottawa County, Miami, Oklahoma, on this 26th day of May, 1973, passed this resolution appealing to the official representatives of the United States Government to reinstate those members appearing on the termination role and their descendants into their original status prior to the enactment of Public Law 943 of the 84th Congress. It is felt by all concerned that this Act was an injustice to this tribe and we appeal to the Federal Government for this reinstatement which would allow members of our tribe to receive the services of the Bureau of Indian Affairs and the Department of Indian Health. Inasmuch as there would be no requirement to reinstate any land into trust status as a result of this enactment, it is felt that this procedure would permit members of this tribe and our Tribal Business Committee to work toward self-determination at the speed we choose.

MODOC INDIAN TRIBE OF OKLAHOMA RESOLUTION

The human beings of Northeast Oklahoma who are members of the Modoc Tribe which was terminated under Public Law 587, 83d Congress, as amended by Public Law 85–72 and Public Law 85–132; Public Law 85–731, 85th Congress; and Public Law 86–247, 86th Congress; approved September 9, 1959; and on the roll of the Klamath and Modoc Tribes and the Yahooskin Band of Snake Indians, wish to be reinstated along with the other three (3) tribes of this community which include the Peoria, Ottawa, and Wyandot Indian Tribes of Northeast Oklahoma.

To be reinstated would allow these Tribes to have equal benefits as other tribes of this area, which consists of health, education, and grants for Indian people which are sponsored by the Bureau of Indian Affairs and the Department of Indian Health.

WYANDOTTE TRIBE OF OKLAHOMA,
Wyandotte, Okla., November 21, 1973.
Hon. DEWEY F. BARTLETT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BARTLETT: Please accept this letter as our request for you to introduce a bill into the Congress of the United States for the repeal of PL887, 84th Congress. This was an action "to provide for the termination of Federal supervision over the property of the Wyandotte Tribe and the individual members thereof and for other purposes".

This Tribe is associated with the Inter-Tribal Council, Inc. of Northeast Oklahoma. Four of our Tribes in the Corporation have been affected by termination. Our Tribe, the Wyandotte, has not been completely terminated as our cemetery in Kansas City, Kansas, is still in tribal ownership held in trust by the Federal Government. The other three Tribes of our Eight Tribe Inter-Tribal Council, which includes the Ottawa, Modoc, and Peoria, have passed resolutions requesting reinstatement of their status as Indians. If approved, this would erase the stigma attached to these Tribes by the termination action. Our Tribe, the Wyandotte, desires to have our termination act repealed thereby allowing us to work toward self-determination at our own speed. We have no property other than our cemetery which would be affected by this action; and it is our desire to continue functioning within the Indian community and participate with our peers without the weight of termination hanging over us.

This letter will be forwarded to you and other members of the Oklahoma delegation in the Congress of the United States along with the resolutions of the three Tribes aforementioned. In addition, we shall be requesting full support of this action within the entire political arena. We shall actively seek support from all Indian tribes, groups of tribes, and organization in this endeavor.

Your full-hearted support and action as requested will be most appreciated by the members of the Wyandotte Tribe of Oklahoma and all our fellow tribesmen.

Most sincerely,

LEONARD N. COTTER,
Chief,
MONT COTTER,
2nd Chief,
JUANITA P. MCQUISTION,
Secretary-Treasurer,
HAROLD JONES,
Councilman,
WOFFRED ROBITTAILLE,
Councilman.

THE INTER-TRIBAL COUNCIL OF THE FIVE CIVILIZED TRIBES,
Okmulgee, Okla., October 20, 1975.
Hon. HENRY BELLMON,
United States Senate,
Washington, D.C.

DEAR SENATOR BELLMON: In regular quarterly session held at Lake Texoma Lodge, Kingston, Oklahoma, on October 10, 1975, the Inter-Tribal Council of the Five Civilized Tribes went on record reaffirming its previous action taken on February 14, 1975, supporting the enclosed resolution dated December 5, 1973.

This Council action is again respectfully submitted to you appealing that appropriate legislation be enacted to reinstate these tribes to their proper and rightful status as Indians.

Sincerely,

B. FRANK BELVIN,
President.

INTER-TRIBAL COUNCIL, INC. RESOLUTION

Whereas, the Ottawa Tribe of Indians of Oklahoma, the Peoria Tribe of Indians of Oklahoma, and the Modoc Tribe of Indians of Oklahoma have been terminated; and the Wyandotte Tribe of Indians of Oklahoma is subject to termination, and,

Whereas, these Tribes are members of the Inter-Tribal Council, Inc. of Northeast Oklahoma, and,

Whereas, these members of the aforementioned terminated Tribes have not been eligible to receive assistance under the programs of the Bureau of Indian Affairs nor the Department of Indian Health which the other Tribes of this area enjoy.

Now therefore be it resolved by the Inter-Tribal Council, Inc. of the Eight Tribes of Northeast Oklahoma, in meeting assembled on this 5th day of December, 1973, hereby pass this resolution appealing to the official representatives of the United States Government to reinstate the members of the aforementioned Tribes appearing on the termination role and their descendants into their original status prior to the termination enactments. It is felt by all concerned that these termination Acts were an injustice to these Tribes and we appeal to the Federal Government for reinstatement which would allow members of these Tribes to receive the services of the Bureau of Indian Affairs and the Department of Indian Health. This would allow members of these Tribes and their Tribal Business Committees to work toward self-determination at the speed they choose.

OKLAHOMA OFFICE OF THE GOVERNOR,
Oklahoma City, Okla., February 10, 1976.
Mr. ROBERT ALEXANDER,
Business Manager, Inter-Tribal Council, Inc., Miami, Okla.

DEAR MR. ALEXANDER: As Governor of Oklahoma, I am proud to recommend the reinstatement of the Modoc, Wyandotte, Peoria, and Ottawa Tribes. I further request that they be accorded all the rights and privileges given them under any Federal treaty or statute. I support the bills introduced by Senator Dewey Bartlett and Representative Ted Risenhoover to achieve full reinstatement and recognition.

Sincerely yours,

DAVID L. BOREN.

HOUSE OF REPRESENTATIVES,
STATE OF OKLAHOMA,
December 9, 1975.

To whom it may concern:

I am writing this letter in regards to the following tribes, the Modoc, Peoria, Ottawa, and the Wyandotte who lost their rights of recognition due to the Termination Acts of the 1950's. I feel that these Indian tribes should be fully and completely recognized and restored to full rights and not be discriminated against because of their size or money, or lack of influence as compared to other Indian tribes; this is not fair and not the American way.

Respectfully,

GEORGE VAUGHN,
State Representative.

HOUSE OF REPRESENTATIVES,
STATE OF OKLAHOMA,
Oklahoma City, Okla., December 10, 1975.
Mr. ROBERT ALEXANDER,
Business Manager, Intertribal Council, Miami, Okla.

DEAR MR. ALEXANDER: I am pleased to hear that Senator Bartlett and Congressman Risenhoover have introduced bills for the restoration of the Modoc, the Peoria, the Ottawa and the Wyandotte Tribes for full federal recognition.

I endorse and support this legislation which would restore these Tribes to their rightful status and make available to them the benefits and protection afforded through trust status enjoyed by the other federally recognized Tribes in the State of Oklahoma.

Sincerely yours,

NEAL A. MCCALEB,
Representative, District #81.

HOUSE OF REPRESENTATIVES,
STATE OF OKLAHOMA,
October 9, 1975.
INTER-TRIBAL COUNCIL, INC.,
Miami, Okla.
Attention: Mr. Robert Alexander, Business Manager.

GENTLEMEN: I am in receipt of your letter of October 1, 1975, in which you informed me of the proposed reinstatement of the Modoc, Ottawa, Peoria and Wyandotte Tribes.

I am in full support of the reinstatement

legislation and most certainly would be willing to do whatever I can to aid you in this.

If I can be of any assistance, please feel free to call on me.

Sincerely yours,
Joseph E. Fitzgibbon,
State Representative.

Office of County Commissioners,
Miami, Okla., December 11, 1975.
Hon. Dewey Bartlett,
U.S. Senate,
Washington, D.C.

Dear Sir: The County Commissioners of Ottawa County, Oklahoma, would like to add their voice and support to the Inter Tribal Council and all other interested parties who are in agreement that the Modoc, Ottawa, Wyandotte and Peoria Indian tribes should be restored to their former non-terminated status.

We feel this action would be quite beneficial to these tribes in the areas of health and education rights.

Sincerely yours,
Ottawa County Commissioners,
Curtis Myers, *Chairman,*
Clifton Wilkins,
Roy Heathidy.

City of Miami,
Miami, Okla., December 3, 1975.
Inter-Tribal Council, Inc.,
Miami, Okla.
Attention: Mr. Robert Alexander.

Dear Sir: The purpose of this memo is to indorse your efforts toward reinstatement of the Wyandotte, Ottawa, Modoc and Peoria Tribes.

I am presently acquainted with Chief Bill Follis of the Modocs, Chief Lewis Barlow of the Ottawas, Chief Leonard Cotter of the Wyandottes and Chief Rodney Arnette of the Peorias. I respect these Chiefs as community leaders, as well as tribal leaders.

Please feel confident that as you pursue legislation for reinstatement of these important Indian Tribes, that you have the entire support of this communiy.

If I can be of assistance, please feel free to call on me.

Sincerely,
George W. Curtis,
Mayor.

House of Representatives,
Washington, D.C., September 9, 1975.
Mr. Lewis Barlow,
Chief,
Ottawa Indian Tribe of Oklahoma,
Miami, Okla.

Dear Chief Barlow: My sincere thanks for your recent letter, relative to legislation that will be sponsored to reinstate the Ottawa, Peoria and Wyandotte tribes of Oklahoma.

Please know that I am joining with my colleague, Congressman Risenhoover in introducing the bill and that I will be actively working in its behalf in this 1975 legislative session.

With all good wishes.

Sincerely,
John Paul Hammerschmidt,
Member of Congress.

Oklahoma State Senate,
Oklahoma City, Okla., December 5, 1975.
To Whom It May Concern:

I wish you would give serious consideration to the wishes of the Modoc, the Ottawa, the Peoria, and Wyandotte tribes. They are asking for full restoration as they were before termination.

Thank you very much for your consideration.

Yours truly,
William M. Schuelein,
State Senator, District 1

Cherokee Nation,
Tahlequah, Okla., October 6, 1975.
Mr. Robert Alexander,
Business Manager, Ottawa, Peoria, and Modoc Tribes of Oklahoma, Miami, Okla.

Dear Mr. Alexander: Please be advised that we are in total support of the draft bills for restoration which the three terminated tribes of Northeastern Oklahoma, the Ottawa, the Peoria, and the Modoc, have presented. We have received word that the bill has been referred to the Congressional Legislative Counsel for final examination and language.

We would certainly appreciate any and all consideration which can be given to the bill.

Very truly yours,
Ross O. Swimmer,
Principal Chief.

By Mr. WILLIAMS (for himself and Mr. Tower):

S. 2969. A bill to amend the Securities Exchange Act of 1934 to require the preparation of annual reports and distribution statements by issuers of municipal securities, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

THE MUNICIPAL SECURITIES FULL DISCLOSURE ACT OF 1976

Mr. WILLIAMS. Mr. President, I am today introducing, on behalf of Senator Tower and myself, a bill to amend the Securities Exchange Act of 1934 to upgrade the quality and uniformity of financial and other information concerning State and local issuers of municipal securities.

Until enactment of the 1975 Securities Acts Amendments, municipal securities—the debt obligations of State and local governments—were exempted from all but the antifraud provisions of the Federal securities laws. However, the increasing incidence of sharp and illegal practices led Congress in 1975, to subject the municipal securities industry—bank and nonbank dealers and underwriters—to SEC jurisdiction. This action was taken in order to protect unwary investors, and ended 40 years of nonregulation.

Now, in view of the widespread concern over the financial condition of many of our largest cities, and the obvious lack of adequate disclosure and standardized municipal accounting practices, it is clear that the time has come for the Congress to reexamine the validity of the "hands-off" treatment of municipal securities issuers in the primary market.

Since 1933, municipal securities have been expressly exempted from the full disclosure requirements of our securities laws. As a result, municipal securities have been distributed under practices involving far less disclosure and recognition of fundamental investor protections than is the case for corporate issuers.

The reasons for the original exemptions are not well documented in legislative history, but several factors seem to have influenced the 73d Congress when it considered the Securities Act of 1933. First, there were only rare instances of misrepresentation by municipalities. As evidence of this, the House committee report on the Securities Act of 1933 stated that municipal securities were beyond the need of public protection because of the lack of "recurrent demonstrated abuses." The principal reason for the exemption, however, was the concern that the costs of SEC regulation would be passed on to State and local issuers and the belief that investors in municipal securities were sophisticated institutions able to look after their own interests.

Forty-three years of municipal finance corroborates the continuing validity of the finding that "recurrent abuses" have not occurred—New York City being atypical and unusual. This is not so however, with respect to the remaining arguments that were so persuasive in 1933.

For example, for many years, it was true that sophisticated investors—those generally considered to be able to protect themselves and therefore not in need of the statutory protections of the securities laws—were the principal purchasers of municipal securities. Until very recently, municipal financing demands were satisfied by commercial banks, high income individuals, and fire and casualty insurance companies.

However, according to Federal Reserve estimates, the commercial banks' share of the new issue market has steadily declined during this decade—from 95 percent in 1970 to 32 percent in 1974. Moreover, insurance companies and other financial intermediaries are not likely to increase their holdings substantially to offset the commercial banks' declining market participation.

A corollary of this is that these tax exempt securities are no longer the province of wealthy and institutional investors. An increasingly large proportion of municipal debt has been sold to individuals of small and moderate means. Rising personal incomes and significant increases in municipal bond interest rates and yields have caused a major upsurge in private investor interest—the very category of investors intended to receive the protections mandated by our securities laws.

Also, the historical concern that application of the securities laws to State and local issuers would increase costs and otherwise interfere with essential capital raising efforts has been superseded by a potentially far more serious concern—the erosion of investor confidence. Attractive municipal securities may have once been relatively risk free and safe investments, but recent events raise questions about the quality of municipal credit and the financial condition of governmental borrowers, as well as the accuracy with which information is described and disseminated.

New York City has left in its wake serious disruptions and uncertainties. Some State and local governments have not been able to get to the market at all; others have only been able to sell new issues at extraordinarily high interest rates. In some cases, underwriters have declined to bid on issues where they have been unable to satisfy their legal duties to prospective investors. And banks and other institutional investors have greatly reduced their participation in both the primary and secondary markets. The heretofore highly efficient operations of the primary municipal bond markets have been strained as a result.

Finally, Mr. President, the dimensions of this component of our capital markets are vastly different in terms of size than anyone could have predicted in 1933. Between 1950 and 1974 municipal bond volume grew at about a 10 percent annual rate. In recent years, this growth rate has accelerated. During 1972 alone, long-term municipal bond sales—$23 billion—were 3½ times greater than in 1960. In 1975, total issuers of both long- and short-term debt securities were approximately $60 billion—16 percent higher than the previous year.

The almost $22.8 billion of total long-term municipal securities issued in 1974 as compared to the approximately $26.4 billion of new corporate securities—including common, preferred stock, and debt issues—which were registered with the SEC during that year, alone justifies a reexamination of the status of State and local issuers under the securities laws.

In 1928, one commentator described municipal reporting in the United States as:

> A jungle through which run only little trails and some of those are little used . . . Everyone concedes that some reports are indispensible, but few consider what the reports should contain, for whom they should be prepared, in what form they should be presented, how they might most advantageously be circulated, how their content and form might be improved.

The general absence of uniform and standardized municipal reporting is of no less concern today. According to a 1974 Report of the Twentieth Century Fund Task Force of Municipal Bond Credit Ratings:

> A major problem, admitted by both the rating agencies and others interested in fiscal affairs, is the lack of uniformity in accounting practices and timeliness in the reporting of state and local government statistics. Furthermore, not only do the reports differ in definitions, detail and quality, but their veracity and accuracy are often neither examined nor guaranteed by an independent audit.
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> * * * * *
>
> The accounting and reporting problem is a deepseated one because the states either passively or actively have created a hodge-podge of practices and requirements.

Sound financial management and fiscal responsibility by State and local officials will not, in my opinion, occur without definite accounting and reporting standards.

Last year, Arthur Andersen & Co., a well-known international accounting firm, published a report entitled "Sound Financial Reporting in the Public Sector: A Prerequisite to Fiscal Responsibility" to encourage public discussion on the need for sound accounting controls and financial reporting in all units within the public sector. Arthur Andersen concluded:

> Cities, states and other political subdivisions should be required to publish [. . . financial] statements annually and in connection with the sales of securities to the public.

It is somewhat anomalous that major private corporations have audits performed by independent certified public accountants, but municipalities do not.

The need for this basic information by bondholders, prospective investors, the electorate, and by all branches of government is obvious.

Mr. President, each level of government—city, State, and Federal—is confronted with an array of problems that cannot go unanswered. These problems are particularly acute for our urban centers; outdated capital facilities, demands for increased services for the poor and the elderly, and obsolete equipment are just a few. Clouds of doubt over the willingness of investors to purchase municipal securities can only interfere with our progress toward long-term solutions of these problems.

It is therefore imperative that all State and local governments, regardless of size and geographic location, join with the executive branch and the Congress to improve and fine-tune the operations of our markets for municipal securities. An essential and significant first step must be improved disclosure to promote investor confidence in the integrity and efficiency of the capital raising system—a system which governmental entities will have to rely upon more heavily in the years ahead.

Mr. President, the public policy underpinning of 43 years of Federal securities regulation has been full and complete disclosure. Full disclosure has worked well both to facilitate investment decisions and to allow for the optimal use of capital among competing sources. Notwithstanding the relative agreement that the "truth in securities" and "investor protection" framework of the Securities Act of 1933 and the Securities Exchange Act of 1934 are conceptually adaptable to public issuers, it must not be overlooked that the reasons for and the provisions of these laws are in large measure unrelated to the characteristics or needs of governmental issuers or the underwriting and offering process for their securities.

First municipal securities as a class continue to be relatively safe investments—there have been no Penn Centrals or W. T. Grants, and municipal defaults are almost nonexistent.

Second, municipal issuers provide the ultimate safety for their securities through the exercise of the general taxing power.

Third, the political process prior to which an offering is conducted insures "sunshine" via public meetings, periodic elections and other publicity.

Finally, there are important legal distinctions between government and corporate borrowers.

All of these points render the full range of regulation, registration, and reporting under the 1933 and 1934 acts inappropriate. Nor would their application be practicable from an administrative standpoint. Although there are no accurate figures on the number of public instrumentalities issuing securities, estimates range from 20,000 to 100,000. At either extreme, the practical limitations on the SEC if the procedures and requirements of full registration and presale review under the 1933 act were to be applied to municipal issuers are clear when viewed in light of the cumulative total of corporate registration statements processed by the SEC from 1935 to 1974 which add up to a mere 47,223.

It may be argued that the requirements of the anti-fraud provisions, which are applicable even to "exempt" securities, are sufficient to require disclosure of all material facts and to permit informed investment decisions. However, investors in many instances are not receiving substantial disclosures and when they do, they are not standardized. And as I mentioned earlier, the veracity of such financial information is often open to doubt.

I strongly believe that what is needed in this area, is an approach that allows for limited SEC authority to develop improved and standardized disclosure but which avoids the formalities, administrative delays and costs of full registration which are inappropriate for municipal bonds. Such an approach must recognize and respect the prerogatives of State and local governments and encourage a more active role by them in assuring investor protection. In a nutshell, these are the views embodied in the bill which I am introducing today. I have discussed these views with the Chairman of the Securities and Exchange Commission, and I am pleased that he is in general agreement.

The Municipal Securities Full Disclosure Act of 1976 is the product of extensive consultations between Chairman Hills and myself and our staffs. Both Senator TOWER and I, appreciate the Chairman's willingness to lend the Commission's considerable expertise and experience in navigating through previously uncharted areas of Federal securities regulation and the legal and economic concepts on which those laws and regulations are based.

The bill relies heavily and borrows frequently from longstanding practices and procedures employed by issuers, underwriters and their counsel in marketing municipal securities. Major changes would not be required by this bill. For example, the methods of syndication and distribution would continue to be governed by State law.

However, the bill would require the preparation of annual reports and distribution statements and specify their contents. In this way bondholders and prospective investors would be fully informed of the precise nature and terms of the bonds being offered, as well as various other relevant matters concerning the issuer. But, the bill does not contemplate direct regulation of the issuer through registration, waiting periods or through prefiling of sale documents with the SEC. Even the content of the required disclosures are taken from the "Disclosure Guidelines for Offerings of Securities by State and Local Governments," prepared by the Municipal Finance Officers Association. The streamlined approach of this bill would rely solely upon the antifraud provisions of the Exchange Act in lieu of registration with the SEC.

I have prepared a detailed explanation of the bill which I request be placed in the RECORD at the conclusion of my remarks. But it may be helpful to summarize the bill's most salient features. Briefly, the bill would amend the Securities Exchange Act of 1934 to require the preparation of annual reports and distribution statements by issuers of municipal securities in the following manner.

First, issuers of municipal securities with an aggregate principal amount of securities outstanding exceeding $50 million would be required to prepare, but not file with the SEC, annual reports. General information to be included in the reports is enumerated and would include financial statements audited and reported on by an independent public or certified accountant as prescribed by the Commission. Although the Commission would have rulemaking authority to require the inclusion of other information in the annual report, the Commission's discretion is limited by carefully drawn statutory language.

Second, the bill would require distribution statements to be prepared by issuers prior to the public offer or sale of an issue of securities exceeding $5,000,000. The contents of the distribution statement are specified and the Commission would be empowered to insure their proper dissemination. It is anticipated that distribution statements would, to the maximum extent possible, incorporate information available in the annual report, although the Commission would have latitude in prescribing additional content. However, these statements would not be filed with the SEC.

Third, the bill would expressly recognize the initiatives some States have taken in closely supervising the marketing of local government bonds and encourage the further development of this pattern. Thus, where the offer or sale of municipal securities has been approved by a State authority, an exemption from the requirements of this bill would be available. Other exemptions are available for issuers satisfying the criteria specified in various sections of the Securities Act of 1933.

Fourth, the Commission would be authorized to establish the accounting standards and practices to be followed in the preparation of financial statements.

Fifth, the bill would authorize the SEC to assure the annual reports and distribution statements required by the bill are made available to investors and others.

Finally, the bill would limit the liability of underwriters of municipal securities in a manner similar to that provided by section 11(e) of the Securities Act of 1933.

Perhaps as important as what the bill would do is what the bill is not intended to do. For example, it is not intended to draw any regulatory parallels between municipal and corporate securities or their issuers. Unlike the 1933 act, no registration is required nor is there any requirement of prefiling review by the SEC. Underwritings of municipal securities will not, as a result of this bill, be highly regulated as are corporate securities. This is not practicable or necessary to assure adequate and accurate disclosure of material facts. Instead, the bill specifies mandatory minimum standards of disclosure and limits the SEC's responsibility and authority to administering the new reporting requirements.

Aside from the limited and measured authority conferred on the Commission, the bill takes congressional notice of traditional State prerogatives by encouraging more active supervision of municipal borrowings at the State level. According to the Twentieth Century Fund Report:

> The leading example is the close supervision exercised by the Local Government Commission of North Carolina. The Commission approves and centrally sells local bond and note issues, provides financial advisory services in debt management, supervises local government accounting standards, and maintains and publishes local government data, including the advertising of bids and distribution of bond prospectuses. . . .
>
> A recent study indicates that the bonds of North Carolina communities often have higher credit ratings than the bonds of similar communities . . . ; that more bids are received on the average for local government issues; and that the higher ratings and additional bids help to lower interest costs.

State supervision of this kind has served to assure investors that correct procedures have been followed and that data is accurate and reliable. Lower borrowing costs have thus resulted from the underwriters' knowledge of the State's standards and the uniformity of offering procedures.

Mr. President, the absence of uniformity, or governmental supervision and the inadequacy of information creates serious problems in the marketing of municipal securities far different from those faced in the past. Unless Congress acts to facilitate informed investment decisions and to promote sound municipal fiscal practices, essential public services at every level of State and local government may be placed in jeopardy.

The bedrock of efficient capital raising—whether by a company or a city—is investor confidence. This is conspicuously lacking today, posing unacceptably high legal, economic, and social risks for citizens, investors, underwriters, rating agencies, issuers, and for the Federal Government. Local governments must be able to borrow at reasonable costs.

In introducing this bill, I recognize that many difficult questions will have to be resolved during the deliberative process. This process begins next week, when the Subcommittee on Securities will hold 3 days of hearings. As a result, however, I am confident that the overriding objectives—the development of guidelines and disclosure standards which will be accepted by investors and the various governmental, trade, and professional groups concerned with these offerings—will be accomplished.

Mr. President, I ask unanimous consent that the text of the bill and a section-by-section analysis be printed in the RECORD.

There being no objection, the bill and analysis were ordered to be printed in the RECORD, as follows:

S. 2969

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Municipal Securities Full Disclosure Act of 1976".

SEC. 2. (a) Section 3(a)(12) of the Securities Exchange Act of 1934 is amended by inserting "13A," immediately after the phrase "for the purposes of sections".

(b) Section 3(a)(10) of such Act is amended by inserting "guarantee of," immediately after "receipt for,".

(c) Section 12(h) of such Act is amended by inserting "13A," immediately after "section 13,".

(d) Section 15B(d)(1) of such Act is amended by striking out "Neither the Commission nor the Board is" and inserting in lieu theerof "The Board is not", and by striking out "with the Commission or the Board" and inserting in lieu thereof "with the Board".

(e) Such Act is further amended by inserting after section 13 the following new section:

"MUNICIPAL SECURITIES DISCLOSURE

"SEC. 13A. (a)(1) Any issuer of municipal securities which has outstanding during any portion of a fiscal year an aggregate principal amount of municipal securities exceeding $50,000,000 shall prepare for such fiscal year an annual report and reports of events of default in accordance with such rules and regulations as the Commission may prescribe as being necessary or appropriate in the public interest or for the protection of investors.

"(2) The annual report required by paragraph (1) shall contain the following information, if applicable:

"(A) An identification and description of the issuer of the securities outstanding;

"(B) A description of any legal limitation on the incurrence of indebtedness by the issuer or the taxing authority of the issuer;

"(C) A description of the issuer's debt structure, including information with respect to amounts of authorized and outstanding funded debt; estimated amount of short term debt, character of amortization provisions of funded debt, sinking fund requirements, security for debt, nature and extent of guaranteed debt, and debt service requirements;

"(D) A description of the nature and extent of other material contingent liabilities or commitments of the issuer;

"(E) If any payment of principal or interest on any security of the issuer or any predecessor thereof has been defaulted on, or has been postponed or delayed, within the past twenty years, a description of the date, amounts and circumstances of such event and of the terms of any succeeding arrangements thereof;

"(F) A description of the issuer's tax authority and structure over the past five years including the nature of taxes levied, tax rates, property (real and personal) valuation and assessment procedures, amounts of property valuations and assessments, amounts of tax levies, amounts of tax collections and delinquent tax procedures and experience;

"(G) A description of the issuer's major taxpayers;

"(H) A description of the principal governmental and other services provided or performed by the issuer, the extent to which similar or differing services are performed by other governmental entities which serve the same geographic area and any major changes in such services in the last ten years;

"(I) A description of the nature and extent of Federal or other assistance programs available to the issuer; and

"(J) Financial statements of the issuer in such detail and form and for such periods beginning not earlier than the fifth previous fiscal year as the Commission may prescribe, which statements for any fiscal year commencing on or after December 31, 1978 shall be audited and reported on by an independent public or certified accountant in such manner as the Commission may prescribe.

"(3) The reports of events of default referred to in paragraph (1) shall contain such of the information required by paragraph (2) as the Commission may by rule or regulation prescribe.

"(4) The reports required by paragraph (1) shall, in addition, contain such other similar and specific information as the Commission may by rule or regulation prescribe as being necessary or appropriate in the public interest or for the protection of investors.

"(b)(1) Except as provided in subsection (c), any issuer that offers or sells an issue of municipal securities, the aggregate principal amount of which exceeds $5,000,000, to or through a municipal securities broker, municipal securities dealer, or bank acting as agent, shall, prior to such offer or sale, prepare a distribution statement in accordance with such rules and regulations as the Commission may prescribe as being necessary or appropriate in the public interest or the protection of investors.

"(2) The distribution statement required by paragraph (1) shall contain such of the information pertaining to the issuer required by subsection (a)(2) as the Commission may by rule or regulation prescribe, and the following:

"(A) A description of the offering, including amount to be offered, price, plan of distribution, and underwriting arrangements and compensation;

"(B) A description of the security to be offered, including provisions as to security, events of default, payment of principal and interest, sinking fund, redemption, debt reserve funds, priority, legality and authorization for issue and rights of security holders to bring suit against issuers;

"(C) A description of any project or enterprise of the issuer to be financed from the proceeds of revenue or special assessment securities, and any engineering or financial feasibility reports or studies on the construction and operations of the project or enterprise;

"(D) A description of the intended use of the proceeds of the offering;

"(E) A statement of counsel's opinion as to the legality of the issuance of the securities to be offered;

"(F) A statement of the availability of the reports required by this section; and

"(G) Such other similar and specific information as the Commission may by rules or regulations require as necessary or appropriate in the public interest or for the protection of investors;

except that, prior to any sale, the information specified in subparagraphs (A), (B) and (E) may be set forth in preliminary form.

"(c) The provisions of subsection (b) shall not apply to an issuer solely by reason of an offer or sale of municipal securities—

"(1) the disclosure with respect to which has been approved, after hearing, as adequate for the protection of investors by a State governmental authority (other than the issuer) expressly authorized by law to grant such approval, or

"(2) which would meet the criteria set forth in sections 3(a)(9), 3(a)(10), 4(1), 4(2), 4(3), or 4(4) of the Securities Act of 1933 if such offer or sale were not within the scope of section 3(a)(2) thereof.

"(d) The Commission may from time to time by its rules and regulations, and subject to such terms and conditions as may be prescribed therein, change the minimum amounts set forth in subsections (a)(1) and (b)(1) if, giving due regard to such factors as general economic conditions, costs involved, and the nature of the distribution system for municipal securities, such change is deemed to be appropriate in the public interest.

"(e) The Commission may prescribe, in regard to reports and distribution statements made pursuant to this section, the form or forms in which the required information, including the financial statements, shall be set forth, and the accounting methods to be followed in the preparation of financial statements.

"(f)(1) The issuer shall make the reports required by subsection (a)(1) of this section available upon request to security holders at the issuer's expense and to others at their expense and shall give appropriate public notice of such availability.

"(2) The issuer shall make the distribution statement required by subsection (b)(1) of this section available to municipal securities brokers, municipal securities dealers, and banks acting as agent for delivery to prospective purchasers in accordance with such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors.

"(3) The reports and distribution statements required by this section shall also be maintained by the issuer at a designated location for examination by the public in accordance with such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors. The Commission may also contract to establish a central repository which shall receive and maintain such reports, and may require the contractor to adhere to such rules and regulations as the Commission may prescribe in furtherance of the purposes of this section. Each person subject to the requirements of this section shall, upon the establishment of any such repository, thereafter file copies of reports and distribution statements required to be prepared by this section with the repository in accordance with such rules and regulations as the Commission finds are necessary or appropriate in the public interest.

"(g) In no event shall any underwriter of an issue of municipal securities (unless such underwriter shall have knowingly received from the issuer for acting as an underwriter some benefit, directly or indirectly, in which all other underwriters similarly situated did not share in proportion to their respective interests in the underwriting) be liable in, or as a consequence of, any suit for damages in excess of the total price at which the issue was sold by it to the public."

SEC. 3. The amendments made by section 2 take effect on January 1, 1977.

SECTION-BY-SECTION ANALYSIS

This bill would amend the Securities Exchange Act of 1934 (the "Act") to provide for limited regulation of municipal securities. Section references are to sections of the bill, otherwise indicated.

Section 1 would provide the short title of the bill, the Municipal Securities Full Disclosure Act of 1976.

Section 2(a) would amend the definition of "exempted securities" in Section 3(a)(12) of the Act to provide that municipal securities would not be deemed "exempted securities" for purposes of new Section 13A of the Act.

Section 2(b) would amend the definition of "security" in Section 3(a)(10) of the Act to include a "guarantee" of certain types of securities. Thus, the reporting requirements of new Section 13A of the Act would be specifically applicable to the guarantor of a municipal security. Section 2(1) of the Securities Act of 1933 defines "security" in a similar manner.

Section 2(c) would amend Section 12(h) of the Act to provide the Commission with authority to exempt any municipal issuer or class of municipal issuers from the provisions of new Section 13A of the Act if the Commission finds such action is not inconsistent with the public interest or the protection of investors.

Section 2(d) of the bill would amend Section 15 B(d)(1) of the Act to provide the Commission with authority to require an issuer of municipal securities to comply with applicable disclosure requirements.

Section 2(e) would amend the Act to add a new Section 13A to the Act, entitled "Municipal Securities Disclosure" to provide for limited regulation of municipal securities by the Commission and to require the preparation of annual reports and distribution statements by issuers of municipal securities.

Subsection (a)(1) would require a municipal issuer with more than $50,000,000 of municipal securities outstanding during any portion of a fiscal year to prepare for each such fiscal year an annual report and reports of events of default in accordance with the rules and regulations promulgated by the Commission. The Commission would have authority to specify by rule or regulation the period of time within which such reports must be prepared. In addition, the method for computing the amount of municipal securities would be defined by the Commission.

Subsection (a)(2) would set forth, in general categories, the information to be contained in the annual report, including an identification and description of the issuer, as well as information concerning any legal limitations on the debt ceilings of the issuer or the issuer's taxing authority; the nature and extent of other material contingent liabilities or commitments of the issuer; the issuer's tax authority and structure over the past five years; the principal governmental and other services provided or performed by the issuer and the extent to which similar or differing services are performed by other governmental entities serving the same geographic area and any major changes in such services in the last ten years; a description of the nature and extent of federal or other assistance programs available to the issuer; and financial statements in such detail and form as the Commission may prescribe. Commencing on or after December 31, 1978, the financial statements shall be audited and reported on by an independent public or certified accountant in the manner prescribed by the Commission.

Subsection (a)(3) would require that reports of events of default contain such of the information in the annual report as the Commission may, by rule, determine.

Subsection (a)(4) would authorize the Commission with rulemaking authority to require additional information to be included in the annual report and reports of events of default. However, the Commission's discretion would be limited to requiring "similar and specific information" to that required by new Section 13(a)(2) of the Act.

Subsection (b)(1) would require a municipal securities issuer that offers or sells an issue of municipal securities of an aggregate principal amount exceeding $5,000,000 to or through a municipal securities broker (defined in section 3(a)(3) of the Act), municipal securities dealer (defined in section 3(a)(30) of the Act) or a bank acting as agent, to prepare a distribution statement prior to the offer or sale in accordance with such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors.

Subsection (b)(2) would set forth the information to be included in the distribution statement. This information would consist of such of the data required in the annual report of the issuer as the Commission may prescribe, together with specified additional information concerning the particular offering. The Commission would be given flexible authority. If, for example, the issuer had prepared an annual report for the fiscal year preceding the offer or sale of municipal securities, the distribution statement might consist of the information concerning the particular offering and be accompanied by the issuer's annual report together with a statement of any material current developments required to make the information in such report not misleading. Alternatively, the Commission might prescribe the preparation of a brief distribution statement incorporating annual and other reports by reference, in a manner similar to the Commission's development of S-7 forms for corporate issuers. The objective would be to minimize interference with the natural workings of the marketing system.

Subsection (c) would provide exemptions from the distribution statement provisions of subsection (b) for offers and sales of municipal securities by issuers under specified conditions. Exemptions would be available to municipal issuers in those states which actively supervise local financings and where the disclosure with respect to such offer or sale of municipal securities has been approved by a State governmental authority (other than the issuer) expressly authorized to grant such approval. Other exemptions from the distribution statement provisions of this section would be available to offers or sales by a municipal securities issue meeting the criteria of sections 3(a) (9) and 3(a) (10) concerning exemptions from registration, and sections 4(1), 4(2), 4(3) and 4(4) concerning exempted transactions, under the Securities Act of 1933.

Subsection (d) grants the Commission authority to change the minimum dollar amounts set forth in the provisions requiring the preparation of annual reports and distribution statements if, giving due regard to such factors as general economic conditions, costs involved, and the nature of the distribution system, such change is deemed to be appropriate in the public interest. Allowing the Commission to adjust these levels appears appropriate in light of the lack of the Commission's experience in administering such disclosure requirements, its general unfamiliarity with the operations of the municipal markets, and the absence of any accurate figures to indicate the type and quantity of issuers affected at any specific level.

Subsection (e) would grant the Commission authority to prescribe the form or forms in which reports and distribution statements shall be set forth and the accounting methods to be followed in the preparation of financial statements.

Subsection (f) is intended to ensure that reports and distribution statements are made available to investors.

Subsection (g) provides a limitation on the liability of underwriters of municipal securities similar to that provided by section 11(e) of the Securities Act of 1933 for underwriters of corporate securities offerings.

The bill contains no specific provisions regarding civil liability for material misstatements and omissions. Instead, the general antifraud provision would apply here as well as in those cases in which a municipal securities broker, municipal securities dealer, and bank acting as agent, received copies of a distribution statement pursuant to subsection (f) (2) in connection with an underwriting. Such persons would be responsible to perform such reasonable investigation as the antifraud provisions are deemed to require.

Documents prepared pursuant to section 13A would not be "filed" with the Commission. Of course, the general antifraud provisions of the securities law would remain applicable.

Section 3 provides the effective date for the bill.

Mr. TOWER. Mr. President, I am joining Senator Williams in cosponsoring the Municipal Securities Full Disclosure Act of 1976 only because I believe that it is one approach to the issue of municipal securities disclosure that should be given fair and bipartisan consideration by the Securities Subcommittee during its upcoming hearings. I also believe that this approach to disclosure is preferable to other suggestions which would subject municipalities to the full registration and disclosure requirements imposed on corporations. That is an approach which I would strongly oppose.

This does not mean to say that I wholeheartedly endorse the approach in this bill nor necessarily endorse all of its provisions. I have serious reservations over the role which the Federal Government could come to play over State and local units of government. For that reason, I will be interested in hearing from the various witnesses on how they feel State and local prerogatives would be protected under this bill and whether or not they feel this is a viable approach.

This is an important issue that will need a lot of hard work and careful thinking on all sides. Certainly, if it is evident that changes are needed in present disclosure arrangements, my hope would be that an approach will be taken that preserves, to the maximum extent possible, the rights of State and local governments and the use of market forces.

By Mr. METCALF for Mr. Jackson (for himself and Mr. Fannin) (by request):

S. 2970. A bill to designate certain lands in the North Cascades National Park and in the Ross Lake and Lake Chelan National Recreation Areas, Washington, as wilderness;

S. 2971. A bill to designate certain lands in the Cedar Breaks National Monument, Utah, as wilderness;

S. 2972. A bill to designate certain lands in the Colorado National Monument, Colorado, as wilderness;

S. 2973. A bill to designate certain lands in the Bryce Canyon National Park, Utah, as wilderness;

S. 2974. A bill to designate certain lands in the Theodore Roosevelt National Memorial Park, North Dakota, as wilderness;

S. 2975. A bill to designate certain lands in the Cumberland Gap National Historical Park, Tennessee, Virginia, and Kentucky, as wilderness; and

S. 2976. A bill to designate certain lands in the Yellowstone National Park, Idaho-Wyoming-Montana, as wilderness. Referred to the Committee on Interior and Insular Affairs.

Mr. METCALF. Mr. President, on behalf of the distinguished Senator from Washington (Mr. Jackson), I introduce seven bills, and I ask unanimous consent that a statement prepared by him in connection with these bills together with a letter be printed in the Record at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement by Senator Jackson

By request, I introduce on behalf of myself and the Senator from Arizona (Mr. Fannin), seven proposals to enlarge the wilderness acreage on previously submitted proposals within the following units of the National Park System:

1. North Cascades National Park, Ross Lake and Lake Chelan National Recreation Areas, Washington
2. Cedar Breaks National Monument, Utah
3. Colorado National Monument, Colorado
4. Bryce Canyon National Park, Utah
5. Theodore Roosevelt National Memorial Park, North Dakota
6. Cumberland Gap National Historical Park, Tennessee, Virginia, and Kentucky
7. Yellowstone National Park, Idaho, Wyoming, and Montana

This draft legislation was submitted and recommended by the Department of the Interior, and I ask that the executive communication accompanying the proposals from the Secretary of the Interior be printed in the Record.

U.S. Department of the Interior,
Washington, D.C. January 12, 1976.

Hon. Nelson A. Rockefeller,
President of the Senate,
Washington, D.C.

Dear Mr. President: Pursuant to section 3 of the Wilderness Act of September 3, 1964 (78 Stat. 890), the Secretary of the Interior has conducted reviews of roadless areas within 56 units of the National Park System and recommendations concerning these areas have been made to the Congress.

This Department has recently ex-examined the wilderness potential of lands originally excluded from the following recommendations which were sent to the Congress on the dates indicated: North Cascades Complex, Washington, April 28, 1971; Cedar Breaks National Monument, Utah, April 28, 1971; Colorado National Monument, Colorado, February 8, 1972; Bryce Canyon National Park, Utah, February 8, 1972; Theodore Roosevelt National Memorial Park, North Dakota, September 21, 1972; Cumberland Gap National Historical Park, Kentucky-Virginia-Tennessee, September 28, 1972; and Yellowstone National Park, Idaho-Montana-Wyoming, September 28, 1972. We are pleased to recommend that enlargements be made to these proposals as follows: North Cascades enlarged by 12,278 acres; Cedar Breaks enlarged by 460 acres; Colorado enlarged by 2,600 acres; Bryce Canyon enlarged by 5,217 acres; Theodore Roosevelt enlarged by 760 acres; Cumberland Gap enlarged by 3,425 acres; and Yellowstone enlarged by 6,040 acres.

We recommend that the enclosed draft legislation to effect such wilderness designation be referred to the appropriate Committee, and that it be enacted.

Of the increase in the North Cascades Complex proposal, which if revised would comprise 528,158 acres or about 78 percent of the complex, 10,770 acres consist of lands originally intended to be reserved as a management zone immediately within the boundary which is no longer needed, various enclaves for non-wilderness uses and a private holding recently acquired by the Federal Government. We have abandoned the enclave theory as an artificial method of dealing with minor departures from wilderness uses; we now recommend that such items as patrol cabins and hydrometeorologic devices not be carved out of a wilderness proposal so long as they are the minimum tool necessary for management of the wilderness area.

We also recommend that simple shelters not be carved out if they are to be retained to facilitate management of the wilderness area. The balance of 1,508 acres, now privately owned, is recommended as potential wilderness, to be designated as wilderness after acquisition by the Federal Government. This revised recommendation is depicted on the enclosed map entitled "Wilderness Plan, North Cascades, Washington," numbered 168/20,009A and dated March 1975.

The addition to the Cedar Breaks proposal would increase its size to 4,830 acres or about 78 percent of the national monument. The addition, of 460 acres, consists of lands originally intended to be reserved as a management zone along the monument's boundary but no longer needed for this purpose. The revised recommendation is shown on the enclosed map entitled "Wilderness Plan, Cedar Breaks, N.M., Utah," numbered 154/20,000 and dated May 1973.

The addition to the Colorado proposal would increase its size to 10,300 acres or about 55 percent of the national monument. The addition, of 2,600 acres, consists of lands originally intended to be reserved as a management zone which is no longer needed, and for the development of an unpaved interpretive road but this proposal has been abandoned in favor of trail access which is compatible with wilderness designation. The revised recommendation is shown on the enclosed map entitled "Wilderness Plan, Colorado, N.M., Colorado," numbered 119/20,-006B and dated March 1974.

The revised Bryce Canyon proposal would comprise 21,520 acres or about 59 percent of the park. The addition, of 5,217 acres, consists of lands originally intended to be reserved as a management zone along the park boundary which is no longer needed, and for a view point access road in the northern portion of the park but this proposal has been abandoned in favor of trail access which is compatible with wilderness designation. The revised recommendation is shown on the enclosed map entitled "Wilderness Plan, Bryce Canyon N.P., Utah," numbered 129/20,004B and dated March 1975.

The addition to the Theodore Roosevelt proposal would increase its size to 29,095 acres or about 41 percent of the park. The addition, of 760 acres, consists of a privately owned mineral right recently acquired by the Federal Government and adjacent Federal lands which had been reserved for access to the mineral right area but are no longer needed for this purpose. The revised recommendation is shown on the enclosed map entitled "Wilderness Plan, Theodore Roosevelt N.M.P., North Dakota, numbered 387/20,007D and dated April 1975.

The revised Cumberland Gap proposal would comprise 13,610 acres or about 67 percent of the park. The addition, of 3,435 acres, consists of lands originally reserved as a possible location for a combined roadway segment of two national parkways which were the subject of study during the 1960's by the National Park Service; the Allegheny National Parkway extending between Harpers Ferry, West Virginia, and Cumberland Gap, and the Cumberland Parkway extending from the Great Smoky Mountains National Park, North Carolina-Tennessee, to Mammoth Cave National Park, Kentucky, which would be combined with the Allegheny Parkway through the Cumberland Gap National Historical Park. The Department finds that these studies are now outdated and that the routing studied previously through Cumberland Gap National Historical Park is no longer valid. The revised recommendation is shown on the enclosed map entitled "Wilderness Plan, Cumberland Gap N.H.P., Tennessee-Virginia-Kentucky," numbered 380/20,026B and dated May 1975.

The addition to the Yellowstone proposal would increase its size to 2,022,221 acres or about 91 percent of the park. The addition, of 6,040 acres, consists of lands in which the mineral rights were formerly owned by the Northern Pacific Railroad but were recently donated to the Federal Government. The revised recommendation is shown on the enclosed map entitled "Wilderness Plan Yellowstone N.P., Idaho-Wyoming-Montana," numbered 101/20,005 and dated June 1973.

On the basis of our re-examinations, we have concluded that the additional portions of the seven National Park System units described above are suitable for inclusion in the National Wilderness Preservation System. We urge the Congress to give early and favorable consideration to all of these proposals.

The Office of Management and Budget has advised that there is no objection to the presentation of these draft bills from the standpoint of the Administration's program.

Sincerely yours,

Nathaniel Reed,
Secretary of the Interior.

By Mr. SPARKMAN (by request):

S. 2977. A bill to amend the Foreign Relations Authorization Act, fiscal year 1976, to authorize appropriations for the fiscal years 1977 and 1978, and for other purposes. Referred to the Committee on Foreign Relations.

Mr. SPARKMAN. Mr. President, by request I introduce for appropriate reference a bill to amend the Foreign Relations Authorization Act, fiscal year 1976, to authorize appropriations for the fiscal years 1977 and 1978 and for other purposes.

The bill has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill and a section-by-section analysis be printed in the Record at this point, together with the letter from the Assistant Secretary of State for Congressional Relations to the President of the Senate dated February 2, 1976.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 2977

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "State Department Authorization Act, Fiscal Years 1977 and 1978".

AUTHORIZATION

Section 1. Section 101. (a) of the Foreign Relations Authorization Act, Fiscal Year 1976 (89 Stat. 756) is amended by striking out "for fiscal year 1976".

Sec. 2. Section 101. (a)(1) of such Act (89 Stat. 756), providing authorization of appropriations for the Administration of Foreign Affairs, is amended by striking out "$439,055,000" and inserting in lieu thereof "for fiscal year 1977, $551,955,000".

Sec. 3. Sections 102(a) and 102(b) of such Act (89 Stat. 756) are repealed.

Sec. 4. Section 201. (a) of such Act (89 Stat. 761), is amended by striking out "for the fiscal year 1976,".

Sec. 5. Section 201. (a)(1) of such Act (89 Stat. 761), is amended by striking out "$250,228,000" and inserting in lieu thereof "for fiscal year 1977, $338,875,000".

Sec. 6. Section 201. (a)(2) of such Act (89 Stat. 761), is amended by striking out "$19,993,000" and inserting in lieu thereof "for fiscal year 1977, $17,069,000".

Sec. 7. Section 301. (a) of such Act (89 Stat. 763), is amended by striking out "for fiscal year 1976,".

Sec. 8. Section 301. (a)(1) of such Act (89 Stat. 763), is amended by striking out "$78,800,000" and inserting in lieu thereof "for fiscal year 1977, $68,500,000".

Sec. 9. Section 501. (b)(1) of such Act (89 Stat. 771), is amended by striking out "for fiscal year 1976,".

Sec. 10. Section 501. (b)(1)(A) of such Act (89 Stat. 771), is amended by striking out "$10,100,000" and inserting in lieu thereof "for fiscal year 1977, $10,000,000".

Sec. 11. Immediately after Section 503, the following new section is added:

"Sec. 504. There are authorized to be appropriated for the Department of State for fiscal year 1978 such amounts as may be necessary to carry out the authorities, functions, duties, and responsibilities stated in Sections 101, 201, 301, and 501 of such Act".

Sec. 12. Immediately after Section 206, the following new section is added:

"Sec. 207. The Act of August 1, 1956 (Public Law 84–885; 70 Stat. 390) is amended by adding at the end thereof the following new section:

Sec. 19. The Secretary of State is authorized, to the extent provided for in appropriation acts, to use funds for representation expenses and official entertainment within the United States for the American Sections, International Joint Commission, United States and Canada.".

Sec. 13. Immediately after Section 207, the following new section is added:

"Sec. 208. (a) The President is authorized to maintain membership in the International Cotton Advisory Committee, the International Lead and Zinc Study Group, the International Rubber Study Group, and the International Seed Testing Association.

(b) There is hereby authorized to be appropriated annually to the Department of State such sums as may be necessary for the payment by the United States of its share of the expenses of the organizations listed in paragraph (a) above".

February 2, 1976.

Hon. Nelson A. Rockefeller,
President of the Senate, U.S. Senate.

Dear Mr. President: In accordance with Section 407(a)(2) of the Foreign Assistance Act of 1971, there is transmitted herewith proposed legislation that would authorize appropriations for the Department of State to carry out its authorities and responsibilities in the conduct of foreign affairs during Fiscal Years 1977 and 1978.

The bill provides for authorization of appropriations for (a) "Administration of Foreign Affairs", which supports the operation of the United States diplomatic and consular posts abroad and the Department of State in the United States; (b) "International Organizations and Conferences" including contributions to meet obligations of the United States to international organizations pursuant to treaties, conventions or specific acts of Congress; (c) "International Commissions" which enable the United States to fulfill treaty and other international obligations; (d) "Educational Exchange" which is a program administering the cutural and educational exchange activities of the United States; and (e) "Migration and Refugee Assistance" which includes the United States annual contribution to the International Committee of the Red Cross and refugee assistance programs.

Incorporated within the various categories of authorization is an inter-agency financing transfer for the Foreign Affairs Administrative Support (FAAS) system. Certain costs of administrative services provided to other agencies by the Department are proposed to be financed by appropriations directly to the Department rather than from reimbursements from the serviced agencies' appropriations. This is a financing change and does not increase costs or the level of employment of the United States Government.

A section-by-section analysis explaining the proposed legislation is enclosed.

The Department has been advised by the Office of Management and Budget that there is no objection to the presentation of this proposal to the Congress and that its enactment would be in accord with the President's program.

Sincerely,

Robert J. McCloskey,
Assistant Secretary for Congressional Relations.

Section-by-Section Analysis

Section 1.—This section provides authorization of appropriations for the Department of State in accordance with the provisions of Section 407(a)(2) of the Foreign Assistance Act of 1971. This proposed bill excludes authorization of appropriations for the acquisition, operation, and maintenance of buildings abroad which is being submitted as separate legislation.

Section 2.—This section authorizes an increase in the amount necessary in fiscal year 1977 for the Administration of Foreign Affairs. Included under this category are salaries, expenses, and allowances of Foreign Service Officers and employees of the Department, in the United States and abroad, funds for executive direction and policy formulation, conduct of diplomatic and consular relations with foreign countries and international organizations, support of joint cooperative commissions, domestic public information activities, central program services, and administrative and staff activities. Also included in this section are the funds necessary for the transfer of the Foreign Affairs Administrative Support system. This section also provides funds for representational expenses in accordance with Section 901 of the Foreign Service Act of 1946, as amended. Also provided are funds for relief and repatriation loans to U.S. citizens abroad and for other emergencies in the diplomatic and consular service. Payments to the Foreign Service Retirement and Disability Fund are included in this category.

Section 3.—This section repeals Sections 102(a) and 102(b) of Public Law 94–141. Section 102(a) prohibits the use of funds for the development or implementation of the proposed Travel Document and Issuance System. Section 102(b) authorizes funds, not to exceed $100,000 of the amount authorized to be appropriated in Section 101(a)(1) of the amended Act, for a study of the desirability and cost implications of the Travel Document and Issuance System. The study is expected to be completed in fiscal year 1976 at which time the development or implementation of the system will again be reviewed by Congress. Therefore, the prohibition contained in Section 102(a) would no longer apply.

Section 4.—This section provides authorization of appropriations for International Organizations, Conferences, and Commissions.

Section 5.—This section authorizes an increase in the amount of funds necessary in fiscal year 1977 for United States participation in International Organizations and Conferences. The increase is necessary for United States contributions of our assessed share of the expenses of those international organizations of which we are a member, and for the operation of missions at certain international organization headquarters. Provision is also made in this category for the funding of official United States Government participation in regularly scheduled intergovernmental conferences, meetings and related activities, and for contributions for international peacekeeping activities in accordance with international multilateral agreements.

Section 6.—This section authorizes the amount of funds necessary in fiscal year 1977 to enable the United States to meet its obligations as a participant in International Commissions. Included in this section are the expenses of the American Sections and the International Boundary and Water Commission. Also included are the expenses, including contributions, for United States participation in International Fisheries Commissions.

Section 7.—This section provides authorization of appropriations for Educational Exchange.

Section 8.—This section authorizes the amount of funds necessary to enable the Secretary of State to carry out his functions under the provisions of the Mutual Educational and Cultural Exchange Act of 1961, as amended, and the Act of August 9, 1939.

Section 9.—This section provides authorization for appropriations for Migration and Refugee Assistance.

Section 10.—This section authorizes the amount of funds necessary to enable the Secretary of State to provide assistance to migrants and refugees. This assistance is rendered through contributions to multilateral organizations, and unilateral assistance to refugees designated by the President, as authorized by law.

Section 11.—This section authorizes such sums as may be necessary for the Department of State to meet its obligations in fiscal year 1978 in accordance with Section 607 of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93–344). "Such amounts as may be necessary" is used in lieu of a specific dollar authorization as exact amounts are presently undeterminable.

Section 12.—This section authorizes an entertainment expense allowance to cover the costs incurred by the U.S. Commissioners for receptions and other social amenities required by protocol and international conventions in support of intergovernmental relationships engaged in by the American Sections, International Joint Commission. Also provided in this section is a representation allowance for the Commission's Regional Office in Windsor, Ontario.

This authority is required because the Commissioners and staff are not covered by the Department's authority for official entertainment allowances or the authorization of representation allowances in the Foreign Service Act.

Section 13.—This section authorizes the President to maintain membership in the International Cotton Advisory Committee, the International Lead and Zinc Group, the International Rubber Study Group, the International Seed Testing Association, and provides for the annual appropriation of sums for payment by the United States of its share of the expenses of the four organizations. In Senate Report 93–176, accompanying the Department of State Appropriations Authorization Act of 1973, the Senate Foreign Relations Committee recommended that action be taken to obtain formal Congressional authorization of United States participation in these organizations. The United States has participated in these organizations since 1939, 1960, 1945 and 1924 respectively. They provide useful forums for international cooperation and for discussion and solution of international problems pertaining to the commodities concerned.

By Mr. SPARKMAN (by request):

S. 2978. A bill to amend the Foreign Service Buildings Act, 1926, to authorize additional appropriations. Referred to the Committee on Foreign Relations.

Mr. SPARKMAN. Mr. President, by request I introduce for appropriate reference a bill to amend the Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 292–301), to provide additional authorization for appropriations for the buildings program for fiscal year 1977.

The bill has been requested by the Department of State and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the Record at this point, together with the letter from the Assistant Secretary of State for Congressional Relations to the President of the Senate dated February 4, 1976.

There being no objection, the bill and letter were ordered to be printed in the Record, as follows:

S. 2978

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That Section 4 of the Foreign Service Buildings Act, 1926 (22 U.S.C. 295), is amended—

(1) at subsection (h), paragraph (2), as amended by P.L. 94–141 by striking out "$71,600,000" and inserting in lieu thereof the figure "$73,058,000"; and

(2) by adding a new subsection (j) to read as follows:

"(j) For the purpose of carrying into effect the provisions of this Act in the Union of Soviet Socialist Republics, there is hereby authorized to be appropriated, in addition to amounts previously authorized prior to the enactment of this amendment, $30,000,000 to remain available until expended."

Department of State,
Washington, D.C., February 4, 1976.

Hon. Nelson A. Rockefeller,
President of the Senate,
Washington, D.C.

Dear Mr. President: The Department of State encloses and recommends for your consideration proposed legislation to amend the Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 292–301), to provide additional authorization for appropriations for the Buildings Program for fiscal year 1977.

Incorporated within the proposed amendment is an interagency financing transfer for the Foreign Affairs Administrative Support (FAAS) System. This applies to certain costs of administrative services provided to other agencies by the Department and proposed to be financed by appropriations directly to the Department rather than from reimbursements from the serviced agencies' appropriations. This is a financing change and does not increase costs or the level of employment of the United States Government.

The $30 million requested in the amendment for the Moscow compound provides funding for the first phase of construction of a complex of buildings totalling approximately 635,000 gross square feet. This sum will provide for the construction of the foundations and skeleton frames of these buildings as well as for American project supervisors to assure compliance with contract requirements by the general contractor. The compound will include an office building, housing for American personnel, a school, storage and garage space, a cafeteria, a health unit, and recreational facilities. The total cost of this complex is estimated to be $75–100 million.

The Department of State has been advised by the Office of Management and Budget that there is no objection to the presentation of this proposal to the Congress and that its enactment would be in accord with the President's program.

Sincerely,

ROBERT J. MCCLOSKEY,
Assistant Secretary for Congressional Relations.

By Mr. SPARKMAN (by request):

S. 2979. A bill to amend further the Peace Corps Act. Referred to the Committee on Foreign Relations.

Mr. SPARKMAN. Mr. President, by request I introduce for appropriate reference a bill to amend further the Peace Corps Act.

The bill has been requested by ACTION and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when it is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill and a section-by-section analysis be printed in the RECORD at this point, together with the letter from the Director of ACTION to the President of the Senate dated January 30, 1976.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 2979

A bill to amend further the Peace Corps Act

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That **Section 3(b) of the Peace Corps Act (22 U.S.C. 2502(b)) is amended by striking out "and" after "$88,468," and by adding after** "$27,887,000," the phrase "for fiscal year 1977 not to exceed $67,155,000, and for fiscal year 1978 such sums as may be necessary."

SEC. 2. Section 3(c) of the Peace Corps **Act (22 U.S.C. 2502(c)) is amended to read** as follows: "In addition to the amounts authorized for fiscal year 1976, for the period **July 1, 1976, through September 30, 1976,** fiscal year 1977 and fiscal year 1978, there are authorized to be appropriated for fiscal year 1976 not in excess of $1,000,000 and for fiscal year 1977 and fiscal year 1978 such sums as may be necessary for increases in salary, pay, retirement, or other employee benefits authorized by law."

ACTION,
Washington, D.C., January 30, 1976.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: Enclosed for your consideration is draft legislation which will enable the Peace Corps to continue its work on behalf of world peace and understanding in fiscal years 1977 and 1978.

The legislation will authorize the appropriation of not more than $67,155,000 for fiscal year 1977, and such sums as may be necessary for fiscal year 1978 to carry out the purposes of the Peace Corps Act.

It will also authorize the appropriation of such sums as may be necessary in fiscal years 1977 and 1978 for increases in salary, pay, retirement, or other employment benefits which may be authorized by law.

The Office of Management and Budget has advised that enactment of this legislation would be in accord with the program of the President.

Sincerely,

MICHAEL P. BALZANO.

SECTION-BY-SECTION ANALYSIS

Peace Corps Act Amendment providing authorizations of appropriations for fiscal years 1977 and 1978

Section 1 of the bill amends Section 3(b) of the Peace Corps Act to authorize the appropriation of not more than $67,155,000 for fiscal year 1977, and to authorize the appropriation of such sums as may be necessary for fiscal year 1978 to carry out the purposes of the Peace Corps Act.

Section 2 authorizes, in addition to the amount authorized by section 1, the appropriation of such sums as may be necessary in fiscal years 1977 and 1978 for increases in salary, pay, retirement, or other employee benefits authorized by law. This amendment extends this authority, first enacted in 1974, and continued in the fiscal year 1976 appropriation, to fiscal year 1977.

By Mr. HUGH SCOTT:

S. 2982. A bill to amend the act of May 23, 1975, making appropriations for special assistance to refugees from Cambodia and Vietnam for the fiscal year ending June 30, 1975, and for other purposes. Referred to the Committee on Appropriations.

Mr. HUGH SCOTT. Mr. President, the legislation I am introducing today is designed to correct an inequity in the Indochinese refugee program.

When the Senate considered legislation which became the foundation for the Indochinese refugee program, only the plight of refugees from Vietnam and Cambodia was considered.

The subsequent change in government in Laos created a new group of Indochinese refugees. The United States began accepting certain Laotian refugees late in 1975. This program was financed through Presidential determinations. No specific funds are available to provide services to the Laotian refugees. I have been advised that sufficient funds are available under Public Law 94–24 to provide for all Indochinese refugees.

The Senate yesterday passed S. 2760, a bill which provided for similar changes in the language of the Indochina Act of 1975—Public Law 94–24. The bill I am introducing today would complete the legislative process required to equalize the treatment of all Indochinese refugees.

The benefactors of the measure would be the Laotian refugees, the generous Americans who are acting as sponsors for the Laotians, our State and local governments which would qualify for repayment of services rendered to the Laotian refugees and ultimately the United States which will be the richer for the contributions, I am confident, they will offer.

By Mr. PEARSON:

S. 2983. A bill to establish a Joint Committee on Intelligence Oversight and for other purposes. Referred to the Committee on Government Operations.

Mr. PEARSON. Mr. President, today I introduce legislation that would establish a joint committee of the Congress to be entrusted with responsibility for overseeing the various departments and agencies of our Government that comprise our intelligence community. This measure seeks to assure that intelligence collection programs and activities are legitimately targeted and conform to our Constitution, laws, and policies. Further, the bill provides that the Executive shall notify the legislative branch before implementing significant covert operations. Recognizing the need for safeguards, the bill seeks to improve existing law to prevent further unauthorized disclosures of sensitive information which endanger our intelligence sources and methods.

The Rockefeller Commission and investigations conducted by select committees in both Houses of Congress have disclosed domestic abuses and foreign debacles perpetrated by our intelligence community. In striving, under several administrations, to serve our foreign policy and protect our national security, these agencies have instead misguidedly spied on our citizens and endangered our interests abroad. For nearly 30 years, Congress has neglected its constitutional responsibility to keep a vigilant watch over its administrative creations and to assure that legislative appropriations are properly expended. To the extent that this neglect was institutionalized by fragmented committee responsibility, this legislation eliminates the inadequacy. Without unnecessarily eroding existing committees' jurisdictions, this bill provides for effective oversight of the CIA, the NSA, the DIA, the National Intelligence Components in the Department of Defense, and the intelligence activities of the FBI. Through this approach, we will be provided a means to comprehensively examine the budgetary requests of the entire intelligence complex. We will be recovering our long atrophied oversight muscles.

Mr. President, it has become painfully obvious that some new oversight panel is essential. In considering the need for intelligence and the congressional duty to maintain vigilance, I believe a majority of Congress will agree that that is the case. As a member of the Joint Committee on Atomic Energy, which has demonstrated its ability to work in partnership with the executive branch on matters requiring a candid exchange of extremely sensitive information, I believe that a single committee joining both Houses is the most effective form for this new panel. Since I have opposed the proliferation of Government bureaucracy in the executive branch, my action today may at first appear to present a double standard. But, in fact, it is because I extend my preference for fewer governmental entities that I propose a joint committee. It is through a single committee that we will be able to oversee intelligence programs without unduly jeopardizing security.

Although the need for secrecy and a pervasive atmosphere of security have clearly contributed to the problems now apparent in the intelligence community, it does not follow that secrecy is not justified. Intelligence collection is intended to allow policymakers to arrive at decisions based on information, the mere existence of which, if known, might eliminate options vital to U.S. interests. Likewise, covert operations may supply us flexibility in the absence of which our foreign policy might necessarily become more belligerent to the disadvantage of our own country as well as others. Some secrecy is essential.

A single committee would require only a limited expansion of the numbers of individuals possessing sensitive information and, therefore, would only limitedly expand the risk of unauthorized disclosure. Unfortunately, any increased risk, as has been recently shown, often results in wide publication of the sensitive materials, endangering individuals, and reducing our sources of information around the world. To guard against these increased risks, the legislation just introduced provides for prosecution for unauthorized release of classified materials. This provision is so constructed as to reach only those persons who are entrusted with information relating to intelligence sources and methods through a privity of relationship with the U.S. Government. Such narrow construction will insure the effectiveness of our foreign intelligence collection efforts, while leaving intact the constitutional privileges contained in the first amendment and the speech and debate clause.

Mr. President, the security justification for partial and incomplete candor in supplying information to Congress will be eliminated by this protective provision. But the intelligence community's lack of forthrightness is not the only problem that must be faced in order to establish effective oversight. Congressional overseers have, in the past, tended to identify their interests with those of the agencies under their jurisdictions. This can be predicted as a natural result of years of contact. While familiarity is necessary to understanding, it sometimes blinds those who would oversee. For that reason, this bill calls for rotation of Members, so that no individual would serve on the committee for more than 4 years. In this way, Members might be saved from succumbing to the friendly "cult of intelligence."

John Stewart Mill contended, in his papers on representative government, that legislative control of administration is essential to liberty. Effective legislative oversight is wholly consistent with American legal traditions and precedents. In order to be effective, oversight must be timely. While there is no need for Congress to put its fingers in the day-to-day operation of administrative agencies, there is a real need to interpose an early congressional presence into significant covert projects.

Covert operations such as those conducted under the Mongoose program against Cuba and in the Tract II Projects in Chile, regardless of their intent, threatened to destroy our traditional role in world diplomacy. Designed to diminish the influence of those who oppose Democratic governments, these operations, in fact, increased the potential for overt hostilities.

The Honorable Erwin N. Griswold, speaking as a member of the Rockefeller Commission, recognized the dangers inherent in covert operations and urged the Congress to end its inertia. His admonition is worth repeating:

> One of the great strengths of this country is a deep and wideflung capacity for goodwill. Those who represent us, both at home and abroad, should recognize the potentiality of that goodwill and take extreme care not to undermine it, lest their efforts be in fact counterproductive to the long-range security interests of the United States.

Extreme care requires that unusual measures, within the bounds of constitutional restraints, be employed. Informed advice can only be useful if it is offered before an operation is implemented. It would be tragic, indeed, to learn too late that a second opinion would have saved the patient's life. It would be no less a tragedy for jealous prerogative to undermine our Nation's goodwill.

Mr. President, this bill would require the intelligence community to notify the new oversight panel prior to implementing any significant covert operation. The constitutional grant of foreign policy authority is clearly to the President with the advice and consent of the Senate. This bill does nothing more than translate that grant into a working practical application. No congressional veto is provided, nor should one be suggested. All that is provided is informed advice and consent at a useful time.

Mr. President, the House Select Committee on Intelligence has just concluded its business, soon its Senate counterpart will expire. The investigations conducted by these committees served to educate the people and the Congress. The administration has already begun to put that education to practical use by improving internal controls. One clear lesson this body must have learned is that in the absence of congressional attention the intelligence agencies, cloaked in secrecy, have tended to depart from their original mandates. Through this bill, I believe we can return them to their rightful role.

By Mr. DOMENICI (for himself and Mr. MONTOYA):

S. 2984. A bill to authorize the addition of certain lands to Bandelier National Monument in the State of New Mexico, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. DOMENICI. Mr. President, I introduce and send to the desk for appropriate reference a bill to authorize the addition of certain lands to Bandelier National Monument in the State of New Mexico. I am pleased to be joined by my distinguished colleague (Mr. MONTOYA).

This bill authorizes the acquisition of two parcels of land which the National Park Services master plan for Bandelier proposes for addition to the monument. One tract is 4,234 acres on the southern boundary and the other is a parcel of 3,076 acres owned by the Baca Land and Cattle Co. on the northwestern boundary.

The tract on the southerly boundary comprises part of the Canada de Cochiti grant and this addition complements the values which are found within the monument: mesas, canyons, and a profusion of archeological sites of the same and of later periods. Since little excavation has been accomplished in this area, it is difficult to know exactly what many of these sites might contain. However, this area was not abandoned during the 16th century, as were the pueblos of Tyuonyi, San Miguel, Yapashi, and Tsankawi. The Spaniards probably first visited the Indians of the grant in 1541. A 1667 Spanish source first referred to the Cochiti Mission as San Buenaventura, as it is called to this day. The Indians took part in the Pueblo Rebellion in 1680 and again in 1696. Kotyiti, a large site on Horn Mesa, is recorded as the place where Spanish and pueblo representatives met in 1681. It is a large pueblo built as a fortified site to enable the inhabitants to escape Spanish retribution for taking part in the rebellion. The site lies in the Santa Fe National Forest and is reached by a trail from Cochiti Canyon to the mesa. After their revolt, the Indians were brought back under Spanish sway and have remained as farmers to the present time.

In Cochiti Canyon, the Spanish village of Canada was abandoned early in the present century. Several walls still stand, and a few roofs remain. There is a modern apple orchard that stretches from the Forest Service land into the grant and it is on long-term lease to a private manager, but the splendid apples that are produced symbolize the continuance of agriculture in the area. The ruins, the rebellion sites, the former farms and the orchard serve to unite the prehistoric and historic periods in a continuous sequence from the 12th century to modern times.

The tract which would be added on the northwestern boundary contains the headwaters of the Rito de los Frijoles. This rugged land of canyons is privately owned and valuable for timber. Acquisition of the headwaters would prevent logging, thus protecting the area from flood which would endanger the major ruins.

By Mr. GRIFFIN (for himself, Mr. TOWER, and Mr. THURMOND):

S. 2986. A bill to amend the Housing and Community Development Act of 1974 to provide supplementary community development block grant assistance to communities with high unemployment due to adverse national economic conditions, and for other purposes. Referred to the Committee on Banking, Housing and Urban Affairs.

SUPPLEMENTAL COMMUNITY DEVELOPMENT EMPLOYMENT ASSISTANCE ACT OF 1976

Mr. GRIFFIN. Mr. President, last Friday President Ford vetoed H.R. 5247, the so-called Public Works Employment Act of 1975. In doing so, the President described that $6 billion measure as excessively costly, administratively cumbersome, and poorly designed to cope with the immediate problems of high unemployment.

Today, I am introducing a bill which I regard as a constructive alternative to H.R. 5247. I believe that it provides a more direct, effective, efficient, and equitable program of assistance for those areas and communities especially hard hit by unemployment. The alternative is designed to provide more jobs in the private sector of high unemployment areas rather than to swell the public payrolls.

This measure is identical to a bill (H.R. 11860) introduced in the House on Febraury 11 by Representatives GARRY BROWN of Michigan and ROBERT G. STEPHENS, Jr. of Georgia. In his veto message on H.R. 5247, the President indicated support for an approach to the unemployment problem such as that embodied in H.R. 11860.

This alternative bill is similar in important respects to the countercyclical assistance program incorporated in title II of H.R. 5247. However, it is different with respect to its method of distribution of funds, in that this bill would use the existing mechanism of the Housing and Community Development Act of 1974—a mechanism already in place that can provide the conduit for immediate financing of projects on an accelerated basis. By contrast, the distribution of funds under H.R. 5247 could be delayed for months while necessary guidelines, regulations and qualification standards are being adopted and promulgated.

Under the alternative bill I am introducing today, supplemental assistance would be activated when the national unemployment rate is over 7 percent, as it is now, and would make available for distribution each calendar quarter a sum determined by multiplying $15 million times each one-tenth of 1 percent by which unemployment exceeds 7 percent. Since the distribution of funds is based upon the next preceding quarter's unemployment, and since unemployment in the last quarter of 1975 was 8.5 percent, as of April 1 of this year $225 million would be available for distribution for that calendar quarter—8.5 percent minus 7 percent equals 1.5 percent and 15 times $15 million equals $225 million.

If unemployment remained at the 8.5-percent level, a total year's funding of this program would, therefore, cost $900 million—4 quarters times $225 million. However, since unemployment has been dropping and is expected to continue to fall during the next year, the bill calls for a total authorization of $780 million, which is the best estimate developed based upon the unemployment rates anticipated during such year.

Approximately 75 percent of the assistance would be provided to cities and urban counties with unemployment over 8 percent, based directly and proportionately on the extent to which their unemployment exceeds 8 percent. In the same manner, the remainder of the funds would be distributed to States for distribution in nonurban areas having unemployment over 8 percent.

Grants under this supplemental program would automatically flow to recipients' community development programs upon the submission of a brief statement of the recipient's planned use of the funding, referencing its community development plan, and the proposed job intensive use, acceleration of planned projects, and reduction of unemployment to be accomplished by such assistance.

The special advantages of this program over H.R. 5247 are:

First. Areas and communities with the highest unemployment receive the greatest amount of assistance and the assistance tracks increases and reductions in unemployment. Fund distribution is based on need rather than on local tax effort.

Second. Being an emergency program, it automatically triggers in and triggers out when the national unemployment rate exceeds 7 percent or is reduced below 7 percent.

Third. In addition to stimulating the local economy with "new" money, the supplemental assistance will allow recipients to attract and keep industry and stabilize and improve declining neighborhoods. These activities will create private sector jobs—such as water and sewer line construction and housing rehabilitation—and improve local economies.

Fourth. Use of the existing block-grant administrative structure at the Federal, State, and local levels practically eliminates startup time and administrative costs and will result in funds being available immediately for the creation of jobs for the unemployed.

Fifth. At a first year's cost of $780 million, 38,000 jobs will be created during the quarter beginning April 1, and another 25,000 jobs within the next 6 months. In contrast, H.R. 5247 at a total cost of over $6 billion would produce an estimated 28,000 jobs during the first quarter after implementation which, because of startup complexities, might be as much as 3 to 6 months down the road. Ultimately, H.R. 5247 might create up to 250,000 additional jobs but only a number of years after the program was implemented and the need for the stimulus had substantially subsided.

I have emphasized the importance of the use of the administrative structure of the community development program and its benefits because I feel it is all important that any jobs program should put people to work as quickly as possible and in the most satisfactory jobs as possible. The alternative does this. H.R. 5247 does not.

Mr. President, I ask unanimous consent that the text of this bill and a section-by-section analysis be printed in the RECORD. In addition, I ask unanimous consent that certain background information entitled "Reasons for the President's Veto to H.R. 5247" be printed in the RECORD.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

S. 2986

A bill to amend the Housing and Community Development Act of 1974 to provide supplementary community development block grant assistance to communities with high unemployment due to adverse national economic conditions, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Supplemental Community Development Employment Assistance Act of 1976".

SEC. 2. (a) The Congress finds—

(1) that many of the Nation's cities and other communities, whose economic health is essential to national economic prosperity, are experiencing considerable hardships due to high unemployment resulting from recession; and

(2) that the existing community development block grant program can provide an effective mechanism to increase significantly private sector employment while fostering community development in such communities.

(b) Therefore, the Congress declares it to be the policy of the United States and the purpose of this Act to reduce unemployment by encouraging and accelerating locally determined community development activities to generate immediate employment in cities and other communities with high unemployment due to adverse national economic conditions. It is the intention of Congress that the provision of assistance under this Act shall be in addition to the assistance provided under title I of the Housing and Community Development Act of 1974, or any other law.

SEC. 3. Title I of the Housing and Community Development Act of 1974, Public Law 93–383, is amended by adding at the end thereof the following new section:

"SUPPLEMENTARY COMMUNITY DEVELOPMENT BLOCK GRANTS

"SEC. 119. (a) (1) In addition to the assistance otherwise authorized under this title, the Secretary is authorized to make grants to any State, metropolitan city or urban county which meets the requirements of this section to finance community development or other activities which are approved by the Secretary as consistent with the objectives of this title. There are hereby authorized to be appropriated $780,000,000 to carry out the provisions of this section. Any amounts so appropriated shall remain available until expended.

"(2) Notwithstanding any amounts appropriated pursuant to paragraph (1) of this subsection, the total of all grants approved under this section with respect to any calendar quarter shall be equal to the lesser of any amounts so appropriated which remain uncommitted, or $15,000,000 multiplied by the number of one-tenth percentage points by which the rate of seasonally adjusted national unemployment of the most recent calendar quarter which ended three months before the beginning of such calendar quarter exceeded 7 per centum.

(b) (1) Of the amount available pursuant to subsection (a) for grants under this section with respect to any calendar quarter, 75 per centum shall be allocated by the Secretary to metropolitan cities and urban counties, except that the Secretary may establish such higher or lower percentage as the Secretary deems appropriate in view of unemployment and related factors in such metropolitan cities and urban counties. From the amount allocated under the preceding sentence with respect to any calendar quarter, the Secretary shall determine, for each metropolitan city and urban county which has a seasonally adjusted unemployment rate in excess of 8 per centum for the most recent calendar quarter which ended three months before the beginning of such calendar quarter, a supplementary grant amount which shall equal an amount which bears the same ratio to the total allocation with respect to the calendar quarter under the preceding sentence as the ratio of (A) the number of unemployed persons in excess of the number of unemployed persons which represents 8 per centum unemployment in such metropolitan city or urban county during the most recent calendar quarter which ended three months before the beginning of such calendar quarter to (B) the number of unemployed persons in excess of the number of unemployed persons which represents 8 per centum unemployment in all such metropolitan cities and urban counties during the same calendar quarter. For purposes of determining grant allocations under this paragraph, the Secretary shall utilize appropriate unemployment data, as determined by the Secretary of Labor and reported to the Secretary.

"(2)(A) After making the allocation with respect to any calendar quarter required pursuant to paragraph (1), the Secretary shall allocate the amount remaining with respect to such calendar quarter for grants under this section to States on behalf of units of general local government in such State, other than metropolitan cities and urban counties therein, which are experiencing high rates of unemployment and serious fiscal problems as defined by the Secretary and which are a result of adverse economic conditions. From the amount allocated under the preceding sentence with respect to any calendar quarter, the Secretary shall determine, for each State which is eligible for assistance under the preceding sentence, a grant amount which shall equal an amount which bears the same ratio to the allocation with respect to the calendar quarter under the preceding sentence as the ratio of (i) the number of unemployed persons in excess of the number of unemployed persons which represents 8 per centum unemployment in such State, excluding unemployed persons in metropolitan cities and urban counties therein, during the most recent calendar quarter which ended three months before the beginning such calendar quarter to (ii) the number of such unemployed persons in excess of the number of unemployed persons which represents 8 per centum unemployment in all such States, excluding unemployed persons in all metropolitan cities and urban counties therein, during the same calendar quarter.

"(B) Any grant allocated to a State under this paragraph shall be used, or distributed by such State for use in or for the benefit of units of general local government, other than metropolitan cities and urban counties therein, which are experiencing high rates of unemployment and serious fiscal problems on a basis consistent with the purpose of this section and criteria thereunder prescribed by the Secretary.

"(C) For purposes of determining grant allocations under this paragraph, the Secretary shall utilize appropriate unemployment data, as determined by the Secretary of Labor and reported to the Secretary, except that, in the event such unemployment data are unavailable for any recipient, the best available unemployment data for such recipient, consistent with criteria determined by the Secretary, shall be utilized.

"(c)(1) Notwithstanding any other provision of this title relating to requirements for contents of applications for assistance, any metropolitan city or urban county which has been allocated supplementary grant assistance under subsection (b)(1) with respect to any calendar quarter shall be entitled to receive the amount of assistance so allocated if it has submitted to the Secretary an application for such quarter as prescribed by the Secretary which—

"(A) outlines the proposed job intensive use or uses of the assistance and the benefits to the community of such use or uses, particularly in terms of accelerating planned projects and the reduction of unemployment through the creation of jobs in the private sector;

"(B) demonstrates that the proposed use or uses is consistent with the recipient's Community Development Program, if any;

"(C) requests assistance in an amount, which together with other resources that may be available, will be adequate to complete the proposed activity or activities.

"(2) Any application submitted pursuant to subsection (c)(1) by a metropolitan city or urban county receiving assistance under any section of this title other than this section, shall be deemed approved within 30 days after receipt of such application unless the Secretary shall have informed the applicant within such period of specific reasons for disapproval and the actions necessary to secure approval. Any other application shall be deemed approved within 45 days after receipt of such application unless the Secretary shall have informed the applicant within such period of specific reasons for disapproval and the actions necessary to secure approval. The Secretary shall approve an application for assistance allocated under this section unless the Secretary determines that the proposed use or uses of such assistance are plainly inappropriate to meeting the purpose of this section, or that the application does not comply with the requirements of this section or proposes activities which are ineligible under this section.

"(3) Any State allocated grant assistance with respect to any calendar quarter under subsection (b)(2) shall be entitled to receive such assistance promptly after complying with such application requirements as the Secretary may prescribe, consistent with requirements applicable under paragraph (1) of this subsection or otherwise deemed appropriate by the Secretary to assure achievement of the purpose of assistance under this section.

"(d) Assistance under this section may be used by the recipient thereof for any activity eligible for assistance under section 105(a) of this title, except that up to 25 per centum of the amount allocated to any recipient with respect to any calendar quarter may be used for such other activity or activities as may be deemed by the Secretary to be consistent with the objectives of this title and assistance under this section, respectively.

"(e) Except where otherwise provided in this section, assistance under this section shall be subject to all of the requirements and provisions of this title except that the Secretary may waive any such requirement or provision which the applicant certifies will adversely effect the efficiency or impact of the funds provided under this section.

"(f) The Secretary is authorized to prescribe such rules and regulations, and to take such steps as may be necessary, to assure the prompt implementation of the assistance program authorized under this section with respect to any calendar quarter, commencing with the calendar quarter beginning on April 1, 1976, with respect to which assistance is allocated hereunder.

"(g) No assistance under this section may be approved by the Secretary with respect to any calendar quarter after the calendar quarter which ends on March 31, 1978."

SECTION-BY-SECTION SUMMARY

SECTION 1. SHORT TITLE

The first section of the bill would provide that the bill may be cited as the "Supplemental Community Development Employment Assistance Act of 1976".

SECTION 2. FINDINGS AND PURPOSE

Subsection (a) of section 2 would set forth Congressional findings: (1) that many of the Nation's cities and other communities, whose economic health is essential to national economic prosperity, are experiencing considerable hardships due to high unemployment resulting from recession; and (2) that the existing community development block grant program can provide an effective mechanism to increase significantly private sector employment while fostering community development in such communities.

Subsection (b) of section 2 would state that the Congress declares it to be the policy of the United States and the purpose of the bill to reduce unemployment by encouraging and accelerating locally determined community development activities to generate immediate employment in cities and other communities with high unemployment due to adverse national economic conditions. The subsection also would state that it is the intention of Congress that the provision of assistance under the bill should be in addition to the assistance provided under title I of the Housing and Community Development Act of 1974, or any other law.

SECTION 3. SUPPLEMENTAL COMMUNITY DEVELOPMENT BLOCK GRANTS

Section 3 of the bill would amend title I of the Housing and Community Development Act of 1974, P.L. 93-383, by adding at the end thereof a new section 119.

Subsection (a)(1) of the proposed new section 119 would authorize the Secretary to make grants, in addition to the assistance otherwise authorized under title I of the Housing and Community Development Act of 1974, to any State, metropolitan city or urban county which meets the requirements of the section, to finance community development and other activities which are approved by the Secretary as consistent with the objectives of title I. It also would authorize the appropriation of $780 million to carry out the provisions of the section, and would provide that any amounts so appropriated would remain available until expended.

Subsection (a)(2) would provide that, notwithstanding any amounts appropriated pursuant to subsection (a)(1), the total of all grants approved under the section with respect to any calendar quarter would be equal to the lesser of any amounts so appropriated which remain uncommitted, or $15 million multiplied by the number of one-tenth percentage points by which the rate of seasonally adjusted national unemployment for the most recent calendar quarter which ended 3 months before the beginning of such calendar quarter exceeded 7 per centum.

Subsection (b)(1) would require the Secretary to allocate 75 percent of the amount available pursuant to subsection (a) for grants under the section with respect to any calendar quarter to metropolitan cities and urban counties, except that the Secretary could establish such higher or lower percentage as the Secretary deemed appropriate in view of unemployment and related factors in such metropolitan cities and urban counties. The subsection would further provide that, from the amount allocated to metropolitan cities and urban counties with respect to any calendar quarter, the Secretary would determine, for each metropolitan city and urban county with a seasonally adjusted unemployment rate in excess of 8 per centum for the most recent calendar quarter which ended 3 months before the beginning of such calendar quarter, a supplementary grant amount which would equal an amount which bears the same ratio to the total allocation to metropolitan cities and urban counties with respect to the same calendar quarter as the ratio of (A) the number of unemployed persons in excess of the number of unemployed persons which represented 8 per centum unemployment in such metropolitan city or urban county during the most recent calendar quarter which ended 3 months before the beginning of such calendar quarter to (B) the number of unemployed persons in excess of the number of unemployed persons which represented 8 per centum unemployment in all such metropolitan cities and urban counties during the same calendar quarter. The Secretary would be directed to utilize appropriate unemployment data, as determined by the Secretary of Labor and reported to the Secretary, for the purposes of determining grant allocations under the subsection.

Subparagraph (A) of subsection (b)(2) would require the Secretary to allocate the amount remaining, after making the allocation with respect to any calendar quarter required pursuant to subsection (b)(1), with respect to any calendar quarter for grants under the section to States on behalf of units of general local government in such State, other than metropolitan cities and urban counties therein, which are experiencing high rates of unemployment and serious fiscal problems as a result of adverse economic conditions. The subsection would further provide that, from the amount allocated to such States with respect to any calendar quarter, the Secretary would determine, for each State eligible for assistance, a grant amount equal to an amount which bears the same ratio to the allocation to States with respect to the calendar quarter as the ratio of (i) the number of unemployed persons in excess of the number of unemployed persons which represented 8 per centum unemployment in such State, excluding unemployed persons in metropolitan cities and urban counties therein, during the most recent calendar quarter which ended 3 months before the beginning of such calendar quarter to (ii) the number of such unemployed persons in excess of the number of unemployed persons which represented 8 per centum unemployment in all such States, excluding unemployed persons in all metropolitan cities and urban counties therein, during the same calendar quarter.

Subparagraph (B) of subsection (b) (2) would require any grant allocated to a State under the section to be used, or distributed by such State for use in or for the benefit of units of general local government, other than metropolitan cities and urban counties therein, which are experiencing high rates of unemployment and serious fiscal problems on a basis consistent with the purpose of the section and criteria thereunder prescribed by the Secretary.

Subparagraph (C) of subsection (b) (2) would require the Secretary to utilize appropriate unemployment data, as determined by the Secretary of Labor and reported to the Secretary for the purposes of determining grant allocations under subsection (b) (2), except that, in the event such unemployment data are unavailable for any recipient, the Secretary would be authorized to utilize the best available unemployment data for such recipient, consistent with criteria determined by the Secretary.

Subsection (c) (1) would require each metropolitan city and urban county allocated supplementary grant assistance under the section to submit to the Secretary, notwithstanding any other provision of title I relating to requirements for contents of applications for assistance, an application as prescribed by the Secretary which—(A) outlines the proposed job intensive use or uses of the assistance and the benefits to the community of such use or uses, particularly in terms of accelerating planned projects and reducing unemployment through creation of jobs in the private sector; (B) demonstrates how the proposed job intensive use or uses is consistent with the objectives of the recipient's Community Development Program, if any; and (C) requests assistance in an amount, which together with other resources that may be available, will be adequate to complete the proposed activity or activities.

Subsection (c) (2) would provide that any application submitted pursuant to subsection (c) (1) by a metropolitan city or urban county receiving assistance under any section of title I other than section 119, would be deemed approved within 30 days after receipt of such application unless the Secretary has informed the applicant within such period of specific reasons for disapproval and the action necessary to secure approval. Any other application would be deemed approved within 45 days after receipt of such application unless the Secretary has informed the applicant within such period of specific reasons for disapproval and the actions necessary to secure approval. The Secretary would be required to approve an application for assistance allocated under the section unless the Secretary determined that the proposed use or uses of such assistance were plainly inappropriate to meeting the purpose of the section, or that the application did not comply with the requirements of the section or proposed activities which are ineligible under the section.

Subsection (c) (3) would entitle any State allocated grant assistance with respect to any calendar quarter under subsection (b) (2) to receive such assistance promptly after complying with such application requirements as the Secretary may prescribe, consistent with requirements applicable under the preceding subsection or otherwise deemed appropriate by the Secretary to assure achievement of the purpose of assistance under the section.

Subsection (d) would permit a recipient to use any assistance granted under the section for any activity eligible for assistance under section 105(a) of title I, except that up to 25 per centum of the amount allocated to any recipient with respect to any calendar quarter could be used for such other activity or activities as may be deemed by the Secretary to be consistent with the objectives of the title and assistance under the section, respectively.

Subsection (e) would provide that, except where otherwise provided in the section, assistance under the section would be subject to all of the requirements and provisions of title I, except that the Secretary may waive any such requirement or provision which the applicant certifies will adversely effect the efficiency or impact of the funds provided under this section.

Subsection (f) would authorize the Secretary to prescribe such rules and regulations, and to take such steps as may be necessary, to assure the prompt implementation of the assistance program authorized under the section with respect to any calendar quarter, commencing with the calendar quarter beginning on April 1, 1976, with respect to which assistance was allocated hereunder.

Subsection (g) would prohibit the Secretary from approving any assistance under the section with respect to any calendar quarter after the calendar quarter which ends on March 31, 1978.

[Office of the White House Press Secretary]

THE WHITE HOUSE,
February 13, 1976.

BACKGROUND INFORMATION

Reasons for the President's Veto to H.R. 5247, the "Public Works Employment Act of 1975"

Summary of reasons for the veto

The President opposes this bill for the following principal reasons:

It would not be effective in creating jobs for the unemployed.

Relatively few new jobs would be created. The estimates by the bill's sponsors that it will create 600,000 to 800,000 jobs are not supportable. A more realistic estimate is a total of 250,000 person-years of employment spread over a number of years, with a peak impact of only 100,000 to 120,000 jobs.

By comparison, the employment statistics for January 1976 showed a one month increase in employment of 800,000, and a reduction of over 450,000 in the number of unemployed in the labor force.

Most of the relatively small number of new jobs produced by these programs would come in late 1977 and 1978, not now. Because public works projects are notoriously slow in increasing jobs, the peak impact would occur in late 1977 or in 1978, when the economy will be well along the road to full recovery and the added stimulus is likely to be counterproductive.

The cost to the taxpayers of producing jobs under this bill would be unreasonably high, probably in excess of $25,000 per year of employment.

Many of the jobs funded under this bill would simply replace jobs funded from other sources, without a real increase in employment.

Excessive Federal spending as represented by this kind of bill can close the door on reducing income taxes of families and businesses, which is a far more effective way of stimulating the economy and investment and creating good jobs, both in construction and in the production of goods and services.

This bill will contribute significantly to excessive Federal deficits, which draw capital resources away from the private sector, due to increased Federal borrowing, and inhibit the growth of private employment which is needed to sustain economic prosperity.

The direct cash assistance to State and local governments under Title II of the bill would provide undesirable incentives and is inequitable.

It addresses the cyclical problems of State and local governments just at the time when those problems are beginning to abate, and when, generally, the revenues of those governments will be rising faster than their expenditures.

It gives preference to those with the highest taxes and the biggest budgets, without any distinction between those jurisdictions which have and those which haven't been efficient in holding down costs. This could weaken incentives to improve government productivity and end low-priority spending.

The proposed public works programs would result in a poor allocation of capital resources.

Unlike construction in the private sector, public works construction does not add to the tax base of the communities.

Although it won't speed up the creation of jobs, the premium on speed in obligating the funds will encourage many to apply for money for projects which are of low community priority but which can be quickly packaged into a grant request.

The 100% Federal funding of specific public works may encourage irresponsibility by State and local officials who would not have to account to their constituents for the construction of unnecessary or extravagant public facilities with Federal funds.

The bill would authorize funding which would push Federal spending to even higher levels.

1977 spending could be increased by about $2.5 billion. 1978 spending could grow by over $1 billion, and spending in the 1979 and beyond would be increased by another $1.5 billion or more.

Although over 90% of the outlays from the bill would occur after fiscal year 1976, Congress has proposed this without considering the total budget picture for 1977 and beyond. Congress has not identified acceptable program reductions that could offset the cost increases of this bill.

Much of the bill is completely unrelated to current unemployment problems.

The allocation formula for Title II does not limit the grants to areas of very high unemployment. The rate of local taxation is a large part of the allocation formula.

The $1.4 billion increase for wastewater treatment facilities grants is not an anti-recession action. It would have no impact on jobs now. With the current legislation expiring, it is important that the Congress consider the Administration's proposals for program reforms before authorizing additional funds.

The $100 million for an urban renewal program to be administered by the Commerce Department clearly would have no short-term impact.

The bill would be almost impossible to administer effectively.

Effective allocation of $2.5 billion for Title I public works on a project-by-project basis would take many months or years.

The provision that project requests be approved automatically unless the Commerce Department acts within 60 days will preclude any useful review of the requests, and prevent a rational allocation of funds.

The bill extends the Job Opportunities program, which is almost impossible to administer effectively due to the complex process for allocating funds through other Federal agencies on a project-by-project basis.

The provision in Title III to permit interest subsidy grants to private businesses provides no criteria for allocating this subsidy. It would be very difficult, if not impossible, to provide this subsidy only to those firms which need it in order to maintain or increase their employment levels.

The bill would resurrect an ineffective urban renewal program in the Commerce Department.

It would create a new categorical grant program for urban renewal less than two years after the Congress replaced a nearly identical program, and others with the broader, more flexible Community Development block grant program.

All activities and cities eligible under the proposed program already are eligible under the block grant program; the bill merely duplicates existing authorities.

The Commerce Department has no experience with urban renewal, and is not equipped to effectively administer such a program.

The current program of the Commerce Department to assist economic development activities in areas of chronically high unemployment or low income would be disrupted and distorted.

The President has proposed realistic alternatives to overcome the unemployment problems and avoid a new round of inflation. These proposals will avoid the problems mentioned above.

The 1976 Budget includes more than $18 billion in outlays for important public works such as roads, energy facilities, wastewater treatment plants, and veterans' hospitals. The 1977 Budget will increase spending for these public works by more than $3 billion, or nearly 17%. The spending level already included in the Budget for 1977 will finance public works that are really needed and which can be funded efficiently in the next 15 to 18 months.

Tax incentives are proposed for private construction initiated in the next year in areas of high unemployment which will result in much quicker and much more effective creation of jobs.

Renewal of the General Revenue Sharing program will permit State and local governments to maintain employment in basic services.

Additional permanent income tax reductions of over $10 billion will permit a quick and major increase in take-home pay, in buying power and in private investment, all of which will create real, rewarding jobs in the private sector.

The 1977 Budget provides $3.2 billion for Community Development block grants to States and local governments—about $450 million more than in 1976. These grants are allocated on the basis of relative need, and permit the States and local governments to carefully plan for the use of these funds.

Tax incentives are proposed for investment in residential mortgages by financial institutions, to stimulate capital for homes rather than for public monuments.

Tax incentives are proposed to induce broader ownership of common stock, to stimulate investment which will provide long term productive jobs, rather than increasing public, make-work jobs.

The President's economic policies are expected to foster the creation of 2 to 2.5 million additional jobs in 1977. This will include jobs for nearly one million of those now unemployed, as well as about 2.5 million jobs for workers who will be entering the labor force during this period.

In his veto message, the President indicated that he believes an alternative proposal before the Congress, H.R. 11860, represents a more reasonable approach in addressing the immediate needs of those areas of the country with exceptionally high unemployment rates.

Under H.R. 11860, the funds would be provided to communities with unemployment in excess of 8% and would provide them in direct proportion to unemployment beyond 8%. The program would be in effect only as long as national unemployment exceeds 7%.

Also under H.R. 11860, funds would be provided for distribution each calendar quarter in an amount determined by multiplying $15 million times each 1/10 of 1% by which unemployment in the next preceding quarter exceeds 7%.

The Community Development Block Grant Program is already in place with an experienced staff and regulations and could be administered without the creation of a new bureaucracy and without the delay which would be encountered under H.R. 5247.

The program would fund eligible activities based on priorities identified by local governments as part of their community development programs.

The following paragraphs discuss several of the above points in more detail.

Public works construction is not effective in creating jobs quickly

The bulk of the funds that would be authorized by this bill would be used for public works, including $2.5 billion for Title I, $1.4 billion for EPA wastewater treatment facilities and $600 million for other Commerce Department public works programs.

For more than four years the Economic Development Administration has been trying to find the fastest ways to create jobs through public works projects. This effort, the Public Works Impact Program (PWIP), has shown the difficulty of quickly creating jobs for the unemployed by funding public works.

The facts are as follows. During the year in which the funds are appropriated for accelerated public works, only 10% of the funds are actually spent. During the full second year after appropriations, half of the funds are used. And after four years, 10% of the funds are still not spent for the approved projects.

It is very time consuming for the Federal government to allocate a large amount of money on a project-by-project basis. Even with the small PWIP program, it has required about 9 months to allocate the funds to individual projects. It has taken about 17 months from the time of appropriation to get all of the approved projects under construction. And two years after appropriation of funds, only about 60% of the projects were completed.

Although Title I of the bill requires that the Commerce Department must approve or reject applications for funding within 60 days of receipt of the applications, this will not assure speedy allocation of these funds. The bill provides that appropriations may be provided at any time through the end of fiscal year 1977, which may delay allocations. Applications for funding may straggle in over a period of many months. Many of the initial applications might have to be rejected and resubmitted due to inadequate information. Accordingly, even with the 60 day approval or rejection requirement, it could take 18 months or longer to allocate all of the funds.

Once the funds are allocated, it can be expected that startup and construction of the projects will be no faster, and more likely slower, than the experience with PWIP projects.

Thus, we can expect that it would be late 1977 or early 1978 before all of the projects to be authorized by this bill will be under construction. It will be 1980 or later before all of the projects are completed.

Appendix A is a table that provides the most optimistic estimate of the speed with which the funds would be spent. It is likely to be more realistic to move most of these spending estimates to about one year later than shown on the table.

Estimate that 600,000 to 800,000 jobs would be created is unfounded

Sponsors of the bill have asserted that it would provide work for 600,000 to 800,000 people, primarily as a result of public works projects. This estimate is entirely unrealistic. A much more likely estimate is 250,000 years of employment over the next five years with a peak of about 100,000 to 120,000 in 1977 or early 1978.

When the House acted on its original bill to provide $5 billion for public works grants, it was estimated by the Congress that it would produce about 250,000 jobs. We now have a $6.3 billion bill, which includes $1.5 billion in programs with almost no new job impact, and yet the employment estimates have suddenly increased by 320%.

Although there are no firm figures on jobs generated by construction, studies of employment in construction conducted by the Bureau of Labor Statistics show that a $1 billion (1974 dollars) public works program would provide only about 40,000 years of employment, off-site and on-site. Including multiplier efforts there would be 60,000 years of employment created by $1 billion in public works spending. Based on the optimistic spending estimates shown in Appendix A, the peak spending for public works in 1977 would produce a maximum of about 90,000 years. Since construction wages and other costs will be higher in 1977 and beyond than they were in 1974, these estimates of jobs could be high.

It is very difficult to estimate the number of jobs that would be created by the $1.6 billion in countercyclical grants (Title II).

There is substantial indication that State and local governments would not use much of these funds to hire additional personnel. Studies of revenue sharing have shown that State and local governments increased their purchases of goods and services by roughly one-third of the amount they received. The remainder was used to repay debt and reduce taxes. In addition, recent experience with public service employment indicates that, after the first year of funding, State and local governments may increase employment by only 10 to 40 percent of the number of public service jobs directly funded by the Federal government. Despite numerous regulations to make it difficult to substitute public service employment for regular employment, the practice is widespread. Title II of this bill would contain no requirements that these funds be used for additional jobs or even to maintain existing jobs.

The maximum expected payment under Title II of the bill is $375 million per quarter. If as much as 50% of this were used for added jobs, it might create as many as 75,000 jobs. Given the experience with similar programs, it is more likely that only 10 to 20% of the funds would be used for added jobs, providing only 15–30,000 new jobs.

In summary, the peak employment impact is unlikely to exceed about 150,000, and is more likely to be near 100,000 to 120,000 sometime in fiscal year 1977 or 1978. Total employment is likely to be about 250,000 years, spread over five years or more.

If the bill provided a total of 250,000 years of employment, the average cost per job would be about $25,000.

The title II countercyclical assistance grants would encourage Government inefficiency and would be inequitable

The recent financial difficulties which have been facing many cities and other local governments have forced many to undertake a long-needed examination of their spending programs to identify the excesses and the inefficiencies. There is no doubt but that some local governments had reached a spending level that they simply will be unable to sustain in the long-term.

Title II allocates funds in large part on the basis of what the governments spend rather than what they need. More funds would be provided to those States and local governments with higher taxes, including those which have been least efficient in holding down costs. The proposed countercyclical assistance grants would take pressures off those States and local governments to more carefully evaluate their activities in terms of benefits produced. If the program becomes permanent, it will allow those governments to avoid economy measures, and then to further expand their programs as their tax revenue increases with the resurgence of the economy. They would be led to expect still more Federal assistance the next time they are in financial difficulty.

The estimates of allocations to specific states and cities clearly show some of the distortions created by the formula. Eight States would receive about 65% of the Title II funds, including both the local and State allocations. This is over $1 billion of the $1.6 billion estimated for the Title. Also the program would disproportionately aid New York City, which would receive about $150 million of the total of $1.6 billion. This is more than three times as much as any other city would receive. New York City already is receiving special Federal assistance to alleviate its financial problems.

In addition to the above problems with the program, it would be very costly to administer. The Treasury Department's preliminary estimates show that it would require approximately 750 additional employees and approximately $43 million to administer the countercyclical aid program, as contrasted to 110 employees and $11 million currently devoted to administration of the entire General Revenue Sharing program.

$1.4 billion for EPA sewage treatment grants is unneeded and irrevelant to current unemployment problems

The purpose of this provision of the bill is completely unrelated to the purported desire to create jobs quickly for the unemployed.

Even if EPA were to use these added funds now, they would have almost no job creating impact in the next two years. It is simply not practical to significantly accelerate the construction of such facilities.

The real purpose of this provision is to change the formula for the allocation of funds under the wastewater treatment grant program of EPA. This would provide an additional $1.4 billion to a large number of states without having considered essential reforms to the current law which could require an expenditure of at least $333 billion to fully implement.

It would be administratively impossible to effectively allocate over $3 billion for public works projects quickly

This bill requires that the Commerce Department attempt to allocate over $3 billion, on a project-by-project basis, in a matter of a few months. All past experience would force a conclusion that this would be reckless and irresponsible.

Even without *any* substantive review of requests for funding, it is highly unlikely that the Department could physically process the tens of thousands of requests and the thousands of awards that would be involved, in less than nine months.

The Department's recent experience with the Job Opportunities program illustrates the point. After its initial experience in allocating $125 million, it still required six months for Commerce and the cooperating agencies to allocate the additional $375 million. Also, that allocation was done with only a minimum amount of substantive review of the proposals by the agencies.

The Department received a good deal of criticism from Congress for relying too heavily on objective criteria to make the $375 million allocation, rather than reviewing each particular project.

With over $3 billion to award, the Department is likely to be faced with the choice of taking many months to do a responsible job, or taking nine months or more to throw Federal tax dollars at projects as they come through the door.

Large amounts for spending on high priority public works are already in the 1976 and 1977 budgets

The attached table shows the amounts of expected spending for public works in the President's Budgets for 1976 and 1977. In 1976, a total of over $18 billion is provided. This includes over $11 billion in grants to state and local governments. In 1977, the spending for public works would increase by 17% or by over $3 billion.

The spending for public works in the Budget is focused on the highest priority national needs, including energy, pollution abatement, flood control, and transportation. The Budget estimates reflect expected spending on projects which are already in the planning stages or under construction. Therefore, the $3 billion increase will be providing jobs in 1977, rather than in 1978 or 1979. These projects will be helping us achieve important national objectives while at the same time providing employment opportunities.

There are adequate spending levels already in the 1977 Budget for those public works projects that are really needed.

Additional stimulus to private sector employment also would be provided by a 23% increase in spending in the 1977 Budget for major equipment purchases. Spending for this purpose is to increase by $3.9 billion over 1976, to $20.7 billion.

CHANGES IN PUBLIC WORKS OUTLAYS, FISCAL YEAR 1976-77

[In millions of dollars]

Description	1976	1977	Change
Direct construction:			
Civilian programs:			
FAP: Strategic petroleum storage	11	164	153
Agr: Forest Service roads and trails and other	135	173	38
Corps of Engineers: Construction and flood control	1,367	1,424	57
Int:			
Bureau of Reclamation	410	507	97
Bonneville	135	150	15
NPS, BIA, and other	273	252	−21
HEW: Indian health facilities, NIH, other	162	138	−24
DOT:			
Coast Guard facilities	78	63	−15
FAA airway systems	231	236	5
ERDA: Plant, capital equipment, other	439	672	233
NASA: Plant and equipment	115	126	11
VA: Hospitals and other	186	303	117
TVA: Power facilities	1,038	1,137	99
All other	174	165	−9
Subtotal, civilian programs	4,754	5,510	756
Defense programs:			
DOD:			
Military construction	1,713	1,710	−3
Family housing	320	287	−33
ERDA: Plant and equipment	204	215	11
Subtotal, defense programs	2,237	2,212	−25
Total, direct construction	6,991	7,722	731
Grants to State and local governments:			
FAP: Appalachian regional development	248	242	−6
Agr: Water and waste disposal, rural development, conservation	198	190	−8
Com: EDA and other	183	154	−29
HEW:			
Health	213	184	−29
Education and other	51	36	−15
Int: Land and water conservation and other	274	275	1
DOT:			
Airports	375	355	−20
Highways	6,202	6,711	509
Mass transit	573	1,179	606
EPA	2,350	3,770	1,420
All other	563	442	−121
Total, grants to State and local governments	11,230	13,538	2,308
Total public works	18,221	21,260	3,039

APPENDIX A —ESTIMATES OF OUTLAYS—LOCAL PUBLIC WORKS CAPITAL DEVELOPMENT AND INVESTMENT ACT (H.R. 5247)

Program	Total amount authorized	Outlays [1]				
		1976 and TO	1977	1978	1979	After 1979
Title I, Public works grants [2]	2,500	248	1,230	638	137	247
Title II, Countercyclical grants [3]	1,625	750	875			
Title III:						
Interest subsidies [4]	125	5	25	25	25	45
Job opportunities grants [5]	500	50	246	128	27	49
Urban development [6]	100	1	19	29	22	29
EPA wastewater treatment facility grants [7]	1,418	0	20	300	700	388
Total	6,268	1,054	2,425	1,120	911	758

[1] The outlay estimates assume that initial appropriations would be provided by about Mar. 1, 1976.

[2] This assumes that all funds would be obligated between May 1 and Sept. 30, 1976. Since appropriations are authorized through fiscal year 1977, it may not be realistic to assume that all of the funds would even be available by Sept. 30, 1976. In any case, it would be very difficult, if not impossible, to allocate this sum in such a short time, on a project-by-project basis. The estimate of outlays is based on 4 years of actual experience with EDA's public works impact program, which provides for accelerated public works to create temporary jobs. Considering the large size of this proposed program, and the likely resulting delays in starting projects, it would be more likely that the outlay peak would occur in 1978 rather than 1977.

[3] This amount would depend on national unemployment rates. This estimate is based on the rates used in the 1977 budget projections.

[4] The outlays for this interest subsidy program would likely be spread out over the terms of the loans being guaranteed. It is assumed that loans would have terms of about 5 years.

[5] In view of the changes in the job opportunities program in this bill, it is expected that most of these funds would be used for public works. The outlay estimate assumes the same spending rate as for title I projects.

[6] This program would have the same timing characteristics as EDA's regular development programs. The outlay estimates are based on actual experience with EDA's regular public works programs.

[7] This estimate assumes that these funds would be obligated in 1977 and that outlays would occur approximately at the same rate as for the current EPA grants.

By Mr. BARTLETT:

S.J. Res. 170. A joint resolution to authorize and direct the Indian Claims Commission to determine the amount of a claim of the Seminole Nation of Oklahoma and render final judgment thereon. Referred to the Committee on Interior and Insular Affairs.

Mr. BARTLETT. Mr. President, I am today introducing legislation the purpose of which is to return to the Indian Claims Commission a claim of the Seminole Nation of Oklahoma for a determination of the actual loss to them as a result of the wrongful action of the United States.

The following memorandum of explanation prepared by Mr. Paul Niebell, counsel for the Seminole Nation, fully details the events leading up to the need for this legislation.

Mr. President, I ask unanimous consent that the text of the legislation and the memorandum of explanation be printed in the RECORD.

There being no objection, the joint resolution and material were ordered to be printed in the RECORD, as follows:

S.J. RES. 170

Joint resolution to authorize and direct the Indian Claims Commission to determine the amount of a claim of the Seminole Nation of Oklahoma and render final judgment thereon

Whereas, in accordance with an agreement negotiated with the Seminole Nation of Oklahoma, dated December 16, 1897, and ratified by Congress on July 1, 1898 (30 Stat. 567), tribal lands of the Seminole Nation were to be divided among the Seminole Indians so that each Seminole was allotted an equal share which was to be measured by value and not by quantity of acreage; and

Whereas the Seminole Agreement of 1898 also contained provisions governing mineral leases, and tribal mineral rights which provided that in the case of royalties from coal, mineral, coal oil, and natural gas, one-half of each such royalty would be paid to the Indian allottee and the remaining half into the tribal treasury until extinguishment of tribal government, the latter to be used for the purpose of equalizing the value of allotments; and

Whereas the Congress in 1908 passed an Act which provided that all royalties arising on and after July 1, 1908, from mineral leases of allotted Seminole lands would be paid to the United States Indian agent for the benefit of the Indian lessor and that the interest of the Seminole Nation in leases or royalties arising thereunder on all allotted lands would cease on June 30, 1908; and

Whereas such Act constituted a major and far-reaching unilateral change in an existing agreement of treaty stature depriving over 90 per centum of the members of the Seminole Nation of Oklahoma of their respective interests in the Seminole tribal property; and

Whereas various acts of the Commissioner of Indian Affairs which led to the enactment of such legislation in 1908 were inconsistent with the concept of fair and honorable dealings contemplated by the Congress in the Indian Claims Commission Act of 1946; and

Whereas the Congress finds and concludes that such Act of 1908 unjustly terminated the interest of the Seminole Nation of Oklahoma in one-half of all minerals underlying allotted Seminole lands and its one-half interest in all royalties from mineral leases in such lands and that the United States should, therefore, be liable to the Seminole Nation of Oklahoma for the value of the interests which the Seminole Nation was deprived as a result of such legislation: Now, therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law or the decisions of any court, commission, or other agency of the United States, the Indian Claims Commission is hereby authorized and directed to determine the value of the property interests of which the Seminole Nation of Oklahoma was deprived as a result of the above-described legislation enacted in 1908 and to enter a final judgment in favor of the Seminole Nation of Oklahoma in accordance with the provisions of the Indian Claims Commission Act, including all rights of appeal therein provided.

MEMORANDUM OF EXPLANATION

The Seminole Nation was one of the Five Civilized Tribes that were forcibly removed by the United States from what was their ancestral homes east of the Mississippi River in the 1830s and settled in what was then Indian Territory, now a part of the State of Oklahoma. In their several treaties these tribes were granted the fee simple title to their lands in the West, the right of self-government, and solemnly guaranteed that their western lands would never be included in any State or Territory of the United States without their full and free consent (Art. 4, Treaty of Aug. 7, 1856, 11 Stat. 699).

However, the United States changed its policy towards these tribes in the early 1890s, and by Act of March 3, 1893 (27 Stat. 645), created the Dawes Commission to treat with these tribes for the division of their tribal estates among their members, with the ultimate purpose of creating a State of the Union which would embrace their lands. These tribes were reluctant to give up their own customs and way of life, and adopt the customs and laws of the white man, and for some years refused to treat with the United States.

Finally in 1897 (30 Stat. 567) an Agreement was made between the Seminole Nation and the United States by the terms of which the Seminoles agreed to give up their tribal fee simple title and allot the tribal lands to the individual members of the tribe. Certain provisions beneficial to the Indians were agreed to by the United States and were included in the Seminole Agreement. These provisions were:

"No lease of any coal, mineral, coal oil, or natural gas within said Nation shall be valid unless made with the tribal government, by and with the consent of the allottee and approved by the Secretary of the Interior.

"Should there be discovered on any allotment any coal, mineral, coal oil, or natural gas, and the same should be operated so as to produce royalty, one-half of such royalty shall be paid to such allottee and the remaining half into the tribal treasury until extinguishment of tribal government, and the latter shall be used for the purpose of equalizing the value of allotments; and if the same be insufficient therefor, any other funds belonging to the tribe, upon extinguishment of tribal government, may be used for such purpose, so that each allotment may be made equal in value as aforesaid."

The purpose of the above provisions was (1) to maintain tribal control over the mineral leases of said lands and thus afford protection to the individual allottees; and (2) to reserve to the tribe one-half of the royalty on minerals produced from the allotted lands for use in equalizing as nearly as possible the value each member of the tribe would receive from the tribal estate. Oil had been discovered in the Indian Territory before the Seminole Agreement was executed, and the Seminole delegates realized that some allottees may have oil under their allotments, and others would not. So one-half of the mineral royalties were to be placed into the tribal treasury so that the tribal officials could make adjustment in the value of the allotments of those members who were not fortunate enough to have oil deposits under their allotments.

By Section 28 of the Act of April 26, 1906, 34 Stat. 137, 148 the tribal existence of the Five Civilized Tribes and their tribal governments were continued in full force and effect for all purposes authorized by law, until otherwise provided by law.

In order to protect the Seminole allottee in the possession of his allotment, Section 8 of the Act of March 3, 1903 (32 Stat. 982, 1008), restricted the inalienability to the lifetime of the allottee, not exceeding 21 years from the date of the deed for the allotment.

In 1908 Congress had before it several bills to remove restrictions on the alienation of allotted lands of the Five Civilized Tribes in Oklahoma. H.R. 15641 was one of these bills. During hearings before the House Committee on Indian Affairs Indian representatives opposed this legislation. However, the House passed the bill without any reference to the Seminole mineral rights reserved to the Seminole Nation under the Seminole Agreement.

The Senate Committee on Indian Affairs held hearings on H.R. 15641, and recommended its passage with certain amendments. An amendment, adopted by the Senate, provided: "and all royalties heretofore accrued or hereafter arising from mineral leases by Seminole allottees heretofore or hereafter made shall be paid to the United States Indian Agent, Union Agency, for the benefit of the Indian lessor or his proper representative to whom such royalties shall hereafter belong; * * *"

The above amendment applied to the one-half interest in the mineral royalties reserved to the Seminole allottee, but did not apply to the one-half interest in such mineral royalties reserved to the Seminole Nation in the Seminole Agreement for equalization purposes.

Because of difference in the House and Senate versions the bill went to conference. The above Senate amendment was altered in conference to read as follows:

"That all royalties arising on and after July 1st, Nineteen Hundred and Eight, from mineral leases of allotted Seminole lands heretofore or hereafter made, which are subject to the supervision of the Secretary of the Interior, shall be paid to the United States Indian Agent, Union Agency, for the benefit of the Indian lessor or his proper representative, to whom such royalties shall thereafter belong; and no such lease shall be made after said date except with the allottee or owner of the land: *Provided*, That the interest of the Seminole Nation in leases or royalties arising thereunder on all allotted lands shall cease on June thirtieth, Nineteen Hundred and Eight."

The conference report of the House explained the change as follows:

"The main changes are as follows . . . Another provision provides for the disposal of the moneys arising from the rental of mineral lands in the Seminole Indian Reservation for the benefit of the Seminole Indians . . ."

The conference report tendered to the Senate was:

"Amendment No. 38 provides for the disposal of the moneys received as royalties under mineral leases of the lands in the Seminole Nation."

The Senate amendment, as altered in conference, became Section 11 of the Act of May 27, 1908, 35 Stat. 312, 316. This provision effectively destroyed the vested reserved right of the Seminole Nation to its one-half interest in the mineral royalties reserved to the Seminole Nation in the 1898 Seminole Agreement. This was done without the knowledge and consent of the Seminole Nation.

The Commissioner of Indian Affairs admitted in his 1908 report to the Secretary of the Interior that he initiated and secured this change in the provisions of the 1897 Seminole Agreement.

In a suit filed by the Seminole Nation before the Indian Claims Commission under the fair and honorable dealing jurisdiction of the Indian Claims Commission Act (Section 2, Clause 5, Act of August 13, 1946, 60 Stat. 1049), the Commission made findings of fact and entered a fully documented opinion on June 24, 1966 (17 Ind. Cl. Comm. 67–96), finding and holding that the United States was liable to the Seminole Nation for the wrongful action of the Commissioner of Indian Affairs, and the three Commissioners unanimously found (17 Ind. Cl. Comm. 67, 74–75):

"9. * * * Further, the Commissioner of Indian Affairs did not advance the entire Section 11 as a whole before the Senate Committee on Indian Affairs, but offered the proviso separately and surreptitiously at a stage in the proceedings where no minutes were being maintained and where consequent debate was unlikely. And finally, the section and proviso were apparently offered as a mere correction of a minor inconsistency and not as a major and far-reaching unilateral change in an existing agreement of treaty stature.

"10. This Commission concludes that the Commissioner of Indian Affairs must bear the onus for the sequence of events set out above and in the concurrent opinion this day issued, and that the defendant is ultimately responsible for the actions of its servant, the Commissioner of Indian Affairs. The acts of the Commissioner of Indian Affairs which underly the liability include the sequential offering of Section 11 and its proviso upon occasions when the Seminole Nation would be least able to counteract the offer; failure to afford the Seminole Nation any opportunity to be heard on the subject; and misrepresentation of the measure as a mere correction of a minor inconsistency. These acts were inconsistent with the concept of fair and honorable dealings contemplated by Clause 5 of Section 2 of the Indian Claims Commission Act of 1946."

In its interlocutory order the Commission directed "that the instant suit proceed on the single issue of proof of actual damages suffered by the Seminole Nation itself, as a direct consequence of the wrongful act of the defendant."

Under the Act of April 10, 1967, 81 Stat. 11, the tenure of office of the then three Commissioners of the Indian Claims Commission was terminated, and there was a complete change in the membership of the Commission, and the Commission was enlarged to five new members.

On March 10, 1969 evidence was presented to the new Commissioners of the actual damages suffered by the Seminole Nation as a result of the wrongful action of the defendant, as directed by the 1966 findings and opinion of the Commission. Instead of determining these damages, on May 31, 1972 (28 Ind. Cl. Comm. 117), a majority of the new Commissioners (three) rendered an opinion, omitting the detailed facts upon which the 1966 decision of the Commission upholding liability was based, and withdrawing the 1966 decision, and dismissing the petition in this case. The two dissenting Commissioners joined in a dissenting opinion written by Commissioner Blue, which stated in part as follows (28 Ind. Cl. Comm. 132, 135–136):

"The majority opinion is now vacating the 1966 interlocutory order and is dismissing the petition.

"In my opinion the findings of fact and opinion expressed by this Commission in 1966, in this case, are proper and justified, and should not be vacated or set aside."

* * * * *

"The majority relies to some extent on the two Court cases: *Fish* v. *Wise*, 52 F.2d 544 (10th Cir. 1931), *cert. denied*, 284 U.S. 688 (1932), and *Moore* v. *Carter Oil Co.*, 43 F.2d 322 (10th Cir. 1930), *cert. denied*, 282 U.S. 903 (1931).

"I don't think either of the above cases is applicable in the case before the Commission. Both cases were decided prior to the establishment of the Indian Claims Commission.

"The 1966 Commission's opinion followed an extensive inquiry; it was well reasoned and just. I do not think it should be vacated or set aside. We should proceed to consider the extent of the actual damages, if any, the Seminole Nation suffered."

An appeal to the Court of Claims failed, and the Supreme Court denied a petition for a writ of certiorari.

It is significant to notice that 5 out of 8 Indian Claims Commissioners who passed upon the facts in this case determined the issue of liability in favor of the Seminole Nation.

In their Memorial to Congress of January 6, 1930, the Seminoles reviewed the facts relative to their claim, and stated that "over 90 per cent of them have, by this action, been deprived of any participation in the value of the royalties arising to which they were entitled."

Honorable Joseph M. Dixon, First Assistant Secretary of the Interior, in a Memorandum, dated June 21, 1930, reviewed the facts relative to this claim of the Seminole Nation, and the above Seminole Memorial, and stated in part:

"I submit my differing 'memorandum' under the belief that a gross injustice was originally done the Seminole Indians by the allotment act of May 27, 1908.

"I have reread the proceedings in the House and Senate at the time the bill was passed, and also the conference committees' reports to the two Houses on that legislative item, so profoundly affecting the Seminole Indians, and have no hesitancy in saying that in the conference report on the Seminole bill, May, 1908, the conferees had no parliamentary or legal right to insert a new item in the bill which had not been agreed to or passed by either the Senate or the House, but evidently in the pressure of legislative business at the time, it was agreed to by both Houses without any real knowledge of what the ultimate intent or effect would be.

"I have no doubt that this legislation embodied in the conferees' report was enacted without the knowledge or consent of the Seminole Indians themselves, and that it in effect dispossessed the Seminole Indians of great mineral wealth, in which they had the undisputed legal title as owners of the land by purchase with their own moneys 40 years before.

"I have no doubt that Congress even under its plenary powers had no moral right to thus dispossess the Seminole Indians of this great mineral wealth."

* * * * *

"It has been suggested that Congress had the authority to enact the provisions of Section 11 of the Act of May 27, 1908, under the plenary power and authority of Congress over Indian tribal relations and property and various cases are cited. The cases cited confirm the administrative power of Congress, but nowhere does it appear that they confirm the power of Congress to divest the Indian of his property and give it to others without his consent and without adequate compensation, and this is the point of the present controversy upon which the Seminoles seek a decision of the Supreme Court of the United States."

The facts relative to the passage of Section 11 of the 1908 Act cannot be disputed, and are fully set forth in the original unanimous 1966 findings and opinion of the Indian Claims Commission, and are fully documented to the original sources where they are found. Therefore, this legislation has for its purpose returning this case to the Indian Claims Commission for a determination of the actual loss thus occasioned to the Seminole Nation and resulting from the wrongful action of the United States.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 448

At the request of Mr. CRANSTON, the Senator from South Dakota (Mr. ABOUREZK) was added as a cosponsor of

S. 448, a bill to amend the Immigration and Nationality Act.

S. 2608

At the request of Mr. FANNIN, the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 2608, a bill to amend the Internal Revenue Code.

S. 2712

At the request of Mr. FANNIN, the Senator from Texas (Mr. TOWER) was added as a cosponsor of S. 2712, the Journalists' Freedom of Choice Act.

S. 2881

At the request of Mr. FANNIN, the Senator from New Mexico (Mr. DOMENICI), the Senator from South Carolina (Mr. THURMOND), the Senator from Kentucky (Mr. FORD), the Senator from Florida (Mr. CHILES), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Nebraska (Mr. HRUSKA), the Senator from Kansas (Mr. DOLE), the Senator from North Dakota (Mr. BURDICK), the Senator from Idaho (Mr. MCCLURE), the Senator from Oregon (Mr. HATFIELD), and the Senator from Texas (Mr. TOWER) were added as cosponsors of S. 2881, a bill to amend the Education Amendments of 1972.

S. 2897

At the request of Mr. MCGOVERN, the Senator from Vermont (Mr. LEAHY), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Minnesota (Mr. MONDALE), the Senator from Ohio (Mr. TAFT), and the Senator from Vermont (Mr. STAFFORD) were added as cosponsors of S. 2897, a bill to amend the Internal Revenue Code of 1954.

S. 2909

At his own request, the Senator from Utah (Mr. GARN) was added as a cosponsor of S. 2909, to encourage investment in the United States.

S. 2911

At the request of Mr. SCHWEIKER, the Senator from Utah (Mr. MOSS) and the Senator from New York (Mr. JAVITS) were added as cosponsors of S. 2911, a bill to amend the Federal Election Campaign Act.

S. 2947

At the request of Mr. METCALF, the Senator from Illinois (Mr. PERCY) was added as a cosponsor of S. 2947, the Federal Advisory Committee Act Amendments of 1976.

S.J. RES. 162

At the request of Mr. DOMENICI, the Senator from Arizona (Mr. FANNIN), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from California (Mr. TUNNEY) were added as cosponsors of Senate Joint Resolution 162, to proclaim National League of United Latin American Citizens—LULAC—Week.

S. RES. 366

At the request of Mr. HUMPHREY, the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of Senate Resolution 366, disapproving the proposed deferral of budget authority for Indian health facilities.

SENATE RESOLUTION 387—ORIGINAL RESOLUTION REPORTED AUTHORIZING ADDITIONAL EXPENDITURES BY THE COMMITTEE ON ARMED SERVICES

(Referred to the Committee on Rules and Administration.)

Mr. STENNIS, from the Committee on Armed Services, reported the following original resolution:

S. RES. 387

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Armed Services, or any subcommittee thereof, is authorized from March 1, 1976, through February 28, 1977, for the purposes stated and within the limitations imposed by the following sections, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel of any such department or agency.

SEC. 2. The Committee on Armed Services is authorized from March 1, 1976, through February 28, 1977, to expend not to exceed $40,000 for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended).

SEC. 3. The Committee on Armed Services, or any subcommittee thereof, is authorized from March 1, 1976, through February 28, 1977, to expend not to exceed $636,000, to examine, investigate, and make a complete study of any and all matters pertaining to each of the subjects set forth below in succeeding sections of this resolution, said funds to be allocated to the respective specific inquiries in accordance with such succeeding sections of this resolution.

SEC. 4. Not to exceed $568,000 shall be available for a general study or investigation of—

(1) the common defense generally;

(2) the Department of Defense, the Department of the Army, the Department of the Navy, and the Department of the Air Force generally;

(3) soldiers' and sailors' homes;

(4) pay, promotion, retirement, and other benefits and privileges of members of the Armed Forces;

(5) selective service;

(6) the size and composition of the Army, Navy, and Air Force;

(7) forts, arsenals, military reservations, and navy yards;

(8) ammunition depots;

(9) the maintenance and operation of the Panama Canal; including the administration, sanitation, and government of the Canal Zone;

(10) conservation, development, and use of naval petroleum and oil shale reserves;

(11) strategic and critical materials necessary for the common defense; and

(12) aeronautical and space activities peculiar to or primarily associated with the development of weapons systems or military operations.

SEC. 5. Not to exceed $68,000 shall be available for studies and investigations pertaining to military readiness and preparedness for the common defense generally.

SEC. 6. The committee shall report its findings, together with such recommendations for legislation as it deems advisable with respect to each study or investigation for which expenditure is authorized by this resolution, to the Senate at the earliest practicable date, but not later than February 28, 1977.

SEC. 7. Expenses of the committee under this resolution, which shall not exceed in the aggregate $676,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

SENATE RESOLUTION 388—SUBMISSION OF RESOLUTION DISAPPROVING PROPOSED DEFERRAL OF CERTAIN BUDGET AUTHORITY

(Referred jointly to the Committees on Appropriations and the Budget, pursuant to the order of January 30, 1975.)

Mr. METCALF (for himself, Mr. MANSFIELD, Mr. FANNIN, Mr. ABOUREZK, Mr. MCGOVERN, Mr. HUMPHREY, Mr. DOMENICI, and Mr. MONDALE) submitted the following resolution:

S. RES. 388

Resolved, That the Senate disapproves the proposed deferral of budget authority (Deferral No. D 76–103) for construction grants to public schools in Indian reservation areas set forth in the special message transmitted by the President to the Congress on February 6, 1976, under section 1013 of the Impoundment Control Act of 1974.

Mr. METCALF. Mr. President, the request of the President of February 6 to defer budget authority to obligate funds for the construction of schools in and near Indian reservations should be summarily rejected.

With Senator FANNIN and others of my colleagues, from both sides of the aisle, I am pleased today to submit a resolution which I hope the Senate will promptly adopt to prevent any further delay in the allocation of some $10,881,000 to begin the urgently needed construction of public schools for Indian children, authorized in Public Law 93–638.

The so-called justification offered in the Presidential message—House Document No. 94–362, pages 10 and 11—is unworthy of consideration. It contains two paragraphs of misrepresentations and outright falsehoods. Not even the pupil enrollment figures are accurate. The kindest interpretation would hold the Office of Management and Budget to be ignorant of the law, but it could also be argued that the message is facetious or, at the worst, dishonest.

As chairman of the Subcommittee on Reports, Accounting and Management and as a member of the Subcommittee on Indian Affairs, I should like to suggest to the Office of Management and Budget that this kind of charade is an intolerable waste of the taxpayer's money and of the time of Congress, whether born of ignorance, cynicism or dishonesty.

The message calls for development of policies and criteria by the Department of the Interior and deferral of spending until these policies and criteria have been developed and so on and so on and so on.

It is a great deal to ask Congress to believe the executive branch to be ignorant of President Ford's signature on Public Law 93–638, the Indian Self-Determination and Education Assistance Act. What was the President affirming but a bill in which after due deliberation and study, Congress set policies and criteria for the provision of school facilities for Indian children?

The message goes on egregiously to say that "policies and criteria are . . . to avoid duplication of services."

As someone has said, not even modern engineering techniques could duplicate these so-called schools.

To continue the joke, would we try to duplicate a 40-year-old log building, condemned by the State of Montana, and boarded up? Or would we choose to make another complex similar to the antique at Hays-Lodgepole on the Fort Belknap Reservation in Montana, with its brace of trailers, doubling as a high school because there is no other school building? Or should we duplicate the basements and other nonschool rooms being leased at Pryor, on the Crow Reservation because the high school sutdents have no building?

Or, what about Heart Butte, on the Blackfeet Reservation in Montana? Would we want to duplicate that 60-year-old frame building with its seven additions, including trailers in their flood plain setting? In the high winds of this week and last, a double wide trailer used as a kindergarten was seriously damaged. Three other trailers, used as teacherages, survived the 136-mile-per-hour gusts because school officials fixed guy wires to hold them to the ground and lashed them and the kindergarten trailer to the school bus with baling wire. Of the so-called permanent buildings, the Office of Education has said they would probably collapse if they were placed on 8-foot caissons to bring them out of danger of being swept away in a flood.

Mr. President, it is absurd to speak of duplication of these facilities and equally absurd to suggest that the affected school districts have abundant other sources of funding. If they had, these facilities would long since have been abandoned and the students would have decent school buildings, similar to those our children attend.

The message says there are "multiple" sources of financing Indian school facilities, "Federal and non-Federal" and that school districts might not "choose to use alternative sources of funding."

These are falsehoods.

There are no multiple sources of funds for construction and there are no alternatives for these impoverished school districts who have no tax base or a very limited tax base. Moreover, because there has been no construction money, school districts have taken precious money from operating funds to buy the temporary classrooms, the trailers and whatnots, to give desk space to their students.

It was because of these facts, elicited in the hearings of Congress over a period of several years, that a set of policies and criteria was developed. These policies and criteria, as the OMB well knows, require that the district's bonding capacity be a factor in determination of eligibility and need, or put another way, that there be evidence of a local contribution or that no contribution is possible.

As everyone knows, the most common source of money for the construction of public schools is from the property tax.

In Public Law 815 and Public Law 874, Congress has substituted Federal money where the presence of Federal lands deprives a district of tax revenue.

In the case of Heart Butte, it takes one mill of taxation to raise $94. The school district in 1974 had a legal bonding capacity of $14,000, not quite what the State of Montana spends to construct a highway restroom facility.

If there are not, as the message asserts "multiple Federal and non-Federal sources of financing for Indian school facilities," what sources are there?

There is one Federal authorization for school construction assistance and that is Public Law 815, for which this administration and its predecessor have requested only $10 million annually and of which about half is directed to the construction of schools on or near Indian reservations. The balance is for school districts impacted by a Federal military presence. Therefore, of the entire appropriation of $20 million—$10 million having been added by Congress in the 1976 Labor, HEW appropriations bill and the administration's request for rescission having been denied—it is expected that a little more than $10 million can be used for schools for Indian children. There are 80 eligible school districts with applications totaling $200 million. At a rate of $10 million annually, it would be at least 20 years before the schools now needed would be built.

The message piously urges its call for study to assure that assistance goes to "the areas of greatest need," and implies that there is something questionable in the listing of three schools, two in Arizona and one in Montana, together with the Appropriations Committee's direction for expenditures on projects in New Mexico and Montana, in the conference reports on the 1976 Interior appropriations bill and on the 1975 supplemental.

Under Public Laws 815 and 93–638, the Office of Education is required to maintain a list of eligible applicants in descending order of need for Federal assistance to construct schools. To avoid confusion and duplication with a separate set of criteria, the Congress said, let us use the system of listing established under Public Law 815 to serve this new authorization, Public Law 93–638.

It was this list from which the Appropriations Committees quoted the three schools, Parker and Alchesay in Arizona and Heart Butte in Montana. Had the entire 1975 list been published many other school districts in Montana, Arizona, and New Mexico would have appeared, together with districts in Minnesota, Alaska, North Dakota, and South Dakota because, according to law, they lie in or near Indian lands and are therefore eligible. In short, the law is being implemented.

The message calls for the development by the Department of the Interior of policies and criteria as if there were something wrong with the Office of Education list, which has been maintained for about 10 years, or with the policies and criteria set by Congress, or with the Department of Interior's regulations, that has suddenly occurred 13 months after the President signed the authorizing legislation.

And so we come full circle in this charade. You may characterize the message as facetious or ignorant or dishonest, according to your personal predilection, but I think all will agree that it is first and foremost cruel.

"They—the students—will continue their education in existing facilities," the message concludes.

They will, unless the request for deferral is rejected.

Mr. President, I ask unanimous consent that an excerpt of the President's message be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

DEFERRAL OF BUDGET AUTHORITY

(Report Pursuant to Section 1013 of Public Law 93–344)

Department of the Interior—Bureau of Indian Affairs

CONSTRUCTION 14X2301

New budget authority (Public Law 94–165)	$73,922,000
Other budgetary resources	44,488,222
Total budgetary resources	118,410,222
Amount to be deferred: Entire year	10,881,000

OMB identification code: 10–76–2301–0–1–452.

Grant program: Yes.

Type of account or fund: No-year.

Type of budget authority: Appropriation.

JUSTIFICATION

This action defers the obligation of $10,881,000 in appropriations for construction grants to public schools in Indian reservation areas. Such grants are authorized by Public Law 93–638. The deferred amount includes $3,000,000 appropriated in the Second Supplemental Appropriations Act, 1975 (Public Law 94–32) and $7,881,000 in the Department of the Interior and Related Agencies Appropriation Act, 1976 (Public Law 94–165). These funds are proposed for deferral through June 30, 1976, or, if appropriate legislation is enacted, through September 30, 1976.

The funds are being deferred until a set of policies and criteria for the provision of school facilities for Indian children for whom the Department of Interior is responsible can be developed, reviewed, and approved. These policies and criteria are needed to avoid duplication of services provided by other Federal agencies (e.g., existing HEW programs that assist public schools in reservation-impacted areas) and to assure that the multiple Federal and non-Federal sources of financing for Indian school facilities are directed to the areas of greatest need. The Department of Interior has been requested to develop these policies and criteria.

ESTIMATED EFFECTS

The school construction projects affected by this action are for:

Parker School District Arizona	$2, 023, 000
Heart Butte, Montana	2, 307, 000
Alchesay (White River), Arizona	3, 551, 000
Unspecified projects in New Mexico and Montana	3, 000, 000
Total	10, 881, 000

An estimated 414 elementary and 439 secondary pupils are associated with the first three schools listed above. None of the students associated with the three schools will be displaced by this action. They will continue their education in existing facilities. To the extent that the affected school districts do not choose to use alternative sources of funding, this action may result in construction delays or revisions to building plans.

Outlay effect (estimated in millions of dollars)

Comparison with President's 1977 budget:	
1. Budget outlay estimate for 1976	73. 3
2. Outlay savings, if any, included in the budget outlay estimate	4. 0
Current outlay estimates for 1976:	
3. Without deferral	77. 3
4. With deferral	73. 3
5. Current outlay savings (line 3–line 4)	4. 0
Outlay savings for the transition quarter	1. 0
Outlay savings for 1977	5.9
Outlay savings for 1978	0

Mr. FANNIN. Mr. President, on February 11, the administration requested authority to defer until fiscal year 1978 $10 million appropriated by the Congress to implement section 204 of Public Law 93–638, the Indian Self-Determination and Education Assistance Act. This section, known as the Fannin amendment, was designed to supplement Public Law 815 which provides Federal financial assistance for the construction of much needed public school facilities on Federal, nontaxable Indian reservation land. This deferral request, if approved, would cover funds appropriated under section 204 for not only fiscal year 1976 but for fiscal year 1975 as well.

Mr. President, in sponsoring this resolution of disapproval with the distinguished Senator from Montana, Mr. METCALF, it is my objective to send a message to this administration that this Congress is committed to supporting this program, and will no longer tolerate any delays in implementing section 204. I consider it a major element in financing reservation public schools, and any effort to diminish its role can only be viewed as a falure of Federal policy.

There is no question that reservation public schools are the creatures of the State in which they are located, but because of the presence of nontaxable Federal reservation land, the Federal Government becomes a necessary partner in their financing. Local resources are severely limited in these school districts and Federal support is, therefore, essential if their educational programs are to succeed and our objectives for Indian education reached. To meet this problem, the Federal Government provides assistance, primarily through Public Laws 874 and 815 both of which are designed to supplement local financial resources. Public Law 874 provides funds, in lieu of taxes, to meet basic operating costs. Public Law 815, through sections 14(a) and 14(b), provides construction funds to local school districts impacted by nontaxable Federal land because they are severely limited in their capacity to provide resources, including bonding, to meet the costs of capital improvements. These school districts have relied on Public Law 815 as a major if not the only primary source for assistance in meeting physical plant needs. Yet, the Federal Government has regrettably restricted its funding of these projects at the time when reservation public schools are experiencing substantial increases in enrollment and pressures for programs to meet the special educational needs of Indian children. The requests for assistance have increased, but the level of funding has diminished to the point that a school district may have to wait for 3 to 4 years and sometimes even longer to obtain funds. But the pressures remain, and with inadequate facilities the ability of schools to deliver a quality program is severely impaired.

In response, I developed, with the assistance of Senator METCALF and others, legislation to supplement the Public Law 815 program. This response, which took the form of section 204 of Public Law 93–638, was created specifically to supplement Public Law 815. It was my intent to establish a program which relies on the needs analysis capacity of Public Law 815 without the need for new or expanded bureaucracy. My only objective was to provide an additional source for funds to assure the implementation of a longstanding Federal commitment to reservation public schools.

Under section 204 the Congress authorized an annual appropriation of $26 million to begin in fiscal year 1975. The Congress in 1975 appropriated, without a budget request, approximately $3 million. In 1976 the Congress, again, without a budget request, approved an appropriation of $7,881,000 to operate section 204.

Meanwhile the administration continues efforts to starve the existing Public Law 815 program by requesting only $10 million for fiscal years 1975 and 1976.

The Congress, however, in appreciating the problems of reservation public schools and their priority need for construction funds responded with increases for Public Law 815 which resulted in appropriations of approximately $20 million for each of these years. Nevertheless, the administration not only asks to defer section 204 funds but a rescission in the amount of the congressional increases for Public Law 815 as well.

This action is not only regrettable but it represents a tragic misunderstanding of the Federal responsibility and the needs of reservation public schools.

Congress will, I am sure, react properly to the requested rescission of Public Law 815 funds, but my primary concern here is with the deferral of section 204 funds.

The action by the administration in requesting a deferral of the entire amount of section 204 funds is clearly arbitrary and capricious. The evidence of such a mindless decision is found in the statement of justification submitted by the Office of Management and Budget. According to OMB, section 204 funds should be deferred until, and I quote:

> A set of policies and criteria for the provision of school facilities for Indian children for whom the Department of Interior is responsible can be developed, reviewed, and approved. These policies and criteria are needed to avoid duplication of services provided by other Federal agencies (e.g., existing HEW programs that assist public schools in reservation-impacted areas) and to assure that the multiple Federal and non-Federal sources of financing for Indian School facilities are directed to the areas of greatest need.

Instead of just asserting its desire for not wanting to spend the funds, OMB decides to produce some of the most incredible bureaucratic gobbledygook to support its deferral request. The reasoning of OMB is a classic example of how to misrepresent, if not distort, the issues involved in this program. OMB apparently believes that section 204 is a program without criteria, without assurance that the funds will be delivered to those with the greatest need, and that it is duplicative. The facts, however, are otherwise. Section 204 was designed to supplement Public Law 815 by adopting in their entirety the policy, the criteria, and needs analysis, including its priority index, of the Public Law 815 program. Surely OMB understands the law and thus the basis for justifying this deferral is without foundation. As for duplication, OMB could reasonably challenge section 204 as being duplicative if section 204 took the form of a separate program, a separate bureaucracy, with a separate criteria all designed to serve the same clientele. However, section 204 does not establish a separate new program. Rather it supplements an existing program. In my view, supplementing an existing program is not duplicative.

I am, of course, not going to deny that as a budgetary category section 204 does duplicate Public Law 815, but if the Federal Government is going to meet its commitment to these schools, an additional source of funds had to be established, for Public Law 815 was no longer responsive.

For example, when the Congress was considering section 204 the backlog of eligible but unfunded applications for assistance under Public Law 815 amounted to $37,347,202 for some 39 schools. At the same time the Congress was appropriating $9.5 million for reservation public school districts which can hardly build many schools. In 1976, the backlog of eligible but unfunded applications has grown substantially. According to the most recent priority list developed by the Public Law 815 program there are now nearly 80 applications totaling over $200 million. Yet, appropriations remain low, budget requests are minimal and to compound these errors, deferrals and rescissions are rampant.

Clearly, if the administration wanted to avoid the development of section 204, it could have recognized its responsibilities to reservation public schools and requested sufficient Public Law 815 funds to meet their needs.

If OMB is serious in its intent to examine this issue in terms of criteria and needs analysis for determining the level of Federal construction support for school facilities, I might suggest that they consider the level of construction funds provided to BIA schools whose occupancy rates are often somewhat less than public schools. Can OMB, for example, justify the construction of new modern facilities for BIA schools when enrollments are less than public schools, where in the same vicinity public schools are starved for construction funds and are facing expanding enrollments. If public schools are to carry the burden of educating Indian children, should not the Federal Government give greater priority to public school construction needs? I submit that fair examination by the OMB of these issues would result in a more equitable distribution of Federal construction funds.

In any event, the issue is not criteria, nor policy, nor even duplication, but rather the issue is whether the Federal Government is going to face up to the fact that it has a responsibility to respond to the needs of Indian children attending these schools. That is the issue, the only issue.

To conclude, the decision to defer section 204 funds is wrong and without reason. Public schools residing on Federal Indian reservation nontaxable land deserve better support from the Federal Government than they currently receive, especially in connection with physical plant needs which is currently their No. 1 priority.

I very much regret the administration's decision in regard to this proposed deferral for it symbolizes a lack of understanding of the Federal role in Indian education. Perhaps in time OMB will learn of the inadequate facilities of these schools, the drain on limited operational funds to meet physical plant needs, and the excessive burden that local communities must bear because of the lack of Federal school construction funds. I am ever hopeful, but the Federal Government's record is poor on this score, and it does not please me in the least to suffer with decisions which are mindless at best and just plain stupid at worst.

And let me emphasize once again that it is Federal nontaxable land which creates this problem, but ironically, it is the Federal Government, through the Office of Management and Budget, which compounds it instead of resolving it. Thus, it is the Federal Government which must provide the support to meet these needs if the problem is to be solved.

Mr. President, I hope I have made myself quite clear on this issue, and I pledge my best efforts to overcome the lack of concern and misunderstanding which this deferral message so clearly but tragically represents.

AMENDMENTS SUBMITTED FOR PRINTING

COPYRIGHT LAW REVISION—S. 22

AMENDMENT NO. 1402

(Ordered to be printed and to lie on the table.)

Mr. HATHAWAY submitted an amendment intended to be proposed by him to the bill (S. 22) for the general revision of the copyright law, title 17 of the United States Code, and for other purposes.

INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT OF 1976—S. 2662

AMENDMENT NO. 1403

(Ordered to be printed and to lie on the table.)

Mr. CLARK submitted an amendment intended to be proposed by him to the bill (S. 2662) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

AMENDMENT NO. 1404

(Ordered to be printed and to lie on the table.)

Mr. PERCY submitted an amendment intended to be proposed by him to the bill (S. 2662), supra.

AMENDMENT NO. 1405

(Ordered to be printed and to lie on the table.)

Mr. BARTLETT submitted an amendment intended to be proposed by him to the bill (S. 2662), supra.

NOTICE OF HEARINGS

Mr. METCALF. Mr. President, in accordance with the rules of the Committee on Interior and Insular Affairs, I wish to advise my colleagues and the public that the following hearings and business meetings have been scheduled before the committee for the next 2 weeks:

February 17—Joint Hearing of Commerce and Interior Committees, 9:30 a.m., room 3110. Hearing—Oversight hearing on Arctic natural gas reserves and alternate transportation systems.

February 16 and 17—Joint Field Hearing of Small Business and Interior Committees, information hearing in Fresno, Calif., regarding reclamation law and the family farm.

February 18—Full Committee, 10 a.m., Room 3110. Business meeting—Pending calendar business.

February 19—Parks and Recreation Subcommittee, 10 a.m., room 3110. Hearing—S. 731, S. 1069; to designate lands in Bandelier National Monument as wilderness; S. 1068, to designate lands in Badlands National Monument as wilderness; and S. 1085, S. 1675; to designate lands in Isle Royale National Park.

February 23—Energy Research and Water Resources Subcomittee, 10 a.m., room 3110. Hearing—The ERDA authorization for fiscal 1977 legislation.

February 24—Parks and Recreation Subcommittee, 10 a.m., room 3110. Hearing—S. 2651, to establish the Potomac River Historical Area.

February 25—Energy Research and Water Resources Subcommittee, 10 a.m., room 3110. Hearing—The ERDA authorization for fiscal 1977 legislation.

February 26—Environment and Land Resources Subcommittee, 10 a.m., room 3110. Hearing—S. 101, S. 155, S. 301, S. 1365, S. 1872, S. 2004, S. 2286, S. 2511, S. 2798, S 2837, H.R. 1466, H.R. 4941, miscellaneous land conveyance bills.

February 27—Energy Research and Water Resources Subcommittee, 10 a.m., room 3110. Hearing—The ERDA authorization for fiscal 1977 legislation.

ANNOUNCEMENT OF HEARINGS

Mr. WILLIAMS. Mr. President, the Subcommittee on Securities of the Committee on Banking, Housing and Urban Affairs will hold 3 days of hearings on legislation to amend the Securities Exchange Act of 1934 to require the preparation of annual reports and distribution statements by issuers of municipal securities in order to improve the quality and uniformity of financial and other information concerning such issuers.

The hearings will be held on February 24, 25, and 26, 1976, at 10 a.m. in room 5302, Dirksen Senate Office Building.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Charles J. Pooler, of Maine, to be U.S. Marshal for the District of Maine for the term of 4 years, vice John H. deWinter, resigned.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Tuesday, February 24, 1976, any representations or objections they may wish to present concerning the above nomination with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ANNOUNCEMENT OF PUBLIC HEARINGS ON H.R. 3884

Mr. RIBICOFF. Mr. President, I wish to announce that on Tuesday, February 24, 1976, the Senate Committee on Government Operations will hold a hearing on H.R. 3884, the National Emergencies Act. The hearing will be held in room 3302, Dirksen Senate Office Building, at 10 a.m.

Persons desiring to be heard should notify Mr. Richard Wegman, chief counsel of the committee.

NOTICE OF HEARINGS

Mr. ABOUREZK. Mr. President, I wish to announce that the Subcommittee on Separation of Powers of the Senate Judiciary Committee will continue hearings on "Justice Department Policies Affecting the Independence of Congress." The hearings will be on February 19 at 9 a.m. in room 2228 Dirksen Senate Office Building.

Any person wishing to appear and testify or to submit a statement should contact the subcommittee staff in room 1418, Dirksen Senate Office Building, telephone 202-224-4434.

ADDITIONAL STATEMENTS

COMMEMORATIVE SESSION OF THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF VIRGINIA

Mr. HARRY F. BYRD, JR. Mr. President, on Saturday, January 31, the General Assembly of the Commonwealth of Virginia met in commemorative session at historic Williamsburg, Va., in the restored colonial capitol.

This session in the House of Burgesses chamber commemorated our Nation's Bicentennial and the first meeting following statehood of Virginia's General Assembly 200 years ago. This Bicentennial Year also marks the 50th anniversary of the beginning of the restoration of Colonial Williamsburg.

As a former member of the Virginia Legislature, I was pleased to be present on this occasion and share in the pride of that body as it was addressed for the first time in history by an incumbent President of the United States.

President Gerald Ford's speech on that day was preceded by remarks from Virginia's distinguished member of the U.S. Supreme Court, Justice Lewis F. Powell, Jr., and the Commonwealth's distinguished Governor, Mills E. Godwin, Jr.

The words eloquently spoken in Williamsburg have an abundance of meaning for all Americans as we celebrate our Bicentennial. I am pleased to commend to my colleagues the speeches of President Ford, Mr. Justice Powell, and Governor Godwin.

Mr. President, I ask unanimous consent to have printed in the RECORD the remarks of President Ford, Justice Powell, and Governor Godwin and the toasts exchanged between the President and the Governor at a dinner in Williamsburg that evening.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS OF THE HONORABLE LEWIS F. POWELL, JR.

Thank you, Mr. Speaker. Mr. President, Governor Godwin, Virginia Members of Congress, Mr. Chief Justice, and Justices of the Supreme Court of Virginia, Members of the General Assembly, Distinguished Guests, Ladies and Gentlemen: We gather today in this American shrine to commemorate historic events, and also to honor patriots who brought them to fruition.

The importance of these events, that occurred two centuries ago, is attested by the presence of the President of the United States, the Governor of Virginia, the General Assembly of this Commonwealth, the Chief Justice and Justices of the Supreme Court of Virginia, and many other distinguished persons.

We join together to think gratefully of George Washington, Thomas Jefferson, Patrick Henry, Richard Henry Lee, George Wythe, George Mason, and the other early Americans who led the march to freedom, and the formation of a new country.

We have in mind some of the greatest documents of all history—documents, inspired from this site, that have withstood the test of two centuries.

We honor the early Virginia legislators who met here to forge freedom, and we honor particularly the General Assembly of Virginia that has carried forward the traditions established here of responsible and patriotic legislation.

The occasion that brings us together, the Bicentennial Year, is the anniversary of events in which Virginia—here in Williamsburg—played such a dramatic role.

Our commemoration today also highlights the Bicentennial activities planned for 1976 by the Colonial Williamsburg Foundation.

We expect hundreds of thousands of visitors during this symbolic year. In carefully planned presentations, we will emphasize the historic significance of the events we celebrate.

The attention of our visitors will be directed particularly to four dates of unique importance:

On May 15, 1776 the Virginia Convention adopted the Virginia Resolution for Independence. This action, free of equivocation, boldly directed Virginia's representatives at Philadelphia to propose independence.

On June 12, 1776, the Virginia Declaration of Rights—drafted by George Mason—was adopted. This was the precursor, and to a large extent the model, of the Bill of Rights later incorporated into the Constitution.

June 29, 1776 marked the adoption of the Virginia Constitution.

And October 7, 1776 is of special significance to this commemorative session. On that date the first General Assembly under the new Virginia Constitution convened on this site.

Perhaps you will understand if I mention another important anniversary. In November of this year, we celebrate the 50th birthday of Colonial Williamsburg.

It is fitting that the Nation's 200th Birthday and Colonial Williamsburg's 50th should fall in the same year. There is the closest kinship between the two. The prime function of the Restoration is to convey to each generation a better understanding of our heritage, so much of which is rooted here.

It is not inappropriate, in the presence of this distinguished gathering, to pay tribute to the vision of two remarkable men: Dr. W. A. R. Goodwin and John D. Rockefeller, Jr.

Dr. Goodwin inspired Mr. Rockefeller to undertake the Restoration, which became a reality through Mr. Rockefeller's vision and generosity.

Mr. Rockefeller once said that the greatest value of the historic area was not the physical restoration, but the living lesson of Williamsburg: one that teaches "the patriotism, high purpose and unselfish devotion of our forefathers to the common good."

This is the lesson we intend to emphasize with visitors here this year.

Against this background, I extend an especially warm welcome to all of you. I know I speak the views of the officials and the citizens of Williamsburg, James City and York Counties, well represented here today. Also, I speak for the officers and Trustees of Colonial Williamsburg.

We are uniquely privileged to say WELCOME to you, Mr. President, and to Governor Godwin, Mr. Speaker and Members of the General Assembly of Virginia, the Chief Justice and Justices and to the other dignitaries and guests who have assembled here this afternoon. We extend this welcome in the spirit of George Mason's words as he reflected on what happened here in 1776 when he said, "We seem to have been treading on enchanted ground."

It is a great honor to have you all here.

REMARKS BY MILLS E. GODWIN, JR., GOVERNOR OF VIRGINIA

Mr. President, Mr. Justice Powell, Mr. Speaker of the House of Delegates, Mr. President of the State Senate, Distinguished Guests, Ladies and Gentlemen.

Again we gather in Williamsburg to pay homage, each in his own way, to past events, and thereby to deepen our awareness of who we are and from whence we came.

Again, we come in a spirit of pilgrimage, citizen and elected official alike, to examine in the quiet of our consciences whether we measure up to the standards set for us so long ago.

For the members of the General Assembly here present, it is a day of contemplation that in this colonial capital two centuries ago this year, their predecessors first met as the legislative body for a new State.

Beyond that, they are conscious, too, that in the dim recesses of time, the first representative and legislative body in the New World assembled a few miles away in a church on Jamestown Island.

I welcome all who come in the spirit of these remembrances.

Speaking to their meaning for us we have heard the first resident Virginian to be appointed to the Supreme Court of the United States in 112 years.

As an added historical footnote, Virginia has produced eight presidents of the United States. In a moment, for the first time ever in its history, the General Assembly of Virginia will hear in person the words of a President while still in office.

His presence adds a lustre, unique in all the world, that only the office he holds reflects.

To our President, to the nation's First Lady, to an illustrious Virginia jurist and to his lady, I extend a warm and personal welcome.

Your coming indeed does us high honor.

Again today these quarters are crowded, as they must have been two centuries ago, when a new nation was conceived in hot debate.

The words of that day, to which we keep returning, were spoken to the men and women of thirteen struggling colonies, but within their cadences echo the cries of martyrs through the centuries of man's long struggle to be free.

Those same words have spelled hope to many peoples in the more recent history of that struggle. They spell faith to many peoples who call upon America today.

Two centuries ago, freedom's meaning was clear. The issues stood out in stark relief, and a virgin continent waited to become a testing ground.

Now freedom has taken on new meaning and new dimensions.

Yet here the concept of freedom is again within our grasp. We know its measure and its price, and from this vantage point, we can see, through the conflicting claims, which way its course is laid.

We know it is indivisible, that peace and justice are possible only when all men are free—free from want, free from fear, whether of the excesses of their government or the lawlessness of their neighbors, free from tyranny in any form, and free from the lethargy which permits evil to flourish because good men will not act.

To give deep meaning to our faith, each one of us needs some place of quiet communion with past victories over adversity, some example that frees us from the meshes of our own doubts and fears.

May the remembrances of this day rekindle in our hearts the conviction that in our own time as well, a divided people will again reunite, and in doing so, become stronger still.

May this commemorative session and our nation's bicentennial join together to remind us that our mission now is to keep our balance and our faith, as Americans have for more than two centuries.

The events of recent history tell us that we must. Our own past history tells us that we surely will.

REMARKS OF THE PRESIDENT BEFORE THE VIRGINIA GENERAL ASSEMBLY

Mr. Speaker, Governor Godwin, Mr. Justice Powell, members of the Virginia Congressional delegation, delegates to the General Assembly, distinguished guests, ladies and gentlemen:

I am highly honored to speak before this special joint session of the Virginia General Assembly—my first address of 1976 devoted to the National Bicentennial. Your Assembly is the most appropriate forum in America for a discussion of self-government in the 200th year of our nationhood. Today in this Hall of the House of Burgesses, you continue our oldest representative legislative body, a living shrine of the American heritage.

There would be no Bicentennial without the concept of self-government which began in Virginia in 1619. We meet today where the representatives of the people of Virginia perfected America's legislative process. It was here that brave civilians challenged the oppression of a distant and responsive regime that sought to impose taxation without representation and government without the concept of the governed.

The Virginians created a new way of life strikingly different from the lives of the common people of Europe of that day. When the first settlers landed at nearby Jamestown, they brought the seeds of an idea that would make men strive for local control over the fate of local people.

America's most moving chronicle is how Virginians defied the centralized authority represented by royal governors and tax collectors appointed by a king on another continent. The momentous events that began in Virginia culminated in this great Bicentennial.

The process that started in 1619 led to Patrick Henry's defiant outcry for liberty or death, to George Mason's Virginia declaration of rights, to Thomas Jefferson's role in formulating our Declaration of Independence, and the services of yet another member of Burgesses, George Washington, as Commander-in-Chief and the first President of the United States of America.

As 38th President, I commend those whose initiative and patriotism has preserved and restored Colonial Williamsburg. The Colonial Williamsburg Foundation serves the world by vividly reconstructing America's heritage.

Yet, in this Bicentennial year, we must do much more than maintain the treasured structures of our national legacy. We must revive the cherished values of the American Revolution with a resurgence of the spirit that rang forth in the streets of Williamsburg in Colonial times. I commend the instructive creed of the Colonial Williamsburg foundation: "That the future may learn from the past." We venerate the contributions of the founding fathers with timely and appropriate words of tribute. To keep faith, we must strive for the responsible self-government that they sought.

Patrick Henry, advocating national unity in Philadelphia, said: "I am not a Virginian, but an American." I believe that Patrick Henry would take one look at today's America and proclaim: "I am not only an American, but also a Virginian who believes in local control over the fate of local people."

George Washington warned against the danger of the centralized power of Government. Yet we find ourselves in the Bicentennial year when we look back with something less than pleasure at the erosion of State and local authority. Indeed, America has now reached the point where the Federal establishment employs over 3 million people. This is more than the combined population of all the 13 original States when the Virginia Convention reserved to your people and to your State Government all power not bestowed upon the national Government.

The founding fathers understood that a self-governing republic could not exist if people did not possess the traditional virtues of self-discipline, self-reliance and a patriotic concern for the public good. "Republican Government," said James Madison, "presupposes the existence of these qualities in a higher degree than any other form."

In earlier years, the American political system worked so well that we accepted it as a tradition. We did not question why it worked. We assumed only that its magical providence would continue forever. In the 18th century, Jefferson and Adams agreed that self-government, as they understood it, involved a lifestyle dependent on qualities they called "Republican virtues"—attributes that would make democracy possible.

When our State Constitutions were adopted, great care was taken to preserve fundamental principles of self-government. The States demonstrated that the real strength of American self-rule is that truly free people do not make a contract with a centralized Government but only among themselves.

The founding fathers favored what they called "mild Government." Their premise was that you can only achieve "mild Government" if you maintain local Government so responsive that the National Government is limited in scope. They believed in the ability of individuals to govern themselves. In recent years during an era of rapid change, more and more people looked to Washington to solve local problems. The view of too many was that the world's richest and most powerful Nation could do anything and do it instantly. Too much was expected and too much was promised.

Can you really expect a huge Government to give you everything but to take away nothing? Can we afford massive taxes to finance not only rising expectations, but also rising entitlements? I refer to the escalation of material things some citizens feel automatically entitled to, without regard to their own efforts or to their personal contribution to the economy.

Freedom is now misinterpreted by too many to mean the instantaneous reform of all social and economic inequality at the public expense through the instrumentality of the Federal Government.

In pursuit of that quest, the Federal bureaucracy was expanded. Power was drained away from the towns, from the cities, from the States to an increasingly centralized National Government—always bigger, always more powerful—though not always more efficient.

If this course is pursued, it will mean much less incentive to create capital and jobs and much more inflation. Two hundred years ago, men of vision understood that poverty is abolished by economic growth, not by economic redistribution. They knew that only a self-disciplined person can create a society in which ordered liberty will promote both economic prosperity and political participation at every level.

The founding of America was more than a political event. It was an act of political faith, a promise to Americans and to the entire world. Inherent in the Declaration of Independence was the message people can govern themselves, they can live in freedom with equal rights, they can also act in accord with reason and restraint and for the respect of the rights of others and the total community.

As we celebrate this Bicentennial, some citizens continue to glorify instant gratification over everything else. Some seek change merely for the sake of change and some heed emotional desire rather than common sense.

Our Nation's founders believed that civic virtue was a willingness to suspend the pursuit of immediate personal interest and personal gain for the common good.

An excellent theme for this Bicentennial would be the revival of civic virtue.

American self-government is the most stirring and successful political experiment in history, but its ultimate success requires new concentration on duties and responsibilities as well as demands and desires.

We must regain the same willingness to work as those who built a colonial capital on this site, the same open mind as those who envisioned our freedom, the same sense of responsibility as those who preserved it. We must enshrine our rights but carry out our duties.

Let us evaluate what is possible with the common sense balance of what is practical.

As a young Congressman, I listened in the 1950's to the warnings of President Eisenhower. He said unless we preserve the traditional power and basic responsibilities of State Government, we would not retain the kind of America previously known. We would have, instead, quite another kind of America.

The pendulum has swung since very far in the direction that President Eisenhower feared, but I am today confident that the will of the people, voiced here and all across America, is beginning to bring the pendulum of power back to the balanced center.

The preservation of the 50 States as vigorous units of Government is vital to individual freedom and the growth of real national strength and character. Yet, it is useless to advocate States' rights without simultaneously honoring the responsibilities of the States. An objective reassessment of State responsibilities can reduce central authority while strengthening State and local Governments. The States can regain and reassert traditional rights and responsibilities if we remove the Federal barriers to responsive Government, restore responsible taxing and fiscal systems and encourage local initiative. But if the States fail to act, Federal power will move even more deeply into a new vacuum created by political expediencies and pressures.

We must, above all, see that Government remains responsive to the real and legitimate needs of the American people. And we must make sure that in meeting those needs, each level of Government performs its proper function—no more and no less. This is essential to preserve our system and to draw new energy from the source of all governmental power—the people.

Before the King's agents dissolved the House of Burgesses prior to the American Revolution, members of the Burgesses often disagreed, but they shared a common faith that led to a common glory. It did not matter whether they met in Raleigh's Tavern or in the designated chamber. They trusted one another and worked together in the common interest. They shared their confidence with like-mined people in every other Colony.

This trust is manifest in our flag with its alternate stripes and stars, which share the same galaxy. It is inherent in every presumption on which our free system is based. Much has changed in American life. Yet, the Bicentennial can remind us of those values we must preserve and the mutual cooperation and confidence that we must restore.

Any real Bicentennial observance demands the capture of the new spirit from the old. It is the redemption, in a new reality, of the essence of the Virginia Declaration of Rights, of the Declaration of Independence and of the United States Constitution. These documents are something more than compacts of Government. They were, and still are, expressions of the will and the spirit of the people.

If the Bicentennial is to be more than a colorful, historical pageant, we must restore, on local and State level, the opportunity for individuals to have more say in how their taxes are spent, in how they live and how they work, and how they fight crime and how they go to school.

Should the Bicentennial accomplish nothing else, this alone would be a resounding triumph—a fitting tribute to our heritage.

I believe in America as all of you do. I reaffirm my faith in the unique value of a government of shared responsibility. I believe in our capacity to foster diversity with unity, to encourage innovation and creativity, both privately as well as publicly, and to achieve a proper balance between the National and our State Governments. The vision of this House of Burgesses, first expressed 357 years ago in Colonial Virginia, remains vivid. It is a vision of a State and of a Nation where the government serves and the people rule. It is the vision of the supremecy of God and the dedication of man. As George Mason, author of the immortal Declaration of Rights, said of this historic place where we meet today: "We seem to have been treading on enchanted ground."

Thank you for allowing me to share this enchanted ground with you in this enchanted year.

Thank you very much.

Exchange of Toasts Between the President and Mills E. Godwin, Governor of the Commonwealth of Virginia

GOVERNOR GODWIN: Mr. President, distinguished friends one and all: It seems to me that in the two centuries that have passed which we celebrate today that this Commonwealth has had many great days. It had many great days two centuries ago, it has had many in the intervening years, but by any comparison, today and tonight must certainly rank with one of the great days in the history of the Commonwealth.

We have been truly honored by the presence here of the Chief Executive of the greatest land in the world today.

Suffice it for me to say no more than to express to him the appreciation of us all for his presence here.

Now, will you rise and join with me in giving a toast to the President of the United States of America.

THE PRESIDENT: Governor Godwin and distinguished citizens of the great Commonwealth of Virginia: There is no way that I can adequately express my appreciation for the opportunity to participate in this wonderful day in the history of the Commonwealth. I have had a long experience with wonderful people from this State, people in private life as well as in public life. It has always been a great thrill to me to have lived in part in the Commonwealth and to have seen this great State grow and become a tremendous influence and have a great impact on our Union.

In coming down here I had the opportunity to do a little more reading about the great history of Virginia and it is a thrill and it is an inspiration to have been a very small part of a great history of a great State—one of our 13 Colonies—of a growing, burgeoning, vitally important part of our 50 States.

I thank you all for your hospitality and I thank you, Governor Godwin, for your very generous comments. I wish you all the very best in our third century of a great history of a great Commonwealth in a great country.

S. 2937—LEGISLATION TO PROHIBIT THE FORCED BUSING OF SCHOOLCHILDREN BY THE LOWER FEDERAL COURTS

Mr. BUCKLEY. Mr. President, I am pleased to join my distinguished colleague from Delaware, Senator Roth, in introducing legislation which would eliminate the power of the lower Federal courts to order the busing of schoolchildren to achieve racial balance in the public schools.

The problem of forced busing has dragged on for over a decade. Although an overwhelming majority of Americans are opposed to busing, the Congress has thus far refused to halt this folly. Although racial tension in the schools has been exacerbated by busing decrees, the Federal courts continue to issue them. A growing body of scholarly research suggests that busing is unlikely to accomplish the goals originally promised by its advocates, but children in this land of liberty are still being assigned to schools according to the color of their skin. The time for debate has long since passed. Parents—not social planners, educators, or the Federal courts—should make decisions about the schooling of their children.

Last fall, the Senate did approve an amendment to the HEW appropriations bill, effectively preventing the Department of Health, Education, and Welfare from ordering busing. This was the first time the Congress enacted a meaningful antibusing measure, and I supported it. That amendment, however, did not go far enough. Most busing orders are issued by the courts, not by the bureaucracy. It is now time for the Senate to reassert the principles it expressed last fall by approving legislation directed against the source of most forced busing: the abuse of judicial authority by the lower Federal courts.

The bill we are submitting today is a positive step in the fight against busing. Exercising the power of the Congress, as specified in the Constitution, to regulate the jurisdiction of the Federal judiciary, it states that no Federal court except the Supreme Court "shall have any jurisdiction to enter a decree requiring directly or indirectly the transportation of students or teachers in order to carry out a plan of racial desegregation of any school or school system."

It would return jurisdiction in such matters to the State courts, which are closer to the people and which have demonstrated greater responsibility in dealing with education, children, and the rights of law-abiding citizens. In addition, this legislation would nullify all court-ordered busing plans in effect on the day previous to its enactment into law.

Racial distinctions have no part in this legislative initiative against busing. By defending the rights of parents and children, the sponsors of this legislation are reaffirming the dignity of all Americans and their equality before the law. Most of all, we are insisting that the Government should not be in the business of labeling Americans, especially the young and the impressionable, according to their race. But that is the very essence of forced busing.

Unless Congress takes substantive action to end forced busing, unless we halt that form of governmentally sanctioned discrimination by race, more and more of our countrymen will become disillusioned with their political institutions. Parents and students have made their wishes clear on this matter. Congress can prove that it is responsive to the American people and respectful of their will only if it enacts legislation that will at last restore this country's public schools to the control of the people.

The bill we are proposing is to reassert that control. I therefore recommend it to the attention of my colleagues.

HOUSE JOINT RESOLUTION 549—NORTHERN MARIANA ISLANDS

Mr. JOHNSTON. Mr. President, I call the attention of my colleagues to an issue which is coming up for a vote in the very near future, House Joint Resolution 549, which would provide congressional approval for a covenant to establish a Commonwealth of the Northern Mariana Islands in political union with the United States of America.

The covenant, which was negotiated in close cooperation with the Senate Interior Committee over a period of 2½ years, has already gained the approval of the House of Representatives and three Senate committees; Interior, Foreign Relations, and Armed Services, which recommended that it be approved without delay. As the following editorials will demonstrate, the covenant has the support of such diverse newspapers as the Christian Science Monitor and the Washington Star. Prompt approval for the covenant is also urged by the other constituent parts of the Micronesian Trust Territory, whose Congress passed a joint resolution to that effect on February 12, 1976.

I ask unanimous consent that the language of this resolution and several pertinent editorials be printed in the Record, so my colleagues may review them.

There being no objection, the material was ordered to be printed in the Record, as follows:

Sixth Congress of Micronesia Resolution

A House Joint Resolution requesting the United States Senate to take prompt and favorable action on House Joint Resolution No. 549 approving the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America

Whereas, for over twenty years, the people of the Northern Mariana Islands have expressed their desire for a close political relationship with the United States; and

Whereas, the people of the Northern Mariana Islands have freely and clearly expressed their desire for political union with the United States by the unanimous vote of the Mariana Islands District Legislature on February 20, 1975, and by 78.8 percent of the people of the Northern Mariana Islands voting in a plebiscite held on June 17, 1975; and

Whereas, the Congress of Micronesia supports the desire of all Trust Territory citizens to exercise their inalienable right of self-determination; and

Whereas, the leadership of the Congress of Micronesia has endorsed the Covenant in open public hearings of the United States Congress; now, therefore,

Be it resolved by the House of Representatives of the Sixth Congress of Micronesia, Second Regular Session, 1976, the Senate concurring, that the United States Senate is requested to take prompt and favorable action on House Joint Resolution No. 549 approving the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America; and

Be it further resolved that certified copies of this House Joint Resolution be transmitted to the President of the United States;

the Chairmen of the Senate Committees on Foreign Relations, Interior and Insular Affairs, and the Armed Services of the United States Congress; the Secretary of the Department of the Interior; the President of the Trusteeship Council of the United Nations; and the High Commissioner of the Trust Territory of the Pacific Islands.

[From the Christian Science Monitor, Jan. 19, 1976]

HEEDING THE MARIANANS

An issue of considerable importance to both the United States and to 15,000 people on some remote islands in the Pacific comes up in the Senate this week. Two groups—the Senate Foreign Relations Committee and an armed services subcommittee—will vote on an administration bill to grant the status of an American commonwealth to the Northern Mariana Islands.

Despite the objections of some senators to the legislation, the case for extending U.S. sovereignty to the islands is a strong one. The administration has not gone into this matter lightly, and all Americans ought to be aware of the points at issue:

It is unreasonable to argue that political union would implant a kind of anachronistic American neocolonialism in the area. The people of the Marianas themselves want this form of self-government. In a plebiscite last June they voted overwhelmingly (78.8 percent) to become a commonwealth under the American flag, thus rejecting any link with the rest of the Micronesian trust territory of which they are now a part.

Since the United States has a responsibility, under the United Nations trusteeship agreement, to help the people of Micronesia determine their own political future, it cannot in conscience reject the choice of the Marianans simply because it will cost more.

It is in the U.S. interest that the islands, which are of enormous strategic value, not fall into the hands of another power. A time may come when the U.S. may have to give up or reduce its military facilities in such Pacific places as Japan, Okinawa, and the Philippines. The Marianas, when new bases are built there, together with Guam would become the U.S. forward bastion in the Pacific.

To fail to tie the Marianas closely with the United States, given the uncertainties of superpower rivalry in Asia and the islanders' own wish for this, could prove shortsighted in the extreme.

The Congress of Micronesia itself has approved the covenant of commonwealth. Once the future status of the Marianas is decided upon, the other five districts of Micronesia can proceed to determine what kind of relationship, if any, they want with the United States. Failure to act on the Marianas covenant, which has been in the making since 1969, might raise doubts about America's goodwill under the UN trusteeship agreement.

The concept of "independence" for Micronesia as a whole may sound attractive but it is problematic. This is not a "nation" as commonly conceived but a scattering of more than 2,000 islands with divergent peoples, languages, and cultures. Also, there is no viable economic base for self-government.

It cannot be claimed that the United States, which acquired these far-flung islands from the Japanese in some of the fiercest fighting of World War II, has an admirable record in administering Micronesia. Much can be faulted. But it should be a source of pride to Americans that the Marianans think enough of their postwar protector to want to become an American territory.

The House has already approved the Marianas covenant making this possible and it is to be hoped that affirmative action in the Senate committees will lead to wholehearted approval by the Senate as well.

[From the Washington Star, Feb. 10, 1976]

CASE FOR THE MARIANAS

A good many Americans may be surprised to hear it, but the fact is that the United States is on the verge of taking on its first territorial acquisition since 1917. A covenant to confer commonwealth status on the northern Mariana Islands is before the Senate for final action in the near future. It is expected to pass over spirited opposition.

The covenant itself is the result of more than two years of negotiations and reflects a long-held ambition of the people of the western Pacific islands for political union with the United States. The area has been administered by the United States since World War II as part of the Trust Territory of the Pacific Islands under the United Nations. The proposed arrangement would give American citizenship to the 14,000 people of the Marianas, along with local self-government and full constitutional protections. The covenant provides for financial assistance of some $14 million a year and eligibility for federal programs and services. The United States would assume sovereignty over the 14 islands with a total land area of 183.5 miles extending northward from the American territory of Guam. Leasing arrangements under the covenant would provide for whatever defense installations might be needed now and in the future.

The proposal has already been approved without dissent by the House and by the Senate Foreign Relations and Armed Services Committees. It was unanimously endorsed by the Marianas District Legislature and by a solid majority of 78.8 percent of the islands' voters.

Naturally, however, it has also stirred up considerable opposition in this country, particularly among certain liberal-minded senators. Critics have labeled it as "anachronistic demonstration of neo-colonialism" which is likely to draw fire from many sectors of the Third World. Others have argued that it is an example of military expansionism at a time when, in their opinion, the United States should be reducing its international obligations. Some have expressed concern that the whole arrangement might be vetoed by a permanent member of the U.N. Security Council when the present trust arrangement comes up for termination, presumably some time after 1980.

In our own view, these obligations are outweighed by the emphatically expressed wishes of the people concerned and the potential benefits to the United States. It would mark a significant step in fulfilling our obligations under the U.N. trusteeship agreement to help develop the peoples of the territory toward self-government. It would give important support for the exposed American position on Guam and strengthen the stability of the Western Pacific. And it would provide a much-needed reassertion of the fact that the United States is a Pacific power and intends to remain so. There is, in short, ample reason why the Marianas covenant should be approved by the Senate with the least possible delay.

[From the Times-Picayune, Oct. 12, 1975]

MARIANAS MAY BECOME THE NEXT U.S. TERRITORY

(By Edgar Poe)

WASHINGTON.—Now the first place in the world where the sun rises on United States soil is the tropical coconut tree-studded island of Guam in the western Pacific.

However, it appears almost certain there will be another sun-drenched U.S. territory nearby, 5,600 miles from the U.S. mainland and 2,000 miles from the China mainland, to share with Guam the first warm light when old Sol rises out of the ocean.

The House of Representatives has approved a covenant which would establish a commonwealth of the Northern Mariana Islands in political union with the United States.

A similar proposal is pending before the Senate where the Senate Interior Committee including Louisiana Sen. J. Bennett Johnston already has given it a favorable recommendation. The Senate Armed Services Committee, headed by Sen. John C. Stennis of Mississippi, and the Senate Foreign Relations Committee, chaired by Sen. John J. Sparkman of Alabama, still must pass on the merits of the covenant before making favorable or unfavorable recommendations to the full body of the Senate. Johnston has visited some of the islands and frequently has spoken out in favor of the covenant.

The people of the islands last June voted more than 3-to-1 to become associated with the United States. Thus they appear to be approaching the day they will become U.S. citizens just like the people of Virginia, the first of the 13 colonies, are citizens of the United States.

The islands, known to many thousands of World War II GIs, will have the right to self-government, and to adopt and amend their own constitution. The constitution will be submitted to the government of the United States for approval.

United States income tax laws will be applied to the Mariana Islands as a local territorial income tax. Also the United States commits itself to provide specific annual levels of financial assistance.

Although there is some opposition in this country to the covenant, it will be a political upset if the Senate should turn it down. Some people in this country feel the Northern Marianas are not significant to the security of the United States. The Department of Defense strongly takes the opposite viewpoint.

Under terms of the covenant the Northern Marianas will become a territory like Guam—the largest, the most populous and the southernmost of the Marianas. Guam has been a territory of the U.S. since 1898, and thus is not a part of the covenant before Congress. Guamanians are Americans just like Louisianians and Mississippians.

There are 14 islands lying north of Guam. The most widely known are Saipan, Tinian and Roto only 20 minutes by air from Guam. They are about 1,400 miles from Japan. The total population of the Northern Marianas is about 14,000, of whom 11,091 live on Saipan, the seat of the Marianas district government.

David Louis Schiele, a tall blond deputy liaison officer for the Department of State, is one of the best informed persons on the Marianas Islands.

Schiele, who has lived and worked on the islands and now is on duty in Washington, expressed the conviction that the Northern Marianas would be able to set up self-government in about 18 months after the covenant has been approved in Washington.

Schiele said that many Japanese tourists are visiting the islands. In many cases they are members of families that had relatives killed during the bitter fighting on Saipan and Tinian when the United States invaded the islands.

There are tourist hotels in operation in a few places and others are proposed.

Ninety-five per cent of the people of the Marianas registered and 95 per cent voted on the covenant questions. Of this total 78.8 voted in favor of the covenant.

Under the covenant, the U.S. government will acquire a leasehold interest in 18,182 acres of land in the islands for 50 years with an option to renew the same lease rights for a second period without additional payment. For these rights the United States will pay to the government of the Northern Mariana Islands $19,520,000.

Testifying before the Senate Interior Committee, Ambassador F. Haydn Williams said the United States established an interest in the Marianas with the acquisition of Guam some 77 years ago. However, he said Guam and the other islands in the chain were separated by an accident of history. Now he said the United States has been given the opportunity through the approval of a direct vote of the people of the Northern Mariana Islands to bring them together under one flag to enjoy common citizenship in the American family.

[From the Honolulu Star Bulletin, January 12, 1976]

MARIANAS DISPUTE

In the debate over the creation of a new U.S. commonwealth for the Mariana Islands, two ridiculous arguments are being voiced by the opposition in the Eastern U.S.

One is that something is being sprung on the Congress by surprise. Quite the contrary, the negotiations extended over several years, and were publicized throughout. The 1975 plebiscite was well-publicized in advance and also scrutinized by outside observers who attest to its fairness. Our East Coast friends simply weren't paying attention, and now want to blame the negotiators who sought their attention but couldn't get it.

Equally wild is the charge that we will be extending the U.S. borders 4,000 miles west from Hawaii. We will be advancing them 200 miles north from Guam, a U.S. possession since 1899, that has been governed as an unincorporated U.S. territory since 1951.

[From the Honolulu Star Bulletin, Dec. 12, 1975]

FACTS ON MARIANAS

Opponents of the proposed Commonwealth of the Northern Marianas like to pretend that the plan is being sneaked through Congress by the administration without anyone knowing about it. The fact is that the administration kept the Senate and House Interior Committees fully informed about the negotiations that preceded the signing of the compact, which is why the plan won unanimous approval in committee and then breezed through the House. The delay in the Senate stems from opponents in the Foreign Relations and Armed Services Committees, which did not have initial jurisdiction over the proposal.

The New York Times editorial on this page distorts reality by describing the proposal as one "to extend United States sovereignty and citizenship to the Northern Mariana island chain, far across the Pacific." Sure, the Marianas are far from New York, but no farther than nearby Guam, which is already an American territory.

And the statement omits the fact that the Northern Marianas, as part of the Trust Territory of the Pacific Islands, have been under American administration since shortly after World War II and in that sense are not comparable to a part of the Philippines or Honduras or Sierra Leone or Greece—the comparison made later in the editorial.

But the most unfortunate aspect of the Times editorial is the attempt to deprecate the plebiscite on the commonwealth plan conducted last June. That plebiscite was a clear and unmistakable expression of the desire of the people for a permanent link with the United States. Almost everyone eligible was registered to vote, and almost everyone registered did in fact vote—a far greater turnout than American elections enjoy.

In the face of the results—78 per cent approval of the commonwealth—after nearly three decades of American administration under the United Nations trusteeship, rejection of the commonwealth by Congress would virtually amount to a betrayal of trust.

The United States assumed the trusteeship over these islands because it had to drive the Japanese off them during the war and we did not want to repeat that experience. They continue to have value for the maintenance of American military dominance of the Pacific.

But there is now a moral consideration that may be more important than the strategic. Can we ignore the only act of self-determination these people have ever been permitted?

[From the Pacific (Guam) Daily News, Jan. 5, 1976]

SENATE HAS A CHANCE TO RIGHT HISTORY

Today should be exciting for Saipan and the Northern Marianas.

Saipan is hosting group of U.S. senators, their wives and key staff people.

This isn't your ordinary group of high-flying tourists.

Frankly, this group of elected officials could make or break the chances of the Marianas people to become part of the United States. That makes it a serious matter, indeed. Right now the Marianas covenant is before the Senate as H.J.R. 549, as amended. Although it was approved by unanimous vote of the Senate Interior Committee on Oct. 3, it has been stalled in the Senate. Certainly the rest of the Senate will want to know what this visiting delegation found out about the Marianas on this journey.

We believe very strongly, on Guam, in having the U.S. flag fly permanently over the Marianas. We would like to welcome our brothers and cousins into the American fold. There is no reason why a group of islands, with related people, speaking the same language and with the same culture shouldn't be together under the same flag—especially when the people have indicated their wishes so strongly.

The people of Guam remember with fear and dread the not-too-distant days when the Northern Marianas were occupied by a foreign military power—Japan. The U.S. then let the Guamanians down, when it was decided that Guam couldn't be fortified, and couldn't be defended against the fierce Japanese attack.

The Marianas was split up at the Treaty of Paris in 1898 when the United States, in one of the most costly mistakes ever, decided that it needed Guam for a coaling stop, but it didn't want or need the rest of the Marianas. This accident of history had a great deal to do with Japan's easy successes in World War II and could have been a key in their participation in the entire war in the Pacific. If the U.S. had kept all the Marianas and had properly fortified them, World War II might have been a completely different ballgame.

You rarely have a second opportunity to change history, but the U.S. senators visiting Saipan have that chance.

During recent hearings in the Senate, Sen. Charles Percy, R-Ill., wondered if accepting the Commonwealth of the Marianas would commit the U.S. to the absolute defense of the area.

Those of us living on Guam, all American citizens, hope to God that the U.S. is already so committed. The Guamanian people were cut loose once before, and we would like to think that it couldn't happen again. The situation is somewhat different since President Truman made the people of Guam U.S. citizens. One of the Mariana Islands, Rota, is a bare 40 miles from Guam. We can see Rota easily on a clear day. Is the Senate going to allow another accident of history and allow these islands to escape again from the United States?

The senators on Saipan should also be aware of continuing and dramatic changes in the world situation, especially regarding the new technologies in mining the sea and seabed. They are certainly aware of the 200-mile economic zone. It follows then that we're not talking about a tiny group of islands with 183.5 square miles of land, but a large block, of strategically located area totaling 154,000 square miles.

Do the people of the Marianas want to become part of the U.S. after living under the Spanish, Germans and Japanese?

Sen. Pedro A. Tenorio puts it this way: "For over 400 years we in the Marianas have, without our consent, been governed by foreigners. We have decided ourselves, and without any undue influence that we wish to become American citizens and to enjoy the rights and to assume the responsibilities of being members of the American political family."

The good senators know that the vote for the covenant was almost 79 percent. The U.S. probably won't get that high an approval rating if the vote was held in Atlanta, or Oshkosh. Yes, the people of the Marianas who are relatively sophisticated about these things, want to live under the U.S. flag and have indicated that desire for more than 25 years in resolutions and pleas.

During the hearings Sen. Claiborne Pell, D-R.I. expressed the concern of many of his colleagues when he said: "I don't think anybody in their wildest dreams ever thought of these islands becoming part of the body politic." He expressed further dismay that the U.S. would be extending its borders far into the Pacific.

That seems a particularly provincial view in this modern day and age. Distances just aren't that important any more. You can get from Saipan to the nation's capital in about 15 hours, while in the "olden days," when California became a state, it was a trip that took weeks. You also can pick up a phone and call Washington, something you couldn't do when most of our states joined the union. Once Congress admitted Alaska and Hawaii, it accepted the principle that U.S. borders don't necessarily have to be contiguous. In the past the U.S. extended its borders many, many times, first to the Appalachians, then to the Mississippi, and then to the West Coast, as the people asked for annexation and union. We don't see any difference here.

The people of the Marianas won't sit still for a proposed Percy stall until the end of the entire trusteeship. They have often expressed the desire to leave the rest of Micronesia. Just recently, Vicente N. Santos, president of the Marianas District Legislature summed up his feelings about separation from the rest of Micronesia: He said if the United States Senate fails to approve the covenant plan now under consideration, the separation would have to occur by an Executive Order.

The U.S. erred by not taking the Marianas in 1898. It erred in not fortifying Guam in the late '30s and early '40s. We took the islands from the Japanese at a considerable loss of American life. We again erred in San Francisco after the war, by not insisting that Marianas were to be a permanent part of the U.S.

The Senators on Saipan today and their colleagues, have a unique opportunity to right the mistakes. The people of the Marianas want it that way. The people of Guam, who may be slightly envious of some of the points scored in the covenant, want the American flag—rather than some alien flag—flying in the north. We want to see our brothers joined with us in a permanent union.

The U.S. undertook the responsibility of allowing the islanders the right to choose their own political future. They have chosen that future, and now to deny them that choice would be heartless. We hope that the visiting senators can see this vital point clearly today. JCM.

INTELLIGENCE OVERSIGHT

Mr. THURMOND. Mr. President, there appeared in the State newspaper in Columbia, S.C., on February 1, 1976, an editorial entitled "Can Congress Safeguard Our National Secrets?"

Mr. President, this editorial demonstrates the concern all across this Nation relative to leaks from congressional committees of highly classified intelligence material.

The alreday low public confidence in the Congress has been further damaged by unauthorized disclosures of covert operations by our Government.

Mr. President, I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CAN CONGRESS SAFEGUARD OUR NATIONAL SECRETS?

If there is to be a congressional oversight committee to monitor this nation's intelligence operations, the law should provide penalties for any congressman, senator, or staff member of that committee who discloses top secret information that is properly classified.

Congressional committees have repeatedly demonstrated in recent months an inability to maintain security on top secret matters that have been entrusted to them by the Administration.

The committees were sworn to secrecy. Yet, even before the report of U.S. Rep. Otis Pike's intelligence study committee was in final form, substantial parts of it were distributed to newsmen. The material involved covert operations. The White House had an agreement that it would not be made public.

William Colby, retiring director of the Central Intelligence Agency, was properly indignant in accusing the House committee of breaking faith. But Mr. Colby's greater concern was for the protection of many of this country's secret operations and activities.

The suggestion by some committee members that the leak may have come from the White House to discredit the committee is patently absurd. The committee's inability to keep secrets had already been demonstrated and needed no further documentation.

It has been an altogether sorry performance on Capitol Hill and raises a most serious question about trusting a congressional committee with classified material in the future.

Yet, there is likely to be an intelligence oversight committee created. It must, therefore, have some extraordinarily strict demands on its membership—a means must be provided to deal with the leaks of important and legitimate national security material. A jail sentence and removal from office might be in order in serious cases.

Eventually, we must place our trust in the wise and good people who direct the government of the United States. Those who betray that trust must be dealt with severely, as though they were enemies.

TESTING SOLAR ENERGY

Mr. McGOVERN. Mr. President, at a time when there is great interest in solar energy development along with millions of dollars spent on research, it is refreshing to note what can be done to provide supplemental heat for livestock confinement areas at minimal cost and maximum ingenuity.

Mylo A. Hellickson of South Dakota State University is attempting to increase warmth of ventilation air by 10 to 20 degrees in buildings used to house livestock by placing aluminum solar panels costing less than 50 cents a square foot on the south sides of sheds and channeling generated warmth through the ceiling.

An outline of this program appeared in the weekly newspaper for Agribusiness Feedstuffs on February 2, 1976. I want to congratulate Mr. Hellickson along with his graduate assistant David Yexley of Bradley, S. Dak. and ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LIVESTOCK UNIT SOLAR ENERGY COLLECTORS TESTED

BROOKINGS, S.D.—New Experimental solar energy collector systems now in operation near Sioux Falls, S.D., aim at development of low cost, easy, do-it-yourself units adapted to improve environmental conditions in livestock buildings.

"The research was prompted by preliminary calculations based upon South Dakota conditions indicating significant potential savings of currently-used energy types might be realized by providing supplemental heat from the sun for livestock buildings," said Mylo A. Hellickson, agricultural engineer at South Dakota State University, here. The Agricultural Experiment Station research is being conducted at Ellis, west of Sioux Falls, in cooperation with GTA Feeds. Graduate student David Yexley, Bradley, S.D., is assisting Hellickson in the research.

Three types of bare-plate, low temperature rise solar collectors have been attached to the south roof and wall of the GTA beef research building. "All three collectors are designed to increase warmth of the ventilation air by 10–20 degrees F.," according to Hellickson. "This warmed air is introduced into the attic and then into the livestock confinement area through a baffled center ceiling inlet."

The solar panels are made from aluminum siding painted black on both sides and separated from the buildings by a 2-in. space. The ventilation air is drawn through the solar collectors and into the buildings by the exhaust fans normally used for winter ventilation.

"The key words are supplemental heat," said Hellickson. "If we can provide a suitable amount of heat directly from the sun that cuts the producer's energy bill, we'll also aid in conservation of current sources of energy." This supplemental heat also provides a potential for improving animal environment.

Each experimental solar collector is 12 ft. wide and varies in length from 22 ft. for the roof to 8 ft. for the wall. One is situated along the roof slope, another only along the vertical side wall and a third is along both roof and wall. Comparisons will be made between the three to determine the most efficient arrangement in terms of energy collection, construction, and operational economy.

Hellickson estimated the experimental solar panels cost less than 50 cents a square foot to build, including aluminum siding, black paint and 2 by 2 in. lumber for the wooden frames.

"A major factor in our research is to provide solar collectors that can be readily adapted to many livestock buildings currently used in this area," said the SDSU ag engineer. "Although this research is being done on a beef building, it is expected that results will also apply to swine, dairy and poultry buildings. Additionally we hope to be able to reduce moisture or high humidity problems often encountered in confinement livestock buildings."

The solar panels in the livestock building research are similar to those designed for a recently-conducted preliminary experiment using heat energy from the sun to aid in drying hay inside the stack. Final data for this hay drying research are being evaluated.

IMPACT OF FEDERAL PROGRAMS ON LOCAL GOVERNMENT

Mr. GARN. Mr. President, a recurring theme in the letters from my State is the cry, "Do the Feds have to do everything?" For that reason, I was very happy to see, in the Wall Street Journal for February 11, an article by our colleague, Senator DOMENICI, with that very title.

As former mayors, Senator DOMENICI and I have a different perspective on the impact of Federal programs on local government, and I would certainly commend his remarks to the attention of every Senator. They will repay careful study. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DO THE FEDS HAVE TO DO EVERYTHING?

(By Pete V. Domenici)

Amid all the jousting between Ronald Reagan and President Ford, a concept well worth nurturing is in danger of being trampled.

I suspect the intuition that prompts Reagan's plan to turn back $90 billion in federal programs to the states is the same intuition that produced Ford's State of the Union proposal to consolidate a number of federal categorical programs to aid state and local governments into four bloc grants and continue general revenue sharing.

As The New York Times and Wall Street Journal, and Milton Friedman, have written, "There's an idea behind all this worth exploring."

Indeed, an idea struggles to emerge from the thrust and counterthrust of the Republican hopefuls—an idea implicitly admitted by most political thinkers and explicitly by most mayors and governors. That idea is simply that the federal system, that interrelationship between the national government and local and state governments, stands in 1976 badly in need of re-invigoration.

For want of a better word, let me propose that the notion that needs to be nurtured in this debate can be called "re-federalization." That's the word I use to describe a process I would urge the federal government to embark upon during the next decade. This process would start with the goal of establishing the political and fiscal independence of federal, state, and local governments by having the federal government fund and administer totally "national" programs and leaving to state and local governments the financing and running of programs designed to meet "local" needs.

Re-federalization, as I see it in a finished form a decade from now, would result in an orderly "trade" of certain programs between local and state governments and the federal government. In essence, state and local governments would be relieved of helping fund national programs, and could use the savings to fund and entirely administer, if they wished, local programs now financed partially with federal grant monies.

Our federal system revolves around the concept that certain problems are national in character, such as defense, and demand attention from the national government; while other problems, which might be nationwide, are nevertheless the proper province of state and local governments.

THE GROWTH OF FEDERAL ASCENDANCY

Until the Great Depression and the federal government's massive efforts to overcome it, the federal system remained more or less similar to that begun in 1789. Washington provided a monetary system, armed forces, promoted the general welfare and, except for limited excursions into business regulation and the income tax, left most other matters to the states and localities.

Federal ascendancy began during the 1930s and that ascendancy has now left state and local governments little more than "administrative provinces" of the national government.

The reason behind this ascendancy is not complicated, for it follows from the basic law of politics—power is where the money is. He who controls the purse strings, controls policy. And, Washington in 1976 controls the purse strings.

Recognition of this fact may account for the findings of recent pollsters that the American people feel helpless to control their own fates and that government leaders don't really care about the average man. Government has gotten so far removed from the people that the people feel impotent to change it or its policies. The Watergate debacle, the aftermath of Vietnam, recent revelations of misdeeds by government agencies over the past 15 or 20 years, a huge increase in federal government spending and taxes despite public outcry, and the inability of anyone to come up with a clear and rational plan to stop our recession-inflation affliction all contribute to the alienation of the governed from their government.

But, as much as anything, it seems to me this alienation results from the belief of many Americans that nobody really cares about their problems in a personal way. I suspect that attendance at meetings of local government would increase, and citizen demand for accountability on the part of local officials would rise, if the people really knew that local and state officials had full control over the issues being addressed. But sparsely attended city council meetings are a testament to widespread recognition that too many issues under consideration will really be decided not by the men and women at the council table, but by a federal regulation, a federal law, or a faceless federal bureaucrat.

Powerless to control their government, then, the American people have responded by simply saying, "Get off our backs." It doesn't take the deepest appreciation of American political theory to recognize that "Get off our backs" stands as a very unsteady foundation on which to base the next century of American democracy.

Resentment over federal dictation of local and state policy reflects more than a vague paranoia about "Washington"; domination by Washington is a fact.

The federal government handed out $3.1 billion in aid to state and local governments in 1955. It now provides almost $60 billion—an increase in 20 years of 1,900%. Federal aid to these states and local governments make up a full 25% of all state and local government expenditures.

State and local spending priorities, which vary from community to community, let alone from state to state, are wrenched by the need to match "free grant money" from the federal government. Many a budget officer has been told by a mayor or governor, "I don't care what your priorities are, get that matching money from somewhere. We can't turn down that federal money." This occurs despite an often less than overwhelming need for the program simply because mayors and governors cannot often politically withstand accusations of "letting all that money pass us by."

Aid programs and matching requirements do much worse than dislocate state and local priorities. They waste money, lead to overlapping programs, and citizen resentment and confusion. Important projects fail and this is the gravest indictment of the present system.

Re-federalization, in the form of program trades I mentioned earlier, could be the key to clearing away this wasteful intergovernmental jungle.

For example, in fiscal year 1975 the state and local share of running both Aid for Families with Dependent Children (AFDC) and Medicaid was about $10 billion. The federal share was approximately $11 billion.

That same year, state and local governments in America received about $56 billion from direct federal aid programs.

In 1955 the Commission on Intergovernmental Relations (the Kestnbaum Commission) evaluated the divisions that ought to exist between federal, state, and local government, and made a careful report to President Eisenhower. Five years later, Mr. Eisenhower received the report and recommendations of the Joint Federal-State Action Committee. Within a decade, Richard Nixon (drawing heavily on the work of Richard Nathan, now of Brookings Institution) announced his "New Federalism."

The Kestnbaum Commission, the Federal-State Committee, and Mr. Nathan developed independently lists of what ought to be "national" problems confronted by federal government activity and what ought to be problems whose solutions should be reserved to state and local governments. These recommendations are not precisely the same, but are similar enough to indicate that consensus on a division between "national" programs and "local-state" programs can be achieved.

My research reveals that in categories generally defined as essentially local in nature by Mr. Nathan, the commission, and the committee, the federal government gave state and local governments $18 billion in fiscal 1975.

This $18 billion, only one-third of the $56 billion total federal aid to state and local governments, broke down as follows:

Urban mass transit, $688 million;

Community and regional development grants under 10 programs, $2.8 billion;

Education, employment, training, and social services, $10.3 billion in state and local direct aid;

Health, other welfare type programs, and law enforcement, $1.2 billion, $2.9 billion, and $722 million respectively, in grant aid.

This $18 billion is much larger than the $10 billion spent by state and local governments to help administer AFDC and Medicaid.

DECEPTIVELY SIMPLE

My suggestion as a possible starting place is deceptively simple: the federal government could take over AFDC and Medicaid entirely and then "trade" some $10 billion of its categorical grant programs entirely to states and local governments.

Thus states and local governments could be freed from a $10 billion bill that is essentially "aid to Washington" to run AFDC and Medicaid, and could choose at the state and local level how to deal with the programs that would no longer be funded by federal aid money. They could pick and choose from the $18 billion outlined above, for example. It may turn out that many of the federal aid programs do not fit into particular local and state spending priorities. This might lead to some local and state tax reductions or expansion or adoption of programs that truly deserve priority in the particular state or locality. The decision, and the assignment of priorities, would be made where it belongs—within state and local governments.

To my conservative colleagues in the Senate (and I am usually counted among them), I answer their objections to "nationalizing" welfare simply by pointing out that we have already begun to do so through Supplemental Security Income programs. Logic dictates that this national concern (income maintenance and redistribution) be done at the national level, in light of the historically greater efficiency of tax collecting and distributing done by the federal government.

To my liberal colleagues, and I find myself often in agreement with their social concerns, I must say that leaving education and other social program decisions to state and local governments might entail some risks of cuts. I believe such risks are minimal because under my proposal, unlike the bloc grant system once advocated, the states would retain the same amount of money for education that they now receive from the federal government. Yes, local and state officials might prove sometimes less sympathetic to social programs than federal elected officials, though often they might prove more sympathetic. I opt for giving them a chance to be responsible by giving them responsibility.

But let me reiterate. Decisions on local problems should be left to the state and local governments and the individuals affected. If special education is chosen over a waste water treatment plant, it will at least be because local participation has determined that special education is a higher priority item for that community at that time than the waste water treatment plant.

That's the way to reinvigorate state and local government and reassure the citizens of this nation that their ideas, their problems, their priorities do count and their voices do make a difference.

SEPARATION OF POWERS INQUIRY: DELEGATION OF AUTHORITY

Mr. ABOUREZK. Mr. President, in the past year or so there has been much discussion, and frequent lamentation, about the growth of the "imperial presidency" and the increasingly predominant sway of the administrative and executive agencies both in the legislative process and in the lives of American citizens. Beyond the lamentations and proposals for wholesale abolition of the agencies, there has been little examination of what is responsible for this encroachment of the Executive upon the legislature, this lack of separation of powers.

The Congress has begun to redress this imbalance in our constitutional framework by reasserting its powers and pursuing the role envisioned for it by the framers. This reform move has occurred in several areas. Most notably, Congress has overhauled its budget procedures. It has questioned the proliferation of Executive agreements, used to avoid the ratification required by a treaty. It has exercised a more vigorous role in the conduct of foreign affairs. And, more recently, it has started to examine the degree to which Congress must take a more aggresive position in regard to the activities of our intelligence agencies.

At issue in all these controversies is the fundamental question of delegation of authority and the degree of control exercised by the Congress once it has relinquished the power. As chairman of the Senate Judiciary Subcommittee on Separation of Powers, I wish to announce that the subcommittee will undertake a long series of hearings on the subject of delegation of powers. I anticipate beginning the hearing at the end of March and continue through June in a series of sessions.

"Delegation" is a word that evokes vague recollections of the "sick chicken" case—*Schechter Poultry Corp.* v. *United States*, 295 U.S. 495 (1935)—and provokes recitation of hackneyed cliches about "intelligible principles," "expertise," and "congressional oversight." Little effort has been made, however, by the Congress to investigate and determine the success of an effort that began in earnest in the 1930's.

In response to the Great Depression and in order to change the economic conditions that provoked it, Congress created independent regulatory agencies to direct and administer the regulation of certain industries in addition to acceding to enormous Executive discretion. To implement their legislative mandates, these agencies set up intricate schemes of rules and regulations, and the executive departments, each under a Presidential Cabinet secretary, also developed detailed networks of rules and regulations. The effect of the combination of Executive dominance and the proliferation of the so-called headless fourth branch of Government, which reached a watershed during the New Deal era, now pervades the legislative process.

Although the Founding Fathers created a government with three coordinate branches, the evil to which they were reacting was what they saw as the excesses of an uncontrolled Executive. In order to deal with this problem, the framers strictly limited the express powers of the President in article II of the Constitution. Instead they relied upon a strong representative Congress to take the initiative in the legislative process. The intervening 200 years has not exactly fulfilled the promise of the framers. We now face an Executive who wields awesome power—power he has accumulated either by expressly claiming it or by moving to fill a void left by congressional inaction.

Recent events demonstrate that an effort is being made to restore the framework established by the drafters of our Constitution. However, some of the proposals being advanced are, in my opinion, merely cosmetic. They fail to address the most fundamental issue: Where does the Constitution vest the power in question and how may it be constitutionally exercised.

The Subcommittee on Separation of Powers intends to examine the issue of delegation from all sides. How clearly does Congress express its intent in the original delegation; how specific are its directives? To what extent do the agencies abide by their congressional mandates? Do the agencies usurp the legislative prerogative? If so, how? Because the Congress itself fails to act—either to legislate or to provide oversight? Or do the agencies take advantage of authority to regulate in one area and expand to another? We aim at establishing a record of past experience and pinpointing the institutional defects in the system in order to propose recommendations for change.

In addition, we will focus on various procedural devices to see how they have been used to circumvent or to exceed congressional directives. For example, when has rulemaking been used to legislate rather than to implement the legislative intent of the Congress? What are guidelines? What is their legal status and to what extent have they been used by agencies in order to circumvent the requirements the Administrative Procedure Act imposes on rulemaking?

Executive legislating has also found expression through the medium of Executive orders. For what should Executive orders be used? Should they be the vehicle for decisions with such broad policy implications as the classification system? If not, how should Congress meet such abuse?

Mr. President, the subcommittee will thoroughly investigate the issue of delegation. We will be calling upon experts throughout the country so that we may end up with an insightftul and penetrating record.

I sincerely hope that through these hearings Congress will find its way out of the dilemma it faces in its relations with the Executive. These will not be easy times. To wrest power from an Executive that has grown accustomed to it cannot be casually accomplished. Nor will it be easy for the Congress to assume the burden of legislative obligations that it has permitted other governmental entities to carry for so long.

CHEAP FOOD PRICES AND THE NEED FOR PRICE PROTECTION

Mr. McGOVERN. Mr. President, the December 1975 issue of Progressive Farmer takes the President to task sharply and in quick order in a short editorial on foreign and domestic farm policy. The time has come when the administration must face up to the fact that it cannot seek and receive all-out production from American farmers and after receiving the goods, gut the price with direct and indirect export controls. While all this production—export scenario is going on, the administration continues to deny the farmer a realistic loan rate to guard against the day when full production could wreck farm prices.

Mr. President, it is obvious that the administration wants it all three ways—full production, the right to impose export controls as a price control device, and target and loan rates which offer no protection to the producer. I ask unanimous consent that the text of this editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Cheap Food Politics and the Need for Price Protection

The United States has a five-year grain deal with Russia. It provides for the purchase of at least 6 million tons of wheat and corn annually at prevailing market prices. Even so, U.S. food and fiber producers sorely need additional price protection if they are to continue to produce at full capacity. This country is so consumer oriented that anytime farm prices occasion a temporary threat to consumer welfare the Federal Government is likely to put roadblocks in the way of farm exports.

President Ford has indicated that he doesn't believe in a free market for farm commodities. Apparently he is willing to have farmers produce to their full capacity. But he is not willing to let them sell to their full capacity in an open market. Twice in two years he has yielded to consumer pressure and played the politics of cheaper food.

Meanwhile, farmers shouldn't be lulled by a somewhat expanded export market. Cheap food politics is certain to come again. And farm leaders shouldn't wait for it to happen. They should continue their efforts in Congress to provide farm producers price protection against the day when full production will wreck farm prices. There is no more direct road to agricultural disaster than full production without adequate price supports in a market dominated by cheap food politics.

LITHUANIAN INDEPENDENCE DAY

Mr. BUCKLEY. Mr. President, I would like to take this occasion to commemorate Lithuanian Independence Day. Fifty-eight years ago today, the Lithuanian people declared themselves a free nation. After more than a century of Russian oppression, the Lithuanian people established a nation based on a constitution guaranteeing the right of free speech, free assembly, and freedom of religion for all.

Their freedom, however, was short-lived, for in June 1940 Soviet troops invaded Lithuania and her Baltic neighbors. With the incorporation of the Baltic States into the Soviet Union, the light of freedom was extinguished. But the light of hope and determination could not be extinguished as easily.

Despite the persecutions, which claimed over 45,000 lives, and the deportation of thousands of people to Siberia, the Lithuanian people continued to fight for freedom.

Little information is allowed to filter through the censors to the West. However, the contacts we do have indicate that today the Russian oppression continues unabated. The Lithuanian-American community publishes an annual report of violations by the Soviets in occupied Lithuania and is based on the scant information available. But this documentation represents only a fraction of the actual violations.

Today, a new threat faces the Lithuanian people. With the signing of the Helsinki accords, many have suggested that U.S. policy toward the Baltic States has changed. We must make it clear that the final act of the Conference on Security and Cooperation in Europe should, under no circumstances, be interpreted as a change in the longstanding U.S. policy of nonrecognition of the Soviet Union's illegal seizure and annexation of Lithuania, Latvia, and Estonia. It is for this reason that I urge passage of Senate Resolution 319, of which I am a cosponsor.

In closing, I wish to draw attention to the contributions of the many Lithuanians who were forced to flee their homeland and chose to make the United States their new home. Their dedication to freedom could not but help strengthen the freedoms we enjoy. The culture and ideals of Lithuanians who settled here have added substantially to the American mosaic.

Let us hope that some day soon, through the efforts and determination of Lithuanian-Americans and with the help of all Americans, the torch of freedom can be relit in Lithuania.

REHABILITATION INSTITUTE OF CHICAGO

Mr. PERCY. Mr. President, I wish to bring to the attention of my colleagues once again the work being done by the Rehabilitation Institute of Chicago. For many years, the institute has been striving to meet the manifold needs of the physically disabled.

In the past 12 months, the institute has provided rehabilitative care and treatment for 1,200 inpatients and 1,500 outpatients with severe disabilities. And, in the past several months, 72 severely physically disabled patients were placed in private sector jobs.

The institute recently constructed a rehabilitation patient care center designed as a research and training facility for the severely physically disabled. This new facility has made possible an extension in the institute's rehabilitation program. The vocational rehabilitation unit is a carefully planned and well-equipped unit which consists of counseling, work evaluation, pre-employment preparation, driver training and job placement. The effectiveness of this comprehensive program lies in the coupling of the medical/physical restoration service with vocational job placement. These opportunities for employment for the disabled have been provided by the business and industrial communities in and around Chicago. Such job placement rehabilitation enables the individual to sustain an independent lifestyle while providing a sense of personal satisfaction.

The institute has been able to meet its goals via a successful partnership with the public and private sectors. With the comprehensive program which is designed to fulfill the social and vocational needs of the disabled person, I am sure the Rehabilitation Institute of Chicago will effectively continue to serve the physically disabled.

The members of the Labor and Public Welfare and Appropriations Committees who have so enthusiastically supported the institute in the past and made possible its original construction have good cause to be proud of these accomplishments.

LABOR UNION CONTRIBUTIONS AND COMMON SITUS PICKETING

Mr. GOLDWATER. Mr. President, there is continued moralizing in the Senate about what corporations do with their money, or what Pentagon officials do on weekends, but very seldom do we hear about labor union influence in Congress. If corporations can be suspected of attempting to influence congressional votes by providing Members of the House or Senate with a duck hunt or a day in the country, it seems consistent to ask what unions expect to receive from their vast and growing contributions to candidates for the House and Senate.

On last November 3, I raised the question, for example, of what unions expect from Members on legislation such as that to legalize secondary boycotts in the huge construction industry. Now that the recorded votes on that issue are completed, I believe it is interesting to examine how labor's heavy infusion of money relates to the votes on this issue.

According to an analysis just released by the Americans for Constitutional Action, over $5,758,780 was contributed by organized labor to Members of Congress who voted for the situs picketing bill. Miss J. Charlene Baker, chairman of the ACA, stated that this total only reveals the minimum amounts reported to recording agencies for the 1974 campaign or the last election. It is quite important to observe that these figures do not include "contributions-in-kind."

In-kind contributions include such things as manpower, mailing facilities and other expensive items of campaign work. The cost of these donations may run 9 or 10 times the amount of the actual cash contributions.

Just using the reported financial contributions by labor unions and not covering in-kind donations, the figures reveal that in the Senate 41 Democrats who voted for the bill received $2,871,992.44 from labor unions. Eleven Republican Senators voted for situs picketing and they received $350,162.69. Of the 11 Republicans, 3 Senators did not receive union contributions in 1970, but have received labor money towards their 1976 campaigns.

The ACA report continues by disclosing House figures. Union contributions to 206 Democrats who voted for situs picketing totaled $2,368,675.51, while the 23 Republicans who voted for the bill received $80,495. There were seven House Members who paired for the bill and these six Democrats and one Republican had received a total of $87,455 in union donations. In all, these union contributions to 212 Democrats and 24 Republican Members of the House of Representatives totaled $2,536,625.51.

Mr. President, it seems strange to me that on neither of the floors of Congress do we hear about the millions of dollars spent by labor unions on political efforts, and in order to help get some of this information before the public, I ask unanimous consent that the list prepared by the ACA of money contributed by organized labor to Members of Congress who voted for the construction site picketing bill be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ACA STUDY ON LABOR UNION CONTRIBUTIONS

The following figures represent a study issued today by Americans for Constitutional Action showing the amount of money contributed by organized labor to Members of Congress who voted for the Construction Site Picketing Bill.

These figures represent the minimum amounts reported for the 1974 campaign (or last election) year.

SENATE

Member	State	Democrat	Republican
John Durkin	New Hampshire	[1] $172,065.93	
Birch Bayh	Indiana	170,949.53	
Mike Gravel	Alaska	170,701.78	
Harrison Williams	New Jersey	153,466.30	
Thomas Eagleton	Missouri	120,000.00	
John Culver	Iowa	110,688.12	
Richard Schweiker	Pennsylvania		$107,266.61
John Tunney	California	105,850.00	
Stuart Symington	Missouri	103,060.50	
Warren Magnuson	Washington	94,560.00	
Vance Hartke	Indiana	93,531.85	
Jacob Javits	New York		86,871.08
Claiborne Pell	Rhode Island	86,746.15	
Wendell Ford	Kentucky	86,436.45	
Walter Mondale	Minnesota	85,025.00	
Lee Metcalf	Montana	84,824.00	
Alan Cranston	California	83,967.51	
Philip Hart	Michigan	81,521.25	
Dick Clark	Iowa	78,595.70	
James Abourezk	South Dakota	76,830.00	
Adlai Stevenson	Illinois	74,350.00	
Frank Moss	Utah	70,421.95	
George McGovern	South Dakota	65,375.69	
Hubert Humphrey	Minnesota	63,000.00	
Gary Hart	Colorado	62,610.53	
Charles Mathias	Maryland		58,675.00
Joseph Biden	Delaware	58,351.00	
Patrick Leahy	Vermont	49,847.80	
William Proxmire	Wisconsin	$46,381.00	
Gale McGee	Wyoming	45,940.00	
Frank Church	Idaho	45,000.00	
Quentin Burdick	North Dakota	44,781.00	
Clifford Case	New Jersey		$39,900.00
Edmund Muskie	Maine	39,350.00	
William Hathaway	do	36,913.00	
Floyd Haskell	Colorado	33,135.40	
Russell Long	Louisiana	32,800.00	
Edward Kennedy	Massachusetts	30,965.00	
Daniel Inouye	Hawaii	30,500.00	
Ted Stevens	Alaska		20,300.00
Jennings Randolph	West Virginia	17,475.00	
Abraham Ribicoff	Connecticut	16,850.00	
John Pastore	Rhode Island	16,100.00	
Bob Packwood	Oregon		14,300.00
Henry Jackson	Washington	13,825.00	
Charles Percy	Illinois		13,700.00
Mike Mansfield	Montana	12,050.00	
Edward Brooke	Massachusetts		9,150.00
Robert Byrd	West Virginia	7,150.00	
Robert Stafford	Vermont		0
Robert Taft	Ohio		0
Lowell Weicker	Connecticut		0
Subtotal		2,871,992.44	350,162.69
Total		3,222,155.13	

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[1] The amount of contribution to John Durkin represents both the general and special elections.

HOUSE

Member	District and State	Democrat	Republican
Robert Traxler	8–Michigan	[1] $88,355.00	
Robert Carr	6–Michigan	57,093.00	
Richard Vander Veen	5–Michigan	50,852.00	
James Blanchard	18–Michigan	48,211.99	
John Burton	5–California	37,430.00	
Thomas O'Neill	8–Massachusetts	35,750.00	
Les AuCoin	1–Oregon	35,508.43	
Mike Blouin	2–Iowa	35,200.00	
Allan Howe	2–Utah	32,550.00	
Edward Mezvinsky	1–Iowa	31,525.00	
Richard Nolan	6–Mississippi	30,775.00	
Pat Schroeder	1–Colorado	30,715.00	
John Dent	21–Pennsylvania	29,275.00	
Alvin Baldus	3–Wisconsin	28,650.00	
John Murphy	17–New York	28,450.00	
Robert Cornell	8–Wisconsin	28,415.00	
Paul Simon	24–Illinois	28,075.00	
James Santini	At Large–Nevada	28,050.00	
James Florio	1–New Jersey	26,600.82	
Frank Thompson	4–New Jersey	26,300.00	
Philip Sharp	10–Indiana	26,250.00	
Tim Wirth	2–Colorado	24,894.74	
Norman Mineta	13–California	24,636.50	
Martha Keys	2–Kansas	24,063.57	
John LaFalce	36–New York	23,739.30	
William Brodhead	17–Michigan	23,674.50	
Herb Harris	8–Virginia	22,595.00	
Mark Hannaford	34–California	23,430.00	
Lloyd Meeds	2–Washington	22,500.00	
Floyd Fithian	2–Indiana	22,425.00	
Philip Hayes	8–Indiana	22,100.00	
Don Bonker	3–Washington	22,050.00	
Peter Peyser	23–New York		$21,555.00
Lester Wolff	6–New York	21,290.00	
Jerry Patterson	38–California	20,750.00	
Joshua Eilberg	4–Pennsylvania	20,570.00	
William Roush	4–Indiana	19,750.00	
William Clay	1–Missouri	18,850.00	
James Oberstar	8–Minnesota	18,850.00	
John Brademas	3–Indiana	18,700.00	
Andrew Jacobs	11–Indiana	18,650.00	
William Lehman	13–Florida	18,550.00	
Martin Russo	3–Illinois	18,525.00	
Gladys Spellman	5–Maryland	18,160.00	
Toby Moffett	6–Connecticut	17,916.62	
Chris Dodd	2–Connecticut	17,737.50	
Claude Pepper	14–Florida	17,700.00	
Joseph Karth	4–Minnesota	17,150.00	
Ronald Mottl	23–Ohio	16,900.00	
Ted Risenhoover	2–Oklahoma	16,900.00	
Brock Adams	7–Washington	16,750.00	
Leonor Sullivan	3–Missouri	16,700.00	
James Hanley	32–New York	16,600.00	
John Melcher	2–Montana	16,525.00	
Gerry Studds	12–Massachusetts	16,468.82	
James Lloyd	35–California	16,050.00	
Wayne Hays	18–Ohio	15,900.00	
Andrew Maguire	7–New Jersey	15,500.00	
Joe Minish	11–New Jersey	15,400.00	
Robert Duncan	3–Oregon	15,100.00	
George Shipley	22–Illinois	15,100.00	
Leo Zefferetti	15–New York	14,762.96	
Helen Meyner	13–New Jersey	14,700.00	
James O'Hara	12–Michigan	14,300.00	
John Murtha	12–Pennsylvania	14,150.00	
George Miller	7–California	13,950.00	
Frank Annunzio	11–Illinois	13,600.00	
Gus Yatron	6–Pennsylvania	13,600.00	
James Symington	2–Missouri	13,380.00	
Philip Burton	6–California	13,300.00	
Henry Waxman	23–California	13,000.00	
Bob Mollohan	1–West Virginia	12,950.00	
Max Baucus	1–Montana	12,737.30	
Andrew Young	5–Georgia	12,635.00	
James Stanton	20–Ohio	12,575.00	
Dominick Daniels	14–New Jersey	12,550.00	
Frederick Richmond	14–New York	12,550.00	
Teno Roncalio	At Large–Wyoming	12,500.00	
Fortney Stark	9–California	12,290.00	
Thomas Downey	2–New York	11,772.00	
Robert Edgar	7–Pennsylvania	11,500.00	
Edward Patten	15–New Jersey	11,450.00	
Mike McCormack	4–Washington	11,282.62	
Les Aspin	1–Wisconsin	11,262.00	
James Burke	11–Massachusetts	10,950.00	
Matthew Rinaldo	12–New Jersey		10,840.00
William Ford	15–Michigan	10,650.00	
James Howard	3–New Jersey	10,500.00	
Fernand St Germain	1–Rhode Island	10,300.00	
Robert Bergland	7–Minnesota	10,250.00	
James Ambro	3–New York	10,178.55	
Ray Madden	1–Indiana	10,100.00	
Donald Riegle	7–Michigan	9,750.00	
James Weaver	4–Oregon	9,688.27	
John Joseph Moakley	9–Massachusetts	9,650.00	
Joseph Early	3–Massachusetts	9,550.00	
Doc Morgan	22–Pennsylvania	9,350.00	
Robert Giaimo	3–Connecticut	9,100.00	
Charles Carney	19–Ohio	8,900.00	
John Dingell	16–Michigan	8,750.00	
Tim Hall	15–Illinois	8,650.00	
Harold Ford	8–Tennessee	8,650.00	
Charles Wilson	31–California	8,500.00	
John Moss	3–California	8,450.00	
Clifford Allen	5–Tennessee	8,400.00	
John Slack	3–West Virginia	8,350.00	
Frank Horton	34–New York		8,280.00
Margaret Heckler	10–Massachusetts		8,120.00
Torbert Macdonald	7–Massachusetts	8,100.00	
William Cotter	1–Connecticut	$7,500.00	
Mario Biaggi	10–New York	7,450.00	
Matthew McHugh	27–New York	7,300.00	
Louis Stokes	21–Ohio	7,300.00	
Ralph Metcalfe	1–Illinois	7,250.00	
James Scheuer	11–New York	7,250.00	
James Delaney	9–New York	7,250.00	
George Danielson	30–California	7,200.00	
Thomas Foley	5–Washington	7,150.00	
Bob Eckhardt	8–Texas	7,150.00	
Lindy Boggs	2–Louisiana	6,850.00	
Peter Rodino	10–New Jersey	6,600.00	
George Brown	36–California	6,350.00	
John McFall	14–California	6,275.00	
Daniel Flood	11–Pennsylvania	6,100.00	
Robert Leggett	4–California	6,050.00	
Dan Rostenkowski	8–Illinois	6,000.00	
David Obey	7–Wisconsin	5,950.00	
Glenn Anderson	32–California	5,900.00	
Otis Pike	1–New York	5,900.00	
Joel Pritchard	1–Washington		$5,850.00
Joseph Addabbo	7–New York	5,800.00	
Gillis Long	8–Louisiana	5,650.00	
Donald Fraser	5–Minnesota	5,550.00	
Richard Bolling	5–Missouri	5,510.00	
Joseph Fisher	10–Virginia	5,423.64	
Bill Hungate	9–Missouri	5,350.00	
Edward Beard	2–Rhode Island	5,350.00	
Morgan Murphy	2–Illinois	5,150.00	
Paul Tsongas	5–Masaschusetts	4,953.08	
Robert Drinan	4–Massachusetts	4,900.00	
David Evans	6–Indiana	4,860.00	
Bella Abzug	20–New York	4,850.00	
Stephen Solarz	13–New York	4,650.00	
Joseph McDade	10–Pennsylvania		4,600.00
John Conyers	1–Michigan	4,550.00	
Spark Matsunaga	1–Hawaii	4,550.00	
Samuel Stratton	28–New York	4,500.00	
Morris Udall	2–Arizona	4,400.00	
Paul McCloskey	12–California		4,150.00
Romano Mazzoli	3–Kentucky	4,050.00	
Clement Zablocki	4–Wisconsin	4,050.00	
Leo Ryan	11–California	4,000.00	
Henry Nowak	37–New York	3,975.00	
Barbara Jordan	18–Texas	3,875.00	
Edward Roybal	25–California	3,750.00	
William Barrett	1–Pennsylvania	3,600.00	
Patsy Mink	2–Hawaii	3,560.00	
Floyd Hicks	6–Washington	3,500.00	
William Walsh	33–New York		3,500.00
Ronald Dellums	8–California	3,460.00	
Lucien Nedzi	14–Michigan	3,450.00	
Charles Rangel	19–New York	3,450.00	
Richard Ottinger	24–New York	3,400.00	
Lionel Van Deerlin	41–California	3,350.00	
Al Ullman	2–Oregon	3,210.00	
John Seiberling	14–Ohio	3,200.00	
Yvonne Burke	28–California	3,150.00	
Don Edwards	10–California	3,000.00	
Cardiss Collins	7–Illinois	2,950.00	
Jerry Litton	6–Missouri	2,950.00	
James Corman	21–California	2,860.00	
Melvin Price	23–Illinois	2,800.00	
Henry Reuss	5–Wisconsin	2,750.00	
Thomas Ashley	9–Ohio	2,650.00	
John Fary	5–Illinois	2,600.00	
Silvio Conte	1–Massachusetts		2,600.00
Robert Roe	8–New Jersey	2,597.30	
Benjamin Rosenthal	8–New York	2,550.00	
Charles Wilson	2–Texas	2,500.00	
Parren Mitchell	7–Maryland	2,450.00	
Ronald Sarasin	5–Connecticut		2,350.00
Robert Kastenmeier	2–Wisconsin	2,300.00	
William Moorhead	14–Pennsylvania	2,250.00	
Jack Brooks	9–Texas	2,200.00	
Shirley Chisholm	12–New York	2,125.00	
Dante Fascell	15–Florida	2,100.00	
Bill Burlison	10–Missouri	2,100.00	
Edward Koch	18–New York	2,075.00	
William Randall	4–Missouri	2,050.00	
Al Quie	1–Minnesota		2,000.00
Fred Rooney	15–Pennsylvania	2,000.00	
Lee Hamilton	9–Indiana	1,950.00	
Michael Harrington	5–Massachusetts	1,950.00	
Harold Johnson	1–California	1,950.00	
Alphonzo Bell	27–California		1,900.00
Thomas Rees	23–California	1,700.00	
Benjamin Gilman	26–New York		1,600.00
Richard Ichord	8–Missouri	1,600.00	
Augustus Hawkins	29–California	1,450.00	
B. F. Sisk	15–California	1,350.00	
Elizabeth Holtzman	16–New York	1,250.00	
Charles Diggs	13–Michigan	1,050.00	
Don Clausen	2–California		1,000.00
Hamilton Fish	25–New York		800.00
Elwood Hillis	5–Indiana		800.00
Paul Sarbanes	3–Maryland	800.00	
Jonathan Bingham	22–New York	750.00	
Robert Jones	5–Alabama	650.00	
Ken Hechler	4–West Virginia	550.00	
Carl Perkins	7–Kentucky	500.00	
Edward Biester	8–Pennsylvania		300.00
Henry Gonzalez	20–Texas	300.00	
Sidney Yates	9–Illinois	250.00	
Robert Lagomarsino	19–California		250.00
Herman Badillo	21–New York	240.00	
Charles Bennett	3–Florida	0	
Edward Boland	2–Massachusetts	0	
John Breaux	7–Louisiana	0	

HOUSE—Continued

Member	District and State	Democrat	Republican
Joe Evins	4–Tennessee	0	
Barry Goldwater, Jr	20–California		0
Gilbert Gude	8–Maryland		0
Stewart McKinney	4–Connecticut		0
William Natcher	2–Kentucky	0	
Robert Nix	2–Pennsylvania	0	
Neal Smith	4–Iowa	0	
Burt Talcott	16–California		0
Charles Vanik	22–Ohio	0	
Joseph Vigorito	24–Pennsylvania	0	
Charles Whalen, Jr	3–Ohio		0
Subtotal		$2,368,675.51	$80,495.00
Total		2,449,170.51	

Member	District and State	Democrat	Republican
"PAIRED" HOUSE MEMBERS			
Abner Mikva	10–Illinois	$36,325.00	
John Jenrette	6–South Carolina	15,600.00	
Henry Helstoski	9–New Jersey	13,350.00	
Mendel Davis	1–South Carolina	8,600.00	
John Heinz	18–Pennsylvania		$5,850.00
William Green	3–Pennsylvania	5,180.00	
Harley Staggers	2–West Virginia	2,550.00	
Subtotal		81,605.00	5,850.00
Total		87,455.00	

[1] The amount of contribution to Robert Traxler represents both the special and general elections.

Note: Total:

Senate	$3,222,155.13
House	2,449,170.51
"Paired Members"	87,455.00
Grand total	5,758,780.64

YOUNG FARMERS HOMESTEAD ACT GAINS IN CONGRESS

Mr. McGOVERN. Mr. President, the Young Farmers Homestead Act which I introduced on October 30, 1975, continues to gain support in farm areas. The December 2, 1975, edition of the respected Co-Op Country News, the official publication of Cenex and the Grain Terminal Association, contains an article indicating its broad basis of support and outlining its objectives. The publication is widely read in the Midwest and its membership includes a broad-based representation of the farm community.

I ask unanimous consent that the article referred to be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

YOUNG FARMERS HOMESTEAD ACT GAINS IN CONGRESS

WASHINGTON.—A "Young Farmers Homestead Act of 1975" intended to allow young farmers without a lot of money to get into the expensive business of family farming is picking up so much bi-partisan and coast-to-coast support in Congress that it is now obviously one of the major pieces of farm legislation on Congress's 1976 schedule.

Originated by Senator George McGovern (D., S.D.) and sponsored by Congressman John Melcher (D., Mont.) in the House, it now has 13 co-sponsors in the Senate and a dozen in the House, ranging from Sen. Mark Hatfield (R., Oregon) to Rep. Mathew McHugh (D., N.Y.)

The bill establishes a federal corporation which would buy farms up to $200,000 or $250,000 in value, lease them to young farmers for an initial 2 to 10 year period at a rental covering actual debt service costs and taxes, and allow them to buy the farms at their cost anytime during the rental period. To prevent speculation, the buyer would be required to turn 80% of any capital gains over to the government if he sold the farm within 5 years after purchase.

The Corporation is authorized to sell, and the U.S. Treasury to buy, up to $1 billion in bonds the first year and up to $2 billion total to finance its land purchases.

The Corporation is authorized to buy large landholdings and divide them into $200,000 to $250,000 units. (The Senate bill sets the top value at $200,000; the House bill at $250,000, which will have to be negotiated out.)

The genesis of the bill is a program started in 1972 in Saskatchewan Province, Canada, aimed at continued Government ownership of land and leasing to family farmers. The U.S. proposal is greatly modified, however, to encourage private ownership—not continued government ownership and rental only.

During a visit to Canada when he was studying the measure, Senator McGovern learned that out of 1400 farmers who had taken advantage of the Canadian program, only 2 had defaulted so far.

"In these days of high land values, expensive machinery and high operating costs, it is simply impossible for potential young farmers to face up to the conventional credit requirements for the two-fold necessities of land acquisition and operating capital," McGovern told the Senate. "As a result, only sons of well-to-do can ever hope to adopt farming and ranching as a career."

McGovern pointed out that the number of farms in the Nation is declining; one estimate is that there will be only 1 million at the turn of the century. There were 5.7 million in the Thirties.

The bill proposes that young operators borrow their operating capital from the Farmers Home Administration, if private capital isn't available.

The sponsors contend that the measure would require no ultimate expense to the government since leases would pay debt charges, taxes and administrative expense.

The growing list of co-sponsors of the measure assures hearings and consideration early in 1976.

As Congress winds up its 1975 session, there are no big farm program (price support) bills in sight. Congress passed a bill raising loans and Target price levels in the Act of 1973 early this year—many felt much too modestly—but even that modest increase was vetoed and the veto sustained.

While a number of farm leaders in Congress, like McGovern and Melcher, think there should be substantial increases in loans and Target price levels, there is a general hopelessness about getting anything done unless and until the national administration is changed in November, 1976.

FEDERAL SPENDING PROGRAMS

Mr. GOLDWATER. Mr. President, before the Lincoln Day Recess, 1 day, I was presiding over the Senate when the distinguished Senator from Maine, Senator MUSKIE, took the floor to introduce what I considered to be one of the best bills we have had presented to the Senate in many a year. I do not say that because Senators BROCK, BAKER, and I introduced a bill in 1973, S. 40, which did the same thing. I was more than happy to learn that the Democrats have now decided through one of their leaders, that our spending has grown ridiculous and very dangerous. The big difference in the bill we introduced and the one Senator MUSKIE introduced is that our bill terminated all Federal spending programs at the end of every 3 years, instead of every 4 years. I do not want to belittle the Muskie bill one bit, in fact I am now a cosponsor of it, but I just want to remind my colleagues that Republicans introduced a little stronger bill a number of years ago and the committee took no action on this part of it. I hope and pray that our body will give prompt attention to the Muskie approach and see what will happen to the overabused welfare programs and other sources of spending that we are now living through. It is time we woke up.

WHERE DO WE GO FROM HERE IN THE UNITED NATIONS

Mr. CLARK. Mr. President, the International Relations Committee of the House of Representatives is this week concluding hearings on the United Nations and the United States' role in that organization. The Senate Foreign Relations Committee is planning to hold an inquiry into this same question in the next few weeks. This is, therefore, a propitious time for us to give some serious and unemotional thought to "where we go from here" in the U.N.

I would like to call the Senate's attention to two articles which thoughtfully set forth some reasons for concern and other reasons for hope as we look at the U.N. The Washington Post of February 8 carried a piece entitled "The U.N.'s Troubles Are Also Ours" by Charles William Maynes, secretary of the Carnegie Endowment for International Peace. Mr. Maynes persuasively explains the source of many of the current tensions in the U.N. and cautiously suggests some areas in which the U.N. can be useful in the future. Another article, "The U.N. and the (Economic) Education of

Henry Kissinger," by Helena Stalson, which appeared in the January/February Worldview, gives an excellent review of the work of the Seventh Special Session of the U.N. General Assembly.

While Mr. Maynes' analysis is both acute and realistic, I think it should be supplemented with a consideration of the enormous psychological importance of the U.N. Though a vast majority of the U.N.'s supporters have long since lost any illusions they may have had that the U.N. can "solve the world's problems," the U.N. is still a powerful symbol of the determination of the nations of the world to live together in peace. If the U.N. should founder, it would be read by the world's billions as a signal that its "last best hope" to avoid Armageddon had gone down the tubes.

As both houses of Congress look at this problem, perhaps the most important current development to emphasize is the increasing use of multilateral forums to work out solutions to the world's problems. The world is far too complex, interdependence is too much a reality, for any other approach to work. Frequently the U.N. and its subsidiary bodies do not precisely fit the needs of the situation and outside bodies are formed—usually with restricted rather than universal membership. But it matters little whether problem-solving takes place under the emblem of the U.N.; as Mr. Maynes points out the U.N. can serve the useful function of legitimate and institutionalizing decisions taken by multilateral bodies outside the U.N.

Ms. Stalson's article gives a moderately hopeful picture of programs by the U.S. Government in moving toward a reformed international economic system which is more equitable to the poor countries. There have been some mixed signs as to the steadfastness of the administration in following up on Secretary Kissinger's important proposals to the U.N. Seventh Special Session. And the spirit of confrontation which has seemed to motivate our actions in the General Assembly and elsewhere in recent months clashes with the cooperative spirit of the Seventh Session. But the U.S. Government must nevertheless vigorously pursue the initiatives it has taken in international economics and make even greater efforts to accommodate basic U.S. interests to the legitimate demands of the developing countries.

Mr. President, I ask unanimous consent that the articles by Mr. Maynes and Ms. Stalson be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

THE U.N.'S TROUBLES ARE ALSO OURS

(By Charles William Maynes)

It was an extraordinary statement even for Daniel Patrick Moynihan, who has repeatedly shown an ability to enlarge on reality. Questioned about the United States' position in the United Nations 2 months before his resignation as U.S. ambassador, Moynihan replied that a majority of U.N. members are out to "kill" the United States. Imagine an earlier U.S. representative answering the same question: "It is to be noted that as a result of changes in the composition of the United Nations since 1960, which opened the era of decolonization, increasingly a majority of U.N. members states are pursuing their perceived national interests in the world body in a manner which is in conflict with our perceived national interests and these trends have made the U.N. a somewhat less useful over-all tool for United States foreign policy."

Whether one prefers one's judgments with Irish embroidery or Foreign Service fog, the reality which most American observers see at the U.N. is precisely the United States in opposition. Suddenly the rest of the world, or at least its leaders, have gone bad. Why is not clear but, following Moynihan's lead, many of us search for the answer in a sudden ideological shift in views of foreign leaders, perhaps fostered by inadequate university training. Yet it may be time to look at some deeper factors.

While it is undeniable that the vast increase in the number of U.N. members has helped to dilute U.S. influence in the organization and that anti-Americanism is rampant in the developing world, these developments do not adequately explain either our own weakness in New York or the U.N.'s general dilemma. The United States' isolation and the U.N.'s current difficulties are the result of powerful domestic and international currents of change which profoundly affect the way that nations look on the U.N. and on international organizations in general.

The most fundamental change involves America's international position: In recent years, the United States has ceased to be a global power seeking global solutions in a formal institutional framework and has become simply the most important among important international powers.

A second major change, almost psychological in nature, is the worldwide waning of the postwar belief in progressive change through government intervention.

We can begin with the changes in the United States' role in the world. To understand these, it is necessary to probe the reasons behind earlier strong U.S. support for the concept of a world organization after both world wars. Usually, accounts on this subject dwell on American idealism, either praised as farsighted or condemned as naive. But even in 1918 a fundamental reason for American interest in a global institution was American security interests, already perceived by some policymakers as global.

These policymakers were interested not only in enhancing American safety but also American influence; and in an organization with global membership, only a nation with global interests can aspire to dominant leadership. They believed in 1918 and knew in 1945 that the United States was the only healthy and dominant global power. They reasoned that only America could conceivably aspire to enduring leadership in the new world body.

Against this background, the U.N. from the beginning was in a very real sense an American organization. It was American not simply in the most obvious sense—that the United States dominated the world body politically and financially for two decades and used its power for Cold War reasons. It was also an American organization intellectually.

For more than two decades, the United States was practically the only significant member state that not only tried to "use" the U.N. but also to "build" it. There spewed forth from Washington, administration after administration, a stream of proposals and plans, many of which for tactical reasons had to be surfaced by others, that helped to develop the central core of intellectual capital necessary to make the world organization vital and more than marginally relevant to world politics.

One of the U.N.'s major achievements was the U.N. Emergency Force which kept the peace in the Middle East from 1956 to 1967. Henry Cabot Lodge points out that the original resolution was drafted in the State Department—he thinks by Joseph J. Sisco, now under secretary of state. Lodge, then U.N. ambassador, passed the resolution to Lester B. Pearson of Canada, who went on to win a Nobel Peace Prize for his work in putting the plan into action.

This uniquely American approach occurred almost in spite of the personal preferences of many top United States policymakers. No one disliked the U.N. more than Dean Acheson; yet in the Korean crisis he saw great advantages in using the U.N. and through the Uniting for Peace Resolution enhanced the power of the world body. Almost against their own instincts, U.S. policymakers, pursuing a global policy, found advantages in using a global institution.

Today, the United States continues to have wider interests in more regions of the world than any other major power. Nevertheless, when President Nixon announced his vision of a five-power world, when he jettisoned the Bretton Woods monetary system, when he showed little interest in such "global" issues as North-South relations, when his powerful treasury secretary proclaimed no standard higher than narrow national interest, the United States in effect announced that its interests were no longer global. It followed inevitably that the United States would downgrade considerably its attention to developments in Africa, southern Asia and Latin America—developments which dominate the U.N. with the United States reducing the range of its foreign policy interests considerably, the cost of speaking out at the U.N. began to fall.

This change in the U.S. attitude and interests has been especially traumatic for the U.N. because its consequences are compounded by the extreme hostility of many countries in the Third World toward the United States (a hostility which will surely survive Moynihan's departure) Although any dispassionate analysis would acknowledge that this hostility is at least in part explained by 15 years of poorly conceived policies toward the Third World, an element of postured confrontation has developed which now threatens not simply the relevance but the very existence of the U.N.

The other dimension to the U.N.'s dilemma has been the drying up of the postwar spirit of optimism among key elites. One major asset for the U.N. in its past three decades of growth was a faith shared almost everywhere in the ability of government institutions—both at home and abroad—to carry out an economic reform effectively and at minimal human cost.

Such pessimism about the ability of domestic institutions to perform effectively is bound to influence popular and elite perceptions regarding the performance of international institutions. It is no accident that at roughly the same time the U.S. government abandoned the domestic "war on poverty" and failed to meet its aid and trade obligations to the Third World under the Second Development Decade.

Similarly, there is some relationship between the conclusion that liberalism has lost its creative force in shaping domestic programs and the conclusion that attempting change through multinational and institutional approaches motivated by a sense of internationalism is probably misguided. Indeed, the greatest difficulty the U.N. may face in the current Third World campaign for a "New International Economic Order" is that this drive moves against the general trend toward retrenchment and conservatism.

We forget too easily that, particularly during the period between the two world wars, people generally perceived government as incapable of effecting meaningful social and economic reform. But by 1945 the belief began to spread that if nations could organize efficiently for total war, certainly they could prepare themselves effectively for a better peace.

One consequence of this renewed faith in government capability was a spectacular increase, historically unprecedented, in the scope and extent of government activities, abroad as well as at home. The growth of the U.N. system took place in this context of the postwar expansion of all governmental and intergovernmental institutions. The U.N. budget for specialized agencies may have grown at a rate of 11 per cent a year from 1951 to 1970, for example, but U.S. budget expenditures grew at a rate of 18 per cent during this same period.

Today there are numerous signs that, at least in the developed countries, this golden age of bureaucracy is coming to an end, both domestically and internationally. In the United States, where the Democrats have traditionally been identified as more favorable to the expansion of government services, the four most promising new Democratic governors have stunned both their supporters and opponents by immediately initiating a process of budget cuts. In the words of one: "The days of wine and roses are over."

Austerity, not progress, is now the watchword not only in the United States but in most other developed states as well. The essential goal of government, which used to be the achievement of new social gains for the future, has developed into a more negative objective of protecting social gains from the past.

Although the U.N. seems to be entering a difficult period, we should be careful not to assume that this will also be true for multilateral diplomacy as a whole. Many U.N. supporters contend that because it is imperative that nations cooperate with others, all states must for that reason work with one another within the U.N. framework. Yet this does not at all follow, as Secretary General Kurt Waldheim was forced to concede in a 1975 statement to a group of experts working on a restructuring of the U.N.:

"A realistic assessment of the actual pattern of inter-state relations reveals that many, if not most, of those relations continue to be handled bilaterally, that a relatively small volume of inter-state activity is channeled through international organizations. Even in the case of problems recognized as global, there is a tendency to rely on restricted forums and groups of so-called 'interested' countries, without reference to the more generally accepted codes of behavior or coordination with activities carried out within the United Nations system."

Of course these "interested" states are interested not in the sense that they are more competent than others but in the perverse sense that they are out to promote their own interests with little regard to the interests of others. Both the Organization of Petroleum Exporting Countries and the International Energy Agency are examples.

Nevertheless, Waldheim's observation suggests a central insight about international organizations that most U.N. supporters overlook—that, as one expert has written, governments will not entrust a project to which they attach importance to a body that seems to be out of control. This explains why OPEC producers, as much as the industrial consumers, prefer to establish new institutions outside the U.N. framework to conduct their negotiations, or why disarmament talks take place in special forums created by and controlled by the Soviet Union and the United States.

As we move into an era where nations have less money and time to spend on institutions that are too large to work, these examples of "interested states" working together will multiply, not always with desirable consequences for the globe as a whole.

Under such conditions, what role in the international system is appropriate for the U.N.? There remain several, though all place the U.N. at the margin of policy rather than the center.

First, we should not undervalue the continuing usefulness of the United Nations simply as a debating society. It is easy to denigrate this function, but the world needs a forum which can issue warning signals that current international policy is engendering too much hostility (as on economic issues) or permitting too little progress (as on disarmament questions) or simply going too far (as on the Zionism resolution). There is a second advantage to any debating forum. Anyone who has worked in a government bureaucracy knows well the catalytic effect on policy that the existence of a public forum can have. Often it provides the only excuse for reviewing current policy.

Finally, in terms of U.S. interests, we ought to recognize that the U.N. enjoys one advantage as a debating society that few other international organizations or conferences can offer. Through its charter the U.N. accords the U.S. a privileged position on the Security Council where its lone opposing voice can often delegitimize consensus for international action in the political and security field.

Second, there is the traditional U.N. role of standard-setting in areas where adequate international consensus exists, such as telecommunications, health and international trade. Regrettably, there are still too few such areas these days. Their number may slowly increase.

Third, the U.N. system in certain areas can perform an important monitoring role, helping to make new developments in the international system more visible, and thus more amendable to reform. The recent U.N. effort to study the multinational corporations falls into this area. So do its early-warning systems on such issues as crop failures and epidemics. The opportunities here should not be exaggerated. Member states are well aware that knowledge is power and they are not able to give too much of either to an international secretariat, which in recent years has capitulated too quickly to member states' protests or demands.

Fourth, in certain areas, the U.N. is a vital action agency. Peacekeeping is one area. The work of the U.N. Development Program, now the world's largest channel for international technical cooperation, is another. But however important these activities are—and in limited circumstances they can be vital—there may be a ceiling on future expansion. The contrast between U.N. peacekeeping in the Middle East and U.N. paralysis in Angola suggests that the balance of local and outside forces must be in a very narrow range before the U.N. can move. As for further increasing U.N. development activity, the first step is an improvement in over-all relations between industrialized countries and developing countries. Only then will programs like UNDP receive the support they merit. Governments these days are in a nasty mood and want to know what they get for what they give. The scale, therefore, is temporarily weighted in favor of bilateralism or regionalism.

As we move further into the era of multilateral diplomacy, there is a final U.N. function which could exceed in importance the others. This is to serve as an organization which can legitimize those multilateral activities that have a global significance.

The model for future multilateral activity is likely to be OPEC or the International Energy Agency or the new Paris forum of limited membership for negotiating over energy and raw materials, the so-called Conference on International Economic Cooperation (CIEC). These are all organizations based on the principle of exclusion rather than universality; yet the feature they all share is that each, though it must be small to be effective, nevertheless carries out activities of interest to a much larger group of states. How can the larger group make its views known? How can they have some influence over their fate? That these are vital questions is clear from the intense pressure to increase the carefully negotiated size of CIEC, now set at 27. CIEC, which some argue may become the "prime forum" for North-South dialogue, is vulnerable to such pressure because its membership is self-appointed and lacks the legitimacy which an organ like the U.N. might bestow.

The talks between the oil producers and the oil consumers may prove a test case. It is widely conceded that the General Assembly is not an appropriate forum in developed-developing world relations would have to represent other states which, for reasons of numbers, could not all be present.

This proposal bears some resemblance to the most important recommendation of the May, 1975, report of the Group of Experts on the Structure of the United Nations System. The 25 experts from all regions and political groupings urged the creation of "small negotiating groups to deal with key economic issues identified by the (Economic and Social) Council as requiring further negotiations." During the year or two such groups would be given to work out a settlement, the General Assembly would take their efforts into account in addressing these issues.

It would be a mistake to underestimate the difficulties in trying to evolve such a responsibility for the U.N. Any suggestion that the U.N. might promote international cooperation through its legitimizing function immediately brings forth the challenge that the U.N. in its legitimizing function can also promote international conflict: Look at the U.N. efforts to bestow legitimacy on the Palestine Liberation Organization. Whenever the U.N.'s legitimizing role is used to sanction a process and set reasonable goals for the negotiating parties, it will move closer to the center of policy. Whenever this role is used to predetermine the final results of a negotiating process, the U.N. will move to the margin of policy, useful primarily as a mirror of forces operating in other arenas.

For the sake of the U.N. and better global policy, its supporters must hope that it will be able to use its legitimizing role in a responsible manner. At this point, however, all one can say is that the likelihood of this happening is still uncertain and for that reason so is the future of the organization.

But no American can express pleasure in this. For the weakness of the organization reflects our own. The U.N.'s current difficulties, though also caused by the policies of others, will not end until the United States can redefine its role in the world in a positive fashion and until our people and their leaders can restore some balance to our national spirit.

THE U.N. AND THE (ECONOMIC) EDUCATION OF HENRY KISSINGER

(By Helena Stalson)

Something remarkable and of historic importance took place in New York during the first two weeks of September, 1975. At a Special Session of the United Nations the poor countries of the world, who have 70 per cent of its people and 30 per cent of its income, demanded that the rich countries make some major changes in the international system. And the rich countries, including the United States, responded in new ways. Most reporters failed to notice how remarkable the events were, but the evidence is there.

I shall begin with three testimonials from an improbable assortment of observers, all of whom, from differing perspectives, stressed the pervasive atmosphere of cooperation and the sense of purpose of the session. Ambassador Richard of the United Kingdom said that what made the Special Session significant was not the actual provisions of the documents the delegates considered but rather the clear indications that both sides were determined to reconcile their opposing views. Ambassador Mills of Jamaica referred to the "miracle" of the session and said it was to be found less in the changes in relationships between countries that were being proposed than in the fact that decisions to make changes were at least being taken in common. An editorial writer of the *Wall Street Journal*, apparently somewhat startled at his own reaction, wrote that the results of the session seemed "so much less bad than they could have been that even we are tempted to applaud them." He went on to say that the results vindicated Ambassador Moynihan's basic approach, neglecting to add that this approach was a departure from U.S. negotiating procedures at previous international meetings on economic development.

Other observers, equally astute but more cynical, have been skeptical. They remain unswayed by the euphoric mood that prevailed and the degree of consensus that emerged, and say that everything hinges on whether or not the advanced countries, and especially the United States, are prepared to deliver on the commitments they have made. Some of them suggest that the positive approach of the United States was only a gambit designed to lull the fears of the poor countries and to crack their solidarity. Others believe that the commitments were seriously entered into but that they are a bad approach to helping the poor countries of the Third World. Still others approve of the U.S. position but think that the prospects are poor for getting the U.S. executive branch to push for, or the Congress to vote for, the commitments that require legislative action, and that therefore the whole exercise is a cruel joke on the poor countries. Unfavorable reactions to the Special Session, however, were in the minority, and when so many people of differing views and expectations support the outcome, one has a basis for arguing the session must have something going for it.

A most interesting question is why things happened the way they did, why now? To answer that question one must reflect on events leading to this session. The recent session was only the seventh in the U.N.'s thirty-year history to be called into being for a special purpose, and only the second that dealt with economic issues. The first five special sessions were concerned with political and peacekeeping objectives—two on Palestine in 1947 and 1948, and one each on Tunisia in 1961, the Congo in 1963, and Southwest Africa in 1967. The Sixth Session in the spring of 1974 was concerned especially with raw materials and their role in the economic development of poor countries. The Seventh Session of September, 1975, broadened the agenda to include all aspects of development.

Both of these economic sessions were convoked at the request of the Third World, the so-called Group of 77 (the developing countries that now number over a hundred, but are still referred to by their original name). Most of their demands were not new, but by the time of the 1974 session they had been strengthened by the strategy of the oil-producing countries, which had shown their economic muscle when they successfully defied an international "system" that in their view consistently works to the disadvantage of the developing countries. This system, comprising a whole series of relationships ranging from formal agreements to centuries-old commercial and political customs, has been described by countries of the Third World as the major device for perpetuating global inequality. An African delegate at the September, 1975, session expressed the widespread belief of the developing countries when he said that the fact that they have remained poor is not an accident but is rather the result of "the sad logic" of a system that operates for the sole benefit of the powerful. Touching up such a system with a reform here and there is an unacceptable substitute for what these countries believe is needed—a fundamental restructuring of the way the world carries on its business. They point out that when the United Nations Charter was drawn up in 1945, the idea of the development of poor countries was not included; rather, the concern was for peace and security. But when the plight of the poor countries began to receive attention, the developed world responded by providing grants and loans under military as well as economic aid programs. The recipients saw that these programs were justified less in economic and humanitarian terms than in political and strategic terms, with overtones of exploitation lingering on from former colonial days.

The developing countries, in any case, have always asserted that they preferred trade to aid as the means for advancing economically. Their main goals have been: (1) to receive what they consider adequate prices for their food and raw materials, and (2) to be given an opportunity to build up their industries and sell their manufactured goods in the advanced world. Trading and financial relationships seemed, however, to have lopsided results. Investments by the rich countries were substantial, but the poor countries regarded the terms as harsh, especially when the return flow of interest and dividends to the investors began to approach the volume of new funds flowing in. Trade usually consisted of buying raw materials from the poor countries at low prices that more than offset the value of the aid programs, shipping these materials long distances to be processed and fabricated in the rich countries, and then shipping back the finished goods to be sold at high prices.

For years the Third World has complained about the deterioration in its terms of trade. This simply means that on the average it has taken more and more tea or jute or copper to buy a ton of steel or a piece of farm equipment. (Opponents of this view argue that the manufactured products exchanged for the raw materials are worth more because their quality has increased.) As the poor countries see it, the prices of their products go up in some years, but go down in others, while the prices of the goods they have to buy from the advanced countries only go up. International institutions and regulations naturally seem to the advanced countries to be working reasonably well, but that is because these countries are the ones that invented them to meet their own needs. In the past twenty-five years the advanced countries have energetically gone about reducing trade barriers, but the reductions chiefly benefited their own trade, and where there was backsliding, with the imposition of new barriers, they usually seem to apply to the goods of the poor countries.

Advances in technology make the rich richer, but somehow don't always seem to be appropriate for poor countries. When new financial resources have been made available by the International Monetary Fund, the bulk of the funds is allocated to the rich countries. Even something seemingly as minor as transport costs generally operated to the disadvantage of the poor countries. For example, the representative from Tanzania at the United Nations spoke of his country's desire to stop exporting sisal to Europe and instead to make it into rope at home and earn the higher income the finished product brings—except that the shipping companies charge five times as much, on a weight basis, to transport rope as to transport the raw material, and this difference is enough to eat up any profit the Tanzanians might earn.

In spite of some progress by the poor countries in expanding their production and trade, by the early 1970's it was becoming clear that most of them were not meeting the goals that development theories or plans had predicted for them. Instead of being narrowed, the gap between them and the rich countries was growing. There were, to be sure, exceptional cases where development programs had successfully lifted a country, usually a small one, onto a relatively high level of economic activity. But for most countries, including the more populous ones and especially the poorest sectors of virtually all of them, progress was painfully slow and the burden of debt increasingly heavy. It seemed that so long as decision-making and therefore rule-making were determined by the financial weight of the members of the international bodies that regulated trade and financial matters, the system would maintain the gap between rich and poor.

Furthermore, from their experience in operating under advanced-country rules the poor countries could see little evidence that the system of free markets and private enterprise would solve their problems. Their belief that salvation lay neither in the free enterprise system of the West nor in the centrally planned system of the Soviet Union was first expressed twenty years ago when a conference of so-called nonaligned countries met in Bandung, Indonesia. Institutional underpinning for the group was strengthened with the formation of UNCTAD, the acronym of the U.N. Conference on Trade and Development, which held its first meeting in 1964, and of UNIDO, the U.N. Industrial Development Organization set up in 1966. In 1970 the United Nations agreed upon an International Development Strategy that called for the adoption of new economic and commercial policies by the developed world in order to speed up the process of development in the Third World.

In the period from 1970 to late 1973 the gains of the poor countries (excluding the oil producers), as measured by increases in earnings from their exports, precisely matched those of the rich countries. But the October, 1973, action by the oil producers and the subsequent recession in the developed countries put a halt to the prospects for continuing advances as the members of the Third World came up against high oil costs, rising prices of food and manufactured goods that had to be imported, and reduced demand by developed countries for their products. For many of them, particularly those that had few raw materials and were therefore doubly affected by increasing costs of everything they needed, the situation was extremely serious.

Encouraged by the success of the oil producers in maintaining a solid front against the rich oil consumers, the Third World countries assembled at the Sixth Special Session in April, 1974. Their spokesmen were determined to force the advanced countries to acknowledge that long-term deterioration in economic relationships can as seriously affect the peace of the world as unresolved political differences and that the existence of unremitting poverty in large parts of the world can be a greater threat to the security of the rich countries than military buildups. Their proposals for change were put forward, in vigorous fashion, in a proposed program of action under the heading the "New International Economic Order." It was an awesome list of demands that called for assurance by the rich countries that they would cooperate in underwriting the economic development of the Third World. The advanced countries, especially the United States, responded less enthusiastically, and the session, which turned into a long angry confrontation, was generally regarded as a failure.

In the summer of 1974 the U.N.'s Economic and Social Council recommended that another attempt be made, in 1975, to discuss the major problems of development and to propose measures that would bring about appropriate changes in the U.N. system itself and in the overall pattern of world economic relationships. In spite of the recent bruising experience the two sides had by early 1975 set to work exploring new ways of presenting their respective cases. Having been asked by the advanced countries to make specific suggestions instead of general charges and complaints, the Group of 77 did just that, preparing a document in which they proposed fairly concrete measures in six areas of interest to them—trade, monetary reform and foreign assistance, industry, science and technology, food and agriculture, and restructuring of the United Nations. At the same time, the European Common Market and the United States undertook six-month-long reviews of their policies toward developing countries. The papers of the Group of 77 and the Common Market were widely circulated and discussed in the months before the September meetings.

The U.S. position was not set forth until the opening day of the Special Session, and then it was presented in a speech prepared by Secretary Kissinger and his staff and read by Ambassador Moynihan; this was called familiarly the "Kisslhan speech." Although Mr. Kissinger had for three or four months been dropping hints about what he was going to say, apparently no one at the United Nations was prepared for quite so formidable a set of proposals, ranging from new financing for existing international agencies to the establishment of several new ones and a number of important recommendations on trade, food, and commodity agreements.

While the speech was received with enthusiasm, the U.N. committee that had been established to do the actual negotiating went ahead with a decision to make the paper of the Group of 77 the basis for discussion, thus in effect dismissing the Kissinger proposals as a working document. The European Common Market had drafted its paper so that it followed the outline of that of the Group of 77, and its members, as well as others, urged the United States to produce a paper that would be in line so that all of them could be discussed together. This the U.S., after one false start, eventually did, submitting a document modestly entitled "Informal Working Paper Submitted by the United States for Negotiating Purposes," whose general outline followed that of the other papers. It contained none of the admonitions or demands for acceptance of responsibility by others that earlier U.S. proposals had had and that had touched sensitive nerves of some delegates. It put forward ideas that went beyond anything an American delegation had ever before proposed, and in several places it did so in the actual language of the Group of 77.

The new U.S. paper had an electrifying effect on the other delegations. It was as though a door one expected to find locked was, in fact, wide open, and the room it opened into, while unfamiliar, appeared to be so full of promise that it would be unreasonable not to explore it. The morning after the U.S. paper was presented the rather irreverent daily newsletter that kept everyone at the United Nations informed of what was going on had a headline—"U.S. Wonders What It Has Run Up the Flagpole—But World Seems Ready to Salute." It went on to say that the U.S. paper, along with the other two papers, "provides the basis for the conceptual breakthrough for which we have all been waiting." A member of the U.S. delegation said later that although the paper was only a negotiating document, "its presentation changed the course of the negotiations."

As the session wore on, with the easier issues disposed of, the positions of the negotiators hardened on the more intractable problems. Jan Pronk of the Netherlands, chairman of the negotiating committee, who had relentlessly whipped his members along, kept them at work through exhausting night sessions. Near the end he broke up his committee into very small negotiating teams, mostly of three or four members. At one point, when the talks seemed deadlocked, U.S. Assistant Secretary of State Enders arrived to join in the negotiations, and the Common Market's foreign ministers, who were meeting in Venice, sent a cable instructing their representatives to stay flexible and keep lines of communication open. It was a cliffhanging situation. The result was a resolution entitled "Development and International Economic Cooperation" that everyone signed and, as Kissinger put it, one that "the United States is proud to support." (He did not add that the U.S. was attaching some reservations that in effect denied a U.S. obligation to fulfill certain of the resolution's commitments.)

What was agreed upon? Not everything that the Third World wanted by any means, but I think far more than anyone expected. The developing countries put forward three major demands; none of them was accepted outright. The *first* demand called for the annual transfer by 1978 of 0.7 per cent of the rich countries' gross national product to the poor countries; the U.N.'s resolution added two years to the time by which the goal must be met, and the United States indicated that it could not even go along with a specific target. The goal of 0.7 per cent had been embodied in earlier commitments by the rich countries, and with only a few exceptions not only had they failed to meet it, but in recent years they had failed to come anywhere near it. The U.S. level at the time of the Seventh Special Session was less than 0.3 per cent of its GNP, the country itself was in a period of recession, and Congress was skeptical about the extent to which the transfer of U.S. funds to poor countries served either their interest or that of the U.S. The U.S. delegation to the United Nations may perhaps be excused for regarding a firm commitment of assistance at a level two-and-a-half times what the country was managing to deliver as something that could not in good conscience be made.

A *second* demand called for an automatic transfer to poor countries whenever new international funds, the Special Drawing Rights, are created. The International Monetary Fund began creating the SDRs to supplement other means of payment for international transactions six years ago. But because the total of 9.3 billion was distributed to IMF members in proportion to their quotas in the Fund, only 2.1 billion, less than 25 per cent, went to the developing countries. The rich countries believed strongly that a relationship should be maintained between the creation and distribution of new resources and the financial contribution of members. The U.N. resolution sidestepped the issue by recommending that this link between the creation of funds and their delivery to poor countries be studied by the Fund, while the United States flatly said in its reservation that it did not support such a link.

The *third* demand, opposed by almost all advanced countries, was for indexation. Since this is an expression that will in time, I am sure, become a household word, it might be useful to define. As the term is used today, it is an agreed-upon relationship between prices that the Third World countries receive for their exports and the prices they pay for their imports from the advanced countries. Thus the prices of their exports would not be determined by the cost of producing them or the demand of consumers, but by the prices of unrelated products. In this way, for example, the same number of shiploads of bananas would always buy the same number of tractors, and the purchasing power of the banana grower would remain stable. As it happens, over 90 per cent of the bananas that enter world trade are grown in the developing countries, and any price fixing arrangement would have potential benefits almost exclusively for them, as it would for a number of producers of other commodities, such as coffee, cocoa, tea, tin, rubber, and cane sugar, for which developing countries represent more than 70 per cent or more of world trade.

Most Western economists look with distaste on this proposal to link the prices of mineral and agricultural products to the prices of manufactured goods. The concept, however, is certainly not new in the Western world. For decades the United States practiced a form of indexation when it pegged prices of certain farm products to a standard set in a base year. Wage contracts tied to cost-of-living changes are also a form of indexation. But the U.S. has never ventured to consider the extension of this concept to a relationship between the prices of U.S. products and those of foreign markets, and good reasons have been offered for thinking that the idea is not practicable. A few of the more compelling reasons for a wary approach to the international indexation of prices are:

1. For many commodities, advanced countries like Canada, Australia, and the Soviet Union supply a greater proportion of world exports than the poor countries and would share in the benefits of the scheme.

2. For some commodities, the setting of artificial prices leads to investment in the production of substitutes, for example, synthetic textiles and rubber, and in the long run reduces or even eliminates the consumer's demand for natural products.

3. The improved bargaining power of the developing countries that are able to take advantage of an indexation scheme is likely to harm the majority of the developing countries that do not have such power far more than they would the rich countries.

Nevertheless, the matter of linking one set of prices to another set has not received serious consideration in the light of new economic relationships and changing priorities and goals that have been taking shape in both the developed and the developing worlds, and at the Special Session the stiff opposition of the West broke down to the extent that many advanced country delegates talked about stable prices and remunerative prices, and even the U.S. working paper referred to the need "to insulate the developing countries from the adverse effects of inflation," a phrase some delegates proceeded to interpret (incorrectly) as a roundabout way of endorsing the indexation proposal. The U.N.'s final resolution compromised by recommending only that indexation schemes be studied and reported on at a later meeting. This outcome should not be regarded as a defeat for one side or the other. A number of representatives from the Communist countries and the Third World had recommended that further study of this extremely complicated device would be useful before it was accepted.

It is probably fair to say that the Communist countries were outmaneuvered in a debate in which pragmatism won out over rhetoric. In earlier discussions of a New International Economic Order the Third World had made much of the proposition that they had suffered and continued to suffer from the colonialist and neocolonialist exploitation by the rich countries. At the Seventh Special Session the developing countries for the most part looked forward, not backward, and stressed the policies that would be needed to help them in the future rather than those they believed had contributed to their past difficulties. The European Communist countries carefully dissociated themselves from the advanced, market-economy countries. Maintaining that the imperialist behavior of the latter justified demands for compensation by the Third World, they stressed that they themselves had no such obligation, and even suggested that the proposals for preferential treatment for poor countries might better be given by the rich Western countries than by the Eastern Communist ones. They tended to put great emphasis on the close connection between peace and security on the one hand and development problems on the other and to ascribe a causal effect to the benefits of disarmament on economic development. To some Third World countries in search of practical answers to immediate problems the call for disarmament first and economic solutions second had a sophistical ring to it that they did not find persuasive.

On the other Third World demands the advanced countries were more forthcoming. In provisions designed to encourage the expansion and diversity of exports of the developing countries, trade was acknowledged to be the propelling force behind economic development. The emphasis here was on processing domestic raw materials into semi-manufactured and finished products. The advanced countries agreed to remove barriers to imports from the developing countries and to extend the period of preferential treatment most of them give to products of Third World countries over similar products from developed countries. In order to smooth out fluctuations in trade the developed countries agreed to consider arrangements for accumulating stocks of commodities, long-term purchase contracts, and compensation to developing countries when their export earnings fall sharply. Under the heading "transfer of real resources" the advanced countries accepted the idea of providing assistance on easier terms and, for the most part, free of requirements concerning how and where the funds should be spent. They agreed that the resources of the World Bank, the International Monetary Fund, and the United Nations should be increased and that ways of easing the debt burden of the developing countries should be considered at the fourth session of UNCTAD in the spring of 1976.

The need for greater access to, and develment of, technology was a thread that ran through the discussions of the entire session, and some delegates thought that the real distinction between countries is not between rich and poor or raw materials producers and industrial goods producers, but rather between technology-creating and nontechnology-creating countries. Significant provisions were adopted without reservation for an increased flow of technology to developing countries, greater attention in the advanced countries to the development of technology especially suited to the Third World's needs, and support for the establishment in the Third World of national scientific programs that would look toward the goal of creating their own technology. A recommendation for an international code of conduct governing the transfer of technology was amplified in a subsequent U.S. statement to purpose that international guidelines for the transfer be of a voluntary nature, an amendment that had not been in the minds of the Third World delegates.

In a section on industrialization the U.N. resolution proposed that developed countries should adopt policies under which their less competitive industries would be encouraged to move to developing countries so that more efficient use could be made of human and other resources in the developed countries. The U.S. statement of reservations added a qualifying phrase to the effect that policies regarding industrial "redeployment" must take account of national objectives in economic, social, and security areas and that such policies are a matter more appropriately of evolution within a national economy than of international policy. The resolution's recommendation that UNIDO become the forum for industrial negotiation was rejected by the United States, which has always been lukewarm in its approach to this agency.

A section dealing with food aid and support for the development of agricultural production was supported by the United States, although a reservation was attached to a phrase regarding increased access to developed country markets, which the U.S. delegate pointed out was contrary to present U.S. policy. Two final sections dealt with cooperation among developing countries and restructuring of the U.N. system. The former gave fresh impetus to attempts already under way to increase policies of self-reliance and mutual cooperation among Third World countries. The latter section grew out of earlier studies that recommended that the economic and social sectors of the United Nations be reorganized so that they could more effectively carry out the new programs aimed at achieving greater global equity.

On the crucial question of a greater role in decision-making for the Third World the final resolution offered a modest and relatively innocuous recommendation that the participation by developing countries in the process whereby financial and development decisions are made should be "adequately increased." But the United States insisted in its reservation that due account be taken of relative economic positions and contributions, the very standard the poor countries were trying to escape.

The U.S. reservations add up to a potentially severe constraint on the carrying out of the resolution provisions. Although eighteen senators and representatives participated in the Special Session and supported the final resolution, there had been clear signals from Washington that not all the agencies there were as willing as the U.S. delegation in New York to attempt a reconciliation with the Third World's views. As a member of the U.S. delegation put it, the U.S. position was a domestic compromise and the final resolution was an international compromise.

Some critics think that the U.S. reservations are so constricting that there is nothing left in the U.S. position except commitments that cost us very little and barely touch the main problems. I disagree with this view. The Third World's demands are so sweeping, so truly revolutionary that—whether or not they are justified—no one, not even their sponsors, I suspect, could realistically expect them to be fully agreed to in the space of a two-week meeting. Given the fact that the advanced countries are still working their way out of a recession that leaves them feeling strapped financially, that the U.S. Administration is preparing for an election year in which it is poor politics to endorse proposals for the transfer of inefficient domestic industries to other countries, and, perhaps most important, that further study in the new atmosphere of conciliation rather than immediate implementation may actually be beneficial for some of the proposals, it is hard not to agree with one Third World delegate who said that he was glad to measure progress by how far the two sides had advanced, not by how much they fell short of the goal.

The provisions for promotion of developing-country trade are in themselves a significant advance in international policy-making. When one adds support for countries whose earnings decline, easier terms for aid, reaffirmation of initiatives in agriculture that grew out of the World Food Conference a year earlier, a new approach to the supplying of technology, and special measures of assistance for the poorest countries, the total becomes a creditable package. Among the resolution's recommendations are many of Mr. Kissinger's major proposals. Furthermore, as the congressional delegation noted in its report on the session, the American reservations were made so that the world would have an accurate picture of the current U.S. position, but they are not irrevocable, and even on indexation, a subject on which the U.S. has the strongest doubts, it has agreed to study the proposal in the hope of finding a solution to the problem of assuring some measure of stability of income, a problem that both sides recognize must be solved.

What is the explanation for the improved relationships of the Seventh Special Session? It was generally agreed that the whole tone of the session was radically different from that of other recent international economic meetings. At the preceding Special Session each side adopted a take-it-or-leave-it attitude, but at the Seventh Session the Third World countries clearly came prepared to negotiate realistically. Instead of the more radical spokesmen who presented their case at the earlier session, they chose a moderate representative whose emphasis was on feasible goals, not differences in ideologies. In turn, the advanced countries were ready to examine the Third World proposals carefully. Most important, the United States came prepared to respond positively, "rather than conducting a kind of political trench warfare against the vast majority of U.N. members," as a *New York Times* editorial described the earlier U.S. attitude. In fact, at this session the United States assumed the role of a leader.

There are many reasons given for the change in approach by both sides. Even the maligned Sixth Special Session should be given some credit. It was then that the world organization formally took note of the fact that the situation of many of the poor counries was getting dramatically worse, and the resolutions of that session provided the framework for the consultations and draft proposals that were developed in the next fifteen months. By the opening day of the Seventh Session, although there was certainly no consensus on the extent and timing of the changes that were needed, ideas about restructuring the world economy, reform of world trade patterns, and redistribution of world income had become fairly commonplace.

Most observers see a number of factors influencing the thinking of both rich- and poor-country representatives. The failure of the delegates to the Sixth Session to come to any agreement and the more recent failure of the energy talks in Paris in April, 1975, created anxieties on both sides about the long-term effects of this sort of bitter quarreling. The realization by the Third World, however reluctantly acknowledged, that it needs the technical and financial help of the advanced world and, equally, the recognition by the advanced world that its security and economic well-being are linked to stability in the Third World and to assured access to its raw materials, particularly in the light of the successful strategy of the oil producers—all of these contributed to the new sense of purpose.

However, there may have been another factor at work so far as the United States is concerned, and in tracing its manifestations I have made notes under the heading "the education of Henry Kissinger." It is hardly debatable that no major shift in U.S. foreign policy could have occurred in the last few years that had not been initiated by Kissinger, and it is instructive to see how some aspects of international relations he has succeeded in neglecting until recently have emerged and blossomed forth in his public statements in the last year. In a speech in Los Angeles in January, 1975, he agreed with what many people had been saying for a long time: "Progress in dealing with our traditional agenda is no longer enough." Economic problems "now rank with the questions of military security, ideology, and territorial rivalry which have traditionally made up the diplomatic agenda." In May he said that the United States understands the interest of the poor countries in obtaining equitable prices for their products. In July, after scolding them for making unrealistic demands, he went on to say that "the industrial world must adapt its own attitudes to the new reality of scores of new nations." In August he characterized the forthcoming U.N. session as "a fateful occasion because it can determine the nature of the relationship" between rich and poor. In his speech on the opening day of the session, as read by Daniel Moynihan, he said to the Third World delegates: "We have heard your voices. We embrace your hopes. We will join your efforts." After the session, speaking before the regular General Assembly meeting, he said that "the Special Session forged a sense of common purpose based on the equality and cooperation of states. Now we must dedicate ourselves to implement this consensus." He went on to note that in the past two years we have seen "to what extent economic relations are an essential foundation of the international order. The conduct of our economic affairs will therefore determine to an extraordinary degree whether our political relations will be based on cooperation or conflict."

Is Secretary Kissinger engaging in flights of rhetoric, or does he really mean what he is saying? I think that he is at least on the way to meaning it, and I suggest that Arab boycotts and angry confrontations with poor countries have had very little to do with whatever change has occurred in his thinking. Rather I believe he has been profoundly influenced by changing views in the advanced countries themselves, views that more and more have been crowding in on him. The people expressing the new ideas are his peers, not troublesome outsiders whose hopes for the future don't fit very neatly into his scheme of things. Quite naturally, he has no desire to seem to be bringing up the rear, and the intellectual respectability of these people and the momentum many of their ideas are developing make some sort of acknowledgment and even some accommodation to them almost obligatory.

As recently as last May Kissinger said in a Kansas City speech that while the United States is prepared to study the views of the poor countries, "it is convinced that the present economic system has generally served the world well." However, many of the new proposals of groups in the advanced countries are based on the belief that the present system is not working well, and some even go so far as to assert that it is breaking down.

Social justice, global fairness, interdependence are the new watchwords. The sense of alienation, dissatisfaction with the work environment and with traditional institutions, the disintegration of social bonds, the questioning of values that are present in all the advanced countries have led to proposals for new relationships and commitments among groups at home, and from this it is no great leap to the suggestion that relationships with people in other countries may also need reexamination. Just as within their own societies the advanced countries have come to realize that their domestic systems must be changed to permit more rapid progress toward equity for different sectors, so have many concerned groups in the advanced countries begun to think that the international system must be changed to assure a more equitable sharing among nations, not as a matter of charity but as an obligation on the part of those who have what these groups think is more than their fair share. Miriam Camp speaks of wide agreement that there must be some narrowing of "disparities in wealth as between countries." A report by the Dag Hammarskjöld Institute says that rich countries have a duty to end global poverty. A group called the World Order Models Project concludes that everyone in the world has a right to enough to eat. The Aspen Institute foresees a new world order in the making, in which everyone, simply by virtue of being alive, is entitled to have basic needs met, the cost to be "the joint responsibility of each nation concerned and of the community of nations." Even at the Harvard Business School traditional concepts of the sanctity of contracts, property rights, and freedom of markets are being questioned.

Some of the more farsighted spokesmen for the Third World say that they don't want to emulate the advanced countries, that they are not interested in aiming for something that someone else has found wanting and is trying to change. But they do feel that any change must bring a better deal for them and that a start toward the redistribution of the world's wealth is not too much to ask. Since the idea of redistribution of wealth seems to many people to mean that for someone to have more than he had before someone else must have less, it may be worth describing a mathematical exercise undertaken by a distinguished team of economists at Brandeis and Harvard. They have calculated that, if the prices of agricultural products were to be raised by 50 per cent over 1970 levels and those of some minerals by 100 per cent (and a large part of this increase has already taken place), the present gap between rich and poor could be reduced by a ratio of 6 to 1 by the year 2000 from the present ratio of 12 to 1, still a large discrepancy, but not an intolerable one. The average North American would still enjoy a doubling of income by the year 2000; true, it would be $1,500 less than if no redistribution had taken place, but would still be worth twice as much as it was thirty years before (all this after allowing for inflation).

At the Seventh Special Session there were about 110 speeches in two weeks, and support for "a better balanced and fairer international economic order," in the words of Mariano Rumor of Italy, was expressed by a majority of the rich countries as well as all of the Third World. Nothing actually happened overnight, so perhaps it is not fair to characterize the U.N. session as a turning point, with its connotation of abrupt reversal of direction. But the change that had been slowly taking place in men's minds—perhaps all the more desirable for not being sudden—was revealed in a clear and striking way at the session. What was achieved has been called an economic pact of peace between the rich and poor, an agreement to approach the long-range problems of economic development from a common point of departure. One can't expect that the delegates would go home and immediately implement all the parts of the resolution they signed, but as the U.S. delegate said, "We have started a process; we have an agenda."

There are, as I write, a number of opportunities coming up that get the process going. Twenty-seven countries are scheduled to meet in Paris in December, 1975, to discuss raw materials, energy, and how to promote and pay for the development of poor countries. Nineteen of the delegates will be from the Third World and eight from the Western countries; the Soviet Union and China have not been invited. This will be the first chance to prove that the good feeling of the recent U.N. session can be carried over. A second chance will come in May, 1976, when the members of UNCTAD meet in Nairobi.

The spirit of conciliation that so heartened the delegates and observers of the Seventh Special Session has already been impaired by the acrimonious U.N. debate on a resolution characterizing Zionism as racism and racial discrimination. In spite of the favorable report to Congress of its members who attended the session, the bad feeling created by the vote on Zionism may severely limit the effectiveness of those in Congress who hope to push ahead with those parts of the September resolution that require legislation. The major problem at present is not the restraint on action imposed by the U.S. reservation, but rather a possible reduction in the strength of the U.S. commitment to those proposals that it viewed positively. Political disputes in the United Nations can harden congressional attitudes on economic issues, particularly when the latter call for the kind of long-range planning and farsighted statesmanship that is usually made palatable by describing it as enlightened self-interest.

One cannot know how much of the spirit of the Seventh Session will survive. However, one can be hopeful, without being mindlessly optimistic, that in spite of the slippages that are to be expected in any series of negotiations, progress must be measured on the basis of long-term movement, and it seems unlikely that the United States will find itself back in the position it was in before the session. The phrase "a new international economic order" has become part of the language. Almost without thinking people find they have slipped it into their conversation, and while it doesn't mean the same thing to everyone, it is probably safe to assume that to everyone it is coming to mean not just a patched-up old system, but substantial change made in unaccustomed ways.

REV. JESSE JACKSON

Mr. PERCY. Mr. President, it was nearly a decade ago in Chicago when I first met the Reverend Jesse Jackson, who was at that time director of Operation Breadbasket, an arm of the Southern Christian Leadership Conference. Operation Breadbasket had two primary functions—to instill in the people of Chicago an awareness of the meaning and potential of the civil rights movement of the 1960's, and to serve as a food collection agency for Chicago's poor.

It was during this time that Reverend Jackson began to formulate and to espouse so forcefully and eloquently his ideas about the needs and obligations of society in the 1960's and beyond. Even then, Jesse Jackson, in the midst of the turmoil of the times, had an abiding faith in the old values which helped to make this country great—self-discipline, hard work, and self-respect.

In 1971, Reverend Jackson left Operation Breadbasket to become the director of Operation PUSH—People United To Save Humanity. I have had the opportunity to attend several meetings of Operation PUSH and have witnessed firsthand the enormous impact Jesse Jackson has on all those who are fortunate enough to hear him speak.

Reverend Jackson was here in Washington recently to lead a revival at the 19th Street Baptist Church and to help establish a Washington branch of Operation PUSH. As a result of this visit, William Raspberry has written two excellent columns on Reverend Jackson, and I ask unanimous consent that they be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Washington Post, Jan. 30, 1976]

JESSE JACKSON: MAKING JOHNNY LEARN

(By William Raspberry)

It took a little while to see where the Rev. Jesse Jackson was headed.

"This might break a favorite habit of yours," he told the Tuesday morning assembly at Dunbar High School just as he started his honors day talk, "but since the place has a roof on it, and since it's warm in here—why don't you young men just take your hats off."

There was some giggling, some applause (particularly from the teachers and parents who were there) and some embarrassment. But every last hat came off, and the director of Operation PUSH, the former lieutenant of Martin Luther King, the Chicago-based "Country Preacher," was in control.

The control was absolutely vital to his secondary mission here—getting young black people to develop the self-respect and discipline he believes is necessary for their academic success. (His primary mission is the running of a revival at the 19th Street Baptist Church and helping to launch a Washington affiliate of People United to Save Humanity—PUSH.)

This fiery phrasemaker, ostensibly radical and revolutionary is revealing himself as a thoroughgoing conservative with an abiding—and infectious—faith in the old values. He also is showing that he understands the value of symbols, of which doffing hats is one.

Mr. Jackson has spent this week visiting high schools around the city, talking to students not about revolution but about their responsibilities as civilized human beings.

In a between-sessions interview at his hotel room, he likened himself—not quite so immodestly as it sounds—to a Moses just arrived in Canaan.

"You know, when the Israelites got close to Canaan and the physical struggle was over, they turned to worshipping the Golden Calf, fighting among themselves and generally lost the sense of what they were about. Moses had to risk his popularity by going to the mountain top, not for a bigger budget but for Ten Commandments of ethics by which civilized people live. It was a prophetic thing he did.

"Well, that's where we are now in the struggle. You can talk black and be popular, you can argue for a bigger budget and more concessions and be politic, or you can be prophetic and say what needs to be said."

And what needs to be said he summarizes in the formula he repeats at every opportunity: "Nobody will save us from us—but us."

He won't call them Commandments, but Mr. Jackson has been espousing ten points which he believes will lead to the restoration of discipline and academic excellence in the public schools, here and in urban centers across the land.

I won't list them here, but their essence is self-respect and self-control.

He expressed shock, for instance, at the presence of uniformed police officers in some of the schools and told the student athletes (his emphasis is always on the boys) that they should assume it as their job to become "peace brothers" for the maintenance of discipline in their schools.

He repeats many of his points during his revival sessions because he believes that churchgoing parents may be important as "the institutional group capable of sustaining something past the moment."

One of his notions is that, for at least a year, report cards should not be sent home with the students but that parents should be required to come to school to pick them up and to discuss their children's educational progress. "If the parents don't show up we ought to send a citizen's equivalent of the truant officer to go looking for them."

This civil rights radical is conservative enough to believe that one source of the discipline problem in the schools is that the schools are too informal. As a remedy, he would institute regular fall and winter convocations at every high school (shirts and ties for students, full academic regalia for teachers).

Principals could take advantage of the convocations and their state-of-the-school messages to extract pledges that "If I take your children's hats or dice or cards, or if I take their radios and sell them and put the money in the senior class treasury, I won't have to fight you in court."

He would have the mayor and city council proclaim weekdays between 7 and 9 p.m. as a "citywide study hour" as a means of helping parents to tear their children away from their TV sets. "And somewhere around 10:30 ought to be bedtime," he declares.

"If Johnny can't learn because he is hungry, that's the fault of poverty. But if Johnny can't pay attention because he's sleepy, that's the fault of parents."

He would enlist fathers for regular school patrol and demand that radio disk jockeys "assume another level of responsibility since they program more of our children's minds than their parents and teachers."

And he would have everybody abandon the rhetoric that leads black youths to see themselves as society's victims rather than as human beings with the capability of controlling their own destinies.

"What urban education needs is not more money but more parents willing to give their children care, motivation and chastisement—the will to learn" he declared.

"Do that, and these other things will become less of an issue—things like budgets, or such nonsense as black children can't learn from white teachers."

[From the Washington Post, Feb. 2, 1976]

The Discipline Revival

(By William Raspberry)

Early reaction to what the Rev. Jesse L. Jackson has been saying about the need for discipline—including self-discipline—in the city's public schools makes clear that the Chicago-based director of Operation PUSH has hit home with a lot of parents and teachers.

His notion that we had better spend less time convincing black children that they are society's victims and more time stressing the need for them to assume personal responsibility for their lives appears to be an idea whose time has come.

The problem, as he understands exceedingly well, is how to crystallize the early reaction into permanent change, how to make certain that the seeds he has been planting will take root and grow.

In that regard, he has meetings scheduled this week with the six area superintendents of the local schools and with teachers, particularly through their churches, to try to build the "institutional support" that is necessary if his ideas are to survive his presence here.

Friday night, after the last of his week-long revival-meeting sessions at the 19th Street Baptist Church, he met with the several dozen teachers, school administrators and ministers in the congregation to enlist them in the educational division of the PUSH (People United to Save Humanity) chapter he is establishing here.

"We're trying to pull together a minimum of 200 ministers to mobilize the parents and teachers in the neighborhoods," he told them, stressing the importance of church-relatedness to his approach.

For he believes that the key reason teachers cannot command respect and discipline in the classrooms is that they have lost their moral authority.

By that he does not mean so much that teachers are sinners in the revivalistic sense but that they have assumed responsibility only for the children's academic development. On the other hand, many people "who are parents biologically do not know how to be parents of children in school in terms of motivating them to learn," he said. His notion is to pull the two groups together, through the churches, to reinforce each other.

I am convinced that Mr. Jackson is on to something of profound importance. If he were a sociologist rather than the self-styled "Country Preacher," he might describe the underlying problem as anomie—the condition of normlessness in which people don't know how to behave because the norms which generally guide their behavior have been eroded.

For all of our talk of not caring what people think about us, the truth is that we really don't know who we are except as people define us. To an incredible degree, we are actors, playing the roles we think are ours as faithfully as we know how.

Too many of our children are receiving confusing and conflicting signals as to who they are—helpless and hopeless victims of racism, proud (or rebellious) young black men and women, child-like innocents of whom nothing is expected, potentially significant contributors to the general society, bums, bullies and failures.

If it is true that our perceptions of who we are—based on what we perceive others think we are—constitute the single most important influence on our behavior, small wonder so many children are having such a difficult time getting themselves sorted out.

Mr. Jackson makes frequent reference to his childhood in North Carolina, where, as early as first grade, his unwed mother, his teacher and the school principal "trapped me in a triangle of love from which I could not escape."

That sense of entrapment in love may have been a good deal easier to achieve in tiny Greenville, N.C. (pop: about 12,000 when Mr. Jackson was born there in 1941) than in the teeming cities where uprootedness and unconnectedness combine to produce the very anomie Mr. Jackson is trying to attack.

To a significant degree, what he is proposing is the establishment of small towns in the city, a series of caring communities in which every adult is parent to every child.

Jesse Jackson is, in short, proposing a miracle. And yet, with a little luck and a lot of focused commitment, it could take hold. Not that thugs would suddenly become young gentlemen and hall-rovers instant scholars.

But it just may be possible to reestablish in the classrooms a situation where serious scholarship, mutual respect and discipline are the norm, and where peer pressure serves to reinforce that norm.

It certainly is worth trying.

THE VIRGIN ISLANDS STATE OF THE TERRITORY MESSAGE

Mr. HUMPHREY. Mr. President, for some time I have been concerned with the state of affairs in the Virgin Islands. Recently, the Honorable Cyril E. King, Governor of the Virgin Islands, issued his state of the territory message, highlighting a few of the obstacles they are facing, some recent advances they have made concerning change and reform, and a realistic agenda for the future.

Governor King illustrated that the state of the territory is not well. Though they have come a great distance, there remains a considerable journey ahead to relieve themselves of the dark realities of the moment. The economy struggles in a precarious state, the tourist concerns fight for survival, inflation and unemployment remain at unacceptably high levels.

The economy is mirrored in continuing battles against fiscal disaster. Internal and external factors such as excessive growth of government, careless spending, and mismanagement have driven the territory to the edge of an abyss. To reaffirm themselves on the solid base of a balanced budget, stringent austerity measures must be enforced. Another major problem in the territory is crime. Juvenile delinquency is on a steady, sharp incline. This is correlated with factors of overcrowded schools, poor recreational facilities, and inadequate health care.

However, in view of these difficulties, the government has made recognizable strides this past year in easing the impact of these physical, economic, and communicable afflictions. The wheels of progress are, indeed, in motion, moving directly toward change and reform. Some of these advances include areas of improved community relations, which have promoted a feeling of unity and encouragement.

The fact that the territory prevented itself from falling into a total financial collapse has been a major accomplishment. The budget was balanced at the close of the fiscal year with a small surplus. Another progressive step was the introduction of scientific budgetary procedures, to permit a clearer statement of purpose and to define the work actually being performed.

Then, with the introduction of the government management improvement project, government operations could be rationalized, waste and duplication could be reduced, and the overall upgrading of management could be employed. Also, the islands applied for community development funds to stimulate the economy and upgrade the department of public safety. Operation Recovery was also begun to revive tourist trade and to enhance islanders' capacity to participate in mainland activities.

The islands have come a long way, indeed, and are now looking forward to defining a realistic agenda for the future. They wish to continue to complete and fortify much of the work already begun; to refine and enhance the current promotional efforts. The major efforts will be directed toward working for an efficient and effective budget, refining the economy, launching a massive and sustained attack on crime, improving the quality of health care, and bringing positive reform to the educational system.

Operation Diversification has been recently introduced. The purpose of this operation is to reduce unstable overreliance on tourism, to provide suitable employment, especially for high school students, and to promote a balanced and rational degree of growth. Governor King is committeed to fiscal discipline, to reform, and to wise fiscal planning. His most important objective is to operate realistically within the limits of scarce resources, and not overstep their actual capabilities.

The government has thus far responded within the limits of its resources, and has accomplished a great deal in the areas of change and reform. With a united, community effort, this change will continue to proceed in a positive direction, leading the territorial economy to improved performance. Governor King appears determined and optimistic as he leads the people of the Virgin Islands toward solid policy and a realistic, encouraging ideology.

I ask unanimous consent that this message be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Daily News, Jan. 24, 1976]

GOVERNOR'S STATE OF TERRITORY MESSAGE

State of the Territory Message by Cyril E. King, Governor of the U.S. Virgin Islands

Mr. President, distinguished Senators, members of the Cabinet, honored guests, my fellow Virgin Islanders, friends.

Almost a year ago I stood in this chamber before this august body to deliver my first State of the Territory Address. At that time I presented what I considered to be an honest, candid, and critical assessment of conditions then prevailing in the Territory. I dispensed with the traditional recitation of every real or perceived accomplishment, and focused on the central concerns of the day—crime, health, and education. I also delineated the main priorities of the new Administration, outlined the general course of action that should and would be pursued, and emphasized the enormous obstacles and difficulties that stood in our path.

With your indulgence, I propose to do much the same on this occasion. The temper of our times and the depth of our ills validate, if not mandate, such an approach. My intention today is to offer a critical assessment of actual conditions in the Territory, enumerate very briefly some of the advances made, and outline a continuing course of action—an amended agenda for the future, if, you will—that rivets its attention on the prime ills in our midst. And I will be direct and to the point. In the words of President Franklin Roosevelt:

> I will address the people with a candor . . . which the present situation of our nation impels. This is preeminently the time to speak the truth, the whole truth, frankly and boldly. Nor need we shrink from honestly facing conditions in our country today, for this great nation will endure as it has endured, will revive and will prosper.

And my fellow Virgin Islanders, so shall we.

GENERAL ASSESSMENT

What then, in my view, is the overall state of the Territory? In the most general terms, it is obvious that the State of the Territory is not well—convalescing, to be sure, but still not well. I hasten to add that this critical appraisal does not mean that no advances have been made, that no gains have been registered, or that no major problems have been solved or alleviated. Far from it; much has been accomplished over the past, most difficult of years. But it does mean that only a foolish optimist can deny the dark realities of the moment.

It does mean that our overall condition, especially economic, remains serious, and that numerous, seemingly intractable problems persist. It does mean that we must continue to recognize the urgency of the situation and that much hard work lies ahead before we can rhapsodize about the present, or indeed, realize the hopes of a better future for all the residents of these, our Virgin Islands.

By most available measures, the state of the insular economy, as in almost every other jurisdiction, remains precarious, and most likely will remain so for the immediate future. Although the relentless decline of the past few years appears to have been arrested and some resurgence is evident in the area of tourism, the signs of full recovery still loom faint and uncertain on the horizon. Too many tourism-related concerns continue to struggle for survival, the construction and manufacturing sectors still persist in the doldrums, and inflation and unemployment, as well as underemployment, remains at unacceptably high levels. In a word, whereas a measure of recovery is evident in some areas, these and other conditions must show some improvement before it could be said that prosperity has or is at long last returning to our shores.

I do not want to paint too grim a picture of the Islands' economy in the years ahead. And I do not intend to minimize our budding recovery, to dash hopes, or dampen any emerging optimism. But it must be stressed that any upswing will not only be gradual but will depend in large measure on what happens on the national scene. This is a key factor in the equation of recovery. If the economy is expected to improve throughout this year, the stark fact before us is that the rate of improvement is problematic and that any increased economic activity on the Mainland will not be immediately reflected here. There is room for optimism but it must be tempered by these realities and by the high element of uncertainty we face.

Needless to say, the delicate state of the economy is mirrored in our continuing battle against fiscal disaster. As I have recounted to you on numerous occasions before, many factors, both internal and external, have brought us to the very edge of the abyss. Longstanding mismanagement and the excessive growth of government, careless spending and the extravagant promotion of non-essential programs are but some of these factors. More recently, an ailing economy and runaway inflation; the obstructionist tactics in some instances of this Legislature aimed at foreclosing any and all retrenchment options, as well as its unwillingness to observe the spending ceiling I proposed when I submitted the budget last year; and such damaging Federal actions within our context as the granting of income tax rebates, the passage of the Tax Reduction Act of 1975 and its subsequent extension, and the reluctance to return certain excise taxes rightfully due this Territory have all contributed to the present scenario of crises. Indeed, the attempt to cope with severe budgetary difficulties has been one of the dominant and one of the most time-consuming preoccupations of this Administration, and by most indications, will continue to be in the months and perhaps years ahead. We face a sizeable budget deficit this fiscal year and a far more massive one for the next. It is clear that even more stringent economies and austerity measures will be required to achieve the objective of a balanced budget as mandated by the basic law of this land—the Organic Act.

It is unfortunate that this serious issue has tended to generate more heat and less light than any other during the course of 1975. It is unfortunate that this grave situation has been politicized beyond belief and made the subject of constant and malicious fictions. And it is unfortunate that many in positions of presumed leadership have been anxious for so long to minimize the dimensions of the crisis and mislead the public than to talk sense and speak the truth to the people of the Virgin Islands—more anxious to foster discord and inflame emotions than promote reasoned discussion of the problem at hand. Surely they know that no solution ever flows from the boiling cauldron of demagoguery and that false leadership is no better than no leadership at all. Surely they know that our financial crisis is quite real and cannot be wished away; that it is not new but long in the making and that we are now paying the terrible price for the irresponsible and self-serving leadership of the past; that there are no simple, easy, or painless answers, that our resources are and will continue to be severely limited, and that further drastic steps will be necessary to produce a balanced budget for this fiscal year as well as the next. The people of the

Virgin Islands are mature enough, wise enough, and courageous enough to be told the truth, and that harsh truth is that our Islands face several years of fiscal, financial, and economic austerity and that continuous and often painful adjustments will be required in the weeks and months ahead.

If serious economic and budgetary problems are at the forefront of our predicament, they scarcely exhaust the list. And if they do not exhaust the list, they impinge upon and aggravate every other problem. Crime—especially crimes against property now representing nearly three-fourths of all serious crimes reported—continues to plague the Territory. Juvenile delinquency has grown to alarming proportions and of late we have been experiencing numerous incidents of criminal violence. Our system of public education has yet to recover from massive increases in enrollment, much less re-orient itself and respond to the urgent needs of a developing, pluralistic society.

Although the rate of growth appears to have stabilized, enrollment continues to rise as available resources become more and more limited. Overcrowding is endemic; approximately 23% of our schools are on double session, involving nearly a third of our school population. Deteriorating physical plants—partly the result of the shoddy construction permitted in the past—senseless vandalism and destruction, low levels of discipline and improper conduct toward teachers and school officials, inadequate libraries, vocational facilities and equipment—these are some of the problems that persist and they persist in large measure due to the limited resources at our command. Decent housing for the less privileged, proper recreational facilities for our youth, and adequate health care for all the residents of these Islands are still objectives in search of fulfillment, objectives made all the more difficult, especially that of improved health services, by recent cutbacks forced by our fiscal plight. A ponderous governmental machinery, a littered and abused environment, growing difficulties with the leadership of organized labor—these are but a few of the problems confronting this community, as indeed, every other community.

SOME ADVANCES

Having said all this, however, having examined with critical eyes both the depth and breadth of our predicament, I must again emphasize that this does not mean that the wheels of progress have come to a complete and grinding halt, that the ledger of the past year shows all losses and no gains, that this government has not responded within the limits of its resources, and that no attempt has been made at least to initiate the difficult process of change and reform—to lay the foundation, if you will, of a new order of things. For the sake of balance and perspective, to insinuate some sense of hope and reassurance into our minds, some of these advances should be reviewed and discussed. To do otherwise would be to project an overly gloomy and thus false image of our situation. For despite the enormous obstacles and often intemperate opposition, despite the cruel fact that times have not been propitious to the realization of needed programs, we have begun the arduous task of setting our house in order.

Indeed, one of the most gratifying and encouraging developments over the past year has been the marked improvements in community relations. I believe we have come a long way in developing a sense of common identity and common purpose, and in dispelling much of the ill-will and rancor that once prevailed. To be sure, political differences remain, and if anything, the traditional passion of local politics has been fueled by many of the issues before us. Yet increasingly it is expressed within the framework of a growing, underlying commonality. In many ways, I sense a spiritual recovery and a reweaving of our social fabric. I sense a growing realization that we are all interdependent on one another, that we are all part and parcel of a rounded whole, and that united we can achieve what is ours to achieve with pride, dignity, and self-respect.

In many respects merely having prevented the financial collapse of this government over the past year should be listed on the positive side of the ledger book. And believe me, this is no mean accomplishment considering what was inherited, and it certainly would not have been achieved without the cooperation and often supreme efforts of many in the service of this government—especially department heads, supervisors, and the like. Against immense and clamorous opposition, we have tried to hold firm, to control government outlays, to protect the public purse from further raids that would have eventuated in complete bankruptcy. As you may recall, when I assumed office last January, the Virgin Islands was confronted with a fiscal crisis of unprecedented proportions. Expenditures were outstripping revenues at an alarming rate, and a massive as well as illegal deficit was in the making. To avert that prospect, stringent as well as unpopular steps had to be taken. Despite a lack of cooperation from the opposition-controlled Legislature, sharply reduced spending and other measures finally succeeded in bridging the initial $24 million gap, and fiscal year 1975 not only ended with a balanced budget but with a small surplus as well.

In this general vein, one of the more important and timely advances over the past year has been the introduction of more scientific budgetary procedures—such as program: budgeting—designed to elicit a more accurate measure of performance and productivity. Whereas the old budget process served more as a means of financing the ongoing activities of established bureaucracies than as a vehicle for determining public objectives, the new system now in operation should permit a clearer statement of purpose and work actually being performed. Among other things, it should make the budget a more meaningful instrument of forward work planning, afford a more precise evaluation of program effectiveness, help identify areas of potential savings, and generate a clearer perception of goals and objectives.

In my first State of the Territory Address, I noted that considerable attention had to be given towards structural and other reforms of the Executive Branch. I emphasized that it was imperative to examine the function, performance, and productivity of executive agencies not only to improve the provision of basic services but to enhance our capacity in dealing with the challenges before us. With these objectives in mind, the Government Management Improvement Project was conceived and implemented—an ambitious, privately-funded program designed to rationalize the operations of government, reduce waste and duplication, and upgrade overall management. Among the departments included in this study are Commerce, Health, Public Safety, Public Works, Education, Finance, and Property and Procurement. Unlike previous studies, this year-long program, now well underway and coordinated by the College of the Virgin Islands, is intended to produce specific recommendations for corrective action. After careful review of all recommendations, I propose to implement those deemed most practical under present circumstances. Those measures requiring legislative sanction, of course, will be submitted to the Senate for its consideration.

In addition to launching the Management Improvement Project, parallel steps have been taken to streamline the operations of government and eliminate longstanding practices of questionable merit. No doubt an important step in this direction has been the recruitment and appointment of the most competent individuals available to the various Commissionerships. In addition to receiving full support from the Office of the Governor, they have been accorded substantial latitude in running their respective departments, with the proviso that proper coordination be maintained in areas where responsibilities coalesce, and that greater routine decision-making authority be established by island. Among other things, measures have and are being taken to accelerate the processing of documents, to expedite payments to vendors, to upgrade general procurement practices, and to adhere more closely to the provisions of the Virgin Islands Code in the handling of contracts. Directives also have been issued to curtail the improper use of government vehicles, to control time and attendance records more closely, and to insure that government offices are properly manned at midday. Determined efforts have been made to implement when and where feasible various recommendations stemming from the Office of the Comptroller. Needless to say, a preeminent objective in our attempts at administrative reform has been to inculate one basic principle, one basic standard—that there is one way to do things and that is the right way.

Considerable attention has been directed toward personnel matters—toward modernizing various aspects of the Merit System. The main concerns have been employee discipline, promotion policies, performance evaluation, and general recruitment practices. Concerning the latter, it is well known that a new policy has been introduced and that is to place competence and qualifications above political considerations in the appointment of key personnel. In no small measure the wild patronage of the past has not only served to lower the morale of dedicated public servants and to diffuse incompetence throughout the government, but has resulted in a swollen bureaucracy we can now ill-afford to support. Furthermore, a merit-based promotion policy has been re-introduced to provide equal opportunities to all employees to advance through the ranks of government service by competitive examinations and other objective criteria. Promotions will be made on a merit basis only, and whenever possible, vacancies occurring in the classified service will be filled by the promotion of qualified employees already in government. Performance-rating forms are also being revised to permit a more accurate and precise assessment of employee performance. As you may know, present rating procedures are nothing short of a sham.

Budgetary and administrative reforms, however, did not receive priority over matters pertaining to our troubled economy and attendant unemployment. With little fanfare but with singleness of purpose, several measures previously outlined in Operation Recovery have been and are being implemented within the limits of present resources. As you may know, that ordered plan of action enumerated both near and long-term measures that should be taken not only to revive tourism but to lay the foundations of a stable tourist trade, and most importantly, to enhance our *capacity* to participate fully in any Mainland recovery. These included qualitative and quantitative improvements to our promotional efforts in general; social setting stabilization; high-priority infrastructural renovations; internal administrative reforms; and environmental enhancement and controls.

Although a beginning has been made with all of these, attention has been focused over the past year on improving our promotional effort and on internal administrative reforms, that is, restructuring and upgrading the Department of Commerce. In this regard, the following actions have been taken:

The appointment of a new and eminently qualified Commissioner of Commerce;

The Establishment of a separate Division of Tourism responsible for formulating, implementing, and coordinating policies pertaining to all aspects of tourism;

The recruitment of a professional Tourism Director, as well as a professional Marketing Director within the Division of Tourism, to develop and implement sound marketing plans for tourism;

The re-organization, relocation, and the staffing of the Mainland offices, and their reorientation toward sales rather than mere dissemination of information;

The restructuring of our national advertising campaign to reflect more accurately what our Islands have to offer—and that is certainly not swinging discotheques;

The selection of a new, high-quality national public relations firm under a contractural arrangement that includes the training of an in-house staff;

The establishment of a Visitors Bureau Representative on St. John;

The initiation of a vigorous program to increase the number of cruise ships visiting St. Croix;

The establishment of a training program for Visitor Guides on all Islands; and

The construction of new airport information booths in both St. Croix and St. Thomas.

With respect to the environment, a program is presently underway to develop a more comprehensive Territorial Park System for both visitors and residents alike. Over 170 acres are now available on the eastern end of St. Croix and it is expected that a large tract on the western end will soon be donated for this purpose. I believe it is imperative to preserve and protect as much undeveloped land as possible not only to maintain those conditions favorable to tourism, but for the enjoyment of future generations. Steps are also being taken to insure that our submerged lands and shorelines are properly protected and properly developed. An intense campaign was launched last year to improve the appearance of our town areas, and several hundred litter bins were distributed throughout the Islands. The restoration of Fort Frederik is continuing and work should begin shortly on the Enighed Ruins on St. John. Preliminary negotiations have now been concluded and it is anticipated that an overall historic preservation plan will be developed in the very near future.

Within the realm of industrial promotion—essential if we are to broaden the base of the insular economy and expand employment opportunities—the following are some of the advances made thus far.

The approval of a revised Industrial Development Program designed to make the Islands more attractive to potential investors. The important role played by the Legislature in this regard is fully acknowledged. Among other things, the new Investment Incentive Act amplifies the tax and other benefits that may be granted, permits the spreading of exemptions and subsidies over a longer period at a reduced level, and it encourages the employment of bona fide residents.

The appointment of a new Industrial Development Commission and the relocation of the industrial promotion function from the Office of the Government to the Department of Commerce.

The creation of a new Council of Economic Advisors;

The forging of a closer working relationship with Puerto Rico's Economic Development Administration in order to identify areas for mutual cooperation;

The establishment of an office of Policy and Research within the Department of Commerce and the appointment of a Chief Economist; and

The preparation of an application for an economic planning grant already recommended for approval by the Regional Director, U.S. Department of Commerce. The formulation of an overall economic development plan for the Virgin Islands is, of course, a top priority with this Administration.

Significant headway has similarly been made with such important infrastructural items as a safer airport for St. Thomas and a containerport for St. Croix. With respect to the former, a plan for the improvement of the existing facility—Plan 5—finally has been adopted, and the Legislature has passed a resolution authorizing the Port Authority to proceed forthwith in this endeavor. An intense effort has been launched to secure the necessary funding for this vital project. Concerning the containerport, negotiations have been conducted throughout the year with Mr. Hess and other officials, and it now appears that most of the problems have been resolved. Work already has begun on the site and a formal agreement should be announced in the very near future. It should also be noted that a program to renovate the Alexander Hamilton Airport is underway and that some preliminary work has been done with the Frederiksted Pier.

As both near and long-term measures to help stimulate the economy, fund needed projects, and increase employment opportunities, the Virgin Islands Government not only submitted an application for over $2.7 million in Community Development funds, but was successful in obtaining Congressional authorization to establish a Caribbean Regional Commission for economic development. The $2.7 million HUD Block Grant was subsequently approved and over 26 employment-generating projects will now be funded on all three islands. These include but are not limited to land acquisition for recreational and other purposes, general public housing rehabilitation, potable water and sewage line expansion, several urban renewal projects; and improvements to homes for the aged. I should emphasize that the Virgin Islands is expected to secure more than $11 million in block funds over the next six years, and an overall three-year community development plan is now being prepared. With the approval of the joint Virgin Islands-Puerto Rico Caribbean Regional Commission under Title V of the 1965 Public Works and Economic Development Act, the Virgin Islands will now be eligible to receive substantial funds for a multiplicity of capital improvement projects that again should provide expanded employment opportunities for the residents of these Islands.

Along with matters of an economic nature, efforts have been made to upgrade the Department of Public Safety in order to increase our capacity to deal with the continuing problems of crime. A new and highly qualified Commissioner has been appointed with clear instructions to initiate a vigorous program to improve the response capability of the police force, to reduce misconduct and raise levels of discipline, to expand training programs and revise recruitment practices, and to restructure the deployment of personnel. In addition, he has been directed to implement the corrective recommendations stemming from the Management Improvemet Project when that study is completed. I also have made it quite plain to all law enforcement officials that the law must be enforced impartially and vigorously regardless of one's socio-economic status or background—and that there will be no exceptions to this rule. Other actions taken in this area include:

The completion and activation of the new Golden Grove Police Complex on St. Croix, and the installation of a central communications operation;

The revision and updating of the Manual of Rules and Procedures for all police officers;

The establishment of a special Prosecutor's Investigation Unit to deal with unsolved homicides and the like;

The developing of an Anti-Burglary Plan and the creation of an Anti-Burglary Squad; and

The establishment of a Planning and Research Office on the Department of Public Safety.

Concerning the critical areas of health, education, and housing, some moderate advances have been made despite severe budgetary limitations—limitations that have tended to aggravate certain long-standing and deep-seated problems. With respect to education, a new Commissioner was appointed with the clear understanding that an energetic program would be conducted to revise the present curriculum not only to provide students with more marketable skills but to make it more relevant to our setting and culture; to enforce all rules and regulations pertaining to student behavior and to take firm disciplinary action when required; to modernize instructional techniques and place greater emphasis on vocational training; to grant principals greater authority over day-to-day operations, and to implement those recommendations stemming from the M.I.P. study deemed most appropriate and practical at the moment. All of this is now in progress. Other activities in the area of education include:

The institution of new registration and opening-day procedures to prevent the disorder that heretofore marked the first day of school;

The formal adoption of a $12 million school construction project, now well underway, to alleviate the overcrowding and reduce the number of schools now on double session. Two elementary and one junior high school are scheduled for construction with rigid quality controls;

The construction of eighteen (18) additional classrooms at the Charlotte Amalie High School and sixteen (16) at the Grove Place Elementary School;

The launching of a summer landscaping and building improvement project involving the students themselves;

The re-organization of the Office of Federal Programs, especially the ESEA Program, that had earlier been the source of innumerable problems;

The implementation of new education programs—such as the new bilingual-bicultural project—and the expansion of certain vocational programs. It is now reported that close to 45% of all high school students are receiving vocational instructions; and

The holding of an important, three-day Educational Conference to improve administrative coordination, exchange ideas and discuss common problems, and to develop a detailed agenda for future activities.

To the relief of many, time does not now permit even a cursory discussion of achievements in a good number of other areas. Yet if our rather lengthy review is incomplete, it does serve to underscore the point I made earlier—that if the overall state of the Territory is still not well, this does not mean that no gains have been made, that this government has not attempted to respond within the limits of its resources, that, in a word, we must all throw in the towel and surrender to the prophets of doom and the ever-present Horsemen of the Apocalypse. To be sure, we have not accomplished as much as we would have liked, and I for one am not satisfied with the progress thus far made. But as I indicated in previous messages, our problems are complex and there are no simple or easy cures. And as we did not come to our present plight overnight, so we will not resolve it overnight. I did promise we would begin and begin we have. With your help and cooperation, we have undertaken a new order of things and we have proceeded a measurable distance on the road to this new order.

AGENDA FOR THE FUTURE

In the year—and years—ahead, heavy tasks lie before us. If we have proceeded a measurable distance down that road, much remains to be done before the voyage is completed. And it is unlikely that it will be completed during this Administration or even in the course of our life time. But if we have begun, let us continue, let us continue with the task of setting our house in order and building a better future for all the residents of these Virgin Islands.

But in outlining our Agenda for the future we must be realistic. Our aspirations are large as our resources are meager and finite. I cannot and will not promise the impossible. We must bear in mind that the course of action I propose is a rough blueprint for many years to come. Many of the measures suggested are long term and results will take time and much hard work. For we must look ahead and establish goals and objectives even if some must be placed on the back-burner for lack of resources. But for the immediate future, we must be realistic and focus on what is within the confines of the feasible.

In the year ahead, I propose to continue with the task of completing and fortifying much of the work begun: budgetary and administrative reforms, a decent homeownership program, environmental protection, improved delivery and services to the poor and afflicted, historic preservation, and a host of others. But our main priorities will remain much the same: the budget and the economy, crime, and health and education.

There is no question that the alleviation of our fiscal plight will remain at the top of our agenda. We must continue with our austerity program and with our efforts to balance the budget and to halt the headlong slide toward bankruptcy. Revenues from property, individual and corporate income, and other sources have continued to decline, and we cannot by law, engage in borrowing or deficit spending. A necessary element of our austerity program, of course, is limiting government expenditures. It is incumbent that over the next several years the annual growth of the budget be controlled. I am fully aware that the entailing rigid economies will exact a toll in human hardships and generate thunderous outcries. This is not an easy or popular course, and it is not one of my choosing. Nonetheless, it must be done and it must be done for the good of the community as a whole.

But rigid economies and cutbacks can only take us part of the way. Our eight-point austerity program, therefore, proposes the following immediate and long-term measures to help deal with our present as well as threatened deficits:

1. Intensifying the identification of potential areas of savings;

2. Expanding the reappraisal of all programs with the intention of holding in abeyance those of a non-essential nature;

3. Filing suit to attempt to secure the return of certain oil custom duties and gasoline excise taxes being retained by the Federal Government. We reject the opinion issued by the Justice Department and we will now file suit independent of Puerto Rico;

4. Raising certain trade and excise taxes on a number of luxury items. We have tried to postpone this action as long as possible but it has now become unavoidable. Great caution and restraint must be exercised here, however, lest we further aggravate our ailing economy;

5. Implementing or increasing charges for certain services rendered by the government, such as sewer and water charges, to reflect actual costs more closely;

6. Accelerating and intensifying the collection of accounts receivable;

7. Completing and presenting our petition for Federal assistance, especially in the area of employment generating capital improvement projects; and

8. Continuing our discussions with officials of Hess Oil Virgin Islands Corporation to modify their present formula of tax exemptions. The basic idea would be to reduce the present level of benefits but extend the time-period involved in order to realize additional revenues for the government as soon as possible.

These measures, however, cannot prevent the limited layoffs now underway, occasioned by the sheer unavailability of funds. This whole issue has been politicized to the nth degree and deliberate distortions have been rampant. The decision to reduce government personnel has not been easy. But it had to be done. Among other things, it should be emphasized that:

1. These limited layoffs are essentially the "bitter harvest" of past mismanagement, spending more than we were taking in, near-sightedness, and excessive padding of the payroll for political reasons. The difficulty duty is now imposed on us;

2. The limited number of layoffs are being made as a last resort after all other avenues had been explored and exhausted. When nearly 70% of the budget is allocated for personal services, sooner or later some reduction will have to take place.

3. It should be borne in mind that this is a means to an objective, the objective of keeping this government afloat for the benefit of the community as a whole. To suggest that it is an end in itself is an absurdity;

4. A layoff is not a permanent dismissal; it is a temporary severance dictated by budgetary considerations.

5. It has been argued that this is not the right time to reduce government personnel. But when would it be the right time? When government coffers are over-flowing? This contention makes no sense;

6. An effort should be made to place these layoffs within a broader framework. Compared to other jurisdictions, we have not only delayed this action the longest, but have done so in the most limited manner possible. Whereas New York has reduced its personnel by over 15%, ours will amount to less than 5% or approximately 350 people;

7. It must be emphasized that these limited layoffs are being made with absolutely no regard to partisan considerations. Seniority and other objective criteria are being used by department heads in their recommendations to the Budget Director. The process is in no way arbitrary.

8. It is the very height of irresponsibility to suggest that this action will lead to an increase in crime. This is not only an unwarranted presumption against our public servants, but by sheer repetition, it will become a self-fulfilling prophecy;

9. It should be recalled that the Legislature denied my earlier request to institute a four-day work-week and other measures to forestall any reduction of the government work force. They also increased the budget for this year by over $5.8 million, despite our appeals, and attempted to increase their own appropriations by 30%.

10. It should be demanded from these critics of this emergency action that they also propose constructive alternatives. So far it is all noise and little thought. It is a truism that those most critical have been the least disposed, the least willing, and the least able to suggest alternative courses of action. They should stop cackling and lay the egg.

11. It should be remembered that those most critical of these layoffs have been the chief architects of these policies leading to our present plight; and

12. We should not condone the use of any fiscal "gimmicks" in dealing with our problem. It will only make matters worse in the long run. We cannot keep plugging the dam; sooner or later it will cave in. What we must do is devise a sounder approach to reduce the water level. Stop-gap measures simply will not do.

I must emphasize in the strongest terms possible that I am committed to fiscal discipline, budgetary reform, and wise fiscal planning. We cannot, in the final analysis, build upon sand. I insist that there be an end to the mishandling of the people's hard-earned money, and I insist that we live within the limits of our resources. The days of carefree spending are over and this is a fact we can no longer evade or blur, or misrepresent.

Needless to say, neither our fiscal problems nor high level of unemployment will be alleviated in any fundamental way unless we continue in our efforts to revitalize the economy. And this is our greatest primary task. Among other things, I propose to proceed implementing those internal and external measures outlined in Operation Recovery when and where feasible—measures specifically designed to recharge our vital tourist trade. In particular, we must continue to enhance and refine our entire promotional effort, to insure adequate transportation, to expand local participation, and to improve conditions here at home to assure a sustained recovery in addition to an unspoiled environment, critical among these is a hospitable and friendly people. Educational campaigns in this regard should be amplified with the full cooperation of the private sector.

Increased attention must be placed, however, on broadening the base of the insular economy. To that end, I propose to continue implementing various aspects of what I have termed Operation Diversification—a cohesive plan of action designed to reduce the unstable over-reliance on tourism, to provide suitable employment, especially for our youth, and promote balanced and rational growth. The plan I propose focuses on three main areas:

1. Promotional and internal structural reforms; and

2. Improving the overall competitive standing of the islands as an attractive investment area;

3. Developing a comprehensive economic development plan for the Virgin Islands. As I indicated earlier, work already has begun in this regard.

With respect to the first, we must not only continue to expand our industrial promotional efforts on the Mainland and elsewhere—as funds permit—but upgrade the capacity of the Department of Commerce to engage in such promotion.

To that end, I recommend that we establish within the Department of Commerce a separate Division of Industrial Development to supplement the limited promotional and managerial functions of the Investment Incentive Commission, and that this Division be made responsible for evaluating development opportunities, preparing and implementing a marketing program, and serving as the principal negotiator with potential investors. This Division should be capable of:

1. Identifying and defining various industrial opportunities;

2. Evaluating on a preliminary basis the tax-incentive eligibility of projects;

3. Preparing and supplying data and other germane information to potential investors;

4. Developing plans for suitable industrial sites; and

5. Encouraging and promoting local participation in the incentive program.

Concerning the matter of improving our competitive standing as an investment site, Operation Diversification focuses on upgrading general operating conditions for business—such as the provision of land sites, upgrading transportation facilities, and manpower training—and in expanding the benefits granted under incentive legislation. Whereas the former is primarily long-term, the latter is not. And as most of us are well aware, both the Legislature and Executive have acted to institute a new and revised Industrial Incentive Program. Although in the weeks and months to follow I will suggest a number of amendments to the Legislature, the new act is basically sound and should do much to improve our competitive standing.

In attracting new and desirable light industries to our Islands, I strongly recommend that the following criteria be observed:

1. The industries to be attracted should broaden our economic base but not by undermining or destroying the tourist sector;
2. They should contribute to this broadening without further despoilment of our environment;
3. They should provide attractive and rewarding employment opportunities for Virgin Islands residents; and
4. They should initially be firms that would stand to benefit the most from certain U.S. tariff provisions applicable to the Virgin Islands—such as Headnote 3a.

In addition to these broad lines of attack, and on a more immediate basis, this Administration will attempt to implement two very important public works projects during the course of the year: the multi-million dollar HUD Community Development program and the recently approved Caribbean Regional Commission program. Both of these should not only fund desirable projects and increase the circulation of monies in our community but provide much-needed employment. We will also attempt to alert the Delegate to Congress as well as other federal officials of the importance of insuring that the Virgin Islands are included in any other public works and special anti-recession programs passed by Congress.

Attempts to revive our economy will not be successful, however, unless we continue to launch a massive and sustained attack on crime. But more importantly, predatory crime makes impossible the maintenance of a meaningful community. I would like to make it very clear, however, that while I believe attention should be given to the alleged socio-economic factors of crime, such long-term efforts should not serve to impede immediate action. An efficacious strategy for reducing crime cannot focus on "root causes" alone.

In the weeks and months ahead, I intend to continue our rather comprehensive program to upgrade the Department of Public Safety—to deploy personnel more effectively, to modernize investigation techniques, to clarify goals and objectives, to form special anti-burglary units, and to elicit greater citizen participation and cooperation. The Commissioner of Public Safety has also been instructed to review and consider for implementation more than 140 major technical recommendations stemming from a recent study of that Department.

In addition, we will begin to implement a comprehensive, LEAA-funded anti-crime plan with priorities in six general areas: Police, Courts, Prosecution, Corrections, Juvenile Justice, and Juvenile Delinquency Prevention. This detailed plan involves over a half-million dollars and it specifically addresses crimes against property, such as robbery, burglary, larceny, and auto thefts.

It should be emphasized that there are no panaceas in dealing with crime, and that recent studies reveal that more police and tougher laws are not of themselves the answer. What does appear to be a more effective deterrent than tougher laws is the certainty that penalties will be applied—however modest they may be. As one study points out:

"Though the police need improvement, they are not the crucial agency in the system. Of far greater importance are those agencies that handle persons once arrested and determine whether, how soon, and under what conditions they will be returned to the communities from which they came. These agencies are the criminal courts and the correctional institutions."

I therefore propose that the Legislature seriously consider the following:

1. Reviewing all penalties as they apply to repeaters and broaden the definition under which a person would be declared a repeater;
2. Imposing mandatory sentences for crimes committed with a gun or a similarly lethal weapon; and
3. Establishing a Commission to set and adjust rules for the entire criminal justice system. The entire system, from criminal code to prison release, must be reformed to speed, regularize, and rationalize the process of law enforcement. Special attention should be given toward developing a rational mandatory-sentencing structure.

If crime in the Virgin Islands is not a high-risk occupation, we must make every effort to make it the highest risk occupation in the land.

Within the area of juvenile justice, the development of facilities for adjudicated offenders is a top priority matter. I do not believe, however, that panel institutions are the answer—except for the retention of "hardcore incorrigibles." For "status offenders" and other young offenders, we should explore the possibility of such residential programs as group or foster homes, as well as a variety of non-residential programs that do not expose the youth to the same conflict pressures and opportunities for crime that brought him to the courts in the first place. The importance of swift action in this regard cannot be over stated.

Concerning Education and Health, I propose to continue with our program of administrative reforms and overall management improvement. In addition to previously outlined intentions, serious consideration will be given to the notion of decentralizing our Department of Education by Island—that is, St. Thomas-St. John and St. Croix. The basic idea is to decentralize day-to-day operations while maintaining more centralized policy coordination. If implemented, such a program will be closely monitored to see if it could be applied to other areas of government. With respect to the Department of Health, one of the main priorities, in addition to improved delivery of health care services, will be a complete re-organization of present revenue-management procedures and overall collection practices. The present situation is deplorable, to say the least.

During the course of this year or in the near future, I also propose that the Executive and Legislative branches begin to address themselves to the following:

1. The development of a Collective Bargaining Program adapted to the needs and peculiarities of our setting. Special emphasis should be given to the creation of acceptable impasse-settling technique or procedures;
2. The passage of workable Campaign Disclosure Act. This is an election year and I strongly believe that the public should know who is contributing how much to whom.
3. The establishment of a year-round Territorial Service Corps partly based on the Vista model. Although there should be no age limit, for there are many in this community of all ages who are willing to contribute their time and energy to worthwhile endeavors, the emphasis should be on our youth. Among other things, such a program should provide a sound avenue for constructive activity in a host of areas. This proposal may have to be held in abeyance, however, until funds become available. But some work can begin.
4. The adoption of a more comprehensive Government Employees Benefit Program. As presently devised, this program would provide not only a more comprehensive major medical plan, but group life insurance, long-term disability and dismemberment, and most importantly, coverage for dependents. Before transmitting a bill to the Legislature, however, a more precise estimate of the cost involved must be made. And again, the present paucity of funds may delay enactment of this important measure for the time being; and
5. The development of comprehensive land-use legislation to protect our Islands more adequately from the despoilment of disorderly development. This may take years to develop, however.

In the months and years ahead, it is also the intention of this Administration to establish and expand our contacts with other neighboring island communities. We must attempt to release ourselves from the shackles of excessive parochialism and develop a broader view, a wider perspective as to our role in a developing Caribbean. It would be a grave misperception, however, to attach political overtones to our goodwill intentions. Our purposes are commercial and cultural, not political.

CONCLUSION

My fellow Virgin Islanders and friends, we have come a long way in the difficult process of change and reform, in the arduous task of setting our house in order and of laying the foundation of a new order of things. And in many respects, we must wait until the evening to see the advances made—to see the real achievements of the day. We have not accomplished as much as we would have liked, or perhaps as much as we could have. But a beginning has been made. As I said before, we have undertaken a new order of things and we have proceeded a measurable distance on the road to this new order.

But if a beginning has been made, let us now continue in the cellar course of duty that confronts us. Much remains to be done before we can bask in the warm glow of a commitment fulfilled, a task accomplished. Much remains to be done before we can dislodge ourselves from the grip of our predicament, before we can erect the banner triumphant and truly increase the value of our children's inheritance.

And so we must persevere in our efforts and continue to rise to the challenges before us, to rise to the challenges in the spirit of those who risked their lives and their fortunes two hundred years ago in the forging of a new nation under God, with liberty and justice for all. We cannot afford to neglect the plain duty before us; over-confidence and complacency are among our deadliest enemies. We must roll up our sleeves and be prepared for more toil, sweat, and tears. But we must not blind ourselves to the difficulties we must surmount. Our expectations must be tempered by a prudent consideration of the hazards we face. "Sacrifice, patience, understanding, and implacable purpose may be our lot for years to come." As I have said many times before, there is no short road to the realization of our dreams and the fulfillment of our hopes. As we did not come to our present plight overnight, so we will not resolve it overnight.

In the weeks, months, and years ahead, we must forge and sustain a firm unity of purpose and dedication. "Our strength is in our unity of purpose. To that high concept there can be no end save victory." We must stand shoulder to shoulder, "unafraid of ugly truth, contemptuous of lies, half-truths, circuses and demagoguery." But above all, I will need your understanding, your patience, and your continued cooperation. Yet of that I am confident. In the words of President Franklin Roosevelt.

"In every dark hour of our national life a leadership of frankness . . . has met with that understanding and support of the people themselves which is essential to victory. I am convinced that you will again give that support . . . in these critical days. . . . "

But more than that, my fellow Virgin Islanders and friends, in the monumental assignment before us we will need the guidance and blessing of Almighty God. May He indeed protect each and every one of us. May He guide me in the days to come.

MORE INFLATION: MORE UNEMPLOYMENT

Mr. GARN. Mr. President, I have today joined as a cosponsor of S. 2909, a measure designed to encourage investment in the United States. In this election year, we hear on all sides the cry for more Federal spending as a way to get unemployment down. Indeed, the President has had to veto an enormously expensive public works bill, which would have cost the taxpayers of the country over $25,000 for each job created. The Democratic candidates for President compete to see who can request the biggest public employment program.

In the face of all this clamor for Federal action, we seem to have lost sight of the fact that massive deficit spending, which is supposed to bolster demand and decrease unemployment, has actually produced an unemployment rate near record highs. It is a time for someone to point out the connection between the disincentive effects of Federal taxation and spending and the low rate of capital formation in the United States. The fact is that investment in capital is lower in the United States than in any industrialized nation in the world. And that fact is directly related to our unemployment problems.

In its January issue of Tax Review, the Tax Foundation has reprinted a summary of a paper by Prof. David Meiselman discussing the costs of continued inflation in terms of unemployment. It is true that Dr. Meiselman does not relate inflation directly to deficit spending, but it is clear to me that the temptation to monetize the deficit cannot be resisted by the modern politician, and that there is a connection. It is also clear to me that when the Government borrows to finance its deficit, it further absorbs funds which could be devoted to the capital resources needed to produce jobs. Mr. President, I ask unanimous consent that Dr. Meiselman's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MORE INFLATION: MORE UNEMPLOYMENT

(By David I. Meiselman)

In the past year we have all seen many reports detailing the faltering growth of the American economy over the last decade. In my view, the slowdown in capital formation and in economic growth in recent years is a problem of major dimensions. I believe that the American tax system, which is heavily biased against saving and investment, is a significant factor in this sluggish performance. By causing a shift of resources from capital formation to consumption and to government spending the Federal tax system clearly impairs efficiency and retards growth and innovation.

Despite all the discussion of tax reform, we have had essentially the same tax code over the last decade. Ten years ago the Federal tax structure was also biased against saving, investment and economic growth. Since then, one of the most important changes which has taken place has been in the inflation picture. A decade ago the price level was essentially stable. Since then, the United States has experienced virtually continuous inflation, and the pace of inflation has ratcheted up in every business cycle. And in each business cycle the amplitude of fluctuation in prices, employment and the like has also become greater. In other words, there has been an increase in both inflation and in instability, an association I do not believe is coincidental.

I suggest the one way of interpreting the slowdown in economic growth and in capital formation, and much of the upward drift of the unemployment rate, is that they are all the results of a decade of accelerating and roller-coaster inflation. The poor economic performance is part of the wide range of economic, political and social adjustments to forces generated by the inflation. Inflation, itself, has been a product of poor public policy, notably the Federal Reserve's monetary policy. I have concluded that the conventional wisdom among most public officials and economists regarding the impact of inflation is regretfully, incorrect. This is the view that inflation, while bad, is not an unmitigated evil, because it stimulates employment and capital formation. I argue, on the contrary, that inflation leads to both more unemployment and less capital formation and growth. Indeed, I would contend that inflation by itself would lead to more unemployment even if we had a tax system that was not biased against capital formation, a bias which is strengthened by the inflation process.

Despite large numbers of claims that the causes of the present era of inflation are different, that the old laws of economics no longer seem to work, it turns out that the recent inflation is fully in line with historic norms. Average prices always depend on the ratio of money to output. Prices tend to rise when the quantity of money increases faster than output, prices tend to fall when the quantity of money declines relative to output, and prices are level when the ratio of money to output is stable. The historical evidence is clear and beyond dispute. Recent inflation in the United States and around the world has similarly been the result of the quantity of money growing much more rapidly than output. I simply do not see how the recent inflation has broken any old economic laws or that we can somehow rid ourselves of inflation without curbing the excessive use of the printing press.

But there are ingredients in the modern picture that are different. First, for the very first time in a century, since the United States temporarily suspended specie payments during and immediately after the Civil War, there are now essentially no external constraints on monetary growth. The U.S. money supply is no longer linked to precious metals or to fixed exchange rates.

A second ingredient is based on the belief, drawn from the Keynesian analysis, that a major shortcoming of a modern capitalist economy is deficient and unstable aggregate private sector demand. In this view, the economy needs constant management to offset private sector disturbances and to prevent them from accumulating to even greater troubles. The fiscal policy instruments of varying tax rates and government expenditures are some of the main Keynesian tools. Considerations of efficiency and fundamental questions about the permanent effects of tax and expenditure programs thus frequently take a back seat to presumptions of their short-period stabilization properties. Deeply held convictions that the economy is inherently unstable, typically poised on a razor's edge and subject to frequent shocks requiring government offsets to prevent cumulative disturbances, have been important causes of the growing myopia and meddlesomeness of public policy. Third, there has been a growing conviction in the United States that inflation is not only helpful, but necessary, to achieve and maintain high levels of employment and growth. The belief that there is a dependable and systematic trade-off between inflation and unemployment, the Phillips Curve, is one of the main points in the inflationist credo.

THE ATTACK ON THE PHILLIPS CURVE

The major attack on the Phillips Curve was led by Milton Friedman. His analysis stressed the role of expectations. Friedman conceded that inflation may temporarily reduce unemployment, especially if the inflation comes as a surprise and is thereby not already discounted and adjusted for in other prices and wages. If output prices rise relative to wages, Friedman reasoned, it is as if labor costs effectively fall. This leads to an initial increase in employment opportunities. However, eventually the entire economy, including all wages and prices, adjusts to the ongoing inflation. Because there are no permanent surprises left, there are no permanent employment gains. The record of recent years and the absence of any dependable connections between the rates of inflation and unemployment would appear to contradict the Phillips Curve position and to support Friedman's.

Although my own analysis is close to Friedman's, I believe his analysis is deficient. It does not go far enough because it does not take sufficient account of how inflation, especially erratic or unanticipated inflation, impairs the functioning of all markets and the efficiency of both labor and capital. By reducing the productivity of labor, inflation causes unemployment to rise rather than fall, as predicted by the Phillips Curve analysis, or to remain about the same, as predicted by the Friedman analysis.

To effect output and employment, inflation must be unanticipated. For public policy to use inflation to change employment and output, it must fool people—which is hardly a proper or effective basis for public policy. But as time goes on, it becomes progressively more difficult to fool people. This is why this kind of policy leads to greater and greater instability—heaped on top of more and more inflation. In the stop-go policies, the "stops" and "go's" inevitably become more pronounced.

Trying to fool participants in one area by the use of policies affecting the entire economy, moreover, leads to a vast widening of the range of uncertainty about future events. This undermines the efficiency of intertemporal decision making which involves saving, investment, asset management, and the like.

Another pernicious, and very important, but not very well understood result is the effective destruction of economic information. The price system which characterizes the market economy is a very efficient means for conveying large amounts of information. But one of the characteristics of variable and unanticipated inflation is that people effectively have less information about current prices and markets. Consumers and business firms tend to learn about prices and markets in a sequential manner. As they keep receiving new knowledge, old information is revised or discarded.

But large-scale unanticipated inflation impairs this orderly learning and adjustment process. The loss of information can only be overcome by devoting more resources to data gathering, updating price lists and the like. Doing so, however, uses costly time and resources. This alone causes an increase in unemployment, a decrease in efficiency, and a deadweight loss to the economy. One manifestation of how inflation destroys information is that ordinary accounting statements means less and less as the inflation process proceeds.

Thus, the continued process of variable, unanticipated inflation does not positively affect employment. Rather, it has a cumulative and negative impact on efficiency and resource allocation. Returns to both labor and capital suffer. This, taken together with the distortions of the inflationary process, impair the flexibility of markets and thereby causes an increase in unemployment. This deadweight economic loss is added to the chaos of capricious changes in income distribution, real tax rates and the like, that have undermined the fragile structure of constitutional government and individual liberty in country after country.

THE BAD EFFECTS OF INFLATION

As we have all become painfully aware, some of the bad effects of inflation result from basing income tax liabilities on conventional accounting standards, which depend on historic costs for inventories, plant and equipment and the like. Taken by itself, the extra inflation tax on business capital would result in a reduced rate of capital formation relative to periods such as the first half of the 1960's when there was little or no inflation. But the inflation tax on business capital also means that capital formation will depend on anticipations of future inflation. For post-tax rates of return depend crucially on inflation.

Conventional management methods of capital budgeting are already in the process of being altered to take the inflation tax into account. Firms that ignore the reality of future inflation will be in no better shape than firms that ignore the reality of other important market forces in shaping their plans. Thus, some of the effects of the speed-up of inflation since 1965 have been similar to the effects of an increase in the effective tax rates on business income. By reducing real after-tax profits, incentives to capital formation have correspondingly been weakened.

This increased effective tax on business capital, not legislated by Congress or signed by the President, but primarily the result of the Federal Reserve's excessive use of the printing press, was undoubtedly a major factor in the slowdown in the rate of growth of the capital stock. In real dollars of 1958 purchasing power, from 1961–1965 there was an increase of $55,000 in the gross stocks of business capital for each person entering the labor force. In 1966–1970 it was $46,000. By the 1971–1974 period it had fallen again to only $41,000.

The retardation in the growth of capital relative to the growth in the labor force has resulted in an erosion of one of the principal dependable sources of higher real wages, the increase in the amount of capital per worker. In addition there has been an increase in the barriers to and in the costs of employment, such as sharply higher minimum wages, social security taxes, quotas and the like. These combined with greater rewards for not working, such as expanded welfare programs, food stamps and extended unemployment compensation, have made the situation even worse.

The transition from high to low growth of real income means that large numbers of employees must revise downwards their realistic assessments of what their work can command in the market. Especially for employees who have lost their jobs and are seeking work, it takes time to learn that there are diminished job opportunities and that real wages, (wages adjusted for changes in the level of prices) are less than they had believed they could count on earning. But as people look for what they believe are better and more remunerative job opportunities, the result is a lengthened span of time spent searching for jobs, and thereby increased unemployment.

Where do we go from here?

First, I believe that the long-standing bias in the Federal tax system against saving and investment should be corrected. In addition, the relative size of the public sector must be decreased. Tax payers are simply not getting their taxes' worth. These steps are called for even without the added distortions caused by inflation. Further, I would recommend the reduction or elimination of multiple taxes on the same income stream: the taxes on corporate income; the tax on dividend income; the tax on capital gains and the like, including estate and gift taxes that yield little revenue and create much mischief. The tax codes of many states replicate those of the Federal government, and action by the Federal government would be enhanced by states following the national lead. Congressman Kemp's bill, the Jobs Creation Act of 1975, which includes tax credits for individual savings, is one example of current legislative proposals that would moderate multiple taxes on the same income stream and reduce the bias against saving and investment.

Second, it is essential to abandon the use of inflation as an instrument of public policy, even for short periods of time. To avoid abrupt shocks to the economy, the inflation should be slowed gradually and eliminated over a three-to-five year period. The maintenance of general price stability will require steady, non-inflationary courses for monetary and fiscal policies. For monetary policy this means a long-term growth of money in the range of 2% to 4% per year for M_1 (currency plus demand deposits) or 4.5% to 6.5% for M_2 (currency plus all commercial bank deposits except large certificates of deposit); for fiscal policy, relatively stable taxes and expenditures close to or at a balanced budget.

The new Congressional budget procedures might be helpful in these matters, but the initial recommendations of the Congressional Budget Office give me little hope for assistance unless there is a drastic change in their extreme Keynesian and inflationist orientation.

Finally, I close with an additional caution. The 1976 elections are less than a year away. Economic issues will play an important role in the outcome of the election. After the past two presidential elections there were charges that monetary policy, and to some extent fiscal policy as well, were influenced by desires to help the party in power. I have no direct way of knowing if there is any truth to these allegations or whether the small sample just happened to include the coincidental sharp expansions of the money stock in the election years of 1968 and 1972, or the speedup of Federal government expenditures of 1972. Several years earlier, Federal Reserve monetary stringency in late 1959 and early 1960 contributed to the onset of the 1960 recession which hurt the party in power during the 1960 presidential election. I do not believe that the Federal Reserve's purpose at that time was to hurt the party in power. I would, of course, prefer to believe that the allegations about 1968 and 1972 are also without merit.

I raise the issue because 1968 was an important episode in creating the inflation roller-coaster. Slamming on the brakes in 1969 after stepping on the gas in 1968 was a major factor in the 1969–1970 recession. And too much money in 1972, which saw the stock of money increase at the fastest pace since World War II, was the beginning of the current roller-coaster ride.

I would fervently hope that those responsible for public policy will be able to resist the great pressures during an election year for excessive stimulation, that there is enough understanding in and out of government that still another shot of inflation would add to our difficulties without solving our problems, and that more inflation is neither good for the country nor acceptable to the voters.

This Issue in Brief

The increase in both inflation and instability in the past decade is not coincidental. It's conventional wisdom, says the author, that inflation is not all bad, because it stimulates employment and capital formation.

That's correct, Professor David Meiselman believes. Inflation is not a cure for unemployment but a cause. And, he urges, "the staggering deficit of the Federal government must be eliminated, primarily through expenditure control."

The complete text of Professor Meiselman's paper at the Tax Foundation National Conference will be published next month in the *Proceedings*.

Mr. GARN. Mr. President, S. 2909, the Investment Incentive Act of 1976, is designed to relieve the shortage of capital that the United States is now experiencing. If we are to relieve unemployment, it is time for us to remember that we cannot transfer our resources from the producers to the consumers in our society. Overwhelmingly, the Federal Government consumes resources; it does not produce them. We must begin to slow the trend of an increasing percentage of our output being absorbed by nonproducers. This legislation would signal our intention to do so. We can continue to call for more government, more inflation, and public service jobs for the unemployed, or we can move now to strengthen the ability of a free economy to provide the jobs needed. These will be real jobs, providing real goods and services, and not the kind of invented jobs in which the Government specializes. I think the choice is clear.

CONTINUED SUPPORT FOR YOUNG FARMERS HOMESTEAD ACT

Mr. McGOVERN. Mr. President, one of Washington's most respected agricultural reporters is Jay Richter who writes for the Farmland News published by Farmland Industries, Inc. I consider his November 29, 1975, article in that publication entitled "Homestead Plan for Young Farmers Weighed" to be a superior discussion of legislation I introduced on October 30, 1975, to assist young farmers in their constant and ever-growing problem in obtaining credit for land acquisitions.

To date there are 16 cosponsors of this legislation and companion bills in the House have been introduced by several distinguished Members of that body. Because of the continued interest in this concept, I ask unanimous consent that the article I have referred to above be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Homestead Plan for Young Farmers Weighed

(By Jay Richter)

Land values this year are going up an estimated 14% by official USDA calculation, just about the same percentage as last year. A couple of years ago they went up 18%.

Such figures underline the difficulty a

young man faces today in getting into farming, unless he is already rich, or he is perhaps on shares with Pop, or has inherited land, in which case he might be unable to hold onto it in any case for want of money to pay those outrageous inheritance taxes. Where, under these circumstances, are we going to get the mix of young men and women required to preserve family farming?

The question is one worth harder thought than farm leaders generally have given it, although nearly all pay it lip service, and a few are working to find practical answers. Most of those seriously searching for answers are taking a close look at a bill introduced recently by Sen. George McGovern (D–S.D.) which he calls the "Young Farmer Homestead Act of 1975."

His purpose, said the senator, "is to overcome the present financial conditions caused by high land values, excessive interest and expensive operating costs which are major obstacles preventing young farmers from going on the land." Briefly, the McGovern Plan:

1. Creates a Federal Farm Assistance Corporation to purchase farm and ranch units on the market at prices based on appraisals by FmHA (Farmers Home Administration);
2. Provides for leasing of units by FmHA up to seven years to young farmers for cash rent, based on real estate taxes plus carrying charges (interest) on the purchased units;
3. Gives young farmers the option after a maximum of seven years to get out or purchase the units through financing by FmHA or private lenders.

The federal corporation would be empowered to sell the land at 75% of the appraised value at time of sale—wherein rests the "homestead" feature of McGovern's measure. The land presumably would appreciate in value, and the young farmers given 25% equity in the appreciation as "sweat value" during term of the lease.

How to prevent windfall profits on quick resales? This would be done by vesting capital gains over five years after sale in the lessee-purchaser at the rate of 20% per year, with the balance—if the land is sold—going to the new federal corporation. The corporation would be authorized to borrow through issuance of private bonds, debentures, notes, or corporate debentures purchased by the Secretary of Treasury at prevailing government rates.

"Land acquisition would be at no cost to the government," McGovern argued, "because the government through the corporation would own the land and recover its investment together with 75% of capital appreciation on subsequent sale."

The corporation would be managed by a board of five members, four of them from outside the government, appointed by the President and confirmed by the Senate.

Farm leaders are as yet unfamiliar with details of the McGovern plan, and therefore wary of flat-out endorsement of its terms. But support for the general outline of the legislation appears to be strong and growing. A heavy mail, almost uniformly favorable to the senator's purpose, was reported by his office.

"I've never seen him (McGovern) as excited about a bill," said an aide.

By mid-November, two weeks after its introduction, 11 Senate colleagues had signed on with McGovern as co-sponsors of the legislation: James Abourezk of South Dakota, Gary Hart of Colorado, Vance Hartke of Indiana, Mark Hatfield of Oregon, Hubert Humphrey of Minnesota, Patrick Leahy of Vermont, Mike Mansfield of Montana, Lee Metcalf of Montana, Walter Mondale of Minnesota, Gaylord Nelson of Wisconsin, and Sparkman of Alabama.

An almost identical bill, HR 101495, has been introduced in the House by Rep. John Melcher (D-Mont.).

The concept of the proposed homestead legislation "makes sense," said Ed Jaenke, an agricultural consultant, and former governor of the Farm Credit Administration. When he headed the FCA, Jaenke initiated a young-farmer credit plan within the system.

"FCA can help, but I see no other way than the McGovern approach to do the whole job," said Jaenke. "With the kind of inflation we've had, the government has to step in if we are going to maintain family farming, I mean a viable business-type of family farming.

"After 10 years, this kind of program could be operating cost-free."

It is no secret that some people out there in the far-flung FCA system take about as conservative a line toward easier credit for young farmers as the crustier members of the ABA (American Bankers Association). But a few PCA district boards "have adopted young-farmer financial programs and policies," said an FCA spokesman, and FCA has reclassified some loans so as to try to take the heat off locals for loosening up on credit to young farmers.

The McGovern proposal appears to be "in line with our principles," said the FCA spokesman. (FCA's present governor, W. M. Harding, was out of town, and hadn't had a look at the legislation.)

McGovern is anxious for more ideas on his homestead bill, and for extensive discussion at hearings which probably will be scheduled early in '76. His intention, he said, is to supplement, not to replace present lines of farm credit which are already severely strained.

Average age of the American farmer today is more than 50 years, the senator pointed out, and some economists estimate the start-up costs for a young farmer to be as high as $250,000. These are "nearly insurmountable obstacles" for a young man who is not already well-to-do.

"These discouraging figures have led me to conclude that it is now time to re-examine our traditional concepts of farm credit as well as land tenure," said McGovern.

"Most of the legislation referred to my subcommittee (the Senate Ag Subcommittee on Credit and Rural Electrification) merely amends the Rural Development law to allow the government to increase the dollar amount farmers can borrow to put them further in debt . . .

"What I propose is to provide a federal sponsored vehicle by which the beginning farmer is relieved at least in his beginning years from an overwhelming land acquisition debt, can begin farming with a manageable operating loan, and look forward to eventual ownership . . ."

PRESIDENT'S BUDGET FAILS TO STIMULATE HOUSING

Mr. HUMPHREY. Mr. President, I wish to call to the attention of the Senate one aspect of the President's proposed budget, and I refer in particular to the amounts related to housing.

The President's housing budget is full of old news. The 500,000 assisted housing units that the President mentioned in his state of the Union address come from two programs. One hundred thousand units will come from the old section 235 program, a program that Congress had to go to court to get the President to carry out. It is hardly a Presidential initiative. In fact, it took 3 years and a court to get the Nixon-Ford team to spend the money. Moreover, while the President claims that there will be 175,000 new units from this program in the remainder of fiscal year 1976 and in fiscal year 1977 he is talking about reservations, not starts or completions. There will only be about 80,000 completions.

The second program, which is responsible for 400,000 units, is section 8. HUD is real tricky in this program. Originally one-half to two-thirds of section 8 funds were to be new construction and the remainder for existing units. The fiscal year 1977 budget changes all that—for fiscal year 1976 as well as fiscal year 1977; 31 percent of the units are new construction and rehabilitation; 41 percent are for existing units and a whopping 28 percent is to bail out past housing projects.

Section 8 was supposed to provide substantial new construction, but instead HUD is using it as a bailout. While the President says that 400,000 units will be assisted, over 100,000 of these are already receiving aid so the net addition is less than 300,000 units. Section 8 is being used as a bailout. This is a step backward, not forward. Moreover, when you look at housing unit completions, the numbers are shocking. Only 3,600 new units will be completed by the end of fiscal year 1977 which is almost 2 years away. That is hardly a program designed to stimulate housing construction and restore rapid national economic recovery.

Finally, the President has decided not to release the additional $2 billion under the tandem plan that could bring mortgage rates down to 7½ percent. The President's housing policies are clear. No new construction, more foot dragging and high interest rates. Political rhetoric and statistical manipulation are no substitute for real construction and building with the money on the line.

DÉTENTE

Mr. GOLDWATER. Mr. President, for several years, we have heard more and more about the word détente. I do not believe many Americans understand it even now. In the summer edition of the Naval War College Review, there appears a splendid article on the word and its meaning, by the Honorable Helmut Sonnenfeldt. I ask unanimous consent that it be printed at this point in my remarks, so that my colleagues and readers of the RECORD might have a better understanding of this mystical word.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE MEANING OF "DÉTENTE"

(By the Honorable Helmut Sonnenfeldt)

On 12 May of this year, two U.S. warships, the guided missile frigate *Leahy* and the destroyer *Tattnal* sailed into Leningrad Harbor. On the other side of the Atlantic, two Soviet destroyers were tying up at Boston. Bands played, salutes resounded, glasses clinked, accompanied by expressions of goodwill. For the first time since the war, the United States and Soviet Navies were exchanging visits.

The political process reflected by these visits has come to be represented by a word "détente" which until recently remained an obscure term confined to academic lexicon. The exact meaning of détente is still imperfectly understood and lends itself to quite misleading and vastly oversimplified interpretations. While it would perhaps be an exaggeration to say détente has entered into household usage, it has become a symbol of some considerable passion and controversy.

Literally, détente means little more than the relaxation of tension. This definition, however, is far too simple and static to describe the complex set of relationships that are evolving between the United States and the Soviet Union.

Relations with the Soviet Union have, of course, been a central problem for our national security policy for some 30 years. Much has changed in both the character of these relations since World War II and in the international environment in which these relations occur. But Soviet-American relations are bound to be at the core of our foreign policy concerns for the Soviet Union remains the single most powerful state in the world besides ourselves. Its power continues to grow and its interests to expand. Indeed, it can be said that in the broad sweep of history, Soviet Russia is only just beginning its truly "imperial" phase; its military forces have acquired intercontinental reach only fairly recently; its capacity to influence events in remote areas is of relatively recent standing; and it is only just acquiring the habit of defining its interests on a global rather than a solely continental basis. For us, therefore, the problem is that of building viable relationships with an emerging world power.

As in much of the industrialized, democratic world, the values and priorities of America's society have undergone substantial change in recent years. Domestic concerns have become an increasing preoccupation, and there is a tendency to look inward. Yet we will not for the foreseeable future escape the complex challenge of existing side by side on a shrinking globe with a Soviet Union that continues to grow in power, weight, and reach. It must be a major purpose of our diplomacy and of our security policies as a whole to insure that in these circumstances our own interests and values are safeguarded, that power is used with restraint, and influence wielded responsibly. Essentially, that is what détente is all about. That is why we should think of détente as a dynamic process of enormous complexity rather than as a simple state of relaxation. And that is why we must persist in the basic policies we have been pursuing over the past several years.

Despite some of the rhetoric that has occasionally obscured them, the policies associated with détente are not rested on illusions. We realize full well that Soviet values and objectives are in many ways inimical to our own, and likely to remain so. We know that our respective political systems and social philosophies on which they rest are fundamentally different, that history and experience have shaped our respective outlooks in often divergent ways. We assume that Moscow will not refrain from seeking to turn international events and opportunities to its advantage, especially where it encounters the kind of weakness that makes the risks of doing so minimal.

Yet we also have been conscious of the fact that Soviet power has developed unevenly, that there were needs, shortcomings, and difficulties confronting Soviet decisionmakers and that there were in the international arena not only openings and opportunities for Soviet gain but also substantial resistance to excessive Soviet influence. Moreover, it has become clear that international communism and the so-called "socialist camp" are far from monolithic and that neither the Soviet political and social system nor the ideology of Marxism-Leninism today exercise the kind of magnetism and appeal that its advocates had hoped for and its opponents feared.

Thus, when at the beginning of this decade signs appeared that the leadership in Moscow might be interested in more normal relations with ourselves and other Western countries, it seemed desirable to pursue the openings presented and to undertake a hardheaded and multifaceted effort to temper antagonism with restraint, confrontation with negotiation, and the impulses of power with the incentives of responsibility.

The course on which we embarked requires toughness of mind and steadfastness of purpose. It demands a sober view not only of Soviet strengths but of our own. It is an attempt to evolve a balance of incentives for positive behavior and penalties for belligerence; the objective being to instill in the minds of our potential adversaries an appreciation of the benefits of cooperation rather than conflict and thus lessen the threat of war.

Thus, détente in practice has been an active policy, conducted over a broad front of issues, and based on hard realities. Its ultimate goal is not a simple, temporary relaxation of international tension but the creation of mutual interest in the maintenance of peace.

The prerequisite for the pursuit of this goal is a strong defense posture. Adequate military forces and the long-term programs to sustain them are by no means incompatible with détente; they are a basic requirement for its successful pursuit. Interests will be respected only if it is clear that they can be defended. Restraint will prevail only if its absence is known to carry heavy risks.

The second prerequisite for a successful pursuit of détente is the strength and vigor of our alliances. Progress toward a safer and more constructive set of relationships with potential adversaries does not obviate the need for the mutual commitments and cooperative ventures of alliance relationships, for the fundamental interests and values we share with our friends and allies are no less important to our well-being in conditions of détente than they were in periods of acute and multiple crises.

Based on these prerequisites, we are pursuing a more stable international system that not only embraces the continuation of our relations with traditional allies but the evolution of new relations with our adversaries as well. Broadly speaking, we are proceeding along three courses: first, by progress in limiting arms; second, by developing standards for restrained international conduct; and, third, by building more normal contacts and habits of cooperation to our mutual benefit.

The most sensitive complex, and ambitious endeavor toward arms control has been the negotiations with the Soviet Union on strategic arms limitations. This issue presents an essential test—whether the world's two nuclear superpowers will be able to translate their common interest in self-preservation into arrangements which will lessen the uncertainties of openended competition and the threat of nuclear war. A milestone was reached in May 1972 when both countries agreed to forgo territorial defense against offensive missiles. While far from disposing of all the dangers in the United States-Soviet strategic military relationship, this treaty did confront both sides with the stark fact that their peoples are to remain utterly vulnerable to missile attack. For the defensive minded Russians it was not an insignificant psychological step that, in the interest of greater stability, this vulnerability was to be sanctioned by a treaty with its principal competitor. The Soviets also committed themselves at this time to freeze the numerical size of their offensive missile programs and agreed to an arrangement which would require them to dismantle a number of their older missiles if they acquired the permitted number of sea-based missiles.

Given the dynamism of Soviet strategic programs and the absence, at the time, of any new programs of our own, this 5-year interim agreement on strategic force ceilings was a considerable first accomplishment.

Now we are engaged in the second step of the SALT process, working out a treaty to put equal ceilings on offensive missiles and, more significantly, on their most potent qualitative aspect—MIRVed warheads. There is reason to hope that these talks will succeed and that for the next 10 years the respective strengths of the strategic force programs will be more easily calculated, thus reducing the uncertainty in the decision process. The next, even tougher, step will be to seek actual agreed force reductions, but to do so without adding instability.

Simultaneously with the regulations of strategic competition, we are negotiating on force reductions in central Europe. Our objective here, as in SALT, is to strengthen military stability and to enhance security. In contrast to SALT, however, MBFR is a multilateral negotiation in which our allies are directly involved. Other negotiations deal with limitations on chemical warfare, on environmental warfare techniques, and on nuclear tests, including explosions for peaceful purposes. Indeed, there has not at any previous time been a more intense and varied dialog with the Soviet Union on matters of arms control.

In addition to seeking agreements that place limits on military programs and activities, we have engaged the Soviet Union in efforts to define certain broad standards of conduct which, if adhered to, can serve to further reduce the dangers of competition. In the nature of the United States-Soviet relationship, such understandings are not necessarily self-enforcing nor can they be altogether free of ambiguity and room for interpretation. They do, nevertheless, set yardsticks by which conduct can be measured, and they set forth the elements of an international order far more consonant with our values than the rather sterile and ideologically colored precepts that came to be associated with the earlier slogan of "peaceful coexistence." Thus, the agreed principles signed at the 1972 summit accentuated the concepts of restraint and respect for interests.

The 1973 agreement on prevention of nuclear war established the principle that nuclear war can be ruled out only if all forms of military aggression are precluded. We do not accept the proposition that the use of nuclear weapons can be singled out for prohibition as long as other forms of military attack are not excluded. Of course, the ultimate means of preventing warfare in a world in which arms levels remain high and interests are in conflict is an adequate military deterrent capacity. But that does not diminish the value of defining the elements of responsible conduct, including the procedures for consultation in the event of crises.

This process has not been without some practical utility as, for example, in the Middle East, where the standards of conduct agreed upon in 1972 and 1973 should certainly be applicable. As the Secretary of State has pointed out, however, it has so far proved easier to apply the standards of restraint bilaterally and to East-West relations in Europe than to crises and difficulties in other parts of the world. But competition and hostility cannot long be compartmented, anymore than can cooperation. Détente relationships must evolve across the whole spectrum of potential crises issues or they will be hard to sustain.

Arms control, standards for conduct, and consultation procedures are all essentially efforts to moderate competition, reduce the frequency and intensity of crises, and to manage them when they occur. In addition, however, there are the more positive kinds of bilateral arrangements designed to provide incentives for more constructive relationships and to reduce the gulf between peoples. This or that individual cooperative project may be relatively insignificant, but cumulatively and over time, a whole network of agreements, projects and programs can produce a vested interest in more stable relationships. This is because both sides derive concrete benefits from such undertakings, benefits they will not be willing to jeopardize by a renewed deterioration of relations. For it is evident that broad cooperative programs in culture, science, technology—with appropriate safeguards—health, space, trade, et cetera, can hardly be maintained in a situation of persistent confrontation and crisis.

While these policies can be most effectively pursued and implemented through bilateral agreements, the Conference on Security and Cooperation in Europe (CSCE) is a multilateral effort to establish general and specific guidelines for a more stable and cooperative order in Europe. If the remaining issues can be satisfactorily resolved, it may be possible to complete this conference, in which we have been cooperating closely with our NATO allies later this summer. The provisions laboriously worked out by more than 30 Eastern, Western, and neutral nations in such areas as human contacts, information exchange, and a multiplicity of others will then be tested in practice.

I just referred to trade in passing. This is an issue which has inspired special controversy in recent months. Historically, commercial links between nations have proceeded apace with little regard to their political relationships. In dealing with authoritarian, state-trading countries, however, some control is obviously needed. To allow trade simply to follow the whims of the marketplace on our side, while it is rigidly controlled on the Soviet side, would be folly. On the other hand, there are limits to the use of trade as a political bargaining instrument. This was graphically demonstrated last January when the Soviets refused to accept the conditions of the Trade Act as a basis for putting our Trade Agreement into effect.

It is important that we should put the trade issue into perspective. Economic relations are not and should not be seen as a one-way flow of benefits to the Soviet Union. The Trade Agreement of 1972 was designed to put trade on an orderly basis; it contained numerous practical arrangements intended to give protection to American firms operating in the U.S.S.R. and to preclude adverse impact on our own economy of imports from the U.S.S.R.

Regrettably, these advantages, which were obtained in conjunction with the mutual extension of nondiscriminatory tariff treatment, are now suspended, although the Soviets implement some of the provisions of the aborted trade agreement *de facto*. The inability of the Government to use the Export-Import Bank and its facilities in trade with the Soviet Union deprives us of an instrument for controlling the flow of credits to the U.S.S.R.; moreover, we have little basis for developing some understanding on credit policies with our friends and allies, many of whom have extensive and generous credit arrangements with the U.S.S.R.

In short, the effect of our present trade legislation has been to deny our Government the means of pursuing a coherent strategy in economic relations with the U.S.S.R. and of integrating trade relations into our overall policies. It is evident that the purposes of the Trade Act's provisions on East-West trade are going unfulfilled as emigration from the U.S.S.R. has sharply declined. Our business community has been placed at a serious disadvantage compared to the opportunities available to foreign firms. The President is determined to seek remedial legislation so that trade with the U.S.S.R. can proceed in an orderly and mutually advantageous fashion and can play its proper role in a comprehensive set of policies toward the Soviet Union.

The diplomatic game is more like chess than poker. All the pieces on the board have to be kept in mind, as does the psychology of the other player. The opponent's hand is rarely concealed, though his intentions may be uncertain. Success does not depend on the luck of the draw, and bluff is risky.

In one important respect, however, diplomacy is like neither chess nor poker. It is not necessarily a zero sum game. Both sides can win, or both sides can lose. Further, when nuclear war may be the ultimate move, neither side can afford to push the game to a conclusion.

Given this reality, our overall strategic objective has been a relationship in which any such ultimate issues will not arise. The means to this end is, over time, to create a pattern of responsible conduct and an interlocking framework of agreements and understandings with the Soviet Union, enforced by incentives to encourage responsible behavior and disincentives to discourage confrontation. Only a few weeks ago we had another round of talks on the Incidents at Sea Agreement—a subject of obvious interest to the Navy. It was recognized by both sides that this agreement has helped reduce dangerous encounters on the high seas which only a few years ago were creating serious risks. This may be a modest and as yet imperfect accomplishment, but it illustrates a basic point. It has occurred not as a result of the benevolence either of ourselves or of our adversaries but as a consequence of a sober pursuit of interests. That is and must be our approach.

In the past few weeks a series of dramatic events have highlighted the utility of flexible military strength, in an era of détente. On 12 May, after other efforts were to no avail, U.S. Marine and naval forces participated in rescuing the U.S. merchant ship *Mayaquez* and its crew while defending the age-old principle of freedom of the high seas. It was on this very same day that our warships steamed into Leningrad Harbor for the first such visit in three decades. On 5 June the flagship of the 6th Fleet, the cruiser *Little Rock,* was given a place of honor in the flotilla which opened the Suez Canal.

Each of these events illustrates, in its own way, the continuing importance of seapower in the last quarter of the 20th century. They also demonstrate the continuing place of the American Armed Forces in the conduct of our national policy.

I can assure you that for today's military, "détente" will not mean relaxation but challenging work. In this complex age the welfare of our Nation depends, as it never has before, on the professional skills, judgment, alertness, discretion, and, when necessary, the valor of our military leaders. The challenges which you face in the years to come will hopefully be those of peace. I think you can rest assured, however, that these challenges will be no less daunting than those of war and no less rewarding professionally.

HOMESTEADING FOR YOUNG FARMERS

Mr. McGOVERN. Mr. President, the Young Farmers Homestead Act (S. 2589) which I introduced last October 30 now has 16 cosponsors. Of more than casual interest to cosponsors and other Senators might be a letter addressed to Secretary Butz from Dan Moore, Holly House Farm, Box 288, Collegeville, Pa. Mr. Moore, to the best of my knowledge, has never heard of the Young Farmers Homestead Act and yet he writes to the Secretary outlining a request for action which is almost identical to the objectives of my bill. This reinforces my earlier judgment that there is great sentiment in the country for some kind of legislation to get young farmers going. Because of the unique coincidence of Mr. Moore's letter, I ask unanimous consent that it be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Holly House Farm,
Collegeville, Pa., January 19, 1976.

Mr. Earl Butz,
Secretary of Agriculture, U.S.D.A.,
Washington, D.C.

Subject: Homesteading for Young Farmers.

Dear Sir: While perusing a bulletinboard at the New Holland auction stables last Monday, I saw the following listings:

FARM FOR SALE—178 acres, 150 tillable; 42 head of Holstein milkers, herd average of 16,780 lbs. Two silos with unloaders; complete line of tillage and harvesting equipment. $249,000 complete. Financing available.

YOUNG MARRIED FARMER desires a farm to rent or work on shares, has some equipment and some heifers. Will work hard, not much money.

Now sir, I believe the U.S.D.A. should represent the professional farmer, the family farmer, more than by just offering them portions of political gusto during election years. Here is an opportunity to assist in the establishment of an agricultural base that will allow this country to continue its world leadership in sale of food grains and other agricultural products.

U.S.D.A.—buy that farm—and allow that young farmer to work it free of mortgage costs for five years, maybe seven years. Allow him and his family to work 15 hours a day to establish a milking herd, build up the land, and buy necessary farming equipment; you know he will—he's a farmer. After five years, start selling that farm to him, at a mortgage rate he can afford.

This is not a gift like the food stamp program, nor an 8% successful program like the Equal Opportunities Programs are, but an investment of five years of working credit toward allowing this young man and many others an opportunity to establish, by himself, a contributing farm.

Please approach both the Senate and the House Agricultural Committees with such a plan and work for its passage.

Very truly yours,

Dan Moore.

FEDERAL VERSUS PRIVATE CORPORATIONS?

Mr. PERCY. Mr. President, the concept of Federal corporations is just beginning to arouse public interest.

Specifically, the Communications Satellite Corporation and the special manner by which it was incorporated provides us with a model for studying this concept.

In an editorial which appeared in the Chicago Daily News on January 12, 1976, Mr. Charles Bartlett describes some of the problems associated with placing corporations under Federal licensing systems.

I believe that Mr. Bartlett's editorial provides a good basis for further discussion of the Federal corporation concept and I ask unanimous consent that this editorial entitled "United States Hobbles Satellite Corporation," be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

United States Hobbles Satellite Corporation

(By Charles Bartlett)

Washington.—The adventures of the Communications Satellite Corp. should serve as a warning to those who talk of creating star-spangled companies with federal charters as a sop to antibusiness sentiment.

Distinguished experts like Prof. George Lodge of Harvard argue that the validity of the American corporation is being eroded by a fading belief in private ownership and Lockean individualism. To transform corporations into responsible instruments of society, they argue the necessity of putting them under the restraints of federal licensing system.

Comsat is cited as a pioneer example of this blend between private ownership and public control. It emerged in 1962 from President Kennedy's desire for "a dramatic demonstration" of American leadership in space. It was created by Congress as a private corporation in a framework of governmental "co-ordination, planning, and regulation."

The proposal stirred an epic Senate debate in which a small liberal block, anxious to keep commercial satellite communications under direct government control, insisted the Kennedy plan would sell out the public interest to AT&T. Filibustering against what they described as "the greatest giveaway of the space age," the liberal senators propounded more than 100 amendments to tie the new corporation more tightly to the government.

Fortunately, most of these amendments were beaten down, but the final bill left the new corporation bristling with eagle feathers. The President would pick and the Senate would confirm 3 of the 15 directors. The White House and various government agencies would ride herd on the corporation, particularly on its dealings abroad. The FCC would monitor the operation of the system and regulate its rates.

The public responded with enthusiasm to this hybrid innovation. Despite warnings that no dividends would be paid for five years and that uncertainties were involved in stationing an 85-pound satellite some 22,300 miles in space, investors bid up the first offering of stock and it quickly became a glamor issue.

Liberal apprehensions that Comsat would be folded into the AT&T monopoly were dispelled by the participation of 163 companies in the stock allotted to communications carriers. As a result of FCC pressures, AT&T today owns no stock. The public's holding is divided among 101,000 shareholders who have seen the system grow into a worldwide network involving 91 nations, 25 satellites and 88 Earth stations.

It would be a happy story if it were not for the links to government. The corporation's flexibility and its chance to harvest the full fruits of technology have been constantly hobbled by the heavy federal hand. As one example, the presidential directors have gone unconfirmed for 18 months, while a group of communications specialists in the White House ponder whether this participation by the President is really desirable.

The exciting opportunity to initiate an international satellite system for ships and airplanes has been stalled for several years by an extraordinary series of decisions and reversals by civil servants eager to prevent Comsat from functioning as a chosen instrument.

Recently, the FCC determined that Comsat's operations were no riskier than AT&T's, so its rates are being regulated down to comparable levels. Comsat, in appealing this decision to the courts, is contending that this is a wretched reward for the investors who took the risks and waited patiently for the profits. It is argued that the FCC ruling will have a chilling effect on the spirit that drives innovation.

Comsat has weathered these experiences, but the lesson is that a private corporation subjected to federal controls inevitably falls prey to the neglect of the top policymakers and the tyranny of the lower echelons that are out to show their clout.

JEHOVAH'S WITNESSES IN MALAWI

Mr. SPARKMAN. Mr. President, it has come to my attention that several Senators have received letters from their constituents concerned over religious persecution taking place in Malawi. As chairman of the Foreign Relations Committee, I have received sundry communications of this sort and on behalf of one writer, I asked the Department of State to give me a report of what is going on in the case of Jehovah's Witnesses in Malawi.

Believing it will be helpful to other Senators to have this information on hand so they can reply to their own constituents, I ask unanimous consent that the letter of January 21, 1976, from Robert J. McCloskey, Assistant Secretary of State for Congressional Relations, be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of State,
Washington, D.C., January 21, 1976.

Hon. John Sparkman,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: The Secretary has asked me to thank you for your letter dated December 22 requesting on behalf of Mr. Tony Severa information concerning Jehovah's Witnesses in Malawi. I sincerely regret the delay in this reply.

As you may know, the Witnesses have faced difficulties not only in Malawi but also in many neighboring states (Zambia, Tanzania, Mozambique and Rhodesia) and in the Arab world as well. These difficulties appear to arise chiefly from Witnesses' refusal to associate themselves with the governments in the countries where they reside. Since this is a highly sensitive point to the leaders of many developing nations, and unfortunately is often regarded by them—quite erroneously, of course—as a sign of disrespect or even worse, Witnesses have at times been subjected to harassment, banning or other forms of pressure to encourage them to change their views. There is certainly no justification, however, for the harassment which the Witnesses have undergone.

In Malawi itself, Witnesses' troubles began was in 1967, when the religious group was banned by the Government on the grounds that Witnesses refused to buy Malawi Congress Party cards and encouraged others to dissociate themselves from political activities. In 1969, the related Watchtower Society was also banned for similar reasons. The first large-scale outflow of refugees to Zambia and Mozambique occurred in 1972–73 in the wake of an intensified campaign by the Government at Malawi against the Witnesses. While many of these refugees were repatriated from Zambia back to Malawi in late 1972, large numbers remained in Mozambique until that country became independent and itself began to repatriate Witnesses to Malawi in mid-1975. Some of these returnees fled again to Zambia, but many were transported back to Malawi by Zambian officials in the fall of 1975.

While we are very concerned about recent reports of persecution in Malawi, it has been our considered judgment that any representations by the United States would not improve prospects for Witnesses in Malawi. However, we did make our concern known to the Government of Malawi during the 1972–73 period and we plan to express our concern again, initially to the Malawi Embassy in Washington, D.C.

Given the regional and international character of the problem, we believe that the United Nations or a similar international body is in a better position than the United States to make effective representations to the Government of Malawi, and we suggest that Mr. Severa may wish to contact the United Nations regarding the problem. In addition, he may also want to write directly to the Honorable Jacob T. K. Muwamba, Ambassador of the Republic of Malawi, 2362 Massachusetts Avenue, N.W., Washingtno, D.C. 20008, about the status of the Witnesses in Malawi.

I hope the above information will be helpful to you in responding to your constituents.

Sincerely,

Robert J. McCloskey,
Assistant Secretary for Congress Relations.

IS AMERICA GOING MAD?

Mr. GOLDWATER. Mr. President, as fundamentally important as I believe freedom of the press is to the success of our unique American experiment with self-government by a numerous people, it is clear that the media occasionally needs reminding that the freedom of the press implies responsibility in its exercise. Certainly a free press is indispensable to a free society. But freedom of the press in itself presupposes the existence of certain other rights and institutions, including the effective conduct of governmental duties upon the performance of which the freedom of all institutions, including the press, depends.

It is in this context that I am disturbed at the repeated conclusions reached by foreign observers that some of the American media appears bent upon destroying our national institutions and undermining our national will. In August of 1974, I had placed in the Congressional Record the text of a commentary in the internationally noted Swiss newspaper, Die Weltwoche, asserting that the press in the opinion-building centers of the east coast were "running the risk of destroying the results of a very successful foreign policy." The Swiss commentator was alarmed that America "is caught in a drama of self-destruction."

Now, a year and a half later, the European amazement at America's self-flagellation remains undiminished. A recent editorial in the Daily Telegraph of London, England, asks the question, "Is America Going Mad?" The reason for the British newspapers wonderment is the practice of her American colleagues in sections of the east coast press to engage in an endless denigration of their country's institutions and leaders. The British editorial implies that self-discipline is called for among portions of the U.S. press, and this brings us back to the notion that freedom carries with it responsibility even for the press.

Mr. President, I ask unanimous consent to have the editorial of January 3, 1976, in the London Daily Telegraph printed in the Record.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IS AMERICA GOING MAD?

It is time America's friends spoke out, with some nasty questions to the so-called "liberal" east-coast establishment. By that we mean sections of the Press, sections of Congress, television commentators and comedians, university pundits and a lot of other people who may think there is a dollar to be made out of denigrating their country's institutions and leaders. We all know about the "trauma" of Vietnam and Watergate, but it's getting a bit boring. How long has the rest of the free world got to put up with these tender-minded people recovering from their "trauma"? Indefinitely?

America is accustomed to, and has merited, a good deal of deference from her allies. But deference can be a disservice. The United States should know that her European cousins and allies are appalled and disgusted by the present open disarray of her public life. The self-criticism and self-destructive tendencies are running mad, with no countervailing force in sight. She has no foreign policy any more, because Congress will not allow it. Her intelligence arm, the CIA, is being gutted and rendered inoperative, the names of its staff being published so that they can be murdered. Her President and Secretary of State are being hounded, not for what they do but simply because they are people there, to be pulled down for the fun of it.

We hope and believe that the vicious antics of the liberal east-coast establishment, which are doing all this untold harm, do not reflect the feelings of the mass of the country. But it is a matter for wonder. Is the country as a whole becoming deranged? Surely not. Perhaps the Presidential election later this year will clear the air. Yet that is still 11 months away, and in the meantime there is all the campaigning to be gone through. Please, America, for God's sake pull yourself together.

PORTSMOUTH, N.H., CITY COUNCIL RESOLUTION

Mr. McINTYRE. Mr. President, I ask unanimous consent that a resolution by the city council of Portsmouth, N.H., expressing their support for the Federal revenue-sharing program's extension be printed in the RECORD.

There being no obejction, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION

A resolution soliciting the support of the New Hampshire congressional delegation in waiving the restrictions of the budget control act as they relate to an early passage of an extension of the State and local assistance Act of 1972; and, requesting the New Hampshire congressional delegation to work for the passage of general revenue sharing legislation which is committed toward the fulfillment of a long range solution to local funding assistance in accordance with the principles and purposes under which the original State and local assistance act of of 1972 was proposed to the citizens of this country. Be it

Resolved, By the City Council of the City of Portsmouth, New Hampshire assembled as follows:

Wheresa: The Federal Government did eliminate all categorical assistance programs in 1972, and

Whereas: The Federal Government replaced this source of assistance by passage of the State and Local Assistance Act of 1972, and

Whereas: This original Act of 1972 is due to expire on Decmeber 31, 1976, and

Whereas: Failure to extend the Act of 1972 will create severe hardship because of the withdrawal of Federal funding assistance to many programs historically supported through Federal aid, and

Whereas: The General Revenue Sharing program may be in jeopardy because of the restrictions of the Budget Control Act.

Resolved, That the City Council of Portsmouth, New Hampshire hereby solicits the support of the New Hampshire Congressional Delegation in waiving the restrictions of the Budget Control Act as they relate to an early passage of an extension of the Act of 1972, and

That the City Council furthermore requests the New Hampshire Congressional Delegation to work for the passage of General Revenue Sharing Legislation which is committed toward the fulfillment of a long range solution to local funding assistance in accordance with the principles and purposes under which the original state and Local Assistance Act of 1972 was proposed to the citizens of this country.

TRIBUTE TO REPRESENTATIVE BOB JONES OF ALABAMA, ONE OF THE ABLEST AND MOST DISTINGUISHED MEMBERS OF CONGRESS

Mr. ALLEN. Mr. President, on February 9, Congressman BOB JONES, representing Alabama's Fifth Congressional District and chairman of the House Public Works Committee, announced that he would retire at the end of this 2d session of the 94th Congress.

I am saddened at this announcement, coming as it has at the height of Congressman JONES' illustrious career.

BOB JONES and I have been friends since our student days at the University of Alabama. He is one of the most outstanding and most influential Members of the House of Representatives, and his mark has been placed on some of the most important legislation passed by Congress in the past 30 years. His understanding of the needs of the people has been written into almost every public works bill signed into law during his 15 terms as Representative from Alabama's great Tennessee Valley.

I have valued his counsel on the many occasions when we worked together on problems which affected Alabama, and I appreciate the contributions he has made to our State and to our Nation. Alabama will miss his great influence in the Halls of Congress.

I know that the decision which he and Mrs. Jones have made was a difficult one, but I know of their great desire to return home to be with the people they love so much. Mrs. Allen and I extend our very best wishes to them in the days ahead. BOB JONES leaves big shoes to fill.

Mr. President, in its issue of February 9, the Birmingham News ran a news story headed "Veteran Lawmaker, BOB JONES, Retiring," written by the paper's longtime Washington correspondent Jim Free. On February 10, the paper ran a followup column by Mr. Free entitled "JONES Will Be Remembered as a Leader." The Birmingham Post-Herald in its editions of February 11, ran an editorial "End of An Era," in salute to Congressman JONES, and in the February 11 editions of the Huntsville Times, a story was published written by that newspapers' able Washington correspondent Philip W. Smith and entitled "JONES' Reminders of His Work Stand Across Nation."

Mr. President, I ask unanimous consent that these articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Birmingham News, Feb. 9, 1976]

AT END OF TERM: VETERAN LAWMAKER, BOB JONES, RETIRING

(By James Free)

WASHINGTON.—Rep. Robert E. Jones, D-Scottsboro, dean of Alabama's House delegation and author of history-making legislation on interstate highways, public buildings, water resources, pollution control and Tennessee Valley Authority bond financing, announced today that he will retire after this 1976 session of Congress.

He is rounding out his 30th year in the House. His service there began Jan. 28, 1947, after he won a special election. He succeeded John J. Sparkman, then a 10-year veteran of the House, who had been elected to the Senate following the death of Sen. John H. Bankhead.

Jones became chairman of the House Public Works and Transportation Committee in January, 1975. But he had been, in effect, acting chairman for two years due to the ill health of Rep. John Blatnik, D-Minn., Jones' predecessor as chairman.

The Scottsboro congressman made some of his most important legislative contributions as a chairman of subcommittee: the Public Works subcommittees on water resources, on public buildings and on economic development, and Government Operations subcommittees on national resources and power, and on water resources.

Jones was given major credit for steering to final enactment the pioneering Water Quality Act of 1972. House and Senate conferees were deadlocked for months on differing versions of a bill. And Jones, as leader of the House conferees, insisted on continued efforts to compromise after many thought the bill dead. Agreement was reached on the 42nd meeting of the conferees.

He is the author of the Public Building Act of 1959—the basic authority for most federal building projects. Jones has been commended for major legislative assistance to the Kennedy Center, the new Smithsonian Institution Buildings, Birmingham's downtown mail-handling facility and many other federal buildings in his North Alabama district and throughout Alabama.

In that same year, 1959, Jones spearheaded a successful move that had been four years in the making. He got through the House the Tennessee Valley Authority bond financing act, which has enabled that agency to pay for new power-generating facilities out of revenues. Resistance had been building up to pay for TVA power plants with federal appropriations, and without the new authority TVA could not have expanded to meet growing demands for power in its area.

House veterans say Jones was the key man in blocking the Eisenhower administration's plan for financing the interstate highway system with federal bond issues. The Alabamian insisted that it should be a pay-as-you-go affair. Jones has been, and is, a strong defender of the Highway Trust Fund and its use for highway-related projects.

In his announcement, Jones thanked the people of the seventh congressional district for their support, encouragement and trust.

"But, after a tenure of 30 years, I feel now," he said, "that I have earned the right to go home and enjoy the years ahead at a slower pace." He added that he will never again be a candidate for public office.

In 14 renomination and re-election situations, Jones had never had a really close challenge. On several occasions, he has been unopposed. And there has been no indication that he might face serious competition in either the Democratic primary or the general election this year.

Throughout his political career, Jones, now 63, has been an un-hyphenated Democrat. His voting record has been consistently moderate and liberal. Often in the past decade, he has been the only Alabama House member voting with the Democratic leadership on controversial issues.

[From the Birmingham News, Feb. 10. 1976]

Jones Will Be Remembered as a Leader

(By James Free)

When Rep. Bob Jones, D-Scottsboro, carries out his announced plan to retire from Congress at the end of this year, Alabama will lose:

The legislator who appears to hold the all-time record for length of service in the U.S. House of Representatives from Alabama. He is rounding out his 30th year in the House.

And the first chairmanship of a major committee of the House an Alabamian has held since the death of Rep. Henry Steagall of Ozark on Nov. 22, 1943, when he had been chairman of the House Banking and Currency Committee for a dozen years.

Jones will be 64 on June 12. Already he has topped Stegall's service record of 28 years, eight months and 18 days in the House. He also has been a member of the House longer than were the late Reps. George Andrews of Union Springs and Frank Boykin of Mobile, and former Rep. George Grant of Troy—who served 27, 28 and 26 years, respectively.

While Jones did not become chairman of the House Public Works and Transportation Committee until January 1975, he had then been acting chairman for nearly two years due to the illness of his predecessor as chairman, Rep. John Blatnik, D-Minn. And both Jones and Blatnik had been assigned unusually heavy responsibilities as subcommittee chairmen for some years earlier.

Jones' leadership qualities on the Public Works Committee have made him one of the most influential members of the House. He is best noted for his skill and patience in persuading colleagues to settle their differences, and for his ability to find ways to permit junior members as well as seniors to participate in committee and conference decision-making.

So far as this reporter knows, no other member of Congress has ever been presented with a plaque of appreciation by fellow conferees from both House and Senate—in this case for leading them to a successful compromise solution of differences that required many months and more than 40 conference sessions to resolve. But this happened to Jones after his leadership of House-Senate conferees on the landmark $18 billion Water Quality Act of 1972.

Jones "sold" the Appalachian Regional Development Act to an initially reluctant House on the grounds that participating states would be given a major role in determining programs, and that other regions could take advantage of this type of multistate cooperation with the federal government. There are now some 10 such regional development programs.

On Jones' personal diplomacy, associates cite the case of flamboyant Rep. Bella Abzug, D-N.Y. In the face of predictions that Jones would find her a disrupting factor in the Public Works Committee, the Alabamian found ways that they could be mutually helpful. They don't always agree, but their relationship on the committee has been generally excellent.

And when Democratic freshmen last year led a rebellion against several House committee chairmen, they had no complaint about the way Jones performed with the Public Works Committee.

No House member from Alabama in recent decades has had more influence in that body than Jones. He deserves ranking with Steagall and with Rep. William Bankhead, D-Jasper, who was chairman of the Rules Committee before he was elected speaker in the 1930's.

[From the Birmingham Post-Herald, Feb. 11, 1976]

End of an Era

The announced retirement of U.S. Rep. Robert E. Jones of Alabama's Fifth Congressional District marks the end of an era in the state's congressional representation and leave a power void in Washington that will take years to fill under the present seniority system.

Jones' 30 years in Congress, more than twice the seniority of any other Alabama representative, earned him the chairmanship of the House Public Works and Transportation Committee, one of Congress' most powerful positions by virtue of the huge sums apportioned out for public works projects.

His retirement leaves the three Republican congressmen, Reps. John Buchanan, Jack Edwards and Bill Dickinson, with 12 years each, as the senior members of the state's delegation. The senior Democrats, Reps. Tom Bevill and Bill Nichols, have 10 years each.

In congressional seniority terms, 10 or 12 years is a relatively short time for working one's way up to strong positions.

As a representative of the more populist North Alabama voter, Bob Jones has been the most liberal member of the state's congressional delegation over the past decade, but being more of a quiet, hard worker than a flamboyant politican, he earned the respect of his conservative colleagues and the voters.

He is the last congressman to have served with the old crowd that included men like George Andrews, Albert Rains and Frank Boykin and his retirement marks the end of that era.

Jones is to be commended for his effective work for his district, the state and often legislation that affected the nation as a whole. In the latter category is his work for the interstate highway system and his insistence that it be financed from present revenues instead of bonds.

For his home area, Jones had made himself Mr. Tennessee Valley Authority and was a prime mover of the giant Tennessee-Tombigbee Waterway project that's well on its way to completion.

While the state and the entire South will miss his voice in Washington, Jones must also be commended for his taking this step.

Again in congressional terms, 63 is a young age for a man to step down from so powerful a position. But after 30 years in Washington, it's easily understandable that Mr. Jones take his own best interests into consideration.

[From the Huntsville Times, Feb. 11, 1976]

Jones' Reminders of His Work Stand Across Nation

(By Philip W. Smith)

Washington.—On the wall beside Bob Jones' desk in the Rayburn House Office Building are the autographed pictures of five former Presidents of the United States.

Behind the desk are displayed a dozen pens those chief executives have used to sign bills which Jones put through Congress.

Scattered around the office are other mementos—a six-inch section of the original cable from the Golden Gate Bridge; a paperweight commemerating the start of construction on the Tennessee-Tombigbee Waterway; a miniature bale of cotton; a paperweight-size ingot from the first aluminum cast at the Revere Copper and Brass Co. plant in Scottsboro.

These are the small, personal reminders of almost three decades as a member of the House of Representatives, a career which "the gentleman from Alabama" will end when the final gavel of the 94th Congress sounds next fall.

But there are also other reminders of that career cast in steel and concrete from Maine to California; The National Portrait Gallery; the Smithsonian Museum of History and Technology; the John F. Kennedy Center for the Performing Arts; the giant power-generating plants of the Tennessee Valley Authority; more federal office buildings than he cares to remember; and, above all, the interstate highway system.

The dean of the Alabama House delegation sat in his office Tuesday morning, with a bright February sun shining on the dome of the Capitol through the window behind him, and talked about some of the old battles.

It is the interstate system· that he would like to be remembered for, if he is remembered for anything.

It was 1956 and the Eisenhower administration wanted to issue bonds to build what was then called a national defense highway network.

Jones was a subcommittee chariman on the Public Works Committee and he thought the new highways should be built on a pay-as-you-go basis.

"My biggest task was convincing Wilbur Mills (the Arkansas congressman who was then chairman of the Ways and Means Committee) that I was right," Jones recalls.

He finally succeeded and Mills added "Title II" to the highway bill, requiring that the system be built entirely from proceeds of a federal gasoline tax, paid by the people who would use it and not by the taxpayers in general.

The result, as Jones puts it, is that "the interstate system doesn't get into the Treasury for one red penny."

Jones is also proud of his record regarding TVA, but he is worried about the trends in attitude he sees today toward that agency.

The congressman from Jackson County has managed every piece of authorizing legislation affecting TVA for the past 20 years, including the amendments which have given it the authority to sell bonds to finance the ever expanding electric power program.

Last year he successfully raised the limit on the amount of bonds TVA can have outstanding at any time to $15 billion—enough to complete the massive nuclear generating program the agency now has under construction.

"I have spent all of my political life defending TVA against her external enemies," Jones said, "but now it looks like we are having to spend more time defending her from her so called internal friends."

Jones didn't say so, but it was obvious he was referring to attacks on the agency that have become more and more frequent in the last five years from other members of Congress who represent districts within the TVA area.

But he has grown tired of fighting the battles.

"Thirty years is long enough," he said.

"When you have been here this long," he added, "you become politically weary.

"The enormous amount of work reduces the zest for accomplishments."

He also cites the growing number of jurisdictional fights between congressional committees.

"That reorganizational plan (of two years ago) got everyone fighting among themselves and there have been ill feelings," Jones said.

He is not using the often-cited excuse of ill health to give up a career at the age of 63.

"My health is excellent," Jones said, "but that's what everyone keeps asking me about," he added, shaking his head.

While his decision not to seek re-election to a 16th term came as a surprise in both Washington and in Alabama's fifth congressional district, it was not a spur of the moment move.

Jones said he had been thinking about it for nearly a year and made the decision long ago.

He held up the announcement, he said, until Monday following the meeting of the Alabama Democratic Executive Committee in Birmingham last weekend because it "might have a disturbing effect" on the state party meeting.

The congressman only told his wife of his decision about three weeks ago, and he did not tell his staff until late last Friday afternoon.

When Jones leaves office next January, he will have served in the House longer than any other Alabamian in history, surpassing the record of Rep. Henry B. Steagall of Ozark who was a member from 1915 to 1943.

Jones and Steagall are also the only two congressmen from the state to ever serve as chairmen of full House committees. Jones heads the Public Works and Transportation Committee and Steagall was chairman of the Banking and Currency Committee during the late 1930's and early 1940's.

When he retires to his home in Scottsboro next year, Jones said he plans to spend some time on the golf course and on the river fishing, but mostly he looks forward to his favorite hobby of raising flowers.

"I haven't ordered the seeds yet," he said, "but I have the plans laid out."

He added that he will remain interested in public affairs and might even consider serving on some type of advisory committees or commissions if asked, but "you won't catch me prowling the halls of the House of Representatives any more with a bunch of papers under my arm."

In the upcoming Democratic primary where a large field of candidates is expected to be running for his seat in Congress, Jones said he will remain completely neutral.

"If I were going to have anything to do with the primary, I would have gone to Birmingham last weekend, paid the qualifying fee and run myself," he said.

It will be a different story if a Republican goes after his seat, however.

"If that happens, I will be the most vigorous campaigner for the Democratic nominee you ever saw," Jones said, "no matter who he is."

Veteran Washington political reporter Joseph McCafferey, who has covered Congress since Jones was one of its junior members, paid tribute to the Alabama Representative during his nightly commentary on Radio Station WMAL Monday.

"I like to think of the gentleman from Scottsboro," McCaffery said, "as a prototype of congressional responsibility because as a member of the House he kept his head down, did his work, and knew his subject better than anyone else when he got the floor.

"He knew how to settle differences and end various factions so that he could come up with a compromise to get results.

"Yet, he never sought any recognition outside the 5th district of Alabama.

"He leaves a number of lasting monuments around this town. He was the one responsible more than anyone else for the National Portrait Gallery and the Smithsonian Museum of History and Technology.

"These are just some of the things that he has contributed to making Washington a better city.

"It will be sad to see him go because we will lose one of the few members with a sense of humor."

Jones showed some of that humor at a committee hearing Tuesday morning.

A subcommittee of the Public Works Committee was hearing testimony from the Secretary of Transportation on his decision to allow the supersonic British-French Concorde aircraft to land at Dulles International Airport in Washington and at John F. Kennedy Airport in New York.

The Concorde issue is an emotional one with environmental groups who claim the plane could deplete the Earth's atmospheric ozone layer, and with people who live near the two airports and contend it is noiser than subsonic jets.

The hearing room was packed with supporters and opponents of the Concorde and the question and answer session was rather intense.

Jones does not chair the subcommittee which was conducting the hearing, but as full committee chairman, was sitting in on it.

Just before he left, Jones interrupted the hearing to make a comment.

"Mr. Secretary," he said, "I don't want to go too far afield of the subject, but we have some other forms of transportation that are also pretty noisy and for which the Department of Transportation does not have any standards.

"I don't live near an airport so the plane noise doesn't bother me, but I'll tell you what does bother me and that is a subsonic truck coming by my house and waking me up every morning at six o'clock."

He then wondered if DOT might not set some noise standards for trucks also as the more than 200 supporters and opponents of the supersonic airplane shared a laugh together.

Meanwhile, those "subsonic trucks" are part of the 106 million vehicles that travel the 85 per cent complete interstate system which now carries almost a fifth of all the daily highway traffic in the country.

But come next spring, when the flowers are blooming back in Jackson County, Bob Jones plans to be more concerned with his azaleas than whether the Concorde is landing at Dulles and JFK.

REMEMBERING LITHUANIAN INDEPENDENCE DAY

Mr. RIBICOFF. Mr. President, in this Bicentennial year it is significant to note that February 16 marked the 58th anniversary of Lithuanian Independence. As we recall our own struggle for independence and human liberty, let us not forget about the plight of the Lithuanians.

The Lithuanian people enjoyed an all-too-brief period of national self-determination before their Republic was forcibly incorporated into the Soviet Union. By maintaining a strict policy of nonrecognition of the Soviet Union's forced annexation of Lithuania the United States has offered strong support to the just aspirations for freedom and independence of those besieged people. By consistently reaffirming this position, the United States continues that support and reminds the Soviet Union that neither we nor the world has forgotten about the injustices to the Lithuanians.

The Senate has sharply condemned this oppression with strong legislation directed toward reestablishing and insuring the fundamental right of the Lithuanian people to self-determination. It is my hope that the Senate will continue to work toward realizing this goal. By speaking out in a strong and united voice, the finest traditions of American humanitarian concern and love for individual freedom can best be conveyed to the rest of the world. As we commemorate the 200th anniversary of our independence, let us hope that the Lithuanian people soon will be able to join us in celebrating freedom.

A DIFFERENT PERSPECTIVE ON SALT I

Mr. CRANSTON. Mr. President, there has been a lot of loose talk—as well as serious concern—about alleged Soviet violations of the 1972 SALT I Treaty and Interim Agreement. The rumors of Soviet cheating on the terms of those agreements have begun to undermine the chances for a SALT II Treaty based on the Vladivostok accords. For this reason, I have recommended that our government issue a "white paper" giving all the facts available on compliance with the 1972 agreements.

Recently, I asked Dr. Wolfgang Panofsky, the director of the Stanford Linear Accelerator Center and one of our leading strategic weapons experts, to give me his views on the allegations of cheating under SALT I. I would like to share his letter to me with my Senate colleagues because it brings a different perspective than we read daily in the press. Dr. Panofsky reminds us that, under the 1972 treaty, a Standing Consultative Commission was created to monitor compliance on both sides. This body provides a forum in which suspicions can be aired in private and explanations can be offered by the party charged with a violation. It would appear that this Commission has worked rather well as a forum for candid discussion.

Of greater importance, Mr. President, is Dr. Panofsky's argument that both the United States and the Soviet Union are doing things that violate the spirit of restrain that the SALT negotiations were to have encouraged. These are strategically more important than any technical or numerical violations of earlier SALT agreement. A case in point is the development of sub-launched cruise missiles, which is advocated by the Department of Defense.

I ask unanimous consent that Dr. Panofsky's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STANFORD UNIVERSITY,
Stanford, Calif., December 19, 1975.

Hon. ALAN CRANSTON,
U.S. Senate, Old Senate Office Building,
Washington, D.C.

DEAR SENATOR CRANSTON: I appreciated very much the opportunity on Tuesday, December 16, to . . . discuss some current arms control issues. You suggested that I elaborate on the remarks I made on the allegations recently made by Admiral Zumwalt, and circulated widely in the press and aerospace trade journals, that the Soviets are violating the provisions of the 1972 SALT I Treaty and Interim Agreement.

One of the most important, but least publicized provisions of the SALT I Treaty is:

(a) Each Party undertakes not to interfere with the national technical means of verification of the other Party operating in accordance with paragraph 1 of this Article.

Each Party undertakes not to use deliberate concealment measures which impede verification by national technical means of compliance with the provisions of this Treaty. This obligation shall not require changes in current construction, assembly, conversion, or overhaul practices.

(b) To promote the objectives and implementation of the provisions of this Treaty, the Parties shall establish promptly a Standing Consultative Commission, within the framework of which they will:

(a) consider questions concerning compliance with the obligations assumed and related situations which may be considered ambiguous;

(b) provide on a voluntary basis such information as either Party considers necessary to assure confidence in compliance with the obligations assumed;

(c) consider questions involving unintended interference with national technical means or verification;

(d) consider possible change in the strategic situation which have a bearing on the provisions of this Treaty;

(e) agree upon procedures and dates for destruction or dismantling of ABM systems or their components [illegible]n cases provided for by the provisions of [illegible] Treaty;

(f) consider, as appropriate, possible proposals for further increasing the viability of this Treaty, including proposals for amendments in accordance with the provisions of this Treaty;

(g) consider, as appropriate, proposals for further measures aimed at limiting strategic arms.

The first of these provisions acknowledges that modern technology in general and surveillance satellites in particular have made this a more open world, and certifies agreement not to interfere with these new tools in collecting information. Actually this provision adds a great deal more to U.S. confidence in policing the treaty than any even remotely negotiable provision for on-site inspection could possibly have done.

However powerful the technical means of surveillance may be it is unavoidable that, with the barriers to open communications and access existing between the U.S. and USSR, ambiguous events would be discovered which give rise to suspicions of violations. For this reason the second provision quoted above provided for the establishment of a Standing Consultative Commission (SCC). This institution provides a forum in which mutual suspicions can be aired *in private* and explanations can be offered by the party charged with a suspected violation. Such privacy is indeed essential if the accused party is to be given the opportunity to explain the observed occurrences to the satisfaction of the other party.

The SCC mechanism has worked remarkably well, considering the nature of the USA-USSR relationship. The SCC has become a forum in which the Soviets are willing to discuss sensitive technical features of some of their military activities in much greater candor than in the SALT negotiations themselves, let alone in public declarations.

The recent accusations and "controlled leaks" by opponents of SALT threaten the viability of the SCC process and thus the very foundation of SALT. Privacy, rather than public polemics, is essential to the operation of the SCC and I therefore believe that in this instance (as in other matters such as the need for privacy in the client-lawyer or doctor-patient relationship) the need for privacy serves the national interest as well as the preservation of the viability of the Treaty, and takes precedence over the public's immediate right to become acquainted with an alleged violation.

Now as to the substance of the various allegations: First I would like to point out that all the alleged violations are minor in the context of the SALT Treaty and the strategic balance between the U.S. and the Soviet Union. Thus the importance of violations is not their direct security implications for the United States, but is the question of good faith shown by the Soviet Union in living up to the terms of the Treaty. I believe you recognize that much of the numerical details in the SALT Treaty, the Interim Agreement and the Vladivostok Accords had to be drawn more precisely than the strategic significance of each of the variants. In fact one of the detrimental by-products of the SALT agreements has been an overemphasis on the exact numerology of the arms race; it is clear that both nations are vastly over-armed for reasonable purposes of mutual deterrence, and the outcome of an actual nuclear engagement is all but unpredictable because of the many intangible factors should such a horrendous event befall mankind. Surely no one would claim that small excursions in number from those enshrined in the agreements would have any significance to any real military question. For all the above reasons I believe a real disservice is being done by the emerging debate on SALT violations: First, the debate directly endangers the privacy of the SCC process and thereby the viability of SALT itself; second, the debate gives a layman a totally misleading impression as to the importance of the violations under discussion.

The strategic significance of the violations under discussion are indeed minor, yet were they actually committed deliberately by the Soviet Union, this would be a serious indicator of bad faith. You are familiar with the allegations by Admiral Zumwalt and those discussed in the press and in the aerospace literature. One allegation deals with a phased array, ABM type radar in Kamchatka which is the impact site for Soviet ABM missile tests; we have such installations in Kwajalein, where missiles launched from Vandenberg Air Force Base are impacted when flying over the basic test range. Others deal with alleged attempts by the Soviets to keep missile installations under cover, and they deal with recently discovered sources of intense heat radiation which some interpret as being evidence of Soviet plans for "blinding" U.S. intelligence satellites.* Other alleged violations relate to a dispute of the interpretation of the SALT language restricting the size of ballistic missiles; others relate to hardened Soviet installations which the Soviets claim to be hardened launch and control centers, while they are alleged by some to be implacement sites for additional missiles. All of these allegations are clearly of the nature of ambiguous events which properly should be brought up before the SCC and which, according to statements by Administration officials, have been so brought up. From information available to me I have no reason to dispute the statement made by the Secretary of State that no demonstrable violations have occurred. Some accusations have been made relating to the flow of information on the allegations within the Executive Branch, and again, here, of course, I am not in a position to comment: Secretary Kissinger gave a rather detailed press conference on this subject on December 9, 1975.

I feel this debate to be most unfortunate and to some extent irresponsible. What is indeed true is that both partners of the SALT negotiations, the Soviet Union and the United States, have been showing a demonstrable lack of restraint. Both have expanded—both qualitatively and quantitatively—their strategic weapons, but this expansion has been carried out within the limits of those SALT agreements agreed to thus far. I consider this lack of restraint most unfortunate. It is expensive; it is in my view unjustifiable on military and strategic grounds; as more and more complex technical strategic nuclear arms are added the chance of accidental nuclear war through accident, unauthorized use, or sabotage continues to increase. We are again seeing the pattern of decreasing real security in the name of "security."

Much publicity has been given to the Soviet test and initial deployment of new missiles; in turn the U.S. is intensely pursuing upgrading programs of the existing missile forces towards a hard silo counterforce capability. While neither side has demonstrably violated the letter of the SALT agreements, there is certainly, at least in my view, considerable violation of its spirit. The continuing use of the "bargaining chip" argument for more arms in the name of arms control advocates new military systems which frequently would not survive critical scrutiny in the ordinary budgetary process.

The development and future deployment of submarine-launched cruise missiles which is currently being advocated by the Department of Defense, and which has been described by the Director of Defense Research and Engineering, Dr. Malcolm Currie, as a *fourth* arm of our deterrent, surely violates the spirit of the Vladivostok Agreement: it is that agreement which prescribes aggregate limits on the currently existing *three* arms of the deterrent forces of the two super powers.

At present our hopes for the achievement of really meaningful arms control agreements have been badly shaken by current events, and the debate about alleged Soviet cheating is a further blow. I hope you can help in persuading the Congress to reverse this trend: What we need is a deflation of oratory debating precisely as to who is ahead and who is behind in the nuclear arms race, as if this question had any meaning. What we need is an exercise of self control in not debating unverified allegations about Soviet (or U.S.!) compliance with the SALT treaty. Finally what we need most desperately is self control in the addition of further strategic nuclear weapons systems to the already existing arsenals. The Senate should not approve new weaponry supported by the argument that it is needed as a bargaining chip for future SALT negotiations but which otherwise cannot be supported adequately on its military or strategic merits. Experience has demonstrated repeatedly that today's bargaining chips are very likely to become tomorrow's deployed weapons.

I hope you will find these remarks useful.

With best personal regards,

WOLFGANG K. H. PANOFSKY.

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* I note in today's paper that this allegation has been denied, and in my view correctly, by Secretary of Defense Rumsfeld.

THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, when we refer to the destruction of a person or group, we must remember that this destruction can take one of two forms or a combination thereof. The destruction can neither be physical or mental. To brainwash a certain group, to subject that group to mental tortures in order to wipe out the particular identity of that group is as much a crime of genocide as the outright murder of that group. Article II of the Genocide Convention includes "mental harm" to members of a national, ethnical, racial or religious group in the definition of genocide. We must include "mental harm" as a form of genocide if we hope to prevent and punish those who attempt to inflict mental tortures on certain groups.

I find unpersuasive the arguments that article II makes the United States vulnerable to charges of genocide against certain of its own minority groups. The "mental harm" cause is no Pandora's box; the natural processes of cultural change and assimilation certainly fall outside the bounds of "mental harm." Article II is necessary to protect against unnatural cultural change whereby certain dominating cultural elites try to destroy the cultural fiber of other groups by forcibly altering their conscious states.

Mr. President, what good is it to protect groups against physical destruction if they are subject to a living death through mental oppression? Article II is an essential building block in the structure of a Genocide Convention which seeks to insure the physical and mental security of all groups.

FEDERAL REGISTER PUBLICATION OF PRIVACY ACT DIGEST

Mr. RIBICOFF. Mr. President, this week marks the publication of an important document which will be of great use to any individual wishing to exercise his or her rights granted by the Privacy Act of 1974. As you are aware, the Privacy Act of 1974, Public Law 93-579, established that a person has a right to examine most of the personal records which pertain to him or her and which are kept by Federal Government agencies. If a person feels that the agency is maintaining irrelevant, incorrect, or outdated information, he or she may request that it be corrected. An individual also has legally enforceable rights and remedies to assure fair usage of any personal information which a Government agency collects.

The Office of the Federal Register has compiled an abstract of most of the pertinent regulations and notices of systems of records which were published in the Federal Register. This publication is entitled, "Protecting Your Right to Privacy: Digest of Systems of Records; Agency Rules." It simplifies access to information necessary for any person to obtain copies of personal records maintained by the Federal Government.

This will help those individuals who wish to exercise any rights under the Privacy Act and also congressional caseworkers who assist citizens in this process.

Senate and congressional offices will receive two copies of the Digest, and upon request, may receive another 10 copies. The Digest is 740 pages in length, and can also be purchased from the Government Printing Office for $5 a copy. Any mail orders may be made by writing to the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20401. Telephone requests should be made to: 202/783-3238. These Digests are not a part of the regular subscription to the Federal Register, and therefore must be specifically ordered.

Sometime later this spring, the Office of the Federal Register will publish the entire set of regulations and system notices which have been placed in the Federal Register pursuant to the Privacy Act of 1974.

THE ARMS TRANSFER PROBLEM

Mr. HUMPHREY. Mr. President, recently I had the great pleasure of meeting with a group of distinguished academics at the Washington Center of Foreign Policy Research, which is associated with the Johns Hopkins School for Advanced International Studies. I enjoyed meeting with this group and discussing current foreign policy issues with them.

Following my informal meeting with those associated with the Washington Center, I had the privilege of addressing the students at the School for Advanced International Studies.

Because of my involvement with the International Security Assistance and Arms Export Control Act of 1976, I thought it would be appropriate to discuss the subject of arms transfers with the Johns Hopkins students.

I would like to bring to the attention of my colleagues the remarks I made on this subject. I believe that they provide an additional rationale and analysis for my interest in having our Government develop an overall arms transfer policy.

I do not consider my address as a definitive statement on the subject. Rather, it is the beginning of what I consider will be a continuing public discussion of one of the most important issues on the Nation's foreign policy agenda.

The Congress is attempting to deal with this issue through the passage of the legislation of which I just spoke. But this is only a beginning. The measure will not provide a policy as such. Rather, it is a vehicle by which the Congress and the executive branch can jointly formulate a carefully delineated policy on arms transfers.

Mr. President, I ask unanimous consent that my address at the Johns Hopkins School for Advanced International Studies be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR HUBERT H. HUMPHREY, JOHNS HOPKINS SCHOOL FOR ADVANCED INTERNATIONAL STUDIES, WASHINGTON, D.C., FEBRUARY 5, 1976

Tonight I wish to discuss a controversial foreign policy topic which currently is before the Congress. It is an issue with which I currently am involved through my work on the Foreign Relations Committee.

It is a complex problem with no easy solutions.

I speak of arms transfers and current efforts to rewrite the statute by which the United States granted and sold more than $11 billion in 1975 in arms and defense-related services.

As in the case of general economic assistance, the Congress has become involved in the arms transfer area as a result of a very basic concern: It appears that these transfers are taking place in a policy vacuum.

We have taken the initiative because we could no longer sit back and watch important decisions being made on an ad hoc basis.

The transfer of arms from the United States to foreign nations has been an important component of American foreign policy since early in this century. A brief historical overview demonstrates the longevity of this issue.

Two years before the U.S. entered the First World War the *Lusitania* was sunk carrying arms destined for Britain's war effort.

During the 1920's and 1930's the issue of arms transfer as they relate to foreign policy was hotly debated. A special Senate Committee chaired by Senator Nye of North Dakota was formed in 1934 to investigate the matter.

Its purpose was to examine the extent to which the U.S. was drawn into wars as a result of the munitions makers.

Senator Nye's work largely was unsuccessful and many believe it fed the fires of rampant isolationism which was sweeping the country.

After the end of World War II the United States began a program of granting arms to numerous countries as a means to halt the spread of Communism. This was a central ingredient of U.S. foreign policy for nearly two decades.

By the early 1960's many of our aid recipients in Europe and Asia could afford to purchase their weapons. The grant program declined in the 1960's, with the notable exception of Southeast Asia, as a result of the lessening of cold war tensions.

The decline of our grant program coincided with the sudden flow of oil revenues to Arab oil producers and the withdrawal of the British from the Persian Gulf and Indian Ocean.

The oil-rich nations were able and eager to purchase American and European weapons. By the early 1970's and the formulation of the Nixon Doctrine, our posture in the Persian Gulf was to rely principally on Iran and Saudi Arabia for stability in tthe region. This meant embarking on a vast program of selling technologically advanced weapons and building a local military infrastructure.

Here are some interesting statistics to supplement this brief overview.

In the last 30 years the U.S. has given away or sold $110 billion in military equipment and supplies to foreign countries.

Last fiscal year, the U.S. government sold $9.5 billion in military equipment, supplies or services to 71 nations.

Slightly over $600 million in military materal was supplied through commercial channels and $584 million was given away in military grants by our government.

We now have reached the point in a rapidly changing, multi-polar world when we must re-examine American arms transfer policy.

This complex task must be undertaken because we and other industrialized nations no longer can sell vast quantities of arms based on rationales rooted in the 1960's or even in the early 1970's.

We must look ahead five and ten years to the consequences for world peace and stability of policies formulated yesterday and today.

I do not deny that economic and political benefits can flow from the sale of weapons.

Jobs are created.

Weapons for our own forces are cheaper. Our balance of payments position may be aided.

And our overall commercial posture in foreign countries benefits.

Politically, arms can provide leverage and bases often are secured through the sale or influence. Important military and intelligence bases often are secured through the sale or grant of weapons.

But we must weigh these advantages—many of which are short term—against the long term effect of unrestricted arms transfers on our national interests and goals.

Arms transfers to regions where conflict is likely stimulate arms races and can increase sharply the prospects for war. We see such a phenomenon in the Middle East. The Persian Gulf itself has yet to reach such a threshold, although some experts believe this inevitable.

Through the sale of arms and by providing support—including American servicemen—we become identified with particular regimes. Most important, we become embroiled in the day-to-day affairs of other governments and their military commands.

Such a relationship creates animosity over time and draws us deeper and deeper into the internal affairs of foreign nations. We are beginning to see this syndrome at work in Iran.

Our sale and grant of weapons to regimes which may engage in gross violations of human rights is of increasing concern. Our moral standing in the world is harmed by such practices.

The transfer of American arms can have an adverse effect on our own readiness as stocks of weapons are drawn down and our flexibility is reduced. If U.S. personnel are sent abroad in connection with the sales, we may compound our manpower problems.

If one of the countries heavily dependent on American arms becomes involved in a regional conflict or if that country experiences a breakdown of internal order, our options may become awkward and unpleasant:

We can continue to supply spare parts or maintenance services to that nation and risk involvement; or we can refuse to cooperate.

If we take the latter course, we may incur the wrath of that government and undermine our reputation with other purchasers as a reliable supplier.

This is why the choice of arms recipients must be made with extreme care.

The transfer of advanced conventional weapons technology narrows the lead time nations need to develop nuclear weapons.

Many of the nations which are developing nuclear power for energy also are being provided what we call "dual capable" weapons such as ground to ground missiles. The marriage of nuclear fuel to advanced non-nuclear technology may lead to the further spread of nuclear weapons.

Finally, the arms we transfer for legitimate reasons may be retransferred illegally to other nations at a time of war. I frankly am concerned that Arab countries that were peripheral to past conflicts with Israel may participate with our weapons in a future war against the Jewish state.

It is fair to say that the U.S. Government sells vast quantities of arms to foreign governments with little foresight, minimal consultation with Congress, and very little scrutiny within the Executive branch.

The American people have become justifiably concerned with a highly secretive national policy which seems to disregard our long-term security interests in a stable, more democratic world.

The answer to this concern is not to halt abruptly all American arms sales. This would have a serious adverse impact on our economy and our foreign policy. I advocate, instead, two courses of action.

First, the Congress must exercise effective oversight of arms transfers through enactment of legislation which now is pending. The bill which I had the privilege to author—the International Security Assistance and Arms Export Control Act of 1976—is designed to achieve five basic objectives.

1. To shift the focus of U.S. arms sales policy from that of selling arms to controlling arms sales and exports;

2. To provide the Congress with additional information about, and expanded and strengthened control over, arms transfers;

3. To provide the public with more information about government arms sales actions;

4. To reduce significantly the number of military grant assistance programs and U.S. military missions abroad over the next year and a half and to require a specific authorization for any grant programs or missions after that; and

5. To reduce the cost of military assistance grants.

A major feature of the bill is to bring American arms exports issues out into the open. A basic fault of past policy, which has led to the present state of public concern, is that too much of the sales program in the past has been carried out in secrecy.

This bill requires that all government-to-government contracts be available for public inspection and that data in quarterly and other reports be unclassified to the maximum extent possible, consistent with U.S. security and the protection of the competitive position of U.S. industry.

I believe that more effective control over arms transfers by the Congress will force the Executive branch to formulate more responsible arms transfer policies.

I must emphasize that this nation needs an overall arms transfer policy with careful delineations about individual countries and regions. A well understood policy framework cannot be developed by the Congress through legislation. This responsibility belongs primarily to the Executive branch. But it should be undertaken with the cooperation of the Congress.

Moreover, Congress cannot manage these programs, and this legislation is not designed as a substitute for a soundly managed arms transfer program.

The second course of action is more difficult to achieve.

I believe that the United States should embark on a major initiative to achieve multilateral constraints in the transfer of arms.

I do not believe that this issue has ever been given serious consideration by our policy makers. But it must be now.

In order to be taken seriously, our proposal must be concrete and somewhat limited in scope.

One possible option to be explored is a joint Soviet-American moratorium on the transfer of all surface-to-surface missiles to countries outside of Europe.

This would mean no more Scuds, Frogs, Lances and no Pershing missiles to the Persian Gulf or the Middle East.

If this could be achieved, it would be an important first step toward further, more extensive agreements which could include other Western and Eastern suppliers. If commercial rivalry is the main roadblock to unilateral constraints, then a multi-lateral approach should be utilized.

I conclude with an appeal for greater discussion of the arms transfer issue within government and by the public. If this is not done, the sale of arms by the United States and other nations will continue at increasing levels and in an indiscriminate manner.

American sales for 1976 are expected to jump to the $14 billion level. The national security justification for such a volume of sales seems to lag considerably behind the economic benefits and short run political advantages which fuel the arms trade.

The policy drift in this critical area is alarming. The next President of the United States needs to address this issue and provide badly needed leadership and policy direction. The high level attention which has been given almost exclusively to the control of the strategic arms race through the SALT process must be shifted to the arena of conventional arms transfers.

As the nightmare of nuclear holocaust seems to grow more remote, we are confronted with the future prospect of regional wars of ferocious intensity and devastating destruction fought with the latest American weapons.

Surely, we can work to avoid such an outcome.

Surely, America can stand for something more in the world than its export of military technology.

We must realistically confront what the future holds. And we must do it now.

THE TARAPUR REACTOR

Mr. CRANSTON. Mr. President, recently I was invited by Senator Glenn to sit with the Government Operations Committee during a portion of an excellent series of hearings on nuclear proliferation. It was during those hearings, on January 30, that I asked some questions regarding some very serious charges made in an article by Mr. Paul Jacobs in a new magazine entitled "Mother Jones." This article raised questions about the safeness of a nuclear reactor in Tarapur, India.

Now pending are written responses requested in the course of the hearings from those who might be in a position to shed further light on the safeness of the Tarapur reactor.

Meanwhile, I have received a letter from the distinguished Indian Ambassador to the United States, Mr. T. N. Kaul, expressing concern over the Jacobs article and providing different information about the reactor. In order to insure a fair hearing for the Indian Government's contentions, I ask unanimous consent that the Ambassador's February 5 letter to me be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Embassy of India,
Washington, D.C., February 5, 1976.
Hon. Alan Cranston,
U.S. Senate,
Washington, D.C.

Dear Senator Cranston: Your Aides were good enough to send to our First Secretary, Mr. K. V. Rajan, some documents pertaining to allegations of radio-active hazards at the nuclear reactor in Tarapur. Immediately on hearing of the article by Paul Jacobs, published in "Mother Jones", and discussions in the US Senate on the subject, I had sent a message to the Chairman of the Indian Atomic Energy Commission, Dr. Homi Sethna. Dr. Sethna has confirmed that all such allegations about Tarapur are baseless and untrue. It is totally false and incorrect to say that large number of workers died as a result of exposure in the station or that the news was suppressed. There has been *no* instance of death or illness attributable to radiation exposure either of workers at Tarapur or of any member of the general population in the villages surrounding the Station. The annual whole body dose due to intake of activity from land and water routes including sea food by fishermen which constitute the critical group of population is found to be about 12.5 millirem. In the near shore region up to 30 kilometers, the concentration of radioactivity in sea water beyond the station is not significantly different from normal background. No individual exposure from all routes (that is water, land and air) amongst the most exposed groups in the public domain, has been found to exceed even half that due to natural background level which, before we started operating the Reactor, was 60 millirem per annum in that area.

2. I am communicating the above to you in the hope that, with your sense of fairness and justice, you will find it possible to set the record straight either by entering the above denial into the appropriate records or in any other way to deem fit. I would like to add for your personal information that

Dr. Sethna has already sent a message to Chairman Anders of the N.R.C. enquiring about the correct position on Senate hearings on Tarapur and offering to cooperate with any analysis of Tarapur Station undertaken by the N.R.C.

With warm personal regards,

Sincerely,

T. N. KAUL.

P.S.—I have just been given to understand that the "Mother Jones" article has been printed in the Congressional Record on the initiative of Sen. Abourezk. I trust you will agree that it is now all the more necessary to place the matter in perspective by taking cognizance of the Government of India's denial of allegations against the Tarapur Plant.

CERTAIN MIDDLE EAST AGREEMENTS

Mr. SPARKMAN. Mr. President, on November 14 last year I inserted in the CONGRESSIONAL RECORD a legal memorandum from the Senate Legislative Counsel concerning the propriety of handling certain aspects of the Sinai agreements as executive agreements instead of treaties. There was also included in the RECORD at that time a memorandum from the Legal Adviser of the Department of State taking issue with the Legislative Counsel and finally a second memorandum from the Legislative Counsel in reply to the Legal Adviser.

I have now received yet a further reply from the Assistant Legal Adviser of the Department of State who asks that it be published in the RECORD in light of the fact that the earlier memoranda on this same subject had been so published. I ask unanimous consent that this be done.

I also express the devout hope that this is the end of this particular debate.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, D.C., February 5, 1976.
Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Please find enclosed a copy of a memorandum prepared by the Assistant Legal Adviser for Treaty Affairs, at the request of the Legal Adviser of the Department of State, in reply to the second memorandum by the Senate Office of Legislative Counsel concerning certain Middle East agreements.

As both Senate Legislative Counsel memoranda and the Legal Adviser's initial memorandum on this subject were printed in the Congressional Record, I should be most appreciative if you would be good enough to arrange to have the enclosed memorandum printed in the Record as well.

Sincerely yours,

STEPHEN M. SCHWEBEL,
Deputy Legal Adviser.

DEPARTMENT OF STATE ASSISTANT LEGAL ADVISER'S REPLY TO SECOND MEMORANDUM OF SENATE OFFICE OF LEGISLATIVE COUNSEL CONCERNING CERTAIN MIDDLE AGREEMENTS

This memorandum is in reply to the second memorandum of the Senate Office of Legislative Counsel concerning certain Middle East Agreements. The Legal Adviser's memorandum on this subject, dated October 6, 1975, was prepared in response to the assertion that a United States-Israel agreement concluded in connection with the recent Sinai disengagement was "without force and effect" in both domestic and international law, and that two other agreements were "possibly" without force and effect under domestic law. These conclusions were based upon the view that the agreements were legally required to be submitted to the Senate as treaties, failing which they were of no force and effect. Three tests were said to be necessary to establish this legal requirement: (a) exceptional national importance; (b) the National Commitments Resolution; (c) the Department of State Circular 175 criteria.

It is not clear from the second OLC memorandum whether or not OLC still maintains its final conclusions concerning the validity of the agreements. The conclusions above are not repeated in the second memorandum, nor is there any reference to them beyond a brief summary of the conclusions as set forth in the first memorandum. There is a statement that "the matters raised during the debate on the Sinai accords may now be moot. . . ." We assume here that OLC wishes to maintain its original conclusions, though, of course, reconsideration of them by the OLC would be as welcome as it would be justified.

In any event, we believe it desirable to respond to the second memorandum of the OLC, since it raises questions about the scope of the power to make treaties and executive agreements that go beyond the Sinai accords.

The position of the Legal Adviser with respect to the legal capability of the President to conclude international agreements has not been represented correctly by the OLC in its second memorandum. That memorandum states that, "Under Mr. Leigh's views, any international agreement is within the scope of the President's authority." The position of the Office of the Legal Adviser is quite different. What we said in our reply was the following.

"*Within the general framework of international agreements authorized by statute, treaty, or Constitution,* the President has the discretion to choose whether to conclude any particular agreement as a treaty or as an executive agreement. *Provided the agreement is properly authorized by law,* there is no *legal* requirement that it be concluded either as a treaty or executive agreement." (Emphasis added.)

That is a very different position from that attributed to Mr. Leigh by the second OLC memorandum, and is a position that we reemphasize in this second reply. Quoting again from Mr. Leigh's memorandum, he said that "there is certainly no *legally authorized international agreement* which *by law* must be submitted as a treaty." (Emphasis added.)

In analyzing this problem, there are two elements of central importance which the OLC reply has not sufficiently reflected. First, the international agreement in question must be legally authorized to begin with. That is to say, there must be authority in a statute, a treaty, or the Constitution itself for the President to enter into the agreement. *Provided* he has such authority, he may lawfully choose between treaty or executive agreement.

Second, even where legal authorization exists, Mr. Leigh noted in his memorandum that "practice over the years has generated a set of customs and usages concerning form which are invariably adhered to in the process of international agreement making." He stated that "the President's choice is not totally unfettered. He is expected to adhere to the customs and practices which have developed since the conclusion of the first executive agreements in the early years of the Republic." He also said in his memorandum that the President's "determination is thus shaped by general standards and usages that have evolved over the years and the President will rarely disregard this 'common law.' He will not willingly or lightly flout the general expectations and preferences of the Congress, or the established practices of many years' duration."

The omission of these quotations from the second OLC memorandum contributes to an inaccurate impression that total discretion on the part of the President has been asserted.

Thus the Legal Adviser does not maintain that the President has unlimited discretion in choosing between treaties and executive agreements, either as a matter of law or of practice. We do point out that there has never, in 200 years of constitutional interpretation and practice, been a clear line between treaty and executive agreement, and that there is no hard and fast legal rule of the nature contended for by the Senate Legislative Counsel.

The "importance" or "national commitment" tests are not found in any statute, federal regulation, or court decision. They are not found in the National Commitments Resolution itself, which indicates that even in the case of "national commitments" the treaty approach is *not* required, but that statute or concurrent resolution may be perfectly appropriate alternatives. The purported rule is not found in the American Law Institute's analysis of executive agreements in the *Restatement*. One searches in vain the pages of Professor Henkin's analysis for a reference to the rule. One scholar who has made an exhaustive study of the problem (Professor McDougal) specifically *rejects* an importance test. The Senate OLC itself concedes that actual practice over the years does not support such a test.

Once again, however, the absence of a precise rule of law delimiting what agreements must be submitted as treaties and which may be concluded as executive agreements, does not give the President total discretion in the matter.

As a matter of constitutional practice, the several Presidents have submitted most important agreements as treaties. There is no intention of changing that practice. Naturally, there is in our constitutional practice a certain presumption that agreements of exceptional national importance will be treaties, rather than executive agreements. At the same time, as OLC acknowledges, our practice also demonstrates that many exceptionally important agreements were not submitted as treaties.

We agree with the statement made by Legal Adviser John R. Stevenson in 1971 which is quoted in the conclusion of the OLC memorandum. Mr. Stevenson said: "[T]here are a number of areas where you have to go the treaty route." He said that "if certain subject matters have to be dealt with by treaty, there is no option in the Executive to deal with those by executive agreement." That is correct. Any subject matter for which there is no statutory, treaty, or constitutional authority to conclude executive agreements must be dealt with through the treaty mechanism. Subject matters within the competence of the states of the Union, and where an agreement will affect state law, normally require treaties. But there is no undifferentiated "importance" test or "national commitment" test, nor is there any precise legal rule of the kind contended for by the OLC.

The Senate Legislative Counsel memorandum does not set out the following statement by Mr. Stevenson from the cited quotation:

"There is certainly an area where there is a question of which is the more appropriate route to go and you cannot say that is a matter of precise legal rule."

(Hearings on Transmittal of Executive Agreements to Congress, Committee on Foreign Relations, United States Senate, 92d Cong., 1st sess., 1971, at 79.)

Mr. Stevenson, who was at that point discussing the choice between executive agreements authorized by Congress and agreements concluded as treaties, went on to note that the "judgment" made by the Executive as to which "route" to take frequently is made on the basis of the importance of the matter or whether implementing legislation is required. (At p. 79.) He made no reference to a legally binding rule under which "important" agreements or agreements involving a "national commitment" *must* be submitted as treaties on pain of invalidity *ab initio*.

Agreements that require the enactment of subsequent legislation by the Congress (i.e., legislation beyond funding) are most frequently submitted as treaties. Yet our practice also indicates that many important agreements requiring subsequent legislation have been entered into as executive agreements subject to statutory authority by the Congress, or subject to approval by joint resolution.

Agreements intended to affect state law are also submitted as treaties. However, in many cases this may not be legally required. The Supreme Court has twice held, in *U.S.* v. *Belmont*, 301 U.S. 324 (1937), and *U.S.* v. *Pink*, 315 U.S. 203 (1942), that agreements entered into incident to the President's recognition powers under the Constitution may override inconsistent state law.

In any case, as the Senate Legislative Counsel acknowledges by its reference to the Department of State Circular 175 criteria, there are political considerations that must be taken into account in selecting among constitutionally authorized procedures—considerations that do not lend themselves to the formulation of precise rules of law. Thus, the degree of formality desired for an agreement is an important factor in all cases, as is the possible need for a very prompt conclusion of an agreement. Cease-fire and other military agreements, for example, which must be timed precisely to the hour and minute, are concluded as executive agreements rather than treaties. An example is the 1973 Agreement on Ending the War and Restoring Peace in Viet-Nam (TIAS 7542; 24 UST 1). Wartime agreements dealing with the actual military conduct of the war may be of crucial significance for the nation, and yet it has never been suggested that such profoundly important agreements must be treaties.

In view of these considerations, it is not surprising that no rule of the kind contended for by the Senate Legislative Counsel has emerged. An undifferentiated "importance" test or "national commitment" test would necessarily preclude focus upon essential foreign policy considerations that are not reducible to hard and fast rules of law.

Indeed, as our constitutional and international history demonstrates, the nation has not been able to distinguish clearly between the treaty and the executive agreement. In 1952, Senator Bricker of Ohio, upon introducing a version of his proposed constitutional amendment, said:

"I found it very difficult in my own mind to define an executive agreement, or what ought to be an executive agreement, and what ought to be encompassed by a treaty. No attempt is made in the amendment to define the subject matter appropriate for an executive agreement. It is probably impossible to draw a satisfactory line of demarcation even in a statute. It would be unwise to make the attempt in a constitutional amendment." (98 Cong. Rec. 923, 927 (Feb. 7, 1952)).

Similarly, Arthur Sutherland, Professor of Law at the Harvard Law School, wrote as follows:

"Two things are certain: they [executive agreements] have been used from the earliest days of the independence of the United States; and thoughtful men have during all that time been unable to supply what the Constitution lacks—a clear distinction between what is appropriate matter for executive agreement, and what should be handled by treaty with Senatorial concurrence. . . . We are as puzzled as President Monroe was in 1818. If we knew what was essentially treaty-like, we could define executive agreements by exclusion; but it is no more possible in our day than in his to define one unknown in terms of another. (65 Harv. L. Rev. 1324 (1952))

At best, this has always been and will continue to be an area of great difficulty. Since clear lines and hard and fast legal rules are not available for purposes of deciding what falls within the treaty structure, and what may be done as executive agreement, it is essential that the Executive and Legislative Branches seek common ground to the greatest possible extent.

THE INTENTION OF THE FRAMERS OF THE CONSTITUTION

The Senate Legislative Counsel have argued in both of their memoranda that their position on the problem of treaty versus executive agreement finds support in the words of the framers of the Constitution. All of the quotations set forth in the first and second memoranda point to the necessity for legislative participation in the treaty-making process. Were the issue before us whether or not executive agreements have any legal validity at all, these quotations would be on point. But the nation, including the Supreme Court, long ago decided that the treaty is not the only constitutionally available method for entering into international agreements. Once the legal validity of executive agreements is conceded, we then have the problem of choice of treaty or executive agreement. That problem is not resolved by reference to quotations which support the proposition that executive agreements have no legal validity—a proposition which it is believed neither House of Congress would wish to maintain.

Moreover, it is not at all clear that the founding fathers regarded the treaty as necessary in every case of international agreement. The second OLC memorandum cites the example of the Rush-Bagot Agreement of 1817, about which President James Monroe inquired of the Senate whether it was "such an arrangement as the executive is competent to enter into, by the powers vested in it by the Constitution, or is such a one as requires the advice and consent of the Senate. . . ."

The Rush-Bagot Agreement is indeed an instructive case. First, it is important to note that this Agreement with Great Britain in 1817 to limit naval armaments on the Great Lakes was of great importance in the life of the United States. A small agricultural nation needed to limit its armaments on the border with Canada in order to preserve a peaceful relationship with Great Britain, and the Rush-Bagot Agreement is in fact one of the precursors to the contemporary unarmed border with Canada.

Second, it is significant that President Monroe, despite the importance of the Agreement, doubted whether a treaty was necessary. Surely, if *all* agreements were intended by the founding fathers—of which Monroe was one—to be treaties, then this important agreement necessarily should have been a treaty; there would not have been room for doubt on Monroe's part.

Moreover, President Monroe sent the Agreement to the Senate *after* he implemented it and nearly a full year after it was concluded, asking the question quoted above. While the Senate approved the Agreement (after it had entered into force) and President Monroe proclaimed it, there were no ratifications exchanged. Professor Henkin notes that "President Monroe had acted under the agreement before the Senate consented. (*Foreign Affairs and the Constitution*, 1972 p. 428.) The Rush-Bagot Agreement of 1817 has been considered an executive agreement ever since. McClure refers to it as "By far the most famous and significant of the early executive agreements." (*International Executive Agreements*, 1941, p. 49.) It formally entered into force on April 29, 1817; the Senate approved it almost one year later on April 16, 1818, after it had already been implemented.[1]

In view of President Monroe's decision to act on the Agreement before Senate approval, and his failure to exchange ratifications, it would appear that he did not regard the Agreement as a treaty, despite its obvious importance. In the very least, Monroe had doubt on the point and thus asked the Senate for its opinion. But even the fact of his doubt indicates that the founding fathers did not necessarily consider that all international agreements and not even all important international agreements had to be treaties. This early usage is significant in interpreting the meaning of the constitutional requirements.

The very language of Monroe's request indicates the appropriateness of certain international agreements entered into by the President under his constitutional powers. Was the Agreement *"such an arrangement as the executive is competent to enter into, by the powers vested in it by the Constitution*, or is such a one as requires the advice and consent of the Senate." (Emphasis added.) At the very least, Monroe envisaged the possibility of executive agreements concluded by the President pursuant to his independent constitutional powers. He certainly treated the Agreement as one he might properly conclude without the advice and consent of the Senate.

Indeed, the historical evidence demonstrates that President Monroe did not think the Agreement was a treaty at all. In the Memoirs of John Quincy Adams, IV, 41–42, under date of January 14, 1818, there appears the following statement:

"Met and spoke to Mr. Bagot this morning on my way to the President's. He asked me if it was the intention of the President to communicate to Congress the letters which had passed between the Secretary of State and him (Bagot) containing the arrangement concerning armaments on the Lakes, which he said was a sort of treaty. I spoke of it to the President, who did not think it necessary that they should be communicated." (Quoted in Miller, *Treaties and Other International Agreements of the United States of America*, Vol. 2, p. 647.)

Professor Henkin also points out that the Agreement may have been a "Congressional-Executive agreement," since Congress had earlier authorized the President to sell or lay up all the armed vessels on the Great Lakes. 3 Stat. 217, 218 (1815). The statutory provisions make no mention of international agreements, but the Rush-Bagot Agreement was consistent with the Congressional purpose.

There is also strong historical evidence that President James Madison (a principal author of and paramount authority upon the Constitution), as well as Monroe, did not consider the Agreement to be a treaty. The negotiations preceding the formal conclusion of the Agreement in 1817 were begun in 1815, during Madison's administration. Monroe, as Secretary of State, wrote to Bagot on August 2, 1816, setting forth President

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[1] McClure states that the executive agreement was "converted into a treaty" by the Senate action. But this view has not been accepted and it has been listed and viewed as an executive agreement for all purposes. Three agreements amounting to interpretations of the 1817 Agreement were concluded with Canada in 1939, 1940, and 1946 respectively (see TIAS 1836). All three were executive agreements.

Madison's formal proposal for limitations on naval armaments on the Great Lakes. The last paragraph of Monroe's letter is as follows:

If this project corresponds with the views of your government, and you are authorized to accede to it, under any modifications which you may propose, and in which we can agree, *I am instructed to give it immediate effect, either by Convention, the interchange of Notes, or in any form, which may be thought, best adapted, to the ends proposed.* If, on the other hand, you consider it your duty, to submit this project to your government, for consideration, and to wait its sanction, before you can adopt it, and have power to make, ad interim, any provisional reciprocal arrangement, having the same objects in view, I shall be happy to digest with you such provisional arrangement, and to carry it, reciprocally, into effect, for such time, and in such manner, as may be agreed on: *or, should your powers be adequate, I am ready to concur in an immediate Suspension of any further construction or equipments of armed vessels for any of the waters above named.* (Miller, *op. cit.*, p. 650; emphasis added.)

On August 12, 1816, Monroe replied to a letter from Bagot. The reply included the following:

"If your powers do not extend to this object, but are confined exclusively to the suspension of the further augmentation of the naval force on the Lakes, I have then to observe, that on receiving from you a statement, of the force which your government now has, on the Lakes, with an assurance that its further augmentation shall be suspended, *an order will be immediately issued by this government, for confining the naval force of the United States there, strictly within the same limit.*" (Miller, p. 651; emphasis added.)

The Rush-Bagot Agreement was thus first proposed by President James Madison, who instructed his Secretary of State to come to an "immediate" agreement. The phrases "immediate effect," "immedite suspension," and "an order will be issued immediately" show that a treaty could not have been contemplated. There is no reference to advice and consent of the Senate in the correspondence, and the instruction from Madison to Monroe to give the Agreement immediate effect indicates that Madison as well as Monroe believed that a treaty was not necessary. As noted, the Agreement finally concluded in 1817 was implemented before it was sent to the Senate by Monroe in 1818.

The Department of State, in a report to the Congress in 1892 on the history of the agreement, said that "The arrangement thus effected seems not to have suggested at the time any doubts as to its regularity or sufficiency, or as to the entire competence of the executive branch of the Government to enter into it and carry out its terms." (House of Representatives, 56th Cong., 1st Sess., Doc. No. 471, p. 14.)

In sum, Madison and Monroe did not believe that all international agreements, not even all important agreements, were required to be submitted to the Senate for advice and consent. This early practice by two important founding fathers is persuasive evidence of the intentions of the framers of the Constitution with respect to international agreements.

It should be noted that the words of the Constitution itself make it clear that the framers recognized international agreements other than treaties. Article I, § 10, which imposes certain limitations on the states of the Union, provides that "No State shall enter into any Treaty, Alliance, or Confederation. . . ." and that "No State shall, without the consent of Congress . . . enter into any Agreement or Compact with another State, or with a foreign Power. . . ." Thus, the several states may not conclude treaties, but may, with the consent of Congress, conclude agreements and compacts.

As Professor McDougal has written:

"Unless one takes the position that the Framers sought to deny to the Federal Government the power to use techniques of agreement made available to the states—an argument completely refuted by the debates at the Convention and by contemporaneous history—the conclusion is inescapable that the Federal Government was intended to have the power to make 'agreements' or 'compacts.'" (*Yale Law Journal*, 1945, p. 221; footnotes omitted.)

In view of the fact that the foreign relations power is essentially that of the Federal Government, rather than the several states, it would be implausible to permit the states to enter into international agreements other than treaties, but not permit the Federal Government that power.

In any event, since the question before us is not whether executive agreements have any validity, but the choice of treaty or executive agreement in any given case, it would seem apparent that the wording of the Constitution itself provides no guidance. The requirement of consent of the Congress for any agreement entered into by the states cannot be read, however, as applicable to the Federal Government. The framers sought to give the foreign relations powers to the Federal Government, not the states, and thus the requirement for Congressional approval of agreements or compacts concluded by the states. (McDougal, *op. cit.*, p. 231.)

Indeed, while the first truly significant executive agreement did not occur until the conclusion of the Rush-Bagot Agreement in 1817, the very first executive agreements were concluded in 1792, only three years after the formal adoption of the Constitution. The Congress in that year enacted legislation authorizing the Postmaster General to make international agreements for reciprocal delivery of mailed matter. 1 Stat. 236 (1792). Many such agreements have been concluded and they have been upheld by the courts. See *Cotzhausen* v. *Nazro*, 107 U.S. 215, 217 (1882). Thus, from the time of the Washington administration, the founding fathers and the Congress were not of the view that treaties were the only form of international agreement. The executive agreement authorized by statute began in 1792 and is, of course, of great significance today.

Professor Henkin has written:

"Whatever their theoretical merits, it is now widely accepted that the Congressional-Executive agreement is a complete alternative to a treaty: the President can seek approval of any agreement by joint resolution of both houses of Congress instead of two-thirds of the Senate only. Like a treaty, such an agreement is the law of the land, superseding inconsistent state laws as well as inconsistent provisions in earlier treaties, in other international agreements or acts of Congress." (*Foreign Affairs and the Constitution*, 1972, p. 175; footnotes omitted.)

The early practice continued almost immediately and involved as well pure "Presidential" agreements. In 1799 President John Adams authorized the Secretary of State to conclude an agreement with The Netherlands to settle private American claims against that country. The agreement was not submitted to the Senate, was not proclaimed by the President, and was not ratified. Miller wrote as follows about this agreement:

". . . this agreement with the Netherlands (which would now be called an Executive agreement) is the first instance of a definitive settlement of a claim of an American citizen against a foreign government by diplomatic negotiation, fixing the amount; and it is the earliest precedent for the practice later settled and now undoubted, that submission of such agreements to the Senate is unnecessary." (Miller, *op cit.*, 1936, p. 1079.)

Miller's headnote to the Agreement states simply: "Not subject to ratification. Not proclaimed." (At p. 1075.) It should also be noted that the negotiations for the settlement of these claims had actually begun during the administration of President Washington.

Disputes with respect to claims have frequently throughout the nation's history been submitted to arbitration by means of executive agreements. Secretary of State Thomas Jefferson in 1793 indicated through a proposal made to Great Britain that the Executive Branch alone had the power to submit claims against foreign governments to arbitration. *American State Papers*, Vol. 1, 1817, pp. 174–175.

In sum, the intentions of the founding fathers with respect to international agreements are indicated through the earliest practice under the newly established Constitution. That practice (as well as the Constitution's terms) demonstrate that the treaty was not believed to be the only type of international agreement, and that agreements concluded pursuant to statute or pursuant to the President's independent powers were also considered to be constitutionally appropriate.

PRACTICE

The Senate Legislative Counsel, in its first memorandum, acknowledged that, throughout the nation's history, many important agreements had been concluded as executive agreements, and cited numerous examples. In the Legal Adviser's memoradum of October 6, 1975, it was pointed out that "Practice does not necessarily define a rule of law, but absent more authoritative prescriptions, it assumes a legal importance it would not otherwise possess." In its second memorandum, the OLC rejects practice as an adequate guide, citing several sources to the effect that the Constitution cannot be amended by violation. In *Powell* v. *McCormack*, 395 U.S. 486 (1969), for example, the Supreme Court said: "That an unconstitutional action has been taken before surely does not render that same action any less unconstitutional at a later date." With this statement we fully agree.

The problem is that the sources cited do not support the proposition that usage is unacceptable as a guide to the meaning of the Constitution in the absence of a clear rule. It is begging the question under discussion to *assume* that executive agreements of importance are violations of the Constitution. Agreements of importance concluded solely under the President's independent constitutional powers may be quite appropriate, according to the Supreme Court (*Pink* and *Belmont* cases); *a fortioria* executive agreements concluded under statutory or treaty authority. But neither the Constitution, nor the cases, nor actual practice tell us what must be a treaty and what can be done by executive agreement. Thus the *Powell* quotation cited above is inapplicable. The question before us is *whether* an unconstitutional action has been taken. In order to answer that question, practice is particularly relevant, since we have no clear rules of law to guide us. The quotation from Senator Ervin is similarly unhelpful. The Supreme Court has not upheld the validity of crimes; it has upheld the validity of executive agreements, including agreements on important matters.

The Supreme Court has long recognized that usage and practice are valid guides to the meaning of the Constitution and of statutes. Thus for example, in *Inland Waterways Corp.* v. *Young*, 309 U.S. 517 (1940), the Supreme Court said:

"Illegality cannot attain legitimacy through practice. But when legality itself is in dispute—when Congress has spoken at best with ambiguous silence—a long continued practice pursued with the knowledge of the Comptroller of the Currency is more persuasive than considerations of absract conflict between such a practice and purposes attributed to Congress. . . . Even constitutional power, when the text is doubful, may be established by usage." (At pp. 524–525.)

In *United States* v. *Mideast Oil Co.*, 236 U.S. 459 (1915), the Supreme Court said:

". . . government is a practical affair intended for practical men. Both officers, lawmakers and citizens naturally adjust themselves to any long-continued action of the Executive Department—on the presumption that unauthorized acts would not have been allowed to be so often repeated as to crystallize into a regular practice. That presumption is not reasoning in a circle but the basis of a wise and quieting rule that in determining the meaning of a statute or the existence of a power, weight shall be given to the usage itself—even when the validiy of the practice is the subject of investigation." (At pp. 472–473.)

The *Midwest Oil* case cites other Supreme Court cases which likewise look to usage and practice as valid guides to the meaning of the Constitution and of statutes. In *Stuart* v. *Laird*, 1 Cranch 299 (1803), an objection was raised that an act of 1789 was unconstitutional insofar as it gave Circuit powers to Supreme Court Justices. The Court said:

"practice and acquiescence under it for a period of several years, commencing with the organization of the judicial system, affords an irresistable answer, and has indeed fixed the construction. It is a contemporary interpretation of the most forcible nature. This practical exposition is too strong and obstinate to be shaken or controlled." (At p. 309.)

One of the most eloquent statements of the value of practice and usage as guides to the meaning of the Constitution was set forth by Justice Frankfurter in his concurring opinion in *Youngstown Co.* v. *Sawyer*, 343 U.S. 579 (1952):

"The Constitution is a framework for government. Therefore the way the framework has consistently operated fairly establishes that it has operated according to its true nature. Deeply embedded traditional ways of conducting government cannot supplant the Constitution or legislation, but they give meaning to the words of a text or supply them. It is an inadmissibly narrow conception of American constitutional law to confine it to the words of the Constitution and to disregard the gloss which life has written upon them. In short, a systematic, unbroken, executive practice, long pursued to the knowledge of the Congress and never before questioned, engaged in by Presidents who have also sworn to uphold the Constitution, making as it were such exercise of power part of the structure of our government, may be treated as a gloss on "executive power" vested in the President by § 1 of Art. II." (At pp. 610–611.)

In sum, practice, is relevant as a guide to the meaning of the Constitution, and practice does not support the rule contended for by the Senate Legislative Counsel. Executive agreements on important matters, whether authorized by statute, treaty, or the Constitution, have long been accepted as constitutionally appropriate.

SUPREME COURT AND OTHER CASES

In its second memorandum, the OLC did not reply to the Legal Adviser's analysis of the four cases OLC had originally cited to support its position. However, the OLC maintains that "no inference may properly be drawn from the absence of case law on this subject." It argues that requirements of case or controversy, justiciability, standing, and the presence of a "political" question have prevented the courts from acting. It is for these reasons, it suggests, that "the courts have not passed upon the question of the scope of the President's authority to make executive agreements."

In fact, there have been several cases involving the scope of the President's authority to conclude executive agreements, although the narrow question of whether or not a particular agreement was void because not submitted as a treaty has never been decided upon by the Federal courts.

Thus, for example, the Supreme Court has twice held that the President has the power to conclude, without statutory or treaty authority, and without Senate participation, the Litvinov Assignment incident to the recognition of the Soviet Union. *United States* v. *Belmont*, 301 U.S. 324 (1937); *United States* v. *Pink*, 315 U.S. 203 (1942). In upholding the validity of the Litvinov Assignment in the *Pink* case, the Supreme Court said:

If the priority had been accorded American claims by treaty with Russia, there would be no doubt as to its validity. . . . The same result obtains here.

In both *Belmont* and *Pink* it was held that the agreement concluded by the President overrode inconsistent state law.

Furthermore, it has been held that executive agreements will be void if contrary to an applicable statute, *United States* v. *Capps*, 204 F. 2d 655 (4th Cir. 1953), and that executive agreements cannot confer powers on the Government which are "free from the restraints of the Constitution." *Reid* v. *Covert*, 354 U.S. 1, 16 (1957). Like treaties, executive agreements may be modified or overridden, for purposes of U.S. domestic law, by subsequent legislation. *Fong Yue Ting* v. *United States*, 149 U.S. 698, 720 (1893); *Moser* v. *United States*, 341 U.S. 41, 45 (1951). In *Altman & Co.* v. *United States*, 224 U.S. 583 (1912), the Supreme Court held that an executive agreement authorized by Congress had the same status as a treaty for purposes of the Circuit Court of Appeals Act of 1891. In *Monaco* v. *Mississippi*, 292 U.S. 313, 331 (1934), the Supreme Court pointed out that the adjustment of claims with foreign nations need not necessarily take the form of treaties.

These are all cases in which the Federal courts, and primarily the Supreme Court, have had occasion to pass upon the validity and scope of executive agreements. Questions of case or controversy, justiciability, and standing did not prevent the courts from deciding or making pronouncements on the issues raised.

Despite these several cases, there has not been a case which has turned exclusively on the question of treaty versus executive agreement. In light of the several cases concerning executive agreements, cited above, general satisfaction with the process, and with the choices made by the several Presidents throughout the 19th and 20th centuries, appears to be a plausible explanation.

The OLC also takes the position that "political" questions are involved here, citing *Baker* v. *Carr*, 369 U.S. 186 (1962), for the proposition that where there is a "textually demonstrable constitutional commitment" there may be a "political" question not appropriate for judicial disposition. According to the OLC, there is a textually demonstrable constitutional commitment of the treaty question to the executive and legislative branches, and, states the OLC memorandum, "federal courts will deliberately avoid tampering with such a commitment."

Yet as we have seen, the courts have on many occasions dealt with the validity and scope of executive agreements. Perhaps another quotation from *Baker* v. *Carr* is more apt. In that case the Supreme Court also said that a "political" question may involve "a lack of judicially discoverable and manageable standards for resolving it; or the impossibility of deciding without an initial policy determination of a kind clearly for nonjudicial discretion. . . ." (At p. 217.) This statement might well be applicable to the question of treaty or executive agreements. The nation has been unable throughout its history to draw clear lines between the two.

In any event, if the Senate Legislative Counsel is correct in arguing that the issue of treaty versus executive agreement is essentially a "political" question, and thus not appropriate the judicial determination, that certainly lends no support to the legal rule contended for by the OLC, and to its conclusion that Agreement E and "possibly" Agreements G and H between the United States and Israel are void.

THE CIRCULAR 175 CRITERIA

In its original memorandum, the Senate Legislative Counsel relied in large measure upon the Department of State Circular 175 criteria to support its conclusions. The OLC presented what it characterized as the "broadest reasonable construction" of the agreements and then matched this construction against the several criteria set forth in the Circular 175 Procedure.

The Legal Adviser noted in his reply that the Circular 175 Procedure by its own terms is not legally binding and that it specifically provides that deviation from its terms does not affect the validity of treaties or agreements. He also pointed out that even if the Circular 175 Procedure were law, it was "impossible to determine that such standards have been violated in the case of the Middle East documents in question."

In its second memorandum, the OLC states that "Mr. Leigh vigorously defends the right of the Department to ignore its own 'internal . . . rules.'" Mr. Leigh did not mention any right to ignore the Circular 175. He said it was not legally binding, and even if it were, it was impossible to determine that it had been violated.

In order to apply the several Circular 175 criteria, the OLC in its first memorandum interpreted the agreements to mean that the United States "might introduce its armed forces into hostilities" for any one of four listed purposes, including taking remedial action in the case of Egyptian violation of the agreement, defending Israel against threats by a world power, maintaining Israel's right of passage through Bab-el-Mandeb and the Straight of Gibraltar, and carrying out a military supply operation to Israel in an emergency situation.

It is regrettable, that the OLC felt the need to present this "broadest reasonable construction" in order to give the agreements a heightened level of importance. We pointed out in our reply that "there is, of course, no obligation or intention whatsoever under this Agreement for the United States to introduce its armed forces into the Middle East." The OLC construction, while broad, is not reasonable, and does not reflect the intention of the parties to the agreement. It has no utility in terms of applying the Circular 175 criteria.

OLC also construed the agreement to mean that these and other obligations "are undertaken without regard to—(A) the financial cost to the United States; (B) the aggressive nature of any act by Israel; (C) any preventive or enforcement action by the United Nations against Israel, or the fact that the fulfillment of such commitments could under certain circumstances be in violation of the United Nations Charter; (D) any lapse of time or change in the relationship between the United States and Israel. . . ."

Once again, this "broadest reasonable construction" is not consonant with the intention of the parties or the meaning of the agreements. It is perplexing to suggest that the agreement requires the United States to undertake obligations without regard to cost, or obligations that may constitute a violation of the U.N. Charter.

In any event, as noted, it is impossible to determine that the Circular 175 criteria, taken as a whole, have been violated in this case.

We pointed out in our reply that only four of the eight listed factors could *possibly* lead to the conclusion that a treaty is the more proper form, and of these four, three were questionable. Indeed, the great majority of the factors do *not* point to a treaty. The agreement is not intended to affect state laws; it can be given effect without subsequent legislation by Congress, except for funding; there is no past U.S. or international practice with respect to such agreements; the preference of the Congress is not known; there was no wish to give the agreement the formality of a treaty; and there was a need for very prompt conclusion of the agreement.

It should also be noted that not all of the Circular 175 criteria have a legal nature. Thus, for example, the degree of formality desired and the need for prompt conclusion of an agreement are two factors which are entirely political in nature. There is no method for transforming these factors into legal requirements which, if violated, would render a particular agreement void under domestic law.

For the above reasons, the OLC conclusion that Agreement E and "possibly" Agreements G and H are without force and effect under domestic law is not supported by reference to the Circular 175 criteria.

THE NATIONAL COMMITMENTS RESOLUTION

Both OLC memoranda rely upon the National Commitments Resolution of 1969 to support the conclusion that Agreement E between the United States and Israel is of no force and effect under United States law and international law, because it was not submitted as a treaty. That resolution provides, in relevant part, that "a national commitment by the United States results only from affirmative action taken by the executive and legislative branches of the United States Government by means of a treaty, statute, or concurrent resolution of both Houses of Congress specifically providing for such commitment."

The Legal Adviser pointed out in his reply to the first OLC memorandum that this sense-of-the-Senate Resolution does not require a treaty in any given case. A statute or concurrent resolution may, under the specific terms of the Resolution be appropriate alternatives. Further, even if the Resolution were law, it would not resolve the question of treaty versus executive agreement since a statute, which is permitted under the Resolution, may well provide for executive agreements, and the choice of treaty or executive agreement would then have to be made. Finally, the Resolution is not legally binding and for that reason alone does not establish the legal rule contended for by the OLC. Thus by its very terms the Resolution could not support the conclusion that Agreement E with Israel is legally void because it was not submitted as a treaty.

In its second memorandum, the Senate Legislative Counsel characterizes Mr. Leigh's response as an attempt to "downplay" the Resolution. Further, it is argued, the implication of his analysis is that those who voted in favor of the Resolution "hold an unconstitutionally narrow view of presidential power; the Constitution requires no 'affirmative action' by the legislative branch because it grants the executive branch the sole authority to take such action."

There is, it is believed, no such implication flowing from Mr. Leigh's analysis. The only implication to be derived from it is exactly what was stated above: first, the Resolution does not eliminate the problem of choosing between treaty and executive agreement should the later be authorized by statute; second, even if the Resolution were legally binding, it does not require a treaty in any given case; and third, it is not legally binding. It follows that the Resolution provides no support for the OLC position that Agreement E is legally void because it was not submitted as a treaty.

STATUTORY AUTHORIZATIONS

In our reply to the first OLC memorandum, we pointed out that approximately 86% of all executive agreements are authorized by statute. In its second memorandum, the OLC states that we have implied that "the bulk of Agreement E is also authorized by statute." The second OLC memorandum stated:

"We would, in response, merely refer the Committee to page 5 of the other legal memorandum submitted by Mr. Leigh to the Committee on Foreign Relations on October 6, 1975. He states there that "paragraphs 5 through 16 [of Agreement E] all fall in the category of acts which the President is authorized to take under his independent constitutional authority for the conduct of foreign relations." This, we would point out, represents 12 of the 16 paragraphs on which our conclusion regarding the invalidity of that agreement was based."

The Senate Legislative Counsel contends that the statutorily authorized agreement is 'of limited relevance in this context."

The OLC, in quoting from a classified memorandum which the Senate decided not to declassify, must be aware of the fact that paragraphs 5 through 16 contain statements regarding consultations in certain contingencies and future diplomatic actions and positions. These fall within the President's constitutional powers. Most are expressions of policies or intentions which do not impose legally binding international obligations. Paragraphs 1 through 4, however, which contain the significant substantive obligations in Agreement E, are statutorily authorized.

Paragraphs 1–4 cover undertakings and statements concerning economic assistance, defense equipment supply, and the sale of oil. The undertakings do not purport to bind Congress to any specific future action since implementation of any undertakings requiring Congressional authorization or appropriation is expressly conditioned upon such action. As for economic assistance, if appropriated funds are available, the general undertakings on such assistance would be implemented by using the authority contained in Section 531 of the Foreign Assistance Act of 1961.

With respect to defense equipment supply, any sale would be based upon Chapter 2 of the Foreign Military Sales Act which authorizes the President to sell defense articles or services to friendly countries. Proposed sales over $25,000,000 are subject to the prior notification requirements of section 36(b) of the Act. While contingency plans may be drawn up under the President's constitutional authority as commander-in-chief, actual implementation of any contingency supply plan is based upon the President's authority under Chapter 2 of the Foreign Military Sales Act.

As for the sale of oil, this is authorized by Section 12(b) of the Outer Continental Shelf Lands Act coupled with Section 607 of the Foreign Assistance Act of 1961. Alternately, to the extent that oil may be supplied for military purposes, Chapter 2 of the Foreign Military Sales Act would authorize its sale as a defense article. Section 607 of the Foreign' Assistance Act and Chapter 2 of the Foreign Military Sales Act would also permit the United States to provide oil transportation services on an advance-of-funds or reimbursable basis.

In sum, the obligations undertaken in Agreement E beyond undertakings to consult in certain contingencies and undertakings with respect to future diplomatic actions and positions, are authorized by statute. The OLC, in its second memorandum, states that we do not "cite any such statutory authorization," while quoting from a memorandum which cited statutory authorization for the possible sale of oil.

As noted above, the Senate Legislative Counsel, in its "broadest reasonable construction" of Agreement E, argues that the Agreement "may be construed to provide" that, among other things, the United States "will introduce its armed forces into hostilities" for any one of several listed purposes. This, as well as the remaining portions of the "broadest reasonable construction," have no relationship to the intentions of the parties. The OLC "construction" was apparently set forth in an attempt to give the Agreement more significance than it has, and to try to show that such undertakings are not legally authorized.

Yet, the paragraphs of Agreement E cited by OLC in support of its "construction" (paragraphs 7, 10, 11, and 14) do no more than set forth obligations to consult or statements of diplomatic judgments, intentions, and views. The only exception is the undertaking to conclude a contingency plan (paragraph 11), but this is within the President's constitutional power. There is no undertaking to implement or to agree upon a plan which the United States disapproves. Obligations to "consult", to "support diplomatically", to "support", and statements of position and opinions, are and always have been well within the President's constitutional powers wtih respect to the conduct of foreign relations.

The central obligations of Agreement E, dealing with possible economic assistance, defense equipment supply, and the sale of oil, are authorized by statute. It follows that statutorily authorized executive agreements are not of "limited relevance" to this case, but are of central importance. The real undertakings of Agreement E, in contrast to the "broadcast reasonable construction" presented by the OLC, are authorized by statute. For this reason as well, there is no justification for the OLC conclusion that Agreement E is invalid because not submitted as a treaty.

VALIDITY UNDER INTERNATIONAL LAW

In its first memorandum, the Senate Legislative Counsel concluded that Agreement E was invalid under international law because Israel "should reasonably have known" that the Agreement was legally required to be submitted as a treaty. The OLC stated that, "It would be unfair to require a State to make fine distinctions with respect to the domestic law of another State. In this instance, however, the violation of the United States Constitution is fundamental in nature." The OLC cites as legal authority the Vienna Convention on the Law cf Treaties which requires, in Article 46, that the violation of internal law be "manifest" and that it concern a "rule of its internal law of fundamental importance." Professor Henkin is also cited in support: "It is now accepted that a treaty made in violation of a nation's constitution is nevertheless binding upon it unless the violation is 'fundamental' and the other party knew or had reason to know the lack of authority to make it."

The Senate Legislative Counsel did not quote the following statement by Professor Henkin:

"But the power of the President to make many agreements without the Senate casts some doubt on the 'fundamental importance' of Senate consent; in any event, failure to obtain such consent cannot be a 'manifest' violation of the Constitution since no one can say with certainty when it is required." (*Foreign Affairs and the Constitution*, 1972, p. 427.)

Despite the OLC's attempt, "no one can

say with certainty" when Senate approval is required, and indeed this has been true throughout the nation's history. The OLC itself, in its second memorandum, said that "Determining what is constitutionally required to be submitted as a treaty, as we suggested, is not an easy matter." As we noted above, Senator Bricker said that "It is probably impossible to draw a satisfactory line of demarcation even in a statute" between treaty and executive agreement.

Nevertheless, according to the OLC, Israel "should reasonably have known" that Agreement E had to be a treaty. In our view, there is no justification whatever for that conclusion. Agreement E is fully valid under both United States domestic law and international law.

CONCLUSION

As indicated by the intention of the framers of the Constitution, practice throughout the nation's history, Supreme Court and other cases, the Circular 175 criteria, and the National Commitments Resolution, there is no legal rule requiring that the Sinai agreements in question should have been submitted as treaties. Nor is the purported rule to be found in any federal statutes or regulations, or in the writings of legal scholars. In view of the fact that the United States undertakings in these agreements were authorized by statute, in the case of the central substantive obligations, and by the Constitution, in the case of the diplomatic obligations, the agreements were appropriately concluded as executive agreements. There was and is no legal requirement that they be submitted as treaties.

ARTHUR W. ROVINE,
Assistant Legal Adviser for Treaty Affairs.

JEFF PETERSON

Mr. RIBICOFF. Mr. President, one of the indispensable necessities for a Senator is a capable and loyal staff. I have been most fortunate during my career to have had a number of talented aides.

Jeff Peterson, who is leaving my office to run for Congress in the Fourth Congressional District of Connecticut—lower Fairfield County—is one of the finest men I have ever had the privilege of working with. He has served with distinction both as my administrative assistant and as a legislative assistant.

As administrative assistant, Jeff has coordinated the efforts of my staff. The administrative assistant must be a capable administrator, knowledgeable in world affairs and at the same time knowledgeable about the needs of each and every constituent who needs the help of a Senator.

Jeff has been concerned and thoughtful with constituents. He has led by example, coming in early, working late, combining hard work with good judgment, patience, and friendliness.

Jeff, who joined my staff in 1971 as a legislative assistant, has been of invaluable assistance to me in my work, especially on the Finance Committee. In 1971 and 1972 when the issues of welfare reform, social security, and medicare were before the Senate, Jeff became involved in these issues. As a major participant in the effort to reform our welfare system, I assigned Mr. Peterson the task of assisting me in developing and promoting a major welfare reform proposal. When the President and I sought to develop a workable compromise on this issue it was Jeff Peterson who on a day-to-day basis worked with the Departments of HEW and Labor to develop the plan. As the issue moved through Congress Mr. Peterson was widely recognized as a leading expert on welfare reform. In fact I believe it could be said that his knowledge of the field is unsurpassed.

Jeff Peterson has brought to his other legislative work the same type of expertise. He has assisted me in drafting major national health insurance legislation, proposals to help older Americans, unemployment proposals, social security amendments as well as many other issues. I know that many other Senators who have worked with Jeff share my views.

As a lifelong resident of Fairfield County, Jeff knows Connecticut well—its strengths and problems.

Jeff Peterson was born on February 11, 1946 and has lived in Connecticut since then. He went to local schools, including Staples High School in Westport. Graduating with honors from Choate School in 1963, he received his B.A. from Harvard College in 1967 and then received his J.D. degree from Georgetown University Law Center where he served on the Law Journal. During law school, which he attended in the evenings while working to support himself, Jeff clerked for the law firm of Covington and Burling for 2 years and also worked for the New England Regional Commission, the Air Transport Association, the American Retail Federation, and Ralph Nader. At the same time he managed to become active in local Connecticut politics and wrote a weekly column for the Westport Town Crier concerning the activities of Connecticut's congressional delegation.

Jeff Peterson has been a close friend and adviser to me for the last 5 years. His skills and his valued counsel will be missed.

I know Jeff wants to pursue his interest in public service through seeking election to Congress. I wish him well in his endeavors. He is uniquely qualified to serve in Congress because he knows the issues, knows Connecticut and has been working for the people of Connecticut for many years. Mrs. Ribicoff and my entire staff wish him good health, success and a full constructive life.

I ask unanimous consent that a newspaper article from the Westport News in Fairfield County which discusses Jeff Peterson be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Westport News, Dec. 3, 1975]

GEOFFREY PETERSON JUST MIGHT END THAT OLD JOKE: "THE WESTPORT CANDIDATE" FOR CONGRESS

(By Douglas Shrader)

"Who's the Westport Candidate this time?"

"Don't know yet, but you can bet there will be one."

It's about time for that little exchange to be heard around Fairfield County. It has become an established in-joke in Democratic Party circles, a none-too-kind jab at a local political phenomenom which repeats itself with a remarkable regularity.

Roughly translated, the question says: "Every two years, sure as swallows, someone from Westport with little or no experience in government or politics announces himself as the Democratic candidate for Congress from Connecticut's fourth congressional district."

This announcement, usually made at a press conference in Stamford, is followed by a flurry of political activity, largely confined to Westport, right up to the nominating convention. At the convention one of the big city types gets the nomination on the first ballot, and the Westport Candidate goes back to wherever Westport Candidates come from in the first place.

In the recent past Westport has produced the congressional candidacies of Kiermaier, Cohen, Dunham and Dugan, all fine gentlemen, to be sure, but never closer to the Congress of the United States than the best of visitors passes would permit. So they became the stuff of which the legend of the Westport Candidate is made.

Now with the nominating convention less than nine months away, it's about time for Fairfield County Democrats to bounce the old question around again, giving Westport the needle whenever possible. "Who's the Westport Candidate this time?"

However, the odds on a somewhat different form of answer for 1976 are very good. Chances are you'll hear Westport Democrats begin to respond, "Well, there is a candidate, and he is from Westport, but he's not the Westport Candidate, if you know what I mean. I mean, he's for real."

Geoffrey Peterson, 7 Scot-Alan Lane, Westport, Connecticut, is sure enough for real. And if qualifications for public office still mean anything in the world of politics these days, the Democratc Party in this area is about to surface a candidate for Congress of unaccustomed caliber.

Geoff is currently the top man on Senator Abraham Ribicoff's office staff in Washington, the Administrative Assistant. He got there by working his way up through the ranks of researchers and legislative assistants, and along the way has apparently mastered that mysterious art of congressional workings. Indeed, last summer there was debate on the floor of the United States Senate among Senators Humphrey, Ribicoff and Long as to where Geoff's talents might best be employed. Senator Long concluded his remarks by informing Senator Ribicoff, "Any time the Senator decides he no longer needs Mr. Peterson, we will be delighted to have him on the Finance Committee staff." Senator Ribicoff kept Mr. Peterson.

Similar kudos are recorded by Congressman Dodd regarding a Peterson speech on energy tax legislation. A letter of thanks for Geoff's work on the Emergency Jobs and Unemployment Assistance Act is signed simply, "Jerry Ford."

In addition to these qualifications of substance, Geoff Peterson seems to have all those little non-essential qualities all politicians covet. His background includes Staples High School for hometown boy local color; Choate and Harvard for those who remember Camelot; Georgetown University Law Center for training in government image; election to the Law Journal for proof of smarts.

Geoff Peterson is also handsome, especially if your tastes run to middle linebackers. His new bride, Lynn (real insiders sometimes call her Corey), besides being a strikingly beautiful woman, exemplifies the modern perfect candidate's wife. That is to say, she has the charm, grace and intelligence to be a most attractive candidate herself.

Geoff Peterson is certainly no Westport Candidate. On the contrary, he appears ready right now to join Reps. Moffet and Dodd in the Connecticut congressional delegation youth movement.

But is Geoffrey Peterson a candidate for Congress? Oh is he ever a candidate for Congress! During the last couple of months if there has been a gathering of as many as three Democrats in Fairfield County, Geoff Peterson was likely one of them.

Now is the time for some very critical flesh pressing, wooing the delegates before they even become delegates, doing some favors, being nice. Geoff Peterson is hard at it, this pre-campaign campaigning, and while he may not have yet achieved the level of political skill enjoyed by his present boss, (no one else has either) his presence is being felt, he's becoming known.

True, there has been no official announcement as yet. Look for that around March 1, and look for it in Westport, not Stamford or Bridgeport.

Thereafter, Westport's Geoffrey Peterson can look for a first ballot nomination next August. And after that Westport's Geoffrey Peterson can look out for someone named Stewart McKinney next November.

CHILD AND FAMILY SERVICES

Mr. WILLIAMS. Mr. President, over the last few months I have received hundreds of letters opposing S. 626, the Child and Family Services Act. In most instances, the position of the writers has been based on totally inaccurate information they have received about S. 626. Tragically this misinformation has been circulated in the form of an anonymous, unsigned flyer which cites provisions which do not appear in the bill and viciously misinterprets provisions of the bill by quoting language out of context and in combination with other material which does not appear within the bill.

This situation has been quite disturbing to me, having been a cosponsor of the bill since its original introduction in 1970. I have actively participated in hearings and initial congressional passage of this legislation over these years, and the undisputed need of communities for comprehensive day-care services for young children has reaffirmed my belief that this bill is a sensitive and important response to enriching the lives of families with young children and represents an important commitment to this Nation's children.

Programs supported by this bill could provide prenatal and postnatal care, nutritional services, and early medical screening—services which could cut back on the high infant mortality rate in this country and assure early medical treatment and assistance to children with developmental handicaps and with physical problems. The bill could also support early identification programs for children with handicapping conditions and support for community day-care programs for the more than 6 million children under age six whose mothers work.

This bill has been supported in the State of New Jersey by Ann Klein, commissioner of the department of institutions and agencies, and I have received the enthusiastic support of many local community groups which currently provide day care and other services for children. Commissioner Klein has estimated that while more than 55,000 children currently receive day care and other services within the State, there are more than 145,000 additional children in need of such srevices and that early screening, nutrition care, prenatal and postnatal care and diagnostic care in early childhood would be highly beneficial to children in many communities throughout the State.

I am deeply concerned that this bill has been subjected to a campaign based on so much erroneous information. Persons from my home State and from around the country have written, horrified because they were led to believe that the supporters of this bill would take their children away from them. If that were true, I would be as horrified as they and I would never support such legislation.

But there is no truth to this or any of the other invalid claims which have been made about this bill. Those unknown persons who have circulated these distortions are playing on people's most basic fears. Yet, I believe that this bill merits the attention of all of us because it deals with two issues which are very important—the health and welfare of young children in this Nation and ways to provide supportive services to families to help them cope with the increasing pressures of our society. All S. 626 tries to do is to make the improved quality of life for our children and the American family a higher priority.

It does this by setting up a procedure through which groups in the local communities can be funded. If this mechanism and this bill are not exactly what should be approved, then it can be changed. Or, if better opportunities for our children and their parents should not be a priority in this country, then this Nation should decide that. But, we should not let this issue die at the hands of a fear campaign based on misinformation and misunderstanding. It is for this reason that I believe the record must be set straight about the provisions of S. 626 so that we might really confront the issue of whether the Federal Government should make additional funds available for early screening diagnostic care and day-care services.

Many of the cosponsors of this bill have placed material in the RECORD over the last few months which I believe is helpful in clarifying this debate. And most recently, Senator MONDALE, author of this bill in the Senate, introduced two amendments to the bill to clarify two of the more frequent misinterpretations of the bill relating to the definition of "parent" and the overall purposes of S. 626. I believe it is important that those concerned individuals who have written to me have an opportunity to see these amendments, an explanation of these amendments, a summary of the need for this legislation, a section-by-section analysis of the bill, a statement adopted by an interreligious group of organizations in support of S. 626, a point-by-point response to the unsigned flyer which has been circulated, and various newspaper articles regarding this bill and the inaccurate information which has been circulated about it. I ask unanimous consent that I may have these materials printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXPLANATION OF AMENDMENTS

DEFINITION OF PARENTS

One issue being raised in other propaganda attacks involves completely false statements about the meaning of the term "parents" as defined in this legislation.

The definition of parent was added to the bill solely for the purpose of clarifying—in the cases of children who have been adopted or are living with a guardian or are in foster care—who is eligible to serve on the parent controlled boards which govern, select and establish any programs under this act. That definition described a parent as "any person who has primary day to day responsibility for any child." Opponents of the legislation have seized upon this definition and mistakenly alleged that it would somehow transfer the rights and responsibilities of natural parents to school teachers or day care workers who care for the child perhaps 30 or 40 hours per week. This charge, of course, is preposterous. By no stretch of the imagination can someone caring for a child 40 hours of the week be construed to be the person with primary day to day responsibility for the child. Yet, some opponents of the legislation have made that allegation and have caused unnecessary concern to many decent Americans.

In order to underscore and clarify the original intent of this legislation—which has the effect of defining a parent as a natural parent except in cases of legal guardianship or foster care—I am introducing an amendment to S. 626 today. This amendment should put to rest any concern that the definition in the bill could somehow be used to diminish or interfere with the rights and responsibilities of natural parents. The amendment states unequivocally that "nothing in this act shall alter or interfere in any way with the rights and responsibilities of parents." I ask unanimous consent that a copy of this amendment appear at this point in my remarks.

AMENDMENT NO. 1389

On page 56, strike lines 3 and 4 and insert therein: "Nothing in this Act shall alter or interfere in any way with the rights and responsibilities of parents. The term "parents" shall in no case include any person caring for the child in the capacity of teacher or day care staff, nor shall the term "parent" include any other person on whom legal guardianship of the child has not been conferred under applicable State law."

DEFINITION OF PARTNERSHIP

Another aspect of the bill which has been the subject of equally dishonest allegations concerns the statement that any program made available under this legislation should be offered "through a partnership of parents, State and local governments and the Federal Government." This phrase, which is part of a much longer statement in section 2(b), was designed simply to underscore the intention that any program offered under this bill include parent involvement and control. Specifically, this phrase was included to clarify the intent of this bill that any program funded under it would not be operated by some insensitive and remote Government bureaucracy.

Yet, this phrase has been taken out of context and alleged to mean that parents and the Federal Government would somehow become "partners" in child rearing.

This allegation is obviously inaccurate and dishonest. Yet, it has caused concern to many decent Americans who have not seen this phrase in context, or understood its legal effect.

Because this phrase has been so totally misinterpreted, I am offering an amendment to S. 626 to strike it from the bill.

This amendment is designed to clarify

that sponsors of this legislation have no desire to establish the kind of partnership which has been mistakenly alleged.

Mr. President, I ask unanimous consent that my amendments, and the entire statement of findings and purpose of the legislation in which the partnership clause appears, be printed in the RECORD.

There being no objection, the amendments and statement were ordered to be printed in the RECORD, as follows:

AMENDMENT No. 1388

On page 3, line 7 and 8, strike out the following phrase which has been subject to misunderstanding and is without legal effect: "Through a partnership of parents, State and local government and the Federal Government".

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) the family is the primary and the most fundamental influence on children;

(2) child and family service programs must build upon and strengthen the role of the family and must be provided on a voluntary basis only to children whose parents or legal guardians request such services, with a view toward offering families the options they believe are most appropriate for their particular needs;

(3) although there have been increased services for children of working mothers and single parents and although Headstart and similar programs have provided supplemental educational and other services for children, such services have not been made available to families to the extent that parents consider necessary, there are many other children whose parents are working full or part time without adequate arrangements for their children, and there are many children whose families lack sufficient resources who do not receive adequate health, nutritional, educational and other services;

(4) it is essential that the planning and operation of such programs be undertaken as a partnership of parents, community, private agencies and State and local government with appropriate supportive assistance from the Federal Government.

(b) It is the purpose of this Act to provide a variety of quality child and family services in order to assist parents who request such services, with priority to those preschool children and families with the greatest economic or human needs, in a manner designed to strengthen family life and to insure decisionmaking at the community level, with direct participation of the parents of the children served and other individuals and organizations in the community interested in child and family service (making the best possible use of public and private resources), through a partnership of parents, State and local government and the Federal Government, building upon the experience and success of Headstart and other existing programs.

CHILD AND FAMILY SERVICES ACT

NEEDS

The infant mortality rate in the United States is higher than that of 13 other nations.

Each year an estimated 200,000 children are struck by handicaps which could have been prevented if their mothers had received early health care.

Forty percent of the young children of this country are not fully immunized against childhood diseases.

Sixty-five percent of all handicapped preschool children are not receiving special services.

There are only one million spaces in licensed day care homes and centers to serve the six million preschool children whose mothers are working.

PROPOSED SERVICES

The bill authorizes funding for local communities and parent organizations to choose among a wide variety of child and family services, including: prenatal health care; medical treatment to detect and remedy handicaps; nutrition assistance; and day care services for children of working mothers. The bill does *not* provide for compulsory preschool education.

PARENT CONTROL

Participation in all programs is totally voluntary, and limited to children whose parents request services.

All programs would be selected, established and controlled by parents whose children participate.

FAMILY STRENGTHENING

The bill states that "the family is the primary and most fundamental influence on children" and that "child and family service programs must build upon and strengthen the role of the family".

The bill has been specifically endorsed as family strengthening by a wide range of civic and religious organizations including the Catholic Church, the Baptist Church, the United Methodist Church and the Lutheran Church.

CHILD AND FAMILY SERVICES ACT OF 1975—S. 626

SECTION-BY-SECTION ANALYSIS

Section 1

Section 2

Statement of Findings and Purpose.—Finds that "the family is the primary and most fundamental influence on children; that child and family services must build upon and strengthen the role of the family and must be provided on a voluntary basis only to children whose parents request them" with priority for preschool children with the greatest economic and human need; that there is a lack of adequate child and family services; and that there is a necessity for planning and operation of programs as partnership of parents, community, state and local governments, with appropriate federal supportive assistance.

Purpose is to "provide a variety of quality child and family services in order to assist parents who request such services, with priority to those preschool children and families with the greatest economic or human needs, in a manner designed to strengthen family life and to insure decision-making at the community level" and provide decision-making with direct parent participation through a partnership of parents, State, local and Federal government.

Section 3

Authorization of Appropriations.—Authorizes $150 million for fiscal 1976 and $200 million for FY 1977 for training, planning, and technical assistance and $500 million in FY 1977 and $1 billion in FY 1978 for program operation. Headstart would be funded under separate authority, and its funding protected by a requirement that no operational funds could be appropriated for this new program unless and until Headstart is funded at the level it received in FY 1975 or FY 1976, whichever is higher.

Forward funding is authorized.

TITLE I—CHILD AND FAMILY SERVICES PROGRAMS

Section 101

Establishes Office of Child and Family Services in HEW to assume the responsibilities of the Office of Child Development and serve as principal agency for administration of this Act; and Child and Family Services Coordinating Council with representatives from various federal agencies to assure coordination of federal programs in the field.

Section 102

Financial Assistance.—Define purposes for which federal funds can be used: (1) planning and developing programs, (2) establishing, maintaining, and operating programs, including part-day or full-day child care in the home, in group homes, or in other child care facilities; other specially designed programs such as after-school programs; family services, including in-home and in-school services; information and referral services to aid families in selecting child and family services; prenatal care; programs to meet special needs of minorities, Indians, migrants and bilingual children; food and nutrition services; diagnosis of handicaps or barriers to full participation in child and family services programs; special services for handicapped children within regular programs; programs to extend child and family service gains, including parent participation, into the elementary schools; (3) rental, renovation, acquisition, or construction of facilities, including mobile facilities; (4) preservice and inservice training; (5) staff and administrative expenses of councils and committees required by the Act; and (6) dissemination of information to families.

Section 103

Allocation of Funds.—Reserves funds proportionately for migrant and Indian children, not less than 10% for services to handicapped children, and not less than 5% for monitoring and enforcement of standards.

Allocates the remainder among the states and within the states, 50% according to relative number of economically disadvantaged children, 25% according to relative number of children through age five, and 25% according to relative number of children of working mothers and single parents.

Allows use of up to 5% of a state's allocation for special state programs under Section 108.

Section 104

Prime Sponsors.—States, localities, combinations of localities or public and nonprofit organizations are eligible to serve as prime sponsors.

The bill's current provisions establish performance criteria for prime sponsor: demonstrated interest in and capability of running comprehensive programs, including coordination of all services for children within the prime sponsorship area; assurances of nonfederal share; establishment of a Child and Family Services Council (CFSC) to administer and coordinate programs.

Public or private nonprofit organizations can serve as prime sponsors with priority on governmental units. Any locality or combination of localities which submits an application meeting the performance criteria may be designated prime sponsor if the Secretary determines it has the capacity to carry out comprehensive and effective programs. The state may be designated prime sponsor for all areas where local prime sponsors do not apply or cannot meet the performance criteria, provided that the state meets the performance criteria and divides its area of jurisdiction into local service areas with local child and family services councils which approve the relevant portions of the state's plan and contracts for operation of programs within the local service areas.

The Secretary may fund directly an Indian tribe to carry out programs on a reservation. He may also fund public or private nonprofit agencies to operate migrant programs, model programs, or programs where no prime sponsor has been designated or where a designated prime sponsor is not meeting certain needs.

Directs the Secretary to designate an alternative to any prime sponsor discriminating against minority group children or economically disadvantaged children.

Provides opportunity for Governor to comment on prime sponsorship applications and provides appeal procedure for applicants who are disapproved.

The sponsors want to particularly emphasize that as the bill is considered they intend to invite the testimony of representatives of Federal, State, and local government, as well as other experts, with respect to the best allocation of responsibility among various levels of government which will insure parental involvement, local diversity to meet local needs and appropriate State involvement to assure coordination and maximum utilization of available resources.

Section 105

Child and Family Service Councils.—Sets forth composition, method of selection, and functions of councils. Half of members must be parents, selected by parents of children served by programs under the Act. The remaining members appointed by the prime sponsor in consultation with parent members, to be broadly representative of the general public, including representatives of private agencies in the prime sponsorship area operating programs of child and family services and at least one specialist in child and family services. At least one-third of the total council to be economically disadvantaged.

A state prime sponsor must establish councils at the state level and for each local service area. Parent members of the state council to be selected by parent members of local councils.

Council approves goals, policies, action and procedures of prime sponsors, including planning, personnel, budgeting, funding of projects, and monitoring and evaluation.

Section 106

Child and Family Service Plans.—Requires that prime sponsor submit plan before receiving funds. Plan must "provide that programs or services under this title shall be provided only for children whose parents request them"; identify needs and purposes for which funds will be used; give priority to children who have not reached six years of age; reserve 65 percent of the funds for economically disadvantaged children, and priority thereafter to children of single parents and working mothers; provide free services for children of families below the Bureau of Labor Statistics lower living standards budget and establish a sliding fee schedule based on ability to pay for families above that income level; include to the extent feasible, children from a range of socioeconomic backgrounds; meet the special needs of minority group, migrant, and bilingual children; provide for direct parent participation in programs, including employment of parents and others from the community with opportunity for career advancement; establish procedures for approval of project applications with priority consideration for ongoing programs and applications submitted by public and private non-profit organizations; provide for coordination with other prime sponsors and with other child care and related programs in the area; provide for monitoring and evaluation to assure programs meet federal standards; where possible, supplement funds provided by this Act with assistance from other sources.

Requires that the Governor, all local education agencies, Headstart and community action agencies have the opportunity to comment on the plan.

Establishes appeal procedures if plans are disapproved.

Section 107

Project Applications.—Provides for grants from prime sponsor to public or private organizaztions to carry out programs under the prime sponsor plan pursuant to a project application approved by the CSFC.

The project applicant must establish a parent policy committee (PPC), composed of at least 10 members with 50% parents of children served by the project, at least one child care specialist, and other representatives of the community approved by the parent members. The PPC must participate in the development of project applications and must approve basic goals, policies, action and procedures of the applicant, including personnel, budgeting, location of center, and evaluation of projects.

The application must: provide for training and administrative expenses of the PPC; guarantee free services for economically disadvantaged children with fees according to the fee schedule for other children; assure direct participation of parents and other family members, including employment opportunities; provide for dissemination of information on the project to parents and the community; and provide opportunities for the participation of children, regardless of patricipation in nonpublic school programs.

Section 108

Special Grants to States.—Authorizes special grants to the states, on approval of Secretary, to establish a child and family services information program to assess goals and needs in state; to coordinate all state child care and related services; to develop and enforce state licensing codes for child care facilities; and to assist public and private agencies in acquiring or improving such facilities. A state must establsh a Child and Family Services Council to receive a special grant.

Section 109

Additional Conditions for Programs Including Construction or Acquisition.—Allows federal funding for construction or acquisition only where no alternatives are practicable, and provides federal funding for alteration, remodeling, and renovaiton. Provides that no more than 15% of a prime sponsor's funds may be used for construction; that no more than half of that may be in the form of grants rather than loans, limited to public and private non-profit agencies, organizations, and institutions.

Section 110

Use of Public Facilities for Child and Family Service Programs.—Requires that federal government and prime sponsors make available for child and family service programs facilities they own or lease, when they are not fully utilized for their usual purposes.

Section 111

Payments.—Provides 100% federal share for planning in FY 1976, 90% federal share for fiscal 1977 and 1978, 80% for subsequent fiscal years. Provides 100% federal share for programs for migrants and Indians, and allows waiver of part of all of non-federal share where necessary to meet needs of economically disadvantaged children.

Non-federal share may be in cash or in kind. Revenues generated by fees may not be used as non-federal share but must be used by prime sponsor to expand programs.

TITLE II—STANDARDS, ENFORCEMENT, AND EVALUATION

Section 201

Federal Standards for Child Care.—Authorizes a national committee on federal standards, with one-half parent participation, to establish standards for all child care services programs funded by this or any other federal act. The 1968 Interagency Day Care Requirements would continue to apply until such standards are promulgated, and any new standards must be consistent with the 1968 Requirements.

The Secretary must submit the proposed standards for approval to the Senate Committee on Labor and Public Welfare and the House Committee on Education and Labor. No prime sponsor or project applicant is allowed to reduce services below these standards.

Section 202

Development of Uniform Code for Facilities.—Requires a committee to develop a uniform minimum code dealing with health and safety of children and applicable to all facilities funded by this Act.

Section 203

Program Monitoring and Enforcement.—Requires the Secretary through The Office of Child and Family Services, to establish an adequately trained staff to periodically monitor programs to assure compliance with the child care standards and other requirements of the Act.

Section 204

Withholding of Grants.—Provides procedure for withholding of funds to programs which have failed to comply with standards or requirements of the Act.

Section 205

Criteria With Respect to Fee Schedule.—Requires Secretary to establish criteria for adoption of the schedule based on family size and ability to pay with considerations for regional differences of the cost of living. The criteria must be submitted for approval by the Senate Committee on Labor and Public Welfare and the House Committee on Education and Labor.

Section 206

Evaluation.—Requires the Secretary to make annual evaluations and report to Congress on federal child family services activities.

TITLE III—RESEARCH AND DEMONSTRATIONS

Section 301

Research and Demonstration.—Authorizes child and family services research and requires that the Office of Child and Family Services coordinate research by federal agencies.

TITLE IV—TRAINING OF PERSONNEL FOR CHILD AND FAMILY SERVICES

Section 401

Preservice and Inservice Training.—Provides for training of personnel, including volunteers, employed in programs assisted under this Act.

Section 402

Technical Assistance and Planning.—Provides technical assistance to child and family services programs.

TITLE V—GENERAL PROVISIONS

Section 501

Definitions.—Defines terms used in the Act.

Section 502

Nutrition Services.—Requires that procedures be established to assure adequate nutrition services in programs under the Act, including use of Section 13 (special food service programs) of the School Lunch Act and the Child Nutrition Act.

Section 503

Special Provisions.—Anti-discrimination provisions, including separate provisions on sex discrimination. Requires that programs meet the minimum wage. Prohibits use of funds for constructing, operating or maintaining facilities for sectarian instruction of religious workshop.

Section 504

Special Prohibitions and Protections.—States that "Nothing in this Act shall be construed or applied in such a manner as to infringe upon or usurp the moral and legal rights and responsibilities of parents or guardians with respect to the moral, mental, emotional, physical, or other development of their children. Nor shall any section of this Act be construed or applied in such a manner as to permit any invasion of privacy otherwise protected by law, or to abridge any legal remedies for any such invasion which are otherwise provided by law."

Section 505

Public Information.—Requires that all applications, plans, and written material pertaining thereto be made available to the public without charge.

Section 506

Repeal or Amendment of Existing Authority and Coordination.

Section 507

Acceptance of Funds.

INTERRELIGIOUS STATEMENT ON THE CHILD AND FAMILY SERVICES BILL

In December of 1971 both the House and the Senate passed the Comprehensive Child Development Act of 1971. Supported by a coalition of poverty and civil rights groups, labor unions, women's groups, churches, educators, and community and citizens organizations, the bill would have amended Title V of the Economic Opportunity Act "to provide every child (through age 14) with a fair and full opportunity to reach his full potential by establishing and expanding comprehensive child development programs." This bill was vetoed by President Nixon.

In February of 1975, Sen. Mondale (D-Minn.) introduced a very similar bill, S. 626, The Child and Family Services Act of 1975. Rep. Brademas (D-Ind.) introduced a companion bill (H.R. 2966) in the House. This bill would establish programs of part-day and full-day child care, prenatal care, special services for minority group children, food and nutrition programs, aid for handicapped children, and various types of assistance to families with special needs.

The Child and Family Services Act is now under atack by groups and individuals charging that it would give government undue authority over family life. In fact, some groups have charged that the proposed legislation would make the "government responsible for . . . the religious interests of your child," give "children the right to protection from any excessive claims made on them by their parents," and make preschool education "compulsory" for all children beginning at age three.

These charges are totally inaccurate. There is nothing in this legislation that relates to religious preferences or religious instruction; nothing that relates to or alters the existing legal relationship between parents and their children; and nothing that provides for compulsory preschool education, or for compulsory service of any kind.

What it seeks to do, instead, is to strengthen and support families in their efforts to provide their children—on a totally voluntary basis—with the basic health education and other services they want for them but too often cannot afford. Thus, it authorizes funding for a variety of child and family services including prenatal health care, medical treatment to detect and remedy handicapping conditions, and day care services for children of working parents.

Most importantly, any and all of these programs are totally voluntary, and limited to children whose parents request the services. Parent control is further assured by requirements that all programs would be selected, established and controlled by parents whose children participate in them.

A careful reading of the bill reveals that it will support families, not weaken them. The bill states, for example, that the "family is the primary and most fundamental influence on children" and that "child and family service programs must build upon and strengthen the role of the family."

The need for legislation of this kind is clear. The infant mortality rate in the United States is higher than that of thirteen other nations. Each year an estimated 200,000 children are struck by handicaps which could have been prevented if their mothers had received early health care. Forty percent of the young children of this country are not fully immunized against childhood diseases. Sixty-five percent of all handicapped preschool children are not receiving special services. There are only one million spaces in licensed day care homes and centers to serve the six million preschool children whose parents are working.

Debate over legislative proposals such as this Child and Family Services Act should be based on the facts, and decided on the merits. To do otherwise—to misrepresent the purpose and provisions of the legislation under discussion—is a disservice to all Americans concerned about families and children.

American Jewish Committee, Ms. Anne Wolfe, Director, Social Welfare.

Christian Church (Disciples of Christ), Disciples Peace Fellowship.

Christian Church (Disciples of Christ), Department of Church in Society, Division of Homeland Ministries.

Church of the Brethren, Washington Office.

Friends Committee on National Legislation.

National Conference of Catholic Charities.

National Council of Churches.

Lutheran Children's and Family Services, St. Louis, Missouri.

National Council of Jewish Women, Mrs. Esther R. Landa, National President.

Network.

Synagogue Council of America.

United Church of Christ, Center for Social Action.

United Methodist Church, Women's Division, Board of Global Ministries.

United Presbyterian Church, U.S.A., Washington Office.

MEMORANDUM: ATTACKS ON CHILD AND FAMILY SERVICES BILL

1. Unsigned Flyers entitled: "Raising Children—Government's or Parents Right?"

ATTACK

"There is before Congress legislation known as the Child and Family Services Act of 1975 (Senate: S. 626 and House: H.R. 2966). If passed it would take the responsibility of the parents to raise their children and give it to the Government."

FACT

This bill would in no way take the responsibility for child rearing away from parents. All programs authorized in the bill (S. 626 and H.R. 2966, Section 2(a)(2)) "must build upon and strengthen the role of the family and must be provided on a voluntary basis only to children whose parents or guardians request such services." In addition, any practice which would "infringe or usurp the moral and legal responsibilities of parents or guardians" is specifically prohibited (Section 504(a)).

ATTACK

"*Child Advocacy Clause*. In the Congressional Record we read: 'If, in the judgment of those who are in charge of such a program (the State by way of the Secretary of Health, Education and Welfare), parents are not doing a good job, the advocate (a "specialist" appointed by the government) would enter the home and direct the education, even within the home. And, if the parent would object, the authority in the home would, DeFacto, be transferred to these advocated (sic).' "

FACT

While this material may have appeared in the Congressional Record (although an exhausive Record search has failed to discover it), it is categorically false to contend that: (a) such language appears in S. 626 or H.R. 2966; (b) such beliefs are held or advocated by any of the sponsors of S. 626 or H.R. 2966; or (c) that any "child Advocacy clause" of any kind appears in the bill (See "Special Note on the Congressional Record" below).

ATTACK

"Charter of Children's Rights of the National Council of Civil Liberties is becoming a part of this Child Development Act."

The flyers go on to list the following items in this charter, alleging that they can "be found on page 44138 of the Congressional Record":

"(1) All Children have the right of protection from, and compensation for the consequences of any inadequacies in their homes and backgrounds. (Note: In other words, never punish your child because he may come back to you with a civil suit.)"

"(2) Children have the right to protection from any excessive claims made on them by their parents or authority. The question was asked, by way of example, what do you mean by the fact 'Excessive claim', and the example was given, 'If the mother or father asked the child to take the garbage out and the child doesn't want to, the parents have no right to insist on it.' "

"(3) Children have the right to freedom from religious or political indoctrination. That means that you have no right to insist on taking them to church, if they do not wish to go. That also means they have the freedom to insist that they be taught nothing, or any ideas, about God."

"(4) Children shall have the freedom to make complaints about teachers, parents and others without fear of reprisals. This speaks for itself."

FACT

No such language or "charter" has ever been proposed, included or even considered for the Child and Family Services Act or any related piece of legislation. This "charter" initially surfaced during Senate debate on December 2, 1971 on the Conference Report on the Office of Economic Opportunity Act, which included child care provisions. Senator Carl T. Curtis (R-Nebraska), an opponent of this measure, said, "In England, child development advocates have gone so far as to draft a charter of children's rights." Curtis continued by reading from something he called the Charter of Children's Rights" of "the British Advisory Center of Education and the National Council for Civil Liberties." Thus, these so-called "rights", never included in this legislation, and were never advocated by sponsors of this legislation. In fact, the "Council" cited is not even an American organization. (See "Special Note on the Congressional Record" below).

S. 626 and H.R. 2966 specifically state in Section 504(a) that "Nothing in this Act shall be construed or applied in such a manner as to infringe upon or usurp the moral and legal rights and responsibilities of parents or guardians with respect to the moral, mental, emotional, physical, or other development of their children. Nor shall any section of this Act be construed or applied in such a manner as to permit any invasion of privacy otherwise protected by law, or to abridge any legal remedies for any such invasion which are otherwise provided by law."

ATTACK

"Can the Government Take Away Your Children? Comprehensive child development, the SOVIET-style system of communal child rearing which almost became law in this country in 1971 is once again being pushed through Congress. The current bills H.R. 2966 (House of Representatives) S. 626 (Senate), are virtually identical to the original act passed in 1971, but fortunately vetoed by the then president, Nixon. Now it is known as the Child and Family Services Act of 1975 and any changes are merely cosmetic."

"In vetoing the original bill which would have removed children from their parent's instruction shortly after birth, Mr. Nixon said that it would weaken the American family by committing "vast moral authority of the national government to the side of communal approaches to child rearing over against the family oriented approach.' "

"We are in serious danger of 'Sovietizing' the education of our children if we let the Child and Family Services Act of 1975 pass. Those who support this Act in the Congress are convinced that it will 'Sail through the House.' "

FACT

This charge is of course, absurd and irresponsible. The sponsors of the bill have carefully drafted it to protect the rights of parents and their children:

First, participation in the program is completely voluntary. Children cannot participate without the specific request of a parent or legal guardian. (Section 2(a)(2) and Section 106(b)(1))

Second, the bill prohibits any practice which would "infringe upon or usurp the moral and legal rights and responsibilities of parents or guardians." (Section 504(a))

Third, a child cannot be tested unless the parent or guardian is informed and given the opportunity to exempt the child from testing. (Section 504(a))

Fourth, unlike the public school program, the child and family services programs are totally voluntary.

ATTACK

"According to the Congressional Record, the intent of the bill is for the government to be responsible . . . for the nutritional interests of your child, for all psychological interests of your child."

FACT

This statement is totally inaccurate and irrelevant to the legislation.

The intent of the bill is (Section 2(b)) "to provide a variety of quality child and family services in order to assist parents who request such services, with priority to those preschool children and families with the greatest need, in a manner designed to strengthen family life and to insure decision-making at the community level, with direct participation of the parents of the children served and other individuals and organizations in the community interested in child and family service (making the best possible use of public and private resources), through a partnership of parents, State and local government, and the Federal Government, building upon the experience and success of Headstart and other existing programs." (See "Special Note on the Congressional Record" below).

In fact, the bill specifically prohibits any medical or psychological examination or treatment unless a child's parent or guardian provides written permission. (Section 504(c)).

ATTACK

"The following excerpts are taken from the Congressional Record: 'What is at issue is whether the parent shall continue to have the right to form the character of the children or whether the state, with all its power and magnitude, shall be given the decisive tools and technique for forming the young lives of the children of this country.' "

" 'As a matter of the child's right, the government shall exert control over the family because we have recognized that the child is not the care of the parents, but the care of the state (sic). We recognize further that not parental, but communal forms of upbringing have an unquestionable superiority over all other forms. Furthermore, there is serious question that maybe we cannot trust the family to prepare young children in this country for this new kind of world which is emerging.' "

"This all smells of Communism. This is what in fact has been and is being done in Soviet Russia. This is what can become the law of our land, if the Child and Family Service Act of 1975 is passed by the Congress. We elected this Congress, but do we know what they are attempting to do to our freedoms and our rights?"

FACT

These citations, if they did in fact appear in the Congressional Record, are diametrically opposed to the purpose and intent of the bill.

First, the programs are completely voluntary. (Section 2(a)(2) and Section 106(b)(1))

Second, the precisely stated purpose of the legislation is to "strengthen family life," not weaken it. (Section 2(b))

Third, the program is to be operated locally, not by the national government. (Section 104)

Fourth, the bill contains specific prohibitions against any practice infringing on the rights and responsibilities of parents. Section 504(a))

(See "Special Note on the Congressional Record" below).

SPECIAL NOTE ON THE CONGRESSIONAL RECORD

Throughout this leaflet, the "Congressional Record" is cited. The Congressional Record has the ring of an official pronouncement to it. But, anyone who has ever even glanced at the Record knows that it contains not only the debates in the House of Representatives and Senate but also speeches and material simply "inserted" into the Record. Any Member of Congress has the right to insert material in the Record, and therefore, the assertion that a statement is "according to the Congressional Record" is meaningless since the Record itself makes no statement of policy. Policy statements are made by the Members of Congress quoted in the Record.

This flyer provides a good example of the abuse of the citation of the Congressional Record. Senator Curtis of Nebraska included as part of his remarks on a bill considered by Congress in 1971 some material which he attributed to an organization in a foreign country. By misleading citation, the flyer implies that this material appeared in the Congressional Record this year and that it represents the contents of the bill. The bill's sponsors had never before seen this material.

[Articles from the Houston (Tex.) Chronicle, Nov. 7, and 9, 1975]

OFFICIAL MAILS MISLEADING LETTER TO AREA SCHOOL HEADS

(By Richard Fly)

An unsigned and apparently inaccurate letter encouraging opposition to family service legislation pending in Congress has been distributed to area school superintendents by the director of the Houston area regional office of the Texas Education Agency.

The letter, which apparently originated in Kansas, was mailed to superintendents Oct. 27 by T. S. Hancock, director of the Region IV Education Service Center in Houston.

Hancock attached a note to the letter stating. "I urge that you take the time to read the attached information. I believe it has frightening implications to our American way of life."

Hancock said Thursday he did not read the legislation or check the letter's accuracy before sending it to the school administrators.

At least one of the superintendents, Dr. C. Lee Meyer of the Pasadena school district, passed the letter on to his district's personnel.

Meyer said he also did not check the accuracy of the letter before passing it along.

The letter's statements purportedly refer to the Child and Family Service Act of 1975, introduced in the House and Senate Feb. 7.

Phil Moseley, press aide to U.S. Rep. Bill Archer, R-Houston, said that after receiving numerous inquiries about the anonymous letter, he researched the statements contained in it.

Three-fourths of those statements were excerpted from congressional debate on a bill of the same title in 1971, Moseley said.

However, Moseley said, most of the statements are taken out of context and presented in such a way as to distort their meaning.

The letter was brought to the attention of the TEA's regional office by a Galveston County school official who heard about it on a broadcast by KTRH radio personality Dewey Compton.

Compton said Thursday he originally broadcast information about the letter and legislation Oct. 14. Since then, he said Moseley "dug into the letter's content and found much of it to be fraudulent."

He said that Thursday morning he retracted his radio statements on the letter, which he said came from Kansas.

"It's a mess," Compton said. "It looks like a lot of us are victims of a fraud or a conspiracy."

He said it was regrettable that he did not check the letter and verify it before reading it on the air.

TEA's Hancock said he talked with Moseley, who would provide him with information on the letter's contents and the provisions of the family service act. Hancock said he would pass that information to the superintendents.

He said the statements in the letter considerably alarmed him, and on that basis he informed school district administrators of the legislation.

He said that since he talked with Moseley about the letter's questionable contents, "I'm not as concerned now (about the bill) as I was."

But Hancock said, "I'm still concerned that something like this might come out of Congress. Guidelines for the enforcement of such bills sometimes are rather drastic."

Meyer, of Pasadena, said, "All I did was pass along the information I received from the regional service center."

He said he would read the bill, which he received Thursday afternoon, and that if any corrections need to be made concerning the letter, he will inform the district personnel.

Moseley pointed to several inaccuracies or distortions in the letter.

One part of the letter mentioned a "Charter of Children's Rights" proposed items in this charter were:

"All children have the right of protection from and compensation for the consequences of any inadequacies in their homes and backgrounds."

"Children have the right to protection, from any excessive claims made on them by their parents or authority."

"Children shall have the freedom to make complaints about teachers, parents and others without fear of reprisals."

The charter was referred to by Sen. Carl T. Curtis, R-Neb., during debate on Dec. 2, 1971, as an example of how far the legislation could go in its interpretation. The charter, Curtis said, was recommended in England by an education advisory commission and was the product of the English National Council of Civil Liberties.

The letter did not mention that the charter originated in England and was not planned for inclusion in Congress's legislation.

In addition, Moseley said, three paragraphs at the end of the letter, purportedly from the Congressional Record, actually are a compilation of statements from debate on the legislation, an unrelated article on education and child raising in the Soviet Union and other material apparently added by the letter's unknown author.

One sentence from this portion of the letter said:

"As a matter of the child's right, the government shall exert control over the family because we have recognized that the child is not the care of the parents by the care of the state."

One sentence from this portion of the letter said:

"As a matter of the child's right, the government shall exert control over the family because we have recognized that the child is not the care of the parents but the care of the state."

That sentence is from the article on the Soviet Union.

Moseley said Archer's office is getting a large amount of mail from school superintendents, principals, teachers and parents in the Houston area.

"Some are saying, "This can't be true. You've got to stop the legislation.' Others are saying, 'It isn't true, is it?' " Moseley said.

The Child and Family Services Act now pending in Congress states, in part. "The family is the primary and the most fundamental influence on children, child and family service programs must build upon and strengthen the role of the family and must be provided on a voluntary basis only to children whose parents or legal guardians request such services."

Hearings on the legislation ended in the House Subcommittee on Education July 16. A full committee vote has not been taken. It appeared that action on the bill would not be taken this year.

HOW "RIGHTS" LETTER CAME TO HOUSTON

(By Richard Fly)

An anonymous letter warned that a bill pending in Congress would destroy the American family.

The letter made its way from a revival meeting in Missouri to a compost and feed company in Kansas and from there to a Beeville merchant and thence to a Houston radio station. It ended up in offices of more than 50 school superintendents in the Houston area.

In the fashion of a chain letter, the unsigned epistle was copied, passed along and copied again as people reacted with alarm to the claims in the letter that the Child and Family Service Act of 1975 would destroy family structure and make children wards of the state.

The actual legislation bears little resemblance to the bill described in the letter. But few of the letter's recipients questioned whether it was true before passing the letter along.

The letter arrived in Houston about four weeks ago. It was first publicized by KTRH radio personality Dewey Compton, who read the letter on his program and asked listeners to write their congressmen opposing the bill.

Compton said his office distributed about 200 copies of the letter at the request of listeners.

One of those listeners was a Galveston County school administrator, who passed the letter along to the Region IV Education Service Center, an office of the Texas Education Agency, in Houston.

The center's director, T. S. Hancock, was alarmed by the letter, he said, and sent it to the more than 50 school district superintendents in the region.

In a note attached to the letter, he said: "I urge that you take the time to read the attached information. I believe it has frightening implications to our American way of life."

At least one superintendent, Dr. C. Lee Meyer of the Pasadena school district then passed the letter along to the district's personnel.

The majority of the statements in the letter are excerpted from the Congressional Record, a daily chronicle of proceedings in Congress.

However, Phil Moseley, a press aide to U.S. Rep. Bill Archer of Houston, researched the contents of the letter. He said most of the statements are taken out of context and tied together in such a way as to distort their meaning.

The statements are taken from the record of debate on Dec. 2, 1971. At that time, Congress was debating a similar, but stronger, bill than the one now before them.

Moseley pointed to several inaccuracies and distortions in the letter.

One part of the letter mentioned a "Charter of Children's Rights." Proposed items in this charter were:

"All children have the right of protection from and compensation for the consequence of any inadequacies in their homes and backgrounds."

"Children have the right to protection from any excessive claims made on them by their parents or authority."

"Children shall have the freedom to make complaints about teachers, parents and others without fear of reprisals."

The charter was referred to by Sen. Carl T. Curtis, R-Neb., during debate on Dec. 2, 1971, as an example of how far the legislation could go in its interpretation. The charter, Curtis said, was recommended in England by an education advisory commission and was the product of the English National Council of Civil Liberties.

The letter did not mention that the "charter" originated in England among a group of Socialists, was not part of English law and was not planned for inclusion in Congress' legislation.

In addition, Moseley said, three paragraphs at the end of the letter, purportedly from the Congressional Record, actually are a compilation of statements from debate on the legislation, an unrelated article on education and child raising in the Soviet Union and other material apparently added by the letter's unknown author.

One sentence from this portion of the letter said:

"As a matter of the child's right, the government shall exert control over the family because we have recognized that the child is not the care of the parents but the care of the state."

That sentence is from the article on the Soviet Union.

How the letter made its way from Kansas to Houston is a saga of happenstances.

Hancock, of the Region IV center, received a copy of the letter from an assistant, Tom Pate. Pate received the letter from Dr. Henry Willis, assistant superintendent of the Santa Fe school district in Galveston County, who received a copy from Compton.

Compton received his copy from Jack Megason, a Beeville resident whose agricultural products business is a sponsor of Compton's radio program. Megason received the letter from George Seacat, a compost retailer in Ashland, Kan., who received it from a friend.

Seacat's friend picked up the letter in the Dodge City Office Supply Co., Dodge City, Kan.

The letters arrived in the store from an unknown source, the company's manager said.

Here there is a gap which picks back up at Radio Station in KMAN in Manhattan, Kan.

The press director of the Kansas Farm Bureau, a conservative lobby group, based one of his KMAN radio programs on the family service legislation. He interviewed a farmer, Richard Bayshor, who had heard a broadcast on Radio Station KFRM in Wichita, Kan., opposing the bill and referring to statements made in the letter.

KFRM did its broadcast on the basis of a note to the editor clipped from the Salina, Kan., Journal.

The note, written by David and Karen Smith, was based on the letter.

Smith received the letter from Richard Burson, retired director of the Kansas Bible Camp near Hutchinson.

Burson was the source of the letter which reached Houston and many other parts of the country.

"I only put out a thousand of them," Burson said, "and I'm surprised how far they've scattered."

He said he compiled his one-page letter from a three-page pamphlet he received from his brother-in-law's sister. She received the pamphlet at a revival in Missouri.

He rewrote the letter to make it shorter and tone down the "screaming" language, Burson said.

Burson's letter appears to be the one which has circulated the farthest and had the largest effect.

He said he stopped distributing the letter about a week after he started. He did so, he said, because he found out the letter was misleading.

"I think that many people who read this and seem to think that the Congressional Record account that is presented is the bill. But it isn't the bill. It is simply a discussion of the bill by people who were opposed to it," he said.

He also said people would be led to believe the statements in the letter referred to the 1975 bill. Actually, he said, it refers to the 1971 legislation.

Burson said he is "sort of sorry" he distributed the letter, because he has since received better information about the bill from Sen. Robert Dole, R-Kan., which he plans to distribute.

But the effects of the letter cannot so easily be dispersed.

Congressmen are receiving a large number of letters and phone calls about the legislation.

Hearings on the bill in the House subcommittee on education ended July 16. No action has been taken on it, so it appears doubtful that it will get out of committee before the end of the year.

But the letters keep coming.

[From the Houston Chronicle, Nov. 9, 1975]

WHAT THE CHILD AND FAMILY PLAN REALLY WOULD PROVIDE

(By Judy Wiessler)

WASHINGTON.—Until a few weeks ago, the Child and Family Services Act of 1975 was just another of the hundreds of bills with popular sounding titles and steep price tags languishing in congressional subcommittees.

Then, with a speed and intensity that neither congressional opponents nor proponents profess to fully understand, the bill became the subject of torrents of mail to members of Congress. Most of it was negative and based on false impressions of what the legislators would do.

Sponsored by Sen. Walter F. Mondale, D-Minn., and John Brademas, D-Ind., the bill is controversial in its own right.

But not because it would take children away from their parents, put them in communes, allow them to organize labor unions or sue their parents if they were forced to go to Sunday school or mow the lawn.

Such allegations, circulated broadly and anonymously, are seen by both sides as a threat to the prospect of serious debate on the real issue of whether the federal government should invest millions of dollars in a broad, new social program.

Even opponents of the bill, like Rep. Bob Casey, D-Houston, are uncomfortable with some of the propaganda. Casey is against the bill because he thinks "it costs too much and the federal government shouldn't be setting up day care centers across the country," an aide said. But he added that many constituents are writing letters based on information that is "inflammatory and completely false."

What the bill actually proposes is expenditure of $150 million next year, increasing to $1 billion in 1978, for a wide range of programs, including day care and health services, for children and, in some cases, their parents.

Priority would be given to services for children under 6, to needy families, families with working mothers and minorities.

Although the programs would be mostly funded by the federal government, they would be operated on the local level by governing boards on which parents of participating children could make up at least half the membership.

Children would not be allowed to participate in any of the program unless their parents or legal guardians specifically requested that they do so. The bill prohibits any practice which would "infringe upon or usurp the moral and legal responsibilities of parents or guardians."

Parental permission would be required for any research or experimentation or medical or psychological examination involving a child.

A very similar Mondale-Brademas bill was killed in 1971 when Congress failed to override a veto by then-President Richard Nixon, who called the earlier bill "family weakening."

However, sponsors have a list of more than 80 groups which they say have endorsed the measure as "family strengthening." Those include the National Parent-Teachers Association. National Educational Association, National Association of School Boards, AFL–CIO, American Association of University Women, Girl Scouts of America, Boys Clubs of America, Salvation Army and National Leagues of Cities.

Religious groups supporting the bill include the United Methodist Church, Baptist groups, Church of God, United Church of Christ, Episcopal Church, American Lutheran Church and B'nai B'rith.

The bill would establish a new Office of Child and Family Services within the Department of Health, Education and Welfare to coordinate the local programs.

Units of local government, such as cities and counties, would apply to HEW to become "sponsors" of the programs and would set up the local governing boards with parent representatives.

The local boards would decide what kinds of programs are needed in their areas, choosing from a long list of the kinds of services authorized.

These include day care, educational programs before and after school and in the summer, family counseling, prenatal and post-partum medical care to mothers who cannot afford to pay, special help such as bilingual tutoring for minorities and migrants and activities geared to physically, mentally or emotionally handicapped children.

The bill requires that information be disseminated regularly to parents about available activities, that parents be consulted regularly on each child's development and that parents be allowed to "observe and participate in their children's activities."

Provisions of the bill have been sufficiently appealing to attract 29 cosponsors in the Senate and 94 in the House, including Reps. Barbara Jordan, D–Houston, and Henry B. Gonzalez, D–San Antonio.

But there is considerable skepticism, shared privately by some proponents, that the bill will become law unless it is scaled down dramatically.

Sponsors assume President Ford would veto such an expensive measure and acknowledge it could be difficult to muster the two-thirds vote necessary for an override, especially in the Senate.

[From the South Bend Tribune, Nov. 2, 1975]

BRADEMAS VICTIM OF POLITICAL "DIRTY TRICK"

(By Jack Colwell)

Congressman John Brademas has been the victim of a political "dirty trick" which apparently resulted in erroneous statements in a WSBT television and radio editorial about a bill Brademas is sponsoring.

The "dirty trick" involves distribution of an unsigned leaflet attacking the proposed Child and Family Services Act and containing false statements about the intent of the measure and "children's rights" which it allegedly would provide.

While the bill is controversial, it contains none of the "children's rights" sections quoted in the leaflet and also cited in the broadcast editorial and in newspaper editorials printed in Warsaw and Goshen.

Brademas said Saturday that the leaflets were being circulated in Northern Indiana in "a deliberate effort" to spread "false information" in tactics similar to those of Watergate fame.

"Never in my 17 years as a representative in Congress have I seen a more systematic, willful attempt to smear both me and my work in the House of Representatives," Brademas said.

Quotations in the leaflet about so-called "children's rights" to "make complaints about teachers, parents and others without fear of reprisals" appear nowhere in the bill.

Brademas said the quotations apparently were taken from a speech made in 1971 by Sen. Carl Curtis of Nebraska, who said at the time he was quoting from the "Charter of Children's Rights" of the "British Advisory Center of Education" and the "National Council for Civil Liberties."

None of the "rights" quoted in the leaflet and in the editorials appear in the bill he is sponsoring or were even contemplated in similar legislation in the past, Brademas said.

In several instances in the leaflet, there are references to something allegedly appearing in the Congressional Record, but it does not specify who put the statement in the Congressional Record or was quoted in the Congressional Record or when the statement was made or in what context.

Jack E. Douglas, station manager, said Saturday that the quotations to which Brademas has raised objections are being checked and that, "if there are inaccuracies, they will be corrected."

Douglas said he expects the matter to be a subject for the WSBT editorial next week.

The congressman said he has asked WSBT to "correct" erroneous impressions which may have resulted from the editorial.

One of the paragraphs in the broadcast editorial to which Brademas objected contained the comment: "And in their final stroke, the bill's authors suggest that 'The government shall exert control over the family because we have recognized that the child is not the care of the parents, but the care of the state,"

No such language appears in the bill, Brademas noted.

In fact, a statement of "purpose" at the start of the measure says:

"Child and family service programs must build upon and strengthen the role of the family and must be provided on a voluntary basis only to children whose parents or legal guardians request such services . . ."

Brademas said allegations in the leaflet that the measure would permit children to sue their parents if they were punished or to organize into the equivalent of labor unions against their parents are "not only outrageous falsehoods—they are downright silly."

He said the Child and Family Services proposal is designed to provide day care services "so that working mothers and welfare mothers can be sure, while they are on the job or are looking for work, of adequate care for their children."

He said the bill would make available health services "to enable parents to get expert help in detecting physical and mental handicaps early in a child's life," Brademas added:

"I think it is significant that the bill my colleagues and I are sponsoring is supported by the AFL–CIO, the League of Women Voters, the American Bankers Association, the United Auto Workers, the United Methodist Church, the Baptist and Lutheran Churches, the National Conference of Catholic Charities and many more similar organizations."

The congressman acknowledged there are also opponents of the bill and that he expects debate about its actual provisions.

[From the Grand Rapids Press, Nov. 11, 1975]

CHILD BILL FRAUD

Despite the risk of lending unearned credence o one of the most spacious and inflammatotry leaflets to gain widespread distribution in the Grand Rapids area, comment must be made on a two-page publication entitled "Raising Children—Government's or Parent's Right?"

The material attacks U.S. House Bill 2966, commonly known as child and family services legislation. The proposal would expand a number of family services already provided to a limited number of persons. The proposal's stated purpose is to reduce infant mortality (the U.S. ranks 14th in this regard) and physical and mental impairments by authorizing prenatal and family health care assistance and to extend day care services beyond current Headstart programs.

Similar legislation was vetoed by President Nixon in 1971 largely on the basis of cost. At the time The Press found difficulty reconciling Mr. Nixon's demands that able persons on welfare must be made to work with his rejection of a bill which would have permitted day-care aid for a single parent who was forced to remain at home with young children.

The current legislation, similar in purpose to the 1971 bill, has been altered to meet previous criticism. First-year planning and operations would be scaled down considerably, funds would be authorized for personnel training and the bill, throughout, emphasizes and clarifies the voluntary nature of the program. Nothing in the bill makes participation mandatory, and much of the program would be directed by the parents.

The extent to which the federal government should involve itself in family services is a proper issue which can be debated responsibly. What is not responsible, however, is the distribution of emotional and patently false material which makes rational discussion all but impossible. It is the politics of fright.

The local situation is especially disturbing because the leaflet has been widely distributed in schools, churches and working places and has triggered hundreds of inquiries to Rep. Richard Vander Veen's office. It is also distressing to find that such obviously spurious information is taken seriously.

There are several elements in the two-page letter which should automatically raise doubts about its veracity. Nothing on the material identifies its source; that should be sufficient reason to discard any "fact" sheet. As proof of its allegations against the Child and Family Service Act, the letter quotes from the 1971 Congressional Record. The reference is not to the bill itself but to a speech by Sen. Carl Curtis of Nebraska who equated the legislation to a "Charter of Children's Rights."

The "charter" had been advocated, unsuccessfully, by two parties in Britain and bears no relationship to the particulars in the proposed U.S. legislation. The Congressional Record is a repository for any variety of outrageous claptrap deemed worthwhile by a member of Congress. In this case Sen. Curtis used his privilege not wisely, not responsibly, but well enough, apparently, to suit his purposes.

Finally, the purported "facts" contained in the flyer are so outlandish and totally out of character for the bill's two respected sponsors—Rep. John Brademas of Indiana and Sen. Walter Mondale of Minnesota—that they should be discounted out of hand.

Those who have gone on record as supporting the intent of the legislation include the Salvation Army, the National Conference of Catholic Charities, eight national Baptist organizations, the National PTA and a dozen or so organizations representing handicapped persons.

Still, the concept of expanding federal aid to poor families with pre-school children must be debated intelligently. That cannot be done, however, when certain opponents to the bill deliberately obfuscate the issue with a layer of lies and emotions.

Rep. Garry Brown of Schoolcraft opposes the legislation but nevertheless felt moved to inform his constituents that the flyers, like those distributed in Grand Rapids, contained "false and misleading information."

Rep. Vander Veen, who said he will not decide how to vote on the bill until he sees its final form, has called the discrediting material "a deliberate attempt to mislead the public."

The congressman is much too kind. The flyer is a gross form of public deception which threatens to make legitimate debate on an important issue impossible. And unfortunately, those well-meaning persons who have innocently caused its dissemination have not advanced the cause of good government.

[From the South Bend Tribune, Nov. 11, 1975]

Child and Family Services

Despite the scurrilous nature of certain charges directed against the Child and Family Services Bill, sponsored in the Senate by Sen. Walter Mondale, D-Minn., and in the House by Rep. John Brademas, D-South Bend, a question of whether the bill merits passage remains.

We have read the bill itself, in addition to a malicious unsigned flyer opposing it and other arguments pro and con.

We find no evidence that the bill would lead to the "sovietization" of the education of American children, whatever that might mean. On the contrary, the message explicitly makes provisions of the bill voluntary and provides for the participation of parents in its implementation.

Its authors clearly intend it as an attempt to strengthen the family while providing services not now available to parents and children in the lower end of the economic spectrum.

The measure would provide for health nutritional, educational and other services now available to some families but which many children who need them do not receive.

Day-care facilities, "other health, social, recreational and educational programs designed to meet the special needs of children and families," social services, prenatal and other services for expectant mothers, programs to help minority ethnic groups, food and nutritional services, help in countering medical and emotional disabilities—these are the sort of programs envisioned by the bill.

In common with much legislation intended to attack social problems, the cost would be high. The bill calls for initial appropriations of $158 million in the fiscal year ending June 30, 1976 and $200 million in the next fiscal year for "training, technical assistance, planning and such other activities" necessary to prepare for its implementation.

It further authorizes $500 million in the fiscal year ending Sept. 30, 1977 and $1 billion in the next fiscal year, subject to the appropriation for funds to carry out part A of the Headstart Follow Through Act. A portion of the funding would be on the state or local level.

Like most of the Great Society programs, including those which undeniably have worked successfully, the bill might in fact cost a great deal more than the preliminary figures indicate, once it was fully implemented.

How much of a burden to taxpayers it would become must be considered by Congress. The fiscal integrity of the United States is at stake, and new programs must be evaluated with that realization.

The Child and Family Services Bill contains some provisions that may be enacted in some form, eventually. Like national health, insurance, they may have to await a time when our economy is expanding healthily, inflation is in check and our federal deficit has been brought under control.

Anyone seeing a copy of the flyer attacking the bill as "the Soviet-style system of communal child rearing" ought to treat it as any unsigned hate propaganda deserves to be treated. That, however, does not automatically mean that the measure should be voted into law at this time.

[From the Ann Arbor News, Nov. 16, 1975]

Family Services Bills Being Misrepresented

One of the most time-consuming but worth-while tasks of a daily newspaper is seeking out the source of some of the irresponsible literature floating around and trying to mitigate its effects.

Recent letters to The News indicate that the Ann Arbor area is receiving some of the inflammatory leaflets that have circulated in other areas attacking House and Senate bills commonly known as child and family services legislation. In some places the leaflets have carried the title "Raising Children—Government's or Parent's Right?"

The following paragraph is an example of the material in the leaflet, allegedly taken from House bill 2966:

"As a matter of the child's rights, the governments shall exert controls over the family because we have recognized that the child is not the care of their parents but the care of the State. We recognize further that not parental, but communal forms of upbringing have an unquestionable superiority over all other forms. Furthermore, there is a serious question that maybe we cannot trust the family to prepare young children for this new kind of world which is emerging."

That, of course, does not appear in the legislation. It is quoted from the 1971 Congressional Record, which unfortunately gives an aura of legitimacy to some of the greatest nonsense to come out of Washington. Members of Congress can fill it with speeches delivered to empty halls or with views they believe will enhance their standing with constituents. The quotation above came not from the legislation but from a speech by Senator Carl Curtis of Nebraska who equated the legislation to a "Charter of Children's Rights," which had been advocated, unsuccessfully, by two parties in Britain.

How anyone could compare that "charter" with the child and family services legislation is a mystery. The legislation, vetoed in an earlier version by President Nixon because of the cost, was introduced by Rep. John Brademas of Indiana and Sen. Walter Mondale of Minnesota. The intent of the bills has been endorsed by such groups as the Salvation Army, the National Conference of Catholic Charities, the national PTA and eight national Baptist organizations.

The revised legislation would expand a number of family services now existing and extend day care services beyond the Headstart program, and a goal would be reduced infant mortality. The bills have been modified substantially to reduce costs. The voluntary nature of the program is emphasized throughout contrary to what is being said in the anonymous leaflets being circulated in opposition to the legislation.

Such legislation is always subject to debate, but the debate should be based on facts and not on misinformation circulated as a scare tactic. It is difficult enough to determine the truth and even to understand some of the legislation being proposed in Lansing and Washington. It is total irresponsibility to misrepresent it.

FEDERAL ESTATE TAX LEGISLATION

Mr. McGOVERN. Mr. President, on January 27, 1976, I introduced the Federal Estate and Alternative Land Valuation Act of 1976. Last year I received over 4,000 letters and petitions on this subject. President Ford both in his address to the American Farm Bureau Federation and later in his state of the Union message indicated his recognition that legislative update in this field is necessary and desirable.

The National Livestock Tax Committee, an organization whose membership includes representatives from most livestock raising and feeder organizations has for years conducted an effective lobby on this subject. Their most recent issue of Livestock Tax Fax endorses my proposal as well as editorials on January 30, 1976, from the Sioux Falls Argus Leader, entitled "Estate Tax Change Worth-While," the Rapid City Journal for February 3, 1976, entitled "Estate Tax Change Proposal Justified," and the February 3, 1976, edition of the Huron Daily Plainsman entitled "Estate Tax Relief."

I want to add this support to the steadily mounting clamor for changes in estate tax law and thus ask unanimous consent that the four documents referred to be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

President Ford Recognizes Federal Estate Problems of Stockmen; NLTC Board Supports McGovern Bill Proposing Solution to Problem

In recent major addresses, President Ford recognized the severe Federal Estate Tax problem faced by estates of farmers and ranchers in retaining the farm or ranch as a viable economic unit after paying the Federal Estate Tax. Proposed by President Ford as a solution to this problem was remedial legislation which would permit the estates of small farmers and ranchers to pay the Federal Estate Tax over a 25-year period, with no interest during the first 5 years and 4% interest for the next 20 years.

Viewing President Ford's recognition of this problem as significant and encouraging, the National Livestock Tax Committee (NLTC) Board of Directors at a special meeting concluded that the legislative solution proposed by the President would not solve the problem. The NLTC Board voiced its support for the principles contained in Senate

Bill 2875 which was recently introduced in the U.S. Senate by Senator George McGovern (D. SD.), and which was sponsored by Senators Hart (D. CO.), Abourezk (D. SD.), Leahy (D. VT.), Moss (D. UT.) and Stafford (R. VT.). While being similar to bills previously introduced in the Congress, S. 2875 provides a specific formula for valuing real property for Federal Estate Taxes.

Under the McGovern Bill, an executor of a stockman's estate could elect to have real property used in the deceased's farming or ranching operation valued for Federal Estate Taxes based upon its productivity. This would be accomplished by dividing the average gross cash rental (less state and local real estate taxes) for comparable land for the 3 years immediately preceding death by the average interest rate of all new Federal Land Bank loans for this same 3-year period. To qualify for this election, substantially all of the real property would have to have been devoted to farming or ranching for 60 months preceding the stockman's death. If the real property were disposed of (other than by involuntary transfers) within 5 years after the stockman's death, then a recapture would be imposed which would be the difference between the Federal Estate Tax based upon fair market value and the value determined by reference to its productivity.

A similar valuation approach is provided in the McGovern Bill for real property devoted to woodland (including land used for commercial production of trees and land and for recreational purposes) and to scenic openspace. Additionally, the McGovern Bill would, for *all* estates, increase the Federal Estate Tax exemption from $60,000 to $200,000 and amend the marital deduction provision to provide a minimum deduction of $100,000 on property passing to a surviving spouse.

You are each urged immediately to write or personally contact your Senators and Congressmen and ask them to support S. 2875. In this election year and with President Ford's recognition of the problem, now is the time to act in order for the industry to obtain needed remedial legislation.

Estate Tax Change Worth While

Congress will have an opportunity this year to take some steps that will help ensure the continuation of family ownership of a small farm or business.

President Gerald Ford in his state of the union message proposed changes that would stretch out the estate tax payment period so that federal estate taxes could be paid out of the income of the farm or business. No payment would be required for five years and 20 years would be allowed for full payment of estate taxes at a 4 per cent interest rate. Present law permits payment in 10 annual installments; interest charged is currently 9 per cent, but will go to 7 per cent Feb. 1.

South Dakota's United States senators, George McGovern and James Abourezk, plus some other senators, have introduced legislation to amend the Internal Revenue Code to raise the federal estate tax exemption on a decedent's estate from $60,000 to $200,000. The measure would require agricultural and range land to be appraised at its productive value rather than the present requirement of "fair market value."

McGovern said that the present $60,000 exemption has been in effect since 1942 and that in many instances land values have increased greatly. "Our aim," he said, "is to allow farm units to pass from one generation to the next without having them fractionated by confiscatory estate taxes. Indeed, in 1974, the Department of Agriculture concluded that one fourth of all farm real estate transactions were triggered in one way or another by the need to pay death taxes.

"Though the specific exemption is the major thrust of my bill, I am equally concerned with the method now employed in valuing land. Too often the market value of the land bears little resemblance to the productive or real value of the land. My bill provides a formula for land values to be established on a standard of what the inherent value is according to its ability to produce revenue rather than arbitrary values placed on land in accordance with its speculative development or artificial value induced by a number of factors that are essentially non-agricultural," McGovern said.

Hearings are scheduled later in the year by the Senate Finance Committee. What Ford and the senators seek would be helpful both to South Dakota farm and business families, and many Americans throughout the land. The appreciation of American farm and business values and the impact of inflation require changes to fit the times. Hopefully, they'll be accomplished by cooperation between the 94th Congress and the administration.

Estate Tax Change Proposal Justified

Recognition of and relief from the effects inflation has had on federal estate taxes is addressed in legislation sponsored by both South Dakota senators and several colleagues.

Senators George McGovern and James Abourezk are among co-sponsors of a bill that would increase the estate tax exemption, increase the marital deduction and provide an alternate method of valuing certain real property for estate tax purposes.

Primary justification for the proposal, and one we think is sound, is that inflation has made exemption levels set in 1942 no longer realistic.

When the basic exemption level of $60,000 was set 34 years ago, it was sufficient to exempt the estates of most average working Americans. But the increase in land values, in stock prices and in homes has caused what was a tax on the estates of the rich to become a tax on the estates of the middle class.

As a result, the average farmer and rancher, the small businessman, professional man and wage earner who have not had the foresight, inclination or means to employ legal talent to take advantage of estate shelters is paying a disproportionate share of estate tax revenue.

The $60,000 exemption has become so obsolete that the estate tax, in the words of Sen. Abourezk, "has become a confiscatory tax that greatly interferes with the orderly transfer of a farm or ranch, a home or small business to a new generation."

The new bill (S. 2875) raises the exemption from $60,000 to $200,000.

The legislation also proposes to do something about the discriminatory "widow's tax" by putting a floor of $100,000 under the marital deduction provided in the present Internal Revenue law. Such a floor would recognize the contribution made by farm and ranch wives to the building of an estate through the work they do alongside their husbands.

The third phase of the legislation would require that real estate which for five years preceding death of the owner has been devoted to farming (including raising of livestock), wood land or scenic open space may be valued on its basic productivity rather than on market value. This aspect of the bill addresses the situation in which land prices are inflated by the market or by speculators.

President Ford has proposed a change in estate tax laws. His proposal would allow the payment period to be stretched out. No payment would be required for five years and 20 years would be allowed for full payment at a four per cent interest rate.

The Ford proposal, however, does not take into account what inflation has done to the dollar and would still make estates of up to $60,000 liable for the tax. This is a severe penalty for the small businessman or individual who has worked hard and been prudent enough to accumulate what, in this day and age, is not a large amount to pass on to his heirs.

Estate Tax Relief

South Dakota Sen. George McGovern, joined by Sen. James Abourezk and four others, has proposed a law that would amend the Internal Revenue Code to increase the exemption for the federal estate tax, increase the state tax marital deduction, and provide an alternate method of valuing certain real property for tax purposes.

In 1942 Congress established that adjusted gross estates of $60,000 or more would be subject to federal estate taxes. The total value has remained the same since that date. McGovern's bill would raise that value to $200,000, a figure calculated to make up for the inflation (or decrease in value of the dollar) since 1942.

Another section of the bill would place a floor on the marital deduction of $100,000. Still another section would provide an alternate formula for valuation of farm real estate.

Combined, the three sections of the bill are designed to protect the family farmer, or the small businessman from the necessity of having to sell the property at the death of the owner in order to pay estate taxes.

The bill is predicated upon the theory that rich property owners with the best legal talent can, and have, solved most of their estate problems through such devices as trusts, inter vivos gifts, or other sophisticated maneuvers, while the average farmer, small businessman, professional or wage earner with a home and prudent investments is now bearing the brunt of inheritance taxes.

In view of the inflation rate since 1942, the $200,000 base for taxing estates and the $100,000 floor for the marital deduction would merely bring these figures up to date, a move which could be considered a helpful one in preserving family ownership of farms and small businesses.

FTC ISSUES PROPOSED EYEGLASS PRICE ADVERTISING RULE TO CUT COSTS TO CONSUMERS

Mr. PERCY. Mr. President, I am gratified to report that the Federal Trade Commission recently announced a significant new proposed trade regulation that, if adopted, could result in better and less expensive eye care for millions of Americans. By a unanimous vote, the Commission moved to preempt State laws and professional trade regulations that restrict price advertising of prescription eyeglasses.

Back on September 4, 1975, I asked the then-FTC Chairman, Lewis A. Engman, to issue just such a rule. I am gratified that, upon investigation and deliberation, the Commission decided to follow that course. The American public—especially the millions of citizens who cannot now afford eyeglasses—should commend the FTC for its timely action, which was handled with dispatch and urgency.

For the next 5 months, the Commission will be reviewing comments from the industry and the public on the proposed regulation. During the summer, hearings will be held in several major cities, before the agency issues a final order.

I might add that I remain firmly convinced that the proposed rule should be adopted. Government has no right to impose restraints that artificially inflate, by some 25–40 percent, the price of an important health device such as prescription lenses. These State laws and professional restraints simply increase costs and have little redeeming social or health value.

I was pleasantly surprised when I learned that on January 20, 1976, the FTC announced additionally that it will also investigate commercial restrictions in the prescription eyeglass industry that may be increasing costs. These restrictions, which include State laws precluding optometrists from practicing in discount houses, appear to be contrary to the public interest.

I would like to express my thanks to FTC's Bureau of Consumer Protection. In particular, I would like to commend Robert G. Badal, the FTC attorney in charge of the ophthalmic advertising investigation. Mr. Badal, a bright, socially committed lawyer, has shared much of his knowledge of this problem with our staff and provided new insights. He is an example of the unsung movers and shakers in our Government, who rarely receive the public attention—and the gratitude—they merit.

My position on price advertising of ophthalmic goods was based in part on the scholarly studies of Prof. Lee Benham of Washington University in St. Louis. He graphically showed that State restraints on eyeglass price advertising increased prices to consumers by 25 to 40 percent. Professor Benham's research was challenged by Mr. Farrell Aron, a statistician employed by the American Optometric Association. Both Mr. Aron's critique and rebuttal to it by Professor Benham were published in the American Optometric Association News. The AOA News also published a comprehensive interview with Professor Benham that sheds new light on this topic.

AOA's publication of the Benham interview is typical of its straightforward and objective handling of the entire price advertising controversy. This organization should be commended for presenting both sides of an issue so vital to its membership.

Also on this subject, Walter Johns, Jr., a reporter for the Cleveland Press, has written an impressive series of finely researched and well-documented articles on eyeglass price advertising restraints in Metropolitan Cleveland. These articles merit widespread attention.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point, the announcement of the Federal Trade Commission proposed trade regulation rule and investigation, the Cleveland Press articles and material from the AOA News mentioned previously.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ADVERTISING OF OPHTHALMIC GOODS AND SERVICES

(Excerpts from a staff report to the Federal Trade Commission and Proposed Trade Regulation Rule, Division of Special Projects, Bureau of Consumer Protection, January, 1976)

INTRODUCTION

Pursuant to the direction of the Commission on September 16, 1975, the staff of the Bureau of Consumer Protection initiated an investigation into the adequacy of information disclosure, including price information, related to the sale of prescription eyeglasses.

In the course of its investigation, the staff made a comprehensive survey of all the state occupational licensing laws, rules and regulations, and private associational codes of practice governing those practitioners who dispense prescription eyeglasses. On the basis of this research, staff has concluded that the net effect of the various state and private restrictions is to proscribe price advertising by ophthalmologists and optometrists in all 50 states, and by opticians in 24 states.

The staff also solicited information and views from various interested parties: members of the industry, state occupational licensing boards, state and national professional associations, and consumer groups. Copies of the inquiries directed to each group are attached as Appendix A.

The staff requested price information from the major manufacturers, wholesalers and retailers of prescription eyeglasses. As Section III below will show, this price information appears to be consistent with the theory of price dispersion, which says that when the market lacks adequate information, the prices for relatively homogenous items will be characterized by wide variations between high and low prices with no clear tendency for prices to cluster around an average price. In other words, at both the manufacturing and wholesaling levels where price lists are published and freely available among members of the trade, prices among companies for prescription eyeglasses and eyeglass components were relatively comparable. Only at the retail level, where various restraints are placed on advertising price information to the ultimate consumers, do prices exhibit wide disparities.

Providers and sellers of prescription eyeglasses (particularly optometrists) have sought to justify the imposition of advertising restrictions on the basis of protecting the public's health, safety and welfare. The industry argues that price advertising of prescription eyeglasses will cause a deterioration in quality of both the services and goods provided, since sellers of prescription eyeglasses will be forced to cut corners in an effort to be price competitive.

Staff has examined this rationale in depth and has concluded, first, that the evidence currently available to staff does not support the claim that advertising leads to deteriorations in quality; and second, that even if there can be shown to be an important state interest in protecting the public from these purported dangers, advertising bans do not constitute a means that is vitally related to the pursuit of this end.

On the basis of the considerable information that staff has collected during the course of its investigation, it has concluded, that:

(1) existing state laws, rules and regulations, and associational codes restrict the amount of information available to the consumer concerning the cost and availability of prescription eyeglasses;

(2) information pertaining to the cost and availability of prescription eyeglasses is material information which would, if available, enable consumers to make purchase decisions in a more rational manner;

(3) the inadequacy of information pertaining to the cost and availability of prescription eyeglasses prevents the operation of desirable competition in the prescription eyeglasses market, thus causing prices for prescription eyeglasses to be maintained at artificially high levels;

(4) as a direct result of these artificially high prices for prescription eyeglasses, not only do consumers spend substantially more each year than they would spend if adequate information existed, but also low-income consumers and consumers living on fixed incomes may be prevented from purchasing a necessary commodity;

(5) unless consumers are provided with copies of their prescriptions for corrective lenses so as to enable them to purchase prescription eyeglasses from the seller or provider of their choice, they will be unable to make adequate use of the increased availability of information pertaining to the cost and availability of prescription eye-glasses; and

(6) there are no adequate justifications or countervailing state interests to support the continued restriction of information pertaining to prescription eyeglasses.

On the basis of these findings, the staff has reason to believe that providers of eye care goods and services are severely limiting the dissemination of material information pertaining to the sale of such goods and services, and are thus engaged in unfair methods of competition and unfair acts or practices in or affecting commerce in violation of Section 5 of the Federal Trade Commission Act.

The staff therefore recommended that the Commission propose the Trade Regulation Rule set forth at Section VI of this Report to eliminate the substantial harm to consumers caused by such limitations on information material to consumers in making their purchase decisions. The proposed Rule would eliminate restraints placed on the dissemination of information, imposed by states and private associations, and would allow providers of ophthalmic goods and services to advertise if they so choose.

The following Report will discuss in detail the composition and functions of the various members of the industry and the consumers affected at Section I; the state laws, rules and regulations, and association codes that restrict the dissemination of material information at Section II; the economic theory of price dispersion and the social and economic effects of such restrictions at Section III; the public health, safety, and welfare rationales proffered in support of these restrictions together with the staff's reasons for finding them unpersuasive at Section IV; and finally the § 5 unfairness theory upon which the staff is proceeding in recommending the proposed Trade Regulation Rule at Section V.

III. THE ECONOMIC EFFECTS OF STATE PROFESSIONAL REGULATION

The various restrictions on advertising described previously have been rationalized in a number of ways. A detailed discussion of the merits of those justifications will be postponed to Section IV below. At this point, it is necessary to determine whether state and associational policies which restrict the dissemination of information have a detrimental effect on the market in eyeglasses. Whether remedial action by the Commission is warranted turns upon a showing that this impact is sufficiently serious and comprehensive to require federal attention.

As in the area of prescription drugs, the staff believes that there are two reliable indices which serve to suggest whether important information is available to consumers in making a purchase decision: (1) price dispersion and (2) price differentials between restrictive and nonrestrictive jurisdictions.[104] As discussed below, from the data presently available to the staff, it appears that both factors are present in the prescription eyeglass field and that losses to consumers have been and continue to be substantial.

In the discussion that follows, the staff will briefly outline the economic theory of price dispersion: that the absence of material information, particularly price information, causes prices for homogenous items to vary widely. The validity of this theory has been borne out by various studies and surveys which have focused on eyeglasses as an example of a market wherein the amount of information made available to consumers directly correlates to the prices consumers pay. Finally, from price information collected and compiled by the staff for frames, lenses and eyeglass accessories at each level in the chain of distribution, the staff will demonstrate that at both the manufacturing and wholesaling level prices remain comparable nationwide, while only at the retailing level do wide disparities in price appear.

A. The theory of price dispersion

The economic theory of price dispersion addresses itself in part to the impact of inadequate price information on the market. In brief, the theory is that when the market lacks adequate price information, the prices for relatively homogenous items will be characterized by wide variations between high and low prices with no clear tendency for prices to cluster around an average price. Professor George Stigler has postulated that price dispersion is both a manifestation as well as a measure of ignorance in the market. According to Stigler, while differences in composition, quality, or service account for some of the dispersion, such differences cannot justify pervasive dispersion across a whole price spectrum.[105]

Moreover, studies have shown that readily available price information is instrumental in eliminating widely fluctuating price differentials.[106] These studies bear out Stigler's theory that the availability of price information lowers search costs for consumers:

> Price advertising has a decisive influence on the dispersion of prices. Search now becomes extremely economical, and the question arises why, in the absence of differences in quality of products, the dispersion does not vanish. And the answer is simply that, if prices are advertised by a large portion of the sellers, the price differences diminish sharply. That they do not wholly vanish (in a given market) is due simply to the fact that no combination of advertising media reaches all potential buyers within the available time.
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> The effect of advertising prices, then, is equivalent to that of the introduction of a very large amount of search by a large portion of the potential buyers. It follows from our discussion . . . that the dispersion of asking prices will be much reduced.[107]

When price information is available, both the mean and the dispersion of prices paid generally decrease because purchasers are better able to ascertain the lowest-price seller that meets their needs.[108] By increasing the amount of price information available, not only will search costs decrease, but sellers will be forced to become more price conscious and price competitive.

A prime illustration of the effect of the absence of price information on price dispersion is a survey of eyeglass prices in three California cities—Los Angeles, Oakland, and Sacramento—conducted in early 1975 by the California Citizen Action Group (CCAG).[109] In each city the group asked opticians and optometrists for the price of their median-priced eyeglasses, with prices for the frames and the lenses stated separately. California law provides:

> No person, whether or not licensed under this division, shall advertise or cause or permit to be advertised, any representations in any form which in many manner, whether directly or indirectly, refer to the cost, price, charge, or fee to be paid for any commodity or commodities furnished or any service or services performed by any person licensed as a physician and surgeon, optometrist, pharmacist, or registered dispensing optician, when those commodities or services are furnished in connection with the professional practice or business for which he is licensed.[110]

A summary of the results of CCAG's survey appears in Table B below:

TABLE B.—PRICE DISPERSION—LOS ANGELES, SACRAMENTO, OAKLAND

	Frames		Lenses				
			Single vision		Bi-Focal		
	Plastic	Metal	Glass	Plastic	Glass	Plastic	Contacts
Los Angeles:							
High price	40.00	70.00	37.50	37.50	58.35	74.00	250
Low price	12.00	15.00	18.00	18.00	23.00	17.50	115
Sacramento:							
High price	18.50	30.00	30.50	33.50	45.00	54.00	225
Low price	7.00	15.00	15.00	20.00	20.00	25.00	70
Oakland:							
High price	25.00	33.00	40.00	NA	48.00	NA	250
Low price	10.00	27.50	21.50	NA	24.50	NA	145

In terms of price dispersion the results were revealing. The data tend to demonstrate that radical disparities in price exist. The prices of corrective lenses within each city failed to follow any set pattern and showed no tendency to cluster around a competitive or average price figure. After reviewing the result, CCAG concluded:

"[This] study demonstrates a wide range of prices charged for prescription eyeglasses. Does the consumer know this? If the consumer took the trouble to call or visit a number of eyeglass vendors, and were able to get the information, he or she might discover the wide disparity in prices. But the consumer will not find these prices advertised anywhere, there is no source of ready information. The consumer must dig it out for him/herself.

". . . This is a huge obstacle to consumers being able to purchase eyeglasses at reasonable, competitive prices.[111]

As reflected in these findings, the absence of price information imposes serious search costs upon eyeglass purchasers. These costs seem sufficiently great to preclude widespread price shopping by consumers. This, in turn, reinforces the maintenance of higher than competitive price structures.

B. Price differentials by type of state

In addition to ascertaining whether price dispersions within a particular city or state exist, price comparisons across jurisdictional boundaries also serve as a significant index of the impact of advertising restrictions on prices. In this regard, Professor Lee Benham of Washington University has conducted two studies to analyze the effect of informational restraints on the costs of eyeglasses[112]

In his first study, Benham compared prices in those states which had complete advertising restrictions with those in states which had no restrictions. States were classified as allowing advertising if any group of sellers was permitted to advertise. Benham found that the mean price for eyeglasses in states with constraints on advertising was $33.04 while the mean price in states were advertising by opticians was permitted was $26.34, a difference of $6.70 or 25 percent. When the most restrictive and least restrictive states are compared, the mean prices were $37.48 and $17.98 respectively, a difference of $19.50 or 100 percent.[113] By use of regression analysis, Benham demonstrated a positive correlation between the differences in prices and the presence or absence of price advertising.[114]

In a second study, Benham and his co-researcher, Alexandra Benham, attempted to investigate the argument that more stringent professional control leads to restraints on the usual flow of information in commercial channels, thereby decreasing competition and increasing prices. This study was spurred by the recognition in his initial study that advertising restrictions were only a consequence of more pervasive efforts by optometrists to achieve professionalism.[115] The study therefore sought to determine the effects of "professionalism" itself on the various prices for eyeglasses and optical services. This second study categorized states according to three indices of professional control:

(a) the proportion of licensed optometrists who were members of the American Optometric Association;

(b) the difficulty for commercial firms to enter the eyeglass market in a given state; and

(c) the number of individuals who obtained their eyeglasses from commercial sources other than optometrists or physicians.[116]

After taking into account various other factors that influence both the price and frequency of consumption of eyeglasses, the Benhams concluded that all the indicies of professional control are strongly associated with the prices paid for eyeglasses. Thus:

1. Prices increase at nearly one half the rate at which membership in the American Optometric Association (AOA) increases. As the proportion of optometrists in the AOA increases from 43 percent to 91 percent, eyeglass prices increase approximately $12.00.

2. Individuals living in states with greater professional control pay 25 percent to 40 percent more for eyeglasses. Prices are on the average $8.46 lower in states classified as non-restrictive, while prices in states classified as "other" (neither restrictive nor non-restrictive) appear to lie in between.

3. The mean price of eyeglasses increases by $11.71 as the proportion of eyeglasses purchased from commercial firms decreases from 79 percent to 0 percent.

4. The proportion of individuals obtaining eyeglasses is directly related to the price of glasses. As prices increased in the restrictive states, the percentage of people buying glasses declined anywhere from 35% to 17%. In states with a lower level of AOA membership, per capita expenditures were 3% lower while 36% more of the population obtained eyeglasses. When multiple purchases of eyeglasses are taken into account, there is a 7% greater expenditure per capita while 50% more eyeglasses are obtained than in states with high proportion of AOA membership.

5. The mean price paid for eyeglasses increases for each category of supplier (physician, optometrist or commercial outlet) as the level of professional control increases.

Footnotes at end of article.

Comparisons of states with low and high AOA membership levels shows that mean prices paid for eyeglasses obtained from physicians are 20% higher, while increases for optometrists are 42% higher and increases for commercial firms are 41% higher than in states with low levels of professional control.[117]

Benham's findings that price differentials exist across jurisdictional lines are corroborated by other data available to the staff. In a 1971 survey, the Department of Labor gathered data on the average retail prices for selected commodities in 39 major metropolitan areas.[118] The Department's report on optometric services exhibited a wide fluctuation for the price of such services from city to city, ranging from $30.57 in New York City to $59.17 in Austin, Texas.[119]

Moreover, the data seem to reflect a relationship between the price of the services and restrictive state laws. For example, in California, where price advertising restraints exist, the average retail price for optometric services was $52.00, $59.17, $48.40, and $56.50 for Bakersfield, Los Angeles, San Diego, and San Francisco respectively. On the other hand, in New York, where certain types of restrictive regulations had been declared to be beyond the State Education Board's authority,[120] prices averaged $38.86 and $30.57 for Buffalo and New York City respectively. This wide disparity in prices is particularly difficult to understand in light of the fact that the cost of other commodities was consistently higher in the New York cities than in the California cities for the same period of time.[121]

In addition, the Federal Trade Commission's Dallas Regional Office conducted its own survey of retail prices of eyeglasses in three states: Texas, Oklahoma and Louisiana. (See Appendix B for a report on the Dallas survey by Bureau of Economics.) The Dallas Regional Office survey sampled 20 suppliers of eyeglasses from each source—ophthalmologists, optometrists and opticians—in the three largest cities in each state. Although the data in some instances are incomplete, the results appear to corroborate Benham's findings of a positive correlation between the price of eyeglasses and restrictive state laws. Thus, the price of eyeglasses in Texas, where advertising by opticians is permitted, is significantly lower than in Oklahoma and in Louisiana, where advertising is restricted. (See Table C)

TABLE C.—AVERAGE COST OF EYEGLASSES AND STANDARD DEVIATION

Texas	$38.93	$7.48	(n=30)
Oklahoma	41.21	7.59	(n=57)
Louisiana	43.07	8.29	(n=57)

n=Number of respondents.

These studies and surveys graphically illustrate the wide disparities in prices for eyeglasses. Furthermore, the data support the premise that these price variations are, to a large degree, attributable to the various restrictions and prohibitions on the dissemination of material information, particularly price information, in the market. Staff will demonstrate below, based on price information it has collected and compiled for corrective lenses and frames, that at the manufacturing and wholesaling levels where price information is readily available, prices remain comparable nationwide. Only at the retail level, where price information is restricted, do wide disparities appear.

C. Comparison of manufacturers', wholesalers' and retailers' prices

In the course of its investigation staff solicited and obtained price information from large optical manufacturers, processing laboratories, and retailers. As indicated previously, a large portion of all lens blanks are produced by a small number of manufacturers. Moreover, a major share of all grinding, cutting, and polishing functions are performed at the wholesale level by laboratory outlets irrespective of whether they are affiliated with the manufacturing or retailing firms or independently owned.

The data staff obtained are embodied in the Tables D, E, and F below. Because of the large number of product and prescription variables contained in the manufacturers' price catalogues, we have limited the figures in the tables to a few typical lens selections. Table D indicates the prices charged by manufacturers to wholesale laboratories. In particular we have utilized the following variables in constructing Table D:

1. Single vision spheres—this column includes prices for lenses which the manufacturer has pre-ground to meet the needs of a typical prescription. The range utilized for this comparison was 4.25 to 6.00 spheres. The actual lenses are available in gradations of .25 diopters within his range (i.e. 4.25, 4.50, 4.75 etc.)

2. Compound single vision—the second column refers to compound single vision lenses. (i.e. those that have both spherical and cylindrical dimensions in order to provide the appropriate vision correction). For purposes of comparison, a sphero-cylinder prescription range of 4.25 to 6.00 spheres and 0.25 to 2.00 cylinders was utilized.

3. Semi-finished spheres—this column contains the manufacturers' price charged for uncut glass lens blanks, 2.2 mm. thick, and 60 x 62 mm. or 63 mm. round if no price was listed for the former, which the manufacturer has processed to the extent of grinding a base curve. The base curve utilized for price comparisons was 4.25. The blank is generally shipped to laboratories for further processing.

4. Bifocals—the fourth column contains data on bifocals. For this category we have collected prices on semi-finished straight-top, 22mm. segment.

All figures referred to above are for a pair of glass lenses. Each lens is uncut. Moreover, we should note that the prices listed are the manufacturers' price for purchases of 75 or more lens pairs per customer.

As with the manufacturers' prices, Table E details wholesale laboratory prices for three typical prescription specifications—single-vision, compound single-vision, and bifocals. The prices listed are for pairs of glass lenses for which the laboratory has already provided edging or assembling. Edging refers to the process whereby the laboratory grinds the lenses into the shape and size appropriate for the frames selected by the consumer. Assembling is the process of placing the edged lenses into the frames.

Tables D and E suggest that manufacturers' and wholesalers' prices tend to cluster around an average price. For example, the manufacturers' listed prices for a pair of single-vision glass lenses in the 4.25 to 6.00 spherical range averaged $2.22. Indeed, four of the manufacturers' prices in that prescription category are $2.30, $2.26, $2.35 and $2.30 respectively.

At the wholesale level laboratories often utilize different price lists for different areas of the country. For example, Walman Optical Company has three different price lists broken down by groups of States.[122] While the prices at the wholesale level are not as uniform as those at the manufacturing level, Table E does indicate a remarkable degree of price consistency.

The data contained in Tables D and E are important to the Commission's investigation for two reasons. First, the data seems to confirm the hypothesis that when price information is readily available to prospective purchasers, the degree of price dispersion is confined. Both manufacturers' and wholesale laboratories' price catalogues are freely available to their customers. Accordingly, the search costs of such purchasers are significantly reduced. The result of this ready availability of information appears to be a reduction in the amount of dispersion among prices at these levels of distribution.

Second, the data indicate that vast quantities of lenses are provided by manufacturers and distributed to wholesale markets at uniform prices. While the degree of uniformity is not as great at the wholesale to retail level, there is also an absence of wide disparities at this level. This would appear to indicate that while retailers are free to purchase the basic materials for the fabrication of eyeglasses at uniform prices, this uniformity in price is not reflected in the cost to the prospective purchasers of corrective lenses.

Indeed, in striking contrast to the price uniformity seen at the manufacturing and wholesaling levels, the retail price data contained in Table F show substantial price dispersions across corporate and regional lines. Using the same sample lens types as for the manufacturer and wholesaler surveys, the retail prices exhibit broad price disparities within each lens category. The price lists submitted by nine retail companies show that prices for the sample single-vision lens pair range from $14.00 to $32.50; for the compound lens from $16.95 to $32.50; and for the bifocal from $20.00 to $59.50. In addition to the large differences between the lowest and highest prices, the prices along the entire spectrum are widely dispersed; they exhibit no tendency to cluster around a typical price.

The marked price dispersions at the retail level are significant partly because they bear out the conclusions drawn in part B of this section about the relationship of the California and Dallas surveys to price dispersion theory. Further, the presumed relationship between the unrestrained flow of price information and the price uniformity at the manufacturing and wholesaling levels indicates that the lack of price information at the retailing level partially accounts for its widely disparate pricing policies. Cole National Corporation, a major retailer which owns the optical concessions of the Sears, Roebuck and Montgomery Ward stores, explained in its submission that the steeply higher prices charged in its California outlets as compared with those in other markets (see Table F) are based on the strong inhibitions placed on the flow of price information and on other business practices in that state:

"Our justification for charging higher prices in this market is based upon the several anticompetitive and anti-consumer statutes, rules and regulations (*e.g.*, restrictions on: advertising, employment of optometrists, legal action against Cole by the Board of Optometry, etc.) which prohibit Cole from operating in its normal and customary manner with a resultant higher cost of doing business in that jurisdiction." [123]

Although the retail price data which staff has compiled to date are too sparsely and randomly distributed to draw meaningful correlations between regional price differences and statutory restraints, it seems clear that the observed price disparities can be partially accounted for by restraints on advertising as well as restraints on other components of an open, competitive market.

The retail prices compiled are significant not only because they show market differences from company to company and state to state, but also because their variance contrasts with the relatively homogenous price levels of the manufacturers and wholesale laboratories. The claim that widely disparate pricing policies at the retail level are necessitated by similar price dispersions among suppliers [124] is not supported by the data presented in Tables, D, E, and F. Indeed, those data indicate that retailers throughout the country are buying their lenses from a limited number of suppliers at remarkably

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Footnotes at end of article.

uniform prices, and then are selling them to the ultimate consumer at a wide range of prices which seem to bear little relationship to the cost of materials. The submission of one large optical retailer summarized the current pricing situation as follows:

"Generally sellers of eyeglasses in this country purchase lenses from five or six major manufacturers and frames from a much larger number of suppliers. Today, prices charged for comparable merchandise varies significantly from state to state and outlet to outlet. Our feeling is that the same type of merchandise would continue to be sold [if price advertising were allowed] but at a more similar price structure." [125]

Prices for eyeglass frames sold at retail cannot be compared as readily as those for lenses, since the universe of frame styles is so much larger than that of lens types. Frames prices were not included in Table F since each retailer who submitted price lists offered a different selection of frames from different manufacturers. That the gap between the wholesale and retail prices of frames is similar to that for lens prices, however, is illustrated by the retail price lists submitted by one company which includes its wholesale cost for each frame (see excerpts at Appendix D). Further, retailers throughout the country consult the same frame catalogue [126] containing all of the frames made by the major domestic and foreign manufacturers, with a single price list applicable in all geographic areas.[127]

Thus, staff concludes on the basis of the price data obtained for the various distribution levels described above that : (1) the lack of price dispersion among manufacturers and wholesalers is not reflected at the retail level; and (2) availability of information and price dispersions are significantly related so that where such information is readily available (as among the manufacturers and wholesalers), price dispersions are minimal, and where such information is restricted (as between retailers and consumers), dispersions are significant. It is the staff's view that if adequate information were available at the retail level, dispensers would have greater competitive incentives to sell eyeglasses at prices which bear a reasonable relationship to their costs at wholesale. Manufacturers and wholesalers clearly are capable of providing lenses and frames at prices that would allow for substantial savings to consumers, even allowing for healthy retail profit margins. However, it is the staff's view that most retailers are not currently subjected to sufficient competitive pressures to pass those savings on to consumers. The social and economic impacts of this absence of price competition will be examined below.

d. Social and economic costs

These various studies and surveys provide ample evidence that prices for eyeglasses are widely disparate. Moreover, the evidence supports the theory that price differentials are in large part attributable to restraints on the dissemination of material information to consumers. The social and economic impact of these restrictions can be staggering. The Social Security Administration has estimated that approximately $1.83 billion was spent in 1974 on eyeglass purchases.[128] Assuming that half of this (a conservative estimate) was spent in states with restrictions on advertising ($915 million), consumers paid approximately $192 million to $457 million more due to advertising restrictions.[129]

As large as this monetary loss may be, it does not adequately reflect other kinds of economic and social losses that advertising prohibitions have on both purchasers and purveyors of eyeglasses. These social losses can be viewed in a variety of ways.

First, as Benham's study indicated, the present set of professional restrictions, including price advertising restraints, has resulted in higher prices in those states with greater degrees of professional control.[130]

In addition, Benham found that higher prices in the restrictive states resulted in a gradual decline in the number of eyeglasses purchased. This decline in consumption varied between 35% and 17% depending on the size of the price differentials.[131] These findings are corroborated by data from the National Center for Health Statistics which demonstrate that adults with higher socioeconomic status were more likely to have spectacles and to have appropriate spectacles than those of lower socioeconomic status.[132]

Second, in addition to the effect that advertising restrictions have on the prices and on the frequency of consumption of low-income families, the effect on persons on fixed incomes must also be considered. As discussed above, 93% of persons over 65 years old purchase eyeglasses.[123] The concern of retired persons about the prices they must pay for eyeglasses has been expressed to the staff in several letters from consumers. Typical of these concerns is the following:

"I had a firm fill a prescription for glasses that were made up in Dallas. The glasses cost me $49.00. In February, I had the same prescription filled in Okla[homa] City and the glasses costs [sic] $80.55. I am a retired teacher of five years. The doctor who prescribed my lenses said my prescription was the same as it was when the Texas Optical Company made glasses for me, so something certainly needs to be done." [134]

By way of justifying these costs, many argue that higher prices are the result of greater professional services being rendered in a given state (*i.e.*, there are more licensed optometrists as opposed to opticians and other practitioners). This greater professionalism is expressed in higher prices. However, Benham found that for each category of suppliers (optometrists, ophthalmologists, and commercial firms), prices were higher in restrictive than in non-restrictive states.[135] In other words, high quality professional work is less expensive when price advertising is permitted than when it is restrained.

Finally, another social cost that must be considered is the generation of inefficiencies within the market itself. In a 1974 study of the optometric profession, Douglas Coate found, in part, that optometrists failed to utilize optometric aides despite the obvious savings and increases in efficiency to be derived from such use.[136] While Coate's findings did not relate directly to state or private prohibitions and restraints, they do tend to demonstrate the absence of competitive stimulus, particularly from commercial retail outlets. It is the staff's view that many of the restrictions and prohibitions under discussion here have fostered such market inefficiencies by immunizing providers and sellers of eye care services from the natural forces of market competition.

In summary, the data indicate that radical dispersions in the prices of eyeglasses at the retail level often result from advertising restrictions imposed by state law or private associational controls. These restrictions on the dissemination of information with regard to the purchase of eyeglasses result in substantial consumer losses as reflected not only by higher prices and lower consumption of a necessary commodity harming low-income and fixed-income groups in particular but also by generating market inefficiencies. It is the staff's view that these costs and losses are not offset by any countervailing state interests to consumers. The public health, safety and welfare rationales offered to justify these high costs and losses are discussed in Section IV below.

IV. PUBLIC HEALTH, SAFETY AND WELFARE JUSTIFICATIONS FOR ADVERTISING RESTRICTIONS

In order to justify the imposition of advertising restrictions in the face of the previously discussed economic and social costs, the states and professional associations have advanced a series of arguments. It is our belief that none of the contentions presently offered by proponents of the restrictions, either singly or collectively, constitutes a persuasive reason for the Commission to stay its hand. In each case, we feel that either the state's interest is inferior to national public policy concerns or the state has selected a means that is not vitally related to the pursuit of a legitimate end.

A. False, deceptive or unfair business practices

State boards and trade association representatives often claim that unrestricted advertising, particularly price advertising, will encourage unscrupulous practitioners to engage in unfair advertising campaigns that may in turn encourage other false and deceptive practices. To this end, advertising prohibitions have been defended as reasonable exercises of the states' police power to protect an unwary public from the adverse effects of advertising on the quality of eye care. Typical of such claims is one made by the North Carolina State Board of Opticians:

". . . those people, firms, or corporations that advertise a low or cheap price as bait and switch to a higher price by 'scare' methods or deliver goods that are almost worthless at the low advertised price can exist only where and when they can advertise very low prices. Their survival depends upon that procedure and that procedure is the very thing this Board believes that the Legislature of North Carolina intended it to correct to protect the citizens of North Carolina from such exploitation." [137]

Courts have, by and large, agreed with the state boards in support of restrictive statutes, as the following indicates:

"The courts of the states have had occasion to consider the validity of statutes regulating the advertising by retail dealers of eyeglasses. In some of the cases the courts have concluded that such regulation was reasonable and proper and constitutional [citations omitted] . . . We are in accord with the views of those upholding such statutes. These courts have decided that the statutes are a reasonable exercise of the police power because they prevent 'bait advertising' which attracts the unwary to purchase inferior glasses; eliminate the temptations to, and the pressure upon, customers that result from the assurance that no more than a named price will be charged; protect an uncautious and unwary public from being misled and deceived, . . ." [138]

To the extent that this contention is aimed at false and deceptive advertising techniques, bait and switch schemes, and attendant practices, our response must be that existing state and federal laws are available to defeat such schemes.[139] Indeed, such laws have been effectively utilized in dealing with the abuse of deception and bait and switch. A prime example is *Tashof* v. *FTC*,[140] where the New York Jewelry Company was found to have engaged in such practices. In finding against New York Jewelry Company, the court said:

"The evidence showed that NYJC advertised eyeglasses 'from $7.50 complete,' including 'lenses, frames and case.' The newspaper advertisements, but not the radio advertisements mentioned a 'moderate examiing fee.' During this period, NYJC offered free eye examinations by a sign posted in its store, and through cards it mailed out and distributed on the street. NYJC claimed that it offered $7.50 eyeglasses only to persons with their own prescriptions. But we have no doubt that the record amply supports the Commission's finding that the advertising campaign taken as a whole offered complete eyeglass service for $7.50.

"That much shows 'bait.' There was no direct evidence of 'switch'—no direct evidence, that is, that NYJC disparaged or discouraged the purchase of the $7.50 eyeglasses, or that

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the glasses were unavailable on demand, or unsuited for their purpose. The evidence on which the Commission rested its finding was a stipulation that out of 1,400 pairs of eyeglasses sold each year by NYJC, less than 10 were sold for $7.50 with or without a prescription. NYJC claims that this evidence does not support the finding. We disagree." [141]

We are unwilling to assume that merely permitting advertising of ophthalmic goods and services will lead to, if not encourage, a massive infusion of fraudulent, deceptive, and bait and switch techniques. Indeed, even in states where price advertising is permitted, the staff has seen no evidence to suggest that deception and bait and switch techniques are particularly prevalent. Existing unfair trade practice legislation seems more than adequate to cope with the instances where such techniques arise.

In addition, the deceptive advertising argument fails to draw any direct link between the disclosure of prices and the hypothesized deceptions. Assuming that the advertiser is in fact willing and able to offer the product at the price advertised, the availability of price information can only serve to make the public less vulnerable when making its purchase decisions. The staff is unwilling, based on information currently available to us, to take the position that consumers are so uniformly vulnerable that relevant information must be withheld, rather than provided to them. Staff is also unwilling to take the position that the increased benefits to consumers that would flow from the increased availability of information are outweighed by the somewhat speculative fears that widespread fraud and deception will result without the existing advertising restrictions.

Trade associations often go beyond the claim that advertising inherently breeds deception, and contend that increased advertising will produce another evil. In this case, the associations argue that rugged price competition favors large discount retailers whose economies of scale and advertising budgets will enable them to slowly drive the small community optician out of business. This would, they contend, leave the large discounters with control of the market and would place consumers at the mercy of these firms in terms of price and location.[142]

There is no reason to infer that increased advertising would be sufficient in and of itself to produce a monopolization of the eye care market. For example, opticians who seek to maintain the individual proprietorship form of business are always free to improve their competitive position by pooling their purchasing power or adopting related cooperative schemes that improve operating efficiencies.

Although the staff recognizes that the state may have a valid interest in protecting small businesses, it is important to note that an increased competitive atmosphere is not necessarily inconsistent with policies which favor small businesses. Indeed, there is no reason to assume that increased competition will drive small businessmen out of the market. At the same time, the staff is not presently disposed to endorse any notion that opticians and optometrists have a right to maintain a guild system to provide eye care services.

B. Potential disparagement of the profession

The pervasive advertising of ophthalmic goods and services, it is argued, will undermine the serious and extensive endeavors of eye care practitioners, particularly optometrists, over the last 30 years to hold a "professional" public image.[143] This professionalism is necessary, the argument continues, in order to insure that the public's welfare, rather than individual pecuniary gain, is always foremost in the practitioner's considerations. Thus, they contend, solicitation and advertising are inconsistent with the professional's obligation to the public:

"The practice of a profession cannot be compared with the conduct of a commercial business. Those things which may be accepted in the market place cannot be accepted in the practice of a profession. The ethics and standards for persons engaged in the practice of optometry and other professions must of necessity and for compelling reasons be higher than for persons engaged in commercial enterprises. Professional men, for the protection of the public health, welfare and safety, must be qualified by training and knowledge and also from the standpoint of ethical and honorable conduct.

"It is in the public interest that licensed optometrists be required to conduct themselves as professional men and not be permitted to use the practices of the market place, with medicine-show advertising and bitter commercial rivalry. It is in the public interest that persons select optometrists because of their personal skill, ability and integrity, instead of being lured into an optical 'store' where glasses are regarded as 'merchandise' because the best advertising manager is employed." [144]

The basic thrust of associational activities for eye care practitioners has been to foster the aura, if not the reality, of professionalism: that comprehensive health care *services*, and not *merchandise* is offered. Advertising is therefore shunned since it disparages this more lofty ideal:

"If more optometrists used general or price advertising, the result would be to shift the emphasis of optometric vision care from professional service to sale of goods. Besides weakening the quality of that service, it would seriously undercut the efforts now being made by the optometric profession to develop vision corrective techniques and procedures as an alternative to spectacles, lenses and medical or surgical techniques." [145]

They therefore argue that the removal of advertising restraints would allow those who engage in merchandising to tarnish the image of those who refuse to advertise. The practice of optometry in a commercial atmosphere detracts from the patient's confidence in his practitioner. Further, professionals must practice in proper environs in order to cultivate the confidence of their patients:

"You as an attorney recognize, as I do, that professional people must, above all else, main their self-confidence and self-esteem. It is not my proposal to analyze the professional psyche in this letter, but it is well-known that a professional cannot devote his best attentions to his patient's (or client's) welfare if he is consistently beset by a feeling of inferiority. The very nature of the doctor-patient relationship requires that both the doctor and the patient recognize the doctor's superior knowledge, and that they both recognize that the doctor puts his patient's best interest foremost. The merchant-consumer relationship often takes on the nature of an adversary relationship; this the doctor-patient relationship can never be.

"By requiring or permitting advertising, the Federal Trade Commission would in effect be telling the nation that professional eye care provides (optometrists and ophthalmologists) are not professionals with a professional's Code of Ethics, but merchants. How districting this would be—and how harmful to the consumer-patient." [146]

It is difficult to appreciate exactly how advertising in and of itself will cause the public's image of eye care specialists to deteriorate. Certainly, eye care practitioners would still be free to render precisely the same service as they always have—consultation, examination of the eyes, and refractions sometimes leading to a prescription. Indeed, optometrists and ophthalmologists remain obligated by codes of ethics and practice in all jurisdictions to bring to bear all of their professional skills and talents in assisting persons with eye care problems. We do not appreciate how eyeglass advertising would erode that obligation.

Insofar as opticians are concerned, the push towards professionalism remains incipient. As discussed above in Section II–B, they are presently licensed in only 20 states. However, their efforts have been directed towards obtaining licensure in an increasing number of states as a means to and a symbol of their professional standing. The case for equating professionalism with opticianry is even more attenuated. Opticians are in fact merchandisers of a specific product. They are engaged primarily in retail sales to the consuming public with much less obligation to engage in lengthy consultative services.

While the staff recognizes a valid state interest in insuring the competence of eye care practitioners,[147] the staff believes that advertising bans are not a means vitally related to the pursuit of this legitimate end. It seems unwarranted to compel consumers to pay artificially high prices for eyeglasses in order to preserve the aura of professionalism for eye care practitioners.

C. DETERIORATION IN QUALITY

The most serious charge leveled against advertising is its effect of stimulating competition would lead to a deterioration in the quality of eye care products and services. Two distinct components comprise the substance of this claim. First, it is argued that the rigors of competition will force providers of eyeglasses to utilize inferior materials and fabrication methods in order to maintain a competitive posture. Second, it is argued that optometrists and ophthalmologists who dispense eyeglasses will decrease the quantity of time spent with each patient in order to increase the number of their patients. Often referred to as the "quickie exam" argument, this argument asserts that increased competition will lead to the employment of corner-cutting techniques in conducting the eye examination, thereby resulting in inaccurate prescriptions.

The arguments of the professional associations are succinctly stated by the Massachusetts Board of Optometry:

"If price advertising is permitted many registered optometrists will be forced to provide lower quality materials and lower quality services in order to meet low prices advertised by the marginal practitioner. The advertising commercialist in order to make a profit on his low prices will necessarily depend on inferior materials and a high volume operation." [148]

Much of the same sentiment was echoed by the Nebraska Optometric Association:

"Realistically looking at this, it is very difficult for me to see how any professional is going to reduce his examination fee and/or cost of lenses and frames unless he also reduces the time spent with every individual. If this occurs, a deterioration in quality would parallel. The day the professional says to himself, "I am going to lower my fees and take home less money," will be the day when rent, bread, gasoline, autos, and everything else goes down. It is just not feasible to think anyone in this free enterprise system is going to onesidedly say he's going to take home less money.

"Patients in a modern professional optometric office are receiving the best vision care in the world. This vision care is expensive. If advertising were allowed by all professionals, the quality of vision care would not deteriorate in many offices because most doctors would not change their mode of practice. However, some doctors and optical corporations that did not have patients welfare as their chief concern would begin an advertising war that would deteriorate the quality of services and materials in those

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offices. Quantity would replace quality. The most basic law of economics applies to this situation." [149]

The staff's response to the quality argument insofar as it relates to the deterioration of the quality of goods utilized, is twofold. First, no evidence is currently available which would indicate that poor quality eyeglasses pose any serious health hazard. In a submission to the Food and Drug Administration, the Optical Manufacturers Association [150] made the following observations:

From a standpoint of safety, prescription eyeglasses are astoundingly safe. As presently marketed and manufactured, eyeglasses pose no health hazards when used reasonably.

Let us analyze some simple statistics:

(1) Recorded deaths from eyeglasses use: None.

(2) Permanent injuries: Under normal use procedures: None.

(3) Permanent injuries caused by manufacturing defects: None.

"We are not saying that there have been no injuries whatsoever related to the use of eyeglasses. We are saying that the only permanent injuries to our knowledge have occurred in circumstances where an external force such as a rock or a stone has struck the eyeglass lens and caused breakage.

"If our device causes no fatalities, and no permanent injuries, then it obviously poses no substantial health hazard. There are rare occasions where eyeglasses could cause minor problems such as temporary headache or local skin irritations. Such instances are few in nature and are capable of being quickly corrected without any serious health hazard to the consumer." [151]

The Optical Manufacturers Association's (OMA) conclusions apply to all states, including those in which advertising is presently allowed. Others have concurred that there is no serious health hazard:

"It has never been demonstrated that lenses and frames of poor ophthalmic quality and ophthalmic prescriptions inaccurately filled affect the health of the eyes, or even the refractive status. Eyeglasses inaccurately fabricated or made with low quality materials affect the visual performance. A child might not see the blackboard or his reading clearly, a worker may develop eyestrain and perform substandardly, televiewing might be uncomfortable or result in a headache from substandard eyeglasses—but their usage does not represent a health hazard." [152]

Nevertheless, the problems which can result from poor quality materials or workmanship cannot be glossed over. Speaking to these questions the OMA, in the same submission to the FDA arguing against the need for federal quality standards in the industry, stated:

"Any blemish that exists in a lens is easily determined during grinding and polishing operations not only at the manufacturing level, but also by the laboratory and dispenser. . . .

"When the eyeglasses are placed on the consumer the ultimate test occurs, the wearer looks through the glasses and his vision is checked. Either he can see correctly or not. If the eyeglasses later cause minor problems such as eye strain or possibly a headache, they can be checked by a doctor and if necessary, new lenses prescribed." [153]

No evidence has been shown that the incidence of these difficulties is any higher in areas where advertising is allowed than where it is restricted.

The staff's second response to the deterioration of quality argument is that advertising restrictions are not an effective way of insuring a high quality product. Other more appropriate mechanisms are available. For example, the manufacturers and wholesalers of eye care products uniformly claim adherence to internal quality-control standards.[154] Various formal standards for the manufacture and fabrication of lenses and frames currently exist.[155]

Indeed, certain states have adopted the American National Standards Institute quality standards as state law.[156] Such actions clearly indicate that avenues are open to the states to maintain the high quality of ophthalmic goods and services.

In commenting on the effect of the law which adopted quality standards in California, the Los Angeles Times in an editorial calling for the abolition of price advertising restrictions noted:

"Once this quality control is in effect, the price advertising bans can no longer be defended as protection against inferior materials." [157]

Currently pending are proposals before the Congress and the FDA which would further strengthen the quality standards of eye care products. The first of these is Senate Bill 510—the Medical Device Amendments of 1975.[158] This Act would grant specific authority to the FDA to promulgate performance standards for medical devices to "assure effectiveness or to reduce or eliminate unreasonable risk of illness or injury. . . ." [159]

The standards to be established would control:

"[the] safety and effectiveness (including effectiveness over time), and including where necessary: the composition [and] construction . . . of such device." [160]

While this legislation leaves the determination of the devices to be covered to panels of experts.[161] there are strong indications that prescription eye wear would be covered. Perhaps the strongest factor indicating that eyeglasses would indeed be covered is a second federal initiative which is pending before the FDA. On August 8, 1975 the FDA made available to the public draft regulations which would control the manufacturing practices and quality control components of eyeglasses.[162] The stated purpose of these regulations is to:

". . . determine whether the equipment and methods used in, or the manufacturing environment within which, or the controls used for, the manufacture, assembly, processing, testing, packing, distribution, or holding of each device conform to or are operated or administered in conformity with current good manufacturing practices to ensure that the device meets the requirement of the act as to safety and has the identity, quality, and effectiveness it purports or is represented to possess." [163]

It is important to note the interrelationship between the pending legislation and the proposed FDA regulations. At present there is some dispute over the extent of the FDA's authority over medical devices. For example, in debate over S. 510 is was noted:

"S. 510 represents a sound approach to filling the enforcement gaps under present medical device law. . . . The important thing is that we give the Food and Drug Administration the latitude it requires to establish mandatory standards." [164]

In addition, the FDA has already acted to control the quality of eyeglasses in at least one respect. Effective January 31, 1972, the FDA imposed "impact-resistant" standards for eyeglasses.[165] As stated in an FDA publication:

"Every prescription lens and sunglass lens must now undergo the drop-ball test after grinding and other finishing. . . . In this test a 5/8 inch steel ball weighing 0.56 ounces is dropped on each individual lens from a height of 50 inches. . . . Impact resistance in eyeglasses does not mean the lenses are shatter-proof. It does mean that they can withstand moderately sharp accidental blows without shattering." [166]

Thus, quality controls can be and have been imposed by state laws. In addition, the FDA has demonstrated and continues to demonstrate interest in the quality and effectiveness of prescription eye wear. Staff believes that if deterioration in quality is a problem, these types of methods are more direct and more effective than advertising restrictions to insure quality.

The second component of the quality argument, the increased potential for "quickie exams," likewise is not persuasive. As with the first component of the quality argument, states have available to them numerous other mechanisms to insure that the quality of professional services will not deteriorate beyond acceptable limits. Most states already require minimum education requirements in order to insure professional competency. Continuing education requirements are becoming more prevalent to insure that optometrists and opticians remain abreast of new techniques and equipment.[167] Many states have established, either by statute or regulation, minimal standards for office equipment and examination procedures.[168] Representative of the type of regulation which has been enacted to directly control the adequacy of eye examinations are the Rules and Regulations implementing the Illinois Optometric Practice Regulations implementing the Illinois Optometric Practice Act.[169] In pertinent part, these rules and regulations state:

"Minimum eye examination.—In the absence of compelling reasons to the contrary, it shall be considered unprofessional conduct for an optometrist to fail to make the following minimum examination in all cases and keep a record thereof for a period of three (3) years as required by the Act." [170]

No evidence has been presented to the staff which would indicate that the incidence of shoddy examinations is any greater in states where advertising is allowed than equally is likely to conduct "quickie exams" where it is prohibited, practitioners are equally as likely to conduct "quickie exams" **in order to increase their overall profit** given the inflated prices of eyeglasses.

In hearings before the House Committee on the District of Columbia, the following observations were made with regard to a proposal that would have banned advertising of ophthalmic goods and services:

If the purpose of these bills were to improve the quality of visual care, it would provide a simple program. The elements of a quality improvement bill would necessarily include the following points:

(1) **A mandatory 21-point refraction;**

(2) A requirement that all glasses be made **exclusively of first quality lenses;**

(3) A program for testing and licensing of all opticians;

(4) A prohibition of those who are not licensed from assisting optometrists and others in the manufacture of glasses and the servicing of patients.

It is significant to me representing a public vided in the bills proposed. If the problem to be dealt with here is the control of advertisements, there are other and more direct ways than provided by the sections of the various bills pending here. They have been introduced to provide a monopoly practice in this area. [171]

The staff has concluded that the quality arguments are specious. If the true goal of the states and professional associations is to insure quality materials and service, more direct tools to accomplish the result are close at hand. If the goal is to prevent bait and switch advertising, both state and federal laws are available. Inadequate consumer information does not guarantee quality ophthalmic goods and services; it only guarantees high prices and consumer ignorance.

FOOTNOTES

[104] Staff Report to the Federal Trade Commission, *Prescription Drug Price Disclosures.*

[105] Stigler, George, *The Organization of Industry,* Chapter 16: "The Economics of Information," (Irwin 1968) at 172.

Footnotes at end of article.

[106] *See, e.g.*, Maurize, "The Effect of Laws Against Price Advertising: The Case of Retail Gasoline," 10 *Western Economic Journal*, 321, 3321–22 (1972) *See also* Benham, Lee, "The Effect of Advertising on the Price of Eyeglasses," 15 *Journal of Law and Economics*, 337 (1972), discussed in greater depth *infra*.

[107] Stigler, *supra* n.105 at 186–187.

[108] Benham, *supra* n.106 at 338; Alcaly, *Information and the Distribution of Prices*, Sept. 1970 (Dept. of Economics, Columbia University), unpublished paper.

[109] California Citizen Action Group, ***The Secret Cost of Seeing: California Law Prohibits Eyeglass Advertising***, 1975.

[110] California Business and Profession Code, Division Z, Chap. 1, Art. 6, Section 651.3.

[111] *The Secret Cost of Seeing*, *supra* n. 109. Because this survey did not provide rigid constraints on variations in quality, it is possible that some of the recorded price differentials are the product of differences in types of materials. However, the data do reflect the wide variations in types of prices that are presently available to consumers. Such variations, if known to consumers might encourage greater price shopping, thereby lowering prices across the entire spectrum.

[112] Benham, Lee, "The Effect of Advertising on the Price of Eyeglasses." 15 *Journal of Law and Economics* 337 (1972); Benham, Lee and Benham, Alexandra, "Regulating Through the Professions: A Perspective on Information Control," to be published in October, 1975 issue of *Journal of Law and Economics*.

[113] "The Effect of Advertising on the Price of Eyeglasses", *supra* n. 112 at 342. Benham summarized his findings in a table found at the same page of this article.

[114] *Id* at 349. Benham also noted that prices were lower in states that prohibited price advertising but allowed other types of advertising by opticians and optometrists than in states with total prohibitions.

[115] "Regulating Through the Professions: A Perspective on Information Control," *supra* n. 112 at 3.

[116] *Id.* at 8–9.

[117] *Id.* at 16–21.

[118] *Average Retail Prices of Selected Commodities and Services, Fall 1971*, DOL, Bureau of Labor Statistics (1973).

[119] *Id.* at 9 and 65.

[120] *See* Matter of Dubin v. Bd. of Regents, 1 NY. 2d 58, 150 N.Y.S. 2d 183 (1956) and Sterling Optical Co. v. Univ. of the State of N.Y., 55 Mis. 2d 852, 287 N.Y.S. 2d 827 (1968). In late 1971, the legislature amended Article 143 to create an optometry board and a board of ophthalmic dispensers. Both boards have adopted bans on price advertising. See also Section II C above.

[121] *Consumer Price Index, December, 1971*, DOL, Bureau of Labor Statistics (1972), at 17.

[122] Letter from Robert Morrow, President, Walman Optical Company and Exhibits, to FTC, dated October 23, 1975.

[123] *Supra* n. 10.

[124] *See, e.g.*, the Michigan Society of Ophthalmic Dispensers' contention that ". . . those retailers who sell for less and can advertise this fact, must buy from the lowest provider in cost." (Letter from Leonard C. Swinsick, Jr., President, Michigan Society of Ophthalmic Dispensers to Ann Stahl, FTC, dated October 20, 1975.)

[125] Letter from Stanley C. Pearle, President, Opticks Division of Will Ross, Inc., to Robert Badal, FTC, dated November 24, 1975.

[126] *Frames*, published quarterly by Zulch and Zulch, Inc., Sylmar, California.

[127] Telephone interview with Don Matthews, Production Manager of *Frames*, December 10, 1975.

[128] Worthington, 38 Social Summary, No. 2, National Health Expenditures, 1929–1974 at 13. Generally, 85% of the aggregate figure for appliances, $2.15 million, can be attributed to eyeglasses according to a telephone conversation with N. Worthington, of the Social Security Administration, March 24, 1975.

[129] These figures are based on Benham's first estimate that price differentials attributable to price advertising restrictions ranged from 25% to 100%. Benham's second study concluded that the differentials ranged from 25% to 40%, which produces an aggregate consumer loss of $192 million to $366 million.

[130] Benham, "Regulating Through the Professions", *supra* n. 112.

[131] *Id.* at 16–21.

[132] See Section I B *supra*.

[133] *Characteristics, supra*. n. 14.

[134] Letter from consumer in Oklahoma City, Oklahoma to FTC dated September 9, 1975.

[135] Benham, n. *supra* n. 112 at 22.

[136] Coate, *Studies in the Economics of the Profession of Optometry*, Ph.D. Dissertation, CCNY (1974), Univ. Microfilms, #74–20, 655 at 116–141.

[137] Letter from H.L. Ridgeway, Jr., Secretary-Treasurer, North Carolina State Board of Opticians, to Ann Stahl, FTC, dated October 10, 1975.

[138] State v. Rones, 67 So.2d 99 (La. Sup. Ct. 1953) at 105. *See also* Bedno v. Fast, 95 N.W. 2d 396 (Sup. Ct. Wisc. 1959) at 399–400:

"To permit price advertising on the part of those who deal with the human eye, even truthful advertising, is to leave the door open for the unscrupulous practitioner to lure and to defraud unsuspecting members of the public."

[139] *See, e.g.*, the Commission's Guides on Bait Advertising, Guides Against Deceptive Pricing, and Guide Concerning Use of the Word "Free" and Similar Representations, 16 CFR Parts 238, 233 and 251. In addition, 48 states have enacted laws similar to the FTC Act to prevent deceptive and unfair trade practices. The District of Columbia is presently considering enacting a similar law. In the two states without such laws, Alabama and Tennessee, consumer complaint clearing houses have been established to facilitate the taking of action under existing laws, and possibly to recommend new legislation.

[140] 437 F.2d 707 (D.C. Cir. 1970).

[141] *Id.* at 709–710.

[142] *See, e.g.*, *Newsletter*, Tenn. Dispensing Opticians Association, April 24, 1975 at 3–4.

[143] *See, e.g.*, Hirsch and Wick, *The Optometric Profession* (Chilton Book, N.Y.), 1960.

[144] Letter from James W. Clark, Jr., Executive Director, Kansas Optometric Association, Inc., to Robert G. Badal, FTC, dated October 13, 1975.

[145] Letter from David C. Hendershot, Executive Director, Ohio Optometric Association, to Robert G. Badal, FTC, dated October 23, 1975.

[146] Letter from Brian S. Klinger, O.D., F.A.A.O., President, New Hampshire Optometric Association, Inc., to Robert G. Badal, FTC, dated October 14, 1975.

[147] This issue is discussed at length in the next part of this section.

[148] Letter from Francis A. Murdy, O.D., Secretary, Massachusetts Board of Registration in Optometry to Rachel Shao, FTC, dated October 13, 1975.

[149] Letter from R. L. Powell, O.D., Chairman, Nebraska Optometric Association Legal and Legislative Committee to Rachel Shao, FTC, dated October 13, 1975.

[150] *Supra*, n. 3, Optical Manufacturers Ass'n., Exhibit D, Optical Manufacturers Association's Response to the FDA's proposed Good Manufacturing Practices, October 7, 1975, at 2.

[151] *Id.*, at 2.

[152] Rosenthal, Jesse, O.D., Folsom, William C., O.D., "Standards of Eyeglasses," *Medical Care*, Vol. XI, No. 3, May–June 1973.

[153] *Supra* n. 151, at 9.

[154] *See e.g.*, Letters from John S. Kratz, Vice-President, Buckbee Mears Company to Robert G. Badal, FTC, dated November 11, 1975; James L. Luzerne, Vice-President, Wisconsin Optical Service, Inc., to Robert G. Badal, FTC, dated October 22, 1975; and Robert Morrow, President, Walman Optical Company to Robert G. Badal, FTC, dated October 23, 1975.

[155] *See* Rosenthal, *supra* n. 152.

The following institutions have published various quality standards for eyeglasses: *American National Standards Institute*, Requirements for First Quality Prescription Ophthalmic Lenses, ANSI Z80.1–1972 and Requirements for First Quality Contact Lenses, ANSI Z80.2–1972); *British Standards Institution* (Specification for Spectacle Lenses BS 2738:1962, Specification for Spectacle Lens Materials, BS 3062:1970, Specification for Cellulose Acetate Sheet For Spectacle Frames, BS 3186–1970, Method for Measurement of Spectacles, BS 3199:1972, Specification for Metal Spectacle Frames, B.S. 3462:1962, and Specification for Spectacle Frames made of cellulose acetate B.S. 3352:1962); *Department of Defense* (Military Specifications Lense, Ophthalmic Glass, MIL–L–16991C, Nov. 29, 1975, Military Specifications, Spectacles, Fronts, and Temples, Cellulose Acetate, MIL–S–36497B, May 12, 1971 and Military Specification Lens, Ophthalmic, Neutral Absorption, MIL–L–36460A, Dec. 12, 1973; American Optometric Association (Prescription Standards and Tolerances); *Philadelphia Guild of Prescription Opticians* (standards for Optical Frames, Standards, Requirements for Fabricating Philadelphia Guild Quality Ophthalmic Lenses, 1963).

[156] *See e.g.*, California Senate Bill 511, Ch. 754 (1975). The bill which was recently enacted in California requires the Department of Health, the State Board of Optometry and the Board of Medical Examiners to prepare quality standards for prescription ophthalmic devices by January 1, 1976. The bill requires that ANSI standards Z80.1 and Z80.2 be adopted as minimum standards. The boards are given the authority to adopt more stringent standards by board rule. *See also* Texas Optometry Statute, Part 4552 Article V, Section 10(h); Indiana Optometry Statute, 25–24–1, Rules and Regs. No. 3; N.J. Board of Examiners, Rules and Regulations, Section 13:33–1.38.

[157] "Easy on the Eyes", *Los Angeles Times*, November 18, 1975, Part II at 6.

[158] S. 510, 94th Cong., 1st session, introduced April 21, 1975.

[159] *Id.* at § 513(a) (1).

[160] *Id.* at § 513(a) (1).

[161] *Id.* at § 511(c).

[162] Notice of Availability of Draft Regulations, Current Good Manufacturing Practice for Medical Devices, August 8, 1975, Fed. Reg. 33482.

[163] *Id.* § 810.3.

[164] Statement of Senator Dole, Congressional Record, April 17, 1975, at p. 10700.

[165] 21 C.F.R. Part 3.84.

[166] "We want you to know what we know about impact resistant eyeglass lenses", DHEW publication No. (FDA) 73.4001.

[167] According to the American Optometric Association's *State Legislation Hotline* (Sept. 27, 1974), a total of 36 states require continuing education units as a condition for license renewal. Typical continuing education requirements can be found in Missouri Statutes, Title 22, Section 336.080; Montana Statutes, Title 66, Section 1318; New Hampshire Statutes, Title 30, Section 327.33; West Virginia Board of Examiners in Optometry, Rules, Section 111, Rule 101; Florida State Board of Dispensing Opticians, Rules and Regulations, Rule 21P–1.16.

[168] *See, for example*, Kansas Optometric Association, *Optometric Standards*, Section 9600 *et. seq.*; N.J. Board of Examiners, Rules and Regulations, Section 13:33-2.1.

[169] Rules and Regulations Promulgated for Administration of the Illinois Optometric Practice Act.

[170] The rules set forth the following twelve

(12) items as continuing a minimum eye examination:

(1) Complete case history.
(2) Visual acuity at far and at near.
  (a) Unaided.
  (b) With last correction.
(3) External examination.
(4) Ophthalmoscopic examination.
(5) Retinoscopy.
(6) Amplitude of convergence and accommodation.
(7) Phorias and ductions.
(8) Subjective findings, far and near.
(9) Fusion.
(10) Stereopsis.
(11) Color vision.
(12) Prescription and visual acuity obtained, far and near.

[171] *Hearings before Subcommittee No. 4 of the Committee on The District of Columbia,* House of Representatives, 91st Cong., 1st sess. on H.R. 12937, H.R. 13049, H.R. 13155, H.R. 13176, HR 13623, and HR 13821, testimony of Leo Goodman, Chairman, Legislative Committee of DC. Public Health Association. (1969).

Investigation of Commercial Restrictions in Prescription Eyeglass Industry Announced

The FTC has unanimously authorized an investigation of providers and sellers of ophthalmic goods and services to determine whether industry members have been or are now violating the Federal Trade Commission Act.

The investigation is concerned with restraints on commercial practices such as limitations on the number of branch offices an industry member may own or operate, prohibitions on the employment of optometrists and opticians by commercial retailers, and bans on the practice of optometry on the premises of mercantile establishments.

Pursuant to Commission policy, the investigation will be nonpublic.

The existence of an investigation does not imply that violations of the law have occurred.

[From the Optometric Association News,
Nov. 11, 1975]

Economist Lee Benham: More Academician Than Activist

For Lee Benham, titled Dr. to accord respect for his acquisition of a Ph.D. in economics from Stanford University in 1970, some symbols seem to cloud the issues.

In relationship to his personal demeanor and office in the economics department of Washington University, Lee Benham can be said to eschew many symbols. His concrete-walled cubicle there lacks the symbolic adornments many in "academia" prefer. Its architecture is unassuming and so is his utilization of it. It's not postered or shelved with unread books. It's simple, essential, quiet. It seems to reflect the person whose name is on the door—immediately above the no-smoking-inside sign.

There is, however, one pastel-colored poster in Lee Benham's office. The words inscribed on it read: "There is no such thing as a free lunch." The poster's message seems to well describe Lee Benham's approach to investigating the effects of advertising and of professional control on the price of eyeglasses.

For Lee Benham the issues involved in these studies are "Do average prices for eyeglasses differ across states?" and if they do "Why?" The sacrosanctity traditionally accorded to the Drs. of the health care professions he obviously eschewed. It's not surprising, however, since his professional concern is medical economics. He regrets, however, that to date it has not been possible for him to investigate comparable questions for other professions in the health care sector besides optometry.

As the author of the 1972 study "The Effects of Advertising on the Price of Eyeglasses" published in *The Journal of Law and Economics* at the University of Chicago, Lee Benham has become a name familiar to most optometrists and for good reason. A second study jointly authored with Alexandra Benham "Regulating Through the Professions: A Perspective on Information Control" will be published in the same journal early in December, Alexandra Benham studied mathematics and political science at Stanford University.

These two studies have fueled if not fomented the growing controversy over the marketing of eyeglasses. They have been cited by Senator Charles H. Percy (R-IL) in his calling upon the Federal Trade Commission to investigate the situation—an action subsequently commenced. They have received numerous national news media headlines and have been presented before several state legislatures considering repeal of state laws restricting the advertising of eyeglasses. The Benham studies in some cases are said to have precipitated those considerations. Dr. Benham has himself testified before several state legislatures.

Dr. Benham told the AOA *News* that he realizes most optometrists probably think he is a bomb thrower, and expressed an understanding of why they would, but while he spoke softly of that understanding he also sought to explain his studies to optometry.

"Many groups in this country today desire to be known as professionals," Dr. Benham said. "The pattern of professional behavior established by physicians is one that many such groups wish to emulate. Optometrists are one of these groups and have been relatively successful in these efforts."

"Our concern, however, is not with the optometrists' specific objectives but with the general consequences of professionalism as a special policy. Professionalism is a way of organizing and regulating an industry," the 35-year-old native Texan said. "It is in many ways a medieval view of the world in that associations very similar to guilds are set up to regulate the types of goods and services which can be sold, define the acceptable quality of services, and determine who can sell them," he explained.

"This is defended on the grounds that it protects the consumer," Alexandra Benham commented.

Expressing his interest in optometry only as it provides a window to look at professions in general, Dr. Benham who no longer wears glasses because he found out subsequent to his first and only physician prescription that he really didn't need eyeglasses to see clearly, said "It's difficult to investigate the impact of control in many professions such as physicians because their regulations across states are highly uniform."

"In order to find out the effects of regulations, you have to have differences," he said. "And optometrists happen to be suitable for this type of investigation because the level of professional control varies across states. And that is reflected in such things as advertising."

Comfortable and not defensive with questions, although concerned that he be understood, Dr. Benham said that his initial interest in the studies had nothing to do with optometry. "I was interested in the advertising issue," he said.

"Economists," he said, "have always been interested in the effect of advertising on prices. On the one hand, we know advertising costs money. On the other hand, advertising leads to other kinds of benefits in terms of the efficiency with which markets operate. So it is a complex matter to investigate and its importance goes far beyond the medical sector.

Dr. Benham said he originally wanted to investigate the question for precription drugs but it turned out that " at the time I began this work, in 1968 or 1969, there was little if any advertising de facto for prescription drugs, partly because of laws and partly because of sanctions the professional associations could bring," he said.

"I wanted to look at a situation where advertising was permitted in some areas and not in others. And glasses were the item I could find at the time. At the same time it turned out coincidentally that one of my colleagues at the University of Chicago had data which included the prices people paid for glasses," he said. That data, he pointed out, was compiled by the National Center for Health Services Research and Development under a grant from the federal government.

"It is not easy to get information on prices paid for glasses because only about 15 percent of the population in any one year buys them. To get samples of purchasers across the country is not a trivial undertaking," he explained.

"So I was fortunate to find the data I did. As with most research projects, coincidence played a part."

In addition to his intellectual interest, Dr. Benham said he also had some personal experience. "I had a feeling that prices differed across states. I grew up in Texas and then moved to California and there sure in hell was a difference in the average price members of family paid in the two states. It was over twice as much in California. I also knew about people in New Mexico coming to Texas to buy glasses." Dr. Benham said.

To Dr. Benham the first and basic question in his first study was "Do average prices differ across states?" "If I understand the criticism I am getting from various quarters, essentially they're saying they don't differ," Dr. Benham said.

Softly emphatic, Dr. Benham went on to say, "On the basis of both studies I'm quite confident that the average price that people pay for glasses differs very substantially across states. Now we can argue about other dimensions of this issue. We may say that if they do differ, there may be good reason for their differing."

"We may say that it is worthwhile to have differences in prices, or we're better off with the higher prices. But I would really challenge anyone to come to me and demonstrate that average prices don't differ. And our studies have found that higher priced states tend to be those in which there is greater professional control, including control over advertising," he said.

Concerning his first study, Dr. Benham said "The principal criticism that I have seen concerns the small size of the sample. And indeed it was small," he said in noting that it was the best data he had available at the time. "You don't however, develop confidence in a view of the world on the basis of any single study, even if you have the sample size you want. The way in which you build confidence about relationships is through replication. When better information became available, we used it."

Concerning North Carolina, the exclusion of which from his sample would have negated his conclusion that prices differ substantially between states that permit eyeglass advertising and those that do not, Dr. Benham said, "I'm sorry about the disproportionate number of observations from North Carolina. I would have preferred a larger sample more uniformly distributed. However, you don't draw conclusions by throwing out observations unless you have valid reasons to do so. If some other observations had been excluded, the results I found would have been even more dramatic."

"If there is concern that North Carolina might be special for some reason, note the number of individuals from that state is not overrepresented in the second study, and excluding North Carolina would not affect the conclusions there. We took the second set of data, a much bigger sample, and looked at it every way from hell to creation and at all sorts of comparisons and it is very robust indeed. In general the results confirm the earlier results."

"In addition to this second study, all other evidence I have seen is consistent with the view presented in the first article," he said.

Responding to another criticism he has heard, Dr. Benham said, "Some may argue that prices are lower in states with advertising or less stringent professional control because the quality of the product is poorer. Now some firms in these states may indeed be providing a low quality product. However, some firms in the more restrictive states may also be providing a low quality product. The question is what evidence is there that the quality of eyeglasses is systematically lower in less restrictive states? We have not found or seen such evidence."

He went on to say, "I know that the physical product is sometimes the same in the more and less restrictive states. For example, while conducting my survey in New Mexico, I observed some firms offering Texas State Optical frames."

"The point I would like to make with respect to the results of both studies is that if the American Optometric Association believes that the conclusions are incorrect, the association should undertake a study of its own rather than limit its response to trying to demonstrate weaknesses in these studies. It would not be very expensive to do such a study, and I would be happy to suggest how to go about making such comparisons," he said.

On the matter of optometry as a profession, Dr. Benham said that "there is no reason to believe that optometrists are behaving any differently than other groups. Optometrists derive benefits from having a strong state and national association because one of the purposes of such associations is to be effective politically, and one manifestation of that is improvement in the economic situation of their members."

"That is not particularly venal, I don't mean to criticize them for it," he said. "It is an unsurprising result. It's not surprising that when a group has professional control it does things that favorably rebound to its own advantage. And one of the things that people like to have is less competition and higher prices for their own services."

Alexandra Benham added, "None of us likes competition in our own area of work. It would be incredible if a professional association didn't work to reduce competition."

"Unfortunately that clashes with the code of ethics and the general idea of consumer benefits from professionalism. If on the one hand you're telling the world you're doing a great favor, it doesn't look so good if some of these activities appear to be self-serving. But anyone who looks carefully at these issues would be enormously surprised if they weren't," she said.

"I'm not a particular cynic about this, but it's just a question of how much of this activity we are going to encourage," Dr. Benham said. "What price are we paying as a consequence?"

The question comes up, Dr. Benham said, "Why the hell can't consumers be provided with more information than they now are? It doesn't make any sense."

"What implicit assumptions do we have that say that we should continue restricting advertising to the consumer?" asked Dr. Benham.

"The essential argument is that consumers don't know what is good for them, that they'll be exploited or do themselves in if they have to deal with an environment in which there is more competition, more information, and more choices to make for themselves. There may of course be undesirable consequences of a shift from a professional to a commercial environment, but what we have to do is make some determination of the costs and benefits associated with various policies, and who incurs the costs. We've estimated some of the costs in these two studies."

"I, of course, have my value judgments about the kind of world I think is a better place. In terms of the statistical analysis, however, it is not what people think about my value judgment but rather does this analysis provide specific information about the kind of tradeoffs we're making. Someone may say that although prices are a certain percentage higher, it's worth it. That's a perfectly legitimate position to hold, as far as I'm concerned. What has been lacking up to now is information about the price we're paying for this professional control. And some people get a little nasty when you say you don't really get that for nothing. Imposing this control has lots of consequences, and it's going to mean higher prices," he said.

Alexandra Benham commented that "one consequence usually forgotten is the effect of higher prices on the frequency with which people obtain services. The second study shows that in states with more professional ocntrol, and associated higher prices, a smaller proportion of the population in a given year obtained eyeglasses. What about the eye care for those individuals who obtained none? This is a significant and often overlooked component of the quality issue."

"Our studies aren't saying that there are zero benefits associated with restricting advertising of eyeglasses, but that there are costs associated with such restrictions. The burden of evidence is then on those individuals or groups who favor such restrictions to show that the benefits outweigh the costs," Dr. Benham said.

"At least these studies are the first steps in providing some idea of the price we're paying for professional control. That's what research is all about, to try to narrow the range of discussion."

Concerning the effects of these studies on the national body politic, Dr. Benham says that he worries about mandated behavior on the part of the federal government. "I've told the FTC that I worry about the federal government being able to intervene at the state level," he told the *News*. "I have repeatedly suggested to the feds that they do their own study. The investigations should be replicated."

"I obviously feel that there are merits to permitting more competition and more advertising, but I prefer to see the decisions take place at the state legislative level. That's what federalism is all about. I'm not very happy about having a committee sit around in Washington and decide what's good for us. Of course, I'm not very happy about having the optometric boards at the state level sit around and decide what's good for us either."

"Philosophically I am a very conservative individual. I realize the optometrists probably think I'm a bomb thrower, but I strongly support laissez-faire policy. I believe in capitalism. Capitalism provides a wider range of options for individuals than other systems and I like that. Capitalism of course does not simply mean competition for the other groups but not for one's own."

"This view about the benefits of competition is consistent with the argument for reduction of government regulation. This is in effect an argument against regulation rather than for it," Dr. Benham said.

Quiet and softspoken, more the academician than the activist, Dr. Benham's political philosophy is also responsible for his contempt for many of the positions of Ralph Nader's consumer advocates, who he described as having the attitude that "the consumers don't know what's good for them—an attitude very similar to the view of the professionals. Also both Nader's group and the professionals tend to ignore the costs resulting from their policies," he said.

Expressing an understanding of why optometrists would be disgruntled with him and perhaps feel persecuted by him, Dr. Benham said that "if optometrists were the only group with advertising restrictions and other kinds of professional control, I would be much less interested in studying them. My interest is in better understanding the way all professions work," he said.

[From the American Optometric Association News, Oct. 1, 1975]

DEBUNKING BENHAM: A CRITIQUE

EDITOR'S NOTE.—The following is a statistical critique of Dr. Lee Benham's "The Effect of Advertising on the Price of Eyeglasses" by AOA statistician Farrell Aron. Dr. Benham's article has been the source of many national articles on the subject as well as Senator Charles Percy's letter to the Federal Trade Commission which has recently begun an investigation into the matter. Dr. Benham has testified before many legislatures considering repeal of their bans on eyewear price advertising during the past year. On a number of those occasions his travel has been paid for by commercial optical house concerns.

"The Effect of Advertising on the Price of Eyeglasses" by Washington University Professor Lee Benham is an excellent example of how to mislead with statistics. It is little wonder that the oft-quoted article was published in October 1972 in *The Journal of Law and Economics* by the University of Chicago Law School since Dr. Benham was at that time on the faculty at that University.

In the article, the author admits to numerous statistical weaknesses such as:

Confounding North Carolina's complete advertising restrictions and "other laws which would tend to raise prices independently of advertising regulations."

Using an "obviously incomplete" model which ignored factors that should have been included in the model.

Stating the possibility that "a few nonroutine items (treatment) may have been included in the sample," thereby affecting the overall results.

Warning, in an attempt to examine the effect of non-price advertising on prices, that excluding one state (New York) would significantly affect the conclusion reached.

As a result, the author's primary objective that "we may gain more insight into the impact of advertising on prices" is at best only partially met. Further, his conclusion that "prices (of eyeglasses) were found to be substantially lower in states which allowed advertising" should not have been reached.

What follows is an in-depth attempt to critique Dr. Benham's article solely along statistical lines so that proper interpretation and evaluation of the article's contents may result.

The data used in the author's principal analysis was obtained from a 1963 survey of 7,531 persons conducted by the National Opinion Research Center. Of the 7,531, twenty percent reportedly received eye care. However, Dr. Benham states that "the present study uses a subsample of 634 individuals who each underwent an eye examination and/or obtained a pair of glasses in 1963."

Further, the author indicates "291 individuals in the survey quoted only the combined price of the examination and glasses." 382 individuals reported eyeglasses and eye examinations combined. As a result, only 91 had a separate breakdown of each. Also, 177 individuals reported eyeglasses alone. Excluding the 91 individuals who had a separate breakdown of costs, only 86 individuals reported only eyeglass cost. Thus, it appears that the total study sample consisted of 468 individuals rather than the 634 individuals suggested by the author. There is an obvious inconsistency here.

On another point, Dr. Benham indicates that for numerous reasons data from only 18 states are used in the study. The 18 states consist of 12 states which he classified as having no restrictions on advertising in 1963 and six states classified as having total prohibition of advertising.

Unfortunately, "states were classified as allowing advertising if any sellers (optometrists, ophthalmologists, opticians or commercial firms) were permitted to advertise." For example, in classifying Indiana as having no restrictions on advertising, he ignored making the distinction that opticians were not restricted while optometrists were. As another example, he classified Illinois as having no restrictions on advertising, but admitted that in Illinois "few advertisements were found which contained any reference to price."

These are but two examples which lead me to doubt whether the proposed simple advertising prohibited/allowed classification of states was appropriate.

The 1963 survey by the National Opinion Research Center, University of Chicago, asked the following questions related to vision care expenses:

Did you (person) have glasses made or replaced or have an eye examination within the year 1963 (other than what we've talked about)?

What is the name of the individual you or clinic (person) saw?

What is his address?

About how much was the charge for eye examination and treatment in 1963?

And how much for glasses?

If only one bill for both received—enter amount.

Reading from Dr. Benham's article, 55.3 percent of the individuals from North Carolina responding to the 1963 survey obtained their eye examination and/or eyeglasses from a physician. Also according to the article, 39.7 percent of persons sampled from states where advertising was prohibited used physicians as a source; however, only 22.1 percent of persons from states where advertising was permitted used MDs. Thus, in North Carolina (and the other states where advertising was prohibited) there was a much greater likelihood of treatment being included in the cost of eye examination and eyeglasses than in the states allowing advertising where physicians were used to a lesser degree.

Dr. Benham points out that the median price differential of eyeglasses alone between states with advertising and states without was $4.00 and between North Carolina and Texas and the District of Columbia was $14.00, with the higher prices in the states restricting advertising. This compared with mean differences of $6.70 and $19.50, respectively. Yet, he fails to show the corresponding and more appropriate median price differential of combined eyeglasses and examination between states with advertising and states without while admitting "a few nonroutine items may have been included in the sample," thereby affecting the overall results.

It had been suggested that where physicians were the more frequent source of eye care, that is, in the restricted states (39.7 percent versus 22.1 percent in the non-restricted states, and a whopping 55.3 percent in North Carolina) fees for non-routine services may have been more frequently included with fees for eye examination and eyeglasses.

In an attempt to explain the variation in prices and to predict the prices paid by individuals for eyeglasses, the author proposes a regression model with five independent variables. The five independent variables are a "dummy" advertising prohibited/allowed variable, family income, age, sex and family size. Unfortunately, for Dr. Benham, very little variation in prices is explained by the model he proposes; as a predictor of prices, the model fails dismally.

For measuring how well data fits the regression model, the coefficient of determination R^2 is used. By definition, R^2 measures the proportion of the variance in the dependent variable (prices) that has been explained by the independent variables (advertising prohibited/allowed, family income, age, sex and family size).

The coefficients of variation R^2 as shown in Benham's article are not very impressive as the author himself admits in a footnote. With only 4.6 percent (in the case for eyeglasses alone) and 3.8 percent (for combined eyeglasses and examination), respectively, of the total variation in the dependent variable (prices) explained by the five independent variables, "the model is obviously incomplete."

(It is also apparent from another statistical tool for measuring statistical significance, namely the t statistic, that the choice of independent variables chosen by the author for the model was poor; e.g., the low values of t indicate that in practically all cases, the independent variables of family income, age, sex, and family size were not statistically significant factors in determining the cost of eyeglasses.)

Missing factors in Dr. Benham's model to explain and predict prices should certainly have included choice of practitioner seen and services rendered, type of lens received (i.e., single vision, bifocal, or trifocal), and frame type selected (e.g., gold filled).

The author states that "North Carolina had other laws which would tend to raise prices independent of advertising regulations, and the proportion of the total price difference which can be attributed to advertising restrictions cannot be determined at this stage." Yet, his primary analysis relied heavily on data from that state and allowed him to incorrectly conclude that "the estimates of eyeglass prices alone suggest that advertising restrictions in this market increase the prices paid by 25 percent to more than 100 percent."

The table below statistically refutes the author's conclusion by excluding the highly questionable data from North Carolina from the sample on which his conclusions are based. The effects of this change alone reduce the net difference in the cost of eyeglasses alone for states with complete restriction versus states with no advertising restrictions from $6.70 to $3.48 and to reverse the net difference in the combined cost of eyeglasses and examination for states with complete restrictions versus states with no advertising restrictions from $3.86 to $0.44 in the opposite direction.

Thus, excluding North Carolina data from the sample would have the effect of "suggesting" only a 13 percent increase in eyeglass cost alone to say nothing of a "suggested" one percent decrease in the price paid for eyeglasses and examination resulting from advertising restrictions in the market.

Dr. Benham points out, in an attempt to examine the effect of non-price advertising on prices, by inserting a dummy variable into his model, "that in states prohibiting only price advertising, prices are slightly higher than in states with no restrictions, and are considerably lower than in states prohibiting all advertising. This estimate suggests that even 'non-price' advertising may lower prices."

Yet, he warns in another footnote that "this estimate should be viewed with caution, because without the observations from New York the coefficient X_6 would be approximately the same as the coefficient of X_1"; in other words, if New York observations were excluded, he could not even suggest that "even non-price advertising may lower prices." Yet, had he similarly excluded data from North Carolina which has "other laws . . . to raise prices independently of advertising regulations" from the primary analysis, his conclusions would have been all but "shot to hell."

There are other statistical weaknesses with the Benham article which should be mentioned, if only briefly. These include presenting somewhat biased rather than unbiased data, using small and/or nonrandom sample sizes which would preclude statistically reliable conclusions from being reached and practically ignoring results of statistical significance tests and other statistics which fail to support the author's conclusions by burying these in footnotes and/or tables or simply ignoring them altogether.

I began this critique with the statement, that Dr. Benham's "'The Effect of Advertising on the Price of Eyeglasses' is an excellent example of how to mislead with statistics." The latter is a paraphrase of a book by Darrell Huff. On the surface, Huff provides numerous examples of how to distort and manipulate statistical data. Beneath the surface, however, he points out how to recognize sound and usable data. Unfortunately, the majority of data presented in the Benham article seems to fit Huff's examples of how to distort and manipulate statistical data. As a result, the effect of advertising on the price of eyeglasses is yet to be determined.

EYEGLASSES COST

Population group	Complete advertising restrictions		No advertising restrictions		Difference between means
	Mean	Sample size	Mean	Sample size	
1. All individuals	$33.04	50	$26.34	127	$6.70
2. Alll individuals in: North Carolina (Comp. Adv. Rest.) Texas and District of Columbia (No Adv. Rest)	37.48	21	17.98	27	19.50
3. All individuals excluding North Carolina	29.82	29	26.34	127	3.48
4. All individuals excluding North Carolina Texas and District of Columbia	29.82	29	28.60	100	1.22

COMBINED EYEGLASSES AND EYE EXAMINATION COST

Population group	Complete advertising restrictions		No advertising restrictions		Difference between means
	Mean	Sample size	Mean	Sample size	
1. All individuals	$40.96	121	$37.10	261	$3.86
2. All individuals in: North Carolina (Comp. Adv. Rest.) Texas and District of Columbia (No Adv. Rest.)	50.73	37	29.97	72	20.76
3. All individuals excluding North Carolina	36.66	84	37.10	261	–.44
4. All individuals excluding North Carolina, Texas and District of Columbia	36.66	84	39.82	189	–3.16

[From the American Optometric Association News, Nov. 15, 1975]

Benham Responds to Statistician's Debunking Article

I am flattered by the attention recently given me by the AOA News. The impression left by one of the articles, however, is that there is no evidence supporting the view that advertising restrictions lead to higher prices ("Debunking Benham: A Critique," October issue). I should like to respond to the arguments presented in that article, first in general terms, then in detail.

First of all, our confidence in the validity of any proposition depends ultimately upon the extent to which the evidence from a variety of sources is consistent with that proposition. I have encouraged all parties interested in the impact of advertising on prices to undertake their own empirical studies. The evidence from the 1963 national survey was the best data available to me at the time I began investigating this topic. When better evidence became available from a much larger 1970 national survey we used it ("Regulating Through the Professions: A Perspective on Information Control" with Alexandra Benham, forthcoming in The Journal of Law and Economics). The evidence presented in the latter study is consistent with the views presented in the earlier one. In addition, several case studies by other individuals have compared eyeglass prices across pairs of states, one with more restrictions on advertising and one with less. These include, for example, comparisons of Mississippi and Tennessee, and of Georgia and Florida. In these cases, the evidence supports the conclusion that states with fewer restrictions have lower prices. This additional evidence strengthens my confidence in the relationships found in my advertising study.

In that study, I discussed the problems and qualifications of which I was aware. Presenting this information in the text, tables, and footnotes is not what I call "hiding the deficiencies." Furthermore, many of the problems I discussed are inherent in all studies of this type. Models are never completely specified; data are never perfect; inferences always have to be drawn.

Questions have been raised concerning the sample size. Of the total population sample interviewed by the National Opinion Research Center, individuals were included in this analysis only if they obtained eyeglasses during 1963 and indicated the price they paid for eyeglasses alone or for eyeglasses and eye examination, and if furthermore there was no indication that this price covered other eye care (such as nonroutine treatment) as well. A total of 634 observations from 23 states were used. (As noted, data from a few additional states were available in the survey but were excluded because of state classification problems.) The states are listed in footnotes 11 and 27. Different subsamples of individuals were used in different comparisons; the subsample sizes are noted alongside.

States were classified as allowing advertising if any sellers were permitted to advertise (see footnote 11). This classification was chosen because the presence in a market of even one seller who can advertise is likely to affect the market substantially. Thus Indiana was classified as an advertising state since opticians in Indiana could advertise even if optometrists could not. I also noted that there is no a priori reason to believe that a large volume of advertising is required to generate the benefits associated with the existence of advertising. "Only a few price advertisements may be required to inform a sufficient number of consumers so that the average purchase price is reduced substantially." Thus there is no conflict between the classification of Illinois as an advertising state and th fact that for Illinois "few advertisements were found which contained any reference to price."

The critique pointed out that the proportion of individuals obtaining eyeglasses from physicians was much higher in states prohibiting advertising and thus, it argued, there was greater likelihood in such states that treatment fees were included in prices indicated for eye examinations and eyeglasses, so the price differences observed across states were likely to be an artifact of the differences in market shares. Now the finding that market shares for various providers differ substantially with differences in state advertising restrictions is an important one. But aside from the implications of this result, the data from our forthcoming study indicate that price differences across states are not due simply to these differences in market shares. The 1970 data show that for each type of provider considered separately (physicians, optometrists, and commercial firms), prices are higher in more restrictive states.

It is true, as I noted in the article, that much of the variance in prices remains unexplained. The objective of this study was to see if there were any systematic differences between the average prices paid by consumers in more and less restrictive states. In this study, significant differences were found. In our forthcoming study using the larger 1970 data base, systematic differences are again found, and the level of statistical confidence in these differences is very high.

The inclusion of variables such as type of lens received might well increase the proportion of variance explained. Data on the types of lenses received were not included in the survey, except for contact lenses, which were excluded from this analysis. But this raises problems for the objective of the study only if there are systematic differences in the frequency of types of lenses obtained in states with advertising as compared to states without, controlling for sex, age, family income, and family size. Is there any evidence to suggest that, say, the proportion of bifocals to total lenses obtained by persons of given sex, age, family income, and family size differed systematically across the two sets of states? In our forthcoming study, a wide variety of variables were considered, including family income, family size, age, urban-rural residence, years of schooling, race, sex, marital status, number of pairs of eyeglasses purchased, insurance coverage for eye-related expenses, cost of eye examination, and free eye care received. Inclusion of these variables did not affect conclusions concerning the association between professional control and prices.

It is true of any study of this nature that there may be a spurious association between the variables examined. It is not sufficient to assert that an alternative explanation may exist, because such a statement is always true. It is necessary to provide the alternative hypotheses *and* supporting evidence if these alternatives are to be seriously entertained. For example, the assertion is frequently made that the quality of eyeglasses or the associated service is better in the more restrictive states. As of this date, I have seen no evidence that consumers typically receive better service in the more restrictive states.

If anyone has evidence which shows that optometrists provide better service and products in some states than others, I would very much like to see that information. Note that even if the quality can be shown to be unambiguously better in the more restrictive states, the issue is not resolved. Our forthcoming study shows that in the high priced, more restrictive states, fewer individuals obtain eyeglasses in a given year. What about the quality of eye care for those who receive none at all?

The critique argues that if North Carolina were excluded, the results would be different. I found, and find, no a priori reason for excluding North Carolina. As discussed in my article, there is variation in the extent to which other regulations affecting price exist in various states. Some such regulations were in effect in North Carolina in 1963, but may well have been in effect in other states as well, including some states which allowed advertising. Had these states been excluded from the analysis, the results I found could well have been even stronger. Note further that the Texas and District of Columbia versus North Carolina comparison was included to provide an upper bound estimate, as stated in the text.

But, it can be argued, there may be something idiosyncratic about North Carolina, and since that state has such a heavy weight in the analysis, this casts doubts on the overall results. Evidence on this point is provided in our forthcoming study for 1970, in which only 3.6 percent of the eyeglass price sample came from North Carolina. The exclusion of that state from that analysis would not affect the conclusions drawn.

As I stated in the beginning of this letter, resolution of questions concerning the impact of advertising on prices does not depend on my ability to persuade you of flawlessness in my 1963 study. Even if we could agree that there were no methodological or statistical problems with a particular study, a most unlikely event, our confidence in the results would ultimately depend upon whether or not additional data were consistent with the findings. The forthcoming study with Alexandra Benham is one such effort. On the basis of all the evidence I have seen, I am confident that prices are higher in states which restrict advertising.

I would urge others, and particularly those who disagree with this conclusion, to initiate their own empirical investigation of this issue.

Sincerely yours,

LEE BENHAM.

ST. LOUIS, MO.

[From the Cleveland Press, Oct. 22, 1975]

A Look at the High Cost of Seeing

(By Walter Johns, Jr.)

Greater Clevelanders are paying 25% to 100% more for eyewear than residents of Atlanta, Houston and Montgomery because of restrictions on eyewear price advertising.

A limited sampling of eyewear prices by The Press showed that a Clevelander would pay an average of $53 for single-vision plastic frame eyeglasses. Price of the same glasses would be only $26 in Atlanta, Ga.

The lowest price for single-vision eyeglasses offered by an optical chain in Georgia and Alabama is $16.90. The lowest price we could find in Cleveland, based on a prescription for this reporter, was $27.50 at Dr. Henry H. Frederick in the Caxton Bldg., 812 Huron Rd.

The lowest price for bifocals we found at an optical chain in Houston was $22. In Cleveland, the lowest price was $27.50 at Union Eye Care, which is for union members only. But the average price for bifocals from other Cleveland area dispensers was $60.

Examination fees are not figured into these examples.

Hard contact lenses that would run between $85 and $120 in Cleveland, not including examination and insurance, can be purchased for $59 in Houston.

The Press study comes in the wake of several other investigations showing links between the cost of eyewear and state or local laws prohibiting price advertising.

The Press study found that eyewear advertising is limited by ordinances in cities and by membership rules that doctors must follow to join professional associations.

A more extensive, nation-wide study by Lee Benham, Washington University associate professor of economics, came up with essentially the same results.

The professor's studies showed that persons in states like Ohio pay more—at least 25% more—for eyewear than residents of states like Texas, Georgia, and Alabama because price advertising is restricted in Ohio.

Benham's studies found that eyewear is most expensive in states where all ads are banned and is least expensive in states like the three mentioned where price ads are allowed.

States like Ohio are between the two price extremes. An optical dispenser can advertise in Ohio but can't list prices in the ads in certain parts of the state.

Ordinances banning price advertising are on the books in Cleveland, Columbus, Springfield, Dayton, Youngstown, Ashtabula, and a few other cities, according to the Ohio Attorney General's Office.

"These laws were lobbied by individual optometrists through their association and have the same effect as a state law," said Frank Rozak of Cole National Corp., Cleveland. Cole sells eyewear in department stores.

Rozak added, "We advertise eyewear, but we don't advertise prices because of the various city laws. Bedford Heights may not have price advertising laws, but Maple Heights might and how can you separate on TV or radio or in newspapers whom the messages are sent to?"

Benham, in a study to be released this fall, also shows that eyewear prices are higher in states where optometrists are highly organized in professional associations compared with states where there is less organization.

Sen. Charles Percy (R–Ill.) is one of the staunchest critics of the advertising restrictions used by 36 states and says they inflate eyeglass prices.

Percy recently reported, for example, that a pair of frames cost $30 in Oklahoma—where state law forbids advertising—compared to $11 for almost identical frames across the border in Texas, where advertising is allowed.

The Federal Trade Commission announced recently that it will conduct an investigation of restraints on price advertising in the eyewear industry.

The FTC said it wants to find out whether parts of the industry are flouting federal or anti-trust statutes by failing to disclose certain information, particularly the information concerning the price of eyeglasses and contact lenses.

The FTC said it also wants to examine the effect of state laws and regulations and private associations that may restrict the amount of price information available to the public.

In Ohio, in order to belong to the Ohio Optometric Assn., a member must agree to uphold certain ethical standards, including no price advertising. If you advertise regularly, you cannot become a member of the association, says Ray Hornak, director of public information for the association.

There are about 1100 optometrists practicing in Ohio, with about 800 in the association. Optometrists are not medical doctors, but specialists who test eyesight problems and prescribe corrective lenses. Most have an optical dispensing service in their office, Hornak said.

The 300 Ohio ophthalmologists, who are medical doctors specializing in vision problems including surgery, must follow a similar no-advertising code in order to belong to the Ohio State Medical Assn. or the Ohio Ophthalmologists Society. Ophthalmologists generally send their patients wtih a prescription to an optician.

Opticians are the people who fit and sell glasses prescribed by the optometrist or ophthalmologist.

Spokesmen for both the optometrist and ophthalmologist groups gave similar reasons for the no-advertising rules—you shouldn't barter for health care because you might sacrifice quality.

John Royer, executive secretary of the Ophthalmologists Society, said, "If there was advertising, it would certainly undercut the professional standards of treatment, examination, and what have you. People would get involved in trying to make a deal. The point is not to make a deal, but to treat the patient's eyes properly."

There are about 1500 opticians in Ohio, with about 530 belonging to the Ohio Society of Dispensing Opticians. Opticians in Ohio require no license.

Gene King, secretary of the society, says few opticians advertise prices. "The issue has never been a problem. We have been more concerned about legislative issues and education of the dispensers."

Dr. Benham told The Press, "Advertising restraints have the effect of raising prices very significantly, but they are not the only reasons. Restrictive rules by state boards can affect prices as well as the way laws are enforced."

Dr. Benham said he has not found any evidence that the quality of eye-wear is better with higher prices.

"Higher prices keep people from buying eyeglasses and getting no care whatsoever," Dr. Benham said.

[From the Cleveland Press, Oct. 27, 1975]

Ads Keep Eye on Man Out of "Point Club"

(By Walter Johns, Jr.)

Dr. Henry H. Frederick, Cleveland optometrist, likes to advertise his services—and therefore he has been barred from membership in the Cleveland Optometric Society.

"I tried several years ago, but they wouldn't let me in because I advertise," Dr. Frederick told The Press. "I want to get in because I think I can do some good. I think they could make a lot more money if they lowered their prices."

If optometrists advertise regularly or practice in a commercial atmosphere like a Sears & Roebuck store, it is doubtful they would gain membership in the Cleveland society, says Dr. Robert H. Sunkle, Cleveland optometrist and governor of the local society.

"We wish our optometrists to practice like other health practitioners. Advertising we feel is not professional. It is bartering for health care," Dr. Sunkle said.

The Cleveland Optometric Society, composed of about 100 optometrists in Cuyahoga, Lake, Geauga and Lorain counties, requires members to follow a code of ethics partly based on a point system devised by the Colorado Optometric Assn. Advertising and information constrants account for most of the points.

Last week, The Press confirmed in Cleveland the findings of Dr. Lee Benham, Washington University economics professor. Dr. Benham's nation-wide survey showed that in states where optometrists are highly organized in professional associations, the prices of eyewear are significantly higher than in states where there is less organization.

The Press found that Greater Clevelanders are paying 25% to 100% more for eyewear than in some other states because of restrictions on price advertising.

In The Press survey of eight optical firms, the lowest price for single-vision eyeglasses was at Frederick's, 812 Huron Rd., based upon a prescription for this reporter.

The Federal Trade Commission also said it is investigating practices by professional associations that may restrict price disclosures.

The FTC initiated the investigation because it said it wants to find out whether the ban on eyewear advertising leads to higher prices for consumers, as Dr. Benham has found.

The Colorado point plan for membership in an optometric association is similar to the Michigan Optometric Assn. point plan, which is being investigated by the FTC. Both offer a maximum of 100 points. In Michigan, an applicant for membership must achieve 65 points.

Some Ohio optometric societies have a minimum point plan but the Cleveland group does not, Dr. Sunkle said. Once you join the local society, you are automatically in the Ohio Optometric Assn.

Dr. Sunkle said the Cleveland society frowns upon a member having his name in boldface print in the telephone book or having a display ad in the yellow pages. Most members don't display frames in their front window, he said.

Here is the Colorado point plan:

Advertising—No advertising, 12 points; limited ad with just name, address, phone number, 10 points; regular listing in phone book, 10; using boldface type in phone book, 6; no window display, 8; visible window display, 4. Maximum points: 30.

Location—Separate location like professional building or health center, 25 points; street location with displays, 15; location in conjunction with another business, no points. Maximum points: 25.

Signs—If like other professionals (just sign on office door), 15 points; dignified sign with lettering on door or window, 10; garish identification with blatant sign and lights, etc., no points. Maximum points: 15.

Education—Attend two professionally sponsored educational functions per year, 8 points; participate in association committee activities, 6 points. (Ohio now has a continuing education law requiring 12 clock hours each year of continuing education for optometrists). Maximum points: 14.

Physical facilities—One point each for reception room, private business office, examining and consultation room, visual training room, laboratory, dispensing room, sanitary facilities, and contact lens room. Maximum points: 8.

Functional facilities—One point each for eight different types of equipment to render complete professional services like contact lens equipment and tonometric equipment for testing glaucoma. Maximum points: 8.

"We try to keep professionalism uppermost in the minds of optometrists," Dr. Sunkle said. "Wouldn't the public start wondering what kind of quality they were getting if doctors started advertising appendectomies? We feel the same way about the eye because it is an organ of the body."

Dr. Sunkle continued, "We feel buying razor blades is not the same as buying eyeglasses. We feel the eye is deserving of more attention. After all, 80% of learning is through the visual process."

[From the Cleveland Press, Oct. 23, 1975]

Says Quality Sets Cost of Eyewear

(By Walter Johns, Jr.)

"It's like buying a suit from Richman's or from Bunce Brothers.

"Some places have less expensive merchandise and other more expensive just like in clothes."

That's the explanation Bruce McAuliffe, Cleveland area optician, gives for the wide range of prices for eyewear among shops in Cleveland and in other states.

The Press reported yesterday its finding in a study conducted of eyewear prices in the Cleveland area. The sampling showed that Greater Clevelanders are paying 25% to 100% more for eyewear than residents of Atlanta, Houston and other cities because of restrictions on eyewear price advertising.

The Press article pointed out that city ordinances, the professional standards of doctors, and rules of state boards are factors leading to the higher prices.

McAuliffe is president of the Society of Dispensing Opticians of Ohio and is associated with R. P. McAuliffe Opticians, which has five locations in Greater Cleveland.

"There are so many variables involved in eyewear prices, just like there are in clothes or any other product. The frames vary so much depending on their quality," McAuliffe said.

Lee Benham, Washington University professor who has made nationwide studies on eyewear prices, disagrees. Benham says he has not found any evidence that the quality of eyewear is better with higher prices.

Parade Magazine in an article on eyewear prices, said the basic price for contact lenses is about $5 a pair. In Texas, they sell for $69.50 and in California, those same contact lenses sell for $200 and up.

The magazine said that the markup on eyeglasses and contact lenses is frequently more than 100% to 200%.

Gerald Dougher, president of Rooney Optical in Cleveland, manufacturer and distributor of eyewear, said there are no federal laws or standards for eyewear except for industrial safety glasses and soft contact lenses.

"Anyone in Texas could make any kind of lens and put in your eye. But I wouldn't give you two cents for it," Dougher said.

"A lot of people are being ripped off because there are no laws. There is a lot of room for gray-area people because there is no one to slap their fingers," Dougher said.

Dougher explained that many companies in the private sector, like Rooney, have adopted standards in the eyewear industry with the help of various organizations like the American Optometric Assn., American Academy of Ophthalmology, National Institutes of Health and many others.

"Rooney has always made an excellent product. Our standards are tighter because we follow those industry standards. As a result, our costs are higher," Dougher said.

Dougher added, "There probably are some labs in Texas that make eyewear cheaper than ours, but we make it with more quality. Labor cost in Texas is a lot lower than here because they are a right-to-work state."

[From the Cleveland Press, Oct. 24, 1975]

COST IS DISPUTED ON EYE-CARE LAW

(By Walter Johns, Jr.)

Opticians in Ohio say that a bill pending before the Ohio Legislature could raise eyewear prices significantly and eliminate the 1500 opticians in the state.

Optometrists, on the other hand, who are pushing for the bill, will tell you it would not affect eyewear prices one iota and would merely update laws that are 55 years old.

Optometrists and opticians have been at odds for years in Ohio and elsewhere because most optometrists fit and sell eyewear in addition to examining the eyes. Opticians can only fit and sell eyewear.

Conflicts such as this resulting in restrictions in the dispensing of eyewear are blamed by Sen. Charles Percy (R–Ill.) and eyewear investigators for the high cost of eyewear in states such as Ohio.

A Press investigation this week showed that eyewear prices are higher here than in states that do not have restrictions on eyewear price advertising. Other studies have shown that city laws, state regulations, and rules of professional groups contribute to higher eyewear prices.

The legislation is House Bill 432, now in a subcommittee of the House Judiciary Committee. No action is expected until next year.

"The bill would redefine the practice of optometry and put opticians out of business," says Gene King, secretary of the Ohio Society of Dispensing Opticians.

Opticians also expressed concern over regulations and standards that would be interpreted by the State Board of Optometry. The board is composed of five optometrists.

David Hendershot, executive director of the Ohio Optometric Assn., said, "We are not out to eliminate opticians from Ohio. We are out to protect them from this law."

Hendershot explained that the bill contains a section exempting opticians from the law.

But the bill would not allow opticians to fit contact lenses, which some do now.

Frank Rozak, of Cole National Corp. in Cleveland, which sells eyewear in department stores, said the bill contains new definitions that would allow optometrists to offer new services.

"They use the term 'vision process' throughout the bill and do not define it. With new undefined terms, they could acquire now products or services and the prices may go up. Also this may force insurance specialists to take a look at malpractice policies. If they raise the premiums, the cost will be shuffled down to you know who—the consumer," Rozak said.

Hendershot answers back, "We are not really seeking to do anything in this law that we are not doing now. The 'vision process' refers to such things as vision training being used by many optometrists now.

"Not everyone gets spectacles. Sometimes optometrists can correct vision problems through eye training methods, especially in children. This law is not going to affect prices whatsoever."

Hendershot explained that the present state optometry law was written in 1920 and has not been significantly changed since then.

"There weren't such things as contact lenses and vision training in those days. What we are trying to do is redefine optometry in the light of present day education and methods," Hendershot said.

Three years ago, King said, opticians tried to get a bill passed by the Legislature that would require all optical dispensers to be registered, meet certain criteria, take an examination to get a license and be licensed by the State Medical Board.

"The optometrists, the retail merchants and the Ohio State Medical Assn. opposed it. The optometrists don't want us in the eye care field," King said.

Hendershot said his association did not oppose the concept of licensing of opticians, but several aspects of the proposed law, like regulations on the fitting of contact lenses.

"When you are fitting contact lenses, you better know what you are doing. There are some very responsible opticians that fit contacts. Our concern was that they all have a certain amount of education so that they know what they are doing," Hendershot said.

Now the shoe is on the other foot and optometrists are trying to get a new law passed with opticians opposing it. It will be up to legislators to decide whether the public will benefit or not.

[From the Cleveland Press, Nov. 1, 1975]

WHAT DO EYEGLASSES COST?

Anyone who buys eyeglasses on price alone is foolish. They are far too important for a wearer to sacrifice quality.

But anyone who buys eyeglasses without taking price into account is probably wasting money. And price may determine whether people with little money can afford glasses at all.

That's why the American Optometric Assn. is doing consumers no favor by discouraging members from advertising their prices.

And city councils—including Cleveland's—are doing citizens a definite disservice by siding with the optometrists and making such advertising illegal.

Press Reporter Walter Johns Jr. tried comparison shopping in the only way open to Clevelanders. He went from outlet to outlet to ask the lowest price for glasses ground to his prescription in plastic frames.

The answers ranged from $27.50 to $66.50 and averaged $53. In Atlanta, single-vision plastic frame glasses average $26 and can cost as little as $16.90.

In part that is due to lower wage scales, but mainly it is because of competition. A study by a Washington University economist found that residents of states like Ohio pay 25% to 100% more for glasses than residents of states that allow unrestricted price advertising.

Optometrists say that advertising prices would be unprofessional and would emphasize cost at the expense of care. That argument ignores the fact that optometrists are virtually alone among health professionals in that they advertise at all and in that they sell to patients the products they have prescribed.

Optometrists share with ophthalmologists—M.D.'s licensed to provide full eye care, including surgery—the right to prescribe eyeglasses, and in that capacity their appeal to professional ethics has some justification, at least for that part of their operation.

But they also share with opticians—businessmen employing skilled but unlicensed technicians—the right to make and sell eyeglasses, and the price of their product reflects in many cases its worth as a fashion accessory more than as a vision aid.

As such they have no special claim to exemption from free competition. And councilmen have no right to withhold from consumers information they need to make an intelligent decision about their purchase of eyeglasses.

[From the Cleveland Press, Nov. 3, 1975]

FTC PROBING PRICE PUT ON EYEWEAR HERE

(By Walter Johns, Jr.)

The Federal Trade Commission is investigating the rules and regulations of the State Board of Optometry and the Cleveland Optometric Society.

A spokesman for the FTC said, "We are collecting information to determine who prohibits the price advertising of eyewear and the effects of that prohibition."

The Ohio investigation is part of a nationwide probe by the FTC in Washington. Some Clevelanders will be asked to testify at a hearing that will be held later this year.

A Press series recently on eyewear showed that Greater Clevelanders pay 25% to 100% more for eyewear than in some other states where there are no restrictions on price advertising by professional associations, city ordinances, and rules of the state board.

The series also showed that a code of ethics, which prohibits price advertising, restricts membership in the Cleveland Optometric Society.

A spokesman in the Cleveland FTC office said investigators are also checking eyewear restrictions in nearby states.

"We are not investigating so that we can file a complaint against someone. We are just collecting information," the FTC spokesman said.

E. E. Osborn, executive secretary of the State Optometry Board, said the board has provided the FTC with copies of its rules and regulations.

Dr. Robert H. Sunkle, Cleveland optometrist and governor of the local society, said his group also has provided the FTC with copies of its membership rules.

The Cleveland FTC spokesman said the FTC in Washington hopes to complete the investigation before the end of the year.

[From the Cleveland Press, Nov. 6, 1975]

OHIO EYE BOARD SLAPS WRISTS

(By Walter Johns, Jr.)

About 300 complaints have been filed by Ohioans against optometrists in the last three years, but the State Optometry Board has found no grounds in any of them to suspend or revoke an optometrist's license.

The severest discipline has been to warn an optometrist, according to E. E. Osborn, executive secretary of the board. He said about 25 warnings have been issued in the last three years.

The State Optometry Board, whose primary role is to protect the visual welfare of Ohioans, is by law composed entirely of optometrists who oversee fellow optometrists.

Osborn said optometrists have been warned on complaints about providing shoddy frames for eyeglasses, recommending vitamins to improve eyesight, and on questions of personal conduct.

"The board wants to give the optometrist a chance to rectify an error or a complaint. It does not want to ruin a person's livelihood," Osborn said.

The board's rules for optometrists have been criticized by eyewear experts such as Frank Rozak of Cleveland as catering to the optometrist profession more than the public.

Rozak, an official with Cole National Corp. which sells eyewear in department stores, said, "I believe the board carries on the wishes of the profession. These board members, being optometrists, are in competition with the same optometrists they are ruling upon.

"They are all members of one association and, because of the codes of the association, other members of the profession are excluded. The board goes along with the wishes of the Ohio Optometric Assn."

Osborn denied that the board serves the profession rather than the public.

"The board requires the proper education to serve the visual needs of the people of Ohio and an applicant in Ohio has to pass the state board examinations before he can practice. We believe this is certainly protecting the public," Osborn said.

Rozak said that some of the state board's rules tend to restrict competition and keep the price of eyewear high in Ohio.

"There are other factors that cause high eyewear prices in Ohio besides restrictions on price advertising," Rozak said.

He was referring to a recent Press series that showed that Greater Clevelanders pay 25% to 100% more for eyewear than people do in some other states because of restrictions here on price advertising.

Rozak noted that in Ohio a dispensing optician cannot employ an optometrist but an optometrist can employ an optician. Rozak said Illinois does allow an optician to employ an optometrist.

"An examination in Illinois costs about $12, whereas here it costs from $15 to $25," Rozak said.

"In Ohio, an optometrist fixes his own prices. We feel we could employ an optometrist for a salary and could do it at less cost for Ohioans than the optometrist working as an individual practitioner.

"Our total cost for delivering eye care to a customer is less in a state like Illinois than in a state like Ohio where we can not employ an optometrist," Rozak said.

Rozak said some stores in Ohio have had problems signing a lease with an optometrist, where an optician might be nearby. "The optometrist will tell them, 'I'm afraid of what the state board may do,'" Rozak reported.

Osborn denied that the state board affects prices or advertising because of its rules and regulations.

"It's professional ethics and local ordinances that control whether there is price advertising, not state board policies," Osborn said. "And we have absolutely no control over prices."

Osborn said the board does frown upon an optometrist locating near or with an optician.

"The law says they have to operate their own office. This gets a little sticky if they try to locate in an optical shop. The board frowns upon this.

"We feel the public would be misled where they would use the same facilities, the same receptionist and so on. It would be like a doctor having his office in a surgical instrument company.

"We want to keep them separate. We're interested in upgrading the eye care of the citizens of Ohio," Osborn said.

[From the Cleveland Press, Nov. 19, 1975]

Suburbs Have Laws Curbing Eyewear Ads

(By Walter Johns, Jr.)

Four Cleveland suburbs have old laws on the books that limit eyewear price advertising. A nation-wide study has shown that such laws tend to raise the cost of eyewear for the public.

The study by Lee Benham, Washington University associate professor of economics, found that eyewear is most expensive in states where all ads are banned and is least expensive in states where price ads are allowed.

A recent Press series on eyewear prices in Greater Cleveland showed similar results—the Greater Clevelanders are paying 25% to 100% more for eyewear than residents of Atlanta, Houston and Montgomery because eyewear advertising is limited by ordinances and by codes of ethics adopted by doctors.

The Press series also indicated that Cleveland has an ordinance limiting eyewear advertising that dates back to 1942.

Legislation has been introduced by Councilman Basil Russo to repeal the ordinance.

Other communities with advertising restrictions are Parma, Parma Heights, Willoughby and North Olmstead.

The Parma ordinance is so old (1949) and obsolete that it is not even in the city's book of codified ordinances, said Cesare D. Fazio, president of the Justinian Publishing Co. here, which put Parma's ordinances in book form.

"I didn't even know we had such a law. It has not been used since I have been here," said Andrew Boyko, Parma law director for the past 14 years.

The ordinances are worded like Cleveland's and prohibit advertising the price of lenses or complete eyeglasses unless the words "without lenses" appear in the ad.

Eyewear experts said the laws were pushed in the forties and fifties by optometrists.

Anthony Stavole, Parma Heights law director, said the Supreme Court upheld in 1944 a portion of a similar ordinance in Springfield, O.

The Supreme Court upheld the section that prohibits advertising the prices of lenses or complete eyeglasses—lenses and frames.

Stavole said the court did not take up the second half of the ordinances. This section prohibits advertising the prices of frames or mountings unless you use the words "without lenses."

Stavole believes that shops could advertise frame prices as long as they include the words "without lenses."

Frank Rozak, of Cole National Corp. which sells eyewear in department stores, believes that advertising the price of frames without lenses would be misleading the public.

"To just advertise a frame lends itself to false advertising," Rozak said. "People think it would be the full set of eyeglasses. The view of the public as to what the total product entails is both lenses and frames.

"There are some in the community who would try to take advantage of the public with this type of advertising. You have got to be able to advertise complete eyeglasses so you don't mislead the public."

Other opticians and some optometrists contacted by The Press have defended the advertising laws. Optometrists also have defended their code of ethics, which limits advertising.

They say elimination of the laws and the code would be the beginning of bartering for health care and that Ohioans will get products that are cheaply made.

Michael Gareau, North Olmsted law director, said he questions the validity of the ordinances.

"It is kind of ironic for North Olmsted and these other communities. We recently passed a law requiring the posting of gasoline prices," Gareau said.

"With one law, we are doing everything to promote competition and with another law we are doing everything to stifle it."

Suburbs Are Challenging Price Curb in Eyewear Ads

(By Walter Johns, Jr.)

Legislation is in the works in two suburbs to eliminate laws that restrict eyewear advertising. The Federal Trade Commission this week indicated that such laws tend to raise the cost of eyewear for the public.

In North Olmstead, Councilwoman Janet Saringer introduced a proposal to repeal that suburb's law about eyewear price advertising.

In Parma, Councilman Stanley Wojas said he will introduce legislation after Jan. 1 to repeal a similar law.

In Parma Heights, Council President Charles Cole said councilmen would be willing to listen to proposals from the public about eliminating the same type of law in that suburb.

Mrs. Saringer and Wojas agree with Cleveland Councilman Basil Russo, who also has taken action to try and eliminate a similar law in Cleveland.

The proposals follow on the heels of a Press series on how eyewear prices in Greater Cleveland compare with some cities in other states.

The Press series showed that Greater Clevelanders are paying 25% to 100% more for eyewear than residents of Atlanta, Houston and Montgomery because eyewear advertising is limited here by municipal ordinances in and by codes of ethics adopted by doctors.

The ordinances, worded almost the same way were pushed in the 1940's and 1950's by optometrists.

The laws prohibit advertising the price of lenses or complete eyeglasses unless the words "without lenses" appear in the ad.

Mrs. Saringer, North Olmsted's Ward 2 councilwoman, said, "According to a national study, laws like the one in North Olmsted tend to raise the cost of eyewear."

She said, "To me it is just false advertising to advertise a frame without a lens. People would think they are getting a complete set of glasses. I don't see any need for the law."

Wojas, Parma's Ward 3 councilman, said, "The elderly and the poor are hurt the most by this type of law because it makes it impossible for them to shop around for eyewear.

"As a result of this (restriction) and high prices, many go for years without getting eye examinations and new glasses."

Wojas added, "This may be a step forward to actually open the door for a more competitive field, thus giving the consumer a break."

Some optometrists and opticians, too, have defended the advertising laws. Optometrists also have defended their code of ethics which limits advertising.

Another provision in the proposed Federal Trade Commission regulations would require a doctor to give a copy of the eye prescription to the person examined and the prescription would have to be complete in the event that someone else should fill it.

The Press' series revealed instances of some doctors refusing outright to give a patient his prescription if the patient wanted to take it elsewhere or the doctor would tack on an additional $5 or $10 charge for the prescription slip.

They say elimination of the laws and the code would be the beginning of bartering for health care and that Ohioans will get products that are cheaply made.

The Federal Trade Commission said it has proposed eliminating bans on advertising the price of eyewear in hopes of reducing their cost.

A series of hearings will be held by the FTC and then it will decide whether to adopt the regulations, amend them, or decide not to adopt them.

Terry S. Latanich, an attorney with the FTC who helped to write the regulations, said the FTC found very little disparity between prices from the manufacturers of eyewear to the laboratories and from the laboratories to the retailer. He said that at those two levels, price figures are readily available.

"It is only at the retail level that prices go all over the place. And the retail level is the only place where prices are not available," Latanich said.

UNITED STATES FOCUSES ON PRICE OF GLASSES

The Federal Trade Commission said in Washington today it thinks that half the nation pays too much money for proper vision.

The commission, noting that nearly every other American wears eyeglasses, has proposed eliminating bans on advertising the price of prescription eyeglasses in hopes of reducing their cost.

In announcing its position yesterday, the FTC said many state and local regulations and the ethical codes of private associations limit such advertising by ophthalmologists and optometrists in all 50 states and the District of Columbia, and by opticians in nearly half the states, including Ohio.

These findings were similar to those made by Cleveland Press Reporter Walter Johns Jr. in a recent series on eyewear in Greater Cleveland.

The series showed that Greater Clevelanders are paying 25% to 100% more for eyewear than residents of Atlanta, Houston and Montgomery because eyewear advertising is limited by ordinances and by codes of ethics adopted by doctors.

The series also indicated that Cleveland and four suburbs have ordinances limiting eyewear advertising that date back to 1942.

Legislation has been introduced by Cleveland Councilman Basil Russo to repeal the ordinance.

The ordinances are worded almost the same and prohibit advertising the price of lenses or complete eyeglasses unless the words "without lenses" appear in the ad.

Eyewear experts said the laws in Ohio were pushed in the forties and fifties by optometrists.

Frank Rozak, of Cole National Corp., which sells eyewear in department stores, believes that advertising just the price of frames without lenses would be misleading the public. The public would expect to receive a complete pair of glasses, he said.

More than 100 million Americans—nearly half the population—use corrective lenses, and last year Americans spent $1.83 billion for prescription eyewear—glasses, contact lenses, and frames, the FTC said.

If the proposed rule takes effect, "glasses could and would be sold at lower prices," said Mrs. Joan Bernstein, acting director of FTC's Bureau of Consumer Protection. It would not, however, require the advertising of prices, she said.

Dr. Robert H. Sunkle, president of the Cleveland Optometric Assn., said, "I still don't see how we can have advertising in the health field. I don't think you can handle health care as a product to be sold."

He added, "We in the optometry field sort of follow the American Medical Assn. As the AMA marches, so do the other professions seem to march.

"I doubt if professional optometrists are going to advertise even if they are allowed to do so."

The FTC action came one day after the commission filed an antitrust complaint against the AMA and other segments of the medical profession. That complaint charged that ethical codes and regulations prohibiting advertising of doctors' services and fees have eliminated competition and resulted in higher fees.

ECONOMISTS CALL FOR FASTER RECOVERY

Mr. HUMPHREY. Mr. President, the Joint Economic Committee is now holding its annual hearings on the economy, as background for the preparation of the JEC annual economic report, which will be presented to the Congress in early March.

On February 5, the committee received testimony from a distinguished panel of economists on the economic outlook. This panel disagreed sharply with the policies proposed in the Economic Report of the President.

It was the general consensus of this panel of distinguished experts that the administration's outlook for the economic recovery is unacceptable. They agreed that greater progress toward rapid recovery, full employment with price stability, is possible if more aggressive policies are followed.

Robert Parks, chief economist of ADVEST, labeled the Council of Economic Advisers report "a whitewash of policy failures, lost objectives, and defective economic theory."

Former Chairman of the Council of Economic Advisers, Gardner Ackley, called the prolonged unemployment rates forecast by the Council "simply intolerable" and said that even if the President's proposed fiscal policy were sufficiently stimulative to support the Council recovery forecast, it would still be too restrictive a policy.

Chairman of the Council on National Priorities and Resources, Robert Nathan, accused the administration of following Nixon programs and policies that "were designed to stem inflation by consciously maintaining high unemployment and recession." Nathan said that the administration's budget "does nothing more than extend the policies of the last several years—the very policies which are responsible for the present costly recession, the highest rate of interest rates since the Civil War, the highest unemployment since the Great Depression, and a continuing high rate of damaging inflation." He called the administration budget proposals "timid and inadequate" and said they fail to give proper weight to the fact that the economy has still not recovered from the most serious recession since before World War II.

Glen Burress, economist, University of Texas, entitled his opening statement "1976 Forecasts Too Low—Serious Trouble Ahead in 1977 and 1978." Mr. Burress recommends that tax cuts much larger than the levels being discussed "would be in order."

Mr. President, I ask unanimous consent that the statements of these distinguished economists be printed in the RECORD.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

1976 FORECASTS TOO LOW—SERIOUS TROUBLE AHEAD IN 1977 AND 1978

(Testimony before Joint Economic Committee, U.S. Congress, February 5, 1976, by Glenn E. Burress, University of Texas of the Permian Basin, Odessa, Texas and Journal of Commerce, New York, N.Y.)

Mr. Chairman, it is a distinct honor to be invited again to comment on the outlook. Just as I did last year, I shall focus my remarks on the implications of my dramatically different approach to how the consumer reacts to income change in recessions and recoveries.

At this time, this approach suggests the rate of growth of real GNP will in 1976 exceed the standard forecast by nearly two points. Real GNP will in 1976 expand at about 8%.

But I am greatly disturbed about 1977 and 1978. I shall show below that there are generally unrecognized sources of restraint on the expansion of the economy that will be powerful in 1977 and 1978. To neutralize these, the Congress will need to cut taxes $30 billion in 1977 and then cut taxes an additional $30 billion in 1978. It is, of course, quite possible that we may not want to neutralize all of this restraint by cutting taxes and/or increasing spending by these full amounts. But it is imperative that these potential problems and their magnitudes be recognized as far in advance as possible in the formulation of economic policy.

One reason these problems may go unnoticed until it is too late to enact appropriate policies is that the economics profession continues to offer advice and forecast to leaders both in and out of government, including members of this Committee, on the basis of a Keynesian view of the consumer. That view was appropriate for the 1930s. But it is inappropriate for the period since World War II.

The guts of the problem is simply this. The Keynesian model, found in all texts, taught in our graduate schools, and built into every major forecasting model (such as the models of Chase Econometrics, Inc., and Data Resources, Inc.) assumes that when the rate of growth of income slows or income falls in recessions, consumers react by reducing saving. Indeed it is assumed that consumers cut their saving faster than income.

Then during a recovery like the one now underway, the standard, accepted Keynesian model of the consumer tells those charged with planning policies, both private and public, that consumers will react to increased income in recovery by increasing saving. Indeed it is assumed that consumers will increase their saving faster than income.

The logic behind these conclusions seems compelling enough. It is assumed that the consumer's standard of living, and therefore his spending, is habit forming. If spending were habit forming, then when income falls in a recession, it is reasoned that consumers cannot cut spending as fast as income and therefore saving falls faster than income.

Then during the recovery, if spending were habit forming, it is reasoned that consumers, due to these spending habits, are unable to increase their spending as fast as income and therefore saving increases faster than income.

However logical this may seem, it simply is not appropriate to assume total consumer spending is habit forming. Consumers develop habits of using things like cars, appliances and the like. But they do not buy these items so frequently that they develop spending habits that prevent them from postponing some important outlays in recessions. Nor do consumers develop such powerful habits that they cannot accelerate spending during recoveries on items that were postponed in the previous recession.

If one rejects the notion that spending is habit forming and argues that spending can be postponed in recessions and then accelerated in recoveries, it is easy to see why saving might rise as income falls in a recession. It is also easy to see why saving might fall as income rises in recoveries. That is, if the recession is mild and the reduction in income is small, the postponement of some spending can cause a reduction in spending that exceeds the reduction in income. As a result, saving rises as income falls.

Then in recovery as income rises, spending that was postponed in the recession is now accelerated. The increase in spending can exceed the increase in income. As a result, saving falls as income rises.

It is clear, then, that one can build a case for the Keynesian view that saving falls in recessions and rises in recoveries or he can build a case for my own view that saving rises in recessions and falls in recoveries.

It seems equally clear, at least to me, that the argument should be settled by the data. The data are clear. In every recession for 20 years, when income fell, spending was cut more than income. Saving rose as income fell. In every recovery for 20 years, when income has risen, spending has increased faster than income, contradicting the depression model of the consumer. In four of these five recovery periods, the increase in spending exceeded the increase in income. As a result, even the absolute level of saving fell. These striking contradictions of the Keynesian depression model were recorded in 1955, 1959 1968 and 1972.

Whatever the logic of settling the debate on the basis of the data, continued use of the Keynesian depression model in forecasting and planning policy, both private and public, suggests the question is one of faith among economists. The debate is not unlike a debate over religion. Indeed, my experience demonstrates that to many economists, acceptance of the Keynesian model defines what is professional activity and what is not.

Why should this Committee concern itself with what appears to be an esoteric debate among economists on theory and methodology?

The answer is that continued use of the Keynesian depression model long after it ceased to explain the data is a major source of serious forecasting errors. What this means is that, at times, the lead time for identifying problems is cut so short that the Congress is prevented from enacting policies that could reduce unemployment, reduce inflation and increase the rate of growth.

Our efforts to implement economic policy are, as a result, more like putting out fires than the kind of deliberate debate and analysis required to reach our long-run goals.

Before describing briefly my alternative to the Keynesian model and how the model offers insights now into problems for 1977 and 1978 with enough lead time to act, let me cite some results of my alternative approach.

A year ago the major forecasting services projected sluggish recovery in 1975. It was projected that the 1975 tax cut and rebate would push the saving rate as high as 13.8% and consumers would be slow to spend.

I told this Committee the saving rate would not be nearly so high and that the tax cut and rebate would produce a much stronger recovery than others projected.

But I was more specific. Citing to this committee that much auto spending had been postponed and therefore much could be accelerated, I forecast that the auto industry would be an important leader in the recovery.

I was even more specific. In a February 18, 1975 Journal of Commerce article entitled, "Sharp Recovery in Auto Expected Late This Year," I projected the annual rate of auto sales in the second half of 1975 at 9.3 million units. 9.2 million units were sold.

For calendar year 1975, I projected auto sales at 8.5 million. 8.6 million units were sold.

In late July on the basis of the Keynesian view that consumers would be slow to spend their tax rebates, the third quarter saving rate was put at 9.0% by Chase Econometrics. It was put higher by others.

Taking my own non-Keynesian view of the consumer, I forecast that the third quarter recovery would be more vigorous than others suggested because the saving rate woud be lower.

Specifically at an August 4, 1975 forecasting conference on the campus of the University of Texas of the Permian Basin and sponsored by financial executives of Odessa, Texas, I projected the third quarter saving rate would be 7.8%. It was first reported as 7.7% then revised to 7.8%. Recovery in the third quarter was vigorous. I could cite other examples.

Turning to the future, the major forecasting services, using the Keynesian model, are projecting that saving will rise slightly faster than income in 1976. It is projected that the absolute level of saving will rise about $15 billion.

My approach suggests saving in 1976 will fall about $5 billion. This suggests others are understimating consumer spending in 1976 by about $20 billion. This likewise implies the standard forecast is overestimating the flow of personal saving into money and capital markets by $20 billion.

This, of course, explains why I believe real GNP will rise about 8% in 1976—almost two points higher than the standard forecast.

Turning to 1977–78, there is wide agreement that the economy will slow down sharply. Most economists believe we will narrowly avoid a 1978 recession.

But here again, the models that crank out these results use the Keynesian depression model of the consumer. That is, it is assumed that as income slows, consumer spending will hold up. To quote from Business Week in April, 1973 when a 1973–74 growth recession was being projected, they reported, on the basis of interviews with several top economists, "If as income slows later this year as is widely expected consumers will dip into their savings and thus cushion any tendency towards recession." Business Week reported, in part, my rebuttal, "That view is based on theory born of depression and dead wrong. If income does slow, consumers will save more, not less. And the increase in consumer savings will turn a growth recession into a full-blown recession."

Income slowed in late 1973. The saving rate of consumers shot up to a quarter century high. There can be no doubt that this sharp increase in saving in the final quarter of 1973 played a key role in producing the 1974–75 recession.

The similarities I am suggesting between the current debate over a 1977–78 slow down and the same debate in early 1973 need no elaboration.

The most important variable in my model is what I call predetermined debt repayments.

Predetermined debt repayments are defined as repayments in the current period, like 1976, on borrowing before the current period—such as before January 1, 1976. My work shows that sometimes predetermined debt repayments accelerate. Then they act like a tax increase. That is income that in the previous year that the consumer was free to spend must now go for debt repayments.

At other times, predetermined debt repayments decelerate, acting like a tax rate cut.

Between mid-1975 and mid-1976, a deceleration of predetermined debt repayments made funds free to the consumers that had been required for debt repayment. The absolute amount of stimulant was about $14 billion—nearly as large as the 1975 tax cut and rebate.

For calendar year 1976, the stimulant is approximately $7.6 billion. But given a reasonable forecast of consumer borrowing for 1976, this variable in calendar 1977 will act like a $12.6 billion tax increase. That is between 1976 and 1977, there will be a $20 billion shift in this variable towards restraint.

The equations in the model already permit one to say something about 1978. The restraint from this variable will remain close to $10 billion.

Assuming no change in the tax rates, income taxes of individuals in 1977 will rise approximately $20 billion—the fiscal drag created by the automatic growth of claims against income of consumers as the economy grows. A similar figure is reasonable for 1978.

This suggests that the combined restraint on the economy from predetermined debt repayments plus fiscal drag will be about $32 billion in 1977. It will be about the same in 1978. This clearly suggests the need to plan a fiscal policy for 1977 and 1978 that takes into account. It would appear that tax cuts much larger than the levels being discussed would be in order.

STATEMENT BY GARDNER ACKLEY, THE UNIVERSITY OF MICHIGAN, BEFORE THE JOINT ECONOMIC COMMITTEE

(U.S. Congress Hearings on the Economic Report of the President, February 5, 1976)

I understand that this morning's session of the Hearings is to be devoted primarily to the economic outlook, and its relationship to government economic policies. In this brief initial statement, I shall therefore confine my attention to these matters, with special reference to their discussion in the *Economic Report of the President* and the accompanying *Annual Report* of the Council of Economic Advisers.

Living as I now do in the distant province of Michigan, I received neither the 1977 *Budget* nor the 1976 *Economic Report* in time to have prepared my own full-fledged, independent forecast of GNP and the inflation rate, on a basis consistent with the fiscal policies proposed in those documents. For me to have done so would, in any case, have been almost impossible this year because of the extensive revisions concurrently made in our national accounting system and in the data for recent years, the details of which are still not generally available outside of Washington. Thus, while I can and will comment on the Council's forecast, I cannot provide a detailed alternative forecast, constructed "from scratch", and reflecting the President's proposed policies, as the Council's forecast presumably does.

Essentially, we can summarize the Council's forecast in terms of three crucial figures: the growth rate of real GNP; the level of unemployment; and the rate of inflation. Between calendar years 1975 and 1976, real GNP is expected to grow by 6.2%, slowing only to 5.7% in 1977. As a consequence, the unemployment rate is seen to decline from 8.5% in 1975, to 7.7% this year, and to 6.9% in 1977. Inflation (as measured by the GNP deflator) is forecast at 5.9% in 1976, rising to 6.2% in 1977. (I have not found the 1977 forecasts in the *Economic Report*, but they appear on page 25 of the *Budget*.)

My own latest forecast, made last December, saw a growth of real GNP of 6.0% from 1975 to 1976, an unemployment rate of 7.9% for this year, and a 6.4% rise in the GNP deflator. The differences from the Council's forecasts for 1976 are relatively minor, though on all counts, I was slightly less optimistic. Although I do not systematically collect the forecasts of others, my impression is that most other forecasters have also been somewhat less optimistic than the Council. That is certainly the case for the forecasts most recently reported to the American Statistical Association or to Philadelphia columnist J. A. Livingston.

This seems to be true as well for the forecasts produced by the large macroeconometric models. For example, the most recent forecast of my colleagues at the University of Michigan, Professors S. Hymans and H. Shapiro, using the Michigan Econometric Model, calls for a 5.9% increase in real GNP in 1976 (compared with the Council's 6.2%), slowing to a 5.0% rate in the first half of 1977. Unemployment in the Michigan forecast falls gradually to 7.2% in the second quarter of 1977, 0.2% above the apparent Council forecast for that quarter. The year-over-year inflation rate for 1976 is forecast by the Michigan Model at 5.9% in the GNP deflator—exactly the same as CEA's—with the Michigan inflation rate falling in 1977 as the CEA's rises slightly. I understand that the still more recent forecast of the Wharton Model is not very different from these figures, and thus also less optimistic—at least on GNP and unemployment—than the Council.

Now, an important problem in interpreting comparisons like these I have just made arises from the fact that any respectable forecast has to be based upon its author's best assumptions regarding government fiscal policy; and in making their recent forecasts, the various forecasters may have assumed either a less or a more stimulative fiscal policy than the President now proposes. For example, I know that my own forecast assumed an appreciably larger FY 1977 budget than the President has proposed, and somewhat different tax assumptions.

The detailed fiscal assumptions of the Michigan Model forecast include a FY 1976 budget total identical to the Council's, but a FY 1977 budget about $13 billion higher than CEA's—and, in both years, distinctly richer in purchases of goods and services, where it counts the most. On the other hand, after July 1, 1976, the Michigan assumption was probably for somewhat higher tax rates than the President has proposed. My hunch is that the Michigan forecast, if altered to insert the President's budget and tax recommendations, would still remain appreciably below the Council's. But until the model is refitted to the new GNP data, and rerun using the President's proposed budget and tax rates, it is impossible to make any definitive comparison.

I think that I have seen both Otto Eckstein and Arthur Okun (whom I regard as among the very best forecasters in the business) quoted as saying that their own latest forecasts were quite close to the Council's, but assumed a more stimulative fiscal policy.

Thus, I believe that the Council is somewhat more optimistic about the outlook than most forecasters outside the government—myself included. Given the same fiscal assumptions, most of us would put the percentage gain in real GNP in 1976 a bit lower, and the unemployment rate a bit higher, than has the Council. On the other hand, I don't want to exaggerate the difference—at least so far as 1976 is concerned. Most of our forecasts are in the same ball park as the Council's: we foresee a gradual recovery, sufficient *slowly* to reduce the unemployment rate in 1976 and into early 1977. Almost no one sees an incipient boom, nor an early slide into a new recession. While neither possibility can ever be absolutely excluded, I don't believe that we should worry about either one occurring this year. Likewise, the prevailing opinion is clearly that there will be continued moderation in the inflation rate in 1976 and into 1977—"moderation" at least by the standards of recent years. That is also my view.

The primary problems which I personally have with the Council's forecast are not so much for 1976, as they are for 1977 and beyond. The *Economic Report* gives very few hints about the Council's reasoning concerning 1977. But we can draw some clear inferences. One is that the Council expects the rate of expansion of real final demand to be appreciably higher in 1977 than in 1976. This follows directly from two statements in the *Report*: first, that almost 1½ percentage points of the 6.2% real GNP growth from 1975 to 1976 reflects the swing in inventory accumulation, which implies a projected growth of real *final demand* in 1976 of about 4.7 or 4.8%; second, the Council says that, after mid-1976, the growth of final demand and of inventories will be approximately equal (which seems plausible enough). Since the growth of real GNP is forecast by the Council at 5.7% from 1976 to 1977, this implies a forecast of growth of final demand in 1977 also close to 5.7%—a full percentage point greater than its projected 1975-to-1976 expansion of final demand.

The only basis I can see for such a forecast is a truly spectacular expected boom in business investment. Certainly, the expansion of no other significant component of real final demand can be expected to accelerate between 1976 and 1977. Surely not real residential construction, after the 30 percent expansion forecast by the Council for 1976. The Council also explicitly assumes the same less-than-3%-a-year growth of real State and local government purchases in both 1976 and 1977. Real Federal government purchases are expected to rise only 1% in 1976, and surely by no more than that in 1977. And whatever happens to net exports cannot make a great deal of difference.

This leaves only consumer purchases and business fixed investment. This year—i.e., between 1975 and 1976—the Council expects real consumer purchases to rise by 6%, nearly as fast as real GNP. This is supposed to occur despite a projected growth of only 5% in real disposable income (even with the 1976 tax cuts); it stems, rather, from an assumed drop of about 1 percentage point in the saving rate. I do not find that unreasonable.

For 1977, however, the rise in disposable income relative to the rise in GNP will probably slow down further than in 1976, since, after 1976, further net tax reduction is trivial or even nonexistent; moreover, the growth of transfer payments must decelerate materially in 1977 under the President's plans. The only way in which real consumption could again in 1977 grow even nearly as fast as real GNP would be for a further sharp decline to occur in the saving rate. While this cannot be excluded, I doubt that we have any reason to count on it.

This leaves a sharp acceleration in the growth of business fixed investment as the only remaining source for the Council's projection of a faster growth of real final demand in 1977 than in 1976. But is that really plausible?

Many economists will be somewhat skeptical about the Council's forecast of an 8% growth of real business fixed investment between 1975 and 1976. (This is probably the main respect in which the Council's forecast for 1976 is stronger than others'.) Surely, so strong a growth is not suggested by recent surveys of investment intentions, by the recent behavior of durable-goods orders and nonresidential construction contracts, nor by current and expected rates of capacity utilization. On the other hand, the first year of recovery always brings a surge of corporate profits, which has already begun; moreover, corporate tax rates are to be reduced and other incentives to investment are proposed, which add to corporate profits and cash flow. Some short lead-time investment items, that were merely deferred during the recession, may be quickly reinstated once it is clearly over. Further, as Table 1 on page 26 of the Council's *Report* shows, rather high rates of growth of real fixed investment are typical of the first full year of recovery from previous recessions.

The table which appears below reproduces in column (B) the data for first-year growth rates of business fixed investment found in the Council's table. (I have changed the column headings somewhat in an attempt to make the table a little easier to understand.) Clearly the Council's 7.9% growth for 1976 does not appear out of line with past experience.

However, in column (C) I have added the growth rates of business fixed investment in the *second year* of each recovery (which would correspond to 1977). In only one previous recovery (that following the 1970 trough) was there acceleration of growth in the second year of recovery, and that from a low first-year rate. In order to support the Council's optimism regarding *both* 1976 and 1977, I have shown that a substantial acceleration from the high 7.9% first-year rate of business investment is required. I see nothing in the proposed policies, nor in previous cyclical experience, to cause me to expect it.

My conclusion is that only a fiscal policy which either allows some appreciable growth in real government purchases, and/or which involves tax rates and transfer payments designed to support a faster growth of consumer spending, can provide reasonable assurance that steady recovery will continue through 1977, at a rate fast enough to keep the unemployment rate headed downward.

GROWTH RATES OF REAL BUSINESS FIXED INVESTMENT IN RECOVERY PERIODS, 1955–77

Quarter of cyclical trough	Annual growth rate of real business fixed investment from half year following cyclical trough (percent)	
	To corresponding period 1 yr ater	From corresponding period 1 yr later to 2 yr later
(A)	(B)	(C)
1954—III	15.3	1.7
1958—II	10.8	4.4
1961—I	9.8	3.2
1970—IV	6.0	13.9
1975—II	[1] 7.9	?

[1] CEA forecast.

There is another, and simpler, way to summarize this conclusion. As the official estimates in the Budget show, the Federal "full-employment" budget surplus is expected to increase by $19 billion between fiscal years 1976 and 1977, from a deficit of $16 billion in the former year to a surplus of $3 billion in the latter year. If one tries to interpolate the quarterly or half-year pattern of this surplus, my guess is that the decline from early 1976 through 1977 would be considerably sharper. The change in the full-employment surplus is not a perfect measure of the economic impact of the budget; but it is the best simple measure that we have.

Surely, some decline in the full-employment surplus is appropriate as the cumulative forces of recovery replace the cumulative forces of recession. And, as the economy approaches full employment, we should plan to move into a full-employment surplus. But a turn-around as fast and as drastic as now proposed could well abort the recovery—either slow it down to the point that no further improvement would occur in the unemployment rate, or, at some point, trip off a new recession.

There is one final point which I must make—even though it may not properly be part of *today's* agenda, for it deals not with the outlook but with the *appropriate goals for public policy*.

My point is this: even if the Council's forecast could be counted upon as correct, I personally would not find acceptable the state of affairs which it describes. To me, the human, social, and political costs of prolonged unemployment at the rates forecast by the Council are simply intolerable. Even if the President's proposed fiscal policy were sufficiently stimulative to support the Council's recovery forecast, it would still be too restrictive a policy.

Of course, the Council—and the President—say that they greatly regret long-continued high unemployment. But there is really no choice. Any effort to speed recovery beyond the cautious rate which they forecast would be self-defeating: it would merely reignite inflation; and this would so frighten people that real private spending would dry up as fast as government spending or disposable income increased.

This is a newly popular doctrine, recently pioneered by Arthur Burns, and now seized on by the White House to defend its cautious policies. One can *imagine* that such an outcome might conceivably occur. But because it can be imagined does not make it probable, or even plausible. Its matter-of-fact statement, as though it were a proven fact—or as though there had even been any extensive theoretical or empirical analysis to support it—is simply fraudulent economics. My own view is that a somewhat more stimulative fiscal policy and a consequent somewhat faster recovery toward tolerable levels of production and unemployment would involve—over the next year and a half—negligible costs in increased inflation. And, in my view, the effects of more visible progress toward resolving our dismal economic problems would strengthen rather than weaken business and consumer confidence, and willingness to spend. Perhaps I could ask at this point to have put in the record some comments I recently made on this and related subjects at the recent Michigan Economic Outlook Conference.

Those of us who support a less austere fiscal policy are *not* proposing a "quick-fix" of "make-work government jobs". We are proposing a continuing public stimulus which will support mainly a faster growth of private jobs—in the production of useful goods and services which the private sector, enjoying more rapidly rising incomes, would purchase either for consumption or for investment to expand future production.

The Administration view seems to be that if we merely assure the availability of enough idle resources which *could* be used for private investment, and provide some extra financial incentives, private investment will automatically expand to fill the gap. After what business has been through in recent years, I suggest that a somewhat stronger and more sustained growth of markets is necessary to assure that private investment will enjoy the strong and durable recovery which we all want.

ECONOMIC AND INVESTMENT PERSPECTIVE,

February 5, 1976.

IDEOLOGY, POLITICS AND THE ECONOMIC OUTLOOK

(Outline and Summary of Testimony before the Joint Economic Committee, U.S. Congress, Washington, D.C., February 5, 1976)

My assignment in the main is to appraise the 1976 *Economic Report of the President* and the accompanying *Annual Report of the Council of Economic Advisers*. I find problems with these reports on three counts.

First, the CEA's review of what has happened suffers, as expected, from the error of omission. Most noticeably is the role governmental policymakers themselves played in pushing the economy into the worst recession in postwar history despite the warnings of many economists, legislators and others.[1]

Second, the CEA's projections of a moderate growth of the economy may not be realized unless policy shifts are instituted, and fast. The risks in my view are not adequately recognized.

Third, the "goals" of the Administration in key areas appear light-years away from the needs of the economy. This is particularly true for employment, even assuming the economy advances along the path foreseen by the CEA.

ECONOMIC HISTORY

Despite extensive review of developments the past few years, the CEA report is largely a whitewash of policy failures, lost objectives, and defective economic theory:

(1) *Economic Overkill*. The United States did not merely slide into the worst recession in postwar history. It was pushed into a "mini-depression" through restrictive monetary and fiscal policies superimposed on an economy already headed downhill. This was predictable, and many economists so warned.

(2) *Lost Objectives*. Instead of the promised economic slowdown, the economy experienced a major cyclical fall. Instead of the promised balanced budget, a massive deficit was created. Instead of spurring additional capital formation, economic overkill killed consumption and the derived demand for capital.

(3) *Defective Theory*. Fighting cost-push inflation and power-bloc pressures on prices through monetary and fiscal restriction was a perfect prescription for major recession. The new Spencerians, (classicists or Smithians) in charge assumed that the fiscal and monetary tools fashioned for use in a classical and purely competitive world would work as well in a world comprised of power blocs and extraordinary cost-push pressures on prices. They did not, predictably.

ECONOMIC PROSPECTS

Most economists are on a bicentennial bandwagon rolling down Route 66. The happy consensus looks for real GNP to advance a healthy 6% and for price inflation to slow to 6%. The CEA is on the same bandwagon, but looks perhaps for a little more growth. But a number of cautions and caveats are in order at this juncture:

(1) *Demand Weakness*. The leading indicators have flattened the past few months; real buying power of non-farm workers has been eroded, with real weekly earnings still almost 5% below the level of 1972 (Exhibit 1); foreign economies are experiencing a "sputtering" recovery, which foreshadows weakening of U.S. exports; a galaxy of depressants are still at work on housing demand, including high operating, financing, and construction costs; capital spending appears headed nowhere, possibly down in real terms; and bank loans to business remain extremely weak.

(2) *Policy Worries*. Growth of the money aggregates are far below Federal Reserve targets. The money stock narrowly defined is just one case in point. It advanced but 3.1% the past thirteen weeks, and 4.6% this past year. Deflated for price rises, it fell absolutely over this entire period. The bank credit proxy advanced only 5.8% the past thirteen weeks and 3.3% this past year. It dropped absolutely when adjusted for price inflation.

At the fiscal level, a loss of borrowing power is forcing state and local governments to cut growth and raise taxes, and the full-employment surplus reported by state and local governments (Exhibit 2) could largely offset or negate Federal expansionary actions. That's another cause for worry.

Yet another worry is that inflation may speed beyond the expectations of policymakers, and induce them to restrict once again. Such a policy would be logical and laudable if an acceleration in the pace of inflation were to be caused by excess demand (hardly likely for a long period ahead), but would represent the height of folly if an inflation speed-up were explained rather than cost-push and power-bloc forces.

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[1] The warnings were dismissed almost completely by policymakers. My own views were set forth as follows:

The forward momentum of the economy in real terms is weak, and weakening further. The irony is that rapid inflation itself is further cutting into real buying power. The great irony is that governmental restrictive policies already in motion will likely further weaken demand. The greatest irony is that no early action on the policy front is being suggested by the Summit meetings. Next year is the word. In that case, the September 27–28 Summit session might just as well be held in the Coliseum in Rome, and the participants be provided with appropriate fiddles. (Economic and Investment Perspective entitled Economic Overkill, Sept. 9, '74).

(3) *Defective Theory.* This may come into play again. That is, just as the crowding-out thesis proved to be a phantom when applied to the capital markets, the new crowding-out proposition advanced by the CEA probably faces the same fate. The new thesis, developed on pages 46 and 47 and elsewhere in the CEA report, asserts that direct governmental funding and governmental deficits to generate employment will displace private borrowers from the market, displace private capital formation, hence displace private jobs.

This, in my judgment, is the essence of the convoluted jargon presented in the report. Apart from the jargon, however, the substance of the argument is spurious in the context of the present economy. The economy is still operating with massive unemployed resources, and given accommodative policy by the Federal Reserve, there is little risk that additional job-creating actions by the Congress or the Administration is going to displace private investment and private employment.

ECONOMIC GOALS

The economic goals of the Administration are a worry too in that major problems would remain unresolved for years ahead. I have specific concern over the cutbacks scheduled in the budget for training, employment, and social services, and for the proposed cuts in education. Just about every other sector of the budget is headed up but these. My concern over these matters is heightened when consideration is given to the employment goals of the Administration.

(1) *The Numbers.* What is our starting point? The overall employment rate for the fourth quarter 1975 is reported at 8.4%. The rate jumps to 9.1% when an estimate is made for labor force time lost, and to 10.6% when a further adjustment is made for discouraged workers who have just stopped looking for work. In other words, the additional adjustments add about two percentage points to the base. However defined, the starting point represents a personal tragedy for the unemployed.

(2) *The Goals.* One is hard pressed to know just what the goals of this Administration are. The Budget, for example, goes to great pains to distinguish between short-term *forecasts* of the unemployment rate as against long-term *assumptions.*

Here are the numbers:

[In percent]

Year:	*Forecast*	*Assumptions*
1975	8.5	
1976	7.7	
1977	6.9	
1978		6.4
1979		5.8
1980		5.2
1981		4.9

(3) *Policy and Ideology.* One would almost have to believe that this Administration is endorsing the Marxist prescription for capitalist management to contain inflation. Marx argued in *Das Kapital* (1867) that the way to contain inflation is to provide for a "reserve army of the unemployed". The new classicists must be re-reading Marx. They are so far right, they are left.

In any event, these forecasts and assumptions spell extraordinary trouble ahead for labor, assuming these "goals" are realized. From a logical point of view, these numbers contradict the CEA rationale for promoting jobs. The idea is to promote moderate expansion to promote jobs, permanent jobs, over the long-run. I should think that the period 1975 to 1981 is fairly long-run, particularly for the unemployed.

From a legal point of view, these forecasts and assumptions stand in conflict with the mandate of Congress. That mandate, as quoted on page 158 of the CEA report, is as follows:

"The principal directive of the Employment Act (of 1946) is that the Federal Government 'use all practicable means consistent with its needs and obligations . . . for the purpose of creating and maintaining . . . conditions . . . to promote maximum employment, production, and purchasing power.' "

Query: Would the forecasts and assumptions noted here meet this directive?

CONCLUSIONS [2]

(1) The 1976 Economic Report of the President and the related CEA report are largely whitewash for past errors.

(2) In the absence of new policy shifts, and fast, a serious question is raised as to whether even the moderate projections for the economy will in fact be realized. In the absence of additional steps to spur employment, the outlook for the unemployed will remain bleak for years ahead.

(3) Many of the projections, assumptions and "goals" incorporated in the President's report, the CEA report, and the Budget appear to contradict the directives of the Employment Act of 1946. Does not the Congress have an obligation to see that these directives are carried out?

ROBERT H. PARKS,
Exec. Vice Pres.-Chief Economist.

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[2] These conclusions are spelled out in somewhat more detail in the attached reports prepared for investment clients (Perspectives nos. 29 and 30).

EXHIBIT 1.—AVERAGE WEEKLY EARNINGS IN SELECTED PRIVATE NONAGRICULTURAL INDUSTRIES, 1947–75

[For production or nonsupervisory workers; monthly data seasonally adjusted]

	Average gross weekly earnings					Average spendable weekly earnings, total private nonagricultural [4]			
	Total private nonagricultural [1]		Current dollars			Amount		Percent change from preceding period [3]	
Year or month	Current dollars	1967 dollars [2]	Manufacturing	Contract construction	Retail trade [3]	Current dollars	1967 dollars [2]	Current dollars	1967 dollars
1947	$45.58	$68.13	$49.17	$58.87	$33.77	$44.64	$66.73		
1948	49.00	67.96	53.12	65.27	36.22	48.51	67.28	8.7	0.8
1949	50.24	70.36	53.88	67.56	38.42	49.74	69.66	2.5	3.5
1950	53.13	73.69	58.32	69.68	39.71	52.04	72.18	4.6	3.6
1951	57.86	74.37	63.34	76.96	42.82	55.79	71.71	7.2	−.7
1952	60.65	76.29	67.16	82.86	43.38	57.87	72.79	3.7	1.5
1953	63.76	79.60	70.47	86.41	45.36	60.31	75.29	4.2	3.4
1954	64.52	80.15	70.49	88.91	47.04	60.85	75.59	.9	.4
1955	67.72	84.44	75.70	90.90	48.75	63.41	79.06	4.2	4.6
1956	70.74	86.90	78.78	96.38	50.18	65.82	80.86	3.8	2.3
1957	73.33	86.99	81.59	100.27	52.20	67.71	80.32	2.9	−.7
1958	75.08	86.70	82.71	103.78	54.10	69.11	79.80	2.1	−.6
1959	78.78	90.24	88.26	108.41	56.15	71.86	82.31	4.0	3.1
1960	80.67	90.95	89.72	113.04	57.76	72.96	82.25	1.5	−.1
1961	82.60	92.19	92.34	118.08	58.66	74.48	83.13	2.1	1.1
1962	85.91	94.82	96.56	122.47	60.96	76.99	84.98	3.4	2.2
1963	88.46	96.47	99.63	127.19	62.66	78.56	85.67	2.0	.8
1964	91.33	98.31	102.97	132.06	64.75	82.57	88.88	5.1	3.7
1965	95.06	100.59	107.53	138.38	66.61	86.30	91.32	4.5	2.7
1966	98.82	101.67	112.34	146.26	68.57	88.66	91.21	2.7	−.1
1967	101.84	101.84	114.90	154.95	70.95	90.86	90.86	2.5	−.4
1968	107.73	103.39	122.51	164.49	74.95	95.28	91.44	4.9	.6
1969	114.61	104.38	129.51	181.54	78.66	99.99	91.07	4.9	−.4
1970	119.46	102.72	133.73	195.45	82.47	104.61	89.95	4.6	−1.2
1971	127.28	104.93	142.44	211.67	86.61	112.41	92.61	7.5	3.0
1972	136.16	108.67	154.69	222.51	90.99	121.09	96.64	7.7	4.3
1973	145.43	109.26	166.06	235.69	95.57	127.41	95.73	5.2	−.9
1974	154.45	104.57	176.40	249.08	101.04	134.37	90.97	5.5	−5.0
1975	163.89	101.67	189.51	264.98	107.89	145.93	90.53	8.6	−.5
1974: [5]									
January	149.00	106.40	170.51	235.87	98.04	130.16	92.94	[6] −3.4	[6] −15.0
February	150.55	106.30	170.89	244.78	98.34	131.36	97.75	11.6	−2.4
March	150.88	105.46	171.70	241.78	99.03	131.61	91.99	2.3	−9.4
April	149.97	104.15	167.42	240.24	99.30	130.91	90.91	−6.2	−13.2
May	153.04	105.20	174.90	243.98	101.33	133.28	91.62	24.0	9.8
June	154.09	104.96	176.88	247.97	101.04	134.09	91.34	7.5	−3.6
July	155.61	105.11	178.49	249.44	101.71	135.26	91.37	11.0	.4
August	156.28	104.37	180.05	252.17	102.36	135.78	90.68	4.7	−8.7
September	157.32	103.85	180.75	253.96	102.38	136.58	90.16	7.3	−6.7
October	158.41	103.64	182.80	255.99	103.03	137.42	89.91	7.6	−3.3
November	157.47	102.07	181.31	257.52	103.35	136.70	88.61	−6.1	−16.0
December	158.99	102.26	182.03	261.80	104.00	137.87	88.67	10.8	.8
1975:									
January	159.64	102.02	182.28	261.52	104.65	138.38	88.43	[6] 4.5	[6] −3.2
February	159.92	101.64	181.58	256.86	105.30	138.59	88.08	1.8	−4.6
March	160.11	101.48	183.61	250.58	106.28	138.73	87.93	1.2	−2.0
April	160.47	101.11	184.94	264.22	106.27	139.00	87.58	2.4	−4.7
May	161.19	101.21	185.25	264.20	107.58	146.00	91.67	[6] 7.9	[6] 2.9
June	162.36	101.16	187.85	259.54	107.57	146.91	91.53	7.7	−1.8
July	163.44	100.67	189.91	265.35	107.55	147.76	91.01	7.2	−6.6
August	165.43	101.73	192.94	267.91	108.85	149.31	91.82	13.3	11.2
September	166.06	101.65	194.22	268.64	108.84	149.81	91.70	4.1	−1.6
October	167.61	101.93	195.02	267.91	110.14	151.02	91.84	10.1	1.8
November [2]	169.52	102.39	196.71	271.58	111.15	152.48	92.09	12.2	3.3
December [2]	170.46	102.45	199.49	276.75	110.48	153.20	92.08	5.8	−.1

[1] Also includes other private industry groups shown in table B–27.

[2] Earnings in current dollars divided by the consumer price index.

[3] Includes eating and drinking places.

[4] Average gross weekly earnings less social security and income taxes for a worker with 3 dependents.

[5] Monthly data are annual rates.

[6] In annualizing the rates of change, the effect of the change in tax rates at the beginning of 1974 and 1975 and in May 1975 is taken into account separately.

Note: See note, table B–27

Source: Department of Labor Statistics 1976 CEA Report.

EXHIBIT 2.—ACTUAL AND FULL-EMPLOYMENT FEDERAL AND STATE AND LOCAL GOVERNMENT RECEIPTS AND EXPENDITURES, NATIONAL INCOME ACCOUNTS BASIS, CALENDAR YEARS 1969-75

[Billions of dollars; seasonally adjusted annual rates]

	Federal Government			State and local government			Combined surplus or deficit (−)
Calendar year	Receipts	Expenditures	Surplus or deficit (−)	Receipts	Expenditures	Surplus or deficit (−)	
Actual:							
1969	197.0	188.4	8.5	119.7	117.6	2.1	10.7
1970	192.1	204.2	−12.1	134.9	132.2	2.8	−9.4
1971	198.6	220.6	−22.0	152.6	148.9	3.7	−18.3
1972	227.5	244.7	−17.3	177.4	163.7	13.7	−3.5
1973	257.9	264.8	−6.9	193.8	180.9	12.9	6.0
1974	288.4	300.1	−11.7	209.4	201.3	8.1	−3.6
1975 [1]	283.5	356.9	−73.4	232.4	222.4	10.0	−63.5
1974:							
I	275.7	281.1	−5.3	201.9	192.6	9.4	4.0
II	285.6	293.5	−7.9	207.3	199.1	8.2	.3
III	299.2	307.2	−8.0	213.5	204.5	9.1	1.0
IV	293.1	318.6	−25.5	214.9	209.0	5.9	−19.6
1975:							
I	283.6	337.4	−53.7	221.2	215.5	5.7	−48.0
II	250.1	352.3	−102.2	228.2	219.4	8.8	−93.4
III	293.3	363.8	−70.5	237.7	224.8	12.9	−57.6
Full-employment:							
1969	199.7	188.8	10.9	120.1	117.6	2.6	13.5
1970	208.9	202.9	5.9	140.6	132.2	8.4	14.3
1971	218.6	218.2	.4	160.4	138.9	11.5	11.9
1972 [2]	234.4	242.7	−8.4	183.9	163.7	20.2	11.8
1973	271.2	263.7	7.5	198.7	180.9	17.8	25.3
1974	323.2	297.8	25.4	224.5	201.3	23.2	48.6
1975 [1]	340.8	348.3	−7.5	259.8	222.4	37.4	29.9
1974:							
I	297.3	279.5	17.8	211.2	192.6	18.6	36.4
II	315.6	291.9	23.7	220.2	199.1	21.1	44.8
III	337.0	305.0	32.0	229.8	204.5	25.3	57.3
IV	342.7	314.7	28.0	236.7	209.0	27.7	55.7
1975:							
I	344.8	329.8	15.1	249.6	215.5	34.1	49.2
II	309.8	343.0	−33.3	257.3	219.4	37.9	4.6
III	348.6	355.3	−6.7	263.9	224.8	39.1	32.4

[1] Preliminary.

[2] The $9,100,000,000 estimated increase in overwithholding of personal income taxes is not ncluded in 1972 full-employment receipts.

Note: Detail may not add to totals because of rounding.

Sources: Department of Commerce (Bureau of Economic Analysis), Office of Management and Budget, and Council of Economic Advisers. 1976 CEA Report.

STATEMENT OF ROBERT R. NATHAN

Mr. Chairman and members of the Joint Economic Committee, my name is Robert R. Nathan and I appear today as Chairman of the Council on National Priorities and Resources. I welcome the opportunity to discuss with you the President's proposed budget and economic policies for fiscal 1977 and the economic implications of these proposals.

The Council on National Priorities and Resources is a non-profit, non-partisan association committed to promoting government action to meet human needs. The participating members of the Council are: Amalgamated Clothing Workers of America, AFL–CIO; Americans for Democratic Action; American Federation of State, County and Municipal Employees, AFL–CIO; National Education Association; National Farmers Union; Oil, Chemical and Atomic Workers International Union, AFL–CIO; United Auto Workers; United Church Board for Homeland Ministries; United Mine Workers of America; United Presbyterian Church, USA; the U.S. Conference of Mayors; and the National Association of Home Builders.

President Ford's 1977 budget is the latest in a long line of Nixon and Ford programs and policies designed to stem inflation by consciously maintaining high unemployment and recession. The Administration budget does nothing more than extend the policies of the last several years—the very policies which are responsible for the present costly recession, the highest interest rates since the Civil War, the highest unemployment since the Great Depression, and a continuing high rate of damaging inflation.

Unfortunately, the timid and inadequate budget proposals of the Administration fail to give proper weight to the fact that the economy has still not recovered from the most serious recession since before World War II and that we are now suffering from the highest peacetime inflation rates in our history, with the exception of the runaway inflation rate of 1973–74. Unemployment remains above 8 percent, and rises to nearly 30 percent in some central cities. The GNP gap, the best measure of lost production and idle plants and equipment due to high unemployment, was running at an annual rate of $215 billion in the last quarter of 1975—an immense waste of resources. Yet, despite all this slack, inflation remains at 7 percent. Furthermore, long-term interest rates remain at intolerably high levels of 8 to 10 percent.

Ironically, by following Ford's anti-recovery fiscal policies, augmented by tight money restraints, we are ending up with both serious inflation and costly unemployment. According to the Administration's own estimates contained on page 25 of the Budget, unemployment would remain above 7 percent under President Ford's fine-tuning plan until near the end of 1977 and stay above 6 percent until late 1979. The benefits, as measured by progress toward price stability, under this game plan are projected to be both slow and modest, with consumer prices rising at or above 6 percent well into 1978. That is a far cry from any kind of price stability.

The continuing high unemployment that derives from the Administration's policy decision to curb inflation with a depressed economy has adverse ramifications which extend and reverberate throughout the economy. National output, workers' real income, corporate profits, private plant and equipment outlays, housing construction and economic activity in general are still at depressed levels. Without vigorous recovery efforts they will continue to remain far below potential for years to come, with wasted manpower, idle industrial capacity and a sense of national frustration and despair over our seeming inability to manage our economy more successfully. Coming at a time when confidence in government is at a low ebb, our economic failures are very serious.

Because of high unemployment, the deficit of the Federal Government and Federal agencies will be well over $50 billion in 1977. The large deficits we have been experiencing are attributable to the depressed economy and not to irresponsible and wasteful spending. When people are out of work, federal spending on unemployment compensation, food stamps, welfare and other income support programs spirals quickly. Such increases are recession-related. At the same time, and in even larger measure, tax revenues fall. Thus, recessions are a cause of big deficits. If the unemployment rate were at the 3.6 percent level of 1968 we would have a budget surplus of over $9 billion in fiscal 1977, rather than the $54 billion deficit of the Ford budget (including Federal agencies). The President's budget projects that if we had a 4 percent rate of unemployment we would have a $3 billion "full employment" surplus in 1977.

The plain and simple truth is that the Administration is mismanaging the economy. The seven years this nation has spent under Nixon-Ford policies have witnessed substantially higher unemployment, higher inflation and higher deficits than during the previous eight years. From 6.1 percent in 1961 the unemployment rate dropped to 3.6 percent in 1968. It then rose to 8.5 percent in 1975. Consumer prices rose 16 percent from 1961 to 1968. From 1969 to 1976 they increased 47 percent. Still more striking is the dramatic increase in the public debt. In the 22 years from 1946 to 1968, the Federal debt increased by just under $100 billion. In the seven years starting with 1969 it increased by $270 billion and by the end of 1976 the eight-year rise in the gross Federal debt will total about $275 billion.

The reason for the Administration's mismanagement of the economy lies in its "either-or" policy toward inflation and unemployment. The hypothetical tradeoff between inflation rates and unemployment, a theory at the heart of executive policy, places the whole battle against inflation in the wrong context. Yet, the emphasis that the country must place on fighting inflation need not and should not translate into the abandonment of efforts to control unemployment. We do not have to resign ourselves to either evil.

The human catastrophe of high unemployment during this recession has been immense. December 1975 still witnessed an intolerably high 8.3 percent level of unemployment. When one adds this official percentage of unemployment and the unemployment equivalent of those working part-time because of the recession and those who normally work but are not actively seeking a job because of poor job prospects, the rate of total idle time approaches 10 percent of the labor force.

The unemployment problem is compounded and made more immediately critical by the imminent expiration of unemployment benefits for many of the jobless. More than 3.1 percent of the labor force has been unemployed 15 weeks or longer. It is estimated that nearly one million people have been unemployed more than 65 weeks and have exhausted all unemployment benefits.

Unfortunately, the brunt of the continuing high unemployment rates has been borne by blacks and other minorities, with a jobless rate of 13.8% in December of 1975, by women (8.0%), teenagers (19.6%), and blue-collar workers (10.7%)—those least able to cope with unemployment.

The continuation for so many years of high unemployment has disastrous implications not only in terms of fundamental damage to the economy but also for the future earnings and job potential and the social and economic behavioral patterns of those most heavily hit by unemployment—especially teenagers. Teenagers, blacks, women and other groups experiencing unemployment disproportionate to their numbers are losing valuable skills, work experience and other opportunities while unemployed. In fact, given the high unemployment expected until 1980, many young people will be 24 or 25 before they have any prospect of holding a full-time job.

Given the drastic unemployment situation, the Council on National Priorities and Resources believes it is important—perhaps more critical than any other endeavor—that the Congress begin to commit substantially more resources to the goal of attaining full employment. Given the multiplier effects of such stimulation and the high marginal increase in government revenues in response to a rising GNP, such expansive programs can pay off in terms of lower deficits.

Last year, the Council made several urgent recommendations to the Congress with respect to programs we believe should be initiated or expanded as anti-recession measures to put this nation back to work. Given the durability of the recession, these recommendations, we believe, are just as appropriate in fiscal 1977. Our program recommendations include (1) drastic expansion of present CETA public service employment programs to provide an additional one million jobs on a temporary basis; (2) enactment of a $10 billion early-implementation public works employment program. The recent public works bill passed by the Congress takes us half-way toward the achievement of this goal; (3) "emergency" counter-cyclical assistance to state and local government to help stabilize local budgets and prevent further expenditures and service cutbacks and tax increases. Specifically, we support the Muskie counter-cyclical proposal passed by the Congress last week; (4) full funding of all authorized housing programs; (5) full funding of all federal education programs, which will result in the re-employment of thousands of laid-off teachers and teachers' aides; (6) greater congressional control and oversight of interest rates and monetary policy.

To battle effectively the crisis of unemployment and recession, we believe the government must adopt a strong and balanced package of such counter-cyclical programs.

Such programs, tied to leading economic variables so as to phase out with recovery, should be made a permanent part of our automatic fiscal structure, thereby ensuring future economic stability without harmful fluctuation.

The Administration's argument against either temporary or permanent jobs programs is that it is preferable for the private sector to provide jobs to the unemployed than for the government sector to expand. Certainly, the government should encourage and facilitate the employment of as many workers as possible in the private sector. But at the present time, the Administration's planned recession makes the private sector incapable of providing a job to all who want to work. It is therefore both fiscally wise and humane for the federal government to redress the situation—by designing fiscal and monetary policies to stimulate hiring in the private sector and by providing jobs to those who cannot be absorbed. The very provision of public jobs will result in stimulation of private economic activity and therefore enlarge job opportunities in the private sector.

Of course, one of the major values of public service and public works programs is that we could begin to undertake construction projects and social services which are so desperately needed by the nation and which would add significantly to the nation's wealth. The rebuilding of the nation's railroads and the leveling of the railroad beds, the construction of mass transit rail systems and the production of needed city buses, the improvement of strip-mined and other exploited land, the construction of sewers, water treatment facilities and solid waste disposal plants and the provision of health care and day care services are among the many projects which could be legitimately and usefully undertaken. All of these projects have greater value than those likely to be undertaken through the stimulation of additional private investment.

We are convinced that overwhelmingly people prefer jobs to welfare and unemployment compensation. In the first ten months of 1975, unemployment benefits averaged $70 per week, hardly enough to provide a plush standard of living. More than a third of the unemployed did not receive unemployment benefits at all, despite recent extension of the system (SUA) to 12 million additional workers. Furthermore, only 18 percent of the families in which the head of household was unemployed received food stamps.

The ideological bias of the Ford Administration that every dollar spent by government is necessarily wasteful is a dangerous philosophy in the middle of the present recession. We must stop believing that private spending is always good and public spending always bad. There are many concerns and needs that can only be met by the federal government: Rapid mass transit, income for the elderly, guaranteed jobs and health care are just some of the areas in which government funds and active federal involvement are desirable. Almost everyone would agree that it is far preferable to use public resources for education than to spend private money on cigarettes, alcohol or firearms.

In addition to the temporary, counter-cyclical programs we recommend, *permanent* full employment programs are also needed. Even in a healthy economy, there will be workers who need government assistance. Increasingly, the economy is facing a greater problem of structural unemployment—more and more workers who are not qualified for decent jobs in the private sector. For these marginal members of the labor force, we must establish federal training programs, provide job placement assistance and, in the last resort, actual employment opportunities.

It has been 30 years since the Full Employment Act of 1946 was enacted, committing the U.S. Government to creating and maintaining economic conditions "under which there will be afforded useful employment opportunities including self-employment for those able, willing and seeking work." In those 30 years, the Act has been violated more than it has been obeyed.

In 1976 it is long past time for the federal government to begin guaranteeing and creating respectable jobs at reasonable pay for all Americans who want to work. The Humphrey-Hawkins bill (H.R. 50) introduced last year revived the spirit of the Full Employment Act, assuring jobs, either in the private or the public sector, to all people who want to work. The bill's commitment to a full employment economy through job guarantees is one we fully endorse. Hopefully, the revised version of this legislation, currently being developed, will spell out a procedure or mechanism for ensuring that full employment pledges will actually be implemented.

While not specifically advocating this approach, it does seem to me that there is a definite place for CETA public service employment programs, as part of a full-employment strategy. CETA can easily absorb more employees and it can do so effectively. Although established only a few years ago, CETA is already an important fiscal tool—one which offers a staff of people and an administrative apparatus specialized to individual localities and labor market areas.

Of course, to the extent that public service jobs are being substituted for existing employees, we must study the feasibility of providing large numbers of government jobs through other vehicles. CETA programs in and of themselves cannot bear the entire burden of "employer of last resort" federal policies. Therefore, in addition to expanded public service, Congress ought to coordinate public service employment, manpower training, job creation and unemployment insurance programs into a comprehensive and workable employment policy.

At the same time, various labor market policies should be pursued. The reduction of unemployment depends on the adoption of a lot of tough measures to make the national labor market more fluid and open, including the encouragement of occupational and geographic mobility and the reduction of barriers against youth and minorities, women and other disadvantaged groups. Unemployed workers should be aided in their search for employment and helped to upgrade their skills. Structural unemployment can be reduced, too, by targeting special assistance to those geographic areas of the country with chronic unemployment problems caused by failing or depressed industries, and to those groups with historically high rates of unemployment.

Thus, if the economy is to perform better, some very serious, long-range institutional changes will be needed. We urge the Joint Economic Committee and the Congress to begin to analyze which of these changes would be the most useful forerunners and components of a national full employment policy.

It is clear that the cost of the employment programs needed by this nation is immense. Clearly, an expenditure of that magnitude would require a major reordering of budget priorities.

Yet, much of the expense of putting people back to work is temporary and should be viewed as an investment rather than a loss. In the long run, we cannot afford the high cost of not putting people to work. If the economy were operating at full employment, the federal budget for FY 1977 would show a surplus—a fact which conveys, simply and tellingly, the need to reach the elusive state of full employment. The high deficits of 1975 and 1976, as well as the deficit planned for 1977, are *recession* deficits, not *spending* deficits.

It is important to remember that stimulative expenditures for employment programs will over time *reduce* the deficits, since by putting people back to work, tax revenues are increased and unemployment expenditures and welfare costs reduced. Moreover, by reducing deficit in the future, we will begin to get a handle on the most rapidly growing part of our budget—namely interest payments. Thus, the Council's recommendations—by planning more spending and somewhat higher deficits immediately—would help us achieve full employment and a balanced budget more rapidly, thereby freeing valuable resources for new health and social initiatives. Greater spending and investment is necessary *now* so as to reduce unproductive spending on unemployment compensation and other programs in the future.

Moreover, to some extent, increased spending for anti-recession programs can be offset by reductions in other programs. Given the constraints on our resources, wasteful government programs must be eliminated to make room for more productive expenditures. We must begin seriously to promote efficiency and economy in the use of all government funds. The Administration does not endorse this concept. Few, if any, of the President's budget cuts were made for efficiency reasons. Rather, the budget policy seems to be one of arbitrary and uneven cuts regardless of the effectiveness of various social programs. We urge the Congress to analyze closely the military budget and other budgets to reduce waste—and not just cut for the sake of cuts.

It is ironic that at the same time the Administration drastically cuts program benefits, it recommends large expenditures through the vehicle of tax subsidies. Tax expenditures are today the real "uncontrollables" in the budget, comprising nearly one-fourth of the total federal outlays each year. Certainly, the committees of the Congress must begin to analyze the social impact of tax expenditures, measuring the extent to which they overlap or counter the effect of direct budget expenditures, and eliminating these where desirable. The Council on National Priorities and Resources has analyzed the $100 billion tax expenditures budget and found that by eliminating only a dozen deductions, deferrals and credits serving no defensible national purpose, the nation could gain as much as $20–25 billion in additional revenues.

Despite reduction in wasteful expenditures and the returns of the Treasury generated by putting people back to work, there are nevertheless large expenditures associated with stimulative spending which could ignite inflationary forces. The answer to inflation lies not in running away from important expenditures but in fighting inflation while spending money for needed employment programs.

The terrible impact of inflation should not be minimized. While recession imposes hardships on the unemployed and results in a great waste of valuable resources, inflation is also debilitating. Low and middle-income workers, especially those on fixed incomes, have borne the burden of present inflation rates, watching the purchasing power of their wages decline, struggling to make ends meet, yet helpless to alleviate the problem. Thus, we must fight both inflation and unemployment.

High inflation imposes severe damages and uneven impacts on varied sectors of the economy. State and local governments, always vulnerable to inflationary increases in wages, social benefits, fuel costs and rising prices of investment outlays and interest rates, have experienced budget problems of unprecedented magnitude. At the same time that inflation has pressed the expenditure side of their budgets, the recession has resulted in a curtailment of revenues. The recession cut state and local revenues in 1975 by nearly $30 billion from what they would have been at full employment. Consequently, many states and municipalities have been forced to cut back services drastically, to lay off workers and to increase sales and property tax rates—actions which have clearly counteracted Federal efforts to stimulate the economy. The planned recession—as the anti-inflation weapon—has not only undermined the financial status of state and local governments but has made economic recovery more difficult and more elusive. The most recent study of the fiscal situation of states and local governments, published by your own committee in December 1975, found that "deflationary adjustments in state and local government operating and capital funds will combine to remove $7.5 to $8 billion from the economy . . . The magnitude of the adjustments and their concentration in the high unemployment jurisdictions indicates that considerable hardship will be imposed upon the affected jurisdictions."

The housing industry has been a severe victim of inflation. Prohibitively high long-term interest rates, along with the present inflated costs of construction, have led to falloffs in housing production and a distorted pattern of resource use. Increasingly money has been channeled from savings institutions into speculative, high-interest ventures and away from more solid investments like housing.

Another area hurt by the inflation has been the public utilities sector where the regulatory process has been made more difficult. Furthermore, increases in wages and other incomes have pushed workers into higher income brackets and cut into real income.

Traditional notions about inflation/unemployment tradeoffs no longer seem to offer much basis for total reliance on fiscal policy. Of course, excess demand should be avoided through sound monetary and fiscal policies but most of our inflation cannot be attributed to excess demand, nor have we come anywhere near price stability through tight monetary and fiscal policies. The Phillips "curve" has, for policy purposes, become a "straight line": At any level of unemployment, no matter how terribly high, we experience continuing inflation. It needs to be emphasized that very little if any of the recent inflation is due to enlarged government spending relative to revenues or to money expansion leading to overstimulation of the economy. Rather, the very severe rates of inflation were aggravated by special conditions in the food and energy markets, devaluations on the dollar, productivity declines during the recession, noncompetitive and monopolistic pricing policies, and other factors. With many of the causes of inflation unrelated to excess demand, it is not surprising that the response to the "soft economy" approach has been so disappointing.

With so much manpower and plant capacity idle and given the nature of present inflation rates, efforts to create jobs and stimulate the economy should not result in higher inflation rates. In fact, recessions, by reducing efficiency and productivity below what they would otherwise be, tend to contribute to higher unit costs and thus may aggravate inflation. Restrictive fiscal policies seem to bring lower inflation rates only after high and persistent unemployment. After three years of both less than normal GNP growth rates and costly deep recession, it is clear that fiscal restraint is not the viable solution to present-day inflation. This does not mean that aggregate monetary and fiscal measures are unrelated to inflation, but that they are not the sole solution nor are they adequate for the current situation.

What all of this says is that it is a total oversimplification to maintain, as does the President and so many of his advisors, that spending more for employment and recovery programs will automatically trigger a new wave of inflation. It is more likely that a positive fiscal program to promote a vigorous recovery will contribute to the fight against inflation, not aggravate it. It will increase supplies of goods and services. It will stimulate more investment in new capacity. It will improve productivity. It will bring an earlier end to recession-related budget deficits. Recovery will not overcome structural deficiencies in the marketplace, but prolonged recession and unemployment will not help either.

When the solutions to inflation do not lie in traditional fiscal tools, we must seek to understand the causes and formulate appropriate prescriptions. One of the problems repeatedly encountered in attempting to fight inflation is the lack of information we have about pricing behaviors of corporations and about monopolisitc and oligopolistic practices in key industries and sectors of the economy. To make the marketplace function more effectively we must know more about how it functions. It has been 40 years since the Temporary National Economic Committee analyzed the economy, magnificently studying—without the aid of computers and without today's abundance of data—competitive and non-competitive practices. Given the price rigidities that exist in today's economy, it is time for the Congress to establish a new bipartisan blue ribbon TNEC to help us understand the causes of today's inflation with a view toward improving the functioning of markets. We must stop the collusion that allows corporations to set prices without regard to market demand—and then to cut production and lay off workers when they have priced their products beyond the ability of consumers to pay.

In a more immediate time frame, we must begin selectively to restrain prices and costs through the establishment of firm guidelines and by tough intervention by the President and other appropriate leaders—essentially the reinstitution of the practices followed in 1960–1964.

The inflation has now become so enduring and so deeply embedded in our pricing system that traditional measures are simply inadequate to correct the problem. More and more economists are in agreement that we cannot rely totally on the marketplace for relative price stability. We should act resolutely to strengthen the functioning of the marketplace and supplement it, where needed, by direct measures. Without some kind of government intervention to delay or discourage unjustified price increases, we doom ourselves to continued high inflation.

We are not advocating across-the-board wage and price controls or price freezes, but rather, an income policy that exerts public pressure on those who unreasonably push up prices and costs. It is essential that such efforts be firm as well as fair and that the officials in charge believe in what they are doing. Controls under President Nixon were not well administered, nor were wage and price controls administered evenhandedly. Although wage increases are important elements in any direct stabilization program, we should recognize that the present spiral of inflation has not been caused by excessive wage increases. Labor will continue to resist Government intervention unless they know that price increases will be restrained.

Federal Reserve policies must serve to accommodate the credit needs for a strong and sound recovery. High long-term interest rates will continue as long as high rates of inflation prevail, but selective measures can help meet the requirements for enlarged housing programs and other important sectors that depend on access to capital at reasonable rates. Without appropriate expansionary monetary policies, it will be impossible to restore economic growth and put people back to work. Such policies need not be inflationary.

There are other measures that can contribute significantly to the lessening of inflation. Outmoded regulations that impede competition and result in higher prices in some industries should be changed so as to better serve the needs of the public and so as to result in reasonable prices. Antitrust laws must be strengthened and strictly enforced so as to root out administered pricing abuses and break up inefficient and harmful concentrations of market power. Long-term national food policies must be developed to increase agricultural production, build up food reserves and supervise the trading of U.S. firms with monopoly governments like the Soviet Union. A greater commitment of resources to research and development, especially to energy R&D, is essential. Decontrol should not be blindly pursued because it may do little to increase supplies but can result in much higher prices. Carefully considered moves toward deregulation and decontrol can pay off, but more harm than good can come from headlong dismantling of regulations.

Most important, though, are efforts to stimulate the economy. By increasing production, productivity will rise and inflation lessen. And the best way to stimulate the economy is by putting people back to work.

It is ironic that as we enter our bicentennial year, having enjoyed 200 years of prosperity and progress, we have still not found a way to ensure job opportunities for all citizens along with low inflation rates. The President's refusal to spend what is necessary to put people back to work—all in the name of holding down inflation—shows a bankruptcy of faith in the future health and vitality of our nation.

Clearly the solutions are not easy: Our nightmare problems of unemployment and economic stagnation will not be solved by modest means or quickly. It requires some fundamental reform of the American economy, and possibly the alteration of the institutional structure within which economic policy is set. There are many who argue that we must begin to establish major economic goals and plans for achieving and maintaining full employment and balanced growth.

Despite the complexity of the problems and their solutions, we are nevertheless optimistic. The heritage of this nation has been one of great creativity and initiative. The people of this nation do not lack the boldness and creativity necessary to solve our problems. Nor do they lack the maturity of opinion or honesty to undertake broad new programs to meet the needs of all citizens. The willingness of our people to make the tough decisions confronting this nation is our only cause for optimism and hope.

THE 200-MILE LIMIT

Mr. McINTYRE. Mr. President, I am submitting for the Record two articles which appeared in the Boston Sunday Globe, February 8, 1976. I was shocked and angered by these stories.

I have been monitoring foreign fishing activities off our northeast coast for some time, but to read that the Russians had overfished their 1975 quota by 100 percent was a shocking revelation even to me. Congress has bemoaned the demise of the American fishing industry and promised relief to America's fishermen. But what do these hard working people see in this new year 1976—156 confirmed sightings of Soviet fishing ships off our northeast coast, a marked increase from last year. This includes not only factory vessels but 10 super vessels, rated as the most efficient fishing ship in the world, as well as tripling of the Spanish fleet and evidence of Cuban, Korean, and Irish fishermen.

How much longer can we hesitate before we not only bankrupt our fishermen, long the stepchildren of Federal attention, aid and preferential rights, but allow the rape of our ocean resources to the point of no return? No longer, I say, not 1 more day.

The President has finally seen fit to heed our warnings. He says he will accept a 200-mile fisheries conservation zone, but not now. Not until some time 6 months or a year from now.

I say, let us get H.R. 200 to Mr. Ford now so that the mechanisms for enforcement can be readied, and so he can demonstrate his true commitment to protection of our fisheries.

Every day we wait we tighten the stranglehold around the necks of our domestic fishermen. We stand to lose not only this vital industry but also this vital food source.

As a member of the conference committee assigned to work out the differences between the House and Senate versions of the 200-mile limit legislation, I am going to urge quick action to spur negotiations for the Law of the Sea Treaty and to insure protection for our domestic fishermen. Protection now!

I ask unanimous consent that the two articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

Salty Skepticism on Fishing Limit

(By Nick King)

Chatham.—Eddie Johnson is up before dawn every morning "just makin' the rounds" with the other fishermen in this village on the outer elbow of Cape Cod. He hasn't fished in more than a month, but the weather that keeps him ashore doesn't keep him in bed.

On a cold windy morning last week, as the first light came over the eastern horizon, Johnson pulled his red pickup alongside Charlie Matthew's truck in a turnoff facing a sheltered saltwater cove. The two fishermen rolled down their windows.

Matthews, the suspenders of his hip boots tugging at his broad shoulders, stuck his head out into the frosty air and spat out a long stream of tobacco juice.

"Eddie," he said, chewing slowly, "Why'd this country ever let the fishing industry get to this? It's a crime. I'm afeared that this 200-mile thing, if we get it, might be too late."

The "200-mile thing" as the men who fish for a living call the 200-mile fishing limit recently passed by Congress, is a frequent topic in the early-morning shop talk of New England fishermen.

From Gloucester to Chatham, word that President Ford is expected to sign the bill is passed along the fishermen's network—and is viewed with all the skepticism of a weather forecast in winter. To the men who have seen their catch decline and their livelihoods shrink as a result of intense fishing by foreign fleets in US waters, the 200-mile fishing jurisdiction may be too little too late.

Fishermen like Eddie Johnson say the bill should be enacted and enforced immediately—not in July 1977 as the President has suggested. But like the weather, the fishermen feel they have little say about the new law which has become the subject of national and international political debate.

"Waiting another year is like leaving the fox in the henhouse," said Johnson, 50, who has been line trawling out of Chatham for 17 years. "Give the foreigners another year and they could put us to the point of no return."

Even if it is enacted this year, the fishermen have reservations about the 200-mile legislation. They doubt the Coast Guard will get the money needed to enforce it and they disagree with the provision allowing some foreign vessels to be licensed to fish species little used in the American market.

This dilemma for the commercial fisherman tends to make Johnson, whose Norwegian father was a seaman who immigrated to New York speak longingly of the "old days of fishing when a day's catch was easy to come by." Age is beginning to show in the bulge of his belly and in the wrinkles around the eyes of his weather-worn baby face with a silvery stubble about the chin.

"I don't have many years left in this business," he says, "but I'd like to see something left for the young fellas coming on."

Yet it is with some degree of compromise that Eddie Johnson and his fishing companions seek the help of the government. When Johnson moved to Chatham he built a house and invested $5,000 in a fishing boat in 1959, he says he "didn't need permits from anyone."

Today Johnson says, it takes $50,000 to get started, and permits are needed from local, state and Federal agencies.

"And now the feds want me to withhold taxes from my crew," Johnson says. "Next they'll be paying unemployment compensation. Then where's the incentive to go fishing? On my boat there's no employer, no employee, just fishermen. That's the way it should be."

Nevertheless Johnson says he has seen enough to convince him that a tight Federal rein is needed on the foreign fishing fleets that dot the North Atlantic. Haddock used to be his staple catch, but now when he hauls in his four miles of herring-baited hooks, he's lucky to catch 60 10-pound codfish to sell to the local cooperative for an average of 25 cents a pound.

But Johnson and other fishermen do worry about the increasing presence of fleets of foreign beam trawlers with their huge nets. "It's a rare day when we don't see 'em summer and fall," said Johnson, recalling how his own lines have been snagged three times by the foreigners.

Since Johnson's wife took a job at the Town Hall, he has taken time off from fishing to lobby for the 200-mile bill. As a small-boat representative with the International Commission on North Atlantic Fisheries, he's traveled to Washington and Miami and has learned that nearly three-quarters of the fish consumed in the United States is now imported.

Johnson's friend, Louis D'Entremont, a retired Chatham fisherman, agrees that conservation, not politics, should be the goal of the 200-mile fishing limit.

"What's going to hurt this fishing is these foreign fleets getting into the bait—the herring, the mackerel. If you don't see no bait, you won't see no fish," he said, pulling down his blue baseball cap against the dawn chill.

"I like the business," Johnson said. "I never got rich, never starved neither. It's a nice slow way, but rewarding."

Johnson lit another cigarette. "We're an antiquated method of fishing and if this 200-mile thing becomes a Big Brother showdown, there's a good chance we could become a dinosaur."

Soviets Quietly Building Up Fishing Fleet In North American Waters After Lull

(By William P. Coughlin)

Gloucester.—The Soviet Union which kept a low profile in North American waters the last three months of 1975, has quietly returned in force to the fast-dwindling fishing stocks of the North Atlantic Seaboard.

National Marine Fisheries Service (NMFS) agents last week confirmed sightings of 156 Soviet trawlers—including more than 120 large, high efficiency stern-rigged vessels—among the total of 266 foreign ships now pursuing 1976-catch quotas of mackerel, hakes, squid and herring from the Georges Bank east of Nantucket and south to the Hudson Canyon off Cape May, New Jersey.

Special Agent George Schneider of the New Bedford District of the NMFS reported sighting a concentration of between 75 and 80 Soviet trawlers chasing mackerel along the 30-Fathom Curve, approximately 30 miles off the New Jersey coastline.

His sighting was confirmed by agent-trainee Mark Patton, also of the New Bedford office, who said he counted more than 60 ships, including factory vessels in one flotilla.

Included in the sightings were at least 10 of the 336-foot Super Atlantik Class vessels, which the Russians introduced to the American fishery in its all-out 1975 fishing drive and which is rated as the most efficient fishing ship in the world. Also spotted were at least 15 PRT-type 4,000-ton processing refrigerator trawlers.

As of Jan. 26, the breakdown of fishing vessels spotted in the National Marine Fisheries Service check included: 122 Russian, 13 Polish, 16 East German, 9 Bulgarian, 3 Romanian, 13 Japanese, 5 Cuban, 15 Spanish, 3 Italian, 2 South Korean, and 1 Irish . . . the Erin O'Fisher.

By last Tuesday, the Soviets had increased their fleet by 24 ships and the Spanish fleet had tripled to include 50 trawlers, nearly half of which were seeking codfish on Georges Bank.

"This presents us with the same problem," said Charles L. Philbrook, senior enforcement agent for the NMFS at Gloucester. "They are now catching a tremendous quantity of mackerel. We are trying to board and inspect as many as we can."

It is through the boarding of foreign fishing vessels that Coast Guard and NMFS agents are able to check on the dwindling American stocks. Officials said some 600 boardings were conducted in 1975.

The fisheries service estimates that in 1975 the Soviets exceeded their 101,000 metric ton mackerel quota (agreed to under international fishing accords) by between 30,000 and 70,000 tons. Philbrook noted that Soviet fisheries officials, when confronted with the U.S. figures at Glasgow last fall, admitted they may have overfished their quota by as much as 100 percent—more than 200,000 metric tons—because of what they termed a "computer error."

Philbrook said that because of the reduced Soviet quota this year—88,000 metric tons for mackerel—and because of the enormous fishing effort the Russians are now undertaking off U.S. shores in spite of the quota cut, U.S. Fisheries agents expect the Soviets to leave the grounds earlier in 1976 than they did in 1975. The Russian fleet left the mackerel fishery by April 1 last year, and by the summer months there were few mackerel schools reported in any in-shore New England waters.

But Philbrook said the fishing this year is better. One Russian trawler inspected last week had caught 326 tons of mackeral—approximately 35 tons a day—in just 10 days of fishing—Jan. 13 to Jan. 23.

"They're almost strictly chasing mackerel," Philbrook said. They have turned northward and are about 30 miles offshore, following a parallel toward Long Island and Nantucket. As many as 60 Soviet trawlers were just south of Montauk, L.I., early this week, the NMFS said.

Officials at Gloucester Point, Va., reported that the water temperature in the lower Atlantic had increased, and may curtail the mackerel fishing there for the remainder of the winter. This, said the NMFS officials, may result in heavy concentrations of foreign trawlers off New England shores for the remainder of the season.

The NMFS agents fly from Otis field on Cape Cod several times a week with Coast Guard officers to inspect all vessels in the fishery, including American ships, under International Commission of the Northwest Atlantic Fishery (ICNAF) accords.

COMMODITY AGREEMENTS

Mr. INOUYE. Mr. President, recently the news media has revealed there is a difference of opinion between the Treasury and State Departments about commodity agreements between the United States and foreign countries, particularly with reference to East-West trade.

A rather strong speech was made last month on the west coast by an Assistant Secretary of the Treasury. The genesis of the speech was one of opposition to commodity agreements, but in that speech mention was made of the possibility of participation by the United States in an international sugar agreement in September of this year.

The latter part of December a press release emanated from the office of a Member of the House of Representatives who boasted he had "led the battle beginning in 1965 against the Federal program controlling sugar and helped to beat a proposed extension of the 1948 Sugar Act, as amended 'in July 1974'." The true date the House voted down an extension of the Sugar Act was June 5, 1974. In his release the Member referred to "visions of sugarplums in the Christmas season" and concluded "when the House killed the Sugar Act, sugar industry lobbyists predicted the act's termination would make prices go still higher. Events have proved they were wrong."

I would like about 20 minutes of the time of my colleagues to set the sugar picture straight. There has been an abundance of misinformation, yes, deliberate misleading information, about sugar prices for the years 1974 and 1975 and the causes therefor—I stress the words "misinformation" and "causes" particularly.

Hawaii happens to be the largest producer of sugar among all the 50 States. Between sugarcane and sugar beets, over one-half of the States represented in this body have an economic interest in sugar production for the U.S. market.

Mr. President, here are some true facts about sugar for the years 1973 through 1975:

The myth is constantly spread by a few people for reasons of their own, that Americans have benefited because we no longer have a Sugar Act in this country. They do this sleight of hand trick by simply misstating facts and their significance, but most of us know better because we buy soft drinks and candy and cakes and other baked goods and we cannot avoid noticing what has happened to their prices. In fact, I paid $1.29 for a 5-pound packet of sugar just a few days ago in the grocery store. Nevertheless, it may be worthwhile to again state the facts.

The truth is that ever since our grandfathers day, sugar was just about the cheapest food we had until people in the Department of Agriculture started tinkering with the Sugar Act in late 1973. This fact can easily be verified by referring to the Government's own published figures regarding sugar prices. Let me mention a few in relation to events that led to the destruction of the Sugar Act.

In the 40-year history of that act, the price of raw sugar delivered and duty paid or duty free at New York had never exceeded 13.2 cents per pound until November 1, 1973, when USDA officials announced that consideration should be given to abandoning the Sugar Act. The actual price of raw sugar on that day was 11.2 cents per pound. By January 11, 1974, the price had risen to 12.1 cents per pound and on that date the Secretary of Agriculture increased the quantity of sugar which could be marketed in this country by one-half million tons. By June 5, 1974, the price had risen to 24.5 cents. And it kept on rising until it reached the incredible price of 64.5 cents on November 24, 1974.

Thereafter the price declined rather steadily until the early summer of last year and then more or less leveled off. On January 20 of this year it was 14.8 cents per pound. Unfortunately for consumers of soft drinks, baked goods, and all the other things they buy which contain sugar, those prices have not come down in equal degree nor will they for the quite logical reason that refiners and food processors no longer have the minimal inventory price risk and assurance of steady operations that they enjoyed under the Sugar Act.

Lest anyone think I chose dates at random to quote prices, and since we have gone this far let us take a little more time and establish that the dates quoted were the crucial ones for sugar prices in this country.

The Sugar Act was much like a two-way street. Sugar producers in this country were assured of a market of a predictable size at a predictable price and for this they were content with moderate income. Foreign producers with marketing rights in this country had a market of predictable size at a price which usually was better than they could get in the nonpreference international market but occasionally as in 1963 and 1964 less than they could get in that market; they were willing to accept a price sacrifice as in those 2 years in order to retain their right to market sugar in this country in other years. The price in the nonpreference international market is notoriously unstable because almost all countries have sugar programs just as we did until recently. Only a remnant of sugar is traded in that market and as would be expected sometimes that quantity is far too large for the demand and at other times far too small.

Beginning about 1970, world consumption of sugar began to exceed production. By the early months of 1972 the price of sugar in the nonpreference market exceeded the domestic price but then it fell back again for a while. But by November 1, 1973, when USDA people began talking about abandoning the Sugar Act the world price was again higher than the domestic price.

In view of the talk, there was at least the possibility that our foreign suppliers would no longer have a stable market opportunity in the United States and not surprisingly some of them began accepting the higher prices available to them in the world market. From a national standpoint there could not conceivably have been a worse time to start talking about doing away with the Sugar Act.

No doubt with the best of intentions but with little foresight the Secretary of Agriculture on January 11, 1974, increased the total of U.S. quotas for 1974 by one-half million tons to 12.5 million.

Knowledgeable people must have known that we would not consume more than about 11.7 million tons but they could not rule out the possibility that the Secretary feared that our people would stockpile three-quarters of a million tons in addition to normal consumption. A possible temporary increase in world demand of that magnitude had to be a tremendous market factor in the situation of scare supplies. The world price really took off and pulled the U.S. price up, although not to the same level since some of our foreign suppliers continued to ship sugar to this country in timely fashion.

This was the situation until June 5, 1974, when our price had reached 24.5 cents. On that date the House of Representatives defeated the bill to extend the Sugar Act beyond the current term due to expire at the end of the year. There was still a chance that the Congress would act favorably before the end of the year but this was not a sound basis for decisions by either our domestic or foreign suppliers. It became a matter of seeking the top dollar and devil take the hindmost as users sought to buy in excess of current needs and producers saw no reason to rush the market. The race never stopped until near Thanksgiving Day, 1974, by which time the price of raw sugar had reached 64.5 cents per pound.

How can anybody possibly brag about his part in ending one Government program that really worked? How can anyone take bows because soft drinks, refined sugar and all the other products do not cost as much as they did at Thanksgiving 1974?

Mr. President, instead of "sugarplums" the U.S. consuming public got a bunch of "sour grapes" at record prices in 1974 and 1975. The record is clear. The United States should not only consider the need for participation in an International Sugar Conference, but more importantly, should consider the immediate need for a U.S. sugar program.

I have here in my hand a chart showing the world raw sugar prices from the years 1948 through 1975 inclusive, a 27-year period. This chart reveals the high and low as well as the yearly average in prices and the fluctuation between the high and the low. The chart shows the yearly average price of world raw sugar in 1974 was over seven times that which prevailed in 1948, and in 1975 the average yearly price was over four times that of 1948.

Mr. President, the American consumers paid the highest price for their sugar in 1974 that was ever paid in this generation or any generation for that matter. From the facts I have related, I believe, the blame for that rests right on the doorstep of the U.S. Department of Agriculture.

I hope my colleagues will give serious consideration, without delay, to drafting a Sugar Act to protect the American consumer from ever again being subjected to a roller coaster ride on such an essential agricultural product of which, by the way, we rank as the largest consuming nation in the world.

HOW CANDIDATES STAND ON OIL QUESTIONS

Mr. McINTYRE. Mr. President, as we all know, this year the people of the United States will choose someone to fill the highest office in the United States, that of President. In order to make the best possible choice of a President to guide us through the next 4 years, the voters must know a great deal about the candidates who aspire to the office.

One of the most important issues of our day—especially in New England, where we rely so heavily on expensive imported oil—is what should be done to insure that the nation has a secure supply of energy at reasonable cost.

My concern is especially strong because homeowners in my native New Hampshire are paying dearly to warm their homes this winter. For example, the owner of a five-room house in Concord paid $68 for fuel oil in January. Another Concord resident, whose eight-room house is well insulated, and who turns his thermostat down to 55° during the day, had a heating bill of $80 in January. And a Manchester resident heating a two-family home had to pay over $220. These are the residents of a State who have seen the price of home heating oil jump from 19.4 cents per gallon in January of 1973 to more than 41 cents per gallon last month.

How can we assure them that their fuel bills will not soar to new heights at the whim of a cartel again next January?

I believe that we cannot have such assurances without a fundamental restructuring of the oil industry.

This is because a few big companies control the flow of the world's surplus oil supplies. It is to their advantage to produce it slowly and keep prices up.

This pattern of control can be changed. There are proposals now before Congress to bring about this restructuring of the oil industry.

One of these proposals, called vertical divestiture, would require oil producing companies to spin off any interests in oil transportation and oil refining and marketing. Vertical divestiture would bring about lower prices to consumers because the giant, integrated international companies would no longer be able to fix high prices for crude oil, and control the flow of expensive oil through their own refineries and marketing outlets.

Under another proposal, known as horizontal divestiture, major oil companies would not be allowed to control alternate sources of energy, such as geothermal steam, coal, uranium, nuclear power, and solar energy."

Under this proposal, a major oil company that was bent on selling all its oil at a high price could not withhold an alternative source of energy from the market. Horizontal divestiture would insure rapid development of the best alternate sources of energy.

These and other proposals to create a free market in the development of the Nation's vast energy resources—and the vast resources of the rest of the Free World that could, once developed, pressure OPEC into lowering prices—await action in Congress. A new President might have to act upon them next year. Therefore, it is important for voters to hear the views of the candidates on these proposals.

The Presidential candidates were asked about these proposals and other energy issues recently. The candidates' responses were published in Iowa newspapers by a citizens' lobby calling itself the energy action committee.

Mr. President, I ask unanimous consent to print the tabulation of the candidates' answers in the RECORD at the end of my statement. Also, Mr. President, I wish to explain a couple of details about the questionnaire.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. McINTYRE. Mr. President, my good friend and esteemed colleague, the Senator from Minnesota, Mr. HUMPHREY, is listed in the questionnaire as having "refused to answer." It is true that he did not. But I understand that Senator HUMPHREY did not answer the questionnaire only because he did not wish to be considered a candidate in the Iowa caucuses. He has made clear his views on the need to reform the oil industry on many occasions.

Former Governor Carter of Georgia also refused to answer the questionnaire. He explained in his own advertisement that he did not agree with the form in which the Energy Action Committee asked its questions, and he has provided his responses separately. I ask unanimous consent that Governor Carter's statement be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. McINTYRE. Mr. President, this leaves three candidates who refused to answer any of these questions. Their names are Reagan, Ford, and Wallace. I wonder what their reasons are for hiding their views about Big Oil from the American public?

The first Presidential primary of the year, in my home State of New Hampshire, is next Tuesday, February 24. The voters of New Hampshire and the rest of this Nation should have this information to help them decide who should be their next President.

EXHIBIT 1

IOWANS WANT SOME STRAIGHT ANSWERS ON ENERGY

So Energy Action asked each Presidential candidate six tough questions on energy policy:

1. Would you break up the big oil companies, so that no one company controls every step of oil production and marketing?

Support: Bayh, Church, Harris, Jackson, Shriver, Udall.

Oppose: Bentsen, McCarthy, Sanford.

Refused to answer: Carter, Ford, Humphrey, Reagan, Shapp, Wallace.

2. Would you prohibit big oil companies from owning competing energy sources?

Support: Bayh, Church, Harris, Jackson, Shapp, Shriver, Udall.

Oppose: Bentsen, McCarthy, Sanford.

Refused to answer: Carter, Ford, Humphrey, Reagan, Wallace.

3. Will you accept money from executives of big oil companies?

Will not accept: Bayh, Church, Harris, Udall.

Will accept: McCarthy, Sanford, Shriver.

Refused to answer: Bentsen, Carter, Ford, Humphrey, Jackson, Reagan, Shapp, Wallace.

4. Should profits from energy reserves on public lands go to the public rather than to big oil companies?

Support: Bayh, Bentsen, Church, Harris, Jackson, McCarthy, Sanford, Shapp, Shriver, Udall.

Oppose: None.

Refused to answer: Carter, Ford, Humphrey, Reagan, Wallace.

5. Should we continue to limit natural gas prices and profits, or let Big Oil triple prices and take unlimited profits?

Limits: Bayh, Church, Harris, Jackson, Sanford, Shapp, Shriver, Udall.

No limits: Bentsen.

Refused to answer: Carter, Ford, Humphrey, McCarthy, Reagan, Wallace.

6. Do you support creation of a Federal Oil & Gas Corporation to compete with the major oil companies?

Support: Bayh, Harris, Jackson, Shriver, Udall.

Oppose: Bentsen, Church, McCarthy, Sanford.

Refused to answer: Carter, Ford, Humphrey, Reagan, Shapp, Wallace.

This advertisement was prepared and placed by Energy Action Committee, in the interest of informing you on the vital issue of energy.

If you're angry about the energy mess, Energy Action hopes you will:

Ask the presidential candidates how they stand on these issues.

This message appeared in the Des Moines Register Wednesday, January 14, 1976.

THE ACTUAL QUESTIONS

1. The major oil companies are structured so that they either own or are in control of most petroleum products from the time they are in the ground to final retail distribution. This is known as vertical integration of the oil industry. There have been proposals to restructure the industry so that each phase of production and sale would be separated and more competition stimulated within the oil industry. This is known as "vertical divestiture."

Do you support or oppose legislation in Congress which would require the oil companies to "divest" themselves of all but one phase of the oil production-sale chain?

2. A second pattern in the energy industry is that the large oil companies own other energy sources such as natural gas companies, coal companies, uranium mines and processing plants. This development has become known as "horizontal integration."

Do you support or oppose legislative efforts in the U.S. Congress to prevent "horizontal integration" and require major energy companies to divest themselves of such competing energy sources?

3. Public doubts about the integrity of government have been intensified by the large gifts to presidential and congressional candidates by oil companies and their executives.

Will you accept or refuse to accept gifts and contributions from executives and officers of major oil companies and from political action groups controlled by them?

4. The people of the United States, through our government, own large amounts of oil and gas located on the Outer Continental Shelf of the United States and other public lands.

Will you support or oppose legislation to assure that the earnings from these public resources go principally to the public rather than to increase oil company profits?

5. A major issue before the U.S. Congress is whether the price of natural gas should continue to be set under a system which insures gas producers a "reasonable return" or should be allowed to be set by the oil and gas companies themselves at whatever price (probably at least triple current prices) they think gives them the highest possible profits and allows them to take advantage of the high monopoly prices for oil set by the international oil cartel.

What is your position?

6. Another idea to increase the American People's control over energy costs is to create a Federal Oil and Gas Corporation which could, independent of oil companies, search for new sources of gas and oil, and then sell it to provide additional competition and lower prices.

Do you support or oppose the creation of a Federal Oil and Gas Corporation?

EXHIBIT 2

JIMMY CARTER SAID NO!

On Wednesday, January 14, an advertisement placed by the Energy Action Committee listed responses from Presidential Candidates on six energy proposals. Jimmy Carter did not respond.

Here's why:

The questions could not be answered honestly and directly with the simple yes or no demanded by the Committee. Some of them dealt with more than one issue—others presented a choice between a promise that no candidate could keep or an answer that totally misrepresented Jimmy Carter's position. In several cases the propositions actually presented to the candidates, in fine print in the ad, were significantly different from those presented in large type.

Although Jimmy Carter is in sympathy with many of the goals of the Energy Action Committee, he felt this country could no longer afford oversimplified answers to complex problems. He decided it was time to draw the line.

Here are statements by Jimmy Carter on these important issues. Read and decide for yourself.

1. Divestiture to end vertical integration: "I support restrictions on the right of a single company to own all phases of production and distribution of oil. However, support of this proposition as worded in fine print would make it illegal for the same company to explore for oil and then extract that oil from the ground once discovered. This would clearly result in tremendous price increases to the consumer."

2. Divestiture to end horizontal integration: "I support legal prohibitions against ownership of competing types of energy, oil and coal for example. However, I cannot promise to oppose any joint responsibility for any phase of production of competing energy sources. Fuel oil and some propane, for example, are produced from crude oil. Their production clearly cannot be separated until after extradition and refining take place. It may not be beneficial to the consumer to separate control of these two competing energy sources until even further down the distribution line."

3. Contributions from officers, executives and political action committees of major oil companies: "I will not accept contributions from political action committees controlled by major oil companies. However, no candidate can honestly promise to accept no contributions from any officer or executive. When large direct mail lists were used to raise funds, and most of the candidates who responded to the questionnaire use those lists, it is impossible to determine the employer of a contributor. The only information provided under the new election law is name, home address, principal business address, and occupation. The name of the contributor's employer is not required."

4. Profits from oil and gas located on the publicly owned Outer Continental Shelf; "These natural resources are the property of the people of this country. I oppose any crash program for massive leasing to the oil companies. I support the proposition of the Energy Action Committee to assure that the earnings from these public resources go principally to the public."

5. Deregulation of oil and natural gas: "This proposition began with a discussion of natural gas and ended talking about oil. There was no way to respond accurately with a single yes or no. I support legal restrictions to allow a 'reasonable profit' on oil and natural gas rather than allowing prices to be set without restriction. I oppose deregulation of old oil. Price for domestic oil should be kept below O.P.E.C. price levels. I support the overwhelming position of the National Governor's Conference to limit deregulation of natural gas to that small portion (less than 5%) of production not under existing contracts. This deregulation should not exceed five years."

6. Creation of a Federal oil and gas corporation: "I oppose the creation of this new federal agency. The Federal Government is presently unable to handle competently and equitably the responsibilities it already has in this area. Agencies designed to regulate and control special interests have almost invariably become the tools of those very interests. The Federal Energy Office is the best, most recent example. It is impossible to tell where the major oil companies stop and the Federal Energy Office starts.

"I would consider such a proposal only after a thorough reform and reorganization of the Federal Executive Branch, particularly the so-called Regulatory Agencies."

If you believe our country needs a President who refuses to make promises he cannot keep or to give simple, easy answers to tough, complex questions, support Jimmy Carter at your Democratic Precinct Caucuses on Monday, January 19.

If you aren't there, your choice won't matter. Don't let someone else make your decision for you.

To find out where to go to vote for Jimmy Carter, call: (515) 288-1953 or come by the Jimmy Carter Headquarters at 420-10th Street in Des Moines.

NORTHERN MARIANAS ISLAND COVENANT

Mr. GRIFFIN. Mr. President, the Washington Star of February 10 carried an editorial entitled, "Case for the Marianas." In view of the fact that the Senate will soon be considering House Joint Resolution 549, a joint resolution to approve the Covenant to establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States, I ask that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Star,
February 10, 1976]

CASE FOR THE MARIANAS

A good many Americans may be surprised to hear it, but the fact is that the United States is on the verge of taking on its first territorial acquisition since 1917. A covenant to confer commonwealth status on the northern Mariana Islands is before the Senate for final action in the near future. It is expected to pass over spirited opposition.

The covenant itself is the result of more than two years of negotiations and reflects a long-held ambition of the people of the western Pacific islands for political union with the United States. The area has been administered by the United States since World War II as part of the Trust Territory of the Pacific Islands under the United Nations. The proposed arrangement would give American citizenship to the 14,000 people of the Marianas, along with local self-government and full constitutional protections. The covenant provides for financial assistance of some $14 million a year and eligibility for federal programs and services. The United States would assume sovereignty over the 14 islands with a total land area of 183.5 miles extending northward from the American territory of Guam. Leasing arrangements under the covenant would provide for whatever defense installations might be needed now and in the future.

The proposal has already been approved without dissent by the House and by the Senate Foreign Relations and Armed Services Committees. It was unanimously endorsed by the Marianas District Legislature and by a solid majority of 78.8 percent of the islands' voters.

Naturally, however, it has also stirred up considerable opposition in this country, particularly among certain liberal-minded senators. Critics have labeled it as "an anachronistic demonstration of neo-colonialism" which is likely to draw fire from many sectors of the Third World. Others have argued that it is an example of military expansionism at a time when, in their opinion, the United States should be reducing its international obligations. Some have expressed concern that the whole arrangement might be vetoed by a permanent member of the U.N. Security Council when the present trust arrangement comes up for termination, presumably some time after 1980.

In our own view, these objections are outweighed by the emphatically expressed wishes of the people concerned and the potential benefits to the United States. It would mark a significant step in fulfilling our obligations under the U.N. trusteeship agreement to help develop the peoples of the territory toward self-government. It would give important support for the exposed American position on Guam and strengthen the stability of the Western Pacific. And it would provide a much-needed reassertion of the fact that the United States is a Pacfic power and intends to remain so. There is, in short, ample reason why the Marianas covenant should be approved by the Senate with the least possible delay.

CENTENNIAL OF BENEDICTINE MONKS IN ALABAMA

Mr. ALLEN. Mr. President, on Monday, March 1, 1976, the Benedictines of St. Bernard Abbey at Cullman, Ala., will celebrate the centennial of the arrival of the monks in the State of Alabama. The celebration will be marked by a Concelebrated Mass on the campus of St. Bernard college.

The Most Reverend Joseph G. Vath, D.D., Bishop of the Diocese of Birmingham, will be the principal celebrant of the mass, and the Right Reverend Egbert H. Donovan, O.S.B., Archabbot of St. Vincent Archabbey, Latrobe, Pa., will preach the Homily.

Invited guests include the Most Reverend Thomas J. Toolen, D.D., Archbishop-Bishop Emeritus of Mobile-Birmingham and lifelong friend of the monks; the Bishops of the Province of New Orleans comprising the States of Louisiana, Alabama and Mississippi; and the Abbotts of North America.

Alabamians of every denomination join in this joyful observance because the Benedictines have made great contributions to the educational and social advances within our State.

During 1876, a small group of Benedictine monks, originating from St. Vincent Archabbey, Latrobe, Pa., entered the State of Alabama for the first time. Under the leadership of Father Severin Laufenberg, O.S.B., they began the task of establishing much needed parishes in the north Alabama region. Cullman, Decatur, Huntsville, and the Tri-Cities were among their early developments.

Being responsible for Tennessee, Kentucky, and parts of the Virginia mountains, the monks decided to forgo the extensive hardship of traveling back and forth to their home abbey at St. Vincent and to establish a new abbey in north Alabama. Recognizing the need for a school and education, as well as spiritual leadership, a group of 12 Benedictine Monks, in 1891, founded St. Bernard Abbey in the city of Cullman, Ala.

Rt. Rev. Benedict Menges, O.S.B., 1891–1904, became the first Abbot followed by Rt. Rev. Bernard Menges, O.S.B., 1904–33. This era was one of growth in many ways, highlighted by the fact that St. Bernard was chartered by the State of Alabama as an institution of higher learning. The number of monks increased as did their services to the parishes and development of catholicism, allowing them to make significant contributions to surrounding dioceses.

Rt. Rev. Ambrose Reger, O.S.B., 1933–38, became St. Bernard's third Abbot shortly after St. Bernard received southern association accreditation as a junior college in 1932. Basically self-sustaining, this monastic community made great strides in a short period of time. From a small school with a limited number of students, it grew to meet the needs of a growing people. The establishment of education of students for the priesthood became another task to be completed by the resourceful Benedictine Monks.

A talented Benedictine, Brother Joseph Zoettl, O.S.B., was responsible for the creation of the world famous Ave Maria Groto. This diminutive monk began making cement replicas of shrines and buildings. As his efforts improved, more and more visitors from the surrounding area came to view his "sermons in stone," until finally, in 1943, with the dedication of the grotto, his creations were made accessible to tourists from all over the nation and the world.

In 1939, St. Bernard elected its fourth Abbot, Rt. Rev. Boniface Seng, O.S.B., 1939–57. During his tenure, the educational institution committed itself to making the transition from a junior college to a 4-year senior college. In September 1953, the Benedictines admitted their first junior class. Bachelor of Arts degrees were awarded to the first graduating class in May 1955, and the Southern Association accredited St. Bernard as a 4-year, degree-granting senior college on December 6, 1956.

In 1957, Right Reverend Bede Luibel, O.S.B., 1957–64, became St. Bernard Abbey's fifth abbot. The time to expand was at hand. A large-scale building program saw Boniface Residence Hall completed and the new Abbey Church begun; however, due to fund shortage, the church was 10 years in building. A new faculty house dining hall complex was occupied in 1963. Completing their ninth decade in Alabama, the monks of St. Bernard Abbey continued to grow with the State and its people.

Right Reverend Gregory Roettger, O.S.B., 1967–72, became St. Bernard Abbey's sixth leader. Meeting the needs of expanding enrollment, the Cullman-Swisher Science Building was opened in September 1968. Almost immediately, small independent colleges in the United States faced a new challenge—survival.

Right Reverend Hilary Dreaper, O.S.B., a native of Mobile, Ala., was elected abbot on August 21, 1972. Responding to the survival challenge and emerging with a new look, St. Bernard College and Cullman College will unify into one institution, effective July 1, 1976. This merger was announced recently and jointly by Abbot Hilary, Abbott of St. Bernard Abbey, and Sister Mary Patricia Karibo, O.S.B., prioress of the Benedictine Sisters of Cullman.

Both Benedictine colleges are writing new pages in the history of higher education through their cooperative effort. Unification will provide a stronger, more complete academic and Christian student life program.

One hundred years and yet a new beginning; the monks of St. Bernard Abbey continue to assess the needs of people and alter their directions to meet these needs. Ora et Labora—a simple yet profound Latin phrase signifying "pray and work" has represented the keystone of the Benedictine spirit for 14 centuries. Today, it remains the essence of life for the monks of St. Bernard Abbey College as they perpetuate the principles of Catholicism's oldest teaching order on a calm, sequestered campus nestled in the Appalachian foothills near Cullman, Ala., which for 85 years has contributed to the spiritual and educational needs of its surrounding communities and the Nation.

LIFTING THE LID ON CAMPAIGN SPENDING

Mr. CLARK. Mr. President, this Wednesday Senator CLAIBORNE PELL's Subcommittee on Privileges and Elections, of which I am a member, will open hearings on legislation to repair the Federal Election Campaign Act in the aftermath of the recent decision of the Supreme Court.

As to the debate on what to do with the campaign law approaches, I offer to our colleagues an excellent article by Mr. Nathan Lewin entitled "Lifting the Lid on Campaign Spending," which appeared in the New Republic of February 14, 1976.

Mr. Lewin recognizes the potential dangers involved in the Court's elimination of independent expenditure limits. He writes:

> The "quantity and diversity of political speech" that emerges during political campaigns, as we know them today, is not likely to be affected very much by distinctions between contributions and independent expenditures. There is real substance to the concern expressed by some political figures that the chief products of the Court's ruling on this question will be a proliferation of "independent" committees working for the election of particular candidates.

Certainly this is a problem to which we must address ourselves in the days ahead.

But Mr. Lewin also highlights another major problem—and points to a solution as well. The problem: unrestricted spending by candidates on their own behalf. The solution: public financing of elections. Commenting on the impact of the Court's ruling in this area, Mr. Lewin notes that:

> In the short run wealthy candidates will have an advantage. But the public's interest in promoting financial equity among candidates can, of course, be achieved without limiting one candidate's personal expenditures. The obvious alternative is to make available public funding to all federal candidates—not just to presidential contenders.

Mr. President, six of our colleagues and I are sponsoring S. 2912, which would establish public financing for Senate campaigns, as well as reconstituting the Federal Election Commission. Mr. Lewin has called attention to one of the many reasons why congressional public financing is more urgently needed now than ever before, and I ask unanimous consent that his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New Republic, February 14, 1976]

LIFTING THE LID ON CAMPAIGN SPENDING

(By Nathan Lewin)

Congress has itself to blame for the swift and radical surgery recently performed on its 1974 federal election reforms by the Supreme Court. The Federal Election Campaign Act, signed into law by President Ford in October 1974, contained a unique invitation to the federal judiciary to poke and probe among its various clauses and issue running judicial diagnoses of whatever constitutional ills might be discovered. Congress is usually content, when it enacts a law, to allow constitutional questions to be raised, after the law goes fully into effect, by those parties whom the courts have traditionally recognized as the proper challengers. When criminal laws are at issue, for example, individuals who believe that the laws violate their constitutional rights must ordinarily suffer criminal prosecution and raise their constitutional claims as defenses to criminal charges. Or if some new form of regulation is established by federal law, those subject to the regulation are seldom able to attack its constitutionality before there has been substantial official action of the kind that gives rise to a court proceeding.

This means that most laws come before the courts for constitutional evaluation after some history of actual operation and administration has been developed. It also means that the court tests are made in the context of detailed records describing particular instances of enforcement. The usual process of constitutional adjudication also sheathes a duly enacted law in a presumption of constitutionality. Once a federal law has been passed, it is fair to assume that the majority of the members of Congress who voted for it—themselves oath-bound to uphold the Constitution—were convinced that it was constitutional. Courts invariably begin constitutional analyses in such cases with a deferential nod to the judgment of the coequal branch of government.

The urgency with which Congress wanted a judicial appraisal of the Federal Election Campaign Act deprived the election reform case of all these benefits. An extraordinary provision was inserted into the law authorizing "any individual eligible to vote in any election for the Office of President of the United States"—in other words, almost any citizen—to start a federal court proceeding "to construe"—whatever that word means in this context—"the constitutionality of any provision of this Act." The same section speeded the case along by eliminating any decision of the trial court and assigning to it only the job of formulating "questions of constitutionality" to be certified to the full roster of active judges of the court of appeals. The appellate court was then obliged "to advance . . . and to expedite" its decision on these certified questions "to the greatest possible extent." And an appeal to the Supreme Court had to be taken within 20 days of the court of appeals' action.

As a result the Supreme Court ruling of January 30 decided the constitutionality of several new provisions of criminal law relating to federal elections without a single criminal prosecution having been brought or threatened. It passed on the constitutionality of various aspects of a new regulatory system without any record of actual enforcement. It determined whether a comprehensive financing operation was constitutionally valid with almost no legally recognizable evidence of the real effect of such a program. Rather than reviewing a record of what actually happened, the Court answered a series of 24 questions—almost as if it were taking a law school true-false or multiple-choice examination—based upon its abstract and theoretical evaluation of the constitutionality of separate parts of the law. The speed with which the buck was being passed to the Supreme Court could have generated no confidence whatever in any congressional judgment of constitutionality; the justices cannot be faulted for reading this singular procedure as a plea by the Congress for constitutional advice, rather than as a definite and firm constitutional judgment by the national legislature entitled to respect from the judiciary.

Even the Court's most persistent advocates of judicial restraint seemed quite willing, in this case, to treat Congress' judgment cavalierly. Justice Byron White—the only member of the Court who voted to uphold nearly all of the law's substantive provisions—very reasonably protested that the judges on the Supreme Court could not claim "more insight as to what may improperly influence candidates than is possessed by the majority of the Congress that passed this Bill and the President who signed it." The legislative and executive branches, he said, were "seasoned professionals who have been deeply involved in elective processes and who have viewed them at close range over many years." This kind of consideration should have appealed to Chief Justice Burger who often admonishes the Court when it seems to second-guess a legislative judgment. Two years ago, for example, the Court was considering whether it was constitutional to deny rehabilitative treatment under the Narcotic Addict Rehabilitation Act to a two-time loser, and Burger, writing for a Court majority, noted that the legislative decision to exclude multiple offenders was "a policy choice in an experimental program made by that branch of Government vested with the power to make such choices." Respect had to be accorded to that "policy choice" even though "judges with more direct exposure to the problem might make wiser choices." It is hard to recognize the same judge in the Burger who expressed his view of the election reform case. More than any other members of the Court, the chief justice was ready to strike down large parts of the act as unconstitutional because he did not agree with Congress' appraisal of the effect the act would have on constitutionally protected political activity. And Justice Blackmun and Rehnquist—neither of whom has earned a reputation as a judicial activist—were only short steps behind. Burger's opinion was a persuasive document and the concerns he expressed about possible infringements on constitutional rights growing out of this particular electoral reform may yet be vindicated by actual experiences with the act—which is already being criticized by some of its supporters.

It was a moderate-to-liberal coalition of justices—essentially Brennan, Stewart and Powell—that saved the law and sliced away only the parts that appeared most dubious. When the Court majority was done with it, the Federal Election Campaign Act was different from what it was when the President signed it. As passed in 1974, the act viewed the elective process from the vantage point of the politicians whose job it is to gather votes. The Court brought to the problem a new perspective. The combination of legislative proposal and judicial disposal created a novel structure. Whether the results will be good or bad depends on how punctiliously the law is enforced and how vigorously evasion is pursued.

The first subject treated by the Court is the one on which its view is likely to have the most lasting impact. The 1974 act fixed maximum amounts that could be contributed, either directly or indirectly, to the campaigns of federal candidates and set maximum limits on campaign expenditures. Violations of these limitations are criminal acts, prosecutable as misdemeanors and punishable by up to one year in jail and a $25,000 fine.

To the professional politicians who make up the Congress, financial assistance to a political campaign—whether in the form of direct cash gifts or indirect expenditures that benefit a candidate—is a single *genus* of activity. A candidate for office assumes that money spent in his behalf is best spent if his campaign staff does the spending or controls it to ensure that it is coordinated with other election activities. It was natural, therefore, for the 1974 Congress to disparage independent expenditures of money on behalf of a candidate and to assume that, more often than not, a purportedly "independent expenditure" would really be a disguised contribution. The congressional reports discuss, for example, the individual who decides, "completely on his own," to buy billboard space to promote the candidacy of his favorite. If he does so without the candidate's request or consent, should his purchase count against the $1000 limitation on contributions? Given the public record of campaign law avoidance that grew out of the 1972 elections, Congress could only be skeptical of assertions that individuals supporting a candidate in this manner might spend large sums of money without consulting or obtaining the consent of the candidate or his campaign machine.

Congress' solution to the problem was to fix a $1000 limitation on individual "contributions" (defined to include all payments made at the request of a candidate or with his consent) and "independent" expenditures for a single candidate in any one primary or general election. The billboard-buyer would, under this provision, be prevented from giving even an unrequested and unconsented boost of more than $1000 to any particular candidacy.

The Court majority could not agree with the political judgment that the "contribution" and the "independent expenditure" are the same. Justices Burger and Blackmun would have found limitations on both unconstitutional, and Justice White thought they were both valid. But the remaining five (Justice John Paul Stevens joined the Court after the case was argued and did not participate in the decision) believed that a ceiling on contributions was permissible while a similar limit on expenditures was not. The Court said that "corruption and the appearance of corruption [are] spawned by the real or imagined coercive influence of large financial contributions on candidates' positions and on their actions if elected to office," and that a limitation on contributions could "serve to mute the voices of affluent persons and groups in the election process," and "may to some extent act as a brake on the skyrocketing cost of political campaigns." A limitation on "independent expenditures," on the other hand, was said to be a substantial restriction on "the quantity and diversity of political speech." The Court majority observed that a full-page advertisement in a leading daily newspaper cost almost $7000, and concluded that if wholly independent citizens and groups were not permitted to support their candidates with such advertisements they would be denied "any significant use of the most effective modes of communication."

The absence of a specific factual record certainly played a role in this judgment. If the first criminal prosecution of an "independent expenditure" in violation of the statute had concerned a partisan who, entirely independently of his candidate, manufactured and distributed coonskin caps or straw boaters or bumper stickers carrying only his candidate's name, or who paid the full cost of a picnic lunch given to promote the candidacy of his favorite (with lunch boxes carrying the candidate's picture), the element of "political speech" would be harder to discover than where a message is plastered on a rented billboard, or a full-page ad in *The New York Times* is underwritten.

Not everything that costs money in a political campaign is political speech. The act defines contributions as gifts that are designed to "influence" nominations or elections. And it takes no advanced sociologist to know that many things influence voters today beyond rational discourse on major issues. Yet the Court majority was permitted by the dissenters to describe the constitutional question as whether the amount spent by independent parties on "political communication" or "political expression" could be limited by law. No one seriously questioned the observation made by Justice Stewart during oral argument of the case—that in the context of political campaigns "money is speech and speech is money."

As a practical matter, there is much to be said for the view of the politicians that "contributions" and "independent expenditures" are too much alike to deserve separate constitutional treatment. The difference between them, as the campaign game is played today, is skin-deep—but not much more. The Court majority was persuaded by the fact that a contributor communicates with the public only by giving his candidate the opportunity to speak; the voter himself is silent, and his expression "rests solely on the undifferentiated, symbolic act of contributing." If a voter directly buys advertising space, he may, of course, choose to be the speaker. He may draft and sign the advertisement and thereby send his personal message to the public. But for every independent benefactor who chooses this method of direct communication, there must be dozens who, if permitted to spend in excess of the ceiling, will simply reprint their candidate's speech, or his record, or his best public relations handbill. And the Court's constitutional ruling protects the man who duplicates no less than the one who composes.

The "quantity and diversity of political speech" that emerges during political campaigns, as we know them today, is not likely to be affected very much by distinctions between contributions and independent expenditures. There is real substance to the concern expressed by some political figures that the chief product of the Court's ruling on this question will be a proliferation of "independent" committees working for the election of particular candidates. A tight standard appears in a footnote to the Court's opinion, and it requires such committees to operate totally without the cooperation or consent of a candidate, his agents or an authorized committee, if they wish to avoid the valid contribution limitation. Whether the standard can be enforced in practice is another matter.

There is, moreover, reason to wonder at the Court's blithe political judgment that truly independent expenditures pose no "dangers of real or apparent corruption comparable to those identified with large campaign contributions." Is it so improbable that a budding ambassador could become a substantial buyer of billboard space in a presidential campaign (to take the Congress' own example)? His beneficence would surely not escape the candidate's notice, and the likelihood of a post-election *quid* for the pre-election *quo* seems high.

Whatever one thinks of the Court's theoretical constitutional distinctions and of its pragmatic appraisals of the possibilities of political corruption, there is a positive practical side to the Court's decision that may gradually alter the nature of political campaigns. If the law is enforced to its letter so that candidates are not able, either by tacit agreement or covert connivance, to coordinate their expenditures with purportedly "independent" individuals or campaign organizations, they will have to woo those groups that are truly independent in the hope that they will make campaign expenditures. In this way single-issue groups would become much more important to the election process than they are now. "Right-to-life" organizations, Soviet Jewry committees, women's caucuses could hold the key to large campaign resources to be used on behalf of the candidates who would most satisfy their needs. Control of a portion of a candidate's campaign would then pass from the professional staff to the more vocal and organized public groups. This is probably not what Congress would have wanted, but it is a likely consequence of what Congress and the Court did.

The Court's subsidiary rulings on the expenditure-ceiling issue have other interesting indirect consequences. With only Justices White and Marshall dissenting, the Court ruled that statutory ceilings on the amounts candidates may spend on their campaigns from their own personal funds are unconstitutional. A candidate, said the Court, has the same constitutional right to engage in public discussion—and thus to advocate his own election—as any private citizen. Restricting his expenditures "clearly and directly interferes with constitutionally protected freedoms." The Court was not persuaded, as was Justice Marshall, that the exploding costs of campaigning would turn politics into "the exclusive province of the wealthy." With the elimination of large contributions by the provisions that the Court sustained, it seems all the more important to provide some corrective to the unfair edge held by a Rockefeller or a Kennedy.

In the short run wealthy candidates will have an advantage. But the public's interest in promoting financial equality among candidates can, of course, be achieved without limiting one candidate's personal expenditures. The obvious alternative is to make available public funding to *all* federal candidates—not just to presidential contenders. In another footnote was the Court's observation that acceptance of public funds may be conditioned on an agreement by the candidate to limit his expenditures. Even the wealthy would probably find the public dole tempting enough to submit to this. And if they do not, the public funding provision might authorize public grants to a candidate to match funds, in excess of a specified amount, spent by his opponent from personal funds.

A change in the law seems inevitable, as well, as a result of the Court's invalidation of the overall ceiling on campaign expenditures. Here, again, the Court addressed the issue in conclusionary constitutional terms. Expenditure ceilings, said the Court, are restrictions "on the quantity of political expression." The equation of the total cost of a campaign with the scope of "political expression" is questionable. Whether the candidate and his family fly first class or coach and whether they stay in luxurious or merely comfortable hotels will not affect "the quantity of political expression," but it will have a dent on his total campaign costs.

Lifting the lid on campaign expenses may not, therefore, increase the amount of meaningful political expression at all. What it will accomplish, however, is the enactment of public funding for senatorial and congressional candidates. Here, too, as the dollar amounts grow geometrically, Congress will have to find ways to make campaign costs manageable. If maxima are constitutionally unsound, a payment of public funds conditional on voluntary acceptance of expenditure limitations seems the natural result.

CONGRESSIONAL TRAVEL

Mr. GOLDWATER. Mr. President, as I said I would earlier this year, I am placing in the RECORD a few more statistics on travel by Senate and House staff members and executive staff members. This comes under Army congressional travel for 1975 and we find that these were 104 Senate-House and executive staff members who visited 28 countries, the total cost being $260,644.52, which comes out at about $2,506 per head. I do not believe an adequate explanation of counter-part funds has been made so far, so let me review it briefly here.

Counter-part funds are earned from investments made with American money in foreign countries by our Government and the funds so earned revert to the American Embassy of that country. They are to be used in part to pay the travel expenses of Senators, House Members and staff members and, I might add, regardless of what these expenses might be. The funds can be used to pay for travel, for entertainment and even for the purchase of jewelry or any other items a person might want to bring home. You see, there is no accountability for this money because the Congress voted not to report the funds and certainly would never make a detailed report on what the money was used for. Frankly, I think this is a little short of criminal because this money does not belong to Members of the Congress or the staffs or their families. It belongs to the taxpayers and if there are technical reasons why the money cannot be returned to the United States, then it should not be used in the way counter-part funds have been and are being used. I ask unanimous consent that a résumé of these trips be printed in the RECORD.

There being no objection, the résumé was ordered to be printed in the RECORD, as follows:

ARMY CONGRESSIONAL TRAVEL FOR 1975

Date	Number of countries	Senate or House staff	Executive staff	Cost
Jan. 5–12	6	1	1	$464.00
Feb. 5–11	1	3	3	42,387.80
Mar. 27–Apr. 7	4	15	4	53,786 40
Mar. 31	(1)	1	1	84.40
Apr. 2–6	1	2	2	16,793.70
Apr. 3	2	1	1	2,191.28
Apr. 10–20	3	2	3	39,818.28
Apr. 24–27	1	7	4	6,314.00
May 14–17	(1)	4	1	7,405.20
June 28–July 7	4	17	8	50,886.00
June 29–July 1	1	1	1	3,655.40
July 2–3	(1)	2	1	393.09
July 11	(1)	1	1	695.10
Aug. 3–16	5	6	4	30,258.07
Sept. 15–16	(1)	6	0	5,511.80
Total	28	69	35	260,644.52

(1) United States.

FRIENDSHIP FIRE ENGINE COMPANY

Mr. HARRY F. BYRD, JR. Mr. President, one of America's oldest and most historic shrines, the Friendship Veterans Fire Engine Company, is located in the city of Alexandria, Va.

Founded in 1774, this memorial to George Washington is often referred to as "George Washington's Fire Engine Company," as our first President, while attending the Continental Congress in Philadelphia in 1774, personally purchased the company's first fire engine.

Later this engine was sold to a junk dealer in Alexandria, who in turn sold it to a junk dealer in Frederick, Md. The original fire engine was then purchased by the Veteran Fireman's Association of Baltimore, Md., for its museum.

It was not until 1954, when, at the request of Alexandria's mayor, Marshall J. Beverley, to the mayor of Baltimore, that this little engine was returned to its original home, the Friendship Fire Engine Company, in Alexandria, Va.

Mr. President, I have often visited this memorial to George Washington, which has numbered among its members six American Presidents.

Just yesterday, I had the honor of addressing the association's Bicentennial ceremony, at which time our distinguished colleague and my dear friend, Senator JAMES BUCKLEY, was made an honorary lifetime member of the Friendship Veterans Fire Engine Association.

In this Bicentennial Year, I feel it is fitting that we pay tribute to the Friendship Veterans Fire Engine Company and to its members, whose tireless efforts have made it possible to maintain this historic shrine.

I ask unanimous consent to have printed in the RECORD an article from the February 1976 magazine, "The Alexandrian."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FRIENDSHIP FIRE ENGINE COMPANY

When the young French nobleman, de Tocqueville, studied the American scene 150 years ago, he was impressed with the associations. "Americans of all ages, all conditions and all dispositions, constantly form associations."

One of the older associations of de Tocqueville's time was the Alexandria Friendship Veterans Fire Engine Company. It possessed a characteristic noted by de Tocqueville, of complete equality of the members. George Washington, a member of the association from its founding, dragged the engine to a fire as one more pair of hands on the whiffletree. Even as a retired president of the country, he was still willing to pitch in. Upon arriving at a fire, he noted some gentlemen observing. He jumped from his horse and exclaimed, "Why are you idle, gentlemen? It is your business to lead in these matters." He grasped the unmanned handles and pumped, as he had done many times in the previous quarter century.

The most unusual aspect of Washington's Association, old at de Tocqueville's time, is that it survives today. Of course the manual activity of Washington's time is no longer required, but the association of Alexandrians remains. Judged by the quality of membership, Friendship has prospered beyond anything that Washington could have imagined. The roll includes other Presidents, Truman, Eisenhower, Kennedy, Johnson, Nixon and Ford. How many associations can boast seven presidents? This illustrous community of 700 members and 200 honored members is a means whereby Alexandria can show its heritage. As President Ford said, "I will forever cherish in my mind and heart this opportunity to be a part of this community."

President Ford acquainted himself with the record of the association and spoke in the ceremony making him a honorary member, "The Friendship Veterans Fire Engine Company represented voluntaryism of a different kind. The kind that brought together bankers, lawyers, workers and farmers, and they were all united in one single common effort, to help the community and to help one another without compensation."

The foundation for the association was laid on August 1774, shortly before Washington attended a session of the Continental Congress in Philadelphia. There he found the first fire engine, which is presently on display at the association headquarters. Washington purchased the engine for 80 pounds and 10 shillings. He had it shipped by ox cart back to the fledgling fire association.

This engine was the basis for the activity of the association for the next thirty-five years, when it was replaced by a larger engine. A third engine, the 1849 Hand Pump unit, was selected to be included on the Freedom Train and is now on a historic journey of 21 months across the country.

For many years, the engine in use was kept by one of its members, but in 1838 the city contributed toward a building, and in 1851 contributed toward another building. When this second building was burned in 1855, the present structure on South Alfred Street was built.

The association hit a low point at the time of the Civil War. The flourishing company with fire fighting standards equal to the best in the country was virtually destroyed when Alexandria was occupied by Federal forces. Equipment was confiscated and three of the firemen were bayoneted. The occupation curfew, the need for proper identification, the tension which made the ringing of a firebell cause for attack by Federal soldiers, destroyed the morale of the citizen firemen.

After the Civil War, it was difficult to restore the previous effectiveness, and the active phase of the association was terminated in a few years. The old charter of 1774 was amended in 1866 to match Reconstruction policies. Then after Reconstruction, the association was reorganized (1884) as a group of men interested in fire fighting. The social aspects of the association became the reason for existence, and the days of glory in firefighting were past.

The most active phase of the association in recent years, began about a quarter century ago. The value of the association to the city was recognized in 1952 by the Alexandria mayor of that time, Marshall J. Beverley. Since that time, Mr. Beverley has been the guiding light who has brought the association into national prominence. Through his efforts, the 1855 fire house has been made a shrine to Washington, with a fire equipment museum of interest to the American tourist. The Washington Meeting Room complements the fire equipment with furnishings dating back to the early 1800's.

The original fire engine displayed was returned to the association through the persistent efforts of Mr. Beverley. The roster of prominent members is a result of his efforts. To the tourist, the Friendship Fire House is a memorial to George Washington, but to the knowledgeable Alexandrian, it is a tribute to the untiring efforts of one man, Marshall Beverley.

LITHUANIA

Mr. FANNIN. Mr. President, while many Americans were observing a holiday yesterday in honor of George Washington, many thousands of others were mourning the fact that the people of Lithuania remain under the repression of Soviet rule.

Yesterday marked the 58th anniversary of the establishment of the Republic of Lithuania—a republic which was to enjoy only a brief span of independence.

Lithuania, after devastation in World War I, claimed its independence on February 16, 1918, and was admitted to the League of Nations in 1921.

World War II brought more devastation and the loss of many lives in Lithuania. It also brought a loss of freedom.

The Soviet Union took control of Lithuania and in the 6 years following the war more than one-third million Lithuanians were deported from their native land. Despite efforts to break the unity and the spirit of the Lithuanian people, the determination to regain independence and freedom still lives within Lithuania and among the many persons of Lithuanian descent in the United States and around the world.

It is my hope that our Government will renew pressures on the Soviet Union to end the repression in Lithuania and other nations which have been under the harsh rule of the Russians since the close of World War II.

THE CRIMINAL JUSTICE REFORM ACT

Mr. MOSS. Mr. President, on February 10, 1976, I received a letter from Mr. Harold R. Tyler, Jr., Deputy Attorney General of the United States. That letter states very succinctly directions which might be pursued to guarantee passage of Senate bill 1, the Criminal Justice Reform Act.

Mr. President, as a cosponsor of Senate bill 1, I have stated many times my concern about some of those "controversial sections" to which Mr. Tyler addresses himself, and I have offered several amendments. Judge Tyler states that, should we be unable to amend those sections causing the controversy, it might be very wise to eliminate those sections from the bill and to consider them later. Mr. President, this letter comes from a former judge of the court who has first-hand knowledge of problems of criminal justice. The concept of eliminating the controversial sections of the bill and proceeding with the remainder of S. 1 is rapidly becoming the most acceptable position for accomplishing this long-overdue reform of criminal justice. Gov. Pat Brown has recommended that possibility in a letter to the New York Times. Senator MANSFIELD inserted this into the RECORD a short time ago. The Washington Post only this morning contained an editorial stating that same position. I ask unanimous consent that Mr. Tyler's letter be printed in the RECORD in order that my colleagues and fellow cosponsors of S. 1 may read the views now held by the Justice Department.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE DEPUTY ATTORNEY GENERAL,
Washington, D.C., February 10, 1976.

Hon. FRANK E. MOSS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MOSS: I have been following with considerable interest, and with as much detachment as can be mustered by one familiar with the current problems of the federal criminal law, the Senate progress of S. 1, the proposed Criminal Justice Reform Act. I have been impressed by the efforts of you and your staff to further this badly needed legislation and by the effective manner in which you have been working to achieve the changes you perceive as necessary for its improvement.

Certainly the federal criminal laws are badly in need of revision. As you know, we really have no federal criminal code today but rather a collage of piecemeal legislative efforts that have been enacted sporadically over the last two hundred years. While many of the current statutes, particularly some of the more recent ones, are very useful, altogether too many are outmoded, unenforceable, or simply archaic. Even those that have utility are in many respects overlapping and, worse, inconsistent. Moreover there are serious gaps in the coverage of the federal criminal laws—gaps that preclude the federal government from reaching serious kinds of criminal activity. Even finding the law is a problem; some areas of law where there appear to be gaps actually are covered in unexpected parts of the regulatory provisions of the United States Code. Other provisions are hard to find simply because they do not exist in statutory form; large areas of the law have been left entirely to development by the courts on a case-by-case basis—a method that has not always promoted satisfactory standardization and stabilization. In addition, even when one is able to find the law, he encounters widely differing descriptions of the requisite state of mind or scienter required for the commission of criminal offenses. These problems suggest a fundamental unfairness in the current state of the federal criminal law since, when professionals have difficulty in ascertaining what the law is, it is plain that laymen have virtually no chance at all of finding and deciphering it.

Sentencing under the current federal criminal laws presents similar problems. Offenses today carry widely differing penalty levels that seem to bear little relationship to each other and a questionable connection with what would appear to be a fair penalty under all the circumstances. The whole sentencing process is sadly in need of reform.

The contention that S. 1 is too vast to be taken up as a whole and thus that our criminal laws must be reformed on a step-by-step basis cannot withstand serious analysis. It is the very process of piecemeal legislation that has led us to the sorry state in which we now find ourselves. Offenses need to be drafted so they interrelate carefully, minimizing overlap and eliminating gaps. General defenses need to be considered in the course of drafting offenses. Common terminology should be used wherever possibly. General principles of criminal law, jurisdictional treatment, and collateral liability, as well as sentencing provisions, must be included as integral and fundamental parts of the penal laws. Moreover, procedural laws must at the very least be redrafted to cross-reference correctly to the new substantive provisions. At the same time, it would be advantageous to put them in a more easily readable form. Given the clear advantage of undertaking a systematic, general reform rather than a series of piecemeal efforts, and given the fact that many of our states have been able to achieve a general reform of their laws in such a fashion, I agree that a comprehensive bill is the preferable approach.

The difficulty, of course, with revising at one time the entire body of federal criminal law is that it raises or reraises several significant issues which, though before the courts on a case or controversy basis, have not come to general public attention. As a matter of fact, the codification process brings so much of existing law into focus that those who are not experts in the area have great difficulty in discerning between provisions that change existing law and those that simply carry forward traditional criminal law provisions. The problem of misinterpretation is a serious one as well. As recently observed by Edmund G. Brown, the Chairman of the National Commission on Reform of Federal Criminal Laws and the former Governor of California, "A great deal of misinformation has been spread about S. 1." (New York Times, January 27, 1976, p. 30C.) Last week Senator Hugh Scott also noted this phenomenon, observing that he doubted "whether any recent piece of legislation has generated more misinformation on the substantive legal issues involved than the pending Criminal Justice Reform Act, S. 1", and noting also the "sometimes inaccurate and misleading articles which have damaged the public image of the good provisions in this comprehensive bill." (Congressional Record, February 4, 1976, p. 2236.

Although a significant amount of the criticism of S. 1 has been ill-founded and misdirected, there are, of course, several very important issues that do require serious debate and consideration prior to their resolution by the Congress. Governor Brown, after talking recently to several members of the Congress, identified seven areas upon which the greatest amount of congressional attention is being concentrated. First, the general defenses in the code have been the subject of heated debate. While much of the criticism in this area has been based upon misassumptions of fact, there are several provisions that do warrant careful attention, since, as they constitute defenses of general applicability, they could affect trials involving a wide variety of criminal charges.

Second, attention has been focused upon the provisions of the code relating to espionage, dissemination of national defense information, and dissemination of classified information. These are emotional issues; they are also issues which raise competing policy consideration of importance. Certainly, they warrant the most thoughtful consideration possible.

Third, Governor Brown identified as controversial the carrying forward of that portion of the Smith Act that has been upheld as constitutionally valid. While the current draft of the proposed code would not carry forward those parts of the Smith Act that have found constitutionally impermissible, the general area is still an appropriate matter for congressional attention.

Fourth, the provisions permitting the imposition of a death penalty in limited situations have been the subject of controversy. Those provisions of the current draft of the bill are very similar to the procedures for imposing the death penalty in the course of a murder committed in an aircraft hijacking—procedures that were enacted by the Congress in 1974. They are designed to meet the constitutional requirements suggested by the Supreme Court in the Furman case. Nevertheless, the issue of how best to devise death penalty procedures—and, indeed, the preliminary issue of whether the death penalty should be applicable even for the most heinous of offenses—continue to be subjects that will provoke controversy and debate.

Fifth, the current provision of S. 1 impose heavy penalties, as does the current law, for those who traffic in heroin; they also impose a maximum penalty of one month's imprisonment for simple possession of a small amount of marijuana, as opposed to current federal law which imposes one year's imprisonment for the identical offense. There has been considerable argument whether criminal penalties for simple possession of marijuana should be eliminated entirely. This, too, is a matter that warrants close congressional attention.

Sixth, Governor Brown noted that the procedures for court-authorized wiretapping in the course of criminal investigations—provisions that are simply carried forward from current law—have not occasioned much conflict in themselves but are prompting some suggestions for modification of particular parts of current procedures, particularly those regarding emergency authority.

Seventh, S. 1's sentencing process, while generally acknowledged to be more rational and orderly than the existing chaotic state of the law, has been the subject of a considerable number of efforts designed to make further improvements. As a former federal district judge, I have a particular interest in this subject. Indeed, I personally believe that the present sentencing chapter provisions can be improved. Given the strong bipartisan congressional support for means of achieving greater uniformity and fairness in sentencing, I am confident that a superior series of sentencing provisions will be forthcoming.

As already stated, in some of the controversial areas, changes in the provisions of the bill—whether or not the provisions accurately reflect current law—are warranted. Identifying the areas in which change should be made, and identifying the nature of the change that would best serve the public interest, is not only difficult but important public business. I can understand the desires of some members of Congress to avoid facing these issues until a vote on the bill becomes necessary; the issues by their very nature provoke serious disputes and their resolution is time-consuming. Very few members of Congress have undertaken to commit their time, and the time of their staffs, to analyze these difficult issues and to try to achieve sensible statutory resolutions. Still, the most effective means of achieving needed modification of legislation, as I know you are aware, is to work for its improvement prior to its coming to the floor for adoption or rejection.

The time and attention spent by you and your staff in examining the relatively few controversial provisions of this bill and in improving those portions found deficient is an example of legislative work at its most productive. Many of the controversial issues, as you have found, can be resolved in a sensible fashion. The limited number of issues incapable of easy resolution might be severed from the code and reexamined by the Congress after passage of the principal bill. I share the view of several members of the Brown Commission who recently pointed out that it would be a tragedy to lose the benefits of a vastly improved federal criminal code because of the controversial nature of a comparative handful of provisions. The solution is to resolve controversy where possible, and, where not possible, to postpone action on those portions until such time as progress can be made. You and your staff have been working toward this end and, in the process, have made a substantial contribution to the improvement of the federal criminal laws. I want you to know that your efforts are appreciated.

Sincerely,

HAROLD R. TYLER, JR.

THE 24TH ANNUAL NATIONAL PRAYER BREAKFAST

Mr. DOMENICI. Mr. President, nearly 3,000 guests, leaders of the United States and over 100 other nations of the world, gathered in Washington, D.C., on January 29, 1976, for the 24th Annual National Prayer Breakfast.

This gathering, hosted by the Senate and House breakfast groups, has served to emphasize our continuing reliance upon God and our rededication to the spiritual principles which are the strength and foundation of our Nation.

Mr. President, I feel that the remarks delivered at the National Prayer Breakfast should be available to those who attend, as well as to a larger audience.

Accordingly, I ask unanimous consent that the program and transcript of the breakfast be printed in the RECORD, and I commend these remarks, and the spirit in which they were delivered, to all.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL PRAYER BREAKFAST PROGRAM

Opening song, "Let all the Nations be Gathered Together," The Legend Singers.

Presiding, the Honorable Richardson Preyer, Chairman, National Prayer Breakfast.

Opening Prayer, the Honorable James Exon, Governor of Nebraska.

Introduction of Head Table and Statement, the Honorable Richardson Preyer, U.S. House of Representatives.

Old Testament Reading and Greetings from the House Breakfast Group, the Honorable Charles Bennett, U.S. House of Representatives.

New Testament Reading and Greetings from the Senate Breakfast Group, the Honorable James Allen, U.S. Senate.

Prayer for National Leaders, the Honorable Francine Neff, Treasurer of the United States.

Message, the Honorable Mark Hatfield, U.S. Senate.

The President of the United States.

Closing Song, "It Takes Time to Know a Country," The Legend Singers.

Closing Prayer, the Honorable Thomas Kleppe, Secretary of the Interior.

OPENING PRAYER: THE HONORABLE JAMES EXON

May we bow our heads. Almighty God, Father of all mercies, we Thine unworthy servants do give Thee most humble and hearty thanks for all Thy goodness and loving kindness to us and to all men. We bless Thee for our creation, preservation and all the blessings of this life, but above all for Thy inestimable love in the redemption of the world by our Lord Jesus Christ; for the means of grace and for the hope of glory. And we beseech Thee, give us that due sense of all Thy mercies, that our hearts may be unfeignedly thankful, and that we show forth Thy praise not only with our lips but in our lives, by giving up ourselves to Thy service and by walking before Thee in holiness and righteousness all our days. And we seek, O Heavenly Father, Thy blessing on this food, that it may renew and improve our minds and our bodies in Thy service. In Christ's name we ask it. Amen.

OPENING STATEMENT: THE HONORABLE RICHARDSON PREYER

Mr. President and Mrs. Ford, honored guests and friends this morning, with hope and expectation we welcome you to this breakfast. Some of you have traveled long distances, and all of you have made a special effort to be here today. We are most grateful for your presence, and those of us from the United States are encouraged by the presence of you, our international guests, and together we extend a warm welcome to you on this occasion.

There is a story that preachers like to tell about a New York executive who was much impressed with a book called *Men of God*. He ordered from a book store in Washington 375 copies. The book store wired back to him, "We do not have 375 Men of God in Washington, Try Boston!"

Well, there are approximately 3,000 in the ballroom this morning and we've reached well beyond Washington to find you. We come from every continent, almost 100 countries, and all 50 states. As we begin today we are being joined by an estimated 100,000 service men and women who at this moment are meeting at similar breakfasts at nearly 1,200 military installations and ships at sea. The proceedings here are being broadcast by the American Forces Radio and Television Services to these chaplain-sponsored breakfasts. We welcome their joint participation with us this morning.

Our common need brings all of us together: the need for an understanding and experience of the deeper spiritual truth of life which will ultimately bring peace to our world, with varied and in many cases disagreeing views on philosophy, on economics, on religion, on politics, with the differences in cultural backgrounds and physical appearances, with so much that easily divides, we join together in the spirit of Our Lord with the hope for a new relationship between individuals and nations. I am not here, you are not here, because we are perfect; and we are not here to congratulate ourselves. We are here because we struggle with personal and public decisions and find our own wisdom sorely lacking. We have discovered some answers and solutions, only to uncover more complicated problems needing strength and wisdom outside of ourselves. It is our belief that issues and tensions at every level are more easily resolved in the light of closer relationships with God and with each other.

This is a unique year in the history of the United States. It may not have escaped your notice that this is our bicentennial year. To many of you from much older countries, a history of 200 years is not even a beginning. For us, though, these comparatively brief years have taught us much and we hope to learn from our experiences. One clear lesson is the age-old one that there is a power at work which constantly threatens division and disunity between human beings and nations. We want to contribute to finding the solution to this problem. Perhaps this morning will be a step in that direction.

Our gathering is unique but it does not stand alone in the world. Throughout this year there are many similar breakfasts, luncheons and dinners, for prayer and fellowship in the spirit of Jesus Christ. In the capitals of many nations, in state capitals, in cities, or at association conventions, men and women are meeting to seek God's guidance in the manner in which we meet today. We are part of the spirit which characterizes these other sessions. These once-a-year gatherings are not an end in themselves. They are not intended to become institutions but they are a glimpse at what is happening at these other meetings during the year. Many meet privately for a deeper sharing of their lives, their needs, their love and understanding, with the desire to draw on the power and wisdom of God, the Creator. What we see this morning would be impossible if these more intimate gatherings were not taking place. They are the heartbeat of the visible event here today.

A response by Jesus when he was asked the question, "What is the greatest commandment in the law?" pinpoints our reason for being here today. He said, "You should love the Lord, your God, with all your heart, with all your strength, and with all your mind; and you should love your neighbor as yourself." That is why we are here—to begin to discover how to accomplish these two commandments. May we agree together this morning to allow the spirit of truth and understanding to prevail among us and to overcome alienation and differences of opinion. We call on Divine Power to make this possible.

OLD TESTAMENT READING AND GREETINGS FROM THE HOUSE BREAKFAST GROUP: THE HONORABLE CHARLES BENNETT

Since I have been given the privilege of also expressing greetings from the House group, I'll do that and tell you a little bit about what I feel is particularly pertinent in my experience and I think in that of most of us in that group. First of all, I think the thing we enjoy and get the most out of is Jesus Christ and trying to find out about other's lives and helping each other.

The diversification in our personnel in the House Breakfast Group is tremendous. We have people from the big cities, from the country, from the lagoons of Louisiana and Mississippi, and from the swamps of Florida. Then we have in each meeting a new insight into the Scriptures from the person who is handling the meeting at that particular time. Jesus becomes real to us in ways in which perhaps he had not previously been. Then we have the touch of friendship in our life. As someone once said, you have a real friend when he's somebody you know all about and you still love, and that has a lot to do with the camaraderie and brotherhood we have. And finally, I think it's a good habit to go to the Prayer Group. I remember the first sergeant I had in World War II who defined for me one day what a good soldier was. He said a good soldier is just a man who's got a lot of good and useful habits. That's something to think about.

Now I've been asked to read a scripture and I'm going to read a peculiar scripture to you today. All these fellows, and ladies too, that are in the House Breakfast Group are heroes or heroines of mine, and I'm going to talk to you about a hero that has something to do with this scripture, a man you've probably never heard of. He was a French navigator. He was one of the beginners of the permanent settlement of America, four hundred and twelve years ago, and he died in my Congressional District, executed because he refused to recant.

He refused to give up his principles. His conquerors noted what his last words were. They were the scripture I am going to read to you. They are interesting words because this man came to America to find a place for religious freedom—that was the purpose of the group that came in 1564. He was executed because he refused to change his ideas, and along with him were others of various nationalities. He was a Frenchman but he had an Italian as his second in command. There was a German or two and a few English. Anyway, it was the 132nd Psalm that he recited before they applied the *coup de grace* to him. Now the 132nd Psalm is a Psalm that David wrote speaking to the Lord, and the first part of it is this: "Lord, remember David, how he swore unto the Lord, and vowed unto the Mighty One of Jacob, I will not come into the tabernacle of my house, nor go unto my bed, I will not give sleep to mine eyes, nor slumber to mine eyelids, until I find out a place for the Lord, an habitation for the Mighty God of Jacob." Then David reports in this Psalm that the Lord was satisfied with the place that David had found for him. And the Lord said, "Here will I dwell, for I have desired it." Finally, the Lord said, "If thy children will keep my covenant and my testimony that I shall teach them, they shall sit on thy throne forever."

So it is today. I think we are all seeking a place for the Lord. Not a geographical place. Where could you have a geographical place today in a world that has shrunk so much in the lifetime of all of us—when we now look at the moon as if it was something next door instead of something in outer space? So space has shrunk. We know that the Lord, to be with us, has to be in fact in our hearts, and we know the best guide to that in the world, of course, is Jesus Himself and the life He lived to show us that we, too, can at least aspire in that direction.

NEW TESTAMENT READING AND GREETINGS FROM THE SENATE BREAKFAST GROUP: THE HONORABLE JAMES ALLEN

I bring greetings this morning from the U.S. Senate Prayer Breakfast Group. Now this prayer group had its beginning in the confused and critical days following Pearl Harbor, when a small group of Senators, under the then Senator Frank Carlson of Kansas, recognizing their need for Divine help and guidance, started meeting each week as a prayer group. From the beginning, it has avoided publicity and has conducted its meetings off the record, as has the House Prayer Group. Its members are bound together by love of God and country and our fellowman, and by a sincere desire to know God's will and to make it a part of our daily lives, both in our official actions and in our private lives. We draw strength and inspiration from communion with God and from fellowship with others of kindred mind and spirit. We recognize our need for God and for His direction and guidance, and through prayer we draw on that great reservoir of spiritual strength that is available to everyone who calls on God in prayer. Through our meetings, we seek a closer walk with God and inspiration to serve God more devoutly and our fellow man more zealously and more effectively.

At each of our weekly meetings, one of our members gives a spiritually uplifting talk. Then there's a roundtable discussion on the experiences related and the thoughts advanced, and every member participates. The Bible, though centuries old, is as modern as this morning's newspaper, and much more authoritative. It offers direction to our lives, comfort for the sad and brave, hope for the hopeless, rest for the weary and heavy-laden, caution to the arrogant, and, in the end, everlasting life. What benefits and rewards it offers. No candidate for office, and possibly there are some here this morning, with all the flowery rhetoric at his command, can come close to the promises of the Bible. If its precepts and eternal truths were recognized and followed by all peoples everywhere, there would be ushered in throughout the world, an era of good feeling. The arms race among nations would end. Armies and navies would be disbanded. Crime would cease. Much of the need for public assistance would end. And nations would truly beat their swords into ploughshares and their spears into pruning hooks.

I doubt that any candidate for political office today will offer as a solution for the nation's ills and world's problems the Scripture set forth in God's Holy Word. All would concede its truth but many feel it is too simplistic, too visionary. Let us consider and meditate on Matthew 22:36–40. (I might say parenthetically that I lost the copy of the remarks that I had prepared for giving at this time. But just a moment ago, when Congressman Preyer quoted from the Scriptures, I find that he quoted the passage that I had prepared for giving at this time!) In case you have not recognized the reference to Matthew 22:36–40, Jesus is asked, "Which is the great commandment in the law?" He replied, "Thou shalt love the Lord thy God with all thy heart and with all thy soul and with all thy mind; this is the first and great commandment; and the second is like unto it: Thou shalt love thy neighbor as thyself. On these two commandments hang all the law and the prophets." Then in Matthew 6:33, Jesus says, "Seek ye first the kingdom of God and His righteousness, and all these things shall be added unto you." This is the admonition that God's word offers to every person in the world. Jesus points the way. If Christ's message were heeded by all, it would do what the preaching of Paul and Silas did in the first century—it would turn the world upside down, but with the right side up!

PRAYER FOR NATIONAL LEADERS: THE HONORABLE FRANCINE NEFF

Let us pray. Almighty, ever living God, the only Absolute of the universe, whose glory is in all things, we thank Thee for our creation, for our country, and for raising up from among Thy people, faithful men and women to serve the public trust. We beseech Thee, of Thy favor, to behold and bless Thy servants. the President of the United States, the Vice President, the members of the United States Senate and the House of Representatives, and all other national leaders in the Executive, Judicial and Legislative branches of our government. Grant them Thy presence in their daily lives. Fill them with the love of truth and righteousness, guide their hopes and aspirations, give them grace fearlessly to resist evil and to reverently use their freedom to help maintain justice among men and nations, to the glory of Thy holy name. Bestow upon them wisdom, strength and courage to know and to do Thy will, remembering always that there is no goodness and no power but that which is of Thee. This we ask in the name of Thy Son, our Savior, Jesus Christ. Amen.

Mr. PREYER. This year our message will be brought to us by Senator Mark Hatfield of Oregon. He is highly respected as a Senator, and he is loved as a man who has grown steadily in spiritual strength through the years. You will remember his proposal for a Day of National Humiliation, Fasting and Prayer. The idea of America, the land of pride, learning something about humility was a bit startling to us. Now at a time of national self-doubt and intense scrutiny, Senator Hatfield's modest suggestion that believers conduct their self-examination in a prayerful way, and that we join in an ecumenical confession, comes home to us. It is a privilege today to present Senator Mark Hatfield.

SPECIAL MESSAGE: THE HONORABLE MARK O. HATFIELD

Mr. Chairman, Mr. President, Ladies and Gentlemen. On November the first, 1751, a committee of the Pennsylvania Provincial Assembly, in ordering a bell for the tower of the new State House, instructed that these words from the Old Testament be inscribed upon it: "Proclaim liberty throughout all the land and unto all the inhabitants thereof." The Liberty Bell, tradition tells us, heralded the signing of the Declaration of Independence twenty-five years later. From that passage of scripture we may find insights of Biblical truth which can illuminate our understanding during this important year of our nation's life.

This scripture is taken from a section of Leviticus which announced to the people of Israel the year of Jubilee. We read, "You shall hallow the year and proclaim liberation in the land for all its inhabitants. You shall make this year your year of Jubilee."

What was the Biblical meaning of this year? It was to be celebrated not through pageantry but through concrete acts that flowed from a deeper commitment to God's justice. The Jubilee year proclaimed liberation for the poor and the oppressed. It provided for the disinherited to be restored to their own land. It repaid and forgave debts, so that those who were beholden with their lives in economic servitude to others would be free. In short, the Jubilee year was a striking course of action and law which served the plight of the dispossessed, insured the just stewardship of wealth and resources, and expressed God's passion for justice. It was not the imposition of self-righteous kingly power but the corporate faithfulness of the people to their God which would infect the whole society with this vision. Yet the history of this ancient people reveals how they continually turned to idols and Gods of their own making, trusting in their own self-sufficiency, forsaking the weightier demands of justice and mercy, and being confronted with God's judgment.

Into this setting, Jesus Christ entered human history. His ministry was inaugurated with the same prophetic call for justice and liberation. He rose in the synagogue, Luke tells us, and read from the Old Testament prophet Isaiah, announcing his mission in words which rekindle the vision of the Year of Jubilee: "The Spirit of the Lord is upon me because he has annointed me. He has sent me to announce good news to the poor—to proclaim release for prisoners and recovery of sight to the blind—to let the broken victims go free—to proclaim the year of the Lord's favor." There he was, God's love incarnate, pouring his life out in sacrificial service for others, proclaiming the presence of God's own Kingdom breaking into our midst, and faithfully following this calling to death on a cross. Through Christ's resurrection we see the power that is far above all government and authority, all power and dominion, and any title of sovereignty that can be named. And here is the power which can set each one of us free from human bondage to self, sin, and futility. The hope which is ours today as a people rests not in our great history or traditions, nor in our accomplishments, or our own power, but in this one, sovereign over all, who even now is judge of the nations and offers to us his healing power.

The biblical message of liberation, etched into the side of the Liberty Bell, resonant throughout the Scriptures, confronts us this day as judgment but offers renewing hope. Its liberating power calls us away from placing our trust in false gods and idols of our own making, which characterize this present era. Today our abundance, which has brought material blessings to so many, threatens us spiritually as well. Never have we known such wealth, but never have we worshipped wealth more. Dazzled by material success, we have developed a new religion—the worship of progress itself. We have placed a faith in technology, and devote increasing billions to life-destroying arsenals. Whereas people once looked unto God as salvation, our culture now propels their lives toward the domination of nature and fellow human beings, in a ceaseless quest for material accumulation. The search for the transcendent, mystical, supernatural reality of life is being supplanted by religious devotions to what is visible, tangible, synthetic.

From such bondage, Jesus Christ yearns to set us free. "Where your treasure is," Christ said, "there your heart will be also." He proclaims to us who are rich, and unto us that are poor, a Jubilee which would liberate us all from spiritual and physical impoverishment. Obedience to Christ could exercise a vital influence in our corporate life as both a nation and a people. But only on his terms. To believe that the faithfulness of Jesus Christ will bolster our structures of power, or protect our society's *status quo*, is impious folly. We who are finite dare not attempt to use an infinite God for our own ends. Jesus Christ lived, died, and rose again to give to us the gift of new life and to proclaim a new order. Therein lies the hope for all of humanity. We have been given the vision of how our personal and corporate life can be molded by values undergirded by an all-encompassing love. But all this runs so counter to the realities of power and politics which often possessses each of us. It requires a break, a discontinuity, a new starting point. This is repentance, personal and corporate. It commands us to turn from selfishness, materialism and jealousy to selfless love, spiritual riches and servanthood.

Our hope, as a people, is found only in our response to Him who is King of Kings and Lord of Lords. Let there be no mistake. Such a sound hope entails a profound new beginning. Christ's love liberates us and breaks the perimeters of the old order to institute a new creation within us and among us. What we require at this juncture in our history is a new revolution—a spiritual revolution transforming our values and reshaping our corporate life. This would be the natural manifestation of true repentance. Lest we think such words sound impractical, irrational, or outlandish, we should recognize that the core of our own American Revolution was not the waging of a successful war, but a dramatically new starting point which first transformed the hearts and the minds of the colonists, nurturing a new vision. John Adams clearly explained this truth when he wrote, "What do we mean by the Revolution?" The American War, that was no part of the Revolution. The revolution was in the minds and the hearts of the people." A change in their religious sentiments, or their duties and obligations. This radical change in the principles, opinions, sentiments, and affections, Adams declared, was the real American revolution.

Today the message of Christ presents us with the imperative of a radical change in our values, a change spiritually rooted, whose effects would be revolutionary in our day. Its first impact would be evidenced in a new understanding of leadership. "The rulers of the world lord it over you," Christ said, "but I am among you as one who serves." Christ was among us in the form of a servant, and he demonstrated his leadership by washing other's feet. Following Him, calls us to lose our lives in order to find them. Embracing the power of love, we are to forsake the love of power. Therein we discover the power which truly is the most revolutionary force, the power of sacrificial love, shown to the whole world by Christ's redeeming death on the cross.

As St. Paul told the early believers, "This doctrine of the cross is sheer folly to those on their way to ruin, but to us who are on the way to salvation, it is the power of God. Divine folly is wiser than the wisdom of man, and Divine weakness stronger than man's strength. My brothers, think what sort of people you are, whom God has called. Few of you are men of wisdom, by any human standard; few are powerful, or highly born. Yet, to shame the wise, God has chosen what the world counts as folly. And to shame what is strong, God has chosen what the world counts as weakness. He has chosen things low and contemptible—mere nothings—to overthrow the existing order. So there is no place for human pride in the presence of God. Christ Jesus is our righteousness," St. Paul concludes. "In Him, we are set free." Therefore, today, we can discover authentic and creative power in servanthood. From such a posture of humility, our nation could affirm this true understanding of leadership. Abraham Lincoln exemplified this well when he wrote, in 1863, "We have grown in numbers, wealth and power, as no other nation has ever grown, but we have vainly imagined in the deceitfulness of our hearts that all these blessings were produced by some superior wisdom and virtue of our own. Intoxicated with unbroken success, we have become too self-sufficient to feel the necessity of redeeming and preserving grace, too proud to pray to the God who made us. It behooves us, then, to humble ourselves before the offended Power, to confess our national sins, and to pray for clemency and forgiveness."

This new revolution would also bring a true understanding of our common humanity. When we encounter the Creator through repentance and love, our hearts are turned outward to all people. We discover a boundless love, the indiscriminate love of a father, who rushes to embrace the returning prodigal and gives a feast. It is a love which knows no boundaries of class, race, ideology or nation. We see it manifest in Jesus. His love knew no conditions. It extended to all. We are to love as He did. For to hate another, for whatever reason, is to hate one for whom Christ suffered and died. We are called to an unlimited liability for our brothers and sisters throughout all creation. There are no exclusions to make, no qualifications to impose. Their destiny, their livelihood, and their fulfillment becomes inseparable to our own.

Finally, this spiritual revolution will produce a just embodiment of stewardship. In our era, this is critical to the vision of liberation which God offers humanity. Just as when the Jubilee Year was first proclaimed to the people of Israel. Humanity is beset by cleavage between the wealthy and the impoverished. Further, the affluence of a few is dramatized by the reality of global scarcity. We are the guardians of enormous prosperity. As a people, we utilize 40% of the globe's resources amidst only 6% of all its people. Our materialism holds us in bondage to what we consume and possess, but Christ's good news sets us free from the poverty of abudance.

In the end, this revolution will teach us that we own nothing. We are only stewards. The world's resources belong to its Creator. They are to be used not for the luxury of a few but for the livelihood of all. "To whom much has been given," our Lord said, "much is required." He asks us for our love, our commitment, our possessions, our discipleship. In this we will find our truest freedom.

Let us begin this revolution now. Let us be known as a people who are committed to the primacy of spiritual community, and as just and compassionate stewards in service to the needs of all humanity. He calls each one of us to give ourselves to this liberating revolution. Let us here this day covenant one with another to mobilize our resources and to commit our lives for the corporate spirtual transformation which this revolution will bring. He awaits us now with His love reaching out even for the healing of the nations. Would you join me, perhaps for a few seconds, to bow our heads for some moments of silence to listen to His word speaking to each one of, personally. . . .

"Stand fast, therefore, in the liberty wherewith Christ has made us free."

Mr. PREYER. Thank you very much, Mark, for a very moving message. Now it's my great honor, ladies and gentlemen, to present the President of the United States.

REMARKS OF THE PRESIDENT

Congressman Preyer, distinguished guests, ladies and gentlemen. Our nation was born two hundred years ago, poor and very weak. Our leaders were untested and our land remote from much of the world. This continent was mostly a virgin wilderness. Yet our new nation displayed extraordinary determination and near limitless capacity for discovery, about ourselves and about our future. Our Declaration of Independence surpassed all worldly doctrines in its enlightened pronouncements on human rights and individual liberty. Our leaders showed that the inspired will and raw courage of our ragged defenders could defeat not only hardship and privation but the disciplined power of an empire. Our people demonstrated extraordinary belief that their cause was just and that it would prevail. I think it is well to recall at the start of this Bicentennial Year that it was not might nor wealth which ultimately gained American independence and liberty but more powerful forces—the unshakeable, unbreakable, belief of our people, in themselves and in their cause. They proved that a people's greatest strength is its own faith.

We are gathered here this morning to recall and to renew that faith, faith in God and belief in the future of our country. We seek to sustain and to increase our spiritual strength at this time of prayer and recollection. John Muhlenberg wrote in his diary in 1776: "There is a time to pray and a time to fight—this is the time to fight!" If he were alive today and writing in 1976, he may have written, This is the time to pray.

Let men and women of faith remember that this nation, endowed by God with so many blessings, is also surrounded by incredible needs. At the beginning of this new century in American history, let us remember Jesus, who, surrounded by needs, early in the morning went away to a solitary place to pray.

We are one people, one government, and one nation. We are, by any name, an indivisible land and people. Benjamin Franklin, addressing himself to religious faith and worshipping God in the society in which he lived, told the framers of the constitution, "Without God's concurring aid, we shall succeed in this political building no better than the builders of Babel. We shall be divided by our little partial local interests. Our projects will be confounded, and we ourselves shall become a reproach and a byword down through future ages."

Today, unlike the times of Dr. Franklin, our nation is mighty and is wealthy. The many changes in our land in these two hundred years may be as frightening as they are wondrous. This becomes apparent, when we ask ourselves, Do we have the faith, the belief, of Washington, Adams, Jefferson and others? Has our spiritual growth matched our temporal destiny as a nation? We know that wealth and power do not measure the greatness of this or any other nation. Our spiritual principles and moral values transcend the physical capacities and the boundaries of our land. That is why we come here, humbly, this morning, to ask from God, strength and guidance, so that we may leave our third century a legacy of leadership worthy of the inheritance left us by our forebears.

Often, as I walk into the office, I realize that man's wisdom and strength, are not sufficient. So I try to practice the truth of Proverbs 3:5,6: "Trust in the Lord with all thine heart; lean not unto thine own understanding. In all thy ways, acknowledge Him, and He shall direct thy path." Tolerance, understanding love—let us pray for all of these because we need them as a people. Let us pray for God's guidance in the pursuit of peace. Let us rediscover our past and renew ourselves in its cherished principles.

Then let us begin our journey into this third century with the same faith and the same purpose of our nation's founders. Let us span the centuries at this moment and unite the past, the present, and the future in spiritual communion. Let us make it our earnest prayer, as George Washington did two centuries ago, that God would graciously be pleased to dispose us all to do justice, to love mercy, and to demean ourselves with charity and humility and a peaceful temper of mind, without which we can never hope to be a happy nation. And let us make it our constant prayer, as Lincoln did more than a century ago, not only that God is on our side, but that we and this nation should be on the Lord's side. Finally, let it be said that in this great nation of ours, freedom still flourishes and liberty still lives, as we declare our dependence on God. Let us unite in the same bond which united those who signed America's Declaration of Independence two hundred years ago. Let us today reaffirm their pledge, as written in the closing words of that majestic document, that for the support of this Declaration and with a firm reliance on the protection of Divine Providence, we mutually pledge to each other our lives, our fortunes and our sacred honor.

Mr. PREYER. Thank you Mr. President. You have honored us by your presence and given us a message from the heart. I recall when you, as Vice President, spoke to our House Prayer Breakfast Group and you talked on the subject of what parents learn from children. It's usually the other way around. And you mentioned that you thought your children would always be Episcopalians, like you and Mrs. Ford, go to Michigan University, and to Yale Law School, perhaps go into law and politics, and then you mentioned your son, Mike, who went to a Baptist college in North Carolina named Wake Forest, and who joined a Baptist church there, is now in a Baptist seminary. The highest tribute I can pay to your talk is that it would satisfy even a North Carolina Baptist! I understand that Mike is in the audience today. I don't want to embarras him, but if he would like to stand we would like to wish him well. Thank you.

As we bring an end to this time of fellowship together, we once more want to thank so many of you for coming so far to join us and to share with us today. We will hear a closing song by the Legend Singers from St. Louis, then Secretary of the Interior, Tom Kleppe, will adjourn the meeting with a closing prayer. I don't want to forget to thank the Legend Singers, and an active member of our House Prayer Group, Jim Symington, who I hope will sing with them. Jim is the composer of the final song. After Secretary Kleppe's prayer, may I ask that we all remain where we are for a few moments until the President and Mrs. Ford have had the opportunity to leave.

CLOSING PRAYER: THE HONORABLE THOMAS KLEPPE

"Would you all, wherever you are, please join hands with each other. Let us pray. Almighty and Eternal God, we have so much to be thankful for. The love that you teach us in Your book. But especially this morning, we thank You for this gathering. We thank You for the fellowship of all of these people assembled and for the love that You have shown. Move that love, O Lord, through these handclasps, electrify it, so that all of us carry it with us wherever and whenever we go. Father, we pray a prayer of thanks to You for the health and strength of our minds and our bodies and our spirits and for the privilege that You give us to serve in Your earthly kingdom. And now, dear Lord, as we go, go with us, so that each of us, wherever we may go, whichever land it may be, go with Thy blessing, and that we will all be better witnesses and better disciples because You permit us to live, to work and to serve in Your earthy kingdom. And, Lord, we thank You for the forgiveness of sins and we thank You for Your Son, Jesus. It is in His name that we pray. Amen.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT OF 1976

The ACTING PRESIDENT pro tempore. Under the previous order, the hour of 10 am., having arrived, the Senate will now proceed to the consideration of S. 2662, which the clerk will state by title.

The legislative clerk read as follows:

A bill (S. 2662) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

The Senate resumed the consideration of the bill.

The PRESIDING OFFICER (Mr. HATHAWAY). Who yields time?

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER. S. 2662.

AMENDMENT NO. 1387

Mr. MANSFIELD. Is there an amendment pending?

The PRESIDING OFFICER. The clerk will state the pending amendment.

The legislative clerk read as follows:

The Senator from California (Mr. CRANSTON) proposes Amendment No. 1387.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, with the time taken out of both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. BIDEN). Without objection, it is so ordered.

Who yields time?

Mr. TOWER. I yield myself such time as I may require on the bill, as the designee of the Senator from New Jersey (Mr. CASE).

Mr. President, I ask unanimous consent that during the entire consideration of S. 2662, Will Ball of the Committee on Armed Services have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TOWER. Mr. President, in the course of our debate on this very far-reaching and comprehensive bill today, I would like to offer a few remarks concerning the focus of our discussions.

The issue before us is not a question of being for or against arms control. It is not a question of being for or against congressional oversight of foreign military sales. I agree fully with those of my colleagues who feel that Congress has a vital role to play in overseeing these matters as they so profoundly relate to our foreign policy, our national defense, and the public interest. The fundamental issue we must face is just how Congress can best structure its oversight procedures in this area. It is the specific procedures established by this bill as now written which give cause to my concerns.

Mr. President, I think all of us here today are in agreement on the fact that this indeed is a most comprehensive piece of legislation. The foreign relations committee advertises this measure as.

> The most significant piece of legislation in the field of foreign military assistance policy since the enactment of the mutual security act more than a quarter of a century ago.

It is for this very reason that I feel that more deliberate and thorough consideration should be given by this body to the potential impacts of this proposal in terms of foreign policy, national defense and economic considerations.

There is much uncertainty in my mind as to just how this bill would affect our relationships with those nations that either receive security assistance or purchase military equipment and services from the United States. I do not believe the Foreign Relations Committee has fully examined and explained to the Senate how this bill, as reported, would impact on our efforts to seek regional stability in the critical areas of the world. Is stability better served by introducing in this fashion, criteria related to the observance of "internationally recognized human rights" and the existence of discriminatory practices within other nations of the world? As worthy and just as these human concerns are to the people of this country, does it serve the cause of peace for us to premise our military aid and sales programs on such value judgments as would be done by this bill?

How may we expect the other nations of the world to react to the attitude evidenced by some provisions of this bill? I profess not to know, and I do not feel that the Foreign Relations Committee knows either.

How would we react in this country were the Shah of Iran to proclaim that he would no longer sell oil to this country until such time as we solved the racial turmoil witnessed today in Boston over the matter of school bussing. Would we be pleased with his concern for social justice, or would we be indignant at his imperial attitude.

How will some of the disclosure requirements set up by this bill be perceived by our allies to whom we sell defense equipment.

How will it affect their own security interests—not just ours.

In what manner will it influence their intentions with regard to doing business in the future with the United States?

How will this bill impact on our own defense costs?

What can we expect it to do to the prices we must pay in this country for defense materials?

Will it serve the compelling need to strive for standardization of weapons systems among our allies, or will it inhibit this vitally important program.

What will this bill do to those nonalined nations around the globe who feel compelled by circumstances beyond their control to acquire arms and equipment which they themselves cannot produce?

Is this bill likely to influence their decision as to which of the major powers they should look to for their needs?

Again, Mr. President, while I do have some thoughts on each of these factors, I do not pretend to know what the answers to these critical questions are. But I do feel very strongly that the Senate should not proceed to enact such a broad and far-reaching measure as this without pausing to reflect on just what the results will be and what the American people can be told to expect.

For the purposes of background, let me point out to my colleagues the extent to which Congress has been involved in legislating in the field of military assistance since the days of the aftermath of World War II, when we began providing such aid to our friends and allies. Initially, as the economies of other nations were strengthened through the late fifties and sixties, we began to shift from security assistance grants to military sales.

These were at first conducted largely on a credit basis, but in recent years have more and more become cash transactions. Congress closely followed these developments, as evidenced in the Mutual Defense Assistance Act of 1951, the Mutual Security Act of 1954, the Foreign Assistance Act of 1961, and the Foreign Military Sales Act, as amended in 1971.

It has been a great relief to the American taxpayer for the United States to shift from a "giveaway" policy to a "credit sales" policy, and gradually from a "credit sales" policy to a "cash sales" policy.

Fundamentally, we cannot and should not avoid having our allies around the world look to us for our help in strengthening the security of the free world. We find it far preferable to supply arms and equipment to our allied forces than to send our own troops abroad. A weapon in the hands of an ally is a weapon that the United States does not have to buy or man for itself.

Beyond the inherent foreign policy considerations of this bill, we should not ignore the economic factors involved in our sales programs. These include: First, a major plus on our balance of payments ledger; second, many thousands of jobs for Americans; third, tax revenues for both the United States and State treasuries; and fourth, substantial savings in our own defense costs arising from economies of scale in procurement and the sharing of research and development costs. I submit, Mr. President, that the economic impact of this legislation in terms of its affect on these items is largely unknown.

In summary, Mr. President, I find myself contemplating a great many questions on reviewing this legislation. Questions which I do not feel have been adequately addressed from the standpoint of the potential foreign policy, national defense, and economic impacts which may stem from this measure. These unanswered questions deserve some considerable thought as we proceed in our deliberations on this proposal. I would hope that before we here in the Senate give our approval to a bill dealing with the very foundation of our international security policy, that we will explore each of these areas as thoroughly as time will permit.

Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time consumed thereby be equally charged to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. Mr. President, if I may have the attention of the distinguished Senator from Minnesota, I want to discuss with him a matter that was first brought up by Senator EAGLETON, one that I have become extremely interested in, that relates to intelligence activities. I have resisted the temptation, which has been very strong, to introduce amendments dealing with various aspects of the activities of the intelligence community because the select committee, headed by Senator CHURCH, and the Committee on Government Operations, headed by Senator RIBICOFF, have been doing so much work on these matters and will produce legislation through the appropriate committee procedures. Because of all that, I have resisted the temptation to introduce amendments.

However, there is one matter that I believe should be dealt with. It need not be covered by an amendment, but should be covered by legislative history. This relates to the interpretation that has been placed by the CIA on section 662 of the Foreign Assistance Act dealing with intelligence activities.

The purpose of this provision in the law, adopted in 1974, was, I am quite certain, to limit the activities of the CIA in foreign countries in terms of covert operations.

However, an interpretation placed upon that section by the CIA has, apparently, led the CIA to use section 662 as a legal justification for covert operations. A memorandum that circulated within the CIA, which was reported in the New York Times on February 8, stated that until the passage of the Foreign Assistance Act of 1974, "there was serious doubt that the CIA had authority to engage in covert operations involving the use of political and military force against, or in support of, a foreign government or its leaders."

Further, the special counsel to CIA Director Colby at the time that Colby was still head of the CIA, Mitchell Rogovin, argued before the House Intelligence Committee recently that section 662 "clearly implies that the CIA is authorized to plan and conduct covert action."

In other words, through him the CIA asserted that a provision clearly intended to discourage, instead authorizes, such covert operations.

Again, an internal memorandum within the CIA quoted in the New York Times on February 8 asserted "Any question as to whether the President can authorize covert operations has now been removed," by the passage of the Foreign Assistance Act, and they referred, of course, to section 662.

Since the distinguished Senator from Minnesota handled that bill at the time it was on the floor of the Senate, I would like to ask him if there was any such intention involved when that legislation was adopted by the Senate.

Mr. HUMPHREY. My response to the able Senator from California is direct and very plain: There was no such intention whatsoever.

May I further add that the purpose of the amendment known as section 662, which was incorporated into the Foreign Assistance Act of 1974, was to place limitations and controls by Congress on what are known as covert activities.

It was not an authorization, may I say to the Senator, for covert activities. It was presumed and assumed at the time that because the CIA was engaged in a number of covert activities, some of which had been brought to the attention of Congress and the public by the hearings and by newspaper reports, that the executive branch had this authority and, therefore, Congress wished to place some restraints upon it.

In the language of section 662 we said that these covert activities, which were underway or which were intended or planned, could only take place "if the President finds that each such operation is important to the national security of the United States, and reports in a timely fashion a description and scope of such operation to the appropriate committees of the Congress, including the Committee on Foreign Relations of the U.S. Senate and the Committee on Foreign Affairs of the House of Representatives."

The whole purpose of the amendment was to get a handle on the extent of covert activities. It was a manner in which the Congress of the United States would have a way of finding out what was going on; it was not our intent to authorize covert activities but to provide a means of monitoring such activities. It was, of course, under this very provision that the information on Angola came to the attention of Congress.

Might I say that was its purpose. The purpose of section 662 was to keep Congress informed as to what was going on in the Central Intelligence Agency over and beyond normal intelligence collection activities.

For the lawyer or the general counsel of the CIA to say that section 662 gives them statutory authorization for covert activities is to have the CIA frankly admit that since the date of its inception it has been violating the law. That is No. 1, which they have never admitted.

Second, may I say, it is an interpretation of the statutory language which defies all the legislative history that came along with the statutory language which is incorporated in the Foreign Assistance Act of 1974.

So I say to the Senator if anybody in the executive branch of Government, White House, State Department, Central Intelligence Agency, any executive officer interprets section 662 as an authorization for covert activities, he has flunked his course in law, particularly in constitutional law, and he either ought to retrieve his statement which he has made or to frankly state that he was misinformed.

Mr. CRANSTON. I thank the Senator for a very clear, succinct, and forceful statement of the legislative intent of section 662. That should make very plain, insofar as the legislative history is concerned, that there is no authority derived from that section for covert activities by the CIA.

Pending any action that comes as a consequence of the bills to be reported through the regular committee structure then——

Mr. HUMPHREY. Yes. May I say to the Senator section 662 did not address itself in one way or another as to whether or not the Central Intelligence Agency had authority for covert activities.

Mr. CRANSTON. Right.

Mr. HUMPHREY. Its purpose was to give Congress information on covert activities so that we could blow the whistle, to put it in the vernacular, on these activities if we so desired. One of the ways it was done was by the amendment of the Senator's distinguished colleague, Senator Tunney, on the Military Appropriations Act conference report.

Mr. CRANSTON. Right.

So, pending whatever action is taken by Congress in relation to covert activities after the appropriate committees have rendered their reports and submitted their legislation, there was no authority in section 662 for covert activities.

Now, whether there is other authority, I am not arguing that point now, although I will note that the internal memorandum quoted in the New York Times from within the CIA states that, until passage of section 662, "there was serious doubt that the CIA had authority to engage in covert operations involving the use of political and military force against, or in support of, a foreign government or its leaders."

Plainly, this is a matter to be dealt with fully and clearly and without any question about our intent when these bills come before us out of committee.

Mr. HUMPHREY. The Senator is correct.

Might I say I hope this colloquy will be brought to the attention of these Members of the Senate who are working on the overall Central Intelligence Agency activities so that when we revise—and I hope we shall revise—the charter or the basic law relating to the Central Intelligence Agency, there will be no ambiguity, no uncertainty.

I want to say the CIA memorandum does not indicate that the CIA was in any way deterred from covert activities. They may have had doubts but they must have resolved them very quickly and, may I say, they resolved them in a manner that was entirely pleasing to the judgment of those who were conducting the activities.

Mr. CRANSTON. I thank the Senator very much.

I will make certain that those working on this legislation in the Government Operations Committee and in the Select Committee are aware of this colloquy and of this particular problem.

On another matter, I would like to state to the distinguished Senators, both the Senator from Minnesota and the Senator from New Jersey, that in regard to the Korean amendment which I offered the week before last, and which was set aside after colloquy with the two Senators, I will not bring that amendment up at this time.

The PRESIDING OFFICER. The time of the Senator from California has expired.

Mr. CRANSTON. May I have 2 more minutes.

Mr. HUMPHREY. Yes.

Mr. CRANSTON. I would again like to thank both Senators for their pledge that that amendment and the whole Korean situation will be considered and there will be action when the security assistance bill for fiscal 1977 is considered.

I shall make a few other remarks on this matter. I ask unanimous consent that I may have printed in the Record a letter from former Ambassador Edwin O. Reischauer to Representative Don Fraser of Minnesota regarding our forces in Korea.

There being no objection, the letter was ordered to be printed in the Record, as follows:

December 12, 1975.

Hon. Donald M. Fraser,
Longworth House Office Building,
Washington, D.C.

Dear Mr. Fraser: I have been informed of your proposed amendment regarding the withdrawal of American troops in South Korea and believe that it is very wise in general concept and has been formulated with due caution and in a way to best serve American interests and the interests of world peace.

No one could deny the belligerent threatening attitude of North Korea, the deep hostility of the Northern regime for South Korea and also the United States, and the adventuristic bent of Kim Il-sung. Extreme care should be taken to avoid actions that might in any way encourage an attack by the North or the South but American ground forces are not an essential part of the defense equation. The South Korean Army and reserves are both larger than the forces available to the North and can easily handle any ground attack by it alone. Where the South has been inferior to the North has been in air power, and this gap is rapidly being closed by the current program to build up the Air Force. If this still seems inadequate, standby bases for the American Air Force can be maintained in Korea (manned by the Koreans themselves) to permit a quick reentry of American air power into the Peninsula if this is deemed necessary by the United States at any time.

It seems highly unlikely that Kim Il-sung would venture an attack on South Korea without strong support from either the Soviet Union or China, but it seems clear that neither China nor the Soviet Union is at all desirous of military adventures by Kim, because they fear what this would do to their relations with each other and with the United States and Japan. The United States can further assure that neither China nor the Soviet Union supports Kim's military ambitions by making it quite clear that such support would probably trigger an American military response. (We don't want a repeat of 1950.) This is where an American military stance on Korea can be of great value, but it does not require troops to be stationed in Korea. In fact, their very presence raises the sorts of issue on which both China and the Soviet Union feel they must be sympathetic with North Korea.

The only other conditions under which Kim might attack the South is if widespread subversion develops in the South, but American troops in Korea can do nothing to help such a situation; and in fact are likely to make it worse. If such conditions were to develop, which I feel unlikely, South Korea would gradually become like South Vietnam, and that is a type of situation which we, of course, do not want to be involved in again.

Some argue that the presence of a sizeable American force in Korea is necessary for psychological reasons. But if South Korean morale were that bad (and I do not think it is), we would have the making of another Vietnam on our hands.

The present American forces of some forty-two thousand in Korea do not serve any necessary purpose that cannot be met at least as well or better by other means. On the other hand, they have several very serious drawbacks that make them an overall liability rather than asset in American policy:

(1) Most important is the fact that their presence would involve us almost willy nilly in any military outburst on the Peninsula, regardless of its causes and how it is perceived by the American people. Unless a war in Korea were perceived by most Americans as a direct threat by the Soviet Union or China to vital American interests, the American public almost certainly would not support our involvement, especially in ground fighting, and we would therefore be forced to withdraw under fire. Short of the outbreak of world war three, this would be the greatest catastrophe to us that could grow out of the Korean situation. It would further shake our image of ourselves, damage our image in the world, and worst of all seriously undermine Japanese confidence in us, opening up the possibility of a fully neutralist or independently rearmed Japan, both of which would be serious blows to American interests. With our troops in Korea we are in prisoners of conditions in Korea and of the policies of the South Koreans, lacking the flexibility to react to specific situations in terms of our own interests.

(2) Because our troops in Korea make us the prisoners of South Korea—you can say that they have us over the barrel—the Korean government naturally has not been responsive to our admonitions about their current policies which have seriously reduced civil liberties and the freedom of speech, and have destroyed the small beginnings toward a democratic system that they had already achieved. These policies, I fear, are so alienating large portions of the population that the threat of internal subversion is a growing one. If we did not have our soldiers as hostages in Korea, the government would have to be more attentive and responsive to our views and might then reduce the dangers of internal subversion by restoring civil liberties and opening up again the possibility of a meaningful democratic participation in government.

(3) The only hopeful long-range solution of the Korean problem would be a four-power agreement between the Soviet Union, China, Japan and the United States to recognize both Korean regimes, avoid conflict with one another in the Peninsula, and discourage a

settlement between the two Koreans by military means. While not the only problem (Sino-Soviet hostility is the chief difficulty), the presence of American troops in Korea help stand in the way of this solution, and therefore their removal is a prerequisite to this one possible solution.

A major reason for our interest in the security of South Korea is our vital concern with the security and stability of Japan. The Japanese are very sensitive to what goes on in the Peninsula, but because of the hotness of the issues involved in domestic Japanese politics, they have avoided and will continue to avoid any clear-cut stand themselves and continue to hope that somehow we will handle the situation. As stated above, the one thing that would throw the Japanese in consternation and raise the possibility of dangerous repercussions would be an American reneging on commitment and physically withdrawing under fire. By comparison, united Communist Korea, if it came about without the loss of American face and credibility, would be a relatively easy matter for Japanese to adjust to. A broad sea border would still exist between them and Korea and they are already used to having the majority of the neighboring peoples under Communist rule. They would understnad a gradual American withdrawal and the American desire to have our commitment to Korean defense on American terms, rather than at the mercy of the Koreans. In fact, they would probably be relieved to see this happen. It would remove the possibility of the use of American bases in Japan in a war that both Japanese and Americans had doubts about The Japanese would especially approve of the possibility that the withdrawal of American troops might lead to a long-range agreement over Korea with the Soviet Union and China. This is the way they would wish to be moving themselves, if they dared take any action.

Your amendment calls for a gradual, planned withdrawal with multiple safeguards that, in my judgment, would not increase the dangers of war in Korea one iota, but would at the same time get the U.S. out of a tremendously dangerous position in which a conflict that was forced on us there would be repudiated by the public. It would also help open the way to a long-range solution of the Korean problem.

Edwin O. Reischauer,
University Professor,
Harvard University.

Mr. CRANSTON. Mr. President, week before last I offered an amendment to the security assistance bill designed to elicit a plan for a phased withdrawal of U.S. troops in South Korea—and a phaseout of U.S. military aid to the Republic of Korea—to be completed within 5 years.

This amendment is not intended to commit Congress to any specified amount of military aid to the Korean Government during those 5 years. Obviously, Congress should—and shall—evaluate each aid request as it is submitted to us, and Congress should—and shall—exercise its own, independent judgment as to how much military aid, if any, is to be granted in any given year.

Nor is my amendment intended to give the South Korean Government even an indirect veto power over the pace of our troop withdrawal. That decision must rest entirely and absolutely with the U.S. Government. And it must be based on our evaluation of the military and political situation, not on the evaluation of the South Korean Government—which is likely to be tilted far more in favor of its own self-interest than in ours.

My amendment is designed, quite simply, to set the stage for removing U.S. troops from South Korea as rapidly as our national interests will safely allow. As long as our forces remain Korea, they constitute a tripwire that could bring us automatically into another war on the mainland of Asia—with neither the Congress nor the American people having a proper opportunity to participate in such a momentous decision.

As long as the present situation in Korea prevails, it is the Koreans—North and South—who will effectively decide whether we get into another war there, not us.

My amendment is premised on what strikes me as two self-evident truths:

First. That now is not the time for a precipitous withdrawal of U.S. troops from South Korea.

Second. But we may never get our troops out of there unless we lay down a timetable, announce that timetable publicly, and stick to it, unless subsequent events persuade us otherwise.

If we were ever to remove our Asiastic trip wire we must have a relatively fixed plan that allows suitable flexibility for contingencies. My amendment is intended to be a basis for such a plan.

I was delighted, Mr. President, that the distinguished Senator from Minnesota, Senator Humphrey, promised early Foreign Relations Committee hearings and—action—on the matter of our involvement in Korea, indicating that this would occur in connection with the security assistance bill for fiscal year 1977. There are two overriding concerns, heightened by further developments in recent weeks, that prompt me to continue efforts to remove our troops from Korea. One is the continued presence of tactical nuclear weapons in South Korea and continuing loose talk that the United States may be the first to use them.

My other major concern is the continued identification of our country with the repressive practices of the Park regime. Who in this body can justify the ugly treatment doled out, by what is essentially a dictatorship, to thhe political oppostiion, to youth and religious groups, and to ordinary Korean citizens?

Mr. President, I now ask unanimous consent, in view of the pledges of early consideration and action on this matter, that my amendment may be withdrawn.

The PRESIDING OFFICER. The Senator has the right to withdraw the amendment, and it is withdrawn.

The bill is open for further amendment.

AMENDMENT NO. 1401

Mr. TOWER. Mr. President, I call up my amendment No. 1401.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 92, line 9, strike out the period and insert in lieu thereof a comma and the following: "prepared in consultation with the Secretary of Defense.".

On page 94, line 1, strike out the period and insert in lieu thereof a comma and the following: "prepared in consultation with the Secretary of Defense.".

Mr. TOWER. Mr. President, I yield myself such time as I may require.

The purpose of this amendment is to require the Secretary of State to consult with the Secretary of Defense in the preparation of arms control impact analyses required in the certification to the Congress of letters of offer and report license applications.

It occurs to me, Mr. President, that analyzing arms control impact involves a wide range of regional security factors affecting the country seeking to purchase defense materials and services from the United States.

It occurs to me that the Department of Defense can create some very valuable experience and understanding to the preparation of such an impact statement.

In order for the Congress to have a more comprehensive understanding of these local security considerations and the impact of the proposed sale on arms control efforts, the Secretary of Defense, I think, should be required to assist in the analysis prescribed by this section of the bill.

I might note that the Department of Defense has resources that are not possessed by the Department of State that might be extremely valuable in the production of an accurate and reliable impact statement.

This does not remove the primary responsibility from the Secretary of State. It only requires consultation with the Secretary of Defense. As a matter of fact, it does not give the Secretary of Defense veto power over the impact agreement, and the primary source is the Department of State. But it seems to me to be prudent to involve the DOD in these consultations.

I hope that my distinguished friend from Minnesota and my equally distinguished friend from New Jersey will find it in their hearts to accept this very simple proposal.

Mr. CASE. The Senator from Minnesota and the Senator from New Jersey find it in their hearts to accept this excellent amendment.

Mr. TOWER. I thank my distinguished friend from New Jersey.

Therefore, I yield back the remainder of my——

Mr. HUMPHREY. May I just add, it will be noted on page 92 of the bill that we have no reference to any particular officer of government.

There is a requirement of an analysis of the arms control impact pertinent to such offer to sell at the request of the executive branch. We left out any specificity. I think that should be clear.

Obviously, however, the executive branch would most likely go to the director of the arms control agency.

I think that the Senator's amendment, as the Senator from New Jersey pointed out, is a helpful amendment.

I wanted to put in the Record why the language in the bill is as it is.

Mr. TOWER. I thank the Senator from Minnesota for his clarification.

I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas.

The amendment was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum with time to be equally divided.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. TOWER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1398

Mr. TOWER. Mr. President, I call up my amendment No. 1398.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> The Senator from Texas (Mr. TOWER), proposes amendment No. 1398:
>
> On page 56, beginning with line 23, strike out through line 2 on page 57.

Mr. TOWER. Mr. President, I yield myself such time as I may require.

The purpose of this amendment is to permit the language in existing law to be retained, giving the President the authority to submit a classified supplement to the Annual Foreign Sales Report. The existing law, Section 657 of the Foreign Assistance Act of 1961, which is specifically repealed by S. 2662, states as follows:

> However, in the case of any item of information to be included in any such report that the President, on an extraordinary basis, determines is clearly detrimental to the security of the U.S., he shall explain in a supplemental report why publication of each specific item would be detrimental to the security of the U.S.

This bill would strike this language while expanding the annual report to include "* * * all foreign assistance, foreign military sales, sales credits, and guarantees provided or made by the United States by any means * * * by category * * *"

While this expanded report will certainly assist Congress in overseeing military assistance and sales programs, the President should not be denied flexibility in existing law to classify, on an extraordinary basis, certain portions of the report.

S. 2662, as written, would effectively require the United States to fully disclose to the world all "foreign assistance * * * military sales * * * and guarantees provided by any means * * *" to each country or organization. It would thus be against the law for us to conduct any such assistance on a confidential basis.

Mr. President, I believe the existing law on this matter is wiser than what we propose to do here. I think it would be inimical to the interests of the United States and to our allies to disclose all foreign assistance, military sales, guarantees, et cetera, for the world to see. Already, Mr. President, there is a growing lack of confidence in the United States among our allies and among neutral nations. They are concerned about the disclosure syndrom that has been so apparent in recent months in the Congress.

Already the revelations of ribaldry of foreign officials in the matter of the sales of American goods abroad has created a lot of consternation in Europe and a lot of political upheaval.

What I am afraid we are going to do if we lock this disclosure requirement into the law completely, totally, and entirely is reduce American arms markets abroad, yes, but, more than that, cause them to go other places to acquire arms and equipment they feel they need which will substantially reduce the amount of American influence over the use of those arms and the purposes for which they could be used.

I think it is proper for us now to acknowledge the fact that however necessary we may consider these revelations of bribery abroad to be, they have had a profound domestic political impact on several countries. These countries are concerned that in our rush toward self-flagellation in this country we are going to damage them. We might make revelations that would be injurious to governments abroad.

Already the Belgians are beginning to have some second thoughts about their agreement, along with Holland, Denmark and Norway, to purchase the American-made F–16 instead of the French Mirage M–1. From the standpoint of NATO standardization it is far better, of course, that they purchase the American-built aircraft, aside from the fact that it is a better performer than the French Mirage and perhaps it is more suited to the arms inventories of these small countries.

I believe we have to consider the profound impact of the things we do when we require disclosure in terms of what it does to our relationship abroad. I would not like to see the sort of thing come about that is threatened by Belgium's second thinking on the F–16 in a broad way, but it is the revelations that have already been made in this country that have precipitated that situation over there. It would not be in the best national interest of the United States and the four-country consortium to abandon their decision to purchase the F–16. I cite that only as one example.

I hope that the Senate will act favorably on this provision because I think it is needed. I would urge my colleagues who are the managers of the bill to give some careful and appreciable consideration to the acceptance of this amendment.

Mr. HUMPHREY. As I understand, it is amendment No. 1398 to which the Senator has addressed his comments.

Mr. TOWER. That is correct.

Mr. HUMPHREY. Let me say why the committee would oppose the amendment. First of all, the report the amendment relates to the annual report, which is retrospective, and which comes about a year after the fact of the transactions. The annual report does not come out precisely at the end of the year; it takes some time before it reaches the Congress. In the past, it has come, almost a year after the end of the reporting period.

It should also be noted that portions of all other reports, such as the quarterly reports and the submissions of individual letters of intent, are and can be classified. But this particular annual report is a general review of what transpired in a particular calendar or fiscal year. By that the time it appears, virtually all individual sales will be known.

Moreover, the annual report does not identify individual sales. All sales are aggregated in the totals.

I have to add that the instance that the Senator recited with reference to our plane, the American plan that was purchased by the Norwegians and the consideration now which is being given by the Belgians and their concern——

Mr. TOWER. Actually, it is a consortium of four countries that have in concert agreed to purchase the F–16.

Mr. HUMPHREY. But the only problem which might be raised with that sale would be the matter of the fee, although I know of no such question. It would not relate to an annual report. The annual report will not deal with such matters.

So if the Senator is worried that the annual report will give information that is injurious to our national security, or would cause difficulties with our customers, so to speak, I would say that his fears are not well founded. The simple fact is that the annual report is so late in coming to Congress that it is almost like old history.

Most of this will already have been reported, and a good deal of it undoubtedly will already have been in the press. Finally, the administration does not object to this provision at all. We had long discussions with the administration.

Mr. TOWER. Well, they certainly should.

Mr. HUMPHREY. The Senator may be right. I find myself frequently in disagreement with the administration, but they are entitled to be right once in a while. In this situation, I consider them judicious, wise, and prudent.

I would suggest to the Senator that his amendment would not have the effect that he would wish it to have, and that there is nothing in the committee bill that should cause him any concern at all. There is nothing in this particular feature of the bill that causes any concern to the Department of Defense or the State Department.

Mr. CASE. Mr. President, will the Senator yield briefly?

Mr. HUMPHREY. I yield.

Mr. CASE. Mr. President, there is always a temptation, which we have to resist as much as we can, to gild the lily. I cannot imagine anyone making a finer statement in opposition to this amendment than the Senator from Minnesota, but it is a challenge that we feel impelled to try.

I do not mean that seriously, because all I am planning to do is try to add a couple of glosses, if you can have more than one gloss—I am not sure—to the argument he has already presented.

On this question of disclosure, it seems to me that clearly this would be an anachronism. This annual report is a relatively small matter. We have dealt with big matters before, and insisted on disclosure, and obtained concessions from downtown on it. To yield on this one, it seems to me, would be quite wrong, because it would change the whole course, tenor, and flavor of this bill. For us to say that because a thing is relatively unimportant we can keep it secret, it seems to me, would be most unfortunate. It would give the wrong impression.

On this question of secrecy, I am sure that the chairman and all the members of the committee recognize it is not a simple matter. The matter of complete disclosure, laying everything open, sounds good, but it is subject to various attacks.

For instance, just because a thing is true it is not necessarily a good idea to say it. Sometimes it is easier to deal with a foreign country when you do not force them to see the world observing this or that problem that they have. The matter of saving face is involved. In every situation, I think, it is a question of balancing preserving the country's face against the substantive values of openness.

On the question of openness, I think the only people who are easily upset or affronted by secrecy are the citizens of the United States and the taxpayers who will pay the bill for these things. Generally speaking, the foreign countries know what is going on. Friend or foe, friendly or not friendly, they know just about where they stand in respect to the United States and our governmental intentions.

I think on balance, just because, in a way, this is relatively a small matter, it is one that Congress should not yield on. It is not necessary to do so. These reports, considering everything else, are not sensitive. As the chairman has so well pointed out, they only come a year or more after the events.

Mr. HUMPHREY. That is right.

Mr. CASE. At a time when it is not only old hat, not only ancient history, but also very well known to everyone concerned except the American people. If we eliminate this additional relatively small—not unimportant but small—matter from the area of uncertainty the American people will, to that extent, I think, be somewhat encouraged to put renewed faith in their Government.

Mr. TOWER. Mr. President, I yield myself such time as I may require.

I do not think that anyone should get the impression that the administration is enthusiastically behind this provision of the bill. The fact that they may have acceded to it could have been a trade-off on a matter that they consider of greater importance, and would not see the bill held up because of this particular provision. I cannot believe, however, that the administration is wildly enthusiastic about it just because they have not actively opposed it.

But the suggestion was made by our distinguished colleague from Minnesota that it will not matter to disclose this information, because it will be disclosed after the action has already taken place.

That would be like going to our friends and saying. "We want to sell you something; we will not disclose these negotiations, but a year later we will."

That would be of small comfort to them, I would think; and I can imagine our friends abroad who are our special customers can read and will read this legislation, and will know with certainty that if what they are doing is not disclosed today, it will be disclosed a year after the transaction is completed. That seems to be no argument against inhibition on the part of our friends abroad to buy American materiel.

This is a small thing, as has been pointed out by the Senator from New Jersey, but may I suggest it is better to yield on the small things and not yield on the big ones.

Mr. CASE. Better for us or for you to yield?

Mr. TOWER. All we are saying here is that the President will have the flexibility to submit, in supplementary confidential views, why the publication of certain specific items would be a detriment to the security of the United States. All we are doing here is asking to preserve a provision of present law. This is not expanding on the power of the President beyond a power he already has under existing law. This has worked out pretty well in the past, and I see no reason why we should put in this kind of requirement of complete disclosure, without there being any chance for the administration to come back with a requirement on why certain matters should be kept confidential.

So I hope the Senate will accept this amendment. I intend to ask for the yeas and nays on it. Therefore, I suggest the absence of a quorum, and ask unanimous consent that the time consumed in the quorum call be charged equally to both sides.

Mr. CASE. Mr. President, reserving the right to object, and of course I shall not object, how soon would the Senator like to have a vote?

Mr. TOWER. Oh, any time.

Mr. CASE. Right now?

Mr. TOWER. If we can get the yeas and nays.

The PRESIDING OFFICER. Is there objection?

Mr. CASE. I withdraw my reservation, while we seek a second for the yeas and nays.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HUMPHREY. I yield back the remainder of our time.

Mr. TOWER. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from Texas (Mr. TOWER).

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Idaho (Mr. CHURCH), the Senator from Alaska (Mr. GRAVEL), the Senator from Colorado (Mr. HART), the Senator from Michigan (Mr. HART), the Senator from Kentucky (Mr. HUDDLESTON), the Senator from Washington (Mr. JACKSON), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that the Senator from Colorado (Mr. HASKELL), the Senator from Wisconsin (Mr. NELSON), and the Senator from Illinois (Mr. STEVENSON) are absent on official business.

I also announce that the Senator from Iowa (Mr. CULVER) is absent because of illness.

I further announce that, if present and voting, the Senator from Iowa (Mr. CULVER), the Senator from Alaska (Mr. GRAVEL), and the Senator from Washington (Mr. JACKSON) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Massachusetts (Mr. BROOKE), the Senator from Nebraska (Mr. CURTIS), the Senator from New Mexico (Mr. DOMENICI), the Senator from Hawaii (Mr. FONG), the Senator from Nevada (Mr. LAXALT), the Senator from Maryland (Mr. MATHIAS), the Senator from Idaho (Mr. MCCLURE), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

The result was announced—yeas 36, nays 44, as follows:

[Rollcall Vote No. 29 Leg.]

YEAS—36

Allen
Baker
Bartlett
Beall
Bellmon
Bentsen
Brock
Buckley
Cannon
Dole
Eastland
Fannin
Ford
Garn
Glenn
Goldwater
Griffin
Hansen
Helms
Hollings
Hruska
Johnston
Long
McClellan
Montoya
Morgan
Nunn
Percy
Randolph
Scott,
William L.
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower

NAYS—44

Abourezk
Biden
Bumpers
Burdick
Byrd,
Harry F., Jr.
Byrd, Robert C.
Case
Chiles
Clark
Cranston
Durkin
Eagleton
Hartke
Hatfield
Hathaway
Humphrey
Inouye
Javits
Kennedy
Leahy
Magnuson
Mansfield
McGee
McGovern
McIntyre
Metcalf
Mondale
Moss
Muskie
Packwood
Pastore
Pearson
Pell
Proxmire
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stone
Symington
Tunney
Weicker

NOT VOTING—20

Bayh
Brooke
Church
Culver
Curtis
Domenici
Fong
Gravel
Hart, Gary
Hart, Philip A.
Haskell
Huddleston
Jackson
Laxalt
Mathias
McClure
Nelson
Stevenson
Williams
Young

So Mr. TOWER's amendment was rejected.

Mr. HUMPHREY. Mr. President, I

move to reconsider the vote by which that amendment was rejected.

Mr. ROBERT C. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1394

Mr. GOLDWATER. Mr. President, I call up my amendment No. 1394 and ask that it be reported.

The PRESIDING OFFICER (Mr. NUNN). The amendment will be stated.

The legislative clerk read as follows:

On page 68, line 16, strike out the quotation marks and the final period.

On page 68, between lines 16 and 17, insert the following new subsection:

"(f) Notwithstanding any other provision of law, for the purpose of carrying out subsection (a) of this section, the President may not sell or permit the sale to or for the Soviet Union of (1) any wheat, corn, or other grains, or (2) any computers, computer parts, technology, or services which may be used for military purposes, unless he certifies in writing to the Congress that the Soviet Union has ceased furnishing to Angola all assistance of the type or kind described in paragraph (1) of subsection (b) of this section.".

Mr. CRANSTON. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. GOLDWATER. Yes.

Mr. CRANSTON. Mr. President, I ask unanimous consent that Bill Jackson of my staff may have privileges of the floor throughout consideration of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. I thank the Senator.

Mr. GOLDWATER. Mr. President, this amendment pretty well explains itself. I yield myself what time I shall need. It will not be long.

Mr. HUMPHREY. Mr. President, this is a very important amendment, presented by one of our most distinguished Senators. I think we ought to have order in this body so we can hear the argument.

The PRESIDING OFFICER. The Chair agrees.

The Senate will be in order.

Mr. GOLDWATER. Before my colleagues depart, I call for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. GOLDWATER. Mr. President, first of all, I do not believe that title 2 should be in this act at all. I think it is a very dangerous departure from foreign aid. When we in this body attempt to assign ourselves a job of controlling the sale of armaments, munitions, weapons, et cetera, I think we are working a hardship on American industry. I do not think for one moment that the fact that Congress is giving itself the power to control these sales will mean that we are taking a step toward peace, because we no longer, in this country, Mr. President, dominate the world as far as the manufacturing of aircraft, tanks, guns, et cetera. We are, in fact, slipping in this general field. If we do not sell them, they are going to buy them someplace else.

I should like to be associated with the distinguished author of this bill in feeling that this could have a salutary effect upon the rest of the world that sells armaments, but I do not think we should be naive and think that it is going to do that. What this does, and I shall get into a discussion of it, is say that "the President may not sell or permit the sale to or for the Soviet Union of first, any wheat, corn, or other grains, or second, any computers, computer parts, technology, or services which may be used for military purposes, unless he certifies in writing to the Congress that the Soviet Union has ceased furnishing to Angola all assistance of the type or kind described in paragraph (1) of subsection (b) of this section."

Mr. President, the amendment is germane because it simply adds teeth to subsection (a) of section 655 which is already in the bill. It calls upon all countries to terminate any military assistance they may be giving to groups in Angola.

Under section 8, clause 3 of the Constitution, Congress has the power "to regulate commerce with foreign nations." This certainly eliminates any doubt as to its power to enact the amendment.

Now, Mr. President, in a report to Congress by the GAO, which report is dated February 4, 1976, on East-West trade it concludes that "trade can help shape Soviet diplomatic behavior." But the report states—

> There is no evidence that the executive branch has consciously tried to manipulate trade in exchange for specific diplomatic concessions.

Thus, in my opinion, it is overdue that the United States should seek to use the leverage of trade, in an area of vital need of the other country, as a means of promoting U.S. interests.

We have several instruments of power, Mr. President, that we use, and all nations can use, short of war. I cite Great Britain with her mastery of the seas for nearly 200 years where she avoided a general world war situation up until World War I because she had economic power and she was willing to use this power. In other words, if a country acted as if that country might encroach upon the rights and freedoms of another country, England could take its fleet into the harbors of that country and convince that country it would be to the disadvantage of them to attack.

Because of that, because of the proper use of power, something we have learned but we shy away from, peace was kept in this world.

Now, I know it is not the decent nor the humane thing to suggest that we withhold food from any nation that needs food. In fact, our history goes contrary to that. But I think we know full well that the Soviet crop productions have not been up to snuff. In fact, their estimates of their production have been revised downward several times, and it is now clear that they have a massive grain shortage, perhaps the worst in a decade.

We might consider this situation in connection with the fact that, unlike Americans, the Russians depend on bread for their protein. While we consume a yearly average of 80 pounds of bread per capita, the Soviet Union's people eat 525 pounds. Also the Russians need ordinary grade grain for use as animal feed.

If the Soviets continue to give aid to Angola or to any other country—and they will—as we show our unwillingness to help our friends, then I would certainly think it would be wise for the United States to use the power of its food which Russia must have. If Russia is denied this grain for 2 years, in my estimation, there would be a strong change in government in Russia. It might even approach a revolution because hungry people are not going to stand still for the abuses they have to put up with anyway.

That is the whole purpose of this amendment, Mr. President. It is merely to bring a little commonsense into our foreign policy so that we say to a country that has to have our grain, "Fine and dandy. We might even give it to you, but we would like some concessions. Take your arms out of the Middle East, take your arms out of Angola. Give up trying to dominate the continent of Africa. Give up trying to influence the war or decision to make war in the Middle East."

Mr. President, the assumption is wrong that the amendment may frighten foreign customers into looking elsewhere for their purchases. Most of our large agricultural exports are commodities needed abroad. In fact, many countries, including friendly ones, impose various forms of barriers against U.S. agriculture except for those products for which their consumers can find no adequate replacement in their domestic production.

Now, Mr. President, I can attest to that personally because, through the good offices of the attorney who works in my shop, Mr. Terry Emerson, we have been able to help change the import attitude of governments in Europe, governments in Asia, countries including Japan, as to the importation of citrus fruits grown in southern California and Arizona as well as Texas and Florida. Their consumers want these products in the foreign countries, and they are perfectly happy to get them.

Now, of course, you may hear that the Government has urged farmers to strive for top production aimed at the export market. All I can say is that the struggle for freedom has to take priority. We grow and even export a little bit of wheat in Arizona—not much in relation to total national production. We grow other grains. Certainly if I were thinking only of political expediency I would not offer this amendment because it will have an effect on the people in my State who are in the business of growing these grains.

Mr. President, I would suggest that if alternative buyers cannot be found, the United States could consider purchasing any excess grains for use in the world grains reserves which Secretary Kissinger has proposed.

Finally, Mr. President, I will say that the amendment would not apply to any existing final contracts. It would apply only to sales signed after the date of the enactment of this amendment.

So, Mr. President, it is a simple amendment. It is to the point. It merely tells a potential adversary that until she backs off in her efforts to influence the decision in Angola, if it has not already been reached, that we are not going to furnish her with the grains she needs so much or with the other items she is receiving, drawing supplies of, such as computers, computer parts, or our high technology.

I was told the other day, for example, that inertial guidance systems made in my State are being furnished to the Soviets. Now we can make these inertial guidance systems, and they are so accurate that a friend of mine flew an A-7 aircraft from the United States to the show in England and missed his target by about 500 feet.

The Russians may never have this capability, but we seem anxious to give it to them.

I have no objection to this, but I do have objections to our being so kind to them while they do nothing for us.

What we are asking is merely a protection of freedom in our country and a protection of freedom around this world. That is why I have offered this amendment.

I withhold the remainder of my time.

Mr. CASE. Mr. President, I find myself responding with a great deal of sympathy to this amendment. I think I probably would vote against it largely because I do not think it is terribly relevant now, at least that part relating to Angola which, I think, is now more or less history.

But I want to say that I agree down to the ground with the Senator's basic observation that in our dealings with the Soviets, and with Communist countries generally, we should not necessarily be rude or belligerent in tone or unnecessarily abrasive, but we should be as hard as nails, and I do not think we have been. I do not think that is our attitude now. I think some people could very rightly mock our attitude by reference to that statement that either Lenin or Stalin or somebody made that he did not worry about the West's economic strength because in the end we would sell him the rope with which to hang us.

I deplore the competition between the major parties in this country for the farm vote such as was evidenced by statements made both by our President and by leading Democrats before him to the Farm Bureau Federation annual meeting a few weeks ago. Those statements seemed to reflect a competition in protest that we would never use our agricultural product surplus in the cold war.

I ask, for Heaven's name, what will we use?

There is no resource the United States has greater than the abounding products of our fields and farms and forests, particularly our agricultural foodstuff.

There are ways of doing this without hurting the farmer. We could have, for instance, a mechanism like the Canadian Grain Board. We do not have to and should not put the burden of the cold war on one segment of the American economy or the American citizenry alone. This is not right.

But this would require a great deal of preparation. It would require a commitment to an attitude which we have not yet committed ourselves to. Across the board, not just in one instance or another, not just in relation to Angola or the Soviet actions there.

So I think we had better not accept the Senator's amendment on this bill in this form, but I want to assure the Senator that he will find the Senator from New Jersey very much in his corner on the basic proposition which he was arguing just now.

This is not stupid, it is not blind, it is not unresponsive to modern realities, or progress, or anything else.

It is actually just looking the Russian mind and heart straight in the eye—if we can look a heart in the eye, or a mind—and recognizing reality.

They have never ceased to believe that it was their duty to try to force the rest of the world into the mold which they have accepted for themselves. I want no part of it. I want no part of any course of action which gives them the advantage that they do have now.

Mr. HUMPHREY. Mr. President, there are features of this amendment which I find attractive. For example, on line 8 where it reads:

> Any computers, computer parts, technology, or service which may be used for military purposes.

In other words, that those services, that type of equipment, should not be available to the Soviet Union for sale unless the President certifies in writing to the Congress that the Soviet Union has ceased furnishing to Angola all assistance of the type described in paragraph 1, subsection (b) of this section.

Let me say why I find myself in considerable support of that particular feature. It is because I believe that our relationships with the Soviet Union should not strengthen their military capacity. However, I believe that we ought to sell and do business with the Soviet Union on all of items that they cannot shoot back with and that does not add to their military capability—and particulary when they are willing to pay cash.

What greater force or restraint on the Soviet Union than having them dependent upon the United States over a long period of time for the purchase of soft goods, such as all perishable commodities, such as grain products?

They have to use convertible currency, they have to take it out of their economy to buy perishable goods. That means they have just that much less for their purchase of military hardware, whether they buy it domestically or internationally.

So I come back to what I believe is one of the real abiding forces for peace in this world, namely, the use of food and fiber.

When we can get a country like the Soviet Union, that is a major military power, relying upon the United States as a source of food over a long term—and they have agreed now to at least a 5-year program—I say that it is a constructive development for us, the United States, for the cause of world peace, and it is a restraint on Soviet military capability.

It is another thing if we sell computers that can be used in their missiles or to be used in the development of their military capacity. That is what we call high technology. That has a productive capacity in industry, and it has a destructive capacity in the military.

But if the United States of America could wish for one thing that could be helpful in the cause of peace and can give us an element of security, it is to have enough food for ourselves so we never are in want, that we have stores of it, if need be, for hours, days, months, and years of emergency; and No. 2, to have other countries dependent upon us for food and fiber.

Napoleon Bonaparte was a reasonably good general and we recall that he once said that armies march on their stomachs.

There has never been a major military power in the world that did not try to become self-sufficient in food.

One of the reasons the Japanese went into Manchuria was to get not only living space, but also food and raw materials.

Constantly, in the days of imperial Germany, an emphasis was placed upon food production; and as Hitler reached out into the lowlands, what was he after? Food production. When he went into the Ukraine, what was he after? Food production.

If there is one thing that would, I think, be of help to the United States, it is to get any major country that we look upon as a competitor or an unfriendly power to be reliant upon us for food and fiber.

I say to the Senator from Arizona, for whom I have affection and regard and admiration, that that portion of the amendment that relates to computers, computer parts, technology, or services which may be used for military purposes, I think has great merit.

I am not just talking about wheat, corn, and other grains because I come from a State that produces some of that, because the Senator from Arizona comes from such a State. It is one of the great agricultural States of our country. I just happen to believe, from a point of view of normalization of relations, of improving the climate of international relations, that trade in the field of consumer goods, surely in perishable commodities, is all to the good, and surely in this instance is of great help to us.

Finally, let me say this, that if we were to cut off all sales of grain to the Soviet Union, I want us to know what is going to happen in this country.

The market will fall, we will have bank failures in every State bank, every international bank in America, we will have a collapse in farm income, we will abort any recovery we think we have underway today, and we will promote a series of economic events and actions in this country the consequence of which no one can safely predict.

We better not tamper with an already very fragile economy. We ought to look forward to the time that the Soviet Union is a regular customer of ours in food and fiber. Nothing would be better for us.

I want to say that if we lose that market, the farm people of this country are going to have to cut back in their production or the Government of the United States is going to have to start to buy it once again; but, more significantly, farm income will drop.

May I say to all of my colleagues from other areas where agriculture is not as important, there is not an industry, or a combination of industries, now, that even come close to the productivity and the wealth and the economic power of agriculture.

Mr. PERCY. Will the Senator yield for a question?

Mr. HUMPHREY. General Motors and the automobile industry that so many of us worry about is like a sideshow at the main circus, compared to agriculture. That is not to downgrade the significance of our great automobile industry. It is simply to say that it is an $80 billion industry and agriculture is $500 billion.

For us to fool around with agriculture like this would be a very serious matter, the consequences of which I could not predict, other than what I have said here today. It is my judgment that we would precipitate an economic disaster in this country instead of hurting the Soviet Union. The Soviet Union, by the way, has already bought grain from the French, Swedish, Argentinians and Brazilians. My distinguished friend from Kansas and I can testify that we heard from witnesses that we have already lost over $2 billion of sales because of an embargo. All we need is for the Congress to impose an embargo and we are in trouble.

Mr. PERCY. Will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. PERCY. I would like to ask the distinguished manager of the bill, with his background and knowledge of agriculture, if the farm community would interpret this not only as a unilateral action with respect to Angola, but that it might be anticipated that if this were adopted it would become a national policy, that any time any nation did something that we felt was contrary to world peace, to stability, contrary to our national interest, we might then retaliate by cutting off exports of food?

I ask that question because then it might also mean we would cut off the export of farm machinery and equipment. It might mean we would cut off the export of other types of equipment. That uncertainties that would be created might well inhibit production and planting which we want to encourage, not discourage.

The Senator from Illinois believes in free markets. I have wanted to get away from Government interference and what has been done to interfere with the free market process in agriculture. It has been a destabilizing element. Now we are finally getting toward a freer market situation. Farmers can plant with greater confidence that Government is not going to come in and interfere. Once again they might well say, "This action upsets the apple cart once again. "We cannot plant with the certainty that the free market will reign."

Last week I met with 26 members of my agricultural advisory committee. It is the sixth or seventh year we have met. To a man they represented a cross section of agriculture in Illinois. The most sensitive point was the export controls and what they did to their market values and prices. They felt it was a disaster and they wanted reassurance that it would not happen again. I finally picked up the telephone and was able to get Secretary Butz to assure them that this administration would not engage and would not anticipate or contemplate any further embargoes.

Mr. HUMPHREY. I hope the Senator got it in writing.

Mr. PERCY. I have it in a firm pledge from the Secretary of Agriculture, at least speaking, he hoped, on behalf of the President of the United States.

Mr. HUMPHREY. Talk to Dr. Kissinger, then President Ford and then the multitudinous executive branch committees. When it is nailed down, come and tell my friend from Kansas.

By the way, I want to say to my friend from Illinois that I agree the issue is not on Angola, though I have strong feelings about that. I believe Senator CASE pointed out that that is almost history now, that what we need to be thinking about is from here on out. It could be and would be interpreted, in this amendment, as a form of interference that could spread.

Mr. JAVITS. Will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. JAVITS. Mr. President, I believe there is one point we should nail down. I welcome the comments of my colleagues on the Foreign Relations Committee. That point is this: I believe it would be a great mistake for the Soviet Union to get an idea that we have some religious reason why we would not deny them food or anything else if they pressed the world and us enough and it suited our interests differently than it does now. I thoroughly agree with my colleagues that it suits our interests now not to impose the sanction of food, certainly not about Angola.

Mr. HUMPHREY. Let us get it clear. We are not giving the Russians anything. They are going to pay. They will pay through the nose.

Mr. JAVITS. I understand. But they want it and they need it. Our money is green paper but food we eat. We cannot eat the money.

Mr. HUMPHREY. That is correct.

Mr. JAVITS. All I am trying to make as a point is that I believe it would be a mistake for the Soviet Union to believe that there is some great doctrine that the United States has adopted that for whatever reason at any time, whatever may be the national interest involved, we are not going to use food; that we will say to them, "we are sorry, you may buy it elsewhere, but you cannot buy it from us under these world conditions which now exist."

I believe if we agree we ought to make that very clear, that that is our option. We do not choose to exercise it, but we do have the option.

Mr. HUMPHREY. I would certainly agree with the Senator that there may be circumstances develop which would require that. That is very true. But I think at this stage of the game what we ought to be thinking about is do we add to the military prowess, do we add to the military might, of the Soviet Union? If we are exporting items that do add to that, then I believe we ought to review it, not only on the basis of Angola but just as national security policy, and stop it. But I believe also that we should take a look at what kinds of exports we are talking about. Most of us here have been talking about improving our relationships with the Soviet Union, hopefully in the commercial fields. I am one who believes that when we sell a perishable commodity, it does not add to the productivity of a country but, in fact, consumes its convertible currency and not adding to its military might.

Mr. JAVITS. Just so Senator CASE can answer that, I thoroughly agree with every word my colleague has said except that I thought it was necessary to add the caveat that nobody should have the idea that this is the law of the Medes and the Persians and that we cannot, if we are so moved and we feel our interests demand it, withhold food, too. That is all I am trying to add to what we all agree on in our committee, certainly. I fought for it and will vote again, as I have before, not to put an inhibition on sales to the Soviet Union. But I did not feel that we ought to just let it go without it being clear that this is our option, our judgment, whether it is because of Angola, the issue is not worth it, or for farmers' reasons or planting reasons, whatever it may be. It should be understood that this is not something that can be ruled out as absolutely impossible. I think the Soviets ought to worry about this and I hope they do.

Mr. CASE. Will the Senator yield?

Mr. JAVITS. I yield.

Mr. CASE. The Senator from New York and I are pretty close.

Mr. JAVITS. I understood I was in agreement with the Senator.

Mr. CASE. That is right.

I may have expressed a somewhat broader basis for not accepting the idea that under no circumstances would we ever withhold our agricultural surplus from international sales to Russia or anybody else. I do not think I accept, at least without further consideration, this suggestion that there is a great distinction between agricultural surpluses and technology or military goods or anything else. It seems to me that we have to think very seriously about the mobilization of all the resources of this country, including our intellectual and technological resources, as well as the material products of our farms and our factories. I believe it is time we did this, and that we do not allow ourselves to be inhibited against the consideration of ways in which we can do it, can spread the burden of doing it over the whole community of the country, and not put it on the purveyors, sellers or producers of any particular kinds of goods or services.

I believe the Senator from Arizona has forced us to bring out into the open, for at least a brief discussion, a very useful point that we have rather been shying away from because of the fear of political consequences in certain areas.

Several **Senators addressed** the Chair.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

Mr. HUMPHREY. Mr. President, I believe I have the time. I want to make a response, and I will then yield to the Senator from Kansas.

I wish to place in the RECORD at this point a provision from Public Law 93-365, section 709, which states that where Congress has authorized the Secretary of Defense to review the proposed export of goods, technology, or industrial techniques to any such country, whenever he has reason to believe that the export of such goods, technology, or techniques will significantly increase the military capability of such country, he shall recommend to the President that the application for export be disapproved if the Secretary of Defense determines, after his review and assessment, that the export of such goods, technology, or industrial techniques will in his judgment significantly increase the present or potential military capability of any controlled country, and so on.

This is very strong language. In addition to giving the Secretary of Defense this responsibility, it calls upon the President to review the recommendations of the Secretary of Defense, and if the President still goes ahead and permits the export, Congress, by concurrent resolution, is able to disapprove the application for the export of such goods, techniques, or technology. This law accomplishes much of the purpose which the Senator from Arizona has in mind in the case of export technology.

I ask unanimous consent that the entire provision be printed in the RECORD at this point.

There being no objection, the statute was ordered to be printed in the RECORD, as follows:

SEC. 709. (a) The Congress finds that the defense posture of the United States may be seriously compromised if goods, technology, and industrial techniques which have been developed in whole or in part as a direct or indirect result of research and development programs or procurement programs financed in whole or in part with funds authorized by this or any other Act authorizing funds for the Department of Defense are exported to a controlled country without an adequate and knowledgeable assessment having been made to determine whether the export of such goods, technology, and techniques will significantly increase the present or potential military capability of any such country. It is the purpose of this section, therefore, to provide for such an assessment, to insure notice of proposed exports to the Secretary of Defense, and to authorize the Secretary of Defense to review the proposed export of goods, technology or industrial techniques to any such country whenever he has reason to believe that the export of such goods, technology, or techniques will significantly increase the military capability of such country.

(b) Effective upon enactment of this section, any application for the export of any goods, technology, or industrial techniques described in subsection (a) shall, before being eligible for export to a controlled country, be reviewed and assessed by the Secretary of Defense for the purpose of determining whether the export of such goods, technology or techniques will significantly increase the present or potential military capability of such country.

(c) If the Secretary of Defense determines, after his review and assessment, that the export of such goods, technology or industrial techniques will in his judgment significantly increase the present or potential military capability of any controlled country, he shall recommend to the President that the application for export be disapproved. In any case in which the President disagrees with a recommendation made by the Secretary of Defense to prohibit the export of such goods, technology, or techniques to a controlled country, the President shall submit to the Congress a statement indicating his disagreement with the Secretary of Defense together with the recommendation of the Secretary of Defense. The application for the export of any such goods, technology, or techniques may be approved after submission by the President of his statement and the recommendation of the Secretary of Defense to the Congress and 60 days of continuous session of the Congress has elapsed following such submission unless within such 60 day period Congress has adopted a concurrent resolution disapproving the application for the export of such goods, technology, or techniques.

(d) As used in this section (1) the term "controlled country" means the Soviet Union, Poland, Romania, Hungary, Bulgaria, Czechoslovakia, the German Democratic Republic (East Germany), and such other countries as may be designated by the Secretary of Defense, and (2) the term "days of continuous session of the Congress" shall not include days on which either House of Congress is not in session because of an adjournment of more than three days.

(e) The Secretary of Defense shall submit to the Congress a written report on his implementation of this section not later than 30 days after the close of each quarter of each fiscal year. Each such report shall, among other things, identify each instance in which the Secretary recommended to the President that exports be disapproved and the action finally taken by the executive branch on the matter.

Mr. HUMPHREY. Finally, I want it made clear to the Senator from New York and the Senator from New Jersey that I do not believe we should have an unlimited, unrestrained, and unrestricted policy of exports to a country that in time may cause a serious threat to our national security. I happen to believe that we can use our resources of trade and finance, such as the Export-Import Bank, Commercial Credit loans, and all the rest of it, to help us with our policy and our security. I just feel that at this stage, as I see it, it would be counterproductive to do what the amendment proposes.

I do feel, and I am sure that some differ, with my esteemed colleague from New Jersey that there is a difference between exporting steel, critical materials, computers, and high technology and exporting, let us say, a pound of butter, a bushel of wheat, or a hundred pounds of corn.

I recognize that foodstuffs do have some influence, and they can be very helpful to us in terms of bringing pressure to bear upon a country; but insofar as increasing the military capability of a country is concerned, I think it is very clear that the best way to increase the military capability of another country is to export the technology that will do it, or to have that other country improve its own productive capacity to a point where it becomes stronger. That I do not want to see happen if it jeopardizes our security.

I yield to the Senator from Kansas.

Mr. DOLE. I thank the Senator from Minnesota. As Senator from Kansas, I would speak for the farmers of the country.

There should not be any misunderstanding that the American farmers would sell to Russia or any other country where our security interests are involved. But the point that disturbs the farmers is the arbitrary way it could intervene time after time. Today it may be Angola; next week it may be action against some other country causing the farmer to take it on the chin. President Ford should know that he is in great difficulty in rural areas because of the embargoes he placed on farm products without any very good reason several months ago.

The Senator from Kansas would make the point that the section of the statute just referred to by the Senator from Minnesota is broad, and does provide for some safeguards. The Kansas wheat producers, and there are many of them, or the corn producers, or producers of any other agricultural commodity, like access to markets, and they like that access to be open. That does not suggest that they are going to sell to any country when to do so would be adverse to our national interest, either directly or indirectly. They will make the sacrifice, as long as that sacrifice is across the board, shared by all segments of the economy.

I would suggest that perhaps the amendment is not necessary because of the provision in the law already read by the Senator from Minnesota. Second, in its present form, the amendment is much too narrow. If we are going to talk about grains and tractors, let us talk about other strategically important exports as well. If the Senator is going to talk about some new national policy, that is fine.

The Senator from Minnesota has suggested that the Senator from New York and the Senator from New Jersey should be aware of the fact that at the appropriate time we will use food as a weapon. Mr. President, we should use food as a weapon to protect the national security. The American producers understand that. But they do not understand when for no apparent good reason exports are just cut off because George Meany puts pressure on the President of the United States, or because we single out one country. I might suggest that I sided with the Senator from Arizona with reference to Angola.

So it is not merely the case that the Senator from Kansas knows the attitude of the State where he is from. I think on that basis I can speak for many farmers from many States who will make the sacrifice. They are not so concerned about the almighty dollar; they are concerned about the security of this country. But it ought to be on some sound, objective basis, and not with a rifleshot approach, reacting to pressure.

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GOLDWATER. How much time is left?

The PRESIDING OFFICER. The opponents of the amendment have 2 minutes remaining. The Senator from Arizona has 20 minutes remaining.

Mr. GOLDWATER. Mr. President, I yield myself such time as I may need out of that 20 minutes. I shall not use it all.

I expected that the argument would be made that the American farmer has suffered a lot. I agree with that. I think the fact that the farmers have been under Federal domination for so long has almost destroyed 30 percent of American agriculture.

But I am willing to lay any amount that the American farmer would buy this approach. I consider the American farmers to be among the most dedicated, patriotic people we have, and if it just means they may not make some money some year because we are going to use their produce as a weapon, and if the unlikely event occurs where they cannot find alternative buyers, I cannot see that the American farmers would object. If they would object, so would the producers of technological equipment.

I was very happy to hear my friends from New York and New Jersey, and I believe the Senator from Illinois and also the Senator from Minnesota, say that we do not exclude this from our discussion. I had no idea, and do not have any now, that this amendment will win. It has Angola in it because when I went home for the Lincoln Day recess Angola was a rather live baby. And it may be revived; we do not know. Had I written the amendment this morning, I could have used the Middle East or almost any other country in the world where the Soviets will move because of our apparent timidness about standing behind our promises made in Angola.

Sources of computers and other technological material are fast being found in other countries than the United States. Give the Japanese anything we make, and they will duplicate it in a few months, in most cases as well as we can do it. So that is not as good and sharp a weapon as food. I agree with my friend from Minnesota that food can be the whole answer to the world's problems, but we do not have to be the sole provider. I would suggest to the Senator from Minnesota that we can take any province in India and, if they would modernize their methods, if they would not necessarily use American assistance, but let us help them, they could become a grain exporting nation. If we could break the Indians and the Pakistanis away from their worship of cattle, they could become a meat exporting section of the world.

I am convinced that most of the sections of this world, including the new developing country of Angola and many countries of South Africa, can become self-supporting nations as far as food goes. But they cannot do it under the ancient attitudes they have had, tied up in religion and other matters like that.

I remember when I served in India. I had that feeling, looking at that country, as I flew over it. Here was land that was just as rich as any land that we have in the Southwest, which is among the greatest producing lands in the country, but they did not know how to use it.

So I wish to see these countries approached on this basis:

Do not look to the United States to produce grains, milk, butter, and everything else for you; start producing it on your own.

I was rather ashamed of the U.S. attitude in Rome when we flagellated ourselves because we were not feeding the entire world.

One of the problems that the Soviets have—and my friend from Minnesota knows this—is their productive land is north of Minneapolis.

Mr. HUMPHREY. Eighty-five percent of it.

Mr. GOLDWATER. It is very difficult to grow grain up in that cold country. It is delightful for many other things, but not for grain.

Mr. HUMPHREY. Let me make the record clear, that some 85 percent of all Soviet land is in the same latitude as the area that would be around northern Minnesota, Winnepeg, and the Provinces of Canada. They have a short growing season.

Mr. GOLDWATER. That is right.

Mr. HUMPHREY. The unreliability of the growing season, of early frosts sometimes, and very late plantings, have caused their trouble. Mother nature took care of that, and there is no way they are going to be able to alter it in the foreseeable future.

Mr. GOLDWATER. I simply point out, in closing, that this amendment does not apply to any existing agreements. It will apply only after the bill has been signed and would be used as a weapon if we have to do it.

I think the debate here this afternoon should make it rather clear to any of our Soviet friends, who might be listening to this or reading it, that even the strongest advocates of trade with Russia in this body also recognize that there can come a time when we have to say no because of freedom. That is the important thing, I remind my colleagues. It is not whether our farmer makes a dollar or our computer people make a dollar. It is whether or not we retain our freedom. That is the important thing.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. GOLDWATER. I am happy to yield.

Mr. DOLE. I think if the Senator broadens the amendment to say we would not sell the Soviets anything, if our national security were threatened directly or indirectly, then certainly I would vote for it. It seems to the Senator from Kansas, the Senator from Arizona sort of singles out a small group of grain farmers, who are patriotic, as he suggests, for special treatment. If he made it broad enough that we simply would not sell them anything, period, if our security is threatened directly or indirectly, that might have greater appeal.

Mr. GOLDWATER. That is pretty broad; any wheat, corn, or other grains, or any computers or computer parts, technology—that covers a whole ball of wax—or services which may be used for military purposes.

Mr. DOLE. If the Senator limits that to military purposes, we do not have any limitation on wheat, corn or other grains.

Mr. GOLDWATER. There is nothing needed more by a fighting man than food. My friend served in war, and he served pretty well when he was fed but when he was not fed he did not work too hard. None of us did. Food is the secret of armies.

Mr. DOLE. I agree with that.

Mr. GOLDWATER. As long as we support the Soviet Army with our grains, I do not think they need to worry about technology. They make fighter aircraft today. They make better tanks than we do. They make better guns that we do. They are ahead of us in most fields of armament. I am only arguing not that this body take any precipitate action, but that we tell the people in the Soviet Union, if we have to:

> If it gets down to the point where you are going to try to enlarge or encompass your strength around this globe, we are going to have to use this to say no and force you through starvation or approaching starvation to coming, not to our terms, but meeting us.

Mr. President, I think the Soviet Union has a tremendous amount to give us. I think we have a tremendous amount to give them. I know when I visited the air shows around this world, and I talked with Soviet pilots, Soviet technicians, and with their spacemen, I just thought, my God, if we could get the politicians out of this act and let the common people of the United States and Russia talk, we would solve all our problems. But as long as you have politicians over there, who are looking only at one thing, they are not going to give in to us until we make it a little hard for them not to.

That is the whole thrust of my amendment, and I have nothing more to say on it, Mr. President. As I say, I never thought for one moment, and I do not think now that it is going to succeed. I simply wish to make it clear that this thought is not an isolated one in the United States.

Mr. HUMPHREY. Mr. President, very quickly I desire the record to be clear that the Senator from Minnesota does believe that it is necessary for the United States of America to preserve the options that a great country, such as ours, must have; namely, to curtail its trade, to use its food, financial, and technological power for its own national security. This may very well mean on occasion to have to deny other countries any of those elements, commodities, services, or technologies. I do not want for a single minute the record to be distorted. That is No. 1.

No. 2, it is my judgment that this amendment is unnecessary because of existing law, which I have already had printed in the RECORD, from the Defense Act. We have the power already to curtail such exports if they violate the security of the United States.

Finally, let me say that it is not as if we are the only food-reserve country in the world. Moreover, other countries can buy from us and transship. There is a very difficult time managing this world market.

Mr. President, I am prepared to yield back the remainder of my time.

Mr. NUNN. Mr. President, will the Senator from Arizona yield to the Senator from Georgia before all the time is yielded back?

Mr. GOLDWATER. I am happy to yield.

The PRESIDING OFFICER (Mr. HELMS). The Senator from Georgia is recognized.

Mr. NUNN. Mr. President, I support the Senator from Arizona on this amendment. However, like the Senator from Arizona, I have no illusions that this amendment is going to pass.

I also state for the record that I do not think this is the best way to deal with the problem in Angola, nor do I think this is the best way to convey a message to the Soviet Union that we are not going to continue subsidizing their economy while they create revolution throughout the world and build a defense establishment that threatens our national security. No, I do not think this is the best way to send that message.

But the problem is a result of a combination of actions taken by the administration and Congress with respect to Angola. First of all, the declaration by the administration that this is an important area of the world; second, a cutoff by Congress of all aid to Angola before leaving on a 30-day recess; third, a trip by the President of the United States to the Midwest telling everyone in the world that we are going on with business as usual, notwithstanding the fact that the Soviet Union is transporting Cuban troops to remote places in the world, creating revolution; and, fourth, Secretary Kissinger's trip to the Soviet Union where he says we are not only going to have business as usual, but we are going to have negotiation as usual. It is that combination of events which has given the green light to the Soviet Union.

I do not believe Angola is an isolated incident. I believe we are going to see it repeated because we have opened the doors and said to the Soviet Union: Not only are we not going to give aid to factions who are trying to prevent establishment of a colonial regime by the Soviet Union in Angola, but we are going to keep on selling you everything you need so that you can continue this military machine that is, indeed, threatening the United States of America in the long run. And, in addition to business as usual, we are going to continue to negotiate with you on SALT II and all other agreements.

The time is long past for Congress to let the message be heard in Moscow, that we are not going to conduct business as usual, negotiations as usual, and provide absolutely no assistance for people who are trying to prevent a Communist takeover in other parts of the world.

I do not believe this amendment is the best way to handle the situation, but it is the only mechanism we have at this stage, and I hope it receives a substantial number of votes.

I happen to know something about the agricultural community. I happen to know that the farmers of this country should not have to bear the burden alone in terms of trying to use food as an economic weapon. I do believe, however, that the administration should come up with an equitable method so that if we do have to cut off exports the farmers of the country are protected.

That has not been done, it will not be easy, but it can be done, and it must be done. I hope that the administration by reason of this dialog today will begin to think about ways that this can be accomplished.

Second, the farmers should not have to bear the whole burden. I represent an agricultural State, and I know what could happen to farm prices. But I also know, as the Senator from Arizona said, that the food that goes to the Soviet Union is enabling them to devote resources to the very military power that is challenging this country as we never before have been challenged. I also know that food is more important than computers, if we are talking about military assistance. I have to disagree with the Senator from Minnesota on that score, although I know he is an acknowledged expert in that area.

The Soviet Union cannot maintain the military machinery it has today unless we subsidize the rest of their economy, from which they are currently diverting substantial resources to build a military machine of unparalleled might.

So I join the Senator from Arizona, and I commend him for offering this amendment. I hope it will be a signal, not only to the Soviet Union, but also to the administration that some people in this country do not intend to sit by forever and go along with business as usual, negotiations as usual, détente as usual, while the Soviet Union is fomenting revolution throughout the world.

Mr. HUMPHREY. Mr. President, we are not subsidizing anybody. The Soviet Union has to pay the world price in cash. They must pay just as any other people do. They have a choice. Are they going to buy wheat or are they going to buy guns? I am not for selling them any guns. I am for selling them wheat, if it does not injure our security.

We already have a law that gives to the President of the United States the authority to restrict those exports, if the Secretary of Defense presents to the President a paper that shows that our security is in any way jeopardized by the export of goods or technology or military equipment. That law was well thought out.

This approach here today is taking a meat ax at a problem when we should be getting at it with a scalpel and doing it in a very sensible, delicate manner. I do not believe that this is the approach we should follow.

I say once again that if we were giving the Soviet Union grain, if we were permitting them to get it at bargain prices—then, no way. But we are making it available at world market prices. If they do not get it from us, it is entirely possible that they can get it from some other people, at least a certain portion of it. Nothing would be worse for the security of this country than a depression. If we start fooling around with agriculture, in view of the fact that country banks are going broke and in view of the trouble that some of the city banks are in, then the United States of America will have problems that will make our present difficulties with the Soviet Union look minimal.

Mr. JAVITS. Mr. President, will the Senator yield for a unanimous-consent request?

The PRESIDING OFFICER. The Senator has no time remaining.

Mr. GOLDWATER. I yield.

Mr. JAVITS. Mr. President, I ask unanimous consent that Peter Lakeland may have the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I make a point of order. I raise the issue of germaneness as to this amendment.

The PRESIDING OFFICER. Nothing in the bill deals with the sale of corn, wheat, or other grains. Therefore, the amendment is not germane.

Mr. HUMPHREY. The amendment is not germane?

The PRESIDING OFFICER. That is correct.

The bill is open to further amendment.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ALLEN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I yield to the Senator from Ohio.

Mr. GLENN. Mr. President, I call up my unprinted amendment, which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. GLENN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 118, after line 17, add the following new section:

"AUTHORIZATION FOR INTERNATIONAL ATOMIC ENERGY AGENCY

"SEC. 313. Section 201(a) of the Foreign Relations Authorization Act, Fiscal Year 1976 is amended by striking the "and" at the end of paragraph (2) thereof; inserting a new paragraph (3) to read as follows; and renumbering subsequent paragraphs accordingly:

"'(3) in addition to amounts otherwise available under this section, $1,000,000 to be available only for the International Atomic Energy Agency to be used for the purpose of strengthening safeguards and inspections relating to nuclear fissile facilities and materials', and'."

Mr. GLENN. Mr. President, we are in the age of expansion of nuclear power around the world. While nuclear technology carries with it present and potential benefits of great significance to our own country and to the international community, there are also tremendous risks associated with continued nuclear expansion. The greatest of these is that weapons-grade uranium and plutonium may be diverted by nations for weapons purposes or stolen by subnational terrorist groups with destructive ends in mind.

At present the only institution that stands between us and the destruction that could result from the proliferation of nuclear weapons potential is the International Atomic Energy Agency. Yet recent hearings before the Senate Government Operations Committee which I was privileged to chair established clearly that the IAEA is underfunded and lacks the equipment and personnel needed to make it an effective shield against tragedy. The amendment I am offering today would significantly strengthen that Agency's efforts by adding $1 million in fiscal year 1976 to the U.S. contribution to the Agency's safeguards budget.

The case for additional funding for the IAEA is in my view overwhelming. Essentially all the witnesses at the Government Operations Committee's hearings supported additional aid for the Agency. While the witnesses represented a broad spectrum of thought on various issues involving nuclear exports, they were in basic agreement on the desirability of increased funding. Although 322 facilities are presently under IAEA safeguards, there are only 64 inspectors provided by the Agency to protect against diversion and theft of weapons-grade materials. In spite of this only 20 percent of IAEA's present efforts are devoted to inspection and safeguards. These functions are budgeted at only $6.2 million, $1.6 million of which is provided by American contributions. The total budget on the other hand, which includes the promotional end of the Agency's activities, amounts to $30 million, $7.432 million of which is contributed by the United States. My amendment would increase the American contribution to $8.432 million. Since all of the increase would be earmarked for safeguards activities, the total safeguards budget would be raised from $6.2 million to $7.2 million.

The Arms Control and Disarmament Agency and its able Director Dr. Fred Ikle firmly support the additional funds which would be provided by this amendment. There have been indications, in fact, that the administration is contemplating a $5 million increase in U.S. contributions to be apportioned over a 5-year period. Dr. Ikle noted that in making contributions toward improving safeguards capabilities we are talking about relatively small amounts of money that can go a long way in helping the Agency in its most critical functions. With this objective in mind, the amendment would earmark the $1 million provided for expenditures on safeguards equipment, enhanced inspection force capability, and increased data acquisition and analysis.

Mr. President, if we adopt this amendment our action can help to demonstrate our concern regarding the dangers of nuclear proliferation and the present weakness of the IAEA in coping with them. Increasing our own contributions to the Agency unilaterally can set an example for other member nations to step up their own contributions. It is impossible to overestimate the difference such contributions might make to the world's future.

I am offering this proposal as an amendment to the pending military sales bill, rather than waiting for the more traditional vehicle of the State Department authorization bill, because I believe time is critical. The next State Department authorization bill to be considered by the Senate will address itself only to fiscal year 1977 and therefore will not provide funds until the end of this calendar year. If we are to begin this funding immediately—and thus save valuable months of time—the vehicle amended must be one that addresses itself to the current fiscal year. The current bill would do so, thus enabling the funds to be spent over the coming months in a manner which the Senate Budget Committee indicates will not exceed the second concurrent congressional budget resolution.

In view of the importance of the funds involved and the immediacy of the need for such funds, I urge my colleagues to adopt the amendment.

Mr. HUMPHREY. Mr. President, this amendment relates to the International Atomic Energy Agency. I have discussed it with the ranking Republican on the committee and with other Members of the committee. We have no objection to the amendment.

I must say to my friend that I am not sure it will last through any conference, but we hope to do our best.

Mr. GLENN. I appreciate the consideration in getting this amendment in. I think it is an important amendment. I appreciate the consideration of the Senator from Minnesota.

The PRESIDING OFFICER. Is all time yielded back?

Mr. HUMPHREY. I yield back my time.

The PRESIDING OFFICER. All time is yielded back.

The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HUMPHREY. I move to reconsider the vote by which that amendment was agreed to.

Mr. GLENN. I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT—ORDER OF PROCEDURE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be an hour limitation on the amendment to be offered by Senators HUMPHREY, CRANSTON, and BUCKLEY; that the time begin at the hour of 4 o'clock; that a vote occur on the amendment not later than 5 o'clock; that the pending business be laid aside at the hour of 4 o'clock and returned to after the vote on the Humphrey-Buckley-Cranston amendment; and that during that period from 4 to 5, the copyright revision bill be laid before the Senate.

The PRESIDING OFFICER. Is there objection?

The Chair hears no objection, and it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the time be divided between the distinguished Senator from Minnesota (Mr. HUMPHREY) and the distinguished Senator from Rhode Island (Mr. PASTORE).

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 2 P.M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 2 o'clock.

There being no objection, the Senate, at 1:20 p.m., recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. BROCK).

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BROCK). Without objection, it is so ordered.

INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT OF 1976

The Senate continued with the consideration of the bill (S. 2662) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

Mr. HUMPHREY. I yield to the Senator from Mississippi.

Mr. STENNIS. Mr. President, I have a few remarks to make on the pending matter. There is, in particular, one aspect of the bill that is of vital concern to the Committee on Armed Services in discharging its responsibility to see that the Armed Forces of the United States are fully equipped and ready to meet any contingency. That area is in the use of U.S. forces' inventory to satisfy foreign sales commitments made under the authority of the bill pending now in the Senate.

As I understand it, this bill tightens up on the use of these inventory stocks by requiring certain actions by the President when this stock is used.

However, it is my understanding also this bill does not prohibit sales of arms stocks from U.S. forces' inventory.

Mr. President, the Armed Services Committee more than any other committee is aware of the effect on the morale and readiness of U.S. forces when they see their equipment being transferred out of their units to go to foreign countries.

The transfer of tanks, for instance, out of U.S. forces' inventory, has caused a significant effect on the readiness of our own Army so that we are just now in the process of getting back to a respectable inventory level with the tanks presently coming off the production line. Now, that problem occurred earlier in fairly recent hostilities.

There have been other instances, noted by our committee, where certain weapons systems, including some of our most technically advanced weapons, have been sold to foreign countries before our own forces were fully equipped.

Now, Mr. President, this is a sensitive matter. Time is often of the essence. It is a part of the foreign policy of our country to have these military sales programs, and I would not want to put an absolute prohibition on them. However, I very gravely raise, in the strongest words that I know how, the care, caution, and great reluctance that ought to be exercised by our Government—and this includes the President of the United States, whoever he may be at any given time—looking to the readiness of our Armed Forces and their need for this equipment.

I raise this matter not in the form of an amendment but to express my own concern. I think I speak for virtually everyone on the committee as to the effect that the transfer of equipment from U.S. forces has had already on our readiness positions.

Our Armed Services Committee will be looking into this matter further during our hearings on the fiscal year 1977 budget request of the Department of Defense and at other times.

Mr. President, that concludes my remarks. I thank the Senator for yielding to me.

Mr. HUMPHREY. Mr. President, I want to express my thanks to the able Senator from Mississippi, the distinguished chairman of the Committee on Armed Services. I am sure he knows the matters to which he has referred are matters of deep concern to me and to other Members, and we are going to try to do the best we can to keep our system of military security in a state of readiness and in no way, in no manner, shape or form, to permit it to be depleted or to be weakened.

One of the purposes of certain provisions in the current and pending legislation or bill is just that; namely, to insure that our forces remain in a constant state of readiness. So I thank the Senator.

Mr. STENNIS. I thank the Senator for his attitude and his appreciation of this problem.

Mr. HUMPHREY. Mr. President, I believe the distinguished Senator from Georgia has some amendments he has developed that will be of great help to this legislation.

I want to yield to the Senator from Georgia.

Mr. NUNN. I thank my colleague from Minnesota.

First, I congratulate the Senator from Minnesota for a thorough, time-consuming, tedious, and yet extremely important job he has done on this legislation not just for the last few days but for the last few months. I know it has taken an awful lot of his time and, I believe, it will be a step overall in the right direction.

Mr. President, I have several amendments. The amendments mainly are technical in nature and will, I think, substantially improve S. 2662 and which, I believe, will help clarify the intent of this legislation as it relates to the day-to-day operations of the Department of Defense.

Three of these amendments relates to various defense manpower and personnel issues. The fourth amendment concerns stockpiles which the United States retains for its allies.

The first amendment sets forth a clarification which, I think, is fully the intent of the authors of this legislation. This amendment would serve to make it absolutely clear. It states as follows:

> Nothing in this Act is intended to authorize any additional military or civilian personnel for the Department of Defense for the purposes of this or any other Act. Personnel levels authorized in statutes authorizing appropriations for military and civilian personnel of the Department of Defense shall be controlling over all military and civilian personnel of the Department of Defense assigned to carry out functions under the Arms Export Control Act and the Foreign Assistance Act of 1961, as amended.

Mr. President, I send this amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> The Senator from Georgia (Mr. NUNN) proposes an amendment.

The amendment is as follows:

> On page 77, line 5, strike out "civilian contract". On page 77, between lines 5 and 6 insert:
>
> "(a) Nothing in this Act is intended to authorize any additional military or civilian personnel for the Department of Defense for the purposes of this or any other Act. Personnel levels authorized in statutes authorizing appropriations for military and civilian personnel of the Department of Defense shall be controlling over all military and civilian personnel of the Department of Defense assigned to carry out functions under the Arms Export Control Act and the Foreign Assistance Act. of 1961, as amended."
>
> On page 77, line 6, before "Section" insert "(b)".

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. NUNN. I am glad to yield.

Mr. HUMPHREY. Mr. President, my colleagues may recall that last week or just prior to the recess, I should say, we had a joint meeting of the members of the Armed Services Committee and the members of the Foreign Relations Committee, that is, those of us who were here and could get together.

I mention this because there was deep concern in the Armed Services Committee over certain provisions of this proposed legislation. I understand the sincerity of those concerns, and while we in the Foreign Relations Committee felt we had jurisdiction, it seemed to me that the sensible way to proceed was to consult with, to work with, the members of the Armed Services Committee that also have a deep interest and, in many ways, have at least a subsidiary or a peripheral jurisdiction, and we did get together with the Senator from Georgia as well as the Senator from Mississippi and others. As a result, our respective staffs got together and the amendment we have now is a product of that consideration.

Also, I might add, the Senator from Georgia is the chairman of the Manpower and Personnel Subcommittee. The amendment here relates directly to the jurisdiction of the Armed Services Subcommittee on Manpower and Personnel and, I think, it is a very useful amendment.

I do not believe our committee ought to get into the matter of DOD manpower authorizations, and we have no intention of doing so. This belongs within the jurisdiction of the Armed Services Committee, and that committee, I want to say, will continue oversight of military manpower matters. It is my judgment that we should not get into each other's hair, so to speak. We ought to preserve these respective jurisdictions with a spirit of consultation and coordination.

Mr. NUNN. I thank the Senator from Minnesota.

I might add I think it is very important that we coordinate the Subcommittee on Manpower and Personnel's interest in this area with the overall interest of the Foreign Relations Committee. We do authorize now both civilian and military personnel for the Department of Defense, including those who are engaged in foreign military sales and, I might say frankly, we have been trying to put some pressure on to reduce the number of personnel engaged in foreign military sales. That was within a narrow consideration.

This bill is going to help clarify that. The numbers have been going up rather dramatically. In fact, they have almost tripled in the last year the number of personnel engaged.

We are also very concerned that there be a total and complete reimbursement to the United States taxpayers of the cost of the personnel, not just the direct compensation but also the indirect costs, the training costs, the retirement costs. I believe the Senator's bill is a step in the right direction along that line.

Mr. HUMPHREY. This amendment will make it even more precise.

Mr. NUNN. That is right, and we will be glad to work with the committee on this, and I believe though that this amendment does make it clear that the overall authorization will be under the Armed Services Committee, and that there will not be a duplication nor will there be an addition to the number of personnel authorized in the military authorization bill.

Mr. HUMPHREY. The majority and the minority in the Foreign Relations

Committee are in support of this amendment. We are indebted to the Senator from Georgia. I think it is very helpful, and we want to encourage its passage.

Mr. NUNN. Mr. President, I yield back the remainder of my time.

Mr. HUMPHREY. I yield back the remainder of my time.

The PRESIDING OFFICER. (Mr. TOWER). All time has been yielded back. The question is on agreeing to the amendment of the Senator from Georgia.

The amendment was agreed to.

Mr. NUNN. Mr. President, I have another amendment that I send to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. NUNN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 49, line 16, strike out the quotation mark and the last period.

On page 49, between lines 16 and 17, insert the following:

"(d) As used in this section, 'military assistance advisory group, military mission, or other organization of United States military personnel performing similar military advisory functions under this Act' shall not be deemed to include regular units of the armed forces of the United States engaged in routine functions designed to bring about the standardization of military operations and procedures between the armed forces of the United States and its allies."

Mr. NUNN. Mr. President, my second amendment simply defines the various military missions for other organizations of military personnel performing advisory functions which are limited by S. 2662.

One of the provisions of S. 2662—which overall is a good provision—would limit the number of missions, groups, and similar organizations as well as the number of personnel assigned to such organizations as well as the number of people who are overall concerned in this area. However, the language in the bill which refers to "organizations of U.S. military personnel performing similar advisory functions" is broader than what I believe is the intent of the bill. It could be interpreted broader than I believe is the intent. In particular, I am concerned that the language could stop routine advisory and training functions now carried on by various Defense Department activities whose main purpose is not foreign military sales but the standardization of equipment, procedures, and tactics between the United States and its allies.

I believe the United States must and should improve the mutual capability of its military forces and the forces of its allies and potential allies. That means that the Defense Department must routinely be able to discuss and advise our allies and potential allies of ways that their forces and our forces can be made more complementary; otherwise, there would be no alternatives to the fragmentation and compatibility which exists today in NATO and with some of our other allies in the world. This amendment would simply limit the application of the restrictions contained in S. 2662 on military missions whose primary purpose is foreign military sales.

I believe this amendment is fully consistent with the intent of the Foreign Relations Committee since they do make reference in another part of the bill to the fact that they provide for certain exclusions relating to NATO standardization efforts.

So this is the purpose of this amendment that I believe is entirely consistent with the Foreign Relations Committee's intentions.

Mr. HUMPHREY. Mr. President, again, the Senator from Georgia has properly noted the functions to be performed by certain advisory personnel, and nations, of the U.S. military personnel; and as his amendment points out, the language in the bill, S. 2662, shall not restrict the regular units of the Armed Forces of the United States engaged in routine functions designed to bring about the standardization of military operations and procedures between the Armed Forces of the United States and its allies.

These functions are clearly within the jurisdiction of the Armed Services Committee.

I want the distinguished Senator from Georgia to know that I not only approve what he has suggested here and will, of course, support it, but hope that the Armed Services Committee will continue to give attention to the programs and policies designed to promote standardization of United States and allied armed forces.

The Senator from Georgia has worked very hard on this matter. I know he has worked with some of his other colleagues. The Senator from Iowa has talked to me about this, the Senator from Vermont, and others, but the Senator from Georgia has the prime responsibility.

I want him to know I not only support the amendment, but salute him in his effort here to accomplish this program of standardization which can greatly increase the effectiveness of the allied forces, and also, I might add, promote some economy in the procurement of necessary military weaponry for our own defense.

Mr. NUNN. The estimated waste may be as much as $12 billion a year, because of the lack of standardization and compatibility of weapon systems and tactics.

Mr. HUMPHREY. Mr. President, on behalf of the committee, I am authorized to say that we fully accept this amendment; not only accept it, we support it.

The PRESIDING OFFICER. Is all time yielded back?

Mr. HUMPHREY. I yield back the remainder of my time.

Mr. STENNIS. Will the Senator give me half a minute for a unanimous-consent request?

Mr. HUMPHREY. Certainly.

Mr. STENNIS. Mr. President, I ask unanimous consent that George Foster, a member of the Armed Services Committee staff, representing our committee, be granted privilege of the floor while this bill is under consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. I am prepared to yield back the remainder of my time.

Mr. NUNN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Georgia.

The amendment was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. NUNN. Mr. President, I have a third amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 51, strike out lines 14 through 18.

On page 51, line 21, after the period insert the following: "After June 30, 1976, no training under this section may be conducted outside the United States unless the President has reported and justified such training to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate.".

Mr. NUNN. Mr. President, this third amendment is very similar in its goal to the second amendment. In fact, it is almost identical. It simply shifts the emphasis from a chapter, as a technical matter, to a section. The section is more particularly directed to foreign military sales.

My third amendment relates to the prohibition and justification of training conducted outside of the United States unless reported to the House of Representatives and the Senate Committee on Foreign Relations. This amendment arises from my concern that current language in the bill could prevent an Army battalion commander in Europe from inviting the German commander of an adjacent unit of observing his training and equipment. I am sure after talking to the Senator from Minnesota and his staff that was not the intent of the Foreign Relations Committee when it restricted certain training activities overseas. This amendment would simply make it clear that the restriction on training in this bill applied only to the training authorized and funded in the military assistance bill and would not apply to other training of foreign personnel by U.S. military forces. We must retain the ability of our military forces to mutually exchange and observe training and operational activities with our allies and they with us. Otherwise, it would be impossible to weld the kind of effective multinational forces that the United States depends upon in its defense plans, particularly in NATO.

Mr. HUMPHREY. I fully concur in the analysis and statement made by the Senator from Georgia. I want him to know there was never any intention in the language of the bill as it was reported from the Senate Foreign Relations Committee to in any way restrict the kind of interchange that the Senator from Georgia has noted and this language of the Senator's amendment has clarified.

It is a technical matter, but I think it is helpful and will remove any ambiguity or new uncertainty.

I can say to the Senator that the Foreign Relations Committee is in full support.

Mr. NUNN. I thank my colleague from Minnesota.

Mr. HUMPHREY. I yield back the remainder of my time.

Mr. NUNN. I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. SCHWEIKER). All time has been yielded back. The question is on agreeing to the amendment of the Senator from Georgia.

The amendment was agreed to.

Mr. NUNN. Mr. President, I have a fourth amendment which I send to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 48, line 7, after the word "stockpiles" insert "in existence on the date of enactment of the International Security Assistance and Arms Export Control Act of 1975 and for stockpiles".

Mr. NUNN. Mr. President, my fourth and final amendment concerns the stockpiles we retain outside the United States in support of our allies. I believe the Senator from Minnesota has already addressed this issue in a colloquy and has perhaps clarified the intent.

Mr. HUMPHREY. I did so, but I still think it might be very well to have the amendment.

Mr. NUNN. I believe the amendment would make it absolutely clear. The Senator has already made it clear that he agrees completely with its intent.

Mr. HUMPHREY. That is correct.

Mr. NUNN. The language currently in the foreign relations bill prohibits stockpiles outside of U.S. military bases except for those in the countries of the NATO alliance. I am concerned that the language would require dismantling stockpiles we now have in support of our allies, such as Korea. Some of these allies, including Korea, do not retain sufficient stocks of ammunitions or spare parts that would be required with the outbreak of hostilities. Dismantling these stockpiles at the present time would be untimely and unwise since any potential enemy would then know that the Korean forces, for example, could not hold out for long because they would run out of ammunition. That certainly is not the intent of the Foreign Relations Committee and not the intent of this bill.

This amendment would make it clear by allowing any stockpile in existence at the time of the enactment of this bill to remain in existence. However, future stockpiles would have to be covered by the prohibition of S. 2662 and, therefore, would have to be located on U.S. military bases or bases used by the United States, unless, of course, the Foreign Relations Committee and the Congress changed their mind on that subject. I do believe this control is necessary, but I also believe that we do not want to disrupt our present stockpiles unless we give it a great deal of careful consideration.

Mr. HUMPHREY. The Senator is correct in his interpretation of what I believe the bill does provide but, as I have indicated, I think the clarifying amendment is going to be very helpful because it is specific and precise. We would allow under the bill S. 2662 the maintenance of existing stockpiles and the rotation of those stocks, which is very important. What we do not want are new stockpiles in foreign countries or an expansion of existing stockpiles without further specific authorization. Again I want to say we are not making judgments here that there ought to be specific authorization or new authorizations. We are simply saying we want to take a good look at what we have now; the munitions in the stockpiles should be kept fresh, that is, rotated; we are not going to disperse existing stockpiles. But in case there is a desire by the executive branch for new stockpiles they must come and ask for specific authorization.

Mr. NUNN. I completely agree with that purpose. I think Congress would use its influence to see that stockpiles are consolidated and made more efficient in terms of economy and also in terms of safety.

Mr. HUMPHREY. Both are vital. May I say, safety is of critical importance. I think there is some economy here that the Senator from Georgia and his colleagues can exercise as they keep an oversight operation on all of this military that we have spread throughout the world.

Again, I realize the importance of these military commitments and alliances. I think we must maintain them. I just want to be sure that we do not get ourselves into the position where the executive branch, without consultation with the Congress, feels that it can proceed and then we are caught up in a situation where we have no real say or control. I fully support the amendment and yield back the remainder of my time.

Mr. NUNN. I thank my colleague from Minnesota. I agree with his purpose of congressional control over these stockpiles, making sure that we know what we are doing, that we know what the administration is doing, and we carefully consider any kind of future expansion. I believe this amendment will help clarify that purpose.

I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, I want to take a moment to particularly thank the Senator from Georgia for a very helpful and constructive contribution to this legislation. Again, I remind my colleagues that when we do consult with each other, even though a committee may have jurisdiction over a bill, we have people in this body that have expertise, that know a great deal about these matters, and the sooner and more often we can consult the better piece of legislation we are going to get. I am indebted to the Senator from Georgia.

Mr. NUNN. I agree with the Senator from Minnesota. It is a two-way street. I believe the Senator from Minnesota can have a tremendous impact and improve many of the bills coming out of the Armed Services Committee and I certainly welcome him.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. On whose time?

Mr. HUMPHREY. I will put it on my time. Just keep me informed on how much time I have remaining.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. STONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STONE. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Florida (Mr. STONE), for himself and Messrs. JACKSON, HUMPHREY, JAVITS, SCHWEIKER, and CASE, proposes an amendment on page 63, between lines 20 and 21, insert the following new section.

Mr. STONE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 63, between lines 20 and 21, insert the following:

SEC. 112. Chapter 1 of Part III of the Foreign Assistance Act of 1961 as amended by adding at the end thereof the following new section:

SEC. 620A. Prohibition Against Furnishing Assistance to Countries Which Aids or Abets International Terrorists.—

(a) Except where the President finds national security to require otherwise the President shall terminate all assistance under this Act to any Government which aids or abets any individual or group that has committed an act of international terrorism, and may not thereafter furnish assistance to such government until the end of the one year period beginning on the date of such termination, except that if during its period of ineligibility for assistance such country aids or abets any other individual or group that has committed an act of international terrorism such country's period of ineligibility shall be extended for an additional year for each such individual or group.

(b) If the President finds the above circumstances exist which justify a continuation of assistance to any government described in subsection (a), he shall report such circumstances to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate. Assistance may not be furnished to such government if the Congress, within 30 calendar days of receiving such report, adopts a concurrent resolution stating in effect that it does not find that the above circumstances exist which justify assistance to such government.

Mr. STONE. Mr. President, this amendment calls for the termination of assistance under the act to countries which aid or abet international terrorists.

A week ago, more or less, the Associated Press reported the existence of a report by NATO member nations reciting the existence of an international terrorist network sponsored by governments.

That Associated Press report reads as follows:

TERRORISM

LONDON.—Secret reports to members of the North Atlantic Treaty Organization say an international terrorist network is operating globally with help from radical governments.

The reports, which attempt to detail how the network is organized and financed, were submitted by the intelligence and security agencies of individual NATO Governments, and the headquarters of the alliance pooled and collated them. Then they were summarized by one or the member governments and distributed to each of the other 14 NATO members.

A copy of the summary shown confidentially to the Associated Press claims the terrorist network counts on support from Iraq, Syria, Libya, South Yemen and Cuba, and has access to arms from eastern Europe.

Other sources, including cabinet ministers, ambassadors and police from 12 countries, agree there is evidence of significant links between terrorist groups in Europe, the Middle East, Asia and Latin America.

They are among the officials now studying the secret NATO reports which make these points about the terrorist network:

The network has no globally agreed name, in the Middle East it is known as the "Arm of the Arab Revolution," the group which claimed responsibility for the kidnaping of the oil ministers in Vienna, Austria, last December. The leader of that raid, Carlos Martinez, born Ilich Ramirez Sanchez in Venezuela 26 years ago, is a key operative in the terrorist international.

A major force in the network is the popular front for the liberation of Palestine (PFLP) headed by George Habash. The Middle East link in the chain has supplied funds, arms, training and escape routes.

Other activist members of the network include the West German group led by the jailed Andreas Baader and Ulrike Meinhof, the Japanese Red Army, and South American extremists with Cubans among them.

The European base for the network is Paris. Special missions from the terrorist international have met there with representatives of the Irish Republican Army (IRA), Turkish terror squads and far-left and Maoist groups from Scandinavia to Spain.

Mr. President, this amendment terminates assistance under the act to a government which has assisted such acts of international terrorism as are common knowledge today to be such things as the attacks on the athletes at the summer Olympics at Munich, the attacks on the embassy in the Sudan, the attacks on the oil ministers of OPEC meeting in Vienna, and many other such examples.

For us to finance governments which, in turn, finance, aid, abet, assist, train, equip, or provide sanctuary for such acts, or for such groups which commit such acts, would be for us to finance those acts indirectly ourselves. That would be a travesty.

I ask the leadership and the floor manager of this bill if they would be willing to accept this amendment.

Mr. HUMPHREY. Mr. President, there are always, of course, some difficulties in amendments such as this, and some of those have been called to our attention.

I do think, however, that it should be noted that a provision of the amendment provides that where the President finds our national security to require otherwise the President can make an exception.

Mr. STONE. That is correct.

Mr. HUMPHREY. Of course, it also provides that Congress shall have a role in this matter; if the President did not act, Congress by concurrent resolution could act.

Mr. STONE. That is correct.

Mr. HUMPHREY. I do feel that the problem of international terrorism is one of such monumental proportions that it can neither escape our attention, nor, hopefully, our desire to take some effective action insofar as one country can do it.

The Senator from Florida has noted that the NATO countries are deeply concerned about this matter and wish to cooperate in a program of action.

Therefore, we should accept this opportunity to proceed on the basis of the amendment.

The Department of State, of course, feels that the amendment could jeopardize our efforts to achieve a peaceful solution in the Middle East. I think that can be answered very quickly by simply pointing out that the President knows that the Middle East is of vital interest to the United States, and that it is a matter that can affect our national security; therefore, if he can make a case for an exception, that exception will stand.

But, in the meantime, I have to say that it is kind of ridiculous, on the one hand, for us to be pouring arms in to help Israel only to find out that one of the reasons we have to do it is because there are terroristic operations going on in border states which compel even larger outlays of military assistance to Israel.

This amendment, for example, would have, at least under present circumstances, no effect upon a country like Jordan because Jordan has taken efforts on its own to control international terrorism.

But international terrorism is not something that just happens in the Middle East. It has happened in the airport in Rome.

Mr. STONE. In Athens.

Mr. HUMPHREY. It has happened in Athens, in Greece. It has happened in many parts of the world. It happened in Austria only recently at the meeting of the OPEC countries, and there is reason to believe it can happen in the United States.

We had an instance of terrorism—I do not know whether it was international or not but terrorism— at the airport in New York City.

But the point that is being made in this amendment, as I understand it, is that with respect to countries that aid and abet these acts of international terrorism or persons who commit these acts, it is in the interest of the United States of America and of peace-loving nations and law-abiding nations not to provide additional assistance to such countries.

Mr. STONE. That is correct.

The Senator from Florida wishes to thank the Senator from New York (Mr. JAVITS) for the specific phase "aids and abets," which focuses clearly on the criminal nature of being an accessory to terrorism.

Mr. HUMPHREY. Mr. President, an amendment directed to this objective is a difficult one to draw. International terrorism has some problems of precise definition, but I do not think it is beyond our scope to do it.

Likewise, there is always the better approach of a multilateral approach to these acts of national terrorism, and our Government should pursue this in every conceivable forum in the world—in the United Nations, in the OECD, in our NATO parliamentary groups, in every conceivable context we have.

It does not suffice to have the State Department say that an amendment such as this would complicate matters because it is unilateral, if we are not doing enough in a multilateral fashion.

So, while I cannot say it is all that clear, I am in full support of its purpose, and that is why I join the Senator. I think the Senator knows—I have said this to him, so there will be no doubt about it—that this amendment would put this section of the bill in conference, because the House amendment, I think, is——

Mr. STONE. Is different.

Mr. HUMPHREY. It is different. I do not like to draw value judgments on amendments. I do not think it is as well drawn as this amendment. Theirs did not have the benefit of Senator JAVITS and Senator STONE.

We will take it to conference; and if we find anything that needs to be modified or improved, I hope the Senator will understand.

Mr. STONE. The Senator from Florida is grateful and leaves it in the hands of the floor manager of the bill.

Mr. JAVITS. Mr. President, I think the key to this amendment—and the reason why I would be willing to see us take it to conference—is twofold: One, the phrase "aids or abets" is a phrase of the well-established criminal law, has been construed very often, and therefore is not an uncertain phrase to be construed in the first instance for this particular amendment; second—and this is very important, it seems to me—as to the words "individual or group that has committed an act of international terrorism," it must be made crystal clear that the government that we are talking about is some third party government, because we are not dealing with governments. The only way we could deal with governments in this particular provision would be if we did it in some way through international treaty or other arrangements. Even in our country, we do not have the benefit of the genocide treaty, which would be a great blessing, if we could ever get it ratified.

So I believe that the architecture of this amendment goes to a critical point and can be very helpful, insofar as we can do anything in legislation of a domestic character for this purpose.

Finally, Mr. President, we will have to make some provision in conference, depending upon how this comes out in conference, as to how to handle the 30 calendar days. We do have boiler plate for that purpose in other parts of the bill, and we will attach this to it so that it fits in properly.

So, in total, the design of Senator Stone and his cosponsors, including myself, is necessarily limited, but it is very hopeful and properly articulated; and I hope very much that we can take it to conference.

Mr. STONE. I thank the distinguished Senator.

Mr. ABOUREZK. Mr. President, I wonder whether the Senator from Florida has a copy of the amendment, so that I might be able to look at it.

I wonder if I might ask the Senator from Florida a couple of questions to try to clarify what the amendment means.

Is the basic thrust of this amendment to terminate financial assistance from the U.S. Government for any country that harbors terrorists?

Mr. STONE. International terrorists, yes.

Mr. ABOUREZK. What does that mean?

Mr. STONE. It means an offense that takes place in country A and the offenders flee to country B, C, or D and are not rendered back to the country where the offense was committed.

Mr. ABOUREZK. Would that include, for example, the Irish Republican Army terrorists who might strike out of one part of Ireland into another? Does that include them?

Mr. STONE. If it were another country, it would.

For example, if offenders started in the Republic of Erin and went to England and continued an offense and then fled back to the Republic of Erin, it would apply.

Mr. ABOUREZK. Assistance to Ireland would be cut off then?

Mr. STONE. If the Republic of Erin refused to render those who were indicted and extradition were sought, yes—if the American Government made such a finding, that that took place, and if they were receiving our aid.

Mr. ABOUREZK. Who would make a finding?

Mr. STONE. The President.

Mr. ABOUREZK. The State Department, most likely.

I should like to ask another question, by way of clarification. If, for example, somebody from the Japanese Red Army came out of Japan and committed some act of terror in Munich, for example, and then went back to Japan, what would happen in that case?

Mr. STONE. If Japan refused to render them to the country that had requested their extradition—if that country did refuse such extradition—then aid from this country would cease. But, of course, that does not take place. That did not take place. So let us not leave a hypothetical situation in midair. That did not take place.

Mr. ABOUREZK. Let us take it as a hypothetical situation. What would happen if Japan, for example, were unable either to find them or unable to overpower the particular terrorists?

Mr. STONE. No problem. The American President would not make a judgment that the country of Japan was harboring terrorists or providing sanctuary knowingly, willfully.

Mr. ABOUREZK. Let us take the case that the Senator probably has in mind—the case of Lebanon. What would happen, for example, if a Palestinian went across the border into Israel, from Lebanon, and committed what the Senator would define as an act of terror—I assume it is a criminal act—of killing somebody or grabbing somebody as a hostage, then went back to Lebanon, and the Lebanese Government was incapable, because of military weakness, to deliver that particular terrorist?

Mr. STONE. The American Government would have to make a finding of a conscious and knowing and willful refusal to render the terrorists; and if the government were unable, although willing, I do not believe that we would be cutting off aid to such a government.

Mr. ABOUREZK. Let us refine that a little more, because I think it is very important.

What if the Lebanese Government, for example, wanted to but did not feel that it had the military strength to do so? As the Senator knows, they do not.

Mr. STONE. That would be up to the American Government to analyze, to see whether that was an actual situation or simply an alibi.

Mr. ABOUREZK. Let me take up another example, and this is not a hypothetical situation.

I know that the Senator probably did not have this in mind, but it is something that I have in mind and have had for quite some time. When the Senator defines an act of terrorism, exactly what would he call an act of international terrorism? What is that?

Mr. STONE. I can give the Senator examples in which the American Government can utilize its experience and commonsense and knowledge of what is international terrorism. An example of it would be the seizure of the OPEC oil ministers and their kidnaping from Vienna to other countries, followed by the harboring of the offenders in that case by third party governments. That is an example.

Mr. ABOUREZK. I understand that that is an example, but can the Senator give me—as he knows, in criminal law, one has to be pretty precise and specific when defining what a crime is. Can the Senator give me a specific definition of what he calls terrorism?

Mr. STONE. The specific definition is left to the American Government, based on the evolving and emerging pattern of criminal activities. Basically, it would be the kind of criminal conduct that results in damage or injury or death, committed for political purposes.

Mr. ABOUREZK. Then it sounds to me like that pretty well covers the case of the Israeli Air Force, for example, bombing a Lebanese village in southern Lebanon. That is precise.

Mr. STONE. The managers of the bill clearly show that what we are talking about is not a direct official representation by one country's armed forces in another country, but individuals or groups which commit these acts and are then aided, abetted, harbored, trained, equipped, or provided sanctuary by a government.

Mr. ABOUREZK. The Senator is saying that the sponsors of this amendment would preclude Israel and exempt them from any terrorist action they may commit. Is that so?

Mr. STONE. Not at all. Anybody who performs the acts described in this amendment would lose their aid, regardless of who it is. I think I have clarified that we are not talking about the armed forces of a nation in this situation; we are talking about the acts of terrorism.

Mr. ABOUREZK. Why would an act of terrorism be different with respect to the armed forces of a nation or with respect to the armed forces of a non-nation? What is the difference?

Mr. STONE. The difference is the third-party nature of the situation.

Mr. ABOUREZK. What is that?

Mr. STONE. We are talking, in this amendment, about individuals or groups who commit acts of terrorism in other countries than their own or in other countries than where they are to be found, who are then assisted or harbored or provided sanctuary by the government. We are not referring to official aggression or official use of regular armed forces of governments directly.

Mr. ABOUREZK. Why is the Senator exempting the official armed forces?

Mr. STONE. If the Senator wishes to cover the armed forces of a government, he may do so by another amendment. This amendment does not do that.

Mr. ABOUREZK. I shall do just that. What I am trying to clarify is the definition of terrorism.

Is the thrust of the Senator's amendment the people who commit it or the people against whom it is committed? What is he trying to protect, or whom is he trying to penalize?

Mr. JAVITS. Will the Senator yield to me for a moment?

Mr. ABOUREZK. If I can get Senator STONE to answer that question, then I shall be happy to.

Mr. STONE. If the Senator from New York wishes to assist in the answer, the Senator from Florida will yield.

Mr. JAVITS. I do not wish to interfere. I shall wait.

Mr. STONE. The question was, does the thrust of this amendment relate to those committing the offense or those against whom the offense was committed? This amendment is directed at governments which aid, assist, or abet or provide sanctuary to those who commit the acts referred to.

Mr. ABOUREZK. Well, if the Israeli Air Force, for example, flies across the Israeli border over Lebanon, and drops cluster bombs, for example, on a village in Lebanon, or on a Palestinian refugee camp, is that not an act of terror?

Mr. STONE. The Senator has his own amendment which seeks to describe that kind of conduct.

Mr. ABOUREZK. That is right.

Mr. STONE. This amendment describes and proscribes the assistance to governments which aid or assist or provide sanctuary to individuals or groups who commit acts of terrorism.

Mr. ABOUREZK. The Senator has said that. If he does not want to answer the question, he should say so and we shall go on to Senator JAVITS. What I am trying to clarify is why the Senator would exempt Israel from being punished for acts of terrorism when he wants to include somebody else.

Mr. STONE. The Senator from Florida has not exempted any country which commits the acts described in the amendment, regardless of which country it is.

Mr. ABOUREZK. Am I to understand that Israel is included in this amendment?

Mr. STONE. No specific country is included by name. The countries that would be included are those which commit the acts and no country is included by name. The countries excluded are those that do not commit the acts.

Mr. ABOUREZK. Israel is not excluded if they fly over Lebanon and drop bombs on a civilian village, is that correct, under the Senator's amendment?

Mr. STONE. This amendment is not directed at, nor does it include by definition, acts by the armed forces themselves with regard to another nation or another area or another territory. I understand that the distinguished Senator has an amendment which he wishes to bring up, which would at least attempt to look into that situation. I shall stay on the floor and be glad to participate in that debate at that time.

This amendment is directed toward international terrorism.

Mr. ABOUREZK. That is what I am talking about.

Mr. STONE. The Senator from Florida differs, but we shall discuss that when the Senator brings up his amendment which describes conduct by the armed forces of a government.

This amendment does not describe armed forces action of a government. It describes acts which we want to prevent in order to stop things like airplane hijacking, in order to stop things like individuals or groups murdering athletes, in order to stop things like bombing in airports of innocent civilian travelers. That is the kind of conduct that this Senator does not wish to finance by financing governments that provide assistance to such conduct. If the Senator from South Dakota wishes to try to cut off aid based on the conduct of armed forces—and I understand that he does—then another amendment would be appropriate, and whether that amendment is artfully drawn or forms good and worthy policy is a matter for debate at that time.

Mr. ABOUREZK. I yield to the Senator from New York.

Mr. STONE. I thank the Senator.

Mr. JAVITS. I think that the Senators finally straightened it out in the last few sentences. I was disturbed at the trend of the debate, because it omitted any attention to the words of "aid or abet." "Aid or abet," to a criminal, whether he is a local criminal or an international criminal, is a very well-known term. It requires some intent, it requires some concealment or coverup. In other words, it does not matter whether they give him up or not. That is only a question of whether they are aiding or abetting him after the commission of his crime. The crime is what is the essential point. The crime is the crime of an individual or a group. That is what I thought about when Senator STONE proposed his amendment.

He is quite right about the fact that that reserves the issues of when, as perhaps my colleague would say when he offers an amendment, when a government commits a crime. The words "aid or abet" would not be in order there, because a government is, sui generis, a sovereign personality, and we have a different problem of law involved.

As I told the Senator when he came to me with the idea of doing this and sought my assistance in drafting it, we can only reach an individual or a group with this kind of amendment. Whether the Senate adopts it or not is a matter of judgment, but it seeks only to reach an individual or group guilty of a well-defined and well-understood crime—the crime of aiding and abetting.

When a government does that for individuals who are guilty of murder or whatever they are guilty of, wherever they perform this act, then the penalty is that the President can, if he does not feel national security decides otherwise, and shall shut off aid.

That is the scheme of this particular amendment. It is limited. We said, a little while ago, if we want to reach governments, we have to do it by some form of international action, because governments are beyond the purview of an amendment of this kind.

Mr. ABOUREZK. If I may respond to my friend from New York, those are wonderful words, and beautiful legal terms, except that we are not dealing, really, with a matter of law, because his definitions are extremely vague. He is doing something that is never done or is ruled unconstitutional in the law. That is, he is leaving a criminal charge as something that is much too vague for anybody to determine whether or not they themselves are guilty of it.

Mr. JAVITS. Mr. President, if the Senator will yield at that point——

Mr. ABOUREZK. I want to continue and then I will yield to the Senator in just a moment.

My colleague from Florida (Mr. STONE) said that the objective of the amendment is to try to prevent airport kidnapings, athlete killings, et cetera, et cetera, et cetera. I think those are very laudable goals because if we are to believe in anything it is in the sanctity of human life, and nobody should be killed unnecessarily, that nobody should be killed really for any reason that we can think of, and it is laudable to try to prevent that.

But what is not laudable about this amendment and about the statements by both my friend from New York and my friend from Florida is that you are singling out one country for total exemption. You are talking about the Middle East, and that country is Israel, and you are ignoring and neglecting the problem which is causing the terrorism on the other side.

What you are doing is, you have done—not you necessarily but what this Government has done—for a number of years is, to take a people, the Palestinian people, to assist in ejecting them from their own homeland, and then when the international bodies, including the United States, refused to do anything about their position and their condition, they were forced into terrorism which you now say you want to stop.

Well, there is an easier way to stop that and that is to deal directly with the Palestinian problem, not to stand here and make points with the Israeli lobby by offering the so-called antiterrorist amendments.

If you were sincere in wanting to stop terrorism you would not only encourage the direct dealing with the Palestinians but you would put a stop to Israel's dropping bombs in southern Lebanon on the civilian population and, especially, with American cluster bombs and with American airplanes and American financing. That is the way to stop terrorism, to do it everywhere and not just in one part of the world.

It would seem to me this is a very, very cynical amendment, one designed to continue the terrorism and not to put a stop to it for a fact.

Mr. HUMPHREY. Mr. President, let us vote. I yield back my time.

Mr. STONE. I yield back my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to Mr. STONE's amendment.

The amendment was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—S. 22

Mr. MANSFIELD. Mr. President, under the unanimous-consent agreement previously agreed to by the Senate, I ask unanimous consent that the time be equally divided between the manager of the bill or his designee and the distinguished Senator from California (Mr. CRANSTON) or his designee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BEALL). Without objection, it is so ordered.

COPYRIGHT LAW REVISION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 22, which will be stated by title.

The legislative clerk read as follows:

A bill (S. 22) for the general revision of the Copyright Law, title 17, of the United States Code, and for other purposes.

The Senate proceeded to consider the bill.

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PASTORE. Is the pending business the so-called Humphrey-Cranston amendment?

The PRESIDING OFFICER. The amendment has not been called up as yet.

Mr. PASTORE. Do we have a unanimous-consent agreement allowing 1 hour beginning at 4 o'clock on this particular amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, I ask unanimous consent that the time for the quorum call be equally divided.

The PRESIDING OFFICER. Is there objection? Without objection, the time for the quorum call will be equally divided.

Mr. PASTORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PASTORE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PASTORE. How much time do we have left?

The PRESIDING OFFICER. Until the amendment is offered, the time is not under control; but under the previous order, the amendment must be voted on not later than 5 o'clock.

Mr. PASTORE. I thank the Chair. I would hope that the Senator from California would pursue his amendment. We have to have a vote at 5 o'clock.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON. I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment will be set aside and the clerk will state the amendment of the Senator from California.

The legislative clerk read as follows:

On page 105, line 14, insert the following: Insert a new subsection (f):

(f) Any public broadcasting entity intending to apply the public broadcasting compulsory license hereunder to a published nondramatic literary work shall serve notice of such intention on the copyright owner in advance. Failure by the public broadcasting entity to serve such notice of intention, or the service of a notice of objection by the copyright owner not later than fourteen days after service of such notice of intention by the public broadcasting entity shall preclude application of the public broadcasting compulsory license for such purpose. The Register of Copyrights shall prescribe by regulation the form, content and manner of service of such notices by the public broadcasting entity and copyright owner.

Renumber present subsection "(f)" as "(g)."

The PRESIDING OFFICER. Who yields time?

Mr. CRANSTON. Mr. President, an amendment was originally submitted by the Senator from Minnesota (Mr. HUMPHREY), the Senator from New York (Mr. BUCKLEY), and myself dealing with compensation to authors in connection with the use of their material on public broadcasting. That proposal brought considerable opposition from both television and radio public broadcasters, who felt that very heavy burdens would be placed upon them in complying with the provisions of that amendment as a means of compensating authors. There is no dispute over the need to compensate the authors of material. There is a difference of opinion over how to go about doing so.

I am now offering a different amendment, which is a compromise effort to deal with this problem.

This amendment, I wish to emphasize, does not impose copyright fees on public broadcasting. Those fees are required under section 118 of the bill as it now stands.

The issue is the right of control over the use of the copyrighted matter. The Public Broadcasting Service concedes the correctness of paying royalties for the use of copyrighted matter. Public broadcasters do raise two major objections. The first is the administrative cost involved in negotiating individually with thousands of copyright holders. The second is the difficulty in obtaining permission to use the work within a reasonable time.

With the cooperation of many of the parties involved, a compromise amendment has been developed—the one which I have offered—which protects the creator's right to control the use of his or her property, and at the same time insures public broadcasting that programing will not be unnecessarily delayed.

The compromise preserves for holders of copyrights on nondramatic literary works the right to control use of their work by public broadcasting—under reasonable conditions.

The compromise assures public broadcasting that their programing ability will not be unreasonably delayed by costly and time-consuming efforts to obtain permission to use nondramatic literary works.

The compromise leaves photographs, graphics, sculpture, and music in section 118 as it is presently constituted.

Three, the compromise gives to writers and publishers of nondramatic literary works, the copyright holders, a veto over use by public broadcasting within 14 days of receipt of notice of intention of use by public broadcasting. This provision is added to the present section 118, which in every other respect is left intact.

In closing, I state that I am a very strong supporter of public broadcasting. I have done all that I have been able to do to see that they are well funded. I think their work is very important.

However, I must bow to the Senator from Rhode Island. He has been the leader in this. His accomplishments have been very, very great in terms of bringing or helping to bring public broadcasting to its present stage of development.

I have discussed this amendment with him. I understand his feelings. It was in part because of his feelings that I have offered the compromise that I have offered. I regret that he does not feel that it compromises enough.

It is difficult to be on a different side from him on this particular matter, because of his great accomplishments and his great knowledge of this field.

Mr. PASTORE. Mr. President, first of all, I congratulate the committee that reported this bill for recognizing in a very fair and reasonable way the plight of public broadcasting.

I do not have to recite here the agonizing experience that we have had over the years in getting the proper funding for public broadcasting.

As a matter of fact, there have been roadblocks after roadblocks put in the way, and it has not been easy to come out in the Chamber, to go into conference with the Members of the House, or to speak with some people within the administration to make them understand the problem. I mean that unless we do something to finance public broadcasting out of the Federal Treasury we cannot induce people to make contributions.

Public broadcasting depends entirely upon the taxpayers' money and money that is donated. They cannot put on commercial programs. They are forbidden to put on commercial programs; therefore, in most instances they rely upon the taxpayers' money.

Under the copyright law, Mr. President, public broadcasting, because it is nonprofit, is specifically excluded from copyright. So what we are doing here is we are adding a burden to public broadcasting and not giving an advantage. We have to bear that in mind. Up to now whether it was a public broadcasting radio station or television station, they were not bound by the copyright law. Why? Because when Congress enacted that law we said to artists, you: "We will give you this right, but you must recognize the fact that you cannot charge the people who do it for free for the enlightenment of our society."

That is how this all came about.

Now we are talking about this compromise, Mr. President.

It does not mean that much to me personally except the fact that I have been fighting for public broadcasting since 1967. I managed the bill in the Chamber. Every time we asked for an authorization beyond 1 year, they said, "We cannot do that." Every time we asked them for a few more dollars, they said, "We cannot afford that."

Here we are. We have these small radio stations panhandling for little donations to keep alive.

Now what are they? Many are merely 10-watt stations. The committee recognizes this.

What did the committee do? The committee said:

> All right. Up to now you have not been charged so you will have to contribute a little bit to these people that own the copyright.

Under section 118, what do they do? They have a tribunal. The station registers for the license. Then the tribunal decides what a fair amount should be and that amount is paid to the copyright owner.

I assume that the amount would be predicated upon the fiscal ability of that particular broadcaster, to pay for it. Otherwise, they are going to close down.

There is channel 36 in my State that is impoverished.

Of course, if you get on the radio and begin to read for the benefit of the elderly, a poem that is copyrighted because after all you cannot get the commercial broadcasters to go for that sort of elite programing, what happens?

Under this amendment they have to go and get permission, and after 14 days the copyright owner can say: "No soap; unless you pay me $100, unless you pay me $50, unless you pay me 10 cents, you cannot read it."

The little station owner said: "But I could do it up to yesterday. What did the Senate of the United States do to me? Up to yesterday I did not have to pay."

Now the Senate passes this amendment and says: "Yes, beginning today, beginning today, you have to pay, you have to pay how?" Not the way the committee, the people's representative, decided. "No. You've got to do it my way."

You know last year they had copyright in there for the performers, too. Now I am not saying that you are feathering anyone's nest. But certainly we are giving them something. Here we are. We are making them possible now to charge CATV. We are making it possible for them to make some more money. I understand under this particular bill an author has a perfect right to have that copyright ownership for his whole life and then 50 years beyond; just imagine. Just imagine.

I write a poem. I get it copyrighted when I am 20 years old. I live to be 90. So I get 70 years there. Then on top of the 70 years they give me another 50 years. Why, the descendant does not even know who the ancestor was by that time.

Still they are entitled to collect. They are entitled to collect. And that is what we are doing today.

I am saying let us be fair. The public broadcasters know they are spending the taxpayers' money. Naturally, there is an element of generosity. They are going to come and knock on our door and say: "Look, we are paying this royalty now. You better come up with more cash."

So there you are.

They knew that they had hit a stone wall when they got into music because that would have blocked out Arthur Fiedler. There would have been a war in Massachusetts if they had done that so they deliberately left this out. Then they came in here and they put the whole caboodle in. They were figuring maybe we would try that for size. When they hit a stone wall they came in with this other compromise which was a compromise over a compromise because section 118 is a compromise itself.

It is a compromise because up to now public broadcasters paid nothing. Now they have to pay something, but they are having an impartial body make that decision. What is wrong with it?

Have we lost our confidence in humankind to be fair? That is what this is all about.

Now for the edification of all concerned, I simply wish to read the exception under the copyright law. When I have done that I think I have said enough, Mr. President.

The one thing I would not like to see is the demise of public broadcasting. We enacted that law in 1967 with great hope and great expectations and along the road it began to falter. Why? Because it was not being properly, sufficiently, and adequately funded.

Now you come here today and you say, "Well, we've got to give the first right of refusal to the copyright owner." He never had it in public broadcasting up to now but we are going to give it to him today.

This is what the law reads, "To perform the copyrighted work publicly for profit"—for profit—"if it be a musical composition and for purpose of public performance for profit"—for profit—"and for the purposes set forth in subsection"—it goes on and on and on but the whole copyright law is based on profit, and public broadcasting is not for profit. The funds come from taxpayers' money contributions.

At the conclusion of the debate, I am going to move to table this amendment.

This is what I suggested as an alternative, and the Senator from California could not buy it. I suggested adding this:

> Public broadcasting entities and copyright owners shall negotiate in good faith and cooperate fully with the copyright royalty tribunal in establishing reasonable royalty fees in an expeditious manner.

They cannot buy it.

Let me conclude by saying, God save public broadcasting.

Mr. BUCKLEY. Mr. President, I am always moved by the eloquence of the Senator from Rhode Island, but I really cannot believe that public broadcasting will live or die depending on the automatic right of public broadcasters to nondramatic literary works.

The PRESIDING OFFICER. Will the Senator from New York suspend?

Who yields time to the Senator?

Mr. CRANSTON. Mr. President, I yield whatever time the Senator desires.

Mr. BUCKLEY. I believe that when we are moving into the area of material that is not intended for performance necessarily, there are interests and rights of authors that should be protected. Therefore, I believe that the amendment offered by the Senator from California is a reasonable protection that is not inimical to public broadcasting and will not cause its decrease. I do have one question only that I have to address to the Senator from California.

His amendment provides that if an author or the owner of the copyright does not object within 14 days of service of notice, then automatically the broadcast station has a right to utilize the material. I am concerned that the 14 days may be somewhat brief. We are not talking about actual notice but constructive notice. It seems to me that authors who do write nondramatic literary works sometimes find themselves off in the jungle somewhere.

I wonder whether the Senator from California would be willing to accept a modification that would change "14 days" to read "21 days."

Mr. CRANSTON. Mr. President, I ask unanimous consent to so modify my amendment.

The PRESIDING OFFICER. Is there objection? Without objection, the amendment is so modified.

Mr. BUCKLEY. Mr. President, I am delighted, and I am prepared to support the amendment as modified.

The PRESIDING OFFICER. Who yields time?

Mr. PASTORE. Mr. President, I think the Senator from Tennessee wanted some time. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PASTORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BUCKLEY). Without objection, it is so ordered.

Mr. PASTORE. Mr. President, I understand that the Senator from Tennessee does not desire to speak at this time.

I wonder whether the Senator from California has anything further to say.

Mr. CRANSTON. Mr. President, I am

prepared to yield back the remainder of the time, but I wish to make a brief statement.

When Congress establishes a set of legal rights, it has created a property interest, and the fifth amendment then applies, and I now plead the fifth. It states:

> nor shall private property be taken for public use, without just compensation.

That is the basis upon which we feel that this amendment is in order, appropriate, and just.

Mr. President, I am prepared to yield back the remainder of my time.

Mr. PASTORE. Mr. President, to answer that, within the scope of the Constitution, the Congress giveth and the Congress taketh away. Copyright rights were given not under the Constitution. They were given under statutory law, and the very statutory law that gave the right of copyright is the very law that said it was based on profit. Public broadcasting is not for profit. Therefore, the very instrumentality that created the right limits the right.

As to this idea of the fifth amendment, I have heard the fifth amendment used many, many times, but not in this fashion, I am sorry to say.

Mr. CRANSTON. Mr. President, I am prepared to yield back all time.

Mr. PASTORE. I yield back the remainder of my time, and I move to table the amendment.

The PRESIDING OFFICER. The question is on the motion to table. All those in favor signify by saying "aye."

Mr. PASTORE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table Mr. CRANSTON's amendment, as modified.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. TAFT (when his name was called). Present.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Idaho (Mr. CHURCH), the Senator from Alaska (Mr. GRAVEL), the Senator from Michigan (Mr. HART), the Senator from Colorado (Mr. HART), the Senator from Washington (Mr. JACKSON), and the Senator from Minnesota (Mr. HUMPHREY) are necessarily absent.

I further announce that the Senator from Colorado (Mr. HASKELL), the Senator from Wisconsin (Mr. NELSON), and the Senator from Illinois (Mr. STEVENSON) are absent on official business.

I also announce that the Senator from Iowa (Mr. CULVER) is absent because of illness.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON) would vote "yea."

I further announce that, if present and voting, the Senator from Minnesota (Mr. HUMPHREY) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Nebraska (Mr. CURTIS), the Senator from Hawaii (Mr. FONG), the Senator from Utah (Mr. GARN), the Senator from Nevada (Mr. LAXALT), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

The result was announced—yeas 61, nays 22, as follows:

[Rollcall Vote No. 30 Leg.]

YEAS—61

Abourezk
Allen
Baker
Beall
Bellmon
Bumpers
Burdick
Byrd, Robert C.
Cannon
Chiles
Clark
Dole
Domenici
Eagleton
Eastland
Ford
Glenn
Hansen
Hartke
Hatfield
Hathaway
Helms
Hollings
Hruska
Huddleston
Inouye
Javits
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McClure
McGee
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nunn
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Ribicoff
Roth
Schweiker
Scott, William L.
Sparkman
Stafford
Stennis
Stevens
Symington
Thurmond

NAYS—22

Bartlett
Bentsen
Biden
Brock
Brooke
Buckley
Byrd, Harry F., Jr.
Case
Cranston
Durkin
Fannin
Goldwater
Griffin
McClellan
Proxmire
Scott, Hugh
Stone
Talmadge
Tower
Tunney
Weicker
Williams

ANSWERED "PRESENT"—1

Taft

NOT VOTING—16

Bayh
Church
Culver
Curtis
Fong
Garn
Gravel
Hart, Gary
Hart, Philip A.
Haskell
Humphrey
Jackson
Laxalt
Nelson
Stevenson
Young

So the motion to lay on the table Mr. CRANSTON's amendment, as modified, was agreed to.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PASTORE. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER (Mr. STONE). The Senate will now resume consideration—the clerk will state the amendment.

The legislative clerk read as follows:

> The Senator from Rhode Island (Mr. PASTORE) proposes an amendment.

Mr. PASTORE. May we have order, please?

The PRESIDING OFFICER. Will Senators kindly clear the well.

The Chair would advise the Senator that under the previous order the Senate is supposed to resume consideration of the unfinished business, and it would take a unanimous consent request.

Mr. PASTORE. Mr. President, I ask unanimous consent that we may proceed for 5 minutes under the copyright bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clerk will report the amendment.

The legislative clerk read as follows:

> The Senator from Rhode Island (Mr. PASTORE) for himself, Mr. CRANSTON, and Mr. TUNNEY proposes the following:
>
> On page 104, line 17, insert the following:
>
> "Public broadcasting entities and copyright owners shall negotiate in good faith and cooperate fully with the Copyright Royalty Tribunal in establishing reasonable royalty fees in an expeditious manner."

Mr. PASTORE. Mr. President, it means exactly what it says, and I hope that the committee manager of the bill will accept it.

Mr. McCLELLAN. Mr. President, I see no harm in this amendment whatsoever. I guess it expresses the hope of everyone.

Mr. PASTORE. That is correct.

Mr. McCLELLAN. To expedite it, I am perfectly willing to take it to conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Rhode Island.

The amendment was agreed to.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. TUNNEY. Mr. President, I ask unanimous consent that Mr. Robert Malson of my staff be granted privilege of the floor during the consideration of the copyright bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, for the information of the Senate, there will be no further action on the copyright bill tonight. As of now, we are back with the unfinished business, which is pending once again.

Mr. McCLELLAN. Will the Senator advise us when we will be back on the copyright bill?

Mr. MANSFIELD. Either, very doubtfully, tomorrow afternoon, or, more likely, Thursday morning.

INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT OF 1976

The PRESIDING OFFICER. The clerk will state the unfinished business.

The assistant legislative clerk read as follows:

> A bill (S. 2662) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

The Senate resumed the consideration of the bill.

Mr. THURMOND. Mr. President, I rise to bring to the Senate various concerns relative to S. 2662, the pending bill which provides for the fiscal year 1976 military assistance program and which was amended in committee by the Arms Export Control Act. As stated in the committee report:

> This bill, when enacted, will constitute the most significant piece of legislation in the field of foreign military asssitance policy since the enactment of the Mutual Security Act more than a quarter of a century ago.

The far-reaching impact of this legislation is directly related to the provisions added by the Foreign Relations Committee which deal with arms export controls.

While there are aspects of this legislation which are not only desirable, but also badly needed, it contains other features the consequence of which may not be fully understood.

FAR-REACHING BILL

Each year in the past we have considered and approved a foreign military assistance bill. This year, however, we are also considering arms export control legislation which is far-reaching and upon which there was limited testimony during the committee hearings. An examination of the hearings indicates there were only two witnesses from the Department of Defense, neither of whom were questioned to any degree about the arms export control aspects of this legislation.

Furthermore, the provisions of this bill will have great impact upon American industry and American labor. Once again it is noted from the hearings an absence of testimony from either business or labor leaders as to the impact of the extensive arms export control provisions of this legislation.

STUDY NEEDED

Mr. President, there are a number of sections in this legislation which deserve close attention by the Senate. First of all, it is unfortunate that an arms export control measure of this breadth was not the subject of possibly a formal study under the guidance or direction of the Congress. If such a study had been conducted it is my view this legislation would enjoy wider support.

The question of arms sales is one which deserves attention by the Congress. There are many reasons this is true. To list a few I would mention the following:

First. Arms sales are useful in enabling our allies to provide for their own defense.

Second. Arms sales, as an instrument of foreign policy, provide our Nation with influence in the recipient governments.

Third. Arms sales are an instrument to preserve a balance of power in various regions of the world.

Fourth. Arms sales in recent years have served as a key element in correcting any balance-of-payment deficits resulting from the huge outflow of cash for oil.

Fifth. Arms sales are a means to achieve standardization in weapons systems among our allies.

Sixth. Arms sales provide jobs for American labor.

Seventh. Arms sales by U.S. firms generate tax revenues for our Government.

Eighth. Arms sales to foreign buyers provide for increased unit production and thus lower costs for our own armed services.

Of course, Mr. President, arms sales sometimes bring about undesirable results, but I will leave those arguments to the committee report and hearings, as they have been dealt with during the construction of this legislation.

Mr. President, for the sake of brevity and in the interest of time, it would be my purpose to comment on just three points.

BLOW TO INDUSTRY

First, it is my view that certain sections of the Senate bill will be unnecessarily harmful to our defense industry and our citizens employed in that industry.

As an example, it is my view the legislation requires too much public disclosure of bids and proposals concerning arms sales approved by our Government. The result will place our defense industry at a disadvantage in the highly competitive defense market. The disclosure provisions of the bill will damage the prospects of our U.S. suppliers and bring with it adverse effects in the areas of employment, arms standardization, balance-of-payments deficits to name just a few areas.

Arms sales are highly competitive and foreign nations are secretive about such dealings. They will think twice before having their purchases spread on the public record or filed even in classified form in this or any Congress.

Therefore, it is my hope the Senate will accept some amendments which will be offered in an effort to assure Congress receives what information it needs, but at the same time avoid unnecessary public disclosure of proprietary information which could be harmful to our national security and U.S. industry.

VETO UNCONSTITUTIONAL?

Second, it appears the so-called congressional veto is being expanded another degree in this particular legislation. It is noted the committee report goes to some lengths to justify the constitutionality of the veto provisions on the sale of military items.

Two principal arguments may be made in questioning the constitutionality of the veto provisions. The first is that the congressional veto violates the presentation clause of the Constitution because once the Congress moves to veto by concurrent resolution a particular sale, this congressional action is not resubmitted to the President.

The second argument centers on the point that the veto itself is a violation of the separation of power between the Executive and Congress. This argument is especially pertinent in view of the widely-held belief that the President has special constitutional prerogatives in the area of foreign affairs.

It is also worthy of note that while the congressional veto dates back to the 1930's, the fact remains its greatest use has occurred in the last 7 or 8 years. This period encompassed Vietnam and Watergate and we had a situation in which a President of one party was faced by a Congress overwhelmingly controlled by another party.

Therefore, it is my hope that the congressional veto provisions of this and possibly other acts will be tested in court.

ADVERSE ECONOMIC IMPACT

Finally, I would like to discuss my third concern relative to S. 2662. This concern centers on the adverse effect on our economy which this legislation could bring about if it remains in its present form.

As the Senate knows, the House incorporated in its bill a ceiling on arms sales. This approach is apparently based on the idea that arms sales are inherently evil and out of control. I cannot agree with either one of these arguments. First, each transfer of arms outside of this country must be approved by the executive department and there are already provisions in law which provide for congressional control and oversight. Further, those sales which are approved are subject to foreign policy and other considerations over which the President has day-to-day responsibility.

Data compiled in 1973 shows that in that year about $270 billion was expended worldwide for defense purposes. Therefore, the level of arms sales as represented by the approximate $8 billion in the current year is but a small percent of world defense expenditures. Of course, it would be desirable if there were no need to spend great sums on military items but action by the Congress in reducing U.S. arms sales will have little effect in changing this trend. While it is noted that the committee report takes pains to avoid stating that the sales of arms are too high it is likely this legislation will have the effect of reducing those sales.

JOB LOSSES SEEN

This will be followed by a reduction in jobs for our economy which is already suffering from high unemployment rates. In addition to loss of jobs there will be loss of tax revenues from those individuals and companies. Further, there will be the undesirable effect on a reduction in our balance of payments account.

All of these benefits are highly significant to our economy. If the Congress wishes to enter into the daily business of control of arms sales as provided for in this legislation, then it may as well enter more fully into the nondefense area for they are just as vital.

One might ask why the human rights provisions of this act should not be applied to nondefense items to other countries such as the Soviet Union where there is absolutely no doubt discrimination exists in varied and obvious forms. This is a matter upon which authors of this legislation might wish to ponder or comment.

In summary, my view is that any control Congress may wish to exercise in this area should be accomplished without bringing itself into the export field in such a heavy-handed manner.

Certainly the export of arms is an area which needs congressional oversight. Sale for the sake of making money or producing jobs and taxes cannot be justified, but sales are now controlled through export licenses and other factors. These sales serve the purposes of our national security or they would not be allowed. If Congress must restrict the Executive in this element of foreign policy, it should be done with less disclosure of contract details and restricted to those defense articles designed to bring about death and destruction.

In conclusion, Mr. President, it is my intention to offer several amendments as well as to support other amendments designed to make this legislation more beneficial to our national interests.

ADDITIONAL STATEMENTS SUBMITTED ON S. 2662

Mr. TOWER. Mr. President, tomorrow, as the Senate continues its consideration of S. 2662, the Foreign Military Assistance and Arms Export Control Act, I intend to call up for consideration my amendment—No. 1399—to modify certain provisions of the bill addressing the formulation of our security assistance policy with regard to the promotion of internationally recognized human rights.

My purpose in offering this amendment is twofold:

First, I believe that the foundations of our country's international security assistance programs, as affected in this case by our stated policy with respect to human rights, certainly warrant a more thorough consideration by the Senate than has been afforded to this critical area in the past.

There is existing language in the foreign assistance act which already sets forth U.S. policy toward nations which engage in a consistent pattern of gross violations of human rights. And yet, Mr. President, it is my view that we need to reflect on the broad question of how our concerns for the observance of human rights should be reconciled with our stated foreign policy concerns for regional stability around the globe. It is thus my hope that we can address tomorrow just how the principal elements of our security assistance policy should be ordered, and where our priorities should be placed.

Second, Mr. President, my amendment would serve to offer some specific changes to section 111 of S. 2662. Essentially, it would retain the statement of policy that U.S. security assistance programs should be conducted in a manner that will promote the observance of internationally recognized human rights. While it would delete the language establishing the office of human rights in the State Department, it would still require the Secretary of State to submit an annual report addressing these concerns to the Congress as a part of its regular review and authorization of security assistance programs. My amendment would also delete the new authority for Congress to receive special statements citing specific nations for gross violations of human rights, and the associated procedures for immediate termination of security assistance by concurrent resolution as a result of such statements.

It is my belief that these new procedures generate some very serious and fundamental questions. I profess to be quite uncertain as to how these new procedures may be expected to impact on our foreign policy, on our efforts to seek stability in the critical regions of the world, and on the cause of human rights itself.

Mr. President, I look forward to having the opportunity in tomorrow's debate on this amendment to listen to the arguments of the members of the Foreign Relations Committee and those of other interested Members of this body. I am hopeful that our discussions will serve to clarify what I perceive to be certain critical aspects of our international security policies which have yet to be fully examined by the Senate.

EXPENSES OF THE COMMISSION ON ART AND ANTIQUITIES OF THE U.S. SENATE

Mr. MANSFIELD. Mr. President, I send to the desk a resolution on behalf of the distinguished Republican leader (Mr. SCOTT), the chairman of the Committee on Rules and Administration (Mr. CANNON), the ranking member of the Committee on Rules and Administration (Mr. HATFIELD), and myself, and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 389) relating to the expenses of the Commission on Art and Antiquities of the United States Senate.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. MANSFIELD. Mr. President, may I say that the purpose of the resolution, which has been cleared all the way around, is to make $5,000 available for the old Senate Chamber which served as a meeting place for this body from 1810 to 1859.

Members of the Senate, I am sure, share with me a deep interest in preserving significant examples of America's heritage associated with the U.S. Capitol. I know that I speak for the minority leader in expressing pride in the work of the Commission on Art and Antiquities toward this end. Since its establishment in 1968, the Commission has initiated many projects which have served to provide a better safeguarding and display and understanding of the Senate's collection of art and historic objects.

As the Senate knows, the Commission has directed the restoration of the old Supreme Court Chamber and the old Senate Chamber. With the return of these rooms to their mid-19th century appearances, a new perspective has been provided for the many thousand Americans who will visit the Capitol Building during our Bicentennial and the years that follow. While the old Court Chamber was completed and opened to the public last May, it is expected that the Chamber that served the Senate from 1810 to 1859 will be completed by late spring.

The resolution that I send to the desk for immediate consideration would give the Commission authority to expend a portion of its funds for ceremonial and reception purposes related to the official dedication of the old Senate Chamber and also authorizes a small increase in the Commission's annual funds, the only increase which has been requested since the establishment of the Commission in 1968.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 389) was agreed to, as follows:

S. RES. 389

Resolved, That out of funds available under section 5 of Senate Resolution 382, 90th Congress, agreed to October 1 (legislative day, September 24), 1968, the Commission on Art and Antiquities of the United States Senate is authorized during fiscal year 1976 to expend not to exceed $5,000 for ceremonial and reception purposes in connection with the official dedication of the Old Senate Chamber, as well as functions relative to the observance of the Bicentennial year, and in subsequent years is authorized to expend not to exceed $2,500 for ceremonial and related purposes.

SEC. 2. Effective with respect to the fiscal year 1975 and each fiscal year thereafter, the amount authorized to be expended out of the contingent fund of the Senate under section 5 of such Senate Resolution 382 is increased to $17,500.

HUMANITARIAN ASSISTANCE TO GUATEMALA

Mr. McGEE. Mr. President, I send to the desk a resolution on behalf of myself, Senators HUMPHREY, CASE, KENNEDY, and JAVITS and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 390) favoring humanitarian assistance to Guatemala.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. McGEE. Mr. President, on behalf of myself and my colleagues, the distinguished Senator from Minnesota (Mr. HUMPHREY), the distinguished Senator from New Jersey (Mr. CASE), the distinguished Senator from Massachusetts (Mr. KENNEDY), and the distinguished Senator from New York (Mr. JAVITS), I offer the resolution expressing the sympathy of the Senate for the people of Guatemala.

Mr. President, at about 3 a.m. the morning of February 4, a major earthquake—measuring between 7.5 and 7.9 on the Richter scale—hit the central highlands region of Guatemala. A major after-shock—5.75–6 on the Richter scale—occurred at 1 p.m. February 6.

Although the full parameters of the disaster are not yet known, the most recent facts available to us paint a very tragic picture of the people of Guatemala and the suffering they have endured.

An estimated 22,368 persons have been killed. Some 77,000 persons have been injured. More than 1 million people, out of a population of nearly 5.8 million, have been left homeless. Yet, it appears the death toll will continue to rise as clearing of destroyed villages continues and the rebuilding effort begins. We may never know just how many people were killed in this disaster.

Although some 460,000 people out of a population of 1.1 million in Guatemala City were left homeless by the quake, it is apparent the people of the rural area have suffered the greatest hardship. Reports indicate that many rural towns and villages were 100 percent destroyed.

The disaster has brought nearly unprecedented response from the international community. Contributions have come from Argentina, Belgium, Brazil, Canada, Colombia, Costa Rica, Dominican Republic, Ecuador, France, the Federal Republic of Germany, Haiti, Honduras, Israel, Italy, Mexico, New Zealand, Nicaragua, Norway, Panama, Peru, Spain, Sweden, Switzerland, the United Kingdom, and Venezuela.

The Government of Guatemala mobilzided immediately to meet the relief needs of its people.

The U.S. effort has been most impressive, as we supplied 14 large helicopters to transport vitally needed medical supplies, food, and fuel to the hard-hit rural areas and transported the injured to medical facilities.

We have had reports of the outstanding efforts of our Peace Corps volunteers and private and voluntary organizations such as CARE, U.S. Catholic Relief Services, the Seventh Day Adventists, Church World Service, The Salvation Army, and Lutheran World Service, just to name a few.

The international organizations have also responded with more than $3.5 million in relief assistance. These organizations include the United Nations Disaster Relief Organization—through the United Nations Development Program, United Nations International Children's Fund, World Food Program, World Health Organization, Pan American Health Organization, European Economic Community, League of Red Cross Societies, and the Organization of American States.

While the international response has been impressive in meeting the immediate needs of the disaster victims, much more remains to be done as the Guatemalan people begin the rebuilding effort.

Therefore, the purpose of my resolution is to call upon the executive branch of Government to begin to develop plans, in cooperation with other interested donors, to mobilize external resources assisting in the rehabilitation efforts.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 390) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. Res. 390

Resolved, Whereas, the people of our sister Republic, Guatemala, suffered a devastating blow as the result of the recent earthquakes and tremors in February 1976; and

Whereas these quakes and tremors caused the loss of thousands of lives and the destruction or devastation of many towns and villages, rendering homeless many thousands of people; and

Whereas the people and government of the United States in accord with the traditions of the United States, are anxious to assist the people of Guatemala in their tragic hour of bereavement and suffering; and

Whereas the task of relief, rehabilitation, and reconstruction which faces Guatemala is huge, requiring outside support and assistance beyond the present emergency requirements: Now, therefore,

Be it resolved, that the Senate extend its deepest sympathy to the President and to the people of Guatemala in this dark hour of their suffering and distress.

Sec. 2. It is the sense of the Senate that the executive branch of the United States Government be urged to develop, in coperation with other potential donors in and outside of the Western Hemisphere, both governmental and private, programs to assist the people of Guatemala in their efforts to relieve the suffering caused by the disaster and to rehabilitate their nation from the damage inflicted.

Sec. 3. Copies of the present resolution shall be distributed through appropriate channels to the President of Guatemala.

ORDER FOR RECOGNITION OF SENATOR WEICKER TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, Mr. Weicker be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF S. 2662 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after Mr. Weicker has completed his statement under the order on tomorrow, the Senate resume consideration of the foreign military sales bill, S. 2662.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the order for the recognition of Mr. Weicker, there be a period for the transaction of routine morning business on tomorrow of not to exceed 15 minutes, with statements limited therein to 5 minutes each, at the conclusion of which the Senate resume consideration of the military sales bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT UNTIL 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION ON THURSDAY, FEBRUARY, 19, 1976, OF OVERRIDE OF PRESIDENTIAL VETO OF PUBLIC WORKS EMERGENCY ACT, H.R. 5247

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the hour of 3:30 p.m. on Thursday, the Senate proceed with debate on the override of the Presidential veto of the Public Works Emergency Employment Act, H.R. 5247; that the time be equally divided between the majority and minority leaders or their designees; and that a vote occur at the hour of 4 p.m. on the override.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. ROBERT C. BYRD. Yes.

Mr. GRIFFIN. I am sure that it is understood, even though it has not been specified, that that would take place in the event that the House scheduled a vote prior to that on the same day?

Mr. ROBERT C. BYRD. Yes.

Mr. GRIFFIN. And did not sustain the President's veto?

Mr. ROBERT C. BYRD. Yes.

Mr. GRIFFIN. I thank the distinguished Senator.

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE RESOLUTION 391—TO PERMIT RELEASE OF DOCUMENTS TO DRUG ENFORCEMENT ADMINISTRATION

Mr. NUNN. Mr. President, I call up a resolution which I have at the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 391) to permit withdrawal and release of certain documents, papers, or other information with regard to Drug Enforcement Administration employees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

Mr. NUNN. Mr. President, the Permanent Subcommittee on Investigations has conducted an extensive investigation into the effectiveness of the Drug Enforcement Administration. During that investigation, staff obtained information on alleged activities of DEA agents with regard to the flow of narcotics from Mexico to the United States.

DEA is conducting its own investigation of certain of these same agents and, by letter dated December 24, 1975, has requested that we supply them with information bearing on potential criminal activity which may assist them in their efforts.

Pursuant to rule XXX of the Standing Rules of the Senate, and the privileges of the Senate, information secured by staff members pursuant to their official duties as employees of the Senate may not be revealed without a Resolution of the Senate.

Accordingly, Mr. President, I offer the following resolution, unanimously approved by the members of the Committee on Government Operations, authorizing the release of this infromation, and ask that it be adopted.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 391) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 391

Whereas, the Drug Enforcement Administration (DEA) of the Department of Justice is carrying out an investigation of alleged activities of certain of its employees; and

Whereas, the DEA has requested that the Subcommittee transmit to it any documents, papers or other information which it might have with regard to the alleged activities of such individuals; and

Whereas, in the course of their duties as employees of the Senate certain staff members of the Permanent Subcommittee on Investigations received information on alleged activities of such employees of the DEA which information is relevant to their integrity and to the integrity of the Agency; and

Whereas, by the privileges of the Senate of the United States and by Rule XXX of the Standing Rules of the Senate, information secured by staff employees of the Senate pursuant to their official duties may not be revealed without the consent of the Senate, therefore, be it

Resolved that the Permanent Subcommittee on Investigations is authorized, at the discretion of and at the direction of its Chairman, to provide the Drug Enforcement Administration with any information in its possession relevant to alleged illegal activities of certain agents of the Drug Enforcement Administration.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the Attorney General.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow morning at 10 o'clock.

After the two leaders or their designees have been recognized under the standing order, the Senator from Connecticut (Mr. WEICKER) will be recognized for not to exceed 15 minutes, after which there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 5 minutes each, at the conclusion of which the Senate will resume the consideration of S. 2662, a bill to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

Rollcall votes will occur during the day on amendments and motions with relation thereto, with a vote on final passage thereof at no later than 5 p.m. tomorrow.

Upon disposition of S. 2662, the Senate will resume the consideration of the copyright bill, which is S. 22, a bill for the general revision of the copyright law.

ADJOURNMENT UNTIL 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 10 a.m. tomorrow morning.

The motion was agreed to; and at 5:25 p.m. the Senate adjourned until tomorrow, Wednesday, February 18, 1976, at 10 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate on February 10, 1976, pursuant to the provisions of section 3 of Senate Concurrent Resolution 92, as amended:

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Daniel Edward Leach, of Virginia, to be a member of the Equal Employment Opportunity Commission for the term expiring July 1, 1979, vice Luther Holcomb, term expired.

U.S. COURT OF MILITARY APPEALS

William Holmes Cook, of Illinois, to be a Judge of the U.S. Court of Military Appeals for the term of 15 years expiring May 1, 1991 (reappointment).

Executive nominations received by the Senate February 17, 1976:

DEPARTMENT OF STATE

Edward W. Mulcahy, of Arizona, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Tunisia.

EXTENSIONS OF REMARKS

LITHUANIAN INDEPENDENCE DAY

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. MOAKLEY. Mr. Speaker, February 16, 1976, marks the 58th anniversary of the Declaration of Independence of the proud and peace-loving nation of Lithuania. Fifty-eight years ago, Lithuania was created. Although Lithuania enjoyed true and total independence for only 22 years, they were years of progress and commitment to the future. Tragically, the Soviet Union abrogated all personal liberties, civil and religious, when it forcefully and brutally annexed Lithuania and incorporated the Lithuanian peoples into the Union of Soviet Socialist Republics. Although Lithuania has since been held captive by the Russian Empire, there can never occur an abrogation of Lithuania's steadfast courage—its determination to achieve the rights of freedom—and the privileges of self-determination.

It gives me great honor to be able to commemorate this anniversary of independence with Americans of Lithuanian descent. However, I am saddened that those who still live in Lithuania are unable to join Lithuanian-Americans across this Nation in pausing to mark this day. I know that the determined spirit of the Lithuanian people is unbroken, but I also know that their continuing daily struggle for religious freedom and human rights is frustrating in view of the less than passing notice and sometimes invisible support that many nations in the free world exhibit for their brothers in captive Lithuania.

For this reason, I have joined my good friend and colleague, DAN FLOOD of Pennsylvania, and my equally good friend and colleague, ED DERWINSKI of Illinois, in sponsoring legislation in the U.S. Congress to continue the U.S. policy of nonrecognition of the forcible annexation of Lithuania and its neighbors—Estonia and Latvia. We in the Congress must strive to preserve and protect, in our country for certain, and shall seek to continue one of the basic tenets of American foreign policy abroad, the right of all peoples to self-government in a free and open society, the very cornerstone upon which our society is founded, and upon which the Declaration of Lithuanian Independence was based. We must never give in to the policy presented at the European Security Conference which would recognize the forcible annexation of the Baltic Nations.

Well over a million people of Lithuanian ancestry live in the United States and proudly call the United States home. Several hundred thousand Lithuanians have settled in the Northeast, many of those in the Boston region. I have known many Lithuanians, and I must say that I have long admired their fierce determination for the preservation of individual human liberties and their concern and commitment to the restoration of those liberties in the homeland—Lithuania.

We all hear so much about the Bicentennial in the United States—we take pride in our progress over the last 200 years and we look forward to the future, a future of peace and prosperity. However, we must not let our good fortune blind us to the fact that others around the world do not share in our good fortune. I say to all Americans that we must redouble in our efforts on behalf of others around the world who are still engaged in their fight for freedom.

On this occasion, we must reaffirm our commitment to those Baltic Nations still struggling for independence. The eventual restoration of self-determination for Lithuania, as well as Estonia and Latvia, must be an objective of freedom-loving people throughout the world. I pledge to you that I will continue to work toward this goal. Also, I pledge my continuing cooperation to the members of the Lithuanian American Council of Boston, so that we can work together toward this, our common goal.

MORE ON ENERGY CONSERVATION

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. BROWN of California. Mr. Speaker, many of us have been using the Congressional Record and other tools available to us to bring attention to the need for energy conservation programs, and to describe some of the ways that dramatic energy savings can be achieved. We have also tried to stress that energy conservation should be looked upon as an energy source, if not the most desirable energy source.

In recent days we have seen even more on energy conservation, with two notable developments being the release of the Worldwatch Paper 4: Energy, the Case for Conservation, which was prepared by the Worldwatch Institute under a grant from the Federal Energy Administration, and the introduction of a major end-use energy conservation retrofit bill. This bill, S. 2932, the Energy Conservation Act of 1976, was introduced by Senator EDWARD KENNEDY, along with other Congressmen who have been active with energy legislation, and promises to be a vehicle by which a major energy conservation program can be implemented.

Yet in spite of the legislation that we have already enacted, and the potential of the legislation that is now pending before us, I believe we will have to do even more to encourage energy conservation. This view is not one that I hold by myself, nor is it one that I expect the Congress to adopt without much more debate and a genuine change of mind. Nevertheless, I believe the price of energy will have to increase if we are going to come to grips with the energy problems that face us in the future.

In order to encourage this debate, and hopefully plant some seeds in the minds of my colleagues, I would like to bring an article from the February 13 issue of Science magazine to your attention. The article discusses the concept of a Btu, or energy tax. As Denis Hayes, the author of the Worldwatch paper on energy conservation, says, a sure way to induce energy conservation across the board is a Btu tax. This policy would be desirable if the tax was applied gradually over several years to all nonrenewable fuels at the point of extraction, and coupled with rebates for lower income people, and the taxes generated were not used on energy-wasting activities.

I commend these articles to my colleagues:

The Case for Conservation

"More than one-half the current U.S. energy budget is waste," according to Denis Hayes, a senior researcher with the Washington-based Worldwatch Institute, in an analytical paper prepared with the support of the Federal Energy Administration. Hayes, formerly head of the Illinois State Energy Office and a leader of the Earth Day movement in 1970, contends that the United States could meet all of its new energy needs for the next 25 years through measures such as making use of some of the heat wasted in electric power generation, improving the fuel economy of automobiles and transportation systems generally, and improving the insulation of new and existing buildings. Moreover, he argues that only through conservation can the nation's heavy and growing dependence on foreign oil be eliminated.

In an interview with *Science,* Hayes spoke to the question of how best to bring about conservation in the comprehensive manner he advocates. One strategy for policy-makers would be to look directly to the implementation of a multitude of specific conservation measures by automobile manufacturers, transportation agencies, homebuilders, big industrial consumers of energy, and other energy users. A very different strategy would be to look instead to a Btu tax as a sure way to induce energy conservation across the board. Hayes much prefers the Btu tax approach, provided that the tax is applied gradually over several years to all nonrenewable fuels at the point of extraction, that it is coupled with rebates for lower income people, and that none of the proceeds of the tax is used on energy-wasting activities. As for examples of the latter, Hayes points to construction of highways and to the proposed deployment of a fleet of B–1 bombers (the B–1 fleet, he says, will use at least as much fuel each year as was consumed by all buses in the nation's cities and towns in the year 1974).

Although conceding that the relationship between energy consumption and economic growth is complex, Hayes sees no reason to fear that energy conservation—by which he means only the elimination of waste, not curtailment of any vital services—would bring an economic slowdown and hard times.—L.J.C.

Energy Policy: Independence by 1985 May Be Unreachable Without Btu Tax

Some progress was made in 1975 by the Ford Administration and Congress in their groping, conflict-ridden quest for comprehensive national energy policy, and a bit more headway is expected this year as Congress resumes consideration of the energy bills that were left pending in December. But in light of the continuing decline in domestic oil production and the difficulties currently facing development of nuclear power and of coal and outer continental shelf oil resources, there is now no assurance—perhaps not even a likely prospect—that the Administration's goal of "energy independence" by 1985 will be attained.

For oil imports to be reduced to a level low enough to eliminate the possibility of an effective Arab oil embargo, overall energy demand probably will have to be reduced well below the levels now projected for the mid-1980's. This may require much higher energy prices. Yet in last year's debate over national energy policy, the controversial question of what role the price of energy should be made to play in adjusting demand to domestic energy supplies was never squarely addressed.

Indeed, although one of the numerous energy measures proposed by the Administration called for immediate decontrol of oil prices, Congress would not go along. And even had immediate decontrol been approved, it would have produced only a modest conservation effect as the price of all domestically produced oil rose to the world market price set by the Organization of Petroleum Exporting Countries (OPEC). The decontrol issue was finally compromised, with Congress agreeing to a phasing out of controls over a period of 40 months.

Some energy analysts within the government are now saying privately that, if energy independence is to be achieved over the next 10 years, a high tax on all non-renewable forms of energy will have to be imposed. This would be a "Btu tax," applied at the point of extraction (wellhead or mine mouth) on oil, natural gas, coal, and uranium. Those who believe that such a tax will ultimately have to be adopted regard it as much preferable to a tax on oil alone. A tax on oil would tend to shift demand to other nonrenewable fuels and to intensify such problems and conflicts as those related to strip mining, air pollution, uranium shortages, and the siting of nuclear facilities.

To bring about the big reduction in demand necessary to compensate for any major shortfalls in development of domestic energy sources, the Btu tax might have to be very stiff indeed—high enough perhaps to double the price of gasoline and home heating oil. Such a tax could be coupled with a program of annual rebate intended to redistribute the money collected and thus alleviate the economic and social hardships caused by the painfully high energy prices.

No government official is openly advocating a Btu tax. At the moment, the idea of forcing reductions in energy demand by dramatic price hikes is highly controversial, and it seems that most politicians are quick to denounce it. In 1974, John C. Sawhill was fired as head of the Federal Energy Administration (FEA) after he said publicly that one of the energy policy options under consideration by the Administration was a 20- to 30-cents-per-gallon tax on gasoline. And, last year, the House of Representatives overwhelmingly rejected a "standby" gasoline tax of 20 cents a gallon.

Lifting oil price controls has been controversial enough, not to mention imposing special new energy taxes. A good many members of Congress, particularly among the Democrats, have regarded such controls as a way to keep the OPEC cartel from dictating what the American consumer pays for petroleum products and as a necessary restraint on oil company profits. But to many Republican members, and quite a few Democrats as well, price controls—particularly now that there is no embargo or other emergency—are an affront to the free enterprise philosophy.

Beyond this, controls have been attacked on the grounds that they have taken on an increasingly patchwork and arbitrary character. Also, it has been frequently charged that they discourage production of new oil by holding down the price of petroleum products, and, of course, that they encourage consumption and hence oil imports.

To support the argument that higher prices produce a major conservation effect, it is often pointed out that, with the sharp increase in the world market price of oil and petroleum products brought about by OPEC in late 1973 and early 1974, the United States is now consuming about 3 million barrels of oil a day less than what was projected several years ago. The economic recession has accounted for maybe half of this, but not more.

President Ford set forth his proposal for immediate decontrol of oil prices, together with the rest of his energy program, in his State of the Union message of January 1975. What followed was a year-long battle in Congress over the decontrol issue. The widespread suspicion that the oil companies would in one way or another evade any excess profits taxes that might be enacted and fatten themselves obscenely at the public's expense made for strong opposition to decontrol. Also many senators and representatives feared that, unless they opposed decontrol, their constituents would hold them partly accountable for any increase in gasoline or heating oil prices.

The upshot of the prolonged congressional debate was the compromise providing for the 40-month phaseout of controls. The existing two-tier pricing system will continue for the time being, with "old oil" to be sold at substantially lower prices than those allowed for oil from new fields. It was this compromise that made possible the Energy Policy and Conservation Act of 1975, which President Ford signed on 22 December, despite the pleas from major oil companies that he veto it.

Although decontrol will be accomplished only gradually, in its other provisions the act either meets or exceeds most of the President's other proposals with respect to energy conservation and certain programs needed as a hedge against future embargoes or other emergencies. The act provides for:

A strategic oil reserve of 150 million barrels to be established within 3 years and expanded to a capacity of 400 million barrels within 7 years.

Standby authority for the President to impose controls on fuel prices and allocations in the event of a national emergency.

Extension of the Energy Supply and Environmental Coordination Act (ESECA) allowing the FEA to order utilities, under certain conditions, to convert power plants from oil or natural gas to coal.

Automobile fuel economy standards stipulating that the pasenger cars of every manufacturer shall get at least 18 miles per gallon by the 1978 model year, with mileage then to be improved in stages to 27.5 by 1985.

Fuel economy or energy-efficiency labeling for automobiles and a wide variety of home appliances, plus "energy efficiency improvement targets" to be prescribed for the appliances (if necessary, mandatory standards shall ultimately be established).

Voluntary energy efficiency improvement targets will be fixed for each of the ten most energy-consuming industries, and the FEA will monitor the industries' performance. The act also mandates conservation standards for the management of all federal agencies and requires several key regulatory agencies, such as the Civil Aeronautics Board and the Interstate Commerce Commission, to report to Congress on how their policies bear on the efficient use of energy. In addition, the states will be encouraged through a new program of grants-in-aid to establish programs of energy conservation.

This year the President is asking Congress to complete action on several other measures which bear in whole or in part on energy conservation. These include bills to lift price controls from newly developed supplies of natural gas, fix mandatory energy conservation standards for all new commercial and residential buildings, and provide tax credits for home insulation (and 100 percent subsidies for insulation in the case of poor families). Congress may go along with all of these propsals, although some significant compromises no doubt will be required (for instance, Congress may insist that the conservation standards for new buildings be voluntary instead of mandatory).

But even if all of the energy conservation measures the Administration has proposed (including the decontrol of oil and natural gas prices) were to be approved and fully implemented by 1985, FEA officials do not think that these measures could make up for a big shortfall in development of any of the major domestic sources of energy supply.

Most energy statistics should be taken with a grain of salt, but the following analysis by a ranking energy official who believes that a Btu tax will ultimately prove necessary seems indicative of the situation that is emerging. As he sees it, the conservation effect of the higher energy prices that have followed the Arab embargo of 1973–74 is itself enough to keep total energy consumption in the United States from being any higher than the equivalent of abut 50 million barrels of oil a day (mbd), which would be some 15 mbd greater than total consumption in 1973. The added effect of the various conservation measures which Congress has either already passed or is considering would reduce demand by maybe another 5 or 6 mbd, thus limiting total consumption to about 44 or 45 mbd.

On the supply side, according to this official, domestic production of energy in 1985 can be put at not less than the 29 mbd produced today even if one proceeds from rather pessimistic assumptions, and it probably will be at least 35 mbd. But if it is no greater than the latter figure, this would mean a gap of about 19 mbd between demand and domestic supply. Under these circumstances, a prolonged embargo could have a crippling effect on the American economy because imports would be much greater than what could be replaced out of a strategic reserve of the size planned.

If energy independence goals were met, the difference between demand and domestic production would be down to 2 or 3 mbd, a level where an embargo would pose little threat. But while the Administration is still trying to put an optimistic face on things, there is reason for pessimism.

Since domestic oil production peaked in 1970, daily production has been decreasing each year by about 400,000 barrels. The production from the Alaskan North Slope that is to begin in 1978, plus whatever additional oil comes through improved recovery methods in old oil fields, may only arrest the overall decline, if indeed it accomplishes even that.

The nuclear industry is in such trouble that many people are saying, with some truth, that a de facto moratorium on further nuclear development already exists. During 1975, the number of orders for nuclear reactors canceled and deferred was several times greater than the number of new orders placed. And in referenda now pending, the citizens of California and other states may decide that development of nuclear power is to be formally stopped or curtailed.

The mining and burning of coal also is slow to increase. In 1975, production of coal for domestic consumption was up by only about 1 percent over the previous year. Although production should rise substantially during the next few years, many people in the coal industry seriously doubt that the energy independence goal of doubling the present output by 1985 will be attained. FEA officials are watching Congress warily with respect to the Clean Air Act amendments because they think that the tightening of stack emission standards now under consideration would itself limit coal consumption sharply.

Prospects for production of oil and natural gas from the outer continental shelf (OCS), which along with the Alaskan North Slope represents the last frontier for development of these fuels, are also highly uncertain. If anything, the environmental constraints—and the closely related problem of conflicts arising between federal and state authorities—are even more acute in this case than in that of coal development. The extent to which the oil industry is willing to take on the risks of exploring and developing the frontier provinces of the OCS is also unclear. Bidding at the recent sale of leases for OCS tracts off southern California was generally disappointing.

In light of these discouraging indications of the prospects for energy independence, there is nothing fanciful about the idea that a Btu tax will be necessary if this Administration goal is to be seriously pursued. The alternative, of course, is for oil imports to continue at a high and probably increasing level and for Americans simply to learn to live with the possible threat of embargoes—just as the British, French, Germans, Japanese, and the people of nearly all other industrialized countries are living with it.

If this choice between accepting a Btu tax and abandoning the energy independence goal is ever to be confronted, unusually bold political leadership will be required. The more comfortable course for Congress and the White House is simply to allow events to take their course.

Certainly, the energy bureaucracy is not likely to speak up on the issue. The official who referred to a Btu tax as inevitable in an interview with this reporter did not want his name mentioned in connection with it. "I was around when John Sawhill was fired," he remarked.

REMEMBERING FREDERICK DOUGLASS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. RANGEL. Mr. Speaker, February 14 marked the 159th anniversary of the birth of one of America's most prominent black citizens, Frederick Douglass. A brief biography of this great leader is appropriate at this time as it will serve as a reminder to us all that the work in the area of freedom and equality that he started still remains to be finished.

Born into slavery in Maryland in 1817, he was soon sent to a new master in Baltimore, where he learned to read and write. After some disputes and escape attempts, Douglass was sent to work in the shipyards in Baltimore, from where he finally escaped, at the age of 21, to New Bedford, Mass.

Douglass believed that all slaves should be free and not just the few who were able to escape. He quickly began working toward that end upon his arrival in New Bedford by joining the abolitionist movement. His moving speeches led to his being hired as a lecturer for the Massachusetts Antislavery Society. He wrote his autobiography, "The Narrative of the Life of Frederick Douglass" in 1845, which forced him to go to England in exile, as he was still a fugitive slave.

Douglass was one of the early opponents of segregated facilities and had to be dragged from an all-white section on a train. He also protested against religious discrimination and in the 1850's he charged that employers were hiring white immigrants ahead of black Americans. He once said,

> Every hour sees the black man elbowed out of employment by some newly arrived emigrant whose hunger and whose color are thought to give him a better title to the place.

Upon his return from England in 1847, he bought his freedom with money he earned lecturing on abolitionism and settled in Rochester, N.Y. While in Rochester, he started his own newspaper, the North Star. He also led a successful attack on segregated schools in that city.

During the Civil War, Douglass persuaded Abraham Lincoln to allow him to recruit black soldiers for the Union Army, and spoke with the President on several occasions on the problems of slavery. As the Civil War ended and Reconstruction began, Douglass was quite instrumental in providing suggestions to State legislatures as they sought to deal with the newly emancipated black.

For most of the remainder of his life, Douglass served in several Government positions including recorder of deeds for the District of Columbia, minister-resident and consul-general to Haiti, among other posts. When he died in 1895, his dream of total equality did not die with him. It is alive within all of us who are aware of what still remains to be done and are willing to work to get it done.

REMARKS OF CONGRESSMAN THOMAS E. MORGAN

HON. THOMAS E. MORGAN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. MORGAN. Mr. Speaker, Monday, February 9 was observed throughout much of the United States as Kosciuszko Day, in honor of the magnificent contributions of this great patriot to the American Revolution.

My congressional district is the home of many Polish-Americans, and it is my honor to join with them in saluting Thaddeus Kosciuszko. His contributions to our great county, as well as his native land, mark him as a remarkable military and humanitarian leader.

The following editorial from the February 7 edition of the Observer-Reporter, which is published in Washington, Pa., states the case for Thaddeus Kosciuszko very well, and I commend it to your attention:

POLISH CONTRIBUTOR

> Monday, February 9, will be observed in some quarters in the United States as Kosciuszko Day.
>
> This is not the opening gambit of another of those endless Polish jokes.
>
> It just seems fitting to us that in the Bicentennial year in the month in which the country celebrates the birthdates of two Americans, Washington and Lincoln, who made invaluable contributions to the nation, the contributions of Thaddeus Kosciuszko to the same nation should be cited and appreciated.
>
> Kosciuszko, with years of the best military training behind him, appeared in Philadelphia in 1776 and offered his services to the Continental Congress.
>
> It can be said that his service to the colonies was invaluable, particularly his designing and planning of the defenses at Saratoga where the English forces were turned back and the course of the American Revolution turned in favor of the rebels. After the war, he was made a brigadier general and given a pension and land in Franklin County, Ohio. Previously, he had been given a slave as a reward for completing the fortification that led to the victory at Saratoga but responded by freeing the slave immediately.
>
> Kosciuszko returned to Poland where he became a national hero as a military leader, patriot and catalyst of social change. It was on a return visit to this country in 1797 that he executed a will which saw his lands dedicated to the benefit of American Negroes, a document of which Thomas Jefferson was named executor.
>
> So Kosciuszko Day is no Polish joke but a day on which not only Americans with Polish forebears can be proud but a day for all Americans.
>
> It might be well, too, in the Bicentennial year, to remember that Thaddeus Kosciuszko is not alone as a Pole whose contributions must be appreciated. The list contains names like Krzyzanowski, Karge and Pulaski.

REPRESENTATIVE JAMES JONES RELEASES QUESTIONNAIRE RESULTS

HON. JAMES R. JONES

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. JONES of Oklahoma. Mr. Speaker, I recently shared with constituents in Oklahoma's First Congressional District a summary of the activities of the House of Representatives during the first session of the 94th Congress. In addition to my report on the first session, I asked voters in my district to give me their views on several issues that would be receiving early consideration by the House in 1976. I would like to take this opportunity to acquaint my colleagues with our findings of the current views of my constituents on these issues.

The first question dealt with the problem of natural gas supplies and pricing, and asked: Do you favor legislation to deregulate the price of new, onshore natural gas as one means of increasing supplies?

There were 79.8 percent who favored deregulation; with 17.7 percent opposed and 2.5 percent undecided.

On the issue of the civil war in Angola, I asked: Do you favor sending American military equipment to the anti-Communist factions fighting in this war?

The majority, 51.3 percent opposed sending military equipment to Angola; 43 percent favored sending military equipment; and 5.7 percent were undecided.

The final question concerned the expiration this year of the authorizing legislation for the $7 billion per year general revenue sharing program. Four options were listed on the questionnaire: First, prohibiting general revenue sharing payments unless our Federal budget is balanced; second, eliminating general revenue sharing payments to the States, which would reduce costs of the program by $2 billion, but continuing payments to the cities and counties; third, abolishing general revenue sharing entirely; and fourth, continuing general revenue sharing as it is.

On the general revenue sharing issue, the large majority—62.4 percent—favored prohibiting payments unless the budget is balanced. Opinion was fairly close on the next two options, with 21.3 percent favoring payments only to cities and counties and 36.3 percent favoring abolishing payments entirely. As a clear indication of my constituents' concern in this matter, however, only 11.2 percent of those responding favored continuing the general revenue sharing program as it is.

LEGISLATION DESIGNED WITH HIGH UNEMPLOYMENT PROBLEM AMONG VETERANS

HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. HILLIS. Mr. Speaker, last session I introduced legislation designed to deal with the problem of high unemployment among our veterans and the equally serious problem of the lack of recruitment and retention of qualified medical personnel within the Veterans' Administration hospital system. Many of our Nation's veterans' organizations, medical schools and other medically oriented agencies have expressed their support for this legislation, and because so many of my colleagues have professed their interest, I am today reintroducing this measure with 20 cosponsors.

Specifically, the bill would provide funds to establish a "pilot program" under which grants, not to exceed $5,000 for any full academic year, would be awarded qualified individuals to attend medical schools. Upon completion of training, individuals awarded such grants would be required to work in the Veterans' Administration 1 year for each full year a scholarship grant was received.

We are all aware that the unemployment rate for Vietnam-era veterans is staggering. As of January 31 of this year, the unemployment rate for the Vietnam veteran—age 20-34—was 18.9 percent. An estimated 502,000 veterans—age 20-34—were unemployed during the month of January. This measure would give those veterans and their dependents who desire to attend medical school, but cannot afford the continuing spiralling costs, priority grant consideration.

The ability of the largest hospital system in the world, the Veterans' Administration hospital system, to deliver quality care is being seriously threatened by the lack of qualified professionals. This legislation would assist in recruiting professionals to serve within the Veterans' Administration health care system and alleviate the growing shortage of American educated medical practitioners.

It is my hope that this measure will receive the favorable and rapid consideration of the Congress.

LITHUANIAN INDEPENDENCE DAY

HON. JAMES J. BLANCHARD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. BLANCHARD. Mr. Speaker, yesterday, February 16, 1976, marked the 58th observance of Lithuanian Independence Day.

On Sunday, February 15, I had the honor and privilege of addressing several hundred members of Detroit's Lithuanian-American community at their meeting to commemorate this occasion.

It was a proud, and yet solemn, affair: proud because Detroit's Lithuanian-Americans, like other across this country, are justly proud of their country's great history and heritage; solemn because Lithuania still lies under the military domination of the Soviet Union.

Mr. Speaker, the question of the Soviet occupation of Lithuania is an issue which concerns all Americans, whatever their ethnic background. The issue is, very simply, the right of a people to be free to choose their own destiny without the interference of a foreign colonial power.

The House of Representatives last year made it clear that it understands the implications for all Americans of the occupation of the Baltic States, by unanimously approving House Resolution 864, which reaffirmed the sense of Congress that the United States continues its policy of nonrecognition of the Soviet "annexation" of Lithuania, Latvia, and Estonia.

The vote on House Resolution 864 was formally recognized Sunday by Detroit's Lithuanian-Americans in a resolution, which calls upon the Senate to enact a similar statement.

I insert this resolution in the RECORD, and want to say that I join in hoping that the Senate will act on this matter without delay. The resolution follows:

RESOLUTION

We, United States citizens of Lithuanian descent residing in the Greater Detroit Area and having met on February 15, 1976 at 1:00 P.M. at the Lithuanian Cultural Center at 25335 West Nine Mile Road, Southfield, Michigan to commemorate Lithuania's Independence Day, hereby resolved that:

We Join and Acknowledge the United States' celebration of its Bicentennial; further,

That we herald the United States' championship of the ideals of freedom for all peoples and nations; further,

That we recall President Woodrow Wilson's declaration of the principles of self-determination of nations, which was incorporated into Lithuania's Declaration of Independence on February 16, 1918; further,

That during World War II, Soviet Russia broke its treaties with the sovereign State of Lithuania, occupied it and now holds Lithuania in captivity; further,

That President Gerald Ford on July 25, 1975 declared that the United States has not recognized and will not recognize the illegal incorporation of Lithuania, Latvia and Estonia into the Soviet Union; further,

That the United States House of Representatives on December 2, 1975 passed Resolution 864 stating that the United States will not recognize the Soviet usurpation of Lithuania, Latvia and Estonia.

Be it further resolved that, We ask the United States Senate to adopt in the near future the Resolution proposed by Carl T. Curtis and Charles Percy not to recognize the incorporation of the Baltic States into the Soviet Union.

Be it further resolved that, We thank President Gerald Ford for his declaration and the United States House of Representatives for their resolution.

Now, Therefore, We empower the Chairman of the Day to sign this Resolution and resolve to send it to the President, the President of the Senate, the Speaker of the House of Representatives, and the Senators and Representatives from the State of Michigan.

Dr. ADGIS BARAUSKAS,
Chairman of the Day.
STASYS SIMOLIUNAS,
Secretary.

CONGRATULATIONS TO MS. LEAH POULOS ON WINNING A SILVER MEDAL AT THE WINTER OLYMPICS

HON. ABNER J. MIKVA

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. MIKVA. Mr. Speaker, I would like to take this opportunity to congratuate Leah Poulos of Northbrook, Ill., on her second-place finish in the 1,000-meter speed skating competition at the winter Olympics in Innsbruck, Austria.

Ms. Poulos has been skating for 17 years, and during that time has won many honors. She was the U.S. outdoor champion in 1968 and has brought distinction to herself and our country in numerous international speed skating events since that time.

Speed skating is a demanding sport which requires enormous amounts of hard work and dedication—often with little public acclaim. Because speed skaters do not receive the attention which other sports enjoy, the will to succeed must come primarily from the athlete's inner determination to excel. That determination, which Leah Poulos has demonstrated, is the essence of what is best in athletic competition. And the Olympic games are the forum for testing that determination. The Olympics provide no monetary rewards; the athletes who participate are motivated solely by a desire to test their skills against the best athletes in the world. Leah Poulos has demonstrated that her skills are equal to that challenge.

I know that I speak for all of the people of Illinois and the United States in saluting her outstanding performance at Innsbruck. I am confident that the qualities which enabled Leah Poulos to succeed at Innsbruck will be applied to all her future endeavors. We look forward to congratulating her for winning more medals in the years to come. I am proud that she is a resident of the 10th District of Illinois.

PRIVATE PENSION PLANS

HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. COLLINS of Texas. Mr. Speaker, Congress needs to take a second look at the pension plan bill that was passed in 1974. Its regulations will lead to more and more of these private pension plans being terminated. These are voluntary pension plans. Employers are being placed under a tremendous burden of paperwork and regulations, plus personal liability.

Congress was critical of the way that private pension plans were slow in vesting. On the other hand, under Congress' own social security plans we do not vest at all. Look at all the pension plans the U.S. Government manages. Social security is in critical financial condition. Pensions for the military have no reserves at all. Civil Service pensions are under a deficit reserve of $125 billion. The Railroad Retirement Fund has been getting special deficiency funds as it is already overextended. Every Government plan is a financial failure, yet we passed a law in Congress to supervise private pension plans. Private plans are over 99 percent successful where the Government has a 0 percent record.

This pension bill has created a bonanza for actuaries who are consultants for private pension. Disregarding his beneficial self-interests, William Brett of Dallas spoke out in an honest, straight forward manner about the problems that the legislation has created.

I ask more of my colleagues to join me in demanding reconsideration of this plan. There were only two of us who opposed the original passage of the plan, and my other colleague did not come back to Congress.

Private pension plans provide a tremendous service to so many citizens. Let us encourage and develop the private pension system. You will be interested in the remarks of Mr. Brett in an interview to Cheryl Hall of the Dallas Morning News which was written up in the business section. Below are some of the highlights of his candid statement in the Dallas Morning News:

PENSION DISASTER SEEN BY ACTUARY

(By Cheryl Hall)

The mammoth Employe Retirement Income Security Act (better known as ERISA) is the "worst piece of legislation ever created," a leading Dallas actuary and consultant told The Dallas News Wednesday.

William N. Bret Jr., regional vice-president of A. S. Hansen Inc., one of the nation's largest actuary firms, said he believes many companies around the country will be in noncompliance with the law come May 30—the reporting date—because the law is "unduly complex, burdensome and it's dangerous."

Starting in 1975, he said, approximately 5,600 businesses terminated retirement and pension programs as a result of the new law. He foresees an annual rate of 5,600 more companies giving up programs for several years to come.

"I'm somewhat surprised there haven't been more already," Bret said. "From our own experience, the companies with 30 or fewer employes with defined benefit plans will seriously consider terminating those policies."

He attributed this trend away from retirement programs and other employe benefit plans to the reporting, disclosure and stiff liability aspects of ERISA.

"We can give full credit to Congress," Bret said in an interview, adding that the congressional vote on ERISA was 379 to two in the House and unanimous in the Senate.

"As a consulting firm, we find ourselves needing more actuaries, men of insight, men of much greater capacity," he said. His Dallas office grew by 50 per cent last year, will grow another 50 per cent this year, and he doesn't really know how much larger it will grow from there."

Most companies will find it necessary to have one personnel officer and one financial officer and their staffs just to deal with ERISA, he contended.

The real danger in the law, as Bret sees it, is the personal liability involved. Not only can the corporation be sued under the law, but so can the individual, be it a named fiduciary, an asset manager or a plan administrator.

The individual could be sued for his home and other possessions, which Bret is afraid of, because he's among those who could be sued.

The reason many companies will be in noncompliance with the law come May 30, he said, is because the reporting forms are not yet out, nor are the final regulations concerning various aspects of the law.

"People are going ahead with ESOPs (employe stock ownership plans) not knowing what the final regulations are going to be," Bret said. "We're working with the bare-bones minimum."

Approximately 750,000 plans and trusts will have to be filed and reported this year under the new law, he said.

LITHUANIA INDEPENDENCE

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. BROOMFIELD. Mr. Speaker, yesterday marked the celebration of the 58th anniversary of the reestablishment of the independent state of Lithuania. After years of struggle and sacrifice, the people of this Baltic nation achieved the restoration of their status as a free and independent state in 1918.

Unfortunately, this freedom and independence was short-lived, ending 22 years later when the Soviet Union invaded and occupied Lithuania. But although the Soviets have seized the land, they have not dimmed the spirits of these brave people.

In the face of relentless repression and persecution, the courage and determination that secured independence in 1918 has remained steadfast. No amount of Soviet propaganda can hide the fact that all efforts to break the Lithuanian spirit have failed, and the flame of freedom continues to burn brightly in the hearts of the Lithuanian people.

As we in this country prepare to celebrate 200 years of freedom, it is fitting that we pause and pay tribute to these courageous people, and recommit ourselves to their continuing struggle to regain their rightful place in the free world.

WORK UNDERWAY ON RANKIN SQUARE

HON. JACK BRINKLEY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. BRINKLEY. Mr. Speaker, I am sure most of us have seen too many cases of downtown business districts decaying while business booms on the outskirts in the large suburban centers. In many places, reversal of that trend is beginning to be seen, and I am proud to say that Columbus, Ga., is one of them.

Mr. Harry Kamensky is a concerned, civic-minded Columbus businessman, and nothing he has done in this connection is more impressive than his most recent venture—the rehabilitation of an entire block. The Columbus Ledger of February 9 tells the story, and I am pleased to share this good news with my colleagues.

WORK UNDER WAY ON RANKIN SQUARE

(By Constance Johnson)

Mayor Jack Mickle wielded a crowbar. Congressman Jack Brinkley swung a long-handled hammer.

And the boards came tumbling down today from the first buildings to be renovated for Rankin Square.

Eight days after Columbus businessman Harry Kamensky announced plans to purchase and redevelop half of the Rankin Hotel block, work began on 1041–43 First Avenue, which a century ago housed Muscogee No. 3 fire company.

More recently, one of the two buildings was the locale of a "peep show" offering 25-cent mini movies and adult books at "discount" prices.

Kamensky, beaming with pride, said today renovations of the two buildings should be completed in about four months as a model for the projected "$3.5 million Rankin Square."

One of the buildings will be used as offices for Rankin Square Inc., and the other will be available for lease—possibly to a fire insurance firm—Kamensky said.

Joining Brinkley, Mickle and Kamensky for a work-starting ceremony were Brown Nicholson Jr., executive director of the Columbus Housing Authority, architect Rozier Dedwylder and contractor Ed Gates.

Dedwylder, who has drawn plans for renovating the entire Rankin block, said layers and paint and plaster will be stripped from the old fire station, to expose the "fine older materials underlying". . .

In renovating the interior, as much old brick and original wood will be retained as possible, to provide a patina not possible in modern construction, he said.

Mayor Mickle pledged cooperation in repairing the sidewalks and streets along First Avenue, reminding that such improvements in the city were a part of his campaign commitments.

"We are going to clean up Columbus, with the help of the private sector," Mickle said.

"This is a great day . . . I'm thrilled to death," the mayor said.

Mickle also indicated that he would cooperate with Kamensky and his still unnamed partners in efforts to get the overhead wiring removed from First Avenue, and in removing all overhanging signs.

Brinkley, equally enthusiastic about the start of work on Rankin Square, brought along his own hammer and a nail, which he left in one of the wood doors to the fire station.

"This makes me feel proud, to see someone take the bull by the horns," he said. "It's good for you," he told Kamensky. "It's good for Columbus."

Kamensky said today that he and a group of businessmen who have taken an option on the hotel and other buildings in the Rankin block hope to have title to everything by September.

It will take about that long to obtain clearance from the Georgia secretary of state for the new limited partnership corporation of "more than 12 people" who will own the property, he said.

The Rankin Square redevelopment, to be carried out over a four-year period, will be managed by a separate new corporation with three partners, he said.

The first phase of redevelopment will be on First Avenue, taking in everything except one service station on the corner of First and 11th Street.

Future phases call for redeveloping the Rankin Hotel courtyard and the hotel itself.

KRUEGER-BROYHILL SUBSTITUTE

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. HAGEDORN. Mr. Speaker, I would like to speak in support of the so-called Krueger-Broyhill substitute to H.R. 9464, the Natural Gas Emergency Act. I am sure that each and every Member would prefer that the price of natural gas be kept as low as possible. For many years, however, its price has been controlled at the wellhead—that is, the price paid by the pipeline to the original supplier—and kept substantially lower than the market price. The inevitable result of these controls has been to sharply reduce new supplies of gas, while discouraging its conservation and increasing demands for consumption. While substantial surpluses have developed in nonregulated intrastate markets, at higher prices, FEA figures indicate that actual curtailments of natural gas were 19 percent in 1975 in regulated interstate markets—an increase of almost 100 percent over similar figures for 1974. Unless something is done to enable natural gas prices to rise to more realistic levels, it seems certain that such curtailment figures will continue to rise. In Minnesota these curtailments will be especially burdensome to industrial users, particularly in the paper and food industries. It is estimated that a 20 percent curtailment rate in Minnesota could deny employment to 47,000 manufacturing workers.

The Krueger-Broyhill substitute establishes both a temporary "emergency" plan to meet the current shortage of natural gas, and a long-term plan to insure increased gas supplies at reasonable prices. To meet the immediate crisis, the amendment permits 180-day emergency purchases of nonprice controlled gas by interstate pipelines to meet the needs of their high priority customers, and prohibits the use of natural gas as a boiler fuel—with compensation to affected users. To meet the long-term problem a gradual and orderly phaseout of price controls is set up. "New gas," defined as gas dedicated to interstate commerce for the first time on or after January 1, 1976, and gas from expiring interstate contracts, would be immediately deregulated for onshore production. "New" offshore gas would be deregulated on January 1, 1981. The Federal Power Commission would be empowered to set price ceilings for all other gas through 1980 on the basis of factors enumerated in the amendment. A priority would be established for agricultural users.

Since only approximately 25 percent of the cost of natural gas to the final consumer is determined by the wellhead price—the other 75 percent attributable primarily to transportation costs—and since only approximately 7 percent of the total gas in circulation would consist of "new" gas each year, I do not believe that there would be substantially increased costs to the user of this fuel. In the long run, decontrol is likely to bring down the cost of natural gas by introducing new supplies into the economy. Domestic drilling is currently less than half of what it was 20 years ago. Rather than artificially holding down the price of gas, and in the process discouraging such drilling, real economic incentives must be provided for locating more gas. The Federal Energy Administration estimates that immediate deregulation of "new" natural gas would increase the average residential gas user's bill by $10.21 in 1976; the Federal Power Commission estimates only a $9 increase by 1980. Several nongovernmental studies estimate the increase to be in the same general range. Whatever the increased cost, at least there will be adequate supplies available. An increase in the wellhead price of 50 cents for new contracts would result in an increased production of 3 to 5 trillion cubic feet per year after about 2 or 3 years.

If this Nation does not soon embark upon some plan of decontrol, the price of all forms of energy is going to soar—when it is available. Conversions from gas to oil will result in bills at least $350 a year higher for the average residential user, with all other forms of substitute fuel being at least as costly. We can establish priorities for residential users, but at some point the effects of the growing shortage will reach them also. And long before this, industrial users denied the necessary amounts of fuel, will find it necessary to lay off workers and limit expansion. The Midwest and the Central Atlantic Coast States are expected to first feel the brunt of this situation. In view of the long leadtime required for the production of gas, I believe that we must immediately proceed with a realistic policy of decontrol.

THE NONSOLUTION

HON. STEWART B. McKINNEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. McKINNEY. Mr. Speaker, the American people have been foiled again. Under the guise of inspiring healthy competition, opponents of the deregulation of natural gas have taken unfair advantage of the highly questionable public image of the gas and oil industries to produce an ineffectual piece of legislation that will do little more than temporarily mollify the anger of the small consumer.

The measure passed by the House Thursday, February 5, will not only continue to regulate approximately 75 percent of all natural gas production but will extend these restrictions to the previously unregulated intrastate market. Congress is responsible to alleviate the problem—an annual 10-percent curtailment of gas supplies to the New England pipelines which increasingly endangers the viability of important industries, utilities, and even hospitals in the Northeast. By deregulating only 25 percent of the national production in this field we cannot possibly hope to effectively alleviate more than 25 percent of New England's burden.

Furthermore, Mr. Speaker, the passage of this "compromise" has undoubtedly eliminated any significant chance of providing this country with a critically needed, long awaited, national program to increase natural gas productivity. The bill approved by the House holds little substantive similarity to the natural gas legislation passed by the Senate which deregulates all "new" onshore natural gas contracted to the interstate market on or after January 1, 1976, and all offshore gas 5 years hence. The probability of conferees successfully reconciling the differences in these two bills without sacrificing the entire intent of either appears negligible. This country will then be forced to endure another year without the needed solution to this impending crisis.

Surely, few New England gas consumers could, or should, be satisfied with this non-solution to their shortage problem. Surely, Connecticut consumers can find little solace in the deregulation of the more than 5,500 independent producing companies, who, in toto, account for only 25 percent of the annual national yield. This is especially frustrating in view of the fact that the 30 or fewer major producers, who have the potential to refill New England pipelines, will be more severely regulated by this legislation than ever before.

It is certainly not my intention, at any time, to defend the honor of the gas and oil industries. Obviously they are in need of extensive rehabilitation in order to win the respect of the American public. However, Mr. Speaker, in considering an issue of such far-reaching importance, as the deregulation of natural gas, we, as Representatives, must look beyond the accusations of improbity and the soiled public image of the industry to consider how the industry can best serve the consuming public's energy needs. In the case of Connecticut, Mr. Speaker, I am convinced that the solution includes adequate supples through effective decontrol.

ARMING EGYPT

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. EILBERG. Mr. Speaker, there have been very disturbing reports in the media recently that the administration is planning an arms deal with Egypt. These reports have disturbed a great many Americans because the only reason Egypt would need more military equipment would be to attack Israel which we are arming to defend itself against Egyptian aggression. At this time I enter into the RECORD a letter I sent to Secretary of State, Henry Kissinger, concerning this matter, as well as a column by William Safire on the same subject:

WASHINGTON, D.C.,
February 10, 1976.

Hon. HENRY KISSINGER,
Secretary of State,
Department of State,
Washington, D.C.

DEAR MR. SECRETARY: I am very disturbed about reports in the media of an impending arms deal between the United States and Egypt. If these reports are accurate, I fail to see any logical reason why the United States should be supplying arms to the Egyptians.

At this time we are the main supplier of arms to Israel. The reason we sell these arms to Israel is so that country can defend itself against its declared enemies of which Egypt is the most serious and powerful. It does not make any sense to arm our friend's worst enemy.

The only use for which military equipment we send to Egypt can be put is to attack Israel, a country with such a poor internal economy is certainly no prize for any other country to conquer so Egypt has no real needs for additional arms of any type other than to strengthen its bargaining position and military position against Israel.

All of the reports I have seen about the situation in Egypt indicate that that country is on the verge of economic collapse. Certainly a country which has severe problems feeding its people adequately, if at all, a lack of skilled workers and a system of public services which is antiquated and unreliable at best should not be burdened with further cost for military equipment. If we are to supply any assistance to Egypt—and I am not advocating such assistance—it should be in a form which would provide direct help to its people. If there was ever a country which needed plowshares instead of swords it is Egypt.

For all these reasons I am firmly opposed to any sale or other means of supplying arms to Egypt and hope that you will inform me in the very near future that such a policy is not being contemplated.

Sincerely,

JOSHUA EILBERG.

ARMING EGYPT

(By William Safire)

WASHINGTON.—The Ford Administration has begun to prepare American public opinion for the gift of United States planes, missiles and military communications equipment to Egypt.

In its opening stages, this persuasion effort puts forth the general proposition in a deft denial of specifics. Says Mr. Ford's Secretary of State: "I don't think we will be prepared at this moment to make any specific commitments of military aid, but we will be prepared to discuss the problem with him [Mr. Sadat] in general terms."

Then, as White House sources assured us that Mr. Sadat had not come on this first visit with a specific arms shopping list, Defense Secretary James Schlesinger told Barbara Walters on television: "I think it would be advisable from the standpoint of American policy to achieve a diversification of the sources of arms going to Egypt."

That mushmouthed euphemism—"diversification of the sources of arms"—means, in plain words, giving military equipment to Egypt as soon as Americans will hold still for it.

The argument for such "diversification" goes like this: Since we provide Israel with arms, why not Egypt as well? That would show how evenhanded we are. And if we do not give Mr. Sadat the arms he wants, he might go back to the Russians and get all he wants from them. Thus we would lose our leverage, or control, over Egypt.

But let's go to the basic reason for sending American arms to the Mideast. Israel needs arms to defend herself against invasions by Egypt, which take place on the average of once every five years. Egypt, on the contrary, does not need arms to defend herself against aggression by Israel, which has never happened. The only reason Egypt ever needs arms is to help her threaten, and ultimately attack, Israel.

Is it a step toward peace for America to become an arms supplier to Egypt, helping her win back the land she lost in her invasion before last? No. Sometimes "evenhandedness' asks too much. If the recent agreement Egypt signed not to attack Israel for nearly four years means anything at all, it means that Egypt does not need fresh military assistance. The gift of arms will hardly be an incentive to keep the truce.

What about the "leverage" we would get if we were one of Egypt's arms suppliers? The premise is false. Right now Egypt is buying arms, with Saudi Arabian money, from France and Britain. Right now, Egypt's next-door neighbor, oil-rich Libya, is buying arms at a great rate from the Soviet Union, which will make it the arsenal of anti-democracy in the next shift of Arab alliances.

If we were to add American arms to the Egyptian arsenal, can it be seriously argued that an American threat to cut off future contributions of arms would stop the Egyptians from attacking when they felt strong enough to win? Again, no. They would simply say, "If you cut off military aid, we'll go back to the Russians." Some "leverage."

Moreover, the supply of the same sophisticated communications equipment, missiles and planes to Egypt as we sell to Israel would severely undercut the value of the Israelis' arms. When an attacker is trained in the defender's equipment, the attacker has an enormous advantage. Giving Egypt such an insight into Israeli defense does not win a friend, it loses a deterrent to war.

The central idea on which we base military aid to Israel is that a strong Israel is less likely to be attacked: When Arabs believe they will lose a war, they do not start a war. Today, that sensible idea is being turned on its head. The Ford Administration is saying that if Egyptian arms come partly from the United States, Egypt will then become hooked on our military hardware, and Mr. Sadat can be counted on to do his friend Henry a favor and not use those arms in attacking Israel. Rarely has such inverted logic been presented as the basis for a military assistance proposal.

The only "leverage" we will ever have on Egypt will come from economic aid and the building of connective tissue of investment and trade. If we help Mr. Sadat feed, clothe and house impoverished Egyptians, they will react as human beings do everywhere, by wanting more food and clothing and shelter, not more opportunity to starve and bleed in another round of war.

I think of a young Israeli lieutenant, born in Albany, N.Y., stationed now at the Allenby Bridge, helping Arabs move back and forth across the border to visit their families. The thought of his being the target of an American-built missile, guided by American-built technology, and delivered by an American-built jet aircraft the next time Egypt feels strong enough to attack is more than a little disturbing.

It will not help to then say that the means of killing him was provided by the American taxpayer in the name of "diversification of the sources of arms."

COMMISSION ON UNEMPLOYMENT CAUSED BY THE DISPERSION OF HAZARDOUS INDUSTRIES

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. DOMINICK V. DANIELS. Mr. Speaker, on September 10, 1975, I introduced H.R. 9505, a bill to create a Commission on Unemployment caused by the dispersion of hazardous industries.

The Subcomittee on Manpower, Compensation, and Health and Safety, which I chair, has received studies indicating that certain U.S. industries are relocating their industrial and manufacturing processes abroad in an attempt to circumvent the intent of Congress and avoid compliance with U.S. occupational safety and health laws.

I urge my colleagues to join me in sponsoring this bill.

We cannot turn our backs on a problem which has immense implications both at home and abroad. American workers are displaced as companies export jobs overseas rather than provide a safe and healthful work environment in this country's workplaces.

Additionally, foreign workers in nations without job safety and health standards are now being exposed to toxic substances manufactured by hazardous industries.

I contend that these industries are contributing to the degradation of the environment, no matter where they are located. This is a problem of concern, therefore, to us all.

The Friends of the Earth recently endorsed H.R. 9505. I welcome the support of this environmental organization and again echo my call for cosponsors.

The article follows:

FRIENDS OF THE EARTH

EXPORTING POLLUTION: WHAT DOES IT COST US?

In September, Representative Dominick Daniels (D-N.J.) introduced a bill to establish a commission on unemployment caused by the dispersion of hazardous industries to other parts of the world. So far the bill has been referred to the Committee on Education and Labor, but nothing much has happened to it since. This is an important bill because it will examine the effects of U.S. companies sending their hazardous industries abroad to circumvent restrictive US occupational safety laws.

Mr. Daniels postulates that some of the effects of this trend are that people in other countries are exposed to dangerous industries, that the dispersion of industries creates unemployment and balance of payments problems in the US, and that the US industries that do comply with domestic regulations are therefore faced with unfair competition. He wants the commission to investigate these questions.

FOE thinks this commission is a good idea. Exporting our hazardous industries to plague the other people of the world does not solve the problem of making those industries fit for laborers and could allow hazardous substances to filter into the US marketplace through these imported products. Also, allowing industries to circumvent the Congress's intended clean-up of work places and products sets a bad example for other clean-up projects. Environmental victories in the US will be rendered worthless if the result is to foist the problems off on the rest of the world.

If the commission is established and funded in the coming session of Congress, its report will probably be available by the scheduled date of 1978. Then we can start thinking about legislation, both in Congress and in international bodies, to prevent US industries from exploding foreign workers while at the same time aggravating domestic unemployment problems.

What You Can Do: Write to your Representative and urge him or her to cosponsor Representative Daniels' H.R. 9505. Ask the Committee on Education and Labor to hold hearings on it soon, so it can get to the floor for passage. It will help analyze some of our unemployment, balance of payments, and environmental problems all at the same time—a very good idea.

PUTTING GOVERNMENT SECRETS IN PERSPECTIVE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. BROWN of California. Mr. Speaker, we are currently going through another spat of stories about the danger of Government secrets becoming public, and how this public knowledge of the Government's business threatens our democracy. These charges are nothing new, and probably do not deserve serious comment. We, in Congress, should not allow any agency, whether it is the Department of Agriculture, the Department of Commerce, the Environmental Protection Agency or the Central Intelligence Agency, to withhold information from us or the American people unless it is of a very extraordinary nature. We all know that most secrets are not either extraordinary or secret, but merely attempts by people and organizations to keep their operations out of the public eye and away from public scrutiny.

Maybe we take this issue too seriously. I read an article over the weekend which struck me as at least plausible, even though it was meant to be satire. I recommend the following Art Buchwald column to my colleagues who are interested in the subject of secrecy.

The article follows:

[From the Washington Post, Feb. 15, 1976]

LIFE INSIDE THE SECRET FACTORY

(By Art Buchwald)

Probably the biggest business in Washington is the manufacturing of secrets. In the past 20 years the demand for secrets has increased tenfold, and because the government can not keep up with it, all federal agencies are now sub-contracting their orders for secrets to private industry.

I visited one of these secret manufacturing factories the other day. It is callel Hush Hush Ltd., and is located in a suburb outside Washington.

Arnold Zankel, one of the founders of the company, was my escort.

"We're going 24 hours a day," he said proudly. "Everyone in government is desperate for secrets and they all need them immediately."

"I thought the CIA hearings and the disclosures about the FBI and the Watergate scandal would have hurt your business."

"Au contraire," said Zankel. "As soon as a secret is revealed to the public, the agency involved orders a new one to replace it. The demand for full disclosure of what the government is up to has made every government department search for more sophisticated secrets that can't be discovered."

Zankel took me into a large room which was completely automated. There were machines typing up documents and other machine typing them "Confidential."

"This is our bread and butter business," he explained.

"We supply 80 percent of all the confidential papers used by the federal government."

"How do they order them?"

"By the ton. We might get a call from HEW or HUD and they'll say we need three tons of confidential papers for the week."

"Don't they specify what kind they want?"

"No, confidential papers do not have a high rating in the government, but it does make the department look good to have them in their files. So nobody really cares what's on them. We just program our electric typewriters to type up anything that looks official, then we stamp them "Confidential," bale them in 100-pound packages, send them over by truck and throw them on the steps of the agency every morning."

We came to some swinging doors. "This is something that might interest you," Zankel said. The large airy room had three long tables at which were seated men and women in white smocks. They were working on binding volumes of mimeographed papers.

"What are they doing?"

"They're binding secrets to be subpoenaed. These are secrets that can be given to Congressional committees."

Zankel explained, "Congress is demanding more and more secrets from the executive branch of the government. So we are manufacturing secrets especially tailored to satisfy Congressional subpoenaes. For example these chips have been ordered by the Federal Reserve Board and have to do with the private affairs of banks. When Congress demands to see the secret papers in the Fed's files, the Federal Reserve Bank will send these over.

"Obviously they're so complicated that no one can understand them. But since they have a lot of bulk to them the Committees are usually satisfied. The people over there are working on energy secrets, and down there they are dealing with agricultural exports. Our job is to see that no one can make heads or tails out of them."

Before we went into the next room Zankel made me put on rubber boots. We entered a hall with 3 inches of water on the floor.

"This is probably our most difficult work. We have to make secrets here that can be leaked."

"You have government orders for secrets that leak?" I asked in surprise.

"It's one of our biggest items. High government officials are constantly leaking secrets to the press, and pretending surprise that the secret got out. We've developed a container which can hold a secret in a solid state until the word goes out it should be leaked. Then by just twisting this tab, the secret becomes soluble and leaks all over town."

"Fantastic," I said.

"It's our biggest item. Between Henry Kissinger, Pat Moynihan and the Congressional Committee investigating the CIA, we can't keep them in stock."

CALIFORNIA MEAT INSPECTION

HON. WILLIAM M. KETCHUM

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. KETCHUM. Mr. Speaker, legislation for the good of the American public does occasionally come before us: Today I am introducing just such a bill. A segment of the California work force—whose work is crucial to the entire Nation—is currently facing economic disaster. California meat and poultry inspectors—heretofore employed under the State-Federal wholesome meat and poultry inspection program—are about to be absorbed in the Federal work force. The State has determined its participation in this program to be too costly, and is thus shifting the burden entirely onto the shoulders—and the coffers—of the Federal Government.

First, let me inform you that I deplore this irresponsibility on the part of the State of California. I am indeed aware of the necessity for implementation of austerity-level budgets. However, tossing the ball back to the Federal Government does not change the price tag: It just spreads the cost around to more American taxpayers. The State knew this was an expensive program at the outset, but believed State administration and input to be more effective than long-distance Federal meddling. I am sorry to see the Feds assume complete jurisdiction over this program, with all the bureaucratic haggling that entails.

However, the decision has been made—and the immediate repercussions are serious. When the Federal Government retains the employees of such an enterprise upon the transition of the program, these employees are offered a salary level at the first GS grade equivalent to the work performed in State service. For many, this will constitute a 20-percent pay cut. The arbitrariness of this outdated civil service provision is unconscionable. Not only will these employees be performing essentially the same function as before and at the same establishments, these individuals are long-term employees with job experience equivalent to Federal inspectors who rank at least fifth in the GS grade system. These contradictions are compounded by the fact that one-half of the current meat inspection costs—including salaries—have been footed by the Federal Government to date. It would seem that agreement had been reached over the appropriateness of this salary rate and, therefore, that a pay cut is not in order.

Furthermore, this transition also means the forfeiture of existing sick leave, vacation and retirement benefits thus far accrued under State service. There are very few employees who will be able to weigh the estimated fiscal year 1976 savings to the State of $400,000 versus their personal loss of retirement security and earned leave benefits. Is it any wonder why the U.S. citizenry is disenchanted by American Government?

My bill addresses these serious problems and creates equitable transition provisions for all affected employees. Under these new regulations, any such employee will be assumed by the Federal Government at a GS salary level equal to his former State rate or at the Federal step exceeding his former pay by the least amount. Credit will be granted for time and money put toward tenure, leave, life insurance, sick leave, and retention credit. All employees will have the opportunity to receive credit for Federal annuity computations. In short, this legislation asks the Civil Service Commission to treat its new employees fairly. I do not consider this an unreasonable request.

This remedial legislation, prompted by a California experience, has nationwide implications. An unprecedented number of States have recently terminated their similar participation—Massachusetts, Connecticut, Tennessee, Colorado, New York, New Jersey—with an unknown number contemplating such a switch. Meanwhile, State-Federal grain inspection programs have been recommended for stricter Federal control. Another factor not to be overlooked is the serious repercussion of employee disenchantment which could ripple throughout the food production industry were these equalizations not effectuated. This legislative action is supported by the California State Personnel Board, the California State Department of Food and Agriculture, the California State Employees' Association, the California Meat Inspectors Association, and a concurrent resolution adopted by the California State Legislature. The proposed transition date is April 1, 1976; I urge my colleagues to join me in insuring that evenhanded employee compensation replaces what could become a most dangerous precedent.

HOW TO CREATE JOBS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. CRANE. Mr. Speaker, there is much discussion about the need to create more jobs, but too often that discussion relates to what is politically popular rather than what is economically appropriate.

In order to provide jobs, the American economy must generate capital investment. Experts believe that our industrial plant will need at least $4 trillion in new capital investment funds in order to support the economy and the American people adequately in the next 10 years.

In recent testimony, Secretary of the Treasury William Simon declared that,

> The desired results will require government policies which will moderate inflation and balance the federal budget over time in order to avoid diverting needed capital away from investment and into the financing of chronic government deficits. A continuation of the fiscal and monetary distortions of the past decade will only frustrate our capital investment efforts and lead to still more serious economic problems in the future.

The answer is not for the Congress to appropriate public funds which we do not have for jobs which produce nothing of value but simply provide the illusion of problem solving. The real answer may be found in the Job Creation Act, a bill which I have cosponsored with a number of my colleagues. The aim of this legislation is to create the capital investment which will produce the real jobs necessary to restore health to our economy.

In a recent editorial, Business Week declared that,

> The only answer for the United States is to create productive jobs in the private sector. To do that will take major surgery on the tax laws, which currently deter, if not penalize, investments and sop up money that could go into new products, new markets and new plants.

Business Week notes that,

> . . . the U.S. Congress is doing all the wrong things by discouraging corporate investment. Its failure to understand how jobs are generated worsens the difficult unemployment problem and threatens to put the United States on the same road that has led to the destruction of British economic power.

I wish to share the editorial, "How To Make Jobs," as it appeared in the December 29, 1975 issue of Business Week, with my colleagues, and insert it into the RECORD at this time:

HOW TO MAKE JOBS

> It is immoral as well as inefficient and wasteful for an economy as rich and diversified as the United States to live with an unemployment rate of over 7% for long periods of time. And it is even more wasteful and inefficient to try to solve the unemployment problem by putting the jobless on public payrolls.
>
> The only answer for the U.S. is to create productive jobs in the private sector. To do that will take major surgery on the tax laws, which currently deter, if not penalize, investments and sop up money that could go into new products, new markets, and new plants.
>
> The biggest obstacle to job creation in the U.S. today is Congress, which has erroneously convinced itself that any moderation of corporate taxes is robbery for fat-cat stockholders and executives. The typical reaction was expressed bluntly by Al Ullman, chairman of the House Ways and Means Committee, after listening to Treasury Secretary William Simon lay out proposals to ease the capital crunch last summer. "A ripoff," snorted Ullman.
>
> Instead of rejecting such ideas, Ullman and other congressmen should look at the model being set by Sweden, often considered the archetype welfare state. Business has thrived in a climate that many U.S. businessmen would consider unendurable because the government and the trade unions both recognize that productive investments by profit-making business enterprises are the source of the goods and services, the jobs, the personal incomes, and thus the tax revenues that finance so much of Sweden's social benefits.
>
> The Swedish government, says Prime Minister Olof Palme (BW–Dec. 22) is "very kind" to companies that invest in expansion and modernization of their plants. The Swedes encourage corporate investment with an astonishing array of tax breaks and other incentives, including a tax-free write-off of up to 40% of earnings if they are set aside as reserves for capital spending.
>
> In contrast, the U.S. Congress is doing all the wrong things by discouraging corporate investment. Its failure to understand how jobs are generated worsens the difficult unemployment problem and threatens to put the U.S. on the same road that has led to the destruction of British economic power.

SENIOR CITIZENS DESERVE CREDIT

HON. JOE MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. MOAKLEY. Mr. Speaker, I have spoken before of the problems facing the elderly and again, today, I address this topic.

I don't think that the average American is fully cognizant of the many injustices that many of our citizens face because of their age. We are aware of discrimination against women and minorities when applying for credit and loans, but many do not realize that the same things happen to our senior citizens.

All of us want a fully integrated society. We need a society composed of citizens who feel that they have some stake in society and that what they do or say makes a difference. Without this feeling of efficacy, the United States cannot function and all of us are the worse for it. A fully integrated society does not exclude any group. We do not have this unity as long as 10 percent of our population is abused, neglected, and discriminated against. Our senior citizens deserve equal treatment in all areas, not in just a few.

I find it appalling that 10.2 percent of our population only gets 1.4 percent of all loans issued. I find it equally shocking that a 67-year-old physician, whose annual income is $30,000, is refused a mortgage by a bank with which he has been doing business for 37 years, because he is too old. His previous history of credit was excellent, yet it was not taken into consideration when he applied for the loan on the mortgage. A 64-year-old stockholder who has lived in the same house for 26 years and held the same job for 46 years is denied a credit card. A widow, receiving a good pension from a major insurance company plus income from social security, with a substantial bank account is refused a credit card.

Why are not they eligible for a loan or a credit card? For the same reason that the physician was turned down—age! And these are not isolated cases. The American Association of Retired People asked for feedback from members who feel they had been discriminated against when applying for credit. The initial response was 500 letters, the second request netted another 500 letters, and many months later, letters are still coming in, not by trucks, but by substantial numbers. Enough letters to know that a lot of retired people are not getting full application for a loan or a credit card. Just because you are 65 does not mean you no longer have any use for a credit card. Many places require evidence form of credit when cashing a check and what is an elderly citizen going to do, if he or she is denied a credit card? For elderly people with a fear of being mugged or robbed, a credit card eliminates the need for carrying a large amount of money.

Reaching the magic age of 65, where you suddenly find the adjectives "senior" or "elderly" plentiful does not mean that you no longer have the need or the desire to buy a car or a home or to improve the one you are living in. People over 65 have just as much the right to obtain a credit card or a loan as does anyone else.

Age should not be the sole determiner by which you are either denied or granted credit. It seems to me that credit worthiness—that is the ability to pay loan or credit installments—should be the criterium. While many seniors are not employed, this fact should not be held against them when they apply for a line of credit.

Credit worthiness should be based on the income, the assets and the previous credit record of the person in question, not on whether or not that person is employed. Indeed, retirement income and social security are more reliable and regular than income derived from a job presently held. Why older people are discriminated against when they're applying for credit confounds me. Logically, it does not follow. An older person has had a lifetime in which to establish a credit rating so that by the age of 60, a lending institution knows whether or not that person is a good or bad credit risk. Older people are more settled. Many have held one job for a number of years and in many cases, they have lived in the same place for an equal period of time. Older people have fewer demands on their income than, for example, a young couple of 30 with a huge mortgage to pay and a growing family to support. In many cases, seniors homes have already been or are about to be paid for. People over 65 have had a number of years in which to build up their bank accounts, buy stocks, and accumulate a number of assets.

Why then, are so many denied credit cards and loans? For no other reason than the fact that they are "old." They are no longer "young" in a society that caters to the "young." This denial leads many to feel isolated and cut off from the mainstream of American life. As one woman put it, "It is a great way to make one feel like a nonperson." Another woman said she felt as if she were 100 years old when she was refused a credit card.

Our senior citizens need not feel this way. They certainly do not deserve it. Their integration, not segregation, back into our society is essential. Without this group, we are the losers.

BICENTENNIAL SALUTE TO BISHOP SAMUEL KELSEY

HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. FAUNTROY. Mr. Speaker, as this great Republic celebrates its Bicentennial we reflect upon the virtues of the Founding Fathers of our Nation, I think it is most appropriate that we pay tribute also to those who today carry on in the best tradition of the faith and works of the fathers of our country. Here in our Nation's Capital, we are privileged to have one such man whose life and works are the very embodiment of the faith, the sense of conscience, and the response to duty that has endeared the Founding Fathers to us all. I speak of Bishop Samuel Kelsey, the pastor of the Temple Church of God in Christ.

History, Mr. Speaker, is nourished by instructive example. The instructive example of the life of Bishop Kelsey has indeed enriched the public service, exalted the public life, and added lustre to the work of the church in America.

Called into the ministry at the early age of 17, Bishop Samuel Kelsey has dedicated 59 years of his life to God, church and community. During these illustrious years of service to churchdom, he has left an indelible imprint on the lives of those he has touched and on the causes for which he has fought. A man of compassion and deep concern for his fellow man, he is one of the most admired and beloved ministers in our Nation's Capital.

Born in Sandsville, Ga. and raised in Philadelphia, Pa., Bishop Kelsey moved to Washington, D.C. in 1923 to fulfill the missionary role for which God had destined him. Preaching his first revival sermon in a ragged tent in southwest Washington, Bishop Kelsey's eloquent and moving voice attracted thousands of Washington, D.C. citizens who saw in him the inspiring leadership ability they were seeking. From this humble beginning in a tent revival, Bishop Kelsey established the Temple Church of God in Christ.

A man who believes that a vital part of his ministry is to bring comfort to the sick and disabled, Bishop Kelsey has successfully combined our modern communication technology with the power of God's message to reach the sick and shut-in. In 1943, he inaugurated a weekly broadcast that brought to the homes of thousands of Washingtonians his compassionate and spiritually uplifting sermons. These weekly broadcasts have continued for over 30 years. The voice of Bishop Kelsey coming over the air waves singing "Little boy, how old are you—say I am only 12 years old" was an inspiration to me and countless thousands of young people in my own childhood.

In recognition of his sterling leadership ability and his outstanding work as a missionary to the "afflicted", Bishop Kelsey was elevated to the bishopric and became a board member of the Board of the Churches of God in Christ in Memphis, Tenn.

In 1958, under his perceptive guidance, the congregation of the Temple Church of God in Christ purchased a beautiful edifice of worship at 1435 Park Road. The church reflects Bishop Kelsey's religious philosophy that "happiness is a byproduct of service to one's fellow man. The Temple Church of God in Christ has opened its doors to the community groups in the area in an effort to build a neighborhood of people helping people.

A man of wisdom with a deep social consciousness, Bishop Kelsey is a respected leader in the religious as well as the civic community. He holds membership in numerous civic organizations including the Opportunities Industrialization Center, the Committee of 100 Ministers, the National Association for the Advancement of Colored People, and the Urban League. He is the recipient of two honorary degrees, D.D. and LL.D.

Washingtonians celebrating our Nation's Bicentennial see reflected in Bishop Kelsey the sterling qualities that endear the Founding Fathers to all Americans.

As the patriots recognized the leadership capacity of the Founding Father of our counrty, George Washington, so the members of the Churches of God in Christ saw in Bishop Kelsey the leadership capacity to hold one of the highest positions in the church when they elected him to the bishopric and elected him a member of the board of bishops.

The practical wisdom of a Benjamin Franklin is seen in his prudent application of religion to life in the management of Kelsey Garden Apartments constructed on the riot corridor of 7th Street, Northwest.

Like Patrick Henry who inspired the citizens of the 13 Colonies to ban together in a common union of states, Bishop Kelsey, speaking before a July 4 audience in 1923, inspired thousands of Washington, D.C. citizens to join together to form the Temple Church of God in Christ.

As Thomas Paine understood the power of the written word to stir in man a thirst for freedom, Bishop Kelsey understands the power of broadcasting God's message to rekindle our faith in the grace and goodness of God and the power of His healing hand.

The political sagacity of a Thomas Jefferson is reflected in Bishop Kelsey in the fact that he is one of the most influential leaders of the important Committee of 100 Ministers in Washington, D.C.

I consider it a privilege to submit this testimonial in recognition of Bishop Samuel Kelsey, a great American, who has earned by his deeds the respect and admiration of the citizens of our Nation's Capital as a founding father of religious leadership.

ECOLOGY AND TIMBER—NOT NECESSARILY EXCLUSIVE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. BROWN of California. Mr. Speaker, over the last 20 to 30 years the words "renewable" and "nonrenewable" have come into heavy use whenever our natural resources were being discussed. I, myself, have often underlined the urgency of developing and using alternatives to our fast diminishing nonrenewable resources, such as oil or hydrocarbons, before our society is brought to a grinding halt by their exhaustion. As each year passes, my concern, along with many others, has grown, for we continue to use such resources with a reckless, exploitative nature that threatens our future in the gravest possible way. Still, though I cannot stress the need for response to these problems too heavily, this concern for our nonrenewable resources must not create a lack of attentiveness to the rapid destruction of one of our most previous renewable natural resources—our national forests.

Our forests, though technically renewable, have taken centuries to create. The diversity of the wilderness they encompass—the wildlife, the clear lakes and streams filled with water life, the complex ecological arrangements of varying trees, shrubs, and flowers—is the purest example of the interdependent web which so intricately balances and supplies the many needs of each living organism, including ourselves. It is true that trees can be planted and harvested in a somewhat similar fashion to our food commodities, but to view the structure of our forests in such a simple manner is an oversight. The makeup of our forested wilderness is not only a source of beauty and peaceful serenity but a system of 1,100 watersheds encompassing more than 40 million acres of land. These watersheds, with their sponge-release mechanism which purifies our water and provides us with a steady supply, are being seriously eroded by the unrestrained use of the controversial clearcutting harvest method. The forests support life in many other ways, which are also in danger by their very destruction. By recycling carbon dioxide through photosynthesis, our forest plants provide us with oxygen. In addition, they are an efficient utilizer of solar energy and a producer of a cooling effect over large regions of our planet by absorbing the strong heat of the sun. These are important factors which should not be overlooked.

The harvesting of timber for commercial purposes has developed into one of our largest industries, and understandably so. We depend on wood for many uses—housing, furniture, fuel, paper and pulp products. Ninety-seven million acres of our national forests, which include a total of 187 million acres, are currently set aside for commercial timber. This percentage of the total is constantly growing. Since 1945, 20 million acres of our national forests have been removed from the noncommercial classification and placed within our commercial boundaries, as compared to the 11 million acres which have been set aside as a formal wilderness area.

In these 97 million acres, the harvest of timber has increased to a 1974 gross sales of $585 million. The use of the clearcutting method, which strips large acreages of land of practically all standing vegetation, has contributed to the ability to cut such large amounts of trees. This clearcutting method, though commercially attractive, tends—if used without discretion—to cause extensive soil and vegetative disturbance and damage that leads to dangerous levels of erosion. A 1973 Department of Interior report on the effects of logging in California's National Redwood Park produced documentation supporting the belief that clearcutting on the sloped areas of the park had placed the tributaries, land, and remaining forests in jeopardy. Erosion of the steeper slopes has already created slides and has clogged many of the tributaries in the park. Clearcutting need not be so destructive. When used within certain acreage limitations, slope and soil specifications, and for thinning, wildlife, fire, disease, pest infestation, blowdowns, or such necessary forest enhancement purposes, it can add to the growth and diversity of our forests. But at the present time, it is a method of timber cutting which is used with little or no discretion, often cutting hundreds of acres at a stretch on slope and soil conditions that cannot bear up under the erosive effects of the heavy machinery and resulting blight.

I mention these facts because I feel that it is time for the Congress to address these problems, and produce as practical a resolution as possible. We must find a way to produce timber for our needs while protecting our environment from the deterioration it is now experiencing. Our national forests exist to preserve areas for recreation, watershed, wildlife, range and timber. We must insure that all five uses receive enough attention so that those people who wish to visit our forests, to camp in the wilderness, to backpack on our many beautiful trails enjoying the beauty of untouched nature, will continue to find such places and see ecological harmony at its best. The Forest Service projects that approximately 345 million people will be visiting our national forests in the year 1980, and probably double that by the year 2000. If we continue on this profligate course which wastes our timber supplies, erodes the soil, and leaves thousands of acres naked to the sun and rain, I cannot predict how long it will be before most of our forests are gone and the rest are simply straight rows of timber crops planted for easy harvesting. There are other ways to meet our timber needs.

A GAO report published in 1973, entitled "Increased Use of Felled Wood Would Help Meet Timber Demand and Reduce Environmental Damage in Federal Forests" pointed out, and I quote "that more than 400 million cubic feet—equivalent in volume to about 2.4 billion board feet—of usable felled wood was left in the three agencies'—Forest Service, Bureau of Land Management, and the Bureau of Indian Affairs—sale areas in California, Oregon, and Washington in 1969." This amount was equal to one-fifth of the three agencies' 1972 timber harvest. Though some of this wood could not be economically marketed due to lack of proper facilities or lack of demand, the GAO pointed out that "some large private companies which own and manage land for timber production have far less felled wood left on their land after harvesting." This difference is probably due to the lack of Forest Service requirements for purchasers to remove all wood meeting minimum standards, often resulting in situations where purchasers remove only the best timber from a given sale area, leaving large quantities of usable felled wood behind. It was also noted that in a specific case in Oregon, the timber sale officer sold the felled wood remaining after the first purchaser had completed his harvest. This second buyer removed more than one-fourth of a million board feet of usable wood, two-thirds of which was used for lumber and plywood and about one-third for fiberwood.

It seems that this is a very definite source for increasing our timber supplies, while adding to environmental protection. Felled wood creates a fire hazard, causes air pollution because it is destroyed by burning, and pollutes our water with debris. There should be greater utilization of this resource.

In response to my serious concern over these critical problems, I am introducing a bill today which is identical to Senator RANDOLPH's recently introduced bill, S. 2926, regarding forest management. It is my hope that this introduction will stimulate a useful and productive debate directed towards the solution of the complexities of this entire issue. This bill could be that solution for it directs its emphasis towards curtailing the misuses of clearcutting, while continuing to allow that method to be used for regenerative purposes, for the prevention of disease, blowdowns, or fire, for the benefit of wildlife, and for the control of pest infestations. It does restrict the number of acres that can be clearcut to 25, though leaving the Secretary of Agriculture the discretion of increasing this number when wildlife or other purposes seem to demand additional acreage harvesting. The bill also emphasizes the protection of watersheds, wildlife, and recreational areas, the promulgation of cutting standards which reflect biological requirements, and the protection of esthetic resources.

I urge my colleagues to read this bill. It is a serious attempt to address the controversial problems that have reached a critical stage in these last couple years.

FULL EMPLOYMENT

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. HAWKINS. Mr. Speaker, I would like to call the Members' attention to the following article published on February 13, 1976, in the New York Times. I hope that my colleagues will pay particular attention to the survey results in which 70 percent of the 1,463 persons contacted nationally agreed that the Federal Government should see to it that every person who wants to work has a job.

The article follows:

POLL FINDS VOTERS JUDGING '76 RIVALS ON PERSONALITY

(By Robert Reinhold)

Nine months before the American public elects a President and two weeks before the first primary is held, the personalities that the candidates have projected appear to be a much more important source of support among potential voters than the stands they have staked out on major issues.

According to a national survey conducted by The New York Times and CBS News, the issues that generate large majorities pro or con include abortion, busing for racial integration and proposals that the Government provide jobs for all and for transferring Federal social programs to the states.

Yet, the survey shows, except for George C. Wallace on the busing question, none of the major Democratic candidates have so far emerged in the minds of the public as the leading spokesman on any of these issues. Nor do the issues seem to explain why some Republicans favor President Ford and others Ronald Reagan.

The chief beneficiary of this lack of clarity at this very early stage of the campaign appears to be Jimmy Carter, the former Georgia Governor and newcomer to national politics, who has cultivated a startlingly high level of recognition and support from all types of Democrats. The survey results show that he tends to be seen as all things to all people—as a liberal to liberals, a moderate to moderates and a conservative to conservatives.

Among the findings that emerged from the nationwide telephone survey of 1,463 persons taken last week are these:

More Republicans rated former California Gov. Ronald Reagan higher than President Ford on leadership and competence. Despite this, Mr. Ford was regarded the stronger candidate among more Republicans.

On most issues, the Ford and Reagan backers differed little, suggesting that less tangible elements such as the candidate's personality were more influential than policy positions. Mr. Reagan's supporters tended, however, to be slightly more opposed to pursuing detente with the Soviet Union, and Mr. Reagan was somewhat stronger among those who felt that the Government usually fails to act on important matters.

The Democratic race, perhaps not surprisingly, is much less focused than the Republican. Apart from Governor Wallace, who was assumed to be widely known from previous campaigns, the candidates who left the clearest impression were most widely recognized by people who listed themselves as Democrats were Sargent Shriver, Senator Henry M. Jackson and Jimmy Carter.

Among those Democrats who had an impression of Mr. Carter, nearly three-quarters had a favorable opinion of him, considerably more than for any other candidate. The least favorably regarded among the Democratic candidates was Mr. Wallace, whose favorable rating was 36 percent of the Democrats polled.

The notion that Hubert H. Humphrey would be a major unifying force for the nation if other Democratic candidates were to knock each other out of the campaign may not be well founded. While 52 percent of the Democrats polled regarded him favorably, only 38 percent of the total sample did. Moreover 45 percent of the total had an unfavorable view of the Minnesota Senator.

Public attitudes on the issues are marked by inconsistencies and cross-currents. A heavy majority, 70 percent, agreed that the Federal Government should see to it that everyone has a job, yet they also felt by 48 to 43 percent that the Federal Government should balance its budget even if it meant spending less on social services. The majority came down on the liberal side of the abortion issue, favoring a woman's right to have an abortion, but on the conservative side of the busing question, heavily opposing its use.

ROUGH GAUGE PROVIDED

The survey was taken by The Times and CBS News to assess voter attitudes on issues and candidates. This first poll was intended to serve as a benchmark for analyzing changes in the attitudes of the electorate as the campaign progresses. Other nationwide polls will be taken in future months, along with polls in major primary states.

The results provide only a rough gauge of sentiment, both because of the margin of error inherent in such polls and because of the high proportion of potential voters who have not formed solid ideas on the campaign at this very early date.

Given the variations in how well the candidates are recognized by the public at present and the uncertainty about which ones will remain in the race, The Times has reported findings on which ones are rated favorably by more potential voters rather than reporting on which ones are currently the first choices for the nomination in both parties. In both parties, the candidates who actually showed up with the highest percentage of first choices as the nominees were given considerably lower "favorability" or popularity ratings in the poll than other candidates.

Perhaps the most striking finding, in contrast to the hard-fought 1972 compaign, is the lack of clear-cut issues dividing the candidates, at least in the minds of the public if not the candidates. Still the candidates do seem to draw their main support from logical ideological constituencies.

Only certain candidates, on certain issues, seemed to have penetrated the public awareness. On detente with the Russians, for example, Senator Jackson is correctly seen by most Democrats as opposing it. The stand of most other Democratic hopefuls, however, remains murky in the public eye and this issue does not seem to be a cutting one.

VIEWS ON MINORITY AID

On race—traditionally an unstated but powerful issue in voting—only Governor Wallace is seen by a majority of his party as feeling that the Government has "paid too much attention to the problems of blacks and other minorities." By contrast, most of the other Democrats—Morris K. Udall, Mr. Shriver, Senator Birch Bayh and Fred R. Harris—are viewed as heavily in favor of more aid to minorities.

Mr. Carter was seen much less clearly than other candidates on the racial issue, as he seems to be on most issues.

Indeed, Mr. Carter, whose critics say he takes both sides of every issue, was seen by 21 percent as favoring a ban on abortions and 36 per cent against a ban, while 43 percent said they did not know. Thirty-six percent said he opposed détente, while 33 percent said he favored it and 31 percent said they did not know.

As a result, it would seem, Mr. Carter appeals to the entire ideological spectrum for the moment. Of those in the survey who had an impression of him and considered him a liberal, 54 percent called themselves liberal. Of those who 'called him a conservative, 61 percent called themselves conservatives.

On the Republican side, Mr. Ford seems to be holding his own among his party even though Republicans tend to think of him as less of a leader and less competent than his rival, Mr. Reagan. A possible clue to Mr. Ford's strength is the fact that Republicans consider him quite honest.

Unlike Barry Goldwater in 1964, Mr. Reagan has managed to carve out a very conservative stance without seeming extreme. Only 26 percent of Republicans considered him too extreme. On the other hand, 53 percent of the Democrats felt Mr. Wallace was too extreme.

Despite the apparent lack of clarity on issues, most candidates nevertheless had support from clearly defined constituencies. Mr. Harris's supporters—the most liberal in the sample—tended to favor more federally created jobs, support for racial minorities, détente, pollution control and cuts in military spending.

At the center of the spectrum on balance, was Mr. Jackson. On one hand his backers tended to be liberal on questions of jobs, pollution and race but conservative on détente and military spending.

At the far right of the spectrum was Mr. Reagan, whose support took the conservative side of all issues except abortion.

FILING RESOLUTION DISAPROVING GUIDELINES PROPOSED BY THE ATTORNEY GENERAL

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. BADILLO. Mr. Speaker, I am today filing a resolution disapproving of the guidelines proposed by Attorney General Edward Levi and the Department of Justice for Domestic Security Investigations by the Federal Bureau of Investigation.

Last week, at a hearing on FBI oversight held by the Subcommittee on Civil and Constitutional Rights of the Judiciary Committee, on which I sit, Attorney General Levi presented us with a newly revised set of guidelines proposed by the Justice Department for oversight of domestic intelligence investigations. This is the second draft we have seen, and although it is a minor improvement over the previous guidelines, they are still so broad as to give license to exactly the same kinds of activity the FBI has carried on up until now without the benefit of guidelines.

During the past months, we have been shocked to learn of the Cointelpro activities against Martin Luther King. If the new guidelines are ever promulgated, exactly the same kind of activities could be given the sanction of respectability. The guidelines suggest that investigations can be conducted to ascertain information on the "activities of individuals or groups of individuals acting in concert, which involve or will involve the use of force or violence in violation of Federal law." We know that the early activities of the Southern Christian Leadership Conference did indeed lead to violence, and so, were they to begin again, the same dirty tricks could, under the proposed guidelines, occur all over again.

The resolution condemning the proposed guidelines will provide a framework for the hearings. We are now beginning to determine the kind of legislation that will provide the kind of oversight the FBI really requires. The resolution is a statement that the Justice Department-promulgated guidelines cannot adequately do the job, and that statutes to govern the activities, not only of the Domestic Intelligence Division, but the entire Bureau are a critical priority.

The resolution points out in its first paragraph that the bases for investigation provided by the Justice Department provide a potential for abuse that would put any citizen under the threat of investigation if that citizen were simply to sit in at city hall to seek to persuade the government to alter unfair practices, or go to a meeting at which such a demonstration was being planned, or even to work in the campaign of a suspect political candidate.

It also indicates the lack of established criteria and guidelines for the initiation of preliminary investigations, the sources from which the information to start those investigations should come, and even the recruitment of informants. There are only limited oversight provisions to make sure that the investigations are carried out within the parameters of acceptable guidelines and there is no mechanism for the distruction of files where the investigation has been found unwarranted.

It is also alarming to note that in part IV of the guidelines, "Preventive Action," the document fails to describe what "nonviolent" preventive action is and under what circumstances it would be appropriate. It also leaves the decision to use such preventive action to the decision of the Attorney General, perhaps acting in concert with the President, or whomever else he might choose. I find it appalling that critical decisions such as these be left to a subjective group of individuals.

In fact, throughout the document there appears to be no real attempt to establish any firm administrative procedures or structures for the Domestic Security Division of the Federal Bureau of Investigation. It seems to me that the lessons of the past years—the years of one-man rule at the FBI, the years of constitutional abuse by the Nixon administration, the years of all those frightening adventures by our intelligence agencies—should be that we must create objective standards for the conduct of all intelligence operations. It is a lesson that the Justice Department has apparently not yet learned, and I am hopeful that this resolution, and the legislation that will be forthcoming from our subcommittee will begin a badly needed lesson in what oversight really means.

The resolution follows:

H. RES. —

Resolution expressing the sense of the House disapproving the guidelines proposed by the Attorney General for Domestic Security Investigations by the Federal Bureau of Investigation

Whereas, the Attorney General of the United States has recently proposed guidelines governing Domestic Security Investigations by the Federal Bureau of Investigation; and

Whereas, Part I of those Guidelines, entitled "Bases of Investigation," is so broad that it provides a potential for abuse that could place every citizen under investigation in the exercise of that citizen's constitutional rights, while remaining within the sense of the guidelines; and gives liecnse to the continuation of those practices within the Bureau that provides the impetus for establishing guidelines; and

Whereas, Part II, entitled "Initiation and Scope of Investigations," describes the two levels of Federal Bureau of Investigation investigations, but establishes no criteria as to the kind of information, or the acceptable sources for such information, sufficient to initiate preliminary investigations. Within the part there are only limited oversight provisions to assure the conduct of such investigations within the parameters of the guidelines. There are as well no criteria established for the recruitment and oversight of informants, and the reliability of the information they provide; and

Whereas, Part III, entitled "Terminating Investigations" provides no mechanism for the review and destruction of files, where an investigation was found unwarranted; and

Whereas, Part IV, entitled "Preventive Action," lacks clear criteria for those situations in which such preventive action might be necessary, using only the weak standard used in Section I, thereby leaving it to the discretion of an individual or group of individuals; and

Whereas, nowhere in these proposed guidelines is any part devoted to the Administration of the Domestic Security Division of the Federal Bureau of Investigation;

Therefore, be it resolved that it is the sense of the House of Representatives of the Congress of the United States that it does not favor the proposed guidelines for Domestic Intelligence Investigations as provided by Attorney General Edward Levi and the Department of Justice, and that it expresses its disapproval thereof.

TWO HUNDRED YEARS AGO TODAY

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. WIGGINS. Mr. Speaker, 200 years ago, on February 12, 1776, the Continental Congress urged the committees of safety of New Jersey and Pennsylvania to each immediately send a battalion of men to reinforce the troops under Maj. Gen. Charles Lee in New York. Congress also directed that 1 ton of gun powder be sent to General Lee from the United Colonies' supplies. General Lee had advised Congress that he needed additional troops because a ship with British soldiers had arrived in New York and he believed more were on the way.

SUPPORT FOR VICTIMS OF SOVIET PERSECUTION

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. McDONALD of Georgia. Mr. Speaker, I would like to join with my colleagues in both Houses of Congress and on both sides of the aisle to urge support for the Second World Conference for Soviet Jewry to be held in Brussels from February 17 to 19, 1976.

I would like to call my colleagues' attention to the testimony of Avraham Shifrin given in 1973 before the House Committee on Internal Security. Mr. Shifrin is a Soviet Jew now living in Israel who suffered 10 years' imprisonment in Soviet slave labor camps. He had committed no crime other than being a Jew.

Mr. Shifrin testified that while the Jews are the most persecuted group in the Soviet Union, all Soviet citizens are subject to the persecution of the Communist secret police. The Jews serve as a useful scapegoat for the Communists to blame for the failures of their inefficient economic system. But, anyone in the Soviet Union who wants the freedom to practice his religion, the right of free speech and press, or the right to leave becomes the victim of Communist oppression.

We should demand the right of any Soviet citizen, not only Jews and Volga Germans to leave Communist Russia. Shifrin told an anecdote to the House Committee on Internal Security during his testimony:

> You know in the U.S.S.R. we have 300 million population and 3 million Jews. Two people speak in the U.S.S.R. and one asks the other "What do you think, how many Jews would go to Israel if they would open all the doors?" The other man answered, "Three hundred million."

The testimony of Avraham Shifrin may be found in the publication the "Theory and Practice of Communism, Part 2 (The Communist Party, USA—Defender of Soviet Anti-Semitism)." As the House Judiciary Committee now has the responsibility to distribute the publications of the former House Committee on Internal Security, I would urge my colleagues to request copies of this valuable and informative hearing from Chairman RODINO. If the Judiciary Committee is short of copies, they should be urged to reprint this hearing.

The Communists promised in the Helsinki accord that they would allow a freer flow of people and ideas and would remove obstructions to the reunifications of families. As with every other agreement signed by the Communist dictatorship, they have violated its terms.

I urge my colleagues to continue their pressure on the Soviet Government to demand freedom and the right to emigrate for all the victims, Jews, Russians, Ukrainians, Balts, and every other national group.

No new agreements with the Communists until they fulfill the old agreements.

FUTURE FARMERS OF AMERICA MOVES INTO ITS 48TH YEAR

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. NATCHER. Mr. Speaker, the Future Farmers of America move into their 48th year as one of our Nation's best known and acclaimed organizations. Until the year 1928 a nationwide program for the farm youth of our country did not exist. True, in some of the public schools agricultural clubs had been formed. They were, however, very few and were widely scattered. Distances were farther then, in 1928, and the move to establish the Future Farmers of America as a national organization for students of vocational agriculture was one which was to have a lasting impact on the future of America.

"Future for America—FFA." This is the 1976 theme of the Future Farmers and as they celebrate February 21 through February 29 as their national week, I call upon my colleagues here today to join me in recognizing the 485,000 FFA members—485,000 of our young Americans—all committed to bettering your life and mine.

I have said on many occasions that I like the Future Farmers. I do. I am very proud of them. Our State has always been one of the strong FFA associations in the national organization. Our Governor, the Honorable Julian M. Carroll, is himself a former member and as FFA Week is observed nationally he has by his official proclamation declared a concurrent FFA Week in Kentucky. This is evidence of the Kentuckian's feeling for the Future Farmers. This is evidence of the pride we take in each of our 157 FFA chapters.

This is a good program, Mr. Speaker, and Future Farmers do not forget. Take for example the State alumni chapters which are organized in counties across the State. The largest of these is the Barren County State FFA Alumni, in our Second Congressional District, with over 60 members. These are 60 graduates of the program from one of our counties alone. Sixty adult men and women, adults now, possibly with families of their own, who still lend their support to FFA activities.

Yes, it is a good program, Mr. Speaker. We in Kentucky know it. We see it grow year by year. At Hardinsburg, also in our congressional district, is the Kentucky FFA Leadership Training Center and here, during the summer of 1975, over 1,000 members came for leadership development.

Who are the Future Farmers? What type of high school student can it be to give up a part of their summer vacation to take a course in leadership development? Only the best, Mr. Speaker. Only the best.

They are the ones who will be tomorrow's agricultural leaders. They are the ones who will better our lives through agriculture. They are the ones who by modern technique and method will improve every aspect, every phase, of our still greatest industry.

They are our neighbors and our friends—everybody and anybody studying vocational agriculture in our public schools. But never are they "nobody." They are the Future Farmers of America—they are a future for America.

LITHUANIAN INDEPENDENCE DAY 1976

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. BIAGGI. Mr. Speaker, I am pleased at this opportunity to pay tribute to the brave and resolute people of Lithuania in this their 58th anniversary of their declaration of independence. While it is fitting that each year we in the Congress take time to note this important event, it remains a tragic irony that as we take note of this occasion we know that for much of the past 35 years freedom has been but an elusive dream for the people of Lithuania.

It was 58 years ago when the Lithuanian nation successfully culminated their struggle to be freed from Russian domination with their declaration of independence. Yet the joys of freedom were to be short lived for a scant two decades later Lithuania was again to fall under Soviet control as they were declared a constituent republic of the U.S.S.R. on August 3, 1940. They have remained in this captive status since that point, except for a brief time when they were under Nazi control during the Second World War.

Yet in Lithuania, as in many of the other Soviet satellite nations of Eastern Europe, the spirit to regain their freedom remains undaunted. Despite years of persecution and domination by the Soviets, the people of Lithuania have not extinguished the fires of freedom from their hearts.

As we commemorate Lithuanian Independence Day we find this Nation engaged in a very important debate over the continued feasibility of pursuing a policy of détente with the Soviet Union. Without question the most glaring failure of this policy has been its total inability to improve the quality of life and the prospects of freedom for the millions of captive peoples under the control of the Soviet Union. We must come to grips with the reality of the situation and reevaluate détente and its true effects.

Let us continue to work for good relations with our adversaries but not forget the plight of the oppressed people of the world for they too are entitled to live in a world of peace, freedom, and dignity.

I am again honored to participate in this important day. I salute the many contributions of the Lithuanian American community and assure them as well as the people of Lithuania that we in the United States share and support their continued efforts to regain their freedom.

WMAQ-TV EDITORIAL

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. DERWINSKI. Mr. Speaker, the much-maligned Chicago school system is working to meet the needs of its students for an education that will fit them for the future. I concur completely with an editorial broadcast by WMAQ-TV in Chicago on February 5 and 6 on this subject, and insert it in the RECORD at this point:

WMAQ-TV EDITORIAL

There is probably no single goal in Chicago more important than improving public education so that it does a better job of preparing young people to go out and earn a living. Right now some major businesses in Chicago have found it necessary to set up their own classrooms.

A high school education in Chicago is no guarantee that the graduate will have the basic skills needed for employment. As a result, at least six companies in Chicago—firms like Illinois Bell and Commonwealth Edison—are offering remedial courses in subjects like reading, writing, public speaking and math to people they have hired. Altogether the six companies are spending about a million dollars a year trying to make up for what the public schools have failed to do.

That is a demonstration that these firms have a commitment to the City of Chicago—to remain in the city and to provide employment for city residents.

Meanwhile, though, many companies have moved to suburban areas because they believe they can find better qualified workers there.

For Chicago to survive, the city must be an attractive place for business and industry as well as a good place to live. That means jobs must be available with qualified persons to fill them. There are many factors intertwined but the quality of the Chicago schools may be the most important of all.

Superintendent Joseph Hannon recognizes this. He is very concerned about the issue of "career education." Hannon is talking to business people to determine what skills will be most needed in the future, to find out what are the growth industries for which people should be trained.

For example, Chicago is an aviation center. There are about 35,000 jobs at O'Hare Field. Hannon thinks a specialized school training students for jobs in the airline business, a school that could be located near the airport, might be worth consideration.

That's the kind of innovative thinking that is needed. Our schools must turn out graduates who are decently prepared for today's jobs. We cannot expect private industry to do the teaching. If the schools don't do it, business and industry will continue to move wherever necessary to find qualified employees.

J. EDGAR HOOVER AND NOW

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. McDONALD of Georgia. Mr. Speaker, with the death of J. Edgar Hoover and all the various ad hoc investigations into the FBI, CIA and everyone else concerned with protecting the security of our Nation, his great contribution to this country is being diminished by various distortions and misleading impressions arising out of these investigations, a truer perspective of the man, in my view, was furnished by Mr. Robert Morris in a column published in The Monitor of Trenton, N.J., a Catholic newspaper, of January 8, 1976. The column follows:

J. EDGAR HOOVER AND NOW

(By Robert Morris)

Whittaker Chambers wisely said many years ago that the West is determined to destroy itself and woe betide anyone who tries to avert the suicide.

J. Edgar Hoover, for more than four decades, was a dedicated public servant, working with remarkable sophistication in an area of tumultuous controversy, the arena of internal security. That he survived in that gladiator pit for so long is indeed a testament to his skill, courage and delicate sense of public relations. He worked with steadfast purpose to preserve the United States.

His FBI was an exemplar of efficiency and good decorum. It thwarted the gangsters, the Nazi saboteurs, the extremist organizations, and in recent years the hijackers, the terrorists, the arsonists and the bombers.

But now the sledge hammer in the Congress, in the executive agencies and in the media that is dismantling our internal security ramparts is being directed against Mr. Hoover.

In my many security roles, with New York State, with the Navy, with the House of Representatives and finally with the Senate, I had many associations with J. Edgar Hoover and his assistants. They were always forthright, devoid of bureaucratic deceit and efficient.

Mr. Hoover was authoritative and decisive. This is now represented as authoritarian and dictatorial. He was far more scrupulous, as even the Watergate hearings revealed, than most of the cast of characters around and above him.

And now he is being marked for slaughter. A move is even on to change the name of the FBI building which bears his name. He is being calumniated, after his death, by the tactics which the enemies of the country know and utilize so well, because he is a symbol of internal security that must be vilified and destroyed.

Surveillance of domestic communists—of course they are American citizens and of course they are dissenters (when dissent serves their chameleonesque purposes)—is one of the last parapets that a beleaguered nation must maintain to survive. If you cannot observe and record the acts of Brezhnev's, Mao's or Castro's agents in this country, you are suicidal in your posture. Therefore if this symbol of surveillance can be levelled, the final process of destruction will be facilitated.

That is what the campaign against files and surveillance is all about. And now Mr. Hoover is to become part of this campaign that will, I am sure, be dubbed Hooverism to effectuate this ignoble goal.

The evidence to support it? On occasion, Presidents Roosevelt, Kennedy, Johnson and, to a lesser extent, Nixon abused the FBI to promote political purposes. Moreover, as Attorney General, Bob Kennedy, whom I knew and who had a good sense of internal security, caused to be signed an order directing the FBI to conduct a surveillance on Dr. Martin Luther King. The evidence justifying this order has never been revealed to us.

There were few legal guidelines on how FBI directors should be responsive to or independent of presidents and attorneys general who are their superiors. The incumbent director, Clarence Kelley, has rightly asserted that this has been the problem and he has asked Congress to fill this vacuum.

But, mirabile dictu, instead of the demolition crews turning their machinery on the people primarily responsible for these abuses—the FDRs, the LBJs, the JFKs and RFKs—the victim selected has been the subordinate whose only fault (and in this lone area in a field of 40 years' service) could be characterized as too responsive to the directives of his presidents.

TRIBUTE TO GEORGE J. BURGER, SR.—A GREAT AMERICAN AND CHAMPION ADVOCATE FOR SMALL BUSINESS

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. EVINS of Tennessee. Mr. Speaker, I was saddened to learn last week of the recent passing of Mr. George J. Burger, Sr., for many years an effective advocate of the Nation's small businessmen, and I want to take this means of paying a brief but sincere tribute to the memory of this great American.

George Burger was one of the best known and most effective lobbyists in Washington, having represented the National Federation of Independent Business for the past quarter century as that organization's vice president for legislative activities and as a member of the NFIB board of directors.

Certainly he was a friend of the small businessman and a champion of many legislative measures favorable to the small business segment of our economy.

George Burger was especially interested and concerned with the vigorous enforcement of the Nation's antitrust laws as a method of strengthening the Nation's free enterprise system. He was also a strong advocate for elevation of the Small Business Committee to legislative status—and he lived to see this objective achieved last year.

In addition, George Burger is credited with having a substantial influence in creating the Small Business Administration.

Prior to his joining the NFIB, Mr. Burger helped organize the first tire dealer group, the National Tire Dealers Association, and helped lead the fight for legislation to outlaw price discrimination—which eventually led to enactment of the Robinson-Patman Act.

Mr. Burger was active in business since 1910. His career both as a small businessman and as a Washington advocate was exemplary in the public interest—he was often called "the dean of Washington lobbyists who served the public interest"—and he will be missed.

I want to extend to the Burger family this expression of my deepest and most sincere sympathy in their loss and bereavement.

AN INTERVIEW WITH GOV. EDMUND G. BROWN, JR., OF CALIFORNIA

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. BROWN of California. Mr. Speaker, there has been much discussion in this body and throughout the country about the role of government, and whether that role has changed because of external forces. I, for one, believe the role of government is changing, and should change to meet the realities of today and the future, rather than the programs and policies of the past. This may be difficult for government to do, given the nature of bureaucracies to resist change, and the nature of the political system to opt for short-term and simple solutions to long-term and complicated problems.

Perhaps it is because this is such a difficult problem that Governor Brown of California has attracted the interest he has in his attempts to redefine what the role of government should be. Seldom has a state executive generated such attention, not to mention praise and criticism, outside their own state. While Governor Brown has managed to do this, his views seem to suffer in the translation and editing that is done by outside journalists. For this reason, I would like to place in the CONGRESSIONAL RECORD an interview with Jerry Brown that appeared in the San Bernardino Sun-Telegram on January 19, 1976.

The article follows:

BROWN URGES "FUNDAMENTAL READJUSTMENT"

(By Vic Pollard)

SACRAMENTO.—What do the doctors fighting malpractice insurance rates have in common with the terrorists who bombed La Guardia airport?

Not much, the doctors and the terrorists would probably say.

And yet they do, says Gov. Edmund G. Brown Jr.

"Why do we have a malpractice crisis? There's a reason for that. Why do we have airport bombs in New York. Letter bombs in San Francisco. These things have never happened before. Shows you something's profoundly wrong," Brown said.

The malpractice crisis and the new wave of terrorist threats are just two symptoms of problems the United States has swept under the rug for too long, Brown told the Sun-Telegram in an interview.

Furthermore, he predicted that the crises now in the headlines are only the first of many that the nation will have to endure unless some "fundamental readjustments" are made.

The heart of all the problems, Brown said, lies in the attitude Americans have toward the economy of their nation and the world.

"There's a fantasy abroad in this country," he said, "and the fantasy is that there's a God-given right to an ever-accelerating gross national product. That's just not true."

The "fantasy" is often expressed in the common conception of the "American dream," he said, the belief that the expanding U.S. economy promises a gradually increasing level of wealth and comfort.

But Brown said that government planners and private businessmen have stretched the economy almost beyond its limits of expansion.

"The sixties idea is, heat up the economy, provide more and more growth and everyone can work that way," he said. "That is not working right now. It's not working as shown by inflation. It's not working as shown by high unemployment."

He concedes that the economy is on the upswing at the moment. However, he warned in his state-of-the-state message last week that he believes it may be only part of a steadily decreasing series of cyclical swings.

The most serious sign of the trouble in the economy, Brown says, is the rising unemployment rate.

This is due partly to the surge of post-war babies into the job market, he said.

"Some of them don't have the skills that the market requires," he said, "and there are many restrictions on the market. There are occupations that exclude people. There are professions that are monopolistic. There are all sort of ways that make it difficult to employ people."

Secondly, he said, "in order to compete in the world market, in order to maintain the high standard of living for those people that do work, the economy has made business activities very efficient."

"One of the ideas I proposed," he said, "was work sharing. Instead of this ever-increasing public sector schooling process, wouldn't it be a good idea to have more apprenticeships . . . hire people who are untrained and train them. Let that be a cost of the enterprise.

"But efficiency," he added, "in many ways efficient they don't compete. And if they don't compete, they don't stay in business."

"But efficiency, he added, "in many ways is inefficient from society's point of view because it means that a number of people are excluded from work, and when they are excluded from work they go on welfare and commit crime."

"And therein is the great dilemma," he continued, "because if we don't give everybody a job, we're going to increase the instability, the rising welfare, the food stamps, the unemployment insurance, the crime, the prisons, all those things."

Brown says he has not yet found a solution.

"The precise formula of how we deal with that is something I've been trying to figure out myself, and I'm just not able to do so," he said.

But he says he is certain of one thing in trying to solve the dilemma of increasing efficiency and growing joblessness.

"If we change one," he said, "we may end up changing the other, which would materially tend to lower the standard of living.

"And that's another bitter pill. Are people serious about unemployment? If they are serious about full employment, it may affect the standard of living for everybody."

He said workers may have to accept lower incomes and businessmen may have to get along with lower profits and a less competitive position in the domestic and world markets.

"When I say that people are going to have to lower their expectations, I'm just trying to allude to the fact that the future may not hold out the straight line increase in material wealth that people have been used to," he said.

"The old rules would be to loosen up the money supply, more deficit spending, and hope it works," he added. "There's a chance that it might not work. It might not work because of environmental constrictions. It might not work because of the expensive resources from other countries.

"And that's where we are today, and there's no easy answer," he said.

A reporter observed that this fatalistic attitude is not consistent with Brown's usual approach to problem solving, which is to work away at a problem until he finds a solution. Why not treat the economy the same way he has dealt with the farm labor problem and the way he is working on the malpractice crisis?

"But if we can't make the Arabs give us their oil at a cheap rate," he replied, "if we can't make the Chileans give us their copper at a cut rate, if we can't make people accept increasing amounts of air and water pollution; if we can't make the poor accept unemployment and welfare, then obviously something's gotta give and we have to adjust the system.

"I'm trying to do that in an incremental way that responds to our basic traditions."

Does that mean, then that the Brown Administration is saying that the American dream must be junked?

"No," he replied. "We're just dreaming different dreams. What is the American dream? Read what Jefferson said. Read what Adams said, about how after 1776, he said we may be a little poorer, but we're all going to be a lot happier and we'll be free.

"What is the dream of Jefferson and Adams? This is the Bicentennial year. Look back and see what it was.

"I don't think it was an increasing bureaucratic state, with everyone working for a gigantic enterprise as almost an industrial serf, to collect more and more objects and with less civility in public life."

He is not frightened, he said, by the economic changes that he sees as both necessary and inevitable.

"The economy is going to get different, that's all," he said. "To some people that's painful. To others, it's liberating from this mindless pursuit of materialistic consumption."

"I think things are getting better," he added, "but that may be just according to my values."

What are the values of this 37-year-old bachelor, who followed his father into the governor's office to become the most popular state chief executive since the birth of opinion polls?

Trying to put a label on them is the most widely played parlor game in Sacramento.

Certainly, his doubts about the fundamental soundness of the U.S. economic system make him sound at times like a radical.

And yet his inistence on a balanced budget with no tax increase and his efforts to trim the size and influence of state government have given Republican legislators and party leaders no opening to hang that label on him.

In fact, liberal Democrats in the legislature and elsewhere are growing increasingly restive with Brown's refusal to use the fiscal and political power of state government to directly tackle unemployment, education and other problems with traditional Democratic activism.

He is often described as a conservative, but one look at the farm labor bill he signed and the men he appointed to enforce it makes that an unsatisfactory description.

Perhaps the best way to analyze him is to follow the clues given by the statements and proposals he has made since taking office a little over a year ago.

Almost as well known as his insistence on limiting tax are his views on pay for public employes. He has often said that persons with responsible, satisfying jobs should put up with smaller pay raises than those with dreary, menial occupations.

He has also insisted on rigorous affirmative action programs which, in some state agencies, have made it difficult to hire or promote white males, who now dominate middle and upper management.

This is in line, he says, with his efforts to open up the opportunities in the job market to everyone on an equal basis.

There are other clues in his latest budget proposal.

One is a continuation of the controversial per cent growth limit on adult education programs. Brown says he will fight to keep the limit until educators stop using the "coercive power of the state" to "conscript" money for such classes as antique collecting, macrame and social skills for singles without express permission from local property taxpayers.

Discussing the philosophy behind his resistance not only to the growth in demand for more "attractive" adult education classes but for increases in all government services, he said, "I don't think government has to keep growing at an ever-accelerating rate."

"If we do," he continued, "then we'll have a socialistic state. Now if that's what everybody wants, certainly we can get that. All you do is take all the money from the private sector and put in the public sector, and we will no longer have a mixed economy."

"I'm trying to slow that process down," he said, "and that means that you can't get everything you want."

Another clue came when he proudly pointed out a tiny item in the bulky budget proposal, expressing some disappointment that reporters had not yet discovered it.

"I've included $100,000 in the department of motor vehicle account for painting murals in motor vehicle offices," he said. "I've also proposed money for child care areas for those who come in to use the motor vehicle offices."

"This is a recognition of the fact that government is more than a machine," he explained. "It should express the artistic sensibilities of people and also reflect the cultural heritage of the areas where it works and operates."

Such clues abound, and new ones crop up almost daily, but they do not lead to a concise definition of Brown's philosophy in traditional political labels.

One thing is clear, however. He sees a future for the state and the nation that is vastly different from that envisioned by most people just a few years ago:

"Unless we can get a technological breakthrough of massive proportions, the growth rate in the future will be less than it is now," he said. "And people will get used to it. They'll have no choice.

"England has certainly gotten used to where they are. In Canada, Pierre Trudeau was elected on a platform of avoiding price and wage controls, but they've been running 10 per cent inflation and they had to impose them."

"Southern California depends on fossil fuel," he added. "People tell us there's only 15 to 30 years of it left. What happens if it's over in 30 years? What do we do? We have to take that into account now."

"When you have 6 per cent of the planet and you're taking 40 per cent of the resources and the rest of the planet is organizing against you," he said at another point, "possibly you'd better take stock against the future. Find out what's possible and what isn't possible."

"Part of maturity is the ability to test and understand reality," he concluded. "I'm saying that the American reality is changing and we will either change with it, or we'll just face increasing demoralization."

NATIONALLY RENOWNED BLACK EDUCATOR DIES

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. STOKES. Mr. Speaker, it is with deep sadness and a sense of great personal loss that I address you today on the death of a close and dear associate, Dr. Vivian Henderson.

Dr. Henderson was the distinguished president of Clark College at the Atlanta University Center since 1965. He was also a nationally respected expert on economics and educational affairs.

Dr. Henderson and I had occasion to come together a number of times both here and abroad. In December of 1973, we were delegates to "Africa 1974," a conference on African-American policy in Addis Ababa, Ethiopia.

Mr. Speaker, in order that my colleagues in the House be familiar with the outstanding career of Dr. Henderson, I submit to you today an article which appeared in the Thursday, January 29, 1976, Atlanta Constitution, which details the highlights of his life and career:

During Heart Surgery Dr. V. W. Henderson Dies; Clark President

(By Bill King)

Dr. Vivian W. Henderson, one of Atlanta's most respected educators and a nationally recognized economist, died Wednesday afternoon at St. Joseph's Infirmary during heart surgery.

Dr. Henderson had been the president of Clark College, one of the six units of the Atlanta University Center, since 1965. He had served on numerous federal education and economics task forces.

According to E. L. Simon, chairman of the Board of Trustees of Clark College, the 52-year-old Dr. Henderson checked into Northside Hospital Sunday complaining of chest pains.

He had undergone open-heart surgery five years ago for the implantation of a plastic heart valve, and doctors determined the valve was leaking.

Dr. Henderson was transferred to St. Joseph's Tuesday night and entered surgery at 9 a.m. Wednesday morning. He died on the operating table shortly after 2 p.m., a school spokesman said.

Atlanta Mayor Maynard Jackson characterized Dr. Henderson as a man "never too busy to accept the call to service," who "shared the vision of our city's future while acknowledging the problems of our past and laboring within the struggles of our present."

Jackson praised Dr. Henderson's "dedication to Atlanta, his creative approach to issues and his boundless enthusiasm for new ideas," saying that "his presence at any meeting" was an "invaluable asset."

"I personally am indebted to Dr. Henderson for his help and guidance during the first two years of my administration. I always knew I could call upon him for advice, for guidance and for strength," Jackson added.

Atlanta University Center Chancellor Lisle C. Carter called Dr. Henderson's death "a deep loss."

"Dr. Henderson was a national leader in education and a recognized authority on manpower economics. He made important contributions to the civil rights movement and was a consistent advocate of equal employment and, more recently, full employment for Americans," Carter said.

"At Clark College, as president, his presence has been felt through innovations, advancement and expansion over the last decade," Carter added.

Atlanta Chamber of Commerce President Joel Goldberg said that Dr. Henderson's "pride in Atlanta and his contributions to her progress will be sorely missed."

Goldberg cited Dr. Henderson's efforts "in assuring the orderly desegregation of the Atlanta public schools in 1972" as an important contribution to Atlanta.

"Both Atlanta and the Chamber have lost a loyal and valued friend," Goldberg said.

Dr. Albert Manley, retiring president of Spelman College of the Atlanta University Center, mourned Dr. Henderson's death as the loss of a close friend of 30 years.

"It is a sad day for the Atlanta University Center as well as the city of Atlanta," Manley said, adding that his own retirement would have made Dr. Henderson the senior president at the consortium of six black institutions.

Dr. Henderson came to Clark College as the 18th president of the predominantly black school in 1965 from Fisk University in Nashville, Tenn., where he had served as an administrator, professor and chairman of the Business Administration and Economics Department.

A nationally known economist, he conducted pioneer studies of the black labor market and potential buying power of the black community and was the author of numerous articles on economics, race relations and education.

Dr. Henderson was appointed to numerous presidential task forces and commissions under former President Lyndon B. Johnson. He prepared papers for the 1966 and 1967 White House conferences on civil rights and was named to the Commission of Rural Poverty in 1967–68.

He also served as chairman of the Georgia Advisory Committee to the U.S. Commission of Civil Rights and was a member of the U.S. National Commission to UNESCO from 1969 to 1972, serving on committees on education and human rights.

Known as a progressive liberal, Dr. Henderson started a program of expansion at Clark College while chiding the white community in Atlanta for its lack of support for the school.

He once took the rostrum of the Georgia House of Representatives to criticize the lack of financial support for black colleges from the business community, saying, "We have grown and developed in spite of Atlanta and the South."

On another occasion, he chastised then-Secretary of Agriculture Clifford Hardin for "discriminatory" practices in the department and a lack of concern for black farmers.

Dr. Henderson said blacks should support the expansion of Atlanta because they "don't have the economic muscle to keep Atlanta viable" if the city became all black.

He called the "economic insecurity" of blacks the nation's biggest problem and called for more federal spending and guaranteed employment.

Dr. Henderson justified the role of black colleges in a society seeking racial integration by noting that "we live in a pluralistic society . . . and each group has a right to exist according to its own self-determination, and black colleges are an important avenue to that determination."

Along those lines, he supported consolidation of the six campuses in the Atlanta University Center in order to improve its educational effectiveness.

Dr. Henderson was a member of the Board of Trustees of the Ford Foundation and was president and chairman of the executive committee of the Southern Regional Council.

He was also a director of the National Urban Coalition, the National Bureau of Economic Research, Common Cause, the Atlanta Chamber of Commerce, the Citizens and Southern National Bank, the Martin Luther King Jr. Center for Social Change and was a member of the board of trustees of The American University.

He was co-chairman of the Interstate Committee on Human Resources and Public Services of the Southern Growth Policies Board and was chairman of the Atlanta Regional Commission Health Manpower Task Force.

He was a founding member of the Black Academy of Arts and Sciences and was a fellow in the American Academy of Arts and Sciences.

Dr. Henderson was a life member of the National Asociation for the Advancement of Colored People and was a director of the Voter Education Project.

He had formerly been a director of the Atlanta Urban League, a member of the advisory committee of the Atlanta Charter Commission and a member of the state Manpower Advisory Committee. He had been a director of the Atlanta Community Chest, the Atlanta chapter of the National Conference of Christians and Jews, the Atlanta Civil Liberties Union, the board of trustees of Wesley Homes and numerous other groups.

Dr. Henderson served as co-chairman of Mayor Jackson's Reorganization Task Force in 1973 and as education co-chairman of former Gov. Jimmy Carter's Goals for Georgia Progress. He participated in President Gerald Ford's White House Conference on Inflation in 1974.

A native of Bristol, Tenn., Dr. Henderson graduated from North Carolina Central University in Durham, N.C., and received his masters and doctoral degrees in economics from the University of Iowa.

During his career he also taught at North Carolina State University, North Carolina Central University and Prairie View A&M College in Texas.

Dr. Henderson was the recipient of the W. E. B. DuBois Award of the Association of Social and Behavioral Scientists in 1974 and received the Medal for Distinguished Service from Teachers College, Columbia University in 1970.

Funeral services will be held at 11 a.m. Saturday at the Warren Memorial United Methodist Church. Burial will follow a 4 p.m. service the same day at the John Wesley Memorial Chapel at Bristol, Tenn.

Dr. Henderson is survived by his widow, the former Anna Powell; daughters, Miss Wyonella Marie Henderson, Miss Kimberly Ann Henderson; sons, Dwight Cedric Henderson and David Wayne Henderson. Miss Wyonella Henderson is a law student at Emory University, and Dr. Henderson's two sons attend Clark College.

Also surviving are sisters, Miss Frieda L. Henderson of Bristol, Tenn., Mrs. Edward Boyden of West Virginia; Mrs. John Valentine of Landover, Md.; brothers, W. T. Henderson, Authur Henderson and Forrest Henderson, all of Bristol and J. J. Henderson of Durham, N.C.

TWO HUNDRED YEARS AGO TODAY

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. WIGGINS. Mr. Speaker, 200 years ago on February 15, 1776, believing that it was still possible to persuade Canada to join the Colonies in the struggle against Great Britain, the Continental Congress appointed a committee for that purpose. The committee, which was to visit Canada and explain the American position to the clergy and gentry, included Benjamin Franklin and Samuel Chase, both Members of Congress, and Charles Carroll, a highly respected patriot from Maryland. Congress formed the committee after its Committee of Secret Correspondence reported that if the Canadian clergy and gentry were won over, they could aline Canada with the Colonies.

TRIBUTE TO GEORGE ELKINS

HON. THOMAS M. REES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. REES. Mr. Speaker, I would like to take this opportunity to pay tribute to one of the outstanding members of my congressional district, George Elkins. Last week, Mr. Elkins was honored by the Westwood Shrine Club as their Man of the Year. Through our long-standing personal friendship, I have come to know the man and his tremendous accomplishments, both in business and civic endeavors.

Born in New Mexico, George Elkins came to southern California in 1921. The following year he founded a real estate company in Beverly Hills which would soon grow into one of the most respected and dynamic in the area. Since that time George Elkins has been one of the most influential figures in the development of Beverly Hills.

During the late 1930's and 1940's Elkins brought three major department stores, W & J Sloane, Saks Fifth Avenue, and I. Magnins, to Beverly Hills. It was this kind of foresight which fostered interest in the area and contributed significantly to growth. Real estate was at a very low point during the pre-war years and George Elkins was able to encourage prospective buyers by pointing out the desirability of the Beverly Hills area.

George Elkins, who is still active as the chief executive officer of his firm, has been president of both the Beverly Hills and Los Angeles Realty Boards. He is a lifetime director of the California Real Estate Association, a member and past vice president of the Mortgage Bankers Association of America, and a former director of the National Association of Real Estate Boards.

In addition to leadership in his profession, George Elkins has contributed significantly to the well being of the community. He is a director of the American Red Cross, a member and past president of the Los Angeles Economic Round Table, a trustee of the Greater Los Angeles Zoo Association, a trustee of the American Educational League, and past chairman of the university board of Pepperdine University.

Although over 50 years have passed since George Elkins first became involved with the development and welfare of the community, he still maintains the vitality and energy of his early days as one of Beverly Hills' greatest tennis doubles players. He is a man of great integrity as is evidenced by the reputation of his firm and respect of his employees.

I know my colleagues will join me in congratulating George Elkins for outstanding leadership in his profession and community affairs.

BICENTENNIAL SPIRIT FIGHTS FEDERAL COLOSSUS

HON. DEL CLAWSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. DEL CLAWSON. Mr. Speaker, adding to our bulging files of illustrations of the need for Congress to curb the bureaucratic excesses committed with the stated purpose of carrying out the laws written by this body, is another excellent column by Mr. James J. Kilpatrick. The column, which appeared in the Washington Star of Saturday, February 14, is inserted at this point in the RECORD for the information of my colleagues:

BICENTENNIAL SPIRIT FIGHTS FEDERAL COLOSSUS

(By James J. Kilpatrick)

We will be hearing a great deal this year about the heroes who 200 years ago twisted the tail of the British lion. In keeping with the Bicentennial spirit, perhaps nominations are in order for contemporary heroes cast in the same mold. Two names come to mind: Ray Godfrey of Rapid City, S.D., and Howard Dearborn of Fryeburg, Maine.

These gentlemen are engaged in single combat with the Occupational Safety and Health Administration, better known as OSHA. If they had been hanging around Boston a long time ago, they would have pitched the tea in the harbor.

Godfrey is proprietor of the Godfrey Brake Service at 110 Popular Street in Rapid City. Back in mid-December, he was minding his own business at his own garage, when there came a knock on the door. It was a total stranger.

Godfrey asked who was he, and the stranger said he was an inspector for OSHA. Says who, says Godfrey. Say me, says the stranger. Izzat so, says Godfrey. And with that, Godfrey reached into his drawer and pulled out a handy-dandy form. Fill it out, says Godfrey to the stranger, and we'll see.

It was an "Official Public Servants Questionnaire." South Dakota has been plagued with phony feds bearing phony credentials. Godfrey wanted to be certain whom he was letting on the premises. His prepared form inquired of the stranger's age, residence, race, sex, education and whether he had a criminal record. It asked a lot of other questions—the same kind of darnfool questions the government regularly puts to businessmen.

The stranger went away in high dudgeon, and a week or so later Godfrey found himself on the defendant's end of a suit in U.S. District Court. The Department of Labor was seeking a court order to compel Godfrey to admit the stranger to his shop. On Dec. 31, Judge Andrew Bogue took the matter under advisement, and as of this past Monday that was where it rested. Meanwhile, 125 other employers in the Rapid City area have met at Godfrey's garage to see what additional OSHA tea they can toss in the harbor.

An OSHA inspector also came to call on the metalworking plant of Howard Dearborn, Inc., in Fryeburg, Maine. This was on June 24, 1974. The proprietor is a Yankee facsimile of the kind of character known in the South as an unreconstructed rebel. Dearborn's plant is engaged in highly sophisticated work. Even the bureaucrats have conceded that Dearborn's operation "is in good physical condition, is safety conscious and does its best to comply with safety regulations."

Nevertheless, the inspector found a welding electrode cable with damaged insulation. OSHA hit Dearborn with a $25 fine, and Dearborn hit the roof. He said he was an honest businessman running an honest plant, and he refused to pay. He took it to the OSHA Review Commission. There the penalty was upheld. Dearborn still refuses to pay. His position is that nobody but nobody can track his way through the thousands of pages of OSHA regulations. If the inspector had merely asked him nicely to replace the cable, he would have replaced it on the spot. He long ago replaced it anyhow. The case has cost him $3,000 in legal fees, and he's directed his attorneys to appeal to the courts.

Godfrey and Dearborn are exceptional men. Last year OSHA's 1,234 inspectors visited 88,800 establishments. They found 66,000 employers with an average of about five violations each. The inspectors proposed penalties totaling $9.5 million, or roughly $150 per citation. Only 5 per cent of the cited employers appealed to the Review Commission; the other 95 per cent figured it was cheaper to pay the penalty than to pay lawyers to fight it.

In the five years since its formation, OSHA has managed to become one of the most despised arms of the federal colossus. This is not because employers are opposed to safety. The notion is absurd. It is because the agency has delivered itself of a vast ocean of regulations that no employer can wade through, and because OSHA sends out inspectors who wouldn't know a brake shoe from a horseshoe. At any rate, that is the universal complaint.

A pessimistic prophecy is in order that the two mavericks will finally be corralled. The judge will order Godfrey to let the inspector in, and the inspector will penalize him 20 bucks for failing to provide a fur-lined cuspidor. Dearborn will spend another $1,000 in a futile appeal. But if we're giving out Bicentennial medals, marking revolution against tyranny, save a couple of silver ones for them.

LITHUANIAN INDEPENDENCE

HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. MINISH. Mr. Speaker, February 16, 1976 marked the 58th anniversary of Lithuania's independence. It is interesting to note that February 16, 1976 is also the day we in the United States commemorated the birth of our first President, George Washington, a leader in the American fight for independence. Yet that is where the similarity ends. Indeed, today and for the entire year of 1976, we will celebrate and rejoice in our freedom. But for the Lithuanians there can be no such celebration; no such rejoicing. For how can there be, when their people are still suffering under the oppression that surrounds them every day of their lives.

In 1918, after more than 100 years of Russian domination, Lithuania declared its independence. During the next 22 years the people of that Republic made great strides in reestablishing their national identity, their culture, their society. Lithuania was able to build a viable state and to foster the growth of agriculture and industry. Then at the outbreak of World War I, the independence these hard-working and freedom-loving people had fought for and thrived under came to an abrupt end. For in 1940, Lithuania was declared a constituent republic of the U.S.S.R.

Mr. Speaker, although the Communists have worked diligently to dampen the Lithuanians' spirit of freedom and to take away their cultural identity, they have not succeeded. And they never will. For the Lithuanian people know the true meaning of the fundamental, inalienable rights and liberties of man—the freedom to speak without oppression, to assemble without fear, and to practice religion without harassment. And so today, they continue their fight to regain the freedoms so brutally taken away from them. Let us pray that one day Lithuanian freedom and independence will be a fact rather than the hope it is today.

FIFTY-EIGHTH ANNIVERSARY OF THE REPUBLIC OF LITHUANIA

HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. RIEGLE. Mr. Speaker, yesterday marked the 58th anniversary of the establishment of the Republic of Lithuania. This picturesque country, nestled along the eastern shores of the Baltic Sea has experienced a very turbulent existence, an existence that has been built around the principles of independence and freedom. As the United States nears its 200th birthday, it is only fitting that we pay tribute to Lithuania, a nation built upon and striving for many of the same principles that we, as Americans, claim undeniable to ourselves.

More than 500 years before the United States declared its own independence, Lithuania was a prosperous independent nation. Lithuanian independence was lost however in 1795 when Czarist troops invaded Lithuania and maintained control there until February 16, 1918. At that time the Lithuanian National Council proclaimed Lithuanian independence.

Lithuanian independence lasted only 22 short years, but during that time Lithuanians made great strides toward providing for themselves a better life, based on the principles of freedom, liberty and independence. As we are all painfully aware, in 1940 Lithuania was invaded by the Soviet Union and has been since that time claimed illegally as a Soviet Republic.

The spirit of freedom and liberty however continues in Lithuania. A large group of priests and citizens has for the past 4 years been publishing an underground newspaper, reporting violations of Soviet laws and Lithuanian civil rights by the Soviet authorities. Though stripped of their civil rights, the determined people of Lithuania continue to work to preserve their national heritage and culture and to further their goals of ultimate freedom and independence. As a citizen of the United States, I commend and congratulate the Lithuanians throughout the world for their strength and courage and take pride with them as they continue their course toward freedom.

DEMOCRATIC FACTIONS JOIN ON A FULL EMPLOYMENT BILL

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. HAWKINS. Mr. Speaker, I would like to call the attention of the Members to the following article in the New York Times on Monday, February 16, concerning the full employment legislation which Congressman REUSS, Senator HUMPHREY and I, along with over 120 cosponsors in the House and Senate, have introduced. The article discusses in general terms the new version of the legislation which will be made public at a press conference on February 26 at 9:30 a.m. in room 2175 of the Rayburn House Office Building:

DEMOCRATIC FACTIONS JOIN ON A FULL EMPLOYMENT BILL

(By Eileen Shanahan)

WASHINGTON, February 15.—Representatives of three centers of influence in the Democratic Party—the A.F.L.-C.I.O, the Congressional Black Caucus and Senator Hubert H. Humphrey of Minnesota—have been quietly negotiating for weeks in an effort to draft legislation that would commit the Government to create a job for everyone who wants to work.

Those involved in the negotiations see their effort as one that could, if successful, firmly reunite organized labor, blacks and liberals under the Democratic banner. The three groups have often split in the recent past, and bringing them back together is seen by the negotiators as a goal that is at least as important as the legislation itself.

The legislation, in turn, is seen as a surefire vote getter for Democratic candidates for every office from President on down. Those working on the bill thought this from the start, but their view was reinforced by the publication last week of a New York Times–CBS News survey that showed that 70 percent of the voters believed the Government should provide jobs for all who wanted them.

It is not yet clear whether a serious attempt will be made to pass the job guarantee bill this year, once it is written. The Speaker of the House, Carl Albert of Oklahoma, has said that he wants the bill passed.

The proposed legislation is a new draft of what is known as the Hawkins-Humphrey full employment bill. As originally introduced more than a year ago by Representative Augustus F. Hawkins, Democrat of California, and Senator Humphrey, it was largely the work of economists such as Leon Keyserling who stand to the left of most of the rest of the Democratic Party.

The bill was never endorsed by the American Federation of Labor and Congress of Industrial Organizations and was also shunned by many Congressional liberals on the ground that it was impracticable and full of technical defects. For example, the original bill would have required the Government to adopt policies that would lower the unemployment rate to 3 percent within 18 months, a goal that most economists consider impossible to meet.

OTHER DEFECTS CITED

At the same time, the original draft, in the view of those who are trying to rewrite it, was short on programs and procedures for creating jobs.

That group still includes Mr. Keyserling, but has added Nat Goldfinger, the chief economist of the A.F.L.-C.I.O., and Jerry J. Jasinowski of the staff of the Congressional Joint Economic Committee, of which Senator Humphrey is the chairman.

The coming week may be the make-or-break period for the negotiations on the new draft. There are still important unresolved issues.

For example, the economists doing the drafting have about decided that an unemployment rate of 3 percent, which they agree is a good definition of true "full employment," cannot be reached in less than four years.

But Mr. Hawkins and other members of the Congressional Black Caucus are still urging that the full-employment target be set at three years.

They feel strongly on the point because the unemployment rate for blacks is almost always at least twice as high as that for the country and as much as five times higher for young black people of both sexes. As of January, the national unemployment rate was 7.8 percent.

MEANY A POSSIBLE OBSTACLE

Similarly, there may be a problem in getting George Meany, the president of the A.F.L.-C.I.O., to agree to any provisions in the bill that appear to be imposing restrictions on the ability of unions to seek higher wages for their members. This problem is potentially so difficult that there is no final draft yet of the section of the bill outlining policies for containing inflation while the economy is undergoing rapid expansion back toward full employment.

The basic design of the bill has, however, been agreed to. It would augment the Employment Act of 1946, which first committed the nation to a policy of striving for maximum employment, production and purchasing power, by requiring the President to propose and Congress to pass, each year, specific numerical goals for employment, economic growth and changes in the price level.

The policy that would achieve those goals would have to be described in detail in both the Presidential proposal and that legislation approved by Congress, which could, of course, differ from what the President had recommended.

The subjects to be covered by the annual economic policy resolution would include the monetary policy to be followed by the Federal Reserve System.

TWO OUTSTANDING STUDENTS FROM THE MISSISSIPPI GULF COAST

HON. TRENT LOTT

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. LOTT. Mr. Speaker, I would like to recognize two outstanding high school students from the Mississippi gulf coast, Angela C. Roberts of Long Beach, Miss., and David A. Truetel, Jr., of Bay St. Louis, Miss., who are presently here in our Nation's Capital participating in the fifth class of the 1976 Presidential Classroom for Young Americans.

The Presidential Classroom program provides a wonderful opportunity for the young people of our country to gain an insight into the dynamics of government through firsthand contact with the Federal Government's institutions and leaders.

I know that Angela and David will benefit greatly from this educational experience and their visit to Washington during the Bicentennial Year.

LITHUANIAN INDEPENDENCE

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. FORSYTHE. Mr. Speaker, on February 16, 1918, an independent Lithuania was established, thus ending years of repression during which the heroic people of this tiny Baltic State had struggled to regain the freedoms lost to foreign control in 1795. The period of new freedom inaugurated with the founding of the modern Republic of Lithuania, however, was to be short-lived. After only 22 years of freedom from oppression, the events of World War II quickly cut short the enjoyment of these hard-won freedoms as the country was overrun and occupied by the Soviet Union.

The Lithuanian struggle for human dignity and freedom still continues to this day, however, due to the long tradition of national identification dating back to 1253 when a delegate of Pope Innocent IV crowned Mindaugas King of a united Lithuania. This strong identity has enabled the Lithuanian people to survive years of relentless pressure to abandon their religion, culture, and language.

Even though many Lithuanians emigrated to other lands, including the United States, they maintained strong cultural ties to their homeland which enriched their adopted countries. Leaving Lithuania, they never relinquished their quest for Lithuania's freedom.

We as Americans, citizens of a free country, must not only admire Lithuania's long struggle for national independence, but must also appreciate Lithuania's rich contribution to our own varied cultural background. Accordingly, the United States has both strong intellectual ties to Lithuania and strong emotional ties to the homeland of so many of our fellow citizens. These ties help explain our strong commitment as a nation to the right of self-determination of these Baltic nations.

In this regard, many Members of the House supported the resolution expressing the sense of the Congress that no decision be taken at the European Security Conference which would accord recognition to the illegal annexation of the Baltic States. In spite of the fact that modern maps display Lithuania as being part of the territory of the Soviet Union, the U.S. Government has steadfastly maintained a policy of nonrecognition of this forcible seizure of Lithuania and her neighbors. The so-called Helsinki Agreement in fact, specifically endorses the principle of border change by peaceful means.

In spite of the signing of the Helsinki Agreement by 35 nations, the continuing actions of the Soviet Union in the area of cooperation in humanitarian and other fields indicates that more must be done to insure the free flow of people and ideas. The plight of the Jugurtis family, Lithuanians who have suffered great pressure and harassment rather than remain separated, dramatically highlights the need of continuing U.S. support for the people of the Baltic States in their valiant efforts. The fact that already over 60 Members of the House have supported the creation of a commission to monitor the compliance of the signatory nations with the provisions of the Helsinki agreement indicates that the United States will indeed refuse to forsake the Lithuanian people in this struggle.

While the dedication to human freedom symbolized by the brief existence of the Republic of Lithuania has been suppressed, therefore, it should serve to highlight the necessity of our rededication as a people to the ideals so nobly embodied in that republic. As we celebrate the birthday of our own founding father, it is indeed fitting that we also celebrate the birth of the Republic of Lithuania. The double celebration can only serve to heighten our awareness of freedom and the need to protect it.

TWO HUNDRED YEARS AGO TODAY

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. WIGGINS. Mr. Speaker, 200 years ago today, on February 17, 1776, the Continental Congress designated Maj. Gen. Charles Lee, who was in charge of New York's defenses, commander of the American forces laying siege to Quebec, and directed him to proceed immediately to that theater of war. The forces in Canada had been without a permanent commander since the death of Gen. Richard Montgomery in the disastrous attack on Quebec on December 31, 1775.

The committee of safety of New York was urged to provide General Lee with adequate cannons, ammunition, and other supplies needed by the troops in Canada. Maj. Gen. Philip Schuyler, who was recovering from an illness, was ordered to take charge of New York's defenses.

Also, 200 years ago today, overburdened by its many responsibilities, the Continental Congress decided to relieve itself of the day-to-day involvement in financial matters and on February 17, 1776, appointed a standing committee of five to exert close supervision over the public funds. The committee was instructed to:

Examine the public finances and periodically report to Congress on the state of those finances;

Consider the best method by which gold and silver could be sent to the army in Canada;

Hire treasury personnel to supervise the various officials in the Continental Army and the committees of safety who were entrusted with public funds, and to periodically report on their efforts; and

Supervise the issuance of bills of credit—the famous Continental currency—and to obtain from the colonies a census of their population.

SHE LIKES TO BATTLE BUSINESSMEN

HON. MARTIN A. RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. RUSSO. Mr. Speaker, today we see an increasing emphasis on the rights of women as individuals. Women are encouraged to use their talents and abilities for the progress of society and we are already witnessing the benefits of the widespread utilization of womanpower.

In my own State of Illinois, a woman is demonstrating her clout as Chicago's consumer sales commissioner. Recently her story was told by Patricia O'Brien as part of the Sun-Times six-part series on "Women With Power." I want to share that story with my colleagues, for I think Jane Byrne is doing an excellent job and is an example to men as well as women of what can be accomplished when you know your job well, and approach it with dedication and determination.

The article follows:

SHE LIKES TO BATTLE BUSINESSMEN

(By Patricia O'Brien)

Jane Byrne is hardly the type of person who daydreams away a few hours at her desk on a gloomy Monday. She's much too busy. And she's much too aware that, at any time, she might have a batch of angry market owners or oilmen coming through the office door who don't like the way she does her job.

They don't like it because Jane Byrne, as Chicago's consumer sales commissioner, has—and uses—the power to tell them how to package meat and grade gasoline, and to take them to court if they don't comply.

"Power in this place is going by the law," she said one recent afternoon, looking like a cool and disciplined Doris Day in her Ultrasuede suit, sitting behind the kind of formidable desk that makes a power statement all its own. "And when you find abuse, you create a new law."

Mrs. Byrne's power lies in the sponsorship of the man whose photographs are sparingly, discreetly, placed around her office: Mayor Daley. She is intensely loyal to him. There are, after all, very few women with true clout within city or state government; very few who can draft laws, force corporations to comply and sue them if they don't. Jane Byrne can. But a number of people were initially inclined to dismiss her as the mayor's token female within the city administration.

"The men were very, very polite at first," she said. "And then, their tone changed to, 'Who does she think she is?' "

In her tenure as consumer sales commissioner, Mrs. Byrne has forced compliance with ordinances that require specific meat gradings, posted octane ratings for gasoline, toy safety standards and a ban on phosphate detergents. Procter & Gamble sued on the last one, but the U.S. Court of Appeals upheld the constitutionality of the ordinance.

She doesn't hesitate to use force: "I went off the old system of giving warnings to people cheating the public and decided the best thing was to sue them right away," she said. "In a sense, that was giving up some manipulating power—but gaining more clout for the consumer in the long run."

In September, in one day, a record $36,000 in fines was levied against defendants charged by Mrs. Byrne's department with deceptive practices, false advertising and short-weighting.

Mrs. Byrne is proud of her record. She also can be thin-skinned. (When, for example, Gov. Walker's consumer advocate, Celia Maloney, called a press conference and said Mrs. Byrne wasn't tough enough in her enforcement procedures, Mrs. Bryne stood up and said angrily: "You're either shooting from the hip or you're ignorant.")

Back in 1970, handling consumer affairs for the city looked like a pussycat job.

"When the mayor called me in and asked if I would do it, it sounded like a meat-and-potatoes kind of thing," she said. "He said people were being cheated, and he wanted that to stop."

Mrs. Byrne soon drastically revised her impressions of how concerned big business was with the rights and safety of consumers: "As the battles began, I decided Ralph Nader was right," she said.

Did this make her more cynical?

Mrs. Byrne's smile was tight. "Yes," she said. "Money is at the root of everything they do."

How does she operate when the storm clouds gather?

"When I took on the meat industry on grading, the grocery chains were furious. They were labeling meat 'gourmet cut' or 'utility,' and these words meant nothing. My question, when they came in to argue and sat there," she said, jabbing a finger toward this reporter's seat, "was, if it isn't choice, what is it? What does utility mean? The president of one chain threw a piece of paper across the room in disgust and said, "It's an old cow that won't give milk anymore, but it's nutritious and we won't grade it!' "

Mrs. Byrne leaned back in her chair as she remembered that particular power play with obvious pleasure.

"Well, I went ahead, and then I sat and waited to see if they'd sue. The pressure was incredible. All the cattlemen sent telegrams. The day before the law passed, a telegram came from the U.S. secretary of state telling me I would be jeopardizing free trade all over the world! Me?"

She shook her head. "I went to one of the city lawyers. I was—well, startled. And he said, 'Jane, lock up that telegram, and someday when you're depressed, open it up and remind yourself: "I interfered with free trade all over the world." ' "

Mrs. Byrne laughed. "I'll always keep that telegram."

She clearly enjoys her confrontations with powerful businessmen who knuckle under to her ordinances. She clearly enjoys making them conform.

Basically, Mrs. Byrne is a loner whose life is almost totally absorbed in her work. Widowed with a small child 17 years ago, when her pilot-husband's plane crashed in Glenview, she began working in politics in an almost accidental way.

"I was putting the baby to sleep one night, listening to John Kennedy speaking on the radio about the suffering of families losing men in the cold war," she said.

"I felt, when he talked about the victims, that he understood how the individual feels whose husband is dead . . . so I went to work for him."

Mrs. Byrne's daughter is in college now, and she lives with her ailing father. She is not interested in marriage; she is interested primarily in work.

She feels that perhaps the greatest satisfaction of her job is that she can trace a direct line from her decisions to serving the public interest.

"I can get unsafe toys off the market and I can get unsafe Christmas tree lights out of the stores," she said. "And that's a nice power to have."

She has now turned her attention to cabs, ordering the city companies to line up all of Chicago's 4,600 cabs in Soldier Field this month for inspection. And she is confident enough of her power to have added a hefty guarantee:

"There will not be one unsafe cab on the streets of Chicago, if it means we have to examine cabs a much as eight times a year," declared Mrs. Byrne.

She definitely is cool. And disciplined. And certainly not Doris Day.

THE 58TH ANNIVERSARY OF LITHUANIAN INDEPENDENCE

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. DERWINSKI. Mr. Speaker, February 16, marks the 58th anniversary of the declaration of independence of a small nation on the Baltic Sea. On this date in 1918, the Republic of Lithuania was created, and declared its independence from the Russian Empire.

I am pleased to join with my colleagues as well as all Americans of Lithuanian origin and descent in commemoration of the anniversary of the reestablishment of the independent state of Lithuania.

Well over 1 million people of Lithuanian background live in the United States, approximately 200,000 of them in Illinois. Many of them came to America after their native land had been occupied by Soviet troops. Thousands of others fled from Lithuania to other lands and still others were sent to Siberia and elsewhere by the tyrants in the Kremlin. It is estimated that in just one brief period alone, June 15 to 21, 1940, 45,000 of her people lost their lives or were deported.

In the short 22 years that Lithuania enjoyed its independence, the small nation made great progress. However the enjoyment of liberty was brutally cut off in 1940, when the Soviet Union forcefully annexed that Republic within its Union of Soviet Socialist Republics. An incorporation which has never been recognized by the United States. The country was a battleground throughout World War II, first occupied by the Nazis and then returning to Communist domination after the war.

Despite their long suffering under the harsh yoke of communism, no amount of repression has succeeded in stifling the Lithuanians' inate yearning for and constant hope for sovereignty and individual freedom. Periodically stories of persecution and suppression of human rights break through the Soviet curtain. But we may be sure that there are many such violations which do not become known publicly.

As a result of migrations, deportations, repopulation from other sections of the Soviet Union, over half of the people now living in Lithuania are unable to speak Lithuanian. Not only their language, but right to educate their children to the cultural heritage of Lithuania has been oppressed by the Communist doctrine. There is also no indication that persecution of religious suppression in Lithuania is abating, as shown in the official Kremlin denial of the existence of the Roman Catholic Church.

On this occasion, we should reaffirm our commitment to those Baltic nations still struggling for independence. The right of self-government in a free and open society, the very cornerstone upon which our society is founded, is the objective of these brave people, and must remain the objective of freedom-loving people throughout the world.

On December 2, 1975, the House voted in a 407 to 0 decision, that it was the sense of Congress that the signing of the agreement at the European Security Conference did not change the United States policy of nonrecognition of the forcible annexation of Lithuania and her sister states, Estonia and Latvia. This policy reinforces Lithuanians in their determination to await national independence and free existence of human rights. As chief sponsor of this resolution, I believe that this reaffirms our commitment to those Baltic nations, and clearly makes known our opposition to Soviet aggression, and that we are taking practical steps to see that a margin of trust exists rather than appeasement of communism so that one day the people of Lithuania will realize their hopes for freedom will bear fruition.

CONGRESS LOST A LOYAL AND VALUABLE EMPLOYEE

HON. GLADYS NOON SPELLMAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mrs. SPELLMAN. Mr. Speaker, on January 23 of this year, I lost a good, kind, beloved friend, and this Congress lost a loyal and valuable employee. Mr. James Patrick Hadley, of Laurel, Md., was an employee of the Clerk of the House in the Office of Finance until his sudden death.

Jim was born June 5, 1933, in Duryea, Pa., where during his youth he worked for the State of Pennsylvania, and in April 1952 he entered the U.S. Air Force, serving in England. After his discharge, in April 1956, Jim came to the Washington area to work for the Catholic University as an assistant controller, and from there, in July 1973, to the House of Representatives Finance Office where he worked in both the benefit and audit areas.

But I knew Jim Hadley long before he came to the House. Jim and his wife, Eileen, were my dear friends and neighbors in Laurel. I knew Jim as ever so generous and unselfish, and always available to be of help. He was a tireless worker who easily made lasting friendships. He was constantly doing for others, asking nothing in return.

There are many, many of us who are proud to have known Jim. Each of us can cite a different special attribute possessed by him which makes his passing so difficult to accept. We all share a personal sense of loss.

Jim Hadley was a most wonderful, gentle person, and already he is sorely missed.

NATIONAL SMALL BUSINESS ASSOCIATION RECOMMENDS BROADENED AND REVISED SMALL BUSINESS ACT

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. EVINS of Tennessee. Mr. Speaker, Mr. John L. Lewis, executive vice president of the National Small Business Association, recently testified before the Subcommittee on SBA and SBIC Legislation of the House Small Business Committee concerning proposed revisions of the Small Business Act.

Because of the interest of my colleagues and the American people in this important subject, I place in the RECORD herewith excerpts from the testimony given by Mr. Lewis.

The excerpts follow:

> We praise the Small Business Administration for many of the steps it has taken in recent years. And we salute Congress for prodding the Agency, for performing admirably its oversight function, for giving the Agency maximum cooperation through legislation.
>
> The problem is not in the hearts of the top echelon of the SBA. The problem instead is that the Agency is not independent; it is under our framework of government, subject to the all-powerful Office of Management and Budget that can—and has—ignored the will of Congress.
>
> This situation will not change until there is recognition in the Executive Branch that small business is currently, from an economic point of view, a most vital economic force; and that, if private enterprise is to be saved in this country, small business must be given every encouragement and strengthened in every way . . .
>
> How to make the OMB fully responsive to the needs of small business we do not know. However, at a minimum, we believe the SBA Administrator should be a member of the Domestic Council or the Economic Policy Board to do the in-fighting for small business . . .

An example is the ill-advised campaign launched by the Domestic Council to repeal or weaken a basic antitrust statute, the Robinson-Patman Act. If the SBA Administrator had been a member of the Domestic Council, the White House would have known before-the-fact that they were tampering with legislation absolutely essential to small business. Unfortunately, the damage has been done, and we applaud the efforts of the House Small Business Committee to save this statute from emasculation.

The problem, however, goes much beyond service by the SBA Administrator on the Domestic Council or the Economic Policy Board. Speaking very frankly, we know that SBA must obtain clearance with OMB before the SBA takes an official position on any governmental affair issue. As a result, SBA not through its fault oftentimes must default on representation of its constituency.

It is safe to assume that the Small Business Administration, at the very least, must be concerned with over 10.5 million firms and in excess of 50 million U.S. citizens on the payroll of small business.

However, according to the Department of Agriculture, the number of farms in the U.S. is 2,786,000. By no stretch of the imagination can one equate 10½ million business establishments and over 50 million employees with two and three quarters million farms and 3,900,000 workers on farms, and justify over 80,000 employees in the Department of Agriculture and only about 4,100 in the Small Business Administration. For fiscal 1976 the Department of Agriculture budget was $2.9 billion, while the SBA's was only $110 million.

SBA's appropriation is $12 for each small business unit. The Department of Agriculture's appropriation is over $1,000 per farm.

Why has the Congress not given to the one agency specifically charged with overseeing, helping, speaking for and, supposedly to protect 10½ million small businesses the money, the personnel, the "clout" needed to do the job equitable, fully and effectively?

What the SBA needs is "MORE". More clout in the Administration, more recognition, more stature, more personnel, and more money with which to operate.

An additional and permanent source of capital for small business is urgently needed.

NSB recommends that tax-exempt federal bonds be issued with the proceeds earmarked for small business.

The current recession demonstrates that neither the SBA nor small business can rely on the banks in times of tight money. The small businessman will always be at the end of the borrowing line. This latest recession experience fortifies the need for direct loans. We urge that this Committee consider blending of loans under 7(a). Half of the borrower's loan would be in a direct loan and half in a guaranteed loan. This would reduce considerably the cost of the loan because of the difference in interest rates between these programs.

We further believe that the interest rates for all the SBA programs should be more thoroughly examined. Flexibility in these rates is of course essential, rather than rigidity. The important criterion, it seems to us, is that the rate be tied in with the cost of money plus a fixed percentage above that cost of money...

The Management Assistance Program should put its efforts where the need is greatest. If the losses are highest in the 8(a) program, the answers is not to phase out 8(a). Instead the challenge of Management Assistance should be to concentrate on the 8(a) program until the bottom line of this program is at least consistent with other comparable programs administered by the SBA...

There is no question that in times of disaster, much of SBA's primary functions must be suspended by diverting SBA personnel to service thousands of loans, most of which are home loans. At a minimum the disaster loan program should be transferred to another government agency. Logically this should be the Department of Housing and Urban Development.

Since the subject of these hearings is the review and revision of the Small Business Act, we recommend that the position of Associate Administrator for Advocacy be established, and that he and the Administrator be directly responsible to Congress for the stewardship of this program. Advocacy begins within Government.

The advocacy function should be fully utilized or small business is the loser. We know that the people in the Office of Advocacy and the SBA Administrator are dedicated to the private enterprise system. SBA is committed to represent small business. In our opinion, however, it must address itself more to the unholy alliance between big business, big labor and big government.

There is no doubt that the SBA's role, in regard to other departments of government, should be strengthened and should be enlarged to include the funds necessary for a professional staff in order to exercise their right to intervene on behalf of the small business community in matters before other government agencies on matters relating to the economic well-being of small business.

The advocacy role of SBA is vital. It must be represented on every Council and Advisory Committee to the Government to speak for the rights and interests of the small business community.

Because of OMB, SBA will not be able to take stands on all issues. But at the least it can warn Congress persuasively of the impact on small business.

The die is not cast. The time for action is now.

ETHICAL BASIS OF ECONOMIC FREEDOM

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. BENNETT. Mr. Speaker, Ivan Hill, president of American Viewpoint, Inc., made some outstanding and interesting comments on the ethical basis of economic freedom recently, at the national leadership conference of the American Medical Association meeting in Chicago. I asked his permission to have it printed in the CONGRESSIONAL RECORD; he agreed and I submit it herewith:

I was looking for an easy way to find out what I should say to this conference. Naturally, we did some research. Forty-three doctors were interviewed and asked the question, "What would you say to the leadership of AMA?" Knowing what I do now, I don't think you will be surprised at what we learned. We got 43 different answers. So, I dropped that approach. I'll just tell you what I have in mind.

When members of the press are criticized for how much bad news appears daily in the newspapers and on television, they often answer to the effect that bad happenings are unusual and good things are so commonplace in our lives they are simply not news.

Earlier this month, a good event did make the news. It was an unusual event, too, an ethical cannon shot that has been heard throughout the American business community. The board of directors of a big business corporation, America's seventh largest corporation, an oil corporation, divested itself of its chairman and two principal officers. A report in The Wall Street Journal stated that "the board's tough stance in what some management experts are already calling a 'classic' case in corporate ethics has set a 'higher level of corporate responsibility.'" These men who were forced to resign were men of competence and highly regarded by their peers. But professional regard and personal friendship among peers, business or professional, should yield to principle—to public interest. They had to go because the majority of the directors apparently believed that their continued presence would weaken the ethical and, ultimately, the economic underpinnings of the company. This was a historically courageous and commendable action by the Gulf Oil Corporation.

The press, especially the business press, duly noted the importance of the Gulf decision. The Gulf action represents a breakthrough onto a higher plateau of business conduct. I hope the news media will develop the story further and I also hope all the leaders of American business, each director of every board of every major corporation, will be challenged to follow Gulf's leadership. This kind of decisive action, instead of equivocal testimony, is what the American public wants. This is the way to improve the image of big business—by constructive, foresighted action. If big business wishes to go up on the good image polls, it must replace public relations propaganda with ethical action. The majority of American corporations already operate with honor and responsibility. Now is the time for all of them to move in this direction.

Although the American Medical Association has not experienced the provocations that beset Gulf and many other multinational corporations, you have, nevertheless, announced at this National Leadership Conference an action that represents a very significant move upward in professional leadership. I am referring to your initiating the formation of a National Advisory Committee on Ethics, a free-standing committee that will operate externally to the AMA. You are fortunate to have as the chairman of this National Committee such an impeccable and able businessman as Fred Allen, the Chairman of the Board of Pitney Bowes, Inc.

There are noteworthy points about this committee. It represents a transdisciplinary committee, with representatives from several professions, business, theology, law and the academic community. This cooperation among the different peer groups is an increasing necessity. While the practice of medicine should be the business of doctors only and the practice of law should be for lawyers only, the problems of doctors and lawyers are no longer confined to the professions. In considering the basic problems of economic freedom and the principle of voluntarism, professionals should not be prisoners of their own peer groups. It is urgent that one peer set helps to strengthen the ethical base of other peer sets. To be truly productive and self-enforceable, codes of ethics must be covenants of peers and public.

Another important benefit from a united committee on ethics, chaired by a businessman of broad practical experience, is that the discussions and actions on ethics will not be relegated to scholarly groups parked on mountains or in deserts. We need to take ethics out of the linguistic closets. The time is here when philosophers must become practitioners and even the most successful practitioners must take time out for philosophy. Those who concern themselves with ethics must develop a sense of reality and those with perhaps too great a sense of reality must become far more concerned with ethics.

The title of my talk today, "The Ethical Basis of Economic Freedom," is the title of our new, 400 page hardcover book, due for publication in May. Since the key words for this talk as well as for the book are ethics and freedom, I wish to state what we mean by ethics. Considering all the conferences and study groups on ethics and the countless books on ethics, I must hasten to say that we have waded through many discourses and books. But I have been less than impressed with the amount of linguistic, involuntionary falderal that comes out of academic conferences and books by contemporary philosophers.

Some definitions of ethics require a whole book. Of all the definitions I have heard or read, the one given by Dr. Albert Schweitzer, in a speech he made in Paris in 1952, is not only brief but captures the essence of the best of the others. "In a general sense," Dr. Schweitzer said, "ethics is the name we give to our concern for good behavior. We feel an obligation to consider not only our own personal well-being, but also that of others and of human society as a whole."

In his definition, Dr. Schweitzer has stated in another way the foundation principle of ethical behavior—The Golden Rule, which is the common denominator of all major religions. Let me emphasize here that if ever there was a call for one to live the Golden Rule, to "do unto others as you would have them do unto you," it must be in the practice of medicine. Men of many ages have considered the Golden Rule to be the fundamental moral imperative. When Confucius was asked, "Is there one word which may serve as a rule of practice for all one's life?", he answered, "Is not reciprocity such a word? What you do not want done to yourself, do not do to others." But one cannot do good by doing nothing. There are no ethics without action. And the greatest sin of all is doing nothing and remaining silent.

Ethics precedes and leads to law. The ethics of an advancing society continues to generate new patterns of behavior that are ahead and above the law. The ethics that is embodied into the law is usually based on the morality of the majority in a society. When the morality of the majority operates at a level lower than the law, such condition leads to a breakdown of the law and endangers the stability of the society. America faces this condition now.

What is the difference between ethics and plain old-fashioned morality? In American culture, the terms ethics and morality have long been used more or less interchangeably. Both ethics and morality refer to rules or standards of conduct. We can distinguish between the two by stating that when the term morality is used in our society, it is generally assumed that what is moral or immoral relates to religious guidelines. Ethical standards, although common to all major religions, need not be related to any transcendental or religious source. While there is no conflict between being ethical and being religious, having goodness is not nearly so easy nor so culturally acceptable as having religion. Fortunate is the person who is secure in both his ethics and his religion.

Being ethical means more than being honest. But, honesty is the beginning point of all ethical behavior. You cannot be ethical without being honest. Honesty is a basic, working social principle, not just a moral guideline. The predominance of honesty throughout a free society is essential to justice and to the effectiveness of law. Without an overwhelming pattern of honesty among its citizens, a free society cannot function and becomes unmanageable. We should know by now that without a high degree of honesty, government will be expensive and inefficient. We have already seen the effects of the law of the seesaw—when honesty and ethics sink down, centralized authority and coercive regulations rise up. The further a society moves into the areas of economic controls, the nearer it gets to people controls.

In reference to honesty as a beginning point for ethics, we have been studying numerous codes of ethics for various professional and trade associations. In many of these codes, the word honesty is used very sparingly or not at all. In reviewing conferences on ethics, especially among business groups, it appears the participants have a great hesitancy to use the word "honest." They seem to prefer phrases such as unprofessional conduct, non-acceptable professional manner, lack of loyalty. Now, I can understand the reluctance to use a simple word like honesty. It is much nicer, more gentlemanly, even less dangerous, to ask a man if he is being unethical rather than asking him if he has been lying and stealing. Honesty does not simply mean not lying and not stealing. Honesty must be affirmative. It is being forthright and truthful. The practice of honesty must begin with being honest with oneself. You cannot effectively communicate with others or with your own conscience without being honest.

I do not believe any human being can ever achieve perfect honesty. However, I do believe that a man or woman can live a lifetime in America without actually experiencing a situation that makes honest-to-goodness lying justifiable. In America, we don't have to lie to eat, to keep our jobs, to stay out of mental institutions and prisons, or to stay alive. You know, one can even get rich in America without being dishonest! Unfortunately, this is a fact too many of our young people refuse to believe. Today's sons and daughters know one fact quite well, however. They've observed it first-hand. The persistent greed for more and more money that makes so many nice parents evade and shade the truth.

Now, let's talk about the meaning of freedom. What is freedom? To me, freedom means just about what I believe most of you here think I mean by freedom. Freedom is free speech, free press, freedom to assemble or associate with whom I wish. We sometimes forget that our rights, the rights of the people, extend far beyond those enumerated in the Bill of Rights, in the Constitution. Administrative agencies in Washington often forget this. Further, we should recognize that our Constitution is only the foundation for our freedoms. Without strong ethical underpinnings, even this solid foundation can crumble away. And above our Constitution there must remain, as it was in its making, an inspired, endless faith. Freedom is having not only the opportunity, but the courage and ability to choose alternatives—your residence, your work, your God or no God.

Regarding freedom, a professor in a great university asked me a few days ago: "Why should a society be free?" This professor put in words what I believe is being asked in the actions of people throughout America. And why not? An education for medicine, for law and for business, without the primacy of ethics and values, prepares a young man or woman to serve just as well, and perhaps be as happy, in a closed society, a socialist society, as in a free society. Those who say they have no time to teach ethics and values in the colleges and professional schools of America should ask themselves the question: "Why should America be free? If there is any purpose in being a human being, an "educated" human being, it is to achieve a high measure of one's human potential. Man, in order to be man in his fullness, must be free!

Our new book on "The Ethical Basis of Economic Freedom," to be published in May, will be circulated to corporate and government leaders, to all the members of Congress, to professional and trade associations, and to graduate schools in law, medicine and business. In this book we are emphasizing that in a predominately service-oriented society such as ours already is, it is difficult, indeed, to regulate services by statute. To put up iron posts of statutes to control the flow of services to the people will inescapably require a highly centralized government whether we call it democratic socialism, welfare capitalism or plain dictatorship. On the other hand, the professional and business groups are certainly not in a position to condemn statutory regulations so long as they tolerate in their own associations those who do business on the bias, ignore professional standards, fix prices and set fees without regard for peers or public.

As you know, the recent Supreme Court Goldfarb decision, limited as the court declared, has helped to clarify many points, not only for lawyers but for all professions. Business and professions alike must take a whole new look at codes of ethics! Without strong ethical support within a society, the character and usefulness of professional associations are difficult to maintain!

But, before anyone in government runs off in all directions to deregulate one blind alley while blocking several main roads, we should take a very unfettered look at all the antitrust laws not with the idea that these laws are not highly beneficial to our basic open market system, but as to how professional and business associations can not only be allowed, but encouraged to develop effective sanctions and expand the areas of self-enforcement. I have already tried to make it clear that we must move in this direction or have a tangle of many barbed-wire prongs of regulations that may make a lot of people give up in their struggle to stay economically free—which means diminishing political freedom, too. That's why we believe that for the most part, all codes and canons of ethics must be re-examined. Codes of ethics should call for conduct far above what the law requires, not just what the law already mandates. The main change in professional codes of ethics that would justify cutting down and cutting our government restrictions would be to include the public interest in every covenant among peers. A few codes have already identified in fact, not just in fancy, the public interest as the essential ingredient of a workable, enforceable code. The government in America is still the people. So, it is the obligation of government, professions and business, to cooperatively work out self-enforcement procedures that will permit knowledgeable people to make fair decisions in areas about which they are knowledgeable.

I have been talking about association codes, covenants among independent peers. What about the need for government codes of ethics? Basically, I do not believe this is an area of urgent attention. The federal government is an hierarchical structure. What are often called government codes of ethics are Executive Orders or Regulations with the sanction of law. It is my advice to those in government who may be thinking about codes of ethics, to first focus on enforcing the law as it now applies to such things as kickbacks, bribes, conflicts of interest, stealing and even such a thing as receiving pay for no work.

A few corporate executives have asked me what I think about Corporate Codes of Conduct. They have been surprised when I told them that, for most part, I didn't think Corporate Codes of Conduct do much good. If you are the Chief Executive Officer of a large corporation and you don't want anybody in your company to take or give bribes, to take or give kickbacks, to deceive customers or the government, to pay out secret funds to secret people, well—what do you do? First, you should not call in your Public Relations Vice-President to ask him to draw up an easy reading, splendid appearing, suitable-for-framing Corporate Code of Conduct. What you, as the Chief Executive Officer, *should* do, is arrange a Board of Directors meeting as soon as you can. Then, as the company's top man, you should explain to your board that you don't want anybody in your company to engage in such nefarious practices. Tell them you wish to circulate a policy directive throughout the company to the effect that your company, their company, will not tolerate dishonesty and deception. Upon proper evidence, the sanction for violation of such policy should be instant dismissal. And, you should get the Board's approval of doing business honestly—or you should resign. If you have to resign because your directors fear to be honest, then don't hesitate to tell the press *why* you resigned. But, I think nine times out of ten, corporate directors will commend their chief executive officer for such courage and wisdom and approve such a policy. If so, then issue the directive over your signature, as the Chief Executive Officer, plus all the signatures of each member of the board, including all outside directors. If an outside director says he doesn't know enough about the competitive situation to justify his signing such a statement, ask that director to resign. I recently read such a corporate directive. But it was written so equivocally the reader could easily interpret it as saying: "We don't want you to be dishonest, but if you really have to, tell us about it later and we'll see what needs to be done." It would help to achieve credibility if the chief executive officer went around the company to personally deliver the message to his managers. If you are that Chief Executive Officer, ask the labor unions represented in your company to attest to your policy of honesty. Labor unions have a high stake in economic and political freedom. Their very existence depends on democracy. I continue to be amazed at how seldom labor leaders speak out and take action in regard to the essentiality of honesty and ethics to the cause of labor. It is time for them to join with big business in a sunshine, above-the-table policy of eliminating dishonest and unethical practices. I think Mr. Meany would agree.

The place for codes of ethics is among peer groups, in professional and business organizations. And codes of ethics should not be devices to separate the different businesses and professions so that each can protect its own and fight for the largest share of the benefits. They should be guidelines for conduct that increase benefits that can accrue to all who work in a free society. Instead of using codes of ethics in the hierarchical structures of governments and corporations, one should enforce the law and carry out policy directives. There may be marginal uses for government codes of conduct among administrative agencies and, I suppose, a handsome Code of Conduct will not hurt a corporation, if the executives don't just sit there and look at it.

It is clear to you by now that I am not confining my remarks to areas of medical interests. After reading that survey of forty-three doctors and getting forty-three different diagnoses for AMA, I figured this group here today could come up with several hundred prescriptions of its own. Furthermore, you can always be assured that the government and your patients stand ready to help you in your practice. Or, haven't you noticed? So my comments really deal with the economic and political environment that affects you as professionals and as citizens. We have been talking about codes of ethics, about government and corporate ethics. Now, what about the consumers of America, about whom we hear much?

Since everybody has to be a consumer, I guess I am in favor of them. But I am beginning to be skeptical, a little wary, about my fellow consumers. We have too many consumers running around loose, just looking for an institution, especially their government, to rip off. I don't know whether I like being a consumer nowadays. Sure, they are my peer group, a rather large peer group, but there is lots of anarchy among them. Encouraged by friends and what they hear somebody else got away with, any little-old-lady consumer is likely to sue anybody—not just her doctor. This attitude in past years has often been manifested in Concerned Citizens movements. These groups were often created and promoted by charming, well-liked, concerned people—like the fellow who sincerely wanted to be elected mayor so he could help get his brother-in-law's property zoned industrial or commercial instead of residential. He felt his brother-in-law's property should be worth $50,000 an acre instead of $3,000. With the decline in the opportunities and credibility of Concerned Citizen groups, we have seen a rise in variously named consumer movements. In a few cases they may be called the Concerned Consumer Environmental Cause. Perhaps, we should have a consumer's guide that tells us which consumer's group works *for* consumers and which *works* the consumers. In the absence of such a guide, perhaps each of us must use his own conscience.

I do not like to facetiously exaggerate a serious condition in our society, but we are proliferating all sorts of tribal units—each out to get more than its share. Such actions are not limited to local groups. The professional organizations of this nation too often reach out to get their limited gains at a cost of unlimited losses. Academia condemns business, and business calls its own conferences and feels guilty. Go to a conference of intellectuals and you are amazed at how many new words the participants can find to denigrate the institutions of the society that educated them virtually free. At one meeting, I couldn't help jumping up to tell them that if they are so smart, they should know that the nature and strength of a democracy are its imperfections! Perfection in government exists only in the minds of the absolute dictators that run them.

In America, we have moved through a period when education and technology reigned as kings of life's standards. We seem to have believed that man was made in the image of machines rather than machines in the image of man. In medicine, too many young doctors have been told that they do not have enough time to learn medicine and its technologies, much less study ethics and values. Until recently, very few law schools taught separate courses in ethics. So the lawyer, an officer of the court, your court and mine, has not been given much opportunity to study values. In graduate schools of business, they, too, have had little time to teach ethics. Some are taught "target" practice—management by objectives, make your quota, achieve the end and let the means look out for themselves. Less than one out of five graduate schools of business, even now, has much of a course in ethics. True it is that changing processes and technologies demand a great deal of time in professional education, but principles endure. They require relatively little time to teach because they remain the same, to be used tomorrow as they were thousands of years ago.

When scientists and educators state the wisdom of working without commitment to any value system on the basis that they do not wish subjective, emotional considerations to affect their goals, we must ask how can they divest themselves of their human heritage. I have never heard of a scientist who was not a human being. And no human can be human without a set of values. No one can be a great doctor, a great lawyer, a great teacher, businessman or statesman without first being a great human being. The first step, a simple step, towards being a great human is to carry out that old Golden Rule of doing unto others as you would have them do unto you.

In the world today, freedom is fragile in too many of the few democracies that remain. The nations of the West must look to America to inspire them in their efforts to stay fully free. Our example to them can be as effective as our arms. Cohesiveness of spirit and purpose is the Number One bulwark of a nation's strength, whether that nation's leaders be in Hanoi or Washington, London or Moscow. It is not all that important whether we call ourselves liberals or conservatives, Republicans, Democrats or Independents, but it is all important whether we believe in the ideology of freedom and in the protection of personal liberties as conceived in the spirit of the Declaration of Independence and set forth in the Constitution.

I believe in a strong military budget, but no defense budget, however large, can be strong enough to protect a country unless its people are bonded together with trust in one another, with faith in its institutions and is government.

You are doctors. You do not need to sell your souls for a surfeit of surgery. The moment you are a doctor, you have honor. If the doctors of America cannot set the ethical example in serving humanity, who then will or can? If each citizen of the United States, this nation so blessed with the fortunes of nature and inspired in its inception by a wisdom that must have come from a God—if we cannot cooperate and respect one another in order to maintain the freedoms that all humans need in order to be truly human, what nation will or can?

FULL EMPLOYMENT

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. HAWKINS. Mr. Speaker, I would like to call the attention of the Members of the House to an article in the February 17 issue of the New York Times in which Mr. George Meany, president of the AFL–CIO, comments on the hardships faced by millions of unemployed workers in the United States. Mr. Meany and the AFL–CIO executive committee propose full employment legislation as a solution that Congress should implement to ease these hardships now facing far too many members of America's working population. I hope you will give these comments your fullest consideration.

The article follows:

[From the New York Times, Feb. 17, 1976]

MEANY SEES FORD LACKING IN COMPASSION FOR JOBLESS

(By Damon Stetson)

BAL HARBOUR, FLA., Feb. 16.—George Meany, accusing President Ford of lacking compassion for the jobless, spoke out in favor of a full employment program today and called on Congress to override the President's veto of the $6.2 billion public works bill.

In a wide-ranging news conference, the

president of the American Federation of Labor and Congress of Industrial Organizations declined to name his favorite among the Democratic Presidential aspirants but sounded friendlier toward Senator Henry M. Jackson of Washington than he had earlier.

He suggested that Senator Hubert H. Humphrey of Minnesota, a noncandidate at this time, was the "more electable" of the Democrats and that Senator Edward M. Kennedy, if he were to run, would be a "very formidable candidate." But Gov. George C. Wallace of Alabama, he said, would be a "disaster."

Mr. Meany had no kind words for President Ford or former Gov. Ronald Reagan of California on the Republican side. He was particularly harsh in criticizing the President for last week's veto of the public works bill.

"I think he's completely without compassion as far as the little people of this country are concerned," Mr. Meany said. "He's concerned with the big corporations. He still holds to the 'trickle down theory' that is supposed to keep the corporations wealthy."

Mr. Meany made his comments following the initial session today of the executive council of the A.F.L.-C.I.O., which is holding its winter meetings at the Americana Hotel here. The council adopted a statement calling for a full employment program—a job opportunity at a decent wage for all persons able to work and seeking a job—as a top-priority of national economic policy.

GOVERNMENT AID URGED

If the economy's regular channels of private and public employment fail to achieve that goal, they said, the Government must maintain a public employment program to provide additional jobs at prevailing rates of pay, but never less than the Federal minimum wage.

Mr. Meany said that the A.F.L.-C.I.O., Senator Humphrey and the Congressional Black Caucus were continuing to work toward a full employment bill that could be adopted.

Besides urging the House and Senate to override the veto of the public works bill, the executive council also called on Congress to restore the 65-week maximum benefit period for the unemployed and to provide additional extensions if 65 weeks proved inadequate. At least a million workers have exhausted their unemployment insurance, and still haven't found work, the council said.

In discussing politics, Mr. Meany said the federation did not have any official candidate and was not participating in the delegation selection process. He emphasized, however, that individual unions and members had every right, as many are doing, to support a candidate and run as delegates to the conventions.

Senator Jackson met a group of labor leaders at breakfast in the Americana this morning, held a news conference in front of the cabana of Edward J. Carlough, president of the Sheet Metal Workers International Association, this afternoon, and was the guest this evening at a cocktail-reception given by 11 union presidents.

Mr. Meany said that Senator Jackson had a "good labor record" despite some disagreements with him in the past. But labor does not demand perfection, and the Senator's long-term record is good, Mr. Meany said.

ESTONIAN INDEPENDENCE DAY

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. HOWARD. Mr. Speaker, the observance of the 58th anniversary of the declaration of independence of the Baltic nation of Estonia will be celebrated in the Third Congressional District of New Jersey on Saturday, February 21, 1976. Many of Estonian origin and descent, fine Americans I have the privilege of representing, will gather at the Estonian House in Jackson, N.J., to mark Estonian Independence Day.

I extend my congratulations to my constituents and to Estonians across the country—members of a proud group who 58 years ago next Tuesday declared independence. At that time, they reestablished the national independence lost in the course of imperialist Russian expansion westward. But their freedom lasted only two decades. The new Communist masters in the Soviet Union overran and occupied the country during World War II. The fact that these people are not free today is one of the greatest tragedies of the 20th century.

My colleagues and I join with Estonians across the country in the hope and prayer that their homeland will once again be free and that their relatives will again enjoy life as free men and women. Though these people have suffered long, they possess a determined spirit that no dictator, no Communist, no despot of any kind can destroy. Ideas and ideals, as history has shown time and again, do not die because someone says they should die. And just as free men have had to learn some of the ways of the Communists, so the Communists will some day be forced to learn the ways of free men.

Those of us in the United States who are blessed with freedom, must continue to encourage the Estonian people in their efforts toward liberty and dignity. We cannot lose sight of the overriding issue at stake in regard to the Estonian people—that of the right of all human beings to be free. Estonia itself bears sad but clear witness to the fact that the struggle for freedom is not limited to the undeveloped areas of the world. The struggle exists wherever one group of people uses force to constrain another group.

It is tragic that the Estonian people are forced to observe the passing of another independence day anniversary while their homeland still suffers under the powerful and cruel grip of the Soviet Union. Let us in Congress use every possible opportunity to focus world attention on this Soviet stranglehold with a conviction that some day, the grasp will weaken and the Estonian people will be free once again.

THE AULEA AQUATICS CLUB: A SPLENDID EXAMPLE OF CIVILIAN-MILITARY COOPERATION IN HAWAII

HON. SPARK M. MATSUNAGA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. MATSUNAGA. Mr. Speaker, I would like to call to the attention of my colleagues an outstanding example of mutually beneficial military-civilian cooperation in Hawaii: The case of the Aulea Aquatics Club and the U.S. Marine Corps Air Station at Kaneohe Bay.

The Aulea Aquatics Club, a nonmilitary organization, was founded in 1957 and chartered by the State of Hawaii in 1969. The early years of the club were difficult ones because of the lack of appropriate facilities for training and competition. However, in 1970 the problem was overcome. The Aulea Aquatics Club merged with the Kaneohe Bay Swim Club of the U.S. Marine Corps.

Over the past 6 years cooperation between the club and the Marine Corps has been splendid and the rewards have been numerous. Most recently, the Air Force station and the aquatics club hosted the fifth annual invitational swimming and diving championships that brought world class swimmers from the mainland United States and nationwide recognition for the aquatics club.

By way of this means I wish to commend Mr. Bill Ward, president of the Aulea Aquatics Club, and Col. John H. Miller, commanding officer of the Kaneohe Marine Corps Air Station, for their continued cooperation which has made this unique military-civilian combination an enviable success. Further, I would like to congratulate the club members and servicemen who have contributed to the success of the aquatics club over the past 6 years.

CONGRESSMAN HAWKINS ON FULL EMPLOYMENT

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. REUSS. Mr. Speaker, I would like to call the Members' attention to an article by our colleague, AUGUSTUS F. HAWKINS of California, which appeared in the New York Times on Sunday, February 15, 1976. This excellent article discusses in detail the use of employment and unemployment statistics as a measure of the performance of our Nation's economy:

AMERICA'S UNDERUTILIZED WORKFORCE

(By AUGUSTUS F. HAWKINS)

Some respected economists have recently stressed the importance of using figures on employment, not merely unemployment, when evaluating the nation's economic performance. While employment statistics are one of many overall economic indicators, I strongly oppose their misuse as a tactic to diminish or ignore the seriousness of the nation's unemployment problem.

Users of the employment indicator seek to rationalize the 8 percent-range unemployment rate as merely a reflection of the increasing number of people looking for jobs rather than fewer jobs.

The new people looking for jobs, the argument goes, are for the most part women, teens and minorities. Usually unskilled or semi-skilled, these new entrants into the labor market are often relegated to seasonal or transitional employment. Consequently, they are forced to alternate between unemployment compensation and temporary jobs which accounts for their disproportionate occurrence in the unemployment statistics.

It is further considered that these individuals are not their families' primary bread winners. Thus, their inability to obtain long-term gainful employment is dismissed as relatively unimportant.

The idea of emphasizing the employed as opposed to the unemployed also has obvious political appeal considering the fact that the number of employed people (86 million) is far greater than the number of unemployed (about 7.3 million).

Although each of these arguments may remain valid from its particular perspective, neither of them comes near solving or explaining away the real economic problem of chronic unemployment. Unfortunately, no matter how much we try to alter the perspective from which we view employment and unemployment, the nagging problem will continue to exist.

In 1944, President Franklin D. Roosevelt proposed the creation of 60 million jobs after World War II, an idea that to many was an impossible goal. Nevertheless, President Roosevelt's goal was realized in 1952 when employment reached 60 million, relegating unemployment to only 3 percent of the labor force. However, by 1952 most professional economists had begun to define full employment exclusively in terms of some tolerable level of unemployment.

The concept that full employment can be attained by ascribing to some "tolerable level of unemployment" is an idea that defies reasonable logic. True, full employment for the nation's labor force can only be attained when each and every "adult American able and willing to work" has that opportunity.

The Equal Opportunity and Full Employment Act, a revised version of which is to be released on Feb. 26, would specifically require that the President submit to the Congress an annual full employment and balanced growth plan.

This plan, to be supported in the President's annual budget, would recommend in quantitative and qualitative terms "the number of jobs to be provided for adult Americans in order to reduce unemployment."

The bill would also establish a goal of reducing unemployment to 3 percent within a certain, definitive time frame.

The proposed legislation focuses specific attention on the distinction between part-time and full-time employment, with the realization that part-time work can be essential in using the labor strength of women, older people and younger people (including students).

It has been pointed out that from 1948 to 1975 adult employment has fluctuated between 53 and 57 percent of the adult, non-institutionalized population, averaging out at 55.4 percent for the entire 28-year period. The figure for 1975 was 55.2 percent or just about the 28-year average.

In economic terms, this is rather shocking. It means that 45 percent of the adult population is being supported by the other 55 percent. To put it another way, the living standards of the entire American population of about 213.9 million people are based on the work of about 86 million people (armed services included) with paid employment.

This is a narrow productive base for a society committed to the "work ethic."

There are a few considerations which should be posed to those who think that whatever has been true in the past should be true for the future.

Among the 45 percent of nonemployed adults there are millions of "in-and-outers," people who work for a while and then stop—presumably because of the lack of suitable opportunities. Thus, in 1974, when 86 million civilian employees were shown as working on the monthly average basis, an additional 11 million were at work sometime during the year.

In both 1960 and 1970 the Bureau of Census reported on the size of the "labor reserve," the number of people with work experience during the previous 10 years but not working in the census years. In 1970, this figure stood at 27 million. It is probably much higher today.

Also, the employment data show that of all people with work experience during a year, fewer than 60 percent work year-round at full-time jobs. This does not reflect either a lack of interest in work or the attractiveness of part-time or seasonal employment. Rather, it reflects the lack of suitable full-time work opportunities for many millions of people able and willing to work.

Employment and unemployment figures must be examined from a demographic point of view to determine variations in employment patterns which may distort the interpretation of statistics based upon averages. Although last year's average of employed persons in the population—55.2 percent—was a shade below the long-term average of 55.4 percent, we must remember who is employed.

Much of the increase in employment appears to be based on an increase in the number of females working, which has been counter-balanced by declines in employment rates for men, older people and younger people. From an economic standpoint, it is a tremendous waste to prolong the vitality of older people or to inflate the expectations of young would-be workers only to deny them job opportunities.

We should break with the dismal record of the past 28 years and work toward a goal of 100 million full-time and part-time jobs for the next three years. This would provide opportunities for millions of Americans to leave the unemployment compensation and relief rolls.

In the end, it is the unemployment figures that actually direct attention to those who suffer the economic, physical and mental debilitation of chronic unemployment. The unemployment situation cannot be solved by redirecting the emphasis to the antipode—employment.

Finally, if we think of goals for employment we must also think of goals for the various kinds of goods and services which America needs but, under current conditions, is not getting. We must think of concrete goals for energy development and conservation, environmental protection, housing and community facilities, child care services, education, health services, mass transportation, and agricultural production.

These goals must be brought together in some fashion that recognizes their interconnections.

AIRPORT SECURITY AMENDMENT

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. MURPHY of New York. Mr. Speaker, I would like to quote from an official FAA cable dated December 29, 1975:

> At approximately 6:33 p.m., a high order detonation occurred in the TWA baggage claim area at LaGuardia Airport. Damage consisted of total destruction for a radius of 75 feet around the locker bank and shattered windows for approximately 300 feet. A 4x8 foot section of ceiling . . . was blown out. The ceiling is constructed of 1 inch steel waffle and 5½ inches of concrete. N.Y.C. and F.B.I. technicians estimate that the device contained approximately 20 pounds of dynamite of plastic explosive. Casualties consisted of 11 known dead and 65–70 injured, 30 of them critically. The death toll is expected to increase.

As we all know, the casualties did increase, well beyond the initial estimate in that rather clinically worded cable. And my point is quite simply this: That the casualties will continue to increase until we provide adequate protection from the madmen who murder at random in this fashion.

I was a principal author of the Anti-Hijacking Act which brought about the search procedures for carry-on luggage. And that was particularly effective: As of December 1, 1975, there were 4,380 guns intercepted, 41,700 knives, and over 400 explosive devices—not including ammunition and fireworks. And remember, that only accounted for carry-on baggage, not that which is checked and carried in the cargo bins, or luggage placed in airport storage facilities.

And therein lies the problem: LaGuardia was not an isolated incident. For example, FAA Acting Administrator James Dow outlined last November the case of two bombs apparently placed aboard an Allegheny BAC–111 as checked baggage, and which failed to detonate only because the saboteur did not adequately protect his timing mechanisms in packaging the devices.

To quote Mr. Dow:

> FAA has no new or additional security requirements pending in the wings; however, we do think certain capabilities should be developed and be available when and if they become necessary to meet changing or increasing threat conditions. One of these is the need for an effective and efficient method of detecting explosives in checked baggage and cargo. *We don't have this capability today. We should have it on the shelf* in case it is needed.

And if I may briefly quote FBI Director Clarence Kelly:

> We have had a tremendous rise, a *doubling*, in fact of (terrorist) activities in the past two years. It is . . . an alarming situation. The ordinary person is unable to protect himself from this. He must rely on the constituted government . . .

And Mr. Kelly is right: The United States saw, in 1975, 2,053 actual or attempted bombings, with deaths and dollar damages almost tripling over the previous year—figures available. I have here a 54-page listing of domestic and foreign aircraft hijackings over the years, with such descriptive remarks as "at gunpoint," "pilot killed," "crashed," "armed with homemade bomb," "hand grenade," "threatened with bomb," and finally, "now in mental institution."

Obviously, hijackings occur within the aircraft cabin, and this has been the thrust of the inspection of carry-on baggage. But senseless bombings such as the TWA flight over the Ionian Sea, the LaGuardia locker, and the Allegheny near-miss, occur when a murderer places an explosive in a suitcase, a cargo shipment or an airport locker. There is no specific target; it is simply killing for its own sake. The optimist will note that there may be only one chance in a million of such an explosion occurring; the realist notes that one-in-a-million includes today, and tomorrow, and the next day.

Other members of this administration have also noted the increased threat of potential disaster in checked baggage and cargo, including DOT Secretary Coleman and FAA Administrator McLucas. In my recent letter to Mr. McLucas, I outlined my contention that the existing laws provide the authority and responsibility for the FAA Administrator to require the screening of all passengers and property—that is, checked baggage and cargo—to the extent necessary to assure security against acts of criminal violence in air transportation. (Public Law 93-366, section 315(a), 316(a)(1) and (2)(c).) Mr. McLucas' reply said, in effect, "we're working on it."

But as the bureaucracy drags on and on, Americans are killed. Immediately after LaGuardia, there were over 300 telephoned bomb threats at airports across the country. I do not wish to trust my life, or yours, to the chance that any one of those might come true tomorrow.

And that is the purpose of my legislation. It would require the inspection of all checked baggage, cargo and packages to be stored within airport facilities, by whatever means practical for the individual situation.

This would include X-ray devices, explosive detection equipment, density scanning, or simply a physical inspection. It would also include such auxiliary devices as positive identification of ownership of each piece of luggage or cargo, such as a fingerprint method which we shall display here. There are a great number of devices within newly developed technology which fit the needs of the airport security community exceedingly well. For example, you are all familiar with metal sensors used now at airports, as well as many public and private buildings. The X-ray of carry-on baggage is equally familiar to every traveler, and most of us who carry a large key ring or a metal comb have been thoroughly searched before boarding a plane. I would quickly like to point out that this has become an almost invisible process—it is done, and accepted, and there is little comment or complaint.

Some other technology now available includes vapor sensors, which are essentially "explosive sniffers," both the electronic and animal kind, and a density scanner, which is in effect a different type of X-ray combined with a computer—a prototype is now being tested at National Airport by Westinghouse.

Obviously, X-rays look for suspicious shapes such as guns, knives, timing devices, ammunition, and the like. Explosive sensing devices add an extra dimension to the process, since X-rays cannot determine the various chemical compounds which make a bomb. The Marsland unit here, for example, might discover commercial gelatin compounds, nitro cellulose or nitroglycerin, C-3 and C-4 plastic explosives, TNT, RDX, PETN compounds, and various derivatives of black powder—none of which would be seen by an X-ray.

The Westinghouse gamma ray unit at National is a density scanner, which scans for both density and area of materials. It is not a visual unit with a TV screen, but will detect high density and specific gravity materials such as metal, explosives and others.

There are also such units as a combination X-ray and weight unit; the theory being that since you must weigh baggage anyway—at least for international flights—it can be X-rayed at the same moment. And these portable explosive sensors, X-rays and the like, are simply the most mobile of the equipment; full scale units are just like the familiar "doorway" we have all been through.

Another ingenious device is this extremely simple and inexpensive fingerprint method of baggage identification. The familiar baggage tag would have an extra tab added to the end, which would contain the fingerprint of the person checking the bag. Each flight's prints would be disposed of at the end of the day. The FBI has stated that it would "give half the world" for just one print from the LaGuardia incident. It is, admittedly an "after-the-fact" device, but would, nevertheless, act as a deterrent to one who wishes to place such baggage or cargo on an aircraft. Obviously, the cost is minimal.

And, of course, the simplest device of all: physical inspection. I do not pretend that every low-traffic airport in every small town needs a million dollar combination of X-rays and computers. Where the passenger flow is lower, a simple look into luggage would probably be sufficient, and considerably less expensive.

All that I have outlined here should also apply to the airport storage facilities as well. That includes lockers, storage areas, and check rooms, which need only be isolated in such a manner as to require either physical or electronic inspection of a bag before it is accepted for storage.

And the final question: Who pays for it? The American public—with one very important note: The public has been paying for such security all along, but has not been getting its money's worth.

When carry-on inspection began, the Civil Aeronautics Board authorized a security surcharge in order to pay for the equipment, personnel, training and enforcement of the new process. It is interesting to note, incidentally, that a great deal of initial equipment cost was borne by the Federal Government. The surcharge, however, has now been legitimized by the CAB, which has authorized the air carriers to consider the maximum of 62 cents per-passenger-per-origination as part of their normal rate base and cost of doing business.

Congressional subcommittee figures from last year showed the airlines had grossed nearly $78 million in security surcharges. Unfortunately, it is not accounted for separately, and airlines which lost money in other areas simply applied this security "excess" to their general funds. The security surcharge, therefore, is subsidizing the cost of champagne.

The answer to the airline charge of "We can't afford it" is that the airlines are not paying for it . . . you and I are paying 62 cents for every flight we make to be certain that the plane does not explode with us in it, or that the airport terminal building is not reduced to rubble while our families wave goodbye.

The FAA plods on: The task force report which I requested from the Administrator on January 7 has yet to reach me. But no rational observer of the Washington scene expects the bureaucracy to move forward under its own steam; it needs a congressional push, in the form of legislation designed to say what must be done immediately, rather than what might be thought about someday soon.

I urge that the appropriate committee take quick action on this urgent legislation.

ARE NUCLEAR POWER PLANTS DANGEROUS?

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Ms. ABZUG. Mr. Speaker, I would like to call attention to an article published in Not Man Apart, the journal of the Friends of the Earth, in February 1976, entitled "Are Nuclear Power Plants Dangerous?" In a question-and-answer format, it discusses with great intelligence and lucidity the growing danger from nuclear power reactors and explodes some of the myths surrounding nuclear power plants that the proponents of nuclear power would have us believe:

ARE NUCLEAR POWER PLANTS DANGEROUS?

(By Hugh Nash)

Can a nuclear power plant explode like a bomb?

The question is often *answered*, but I've never heard it *asked* before. With a few reservations, the answer is no.

Why isn't the question asked very often?

Informed critics know that reactors now in commercial operation in the US cannot explode like an atomic bomb, so the question is seldom raised. Nevertheless, nuclear industry spokesmen, advertisements, PR handouts, and so on, never tire of answering the unasked question.

Why??

Critics rarely oblige by setting up straw men for the industry to knock down, so the industry sets up straw men of its own. The danger of bomb-type explosions can be denied with near total truthfulness, and denials conveniently distract attention from dangers that are very real.

What dangers?

It isn't hard to imagine accidents in which non-atomic explosions might occur—explosions caused by excessive steam power, for example, or chemical explosions caused by the reaction of melted fuel and water. Even if such garden-variety explosions weren't terribly serious in themselves, they might damage a reactor badly enough to trigger a major accident.

What would make an accident "major," in your opinion?

Breach of containment, permitting lethal radioactivity to escape, would certainly qualify an accident as major. And containment might be breached by a non-atomic explosion—or without any explosion at all. To deny the possibility of a nuclear power plant's exploding like a bomb is a diversionary tactic.

Let's pin this down; can a nuclear plant explode like an atomic bomb or can't it, yes or no?

A nuclear plant might be said to explode *exactly* like an atomic bomb if it had an A-bomb dropped on it or planted near it. This is not a frivolous remark. Nuclear power plants are tempting targets for enemies in time of war or terrorists in time of peace. Even a non-nuclear explosion powerful enough to breach a reactor's containment would release up to a thousand times as much radioactivity as a Hiroshima-type bomb.

That isn't what I meant. . . .

I know. I'm sorry. The answer you want is that no, a nuclear power plant cannot go up in a fireball and mushroom cloud as a result of its own internal fission reaction. But something less dramatic could still be a city killer.

What do you mean by "something less dramatic?"

Well, for instance, a breeder reactor of the kind the nuclear establishment pins most of its hopes on contains far more than a critical mass of plutonium. If a breeder's core melted in an overheating accident, molten fuel might form a puddle of critical mass.

What would happen then?

No fireball, certainly. But there might be a WHUMP that would shake things up a bit, possibly even breaching containment. Whether a WHUMP was loud or soft might not matter much, though.

Why not?

Because, whether it exploded or not, a mass of reactor fuel that had gone "supercritical," as they say, would be uncontrollable; the fission process could not be stopped.

Would that matter a whole lot, if containment remained intact?

Runaway fission generates too much heat to be contained.

Oh. What would happen, then?

A molten mass would melt its way down through the foundations of the reactor building and into the earth. As soon as containment had been melted through, both air and ground water would be radioactively contaminated.

That hasn't happened yet, has it? How can you be sure it would happen?

A radioactive mass too hot to be contained must, by definition, find some way to escape. Extreme heat makes melt-through the obvious means, gravity determines the direction.

Are all commercial nuclear power plants susceptible to the China Syndrome?

Yes; each of the scores of light-water reactors now in commercial operation could overheat and melt its core.

What would make a reactor overheat?

Loss of coolant, which, in light-water reactors, is ordinary water. Unless emergency coolant is supplied to a reactor core very promptly—in a matter of seconds, not minutes—a loss-of-coolant accident will cause meltdown.

Can't a reactor be shut down promptly enough to prevent core meltdown?

Prompt shut-down is no assurance of safety. Meltdown can occur in reactors that have already been shut down, where fission is no longer taking place "Decay heat" from radioactive fission products quickly builds up, in the absence of effective cooling, to the point where meltdown begins.

That sounds weird; can you explain a little?

When one isotope changes into another, giving off radiation in the process, it is said to decay. Decay heat is caused by intense radioactivity, which accounts for the fact that atomic wastes boil in refrigerated storage tanks years after fission ceased. You can't turn this radioactivity off, or turn off the heat it produces; you can only wait for radioactive decay to take its course.

If plant shut-down doesn't insure against core meltdown, what safeguards are there?

The first line of defense is the primary cooling system, which consists of "loops" of piping through which coolant is pumped at high speed, drawing off heat as it flows through the reactor core.

I gather you don't have boundless confidence in all this plumbing.

You're right. Pipes and pumps can fail. Materials bombarded by incessant radiation can weaken and give way. A power failure can stop the pumps—and stand-by diesel generators have often failed to work properly when AEC inspectors came around to test them. Cooling water might be cut off at the source by a natural disaster, such as an earthquake, or by an act of sabotage. It is generally assumed that a ruptured pipe in the primary cooling system is the most probable cause of coolant loss.

How serious is the risk of a loss-of-coolant accident estimated to be?

Estimates of accident probability should be viewed with skepticism, because they originate with people who desperately want to believe the risks are essentially nil. Significantly, though, the AEC took the possibility of loss-of-coolant accidents seriously enough to require that all light-water reactors be equipped with emergency core-cooling systems, or ECCS.

How does an ECCS work?

If it works, it supplies enough cooling water within seconds to prevent overheating or to cool off an overheated core.

If it works, you say? Have you reason to doubt that an ECCS would work?

Yes, I do. There has never been a full-sized or large-scale test of an ECCS. The AEC did run a series of six tests with miniature ECCS models about five years ago. In none of the six tests did the ECCS perform as computers predicted, and in no case was there evidence that an overheating reactor core would have been successfully cooled, averting meltdown.

Surely there have been follow-up experiments?

None that I know of. And later tests if they were reassuring, would undoubtedly have been adequately publicized.

What basis, then, does the industry have for assuming that emergency cooling systems will work?

In effect, the nuclear community takes the curious position that loss-of-coolant accidents are likely enough to require that an ECCS be installed but not likely enough for it to matter much whether the ECCS works or not.

There must be some reason to think an ECCS will work.

There is: computers say it will.

But you're not convinced; why not?

Emergency core-cooling systems were designed by computers. Assumptions about pressure, temperature, and a host of other variables were fed into computers, which were asked to design an ECCS that would work if those assumptions were correct. But many of the variables are hard to measure with any precision—or hard to measure at all—and in fact, the basic physics underlying some assumptions is imperfectly understood. . . .

Are you saying the assumptions are wrong?

They probably are, but that's not all. Computers who said "it'll work under these assumptions," when designing an ECCS in the first place, aren't likely to say "no, it won't work"—under the selfsame assumptions—when asked to double-check their design. A computer prizes consistency above all other virtues, and it can only say: "Assuming what you have commanded me to assume, it'll work." Humans tend to hear only "it'll work."

You don't think it will?

Computers are subject to all the errors that humans consciously or unconsciously feed into them. As for me, I'm daunted by the outcome of the small-scale tests—actual physical experiments that didn't rest on assumptions and didn't turn out the way computers predicted.

You're saying that emergency core-cooling systems have flunked pragmatic physical tests, and that the only tests they've passed are mathematical, theoretical, inconclusive, on-paper tests?

Exactly.

Light-water reactors must have an ECCS, you say; what about breeders?

The kind of breeder the nuclear establishment is pushing is cooled by molten sodium. And sodium reacts violently on contact with air or water, so injecting water into an overheating breeder is the last thing you'd want to do. It is hard to imagine an emergency system capable of injecting massive amounts of molten sodium into a reactor at a moment's notice. Emergency cooling would be a dandy thing for breeders to have, but since no one can imagine a practicable ECCS for breeders, they are not required to have any.

It sounds as though safety criteria are geared more closely to engineering capabilities than to objective needs.

It sounds that way to me, too.

Are there other dangers we should talk about before I change the subject?

Yes. There's danger of poor design. For example, a fire at the Browns Ferry nuclear plant in Alabama called attention to the fact that all electrical cables connecting the control room with other parts of the plant pass through a cable spreading room, so a single accident could disable back-up systems as well as the controls they're supposed to back up. Every nuclear power plant in the country is similarly laid out, I'm told.

Then there's danger of sloppy construction. Plumbers at one plant hooked up drinking fountains to a tank for storage of liquid radioactive wastes.

There is constant danger of operator error. Edward Teller says there's always a big enough fool around to outwit a "foolproof" system, and operators have often made situations worse by violating procedures they'd been taught.

There is danger of inadequate quality control, inspection, and maintenance—inadequacies whose prevalence has been documented by the AEC and its successor, the Nuclear Regulatory Commission.

Controlled fission is an unforgiving technology that demands infallibility every step of the way, and infallibility is conspicuous by its absence.

What about the dangers, if any, of routine radioactive emissions during normal plant operations?

Cancer induced by manmade radiation is indistinguishable from "spontaneous" or naturally occuring cancer; and a latency period of 20 years or more between exposure to radiation and the appearance of cancer symptoms makes it virtually impossible to establish a cause-and-effect relationship in individual cases. Radiation-induced genetic damage does not become apparent for at least one generation, and possibly several more. So it is not surprising that the harmfulness of low-level radiation remains in dispute. There are some things, though, that worry me:

The international radiation standard was admittedly set at a high enough level to avoid unduly inconveniencing the fledgling nuclear industry.

The standard was arbitrarily set at a

level where manmade radiation would equal natural inflation—on the highly dubious premise that we can tolerate twice as much radiation from now on as evolution programmed us to tolerate in the past.

Far from being harmless, natural radiation may well account for "spontaneous" cancers and genetic damages. Double the average natural radiation level might be very damaging indeed.

Radiologists are increasingly convinced that *any* exposure can be damaging, that exposure should always be minimized, and that where possible, exposure to radiation should be avoided altogether.

Children are more susceptible to radiation damage than adults; infants are more suspectible than children; and fetuses are perhaps 100 times as damage-prone as adults. A radiation standard based on average adult tolerances may be far too large for the short-term welfare of the young or the long-term welfare of Homo sapiens.

Some researchers postulated a correlation between proximity to nuclear power plants and public health statistics on stillbirths, congenital defects, infant mortality, and cancer. The validity and implications of such research are hotly disputed, of course. But together with other factors—such as the cumulative effects of more and more power plants emitting more and more radiation into the same airsheds and watersheds, they persuade me that low-level radiation cannot be dismissed as a possible hazard to individuals, to the human race, and to other species.

IRVING KRISTOL, DISTINGUISHED WRITER AND SCHOLAR TO SHARE HIS VIEW OF THE BICENTENNIAL IN BUFFALO

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. KEMP. Mr. Speaker, in this Bicentennial year much is being spoken and written about what we as a Nation have accomplished, where we stand and where we may be going. It truly is a watershed year and this historical perspective is fitting and promises to be of great value.

But among the host of American chroniclers in our midst, I know of none who is more able and qualified than Prof. Irving Kristol.

His book "On the Democratic Idea in America" is a classic work for all political scholars. And many of us are familiar with his provocative columns in the Wall Street Journal. As a distinguished member of the board of contributors to that publication and as the coeditor of the esteemed quarterly publication, The Public Interest, Professor Kristol has provided us with uniquely objective views of our country's political, social, and economic values.

As Eric Hoffer has observed, the true prophet is not one who interprets the future but one who interprets the present. Irving Kristol is superbly qualified to interpret the present from his unique perspective.

As we contemplate the meaning of our Nation's 200th birthday, I ask permission to reprint two of my favorite editorials from the many perceptive and inspirational pieces written by Professor Kristol in recent years. His thinking was solid when the articles appeared. His writing has a durability for thoughful contemplation in years to come.

The first of his articles—entitled "Political Pollution in Washington"—appeared in The Wall Street Journal on October 17, 1974. The other article which I wish to share with my colleagues is headlined "The War Against the Cities" and appeared in the same publication on March 13, 1975.

The articles follow:

POLITICAL POLLUTION IN WASHINGTON

(By Irving Kristol)

Something seems to have gone wrong with the plumbing in Washington, D.C. The atmosphere in that political hothouse, always discomforting to a normal human being, has of late become so dank as to be unbreathable. There are those who claim it is a case of media pollution. Others attribute it to seasonal (i.e., pre-electoral) emanations from a decaying legislative body. Still others say it is merely the stench of burning flesh which accompanies any vigorous witch-hunt. Whichever explanation one believes—and I believe all of them—the facts are incontrovertible, political discourse and political activity in our nation's capital have achieved depths of mindlessness and heights of irrationality that, if not unprecedented, are nevertheless remarkable.

Take the simple question—and it is a simple question—of oil. Our problem arises from the fact that the oil-producing nations, organized into a cartel, have increased the cost of that commodity to Americans by something like $25 billion a year. There are two proximate ways of coping with this levy. (1) We can cut back on oil consumption and reduce the overall American standard of living by approximately 5%; the obvious means of accomplishing this is either to ration oil and gasoline or to impose a tax on oil and gasoline. (2) We can move rapidly to increase our own production of oil, coal, nuclear power, etc.; the obvious means of accomplishing this is to suspend those environmental regulations which now make it impossible to strip mine, to burn high-sulfur oil and coal, to drill into the offshore waters, and so on. None of these prospects is attractive, to be sure. But neither is the situation we find ourselves in.

One could understand that Congress might find it painful to make a choice between these alternatives. One could understand if it faltered, moved reluctantly, displayed signs of confusion. What is not comprehensible is the apparent determination of Congress to refuse to choose at all—indeed, to deny the necessity of choice. Instead, Congress is desperately looking for scapegoats in the oil industry or the Executive Branch or wherever.

In this exhibition of juvenile irresponsibility, Congress is much abetted by the media—which, so far as Washington is concerned, means the TV networks, the New York Times, and the Washington Post. The notion that life is hard and that painful choices are necessary runs against the very grain of the soap-opera mentality and tabloid format of TV journalism. It is also offensive to the bland, unthinking meliorism of those two major newspapers, whose basic metaphysical credo is that all good things are always compatible—and if they seem not to be, the fault must lie with some wicked, vested interests which frustrate the inherent benevolence of the universe.

So, between the moral cowardice of Congress and the intellectual fatuousness of the media, we are doing nothing at all about the oil problem. We aren't even praying for a miracle—which, as the Times would surely be quick to point out, might be in violation of the First Amendment.

THE TURKISH QUESTION

Or take the apparent determination of Congress to cut off military aid to Turkey—our most loyal NATO ally, with a liberal parliamentary regime headed by a social-democratic premier, with the largest NATO army, indeed with just about the only NATO army that might actually be counted on to resist a Soviet thrust into Europe. Why should Congress be carrying on this vendetta against Turkey?

The ostensible reason is that Congress, in its well-known devotion to high-minded principles, disapproves of Turkish military action on Cyprus as a form of "aggression." But cutting off military aid from Turkey now will have no effect on Turkish military superiority on Cyprus or vis a vis Greece in general and might even provoke it to assert this superiority more belligerently, while it can. Besides, it is not at all clear that Turkey has done anything morally reprehensible; its action may have been impetuous or imprudent, but it was not without justification. After all, it was the Greeks who upset the status quo by overthrowing and expelling Makarios. It is the Greeks, moreover, who have consistently refused to renounce the eventual goal of (*enosis*) the union of Cyprus with Greece—a goal which no Turkish government could or will ever accept, both for strategic reasons and because of the large Turkish minority on Cyprus. So the Turkish reaction to events on Cyprus was utterly predictable.

It is now clear that the only possible solution in Cyprus is a negotiated partition of the island, and that if we wish to be helpful to the Greeks it can only be as a broker in these negotiations. Congress is, however, ruling out the possibility of any such constructive role. Why? Were there a large Greek vote in this country, the answer would be obvious. But the Greek vote is minuscule, so that explanation is ruled out. The only other explanation I can think of is that the Democratic majority in Congress, in collaboration with the media, is out to "get" Henry Kissinger, in an effort to obliterate the disagreeable fact that the Nixon administration did, after all, have some positive accomplishments on its record—positive accomplishments identified with the person of Kissinger.

The merit of this hypothesis is that it does make sense of something that is, on its face, a riddle—namely, that it is many of the same people who are most critical of the policy of "detente" who are also the most vociferous in denouncing anything that resembles a "Cold War" strategy. One would think that it is unreasonable to be against both of these policies—unless, of course, your purpose is not to argue for one policy as against another, but rather to drive from office the man who is executing whichever policy.

How else explain the indignant uproar at the revelation of covert CIA activities in Chile? These activities may have been unwise—it is possible to think that a democracy should not engage in them at all—but they are hardly as unprecedented or as scandalous as they are now made out to be. When Senator Mondale declares that these revelations are "unbelievable," and when Senator Symington denounces them as "unsavory and unprincipled," we are witnessing an escalation in hypocrisy that is itself disturbing. Both of these gentlemen, of course, knew—everyone in Washington knew—about CIA activities in Chile; and Senator Symington, for one, was in a position to know it all in the fullest detail.

But what is even more disturbing than the hypocrisy itself is the post-facto myth about events in Chile which is in the process of being constructed to justify this artificial indignation. The American public is now being told, by the media and Congress alike, that the CIA in Chile was engaged in overthrowing a democratic Socialist regime which represented the will of the Chilean people, in order to establish a right-wing military dictatorship. And this myth has the real purpose of ascribing to Henry Kissinger the kind of malevolence and abuse of power that was so evident in the Watergate affair.

MR. SHANNON'S COMMENTS

But the facts about CIA intervention in Chile are clear enough, and were aptly summarized by none other than William V. Shannon, of The New York Times' own editorial board, on September 28th:

"The CIA's objective was to prevent a preemptive takeover of power of Salvador Allende and the radical minority supporting him. Having polled less than two-fifths of the vote in a three-way race, he had no mandate for the Socialist program he was trying to put into effect. The lower house of Parliament censured him for violating the country's constitution. His own Marxist supporters intimidated the opposition press, bankrupted businessmen with strikes and plant seizures, organized themselves into para-military groups and were conspiring to seize total power."

To repeat: The CIA's involvement in covert efforts to thwart this left-wing coup may have been unwise. But from a democratic point of view there was nothing sinister about them. Nevertheless, it is a sinister picture we are being given by various reporters who, in private conversations, make no bones of the fact that their goal is to "get" Henry Kissinger. And if, in the course of this noble enterprise, innocent men have to be burned at the stake, the media are willing to make the sacrifice. Thus, such an outstanding public servant as Edward Korry, our ambassador in Chile until 1971, is consistently referred to as "a Nixon administration official" and "a political appointee"—with no mention being made of the fact that Mr. Korry is a liberal journalist, who was originally appointed as ambassador by John F. Kennedy.

It is less difficult to comprehend Congress' role in all of this than that of the media. Congress, after all, is a political organism, and it is not astonishing that it is sometimes "political" in the worst sense of the term. From the point of view of Democrats in Congress, there is much to be gained by discrediting anyone and everyone associated with a Republican administration. Ordinarily, Congress will also remember that it shares the responsibility for governing the country. But these are no ordinary times in Washington, and Congressmen seem to find it more profitable to use their powers to prevent anyone from governing. The "profit," of course, takes the form of kudos from the media, which cares nothing for government and thrives on calamity.

Journalists today are extremely "idealistic," in the same sense that many college students in the '60s were "idealistic": they are not much interested in money, only in power. And "power," for the media, means the power to discredit and destroy—it is through such successes that they acquire visible signs of grace. After Watergate, the media are in a state of mind that can only be described as manic. They feverishly seek new victims, prominent ones if possible, obscure ones if necessary. There is the smell of blood in the air and of fire and brimstone, too.

A vice chairman of the National Foundation for the Arts, a man of considerable wealth and unquestionable integrity, finds himself publicly maligned because he leased one of his homes, at a modest rental, to an old friend who happened to have been appointed a presidential assistant. Such acts of ordinary human generosity were common enough in previous administrations, and went unremarked. Today, they are prima facie evidence of corruption, as Governor Rockefeller is discovering to his astonishment and his sorrow.

DEVOURING ITS OWN

And, when everything else fails, the journalistic community will turn and devour its own. Jack Anderson won a Pulitzer Prize for publishing stolen government documents, but is now under a cloud because, it has been discovered, he had access to secret FBI files while he was a legman for Drew Pearson. His sin, one can only assume, is that he didn't steal these files and publish them.

Oh well: It won't last, of course. This frenzy, too, shall pass. The country needs to be governed and, in the end, it will decide to govern itself rather than continually "expose" itself to self-flagellation by looking for Watergates under its beds. In the meantime, however, all those who care to breathe clean air are well advised to stay away from Washington.

THE WAR AGAINST THE CITIES

(By Irving Kristol)

It is no longer so fashionable to make large preachments about "the urban crisis"—perhaps because the federal funds that these alarming sermons aimed to elicit are obviously not available, perhaps because the media eventually gets bored with any "crisis" that doesn't move toward a spectacular denouncement. And precisely because we are not so bemused by the rhetoric of "crisis," this may be a good time to look at our urban condition to reflect on whether things are getting better or worse, and why.

It is obvious in retrospect—indeed it was obvious at the time, for those who cared to see—that not all American cities have a sum of problems that constitute anything like a "crisis." Such cities as Dallas, Houston, San Diego, Tucson, Phoenix, even Los Angeles are faring reasonably well, in the sense that their citizens seem to prefer to live there rather than to move elsewhere. These cities do have problems, of course—but, then, there is no such thing as a city without problems. What is certain is that if all our cities had only such problems urban America would be making no headlines.

The cities I have mentioned have one thing in common: They are relatively "new" cities which emergend in response to the socio-economic realities of the postwar period, and whose design is well adapted to these realities. One can call them "doughnut" cities. They are really aggregations of suburbs centered on a core which is not an inner city but merely another suburb with some specialized functions. What happens in central Los Angeles is of no great significance to the inhabitants of that city, most of whom don't live there, or work there, or even visit there very often.

These "new"cities are not traumatized by a middle-class flight to the suburbs, since practically everyone—including the working class and the poor—already live in suburbs. Nor need they worry about industry and business moving out of the city's center since they have never been there in the first place—at least not to any significant degree. In short, these cities, being themselves expressions of that powerful suburban and exurban impulse which marks the past three decades of American history, do not have to face the challenge of adapting painfully to it.

NOT FOR EVERYBODY

Mind you, I don't mean to suggest that these suburban cities are such wonderful places to live in. Being myself a cosmopolitan New Yorker who would perish of boredom if sentenced to a few hours on a golf course, and who regards barbecues as a form of survival training, I am in no position to appreciate the amenities that these cities offer: I am also sensitive to the absence there of certain traditional urban vivacities. Still, I have to admit that most of my fellow-Americans seem to like the life-style of these new cities (though I do wonder about their children), and I see no point in arguing with them about it. Such an argument would be all the more pointless in that I can hardly cite our older cities as models that ought to be emulated.

These older cities—New York, Chicago, Philadelphia, Detroit, St. Louis—are indeed in deep trouble. Built around an inner urban core—"downtown"—which is the heart of the city, they are finding it very difficult to adapt to the process of suburbanization and exurbanization. People and business and jobs move out; the poor are left stranded; buildings decay and morale plummets; revenues have difficulty in keeping up with the expensive housekeeping (policing, garbage collection, public transportation, etc.) that such a densely settled area requires. It would be, at best, a hard time for the citizens and governing authorities of such cities.

But we have managed—and are managing—to make things far worse than they need be. Indeed, those very people who have been most vociferous about the urgency of our "urban crisis" have done much to inflame a serious (but probably temporary) condition into what may yet become a crisis. The people I refer to are the "enlightened," urban upper-middle classes who shape public opinion (they *are* the media, after all) and public policies. It is not too much to say that, for the past 10 years, they have been carrying on a war against these older cities, wreaking havoc while preaching salvation.

It is traditional for members of the upper-middle class to be stodgy, business-like, and unimaginative. One can even say it is sociologically "natural" for people with property and social position to be like that. But, for reasons having to do with certain startling peculiarities of our modern culture, the upper-middle class in such cities as New York, Philadelphia and Chicago are not like that at all. On the contrary, they are flighty and mercurial, consumers of every intellectual fad that passes their way, capable of believing the most absurd fantasies about the world they inhabit, incapable of exercising the common sense they presumably were born with.

For instance, in my own city of New York the upper-middle class is possessed of the opinion that our fair city is being "strangled" by too many people and too many automobiles. In view of the fact that the population of New York has remained stable for 30 years now, while the population of Manhattan has actually (and sharply) declined, and in view of the additional fact that many of our most famous stores and shops are closing down because suburbanites are not coming to New York to buy things, this notion is ridiculous on its face. But it is widely believed—and, more seriously, is acted upon.

Thus, any effort to establish a business in New York or attract people to New York is resented and resisted. Efforts to build a new convention center are stalled because it would bring "congestion" and "pollution" into a decaying neighborhood which is well on its way to becoming a slum. Efforts to locate "luxury housing"—in New York this is the term we apply to unsubsidized housing—in run-down areas are fiercely opposed, because they might "disrupt the neighborhood." And the idea of constructing an interstate highway along the lower West Side provokes the following typical letter to New York magazine, from a gentleman whose family has lived in New York since 1800:

". . . The whole West Side Highway project horrifies me. It's just an excuse to create more land and more real estate [through landfills], and fill an already overcrowded island with more trucks, cars, buses, and enormous slab buildings."

One would never know, from listening to this widespread opinion, that New York City has lost 250,000 jobs in the past four years, and that at this moment it is losing jobs at the rate of 20,000 a month; that if trucks cannot enter New York, the businesses they serve will move elsewhere; that if corporate executives cannot drive quickly and comfortably into Manhattan, they will move (as they are moving) their corporate headquarters out of the city. Somehow, the self-evident proposition that New York desperately needs economic growth if it is to survive a most difficult period of transition is ignored. Instead, our upper-middle class seems to be enchanted by a pastoral vision of New York—a city full of parks and malls and bicycle paths and "cute" little neighborhoods. The working class will, one supposes, be manufacturing *objets d'art* in the basement workshops.

A DELICATE SOCIAL CONSCIENCE

Not that this class is unconcerned with the fate of the poor and the dispossessed. On the contrary: it has a most delicate social conscience, and is always figuring out ways to live up to its "social responsibilities." Unfortunately, each of these schemes ends up by making matters worse.

The "Great Society" programs which emerged from "the urban crisis" of the 1960s were the dreamchild of this class and they are bankrupting our older cities. Practically all of these programs were highly "leveraged" in the sense that the city had to put up only 10% or so of the funds, with the federal government supplying the rest. This created a lot of jobs and programs (in education and health, especially) for relatively little local money. But, as readers of The Wall Street Journal may be presumed to know, leverage works both ways. When times get bad and the city needs to economize, it finds that it has to abolish a lot of jobs and programs in order to save a small amount of money—which is politically impossible. The result is that New York City is now borrowing huge amounts of cash, at fantastic rates of interest, in order to meet its weekly payroll. To correct this situation, the city will raise its real estate and local income taxes (already the highest in the nation), thereby driving even more businesses, real estate developers, and middle-class homeowners into the suburbs.

School and housing "integration" is another "progressive" idea of our upper-middle class in New York (and, most notably at this moment, in Boston and Detroit too). The motives behind this idea are doubtless very noble, but the idea itself is ridiculous. Why should working-class and middle-class families, whether white or black, send their children to schools with slum kids who are—as many slum kids, black or white, usually are—rough, tough, and delinquent? (There are New York schools where over 10% of the students have previous arrests *for felonies*.) And why should working-class and middle-class families move into new apartment houses or projects where one-third of the apartments are reserved by law for welfare families?

This kind of "social integration" has never been acceptable to Americans, who work hard so that they can finally move to a "good" neighborhood with a "good" school. It is not acceptable to the upper-middle classes either, who send *their* children to private schools and who live in "classy" neighborhoods. Yet when this latter fact is pointed out to them, they shrug it off as irrelevant. Modern "idealism" has nothing to do with the old-fashioned notion of self-denial. It means, rather, the forceful imposition of ideals on a recalcitrant reality—*your* ideals on *their* reality. And if your ideals are "correct," your conscience need never be troubled by trivial actualities.

RESOURCES AND INCENTIVES

As I have said, even under the best of circumstances our older cities would be going through a very *difficult period*. But many of them have considerable inner resources—geographical, historical, cultural, and human—and there is no reason to think that they are necessarily doomed. After all, not *all* Americans want to live in suburbia, and the minority who do prefer urbanity to suburbanity is quite large enough to sustain such cities as New York or Chicago or Philadelphia. (About Detroit or St. Louis, one is less certain.) There are even many businesses which would find it convenient to be located in a large city, if they were not positively discouraged from doing so.

But these people and these businesses need incentives to stay (or to come). They are not getting them, to put it mildly. Instead, the affluent classes of our older cities—themselves well insulated from adversity—appear to be in the grip of what can only be called a utopian passion. This consists of a romantic passion for the pastoral, an abstract passion for "social justice," an ideological passion for a kind of "beautiful city" that never has existed in this country. And, under the spell of this utopian passion, they are waging a war against the cities that do exist. It is a war they are winning, and their victory represents a serious national loss.

KRUEGER DEFENDED

HON. DALE MILFORD

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. MILFORD. Mr. Speaker, I would like to direct your attention, and that of my distinguished colleagues, to an article written by an old news hand in my area.

The author—who calls the attack on Congressman Krueger for what it is—is Felix R. McKnight. He just retired as publisher of the Dallas Times Herald, and still serves that publication as "consultant."

Far from the flowery fields of Washington, McKnight has recognized the vicious attack by media and old Washington hands.

It is unfortunate that his critics do not take the same care to examine Mr. Krueger's record as he does in researching legislative impact.

The article follows:

Krueger Versus the "System"

(By Felix R. McKnight)

It took only a few hours for the Washington "system" to gear up and go for the throat of a rookie Texas congressman who had just numbed them with a gut punch.

The counter-punch from politically honed House liberals who had just seen Rep. Robert C. Krueger take the first step towards possible deregulation of natural gas federal controls, landed cheaply in the groin area.

It came, via the Washington press, in inneundo and vague implications that the oil and gas industry had the brisk young Texan under its wing and was paying his campaign bills for "services rendered."

The implication, following the Washington tactic of the time, was that Krueger was a freshman nonentity in campaign debt until he started espousing of the deregulation bill.

But, suddenly, quoth the Washington press, he became the treasure of the oil and gas interests which rushed in overnight and erased his campaign deficit. Krueger handled that as openly as he has everything else that has characterized his first term.

He inserted into the Feb. 4 Congressional Record a complete analysis of the source of his contributions. It revealed that the money had come from 11 different classifications, including plain citizens who liked his style and aggressiveness after the first several months in office.

Only 15.24 per cent of it had come from petroleum sources.

The question is, regardless of percentages, what is illegal or wrong with individuals of the petroleum industry supporting a representative who is openly and assiduously trying to return their business to the traditional marketplace and out of federal control?

Who is following his conviction, his conscience and his campaign promise in trying to restore incentive and encourage exploration in an industry that could shore up an energy situation hopelessly bogged in federal fuzziness. An industry that is the lifeblood of the state he represents.

It is strange that his fellow congressmen, now leaking hints of possible hanky-panky in his campaign contributions, do not employ the same zeal and indignation in running down gifts from organized labor and other interests to their favorite congressmen.

The leaks of information, or misinformation, concerning the source of Krueger's contributions point to members of Congress. Suggestions such as "You might look into Krueger's campaign contributions, etc."

The vendetta started in late December when Krueger got a momentous 12 to 4 subcommittee affirmative vote that shook his foes into the unhappy knowledge that here was a rookie quarterback who could handle the ball.

It peaked on last Tuesday after the full House had supported him on a crucial vote, 230 to 184. On Wednesday, there appeared in the House press gallery a pile of anonymous "press releases" concerning Krueger's campaign contributions.

Just a good, clean old game of Washington karate.

It is difficult to determine just how much, if any, impact the faceless smear on Krueger had in the sudden reversal of the House late Thursday. It sent the Krueger deregulation forces spinning, 205–201, in one of the closest House votes in years on a major issue. Prior to the attack on his campaign contributions, Krueger had owned a 46-vote margin. It melted under the odorous tactic and intensive lobbying by labor and Nader-like consumer groups.

It has been a long time since Texas sent up a bare-cheeked congressman like Bob Krueger of Germain-oriented, stiff-moraled New Braunfels. He is big and tough and intellectually pure and he actually believes that a people's mandate is a people's mandate.

It adds to one thing for a freshman congressman in Washington—you get in deep trouble if you do more than drop to your knees before senior tacticians or nose into sacred pastures.

But Bob Krueger lost the rulebook somewhere in the corridors of the House of Representatives and dared to act like his own man, or the man the people sent to Washington in a jarring landslide upset. So, now, he is being tarred as a menace, a tool of evil interests.

Only a few weeks ago he was an obscure nice guy, ignored by the liberal wheels of Congress who couldn't even spell New Braunfels, much less tell you where it was.

But in those several weeks. Rep. Krueger acted in the interest of his state, his constituency and what he considered to be the overall benefit of the country by trying to steer an American business back to homeplate—and out of the federal muzzle.

BALANCE D.C. BUDGET—COLLECT ON U.S.S.R. EMBASSY PARKING TICKETS

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. McDONALD of Georgia. Mr. Speaker, a new source of potential revenue for the District of Columbia was just revealed by the Sunday Star on February 15, 1976. In a front page story on unpaid parking tickets by foreign embassies, it was revealed that the gold medal winner was the U.S.S.R. with 8,865 parking violations accumulated in the last 7 months, the silver medalist was the Embassy of Israel with 2,539 tickets and the bronze was awarded to Peru for 866 tickets. Perhaps Mayor Washington can negotiate his own SALT—Settle All Late Tickets—agreement with the Soviet and other embassies concerned and thus have a new source of revenue. It sure would be more popular than the commuter tax he keeps talking about.

On a more serious note, I feel this situation is scandalous when you consider that the Embassy of Great Britain having 125 cars with diplomatic tags, 15 less than the U.S.S.R. had only 81 tickets. In contrast, the U.S.S.R. with its fleet of 140 cars had 108 times more tickets than Great Britain. It is obvious the contempt with which the U.S.S.R. regards our country and its laws. The State Department should do something other than wring its hands. If some of the more brazen offenders found those lovely "boots" attached to their cars, the number of violations would probably dip very sharply. The item from the Star follows for the edification of my colleagues:

[From the Washington Star, Feb. 15, 1976]

Why Don't Diplomats Pay Tickets?

(By Mary Ann Kuhn)

It makes the U.S. Department of State cringe, the D.C. Department of Motor Vehicles squirm, the Washington Metropolitan Police Department call on the Almighty.

It is what they call a Delicate Situation—the matter of unpaid parking tickets charged to foreign diplomats in Washington. Perhaps it is worse than that because the Soviets are the super scofflaws among Washington's 126 embassies and three legations.

The Soviet Embassy here has 8,865 unpaid parking tickets from the last 11 months. That's 6,000 more unpaid tickets than any other embassy here. It is also nearly one-third of the total 27,966 tickets issued to cars with diplomatic (DPL) tags that have gone unpaid during that time.

No one seems quite comfortable talking about it.

"Oh, my God! Don't start another World War!" one top police official hollers into the phone.

The thought of publicity about the unpaid tickets, particularly the Soviets, is enough to throw him into a verbal frenzy.

"Maybe you are dealing with an international situation," the police official says. "It might be embarrassing. Can't you write the story without mentioning embassies by name?

"You might find the KGB following you around."

As for the Russians, well, a Soviet spokesman speaking very carefully, very slowly says into the phone: "It . . . is . . . very . . . important . . . not . . . to . . . make . . . this . . . an . . . *anti-Soviet* . . . article."

TAKE A LOOK AT LEADERS

Embassy	Number of tickets	Number of DPL tags	Minimum owed [1]
U.S.S.R.	8,865	140	$44,325
Israel	2,539	57	12,695
Peru	866	25	4,330
France	323	72	1,615
Togo	189	5	945
Great Britain	81	125	405
Egypt	16	60	80

[1] Based on a minimum $5 fine per ticket. Some parking tickets cost as much as $25.

State Department officials say that foreign diplomats here should pay fines on parking violations promptly, regardless of their immunity from arrest or detention. After all, U.S. representatives stationed abroad are expected by the department to pay theirs, they say.

But if foreign diplomats don't pay here, "under no circumstances will they be arrested or detained," says the State Department. They are protected by diplomatic immunity. But it's actually left up to the individual embassy whether diplomats pay.

Some Embassies, like the British Embassy, have an ambassador who has an "iron rule" that members of his staff pay parking tickets. If they don't the ambassador wants to know why.

"It is handled as an internal disciplinary matter," said press secretary Merrick Baker-Bates, who seemed surprised to learn that the embassy has 81 unpaid parking tickets.

Unlike most embassies which only have two, three or four reserved parking spaces in front of the embassy, the British Embassy has reserved parking for every member of its staff who has DPL tags. At the embassy, the diplomats park on the grounds in a lot which has 1660 reserved spaces.

The State Department says some embassies not only require that their diplomats pay a parking fine out of their own pockets but also contribute an identical sum to a charity designated by the embassy either in the home country or in this country.

Whether diplomats should pay is, according to a Soviet Embassy spokesman, "not a matter decided by the emotions of citizens.

"It is a matter decided by international agreement. And I don't think it would be good for the press to raise this matter. It is not a matter decided by one country. It will only complicate the matter."

The Embassy of Togo seems to agree, but not with as much diplomacy. A top diplomat there twice hung up on a reporter who was asking him information about the number of embassy parking spaces and DPL cars.

"There is no sense in all this thing," he said. "I don't want to answer these questions." He hung up.

The next time he was called he said: "Don't bother to ask us at work here. We have everything with the State Department." He hung up again.

Government officials—from the State Department to the D.C. police department—worry about the way the issue of unpaid parking tickets is handled.

If not treated "properly," or if the State Department should take such action as withdrawing DPL tags until tickets are paid, for instance, it could adversely affect international relations, detente with Russia, and relations with other countries. It could even result in reprisals against American diplomats abroad.

They don't like to talk about these unpaid tickets—State Department officials, the police, the DMV, court officials and many embassies.

They tend to keep a low profile, so low that none of them knows exactly how many parking tickets are issued to diplomats at each embassy. And so low that no one knows precisely how many of them go unpaid at each embassy, or even how many are paid.

The facts on unpaid diplomatic parking tickets lay buried in sheet upon sheet of computer printouts obtained from District government agencies by The Star.

By comparing one agency's computer list containing the names of the embassies and their DPL tags with another agency's computer printout listing tag numbers and parking violations, The Star found the following:

From March 1975 through January 1976, approximately 3,675 DPL license plates were issued to diplomatic cars here. The total number of parking tickets issued to those tags is not known, but there are 27,966 which have not been paid, an average of eight tickets per car.

At a minimum of $5 a ticket, the total comes to $139,830 in unpaid parking tickets.

Of that number, 8,865 unpaid parking tickets belong to the Soviets, the No. 1 scofflaw among embassies here. And one of Russia's 140 cars with DPL tags, DPL 3113, has 167 tickets to its credit—the highest number of unpaid parking tickets of any diplomatic vehicle.

Second in the ratings is the Embassy of Israel with 2,539 unpaid parking tickets and 57 DPL tags.

And No. 3, the Embassy of Peru, has 866 unpaid parking tickets and 25 DPL tags.

The Soviets have accumulated so many tickets, according to an embassy spokesman, because "we do not have parking lots near the embassy." The Soviet Embassy and the State Department "have an agreement," they both say, that the Soviets have the right to park illegally within a two-block area of the embassy on 16th Street between L and M streets NW because of a lack of parking facilities—but nowhere else in the city.

"The same privileges are given to American diplomats in Moscow," said the Soviet Embassy spokesman. "They also have the right to park in places where there is no parking. That is why we don't consider it a parking violation here—there are no parking spaces near the embassy. We only have reserved parking for two diplomatic cars."

The Embassy of Israel says it has received so many tickets—2,539—because there are 20 to 30 other embassies or diplomatic missions within a 300-yard radius of its embassy at 1621 22nd St. NW, and not enough available legal spaces to park.

"Our Embassy was allotted only three reserved diplomatic parking spaces. Three. One. Two. Three," said Avi Pazner, the Israeli Embassy spokesman.

"We want to observe rules in the country where we are guests," he said. "It simply seems to be a mission impossible."

But the spokesman seemed cheered by the thought that the Soviets had more parking tickets than the Israelis. "We are much better than the Soviets—four times less than the Soviets."

The diplomat here with more unpaid tickets than any other DPL tag owner is Zinon D. Kizyun, 33, a third secretary at the Soviet Embassy. He has 167 unpaid parking tickets, three more than two other colleagues at the same embassy.

Kizyun was asked about his unpaid tickets one night recently as he walked from the embassy to his pea soup-colored Plymouth Duster, which was illegally parked—and ticketed—a few feet from a "No Parking Anytime" sign.

"Tickets? Parking tickets? You said 167?"

He seemed surprised, almost shocked. He looked up in the air and thought for a moment. "No, I think maybe 500. I get two a day here. Doesn't that figure out to 500 tickets a year?"

Kizyun stood under the street light, his car keys in one hand, a copy of the newspaper Pravda in the other, an astrakhan on his head, looking somewhat pleased that for that day, he had gotten only one ticket on his windshield.

"Uusually I get two. Evidently the police officer is on leave."

He complained that "police put tickets on all our cars and don't leave them on American cars" in that area.

He said he has never paid any of his parking tickets.

"We have diplomatic immunity. Nobody pays in Moscow," he said, referring to American diplomats in the Soviet Union. "I believe it's mutual."

Also, he said, because of the difficulty in finding a parking place near the chancery, "the policy of the embassy is if we get tickets in these two blocks we may disregard them. But, if we get some elsewhere, in a shopping area, like on F Street, the policy is the ticket must be paid."

As he was unlocking the door to his car, he was asked what he does with all his tickets.

"I just collect them," he said before driving away.

The whole business of ticketing diplomatic cars is a vicious circle.

The police department feels it has a duty to ticket illegally parked cars—diplomatic or not. So police ticket the cars and send reports of unpaid tickets to the Central Violations Bureau, an arm of D.C. Superior Court.

The bureau in turn sends the list of unpaid diplomatic tickets to the State Department, which claims it doesn't "have the staff" to pore through the 2½-inch thick computer printout of unpaid tickets. The list apparently just sits there.

So why do the police bother starting this chain of non-events by ticketing illegally parked diplomatic cars in the first place?

"You can't look at it that way," says Deputy Chief Ernest J. Prete, head of traffic enforcement for the city. "We can't ignore it. We have a responsibility to enforce the law regardless of the support units. If the courts don't do it and the State Department doesn't, it doesn't mean we will lay down, turn our backs to it.

"The diplomat is immune from arrest. He is not immune from paying the ticket. The vehicle is not immune from abiding by the regulations. Diplomats still have no right to park in violation and abuse the parking regulations."

Every so often, the State Department sends a note to the embassies reminding them of department policy toward parking tickets issued to diplomats.

One such letter from the secretary of state went out to the embassies on Dec. 10. It said in part:

"The department is concerned over the continuing problem of parking violations committed by members of the diplomatic corps and their staffs.

"The department reiterates its position on that. Members of diplomatic missions should operate their automobiles in accordance with local traffic laws and regulations. In this connection, U.S. representatives stationed abroad are expected by the department to pay charges resulting from parking violations.

"It is the department's position that foreign official representatives posted to the U.S. should do the same, regardless of their immunity from arrest or detention.

Even though the D.C. goverment has computer printouts at its fingertips, one with embassy names and tag numbers and another with the various violations issued to those tags, neither the District nor the State Department has put the two togeher to get an accurate count of the tickets issued to each embassy and to each diplomat.

Diplomats' unpaid parking tickets (Embassy or organization, number of unpaid tickets)

U.S.S.R.	8, 865
Israel	2, 539
Peru	866
Brazil	560
Nigeria	438
OAS	359
Iran	353
Argentina	332
France	323
India	281
Tunisia	272
Italy	266
Sudan	253
Trinidad & Tobago	245
Malaysia	231
Saudi Arabia	225
China (Taiwan)	213
Jordan	199
Uruguay	192
Togo	189
Ecuador	184
Bolivia	176
Ethiopia	174
Romania	166
Czechoslovakia	164
Senegal	148
Guinea	145
Zaire	139
Poland	136
Morocco	131
Zambia	130
Philippines	122
Greece	120
Germany (West)	120
Spain	119
Japan	116
Thailand	106
Libya	103
Mexico	99
Ivory Coast	96
Korea (South)	96
Australia	92
Liberia	89
Cameroon	87
Canada	84
Mali	84
Mauritius	84
Kenya	83
Yugoslavia	83
Great Britain	81
Costa Rica	76
Cyprus	76
Qatar	76
Sweden	75
Norway	73
United Arab Emirates	66
Netherlands	63
Afghanistan	63
Bulgaria	62
Panama	61
South Africa	61
Chad	58
Haiti	58
Pakistan	57
Hungary	56
Denmark	55
Ghana	55
Lesotho	53
Belgium	51
Nicaragua	51
Portugal	50
Barbados	49
Guatemala	49
Paraguay	48
Sierra Leone	48
Venezuela	47
Bahamas	44
Kuwait	43
Somalia	43
Yemen	43
Bangladesh	41
Indonesia	41
Burma	40
Dominican Republic	40
Lebanon	40
Colombia	38
Uganda	37
Chile	36
Gabon	34
Switzerland	34
Mauritania	33
Central African Republic	31
New Zealand	31
Jamaica	30
Finland	29
Madagascar	29
South Vietnam	28
Upper Volta	28
Tanzania	25
Malta	24
Turkey	23
Oman	21
Austria	21
Algeria	20
Dahomey	19
El Salvador	19
Honduras	18
Rwanda	18
Syria	18
Burundi	17
Laos	17
Luxembourg	17
Malawi	17
Khmer Rep. (Cambodia)	16
Egypt	16
Iceland	16
Commission of European Communities	16
Sri Lanka	15
Batavia	14
Singapore	13
Germany (East)	12
Swaziland	10
China Liaison Office (People's Republic)	8
Guyana	8
Pan American Union	7
Ireland	5
Latvia	4
Niger	4
Total	23, 050

A spokesman for the State Department said the printouts were "unmanageable." He said that next month, before the new tag year begins, he plans to ask for a "more manageable" one so we can easily analyze it.

"Then we would be able to establish several things—which embassy received the most tickets and whether they were acquired in official business or otherwise.

"We would get in touch with the foreign embassy and ask that remedial action be taken. I think it is useful and helpful to remind them from time to time."

To that, Chief Judge Harold H. Greene of Superior Court says:

"If the State Department says it would like a more manageable printout, we will do everything in our power, together with the Department of Motor Vehicles, to give them a more manageable printout. We would like some action to be taken. The State Department never asked for a more manageable printout.

"Diplomatic immunity serves a useful purpose and should be respected. We wouldn't want our diplomats arrested on trumped up charges such as bribery or corruption.

"But, when diplomats collect hundreds or dozens of tickets and inconvenience those in the community, the State Department should be expected to make use of whatever channels it has to eliminate or reduce these practices.

"At a minimum, an embassy should receive a list of parking tickets so it can be advised about the violations."

Unlike Washington, New York City issues an official report which goes to the United Nations on how many parking tickets each country receives there each year.

In New York's report of the 20 most ticketed cars released earlier this month, Uganda emerged as the chief diplomatic scofflaw with more than 1,700 ignored tickets on the three most ticketed cars, followed by Yugoslavia with 484 and Saudi Arabia with 480.

The Soviets had a car in eighth place with 422 tickets and another in 10th place with 411.

The D.C. government's computer printouts, in addition to listing DPL tags, also list an additional 1,275 cars with WN license plates which have 1,416 unpaid parking tickets.

Like DPL tags, WN's also get diplomatic immunity. WN tags belong to administrative or technical persons who work in the embassies but are not diplomats.

Usually they are citizens of the country their embassy represents. The State Department said it didn't know what WN stood for and it would take some time to research the question.

While the D.C. printouts list 27,966 unpaid diplomatic parking tickets for the last 11 months, all but 4,461 were matched with embassies.

The computer printout lacked sufficient information to identify which embassy the owners of these 4,461 DPL tags belonged to.

In a number of other cases, there were DPL tags which received tickets during that time but changed hands so that identity of the tag owner was impossible to pin down.

The diplomat parking problem may wind up solving itself, or at least partially so. The State Department said that work will begin in the late summer for an International Chancery site on Connecticut Avenue near the Van Ness shopping area which will be the location of 14 embassy offices and will provide parking for those employes.

As for the Soviets, plans are under way for a new embassy site on Wisconsin Avenue which will also provide spaces for off-street parking.

The whole issue of parking tickets and diplomatic immunity drives the assistant director of transportation for DMV "bananas."

"I'm tired of fighting it," said Joseph P. Murphy. "I suppose our people (diplomats) do the same thing (abroad). That's what they tell us.

"It's a big issue . . . when you are dealing with an edgy problem of international relations. This is an international thing, not a local thing. This is strictly a matter of the international community.

"It's not a parochial thing in the sense our local outrage satisfies the need to do something. Local outrage long ago would have solved the problem."

THE BICENTENNIAL BITE: HOW TO COMPARE APPLES AND ORANGES

HON. RICHARD KELLY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. KELLY. Mr. Speaker, it is with reluctance I oppose and expose a plot among four very respected Members of this House—Mr. ROBINSON of Virginia, Mr. McCORMACK of Washington, Mr. GOODLING of Pennsylvania, and Mr. SYMMS of Idaho. Apples are grown in their States.

And these men are out to upset our applecarts. Their recent actions show they want the whole bite of the apple for their constituents. They are part of the Big Apple cartel.

They have introduced a resolution naming the apple The Official Bicentennial Fruit and will ask this House to approve it. Their motives are exclusionary and certainly contrary to the spirit of the Revolution.

They trample on the customs of this venerable House, Mr. Speaker. They count apples and forget to tell us apples cannot be compared with oranges. I am here to say very little can compare with oranges.

But they are pushing. Hasty passage of this resolution will have ramifications that could lead to dislocation in our agricultural communities, perhaps cause wide unemployment. I am dismayed that four so responsible Members would tamper with the free market in this fashion. It is Big Government at work again.

To officially make the munching of an apple an act of patriotism is serious business.

It will change our American way of life, Mr. Speaker. They are meddling.

They could have all Hawaii's pineapple growers on the dole.

Things would no longer be peaches and cream in Georgia.

They might even try to declare life is nothing but a bowl of apples.

These comments are not sour grapes, my fellow Members of California and New York, but recognition of a clear and present danger. Their plotting is going to get us into a jam, a pickle.

These men imply apples were the first fruit brought to these shores. They claim America and apples are synonymous and that apples are the most popular and widely grown fruit in the United States.

All of that is so much applesauce.

They ignore Columbus, who planted oranges in the New World in 1493. It had to be the first thing he did after unpacking on his second trip. They forget oranges were under cultivation at St. Augustine, in Florida, in 1597.

They may not know the year 1776 was an important one for oranges. Citrus historians tell us the first commercial shipments were made from Florida in that year. And Count Odet Philippe, of Safety Harbor, in my district, began the cultivation of grapefruit about 1830.

I tell you, this power play by the Big Apple interests is rotten to the core.

Who, among the great orators in this House, ever speaks in apple-shaped tones? Who would feel comfortable with apples jubilee? Could anyone be so unaware of our heritage as to ask Billy Boy if she can bake an apple pie? Would many be so untraditional as to set a Thanksgiving table without cranberry sauce?

A popular variety of orange is the Parson Brown, Mr. Speaker. It is sweet to the palate and refreshing to the soul. Now, I ask you, what is more American than the name Parson Brown? Or just roll the word Valencia off your tongue. It makes you feel majestic to say it. It is an orange. Winesap is harsh to the ear. It is an apple.

Our orange blossom is the symbol of newly wed bliss. All the Big Apples have to offer is a song, "Don't Sit Under the Apple Tree With Anyone Else But Me," which is a wartime plea for fidelity. Are they trying to lead this Nation further down the road of permissiveness? Surely all of us recall what Eve started with the apple.

True the apple has wormed its way into our folklore—things tend to be in apple pie order and as American as apple pie.

But the apple has had good public relations since the days of Johnny Appleseed. They want you to forget one rotten apple spoils the barrel.

And it may be true an apple a day keeps the doctor away. But have you ever heard of anyone suffering the green apricot trots? Only apples can do that for you.

They keep quiet what Herman Melville said in his masterwork, Moby Dick: "Hell is an idea first born on an undigested apple dumpling."

Rather than give us full disclosure, they lull us with endearments: "apple of my eye" and "sweeter than apple cider."

Let me tell you something about comparing oranges and apples: The 1974 apple harvest has been reported at 134 million bushels from all apple-growing States; in Florida alone, this year's harvest will be the equivalent of 275 million bushels of oranges and 80 million of grapefruit. We have 850,000 acres in citrus cultivation, an area roughly the size of the State of Delaware.

Orange juice is recognized across the Nation as a pleasant way to start the day. Grapefruit is a key element in many weight-reducing diets. Citrus products are used in the manufacture of medicine, perfume, confections, and liqueurs. Pulp is an essential in some cattlefeeds.

I sincerely hope my well-intended remarks do not earn me the reputation of being antiapple. I extend the olive branch. The apple is a noble fruit. I like it. I have them in my home. They are among the good things in life. They were of great importance in the settlement of this country. But just as the Nation had many Founding Fathers, it had many founding fruits.

But these men have shown they don't care a fig for the rest of us. As sure as

God made little green apples, the sponsors of this resolution are about to offend the spirit that made America what it is today.

More fitting, Mr. Speaker, would be a resolution declaring the fruit salad our Bicentennial appetizer. It would encourage dietary patriotism, in the interest of national unity, while avoiding potential widespread agricultural unemployment.

I believe this discourse has gone to the meat of the coconut. Let us do not buy a lemon. Let us preserve ourselves. Let us remember how our gardens grow.

SENIOR CITIZENS' TAX DEDUCTION CHECKLIST

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. LAGOMARSINO. Mr. Speaker, every year thousands of elderly citizens needlessly overpay their Federal income taxes. One reason is that many people are not aware of the special deductions which this body has provided and which apply particularly to senior citizens. For example, taxpayers over the age of 65 are entitled to an additional $750 deduction. They also are entitled to deduct much of the gain from the sale of their home. In addition, there are dozens of exemptions which are available to all taxpayers but which may be overlooked at the time of filing.

In order that people may have a handy checklist for determining these deductions, I include the following material in the RECORD:

BASIC FILING LIMITS

Filing status:	*Required to file a tax return if gross income is at least—*
Single (age 65 or older)	$3,100
Qualifying widow(er) 65 or older with dependent child	3,400
Married couple (1 spouse 65 years or older) filing jointly	4,150
Married couple (both spouses 65 or older) filing jointly	4,900
Married filing separately	750

Additional Personal Exemption for Age.—Besides the regular $750 exemption allowed a taxpayer, a husband and wife who are 65 or older on the last day of the taxable year are each entitled to an additional exemption of $750 because of age.

You are considered 65 on the day before your 65th birthday. Thus, if your 65th birthday is on January 1, 1976, you will be entitled to the additional $750 personal exemption because of age for your 1975 Federal income tax return.

Tax Credit for Personal Exemptions.—In addition to the $750 personal exemption, a tax credit of $30 is available for a taxpayer, spouse, and each dependent. No additional $30 credit is available, however, because of age or blindness.

Sale of Personal Residence by Elderly Taxpayers.—A taxpayer may elect to exclude from gross income part, or, under certain circumstances, all of the gain from the sale of his personal residence, provided:

1. He was 65 or older before the date of the sale, and

2. He owned and occupied the property as his personal residence for a period totaling at least 5 years within the 8-year period ending on the date of the sale.

Taxpayers meeting these two requirements may elect to exclude the entire gain from gross income if the adjusted sales price of their residence is $20,000 or less. (This election can only be made once during a taxpayer's lifetime.) If the adjusted sales price exceeds $20,000, an election may be made to exclude part of the gain based on a ratio of $20,000 over the adjusted sales price of the residence. Form 2119 (Sale or Exchange of Personal Residence) is helpful in determining what gain, if any, may be excluded by an elderly taxpayer when he sells his home.

Additionally, a taxpayer may elect to defer reporting the gain on the sale of his personal residence if within 18 months before or 18 months after the sale he buys and occupies another residence, the cost of which equals or exceeds the adjusted sales price of the old residence. Additional time is allowed if (1) you construct the new residence or (2) you were on active duty in the U.S. Armed Forces. Publication 523 (Tax Information on Selling Your Home) may also be helpful.

Retirement Income Credit.—To qualify for the retirement income credit, you must (a) by a U.S. citizen or resident, (b) have received earned income in excess of $600 in each of any 10 calendar years before 1975, and (c) have certain types of qualifying "retirement income." Five types of income—pensions, annuities, interest, and dividends included on line 15, Form 1040, and gross rents from Schedule E, Part II, column (b)—qualify for the retirement income credit.

The credit is 15% of the lesser of:

1. A taxpayer's qualifying retirement income, or

2. $1,524 ($2,286 for a joint return where both taxpayers are 65 or older) minus the total of nontaxable pensions (such as Social Security benefits or Railroad Retirement annuities) and earned income (depending upon the taxpayer's age and the amount of any earnings he may have).

If the taxpayer is under 62, the $1,524 figure is reduced by the amount of earned income in excess of $900. For persons at least 62 years old but less than 72, this amount is reduced by one-half of the earned income in excess of $1,200 up to $1,700, plus the total amount over $1,700. Persons 72 and over are not subject to the earned income limitation.

Schedule R is used for taxpayers who claim the retirement income credit.

The Internal Revenue Service will also compute the retirement income credit for a taxpayer if he has requested that IRS compute his tax, he answers the questions for columns A and B, and he completes lines 2 and 5 on Schedule R—relating to the amount of his Social Security benefits, Railroad Retirement annuities, earned income, and qualifying retirement income (pensions, annuities, interest, dividends, and rents). The taxpayer should also write "RIC" on line 17, Form 1040.

Medical and dental expenses

Medical and dental expenses (unreimbursed by insurance or otherwise) are deductible to the extent that they exceed 3% of a taxpayer's adjusted gross income (line 15, Form 1040).

Insurance premiums

One-half of medical, hospital or health insurance premiums are deductible (up to $150) without regard to the 3% limitation for other medical expenses. The remainder of these premiums can be deducted, but is subject to the 3% rule.

Drugs and medicines

Included in medical expenses (subject to 3% rule) but only to the extent exceeding 1% of adjusted gross income (line 15, Form 1040).

Other medical expenses

Other allowable medical and dental expense (subject to 3% limitation):

Abdominal supports (prescribed by a doctor).

Acupuncture services.

Ambulance hire.

Anesthetist.

Arch supports (prescribed by a doctor).

Artificial limbs and teeth.

Back supports (prescribed by a doctor).

Braces.

Capital expenditures for medical purposes (e.g., elevator for persons with a heart ailment)—deductible to the extent that the cost of the capital expenditure exceeds the increase in value to your home because of the capital expenditure. Taxpayer should have an independent appraisal made to reflect clearly the increase in value.

Cardiographs.

Chiropodist.

Chiropractor.

Christian Science practitioner, authorized.

Convalescent home (for medical treatment only).

Crutches.

Dental services (e.g., cleaning, X-ray, filling teeth).

Dentures.

Dermatologist.

Eyeglasses.

Food or beverages specially prescribed by a physician (for treatment of illness, and in addition to, not as substitute for, regular diet; physician's statement needed).

Gynecologist.

Hearing aids and batteries.

Home Health services.

Hospital expenses.

Insulin treatment.

Invalid chair.

Lab tests.

Lip reading lessons (designed to overcome a handicap).

Neurologist.

Nursing services (for medical care, including nurse's board paid by you).

Occupational therapist.

Ophthalmologist.

Optician.

Optometrist.

Oral surgery.

Osteopath, licensed.

Pediatrician.

Physical examinations.

Physician.

Physical therapist.

Podiatrist.

Psychiatrist.

Psychoanalyst.

Psychologist.

Psychotherapy.

Radium therapy.

Sacroiliac belt (presented by a doctor).

Seeing-eye dog and maintenance.

Speech therapist.

Splints.

Supplementary medical insurance (Part B) under Medicare.

Surgeon.

Telephone/teletype special communications equipment for the deaf.

Transportation expenses for medical purposes (7¢ per mile plus parking and tolls or actual fares for taxi, buses, etc.).

Vaccines.

Vitamins prescribed by a doctor (but not taken as a food supplement or to preserve general health).

Wheelchairs.

Whirlpool baths for medical purposes.

X-rays.

Taxes

Real estate.

State and local gasoline.

General sales.

State and local income.

Personal property.

If sales tax tables are used in arriving at your deduction, you may add to the amount shown in the tax tables only the sales tax paid on the purchase of five classes of items: automobiles, airplanes, boats, mobile homes, and materials used to build a new home when you are your own contractor.

When using the sales tax tables, add to your adjusted gross income any nontaxable income (e.g., Social Security, Veterans' pension or compensation payments, Railroad Retirement annuities, workmen's compensation, untaxed portion of long-term capital gains, recovery of pension costs, dividends exclusion, interest on municipal bonds, unemployment compensation and public assistance payments).

Contributions

In general, contributions may be deducted up to 50 percent of your adjusted gross income (line 15, Form 1040). However, contributions to certain private nonprofit foundations, veterans organizations, or fraternal societies are limited to 20% of adjusted gross income.

Cash contributions to qualified organizations for (1) religious, charitable, scientific, literary or educational purposes, (2) prevention of cruelty to children or animals, or (3) Federal, State or local governmental units (tuition for children attending parochial schools is not deductible). Fair market value for property (e.g., clothing, books, equipment, furniture) for charitable purposes. (For gifts of appreciated property, special rules apply. Contact local IRS office.)

Travel expenses (actual or 7c per mile plus parking and tolls) for charitable purposes (may not deduct insurance or depreciation in either case).

Cost and upkeep of uniforms used in charitable activities (e.g. scoutmaster).

Purchase of goods or tickets from charitable organizations (excess of amount paid over the fair market value of the goods or services).

Out-of-pocket expenses (e.g., postage, stationery, phone calls) while rendering services for charitable organizations.

Care of unrelated student in taxpayer's home under a written agreement with a qualifying organization (deduction is limited to $50 per month).

Interest

Home mortgage.

Auto loan.

Installment purchases (television, washer, dryer, etc.).

Bank credit card—can deduct the finance charges as interest if no part is for service charges, loan fees, or credit investigation fees, or similar charges.

Points—deductible as interest by buyer where financing agreement provides that they are to be paid for use of lender's money. Not deductible if points represent charges for services rendered by the lending institution (e.g., VA loan points are service charges and are not deductible as interest). Not deductible if paid by seller (are treated as selling expenses and represent a reduction of amount realized).

Penalty for prepayment of a mortgage—deductible as interest.

Revolving charge accounts—may deduct the "finance charge" if the charges are based on your unpaid balance and computed monthly.

Other charge accounts for installment purchases—may deduct the lesser of (1) 6% of the average monthly balance (average monthly balance equals the total of the unpaid balances for all 12 months, divided by 12) or (2) the portion of the total fee or service charge allocable to the year.

Casualty or theft losses

Casualty (e.g., tornado, flood, storm, fire, or auto accident provided not caused by a willful act or willful negligence) or theft losses to nonbusiness property—the amount of your casualty loss deduction is generally the lesser of (1) the decrease in fair market value of the property as a result of the casualty, or (2) your adjusted basis in the property. This amount must be further reduced by any insurance or other recovery, and, in the case of property held for personal use, by the $100 limitation. You may use Form 4684 for computing your personal casualty loss.

Child and Disabled Dependent Care Expenses

A taxpayer who maintains a household may claim a deduction for employment-related expenses incurred in obtaining care for a (1) dependent who is under 15, (2) physically or mentally disabled dependent, or (3) disabled spouse. The maximum allowable deduction is $400 a month ($4,800 a year). As a general rule, employment-related expenses are deductible only if incurred for services for a qualifying individual in the taxpayer's household. However, an exception exists for child care expenses (as distinguished from a disabled dependent or a disabled spouse). In this case, expenses outside the household (e.g., day care expenditures) are deductible, but the maximum deduction is $200 per month for one child, $300 per month for two children, and $400 per month for three or more children.

When a taxpayer's adjusted gross income (line 15, Form 1040) exceeds $18,000, the deduction is reduced by $1 for each $2 of income above this amount. For further information about child and dependent care deductions, see Publication 503, Child Care and Disabled Dependent Care, available free at Internal Revenue offices.

Miscellaneous

Alimony and separate maintenance (periodic payments).

Appraisal fees for casualty loss or to determine the fair market value of charitable contributions.

Union dues.

Cost of preparation of income tax return.

Cost of tools for employee (depreciated over the useful life of the tools).

Dues for Chamber of Commerce (if as a business expense).

Rental cost of a safe-deposit box for income-producing property.

Fees paid to investment counselors.

Subscriptions to business publications.

Telephone and postage in connection with investments.

Uniforms required for employment and not generally wearable off the job.

Maintenance of uniforms required for employment.

Special safety apparel (e.g., steel toe safety shoes or helmets worn by construction workers; special masks worn by welders).

Business entertainment expenses.

Business gift expenses not exceeding $25 per recipient.

Employment agency fees under certain circumstances.

Cost of a periodic physical examination if required by employer.

Cost of installation and maintenance of a telephone required by the taxpayer's employment (deduction based on business use).

Cost of bond if required for employment.

Expenses of an office in your home if employment requires it.

Payments made by a teacher to a substitute.

Educational expenses required by your employer to maintain your position or for maintaining or sharpening your skills for your employment.

Political Campaign Contributions.—Taxpayers may now claim either a deduction (line 33, Schedule A, Form 1040) or a credit (line 51, Form 1040), for campaign contributions to an individual who is a candidate for nomination or election to any Federal, State, or local office in any primary, general or special election. The deduction or credit is also applicable for any (1) committee supporting a candidate for Federal, State, or local elective public office, (2) national committee of a national political party, (3) State committee of a national political party, or (4) local committee of a national political party. The maximum deduction is $100 ($200 for couples filing jointly). The amount of the tax credit is one-half of the political contribution, with a $25 ceiling ($50 for couples filing jointly).

GOING IT ALONE: TAIPEI IS READY TO CARRY ON WITHOUT U.S. SUPPORT

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. DERWINSKI. Mr. Speaker, the instability of the Communist regime in China as lately manifested by the naming of Hua Kuo-feng as temporary Premier and the attacks on Teng Hsiao-ping are in stark contrast to the stability of succession in the Republic of China.

Premier Chiang Ching-kuo has the confidence and respect of all the citizens of China. He continues to pursue the course of self-reliance charted in the last few years. Economically the progress and growth of the island nation has been fantastic. They have managed to reduce prices during these years of inflation while sustaining a growth rate of about 9 percent a year. Despite the changing political situation regarding official recognition, the foreign business community shows no tendency to reduce their involvement and in fact some companies are planning large investments in the near future. In addition under Premier Chiang a diversification of industry is taking place.

On Friday, February 6, 1976, an article in the Wall Street Journal detailed the evolution of the Republic of China. The stability and success of our loyal ally deserve not only our respect but our continued support.

I ask that the article appear at this point:

[From The Wall Street Journal, Feb. 6, 1976]

IF THE UNITED STATES DROPS SUPPORT, TAIWAN WILL CARRY ON UNDER CHIANG'S SON

(By William D. Hartley)

SUNG SHAN TSEN, TAIWAN.—On an informal visit to this hamlet, Premier Chiang Ching-kuo sits in a tea shop, sipping oolong tea from a tiny cup.

He chats with passersby about their winter crops, and some rush up to pose for snapshots with him. Many invite the premier to stop by their homes for more tea.

"All the people support Premier Chiang," says Ouyang Kwang-an, the owner of the shop as he observes the scene. "We consider the government is our own now."

Citizens of this island 100 miles from the Chinese mainland clearly warm up to Premier Chiang more than they ever could to his domineering father, President Chiang Kai-shek, who died last April.

"Chiang Kai-shek was the head of the family, sort of a stern father-figure," says one Chinese youth, while the younger Chiang "is more like a jovial uncle."

Indeed, with his frequent, unannounced trips to the countryside, Premier Chiang at 65 is emerging from the overpowering shadow of his father and creating something of his own personality cult.

He wasn't always looked upon so kindly here. In the days after China fell to the Communists in 1949, and nationalists streamed here from the mainland, he was feared by many for his role in the repressive internal security on Taiwan. Friction ran high then between native Taiwanese and the newcomers from the mainland, including the nationalist government of Chiang Kai-shek.

But today the 14 million native Taiwanese and two million former mainlanders live in peace, and one-third of Premier Chiang's cabinet members are natives. So today Premier Chiang wanders unguarded around the countryside, chatting with farmers he meets and greeting crowds that applaud him when he enters the villages.

Premier Chiang is still little-known outside of Taiwan. But that too is changing, for the Chiang government is the only obstacle as the U.S. moves ever closer to breaking off diplomatic relations with the Republic of China, as Taiwan is formally known, and recognizing the mainland People's Republic of China. Taiwan is considered on the mainland to be China's lost province, while Taipei still claims to be the legitimate government of all China.

SELF-RELIANCE IS THEME

Many in the U.S. who oppose recognition of Peking talk of the folly of "handing over" Taiwan to the Communists, but analysts here say Taiwan isn't America's to give away. Actually, the prevailing attitude on this island is that if Taiwan as abandoned by its longtime friend and protector, then Taiwan will just go it alone.

Instead of Uncle Sam, it will be the "jovial uncle," Premier Chiang, who will lead the way in Taiwan's future if Washington policymakers want it that way, analysts here say. And "self-reliance" is the theme of the government's talk to outsiders these days.

"We welcome outside help," Premier Chiang says, "but even without help we still have to do what we think is the right thing to do. The basic idea of self-reliance is that we won't be affected by outside influence. We don't feel isolated. In fact, we are convinced that so long as we are firmly established and self-reliant, no one can isolate us from international society."

Just when the day of reckoning might come is anybody's guess. The U.S. still has an embassy in Taipei and only a "liaison office" in Peking. But U.S. policy appears set on a course that will eventually reverse that situation and end the longstanding mutual-defense treaty with Taiwan. The treaty, which can be abrogated by either side on one year's notice, calls for Washington and Taipei to "consult" with each other in the case of an armed attack on either nation.

DISCUSSIONS RULED OUT

Ideally, the U.S. would like to talk the policy matters over with Taipei, but Premier Chiang says emphatically that he hasn't any intention of doing such a thing. The U.S., in any case, would retain economic links with Taiwan and would try to "guarantee" its well-being, perhaps through a statement about strong U.S. objections to any military take-over attempt.

Taiwan nonetheless believes it has a breather of at least a year, for it is convinced President Ford wouldn't recognize the People's Republic in an election year. Meantime, Taiwan is busily trying to influence American opinion against the change. The Chinese here feel they can build up support in the U.S. Congress, and Premier Chiang is seeing more American journalists lately to get his views across.

"We see this relationship is in jeopardy, and we are trying to salvage it," a top government official says here. "There is some room for us to maneuver. You are a democratic country, and it isn't the President and the Secretary of State alone who formulate policy."

Mainly, the Chinese argue that it would be unfeeling of the U.S. to dump an old ally, go back on its word on defense and give up military base rights in Asia. If the U.S. does pull out, few here doubt the country's ability to survive, at least short of an unlikely massive attack by Peking.

Taiwan has survived one shock after another since the day in 1971 when President Nixon announced his visit to mainland China. The nationalists were kicked out of the United Nations a few months later, and more and more nations began to break off relations in favor of Peking. Today, only 27 countries recognize Taipei as the leader of all China.

Despite such reverses, Taiwan's history in the past two decades has been a major economic success story. This island just one-third larger than the state of Maryland has turned from a sleepy agricultural community into a booming industrial economy. The gross national product has grown an average of about 9% a year over the two decades, and per-capita annual income of $700 is one of the highest in Asia. While the rest of the world has suffered inflation in recent years, policymakers here have actually brought prices down.

Trade has continued to grow, with business continuing even with 120 countries that don't recognize Taipei. British and Canadian interests, for instance, recently opened banks in Taipei although neither country has an embassy in Taiwan.

Foreign investment in Taiwan is about $1.2 billion, of which the U.S. share is $450 million. Despite the prospect of losing formal American protection, "no company is worried and beginning to disinvest," an American economist says. "Land prices are going up, construction permits are increasing, and there isn't any capital flight," he adds.

Some companies, such as Union Carbide Corp. with $100 million planned investment, are scheduling expenditures that will take years to recoup.

MILITARY IMBALANCE

Of course, Red China could conquer the island with its military might—if it wanted to pay the price and end up with a piece of devastated real estate. The People's Republic has an army of 2.5 million, against Taiwan's 500,000 total military personnel. In the air, a high U.S. military officer says, "the nationalists are far, far superior fighters, and they'd take a tremendous toll." But he adds, "It's still 10-to-one against them in equipment."

As part of Taiwan's program of self-reliance, says Gen. Kao Kua-yuan, defense minister, it now is making its own small arms and ammunition and wants to build larger weapons. It has a co-production facility with Northrup Corp. to make F5E fighters and is talking with U.S. companies about building patrol boats. The U.S. no longer supplies military aid, although it lends about $80 million a year to Taiwan to purchase equipment in the U.S.; the loans have been repaid on schedule. Only 2,500 U.S. "caretaker" military men remain on Taiwan.

American military analysts generally believe it is unlikely Peking would attempt a military take-over because that could denude its forces on the Soviet frontier and wreck relations with the West.

What does worry the Americans and perhaps the Chinese here as well is the possibility of the People's Republic blockading the island and starving it of needed fuel and industrial raw materials. Red China has a large force of 60 submarines, while Taiwan has a limited anti-submarine ability. But any blockade attempt, one observer says, would probably come only when the People's Republic "isn't interested in friendly relations with the West."

Taiwan long ago gave up the idea of attacking the mainland and nowadays talks mostly of political action. Premier Chiang says Taiwan "shall take advantage of each and every favorable situation."

But Premier Chiang gives every impression of being far more concerned about the welfare of Taiwan than about what happens on the mainland. Taiwan must be built up before a return to the mainland is attempted, officials suggest. "It is a question of what comes first," Economics Minister Sun Yun-suan says. "We have to make the base stronger to accomplish the purpose of our government."

Adds Chien Foo, vice minister of foreign affairs, "To solidify the base, you have to do something to make the people happy, and nothing would make the people more happy than to have enough to eat and enough to wear and enough money in their pockets. So that is why the government is devoting much of its attention to infrastructure building and economic development."

Indeed, development is dizzying. Taiwan is working on a "Ten Projects" program costing $6 billion that involves highways, railroad electrification, ports, a steel mill, nuclear power plants, a shipyard and petrochemical plants. When the projects are finished in a few years, says William Wei, head of the Industrial Development Board, labor-intensive areas such as electronics assembly will be deemphasized.

MAN OF MANY CAREERS

The driving force behind the development projects: Premier Chiang, or "CCK" as many English-speaking Chinese refer to him. And the projects reflect his wide-ranging interests: At various times, he has been a military man, an engineer, a miner, and an economics chief, among many other jobs.

Premier Chiang was born in China (his mother was President Chiang's first wife, whom he later divorced), and at the age of 15 he went to Russia to study. Journalist James Wei, a friend of the premier for 40 years, says of the Russian years, "My observation is that as a young man, particularly when at the time there were a lot of warlords around at home, probably he thought communism was the answer. Then gradually age and experience came along and proved it wasn't the answer."

The young Chiang Ching-kuo tried to leave Russia after two years, but Joseph Stalin, infuriated at Chiang Kai-shek's rabid anticommunism, wouldn't let him go. The youth eventually enlisted in the Red army, then went to a top military school and joined the Communist Party. But every time he would advance in position, local Chinese Communists would convince the Russians to slap him down. He worked as a laborer in an electric plant, on a collective farm and then in a Siberian gold mine. "Basically, it was a process of forced labor," he says in an interview in a sitting room outside his office.

He learned fluent Russian, and he says he can still speak the language although he adds wryly, "There isn't much chance on Taiwan to use it." While he was working at a heavy-machinery plant, he fell ill and was nursed by a fellow worker, an attractive Russian girl named Faina. They married (today her Chinese name is Fang-liang) and their first child was born in the Soviet Union.

RETURN TO CHINA

Finally, in 1937 when the Chinese Communists and Chiang Kai-shek's Kuomintang Party joined forces against the Japanese, Chiang Ching-kuo was allowed to return home. He held various jobs on the mainland and on Taiwan for his father, and finally became premier in 1972.

But even then he was No. 2 and recognized it. "His rigid and very stern father made him deal with the old man like any others dealt with him," a friend says. "He took instructions. He couldn't say, 'Daddy, don't do that.'" In a tender volume of thoughts he wrote on each of the 30 days following his father's death, he recalled that one time after he became premier his father ordered him to get a haircut before allowing him to give a graduation address to military cadets.

But he has proved to be a forceful leader himself. He has stomped hard on corruption and eased the repressive tactics of the Taiwan Garrison Command, a military organization handling internal security. The command recently banned a political magazine for a year because of an article suggesting negotiations with the mainland government. But unlike the normal procedure of a few years ago, the editors weren't arrested.

Premier Chiang's Republic of China remains basically a one-party state, with the Kuomintang running the show, but independents often contest and win elections.

INDEPENDENCE ISSUE FADES

Although there are still native Taiwanese here and abroad who resent the mainland nationalists' having taken over their island a quarter-century ago (a Taiwanese took a shot at then-Vice Premier Chaing in 1970 in New York), many independence backers have returned to Taiwan from the U.S. and Japan and have quietly given up the fight.

Despite Premier Chiang's increasing visibility these days, little is known of his personal life, and he likes it that way. Taiwan press and television report only official moves. When a foreign reporter attempts to learn such an incidental as the premier's height (apparently about five-foot-five), only official silence follows. His wife is rarely seen in public.

The premier doesn't smoke, and he drinks only a little, mainly because of his diabetes. At a luncheon around New Year's, he was constantly raising a glass of potent Chinese wine to visitors and shouting "kampei," the Chinese equivalent of "bottoms up," but he would then turn to Chow Shu-kai, former Ambassador to Washington and say, "My friend will kampei for me." Says Mr. Chow, "At one meeting with a bunch of mayors, I was his victim every time. I broke the American ambassador's record of 36 kampeis, but I lost count at 50."

In his frequent trips to the countryside, Premier Chiang likes to mingle with the crowds, and he dislikes overzealous security guards. On one such trip, the car carrying the guards is relegated to the end of the procession, falls far behind the premier's Chevrolet Suburban van and gets lost in traffic.

FOLLOWING IMPULSE

Although he is behind schedule on another trip, he halts his caravan impulsively to inspect a mushroom farm and slogs through red mud to reach it. "We never know where he's going to want to go," laments an aide, who stays on the highway to watch his boss.

In the village of Fu Chou in the middle of the island, he takes the time to explain to an American in fluent, unaccented English who each person is, what they do and how they have created a small handicraft industry to earn extra money.

Then the villagers escort him down a peaceful road through enormous banana trees to the "Pavillion of Longevity" they built as a place to sit quietly at night, drink tea and watch the sunset. There, Premier Chiang ingests tea, bananas and oranges and chats with Chen Yi-hsiung, a farmer and village official whose wife, Hsiu-ching, stands to the side and frets, "I didn't know the premier was coming—and my house isn't clean."

Mr. Chen argues to the premier that too much chemical fertilizer is hurting the soil, and farmers should raise more hogs and use their waste as fertilizer. The premier listens and asks questions. "That's his habit," says his secretary who is watching nearby. "He'll just listen, and when he returns to the office, he'll call the minister of agriculture and talk about it."

CLEVELAND PAYS TRIBUTE TO KATHRYN R. TYLER

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. STOKES. Mr. Speaker, I rise today to pay tribute to a leading citizen of Cleveland, Ohio, whose quiet work and tireless concern for the well-being of her neighbors has changed the course of her community, and the city, for the better.

Mrs. Kathryn Richardson Tyler, the first and only director of the Glenville Neighborhood Center, has for a quarter of a century provided a haven for the residents of that community, especially the youth. Her sympathetic guidance and enthusiastic personality have aided her in the preparation of two generations of youngsters for the rigors of responsible adulthood. Mr. Speaker, one can often hear Cleveland parents boast that their child "came up" with Kathryn Tyler.

There are few people in Cleveland, or for that matter, anywhere, that have attained the levels of commitment and dedication that Mrs. Tyler so modestly embodies.

Mrs. Tyler was appointed the first director of the Glenville Neighborhood Center in 1949, then located in the basement of the old Glenville High School. Under her able hands, she molded the center and expanded its services so that today it is housed in a $400,000 edifice at 900 East 105th Street. The purpose of the center is to provide comprehensive social services to the residents of the Glenville area. Young and old alike are welcome. Services include programs for unwed parents, predelinquent youth, senior citizens, employment counseling and job placement, day camp, family planning, neighborhood planning, day care, Head Start, outreach services, and many others.

The Glenville Neighborhood Center stands as a testament to her love for people. Friends and associates of Mrs. Tyler call the Neighborhood Center "her baby" and, Mr. Speaker, I can tell you that she has given "that baby" all the love and attention of an eternally devoted mother.

Recently, when the center was troubled by vandalism, Mrs. Tyler was known to rush there in the middle of the night to sit in vigil until the building could again be secured.

Mr. Speaker, aside from the long hours she spends as director of the Glenville Neighborhood Center, Mrs. Tyler is deeply involved in civic and academic affairs. Let me take just a moment to list but a few of her associations:

Chairperson of Youth for Understanding; chairperson of the Alumni Committee, and member at large of the United Negro College Fund; acting vice chairperson of the Inter-Alumni Council for Black Colleges; ex-president of Knoxville College Alumni, Cleveland Chapter and Regional Director, Knoxville College National Alumni Council and Loyalty Club of Knoxville College; chairperson of the Glenville Mental Health Action Corporation; former chairperson of the Health and Welfare Committee and Teamwork for Youth Committee of the Glenville Area Council; elder of St. Mark's Presbyterian Chuch; International Conference of Social Work; and National Federation of Settlements and Neighborhood Centers. In addition, she is a very proud lifetime member of the Delta Sigma Theta sorority.

Mrs. Tyler's educational accomplishments have been nearly as notable as her career. After graduating from Allen Normal School in Thomasville, Ga., she attended Knoxville College in Knoxville, Tenn., where she received a bachelor of arts degree. She has a master of arts degree from Atlanta University in Atlanta, Ga. and was awarded a master of social work from Case Western Reserve School of Applied and Social Science in Cleveland. Mrs. Tyler has done advanced study at the University of Minnesota and Catholic University in Washington, D.C.

Due to her outstanding service to the community Mrs. Tyler has been honored many times. My brother, former Mayor Carl Stokes of Cleveland, declared Sunday, June 15, 1969, as Kathryn Richardson Tyler Day. The Cleveland Board of Education awarded her their 50th Anniversary Certificate of Merit. She has also received the Associated Organization of Cleveland Honorary Certificate for Outstanding Social Work Leadership in the Community. The Music School Settlement lists her as their Distinguished Coordinator and she is a recipient of the Selected Community Leaders of America Award and the United Negro College Fund Special Award.

Mr. Speaker, a testimonial dinner in honor of Kathryn Tyler will be held in

Cleveland on Friday, April 2, 1976, at the Bond Court Hotel. Friends, associates, and family, including her husband, Prof. Alfred Tyler of Tennessee State University, will join in paying tribute to this exemplary woman.

Kathryn Tyler saw a job to be done in her community and she rolled up her sleeves and did it. As a black woman familiar with the ofttimes overwhelming social problems in the urban environment, she marched out ahead to defeat poverty and hopelessness. She began with the children, providing them with a sound basis for continued emotional and intellectual growth and went on ahead to the adults to give them a source of reassurance in their daily lives and to ease the weighty burden of their frustrations.

Kathryn Richardson Tyler, Mr. Speaker, has touched each and everyone of us with her grace. Words can do little to express the respect and gratitude that we feel for this great woman in our city.

The greatness of this country is built upon the Kathryn Tylers of this world. I ask you, Mr. Speaker, and my colleagues in the U.S. House of Representatives to join me in applauding this outstanding human being. Together, we will wish her our sincere best wishes for many more years of service to her community.

WCBS-TV: TAKING THE IDEA OF COMMUNITY SERVICE SERIOUSLY

HON. HERMAN BADILLO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. BADILLO. Mr. Speaker. These days it is fashionable to proclaim the media among the villains in our lives. We often hear about managed news, and leaks, and on a more personal basis, we find ourselves complaining when we're quoted incorrectly, or, more often, when we're not quoted enough. And so it gives me particular pleasure to introduce some words of simple gratitude and thanks to WCBS-TV, the CBS network outlet in New York, and its community affairs department.

WCBS-TV has taken its mandate to be involved in the life of its community quite seriously—and it is, as you know, a complex and varied community that the station serves. Yet, every sector of the public has benefited from the station's genuine desire to reach out and touch the lives of New Yorkers. Under the creative and committed directorship of Gloria Thomas, the station began, in 1973, a community contribution program. Some of the broad range of organizations who have benefited from the program include: The Westchester Day Care Council; Project Return; the Harlem Hospital Center Community Board; the Catholic Big Sisters; and, in my own Borough of the Bronx, the Highbridge Nursery School; and the State Department of Parks and Recreation to help create a Roberto Clemente Park.

But direct contributions are only the beginning. The station has sponsored a series of "Reach Out" events, designed to open a dialog between the management of the station and the communities it serves, in an effort to learn the needs, problems and interests of the people who live in the tri-State area. They have an ongoing series of "Reach Out" public service announcements, "commercials," produced at CBS expense, that enable community organizations that do not have their own resources to have the exposure they need to gain support.

The station also has a complimentary ticket contribution program that enables those who otherwise would not have access to New York's wealth of cultural, sport, and entertainment events, to participate in this vital part of the city's life. Some of the groups who have received tickets include: The Opportunities Industrialization Center; the Puerto Rican Dance Theatre; the Chinatown Planning Council; Newark Renaissance House; the N.J. Division of Youth and Family Services; and the National Puerto Rican Forum.

The Community Affairs Department at WCBS-TV has brought joy and pleasure into the bleak existences of many New Yorkers. I know, on a most personal basis, what their help has meant to the people I serve in the 21st Congressional District. It helps to have people like Thomas F. Leahy, the vice president and general manager of the station. Ms. Thomas, and Fred L. Noreiga, Jr., the manager of community services, running these programs. But their support would be meaningless without the backup of the station itself. My constituents—and indeed all New Yorkers—can be grateful for the true spirit of public service at WCBS-TV.

TWO-HUNDRED YEARS AGO TODAY

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. WIGGINS. Mr. Speaker, 200 years ago, on February 14, 1776, the Committee of Secret Correspondence of the Continental Congress advised that a delegation be sent to Canada:

> To explain viva voce to the People there the Nature of our Dispute with England, which they do not well understand, and to satisfy the Gentry and Clergy that we have no Intention against their Interests, but mean to put Canada in full Possession of Liberty, desiring only their Friendship and Union with us as good Neighbours and Brethren.

Basing its advice on the reports of an American agent who was a native of Canada, the committee emphasized that it was crucial to gain the confidence of the gentry and clergy, in order to win Canada over to the side of the Colonies.

TWO HUNDRED YEARS AGO TODAY

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. WIGGINS. Mr. Speaker, 200 years ago, on February 16, 1776, the Continental Congress resolved itself into a Committee of the Whole to consider the advisability of opening the ports which had been closed by the British, and the restrictions and regulations which should be applied to foreign trade if the ports were opened. Considerable controversy surrounded these discussions, which continued from time to time through April, because, as John Adams noted in his autobiography, opening the ports would be "considered as a bold step to independence. Indeed, I urged it expressly with that view, and as connected with the institution of government in all the States, and a declaration of national independence." The Colonies, however, were still hesitant to declare their independence.

TWO HUNDRED YEARS AGO TODAY

HON. CHARLES E. WIGGINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 17, 1976

Mr. WIGGINS. Mr. Speaker, 200 years ago on February 13, 1776, the Continental Congress tabled a committee draft designed to persuade the American people of the need for independence. Prepared by James Wilson, the draft stated the principle aim of the Colonies to be the reestablishment and security of their constitutional rights, and urged the adoption of every measure necessary to obtain that end.

> If any such Measure should, against our principal Intention, draw the Colonies into Engagements that may suspend or dissolve their Union with their fellow-Subjects in Great Britain, we shall lament the Effect; but shall hold ourselves justified in adopting the Measure. That the Colonies may continue connected, as they have been with Britain, is our second Wish: Our first is—That America May be Free.

SENATE—*Wednesday, February 18, 1976*

The Senate met at 10 a.m. and was called to order by the Vice President.

PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Let us pray.

O God we thank Thee for the commitment to spiritual values which strengthened our fathers through the Revolution and in the establishment of "one Nation under God." In this time of commemoration spare us from merely embalming events of the past, from canonizing our patriots, or from fondling antiquities. Deliver us from the greater sin of groveling in guilt and shame for sins long forgiven or for mistakes already corrected. Help us and our countrymen to keep glory and judgment in perspective. May memory and prophecy be cojoined that our Bicentennial be not debased. Keep us close to Thee in worship and in work, ever striving for that breakthrough in history which leads to the consummation of Thy kingdom; for Thine is the kingdom and the power and the glory forever. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, February 17, 1976, be dispensed with.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar.

There being no objection, the Senate proceeded to the consideration of executive business.

The VICE PRESIDENT. The nominations will be stated.

DEPARTMENT OF STATE

The second assistant legislative clerk read the nominations of Rozanne L. Ridgway, of the District of Columbia, to be an Ambassador; J. Owen Zurhellen, Jr., of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Surinam; and John Arthur Shaw, of Maryland, to be Inspector General, Foreign Assistance.

Mr. MANSFIELD. I ask unanimous consent that the nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations are considered and confirmed en bloc.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

The second assistant legislative clerk proceeded to read sundry nominations in the Diplomatic and Foreign Service, placed on the Secretary's desk.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be notified of the confirmation of these nominations.

The VICE PRESIDENT. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The VICE PRESIDENT. Without objection, it is so ordered.

CONGRESSIONAL TAX LIABILITY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 694, S. 2447.

The VICE PRESIDENT. The bill will be stated by title.

The assistant legislative clerk read as follows:

> A bill (S. 2447) to amend title 4 of the United States Code to make it clear that Members of Congress may not, for the purposes of State income tax laws, be treated as residents of any State other than the State from which they were elected.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

S. 2447, CONGRESSIONAL TAX LIABILITY

Mr. HRUSKA. Mr. President, the bill before us, S. 2447, would make it clear that Members of Congress may not, for the purposes of State income tax, be treated as residents of any State other than the State from which they were elected.

This bill, which was recently favorably reported by the Committee on the Judiciary, was drafted because some Members of Congress have found themselves in the difficult position of being subjected to double State income tax liability.

The Founding Fathers, in order to insure that the people were properly represented, constitutionally required that Members of Congress be inhabitants of the State from whence they are elected. Because of this constitutional provision most Members of Congress, unlike other individuals, are legally required to maintain a residence in their home State while at the same time, in view of geographic considerations, find it necessary to establish an abode in or near Washington, D.C.

The purpose of the legislation is to provide for equal State income tax treatment for those Congressmen who are subject to State income tax assessment in their elective State or congressional district and in the place of their Capital abode.

Members of Congress who for reasons of distance are required to maintain an abode near the U.S. Capital in order to discharge their duties normally do so in the States of Virginia and Maryland or in the District of Columbia.

The District and the Commonwealth of Virginia both expressly exempt Members of the Congress under their income tax statutes.

No similar exemption is provided by the State of Maryland.

The Maryland Code provides for an income tax on substantially all the income of "residents" of Maryland.

Only limited tax credits are available to Maryland residents who are entitled to a credit against Maryland tax for tax paid to other States on the income taxable by Maryland.

Maryland also collects income taxes on behalf of its counties as an add-on percentage of the State income tax. No credit toward this tax is allowed for taxes paid to another State.

The action of the State of Maryland taxing members of Congress from other States who maintain an abode in Maryland for the purpose of being near the U.S. Capitol raises serious constitutional questions.

First. No State can tax an instrumentality of the U.S. Government. *McCulloch* v. *Maryland*, 4 Wheat. 316 (1819). Congressmen being the embodiment of the legislative branch of Government are such an instrumentality and immune from taxation by a State.

Second. The Constitution provides that each Senator and each Representative must be an inhabitant of the State he represents when elected. Article I, sections 2, 3. Inhabitant and resident are synonymous. This provision implies that the Member shall continue to be an inhabitant to preserve his right to stand for reelection. The ability of any other State to determine that a Member is a resident for any purpose infringes on the constitutional requirement and right of reelection.

Third. Multiple taxation of Senators and Representatives by several jurisdictions, based simply on the fact of physical location necessary to the performance of constitutional duties, violates the due process and equal protection clauses of the 14th amendment.

Approximately 25 Senators and 100 Representatives maintain abodes in Maryland. The bill will insure that these constitutional principles are abided with and prevent needless litigation.

The bill provides that no State or political subdivision thereof in which a Member of Congress maintains a place of abode for purposes of attending sessions of Congress may for State or subdivision income tax purposes treat the Member as a resident or domiciliary or treat any income paid by the United States as income for services performed within or from sources within such State or political subdivision thereof unless such Member represents such State or a district of such State.

The bill also provides equal treatment for delegates from the District of Columbia, Guam, and the Virgin Islands and the Resident Commissioner from Puerto Rico. The District of Columbia is included within the prohibitions of the amendment. It is the intention of the committee that the bill shall apply to any past accrued tax liabilities of the nature encompassed within this legislation not yet paid the State or political subdivision.

Mr. President, for the benefit of my colleagues who wish to further acquaint themselves with this subject, I ask unanimous consent that the fine analysis of the constitutional issues involved which appeared in the committee report to S. 2447 be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

CONSTITUTIONAL CONSIDERATIONS

STATE TAXATION OF INSTRUMENTALITIES OF THE FEDERAL GOVERNMENT

A research of this subject reveals no previous attempt of a state to tax the income of members of Congress because of their physical location incident to service in Congress. Therefore, no direct decisions exist on the question of immunity of Senators or Representatives from income tax of states other than the state that they represent. However, since the time of the inception of the Republic, when Maryland attempted to tax the Federally-created Bank of the United States, it has been established that no state can tax an agency or instrumentality of the United States Government. McCulloch v. Maryland, *supra*.

An agency or instrumentality of the United States Government has, for this purpose, been broadly construed to include not only the departments and regulatory commissions of the Government, but also public corporations such as the Federal Land Bank (see *Federal Land Bank* v. *Bismark Lumber Co.*, 314 U.S. 95 (1941)) and the Home Owners Loan Corporation (see *Pitman* v. *Home Owners Loan Corp.*, 308 U.S. 21 (1939)). The states may only tax properties, functions, and instrumentalities of the Federal Government with the express consent of Congress. *Kern-Limerick Inc.* v. *Scurlock*, 347 U.S. 110 (1954); *Reconstruction Finance Corporation* v. *Beaver County*, 328 U.S. 204 (1946).

Until relatively recently, the courts had held that the states cannot levy a tax upon the income of Federal employees because to do so was indirectly a tax by the states on the Federal Government. See *Dobbins* v. *Commissioners of Erie County*, 16 Pet. 435 (1842); *New York ex rel Rogers* v. *Graves*, 299 U.S. 401 (1937). Conversely, the Federal Government could not tax state offiicals. See *Collector* v. *Day*, 11 Wall. 113 (1870).

In 1938, the Supreme Court decided the case of *Helvering* v. *Gerhardt*, 304 U.S. 405, holding that the Federal Government could tax a state employee, specifically an employee of the Port of New York Authority, even though the Authority itself was not subject to taxation.

In the case of *Graves* v. *New York*, 306 U.S. 466 (1939), the Supreme Court considered again whether a state could impose an income tax upon a Federal employee, in this case, an employee of the Home Owners Loan Corporation. The Supreme Court held that the corporation itself was immune from state taxation, but that the income of an employee was personal and a tax on such income did not impose a burden on the agency. The Court made it clear that no state could tax the agency itself. "[W]hen the National Government lawfully acts through a corporation which it owns and controls, those activities are governmental functions entitled to whatever tax immunity attaches to those functions when carried on by the Government itself through its departments." 306 U.S. at 477. The Court strongly implied that if Congress chose to exempt the incomes of Federal agency employees from state income taxation, the exemption would be effective. See 306 U.S. at 479, 480. In the *Graves* case, however, the Court found that there was no basis for inferring an intention of Congress to exempt the income of employees of the corporation. See 306 U.S. at 485.

The case of a Federal employee is totally different in essence from the situation of a member of Congress. A Federal employee is not constitutionally forced to maintain an abode away from his home state; he may readily become a citizen of the state where he is employed. His employment is not necessarily temporary or uncertain; he has not been chosen to represent citizens as their representative, but is pursuing a personal career. As an employee, he is not an agency of the Government. His employment is not basic to the maintenance of the Government. *Helvering* v. *Gerhardt*, 304 U.S. 405, 418, 424 (1938).

On the other hand, a member of Congress is not engaged merely in the pursuit of his personal career. Being a member of Congress, he is no more and no less than a representative of his constituents. He may run for office, but must be elected by the people. In this basic sense, he cannot select the occupation of Senator or Representative.

Moreover, Congress is not merely a Federal agency or instrumentality; it is a fundamental branch of the Federal Government created by the Constitution directly. Article I of the Constitution provides that all legislative powers of the Federal Government shall be vested in the Congress, consisting of the Senate and House of Representatives. It further provides that the Senate and House shall be composed of members elected by the people of the several states. The Congress, therefore, is simply an aggregation of its members. A tax on the incomes of the Senators and Representatives is a tax on the Congress, as a tax on the income of the Bank of the United States, or the powers or functions of such a bank, would be a tax on a Federal Government agency.

Members of Congress are not Federal employees, and the decision in the *Graves* case, *supra*, allowing a state to tax the salary of an employee of the Home Owners Loan Corporation is not applicable. Under the Public Salary Tax Act of 1939, as amended in 1966, Congress consented to non-discriminatory taxation of the compensation of a Federal "officer" or "employee" by duly constituted taxing authorities "having jurisdiction." 4 U.S.C. Sec. 111.

The terms "officer" and "employee" are not defined for the purposes of the Public Salary Tax Act and there is nothing in that Act to indicate a consent to state taxation of members of Congress. In fact, the terms "officer" and "employee" are not usually defined to include members of Congress. See, *e.g.*, 5 U.S.C. Secs. 2104, 2105, and 2106 (providing for different definitions of "officer," "employee," and "Member of Congress" for the purposes of Title 5 of the United States Code).

The conclusion, therefore, is that a tax on a Congressman by a state, based on his compensation for serving in the Congress, is a tax on the legislative branch of the Federal Government—which no state may impose.

Exemption because the Maryland definition of "resident" is here invalid

The Constitution provides that a Representative or a Senator must "when elected, be an inhabitant of that state in which he shall be chosen." Art. I, Secs. 2, 3. Although literally these provisions do not require that a Senator or Representative continue to be an inhabitant of the State that he represents *after* his election, there is no question in practice, usage, and construction that Senators and Representatives are deemed to continue to be inhabitants of their respective states during their terms of office. Otherwise, no member of Congress could ever be re-elected, except from the states of Virginia and Maryland. That is, if a Senator from Alaska, who lives in the State of Maryland during his term of office, is deemed to be a resident of Maryland rather than an inhabitant of Alaska, he could not run for re-election.[1] Since the Constitution requires each Senator and Representative to be an inhabitant (*i.e.*, resident) of the state that he represents, it is concluded that no definition in any state statute purporting to make him a resident (or inhabitant) of any other state is constitutionally valid.

Since the Constitution prohibits treating Senators and Representatives as residents (or inhabitants) of any state other than the one they represent, it follows that Maryland lacks the legislative jurisdiction to tax the income of Senators and Representatives other than its own. It has long been established that a state has no authority to tax the income of a nonresident derived from sources outside that state.

"Where there is jurisdiction neither as to person nor property, the imposition of a tax would be *ultra vires* and void. If the legislature of a state should enact that the citizens or property of another state or county should be taxed in the same manner as the persons and property within its own limits and subject to its own authority, or in any manner whatsoever, such a law would be as much a nullity as if in conflict with the most explicit constitutional inhibition."

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[1] The words "resident" and "inhabitant" are for these purposes synonymous or virtually synonymous. The *Oxford Universal Dictionary* (3d Ed.) defines an "inhabitant" as "a human being . . . dwelling in a place, a permanent resident." A "resident" is defined as "one who resides permanently in a place; sometimes spec. applied to inhabitants."

"In its general and popular sense, the word 'inhabitant' is the same as 'resident,' or one who lives in a place." *New Haven* v. *Bridgeport*, 37 A. 307 (Conn. 1897). When employed in statutes, the term "inhabitant" has been held to be equivalent to the word "resident." *E.g., Shaw* v. *Quincy Mining Company*, 145 U.S. 444 (1892); *ARO Manufacturing Co.* v. *Automobile Research Corp.*, 352 F.2d 400 (1st Cir. 1965). In considering qualifications of Congressmen, the former House Committee on Elections defined the term 'inhabitant' as it is used in Article I, Sections 2, 3 of the Constitution as follows: "This term is the legal equivalent of the term 'resident' . . . ." *Scott, Hinds' Precedents of the House of Representatives*, Vol. I, Sec. 439, p. 429. See also *Pigott, id.*, Vol. I, Sec. 369; *Bailey, id.*, Vol. I, Sec. 434.

St. Louis v. *The Ferry Company,* 11 Wall. 423, 430 (1870), quoted with approval in *Miller Bros. Co.* v. *Maryland,* 347 U.S. 340, 342 (1954); *accord, Dewey* v. *Des Moines,* 173 U.S. 193 (1899).

The statutory provisions of Virginia and the District of Columbia are regarded as simple recognitions of the fact that each Senator and Representative is in law a resident of the state which he represents, and not any other state. In a basic sense, the location of any Senator or Representative in the jurisdictions adjacent to the Capitol is a necessary incident to the proper carrying on of constitutional duties. Since Senators or Representatives cannot inhabit the air above the buildings of Congress, they are bound to live in one of the surrounding jurisdictions, be it the District of Columbia, Virginia, or Maryland. Their physical presence in one of these jurisdictions does not make them local "residents" in a constitutional sense, and does not give the state wherein they live authority to tax them on their compensation as Federal legislators.[2]

The view set forth here is directly supported by decisions of the former Committee on Elections of the House of Representatives.

In determining whether persons were inhabitants of the states from which they had been elected, that Committee frequently declared that inhabitancy was the equivalent of residence and that two factors—where did he vote and to what state did he pay taxes—were the important determinants of inhabitancy. See *Updike* v. *Ludlow, Cannon's Precedents of the House of Representatives,* Vol. VI. Sec. 55; *Beck, id.,* Vol. VI, Sec. 174. To permit Maryland to impose incomes taxes on a non-Maryland Congressman who lives in Maryland in order to attend to his Congressional duties, would be to attach one of the most important indicia of inhabitancy to a state other than the one which he represents. The result could be to bar that Congressman from representing his home state (the representation of which was the very reason for his maintaining living quarters in Maryland). In a case like this, where the provisions of the United States Constitution and a state statute are in conflict, the supremacy clause requires that the state statute give way.

In the *Beck* case, the Committee observed—

"We do not think that the framers of the Constitution intended by the use of the word 'inhabitant' that the anomalous situation might ever arise that man should be a citizen, a legal resident, and a voter within a given State and yet be constitutionally an inhabitant elsewhere. If any such conclusion could be reached we might have the peculiar result in this country of a man being a resident, a citizen, and a voter in a given State, and yet within the constitutional sense barred from the right of representing a district that State in Congress, but having the right to represent a district in another State in Congress. No such interpretation can fairly be read into this provision."

Consistently with this view, a member of Congress from another state does not become an inhabitant or resident of Maryland because he lives there during his term of office, even if Maryland statutes purport to say otherwise.

This view receives further reinforcement from the Soldiers' and Sailors' Civil Relief Act of 1940, which in Section 514 provides that military or naval personnel may not, for purposes of state income taxation, "be deemed . . . to have acquired a residence or domicile in, or to have become resident in or a resident of, any other state, territory, possession, or political subdivision . . . or the District of Columbia" by reason of compliance with military or naval orders. This legislation is binding upon the states (including Maryland). If the states could constitutionally determine "residence" as they pleased for tax purposes, the Soldiers' and Sailors' Civil Relief Act would be invalid as an encroachment by Congress on powers of the states. This is not the case. See *Dameron* v. *Broadhead,* 345 U.S. 322 (1953).

Due process and equal protection

To subject members of Congress to local income taxes because of their abode in a state near the Capitol is to subject them, in most cases, to double taxation as a result of their constitutional functions and duties. They are required constitutionally to be and remain citizens of the states they represent, and to be subject to taxes as citizens of their home states. If the Maryland statute were applicable, they would be required additionally to pay taxes to Maryland. In accord with this view, this would deny them due process and equal protection of the laws.

Again, the case of a member of Congress with that of a Federal employee is contrasting. A federal employee will ordinarily have one domicile and one residence. He will be subject, as a resident or a domiciliary, to income tax in only one state or jurisdiction. Unless the Maryland definition of "resident" is struck down, however, a member of Congress from a state other than Maryland, who lives in Maryland, will automatically be subject to double taxation.

Moreover, this is a classical case of taxation without representation. A Senator from Utah obviously votes in Utah, and cannot vote in Maryland. Although he is not and cannot be a citizen of Maryland, and does not participate in its government, the Maryland income tax law wrongfully purports to tax him.

In this respect, the situation of a member of Congress is unique, and the uniqueness is a direct result of the constitutional requirements for election. The result, if Maryland's right to tax were upheld, would be grossly discriminatory and unfair.

It may be contended that since Maryland recognizes a credit for taxes paid to other states, most of double taxation is obviated. There are several responses to this fallacious argument. First, to the extent that Maryland taxes are at a higher rate than home state taxes, there is double taxation in the amount of the excess. Second, the recent Maryland statute indicates an intention to allow only a partial credit. Thus, Maryland's top tax bracket is 5%, but county taxes may be an additional 2½%. A Senator or Representative from a state imposing a 10% income tax will pay an aggregate 12½% tax. A Senator or Representative from a home state imposing a 3% tax will pay an aggregate tax of 7½%. A Senator or Representative from a home state imposing a 6% tax will pay an 8½% tax.

Finally, it should be noted that the interstate credit depends on reciprocity, and is, in any event, a matter of grace. As Maryland has recently provided with respect to so-called county taxes, the credit can be partially or wholly eliminated, leading to complete double taxation.

The unfair character of a Maryland tax on out-of-state Congressmen may be illustrated with respect to specific transactions. A Representative from Montana owns a ranch in Montana which he sells at a capital gain of $50,000. Although Maryland has nothing whatever to do with this transaction, if the Representative maintains premises in Maryland, the State will presumably attempt to tax the Montana gain in its entirety. Yet, the transaction has no Maryland connection in any meaningful sense.

Finally, while the problem we are considering is relatively discrete at the present time because Maryland income taxes are fairly low, nothing prevents the State from increasing its rate to as high a range as it pleases. Under circumstances of very high rates, double taxation of members of Congress could lead to making Congressional positions untenable for persons of limited means. In this sense, a free-handed power to impose double taxes is indeed, as Chief Justice Marshall observed in the *McCulloch* case, the "power to destroy." What would be destroyed, of course, would be the equal opportunity for persons of limited means, as well as those of great means, to become members of Congress. The "door of this part of the federal government" heretofore "open to merit of every description . . . without regard to poverty or wealth" would be closed. *The Federalist,* No. 52; *cf. Bullock* v. *Carter,* 405 U.S. 134 (1972) (forbidding large filing fees from barring candidates for public office); *Williams* v. *Rhodes,* 393 U.S. 23 (1968).

Mr. MATHIAS. Mr. President, I have made my views on this bill known to the public and before the Committee on the Judiciary. I am not going to detain the Senate long on them today.

There is no question that some financial hardship is worked upon a Member of Congress who resides in a State which imposes an income tax on the basis of residence in that State, maintaining a habitation, a dwelling within the State, whose home State also imposes an income tax and when there is no reciprocity between the home State and the State where the Member of Congress maintains a dwelling.

This, for all practical purposes, means Members of Congress who maintain a dwelling in the State of Maryland, because the State of Virginia and the District of Columbia have exempted Members of Congress from local income taxes.

So what we are really talking about in this bill is exempting Members of Congress from the Maryland State income tax. As I say, I think there is a real problem for those Members whose home States exact the tax and do not allow reciprocity for the tax in Maryland.

I have less concern for those Members whose home States do not exact an income tax, because those Members are largely only paying for the services that they get in Maryland, and they are not paying double for services in their home State because there is no income tax there.

But on the other side of the coin is a question of fairness to the State of Maryland. We are delighted that so many Members of Congress of both Houses live in Maryland. It is a matter of choice with them, and they certainly are welcome in the State of Maryland. But one of the reasons they come to Maryland is because of the superlative services that the State of Maryland renders, which consist of a very fine school system, very fine system of public protection, orderly planning, and places to live that are benefited by lighting, sewer and water services, and all the rest. The real estate tax simply does not carry the burden of all of these services. A part of that has to be paid from the income tax.

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[2] It should be noted that Senators and Representatives are subject to local property taxes, which are inherently in *rem* taxes. They are also subject to a variety of excise taxes, such as sales taxes on transactions. Thus, there is no question that they lend substantial financial support to the jurisdictions in which they live.

What we are saying by this bill is:

> If you happen to be a Member of Congress and you happen to live in Maryland you will get a free ride on educating your children and on other public services.

I think that is an inequity against the citizens of the State of Maryland.

I opposed this bill in the Committee on the Judiciary. I oppose it here. I understand the dynamics of the bill, and I am not going to make a long, impassioned speech against it. But I do think it ought to be shown very clearly that what we are doing here is setting up a discrimination against all the other taxpayers of Maryland for the benefit of a very limited class, that being those Members of Congress who live in Maryland but who represent other States of the Union. It is an inequity. I think that it is an inequity which really will reflect adversely on Congress itself.

Congress' reputation is already not too high, unfortunately; by granting ourselves this particular privilege of tax exemption, I do not think will enhance our reputation.

Mr. President, I, therefore, oppose this measure, and I put the Senate on notice that if this bill becomes law I will offer suitable legislation which will save the States harmless from any loss of State income that may result by reason of the enactment of this provision.

Mr. BEALL. Mr. President, will the Senator yield?

Mr. MATHIAS. I am happy to yield to my distinguished colleague.

Mr. BEALL. Mr. President, I thank my senior colleague from Maryland for yielding at this point.

I rise in support of the remarks he has made on this issue. It is, of course, fortunate for Maryland that we are so close to the Nation's Capital and able to have so many Members of the Congress choose our State as their place of residence while they are here carrying out their responsibilities as Members of the two Houses. But at the same time, as my senior colleague has pointed out, these Members of Congress are indeed using the services being provided by the State of Maryland.

Mr. President, these services principally are educational. When it comes to the State income tax, I recall that when I was a member of the State legislature, the State of Maryland provided 42 percent of the money used by the local subdivisions of the State in educating the young people of our State. I would think that the Members of Congress, residents in the State of Maryland, would feel an obligation to contribute to the education of their own children who are using the schools of our State.

I point out, too, that the State of Maryland was early in coming up with revenue-sharing ideas for its own subdivisions.

Again, when I was in the State legislature, we enacted some revisions of the Maryland State income tax law, giving the local governments of the State the option to levy an income tax of up to 50 percent of the amount imposed by the State in the various subdivisions. The purpose was to take the burden off the property tax and to make sure that local governments could deliver the services that citizens expected of them.

In the case of Montgomery County and Prince Georges County, which are the two counties in which most Members of Congress would reside if they lived in our State, they are proposing a 50-percent local income tax, 50 percent of the amount imposed by the State, which is 7.5 percent, and they are using these funds for general government services. They are using them for water, sewer, garbage collection, for all the services of government for which everybody depends upon local governments.

It seems to me, Mr. President, that there is an obligation on Members of Congress to contribute to the payment for these services which they use and which they enjoy—and which are performed in a very highly professional and qualified manner.

I hope that, at some point, Members of Congress will reconsider this action; and I would join my distinguished colleague from Maryland in presenting whatever legislation he believes appropriate to make sure that there is a fair and equal contribution by all the residents of these communities for reimbursement for the services they are receiving.

Mr. MATHIAS. Mr. President, I thank my colleague for his remarks. He has analyzed the problem, particularly with respect to education, very succinctly.

It seems to me that Members do not want a free ride. They do not get as many free rides as they are accused of taking, and I do not think this is one they should seek.

I do think there is an alternative to this proposal. The alternative is for those Members of Congress who live in States which impose an income tax and who maintain a residence in Maryland to get to work and bring Maryland and their home States in reciprocity. That, basically, would solve the problem. I think that is a better solution than to create a class which is exempt from taxation, which can do nothing, in my judgment, but damage further the image of Congress. I think that is the preferable way to solve what is temporarily a serious personal problem for many Members of Congress.

If that solution is not adopted, then, again, I say that I will offer legislation which will indemnify the State of Maryland from loss of income as a result of this proposal, because to do otherwise would be to transfer the injustice from the shoulders of Members of Congress to all the taxpayers of Maryland who will have to bear the burden in the future.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed as follows:

S. 2447

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 4 of title 4 of the United States Code is amended by adding at the end thereof the following new section:

"§ 113. Residence of Members of Congress for State income tax laws

"(a) No State, or political subdivision thereof, in which a Member of Congress maintains a place of abode for purposes of attending sessions of Congress may, for purposes of any income tax (as defined in section 110(c) of this title) levied by such State or political subdivision thereof—

"(1) treat such Member as a resident or domiciliary of such State or political subdivision thereof; or

"(2) treat any compensation paid by the United States to such Member as income for services performed within, or from sources within, such State or political subdivision thereof,

unless such Member represents such State or a district in such State.

"(b) For purposes of subsection (a)—

"(1) the term 'Member of Congress' includes the delegates from the District of Columbia, Guam, and the Virgin Islands, and the Resident Commissioner from Puerto Rico; and

"(2) the term 'State' includes the District of Columbia.".

(b) The table of sections for such chapter 4 is amended by adding at the end thereof the following new item:

"113. Residence of Members of Congress for State income tax laws.".

ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a brief period for the transaction of morning business not to extend beyond 10:30 a.m.; that there be a time limitation of 5 minutes attached to statements made thereon; and that at 10:30 a.m. the unfinished business be laid before the Senate.

The VICE PRESIDENT. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Marks, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Vice President laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT OF THE NATIONAL VOLUNTARY SERVICE ADVISORY COUNCIL—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States which was referred to the Committee on Labor and Public Welfare:

To the Congress of the United States:

I am transmitting herewith the annual report of the National Voluntary Service Advisory Council as required by Section 405(c), of the Domestic Volunteer Service Act of 1973. The Council advises the Director of ACTION with respect to matters arising out of this Act and the Peace Corps Act.

GERALD R. FORD.

THE WHITE HOUSE, *February 18, 1976.*

PROPOSED AMENDMENT OF THE NATIONAL SECURITY ACT OF 1947—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States which was referred to the Committee on Armed Services:

To the Congress of the United States:

By virtue of the authority vested in me by Article II, Sections 2 and 3 of the Constitution, and other provisions of law, I have today issued an Executive Order pertaining to the organization and control of the United States foreign intelligence community. This order establishes clear lines of accountability for the Nation's foreign intelligence agencies. It sets forth strict guidelines to control the activities of these agencies and specifies as well those activities in which they shall not engage.

In carrying out my Constitutional responsibilities to manage and conduct foreign policy and provide for the Nation's defense, I believe it essential to have the best possible intelligence about the capabilities, intentions and activities of governments and other entities and individuals abroad. To this end, the foreign intelligence agencies of the United States play a vital role in collecting and analyzing information related to the national defense and foreign policy.

It is equally as important that the methods these agencies employ to collect such information for the legitimate needs of the government conform to the standards set out in the Constitution to preserve and respect the privacy and civil liberties of American citizens.

The Executive Order I have issued today will insure a proper balancing of these interests. It establishes government-wide direction for the foreign intelligence agencies and places responsibility and accountability on individuals, not institutions.

I believe it will eliminate abuses and questionable activities on the part of the foreign intelligence agencies while at the same time permitting them to get on with their vital work of gathering and assessing information. It is also my hope that these steps will help to restore public confidence in these agencies and encourage our citizens to appreciate the valuable contribution they make to our national security.

Beyond the steps I have taken in the Executive Order, I also believe there is a clear need for some specific legislative actions. I am today submitting to the Congress of the United States proposals which will go far toward enhancing the protection of true intelligence secrets as well as regularizing procedures for intelligence collection in the United States.

My first proposal deals with the protection of intelligence sources and methods. The Director of Central Intelligence is charged, under the National Security Act of 1947, as amended, with protecting intelligence sources and methods. The Act, however, gives the Director no authorities commensurate with this responsibility.

Therefore, I am proposing legislation to impose criminal and civil sanctions on those who are authorized access to intelligence secrets and who willfully and wrongfully reveal this information. This legislation is not an "Official Secrets Act", since it would affect only those who improperly disclose secrets, not those to whom secrets are disclosed. Moreover, this legislation could not be used to cover up abuses and improprieties. It would in no way prevent people from reporting questionable activities to appropriate authorities in the Executive and Legislative Branches of the government.

It is essential, however, that the irresponsible and dangerous exposure of our Nation's intelligence secrets be stopped. The American people have long accepted the principles of confidentiality and secrecy in many dealings—such as with doctors, lawyers and the clergy. It makes absolutely no sense to deny this same protection to our intelligence secrets. Openness is a hallmark of our democratic society, but the American people have never believed that it was necessary to reveal the secret war plans of the Department of Defense, and I do not think they wish to have true intelligence secrets revealed either.

I urge the adoption of this legislation with all possible speed.

Second, I support proposals that would clarify and set statutory limits, where necessary, on the activities of the foreign intelligence agencies. In particular, I will support legislation making it a crime to assassinate or attempt or conspire to assassinate a foreign official in peacetime. Since it defines a crime, legislation is necessary.

Third, I will meet with the appropriate leaders of Congress to try to develop sound legislation to deal with a critical problem involving personal privacy—electronic surveillance. Working with Congressional leaders and the Justice Department and other Executive agencies, we will seek to develop a procedure for undertaking electronic surveillance for foreign intelligence purposes. It should create a special procedure for seeking a judicial warrant authorizing the use of electronic surveillance in the United States for foreign intelligence purposes.

I will also seek Congressional support for sound legislation to expand judicial supervision of mail openings. The law now permits the opening of United States mail, under proper judicial safeguards, in the conduct of criminal investigations. We need authority to open mail under the limitations and safeguards that now apply in order to obtain vitally needed foreign intelligence information.

This would require a showing that there is probable cause to believe that the sender or recipient is an agent of a foreign power who is engaged in spying, sabotage or terrorism. As is now the case in criminal investigations, those seeking authority to examine mail for foreign intelligence purposes will have to convince a federal judge of the necessity to do so and accept the limitations upon their authorization to examine the mail provided in the order of the court.

Fourth, I would like to share my views regarding appropriate Congressional oversight of the foreign intelligence agencies. It is clearly the business of the Congress to organize itself to deal with these matters. Certain principles, however, should be recognized by both the Executive and Legislative Branches if this oversight is to be effective. I believe good Congressional oversight is essential so that the Congress and the American people whom you represent can be assured that the foreign intelligence agencies are adhering to the law in all of their activities.

Congress should seek to centralize the responsibility for oversight of the foreign intelligence community. The more committees and subcommittees dealing with highly sensitive secrets, the greater the risks of disclosure. I recommend that Congress establish a Joint Foreign Intelligence Oversight Committee. Consolidating Congressional oversight in one committee will facilitate the efforts of the Administration to keep the Congress fully informed of foreign intelligence activities.

It is essential that both the House and the Senate establish firm rules to insure that foreign intelligence secrets will not be improperly disclosed. There must be established a clear process to safeguard these secrets and effective measures to deal with unauthorized disclosures.

Any foreign intelligence information transmitted by the Executive Branch to the Oversight Committee, under an injunction of secrecy, should not be unilaterally disclosed without my agreement. Respect for the integrity of the Constitution requires adherence to the principle that no individual member, nor committee, nor single House of Congress can overrule an act of the Executive. Unilateral publication of classified information over the objection of the President, by one committee or one House of Congress, not only violates the doctrine of separation of powers, but also effectively overrules the actions of the other House of Congress, and perhaps even the majority of both Houses.

Finally, successful and effective Congressional oversight of the foreign intelligence agencies depends on mutual trust between the Congress and Executive. Each branch must recognize and respect the rights and prerogatives of the other if anything is to be achieved.

In this context, a Congressional requirement to keep the Oversight Committee "fully" informed is more desirable and workable as a practical matter than formal requirements for notification of specific activities to a large number of committees. Specifically, Section 662 of the Foreign Assistance Act, which has resulted in over six separate committee briefings, should be modified as recommended by the Commission on the Organization of the Government for the Conduct of Foreign Policy, and reporting should be limited to the new Oversight Committee.

Both the Congress and the Executive Branch recognize the importance to this Nation of a strong intelligence service. I believe it urgent that we take the steps I have outlined above to insure that America not only has the best foreign intelligence service in the world, but also the most unique—one which operates in a manner fully consistent with the Constitutional rights of our citizens.

GERALD R. FORD.

THE WHITE HOUSE, *February 18, 1976.*

PRESIDENTIAL APPROVAL

A message from the President of the United States stated that on February 17, 1976, he had approved and signed the following joint resolution:

S.J. Res. 167. A joint resolution to amend the Railroad Revitalization and Regulatory Reform Act of 1976.

MESSAGES FROM THE HOUSE

At 12:54 p.m., a message from the House of Representatives delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills, with amendment, in which it requests the concurrence of the Senate:

S. 229. An act to amend the Endangered Species Act of 1973 to assure the perpetuation of the art of scrimshaw, and for other purposes.

S. 270. An act to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Elkhart, Kans. for airport purposes.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1313. An act to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Rolla, Mo., for airport uses;

H.R. 2575. An act to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Algona, Iowa, for airport purposes;

H.R. 3440. An act to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Grand Junction, Colo., for airport purposes;

H.R. 4052. An act for the relief of Alan Sturt;

H.R. 4053. An act for the relief of Roderic Patrick Stafford;

H.R. 7017. An act to amend the Federal Aviation Act of 1958 relating to tariff changes;

H.R. 7824. An act to amend section 142 of title 13, United States Code, to change the date for taking censuses of agriculture, irrigation, and drainage, and for other porposes;

H.R. 8228. An act to amend the Federal Aviation Act of 1958 relating to emergency locator transmitters, and for other purposes;

H.R. 8508. An act to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Camden, Ark., for airport purposes;

H.R. 9617. An act to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Alva, Okla., for airport purposes;

H.R. 11233. An act to amend the Library Services and Construction Act to extend the authorizations of appropriations contained in such act, and for other purposes;

H.R. 11438. An act to amend title 5, United States Code, to grant court leave to Federal employees when called as witnesses in certain judicial proceedings, and for other purposes;

H.R. 11455. An act to amend the act establishing the Indiana Dunes National Lakeshore to provide for the expansion of the lakeshore, and for other purposes; and

H.R. 11645. An act to amend the act of October 19, 1965, to provide additional authorization for the Library of Congress James Madison Memorial Building.

The message further announced that the House has passed a concurrent resolution (H. Con. Res. 225) to recognize the Washington-Rochambeau Historic Route, in which it requests the concurrence of the Senate.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker has signed the following bill and joint resolution:

H.R. 5512. An act to amend the National Wildlife Refuge System Administration Act of 1966, and for other purposes.

S.J. Res. 154. A joint resolution to extend the time period during which the President is authorized to call a White House Conference on Handicapped Individuals and to extend the time period during which appropriated funds may be expended.

The enrolled bill and joint resolution were subsequently signed by the President pro tempore (Mr. EASTLAND).

At 2:15 p.m., a message from the House of Representatives delivered by Mr. Berry, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1617) to clarify the authority of the Secretary of Agriculture to control and eradicate plant pests, and for other purposes.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 6516) to amend title VII of the Consumer Credit Protection Act to include discrimination on the basis of race, color, religion, national origin, and age, and for other purposes; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. REUSS, Mr. ANNUNZIO, Mrs. SULLIVAN, Mrs. SPELLMAN, Mr. BARRETT, Mr. WYLIE, and Mrs. FENWICK were appointed managers of the conference on the part of the House.

The message further announced that the House disagrees to the amendment of the Senate to the bill (H.R. 8835) to amend the Truth in Lending Act to protect consumers against inadequate and misleading leasing information, assure meaningful disclosure of lease terms, and limit ultimate liability in connection with leasing of personal property primarily for personal, family, or household purposes, and for other purposes; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. REUSS, Mr. ANNUNZIO, Mrs. SULLIVAN, Mrs. SPELLMAN, Mr. BARRETT, Mr. WYLIE, and Mrs. FENWICK were appointed managers of the conference on the part of the House.

The message also announced that, pursuant to the provisions of section 1, Public Law 86-420, the Speaker has appointed Mr. NIX, chairman, Mr. WRIGHT, Mr. WOLFF, Mr. DE LA GARZA, Mr. LEVITAS, Mr. AMBRO, Mrs. SCHROEDER, Mr. LUJAN, Mr. ROUSSELOT, Mr. BURGENER, Mr. LAGOMARSINO, and Mr. GILMAN as members of the U.S. Delegation of the Mexico-United States Delegation of the Mexico-United States Interparliamentary Group, on the part of the House.

The message further announced that, pursuant to the provisions of Senate Concurrent Resolution 90, 94th Congress, the Speaker has appointed Mr. ALBERT, Mr. O'NEILL, and Mr. RHODES as members of the Joint Committee To Make the Necessary Arrangements for the Inauguration of the President-Elect and the Vice-President-Elect of the United States on the 20th day of January, 1977.

COMMUNICATIONS RECEIVED BY THE SECRETARY OF THE SENATE

The Secretary of the Senate reported receipt of the following communications:

EMBASSY OF THE
UNITED STATES OF AMERICA,
February 6, 1976.

Mr. FRANK VALEO,
Secretary of the Senate,
U.S. Senate, Washington, D.C.

DEAR MR. VALEO: I am sending to you the enclosed letter from the King of Spain, Juan Carlos I, concerning Senate Resolution No. 323 of December 10, 1975.

Sincerely,

SAMUEL D. EATON,
Charge d'Affaires a.i.

Enclosure: 1 letter from King Juan Carlos I.

[Translation]

Palace of the Zarzuella,
Madrid, January 29, 1976.

Hon. Francis R. Valeo,
Secretary of the Senate,
Washington, D.C.

Dear Mr. Valeo: His Majesty the King has taken note of Resolution 323 of the Senate dated December 10, 1975 and has directed me to convey to you his sincere appreciation for the expression of friendship and goodwill toward the Spanish nation in which it was conceived as well as his profound gratitude for the good wishes which it expresses toward the Spanish people and toward him personally.

Please accept, Mr. Secretary, the assurance of my high consideration.

Marques De Mondejar,
General de Caballeria.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

Proposed Federal Energy Development Impact Assistance Act of 1976

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to provide assistance to States for extraordinary fiscal impacts resulting from development of Federal energy resources, and for other purposes (with accompanying papers); to the Committee on Commerce and the Committee on Interior and Insular Affairs, jointly, by unanimous consent.

Mr. MANSFIELD. Mr. President, I ask unimous consent that a communication transmitted by the Secretary of the Interior, relative to providing assistance to States for extraordinary fiscal impacts resulting from development of Federal energy resources, be referred jointly to the Committee on Commerce and the Committee on Interior and Insular Affairs.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following executive reports of committees were submitted:

By Mr. PROXMIRE, from the Committee on Banking, Housing and Urban Affairs:

Constancen B. Newman, of the District of Columbia, to be an Assistant Secretary of Housing and Urban Development.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. FORD. Mr. President, from the Committee on Commerce, as in executive session, I report favorably sundry nominations in the Coast Guard and the National Oceanic and Atmospheric Administration which have previously appeared in the Congressional Record and, to save the expense of printing them on the Executive Calendar, I ask unanimous consent that they lie on the Secretary's desk for the information of Senators.

The VICE PRESIDENT. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the Congressional Record of February 4 and 5, 1976, at the end of the Senate proceedings.)

HOUSE BILLS AND CONCURRENT RESOLUTION REFERRED

The following bills were read twice by their titles and referred as indicated:

H.R. 4052. An act for the relief of Alan Sturt; to the Committee on the Judiciary.

H.R. 4053. An act for the relief of Roderic Patrick Stafford; to the Committee on the Judiciary.

H.R. 7017. An act to amend the Federal Aviation Act of 1958 relating to tariff changes; to the Committee on Commerce.

H.R. 8228. An act to amend the Federal Aviation Act of 1958 relating to emergency locator transmitters, and for other purposes; to the Committee on Commerce.

H.R. 11233. An act to amend the Library Services and Construction Act to extend the authorizations of appropriations contained in such act, and for other purposes; to the Committee on Labor and Public Welfare.

H.R. 11438. An act to amend title 5, United States Code, to grant court leave to Federal employees when called as witnesses in certain judicial proceedings, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 11455. An act to amend the act establishing the Indiana Dunes National Lakeshore to provide for the expansion of the lakeshore, and for other purposes; to the Committee on Interior and Insular Affairs.

The following concurrent resolution was read by title and referred as indicated:

H. Con. Res. 225. A concurrent resolution to recognize the Washington-Rochambeau Historic Route; to the Committee on Interior and Insular Affairs.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on February 18, 1976, he presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 154. A joint resolution to extend the time period during which the President is authorized to call a White House Conference on Handicapped Individuals, and to extend the time period during which appropriated funds may be expended.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. GRIFFIN:

S. 2987. A bill to establish the offices of members of the Federal Election Commission as officers appointed by the President, by and with the advice and consent of the Senate, and for other purposes. Referred to the Committee on Rules and Administration.

By Mr. STEVENS:

S. 2988. A bill to amend section 170 of the Internal Revenue Code of 1954 with respect to certain charitable contributions by members of the Civil Air Patrol. Referred to the Committe on Finance.

By Mr. HUGH SCOTT:

S. 2989. A bill to increase from 10 to 15 years the period during which veterans and certain wives and widows of veterans are eligible for educational assistance. Referred to the Committee on Veterans' Affairs.

By Mr. MATHIAS (for himself and Mr. Beall):

S. 2990. A bill to avoid the imposition of financial hardship upon States resulting from the exemption, by Federal law, of certain Members of Congress from the payment of State income taxes to States in which they reside. Referred to the Committee on Government Operations.

By Mr. MAGNUSON (for himself and Mr. Pearson) (by request):

S. 2991. A bill to amend the Hazardous Materials Transportation Act to authorize appropriations, and for other purposes. Referred to the Committee on Commerce.

By Mr. MAGNUSON (by request):

S. 2992. A bill to amend the Federal Aviation Act of 1958 to provide financial protection to victims of aircraft incidents, and for other purposes. Referred to the Committee on Commerce.

By Mr. DOLE:

S. 2993. A bill to prohibit the Federal Government from restricting export sales of agricultural commodities. Referred to the Committee on Agriculture and Forestry.

By Mr. MOSS:

S. 2994. A bill to amend the Internal Revenue Code of 1954 to provide for the uniform treatment of certain outdoor advertising displays for income tax purposes. Referred to the Committee on Finance.

By Mr. INOUYE:

S. 2995. A bill to amend chapter 35 of title 38, United States Code, to permit children who are eligible for educational assistance under such chapter to pursue a program of education under such chapter exclusively by correspondence. Referred to the Committee on Veterans' Affairs.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRIFFIN:

S. 2987. A bill to establish the offices of members of the Federal Election Commission as officers appointed by the President, by and with the advice and consent of the Senate, and for other purposes. Referred to the Committee on Rules and Administration.

FEDERAL ELECTION CAMPAIGN ACT AMENDMENTS OF 1976

Mr. GRIFFIN. Mr. President, I introduce for appropriate reference a bill to provide that members of the Federal Election Commission shall be appointed by the President, by and with the advice and consent of the Senate.

This measure represents the legislative recommendations submitted by President Ford at a leadership meeting on February 5, and in his message to the Congress on February 16. In addition to providing for Presidential appointment of the Commission, the bill would assure a full-scale review next year of our Federal election laws by the Congress.

Mr. President, I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2987

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the Federal Election Campaign Act Amendments of 1976.

SEC. 2(a). The text of paragraph 1 of section 310(a) of the Federal Election Campaign Act of 1971 (hereinafter "the Act") (2 U.S.C. 437c(a)) is amended to read as follows:

"There is established a Commission to be known as the Federal Election Commission. The Commission is composed of 6 members, appointed by the President, by and with the advice and consent of the Senate. No more than three of the members shall be affiliated with the same political party."

(b)(1) Subparagraph (A) and subparagraph (D) 310(a)(2) of the Act (2 U.S.C. 437c(a)(2)(A), 437c(a)(2)(D)) each are amended by striking out "of the members appointed under paragraph (1)(A)".

(2) Subparagraph (B) and subparagraph (E) of section 310(a)(2) of the Act (2 U.S.C. 437c(a)(2)(B), 437c(a)(2)(E)) each are amended by striking out "of the members appointed under paragraph (1)(B)".

(3) Subparagraph (C) and subparagraph (F) of section 310(a)(2) of the Act (2 U.S.C. 437c(a)(2)(C), 437(a)(2)(F)) each are amended by striking out "of the members appointed under paragraph (1)(C)".

SEC. 3(a). The terms of the persons serving as members of the Federal Election Commission upon the enactment of this Act shall terminate upon the appointment and confirmation of members of the Commission pursuant to this Act.

(b) The persons first appointed under the amendments made by the first section of this Act shall be considered to be the first appointed under section 310(a)(2) of the Act (2 U.S.C. 437c(a)(2)), as amended herein, for purposes of determining the length of terms of those persons and their successors.

(c) The provision of section 310(a)(3) of the Act (2 U.S.C. 437c(a)(3)), forbidding appointment to the Federal Election Commission of any person currently elected or appointed as an officer or employee in the executive, legislative, or judicial branch of the Government of the United States, shall not apply to any person appointed under the amendments made by the first section of this Act solely because such person is a member of the Commission on the date of enactment of this Act.

(d) Section 310(a)(4) of the Act (2 U.S.C. 437c(a)(4)) is amended by striking out "(other than the Secretary of the Senate and the Clerk of the House of Representatives)".

(e) Section 310(a)(5) of the Act (2 U.S.C. 437c(a)(5)) is amended by striking out "(other than the Secretary of the Senate and the Clerk of the House of Representatives)".

SEC. 4. All actions heretofore taken by the Commission shall remain in effect until modified, superseded or repealed according to law.

SEC. 5. The provisions of Chapter 14 of Title 2, the United States Code, of Section 608 of Title 18, and of Chapters 95 and 96 of Title 26 shall not apply to any election, as defined in Section 301 of the Act (2 U.S.C. 431(a)), that occurs after December 31, 1976, except run-offs relating to elections occurring before such date.

By Mr. STEVENS:

S. 2988. A bill to amend section 170 of the Internal Revenue Code of 1954 with respect to certain charitable contributions by members of the Civil Air Patrol. Referred to the Committee on Finance.

Mr. STEVENS. Mr. President, the many pilots in the United States who fly search and rescue operations for the Civil Air Patrol should be commended. Not only do these individuals donate their time, but they also fly their own aircraft. Through their dedication many lives are saved each year.

Unfortunately, current tax laws do not recognize the valuable contributions made by Civil Air Patrol members. Charitable contribution tax deductions are not allowed for many of the expenses incurred by aircraft pilots in performing search and rescue operations. Only unreimbursed expenses incurred for the operation of the aircraft directly attributable to the performance of the gratuitous services are deductible. This means that deductions for a proportionate share of the expenses for general maintenance and general repairs of the aircraft are disallowed. Also prohibited are deductions for depreciation occasioned by the use of the aircraft or for the fair market rental value of the aircraft.

The unjustness of this situation is even more apparent when one considers the deductions allowed an individual who is operating an airplane for trade or business purposes. Section 162 of the Internal Revenue Code of 1954 provides that all ordinary and necessary expenses paid or incurred in carrying on a trade or business can be deducted. However, with respect to Civil Air Patrol missions, section 170 of the Internal Revenue Code allows a deduction for only those out-of-pocket expenses necessarily incurred in rendering the donated service. This distinction allows a far greater deduction to the individual who flys his airplane for personal gain as opposed to the individual who flys his airplane for humanitarian purposes.

The legislation which I introduce today would correct this situation. Pilots engaged in official Civil Air Patrol activities would be allowed to deduct as charitable contributions expenses incurred for operation, maintenance, and repairs proportionately attributable to the use of the aircraft in performing the search and rescue services. Rather than be discouraged from participating in Civil Air Patrol missions, pilots will be appropriately rewarded for the valuable service which they perform.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2988

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 170(c) of the Internal Revenue Code of 1954 (relating to definition of charitable contribution) is amended by adding at the end thereof the following new sentence: "For purposes of this section, in the case of an individual who is a member of the Civil Air Patrol, as incorporated under the Act of July 1, 1946, chapter 527 (60 Stat. 346; 36 U.S.C. 201), the term 'charitable contribution' includes a portion of the expenses paid or incurred by the taxpayer during the taxable year which are attributable to the operation, maintenance, and repair of vehicles, including aircraft, owned by the taxpayer which bears the same ratio to the total amount of such expenses paid or incurred by the taxpayer during such taxable year as the amount of time which such taxpayer uses such vehicles for the purpose of rendering gratuitous services to the Civil Air Patrol during such taxable year bears to the total amount of time such taxpayer uses such vehicles during such taxable year.".

(b) The amendments made by this Act apply to expenses paid or incurred by a taxpayer after December 31, 1975.

By Mr. HUGH SCOTT:

S. 2989. A bill to increase from 10 to 15 years the period during which veterans and certain wives and widows of veterans are eligible for educational assistance. Referred to the Committee on Veterans' Affairs.

Mr. HUGH SCOTT. Mr. President, I am pleased today to introduce a bill to extend from 10 years to 15 years the time for veterans' eligibility for educational assistance.

Many veterans encounter great difficulty in completing their education within the prescribed 10-year period while holding down a job and raising and supporting a family. I have received letters from veterans who need only one more semester of credits in order to receive a degree, but due to the cutoff, the degree is denied. Such a cutoff is unfeeling and impractical and does nothing to aid the veteran in his struggle to reenter society.

This bill then, is aimed primarily at allowing the veteran to complete his undergraduate training, to enable him to better provide for his family and their future and to better contribute to society.

A random poll of colleges and universities in Pennsylvania indicates that some schools may lose as many as 65 percent of their veterans as a result of the termination of benefits.

I hope my colleagues will seriously consider the vast implications such a termination of benefits will mean. I strongy believe an extension of the veterans' entitlement is greatly deserved and long overdue. I urge quick action on this most vital legislation.

By Mr. MATHIAS (for himself and Mr. BEALL):

S. 2990. A bill to avoid the imposition of financial hardship upon States resulting from the exemption, by Federal law, of certain Members of Congress from the payment of State income taxes to States in which they reside. Referred to the Committee on Government Operations.

Mr. MATHIAS. Mr. President, the bill which I am introducing today, for myself and Senator BEALL, provides for a direct Federal payment to the State of Maryland to compensate for the burden which Members of Congress place on our State and Montgomery and Prince Georges Counties. Before today, the threat of that burden did not exist. Before today, up to 150 Members of both

Houses of Congress who live in Maryland, mostly in Montgomery and Prince Georges County suburbs paid their own way. Through payment of State income taxes, they paid their fair share of the costs of basic support services such as police and fire protection, sanitation and sewage, parks, and recreation, public schools, libraries, and emergency medical care. And, without question, the State of Maryland and its counties, in return, have provided remarkable public services for Members of Congress.

Today, unfortunately, the Senate has taken the first step in an attempt to destroy the fair share principle in taxation. By adopting S. 2447, the Senate has, in effect, excused out-of-State Congressmen who live in Maryland from paying Maryland income taxes. The Congress is on the verge of giving itself a free ride on taxes. This free ride for congressional families in Maryland, however, simply means that the other residents of Maryland will have to bear the burden.

If Members of the Senate want to vote themselves something that would be, in effect, a salary increase, they should have done so directly, and not through the device of immunity from State and local income taxes. At a time when State and local governments already are enduring a degree of budgetary stress unprecedented since the Great Depression, it ill behooves Members of Congress to set themselves apart from the hundreds of thousands of other public servants and Government employees who live near our National Capital—or from any of the other taxpaying citizens of Maryland. There are no free rides in this world. I hope and expect that the Congress if it enacts the "free-ride" bill, will recognize its responsibility to offset the costs which Maryland will incur. The bill we have introduced will provide the means by which the burden will be lifted from the shoulders of Maryland citizens.

I ask unanimous consent that the text of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2990

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the purpose of this Act to avoid the imposition of financial hardship upon any State or political subdivision thereof by reason of the exemption, by Act of Congress, of certain Members of Congress, who maintain a place of abode within such State or subdivision for purposes of attending sessions of Congress, from the payment to such State or subdivision of income taxes imposed by that State or subdivision.

(b) Commencing with the first taxable year of any such State or political subdivision which ends within the fiscal year commencing October 1, 1976, and for each taxable year thereafter, the Secretary of the Treasury, on certification to him by a Governor of any such State or governing head of any such subdivision of the amount of taxable revenues lost by that State or subdivision during the taxable year covered by that certification by reason of such exemption, shall pay to such State or subdivision an amount equal to that so certified.

(c) Any Member of Congress, who but for such exemption, would have been required, by any such State or subdivision, to file an income tax form for any such taxable year shall, on or before the last date for the filing of such return under the laws of that State or political subdivision, file with such State or subdivision a statement as to the amount of such taxes which such Member would have been required to pay to such State or subdivision but for such exemption.

(d) Certifications pursuant to this Act shall be submitted at such time and in such manner and form as the Secretary of the Treasury shall prescribe by regulation.

Sec. 2. For purposes of this Act, the term—

(1) "Member of Congress" includes the delegate from the District of Columbia, Guam, and the Virgin Islands, and the Resident Commissioner from Puerto Rico; and

(2) "State" includes the District of Columbia.

Sec. 3. For the fiscal year commencing October 1, 1976, and for each fiscal year thereafter, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. MAGNUSON (for himself and Mr. Pearson) (by request):

S. 2991. A bill to amend the Hazardous Materials Transportation Act to authorize appropriations, and for other purposes. Referred to the Committee on Commerce.

HAZARDOUS MATERIALS TRANSPORTATION ACT AMENDMENTS OF 1976

Mr. MAGNUSON. Mr. President, I introduce by request, for appropriate reference, a bill to amend the Hazardous Materials Transportation Act to authorize appropriations and for other purposes, and ask unanimous consent that the letter of transmittal and section-by-section analysis be printed in the Record together with the text of the bill.

There being no objection, the bill and material were ordered to be printed in the Record, as follows:

S. 2991

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Hazardous Materials Transportation Act Amendments of 1976".

Sec. 2. Section 106(c) of the Hazardous Materials Transportation Act (49 U.S.C. 1805 (c)) is amended by striking out "extremely" each time it appears.

Sec. 3. Section 107(a) of the Hazardous Materials Transportation Act (49 U.S.C. 1806 (a)) is amended by striking out the phrase "transports or causes to be transported or shipped hazardous materials in a manner so as to achieve" and insert in lieu thereof "will provide for".

Sec. 4. The text of section 115 of the Hazardous Materials Transportation Act (49 U.S.C. 1812) is amended to read as follows: "There are authorized to be appropriated for the Materials Transportation Bureau, United States Department of Transportation, to carry out programs relating to the transportation of hazardous materials and for the Secretary for other activities carried out pursuant to this Act not to exceed $7,000,000 for the fiscal year ending September 30, 1977, and not to exceed $7,000,000 for the fiscal year ending September 30, 1978."

The Secretary of Transportation,
Washington, D.C., January 22, 1976.

Hon. Nelson A. Rockefeller,
President of the Senate,
Washington, D.C.

Dear Mr. President: There is transmitted herewith a proposed bill: "To amend the Hazardous Materials Transportation Act to authorize appropriations, and for other purposes."

This bill would authorize appropriations in the amount of $7,000,000 for fiscal year 1977, and $7,000,000 for fiscal year 1978 for the Department of Transportation's Materials Transportation Bureau to carry out the functions assigned to it with respect to the transportation of hazardous materials under the Hazardous Materials Transportation Act and various other statutes and for the Secretary for other activities carred out pursuant to this Act.

This bill would also make two clarifying amendments to the Hazardous Materials Transportation Act (the Act), which is title I of the Transportation Safety Act of 1974 (P.L. 93–633). The amendment to section 106(c) of the Act proposed in this bill would strike the word "extremely" from that subsection. The Senate-passed version of section 106 limited the registration authority to "extremely" hazardous materials. The committee of conference rejected this limitation and struck the word "extremely" in some parts of section 106, but omitted to strike the word in section 106(c). As that section now stands, "extremely" is not defined and subsection (c) is inconsistent with subsections (a) and (b).

The bill would also amend section 107(a) of the Act, relating to exemptions. The Act provides the Secretary with authority over carriers, shippers, and manufacturers of hazardous materials containers. The bill would amend the Act to make it clear that the exemption authority also applies to manufacturers and not just to carriers and shippers.

The proposed legislation will not serve to impact adversely the environment nor will it have an inflationary impact on the economy.

The Office of Management and Budget has advised that this proposed legislation is consistent with the Administration's objectives.

Sincerely,

William T. Coleman, Jr.

Enclosures.

Section-by-Section Analysis

Section 1 is a short title.

Section 2 would make a clarifying amendment to section 106(c) of the Hazardous Materials Transportation Act by eliminating a term which relates to a Senate bill concept rejected and omitted from the Act by the original committee of conference for the Act. The conference in reporting on the Act deleted several other references to "extremely" hazardous materials. However, the two references in this subsection were apparently overlooked.

Section 3 would amend the Hazardous Materials Transportation Act provision on exemptions to make it clear that eligibility for exemptions from hazardous materials regulations is not limited just to persons who transport or ship hazardous materials. Persons who manufacture, fabricate, mark, maintain, recondition, repair or test packages or containers for use in transportation of hazardous materials are expressly subject to the provisions of the Act pertaining to regulations (section 105(a)), registration (section 106(b)), inspections (section 109(c)), and civil penalties (section 110(a)) the same as persons who transport or ship hazardous materials. This amendment will make the coverage of the exemption section consistent with those provisions.

Section 4 would authorize appropriations in the amount of $7,000,000 for fiscal year 1977, and $7,000,000 for fiscal year 1978 for the Department of Transportation's Materials Transportation Bureau to carry out the functions assigned to it with respect to transportation of hazardous materials under the Hazardous Materials Transportation Act and various other statutes and for the Secretary for other activities carried out pursuant to this Act.

By Mr. MAGNUSON (by request):

S. 2992. A bill to amend the Federal Aviation Act of 1958 to provide financial protection to victims of aircraft incidents, and for other purposes. Referred to the Committee on Commerce.

AIR TRAVEL PROTECTION ACT OF 1975

Mr. MAGNUSON. Mr. President, the issue of liability in aviation accidents is one which causes grave concern to me, the traveling public, and the aviation industry. The Aerospace Industries Association has prepared a draft bill, which I introduce by request, in order for us to focus on the issue of liability when unfortunate aviation incidents occur.

Mr. President: I ask unanimous consent that the text of the Air Travel Public Protection Act of 1975 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2992

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Air Travel Protection Act of 1975".

SEC. 2. The Congress recognizes that despite all possible precautions, operation of aircraft involves risks of harm to the public, which may be beyond the amount of available private liability insurance. The Congress, therefore, declares that it is the policy of the United States to provide for the protection of the public against financial loss from injury or death or property damage from an aircraft incident, by requiring persons engaged in domestic air transportation to provide financial protection and by indemnifying them.

SEC. 3. The Act of August 23, 1958 (49 U.S.C. 1301 et seq., 72 Stat. 731), as amended, is further amended by adding at the end thereof the following new title XIV:

"TITLE XIV—FINANCIAL PROTECTION AGAINST AIRCRAFT INCIDENTS

"SEC. 1401. (1) The term "air carrier" shall for the purposes of this title include, in addition to those included in section 101(3), those citizens engaged in intrastate air transportation.

"(2) The term 'aircraft incident' means any occurrence, including an extraordinary aircraft occurrence, causing injury, or death, or property damage arising out of the operation or maintenance of aircraft by an air carrier in domestic air transportation; operation or maintenance of aircraft by an air carrier shall be deemed to be in "domestic air transportation" if it is part of the regular activity of the air carrier related to such transportation and regardless of whether the particular activity involves carriage of persons, property or mail.

"(3) The term 'domestic air transportation' shall for the purposes of this Title consist of interstate air transportation and overseas air transportation as defined in Section 101(21), and intrastate air transportation.

"(4) The term 'extraordinary aircraft occurrence' means any occurrence arising out of the operation of aircraft by an air carrier in domestic air transportation which the Secretary of Transportation determines (1) has resulted in the death or hospitalization of five or more persons or (2) has resulted in or will probably result in the following damages: (i) $2,500,000 or more by any one person, (ii) $5,000,000 or more in the aggregate, or (iii) $5,000 or more by each of 50 or more persons provided that there is $1,000,000 or more of such damage in the aggregate.

"(5) The term 'financial protection' means the ability to respond in damages for public liability and to meet the costs of investigating and defending claims and settling suits for such damages.

"(6) The term 'indemnitor' means (i) any insurer with respect to his obligations under a policy of insurance furnished as proof of financial protection, (ii) any air carrier or other person who is obligated under any other form of financial protection, with respect to such obligations, and (iii) the Secretary with respect to any obligation undertaken by him in an indemnity agreement entered into pursuant to this Title.

"(7) The term 'operation of aircraft' shall for the purpose of property damage to baggage include any period during which the baggage was in the charge of the carrier and, for the purpose of property damage to cargo, the period during which the cargo is in the charge of the carrier, whether in or outside an airport and whether on or not on board an aircraft.

"(8) The term 'person indemnified' means the person with whom an indemnity agreement is executed and any other person who may be liable for public liability.

"(9) The term 'property damage' means loss of, damage to, or loss of use of property.

"(10) The term "public liability" means any legal liability arising out of or resulting from an aircraft incident, except (i) liability of persons indemnified under State or Federal workmen's compensation acts for claims of employees who are employed at the site where the aircraft incident occurs; (ii) liability arising out of the act of war; and (iii) liability for property damage to the aircraft involved in the incident. 'Public liability' also includes the obligation with respect to costs and expenses (including attorney's fees) covered in Section 1404(d).

"(11) The term 'Secretary' means the Secretary of Transportation.

"SEC. 1402. (a) Each certificate for interstate or overseas air transportation issued under section 401 of this Act shall have as a condition of the certificate a requirement that the air carrier have and maintain financial protection of such type and in such amounts as the Secretary shall require under subsection (b) of this section to cover public liability of persons indemnified for aircraft incidents. The air carrier shall also execute and maintain an indemnity agreement in accordance with subsection (d) of this section. The Secretary shall extend the requirements of this section to citizens engaged in intrastate air transportation.

"(b) The amount of financial protection required shall be the amount of liability insurance available from private sources, except that the Secretary may establish a lesser amount on the basis of criteria set forth in writing, which he may revise from time to time, taking into consideration such factors as the following: (1) the cost and terms of private insurance, (2) the number, type and size of the aircraft, and (3) other factors pertaining to the risk and to the character of the air transportation. Such financial protection may include private insurance, private contractual indemnities, self insurance, other proof of financial responsibility, or a combination of such measures.

"(c) The Secretary may upon application of any air carrier determine the proportion of the total cost of the financial protection required under this section which shall be borne by persons holding type certificates issued under section 603 with respect to aircraft, aircraft engines, propellers, or appliances in operation by such air carrier in domestic air transportation, after notice to such persons. Compliance with such determination shall be a condition for claiming the benefits of financial protection and indemnity against liability provided under this title. The determination shall be made only for each of the initial five years for which financial protection is required under this title. In making such determination, account shall be taken of the relevant historical loss experience and premium costs of the air carrier and other persons subject to the determination.

"(d) The Secretary shall agree, on terms not inconsistent with the provisions of this title, to pay to or on behalf of all persons indemnified, as their interest may appear, for public liability from aircraft incidents which is in excess of the level of financial protection provided by the air carrier.

"(e) The Secretary may create a fund for the purposes of subsection (d) by directing air carriers to collect as part of the charge for domestic air transportation and to pay over to the Secretary an amount which he may specify from time to time; the Secretary may also authorize air carriers to include as part of such charge an additional amount to be retained by such carriers and applied against the cost of the financial protection required under subsection (a). The amount of such charge shall be reviewed annually. Such charges shall be remitted to the Secretary within sixty (60) days after receipt. The amounts so remitted shall be deposited in a revolving fund in the Treasury of the United States and are to be used only for the purposes of this title. Notwithstanding that such fund may not be adequate for such purposes, the Secretary may enter into indemnity agreements and amendments and modifications thereof and make advance payments thereon, without regard to other provisions of law, including but without being limited to sections 529 and 665 of title 31 of the United States Code and section 11 of title 41 of the United States Code whenever he considers that such action would facilitate the purposes of this title.

"SEC. 1403. (a) In administering the provisions of this Section, the Secretary shall use, to the maximum extent practicable, the facilities and services of private insurance organizations, and the Secretary may contract to pay a reasonable compensation for such services. The Secretary may enter into and perform such contracts (including personal service contracts) or other transactions as may be necessary for the purpose of this Act and on such terms as he considers appropriate, with any person, firm, association or corporation without regard to any other law.

"(b) The indemnity agreement may contain such terms as the Secretary considers appropriate to carry out the purposes of this Section. Such agreement shall provide that, when the Secretary makes a determination that the United States will probably be required to make indemnity payments for the benefit of persons indemnified, under this Section, the Secretary shall collaborate with any person indemnified and may approve the payment of any claim under the indemnity agreement, appear through the Attorney General on behalf of the person indemnified, take charge of such action, settle or defend any such action and pay to or in behalf of the person indemnified. The Secretary shall have final authority on behalf of the United States to settle or approve the settlement of any such claim on a fair and reasonable basis with due regard for the purposes of this Title. Such settlement may include reasonable expenses in connection with the claim incurred by the person indemnified.

"(c) The Secretary is authorized to enter into agreements with other indemnitors to establish coordinated procedures for prompt handling, investigation, and settlement of claims for public liability. The Secretary and other indemnitors may make payments to, or for the aid of, claimants for the purpose of providing immediate assistance following an incident. Any funds appropriated to the Secretary shall be available for such payments. Such assistance payments may be made without securing releases, shall not constitute an admission of the liability of any person indemnified or of any indemnitor, and shall operate as a satisfaction to the extent thereof of any final settlement or judgment.

"(d) The Secretary is authorized to prescribe such rules, regulations and policies as he deems proper to carry out his functions under this Title. The Secretary may delegate to any officer or employee of the Department of Transportation such of his powers and duties under this Title, except the making of rules, regulations and policies, as he may deem necessary and expedient.

"(e) The Secretary, with the consent of any executive department, individual establishment or other agency of the Government, including any field service thereof, may avail himself of the use of information, services, facilities, officers and employees thereof in carrying out the provisions of this Title.

"(f) The amounts collected pursuant to Section 1402(e) of this Title shall, without regard to other law, be available to the Secretary for operating expenses incurred under this Title.

"(g) Accounting and Annual Report. The Secretary, in the performance of, and with respect to, the functions, powers, and duties vested in him by this Title shall maintain an integral set of accounts which shall be audited annually by the General Accounting Office in accordance with the principles and procedures for wholly-owned government Corporation Control Act, as amended, (59 Stat. 597; 31 U.S.C. 841): provided that, because of the business activities authorized by this Title, the Secretary may exercise the powers conferred in said Title, perform the duties and functions, and make expenditures required in accordance with commercial practice, and the General Accounting Office shall allow credit for such expenditures when shown to be necessary because of the nature of said authorized activities. Further the Secretary shall include in his annual report to Congress a detailed statement of all activities and of all expenditures and receipts under this Title for the period covered by such report.

"Sec. 1404. (a) With respect to any extraordinary aircraft occurrence, the Secretary shall incorporate provisions in indemnity agreements with air carriers under this section, and shall require provisions to be incorporated in insurance policies or contracts furnished as proof of financial protection, which waive (i) any issue or defense as to conduct of the claimant or fault of persons indemnified, (ii) any issue or defense as to charitable or governmental immunity, including immunity of the United States, and (iii) any issue or defense based on any statute of limitations if suit is instituted within two years from the date of the incident. The waiver of any such issue or defense shall be effective regardless of whether such issue or defense may otherwise be deemed jurisdictional or relating to any element in the cause of action. When so incorporated, such waivers shall be judicially enforceable in accordance with their terms by the claimant against the person indemnified. Such waivers shall not preclude a defense based upon a failure to take reasonable steps to mitigate damages, nor shall such waivers apply to injury or damage to a claimant or to a claimant's property which is intentionally sustained by the claimant or which results from an incident intentionally and wrongfully caused by the claimant. The waivers authorized in this subsection shall, as to indemnitors, be effective only with respect to those obligations set forth in the insurance policies or the contracts furnished as proof of financial protection and in the indemnity agreements. Such waivers shall not apply to, or prejudice the prosecution or defense of, any claim or portion of claim which is not within the protection afforded under the terms of insurance policies or contracts furnished as proof of financial protection, or indemnity agreements.

"(b) With respect to any public liability action arising out of or resulting from an extraordinary aircraft occurrence, the United States District Court in the district where the extraordinary occurrence takes place, shall have original jurisdiction without regard to the citizenship of any party or the amount in controversy. Upon motion of the defendant or of the Secretary, any such action pending in any State court or United States District Court shall be removed or transferred to the United States District Court having venue under this Subsection. Process of such district court shall be effective throughout the United States. Actions to enforce any right created by or pursuant to this title may, notwithstanding any other law, be brought in such court by or against the United States or any other person.

"(c) In any public liability action arising out of or resulting from an extraordinary aircraft occurrence, the following rules of recovery shall apply to the exclusion of any other Federal law or any State law.

"(1) Recovery shall include fair and just compensation for economic detriment consisting of, and limited to, allowable expense, loss of income, replacement services loss, and survivor's loss.

"(A) 'Allowable expense' means reasonable charges incurred for, or the reasonable value of (where no charges are incurred), reasonably needed and used products, services and accommodations for professional medical treatment and care; emergency medical services; medical and vocational rehabilitation services; and expense directly related to the funeral, burial, cremation or other form of disposition of the remains of the decedent.

"(B) 'Loss of income' means an appropriate and reasonable amount for loss of earnings attributable to an individual's inability to work following injury offset by appropriate amounts by which the individual may reasonably be able to mitigate such loss.

"(C) 'Replacement services loss' means expenses reasonably incurred in obtaining ordinary and necessary services in lieu of those the injured person would have performed, not for income, but for the benefit of himself or his family, if he had not been injured.

"(D) 'Survivor's loss' means the loss of income of a decedent which would probably have been contributed to a survivor or survivors, if such decedent had not sustained the fatal injury, and expenses reasonably incurred by a survivor or survivors, after a decedent's death, in obtaining ordinary and necessary services in lieu of those which the decedent would have performed not for income but for their benefit, if he had not sustained the fatal injury, reduced by expenses which the survivor or survivors would probably have incurred but avoided by reason of decedent's death. 'Survivor' means an individual identified in the wrongful death statute of the State of domicile of a decedent as one entitled to receive benefits by reason of the death of another individual.

"(2) There shall be subtracted from any such recovery for economic detriment:

"(A) All benefits or advantages (less reasonably incurred collection costs) that an individual receives or is entitled to receive from social security (except those benefits provided under Title XIX of the Social Security Act), workmen's compensation, any State-required temporary, nonoccupational disability insurance, and all other benefits (except the proceeds of life insurance) received by or available to an individual from any government, because of the injury, unless the law authorizing or providing for such benefits or advantages makes them excess or secondary to recovery under this title, and

"(B) The income tax saving attributable to loss of earnings because of injury, if a recovery under this Title or a benefit or advantage subtracted under preceding subparagraph A is not taxable income; the subtraction for such saving shall not exceed 15 per cent of the loss of income and shall be such lesser amount as is appropriate based on a lower value of the income tax advantage.

"(3) Recovery in the case of death shall not include any element for pain and suffering of the decedent or for any other non-economic detriment. Recovery in the case of any other person shall not include any element for pain and suffering or for any other non-economic detriment unless said person has sustained serious and permanent disfigurement or other serious and permanent injury or more than 90 days of total disability; as used in this subparagraph "total disability" means medically determinable physical or mental impairment which prevents the person from performing all or substantially all of the material acts and duties which constitute his usual and customary daily activities. The measure of non-economic detriment shall be determined in accordance with the law of the State in which the extraordinary aircraft occurrence takes place.

"(4) There shall be no recovery for exemplary or punitive damages. However, nothing in this Title shall be deemed to immunize any person from liability to pay a civil penalty pursuant to the provisions of section 901 of this Act, provided that such fine may not be paid or reimbursed by any insurer.

"(d) Any person who shall recover in any action based on an extraordinary aircraft occurrence shall be entitled to recover as part of the judgment a sum equal to the costs and expenses (including attorney's fees) determined by the court to have been reasonably incurred in connection with the institution and prosecution of such action. Such award shall be made only if the claimant gives written notice to the person liable of the amount claimed, including particulars of the calculation of the amount. The conduct of the parties in making or rejecting settlement offers shall be considered by the court in determining whether an award shall be made and the amount thereof. No part of the attorney's fee for representing a claimant in any such action may be charged against or deducted from the recovery otherwise due to such claimant and no part of such recovery may be applied to such fee.

"Sec. 1405. (a) Any determination made by the Secretary under this Title shall be subject to the provisions of section 553 of Title 5 of the United States Code, and shall be subject to judicial review pursuant to the provisions of Chapter 7 of said Title 5.

"(b) If any provision of this Title or the application thereof to any person or circumstance is held invalid, the remainder of the Title and the application of such provision to other persons or circumstances shall not be affected thereby.

"(c) This Title shall have no application to claims under life, accident or similar insurance policies."

Sec. 4. The Act of August 23, 1958, Federal Aviation Act of 1958 (72 Stat. 731), as amended, is further amended as follows:

(1) By striking from Section 401(n)(1) the words:

". . . by the Board governing the filing and approval of policies of insurance, in the amount prescribed by the Board, conditioned to pay, within the amount of such insurance, amounts for which such applicant or such supplemental air carrier may become liable for bodily injuries to or the death of any person, or for loss or damage to property of others, resulting from the negligent operation or maintenance of aircraft under such certificate or such special operating authorization."

and inserting in lieu thereof the phrase "under Title XIV."

(2) By striking the phrase "or XII" from Section 901(a) and inserting in lieu thereof the phrase "XII or XIV."

(3) By amending Section 1106 to read as follows:

"SEC. 1106. Remedies Not Exclusive.

"Except for aircraft incidents covered by the provisions of Title XIV nothing contained in this Act shall in any way abridge or alter the remedies existing at common law or by statute, but the provisions of this Act are in addition to such remedies."

SEC. 5. The provisions of this Act shall be effective with respect to aircraft incidents occurring at any time after the first day of the calendar month commencing three months after the date of enactment of this Act.

By Mr. DOLE:

S. 2993. A bill to prohibit the Federal Government from restricting export sales of agricultural commodities. Referred to the Committee on Agriculture and Forestry.

Mr. DOLE. Mr. President, today I am introducing legislation to prohibit the Federal Government from restricting export sales of agricultural commodities through the negotiation of voluntary restraints with foreign governments.

Farmers throughout this country have grown increasingly frustrated with this Government's inconsistent agricultural policies. In 1974 and in 1975, the administration asked farmers to plant fence row to fence row for maximum production. Assurances were given that producers would have complete access to world markets if they cooperated with this goal of all-out production. Unfortunately, the administration has failed to keep its promise to farmers of this country.

In October 1974, the administration began a system which required prior approval for export of grains. Prices nosedived. Farmers and agribusinessmen throughout the Nation protested vigorously. Foreign customers began to have serious doubts about the reliability of the United States as a regular supplier of grain. Eventually, the administration was forced by the combined pressure from all segments of the agricultural community and from foreign customers to modify and, in some cases, eliminate the prior approval provision.

This, however, did not mean that the administration had used its entire bag of tricks with regard to export policy. In August 1975, the administration asked for "voluntary restraints" on purchases by foreign customers. Additional impetus for this action appeared to result from the longshoremen's union strike and from political pressure by union leaders. Though the voluntary restraints were supposedly imposed to await the outcome of 1975 crops, it is interesting to note that at the time the voluntary restraints began, a record wheat crop had already been harvested. Moreover, the Department of Agriculture was predicting a record corn crop and near record soybean production.

The effect of this action on grain prices was neither surprising nor unpredictable. Between September 15 and November 15, the average price received by farmers for wheat dropped from $4.11 per bushel to $3.58. During the same period, corn fell from $2.76 to $2.33 and soybeans went from $5.32 to $4.45.

Mr. President, I submit that the major reason for these drastic price declines was an uncertain foreign market brought about by the voluntary restraints—controls. Prior to the current fiscal year, wheat exports had exceeded 60 percent of production for several years. Soybean and corn exports had accounted for 40 and 20 percent, respectively, of the production in these two crops. It is easy to see why a restriction on exports had an immediate and substantial impact.

I do not believe, nor do the farmers of this Nation believe, that the President should be denied the right to stop exports because of a threat to the national security. The administration deserves that right and has that authority in the provisions of the Export Administration Act. The act provides for use of export controls on agricultural commodities "to the extent necessary to further significantly the foreign policy of the United States and to fulfill its international responsibilities, and to the extent necessary to exercise the necessary vigilance over exports from the standpoint of their significance to the national security of the United States."

However, the act also provides that the desirability of subjecting particular items to export controls should be subjected to review by consultation with representatives of appropriate U.S. agencies and qualified experts from private industry. This act further provides that export controls shall not be imposed with respect to any agricultural commodity without the approval of the Secretary of Agriculture and that the Secretary shall not approve such action during any period for which the supply of such commodity is determined by him to be in excess of the requirements of the domestic economy except in the cases cited above—when the President determines that such controls are required for national security or to further significantly the foreign policy of the United States.

My point, Mr. President, is that the recent imposition of controls through "voluntary restraints" was not taken because of a threat to the national security. It was not an embargo of services and goods. We continued to supply all forms of technology, and trucks and computers. It was not an embargo of all commodities. It was an embargo of grain and, therefore, the sacrifice in the form of drastic drops in farm prices was borne by the farmers alone—not by the business community as a whole—and not by the Nation. Our farmers believe in this Nation and in our economic system. They will bear their share of sacrifices in the national interest, but my legislation prevents their being singled out to absorb the cost of an action taken for diplomatic reasons which do not threaten the national security.

The time has come to assure this Nation's farmers open, unimpeded access to foreign markets. With ever-increasing costs of production, farmers deserve this assurance.

This bill prohibits the imposition of voluntary restraints on agricultural export purchases by amending section 812 of the Agricultural Act of 1970, as added by the Agriculture and Consumer Protection Act of 1973—87 stat. 238. I urge favorable consideration of the bill.

By Mr. INOUYE:

S. 2995. A bill to amend chapter 35 of title 38, United States Code, to permit children who are eligible for educational assistance under such chapter to pursue a program of education under such chapter exclusively by correspondence. Referred to the Committee on Veterans' Affairs.

Mr. INOUYE. Mr. President, to those who have lost a spouse or parent in the service of our country, the United States owes a deep obligation. Traditionally, the Government has provided opportunities aimed toward alleviating the economic hardships caused by the disability or death of the veteran.

Perhaps the most significant contribution the Government can give to these families is in the form of education assistance. In 1958, Congress committed itself to aiding families of the deceased or disabled veteran "in attaining the educational status which they might normally have aspired to and obtained but for the disability or death of a parent." Toward this goal, we should strive to provide the widest possible range of educational opportunities for widows and dependents.

Correspondence courses have proven to be viable alternatives to institutional training. Under chapter 34 of the GI bill, which permitted veterans to enroll in correspondence schools, many veterans successfully completed courses by correspondence and, as a result, were able to make up for educational deficiencies and command better salaries. Five years ago Congress recognized the value of these courses by extending their unique benefits to wives and widows of disabled or deceased veterans. For those eligible people who have children or lack transportation, correspondence courses provide a means toward educational betterment which would otherwise be impossible.

Yet, dependents of disabled or deceased veterans—to whom Congress promised a broad scope of educational options—do not presently have the same opportunity. Though dependents can receive full benefits for attendance at a regular university, they are prohibited from taking any courses of correspondence.

The regulation seems to be an arbitrary one. This bill would rectify this situation by permitting eligible dependents to pursue a program of education through correspondence, thereby making available the same educational opportunities now offered to widows and veterans. It would be but a small compensation for the loss or disability of a beloved parent.

SENATE JOINT RESOLUTION 165—NATIONAL FOOD DAY

Mr. HATFIELD. Mr. President, on February 5, 1976, I introduced Senate Joint Resolution 165, a joint resolution designating April 8, 1976, as National Food Day. Although my introductory remarks were printed in the RECORD, the resolution was not. I ask unanimous consent that Senate Joint Resolution 165 be printed in the RECORD at this point.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S. J. RES. 165

Whereas food shortages have resulted in massive hunger and starvation in many nations; and

Whereas malnutrition is a fact of life for millions of Americans; particularly the poor and the elderly; and

Whereas inflation, shortages of fertilizer, adverse weather conditions, and other factors have led to record high food prices in the United States; and

Whereas the diets of tens of millions of Americans lead to serious health problems; and

Whereas changes in agricultural practices are threatening the survival of small family farmers; and

Whereas a broad coalition of citizen groups and concerned individuals have designated April 8, 1976, a national day of action to develop a food policy aimed at assisting needy nations, reducing food prices, improving the quality of the American diet, and insuring the livelihood of the family farmer: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That April 8, 1976, is designated as "National Food Day", and the President is authorized and requested to issue a proclamation to promote public involvement in order to develop a national food policy guided by the needs of people, both in the United States and abroad.

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 1911

At the request of Mr. HARTKE, the Senator from Georgia (Mr. TALMADGE), the Senator from West Virginia (Mr. RANDOLPH), the Senator from California (Mr. CRANSTON), the Senator from New Hampshire (Mr. DURKIN), the Senator from Wyoming (Mr. HANSEN), the Senator from South Carolina (Mr. THURMOND) and the Senator from Vermont (Mr. STAFFORD) were added as cosponsors of S. 1911, a bill to amend title 38, United States Code, to provide certain persons insured under Servicemen's Group Life Insurance—SGLI with a choice of conversion to either an individual term or whole life insurance policy or Veterans' Group Life Insurance policy upon the expiration of their Servicemen's Group Life Insurance coverage, and for other purposes.

S. 2678

At the request of Mr. GRAVEL, the Senator from Colorado (Mr. HASKELL) was added as a cosponsor of the S. 2678, the Nuclear Weapons Sufficiency Act.

S. 2695

At the request of Mr. MONTOYA, the Senator from Louisiana (Mr. JOHNSTON) was added as a cosponsor of S. 2695, a bill to amend the Internal Revenue Code of 1954 to provide a tax credit with respect to housing senior citizens in the principal residence of the taxpayer.

S. 2832

At the request of Mr. MUSKIE, the Senator from Maryland (Mr. BEALL) and the Senator from Florida (Mr. CHILES) were added as cosponsors of S. 2832, a bill to amend the Internal Revenue Code of 1954 with respect to lobbying by certain types of exempt organizations.

S. 2839

At the request of Mr. INOUYE, the Senator from Washington (Mr. MAGNUSON) was added as a cosponsor of S. 2839, a bill to supplement authority of the Secretary of Commerce to collect regular and periodic information on foreign direct and portfolio investments in the United States and on American investments abroad, and for other purposes.

S. 2854

At the request of Mr. PEARSON, the Senator from Nebraska (Mr. HRUSKA) and the Senator from Louisiana (Mr. LONG) were added as cosponsors of S. 2854, a bill to exempt from price controls crude oil produced from stripper wells.

S. 2881

At the request of Mr. FANNIN, the Senator from New York (Mr. BUCKLEY), the Senator from Virginia (Mr. WILLIAM L. SCOTT), and the Senator from Wyoming (Mr. HANSEN) were added as cosponsors of S. 2881, a bill to amend the Education Amendments of 1972 to provide that Boys State, Boys Nation, Girls State, and Girls Nation conferences conducted by the American Legion shall not be subject to title IV of such act, and for other purposes.

S. 2907

At the request of Mr. MCGOVERN, the Senator from Nebraska (Mr. CURTIS) was added as a cosponsor of S. 2907, a bill for the relief of innocent victims of the occupation of Wounded Knee, S. Dak.

S. 2910

At the request of Mr. SCHWEIKER, the Senator from Nebraska (Mr. CURTIS) was added as a cosponsor of S. 2910 a bill to establish the National Diabetes Advisory Board and to insure the implementation of the long-range plan to combat diabetes.

S. 2925

At the request of Mr. MUSKIE, the Senator from Montana (Mr. MANSFIELD), the Senator from Missouri (Mr. SYMINGTON), the Senator from Nebraska (Mr. CURTIS), and the Senator from Utah (Mr. GARN) were added as cosponsors of S. 2925, the Government Economy and Spending Reform Act of 1976.

S. 2941

At the request of Mr. ABOUREZK, the Senator from South Dakota (Mr. MCGOVERN), the Senator from Vermont (Mr. LEAHY) and the Senator from Arizona (Mr. FANNIN) were added as cosponsors of S. 2941, a bill to provide relief for the people of Lebanon.

S. 2950

At the request of Mr. MONDALE, the Senator from Illinois (Mr. PERCY) and the Senator from Nevada (Mr. CANNON) were added as cosponsors of S. 2950, a bill relating to the construction and operation of a natural gas pipeline from the North Slope of Alaska across Canada to domestic markets and for other purposes.

SENATE ROSOLUTION 378

At the request of Mr. MCGOVERN, the Senator from Nebraska (Mr. CURTIS) was added as a cosponsor of Senate Resolution 378, to refer the bill (S. 2907) entitled "A bill for the relief of innocent victims of the occupation of Wounded Knee, S. Dak."

SENATE JOINT RESOLUTION 162

At the request of Mr. DOMENICI, the Senator from Texas (Mr. BENTSEN) was added as a cosponsor of Senate Joint Resolution 162, to proclaim National League of United Latin American Citizens—LULAC—Week.

SENATE JOINT RESOLUTION 165

At the request of Mr. HATFIELD, the Senator from Alaska (Mr. GRAVEL), the Senator from Wyoming (Mr. MCGEE), and the Senator from Maine (Mr. HATHAWAY) were added as cosponsors of Senate Joint Resolution 165, to designate April 8, 1976, as National Food Day.

SENATE CONCURRENT RESOLUTION 93

Mr. JACKSON. Mr. President, I ask unanimous consent that the following Senators be included in the RECORD as copsonsors of Senate Concurrent Resolution 93 supporting the Brussels Conference on Soviet Jewry. This augments the list of cosponsors printed on page 2503 of the RECORD of February 5, 1976:

The Senator from Maryland (Mr. BEALL), the Senator from Alaska (Mr. GRAVEL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Maryland (Mr. MATHIAS), the Senator from Oregon (Mr. PACKWOOD), the Senator from Illinois (Mr. PERCY), the Senator from Pennsylvania (Mr. SCHWEIKER), the Senator from Texas (Mr. TOWER), and the Senator from California (Mr. TUNNEY).

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JACKSON. I also ask unanimous consent that the list printed on February 5 be corrected to show that the Senator from Indiana (Mr. BAYH) is a cosponsor of the concurrent resolution. Due to a typographical error, the name of the Senator from Delaware (Mr. BIDEN) was inadvertently substituted for that of Senator BAYH.

The VICE PRESIDENT. Without objection, it is so ordered.

AMENDMENTS SUBMITTED FOR PRINTING

OMNIBUS DISTRICT JUDGESHIP BILL—S. 287

AMENDMENT NO. 1406

(Ordered to be printed and to lie on the table.)

Mr. TOWER. Mr. President, I am today submitting an amendment to Senate bill 287, the omnibus district judgeship bill.

The bill, which is on the Senate Calendar awaiting floor action, provides for the creation of 45 additional Federal district judgeships nationwide. My amendment would authorize an additional judgeship for the western district of Texas, which would bring its total to seven judges.

The 68-county western district stretches over more than 91,000 square land miles. It is larger than all but 10 of our States. It is three times the size of Indiana; larger than New York and Pennsylvania combined.

The population of almost 3 million is clumped in widely separated locales. Three judges now sit in San Antonio, a fourth 80 miles away in Austin and the fifth 583 miles away in El Paso. In addition, court is held in Waco, Del Rio, Midland-Odessa and Pecos—separated by total distances of 800 miles. With each judge working more than one division, the heavy caseload problems which the western district of Texas shares with other districts is compounded by a heavy travel load burden as well. Clearly, a workload which might be fairly handled by five judges working in one location overburdens the same five men shuffling between seven court sites.

Yet, this significant factor was not taken into account in the assignment of district judgeships by S. 287.

No new district judgeships have been created by Congress since 1970 yet, since that time, the work of our courts has increased dramatically; case filings alone are up more than 26 percent. Four years ago, the Judicial Conference of the United States recommended an additional two judgeships for the western district of Texas. This recommendation was incorporated in the omnibus judgeship bill introduced in the 93d Congress and in S. 287 as originally introduced. However, the Judiciary Committee has recommended but one additional judgeship for this district. This cutback was especially surprising in light of the committee's recommendation of an increase of 16 judgeships nationwide.

The performance record of the western district of Texas is one of the best in the Nation though its case load is one of the highest. Despite its heavy criminal docket, the district disposes of an inordinately large number of criminal cases more expeditiously than any district in the Nation—with an average disposition time of 2.7 months. The median time to trial in civil cases is 6 months—second lowest of the 25 metropolitan courts—despite case filings which ranked 16th out of the 94 districts.

Western district judges have been vigorous in their implementation of modern pretrial procedures. Yet, the committee standard on bench time overlooks the effects of pretrial procedures which reduce actual courtroom time but increase demands on judges' time in chambers. The net effect of the committee standards has been to penalize the western district for its modern and efficient handling of its large caseload—to penalize the judges for their willingness to overwork themselves.

Along with the submission of this amendment, I call upon my colleagues to heed the admonition Chief Justice Warren Burger recently directed at us to put aside partisan political considerations for the sake of our judicial system. This bill has been before the Senate for more than 3 years. It has been pending on the calendar since September 24. Congressional inaction is allowing our courts to drift toward serious trouble. Congressional actions are compounding rather than remedying the problems. The recently passed Speedy Trial Act is placing additional work burdens on our Federal courts. I submit that it is incumbent upon Congress to balance the increased workload it lays on district courts with additional judges to handle it. Passage of this bill will not solve all the problems which today face our court system, but it can help to alleviate those caused by a lack of judgepower.

FOOD STAMP ACT AMENDMENTS—S. 2451

AMENDMENT NO. 1407

(Ordered to be printed and referred to the Committee on Agriculture and Forestry.)

STRENGTHENING THE FOOD STAMP PROGRAM

Mr. HUMPHREY. Mr. President, the Senate Committee on Agriculture and Forestry has been conducting hearings and reviewing how to proceed in reforming the food stamp program.

A number of bills have been introduced on the program, and, of course, there has been a great deal of discussion and controversy surrounding this program in the news.

The great controversy has been over the fact that the level of participation has increased sharply—starting in 1974. The participation peaked at 19.4 million in April and May of 1975 but it has since receded to about 18.5 million as the economy has slowly improved.

Secretary Simon has made this program his favorite whipping boy, stating that the food stamp program has grown 47,000 percent since 1962. He neglected to mention the fact that the program was initially a pilot effort which ran concurrently with a surplus commodity program which in 1972 served 7.5 million people.

And the Treasury Secretary also neglected to point out that in 1962 over 1,300 counties, including some of the Nation's poorest areas, had no food program at all. Today every county does have a food stamp program, and this is a fact to be proud of.

It is worth noting that by December 1971, when virtually every county in the United States finally had a food stamp or commodity program, participation in these programs stood at 14.9 million. In August 1974—when almost all counties had phased out commodities and moved to food stamps—participation still stood at 14.9 million.

At that point our unemployment levels began to rise and increased by 70 percent while the number of food program recipients increased by about 30 percent—during the next 9 months.

A great deal of controversy has also arisen over the issue of fraud in the program. Program defenders have pointed out that the actual fraud rate in the program is extremely low while critics have countered by suggesting that a variety of administrative errors—primarily relating to forms being improperly filled in or a lack of adequate documentation of basic food stamp recipient information—indicate if not fraud, at least a large number of people who should not be receiving food stamps.

In addition, and largely because of a few newspaper and magazine advertisements, the impression has grown that middle-class families earning $15,000 a year can get and are entitled to food stamps.

Last year the Joint Economic Committee published a report based on a study by the Chilton Research Corp. which found that 87 percent of all food stamp recipients had take home pay of less than $6,000 per year, and 97 percent were under $9,000. Last month the report of the President's economic advisers contained the results of a new survey conducted by the U.S. Census Bureau in July 1975. The new survey found that 88 percent of all food stamp households had gross income below $6,000 in July 1975, and 97 percent were below $9,000.

A new problem has arisen in recent weeks. It is the practice known as "lapping" whereby food stamp vendors do not promptly deposit cash from food stamp sales but retain this money for a period of time and use it for their own purposes.

This controversy again highlights the need to improve the administration of the food stamp program. I had earlier called for the establishment of an Assistant Secretary of Agriculture to give greater attention to all nutrition programs and improve their management. Today I am submitting an amendment expanding on that idea.

I am particularly concerned that legislation which is developed this year will actually serve to improve the administration of this program. Many food stamp program administrators contend that the administration's bill and the bill sponsored by Senator Buckley and Representative Michel could serve to create an administrative monstrosity which would place far more strain on managing this program than would be either feasible or desirable.

Beyond improving the legislation, we also need to establish a better set of oversight mechanisms in the Congress in order to assure that the objectives of the program are met and above all that the administration of the program is improved.

The issues raised in these bills are of enormous importance to low-income families. The Buckley-Michel bill would, according to its sponsors' estimates, eliminate 7 million persons from the program. The administration bill, according to USDA's latest estimates, would eliminate 5.3 million persons from the program and make a large number of households, containing 5 million additional recipients, pay $5–$100 more each month to get back the same amount of stamps.

Passage of anything approximating either of these bills would represent one of the gravest cutbacks in any program for low income persons in this Nation's history.

The respective bills sponsored by Senators Dole and McGovern, by Senator Church, and by Senator Javits, on the other hand, contain a feature that would eliminate the food stamp purchase requirement and allow participation for the first time by needy persons now left out of the program because they cannot get the necessary lump sums of cash together to purchase the stamps. This provision would also streamline program operations, end all food stamp sales, and eliminate vendor abuse.

The Dole-McGovern bill also cuts off 1 million persons from the program with highest incomes, and cuts benefits by at least $5 per month for nearly 5 million more. It cannot be characterized as an unduly liberal bill for the households now participating.

The key issues in the various bills are as follows:

First. Should the purchase price be eliminated?

Second. If the purchase price is kept, I would recommend that the price be set at 25 percent of net income, not at 30 percent. The current average percentage paid is 24 percent, and should not be raised all the way up to 30 percent. Last year, the administration sought to increase the food stamp purchase price to 30 percent of income but I, and others, introduced legislation which rejected this cutback effort. Thus, if the purchase requirement is retained, it would be tragic and ironic if the purchase requirement were increased to 30 percent of net income.

Third. Should mandatory payroll deductions—including union dues—and disaster and casualty losses be subtracted separately from the standard deduction in order to avoid treating households inequitably because their incomes are derived from employment? Failure to deduct all payroll deductions would cause many working households to be terminated from the food stamp program while nonworking households—with the exact same income—from unemployment compensation, and so forth—would continue to receive substantial food stamp aid. We certainly do not want to have this legislation serve as a disincentive to employment.

Fourth. A standard deduction should be set no lower than $125 a month, with an extra $25 for households containing an elderly person—the levels prescribed in the Dole-McGovern bill. Consideration should also be given to providing an extra incentive for working households with earned income of at least $100 a month, but this must not cause the basic standard deduction to fall below $125 since only 15 percent to 20 percent of all households would get this extra deduction.

Fifth. The standard deduction should be adjusted semiannually according to changes in the Consumer Price Index in accordance with adjustments in the value of the stamps. The first adjustment should be made July 1, 1976, since all deductions in all the bills are based on household expenses in July 1975.

Sixth. It may be difficult to have a standard deduction established on a variable basis by region and urban-rural setting, but this approach should be explored.

Seventh. The net income should not be lowered to the poverty line. Households earning just over $5,000 a year still need stamps. Moreover, lowering eligibility to or near the poverty line would cause substantial program "notches," or work disincentives. The current net income limit—about $6,600 a year for a family of four—should be retained. Combined with the Dole-McGovern standard deduction—$125, this would create a reasonable gross income limit of $7,900 after taxes.

Eighth. Eligibility should continue to be based on current income, not on income for either the prior 90 days or the prior 30 days. Such provisions would make the recently unemployed and families with fluctuating incomes—like migrant farmworkers—wait long periods of time before they could get stamps. These provisions would base eligibility on a period already past, making ineligible some persons who need stamps, and making eligible some persons who no longer need food stamps.

Ninth. The Buckley-Michel assets proposals would be very difficult to administer and would disqualify large numbers of the unemployed, the elderly and low-income working families. They should be rejected.

Tenth. Food stamp allotments should be increased in accordance with the provisions of the Church bill, so that all elderly persons are enabled to purchase USDA's thrifty food plan. Current coupon allotments provide food stamp recipients with only 46 cents per person per meal. The church coupon allotment provision is not very costly; it helps elderly men, in particular; and would raise coupon allotments from $166 to $178 per month for a family of four.

Beyond these 10 main areas, there are other issues which the Committee on Agriculture and Forestry will need to address during its markup sessions on February 17–19. I am hopeful that the committees in the Senate and the House will establish an effective oversight mechanism so that this very complex and important program can be monitored on a continuing basis.

Toward this end, I am expanding on my earlier proposal regarding the establishment of an Assistant Secretary of Agriculture for Food and Nutrition Services—which the Senate committee has already included in its deliberations.

Today I am recommending that a detailed study of the food stamp program be undertaken after this legislation is enacted. The purpose of the study would be to follow up on the work of our committee and that of other groups in attempting to improve the efficiency and effectiveness of this program. I would hope that this study could be carried out and completed by September 30, 1977.

In spite of differences over how the program should be revised, one of the main concerns of people who have looked at this program is improving the administration of it. My amendment would help strengthen the way in which the program is carried out, building on the work already completed.

As a further part of that amendment I am recommending that a national inventory be taken of all our food and nutrition programs in order to establish a better data and informational base on the nutritional programs which are presently available. This project would establish a better informational base for all of our food and nutrition programs, including the food stamp program.

This project would provide information which is not now available, and it would be of benefit to all of our food and nutrition programs.

I urge that the amendment be accepted by the committee and this body.

Mr. President, I ask unanimous consent that the text of this amendment be printed in the Record.

There being no objection, the amendment was ordered to be printed in the Record, as follows:

AMENDMENT 1407

PILOT PROJECT AUTHORITY

Sec. 17. The Food Stamp Act, as amended is amended by adding a new section as follows:

"Sec. 18. (a) In carrying out the provisions of the Act, the Secretary is authorized to carry out on a trial basis, in one or more areas of the United States, experimental projects for purposes of increasing the program's efficiency and improving the delivery of benefits to eligible households: *Provided, however,* That no project shall be implemented which shall have the effect of reducing or terminating benefits to households eligible for assistance under this Act.

(b) A project shall be implemented whose goal is to take a national inventory of all food and nutrition and related programs being conducted in each State.

"(1) The initial pilot inventory shall be limited to a selected number of States representing a geographical, economic, and demographic cross-section of the Nation.

"(2) This analysis shall include but not be limited to enumerating the objectives of such program or activity; the intended beneficiaries of such program or activity; the services or benefits provided by such program or activity; the places and locations at which such program or activity is to be carried out; and such other information as may reasonably assist the Congress in determining the feasibility, practicality, desirability, and cost of such program or activity; and

"(3) The survey shall commence within three months after enactment of this section and the findings reported to Congress one year after the study is initiated.

"ESTABLISHMENT OF ASSISTANT SECRETARY OF AGRICULTURE FOR FOOD AND NUTRITION SERVICES

"Sec. 19. (a) There is established in the Department of Agriculture an office to be known as the "Office of Food and Nutrition Services". All domestic nutrition programs carried out by the Department of Agriculture shall be administered by the Office of Food and Nutrition Services, including, but not limited to, the food stamp program provided for under this Act, the child feeding programs provided for under the National School Lunch Act and the Child Nutrition Act of 1966, and commodity distribution programs provided for under section 416 of the Agricultural Act of 1949.

(b) There shall be appointed by the President, by and with the advice and consent of the Senate, one additional Assistant Secretary of Agriculture for Food and Nutrition Services. It shall be the responsibility of the Assistant Secretary of Agriculture for Food and Nutrition Services to carry out all domestic nutrition programs of the Department of Agriculture; to carry out an in-depth study of the food stamp program in order to develop recommendations on administrative improvements to increase the efficiency of the program; and to perform such other duties in the conduct of business of the Department of Agriculture as may be assigned by the Secretary of Agriculture. The study of the food stamp program required by this subsection shall be submitted to the House and Senate Committees on Agriculture not later than September 30, 1977.

ADDITIONAL COSPONSOR OF AN AMENDMENT

AMENDMENT NO. 1390

At the request of Mr. Weicker, the Senator from New Hampshire (Mr. Durkin) was added as a cosponsor of amendment No. 1390, intended to be proposed to the Airport and Airways Development Act Amendments of 1976.

ANNOUNCEMENT OF CONFERENCE COMMITTEE MEETING ON H.R. 200

Mr. MAGNUSON. Mr. President, I announce the scheduling of a meeting of the House and Senate Conferees on H.R. 200, the Magnuson Fisheries Conservation and Management Act. The conferees will meet tomorrow, February 18, 1976, at 2 p.m. in room S–407 of the Capitol. The Senate conferees are: Messrs. Magnuson, Pastore, Hollings, Muskie, McIntyre, Kennedy, Pell, Buckley, Stevens, Beall, Weicker, and Packwood.

CONTINUATION OF HEARINGS IN PREPARATION FOR THE FIRST CONCURRENT RESOLUTION

Mr. MUSKIE. Mr. President, the Senate Budget Committee continues public hearings on the first concurrent resolution on the budget for fiscal 1977 next Monday, February 23 through Thursday, February 26.

These hearings will provide valuable information to the Budget Committee for making decisions on the first concurrent resolution on the budget, which must be reported by the committee to the Senate by April 15. This first concurrent resolution on the budget will set targets for total budget outlays and total new budget authority as well as targets for spending in each major functional category of the budget. The first resolution will also specify targets for revenues for the coming fiscal year as well as the surplus or deficit in the budget which is appropriate in light of economic conditions and all other relevant factors.

On Monday, February 23, the topic will be "Overview of Critical Issues in the 1977 Budget," and former Director of the Bureau of the Budget Charles Shultze and former Chairman of the Council of Economic Advisers Herbert Stein will testify.

On Tuesday, February 24, the topic will be "State and Local Government" and the witnesses will be Mayor Moon Landrieu of New Orleans and president of the Conference of Mayors; Mayor Hans Tanzler of Jacksonville and president of the League of Cities; Westchester County Executive Alfred Del Bello, national association of counties; and Mr. Richard Nathan, senior fellow at the Brookings Institution and an expert on State and local finance.

On Wednesday, February 25, the seminar on State and local government will continue with Gov. Robert D. Ray, chairman of the National Governors' Conference, and Gov. Patrick J. Lucey, National Governors' Conference, testifying.

On Thursday, February 26, the topic will be "Controlling Inflation and the 1977 Budget." The witnesses will be Michael H. Moskow, Chairman of the Council on Wage and Price Stability; Secretary of Labor W. J. Usery; Robert Nathan, Chairman of the National Council on Budget Priorities; and Prof. Carl Christ of Johns Hopkins, an expert on State government finance.

All hearings will begin at 10 a.m. in room 357 of the Russell Senate Office Building. Further hearings on the first concurrent resolution will be announced next week.

ANNOUNCEMENT OF HEARINGS

Mr. INOUYE. I wish to announce that the Subcommittee on Foreign Commerce and Tourism of the Committee on Commerce has scheduled hearings on S. 2839, the International Investment Survey Act of 1975, for Monday, February 23 and Friday, February 27. The hearings will be held in room 5110, Dirksen Senate Office Building and will begin at 10 a.m. on both days.

For further information, please call Eric Lee at 224–6742.

ANNOUNCEMENT OF HEARINGS ON S. 2018, THE NATIONAL WORKERS' COMPENSATION ACT

Mr. WILLIAMS. Mr. President, I wish to announce that the Senate Subcommittee on Labor will hold 3 days of hearings on S. 2018, the National Workers' Compensation Act of 1975. The hearings will be held on March 2, 3, and 4 beginning at 9:30 a.m. each day in room 4232 of the Dirksen Senate Office Building.

In the hearings, the subcommittee plans to examine the shortcomings of existing State workers' compensation laws in providing injured workers with adequate compensation for injuries sustained during the course of their employment, and to evaluate the pending Federal legislation. The subcommittee plans to receive testimony from representatives of the business community, representatives from the labor movement, and officials from the insurance industry. We also will receive testimony from public interest groups and concerned individuals to determine the effectiveness of the proposed Federal requirements.

The committee has already developed a long and detailed history of the need for Federal action to improve the workers' compensation system of the States. During the previous Congress, the committee held 12 days of hearings in seven cities and in Washington, D.C., on S. 2008, a similar bill to S. 2018. This testimony from more than 250 witnesses produced an extensive record of the failings of the existing State systems to provide complete and adequate benefits.

Earlier during this Congress, when I introduced S. 2018, I also sent the bill out to a large number of organizations and individuals who had either expressed concern and interest with workers' compensation legislation during our previous hearings, or who were in some other way involved with the system. I asked that these organizations and individuals submit their comments to the committee. The committee has received close to 100 such comments, which have been analyzed by committee staff and will be made part of the hearing record of this legislation. It is our intention during these upcoming hearings to further narrow the issues and to clarify any additional questions which the Committee may have.

Any person wishing to appear and testify, or submit a statement should contact George P. Sape in room G–237 of the Dirksen Senate Office Building, telephone: 224–3674.

ADDITIONAL STATEMENTS

CIA PROBERS—WRECK U.S. REPUTATION

Mr. GOLDWATER. Mr. President, a very interesting article written by Kingsbury Smith, national editor of the Hearst Newspapers, appeared in the Baltimore News-American this past week. The title is "CIA Probers Wreck U.S. Reputation." The people to whom this article refers must be terribly naive in a business way, or they would have known most of their adult lives that the cost of doing business around this world and in this country, I will add, has always included the so-called bite, or if they want to get down to it, payoff.

As you can see by reading this article, this goes both ways. There are Americans receiving payments from overseas firms just as there have been people in other countries receiving payments from American firms. These reports have already cost our aircraft business untold millions of dollars that could well get into the billions, and an interesting event is going to take place when these large aircraft companies have to begin laying off workers. Those who have provided the information so widely spread will find out that the cost of providing unemployment compensation, welfare, and so forth, to paid-off workers because of the disclosure by these committees will far exceed anything the companies ever paid to other countries. I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Baltimore News-American, Feb. 11, 1976]

CIA Probers Wreck U.S. Reputation

(By Kingsbury Smith)

Washington.—Having badly damaged America's foreign intelligence operations, leakage-wild congressional investigations now are ruining the reputations of this country's friends abroad and strengthening communism in Europe and Japan.

This is not to say that Congress should condone CIA excesses, even though they may have been authorized by the White House, or the bribery of foreign officials by U.S. multinational corporations, necessary as such bribery might be to meet foreign competitive sales methods.

A responsible Congress conscious of protecting American national interests could conduct investigations and enact remedial legislation without indulging in scandalous sensationalism and allowing committee staff members to leak secret information.

If Congress wants the CIA to refrain from unethical practices and to be properly supervised, it can enact appropriate laws without demanding details which, through leaks or otherwise, lead to disclosure of the names of political parties and military leaders in Europe and Japan who have received CIA funds to help them prevent Soviet-supported Communist parties from taking control of their countries.

If Congress wants to prohibit U.S. companies from paying what, in effect, are commissions to foreign officials to help them sell American products abroad, Congress can enact the necessary legislation without precipitating disclosures such as those which now threaten the Dutch monarchy, one of the most pro-American, democratic institutions in Europe.

Information demanded by the Senate subcommittee on multinational corporations, headed by Sen. Frank Church, D-Idaho, who also played a prominent role in disclosing CIA secrets, led to the leaked report that Prince Bernhard of The Netherlands received $1.1 million to help American aircraft sales in Holland. This could, according to news from The Hague, cause Queen Juliana, the prince's wife, to abdicate.

In Japan, the socialists and other opposition parties are threatening the overthrow of the American-oriented liberal-democratic government because of the Church subcommittee disclosures that Lockheed Aircraft Corp. paid $12.8 million to influence the sale of airplanes in that country. The Japanese Communist Party is having a propaganda field day with the sensational revelations.

The Wall Street Journal said the testimony which Senator Church's subcommittee wrested from Lockheed executives about payments made to get business in Japan, Italy and The Netherlands "probably inflicted more damage on foreign governments friendly to the U.S. than any other single event in many months."

American aircraft companies, such as Lockheed and Northrop, have paid millions of dollars in so-called "consultant fees' to help sell their planes abroad. Substantial amounts of this money was channeled to political leaders or other personalities who could influence purchases in the countries concerned. French, British and German aircraft companies were doing likewise. In most instances, they simply were outbid by the American companies.

Paying money to influential people who can help you get business is a way of life in Europe and Asia. It now is being assailed by ambitious congressional politicians, eager for the television limelight and newspaper headlines, as bribery because it was done secretly. These payments, however, are not very different in principle from the commissions and fees which Washington lobbyists and well-known legal firms receive from foreign governments and companies to promote their interests in the United States.

The British, French and Germans have contracts well in excess of $1,000,000 with American representatives to plug their wares in this country. Former Sen. Charles Goodell, who voted against the American SST plane, is chairman of DGA International, a firm representing the French manufacturer of Concorde which is committed to pay nearly $500,000 in fees. A German tank manufacturer is pledged to pay in excess of that amount to DGA to help sell its Leopard II tank to the Pentagon. DGA is not likely to bribe American officials to make the sales, but it probably will use all possible influence short of outright bribery to help its clients get the business.

Some American officials who have had a voice in the letting of government contracts have, when they left government services, been hired at high salaries by the firms who received the contracts. So the line between outright bribery and other forms of remuneration is a narrow one even in this country.

Perhaps there should be stricter laws against influence-peddling, bribery of foreign officials by American companies and the payment of American government funds to foreign political parties, but the process of enacting them should not be done in a manner that endangers American national and commercial interests abroad.

The United States government has been giving money to the Italian Democratic political parties on and off since the end of World War II. The Italian Communist Party (CPI) has been well aware of it, but the recent Washington disclosure that the CIA has funneled at least $6 million to those parties since last Dec. 8 has enabled the CPI to make a major propaganda issue of it. This could help the Italian Communists emerge from the next general elections as the dominant political party in Italy.

DOROTHY HAMILL AND THE U.S. OLYMPIC TEAM

Mr. RIBICOFF, Mr. President, amateur athletics have always played a large role in the lives of Americans. Many of the finest traditions of this Nation are symbolized by the spirit and challenge of free competition. It is fortunate that amateur athletics have again caught the attention of all Americans in this, our Bicentennial Year, for they should, and now have, taken a prominent place in our celebration of our 200th birthday.

To excel requires dedication and sacrifice, and there is no greater measure of that commitment to the pursuit of excellence than the Olympics. An Olympic medal is the highest honor an athlete can achieve. In Innsbruck, nine Americans won a total of 10 medals. During the last 20 years, no American team had won as many at the winter Olympics. Watching young Americans win medals gave all of us a sense of the ideals, the spirit, the character and the emotion that we aspire to. Our sense of ourselves and of our Nation was crystallized by the extraordinary achievement of people like Dorothy Hamill.

Dorothy Hamill of Riverside, Conn., is 19 years old. She is also the best figure skater in the world, and last week, the eyes of America were drawn to the beauty of her art. Her achievement captured our imagination. I know the people of Connecticut are especially proud of Miss Hamill, for she, like all of those who competed for the United States, brought honor to herself, to those nearest to her, to her State, and to her Nation.

I am sure all my colleagues share my admiration and respect for our Olympians. The resolution passed by the Senate yesterday is a measure of the strong gratitude all Americans feel for the members of the U.S. Olympic Team.

CONGRESSIONAL OVERSIGHT OF THE INTELLIGENCE COMMUNITY

Mr. BAKER. Mr. President, I rise today to make a few brief remarks complimenting President Ford with respect to the intelligence program which he announced last night.

Last evening, I was privileged to attend the President's briefing of the bipartisan leadership of Congress prior to his press conference; and I find the President's intelligence proposals, which he outlined at that briefing and later in his press conference, to be a broad, comprehensive, and well-thought-out program. I commend the President and the staff of the Intelligence Coordinating Group, as well as Director of Central Intelligence Bush, for the hard work and keen insight which obviously went into the preparation of these reforms.

As my colleagues are aware, the President stated that the overall policy control of the intelligence community henceforth would be vested in the National Security Council. In addition, he established three units to consolidate and bring about more effective executive branch oversight of the intelligence community—a Committee on Foreign Intelligence which will be responsible for the management of the intelligence community and report directly to the NSC; an Intelligence Oversight Board which will assist the President, the NSC, and the Attorney General in monitoring possible abuses of our intelligence capability; and a reformed 40 Committee under the new title of Special Intelligence Operations Group. Thus, the President described his system as placing the NSC in control of foreign intelligence operations; the Committee on Foreign Intelligence handling the day-to-day management of the community; and the Intelligence Oversight Board monitoring any possible future abuses.

The President also suggested that Congress centralize its oversight of the intelligence community by creating a new Joint Committee on Intelligence, which he suggested could be modeled after the Joint Committee on Atomic Energy. While I originally proposed the formation of such a joint committee, in S. 317, which I had the privilege to reintroduce this term with my distinguished colleague from Connecticut, Senator WEICKER, I respectfully reserve judgment as to whether a joint committee will provide the best possible oversight requirement. It may well be that a separate Senate committee would be advisable; but, notwithstanding this dilemma, I am hopeful that we will soon enact appropriate oversight legislation.

In that respect, I note that tomorrow the Government Operations Committee will conduct a markup on the various intelligence oversight bills which have been referred to that committee, and I compliment the Government Operations Committee, its chairman, Senator RIBICOFF, and its ranking member, Senator PERCY, on the thoroughness of the congressional oversight hearings which have just concluded.

In summation, I view the President's effort to streamline and reestablish confidence in our intelligence system as being timely and worthwhile. In view of the necessity of a strong intelligence capability, and now that the President has presented his comprehensive reform of the executive branch national intelligence arrangement, I urge my colleagues to do our share by speedily passing appropriate congressional oversight legislation.

S. 2908—VETERANS OMNIBUS HEALTH CARE ACT OF 1976

Mr. CRANSTON. Mr. President, on February 2, I introduced S. 2908, the proposed Veterans Omnibus Health Care Act of 1976. Joining me as cosponsors of this comprehensive legislation were the distinguished chairman of the Committee on Veterans' Affairs (Mr. HARTKE), and the ranking majority member of the Subcommittee on Health and Hospitals (Mr. RANDOLPH). Hearings on this bill and related measures will be held before the subcommittee, which I am privileged to chair, on February 18 and 19.

When I introduced S. 2908 earlier this month, I made a brief explanatory statement which included a very brief description of the legislation's rationale and its major substantive provisions. I promised at that time to supply a more comprehensive statement and a section-by-section analysis at a future date.

PRINCIPAL PURPOSES OF THE VETERANS OMNIBUS HEALTH CARE ACT OF 1976

BACKGROUND

When I assumed the chairmanship of what was then the Veterans' Affairs Subcommittee of the Senate Committee on Labor and Public Welfare in 1969, we were at an important juncture in the history of the Department of Medicine and Surgery. For a decade, the Department had provided roughly the same quantity and quality of health care in its then 166-hospital health care system. In fiscal year 1963, before the buildup of troops in Vietnam, the Department spent $1.17 billion on medical programs, and employed approximately 130,352 people in medical and health care capacities. By 1969, 6 difficult years of war later, the Department's expenditures for medical programs had risen less than $400 million to $1.55 billion, and only 1,345 additional employees had been added to the Department's rolls—and this despite a bloody war that generated far more wounded veterans, and more veterans with chronic and permanent injuries, than the Korean conflict.

It was clear to me in 1969 that the capacity of the VA hospital system to cope with the demands of the Vietnam era would be seriously compromised without a substantial infusion of money and health care personnel to improve the comprehensiveness and the quality of care available in VA health care facilities. Since 1969—first as chairman of the Veterans' Affairs Subcommittee, and later as chairman of the Subcommittee on Health and Hospitals on the newly created Veterans' Affairs Committee—I have made the improvement of care provided veterans in VA hospitals one of my top legislative priorities.

Since fiscal year 1969, the VA's health care budget has more than tripled. We have provided funding for an additional 45,000 health care personnel. We have initiated numerous specialized medical programs, provided new funds for renovation and construction of VA facilities and acquisition of badly needed equipment, expanded the capacity of the VA hospital system to train more health care professionals and personnel both for its own needs and for the needs of the Nation, and dramatically expanded the VA's authority and ability to provide outpatient and ambulatory care services.

The system's growth in the past 7 years has been tremendous. We can be generally proud of the way the VA's Department of Medicine and Surgery has coped with one of the most difficult and demanding transition periods in our history—the transition from wartime to peacetime after the longest and most divisive war of the 20th century.

NEW PRIORITIES

Today, Mr. President, we find ourselves at another critical juncture in the history of the Department of Medicine and Surgery. With inflation eroding the purchasing power of the Federal dollar, and with the imperative of keeping overall Federal expenditures within the limits of a tight spending ceiling, is it reasonable for the VA's health care budget to expand at the same rapid rate as it has in the past 7 years? Can the Department of Medicine and Surgery continue to provide more care and services for a growing number of veterans without compromising its medical standards and efficiency?

Mr. President, I suspect that the answer to both these question is no. I believe that the time has come to take a searching look at the present priorities within this enormous health care system, and to establish new priorities for the allocation of the VA's very large and very diverse health care capacity so as to redirect care and expenditures to the system's primary beneficiaries—veterans with service-connected disabilities. We have not been sufficiently sensitive to the needs of the service-connected veteran. The liberalization of eligibility requirements and the expanded capacity of the VA health care system in the past 7 years has primarily benefited veterans with non-service-connected disabilities.

In 1970, for the first time, eligibility for VA hospital benefits was extended to any veteran aged 65 or more, regardless of the nature of the veteran's disability, and, for the first time with respect to a non-service-connected veteran, without regard to ability to defray expense—section 610(a)(4) as amended by Public Law 91-500 and Public Law 93-82. Three years later, eligibility for outpatient care benefits was broadly expanded to include any veteran suffering from a non-service-connected disability for whom outpatient treatment would "obviate the need" for hospitalization—section 612(f)(1)(A) as added in part by Public Law 93-82.

Mr. President, I think that, after almost a decade of experience with such expanded eligibility, we must be very sure that service-connected veterans are receiving priority for their health care needs in the VA health care system.

SUMMARY OF S. 2908

GENERAL PURPOSES

The first major purpose of the Veterans Omnibus Health Care Act of 1976 is to shape a new direction for the Department of Medicine and Surgery after almost a decade of tremendous growth—a direction that will emphasize better and more comprehensive treatment primarily for service-connected veterans and primarily within the limits of existing resources, existing programs, and existing facilities.

A second major purpose, consistent with the first, is to resolve some of the longstanding legal and medical problems confronting the Department of Medicine and Surgery. It is not enough merely to insure that new priorities are established. We must also focus within the framework of those priorities on the effectiveness and efficiency of the Department's programs, and whether they are operating within the limits of statutory requirements.

The omnibus legislation, therefore, contains several provisions designed to improve the services provided—particularly with respect to drug and alcohol abuse treatment, compensated-work therapy, informed consent, nursing home care, and sharing of resources and coordination of programs—and the operating efficiency of existing Department programs, as well as other provisions to establish new programs for the treatment and rehabilitation of veterans—such as preventive health care, outpatient readjustment and mental health counseling, and intermediate nursing home care.

A third major purpose is to make technical and conforming changes of a minor nature in title 38 of the United States Code, in order to correct certain errors and to achieve internal consistency.

SPECIFIC PROVISIONS

The bill has three titles: General substantive amendments, drug and alcohol amendments, and technical and conforming amendments. Mr. President, I will summarize the highlights in each title briefly.

Title I: General veterans health care and Department of Medicine and Surgery amendments.—This title includes general substantive amendments to chapters 17, 73, 81, and 82 of title 38. Among the highlights in the bill are amendments to accomplish the following objectives.

First. Require, as proposed in amendment No. 17 to S. 490 introduced by Senator ABOUREZK, periodic reexaminations of VA beneficiary travel reimbursement rates in light of rates for Federal employees under title 5, and redirect payments for such travel toward veterans receiving care for service-connected disabilities.

Second. Authorize mental health services, consultation, and professional counseling for treatment of the family of a veteran, on an outpatient basis, when necessary to the treatment of the veteran.

Third. Establish a new program to provide outpatient readjustment professional counseling for veterans—and, where necessary, family counseling—to assist with their readjustment problems arising within 4 years of discharge, or 2 years after enactment, whichever is later.

Fourth. Provide total VA health care benefits, in the nature of a health maintenance organization, for any veteran with a service-connected disability rated at 50 percent or more—lowered from 80 percent under present law and expanded to include preventive health care.

Fifth. Establish a system of priorities for outpatient care stressing treatment to veterans for service-connected disabilities, to those with 50 percent or more service-connected disabilities, to those with major non-service-connected disabilities.

Sixth. Establish—effective January 1, 1977—a new program in preventive health care, with a mandatory program for veterans being treated for service-connected disabilities and those with 50 percent or more service-connected disabilities, and a discretionary pilot research program for other veterans, with discretion being vested in the Chief Medical Director to phase in, as he determines to be feasible and cost-effective, various components of a preventive health care program.

Seventh. Provide clear statutory authorization for D.M. & S.'s work therapy program by allowing for arrangements with private industry and with nonprofit corporations to supply work projects for patient workers—with remuneration in accordance with the Fair Labor Standards Act—and by establishing a revolving fund to receive and disburse funds in connection with such work.

Eighth. Tighten up statutory authority to contract for services, especially with respect to treatment for non-service-connected disabilities.

Ninth. Permit completion of certain dental work and minor emergency dental care on an outpatient basis. The amendments made are proposed as minor adjustments of authority, primarily to conform the statutory eligibility requirements in section 612(b) to what we have been led to believe is the current practice of the Department of Medicine and Surgery. If further examination of these amendments reveals that they would entail any significant additional costs, then we will not continue to support them—in their present form, or perhaps at all—and I will propose appropriate modifications or deletion of those provisions.

Tenth. Allow for the transfer of veterans who have received maximum hospital benefits to the more economical, intermediate care nursing facilities—at lower reimbursement rates—at VA expense, in addition to skilled nursing care facilities, as presently authorized.

Eleventh. Increase—effective January 1, 1976—the per diem rates the VA pays for care to veterans receiving hospital, domiciliary, and nursing home care in State homes—by 10, 22, and 33 percent, respectively; encourage the construction of State domiciliary facilities in those States which are not now served by VA hospitals or domiciliary facilities—Alaska and Hawaii—and increase per diem reimbursements to such State homes; establish minimum standards of care for VA-assisted State homes; and provide for an increase of up to 12.5 to 25 percent in the per diem rates the VA pays for care to veterans in community nursing homes.

Twelfth. Aid in the recruitment of nurses and other health care personnel by making title 38 premium and overtime pay provisions applicable to all personnel whose principal responsibilities relate directly to patient care, and by giving the Administrator authority to raise entry-grade pay levels on a geographical or national basis when necessary for recruitment or retention purposes—the major personnel categories involved being licensed vocational nurses and nursing assistants.

Thirteenth. Provide standards for insuring the informed consent of all patients and research subjects, guaranteeing the confidentiality of certain patient medical records, and preventing discrimination against alcohol and drug abusers in admission to VA health care facilities.

Fourteenth. Make changes in the financing and bookkeeping requirements of the Veterans Canteen Service.

Fifteenth. Authorize the release to Federal, State, and local public health or law enforcement agencies of the name and address of patients in VA health care facilities, under certain carefully circumscribed conditions and according to specified procedures.

Sixteenth. Shorten the probationary period for title 38 employees—physicians, dentists, nurses, physician assistants, and expanded-duty dental auxiliaries—from 3 to 2 years, and establish statutory due process protections to govern adverse or disciplinary actions with respect to all title 38 employees.

Seventeenth. Provide for mechanisms to achieve exchange of information, and coordination of communication with certain other Federal and community health care, quality assessment, and planning programs; and sharing of excess beds with community health care facilities with very tight controls to ensure priorities for veterans care are maintained and that such sharing arrangements are renewed by Congress at least annually.

Eighteenth. Require the Chief Medical Director to study and prepare a report on long-range changes that should be made in the VA health care program to accommodate the growing number of aged veterans in the U.S. population.

Title II: Veterans drug and alcohol treatment and rehabilitation amendments.—Mr. President, title II contains provisions based on those in S. 284, as passed by the Senate in 1973. The provisions require the VA to establish special medical programs, on both an inpatient and outpatient basis, to treat patients suffering from alcoholism or drug dependence. These programs, generally stress alternative treatment modalities, use of peer-group counsellors, outreach activities, rehabilitation services, employment assistance, close coordination with the Armed Services, and follow-up to demonstrate program effectiveness.

Title III: Medical technical and conforming amendments.—Mr. President, included in title III are amendments of a technical, perfecting, or conforming nature, including amendments to do the following:

First. Clarify the language authorizing biomedical, prosthetic, and health care services research.

Second. Eliminate those remaining distinctions between peacetime and wartime military service, for purposes of eligibility for certain minor health care benefits—to conform to decisions made with respect to eligibility for hospital care, outpatient care, and nursing home care in the Veterans Health Care Expansion Act of 1973, Public Law 93-82.

Third. Change all references from "physician's assistants" or "physicians' assistants" in title 38 to "physician assistants," and change all references from "dentists' assistants" to "expanded-duty dental auxiliaries."

Fourth. Change all references from "pay," "compensation," or "wages" to a standardized reference to "rate of basic pay."

Fifth. Eliminate all pronouns and nouns which are discriminatory on the basis of gender—for example, change all references from "his" to "such person's," and so forth.

IMPROVING CARE FOR THE SERVICE-CONNECTED DISABLED VETERAN

On January 5, 1976, the Deputy Chief Medical Director of the Department of Medicine and Surgery distributed a circular entitled "Identification of Records of Veterans Who Have a Service-Connected Disability." The first paragraphs of the circular stated, in pertinent part:

> Prompt attention to providing care to all veterans is a goal that we continually strive to meet. It is recognized, however, that because of limited facilities there are instances during peak workload hours that require the establishment of priorities. The service-connected veteran has, historically and factually, been considered as being entitled to the first priority for care when it has been necessary to formalize procedures.
>
> It has been brought to our attention during recent months that too often under the patient care workload we manage today, we fail to properly identify those veterans with service-connected disabilities so that priority attention may be provided to them.

Mr. President, our subcommittee's oversight of the VA health care system has convinced me that the Department of Medicine and Surgery has indeed not been careful enough in distinguishing between its obligations to service-connected veterans and its obligations to non-service-connected veterans Many of the provisions in title I of the omnibus bill, therefore, are designed to insure that funds are spent first for the benefit of veterans with service-connected disabilities and, then, as funds and facilities are available, for other veterans in need of hospital care and medical services.

BENEFICIARY TRAVEL

A good example, Mr. President, is section 101 of the omnibus bill, to establish a new policy for the reimbursement of the travel expenses of veterans to and from VA hospitals and health care facilities.

Under current law, a VA beneficiary may pay his or her own expenses of travel by personally owned conveyance and be reimbursed on a mileage basis—under present VA regulations at 8 cents per mile. Although this reimbursement rate is considerably below the 11 to 16 cents per mile paid to Federal employees who use their own vehicles in situations deemed to be "advantageous to the Government," the total cost of this VA beneficiary travel reimbursement in fiscal year 1975 still amounted to $44 million, and the cost is expected to rise to $50 million this fiscal year.

Concerned by the rapid increase in the cost of the beneficiary travel reimbursement program and by a decision by the Office of Management and Budget—reflected in the VA's fiscal year 1977 budget request for medical care, holding beneficiary travel reimbursement to $50 millions—that further cost increases would have to be absorbed within the VA's medical program budget, several hospitals in the VA system have recently instituted a new reimbursement policy, under which all veterans would receive reimbursement only for the cost of public transportation to and from the VA facility.

Mr. President, it is significant, I think, that neither the statutory reimbursement policy contained in section 111 of title 38, nor the newly implemented administrative policy of providing busfare reimbursement only, in certain areas, makes any distinction between veterans seeking care for service-connected and those for non-service-connected disabilities.

Section 101 of the omnibus bill proposes a new statutory policy that would, for the first time, make that distinction. We recognize the need to economize. We recognize that travel reimbursement costs cannot continue to grow without limit, especially when that growth may have to be achieved at the expense of critical aspects of the VA's medical care program. Under section 101 of the omnibus bill—as amended by amendment No. 1393—February 16, 1976—veterans seeking treatment for service-connected disabilities would be reimbursed for the full cost of transportation by private vehicle, or a per-mile estimated equivalent, up to but not exceeding the expense actually incurred.

Veterans suffering from non-service-connected disabilities would receive busfare reimbursement only, unless: First, public transportation were not reasonably accessible, or second, travel by public transportation would be medically inadvisable due to the nature or gravity of the disability. Under those two circumstances, the veterans would be reimbursed for the cost of travel by private automobile, again not exceeding the expense actually incurred.

In short, Mr. President, the new policy adopted in the omnibus bill would achieve substantial savings by authorizing busfare reimbursement for many veterans with non-service-connected disabilities, while, at the same time, recognizing the legitimate claim of veterans being treated for service-connected disabilities to a fuller form of travel reimbursement and creating—as Senator ABOUREZK and I proposed in S. 490 amendment No. 17—new factors and a new procedure governing the setting of travel and per diem rates for such veterans' travel.

PRIORITIES FOR OUTPATIENT MEDICAL SERVICES

Since the enactment of Public Law 93–82 in August of 1973, the VA has experienced its greatest growth in the area of outpatient and ambulatory care visits. The 1973 act authorized, for the first time, outpatient care benefits for any veteran suffering from a non-service-connected disability for whom outpatient treatment would obviate the need for hospitalization. In fiscal year 1973, the last full fiscal year before the enactment of the new law, the VA handled 10.5 million outpatient medical visits. In fiscal year 1974, the figure jumped to 11.6 million visits.

In fiscal year 1975, the first full fiscal year after the law's enactment, there were 13.9 million visits, an increase of 2.3 million visits over the previous year. Over 60 percent of that increase—1.4 million visits, at a cost of $38.8 million—was due to treatments authorized under the new "obviate" language, and it is clear that this new category of eligibility has been responsible for much of the growth in the VA's outpatient and ambulatory care program in the last several years.

The 1974 special survey report—on the level of the quality of patient care at Veterans' Administration hospitals and clinics—identified space and staffing expansion for the ambulatory care program as a goal worthy of the "highest priority." The subcommittee is very much aware of the great number of patient and staff complaints generated by the overcrowded conditions in outpatient programs and ambulatory care services at VA health care facilities across the Nation, and of the pressing need to introduce some order into a system that grows more overcrowded every year.

The Chief Medical Director, at my request, has prepared a detailed series of charts showing the growth of the outpatient and ambulatory care program, by category of visit, over the past 8 fiscal years. Mr. President, I ask unanimous consent that these charts be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 1.)

Mr. CRANSTON. Mr. President, these data show with great clarity the extent to which outpatient visits for non-service-connected veterans has grown in the past 8 years. In fiscal year 1970, 63 percent of all outpatient visits—4.5 million out of a total of 7 million—were for the treatment of or examinations in connection with service-connected disabilities. By fiscal year 1973—the year before enactment of Public Law 93–82—the percentage of service-connected visits had dropped to 52 percent, 5.5 million visits out of 10.5 million. In fiscal year 1974—the first year after the enactment of the new law, and the first year non-service-connected veterans qualified for outpatient care benefits under the "obviate" language—the percentage dropped to 49 percent, and non-service-connected visits outnumbered service-connected visits for the first time in the Department of Medicine and Surgery's 30-year history.

This fiscal year, only 45 percent of veterans seeking outpatient care from the VA will have service-connected disabilities, the lowest percentage ever. The cost of providing their care will be $326 million, of which $53 million is for the "obviate" hospitalization category and well over $125 million is for post-hospital care which we are now generally limiting to 12 months after hospitalization.

A still more graphic illustration of the tremendous change in emphasis in the provision of outpatient care is found by isolating outpatient treatments from examinations—those either for compensation and pension or for medical care eligibility. In fiscal year 1970, the VA had 5,156,732 outpatient treatment visits, of which 3,573,133 were for service-connected disabilities. This was 60 percent of the fiscal year 1970 outpatient treatment visits. In fiscal year 1976 it is projected that this service-connected percentage will fall to 45.7 percent—5,114,000 out of 11,194,000 outpatient treatment visits. Over this 6-year period, then, annual non-service-connected outpatient treatment visits rose from 1,584,000 to 6,080,000, an increase of almost fourfold.

Mr. President, another way to illustrate the same phenomenon is by pointing out that since 1970, the annual number of service-connected outpatient visits has gone from 4.5 million to 6.6 million, an increase of 47 percent. Over the same period, the annual number of non-service-connected visits has gone from 2.5 million to 8.1 million, an increase of more than threefold. The result of this extraordinary growth in the number of outpatient visits by veterans with non-service-connected disabilities has been severe overcrowding of existing outpatient clinics and services, and the threat of a lower quality of care for the system's primary beneficiaries—veterans suffering from service-connected disabilities.

The 1974 special survey report on the level of the quality of patient care at Veterans' Administration Hospitals and Clinics identified space and staffing expension for the ambulatory care program as a goal worthy of the "highest priority." In view of the great number of patient and staff complaints generated by the overcrowded conditions in outpatient programs and ambulatory care services at VA health care facilities across the Nation, we believe there is a pressing need to introduce order into a system that daily grows more overburdened.

Mr. President, the omnibus bill contains several provisions designed to promote the more efficient and orderly use of existing outpatient services and facilities.

One of the most important is contained in section 105(a)(8) of the bill.

This provision would add a new subsection (i) to section 612 of title 38, in order to establish—for the first time—a statutory hierarchy of priorities for outpatient medical care eligibility. Veterans seeking treatment for a service-connected disability are accorded the highest priority. Next priority would go to veterans with service-connected disabilities rated at 50 percent or more. Third on the priority list would be veterans with service-connected disabilities rated at less than 50 percent. Fourth in priority would be veterans with permanent catastrophic injuries who receive an aid and attendance or permanently housebound allowance for their non-service-connected disability under section 612(g).

Last in priority would be all other veterans eligible for outpatient medical services under section 612(f)(1). Even here, Mr. President, the bill establishes priorities between categories of veterans seeking treatment for non-service-connected disabilities. Under section 105(a)(5) of the omnibus bill, veterans seeking outpatient treatment in preparation for hospitalization under section 612(f)(1)(A), or to complete treatment after hospital care has been rendered under section 612(f)(1)(B), receive priority over veterans seeking treatment to "obviate the need of hospital admission" under section 612(f)(1)(A), since the latter category of veterans would receive care only "to the extent that facilities are available" after all other eligible veterans have been served.

Mr. President, closely related to these new priorities is another amendment in the omnibus bill. Section 105(a)(7) proposes to extend the eligibility for total VA outpatient care for any disability to veterans with disabilities rated at 50 percent or more. Under current law, in section 612(f)(2), only veterans rated at 80 percent or more are eligible for this full range of outpatient services.

This proposed expansion of section 612(f)(2) is really part and parcel of the priority hierarchy, since the greater number of veterans with service-connected disabilities who are eligible for total outpatient services because of this amendment will necessarily mean that more service-connected veterans will receive priority treatment over non-service-connected veterans. Thus, we do not contemplate a cost impact for the new section 612(f)(2) eligibility for the approximately 184,000 veterans with service-connected disabilities rated at 50, 60, and 70 percent.

Just as significant as the rapid growth in outpatient visits during the past decade is the exceptional growth and size of the fee-basis program. Here again, Mr. President, statutory law and VA regulations have never distinguished carefully enough between fee-basis outpatient care eligibility for service-connected and for non-service-connected veterans. As competition continues to increase for resources in the VA system, it is imperative that such distinctions be drawn. The omnibus bill provides a first step in that direction.

Under current law, section 601(4) of title 38 defines the term "Veterans' Administration facilities." Because of the addition of another definition in section 601, the omnibus bill redesignates clause (4) as clause (5). Section 302(b)(2) and (3) then amends clause (5) to make it clear that the VA may contract for fee-basis service only when VA or other Federal hospitals or clinics "are not geographically accessible or capable of furnishing the care or services required." This new language is designed to make it clear to the Administrator that fee-basis service is not to be authorized—for service-connected or non-service-connected disabilities—except when regular VA hospitals and clinics (or other Federal facilities) are genuinely unable to provide the needed services themselves.

In addition to this general limitation on fee-basis service, the omnibus bill, in sections 105(a)(4) and 302(b)(3), adds a specific limitation on the fee-basis services that may be provided to veterans for the treatment of non-service-connected disabilities. Section 612(a) of title 38, authorizing outpatient treatment for veterans' service-connected disabilities, contains a limitation—"within the limits of Veterans' Administration facilities"—which is specifically defined in present section 601(5) as redesignated to include fee care for service-connected disabilities and which term does not appear in section 612(f), authorizing treatment for veterans with non-service-connected disabilities. The VA has, in anomalous fashion, interpreted this to mean that fee-basis treatment is authorized under all circumstances for non-service-connected disabilities.

Under section 105(a)(4) of the omnibus bill, section 612(f) is amended by adding the same qualifying language—"within the limits of Veterans' Administration facilities"—that now appears in section 612(a).

Also, under section 302(b)(3) of the omnibus bill, the definition of "Veterans' Administration facility" is amended to limit fee-basis or contract care to five specific categories of veterans:

Veterans seeking treatment for a service-connected disability;

Those seeking treatment of a disability which led to discharge from the Armed Forces;

Those in need of posthospital care, under section 612(f)(1)(B) for 12 months after hospitalization, except that such 12-month period may be extended to the extent necessary to treat the particular condition being treated and if other Federal reimbursement is not reasonably available to defray substantially the cost of such services;

Those with service-connected disabilities rated at 50 percent or more, under section 612(f)(2); and

Those who must be hospitalized—as opposed to receiving outpatient medical services—on account of a disability for which the VA is not capable of caring within the limits of its own health care facilities.

In no circumstances, other than these five specific ones, would outpatient or hospital fee-basis care generally be authorized. A patient seeking outpatient care for a non-service-connected disability, for example, would not be eligible for care on a fee basis if care were needed solely to obviate the need for hospital admission, or to prepare the veteran for hospitalization.

HOME HEALTH SERVICES

Mr. President, another example of the need we now find to distinguish between service-connected and non-service-connected veterans concerns the provision of home health services. Under section 601(6) of title 38, as amended in 1973 by Public Law 93–82, veterans are eligible for "such home health services as the Administrator determines to be necessary or appropriate for the effective and economical treatment of a veteran." Under the home health services program, the VA is presently authorized to make necessary improvements to the home of a hospitalized veteran, in order to permit that veteran to leave the hospital and to receive treatment at home. Examples of home improvements are the construction of temporary ramps to permit access to the house by wheelchair, electrical adjustments to permit the operation of dialysis equipment, and the installation of air conditioning equipment or winterizing insulation. However, the VA has held that it does not have the authority—either under the "home health care" definition or section 617—to widen a bathroom door or a driveway—because these would be permanent improvements to the realty—as part of home health care. S. 2908 would permit such improvements as part of home health care but would limit them to minor amounts of expenditures—such as, less than $500.

No distinction is presently made in law between the kinds of home health services available to a veteran being treated for a service-connected disability and those available to a non-service-connected veteran. Mr. President, the omnibus bill proposes just such a distinction. Under section 102(3) of the bill, as I just discussed, the term "home health services" is redefined to include improvements and structural alterations to the home, but only "of a minor nature" and only when necessary to assure the continuation of treatment or to provide access to the home or lavatory facilities. Certain veterans with non-service-connected disabilities would be eligible for home health services as part of the "medical services" provided under section 612(f) of title 38. Under the revised definition of "medical services" in section 601—as modified by amendment No. 1393 of February 16, 1976—only those veterans in need of post-hospital care or with service-connected disabilities rated at 50 percent or more would be eligible for home health services for the treatment of a non-service-connected disability—and then only for home improvements "of a minor nature." We are not aware that the VA has applied the present home health authority to extend to pre-hospital and obviate hospitalization outpatient care, but original congressional intent certainly was to include within home health care eligibility only those persons who were hospitalized.

For veterans receiving treatment for a service-connected disability, however, S. 2908 proposes that a broader range of home health services would be available. Under section 105(a)(1) of the omnibus bill, home health services would be authorized for the treatment of service-connected disabilities when "necessary or appropriate for the effective and economical treatment of such disability." Home improvements and alterations would be authorized as necessary to assure the continuation of treatment or access to home or lavatory facilities, and home improvements would not have to be "minor in nature." All veterans being treated for service-connected disabilities would be eligible for home health services for such treatment, including major home improvements and alterations, as opposed to home health care for non-service-connected veterans for whom the VA could make home improvements or alterations only of a minor nature as part of home health care.

PREVENTIVE HEALTH CARE PROGRAM

Mr. President, section 111 of the omnibus bill would establish a new preventive health care program in VA hospitals and clinics. I will describe the details of the program later in my statement, but for now, I would like to point out that here, too, a distinction is made between the provision of care to service-connected and non-service-connected veterans. The Administrator is required to furnish preventive health care services to veterans with service-connected disabilities. For other veterans, the Administrator is given discretion to carry out a pilot program in preventive health care, to demonstrate the cost-effectiveness and medical advantages of preventive health care.

SUMMARY

The omnibus bill represents a return to first principles. The VA hospital system was originally established to provide care and services for veterans with service-connected disabilities. Eligibility criteria were broadened in subsequent years to include categories of non-service-connected veterans, primarily because the number of veterans with service connection was too small to permit the operation of a cost-efficient national hospital system.

Mr. President, I want to stress that we are not proposing the elimination or reduction of health care benefits for non-service-connected veterans. What was true 20 years ago is still true today—the VA hospital system cannot provide quality health care at a reasonable price without treating the non-service-connected veteran. What we are proposing is that service-connected veterans be treated first. If anyone must wait for services, it should not be those with a first claim to attention.

IMPROVING THE HEALTH CARE CAPACITY OF THE DEPARTMENT OF MEDICINE AND SURGERY

A period of tremendous growth and expansion in the Department of Medicine and Surgery is coming to an end. In the future, I believe the thrust of the Department's development should be toward the more efficient utilization of existing resources and facilities. The second major purpose of the omnibus bill, therefore, is to resolve some of the longstanding legal and medical problems confronting the Department by, first of all, insuring that existing programs are conducted effectively, efficiently, and within the limits of statutory requirements, and, second of all, by establishing new programs to provide necessary treatment and rehabilitation that are not now provided under title 38.

TREATING THE VETERAN PATIENT AS PART OF THE FAMILY UNIT

Mr. President, a good example of a provision in the omnibus bill designed to improve the operating efficiency of an existing Department of Medicine and Surgery program is one contained in section 102(3) of the bill. This provision would provide for appropriate outpatient mental health services, consultation, professional counseling, and training to members of a veteran's family or a veteran's legal guardian when such treatment or services are necessary or appropriate to the effective treatment of the veteran.

Physicians, particularly psychiatrists, in the VA health care system have repeatedly stressed that the effective treatment of a veteran is often not possible unless family members are also available for treatment and counseling. Total care of a physically or emotionally disabled veteran may require that members of the veteran's family be fully oriented on the philosophy, goals, and achievements of the veteran's treatment or rehabilitation program. This is particularly important in drug abuse and rehabilitative treatment.

Necessary involvement of family members is presently authorized under section 601(5) of title 38, but only when the veteran has received hospital care. For veterans receiving medical services on an outpatient or ambulatory basis, there is no statutory authority for such mental health services or counseling for family members. As a result, it is frequently difficult to provide effective treatment and rehabilitation—especially mental health care—for a veteran being treated on an outpatient basis.

Section 102(3) of the omnibus bill would amend section 601 to make the authorization for family mental health services, consultation, counseling, and training part of the definition of "medical services" where necessary or appropriate for the effective treatment and rehabilitation of the veteran, rather than part of the definition of "hospital care" under that section. The actual language defining these services is unchanged from that in the "hospital care" definition—present section 601(5) (B). Under S. 2908, outpatients, who receive "medical services under section 612 (a) and (f), would therefore qualify directly for such services, and inpatients would also qualify, since the definition of "hospital care" includes "medical services."

READJUSTMENT PROFESSIONAL COUNSELING

Mr. President, section 106 of the omnibus bill would establish a new program to provide readjustment professional counseling for veterans—including, where necessary, the members of the veteran's family—to assist with readjustment problems, generally those arising within 4 years of discharge from active military duty. This provision is similar to, but less inclusive than, provisions in S. 2108, passed unanimously by the Senate in 1972, and in S. 284, passed by the Senate in 1973.

Under section 106 of the bill—as amended by Amendment 1393, submitted on my behalf by Senator HARTKE on February 16, 1976—the Administrator would be required to provide an in-house program of professional counseling for any veteran who served in the Armed Forces after the beginning of the Vietnam era, and who requests assistance with readjustment problems within 4 years from the date of his or her discharge or release from active duty. In connection with this counseling, the VA would also be authorized to make a general physical, mental and psychological assessment of the veteran. Veterans discharged two or more years prior to the enactment date of the omnibus bill would receive 2 years from that enactment date within which to apply for counseling under this section.

Veterans in need of hospital care or medical services beyond the counseling authorized under this section would receive the needed care in VA facilities if eligible for such care under title 38, or, if not, would be referred to non-VA facilities. In providing counseling services under this section, the Chief Medical Director is required to make maximum use of paraprofessional and voluntary workers, as well as veteran GI bill students under the veteran-student services work-study program, to assist in initial intake and screening.

Mr. President, the purpose of this provision is to make fully available—and to encourage and facilitate the use of—the resources of the VA's health care system to those returning veterans who feel the need for professional counseling to help them in their readjustment to civilian life. In the sensitive field of psychological or psychiatric counseling, it is essential that services be available and accessible, on an outpatient basis, and that all unnecessary barriers to help be removed. A veteran recently discharged from active duty should know that such help is available, and that a request for readjustment counseling will be speedily honored, with a minimum of redtape, and, most importantly, without the need for prior hospitalization.

This is the essence of the program that would be established under the omnibus bill. The Administrator, acting in coordination with the Secretary of Defense, would also be responsible for notifying all veterans eligible for readjustment professional counseling of their eligibility for such services. Through the use of trained paraprofessional and lay personnel, the program could operate on a scale large enough to provide assistance to any veterans in need of counseling, without being prohibitively expensive or difficult to administer.

I would note, Mr. President, that it may be necessary to give the VA a period of leadtime, before this amendment to title 38 becomes effective, in which to plan the program and train the necessary personnel, particularly volunteer and lay personnel.

PREVENTIVE HEALTH CARE PROGRAM

Mr. President, one of the major new departures in VA health care proposed by S. 2908 is contained in section 111 of the bill. The amendments which would be made by that section would expand the scope of health care offered by the Veterans' Administration to certain veterans to include preventive health care services. These services would be available, as feasible and appropriate, for all veterans suffering from a service-connected disability rated at 50 percent or more, and to any veteran in connection with treatment for a service-connected disability. It is estimated there are about 437,000 veterans whose service-connected disabilities are rated at 50 percent or more. These veterans represent about 21 percent of the veterans having service-connected disabilities.

Currently, health care in the Veterans' Administration is generally defined by statutory language as services to treat an already existing disability, except for a specific program for sickle cell screening and counseling. This definition follows the traditional practice in the medical community—treatment of disease and alleviation of pain. However, within the past generation, more and more thought has been given to shifting the emphasis in medical care toward the prevention of illness or disease. Many public health experts believe that such an emphasis would improve health in the long run, and result in significant long-run cost savings for individual patients and for the Nation as a whole.

This theory is being tested now in prepaid group health programs which provide a full range of preventive medical services to enrolled subscribers—the so called health maintenance organization, or HMO's. This is in essence what I propose for the 400,000 veterans with a 50 percent or more service-connected disability—that the Veterans' Administration Department of Medicine and Surgery become their HMO, providing the full range of hospital care, medical services, and preventive health care benefits.

The omnibus bill, by directing the VA to provide only such preventive health care services as "are feasible and appropriate" and "necessary for providing effective and economical preventive health care", vests considerable discretion in the Chief Medical Director in establishing the program and phasing in various services.

TYPES OF PREVENTIVE SERVICES AUTHORIZED

Among those preventive health services which the legislation suggests be included are:

First. Periodic medical and dental examinations: This does not mean an annual physical—a costly procedure which experience has shown does not insure freedom from serious illness. Rather we envision preventive services packages geared to age groups as suggested in a report to the National Conference on Preventive Medicine by a prestigious task force, headed by Dr. Lester Breslow, dean of the school of public health at the University of California at Los Angeles, who will testify at our hearing on February 19. This task force recommended a pattern of routine physicals for individuals during the following life periods: two from ages 18 through 30, three from ages 31 through 40; four in the next decade; and five between ages 51 and 60. Annual physicals are recommended for those over 60, with the nature of the tests included changing at specific ages. The task force also noted that above the age of 35, additional screening measures should be performed, such as screening for hypertension, cholesterol level, cancer, glaucoma, kidney disease, emphysema, and cardiac problems among others.

Second. Patient education and awareness heightening techniques: As medical science has conquered some of the serious and widespread diseases of previous generations, such as diphtheria, typhoid, and tuberculosis, today's citizen is more susceptible to other major diseases such as cancer and heart disease as well as chronic diseases—which are in many cases aggravated by personal habits—such as smoking, overeating, lack of exercise, alcohol abuse and drug abuse—or environmental hazards—such as pollutants. With a modest investment in health education programs, many experts believe substantial progress can be made toward the control of these diseases. In addition, counseling as to diet and personal health habits should be an integral part of every patient contact with a health specialist. Patient education programs are an integral part of a preventive health program and can achieve health care benefits well worth the minimal cost involved.

Third. Maintenance of drug use profiles, patient drug monitoring, and drug utilization education. Where clinical pharmacy services of this scope have been utilized, studies, indicate that medication error rates have decreased substantially, that inappropriate drug utilizaton has been reduced, that adverse drug reactions have been averted, and that substantial dollar savings have been realized. I believe that including these clinical pharmacy services in a preventive health program is essential if the program is to deal with the high incidence of adverse drug reactions and interactions.

Drugs are responsible for approximately 10 percent of total health care expenditures in the United States. In fiscal year 1976, the VA will spend approximately $160 million on drugs and medicines. The effect of adverse drug reactions on the recovery of the patient, and the possibility of long-term injury or disability resulting from improper prescription or utilization of drugs, are extremely serious considerations in the provision of health care. Recent surveys of community hospitals have indicated that the incidence of adverse drug reactions is substantial. It is estimated by initial studies that from 3 to 6 percent of hospital admissions are due to adverse drug reactions, and that a minimum of 15 to 18 percent of all hospital patients suffer an adverse reaction subsequent to their admission. On the assumption that these adverse reactions on the average double the patient's hospital stay, the costs involved are overwhelming.

Mr. President, in 1970, there were 478 million hospital days recorded in the United States; 15 percent of that total amounts to approximately 70 million patient days, and assuming a room charge of $85 per day, that works out to around $6 billion in direct cost. I am advised that about 80 percent of adverse drug reactions are preventable. Thus, 80 percent of this estimated cost—or $4.8 billion—could be saved if proper preventive steps are taken to insure a rational drug therapy for each hospital admission.

As the number and complexity of available prescription and nonprescription drug products increases, and the use, abuse, misuse, and overuse of drugs continues to rise, the need for improved pharmacy services becomes more urgent.

I have been concerned by the growing potential for needless illness and hospitalization due to adverse drug reactions and have addressed this problem in amendments I offered to the Comprehensive Health Manpower Training Act of 1971—Public Law 92–157. These amendments require each school of pharmacy, in order to qualify for capitation grant support, to carry out projects to provide for increased emphasis on, and training in, clinical pharmacy. As a result of this provision, every School of Pharmacy currently provides each student with some training in clinical pharmacy, and at least half of recent graduates have had the training that would qualify them to play the role of clinical pharmacist in an institutional setting.

Clinical pharmacy training prepares the pharmacist for greater responsibility in direct relationships with the patient in drug misuse, abuse, toxicity, and nonprescription drug advice as well as in closer working relationships with physicians, dentists, and other health professionals. The specialized training of the clinical pharmacist will enable that professional to relieve a great many of the demands made upon physicians, freeing the physician for duties most appropriately performed by such a highly trained professional.

A study, carried out in 1972, entitled "An Application of Clinical Pharmacy Services in Extended Care Facilities," evaluated the impact of clinical pharmacy services on the apparent quality of patient care and cost-effectiveness of drug therapy in skilled nursing facilities. Three 91- to 99-bed facilities in Los Angeles County, which met a set of predefined criteria, were randomly selected for the study. A pharmacist with clinical training and experience was appointed to provide optimal pharmaceutical services and care assuring safe and rational use of drugs in these facilities. Prestudy and poststudy evaluations were conducted and data were analyzed by expert consultants. The results of the study were as follows:

1. The medication error rate was reduced by 50 percent.
2. Drug utilization was reduced by 20 percent through discontinuation of unnecessary and inappropriate drugs.
3. Sixty or more clinically significant adverse drug reactions were detected and/or prevented.
4. A cost-saving of $80,000 a year was projected in these three studied facilities.
5. The pharmacist functioning in this

capacity was well received by the patients, physicians, administrators, and especially by the nurses.

A similar study is proposed for the VA outpatient clinic in Los Angeles. The objective is to evaluate the quality of patient care and cost effectiveness of drug therapy through monitoring and evaluating drug therapy of ambulatory care patients by clinically trained pharmacists.

Preliminary data for that walk-in clinic indicated that 30 to 40 percent of VA patients who visited there were considered to be drug-related. The main reasons for visits to the clinic by this group of patients were:

1. Refill or renewal of prescriptions;
2. Request for drug information or counseling because the patients were confused in taking their prescribed medications or complained of some undesirable responses; and
3. Seeking new treatment or new medications.

A clinically trained pharmacist was appointed to counsel this group of patients and to review their drug utilization from October 1, 1974, to December 31, 1974. The result showed that 27 percent of patients complied with the prescribed medication directions; 39 percent overutilized medications; 31 percent underutilized medications; 7 percent had excessive prescribed dosages; 2 percent had inadequate prescribed dosages; 2 percent had inappropriate prescribed dosing intervals; 7 percent had possible or probable prescribed drug interactions; 17 percent had possible or probable adverse drug reactions; and 23 percent had inappropriate combinations of drugs or duplications.

These findings indicate the dimensions of the demand made upon one VA facility by veterans with drug-related problems. I believe it is a problem which can be substantially corrected by including comprehensive clinical pharmacy services within a preventive health program, and I would expect that such services would be implemented at a number of facilities on a pilot basis to test their cost-effectiveness and total health care impact.

Fourth. Routine vision testing and eye care services: These services are important not only for early detection of eye disease, but also for detecting other illnesses, such as diabetes or cholesterol imbalance. Furthermore, since the average veteran is now an older veteran—14 million are World War II veterans with a median age of 55, and 1 million are World War I veterans all of whom are 75 or older—vision care services may be essential for daily living for many veterans. These services can be provided very effectively by an optometrist—a professional much underutilized by the VA.

Of course, total preventive health care should also address immunizations, prevention of musculoskeletal deformity, or other gradually developing disabilities of a metabolic or degenerative nature, genetic counseling, and early intervention in mental illness, including family counseling.

S. 2908 directs that interdisciplinary health care teams be utilized, to the maximum extent feasible, in carrying out preventive health care programs. In a large scale system such as the VA, free from the restrictions of State licensing laws, an opportunity exists to implement a major program of this nature, utilizing paraprofessionals in new roles and in ways which can reduce the demands made upon the more highly trained professional. Legislation recently enacted as Public Law 94-123, which I authored in the Senate, enables the VA to hire physician assistants and expanded-duty dental auxiliaries on a more competitive basis with the community. I would hope such personnel would play a substantial role in the new preventive health care programs.

PILOT PROGRAM

Mr. President, in addition to mandating a preventive health care HMO program—of a dimension determined by the chief medical director—for the 400,000 veterans with a service-connected disability rated at 50 percent or more and for veterans being treated for service-connected disabilities, S. 2908 authorizes the VA to carry out an experimental pilot program in preventive health care services, including a research component. In the pilot program, such services as the chief medical director wishes to test out, in concert with the mandatory program being carried out in particular geographical areas, could be furnished to groups of individuals eligible for care in a VA hospital on an inpatient or outpatient basis. The size of this pilot program is left to the discretion of the Veterans' Administration, but it is limited to a 10-year period, and must include very carefully developed research and evaluation components.

The findings from such a program should have broad application to health care programs not only in the Veterans' Administration but also in the community. In view of the inevitability of some form of national health insurance program in the next few years, the experience gained from a preventive health program operating on a scale of sufficient size, as is possible in the Veterans' Administration, should provide a good estimation of the achievable benefits of preventive health measures.

I want to stress, Mr. President, that the mandatory portion of the preventive health services program we are proposing is part of the medical services provided for a service-connected disability under section 612(a) and to a veteran with a 50-percent-or-more service-connected disability under section 612(f)(2). Thus, those preventive health care services would have to be provided on a priority basis pursuant to the priorities set forth in new subsection (i) to be added to section 612, which I have discussed earlier.

To provide the necessary leadtime for planning the basic preventive health care program and designing the pilot research-oriented program, the bill postpones the effective date of the new statutory provision until January 1, 1977.

COMPENSATED-WORK THERAPY

Mr. President, another major substantive provision in S. 2908 concerns the VA's compensated-work therapy program administered under chapter 17 of title 38. Section 108 of the bill is designed to solve some of the very difficult legal and medical problems that have plagued the compensated-work therapy, or CWT, program. The amendment in S. 2908 would provide clear statutory authority for the CWT program by allowing for arrangements with private industry and with nonprofit corporations to supply projects for patient-workers, would require that all patient-worker participants be paid in accordance with the Fair Labor Standards Act, and would establish a revolving fund to receive and disburse funds in connection with such work.

Mr. President, in recognition of the importance of work therapy as part of modern psychiatric and general medical treatment, most hospitals in the United States offer some form of work therapy as part of their rehabilitative program. Work therapy programs have been developed at every one of the 171 hospitals in the VA system. The programs take many forms—some are hospital-based, and involve patient-workers by carrying out services at the hospital, generally involving custodial types of tasks, while others are more ambitious undertakings, involving extramural training programs in conjunction with private industry or the establishment of self-sustaining nonprofit corporations to arrange project contracts and employ patient-workers.

These more ambitious CWT programs have never been completely clear of legal controversy. The VA general counsel, in a series of legal rulings a decade ago, held that VA hospital directors had no authority to contract with private business concerns for the provision of rehabilitative health care to patients in VA hospitals. In 1973, the general counsel ruled that the establishment of and arrangements with nonprofit corporations were not authorized either, concluding that "either they must be dissolved or legislation authorizing such corporations must be sought."

These legal questions have left the existing CWT programs in a state of suspended animation, not sure whether they are operating within the bounds of the law or how long their programs will be allowed to continue. Mr. President, it is not a question of the effectiveness of these CWT programs, because their effectiveness is undisputed—within or outside the Department of Medicine and Surgery. Rather, it is a question of legal authorization. The omnibus bill would provide critical guidance on that score.

Under section 108 of the bill, section 618 of title 38 would be amended in three critical respects: First, contractual arrangements with private industry for remunerative projects for patient-workers would be specifically authorized. Second, authorization would also be provided for arrangements with nonprofit corporations, within the limits of fiscal and accounting requirements established by the Administrator through regulations. And third, a revolving fund would be established to handle and disburse all receipts and cash generated by both of these kinds of CWT programs. Initial money for the fund would come from the National Service Life Insurance funds, in the form of an investment of NSLI funds. This initial investment would be repaid with funds generated by these CWT programs.

It is my hope that with the new authority contained in section 108 of the omnibus bill, the Department of Medicine and Surgery will be able to administer an innovative and effective CWT program for the benefit of the many VA hospital patients whose rehabilitation would be furthered by such a program.

UTILIZATION OF INTERMEDIATE CARE FACILITIES

Mr. President, the VA in 1976 is spending about $160 million to provide care to veterans in non-VA health care facilities. By far the largest of these contract programs is the community nursing care program, with an estimated cost of $60 million in this fiscal year. Not only is community nursing care the costliest of the contract programs—it is also the fastest growing. It cost $47 million in fiscal year 1975, and is budgeted for $77 million for fiscal year 1976, a 64-percent rise in cost in only 2 years.

One reason for this enormous cost increase in the community nursing care program is that under current law a hospitalized veteran in need of nursing home care may be transferred only to a skilled nursing home. In fact, the veteran's condition might not be serious enough to warrant the most expensive skilled nursing home care. Many veterans could receive the care they need at intermediate care facilities, at a much lower cost to the VA.

Section 109(4) of S. 2908 amends section 620 of title 38 to permit the referral of hospitalized veterans to intermediate nursing care facilities as well as skilled nursing home facilities, under regulations prescribed by the Administrator. The VA would reimburse the intermediate care facilities at a rate commensurately lower than the rate of reimbursement for skilled nursing homes. Mr. President, we envision that cost savings with respect to patients transferred to intermediate-care facilities would enable the Department's already budgeted funds for providing community nursing care to be stretched to provide benefits for a larger number of veterans in need of extended care. This is, in our view, a more sensible and more efficient way of spending the funds the VA has, and one that would not impact on the necessary quality of care provided to patients in need of extended care benefits.

SUPPORT FOR THE STATE HOME PROGRAM

Mr. President, as I stated earlier, the VA is currently spending about $160 million annually on contract programs in non-VA facilities. VA per diem support for the State home program accounts for about $27 million of that total. Under section 641 of title 38, the VA reimburses each State at a per diem rate of $4.50 for domiciliary care, $6 for nursing home care, and $10 for hospital care, for each day of care provided in a State home to a war veteran who would otherwise be eligible for care in a VA facility. Under this per diem program, the VA in 1976 is spending $3.6 million for State home hospital care, $12.0 million for nursing care, and $11.1 million for domiciliary care.

The statutory per diem rates in section 641 were last raised in 1973. Since then, the average cost to the States of providing hospital care in State home facilities has increased 15 percent, while nursing care costs have gone up 26 percent and domiciliary costs have risen 27 percent—an average increase of slightly less than 23 percent. Since the cost of providing care has risen and the Federal share has stayed the same, the States have had to assume a larger and larger proportion of the total cost of providing care to eligible veterans.

Section 110(b) of S. 2908 thus proposes to amend section 641 to increase the Federal contribution to the State home program by raising the per diem rates as follows: from $4.50 to $5.50 for domiciliary care, from $6 to $8 for nursing home care, and from $10 to $11 for hospital care. We are generally raising the per diem rate by an average of 22 percent, virtually the same overall average increase in costs for the three types of care since the 1973 per diem raise was enacted. We have provided the largest raise—33 percent—for State home nursing care because we believe that generally to be the most badly needed type of care and the care the homes are best suited to provide, domiciliary care rates would also be increased substantially—by 22 percent.

Mr. President, these new figures were arrived at after careful calculation of the Federal Government's historical proportional share of the cost of each of the three types of care provided through the State home program. We note that the House-passed bill, H.R. 10394, proposes higher increases in the per diem rates for all three kinds of care. Under the House-passed bill, the Federal Government's proportional share would be raised to the highest levels ever paid, at a total additional cost of $13.8 million in the first full fiscal year.

On the other hand, the figures proposed in section 110(b) of S. 2908 would maintain the historical Federal proportional share of State home costs, and would cost considerably less than half of the $13.8 million cost of the House-passed rates.

Of course, we in the Senate are not committed to the dollar figures now contained in section 110(b) of the omnibus bill. Other bills are pending in the Senate proposing higher increases. But it seems to me that this is not a very appropriate time to raise the Federal Government's proportional share of the costs of running the State home program beyond the proportion it has traditionally paid, and I believe that a heavy burden clearly lies with the State home administrators to justify any per diem figures higher than the ones proposed in S. 2908.

PROTECTION OF PATIENT RIGHTS

Mr. President, a significant feature of S. 2908 is its addition of a new subchapter, entitled "Protection of Patient Rights," at the end of chapter 73 of title 38. The new subchapter would provide in title 38 standards for ensuring appropriate informed consent of all patients and research subjects in VA facilities, guaranteeing the confidentiality of certain sensitive patient medical records, and preventing discrimination against alcohol and drug abusers in admission to VA facilities.

With respect to informed consent, the omnibus bill adds, as part of the new subchapter on patient rights, a new section 4131. Under the new section, the Administrator is required to prescribe regulatory procedures to insure that no medical or prosthetic research is carried out on any subject in a VA health care facility, and—to the maximum extent practicable—no patient care is furnished under the provisions of title 38, without the full and informed consent of the subject-patient.

Like many issues on the interface between law and medicine, "informed consent" is an extremely difficult and provocative problem. Insofar as research is concerned, it is very clear to me that the VA is under an obligation to explain to the research subject any and all potential risks to which he or she will be exposed, and that the subject should consent to any procedure before that procedure is performed. But what constitutes "consent", and now "informed" must it be? How thorough must the researcher's explanation be? These are legal as well as medical issues.

The purpose of the informed consent requirement in the omnibus bill is to insure that the VA, with guidance from medical and legal sources, develops regulations to protect the patient's right to decide what is in his or her best "health" interest, weighing the risks involved against the potential gains. To the best of my knowledge, Mr. President, no such clear, generally applicable regulations or forms guide the VA in this area today. I note with some interest that a circular of the Department of Medicine and Surgery dated January 6, 1976, contained guidelines for informed consent procedures in cardiac catheterization laboratories—suggesting to me, Mr. President, that there were no guidelines prior to that date, despite the obvious risks and high relative morbidity rate for the cardiac catheterization procedure. The bill provides that the VA is generally to be guided in prescribing informed consent guidelines by those adopted by HEW based on the forthcoming recommendations of the Commission for the Protection of Human Subjects.

With respect to the confidentiality of sensitive medical records, Mr. President, S. 2908 includes, as part of the new subchapter on patient rights, a new section 4132 protecting the confidentiality of medical records maintained by the VA in connection with drug abuse, alcoholism, and sickle cell anemia treatment, rehabilitation, and research programs.

Persons suffering from alcoholism or drug addiction are often fearful of social stigmatization or run-ins with law enforcement officials. Prior to 1972, large numbers of addicted veterans who might otherwise have sought VA treatment probably did not do so, for fear that the fact of their disability and confidential information revealed during treatment would be available for easy distribution and circulation.

On the other hand, Mr. President, the applicability to the VA of section 408 of Public Law 92–255 enacted in 1972 to render confidential the medical records of drug abuse patients under certain prescribed conditions, created several problems for the VA—problems which are described in considerable detail on pages

36 to 40 of the Senate Report—No. 93–56—on S. 284, the Veterans' Drug and Alcohol Treatment and Rehabilitation Act of 1973, dated March 2, 1973.

The particular problems of confidentiality of records in the VA health care system can best be handled by amendatory title 38 legislation. Accordingly, the new section 4132 proposed in the omnibus bill would insure the general confidentiality of sensitive medical records with stiff civil sanctions for unauthorized disclosure of information, while at the same time meeting the legitimate needs for disclosure under certain, narrowly drawn conditions. In most every respect the new section follows present section 408 of Public Law 92–255.

The same protection and procedures are provided with respect to alcoholism and alcohol abuse treatment records, derived from the generally applicable provisions in section 333 of the Comprehensive Alcoholism Act of 1970.

Mr. President, the final substantive provision contained in the new subchapter on patient rights would be included as a new section 4133, to incorporate into title 38 the proscription against discrimination against alcohol or drug abusers in admission to VA health care facilities, now contained in section 321 of the 1970 Comprehensive Alcohol Act and proposed to be added to the 1972 Drug Act by S. 2017 pending in conference.

Many hospitals—including VA hospitals—are reluctant to admit alcohol or drug abusers for hospitalization. In 1969, the American Hospital Association described the situation in these words:

> The reluctance of hospitals to admit patients with alcohol and other drug problems is often based on a misconception that, because these patients are uncontrollable and disruptive, special facilities and staff are required for their care. The truth is they are not. Professional knowledge is required, not special units; the successful management of such patients in regular units is well documented . . .
>
> Failure to admit alcoholics and patients with other drug problems denies them the benefits that would be availables in cases of poisoning due to other causes; similarly, it denies hospital personnel and house staff the opportunity for education in the management of such cases.

The new section 4133 to be added to title 38 by the omnibus bill would prohibit discrimination against alcohol and drug abusers in admission to, or treatment at, VA health care facilities. The Administrator would be required to prescribe regulations for the implementation of this nondiscrimination policy. The provision is clearly not intended to require the admission or treatment of such persons, nor to require that they be given preferential treatment. The provision is also not designed to preclude agreements among VA hospitals for the division of responsibility for treatment of alcohol or drug abuse.

The provision is intended to incorporate into title 38 a statutory declaration that alcohol and drug abusers are entitled to the same right to medical treatment as are other eligible veterans.

THE VETERAN CANTEEN SERVICE

Section 119 of the omnibus bill would make small changes in the financing and bookkeeping requirements which the Veterans Canteen Service currently observes under chapter 75 of title 38.

Under existing law, the Canteen Service is required, under section 4206 of title 38, to prepare an annual budget program containing an estimate of the needs of the program for the "ensuing fiscal year," including an estimate of the amount required to restore any impairment of the revolving fund resulting from operations of the current fiscal year. Multiyear budget planning thus seems precluded by law, because of the reference to a single fiscal "year." Since the Canteen Service is precluded by Federal law from borrowing funds to meet unanticipated operating deficits, there is no way for the Service to meet those deficits under current law.

Section 119 of S. 2908 would thus permit multiyear budget planning to prevent the incurrence of unanticipated deficits, and authorize the Canteen Service to use the revolving fund and its own proceeds to finance capital improvements to canteen facilities, including permanent improvements. The latter authority would enable the Service to renovate and remodel its existing facilities when appropriated funds are not available for those purposes.

COOPERATION WITH HEALTH AND LAW ENFORCEMENT AGENCIES

Mr. President, section 113 of S. 2908 is designed to deal with one of the most urgent problems now confronting the VA in the area of public health—its alleged inability to release the names and addresses of veterans with communicable diseases to the responsible State and local public health authorities.

Mr. President, the history of this problem is rather involved. In 1972, Congress, in Public Law 92–540, amended section 3301 of title 38 by adding a new paragraph (9) to limit the circumstances under which the VA could release patient names and addresses to nonprofit organizations. Although Congress clearly did not intend to affect the longstanding cooperation with State and local public health agencies in the reporting of communicable disease cases, the VA General Counsel, in May of 1974, ruled that the change in law precluded the VA from cooperating with public health authorities. In September and October of last year, hospital directors were told to stop reporting the names and addresses of patients with infectious and dangerous diseases to local health authorities.

Medical experts widely agree that the most effective way to prevent the spread of communicable diseases is to contact and treat all persons who may have been exposed to an infected carrier of the disease. To facilitate and coordinate the treatment of communicable diseases, all 50 States have established departments of infectious disease control in the State health agency, and have enacted State laws requiring that hospitals submit to the department the names and addresses of persons treated for any of an enumerated list of dangerous communicable diseases. The VA's sudden decision to stop complying with State law raises the distinct possibility that State health officials might be unable to control the spread of a dangerous disease.

In November, my distinguished colleague from Indiana (Mr. HARTKE), chairman of the Committee on Veterans' Affairs, and I wrote to Administrator Roudebush, in urging him to reconsider the VA's new policy of noncooperation with State and local public health agencies—a policy which we believed was in no way required by the 1972 amendment relied upon by the VA general counsel—and, pending his reconsideration, to reinstitute the discontinued policy of cooperation. Mr. President, I ask unanimous consent that the full text of our letter be printed in the RECORD at the conclusion of my remarks following the tables I referred to earlier.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 2.)

Mr. CRANSTON. Mr. President, we told the Administrator in that letter that a failure on his part to reinstitute the former policy would prompt the Veterans' Affairs Committee to consider legislation revising the law to make its meaning free from any doubt.

Although the Administrator has not yet responded to our letter, we understand that no change in policy will be forthcoming, and the VA is still not reporting the names and addresses of communicable disease patients to public health authorities. Those agencies have told my office that the situation grows more serious every day—especially as influenza epidemics spread in certain parts of the country.

Section 113 of S. 2908 would amend section 3301 to permit the release of the name and address of any veteran to State and local public health agencies and other criminal or civil law enforcement Government agencies charged under applicable law with the protection of the public health or safety. Knowing and willful release of names and addresses under circumstances other than those specified in section 3301 would subject the violator to criminal liability and very substantial fines.

Mr. President, the language proposed in section 113 of S. 2908 derives from the language proposed by the administration in reporting on a House-passed bill, H.R. 10268, introduced in the Senate by Senator THURMOND, the ranking minority member of our subcommittee, as S. 2636. The language in S. 2908 generally tracks the language of section 552a of title 5—the Privacy Act of 1974. The legislative history of the Privacy Act makes it clear that State and local public health agencies are included under "civil law enforcement" agencies, as that term is used in the Privacy Act.

Mr. President, if we can reach agreement on the committee and with the VA, I will move that we take this provision out of S. 2908 and insert it in lieu of the House-passed text and return it to the House in H.R. 10268, in order to resolve the problem rapidly.

DUE PROCESS PROTECTIONS FOR DEPARTMENT OF MEDICINE AND SURGERY EMPLOYEES

Mr. President, the employment rights of title 38 employees and other health care employees in the Department of Medicine and Surgery are set out in chapter 73 of title 38 and the regulations prescribed thereunder. Many of the provisions on employee rights date back to the original establishment of the Department of Medicine and Surgery in 1946. Obviously, there have been many significant advances in employee relations since then, and judicial notions of employee due process rights have expanded greatly. It is time, I believe, to make the changes in chapter 73 necessary to reflect the development of statutory and judicial law since the provisions were drafted 30 years ago.

Section 114 of S. 2908 would amend chapter 73 to establish statutory due process protections to govern adverse or disciplinary actions with respect to all title 38 employees, including those who have not completed their period of probationary service. In large part, these procedures resemble those now afforded by regulation. I believe, Mr. President, that title 38 should clearly provide Department of Medicine and Surgery employees the statutory right to receive the benefit of the procedures guaranteed by the Constitution prior to the institution of any adverse or disciplinary action.

Section 114 of S. 2908 would also shorten the probationary period for title 38 employees—physicians, dentists, registered nurses, physician assistants, and expanded-duty dental auxiliaries—from 3 years to 2 years. Department employees appointed under the Civil Service's General Schedule serve a 1-year probationary period. This, I believe, is long enough in the vast majority of cases to enable the Department and the employee to evaluate the relative merits of continued service. Nevertheless, the Department has insisted that it requires the flexibility of a longer probationary period for its major professional employees—physicians, dentists, and registered nurses. We have compromised, therefore, and shortened the probationary period to 2 years—a period short enough to be fair to title 38 employees, and long enough to avoid serious disruption of the Department's personnel evaluation program.

RECRUITMENT OF NONPHYSICIAN PERSONNEL

Mr. President, S. 2908 contains two provisions that were originally introduced in S. 1711—the VA Physician and Dentist Pay Comparability Act of 1975—almost a year ago. These provisions were dropped from that legislation prior to its enactment into law as Public Law 94–123.

The two provisions relate to the recruitment of nonphysician personnel, and are contained in section 115 of S. 2908. The amendment made by section 115(1) of the bill would amend section 4107 to make applicable to licensed practical and vocational nurses, nursing assistants, and other Department personnel whose principal responsibilities relate directly to patient care, the title 38 premium and overtime pay provisions, instead of the more restrictive provisions in title 5 which are applicable to those personnel under current law.

The amendment made by section 115(2) of S. 2908 would authorize the Administrator to increase the entry-level rate of pay for any category of personnel on a geographic or nationwide basis if, in the Administrator's opinion, such an increase in pay were needed to recruit or retain needed health care personnel. With this authority, the VA would be in a position to compete more favorably for the services of these health care personnel throughout the Nation—especially licensed vocational nurses and nursing assistants.

LONG-RANGE DIRECTIONS FOR THE DEPARTMENT OF MEDICINE AND SURGERY

The age of the average American veteran is now approaching 50. Approximately 14 million veterans are between the ages of 50 and 60, and, as this enormous population of middle-aged veterans approaches old age, there are important implications for the VA health care system.

Section 123 of S. 2908 requires the Chief Medical Director to prepare a report on the steps that will have to be taken, both in the short run and the long run, to adapt the current VA health care program to accommodate the growing number of elderly veterans in the United States and the increasing average age of the eligible veteran population. The provision requires the Chief Medical Director to make specific plans for increasing the number of VA extended care beds, employing and training personnel with special geriatric care skills, and making the necessary architectural, structural, and environmental modifications to VA hospitals and other health care facilities to permit access for the elderly.

Mr. President, we must prepare for the new and different demands that an aging veteran population will make on existing VA programs and facilities. It is my hope that the study which the Chief Medical Director is directed to carry out under section 123 of S. 2908 will stimulate the preliminary thought and planning that must be undertaken now if the Department of Medicine and Surgery is to deal adequately with the situation.

COORDINATION WITH OTHER PROGRAMS AND REPORTS

Mr. President, I have been a strong supporter of programs to achieve a close cooperation between VA health facilities and community facilities for their mutual benefit. There are a number of provisions in S. 2908 dealing with coordination of VA programs with the programs of other Federal agencies or community health care programs. Briefly these are:

First, Mr. President, one program which has been of inestimable value in furthering this cooperation has been that authorized for the sharing of specialized medical resources. This authority was enacted almost 10 years ago and permits VA hospitals to share specialized medical resources which because of their cost, limited availability, or unusual nature, are either unique in the medical community or are subject to maximum utilization only through mutual use.

Under this program a steady growth of sharing agreements has been experienced. Last year there were 82 VA hospitals participating in 152 sharing arrangements, representing $11,324,363. Under these arrangements, services furnished by the VA represented $4,574,363 in cost, and services furnished to the VA represented $6,241,532. Most of these sharing agreements are with other Federal facilities, particularly with those of the uniformed services, but there is a valuable opportunity to extend these agreements to more affiliated university medical centers and community hospitals.

Section 121 would extend this program to authorize the VA to share excess nonspecialized hospital beds with a community health care facility under very clearly defined circumstances and under arrangements limited to 1 year only. A very similar provision was passed by the Senate in section 303(4) of S. 2354 in 1972. It was not acceptable to the other body at that time. I hope this sharing authority, widely recognized as desirable, can be worked out now so that we can assure more effective utilization of VA hospital beds and generate revenues for the VA and the Federal Government by keeping such excess beds filled by community patients, while insuring that an eligible veteran will always receive the hospital care to which he is entitled.

Second, section 121 also would authorize the reimbursement under medicare when a medicare eligible patient is treated in a VA hospital under a sharing arrangement with a community facility as that facility's patient. On February 5, 1976, Mr. President, I submitted an alteration of this language in amendment No. 1386. I am working closely with Senators LONG and TALMADGE of the Finance Committee, the latter also a member of the Veterans' Affairs Committee, to work out any problems that committee may have with this provision. I am hopeful we will be able to reach an accord which will be very helpful to the VA, expecially with respect to dialysis treatment under the so-called ESRD program. I will discuss the background of this problem shortly.

Third, section 121 provides that the VA shall attempt to coordinate the comparable aspects of the VA's quality assurance mechanism, called HSRO, with the community under medicare and medicaid.

Fourth, section 121 would also provide that the Chief Medical Director report to Congress annually on the results of his activities both in coordinating VA activities with other programs, such as PSRO, and in acting in an advisory capacity pursuant to other Federal laws, or administratively created coordinating or advisory bodies in such areas as cancer and heart diseases, arthritis, emergency medical services, alcohol abuse, aging research, health services research and statistics, and health planning and resource development.

MEDICARE REIMBURSEMENT PROBLEM

Mr. President, the Veterans' Administration is currently involved in trying to work out an arrangement with the Social Security Administration whereby medicare-covered, end stage renal disease—ESRD—patients can continue to be treated in VA hospitals on a reimbursable basis under 38 U.S.C. 5053 sharing agreements.

Prior to 1974, VA hospitals received non-VA end stage renal disease patients—primarily for renal transplantation and maintenance dialysis—from non-VA sharing hospitals. This relatively expensive treatment was provided by the VA hospitals, subject to the 38 U.S.C. 5053 proviso that the full cost of the treatment would be reimbursed by the sharing hospital. Apparently, the sharing facilities were reimbursed for their liability to the VA for these services primarily from medicare. The proportion of the cost of such services not reimbursable under medicare, as well as the non-medicare-covered expenses, came from a number of sources—including the patients and the State, or, under the bad debts provisions of the medicare law.

In October 1972, Public Law 92–603 was passed, expanding medicare coverage to certain types of conditions, including end stage renal disease, without limitation according to age. This increased the number of ESRD patients in the private sector facilities including those hospitals with which the VA had agreements whereby ESRD patients were treated in the VA facility.

Mr. President, in 1973, the Social Security Administration, without warning, abruptly began to cut off medicare payments to the sharing non-VA hospitals for those patients who had received ESRD treatment in VA hospitals. The cutoff was based on an SSA determination that the ESRD services being paid for by medicare were not being provided by the sharing hospital, but, in fact, were being provided by another facility altogether, the VA. Furthermore, under section 1814(c) of the Social Security Act, unless a Federal facility is a "community provider," medicare cannot pay for nonemergency treatment given at such a facility.

Accordingly, it was determined that medicare could not pay the VA facilities directly, either. Suddenly the sharing hospitals lost a bi-weekly medicare income of thousands of dollars. Absent this income, most sharing hospitals refused to pay the VA hospitals for the ESRD treatment rendered to their sharing patients even though there was a binding contract in existence. This meant that the full cost reimbursement requirement of 38 U.S.C. 5053 was not being met, and the sharing agreements were thus placed in jeopardy.

Since early 1974, the VA has been working with the Social Security Administration to remedy this problem. Collection efforts against the sharing hospitals were not pressed in order to preserve the sharing arrangements, and ESRD patients were still taken at VA hospitals.

Three alternatives were explored with SSA as possible answers. One was for SSA to declare the VA hospitals "community providers" for the purposes of the services covered by the sharing contract. Another was to consider the shared VA facilities as merely an "extension" of the sharing hospitals. A third was an "under arrangements" concept wherein the VA would be considered as providing certain specified services under a contract with the provider hospital. The latter two were subsequently determined not to be feasible. The extension concept would require that controls over the shared activities or facilities were exclusively in the sharing facility, while the under arrangements approach would not cover those items or services deemed to be inpatient in nature.

Accordingly, following a May 1974 meeting with representatives from my staff and staff of the Finance Committee and the Veterans' Affairs Committee at which social security and VA officials were urged to try to resolve the impasse without new legislation, SSA agreed, for ESRD purposes only, to consider designated VA hospitals as community providers. As such, each of the VA hospitals so designated would be a medicare provider in its own right.

In September 1974, the Administrator of Veterans' Affairs and the Secretary of Health, Education, and Welfare signed a memorandum of understanding which designated 20 VA hospitals named in an attachment thereto, as "community providers" for purposes of Medicare ESRD reimbursement. Mr. President, I ask unanimous consent that a copy of that memorandum be printed in the RECORD at the conclusion of my remarks on this provision.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. CRANSTON. Mr. President, the signing of this memorandum, however, did not lead to a resolution of all the problems, and several new ones developed. First, in order to be a Medicare provider, each VA hospital had to be accredited by the Joint Commission on Accreditation of Hospitals, and have a utilization review program in place. Although the VA was originally aware of and could readily meet these requirements, it subsequently became apparent that SSA believed, additionally, that each participating VA hospital also had to meet special, extensive regulations established by HEW for ESRD care. The two agencies are still in the negotiating process on this issue. Second, with VA becoming a Medicare provider in its own right, there was a substantial economic dislocation at the sharing hospitals which had to be reckoned with. A brief discussion of these problems follows:

MEDICARE CERTIFICATION

All eligible hospitals must meet certain criteria in order to participate in medicare reimbursement. Traditionally, SSA has considered these criteria to have been met if the facility is JCAH-accredited, and has a utilization of services review procedure at the facility. The VA facilities designated in the 1974 memorandum of understanding were JCAH accredited, and in 1974, the Chief Medical Director initiated a VA quality control system in all VA hospitals; this included a utilization review procedure, to be operated by VA personnel in the respective facility. However, it appears that SSA may not accept this VA review process as meeting ESRD requirements and may seek to impose more stringent standards than are required by JCAH. A survey has been conducted by regional HEW officials at all, or most, of the designated hospitals by HEW representatives to assure that the current criteria have been met.

ESRD CERTIFICATION

Extensive, interim regulations, which include controls over expansion of ESRD facilities, minimum use standards for such facilities, and treatment review by local ESRD providers, and HEW, have been published. Since all of the 20 VA hospitals named in the memorandum of understanding were already providing ESRD care when these regulations were published, they were not required to meet these extensive requirements.

However, when the permanent, long-term end stage renal disease regulations are published, these VA hospitals will have to meet most of the published requirements if they wish to receive medicare funds.

Mr. President, a few of the requirements are particularly onerous insofar as the VA is concerned and were really not drafted to apply to Federal providers. VA officials have met with HEW officials and obtained certain agreements on these points which it is hoped will permit the VA either to meet these requirements or to be deemed to have met them. However, the VA as a Federal agency cannot give control over its operations to State or local authorities, and, if this is required, the VA may have to back away from an ESRD provider status. Thus, the ESRD final regulations would require modification to recognize this.

ESRD REIMBURSEMENT

As a medicare provider, each VA hospital must submit its own billings for ESRD medicare patients. The sharing hospital cannot include such costs as part of its own billings. However, since VA hospitals are not geared to patient billing, it is currently anticipated that the preparation and billing function will be contracted out to the sharing hospitals, with some assistance from VA personnel. The bills would be submitted to SSA by the sharing hospitals as the agent of the VA.

However, VA ESRD costs will not be considered by medicare to the extent that they exceed SSA's determination of the "reasonable cost" of the item, and total reimbursement from medicare for ESRD treatment will not provide full reimbursement for the reasonable cost of the item. The SSA payment will be made directly to the VA hospital which provided the service. Under normal medicare arrangements, the provider hospital is responsible for collecting the remaining portion of the bill on its own.

However, the VA, under mandate of 38 U.S.C. 5053, and the sharing contract thereunder, legally will look to the sharing hospital for the remainder. Accordingly, it is presently anticipated that the sharing hospital, legally obligated to make complete payment to the VA for the treatment, will collect the deductible and noncovered items through its own collection system, as it did before this dilemma arose, and will pay the remaining portion of the VA bill from this source. For those debts uncollectable by the sharing hospital, SSA has advised that the VA can seek reimbursement under the medicare bad debts provision. In the last analysis, however, if full recovery has not been realized by this process, the VA must still look to the sharing hospital to make up any deficit.

The foregoing, then, Mr. President, is the tentative "reimbursement model" the two agencies have been able to develop, given the mutually constraining laws and regulations of the agencies. But it is still under negotiation and may well fail to yield full reimbursement to the VA, as required by 38 U.S.C. 5053. Millions of dollars, from ESRD bills unpaid since 1973, are still outstanding. The VA cannot legally defer indefinitely attempts to collect the moneys due from the sharing hospitals, even if they jeopardize VA sharing contracts in this area. Although medicare has in some cases made interim medicare payments, consisting of between 60 and 70 percent of the back ESRD bill owed to a number of VA hospitals, a permanent solution to this problem is necessary.

Mr. President, I believe a legislative solution is now the only clean way to work out this ESRD reimbursement problem and future similar problems which will arise with respect to other types of sharing arrangements. Indeed, SSA has now terminated payments to Yale University under its stroke-treatment sharing agreement with the West Haven, Conn., VA Hospital because care is being provided at the VA and not at Yale. The solution proposed in section 121 of S. 2908 is designed to give the VA and SSA the discretion to work out satisfactory methods for determining reasonable costs and assuring quality and utilization review procedures while tailoring the final terms and conditions to the particular needs and status of the VA hospital system.

What must be avoided, Mr. President, is a situation which, because the Federal Government cannot "get its act together," results in an unwise and costly duplication of already existing expensive facilities which presently exist and have unused capacity in a particular community. Everyone is in agreement, I believe, that such a proliferation is highly inflationary and poses one of the major dilemmas in health care today. It is this unfortunate situation that the provision in our bill is designed to avoid.

If our new provision is enacted, Mr. President, I would expect that other types of conditions, such as stroke care or open heart surgery, could be brought within such VA-medicare-sharing arrangements.

EXHIBIT 3

MEMORANDUM OF UNDERSTANDING

The Administrator of Veterans' Affairs and Secretary of Health, Education, and Welfare—

Recognizing that the Congress enacted Section 299I of the Social Security Amendments of 1972, Public Law 92-603 (amending Section 226 of the Social Security Act, 42 U.S.C. 426) in order to establish a comprehensive system of benefits under the Medicare program for individuals with End-Stage Renal Disease;

Recognizing that the Congress was concerned that this program be administered to assure that facilities for the treatment of End-Stage Renal Disease be utilized to their maximum effectiveness with a minimum of duplication; and

Recognizing further that certain hospitals of the Veterans' Administration are significantly involved in contributing to the treatment of End-Stage Renal Disease within the United States;

Enter into this Memorandum of Understanding in order to coordinate the programs respectively administered by them with respect to items or services involving the treatment of individuals with End-Stage Renal Disease. Specifically, it is agreed that:

1. This Memorandum of Understanding applies only to items or services, otherwise covered by the Medicare program, for the treatment of End-Stage Renal Disease furnished by Veterans Administration hospitals on and after July 1, 1973, under sharing agreements entered into by such hospitals pursuant to 38 U.S.C. 5053 with hospitals participating in the Medicare program as providers of services thereunder (such Veterans Administration hospitals being listed in Schedule A attached hereto as a part of this Memorandum of Understanding);

2. Because of the scarcity of facilities for the treatment of End-Stage Renal Disease and the role played with respect to such treatment by the Veterans Administration hospitals listed in Schedule A pursuant to sharing agreements under 38 U.S.C. 5053, such hospitals are considered, for purposes of this Memorandum of Understanding, community institutions or agencies for purposes of Sections 1814(c) and 1835(d) of the Social Security Act, 42 U.S.C. 1395f(c) and 1395n (d);

3. Except to the extent permitted by Section 1866(a)(2) of the Social Security Act and regulations issued thereunder, no individual or any other person shall be charged for items or services with respect to which a provider of services is precluded by reason of Section 1866(a)(1) of such Act from charging such individual or such other person, and any moneys collected from such individual or such other person shall be returned or made subject to such other disposition as may be specified in regulations. This provision accordingly does not preclude any of the Veterans Administration hospitals listed in Schedule A from seeking and receiving reimbursement from another hospital, in accordance with the terms of a sharing agreement entered into pursuant to 38 U.S.C. 5053, for items or services not covered by Medicare;

4. This Memorandum of Understanding may be rescinded with respect to one or more hospitals listed in Schedule A by either the Secretary of Health, Education, and Welfare or the Administrator of Veterans Affairs in accordance with the provisions of section 1866(b)(1) and (2) of the Social Security Act and regulations thereunder. In the event of such rescission, the obligations of the Secretary of Health, Education, and Welfare to make payment for the furnishing of items and services described in paragraph 1 hereof shall be abrogated to the extent specified in section 1866(b)(3) of such Act and regulations thereunder.

DONALD E. JOHNSON,
Administrator of Veterans Affairs,
CASPAR W. WEINBERGER,
Secretary of Health, Education, and Welfare.

September 4, 1974.

SCHEDULE A—ACCOMPANYING MEMORANDUM OF UNDERSTANDING

Between the Administrator of Veterans Affairs and the Secretary of Health, Education, and Welfare, regarding coordination of the programs administered by them with respect to items or services involving the treatment of individuals with End-Stage Renal Disease.

The Veterans Administration hospitals in the following locations, which have entered into sharing agreements with hospitals participating in the Medicare program, are included in the Memorandum of Understanding:

1. Albuquerque, New Mexico
2. Ann Arbor, Michigan
3. Birmingham, Alabama
4. Denver, Colorado
5. Durham, North Carolina
6. Hines, Illinois
7. Indianapolis, Indiana
8. Iowa City, Iowa
9. Lexington, Kentucky
10. Little Rock, Arkansas
11. Madison, Wisconsin
12. Nashville, Tennessee
13. Oklahoma City, Oklahoma
14. Richmond, Virginia
15. St. Louis, Missouri
16. Salem, Virginia
17. Salt Lake City, Utah
18. San Juan, Puerto Rico
19. Seattle, Washington
20. Tucson, Arizona

TITLE II: VETERANS DRUG AND ALCOHOL TREATMENT AND REHABILITATION ACT OF 1976

Mr. CRANSTON. The provisions of title II of the bill are very comparable to legislation passed by the Senate in S. 2108 in the 92d and in S. 284 in the 93d Congresses. Unfortunately, despite our best efforts, we were unable to reach an agreement with the House in either of those Congresses. S. 2908 reflects some changes which have been made to take care of concerns expressed by the House Committee on Veterans' Affairs as well as the Veterans' Administration with regard to those bills.

This title provides for comprehensive treatment and rehabilitation programs for veterans suffering from alcohol or drug addiction.

Neither drug addiction nor alcoholism are new problems to the Veterans' Administration. For years, the VA has treated the medical consequences of both drug abuse and alcohol abuse in its hospitals. Furthermore, the VA has long recognized alcoholism as a treatable condition and has established alcoholism treatment units at 71 VA medical facilities which have met with considerable success.

There are 44 VA special drug treatment units operating now, with a capacity of treating about 14,000 patients annually.

Despite the recent growth of the VA programs for treatment of drug and alcohol abuse, the VA is still limited in several ways from responding fully to the needs of the veteran addicted to drugs or alcohol.

The Comptroller General recently reported on the quality of the alcohol treatment programs provided in VA facilities. In September, 1975, report the serious lack of staff and funds to operate treatment and rehabilitation programs was found to be a major problem. In addition, the limitations—which S. 2908 would remove—on providing outpatient counseling to the patient's family was found to pose serious handicaps to staff in trying to rehabilitate a veteran. Other findings of the study were that some of the major metropolitan areas—where there are large numbers of veterans—lack any alcohol treatment programs. In addition, the study found that the availability of VA alcoholism services was not adequately publicized.

At present, the Veterans' Administration does not have automatic authority to treat drug or alcohol dependent veterans—or any veteran for that matter—with less than an honorable or general discharge. As a result, many thousands of veterans who have become drug addicted while in the service, primarily in Southeast Asia, and who were given a preamnesty undesirable discharge, have been denied the treatment and rehabilitative services they need to cope with this tragic disability. Under the eligibility for the drug abuse treatment program provided for in S. 2908, veterans with undesirable discharges will be eligible for treatment and rehabilitative services.

In our view, Mr. President, to attempt to determine which veteran actually acquired that habit of drug abuse during service is both virtually impossible and unnecessary. It is clear that many, if not most, did. In view of this evidence; in view of the fact that the military and the VA, as well as society, have historically exhibited an unenlightened view toward drug and alcohol addiction; in view of the fact that neither the military nor the VA will ever deem such addiction to be service-connected but rather consider it the result of misconduct; and in view of the great social and monetary cost to the Nation of drug addiction in terms of crime, law enforcement, and lost productivity, our bill proposes that we generally treat drug abuse as a service-connected disability for treatment purposes.

The same kind of argument with respect to alcoholism and alcohol abuse can also be made, and thus for each type of treatment we propose that certain outpatient and contract care authorities be made available to the VA for treatment and rehabilitation of drug and alcohol abusers who are veterans.

S. 2908 would provide the VA with the full legislative authority and the tools necessary to overcome these limitations.

First, it would make it clear that alcoholism and drug dependence are within the meaning of disease for purposes of treatment in VA facilities or VA supported programs.

The VA needs authority—indeed it needs a mandate and the financial resources to carry it out—to provide a broader range of treatment modalities as well as the comprehensive rehabilitative services necessary to enable formerly addicted veterans to return to life in the community among family and friends and to cope with and enjoy a fulfilling job.

Where the VA is unable itself to provide this total treatment and rehabilitative services, it should be authorized generally to contract with community-based programs for the provision of such services, without the need to find that the disability was technically service connected.

Second, it would mandate a broad-range program for treating and providing the most comprehensive rehabilitative services to veterans addicted to either alcohol or drugs.

In the case of alcohol treatment programs, the legislation encourages the use of recovered alcoholic counselors, halfway houses, alternative treatment modalities in a comprehensive program ranging from detoxification to recovery. In addition, the Administrator is authorized to utilize VA facilities, or to contract with other Government or private facilities when VA services are not readily available.

Mr. President, S. 2908 authorizes a comparable and even more comprehensive program for the treatment and rehabilitation of veterans addicted to drugs. The bill provides for contracting for care in community facilities when VA services are not readily available. In addition, it would set up VA machinery to seek out and counsel addicted veterans and provide them with help in obtaining review and correction of less than honorable discharges by the military. The scope of drug treatment and rehabilitation programs would by statute be required to include individual counseling, referral services, and crisis intervention, and the VA would be required to offer alternative modalities of treatment based upon the individual needs of the veteran.

The bill would furthermore require the VA to provide treatment and rehabilitative services for any eligible veteran who has been charged with or convicted of a criminal offense, but who is not confined and is not required to participate in the program by court order. In the case of a veteran who is required to participate in a treatment and rehabilitation program by a court, the services may be provided, but only under conditions which will insure that the voluntary nature of the program with regard to other participating veterans would not be impaired.

Success in treatment and rehabilitation of an addicted veteran can be heightened if the veteran is in the work force and involved in a satisfying and fulfilling job. In order to assist recovered veteran addicts in finding productive employment, S. 2908 would direct the VA to carry out a program with other Federal agencies to promote the Federal employment of recovered addicts, and to cooperate with and assist the Secretary of Labor in placing these veterans with private employers.

In addition, S. 2908 would provide procedures for the treatment of active duty service personnel suffering from drug dependence in VA health care facilities if they voluntarily request such treatment. This transfer from the Armed Services to a Veterans' Administration facility would be limited to the last 90 days of a tour of duty.

CONCLUSION

Mr. President, the provisions I have described and others not discussed in detail are all outlined in the section-by-section analysis of S. 2908 which Chairman HARTKE of the Committee on Veterans' Affairs was kind enough to place in the RECORD yesterday at my request. He also submitted at my request an amendment making six minor changes in the bill text which are necessary to correct several drafting oversights.

Mr. President, based on preliminary discussions with the VA's Department of Medicine and Surgery, we estimate the first full year cost of the bill as from $70 to $100 million. We will be receiving more detailed cost estimates at our hearings on February 18 and 19 and from the Congressional Budget Office—CBO. To a considerable extent, projected costs depend very much on the underlying assumptions, and the VA's and ours may be very different with respect to several key provisions, such as preventive care, readjustment professional counseling, unlimited outpatient care for those with service-connected disabilities rated between 50 and 80 percent, family mental health counseling, outpatient dental care, beneficiary travel, and drug and alcohol abuse treatment. We look forward to hearings and discussions with CBO to resolve the cost impact of our proposals.

Mr. President, as I indicated when I introduced S. 2908, we plan to proceed rapidly with our hearings—which begin tomorrow—and subcommittee and committee consideration in order to meet our responsibilities under the Congressional Budget Act of 1974.

EXHIBIT 1

OUTPATIENT MEDICAL PROGRAMS, VISITS AND COSTS[1]

	Visits to VA staff and on a fee for service basis			Visits to VA staff			Visits on a fee for service basis		
	Total	SC[2]	NSC[2]	Total	SC[2]	NSC[2]	Total	SC[2]	NSC[2]
FISCAL YEAR 1970[3]									
All purposes:									
Visits	6,968,878	4,504,712	2,464,166	5,792,617	3,352,504	2,440,113	1,176,261	1,152,208	24,053
Costs (in thousands)	$190,032	$127,166	$62,866	$162,150	$99,742	$62,408	$27,882	$27,424	$458
Cost per visit	$27.27			$27.99			$23.70		
Compensation and pension:									
Visits	390,100	230,159	159,941	336,383	198,466	137,917	53,717	31,693	22,024
Costs (in thousands)	$19,139	$11,292	$7,874	$18,109	$10,684	$7,425	$1,030	$608	$422
Cost per visit	$49.06			$53.83			$19.17		
Outpatient treatment-SC:									
Visits	3,573,133	3,573,133		2,456,658	2,456,658		1,116,475	1,116,475	
Costs (in thousands)	$101,823	$101,823		$75,088	$75,088		$26,735	$26,735	
Cost per visit	$28.50			$30.57			23.95		

Footnotes at end of table.

EXHIBIT 1—Continued

OUTPATIENT MEDICAL PROGRAMS, VISITS AND COSTS[1]—Continued

	Visits to VA staff and on a fee for service basis			Visits to VA staff			Visits on a fee for service basis		
	Total	SC[2]	NSC[2]	Total	SC[2]	NSC[3]	Total	SC[2]	NSC
FISCAL YEAR 1970—Continued									
10-10, applications for care:									
Visits	1, 222, 591	529, 382	693, 209	1, 221, 124	528, 747	692, 377	1, 467	635	832
Costs (in thousands)	$19, 790	$8, 570	$11, 220	$19, 768	$8, 560	$11, 208	$22	$10	$12
Cost per visit	$16. 19			$16. 19			$15. 00		
Prebed care:									
Visits	109, 035		109, 035	109, 035		109, 035			
Costs (in thousands)	$3, 350		$3, 350	$3, 350		$3, 350			
Cost per vist	$30. 27			$30. 72					
Ambulatory care:									
Visits									
Costs (in thousands)									
Cost per visit									
Outpatient treatment-NSC									
Visits	1, 374, 564		1, 374, 564	1, 374, 564		1, 374, 564			
Cost (in thousands)	$36, 376		$36, 376	$36, 376		$37, 376			
Cost per visit	$26. 46			$26. 46					
Aid and attendance, and housebound:									
Visits	7, 815	1, 938	5, 877	6, 306	1, 564	4, 742	1, 509	374	1, 135
Costs (in thousands)	$233	$58	$175	$202	$50	$152	$31	$8	$23
Cost per visit	$29. 81			$32. 03			$20. 54		
All other:[4]									
Visits	291, 640	170, 100	121, 540	288, 547	167, 069	121, 478	3, 093	3, 031	62
Costs (in thousands)	$9, 321	$5, 423	$3, 898	$9, 257	$5, 360	$3, 897	$64	$63	$1
Cost per visit	$31. 96			$32. 08			$20. 69		
FISCAL YEAR 1971									
All purposes:									
Visits	7, 711, 798	4, 893, 347	2, 818, 451	6, 445, 852	3, 667, 746	2, 778, 106	1, 265, 946	1, 225, 601	40, 345
Costs (in thousands)	$224, 607	$147, 014	$77, 593	$191, 375	$114, 501	$76, 874	$33, 232	$32, 513	$719
Cost per visit	$29. 12			$29. 68			$26. 25		
Compensation and pension:									
Visits	456, 302	269, 218	187, 084	369, 911	218, 247	151, 664	86, 391	50, 971	35, 420
Costs (in thousands)	$21, 822	$12, 672	$9, 150	$20, 266	$11, 754	$8, 512	$1, 556	$918	$638
Cost per visit	$47. 82			$54. 78			$18. 01		
Outpatient treatment-SC:									
Visits	3, 857, 659	3, 857, 659		2, 668, 262	2, 688, 262		1, 169, 397	1, 169, 397	
Costs (in thousands)	$117, 432	$117, 432		$85, 923	$85, 923		$31, 509	$31, 509	
Cost per visit	$30. 44			$39. 96			$26. 94		
10-10, applications for care:									
Visits	1, 373, 668	594, 668	778, 700	1, 371, 340	593, 790	777, 550	2, 028	878	1, 150
Costs (in thousands)	$24, 144	$10, 381	$13, 763	$24, 122	$10, 372	$13, 750	$22	$9	$13
Cost per visit	$17. 58			$17. 59			$10. 84		
Prebed care:									
Visits	114, 629		114, 629	114, 629		114, 629			
Costs (in thousands)	$3, 596		$3, 596	$3, 596		$3, 596			
Cost per visit	$31. 37			$31. 37					
Ambulatory care:									
Visits									
Costs (in thousands)									
Cost per visit									
Outpatient treatment-NSC:									
Visits	1, 595, 452		1, 595, 452	1, 595, 452		1, 595, 452			
Costs (in thousands)	$45, 469		$45, 469	$45, 469		$45, 469			
Cost per visit	$28. 49			$28. 49					
Aid and attendance, and housebound:									
Visits	26, 111	6, 476	19, 635	21, 229	5, 265	15, 964	4, 882	1, 211	3, 671
Costs (in thousands)	$921	$221	$700	$834	$200	$634	$87	$21	$66
Cost per visit	$35. 27			$39. 28			$17. 82		
All other[4]:									
Visits	288, 277	165, 326	122, 951	285, 029	162, 182	122, 847	3, 248	3, 144	104
Costs (in thousands)	$11, 223	$6, 308	$4, 915	$11, 165	$6, 252	$4, 913	$58	$56	$2
Cost per visit	$38. 93			$39. 17			$17. 85		
FISCAL YEAR 1972									
All purposes:									
Visits	9, 148, 286	5, 353, 619	3, 794, 667	7, 551, 485	3, 904, 558	3, 646, 927	1, 596, 801	1, 449, 061	147, 740
Costs (in thousands)	$276, 976	$171, 443	$105, 533	$235, 969	$133, 815	$102, 154	$41, 007	$37, 628	$3, 379
Cost per visit	$30. 28			$31. 25			$25. 68		
Compensation and pension:									
Visits	406, 065	239, 579	166, 486	342, 035	201, 801	140, 234	64, 030	37, 778	26, 252
Costs (in thousands)	$23, 065	$13, 609	$9, 456	$21, 762	$12, 840	$8, 922	$1, 303	$769	$534
Cost per visit	$56. 80			$63. 63			$20. 35		
Outpatient treatment-SC:									
Visits	4, 258, 093	4, 258, 093		2, 891, 602	2, 891, 602		1, 366, 491	1, 366, 491	
Costs (in thousands)	$137, 131	$137, 131		$101, 315	$101, 315		$35, 816	$35, 816	
Cost per visit	$32. 20			$35. 04			$26. 21		
10-10, applications for care:									
Visits	1, 494, 491	647, 114	847, 377	1, 492, 548	646, 273	846, 275	1, 943	841	1, 102
Costs (in thousands)	$27, 882	$12, 073	$15, 809	$27, 862	$12, 064	$15, 798	$20	$9	$11
Cost per visit	$18. 66			$18. 67			$10. 29		
Prebed care:									
Visits	318, 536		318, 536	318, 536		318, 536			
Costs (in thousands)	$7, 293		$7, 293	$7, 293		$7, 293			
Cost per visit	$22. 90			$22. 90					
Ambulatory care:									
Visits									
Costs (in thousands)									
Cost per visit									
Outpatient treatment-NSC:									
Visits	2, 156, 425		2, 156, 425	2, 156, 425		2, 156, 425			
Costs (in thousands)	$61, 597		$61, 597	$61, 597		$61, 597			
Cost per visit	$28. 56			$28. 56					
Aid and attendance, and housebound:									
Visits	219, 871	54, 528	165, 343	60, 383	14, 975	45, 408	159, 488	39, 553	119, 935
Costs (in thousands)	$6, 536	$1, 621	$4, 915	$2, 782	$690	$2, 092	$3, 754	$931	$2, 823
Cost per visit	$29. 72			$46. 07			$23. 53		
All other:[4]									
Visits	294, 805	154, 305	140, 500	289, 956	149, 907	140, 049	4, 849	4, 398	451
Costs (in thousands)	$13, 472	$7, 009	$6, 463	$13, 356	$6, 906	$6, 452	$114	$103	$11
Cost per visit	$45. 69			$46. 07			$23. 51		

Footnotes at end of table.

EXHIBIT 1—Continued

OUTPATIENT MEDICAL PROGRAMS, VISITS AND COSTS[1]—Continued

	Visits to VA staff and on a fee for servic bas is			Visits to VA staff			Visits on a fee for service basis		
	Total	SC[2]	NSC[2]	Total	SC[2]	NSC[2]	Total	SC[2]	NSC[2]
FISCAL YEAR 1973									
All purposes:									
Visits	10, 463, 494	5, 477, 450	4, 986, 044	8, 770, 097	4, 026, 794	4, 743, 303	1, 693, 397	1, 450, 656	242, 741
Costs (in thousands)	$324, 785	$188, 088	$136, 697	$278, 079	$148, 447	$129, 632	$46, 706	$39, 641	$7, 065
Cost per visit	$31. 04			$31. 71			$27. 58		
Compensation and pension:									
Visits	339, 557	200, 339	139, 218	310, 686	183, 305	127, 381	28, 871	17, 034	11, 837
Costs (in thousands)	$23, 278	$13, 733	$9, 545	$22, 382	$13, 205	$9, 177	$896	$528	$368
Cost per visit	$68. 55			$72. 04			$31. 03		
Outpatient treatment-SC:									
Visits	4, 355, 368	4, 355, 368		2, 997, 053	2, 997, 053		1, 358, 315	1, 358, 315	
Costs (in thousands)	$151, 649	$151, 649		$113, 260	$113, 260		$38, 389	$38, 389	
Cost per visit	$34. 81			$37. 79			$28. 26		
10–10, applications for care:									
Visits	1, 577, 282	682, 963	894, 319	1, 576, 143	682, 470	893, 673	1, 139	493	646
Costs (in thousands)	$34, 305	$14, 854	$19, 451	$34, 284	$14, 845	$19, 439	$21	$9	$12
Cost per visit	$21. 75			$21. 75			$18. 44		
Prebed care:									
Visits	611, 969		611, 969	611, 969		611, 969			
Costs (in thousands)	$12, 027		$12, 027	$12, 027		$12, 027			
Cost per visit	$19. 65			$19. 65					
Ambulatory care:									
Visits									
Costs (in thousands)									
Cost per visit									
Outpatient treatment-NSC:									
Visits	2, 894, 062		2, 894, 062	2, 879, 739		2, 879, 739	14, 323		14, 323
Costs (in thousands)	$79, 087		$79, 087	$78, 953		$78, 953	$134		$134
Cost per visit	$26. 50			$27. 42			$9. 36		
Aid and attendance, and housebound:									
Visits	367, 417	91, 119	276, 298	81, 101	20, 113	60, 988	286, 316	71, 006	215, 310
Costs (in thousands)	$10, 685	$1, 495	$9, 190	$3, 530	$875	$2, 655	$7, 155	$620	6, 535
Cost per visit	$29, 08			$43. 53			$24. 99		
All other:[4]									
Visits	317, 839	147, 661	170, 178	313, 406	143, 853	169, 553	4, 433	3, 808	625
Costs (in thousands)	$13, 754	$6, 357	$7, 397	$13, 643	$6, 262	$7, 381	$111	$95	$16
Cost per visit	$43. 27			$43. 53			$24. 99		
FISCAL YEAR 1974									
All purposes:									
Visits	11, 613, 296	5, 656, 731	5, 956, 565	9, 804, 650	4, 154, 747	5, 649, 903	1, 808, 646	1, 501, 984	306, 662
Costs in (thousands)	$371, 418	$201, 515	$169, 903	$315, 090	$154, 036	$161, 054	$56, 328	$47, 479	$8, 849
Cost per visit	$31, 98			$32. 14			$31. 14		
Compensations and pensions:									
Visits	316, 359	186, 652	129, 707	290, 728	171, 530	119, 198	25, 631	15, 122	10, 509
Costs (in thousands)	$22, 786	$13, 444	$9, 342	$21, 867	$12, 902	$8, 965	$919	$542	$377
Cost per visit	$72. 03			$75. 21			$35. 86		
Outpatient treatment-SC:									
Visits	4, 465, 156	4, 465, 156		3, 071, 395	3, 071, 395		1, 393, 761	1, 393, 761	
Costs (in thousands)	$161, 908	$161, 908		$117, 550	$117, 550		$44, 358	$44, 358	
Cost per visit	$36. 26			$38. 27			$31. 82		
10–10, applications for care:									
Visits	1, 692, 876	733, 015	959, 861	1, 691, 695	732, 504	959, 191	1, 181	511	670
Costs (in thousands)	$38, 514	$16, 676	$21, 838	$38, 493	$16, 667	$21, 826	$21	$9	$12
Cost per visit	$22. 75			$22. 75			$17. 78		
Pre-bed care:									
Visits	772, 018		772, 018	772, 018		772, 018			
Costs (in thousands)	$23, 228		$23, 228	$23, 228		$23, 228			
Cost per visit	$30. 09			$30. 09					
Ambulatory care:									
Visits									
Costs (in thousands)									
Cost per visit									
Outpatient treatment-NSC:									
Visits	3, 539, 740		3, 539, 740	3, 512, 454		3, 512, 454	27, 286		27, 286
Costs (in thousands)	$96, 654		$96, 654	$95, 960		$95, 960	$694		$694
Cost per visit	$27. 30			$27. 32			$25. 43		
Aid and attendance and housebound:									
Visits	459, 683	114, 002	345, 681	104, 244	25, 853	78, 391	355, 439	88, 149	267, 290
Costs (in thousands)	$14, 205	$3, 440	$10, 765	$4, 022	$997	$3, 025	$10, 183	$2, 443	$7, 740
Cost per visit	$30. 90			$38, 58			$28. 65		
All other:[4]									
Visits	367, 464	157, 906	209, 558	362, 116	153, 465	208, 651	5, 348	4, 441	907
Costs (in thousands)	$14, 123	$6, 047	$8, 076	$13, 970	$5, 920	$8, 050	$153	$127	$26
Cost per visit	38. 43			$38. 58			$28. 65		
FISCAL YEAR 1975									
All purposes:									
Visits	13, 943, 022	6, 251, 273	7, 691, 749	11, 909, 019	4, 592, 158	7, 316, 861	2, 034, 003	1, 659, 115	347, 888
Costs (in thousands)	$463, 865	$231, 974	$231, 891	$393, 053	$173, 447	219, 606$	$70, 812	$58, 527	$12, 285
Cost per visit	$33. 27			$33. 00			$34. 81		
Compensation and pension:									
Visits	353, 590	208, 618	144, 972	323, 085	190, 620	132, 465	30, 505	17, 998	12, 507
Costs (in thousands)	$25, 231	$14, 886	$10, 345	$23, 992	$14, 155	$9, 837	$1, 239	$731	$508
Cost per visit	$71. 36			$74. 26			$40. 62		
Outpatient treatment-SC:									
Visits	4, 896, 075	4, 896, 075		3, 365, 200	3, 365, 200		1, 530, 875	1, 530, 875	
Costs (in thousands)	$185, 880	$185, 880		$131, 687	$131, 687		$54, 193	$54, 193	
Cost per visit	$37. 96			$39. 13			$35. 40		
10–10, applications for care:									
Visits	1, 951, 387	844, 951	1, 106, 436	1, 948, 676	843, 777	1, 104, 899	2, 711	1, 174	1, 537
Costs (in thousands)	$44, 358	$19, 207	$25, 151	$44, 308	$19, 185	$25, 123	$50	$22	$28
Cost per visit	$22. 73			$22. 74			$18. 44		
Prebed care:									
Visits	62, 647		62, 647	62, 647		62, 647			
Costs (in thousands)	$8, 267		$8, 267	$8, 267		$8, 267			
Cost per visit	$131. 96			$131. 96					
Ambulatory care:									
Visits	1, 365, 827		1, 365, 827	1, 365, 827		1, 365, 827			
Costs (in thousands)	$38, 845		$38, 845	$38, 845		$38, 845			
Cost per visit	$28. 44			$28. 44					
Outpatient treatment-NSC:									
Visits	4, 345, 937		4, 345, 937	4, 299, 842		4, 299, 842	46, 095		46, 095
Costs (in thousands)	$123, 590		$123, 590	$122, 177		$122, 177	$1, 413		$1, 413
Cost per visit	$28. 43			$28. 41			$30. 65		

Footnotes at end of table.

EXHIBIT 1—Continued

OUTPATIENT MEDICAL PROGRAMS, VISITS AND COSTS[1]—Continued

	Visits to VA staff and on a fee for service basis			Visits to VA staff			Visits on a fee for service basis		
	Total	SC[2]	NSC[2]	Total	SC[3]	NSC[3]	Total	SC[2]	NSC[2]
FISCAL YEAR 1975—Continued									
Aid and attendance, and housebound:									
Visits	541,158	134,207	406,951	124,319	30,831	93,488	416,839	103,376	313,463
Costs (in thousands)	$19,124	$4,742	$14,382	$5,436	$1,348	$4,088	$13,688	$3,394	$10,294
Cost per visit	$35.33			$43.73			$32.84		
All other:[4]									
Visits	426,401	167,422	258,979	419,423	161,730	257,693	6,978	5,692	1,286
Costs (in thousands)	$18,570	$7,259	$11,311	$18,341	$7,072	$11,269	$229	$187	$42
Cost per visit	$43.55			$43.73			$32.84		
FISCAL YEAR 1976[6]									
All purposes:									
Visits	14,665,000	6,551,000	8,114,000	12,493,000	4,786,000	7,707,000	2,172,000	1,765,000	407,000
Costs (in thousands)	$591,096	$296,618	$294,478	$501,132	$222,527	$278,605	$89,964	$74,091	$15,873
Cost per visit	$40.30			$40.11			$41.41		
Compensation and pension:									
Visits	355,000	209,000	146,000	235,000	192,000	133,000	30,000	17,000	13,000
Costs (in thousands)	$31,231	$18,415	$12,816	$29,780	$17,593	$12,187	$1,451	$822	$629
Cost per visit	$87.97			$91.63			$48.38		
Outpatient treatment—SC:									
Visits	5,114,000	5,114,000		3,500,000	3,500,000		1,614,000	1,614,000	
Costs (in thousands)	$237,026	$237,026		$168,980	$168,980		$68,056	$68,046	
Cost per visit	$46.34			$48.28			$42.16		
10-10, applications for care:									
Visits	2,061,000	892,000	1,169,000	2,058,000	891,000	1,167,000	3,000	1,000	2,000
Costs (in thousands)	$57,812	$25,023	$32,789	$57,747	$25,001	$32,746	$65	$22	$43
Cost per visit	$28.05			$28.06			$21.67		
Prebed care:									
Visits	15,000		15,000	15,000		15,000			
Costs (in thousands)	$2,442		$2,442	$2,442		$2,442			
Cost per visit	$162.80			$162.80					
Ambulatory care:									
Visits	1,515,000		1,515,000	1,515,000		1,515,000			
Costs (in thousands)	$53,161		$53,161	$53,161		$53,161			
Cost per visit	$35.09			$35.09					
Outpatient treatment—NSC:									
Visits	4,550,000		4,500,000	4,550,000		4,500,000	50,000		50,000
Costs (in thousands)	$159,550		$159,550	$157,725		$157,725	$1,825		$1,825
Cost per visit	$35.06			$35.05			$36.50		
Aid and attendance, and housebound:									
Visists	595,000	148,000	447,000	147,000	37,000	110,000	448,000	111,000	337,000
Costs (in thousands)	$25,453	$6,337	$19,116	$7,932	$1,996	$5,936	$17,521	$4,341	$13,180
Cost per visit	$42.77			$53.96			$39,11		
All other:[4]									
Visits	460,000	188,000	272,000	433,000	166,000	267,000	27,000	22,000	5,000
Cost (in thousands)	$24,421	$9,817	$14,604	$23,365	$8,957	$14,408	$1,056	$860	$196
Cost per visit	$53.08			$53.96			$39.11		
FISCAL YEAR 1977[6]									
All purposes:									
Visits	14,828,000	6,684,000	8,144,000	12,456,000	4,767,000	7,689,000	2,372,000	1,917,000	455,000
Costs (in thousands)	$673,705	$347,758	$325,947	$544,390	$241,770	$302,620	$129,315	$105,988	$23,327
Cost per visit	45.43			$43.70			$54.51		
Compensation and pension:									
Visits	365,000	215,000	150,000	325,000	192,000	133,000	40,000	23,000	17,000
Costs (in thousands)	$35,051	$20,667	$14,384	$32,504	$19,202	$13,302	$2,547	$1,465	$1,082
Cost per visit	$96.03			$100.01			$63.69		
Outpatient treatment-SC:									
Visits	5,257,000	5,257,000		3,500,000	3,500,000		1,757,000	1,757,000	
Costs (in thousands)	$281,964	$281,964		$184,450	$184,450		$97,514	$97,514	
Cost per visit	$53.63			$52.70			$55.50,		
10-10, applications for care:									
Visits	2,063,000	893,000	1,170,000	2,058,000	891,000	1,167,000	5,000	2,000	3,000
Costs (in thousands)	$63,161	$27,340	$35,821	$63,016	$27,282	$35,734	$145	$58	$87
Cost per visit	$30.61			$30.62			$29.00		
Prebed care:									
Visits	12,000		12,000	12,000		12,000			
Costs (in thousands)	$2,133		$2,133	$2,133		$2.133			
Cost per visit	$177.75			$177.75					
Ambulatory care:									
Visits	1,518,000		1,518,000	1,518,000		1,518,000			
Costs (in thousands)	$58,139		$58,139	$58,139		$58,139			
Cost per visit	$38.30			$38,30					
Outpatient treatment-NSC:									
Visits	4,570,000		4,570,000	4,500,000		4,500,000	70,000		70,000
Cost (in thousands)	$175,534		$175,534	$172,170		$172,170	$3,364		$3,364
Cost per visit	$38.41			$38.26			$48.05		
Aid and attendance, housebound:									
Visits	655,000	162,000	493,000	175,000	43,000	132,000	480,000	119,000	361,000
Costs (in thousands)	$35,021	$8,659	$26,362	$10,306	$2,532	$7,774	$24,715	$6,127	$18,588
Cost per visit	$53.46			$58.89			$51.49		
All other:[4]									
Visits	388,000	157,000	231,000	368,000	141,000	227,000	20,000	16,000	4,000
Costs (in thousands)	$22,702	$9,128	$13,574	$21,672	$8,304	$13,368	$1,030	$824	$206
Cost per visit	$58.51			$58.89			$51.49		

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[1] Excludes visits and costs for employee health care; excludes costs of beneficiary travel.

[2] Workload division between service connected and nonservice connected are estimated.

[3] This represents the 1st year of the 14-4 cost report; cost figures should be considered approximations.

[4] Includes visits and costs for insurance, research, nonbed care, day hospitals and miscellaneous purposes.

[5] On the basis of experience to date it appears that approximately 13,100,000 visits will be realized in fiscal year 1976 (excluding employee health).

[6] 1976 col. of 1977 congressional budget.

EXHIBIT 2

U.S. SENATE,
Washington, D.C., November 11, 1975.
Hon. RICHARD L. ROUDEBUSH,
Administrator of Veterans' Affairs, Veterans' Administration, Washington, D.C.

DEAR MR. ADMINISTRATOR: We are deeply concerned by the action the Veterans' Administration has recently taken to discontinue the longstanding VA policy under which VA physicians and hospital administrators cooperated with State and local health agencies by reporting, pursuant to State law, the names and addresses of patients with communicable diseases who have been treated at VA health care facilities. We believe that this action by the VA is contrary to the public health and safety and is not required by law, as contended in General Counsel's Opinion 13-74 of May 30, 1974. We urge a more reasonable and flexible interpretation of existing law in order to conform to Congressional intent and to the dictates of sound medical practice. We respectfully request that you direct that the VA's position on this very important issue be reconsidered, and that, pending the outcome of such reconsideration, you reinstate the discontinued policy of cooperation with State and local public health authorities.

In 1972, Congress enacted Public Law 92-540, the Vietnam Era Veterans' Readjustment Assistance Act of 1972. Section 412 of that Act amended section 3301 of title 38, United States Code, in two respects: (1) a reference to "the names and addresses of present or former personnel of the armed services, and their dependents" was added to the first sentence of the section (which requires that certain records and information be confidential and privileged except as specified thereafter); and (2) a new paragraph (9) was added at the end of the section to describe circumstances under which "names and addresses" could be released by the Administrator.

The General Counsel in his Opinion of May 30, 1974, interpreted these amendments as an expression of Congressional intent that names and addresses of veterans could no longer be released pursuant to paragraph (8) of the section (allowing the Administrator to release "information . . . when in his judgment such release would serve a useful purpose . . ."), but could only be released in accordance with the requirements of paragraph (9) (to any non-profit organization but only "if the release is directly connected with the conduct of programs and the utilization of benefits under . . . title [38] . . ."). The 1972 amendments, the General Counsel concluded, had the effect of prohibiting the Administrator from continuing the VA's longstanding policy of cooperation with State and local public health authorities by advising them of the identity of any veteran patient with a communicable disease. We disagree.

On September 25, 1975, the Department of Medicine and Surgery notified all stations by telegram that the names and addresses of patients suffering from communicable diseases were no longer to be reported to State or local public health agencies. On October 30, the Department released an interim issue, generally implementing the Privacy Act of 1974 (Public Law 93-579), reiterating the prohibition on the release of names and addresses to those agencies.

In our view, two alternative interpretations of existing law permit you to continue the VA's longstanding policy of advising the appropriate local public health authority of the identity of any VA patient with a communicable disease.

We believe, first of all, that there is no basis for concluding that Congress, by amending section 3301 in 1972, intended that *information from medical records*, including the identity of a patient treated for a communicable disease, fall under the limitation of paragraph (9) of that section, as the General Counsel contends. As the prinicpal Senate authors of Public Law 92-540, we conclude that the preexisting authority in paragraph (8), as limited by other applicable State and Federal laws, was not in any way altered by that 1972 law insofar as the release of information from a VA patient's medical records is concerned.

Second, we believe, alternatively, that, even under the more restrictive language of paragraph (9)—and we stress that we believe that paragraph (8) continues to apply to the release of information from VA medical records, as discussed above—there is authority for the Administrator to release the name and address of a patient to State or local public health authorities, because we are unable to conclude that such release would not be "directly connected with the conduct of programs and the utilization of benefits" under title 38. The General Counsel's holding to the contrary is not supported by the legislative history of the 1972 amendments to section 3301 as interpreted in accordance with well-recognized canons of statutory construction.

Our detailed analysis in support of these conclusions is set forth in the enclosed Memorandum of Points and Authorities.

We feel that a more flexible interpretation of the applicable Federal law will avoid the dangerous risk of the uncontrolled spread of highly infectious disease. The urgency of the present situation is underscored by the enclosed recent article and editorial on this matter in the *Los Angeles Times* and the enclosed copy of a letter from the Los Angeles County Board of Supervisors.

In view of the fact that both the House and Senate Committees on Veterans' Affairs have expressed strong disagreement with the VA's interpretation of applicable law on this question, a full review, and, we hope, redetermination of the issue in question would seem the most appropriate course of action. We, therefore, urge that you direct that such a review be undertaken and that, pending the result of such review, the appropriate administrative steps be taken to permit physicians and administrators in VA health care facilities to continue the policy of cooperating fully with appropriate local health agencies consistent with reporting requirements under State law and regulation.

At the same time we recognize the advisability of clarifying applicable provisions of title 38, and would greatly appreciate the technical assistance of your General Counsel's office in revising the law appropriately so its meaning will be free from doubt. However, we believe that there are some subtle and complex issues involved in making such revision, and we would greatly prefer not to make this revision in the emergent circumstances necessitated by the Department of Medicine and Surgery's issuances of September 25 and October 30, on advice of the General Counsel, directing discontinuation of the VA's longstanding policy of releasing a communicable disease patient's name and address to appropriate public health authorities.

As a final matter, we understand that the May 30, 1974, Opinion of the General Counsel referred to above was circulated to all VA facility directors. Had we received a copy, we might have been able to resolve this matter long ago. To prevent repetition of such situations in the future, we believe it would be helpful if we received all circulated General Counsel Opinions as a matter of course, and we would appreciate your making the arrangements to have each of our names added to the circulation list for all such published Opinions.

Trank you for your continuing cooperation with the Committee and Subcommittee. We look forward to receiving a reply as promptly as possible.

Sincerely,

VANCE HARTKE,
Chairman, Committee on Veterans' Affairs.

ALAN CRANSTON,
Chairman, Subcommittee on Health and Hospitals.

[From the Los Angeles Times, Oct. 28, 1975]

REPORTS ON COMMUNICABLE DISEASES HALTED BY VA—AGENCY MOVE IN VIOLATION OF STATE LAW TAKEN AFTER FEDERAL PRIVACY ACT BECAME EFFECTIVE

(By Harry Nelson)

The Veterans Administration's legal interpretation of confidentiality laws has brought to a halt the agency's reporting of communicable diseases to county and state health officials, although reporting is required by state law.

No cases of venereal disease, tuberculosis or other communicable diseases have been reported by the VA to Los Angeles public health officials since Sept. 27, according to Dr. Shirley Fannin, chief of communicable diseases for the county.

She said such information is used by public health investigators to see whether persons who have been in contact with patients have contracted diseases.

Dr. James Chin, chief of infectious diseases for the state Department of Health, said the problem is statewide and appears to be nationwide with the VA but not with other federal agencies such as the Department of Defense.

Because Monday was a legal holiday for federal employes, VA administrators were not available for comment.

However, Fannin said she has been told by the local VA legal counsel that the action was taken as a consequence of a reinterpretation of a 1972 federal law directed at the VA and dealing with confidentiality of patients' records.

In December, 1974, Congress passed the Privacy Act that included patient medical record confidentiality. While preparing for implementation of this act, which went into effect on Sept. 27, 1976, the VA reinterpreted the earlier law to include a prohibition providing public health agencies with information about communicable disease cases, Fannin said.

She said the VA sent a message to all its facilities on Sept. 25 telling them not to provide other agencies with information that could identify a patient.

It is this type of information that California state law requires be reported to public health agencies for certain diseases.

Fannin said the VA has been reporting about 5% of all the TB cases reported in the state. A total of about 3,500 new cases of TB are reported in the state annually. She said no data is available on how many VD or other contagious diseases stem from veterans.

"Everybody in the VA is sympathetic and understanding but they're not doing anything about it," she said in an interview.

She said an amendment to exclude health agency reporting from the 1972 law is before Congress but has not been acted on.

[From the Los Angeles Times, Oct. 31, 1975]

PRIVACY LAW AND PUBLIC HEALTH

When communicable diseases are reported to them, health authorities act promptly to check the families and possible contacts of the patients and take steps necessary to prevent spread of the disease.

That is why state law requires such reporting by doctors and hospitals. But the Veterans Administration in Washington has decided that federal privacy statutes make patient medical records confidential. VA officials can report the number of cases treated in any given period but not the names and addresses of the patients.

That's plain crazy, in the judgment of one local health expert, and we agree. It means that patients treated in VA hospitals for tuberculosis, diphtheria, hepatitis, venereal and other infectious diseases have their privacy protected at the expense of their families and others in society who might have been exposed to them. It sounds disturbingly like an invitation to epidemics.

We are strong advocates of the laws protecting privacy, but we believe that the laws should make provision for sharing disease information when there is potential jeopardy to the health of other individuals and communities.

An initial attempt to correct the situation with new legislation was made by Rep. John Paul Hammerschmidt (R-Ark.) but attorneys for the Veterans Administration held that his proposal was too broad. A revised version was then introduced by Rep. David E. Satterfield (D-Va.), chairman of the hospital subcommittee of the House Veterans Affairs Committee. That measure, HR 10268, amends the VA Act to permit release of patients' names for the protection of public health and safety and is so worded as to remove such disclosures from the strictures of the 1974 Privacy Act. That is the way to go.

Board of Supervisors,
County of Los Angeles,
Washington, D.C., November 3, 1975.
Hon. Alan Cranston,
U.S. Senate,
Washington, D.C.

Dear Senator: We would like to call your attention to a very serious problem that has arisen regarding the Veterans Administration.

Recently, the Veterans Administration ruled that records involving Veteran Administration hospital patients afflicted with communicable diseases are not accessible. As a direct result of this ruling, Los Angeles County public health officials were denied access to information on a tubercular case at the Long Beach Veterans Hospital, and the health officials have been unable to contact relatives or associates of the infected patient as a preventative measure.

The Veterans Administration contends that this action is based on a recent interpretation of the law dealing with confidentiality requirements, a law in effect since 1972, but not strictly enforced until it was reviewed following adoption of the Federal Privacy Act of 1974.

The immediate effect of this interpretation has been to deny information to the County's Department of Health Services in the areas of communicable disease control.

Our Los Angeles County Supervisor, Pete Schabarum, has alerted our Board of this problem, and it is hopeful that you may be able to assist in this matter.

Thank you for your interest. If you need further information please do not hesitate to call.

Sincerely,

Joseph M. Pollard,
Legislative Consultant.

U.S. Senate,
Washington, D.C., November 11, 1975.

Memorandum of Points and Authorities

To: Richard L. Roudebush, Administrator of Veterans' Affairs.

From: Vance Hartke, Chairman; Alan Cranston, Chairman, Subcommittee on Health and Hospitals.

Re: Legal Conclusions and Analysis in November 11, 1975, Letter Regarding Authority in Section 3301 of Title 38 to Advise Public Health Authorities about Identity of VA Communicable Disease Patients.

BACKGROUND

Medical experts widely agree that the most effective way to prevent the spread of communicable diseases such as tuberculosis, venereal disease, and virulent forms of hepatitis and influenza is to contact and treat all persons who may have been exposed to an infected carrier of the disease. According to H.E.W.'s Center for Disease Control, all fifty States have established infectious disease units or their equivalents in the State health agency to facilitate and coordinate the treatment of communicable diseases, and have enacted State laws requiring that hospitals submit to the unit the names and addresses of persons who contract one of the dangerous communicable diseases. The necessity for such a procedure was recently summarized in cogent fashion by Dr. John J. Hanlon, Assistant Surgeon General of the United States Public Health Service and an eminent professor and authority on public health:

"To be segregated and subsequently rendered noncommunicable, diseased individuals first must be discovered. Fundamental to this is a system for the reporting of cases of communicable diseases both by physicians in the area and by health authorities in other localities to which infected individuals may emigrate. . . . The value of a report of a case of communicable disease is not in the counting of a 'vital fact' or merely in the control of the patient but in the lead it gives in finding sources and contacts. This implies engaging in what some have termed *shoe-leather epidemiology*. A routine procedure must operate to determine and locate for subsequent examination members of a group in which active infection of either recent or earlier origin is most likely to exist." (*Public Health Administration and Practice* (6th ed., 1974), pp. 391–392; emphasis in the original.)

While VA hospitals and clinics, as Federal installations, are clearly not bound by State law reporting requirements, the VA for many years has followed universally recognized principles of epidemiology by voluntarily cooperating with State and local health agencies in reporting to those agencies the names and addresses of persons with communicable diseases who received treatment at VA health care facilities. This policy of voluntary release of names and addresses has rested on the authority in paragraph (8) of section 3301 of title 38, United States Code, as follows:

"The Administrator may release information, statistics, or reports to individuals or organizations when in his judgment such release would serve a useful purpose."

Even after section 3301 was amended in 1972 to restrict the Administrator's authority to release the names and addresses of veterans in certain situations (see below, page 4 of this Memorandum), the VA continued to cooperate with State and local health agencies.

Eighteen months ago, in General Counsel's Opinion 13–74 of May 30, 1974, the General Counsel held that the Administrator no longer had the discretionary authority to release the names and addresses of veterans to State and local health agencies. The Opinion relied upon paragraph (9) of section 3301 as requiring this conclusion of law. The pertinent part of section 3301 reads as follows:

"All files, records, reports, and other papers and documents pertaining to any claim under any of the laws administered by the Veterans' Administration and the names and addresses of present or former personnel of the armed services, and their dependents, in the possession of the Veterans' Administration shall be confidential and privileged, and no disclosure thereof shall be made except as follows:

* * * * *

"(9) The Administrator may, pursuant to regulations he shall prescribe, release the names and addresses of present or former personnel of the armed services, and/or dependents to any non-profit organization but only if the release is directly connected with the conduct of programs and the utilization of benefits under this title. . . ."

Paragraph (9) was added to section 3301 by section 412(2) of Public Law 92–540 in 1972, specifically for the purpose of precluding the distribution of mailing lists of veterans' names and addresses to commercial organizations, and ensuring that the release of such lists for purposes in connection with the use of VA benefits (generally for outreach purposes) by veterans' service organizations and other non-profit entities would be carried out on an evenhanded basis. The General Counsel's Opinion concluded that, by adding paragraph (9) and amending the first sentence of the section to refer specifically to "names and addresses" as within the confidentiality protection of the section, Congress intended to remove altogether the release of veterans' names and addresses from the Administrator's broad authority under the existing paragraph (8) to release information "when in his judgment such release would serve a useful purpose" and to restrict release of names and addresses only to the circumstances of paragraph (9)—when the release is to a non-profit organization and "is directly connected with the conduct of programs and the utilization of benefits under this title. . . ."

On September 25 of this year, the Department of Medicine and Surgery dispatched a telegram to the Directors of hospitals, domiciliaries, and outpatient clinics in the VA health care system requiring them to stop the release of all "information containing personal identification" to State health data banks, cancer registries, and similar organizations. On October 30, the Department of Medicine and Surgery implemented the September 25 directive by releasing an interim issue, in implementation of the Privacy Act of 1974 (Public Law 93–579) generally, which, in pertinent part, prohibited the release of patient names and addresses to State health agencies—although not in any way, apparently, in reliance upon restrictions in that Act:

"The names and addresses of present or former personnel of the armed services, and/or dependents may be released to any non-profit organization without the consent of that individual *but* only if the release is directly connected with the conduct of programs and utilization of benefits under title 38, U.S.C. (38 U.S.C. 3301(9)). This prohibition on release would include, but would not be limited to, *the voluntary release of information on communicable diseases to health departments. . . .*" (Emphasis added.)

The effect of the September 25 directive and the interim issue of October 30 has been to halt the traditional cooperation between VA health care facilities and public health authorities in reporting to them the identity of patients with communicable diseases. The VA's new policy of noncooperation raises the distinct possibility that health officials might be unable to control the spread of a dangerous communicable disease, a point made in the "Statement of the Association of State and Territorial Health Officials" sent last week to the Subcommittee on Health and Hospitals by Dr. E. Kenneth Aycock, the Association's President:

"Recent rulings by the Veterans Administration's General Counsel on legislation affecting the confidentiality of VA medical information have precluded routine reporting of infectious diseases to State and local health authorities, although such cooperation is required by State law. This creates a situation in which a Federal enclave exists within a community where some persons with communicable diseases are diagnosed and treated but where there is no possibility of thereafter containing spread. Cooperation is thus mandatory because the VA has no authority for protecting the health of the general public and must rely on the constituted health agencies at State and local level. If State or local health authorities do not know the existence of a VA beneficiary with a communicable disease, the disease will be permitted to spread for an unacceptable period of time, affecting both VA beneficiaries and other members of the community. The Federal government is committed to assisting State and local agencies in controlling communicable diseases and also has a direct responsibility for controlling interstate spread. The current VA position undermines both of these goals. We propose that the VA rely on the requirements of the Privacy Act of 1974, to insure that the personal privacy of VA beneficiaries is protected, and that appropriate regulations be promulgated immediately to insure disease reporting. (Other Federal agencies are able to report diseases to State and local health agencies under the Privacy Act.) We view this as an urgent matter. We request further that Congress approve legislation such as H.R. 10268, now pending in the House Committee on Veterans Affairs."

DISCUSSION

Alternative interpretations of applicable law authorizing continuation of VA policy of cooperation with State and local public health authorities

We believe that two alternative interpretations of section 3301 permit the Administrator to continue the VA's longstanding policy of advising the appropriate public health authority of the identity of any VA patient with a communicable disease.

We believe, first of all, that there is no basis for concluding that Congress, by amending section 3301 in 1972, intended that information from medical records, including the name and address of a patient treated for a communicable disease, fall under the limitation of paragraph (9), as the General Counsel contends. As the principal Senate authors of Public Law 92-540, we conclude that the preexisting authority in paragraph (8), as limited by other applicable State and Federal laws, was not in any way altered by the 1972 law insofar as the release of information from a VA patient's medical records is concerned. Our principal reliance for the legal conclusion reached in this Memorandum is based on this analysis.

Second, we believe, alternatively, that even under the more restrictive language of paragraph (9)—and we stress that we believe that paragraph (8) continues to apply to the release of information from VA medical records, as discussed above—there is authority for the Administrator to release the names and addresses of patients to State or local public health agencies, because we are unable to conclude that such release would not be "directly connected with the conduct of programs and the utilization of benefits" under title 38. The General Counsel's holding to the contrary is not supported by the legislative history of the 1972 amendments to section 3301 as interpreted in accordance with well-recognized canons of statutory construction.

A. Continuation of Authority Under Paragraph (8) To Release Certain Medical Information to State and Local Public Health Authorities

The 1972 amendments to section 3301 were intended to cut back on the Administrator's broad discretion to release lists of the names and addresses of veterans under paragraph (8) of the section. Unclear on the face of the statutory provision is whether the curb on the Administrator's discretion was intended to extend to the release of certain information—in this case the name and address of a veteran with a communicable disease—to State and local public health agencies under long-honored cooperative procedures.

The language of the statute offers little guidance to clarify this ambiguity. The legislative history of the amendments indicates that Congress had two very clear intentions—to halt the unauthorized release of lists of veterans' names and addresses to commercial organizations interested in solicitation or lobbying and to provide for even-handed standards to govern the release of such lists for VA-program-related purposes—but says nothing about Congress' intent with regard to existing provisions governing the release of information from VA medical records (including the name and address of a patient) to public health authorities.

The General Counsel, in his Opinion of May 30, 1974, concluded that, by amending section 3301 to add a reference to "names and addresses" in the first sentence and a new paragraph (9) limiting the release of "names and addresses" to certain specific circumstances, Congress "believed it was removing names and addresses from the Administrator's broad authority under [section] 3301(8) and other discretionary exceptions to section 3301, and was identifying the only group to which the names and addresses could be released and the criteria governing such release." We can find no support for any such sweeping implicit repealer of much of paragraph (8). The fact is that paragraph (8) was not directly amended in the 1972 Act, nor since then, and that there is no substantive reference whatsoever to paragraph (8) anywhere in the House or Senate legislative history surrounding that Act.

The General Counsel's interpretation of Congress' 1972 amendments to section 3301 severely limits the scope of paragraph (8) without any affirmative indication from the Congress that it intended any such limit, and abrogates a longstanding VA policy of voluntary cooperation with State and local public health authorities without any indication from the Congress that it disapproved of the policy. In view of the ambiguity of the statute insofar as the relationship of paragraphs (8) and (9) is concerned and the complete silence of the legislative history specifically regarding medical records, we believe that an implicit repealer of paragraph (8) cannot be inferred except to the extent absolutely essential to carry out the stated purposes underlying the addition of paragraph (9).[1] In fact, that Congress clearly did not intend any repealer with regard to medical records is clear, we think, from the broader legislative context in which the 1972 amendments were considered and enacted.

An analysis of the legislative history of Public Law 92-540 in the context of the many measures on the confidentiality of medical information enacted by Congress during the 91st through 93d Congresses (the period during which Public Law 92-540 was considered, enacted, and implemented) reveals three reasons for concluding that Congress did not intend to remove the release of medical record information from the Administrator's discretionary authority under paragraph (8).

1. Legislation affecting the confidentiality of medical records has always clearly been identified as such by Congress. From 1970 to 1974, Congress enacted five bills, and the Senate passed two measures, dealing with the confidentiality of information bearing on medical treatment.[2] In each case, Congress used specific and carefully drawn statutory language to describe the confidentiality requirements and disclosure circumstances, and the legislative history of each measure carefully justified the reason for the requirement and the scope of confidentiality to be observed.[3] By contrast, Public Law 92-540 was not a medical bill, but a readjustment assistance bill. It was not considered by the Senate Veterans' Affairs Committee's Subcommittee on Health and Hospitals, but by the Subcommittee on Readjustment, Education, and Employment. (It was similarly considered in the House Committee.) It contained no provisions that related directly to the Department of Medicine and Surgery or to any medical program under the direction of the VA. There was no testimony or discussion during hearings before the House Committee on Veterans' Affairs (where the amendments to section 3301 originated) on the effect the amendments would have on the confidentiality of medical record information, nor did the VA make any reference to such an effect in its official report of March 23, 1972, to the Senate Committee on the House-passed bill, H.R. 12828.

In light of Congress' careful consideration of other bills affecting the confidentiality of medical information, it seems most unlikely to us that Congress would have chosen such an unorthodox procedure for formulating a major new policy on confidentiality of VA patient information. In every other case, Congress proceeded deliberately and openly by drafting a confidentiality requirement within the context of a larger health bill, and by justifying the requirement by appropriate language in the legislative history. Here, if the General Counsel's analysis is correct, Congress would have chosen a readjustment assistance measure as the vehicle for a broad change in VA medical confidentiality requirements, and then proceeded to effect the change without any express statutory language or even the most rudimentary mention—let alone a justification—in the legislative history.

We believe that the broad legislative context in which Public Law 92-540 was considered and passed supports our assertion that the amendments to section 3301 were not intended to reduce or in any way affect the Administrator's authority under paragraph (8) of the section to release the identity of a communicable disease patient to State or local public health authorities. This context makes clear to us that, if Congress had intended to remove that authority from the Administrator, then it would have done so specifically, in both the law and legislative history.

2. The stated purpose for which section 3301 was amended in 1972 in no way supports the conclusion that Congress withdrew the Administrator's authority under paragraph (8) of the section to release medical record information in order to cooperate with State and local public health authorities. The legislative history of Public Law 92-540 shows clearly that the amendments to section 3301 were designed by the House Committee to prevent the distribution of mass mailing lists of veterans' names and addresses to "persons who desire such information for debt collection, canvassing, harassing, or propaganda purposes." (House Rept. No. 92-887, p. 18 (Feb. 29, 1972)). Prior to the amendments, the VA permitted distribution of lists of veterans' names to commercial organizations which used the lists for solicitation campaigns and direct-mail lobbying and propagandizing. Primarily prompted by complaints by concerned veterans and veterans groups of harassment and invasion of privacy, Congress then acted to prevent the release of lists of names and addresses to commercial organizations by making the appropriate amendments to section 3301.

What was important to commercial groups seeking access to veterans' mailing lists was the veteran's status as a veteran. This status, and nothing else, made him a prime "target" for the commercial organizations' appeals. The same analysis obtains in the case of release of lists of veterans' names and addresses to veterans' service organizations, a subsidiary focus of the 1972 amendment.

In contrast, public health authorities do not seek lists of names or identity of individuals because of their veteran status, but rather the identity of an individual who has contracted a communicable disease. The authorities are not interested in the patient's

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Footnotes at end of article.

status as a veteran *per se*, but in his status as a carrier of a communicable disease. They are primarily interested, not in contacting and treating the particular veteran (who presumably has already been treated by the VA), but in seeking out other persons with whom the infected veteran might have, or might thereafter, come in contact.

In short, by giving the name of a patient to State or local public health authorities, the Administrator is communicating "information" from that patient's medical record that he has contracted and is being treated for a communicable disease. In our view, paragraph (8), under which the Administrator may release "information . . . when in his judgment such release would serve a useful purpose", remains unaffected by Public Law 92–540 as a fully operative authority for the release of a communicable disease patient's identity to public health authorities. Paragraph (9) was designed to apply only to the altogether different situation of veterans' name and address lists, and has no applicability to this medical information context.

3. Protection of the privacy rights of patients with communicable diseases is adequately achieved by existing State and Federal law. Section 3301 and its longstanding underlying regulations operate to protect the confidentiality of VA records, including medical records, from unwarranted disclosure without authorization by the subjects of those records. When, however, the agency to which VA medical records are disclosed is a State or local public health agency, then their confidentiality is more than adequately safeguarded by existing State laws.

According to officials of H.E.W.'s Center for Disease Control, all fifty States have laws or regulations that safeguard the identity and addresses of persons with infectious diseases who are reported to public health authorities. The VA's laudable concern for the privacy rights of patients with communicable diseases is wholly consistent with notifying public health authorities of a communicable disease patient's name and address, since those agencies are legally obliged to preserve the confidentiality of the patient's identity and hospital records.

Nor does the Privacy Act of 1974, Public Law 93–579, require the VA to withhold such information. That Act restricts the circumstances under which any Federal agency, including the VA, may release records or information contained in their systems of records, and attaches civil and criminal penalties to the unauthorized disclosures of such records or information by agency officers or employers. The Act expressly authorizes a Federal agency to make disclosure pursuant to a "routine use" as that term is used in the Act and defined in the agency's published regulations and record-keeping system notices. Both of the other major Federal health care systems—the Department of Defense and the United States Public Health Service—have defined the release of a communicable disease patient's identity to public health authorities as a "routine use" in their published system notices,[4] and cooperate as a matter of course with State and local authorities in preventing the spread and facilitating the treatment of communicable disease.

(We note that, in a related context, one other set of laws governs directly the release of information from certain VA medical records. The Drug Abuse Office and Treatment Act of 1972 (Public Law 92–255) and the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1974 (Public Law 93–282) establish criteria for the protection of the privacy of drug and alcohol abuse patients treated in Federally-assisted programs and specifically make these criteria generally applicable to VA health care facilities.)

In view of the foregoing discussion, we conclude that the amendments to section 3301 in 1972 were not intended to limit the Administrator's longstanding discretionary authority under paragraph (8) to release information (including the name and address) about a patient or former patient in a VA health care facility "when in his judgment such release would serve a useful purpose." There is no disagreement, we believe, that the release of such information to public health authorities to prevent the spread and facilitate the treatment of communicable diseases, consistent with the requirements of State and Federal law, is a "useful purpose" within the meaning of that term as used in paragraph (8) of section 3301.

B. Alternative Theory: Application of Paragraph (9)

Even assuming (as we do not) that paragraph (9) providing, after its enactment, the applicable standard under which to determine the appropriateness of notifying public health authorities about a communicable disease patient's identity, we find that the General Counsel's final conclusion of law is not supported by any stated analysis or by any we can reasonably posit. In the last paragraph of the May 30, 1974, Opinion, the General Counsel stated:

"While [State health agencies] . . . would meet the requirement of 'nonprofit organization' in 38 U.S.C. 3301(9), it cannot be said that the release of names or addresses to such bodies would be directly connected with the conduct of programs or the utilization of benefits under title 38."

This holding is offered without any explanation, justification, or citation to legislative history. In the third-from-the-last paragraph of the Administrator's June 3, 1975, letter to House Veterans' Affairs Committee Chairman Roberts on this question, the General Counsel's conclusion was repeated almost *verbatim* without any explanation or support.

We are not aware of any legislative history whatsoever to support a conclusion that information about the treatment of a veteran with a communicable disease at VA facilities and the release of the veteran's name and address to public health authorities to help prevent the spread of the disease cannot be said to be "directly connected with the conduct of programs and the utilization of benefits" under title 38. In fact, a common sense interpretation of the statutory words in question indicates very much the opposite conclusion. According to section 4101(a) of title 38:

". . . The functions of the Department of Medicine and Surgery shall be *those necessary for a complete medical and hospital service* . . . for the medical care and treatment of veterans." (Emphasis added.)

Under the medical program carried out by the VA's Department of Medicine and Surgery, eligible veterans receive broad health care benefits as prescribed in chapter 17 of title 38 ("Hospital, Domiciliary, and Medical Care"). The release of the name and address of a patient with a communicable disease prevents the spread and facilitates the treatment of the disease among members of the community, including other veterans. Because it promotes the health of veterans in general, the release of names and addresses to public health authorities thereby reduces the demand for hospital and other health care services provided by the VA health care system for eligible veterans. Such release is, therefore, "directly connected with the conduct of [the DM&S medical and hospital service] programs and the utilization of [chapter 17] benefits" under title 38, within the meaning of paragraph (9), since such release serves a necessary and vital purpose in a "complete medical and hospital service". This conclusion is also supported by the Department of Defense and Public Health Service policies to provide such information and to continue that policy as a "routine use" exception under the Privacy Act.

Because the statutory language is not free from ambiguity, and the legislative history does not offer the illumination necessary to resolve all ambiguities, the VA is required by well-recognized canons of statutory construction to read the provision in light of its purpose and to avoid any interpretation of the language of the provision that would yield an unreasonable result.[5] Yet that is precisely the result of the VA's interpretation, for it has resolved the statutory ambiguity in such a way as to contravene sound epidemiological practice and the VA's longstanding procedure (in effect until less than two months ago) of cooperating with State health agencies in releasing the name and address of a patient with a communicable disease.

We thus conclude that paragraph (9) itself permits the release of the name and address of a VA patient to State and local health agencies for the purpose of controlling communicable diseases.

C. Three Special Problems

In addition to the legal and medical issues described above, there are three areas of particular concern to us which we believe the VA should consider in its exercise of policy-making discretion on this issue.

1. State and local law enforcement agencies. First, although we have focused on the issues of law and policy concerning the Administrator's cooperation with public health authorities only, the same considerations would apply to VA cooperation with State and local law enforcement agencies. The General Counsel's Opinion of May 30, 1974, concluded that the 1972 amendments to section 3301 precluded the Administrator from releasing names and addresses of patients treated for certain ailments to, for example, a State department of motor vehicles, and the October 30, 1975, interim issue of the Department of Medicine and Surgery prohibits the "notification to police departments of patients admitted for gunshot wounds. . . ." This policy of VA noncooperation with law enforcement authorities may be substantively a somewhat different and less emergent issue than noncooperation with public health authorities, since the latter poses an immediate serious threat to the public health and welfare. However, we feel that voluntary cooperation with law enforcement authorities by the VA continues to be authorized under paragraph (8) of section 3301, by virtue of the same analysis set forth above in the context of cooperation with public health authorities. We, therefore, urge that the review of the General Counsel's Opinion and VA policies in this area extend to consideration of this issue.

2. Venereal disease patients. Second, we believe there may be special concerns—which you should evaluate—involved in the release to public health authorities of the names of patients with venereal disease. In 1972, by enacting Public Law 92–449, the Communicable Disease Control Amendments Act of 1972, Congress recognized the extraordinary sensitivity surrounding the medical records, and the release of information from them, of patients treated for venereal disease. The 1972 Act contained a provision prohibiting the release of a patient's name to public health authorities when the patient received treatment for venereal disease in a program under a venereal disease grant.[6]

The purpose of this confidentiality requirement was to encourage persons with venereal disease to seek treatment by giving them the assurance that their treatment would be handled in the strictest confidence. We feel that, for two reasons, these considerations may not be as compelling in the present context. First,

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Footnotes at end of article.

almost all patients seeking treatment for venereal disease in VA health care facilities are adult males, as opposed to the females and juvenile males who make up a significant proportion of patients at non-VA facilities, and for whose benefit the confidentiality protection in Public Law 92–449 seems primarily intended. Second, the Privacy Act of 1974 has been enacted since the Communicable Disease Control Amendments Act of 1972, and requires greater protection by Federal agencies of the privacy of patient records than was previously required by law.

We, therefore, believe that there should be particular sensitivity to the implications of releasing the identity of patients treated for venereal disease; but we also doubt that any blanket exclusion should be made for communication to public health authorities of the identity of patients with venereal disease, the most common communicable disease in the United States.

3. Privacy Considerations. Third, we recognize that many State laws provide for communication of the information on communicable diseases to State public health authorities, which in turn share this information with appropriate local authorities which in most States actually carry out the investigative and epidemiological activities. We believe that it might be preferable for the VA, as a matter of policy, to limit disclosure only to local officials in order to ensure that this information receives only that degree of dissemination which is absolutely essential to the achievement of the public health goal. We raise this point because of our deep concern about the possible misuse of information such as this in States with data banks or computer information systems to which a broad spectrum of public and quasi-public agencies and organizations may have access. We believe that the Administrator, the Chief Medical Director, and the General Counsel should give this matter further close consideration.

FOOTNOTES

[1] "The legislature is presumed to intend to achieve a consistent body of law. In accord with this principle subsequent legislation is not presumed to effectuate a repeal of the existing law in the absence of that expressed intent . . . [T]he prior law yields [only] to the extent of the conflict." 1A Sutherland, *Statutory Construction* (4th ed., edited by C. Dallas Sands), § 23.09, pp. 223–224.

[2] Measures enacted were: P.L. 91–616 (Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970), section 333; P.L. 92–255 (Drug Abuse Office and Treatment Act of 1972), section 408; P.L. 92–449 (Communicable Disease Control Amendments Act of 1972), section 203 (adding a new section 318 to the Public Health Service Act, 42 U.S.C. §§ 201 ff.); P.L. 93–82 (Veterans' Health Care Expansion Act of 1973), section 109 (adding a section 653, "Voluntary participation; confidentiality," to subchapter VI ("Sickle Cell Anemia") of title 38); and P.L. 93–282 (Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1974), section 122.

Measures passed by the Senate were: S. 2108 (proposed Veterans Drug and Alcohol Treatment and Rehabilitation Act of 1971), 92d Cong., 1st Sess. (passed by the Senate as H.R. 9265 on September 7, 1972); and S. 284 (proposed Veterans Drug and Alcohol Treatment and Rehabilitation Act of 1973), 93d Cong., 1st Sess. (passed by the Senate on March 6, 1973).

[3] *E.g.*, the report of the Senate Committee on Labor and Public Welfare on legislation that later became P.L. 91–616, the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilition Act of 1970, contained the following explanation of the Act's confidentiality requirement:

"It is, of course, essential that the confidentiality of a patient's records . . . be honored at all times. It takes little imagination to realize that alcoholics will be far more hesitant to consider treatment if they will be in danger of public ridicule by exposure of their illness. This factor is of particular signficance because a treatment program's success is dependent upon the voluntary cooperation of the patient. Disclosure of an individual's name is of no value for research purposes and should be avoided in all situations." (Sen. Rept. No. 91–1069, p. 19 (August 3, 1970).)

And see Sen. Rept. No. 92–700, p. 33 (March 17, 1972), where a similar justification is offered for the confidentiality requirement in the Drug Abuse Office and Treatment Act of 1972 (later P.L. 92–255).

The Senate Committee on Labor and Public Welfare was strongly impressed with the need for confidentiality in the treatment of venerial disease, and included in its report on legislation which later became P.L. 92–449, the Communicable Disease Control Amendments Act of 1972, the following statement:

"The Committee was impressed with the need to overcome the . . . problem of venereal disease sufferers failing to seek treatment due to their concern that their identity would be divulged and physician failure to report incidence of venereal disease cases because of local public health laws which require them to breach the 'physician-patient' relationship of confidentiality by providing the patient's name. The Committee amended the bill to ensure that patient examination, care and treatment shall be held confidential and identity sacrosanct except with the individual's consent or as may be necessary to provide service to the individual, in the utilization of any funds made available under this bill.

"Any provision of information to State public health authorities from programs so funded would thus have to be made without identifying the patient. The Committee was also concerned that in writing up clinical studies, researchers should do all possible to ensure that the particulars of the case do not reveal the identity of the patient." (Sen. Rept. No. 92–825, pp. 10–11 (June 1, 1972).)

And see Sen. Rept. No. 93–54, p. 34 (March 2, 1973), describing the confidentiality requirement in the Sickle Cell anemia program added to title 38 by P.L. 93–82, the Veterans' Health Care Expansion Act of 1973; and House Rept. No. 93–759, pp. 10–11, 13–14 (January 21, 1974), describing the confidentiality provisions in H.R. 11387, legislation that later became P.L. 93–282, the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1974.

[4] *Federal Register,* Vol. 40 p. 35256 (August 18, 1975) (U.S. Army); p. 35657 (August 18, 1975) (U.S. Air Force); p. 35899 (August 18, 1975) (U.S. Navy); p. 38632 (August 27, 1975) (Public Health Service).

[5] "All statutes must be construed in the light of their purpose. A literal reading of them which would lead to absurd results is to be avoided when they can be given a reasonable appliaction consistent with their words and with the legislative purpose." *Haggar Co.* v. *Helvering*, 308 U.S. 389 (1940).

And see 2A Sutherland, *Statutory Construction* (4th ed., edited by C. Dallas Sands), § 45.12, p. 37 [U]nreasonableness of the result produced by one among alternative possible interpretations of a statute is reason for rejecting that interpretation in favor of another which would produce a reasonable result.")

[6] See *supra*, fn. 3.

LITHUANIAN INDEPENDENCE DAY

Mr. WILLIAMS. Mr. President, on February 16, 1976, Americans of Lithuanian descent commemorated the 58th anniversary of the Day of Restoration of Lithuanian Independence. On this day in 1918, the Lithuanian people inaugurated a brief but remarkable period of independence and prosperity after 123 years of foreign rule. Today the people of Lithuania live under Soviet tyranny, but their will to be free remains strong.

The Lithuanian heritage of liberty can be traced to the establishment of the Lithuanian Kingdom in 1251. However, by the 19th century, Lithuania was firmly in the grip of Czarist Russia, and would remain so until she declared her independence in the wake of the upheaval caused by the First World War.

Following this declaration, the Lithuanians concluded a treaty with the Soviet Union recognizing the country's right to exist as a "self-governing and independent state." The people elected a constituent assembly and adopted a constitution. A new democracy awakened in Lithuania. During the next 20 years, the little nation made significant social, cultural, and economic advancements. In 1940, Lithuania's independence came to an abbrupt end as she fell victim to Soviet aggression. In the summer of that year, 300,000 Soviet troops invaded the country, and Lithuania was forcibly annexed into the Soviet Union, an act that the United States has never recognized.

Within months, Nazi stormtroopers had driven out the Soviets and until 1944, the Lithuanians lived under Nazi terror. With the end of the Second World War, the Soviets returned, but they met stubborn resistance. In a 9-year guerrilla war, over 30,000 Lithuanians died, and another 350,000—about one-sixth of the country's population—were exiled. Soviet power eventually proved to be too strong and Lithuanian resistance was overwhelmed. The Soviets took firm control, depriving the people of their civil liberties and basic human rights, and instituted a systematic campaign to destroy the Lithuanian culture.

As we celebrate the Bicentennial of America's independence we should also remember that the struggle for independence is still continuing for the people of Lithuania. Despite the harsh rule of the Soviet Union, their spirit remains unbroken. The Lithuanians are determined to regain control over their own lives and to decide for themselves Lithuania's future course. This dedication to the restoration of a free and independent Lithuania, and this faith in the eventual achievement of this goal deserve our highest respect and our earnest support.

THE SAFETY AND SECURITY OF OUR NUCLEAR EXPORTS

Mr. GLENN. Mr. President, the Senate Committee on Government Operations has completed a second round of hearings into the adequacy of Federal interagency controls over peaceful nuclear exports to prevent the spread of nuclear weapons capability to other countries.

The committee now has held 7 days of hearings, including the three that took place last spring, to explore the awesome problem of nuclear proliferation. The focus of these hearings has been S. 1439, the Export Reorganization Act of 1976, a bill in which I have joined with the committee's distinguished chairman and ranking minority member, Senators RIBICOFF and PERCY, to reorganize domestic Government agencies so as to upgrade controls over exports of strategic significance, including the transfer of civilian nuclear technology to other nations.

We have taken testimony from several of the Nation's most eminent scientists, statesmen, academicians, and leaders of Government and industry. We will be hearing from Secretary Kissinger on March 9, who has agreed to appear before the committee to present the administration's first policy statement devoted entirely to the problem of curbing the spread of nuclear weapons around the world.

I have been privileged, Mr. President, to preside at these hearings, at the request of Chairman RIBICOFF, as the committee's ad hoc Chairman for Nuclear Affairs.

As the testimony developed during the course of the hearings, however, this assignment has not been a particularly pleasant one. The testimony for the most part has been either far from reassuring or downright depressing.

The proliferation of the potential for development of nuclear weapons has not been checked, and it now threatens to run out of control. The prospect of scores of nations having thousands of atomic bombs does not bode well for the world, to say the least. The fierce competition that has developed between the United States and the other nuclear supplier nations has aggravated the problem to the point that it may overwhelm current efforts by the supplier nations and the International Atomic Energy Agency—IAEA—to apply adequate safeguards against diversion, theft, and sabotage.

The latest official data assembled by the committee indicates that over the next decade the number of nuclear powerplants worldwide will quadruple to 800 and the number of facilities for separating plutonium from the spent fuel of these power reactors will triple to 17. By 1990, nuclear powerplants in the less-developed countries alone will be generating 30,000 pounds of plutonium annually, which after separation from spent fuel is the equivalent of 3,000 small atomic bombs.

The news has not been all bad, however. Myron Kratzer, an Acting Assistant Secretary of State, announced at our hearings on January 29 the first known break in the global spread of nuclear weapons capability: the cancellation by South Korea of its order for a plutonium reprocessing plant from France. It is a happy indication that some sanity persists in the world. More significant, perhaps, it is an indication that the United States still has the clout, when we are willing to exercise it, to get other nations to see the nuclear proliferation problem our way.

Hopefully, this announcement is a sign that one of our most troublesome nuclear competitors, France, is finally coming around to the notion that the export of uneconomical nuclear fuel facilities to individual nations is in no one's best interest. These facilities provide the missing link for a nation to develop nuclear weapons from the materials used in their nuclear power or research programs. Clearly, the wisest course is to bar their export to individual nations and to develop cooperative arrangements among the nuclear supplier nations for providing nuclear fuel services to other nations as cheaply and reliably as possible. This could lead to the establishment of multinational regional nuclear fuel centers, as proposed by Secretary of State Kissinger.

I ask unanimous consent that an article from the Washington Post describing the announcement and the significance of South Korea's action be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SOUTH KOREA CANCELS A-PLANT

(By Don Oberdorfer)

South Korea, under heavy U.S. pressure, has canceled plans to purchase a French plutonium reprocessing plant that could be used in the manufacture of nuclear weapons.

The decision was disclosed yesterday at a Senate Government Operations Committee hearing on the dangers of the spread of nuclear weapons and the inadequacy of existing nuclear export procedures.

Subcommittee Chairman John H. Glenn Jr. (D-Ohio) hailed the news as an indication of "some sense of sanity" in the burgeoning nuclear field.

Myron B. Kratzer, director of the State Department's Bureau of Oceans and International Environment and Scientific Affairs, told the committee that the Korean decision had been transmitted to the United States within the past few days. Under questioning about U.S. pressure on the Koreans, Kratzer would say only that South Korea reached its own decision on the French plant.

Informed Korean sources said the United States exerted "tremendous pressure" to bring about cancellation of the deal with France.

In an unusual show of toughness, the State Department reportedly made it clear the United States would withhold necessary export licenses and Export-Import Bank financing for Korea's $292 million second Westinghouse atomic power reactor program if Seoul persisted in purchasing the plutonium reprocessing facility.

The United States also had arranged with Canada to hold up the scheduled sale of a Canadian "Candu" nuclear reactor to South Korea unless Seoul changed its mind about the French plant, sources said.

A reprocessing facility of the type South Korea planned to buy from France can convert nuclear fuel from power or research reactors to weapons-grade plutonium. Though South Korea has pledged not to use its nuclear facilities or U.S.-furnished fuel supplies for making bombs, such a pledge would be much harder to police if the country acquired a reprocessing plant.

Arms control expert Herbert Scoville Jr., a former official of several U.S. agencies in this field, told the Senate subcommittee yesterday that a Korean reprocessing plant cannot be justified on economic grounds. This "raises the serious question of why South Korea wishes to have such a capability," Scoville said in remarks before the disclosure that the plant order had been canceled.

The Korean peninsula, where a U.S.-backed regime in the south faces a Sino-Soviet-backed regime in the north across heavily fortified lines, is considered one of the most dangerous potential trouble spots. The United States maintains several hundred nuclear weapons in South Korea, according to reports.

The introduction of nuclear weapons under Korean control would bring a serious new dimension to the risks, and analysts say, might be the thing to induce Japan to acquire nuclear weapons.

Under a U.S.-Korean nuclear cooperation agreement in 1972, the United States has permitted export of nuclear fuel for South Korea's American-made Westinghouse power reactors. The first export of 82,360 kilograms of low-enriched uranium was approved in October by the Nuclear Regulatory Commission after consultations within the government.

The Government Operations Committee has been critical of the procedures under which such export decisions are made. A staff study produced at the hearing said the entire public file on the South Korea export proposal is only 15 pages. There was no public notice or public hearing on the proposal.

At the end of one year of operation, the first Westinghouse power reactor would produce 300 pounds of plutonium. This amount, if reprocessed into weapons-grade material, would be enough for 30 atomic bombs, the staff study said.

Mr. GLENN. Mr. President, another hopeful sign is the Executive order signed by President Ford soon after the conclusion of our hearings, announcing a voluntary system of cooperation and coordination by executive branch agencies to assist the independent Nuclear Regulatory Commission—NRC—in its consideration of nuclear export license applications.

I ask unanimous consent that the Executive order be printed at this point in the RECORD.

There being no objection, the Executive order was ordered to be printed in the RECORD, as follows:

PRESIDENTIAL DOCUMENTS: TITLE 3—THE PRESIDENT

[Executive Order 11902—February 2, 1976]

PROCEDURES FOR AN EXPORT LICENSING POLICY AS TO NUCLEAR MATERIALS AND EQUIPMENT

The Energy Reorganization Act of 1974 transferred to the United States Nuclear Regulatory Commission the licensing and related regulatory functions previously exercised by the Atomic Energy Commission under the Atomic Energy Act of 1954, as amended.

The exercise of discretion and control over nuclear exports within the limits of law concerns the authority and responsibility of the President with respect to the conduct of foreign policy and the ensuring of the common defense and security.

It is essential that the Executive branch inform the Nuclear Regulatory Commission of its views before the Commission issues or denies a license, or grants an exemption.

Now, therefore, by virtue of the authority vested in me by the Constitution and statutes of the United States of America, including the Atomic Energy Act of 1954, as amended (42 U.S.C. 2011 *et seq.*), and as President of the United States of America, it is hereby ordered as follows:

SECTION 1. (a) The Secretary of State is designated to receive from the Nuclear Regulatory Commission a copy of each export license application, each proposal by the Nuclear Regulatory Commission to issue a general license for export, and each proposal by the Nuclear Regulatory Commission for exemption from the requirement for a license, which may involve a determination, pursuant to the Atomic Energy Act of 1954, as amended, that the issuance of the license or exemption from the requirement for a license will, or will not, be inimical to or constitute an unreasonable risk to the common defense and security.

(b) The Secretary of State shall ensure that a copy of each such application, proposed general license, or proposed exemption is received by the Secretary of Defense, the Secretary of Commerce, the Administrator of the United States Energy Research and Development Administration, hereinafter referred to as the Administrator, the Director of the Arms Control and Disarmament Agency, hereinafter referred to as the Director, and the head of any other department or agency which may have an interest therein, in order to afford them the opportunity to express their views, if any, on whether the license should be issued or the exemption granted.

SEC. 2. Within thirty days of receipt of a copy of a license application, proposed general license, or proposed exemption, the Secretary of Defense, the Secretary of Commerce, the Administrator, the Director, and the head of any other agency or department to which such copy has been transmitted, shall each transmit to the Secretary of State his views, if any, on whether and under what conditions the license should be issued or the exemption granted.

SEC. 3. The Secretary of State shall, after the provisions of section 2 of this order have been complied with, transmit to the Secretary of Defense, the Secretary of Commerce, the Administrator, the Director, and the head of any other department or agency who has expresed his views thereon, a proposed position of the Executive branch as to whether the license should be issued or the exemption granted, including a proposed judgment as to whether issuance of the license or granting of the exemption will, or will not, be inimical to or constitute an unreasonable risk to the common defense and security.

SEC. 4. If the heads of departments and agencies specified in section 2 of this order are unable to agree upon a position for the Executive branch, the Secretary of State shall refer the matter to the Chairman of the Under Secretaries Committee of the National Security Council in order to obtain a decision. In the event the Under Secretaries Committee is unable to reach a decision, the Chairman of that Committee shall refer the matter to the President for his decision.

SEC. 5. The Secretary of State, after taking the actions required by this order, shall notify the Nuclear Regulatory Commission of the position of the Executive branch as to whether the license should be issued or the exemption granted, including the judgment of the Executive branch as to whether issuance of the license or granting of the exemption will, or will not, be inimical to or constitute an unreasonable risk to the common defense and security. The Executive branch position shall be supported by relevant information and documentation as appropriate to the proceedings before the Nuclear Regulatory Commission.

GERALD R. FORD.

THE WHITE HOUSE, *February 2, 1976.*

Mr. GLENN. Mr. President, this Executive order represents an important first step in reforming the nuclear export process. It tracks closely a major provision of S. 1439 as drafted by the committee: designating the State Department as the lead agency for assembling information from various agencies in the executive branch that is required by the NRC in making determinations, as required by the Atomic Energy Act, that a proposed nuclear export will not be "inimical to the common defense and security or to the health and safety of the public."

The Executive order, however, falls short of several other important objectives of the bill several of which can be achieved only by legislation. These additional objectives include:

Consolidating all nuclear export licensing and approval authority in the NRC;

Designating the State Department as the lead agency for negotiating U.S. nuclear agreements with other nations, and the subsequent arrangements made pursuant to those agreements;

Providing a consultative role for the NRC at the early stages of the nuclear export process when the agreements and arrangements are negotiated;

Providing a major role for the Arms Control and Disarmament Agency—ACDA—by requiring it to prepare nuclear proliferation assessment statements on all agreements, arrangements and strategically significant nuclear exports:

Permitting a final congressional determination on nuclear export license applications that involve foreign policy considerations that the NRC finds it cannot adequately resolve; and

Transferring certain safeguards functions and personnel to NRC from the Energy Research and Development Administration and the Department of Transportation.

A more complete summary of the major nuclear provisions of S. 1439 appears in the RECORD of January 23, 1976, beginning at page 769.

Mr. President, the bill seeks to strike a delicate balance between too little and too much control over U.S. nuclear exports. The aim is to place our own nuclear house in order and to encourage a tougher American antiproliferation stance internationally, without crippling the U.S. nuclear industry.

The need for these reforms is demonstrated in a committee staff memorandum which questions whether under present interagency procedures, the Nuclear Regulatory Commission is capable of making independent determinations on nuclear export license applications. The procedures themselves are spelled out in a statement of facts which was prepared for the committee by the General Accounting Office.

I ask unanimous consent that both the staff memorandum and the GAO statement of facts be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GLENN. Mr. President, in all fairness, I fully realize that members of the NRC have expressed reservations regarding certain aspects of the staff report and I would be happy to include in a later CONGRESSIONAL RECORD any comments they might wish to make regarding thesse most important considerations.

Mr. President, the staff memorandum also questions the adequacy of the safeguards and the peaceful-use assurances that apply to recently licensed exports of nuclear fuel to India and South Korea. These exports raise important procedural and proliferation questions because one export involves a nation that has not ratified the Non-Proliferation Treaty and has set off a nuclear explosion, while the other involves a nation that has ratified the NPT, but whose imperiled status suggests that it might have nuclear weapons intentions.

The memorandum also questions whether the NRC should apply health and safety standards to nuclear exports. This may be particularly important for exports to less developed countries, where skilled manpower may not be available for safe construction, operation and maintenance of reactors. The committee is evaluating information in this area with respect to reports of serious radioactive leakage and other problems at two U.S.-supplied nuclear powerplants in Tarapur, India. We may wish to hold a hearing on health and safety aspects of nuclear exports in the near future.

A key element of the nuclear proliferation problem is the serious limitations of the IAEA, the international agency to which the United States and the other nuclear supplier nations have delegated the responsibility of safeguarding peaceful nuclear exports.

The International Atomic Energy Agency is probably the most professional and least political of the agencies affiliated with the United Nations. But it clearly has its limits and its shortcomings, and these have been spelled out clearly in a report by the General Accounting Office, entitled "Role of the International Atomic Energy Agency in Safeguarding Nuclear Material."

In fact, this report states that "the real effectiveness of IAEA safeguards is not known" and that "United States and IAEA officials generally conceded that a country could circumvent safeguards if it was willing to assume the risk of detection, incur the expense, and take the trouble to do so."

The report was prepared for the House Committee on International Relations, and we are indebted to its distinguished chairman, Representative THOMAS MORGAN, for releasing it at a time when it could serve as a focal point for our hearings. This is an excellent and most important report, laying out the political and technical aspects of IAEA safeguards that require strengthening. Chairman MORGAN's release of it exemplifies bicameral cooperation in the public interest.

I ask unanimous consent that the conclusions section of the report be printed in the RECORD at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. GLENN. Finally, Mr. President, I would like to note that the gravity of the safety and security problems associated with our nuclear export program has led one of the committee's most distinguished witnesses, David Lilienthal, the first Chairman of the Atomic Energy Commission, to conclude that the situation demands nothing less than a total and immediate embargo on the export of nuclear equipment, fuel and technology.

I cannot support Mr. Lilienthal's recommendation. I am not prepared to cut off a precious source of energy to the rest of the world—a world that has relied on U.S. commitments to be a reliable supplier of nuclear power as an alternative to the dwindling supply of fossil fuels. But I am not prepared either to see the United States become "the atomic patsy of the world," to use Mr. Lilienthal's blunt language. Which is to say, we should not be so generous, so anxious to promote nuclear industries in other nations, that we fail to insist on a safeguards system that really works to prevent the misuse of our nuclear assistance for weapons purposes.

So, while I do not arrive at the same conclusion as Mr. Lilienthal, I do not disagree with his statement of the problem. The drastic action he proposes, coming from a man of such stature and experience, deserves to be taken seriously, if only as a means to dramatize the problem—as a means to achieve a desired end.

The bill being considered by the Government Operations Committee, the Export Reorganization Act of 1976, is an effort to cure some of our nuclear ills so that Mr. Lilienthal's strong medicine will not be necessary.

EXHIBIT 1

SENATE GOVERNMENT OPERATIONS COMMITTEE STAFF MEMORANDUM

LEADING ISSUES IN THE NUCLEAR EXPORT LICENSING PROCESS

1. Independence and Capability of the NRC.

Under the procedures worked out with the Executive Branch (as outlined in the GAO statement of facts), it is questionable whether the NRC is capable of making independent determinations on nuclear export license applications.

In reviewing export applications, the NRC must determine (1) that the proposed export is in accordance with the terms of a U.S. nuclear agreement with a recipient country and (2) that the export is not "inimical to the common defense and security and the health and safety of the public."

There are three basic considerations in determining whether a nuclear export is in the interest of national security:

(1) That the national safeguards system in the recipient country—and the IAEA inspection and verification of that system—are adequate to detect any diversion by the nation of nuclear materials for weapons purposes.

(2) That the physical-security measures taken by the nation are adequate to prevent theft of nuclear materials by terrorist or criminal groups.

(3) That the peaceful-use assurances given by the nation can be relied upon to the extent that it will not abrogate either its cooperative agreement with the United States or its obligations under the IAEA statute and/or the Nuclear Non-Proliferation Treaty.

The NRC presently does have safeguards and physical-security experts on its staff who are capable of making technical evaluations of the information provided by the State Department under the first two categories above.

The NRC presently does not have a staff of foreign affairs specialists capable of evaluating the information provided by the State Department with respect to the assurances and intentions of importing nations (item 3 above).

The technical safeguards and physical security staffs in the NRC are quite small in comparison with their counterparts in ERDA. Furthermore, questions have been raised as to whether ERDA has been cooperative in terms of sharing pertinent information and data with NRC. For example, ERDA does not make available to NRC the raw files of ERDA's physical security inspections in other countries; nor does ERDA generally invite NRC experts to go along on these inspections. Of the several inspection trips that ERDA made to 20 countries last year, one NRC official was permitted to make two trips to three of those countries (Romania, Turkey and India).

Early last fall, the NRC indicated that it planned to establish an International Office made up of a small staff of foreign affairs specialists who would advise the Commission on information provided by the State Department as to the reliability of peaceful-use assurances by other countries. The office has not yet been established.

At such time as the new office is established, it will be useful for the Committee to ascertain that the NRC plans to continue to require a sign-off on nuclear export applications by its technical safeguards and physical-security staff. There is still a question as to whether the Commission would require a sign-off by the International Office to the exclusion of the technical staff. Inasmuch as the Commission must consider both the safeguards and the assurances of a prospective recipient nation, both staffs should be required to sign off on an export application.

2. The closed licensing process.

Neither the Atomic Energy Act nor NRC regulations require public notice in the Federal Register or a public hearing on an application to export nuclear fuel to another country. NRC regulations do require public notice of an application for export of a nuclear facility, but the question of whether there should be a public hearing is left to the discretion of the Commission.

There has never been a public hearing on a nuclear export application of any kind, either under the old AEC or the NRC.

No minutes or transcript of the Commission's deliberations on export license applications are maintained. The Commission does not take a formal vote on approving or disapproving the applications. Instead, each Commissioner initials a one-line "Commissioner Action Item," and when these are received by the Secretary of the Commission from each of the five Commissioners, the Secretary telephones a middle-level officer, the Chief of the Agreements and Exports Branch, and instructs him to sign the license.

The Commission occasionally meets to discuss important license applications—sometimes to obtain elaboration from State Department representatives on the responses to the eight standard questions posed by the NRC on each export. All such meetings are closed, and as indicated above, no record is kept.

The only explanation of the Commission's decision is a "Note to Files" signed by the same NRC official who signed the license. This is a one-page document stating that the Commission has determined that the export is subject to an agreement for cooperation with the recipient nation and "would not be inimical to the common defense and security of the United States." It cites as "information supporting this action" the license application, a letter from the importing country stating that it will live up to its agreement with the United States, and the State Department response to the NRC's eight questions, known as the "License Application Analysis," accompanied by a State Department memorandum stating that "the Executive Branch has concluded that issuance of the proposed license would not be inimical to the common defense and security and is of the view that the license should be issued promptly."

A file on each nuclear export license application is not made available to the public until a license is approved. At that time, the file is placed in the NRC's Public Document Room. Each file contains no more than 15 or 20 pages, including the above cited documents as well as letters from the country, the vendor and the shipper, usually asking that the Commission speed up the approval process.

A docket of pending export license applications is not made available to the public.

Thus, the public has no way of knowing of the existence or the nature of most pending applications through official means until after an export has been approved.

The Committee should consider whether it would be in the public interest to permit greater public access to and participation in the nuclear export licensing process.

The basic procedural consideration is the extent to which a more open process would invite intervention in these proceedings by opponents to nuclear power and to what extent such interventions would jeopardize U.S. nuclear trade.

The basic policy question is balancing the public's right to know about proliferation dangers against the economic advantages of the United States continuing to be a reliable nuclear supplier.

3. Recent Nuclear Fuel Shipments to India and South Korea.

The recently licensed shipments of large quantities of nuclear fuel to India and South Korea raised important proliferation questions because of the possible nuclear weapons intentions of the two nations.

India has not ratified the Nuclear Non-Proliferation Treaty and in 1974 exploded a nuclear device. India has the largest nuclear capability of the less developed countries, including reactors capable of producing plutonium out of unsafeguarded nuclear fuel, and a plutonium reprocessing plant and a fuel fabrication plant, both of which are operated at least part of the time outside of IAEA safeguards.

South Korea recently ratified the Nuclear Non-Proliferation Treaty upon the strong urging of the United States. Like India, Korea is a relatively high-technology nation, but unlike India does not have a large nuclear capability. Its first power reactor, imported from the United States, is about to go on line, using the recently licensed fuel from the U.S. It does not have any nuclear fuel facilities, although it has been negotiating with France to import a plutonium reprocessing plant, over U.S. objections. U.S. nuclear experts consider Korea capable of making an atomic bomb if it can obtain the plutonium and its imperiled status as a nation suggests that it might have nuclear-weapons intentions.

Despite the sensitivity of these two nuclear fuel exports, the entire public file on the Korean export totals 15 pages; on the Indian export, 21 pages. The State Department responses to the NRC's eight questions run only three pages in each file, and generally lack detail. The responses reflect the assembled viewpoint of the Executive Branch, and do not include the individual views of the agencies consulted by the State Department, such as the ACDA, ERDA and the CIA. It is unclear whether the Commission is free to follow-up directly with the individual agencies. There are no follow-up questions to State in either file, although State Department representatives apparently briefed the Commission in closed session on both exports.

The weapons-proliferation significance of these particular fuel shipments is not in their present make-up (which is low-enriched uranium unsuitable for making bombs), but rather in the eventual handling and processing of the fuel after it is burned in power reactors and then contains large quantities of plutonium. The plutonium, after separation from the spent fuel, is suitable for making atomic bombs.

There were concerns expressed within the Commission when considering the two exports that the IAEA safeguards over spent-fuel storage and reprocessing in each country are inadequate to prevent diversion of plutonium if either nation sets out to stockpile it secretly. There was also concern over possible weapons intentions of the two countries despite their peaceful-use assurances. As indicated above, there is no record as to how these problems were resolved.

Under the terms of the agreement for cooperation and the export license, India is permitted to reprocess spent fuel from two U.S.-supplied reactors in its own reprocessing plant. It is the same unsafeguarded plant that produced India's bomb material in 1974, although for the purpose of reprocessing U.S.-supplied fuel, IAEA safeguards must apply. The adequacy of safeguards in a plant that is sometimes unsafeguarded is open to question, as is the adequacy of safeguards generally in a non-NPT nation that is free to have some unsafeguarded nuclear activities.

Furthermore, although India is committed to using the plutonium from U.S.-supplied nuclear fuel for recycling as fuel in the U.S.-supplied reactors, it has refused, for reasons that are not clear, to make a commitment not to use this plutonium for nuclear explosions. The U.S. agreement with India permits India to remove from IAEA safeguards plutonium that originates from U.S.-supplied fuel, so long as an identical amount of unsafeguarded plutonium is placed under IAEA safeguards. Again, the significance of this understanding is not clear.

Over 1,000 pounds of plutonium has accumulated in the spent fuel of these reactors since 1969, the equivalent of 100 atomic bombs. It is under Indian guard and control with occasional inspections and measurements by the IAEA. There apparently was no effort by the Executive Branch to require India to return the spent fuel to the United States following its nuclear explosion, although there may be an intention to do so following any additional explosions.

With respect to Korea, the United States and Korean governments must reach mutual agreement on reprocessing of U.S.-supplied fuel. Nevertheless, Korea has been negotiating to import a plutonium reprocessing plant from France, over U.S. objections. The current fuel shipment is for the first loading of the first of four reactors that Korea is buying from Westinghouse. By the end of one year, the 560 megawatt-electric reactor will produce 300 pounds of plutonium in the spent fuel, which after separation is enough for 30 atom bombs. As in India, the spent fuel will be under national control with occasional IAEA inspection and measurement.

The possibility of surreptitious removal of extra spent-fuel rods to a small, clandestine reprocessing plant cannot be dismissed, according to at least one safeguards expert advising the Commission.

The Committee should explore the procedures used by the NRC to determine that the safeguards and assurances applying to these nuclear-fuel exports are adequate to prevent the development of nuclear weapons.

3. Health and safety.

Although the Atomic Energy Act requires the NRC to make a determination that an export will not be inimical to public health and safety, as well as to common defense and security, this has not been interpreted by the Commission to mean that it must consider the question of whether a reactor will be constructed and operated safely in the recipient country. Exported reactors, however, meet the same design criteria as required for operation in the United States.

Several countries, particularly those in the less developed world, either have nuclear health and safety standards far less rigorous than those used in the United States, or no such standards at all.

The IAEA is now in the process of developing a comprehensive set of safety codes for nuclear power reactors, and the United States is participating in this program. It is unclear, however, how rigorous these standards will be or to what extent they can be enforced by the agency. The IAEA statute contains the authority to require the observance of any health and safety measures prescribed by the agency. This authority has not yet been exercised.

It is questionable whether some countries, particularly those in the less developed world, have the technological capability or the skilled manpower to build and operate nuclear powerplants safely without close supervision and training by the United States and other nuclear supplier countries.

The Committee should consider, therefore, whether minimum health and safety standards should be required by the NRC as a condition of approving an export license. Aside from the moral issue of whether the United States should be exporting a technology that may be too dangerous for the recipient country to handle on its own, there is also the question of the potential adverse impact on the U.S. nuclear industry in the event of a major accident involving a U.S.-supplied reactor resulting from poor workmanship, operation, or maintenance by another country.

STATEMENT OF FACTS ON NUCLEAR EXPORT LICENSING

(Prepared for the Senate Government Operations Committee by the General Accounting Office as part of a larger report on interagency relationships between NRC and ERDA, due to be released in February 1976.)

Under Section 204 of the Energy Reorganization Act of 1974, the Director of NRC's Office of Nuclear Material Safety and Safeguards was given responsibility and authority for reviewing the safety and safeguards of licensed nuclear facilities and materials. NRC's safeguard responsibilities extend to domestic licenses and to licenses issued to domestic licensees and commercial businesses to export nuclear material, facilities, and equipment. Government-to-government exports are not licensed by NRC. The term "safeguards" in the international context refers to nuclear material accountability but does not include physical security measures designed to protect nuclear material and equipment from subnational theft, diversion or sabotage. Domestically the term refers to both material accountability and physical security.

NRC and Executive Branch agencies have established procedures for reviewing international safeguards and physical security information prior to issuing export licenses. NRC's responsibility for issuing export licenses for nuclear facilities, material, and equipment stems from several provisions of the Atomic Energy Act of 1954, as amended. These include Sections 53 and 57 (special nuclear material), Sections 62 and 69 (source material); Section 82 (by-product material), Section 103 (commercial production and utilization facilities), Section 104 (medical therapy and research facilities), and Section 109 (component parts of facilities). These provisions require NRC to determine, among other considerations, whether issuance of an export license would be harmful to the common defense and security of the United States, and in some cases if it would be under the terms of an agreement for cooperation.

The responsibility for developing such agreements rests with the Executive Branch subject to Congressional review. Agreements for cooperation with a foreign country set forth:

The nature, scope, and other terms and conditions of the cooperation;

A guaranty that safeguards requirements in the agreement will be met;

A guaranty that any material transferred pursuant to an agreement will not be used for any military purpose; and

A guaranty that any material or restricted data transferred will not be available to unauthorized persons or transferred beyond the jurisdiction of the cooperating party.

The primary purpose of safeguards requirements in such agreements is inventory accountability of nuclear materials to determine that materials and equipment supplied have not been diverted to some unauthorized use. Agreements do not contain specific provisions granting the United States authority to verify the adequacy of physical security systems. Developing and implementing such systems is the responsibility of the importing country. However, the United States had adopted a policy in December 1974 that no license or authorization will be granted for export or transfer of certain quantities of special nuclear materials unless the recipient country has a physical security system acceptable to the United States.

Prior to enactment of the Energy Reorganization Act of 1974, an export license application was submitted to the Director of Regulation of the former Atomic Energy Commission and then forwarded to the Commission's General Manager for review. The review included confirmation with the foreign country involved that (1) the ultimate consignee was authorized to receive and possess the material, and (2) the transaction was covered by an agreement for cooperation. Based on this confirmation the General Manager determined if the issuance of the license would be harmful to the interests of the United States. If the General Manager's determination was favorable, an endorsement would be sent to the Director of Regulation staff to issue the license.

The statutory responsibilities for issuing export licenses and entering into and approving agreements for cooperation are now divided between NRC and Executive Branch agencies. Therefore, it has been necessary to develop procedures to guide each of the agencies involved in carrying out its responsibilities.

NRC and Executive Branch agencies have established procedures for issuing export licenses which have been in effect since May 1975. An NRC official told us that these procedures are intended to be set out in an Executive Order, which had not been issued as of January 1976.

Under the new procedures NRC receives the export license application and forwards it to the Department of State which consults other agencies, such as ERDA, the Department of Defense, and the Arms Control and Disarmament Agency, in developing the information and assessments necessary for determining that an export will be used exclusively for peaceful purposes and will meet the common defense and security requirements of the Atomic Energy Act.

The Department of State provides information and statements to NRC in response to questions on (1) the purpose of the export, (2) whether the export is covered by an agreement for cooperation (3) whether the importing country has accepted and implemented acceptable international safeguards (4) the adequacy of the importing country's accounting and inspection procedures and physical security arrangements to deal with threats of diversion of significant quantities of nuclear weapons materials, (5) the importing country's position on nonproliferation of nuclear weapons, and (6) the importing country's understanding with the United States regarding the prohibition of using U.S.-supplied material in the development of nuclear explosives.

The information and statements are in support of a coordinated Executive Branch view of whether the license should be issued. Any additional questions asked by NRC after its review of the Executive Branch's input have to be satisfactorily answered by the Executive Branch before the license is issued.

NRC officials have stated that there would probably be few cases where the Commission's judgment, in issuing an export license, would differ from that of the Executive Branch. Should there be a difference at the end of the export license review process after all exchanges between NRC and the Executive Branch, NRC officials believe that they have the final decision-making responsibility on whether to issue a license. However, NRC believes that because most export license transactions fall within the framework of agreements for cooperation developed by the Executive Branch with Congressional review and because the President is responsible for conducting foreign policy, his views on national security and foreign policy should be given great weight by NRC in making its export licensing decisions.

Since the export licensing procedures were implemented in May 1975, through January 2, 1975, NRC has asked the Department of State for information and a coordinated Executive Branch view on 231 applications. Of these, 90 were considered major cases which involved substantial quantities of certain nuclear materials, nuclear reactors, or were of special interest or sensitivity. As of January 2, 1976, NRC had received Executive Branch views on 49 of these applications and has issued licenses on 40 of them. According to the chief of NRC's export licensing branch the Commission is still considering the 9 remaining cases. He added that no licenses have ever been disapproved under these procedures.

We reviewed several export licenses issued under the new procedures. The information provided NRC is substantially more detailed than that provided to the Director of Regulation prior to the reorganization.

In establishing export licensing procedures with the Executive Branch, NRC felt that while it has the statutory responsibility for determining whether issuing an export license would be harmful to the common defense and security of the United States, most of the information on which to base its decision would come from Executive Branch agencies. The national security and foreign relations agencies have the capability to make integrated national policy evaluations considering foreign relations and national defense information. NRC officials believe it is impractical to attempt to develop an independent capability to collect and validate similar information related to Nuclear exports. NRC officials stated that such information is needed by NRC before it issues a license.

When safeguards needs were being considered in the development of international agreements for cooperation the principal concern was for establishing sufficient assurance that the nuclear activity would only involve what was agreed to between the parties and that the importing country would not be able to undertake unauthorized activities without the substantial risk of detection. The development and implementation of physical security measures were the responsibility of the importing country. Typically, international agreements do not specifically provide for formal inspection and determination of the adequacy of the importing country's security system. However, export of certain quantities of special nuclear materials is subject to the new United States policy mentioned previously.

An NRC official noted that before most export license applications, involving significant quantities of highly enriched uranium and plutonium, are approved there is a need to conduct physical security reviews abroad. ERDA conducts these reviews, and based on indications of anticipated exports and quantities previously exported, it visits importing countries to discuss and observe their physical security system. ERDA officials told us they use NRC regulations related to domestic physical security and international guidelines for physical security developed by the International Atomic Energy Agency (IAEA) as guides in conducting their reviews. IAEA is an autonomous intergovernmental organization responsible for international safeguards activities concerned with the peaceful uses of atomic energy. IAEA has no regulatory authority over physical security and limits its activities to recommending standards and advising and assisting member nations. Since December 1974 ERDA teams have visited 20 foreign countries and are planning visits or revisits to 24 foreign countries within the next 15 months.

Under the new export licensing procedures NRC verifies some, but not all the information or statements provided in support of applications for export licenses. For example, an NRC official told us that the Commission examines agreements for cooperation to verify commitments made with respect to safeguarding nuclear materials. He added that with respect to physical security, NRC does not normally verify physical security measures applied to exported materials but can and has asked for clarification of information provided and for additional information.

The deputy director of NRC's Division of Safeguards told us that his division participates actively in physical security discussions with foreign delegations visiting the United States. In addition he participated as an observer during two ERDA staff visits to three countries to obtain information on physical security measures placed on nuclear materials. He noted in these cases the countries had no physical security requirements in the form of formal regulations, and the ERDA staff visited selected sites to observe the physical security system in practice. NRC officials indicated that NRC may want to conduct its own visits in the future because it would enable a degree of independent validation of physical security systems.

EXHIBIT 2

CONCLUSIONS AND MATTERS FOR CONSIDERATION BY THE COMMITTEE

[From GAO report, Role of the International Atomic Energy Agency in Safeguarding Nuclear Material]

The real effectiveness of IAEA safeguards is not known. There is no public evidence to show whether IAEA safeguards have prevented or detected diversion of nuclear material from intended peaceful purposes. The mere fact that IAEA has never disclosed a diversion is not sufficient assurance to many countries that IAEA safeguards are effective.

Effective international safeguards depend in large measure on the intent and cooperation of the country to which they are applied and the adequacy of technological control and implementation. However, technological control in the absence of genuine political commitment is inadequate. IAEA officials have stated that safeguards would never be completely effective—they could never be fully confident that no material has been diverted. U.S. and IAEA officials generally conceded that a country could circumvent safeguards if it was willing to assume the risk of detection, incur the expense, and take the trouble to do so.

Although certain technical conclusions can be derived from the safeguards activities, the extent to which IAEA safeguards are effective is largely a matter of judgment. Since IAEA does not disclose to member nations the results of its inspections, on the grounds that proprietary information might be disclosed, it faces the difficult problem of how to assure member nations that safeguards are being applied effectively, fairly, and consistently in all countries.

Membership in IAEA does not obligate a country to accept safeguards on its facilities. For example, the nuclear facilities of major nuclear weapons countries, such as the United States and the Soviet Union, are not subject to IAEA safeguards except on a voluntary basis. In addition, India, Argentina, Egypt, Israel, Spain, Japan, Pakistan, and South Africa are IAEA members with nuclear facilities not subject to IAEA safeguards.

Limitations in the scope and applicability of IAEA inspections must also be recognized. IAEA safeguards are designed only to detect diversions at the national level. IAEA safeguards do not include physical protection, the safe international transport of nuclear material, or the safeguarding of nuclear waste. It does not have authority to seek out undeclared or clandestine nuclear facilities and cannot pursue or retrieve diverted nuclear material.

With the expected spread of peaceful uses of nuclear energy throughout the world, the problems encountered in the administration and implementation of the IAEA safeguards system can be expected to increase. They relate to such matters as:

The adequacy of material accountability records within the member countries and their compatibility with the IAEA system.

The continuing need for more advanced measuring instrumentation for inspectors.

The differences in safeguards agreements with member countries and their interpretation.

The equitable apportionment of the costs of the safeguards system among member countries.

If IAEA cannot verify the nondiversion of special nuclear material, the country involved is to be given a "reasonable time" to take corrective action before noncompliance procedures may be initiated. Such procedures include notification to member countries and the United Nations Security Council and General Assembly. Continued failure by the country to rectify the situation may also result in the recall of IAEA-sponsored material and technical assistance as well as suspension of membership rights and privileges. By the time these sanctions are made, the country may have had sufficient time to complete its weapons development. It is also not clear how IAEA-sponsored material would be retrieved.

In view of the dangers involved in the spread of nuclear weapons capability, stronger penalties may be needed for those who might violate their pledge to use nuclear material for peaceful purposes.

MATTERS FOR CONSIDERATION BY THE COMMITTEE

The Committee, together with the Joint Committee on Atomic Energy, may wish to pursue with responsible executive branch officials major policy matters related to the role of IAEA, including:

The need for expanding the responsibilities of IAEA in the physical protection of nuclear material, the control of irradiated nuclear waste, and the safe transport of nuclear materials internationally.

The technical and political limitations in applying IAEA safeguards.

The lack of sufficiently strong penalties or sanctions on a country that diverts nuclear material for military purposes or knowingly supplies material to another country for the purpose of developing nuclear explosive devices.

In addition, the Committees may wish to discuss with executive branch officials the desirability of proposing that IAEA publish annually a report showing, by member country, the amount of nuclear materials subject to its safeguards and the amount and/or percentage of material which could not be accounted for during the inspections, while not divulging host country proprietary information. This could help to assure all member countries that safeguards are effective and that safeguarded material is not being diverted.

LITHUANIAN INDEPENDENCE DAY

Mr. PROXMIRE. Mr. President, I would like to take this opportunity to join many of my colleagues in commemorating the 58th anniversary of the Declaration of Independence of Lithuania, and the 725th anniversary of the founding of the Lithuanian State. Dictatorial regimes by Germany, Poland, and Russia preceded their courageous move to create an independent Republic of Lithuania in 1918. This liberating and determined effort is something that people of Lithuanian descent all over the world may be proud of.

Technological, social, and intellectual progress characterized the early years of the freedom-loving Republic of Lithuania. Tragically this progress was abruptly halted when Soviet troops, in 1940, marched into the Baltic and occupied Lithuania as well as Latvia and Estonia. Yet even now, after 25 years of Soviet tyranny, the quest by Lithuania for religious and political freedom continues unabated. Many freedom-loving martyrs of Lithuanian origin attest to the independent spirit of these people which will not die.

Mr. President, in our Bicentennial Year, after Americans have been fortunate enough to enjoy 200 years of freedom, we cannot forget our Lithuanian friends. Even after years of persecution and tyranny, these people continue to seek the freedom that Americans too often take for granted. We must always remember our quest for independence, and accord Lithuanians our firmest support for theirs.

SARAH CALDWELL

Mr. BROOKE. Mr. President, early on the cold New York morning of January 13, opera lovers began falling into the standing-room-only line outside the Metropolitan Opera House in Lincoln Center. That night's performance had been sold out for weeks. Only a handful of the standees would get in. But what a lucky few. For on that night a woman, a very special woman, would for the first time in the Met's prestigious 95-year history, conduct the Metropolitan Opera.

That woman was the incomparable Sarah Caldwell. And that night was her night.

Sarah has been a Boston institution for a good many years, but in the last couple of months the Nation has reached out to claim her. Time and the New York Times Sunday Magazine have run full-length biographical portraits using words like brilliant, innovative, creative, dynamic. Those words are apt but they only hint at the true genius that she brings to her art. They are only fragmentary pieces of the Caldwell puzzle which has so bedazzled Boston opera goers. And dazzling she certainly was on the night of her historic Metropolitan debut. Triumphantly leading the Metropolitan Orchestra and a distinguished cast headed by Beverly Sills through Verdi's "La Traviata," Miss Caldwell left no doubt that she is the reigning queen of American opera—no, world opera. It was a wonderfully proud moment for Sarah, for her lovely mother, Margaret Alexander, for her brother and her sister-in-law, Mr. and Mrs. George Alexander, and for all opera lovers who were lucky enough to be in attendance.

Now, Mr. President, I must confess that I do not speak about this subject with objectivity. First as president, then later as chairman of the board of the Boston Opera Company, I have been very privileged to work closely with Sarah Caldwell down through the years. They have been years of triumph, but they have also been years of blood, sweat, and tears. Yet through it all Sarah's unswerving devotion to her art combined with her marvelous ability to refuse to take "no" for an answer kept the company alive and the flame of innovative opera burning.

In a career which has met and challenged one operatic Mt. Everest after another, Sarah's Metropolitan debut is important in and of itself. But it is also a ratification, if you will, of what those of us in the opera community who have known Sarah all along have known for a decade: that Sarah Caldwell is without question opera's leading lady.

Sarah is not a matriarch; she has more than a generation of time and talent to give to our country and the world. And this is the really wonderful thing about her "discovery." It comes while she still has decades of inspiration and genius to give to music.

Mr. President, for the sake of those who might have missed the reviews of Sarah Caldwell's performance at the Met, I ask unanimous consent that Richard Dyer's review, which appeared in the Boston Globe on January 15, be printed in the Record.

There being no objection, the review was ordered to be printed in the Record, as follows:

[From The Boston Globe, Jan. 15, 1976]

It Was Sarah Caldwell's Night at the Met

(By Richard Dyer)

Tuesday night Sarah Caldwell became the first woman to conduct at the Metropolitan Opera. Talking to a mob of reporters and well-wishers afterwards, Miss Caldwell put that fact in its place, "It feels very good to reach this moment," she said. As a matter of course other women would follow her at the Met. "But what we are really after," she emphasized, "is good conducting and good staging, the fusion of music and theater, by whoever can do it."

Miss Caldwell certainly did her part in Tuesday's performance of "La Traviata" and the audience knew it; the great ovations of the evening went to her. It has been years since "La Traviata"—or, for that matter, much of anything else—has been so responsibly and so sensitively conducted there.

To begin with, she rehearsed the opera complete, just as Verdi wrote it, and so far as anyone knows that hasn't happened in any of the Met's previous 423 performances. If Verdi called for pizzicato violins in the accompaniment to Alfredo's aria, Miss Caldwell demanded them—tradition be damned. A last-minute substitution in the cast meant that some of the traditional cuts had to be reinstated; by the next performance everything should be back in place.

For years it has been clear that Miss Caldwell knows what to do with obviously theatrical music—one might have expected the feverish party music to go well, the sobbing clarinet solo when Violetta writes the letter, the shudder in the low strings when death steals through Violetta's veins. But only recently have we been able to expect such wonderful shaping of melody within such just pacing of incident.

Toscanini would probably have objected to the rhythmic leeway Miss Caldwell gave to her cast, and this permissiveness of hers did in fact lead to the one unconvincing episode in the performance. She let Beverly Sills and William Walker decide how much time to take between the various segments of their second-act duet, and they took enough, went through enough distracing stage-business, to disturb the continuity of Verdi's musical thought; the great arch of this duet collapsed into sections.

But Toscanini would surely have understood what Caldwell accomplished nearly everywhere else. "Cantare" ("Sing"), he would repeatedly exhort his players. And that is the secret of Caldwell's conducting in this kind of opera: she moulds everything as if she were a very great vocalist, singing it herself.

Unfortunately the performance was not a "fusion of music and theater": what Miss Caldwell had to look at onstage must have driven her crazy, for the Met's "Traviata" production represents everything her own best work accuses—the slovenly execution of slipshod thinking. Violetta walks out into the yard to look over her household accounts and Germont, looking around at the weathered lawnchairs, exclaims about luxurious expense.

Each of the principals acted in a different style. No one expected much from Stuart Burrows in that department, and William Walker, of course, was a last-minute substitution. So the major disappointment was the Little Orphan Annie Violetta of Beverly Sills. She looked marvelous in gowns especially designed for her, and there were of course moments of exceptional imagination and effect in her work—the slow musing walk across the stage during the departure of the guests in the first act, for example, Sills's glide was completely unsynchronized with the music to suggest Violetta's absorption in what Alfredo has said to her (it also had a purposeful counterpart in the third act after the denunciation, when the unsynchronized walk collapsed into a faint). But the performance didn't coalesce into a coherent effect—it was a bit of Caldwell here, a bit of Corsaro there, even some Charles L. Wagner truck-and-bus. Furthermore someone has told Sills that the greatest artists are unafraid to turn their backs on the audience; Sills sang a lot of her role to the rear wall of the set and, in doing so, seriously overestimated the communicative prowess of her backside.

Possibly she had vocal reasons for some of this, for she was frankly in wretched shape, and nearly every forte splintered; the sound was so painful that the consistent musical distinction of her phrasing was evident only in her softest singing. Perhaps she was ill; she cancelled a performance last week. Walker managed a sturdy, workmanlike Germont. Burrows is the kind of tenor who is usually praised for "stylish elegance" because he cannot sing loudly; he was anything but elegant when he tried to, and in the more relaxed music the style came too close to Bing Crosby's.

So the night belonged to Miss Caldwell. And, through her, to Giuseppe Verdi.

LT. GEN. JAMES F. HOLLINGSWORTH

Mr. BENTSEN. Mr. President, this past Sunday, the Washington Post published a story on the career of Lt. Gen. James Francis Hollingsworth. General

Hollingsworth, a Texan and graduate of Texas A. & M. University, will soon retire, ending a career that has spanned a lifetime of military service and been marked by a number of demanding challenges.

As John Saar notes in his excellent account, General Hollingsworth is, at 57, a legend within the U.S. Army. He is a soldier's soldier who first demonstrated his capabilities in defending the Siegfried Line in 1944. His leadership then was as it remains today—complete, deeply respected, and capable of instilling confidence in all whom it touches.

General Hollingsworth's last assignment was perhaps his most difficult. Given command of the strategically vital 1 Corps in South Korea 2½ years ago, General Hollingsworth has molded its 185,000 men into a truly crack outfit, bolstering morale, and giving every confidence that it can adequately defend Seoul from attack. The importance and difficulty of that assignment cannot be overestimated, coming as it did during a time in which South Koreans witnessed massive changes in the balance of forces elsewhere in Asia.

General Hollingsworth has served his Nation well. It has made great demands of him, and he has risen to each challenge. I salute this distinguished Aggie, welcome him home to Texas, and wish him well in his future endeavors.

I call to the attention of my colleagues the Washington Post story and the outstanding service of this great general.

GIFTS AND FAVORS

Mr. GOLDWATER. Mr. President, a great furor has been raised over generals and admirals and a few of our colleagues visiting duck and goose hunting establishments on the eastern shore in Maryland. Last evening I ran across an interesting item that seems to point out that Members of Congress have other favors from the labor unions than just outright money. What I discovered was that on the 3d of March of last year the Railway Clerks Political League paid $1,485.16 to Congressional Liquors for "Christmas gifts to Senators and Congressmen." How many sets of standards do we maintain? One for admirals and generals and then an entirely separate one for ourselves. Think about it.

THE LINK BETWEEN DEFICITS AND INFLATION

Mr. TAFT. Mr. President, we have all been hearing a great deal about the harmful effects of Federal deficits on the national economy. In discussing these deficits, we must keep in mind the state of the economy at the time of the deficit.

Both liberal and conservative economists agree that, in times of recession, a deficit is necessary to stimulate the economy and to bring about a recovery. They also agree that in times of boom a surplus should be run to keep the economy from overheating and developing an inflation. In other words, the budget should be in deficit during recessions, and in surplus during inflation. It is this latter half of the policy that the Federal Government has consistently violated. There is simply no excuse for running a deficit during periods of economic prosperity.

What is the problem of running a deficit during a business expansion? The problem is simply that deficits must be financed. The Government must borrow to cover the excess of expenditures over receipts. When the Government issues bonds to acquire funds, one of two things can happen. First, the Federal Reserve Board, which is in charge of the creation of money and credit in the country, may choose to purchase some of these bonds, or may decide to let the public do all the buying. If the public is to do all the buying, then a portion of the public's savings will go into the purchase of Federal bonds. This means that those savings are not available for the purchase of private bonds, or for the banking system to use to lend to private borrowers.

Thus, investment is reduced, and the economy's growth rate slows. It is only through the use of savings for new mines, farms, factories, roads, and so forth, that the economy can grow, and produce more and better paying jobs for an expanding population. Thus, permanent deficits are a tremendous drag on the economy and severely retard the growth of our standard of living. Although some Federal spending is for investment, such as for highways and dams, the bulk of it goes for consumption, or is transferred to people who have a high propensity to consume, and a low propensity to save. Thus, the larger the Federal budget, the lower is the percent of our national income that is invested for growth.

Alternatively, the Federal Reserve can seek to increase the amount of credit in the system, by purchasing some of the Government bonds. This, too, has its drawbacks. In the previous case, private saving is diverted away from private investment and into the Federal Treasury. Under this latter system, extra money is created, and private consumption and investment are not automatically reduced. There is no obvious transfer of private spending to the Treasury. What happens instead is that total spending in the economy is increased, while the total supply of goods and services has not been changed. This means that more money is chasing the same quantity of output, and this necessitates a price rise. This is the root of an inflation. By eroding the purchasing power of private spending, either for consumption or investment, the Government is able to appropriate some of the goods and services that are being produced.

Thus, we see that there is an unpleasant choice to be had when Government deficits are not made up by Government surpluses in good years. We are faced with the choice of either a drop in investment and growth, when the Federal Reserve does not finance a Federal deficit, or an increase in inflation, when it does finance the deficit by creating money through the purchase of Government bonds.

I believe that the only responsible fiscal policy for the Government to follow is one of deficits during recession, offset by surpluses during booms. In fact, some European nations habitually run surpluses, which they use to increase the rate of investment in their societies. This has made for a much higher growth rate in these countries than we have experienced in the United States. The higher growth rates have produced a rapid increase in standards of living, to the point where at least two European countries, Sweden and Switzerland, now have higher per capita incomes than the United States.

The saddest thing about our current situation is that the answers to these problems are available to us, if only we are not too proud to look around us and learn from the experience of others. I hope that Congress can develop some flexibility in the economic programs it is willing to adopt, and will avoid the pitfalls of deficit spending during the economic expansion which is now underway.

CONGRESSIONAL OVERSIGHT OF THE INTELLIGENCE COMMUNITY

Mr. MONDALE. Mr. President, tomorrow the Senate Committee on Government Operations begins its markup of legislation to establish a standing committee on the intelligence activities of the U.S. Government. The issues posed by such legislation are difficult, but they cannot be avoided if the Congress is to fulfill its responsibilities to protect the rights of our citizens and at the same time maintain for the Government a capability to meet our needs for accurate and meaningful intelligence.

I have joined my colleagues on the Select Committee To Study Governmental Operations With Respect to Intelligence Activities in sponsoring S. 2893, a bill to establish a standing Senate Committee on Intelligence Activities. I believe that this bill represents the best possible solution to the problems posed by intelligence oversight. I have written to Senator Ribicoff, chairman of the Committee on Government Operations, stating my views with respect to some of the objections which have been raised to various provisions of that bill, and I ask unanimous consent that my letter and accompanying statement be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Select Committee To Study Governmental Operations With Respect to Intelligence Activities,
Washington, D.C., February 17, 1976.

Hon. Abraham A. Ribicoff,
Chairman, Senate Government Operations Committee, Dirksen Senate Office Building, Washington, D.C.

Dear Abe: I want to congratulate you on the very fine hearings which you have conducted during these past few weeks on congressional oversight of the intelligence community. The necessity for immediate legislation in this area is reflected in the Senate's instructions to you to report a bill by March 1.

Your task is at once urgent and difficult. We struggled with the complex problems and issues raised by congressional oversight of the intelligence community for many months in the Select Committee, and I recognize that they are not easily resolved. However, I do firmly believe that the basic features of S. 2893, which was sponsored by the majority of the members of the Select Committee, are sound. A more effective accommodation of the competing values which must be reflected in such legislation may be impossible to achieve.

My major area of responsibility on the Select Committee, as chairman of its Subcommittee on Domestic Intelligence, has involved those intelligence activities of the Federal Government which have an impact upon the constitutional rights of American citizens. I have been particularly concerned with the activities of the Federal Bureau of Investigation. In that regard, and because of my general concern about the matter of effective congressional oversight, I would appreciate your including in your Committee record the observations set forth in the attached statement with respect to some of the concerns which have been expressed during your Committee's hearings.

Sincerely,

WALTER F. MONDALE.

STATEMENT OF SENATOR WALTER F. MONDALE BEFORE THE SENATE GOVERNMENT OPERATIONS COMMITTEE, FEBRUARY 17, 1976

The Attorney General, Secretary Kissinger, Directors Kelley and Colby, and other administration witnesses have raised concerns among the membership of your Committee about S. 2893. Before responding in detail to the arguments raised by these administration witnesses, I would like to remind the Committee of some of the abuses we have uncovered. These abuses demand more intensive oversight of the intelligence community by the Congress if our democracy is to survive.

As chairman of the Subcommittee on Domestic Intelligence of the Select Committee, I have spent the past few months immersed in the evidence of gross abuse of the rights of American citizens by the FBI and other domestic intelligence agencies. The Bureau's "neutralization" of Dr. Martin Luther King is a case in point. Between 1963 and his death in 1968, the FBI placed Dr. King under intensive physical and electronic surveillance, including in sixteen instances installing bugs in Dr. King's hotel rooms. The FBI decided to use the information it had obtained through this electronic surveillance to "dethrone" King, and to cultivate and promote a new leader of the civil rights movement. It used the information to attempt to block Dr. King's being awarded honorary college degrees. The Bureau attempted to block Dr. King's audience with the Pope and to discredit him with other churches and the clergy. It mailed a hotel "bug" tape to King and an enclosed blackmail letter.

Throughout this period the FBI obtained absolutely no evidence that Dr. King was involved in any criminal or violent activity. There was no evidence that Dr. King was connected with the Communist Party in any way.

Yet the FBI activities directed at Dr. King were not unique. Our public hearings in the fall documented similar activities against thousands of other domestic dissidents through the FBI COINTELPRO program. We heard evidence of surveillance of thousands of law abiding citizens by the FBI. The public record discloses the details of the Nixon administration's Huston plan to coordinate intelligence activities in a concerted attempt to deprive American citizens of their constitutional rights. We have also documented the CIA's Operation CHAOS; the NSA's electronic surveillance of millions of international telephone conversations of American citizens.

This is only a partial list but the point is obvious! Domestic intelligence programs of the federal government have presented and if not checked will continue to present a "clear and present danger" to the rights of speech, association, privacy, and the rule of law.

Therefore, I begin my discussion of the administration arguments against S. 2893 with the following premise: intensive Congressional oversight and the development of statutory restrictions on the domestic intelligence agencies, indeed the whole intelligence community, are essential to the preservation of our democracy. I assume there will be minimal risks to the effectiveness of the intelligence agencies through more intensive oversight, but I firmly believe that the risk to democratic principles in the absence of such oversight clearly outweighs any risk to the national security.

The administration witnesses have raised two basic concerns about S. 2893 to which I would like to address myself. As chairman of the Subcommittee on Domestic Intelligence of the Select Committee on Intelligence, I am particularly disturbed by the contention of some administration witnesses that the new committee should not have jurisdiction over the FBI's intelligence activities. According to these witnesses, it is impractical to segregate the FBI's intelligence functions for oversight purposes and this responsibility should therefore remain where it has always been in the Senate Judiciary Committee. Second, the administration apparently takes the position that S. 2893 should not be enacted because it does not resolve once and for all the many issues relating to the competing values of secrecy and disclosure.

I. DOMESTIC INTELLIGENCE CAN AND MUST BE WITHIN THE JURISDICTION OF THE NEW COMMITTEE

The prospect of excluding domestic intelligence from the jurisdiction of the new committee is intolerable. If the Senate takes that action in creating a new committee it will in essence be saying that when intelligence activities infringe upon the rights of our citizens, including the full litany of abuses mentioned above, then we should continue the same type of inadequate oversight we have had in the past. If, on the other hand, the activities involve the rights of foreign countries or the adequacy of our protection of the national security, then we must provide more intensive oversight in a special committee. This area of foreign intelligence requires special attention, but domestic intelligence requires even more intensive oversight because it is so intimately related to civil liberties.

The threat by intelligence agencies to our rights is at least as important as the CIA's maintenance of a proprietary in Southeast Asia or a Glomar Explorer in the South Pacific. Protection of the rights and liberties of citizens should be the paramount concern of this new committee, as it is with the Select Committee (see paragraph 2(12) of S. Res. 21), not excluded from its jurisdiction as the administration suggests.

At the outset I would like to make it clear that despite information which I have reviewed about abuses by the FBI, I still believe that the FBI is the finest law enforcement organization in the world. The basic cause of the gross abuse of civil liberties we have uncovered is the FBI's departure from its traditional law enforcement function. As Attorney General Levi reminded your committee, the most effective solution to the abuses of domestic intelligence is requiring the FBI to simply enforce criminal laws and not conduct political intelligence. Attorney General Harlan Fiske Stone imposed that restriction upon the FBI in 1924. Had it never been lifted I am confident we would not be concerned about FBI domestic intelligence.

Any oversight legislation which will frustrate a return to the Stone standard is inadequate. The administration's proposal to exclude domestic intelligence jurisdiction from the new committee will frustrate that purpose. Therefore, I submit that contrary to administration testimony it is not only possible to separate out for oversight purposes the domestic intelligence activities of the FBI from its other functions but it would be more difficult and dangerous to attempt at this time to draw that line than not to do so.

S. 2893 defines domestic intelligence for the purpose of oversight in terms of the activities of the Intelligence Division of the FBI and my division whch assumes those functions. Since Director Hoover established the domestic intelligence program in the 1930's, counterintelligence, counterespionage, and internal security intelligence functions have been carefully segregated within the Bureau in a separate division, the Intelligence Division, and that segregation continues today.

Basic supervision and policy formulation is centralized in headquarters in that division. Other types of intelligence, for example that related to organized crime or intelligence on crimes unrelated to terrorist violence or national security, are conducted by other divisions of the Bureau and would not be picked up by the new committee under S. 2893. There has been a mixture of functions in the investigative field offices, of the FBI which might complicate oversight. This mixture of functions does not frustrate oversight of the FBI by the Department of Justice. Within the past year the budget officials within the Department of Justice have helped the Bureau to segregate out of the functions of the Intelligence Division into separate budget line items, and to attach man years and funding figures to those items.

In executive session testimony before the Select Committee, the Assistant Attorney General for Administration who developed this new budget conceded that all of the functions of the Intelligence Division have been segregated out for budget purposes. If the Department of Justice can segregate out these figures for internal budget purposes, which is to say for their own internal oversight purposes, they can do so for external Congressional oversight. Indeed, if it were impossible for the Department of Justice to segregate out these figures it would mean that no one in either the executive branch or the legislative branch, including the FBI, could tell the American people how much money or manpower was being expended on intelligence activities directed at American citizens. This would seriously frustrate oversight of domestic intelligence by anyone, including the Department of Justice or the Judiciary Committee.

It would be more difficult and dangerous to separate out domestic intelligence from foreign intelligence for the purpose of oversight. It would be difficult because foreign intelligence and domestic intelligence are not as different as "apples and oranges", as the administration suggests. It would be dangerous because it would deprive the new committee of the jurisdiction necessary to develop a meaningful division between these concepts and develop other legislative remedies to protect civil liberties.

The activities of foreign and domestic intelligence have been inextricably linked. While foreign intelligence and counterintelligence activities performed abroad are the responsibility of agencies other than the FBI, the investigations frequently lead to counterintelligence activities in the United States, at which time the Bureau becomes the responsible agency. The investigation may be continued by the Bureau using the same techniques and sources as those employed by the agency with foreign intelligence responsibilities. Just as counterintelligence activities at home have been related to intelligence abroad, domestic security investigations are frequently linked through sources and methods to counterintelligence. The Huston plan is an excellent example of that phenomenon. Under the guise of counterintelligence, the intelligence community conspired to violate fundamental rights of American citizens.

The FBI's investigation of Dr. King is another example of the fact that domestic and counterintelligence have been undistinguishable. It began as a counterintelligence investigation—an investigation supposedly undertaken to determine Dr. King's contacts with what the Bureau perceived as agents of a foreign power, the Communist Party of the United States. Indeed, we have substantial evidence that the mandate from President Roosevelt to J. Edgar Hoover which originated the FBI's whole domestic intelligence program was actually a counterintelligence mandate—Roosevelt wanted to know the impact of Soviet and Fascist agents on domestic groups.

We will never achieve what Attorney General Levi and I both agree is necessary—strictly confining the FBI to enforcing specific criminal statutes—if we exclude the Department of Justice from the bill. We must as he suggests conduct oversight of domestic intelligence as an adjunct of criminal prosecution. That is exactly why S. 2893 provides that the new committee have jurisdiction of domestic intelligence investigations and the criminal prosecutions, if any, which grow out of these investigations. The Select Committee recognizes that we can only achieve the goal which the Attorney General and I both seek, tying all domestic intelligence investigations to a criminal statute, by enacting a legislative charter which requires such a relationship. FBI witnesses requested such a charter when they testified before our Committee in the fall.

The new committee can only develop such a charter if it has the necessary jurisdiction. The committee that develops the domestic intelligence should have the necessary jurisdiction over all elements of the intelligence community affected so that it can sort out these terms and develop comprehensive legislation.

II. S. 2893 PROVIDES ADEQUATE PROTECTION FOR CLASSIFIED INFORMATION

In light of the abuses we have uncovered I am suspicious of the arguments we are hearing about the irresponsibility of Congress in its handling of classified information. I have a hard time distinguishing between the fear of leaks which undermine the national security from the fear of intensive oversight and accountability.

The two legitimate concerns of the executive branch are that either information will be officially declassified by the Congress which undermines the national security or that some staffer or member will unofficially leak classified information. The basic concern of the Congress ought to be that the procedures we adopt accommodate those executive interests without unnecessarily frustrating oversight.

The most effective procedure for congressional declassification is established in S. 2893 whereby the executive branch can make its argument to the committee, secure the help of sympathetic members on the committee, and attempt to preclude release. In an extraordinary case the committee could refer the matter, with or without the information in question, to the full Senate for a decision. If the majority of the committee is so irresponsible as to abuse that power, the Senate can take action against the Committee by withdrawing from that committee the power to disclose the information and I am sure the voters would take their retribution on the members in the next election. Assuming that the Senate selects responsible Senators for that committee, the only way that procedure might fail is if the executive branch refuses or fails to make effective arguments against disclosure or if one assumes that there are not nine responsible Senators to fill those seats on the new committee.

I do not believe there is any more effective alternative. The administration, at least the Attorney General, concedes that one popular remedy, stiff criminal penalties, is not only unworkable but unconstitutional when applied to Senators and their aides. The Supreme Court held in 1972 that the separation of powers and the so-called "speech or debate" clause of the Constitution preclude the executive branch from using the judicial branch via grand juries or criminal prosecution to investigate the legislative activity of Congress, including its oversight of the executive branch. Stated another way, separation of powers and checks and balances would become a mockery if the FBI could investigate the Senate's investigation of the FBI. Therefore, the criminal approach is unworkable.

Senator Tower has introduced legislation which would require the Select Committee to turn to the full Senate on release of sensitive information. I am sure the intelligence community does not view resort by the new committee to the full Senate for a decision upon the question of release as a meaningful solution. Such a procedure will probably further jeopardize the secrecy of the information especially if the committee must disclose the information to the Senate. As the Attorney General stated, "Simply put, the danger of public disclosure depends, in part, on the number of persons who have access to information."

Two other alternatives have been suggested: the approach taken in the so-called Case amendment, section 112(b) of Title I of the U.S. Code, and the agreement reached between the House Intelligence Committee and the White House. Both procedures have in common the power of the President to enjoin the Congress from releasing information. Obviously such a procedure would be a complete abdication on the part of the Congress to the executive branch.

Therefore S. 2893 is the only effective congressional declassification procedure because it is the only one that accommodates the legitimate interests of both branches. It is not a complete abdication of the prerogatives of the executive or legislative branches.

The question of unauthorized leaks by Senators or staff appears on the surface a dilemma. Criminal sanctions are unavailable because unconstitutional; therefore, the only solution is the removal from office. Of course, this is exactly how the executive branch deals with leaks. However, the ultimate solution is to name responsible Senators to the new committee who in turn will hire responsible staff. Then the Senate should make it clear that a leak which undermines the national security will cost them their jobs. We have followed that procedure in the Select Committee and have had no such leaks.

Furthermore, the likelihood of leaks, especially by Senators, is a direct function of the effectiveness of the formal congressional declassification procedures and the power of the oversight committee. By that I mean that frustrated Senators who have obtained classified information about some executive branch activity which they find abhorrent will be much less likely to resort to the calculated leak if there is a formal procedure to secure disclosure as provided in S. 2893. If they cannot secure declassification they can at least influence executive branch policy through the oversight committee.

Finally, I agree that these are not perfect solutions, but as a recent editorial in The Washington Post endorsing S. 2893 pointed out:

"Any 'solution' is sure to be a compromise open to challenge from both sides. In this sense the quest for a perfect solution is a recipe for stalemate."

If I have learned anything in my years in the Senate, it is that there are no "perfect solutions." My year on this Committee has convinced me that the equally important goals of protecting the national security and the constitutional rights of citizens mandate that we not tolerate a stalemate in this most critical area. Furthermore, in avoiding the stalemate we will not avoid risks to the national security for the only risk-free oversight is no oversight at all. Then we will have taken the ultimate risk, our democracy.

CONGRESSIONAL MEDDLING IN FOREIGN AFFAIRS

Mr. GOLDWATER. Mr. President, during the past few years, Congress has attempted to exert greater influence over the conduct of America's foreign policy.

The results have been uniformly bad.

The highly respected magazine, Business Week, of February 23, 1976, has an editorial concerning the Jackson-Vanik amendment to the 1974 Trade Act. The editorial is aptly entitled "Tactics That Failed." I ask unanimous consent that the editorial be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TACTICS THAT FAILED

For the past two years, the development of trade between the U.S. and the Soviet bloc has been dampened by the so-called Jackson-Vanik amendment to the 1974 Trade Act. Designed to force the Soviet Union to lift its restrictions on emigration of Jews to Israel, Jackson-Vanik limits Export-Import Bank credits to the Soviet bloc and denies it most-favored-nation tariff treatment. The amendment has had a perverse effect on Soviet emigration policy—with the outflow of Jews dropping from 38,000 in 1973 to 13,000 last year. And it is one reason why the big Soviet-bloc buying has gone to West Europe and Japan instead of to the U.S. (page 44).

The sponsors of the amendment, Senator Henry Jackson (D-Wash.) and Reresentative Charles Vanik (D-Ohio), made two basic mistakes. They assumed that the Russians would be willing to make a public capitulation to pressure from Congress. And they assumed that the Soviets could not get along without U.S. industrial products and technology.

As State Dept. experts tried to tell Congress in 1974, the best way to get a modification of Soviet policy is to keep negotiations out of the spotlight. The Nixon Administration, through quiet, diplomatic prodding, had persuaded Moscow to allow Jews to leave in record numbers. The Jackson-Vanik amendment produced an abrupt reversal of this policy.

The failure of the amendment to achieve its purpose should set the stage for its repeal. Moscow could put the process in motion by taking some preliminary steps to ease emigration policy—as a sign that repeal would be followed by substantial changes. But Congress must be prepared to recognize Jackson-Vanik for what it is—a serious mistake. Supporters of the amendment who saw it as a means of delaying a broader détente with Russia may be pleased with the results. For anyone genuinely interested in the plight of the Jews, it is a bitter disappointment.

Mr. GOLDWATER. Mr. President, I have serious reservations about the policy known as détente, because too many people in the West interpret this to mean "entente cordiale." In other words, a relaxing of tensions is perceived as friendship where hostility and competition still exist.

In the same issue of Business Week there is an item entitled "U.S. Trade Lag with Eastern Europe." It describes how America opened the door to trade with Eastern Europe, but then through such ill-advised measures as the Jackson-Vanik amendment, handed the ball game to the Western Europeans and Japan. Mr. President, I ask unanimous consent that the article from Business Week be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE U.S. TRADE LAG WITH EASTERN EUROPE

The great American sales pitch to Eastern Europe for big new purchases of Western goods and services is paying off—for someone else.

In the early 1970s, a steady stream of high-level U.S. officials—including President Nixon—trooped to Moscow and persuaded Communist leaders to think big about the potential for increased trade under the umbrella of political détente. U.S. businessmen followed with imaginative proposals for ventures ranging from the development of Siberian gas deposits to construction of a trade center in Moscow.

But Western Europe and Japan are getting most of the benefits of this missionary work—in exports, in jobs, and in balance-of-payments gains. The 11 leading industrial countries of Western Europe, together with Japan and Canada, sold more than $20 billion worth of goods last year to the Soviet Union and its six East European partners in the Council for Mutual Economic Assistance (Comecon), the Soviet-led trade bloc. That figure compared with only $2.8 billion for the U.S., including $1.8-billion of wheat and other farm products (chart).

FINANCING SPLURGE

The disparity is a result in part, of a provision of the U.S. Trade Act of 1974, known as the Jackson-Vanik amendment, that cut off export credits and denied nondiscriminatory tariff treatment for the Soviet Union or any East European country except Poland and Romania. By contrast, other industrial countries lent billions of dollars to the East bloc last year in an unprecedented export financing splurge, while keeping their own markets open to imports of goods from Communist countries.

"Americans whetted the Soviets' appetite and dressed up the store window," says David Karr, an American businessman based in Paris. "The Russians walked into the store, found they couldn't buy, and walked right out the back door to buy from the Europeans and Japanese." One item they are buying is a $120 million, 1,815-room luxury hotel to be built in Moscow for the 1980 Olympics by a French construction company in a venture with Karr's financial consulting company, FINATEC. French government-guaranteed credits at a low 7.5% interest will finance French suppliers of materials and equipment for the project, which will even employ French skilled workers. Russians and East Europeans are buying an enormous range of capital goods, industrial materials, and technology from other Western suppliers.

The U.S. restrictions, in fact, have had little impact on the total volume of East-West trade or on the ability of the Soviet bloc to get Western equipment and knowhow. Rogers C. B. Morton, former Commerce Secretary and now President Ford's campaign chief, explained why in a report last year on East-West trade: "Whereas we see ourselves as a major force in this trade, we are in reality a 'bit player,' with a role that may become still smaller in the future if we do not resolve our own internal controversy."

Ironically, the Russians and East Europeans are buying heavily from foreign subsidiaries and licensees of U.S. multinational companies that are able to obtain export credits from local governments. Thus, M. W. Kellogg Co., a subsidiary of Pullman Inc., is providing technology to France's Creusot-Loire to build $400 million worth of ammonia plants in the Soviet Union. General Motors Corp.'s British subsidiary will supply equipment, engineering, and knowhow for a Polish plant that will make specially designed light vans, some of which will be marketed by GM in Western Europe.

And Katy Industries Inc., Elgin, Ill., recently signed a contract through a German subsidiary to supply $40 million worth of shoe manufacturing machinery, mostly made in Germany and Italy, to the Soviet Union for modernization of shoe factories. The contract, according to Katy, is the largest in the history of the shoe industry.

OVERSEAS BENEFITS

Such sales, and the prospect of growing future business in Soviet bloc countries, whose combined gross national product totals nearly $1 trillion, are keeping U.S. businessmen interested in East-West trade despite the Jackson-Vanik restrictions. International Paper Co., for example, is negotiating with the Soviets on construction and management assistance for a $1 billion pulp, paper, and plywood complex in Siberia, involving about $800-million in imported equipment and technology.

Aluminum Co. of America is bidding against France's Pechiney Ugine Kuhlmann to help set up a big Siberian alumina and aluminum complex. A British subsidiary of Combustion Engineering Inc. and a Japanese consortium have signed a preliminary agreement with Poland to construct a $450 million fertilizer plant.

While profits and license fees from East-West trade deals through foreign subsidiaries eventually flow back to the U.S., the bulk of the economic benefits remain overseas in the form of wages and payments for local goods and services. Union Carbide Corp., for example, is doing a business of more than $100 million annually with the East bloc through its Union Carbide Europe subsidiary, selling a wide range of products as well as technology for plants, such as a high-density polyethylene unit under construction in the Soviet Union. "Union Carbide is not handicapped by Export-Import Bank restrictions, because we are not mainly an engineering company or equipment supplier," says M. W. Duncan, Union Carbide's director for Eastern Europe. "When we sell our technology we usually team up with a construction company to do detailed engineering and on-site supervision. We can team up with an English company, and they can get English credits. Unfortunately, they also buy most of the equipment there."

The British government, and those of other industrial countries, have been offering big credits to the Soviets and East Europeans in the past 18 months in order to boost exports and keep factories working during the current business recession. The strategy has worked especially well for the Germans, who piled up a $2 billion trade surplus with the Soviet bloc last year.

Altogether, officially guaranteed credit lines available to East bloc customers over the next five years now total more than $6-billion from Britain, France, Italy, and Canada. Germany and Japan provide big dollops of financing for specific projects—more than $1 billion, in Japan's case, just for coal mines and other projects in Siberia.

STEADY IMPORTS

More significant than the amount of credit offered is the fact that the Russians and East Europeans have been willing to use it, and borrow heavily on their own in the Euromarkets, to finance continued high imports. Their balance of payments in hard currencies swung sharply into the red last year because recession in the West sharply reduced their export earnings. In the past, Soviet bloc planners have clamped down on imports in such circumstances rather than go deeply into hock to the West. But last year they kept imports flowing for completion of major projects during the final year of their five-year plans. In doing so, they ran up a combined trade deficit estimated at $10 billion, including $5 billion for the Soviet Union.

The result was a sharp rise in the Soviet bloc's hard-currency debt to around $30 billion at the end of 1975, up from $22 billion a year earlier. Of the total, the Russians owe an estimated $11 billion, including borrowings by two ruble-based Comecon banks that operate out of Moscow. Other big debtors are Poland and Romania.

And Soviet bloc countries are expected to continue borrowing this year even though their new five-year plans call for somewhat slower economic growth than in the past, with the emphasis on finishing plants and infrastructure projects that are under way rather than a splurge of new projects. Throughout the bloc there is also a shift in emphasis from sheer volume of output to improved quality, which does not show up in GNP figures but requires Western equipment such as the shoe production lines that Katy is supplying. "For the first time they will be making quality shoes," says Melvan Jacobs, Katy's general counsel, who negotiated the contracts.

The new pattern of Soviet bloc borrowing to achieve these goals, and the corresponding rise in indebtedness to the West, is an important strand in the growing web of East-West "interdependence." Lawrence J. Brainard, a Chase Manhattan Bank economist who keeps tabs on East Europe, traces the development back to a basic Soviet decision, sometime between the 24th Communist Party congress in 1971 and Nixon's visit in 1972, to "normalize" economic relations with the rest of the world. "No one buys a Kama River truck plant and pays for it with cash," he observes. For a country like Poland, where workers rioted a few years ago over demands for better living standards, borrowing to maintain the pace of economic growth is almost a political imperative.

ABILITY TO REPAY

Despite the accumulation of debt, bankers see little reason to worry about the Soviet bloc's ability to repay. The Soviet Union's indebtedness is small in relation to its GNP of more than $700 billion and to its reserves, which include an estimated $8 billion to $9 billion in gold alone. Poland has a high debt service burden but also has rich coal, copper, and other resources that it is developing for export. And like the Soviet Union, it is putting borrowed funds into projects that will generate their own hard-currency payout through agreements by which suppliers such as GM will market part of the output.

"We think we know enough about the structure and purpose of the debt in the Soviet bloc to give us confidence," says Alfred R. Wentworth, senior vice-president in charge of East Europe at Chase Manhattan, which led a syndicate that financed a big Polish copper development. Debt management in the East bloc is "conservative," Wentworth observes, because "the penalties for being wrong are pretty severe." Beyond that, he says, Chase looks at the risks for the Soviet-led Comecon as a whole. "We believe in the umbrella theory," he says. "The Soviets don't want a default in Comecon."

MORE INFORMATION

Nevertheless, interest rates are going up for all Soviet bloc borrowers according to Brainard, who sees the trend as part of the normalization of East-West economic ties. Up to now, Comecon borrowers have gotten preferential treatment from Western export credit agencies and banks eager to get a foothold in the area. In the future, "they will be receiving market rates of interest, not below-market rates," says Brainard. He adds: "We also expect to see a more normal role in the sense that they will provide more information." In the past, Soviet bloc countries have been reluctant to supply basic financial data and balance-of-payments projections. But Poland supplied more information than ever before in connection with the loan for copper mining.

Despite the cutback in Ex-Im credit, U.S. trade with Comecon will climb to around $3.7 billion this year, according to projections by the Commerce Dept.'s Bureau of East-West Trade, because of grain sales under a five-year U.S.-Soviet pact and unused equipment credits still in the pipeline. The Kama purchasing office in New York is just starting to buy equipment and knowhow for construction of a trade center in Moscow under a $45 million Ex-Im credit. But costs have inflated steeply, so Europeans and Japanese will probably get pieces of the project, originally conceived basically as a U.S.-Soviet project with San Francisco's Bechtel Corp. as the major contractor. And after this year, the U.S. share in East-West trade will probably shrink as the Ex-Im financing runs out.

A growing obstacle is U.S. tariff discrimination against Soviet bloc products. Comecon countries are pushing exports to narrow their trade deficit and they favor suppliers that agree to help market their products in the West. High U.S. tariffs make that tougher for American companies. Beyond that, U.S. businessmen see signs of growing reverse discrimination against American suppliers by Soviet bloc customers who link their purchasing decisions to the tariff issue. Because of this, "the Russians have told us they will be buying from their neighbors even though they like the quality of our products better," says Harold R. Frank, president of Applied Magnetics Corp., a Goleta, (Calif.) company that has been selling up to $1 million annually of computer peripherals and seismic equipment to the East bloc.

MORE FLEXIBILITY

Nevertheless, the climate of business relationships with the Soviet bloc reflects a "remarkable normalization" over the past few years, says Duncan of Union Carbide. Soviet foreign trade agencies, for example, used to wield their buying power to squeeze suppliers' profit margins on one-shot purchases, taking deliveries over a year or so. "Then in times of shortage they wondered why suppliers didn't take care of them," Duncan recalls. "Now we talk about five-year contracts," he says.

Also remarkable is the growing flexibility of East bloc countries in devising new ways of doing business with the West. Hungary has started encouraging Western companies to go into joint ventures there. Recently, Corning Glass Works formed Radelcor Instruments, in which it holds 49% of the equity, to make blood gas analyzers for medical diagnosis in a joint venture with Hungarian enterprises. "We have found the right partner and we expect to build on this relationship with additional products and technology," says Pierre-Louis Roederer, vice-president of Corning Glass International.

More common in East Europe are "industrial cooperation" deals that give Western companies a role in such areas as quality control and even management on a consulting basis, as well as licensing and marketing GM's deal with Poland, which is not fully worked out yet, is an example. "The plant will be built and operated with GM's assistance, and the van design will be completely new," says Guy Newton, manager of the company's London-based East European division. In an agreement with Hungary, Raba, a manufacturing enterprise, will supply GM's Vauxhall subsidiary in Britain with truck axles under the first of a series of contemplated contracts.

GM is a late starter in East Europe. What persuaded the auto giant, like other U.S. companies, that it had to get a foothold in East Europe through such arrangements is the sheer size of the potential market. "Until we really got at it," Newton says, "We didn't comprehend our original fault—the magnitude of the trading opportunity."

LONG VIEW

For International Paper, the attraction of business in the Soviet bloc is the size of the natural resource base as well as the potential market. IP considers itself a strong contender among the bidders on the Siberian forest products complex because it is the only one with its own design and engineering capability. "We are in the business of trying to make a buck," says Vice-Chairman Joseph P. Monge. "This project is going to be paid for, and we think we ought to be there to take advantage of our knowledge and synergisms." As for the political obstacles, he observes: "Time flies quickly, and by 1977 there could be a change in Washington."

Brooks McCormick, president of International Harvester Co., is equally patient. "We refuse to give up trying to make trades with the East bloc without a fight," he says. "We haven't been squeezed out by the vicissitudes of the U.S. government, although we didn't do as much business with the Soviets in 1975 as in 1974."

Another Midwesterner who takes a long view is Allan L. McKay, president of Giddings & Lewis Inc., of Fond du Lac, Wis., which has to add 22% to its prices on sales to the Soviet bloc for lack of Ex-Im financing. "I think there will be a change of feeling in Washington next year," says McKay, "Over the long term we know that there is a real market for us in the East bloc based on economic factors. So even if there are short-term political obstacles, we are willing to stick it out."

Mr. GOLDWATER. Mr. President, the United States is currently enjoying a balance of trade surplus. That surplus is based to a large extent upon aerospace and agricultural exports. If we keep chipping away at the ability of American companies to do business abroad, surely we are headed back to the days of Smoot-Hawley. An American turn toward protectionism would surely bring the downfall of one of the greatest trading systems devised by man. Moreover, it would mean a lowered standard of living for the United States and her trading partners.

THE ISRAELI DEBATE WE NEVER HEAR

Mr. ABOUREZK. Mr. President, for a number of years a debate has been raging inside Israel concerning a peace settlement with the Arabs, and particularly with respect to dealings with the Palestinians.

An article in the Nation by Irene Gendzier illuminates some of that debate, which has been largely suppressed inside the United States.

I ask unanimous consent that Ms. Gendzier's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From The Nation magazine, Feb. 14, 1976]

THE ISRAELI DEBATE WE NEVER HEAR

(By Irene L. Gendzier)

The decision of the Israeli Government to boycott the current Security Council decision of the United Nations because of the participation of the Palestine Liberation Organization once again raises questions about the nature of Israeli policy toward the Palestinians and peace in the Middle East. In official declarations from the Rabin government, seconded by the American Zionist establishment which reflects the views of the most conservative elements of Israeli political life, it remains "unthinkable" to deal with the Palestinians and specifically, the PLO, as something other than nameless terrorists. The bankruptcy of this position has long preoccupied non-Zionists and anti-Zionists in Israel. But for the first time, attention is being paid in the American press to groups in Israel that no longer support their government on the Palestinian question. This opposition, erroneously labeled as being on the Left, in reality represents a political spectrum made up of figures who are staunchly Zionist and committed to the principle of an all-Jewish state. In these circles the distinction is made between Israel's relations with Palestinians outside its boundaries and those "Israeli Arabs" within. In the urgency of the immediate political crisis, this separation may be viable, but the issues are inseparable. The situation of the Israeli Arabs, the suspicion with which they are held in Israel, the legal and social discrimination practiced against them, is directly related to Israel's policy toward the Palestinian people, which itself reflects the antagonism toward Palestinian Arabs that has been a part of the Zionist experience.

Recognizing the political character of the Palestinian resistance movement—which the Israeli Government has never done—is, therefore, not the end of the story, but there is no doubt that it is a belated first step in the process of accommodation between Israelis and Palestinians without which peace is not possible. Furthermore, it is an important step for Americans concerned with Israel and the Middle East to be aware of. Dependent on news media that emphasize the monolithic aspect of Israeli political life and that present exclusively the view of the current Israeli administration and its right-wing supporters, Americans in general are ignorant of the nature of Israeli political debate on the Palestinian issue. With few exceptions they have been deprived of the extensive discussions that have taken place on this question, and they have often been prevented from hearing the views of even a "loyal opposition" by the effective strategy of the most hawkish elements in the Zionist lobby in the United States.

None of this is new. What is new is the international context in which the current phase of the Israeli-Palestinian struggle is taking place. The position of the United States on the Palestinians, the growing international recognition of the PLO, and the changing character of the United Nations, have all affected the course of this struggle. To a large extent these factors result from the 1973 October war and its multiple consequences for the Middle East, the Third World and the industrialized West. The change has found expression at the U.N. where, as the passage of the anti-Zionist resolution demonstrated, Third World con-tries have been able to exercise greater influence through their increased collaboration in the face of Western opposition. The ability of the PLO to win recognition in a variety of international bodies as well as at the United Nations is at least as much another example of this transformation as it is proof of the PLO's success in pleading its cause. Occasional tensions have begun to mar Israeli-U.S. relations as the American Government seeks to stabilize its interests in the Middle East, a process that may entail a shift in its policy toward the Palestinians.

On November 12, Harold Saunders presented before the Special Subcommittee on Investigations of the House International Relations Committee a paper that was the most elaborate sign to date of such a possible change. Saunders at the time was Deputy Assistant Secretary of State for Middle Eastern Affairs; on December 1 he became Director of Intelligence and Research in the State Department. His paper, described by subcommittee Chairman Lee Hamilton as "conciliatory" in its tone toward the PLO, was striking merely because it discussed the Palestinian role in any future Middle East peace. By taking the position that "the Palestinians collectively are a political factor which must be dealt with if there is to be a peace between Israel and its neighbors," the paper advocated a new American perception of the conflict. The issue was no longer whether or not Palestinians existed, or could be included in peace talks, but how their presence there could be accommodated. On an altogether different level, the Brookings Institution in Washington published a report entitled, "Toward Peace in the Middle East," in which prominent academicians, many not previously identified with the views of the report, and foreign policy experts associated with the Department of State, offered their formulations of essentially the same position. The need to provide for "Palestinian self-determination, subject to Palestinian acceptance of the sovereignty and integrity of Israel within agreed boundaries," was firmly linked to the interests of the United States in the Middle East.

If there has been an Israeli reaction to the Brookings report, it has apparently been a very private one. The same is clearly not the case with respect to the Saunders paper. Not only did it—understandably, in the light of the official Israeli position—provoke bitter denunciations of the PLO and repeated assertions of Israel's refusal to negotiate with that organization, but it also cast new doubts about U.S. reliability in supporting Israeli policies. Prime Minister Rabin has made it clear that he is not willing to entertain the possibility that the PLO might "soften" its position vis-à-vis Israel, which is to say recognize its existence, and he therefore sees no need to formulate an Israeli response to such a move. The same message was conveyed at the United Nations by Ambassador Chaim Herzog, who presented his government's position with a vehemence surpassed only by the presentations of U.S. Ambassador Patrick Moynihan, who simply restated the Israeli position. There is no doubt that Moynihan's performance won strong support among American Zionists as well as among those closet isolationists who appeared to relish the thought of the United States leaving the United Nations. Needless to say, the two camps were not always allies on the Israeli-Palestinian question.

The enthusiasm for Moynihan's defense of Israel and specifically for his rejoinder after the passage of the anti-Zionism resolution reflected the near hysteria which pervaded pro-Israel opinion. One example will suffice. In the January issue of Moment magazine, a relatively new journal of Jewish opinion, Editor L. Fein proclaimed that there was "comfort to be taken in the behavior of the American Ambassador to the United Nations. . . . Rarely has a cause we share been so eloquently championed, rarely has a policy of the United States Government been so infused and enlarged by personal conviction." Referring to the anti-Zionism resolution, Fein observed that "whatever the debate among Jews on Zionism as of November 9, 1975, the General Assembly resolution guaranteed that as of November 10, all Jews had become Zionists." The language was strikingly similar to that employed by Norman Podhoretz in an article he wrote after the October 1973 war, "Now Instant Zionism," which appeared in The New York Times Magazine of February 3, 1974. The urge to describe American Jewish opinion as solidly behind Israel was not new, neither was it new to condemn critical opinion of Israeli policies. The assertion of a debate on Zionism in Fein's article is exaggerated, since, in spite of attempts to open the subject in Moment itself, it is the one subject that has been virtually taboo in the American Jewish community. There has been discussion about who ought to be allowed to debate the issues, which is not quite the same thing. Not surprisingly, those considered best qualified to offer opinions on Israel and Zionism were invariably those with the least inclination to be critical in any meaningful sense. While many succumbed to the pressures exercised so effectively by established leaders of the American Zionist community—referring, for instance, to critics of Israel as anti-Semites—the increasing and overt intolerance of this hierarchy has begun to worry some of its own members.

Implicit in the arguments of the conservative protectors of American Zionist opinion has been the notion that a total identity of views, if not of problems, exists between American Jewry and its Israeli counterpart; an assumption which is doubtful at best and which touches on the sensitive issue of Diaspora-Israeli relations. Beyond this was the assumption that collaboration between organized American Jewry and the right wing of Israeli political life was never to be challenged or exposed. This collaboration has been effective in that both groups have achieved the kind of support they needed in their mutual camps, to the detriment of both societies. That there was a time, before and after the state of Israel was formed in 1948, when American Jews were not afraid to think critically about Palestinian Jewry and Zionism may be an unwarranted speculation. Yet there was a period, ironically the one when the Palestinian struggle was at its peak in 1948, when Jewish periodicals in this country showed a willingness to confront some of the issues involved in Palestine that have since become almost forbidden. Consider Commentary, for instance, which today supports the policy of the Israeli Government with no reservations of any significance, and the same magazine nearly thirty years ago. A prominent journal of Jewish opinion, the Commentary of the past offered its readers a wide selection of interpretations of Palestinian problems. All of its authors on this subject were Zionist in that they supported the existence of a Jewish homeland in Palestine. But what is remarkable is that by reading some of their articles it was possible to grasp Palestinian realities and not merely the favorable and restricted images prepared for American Jewish consumption by spokesmen for particular political circles.

No subject was broached as often as that of Jewish-Arab relations, something which continues to haunt current Jewish writers but in an entirely different manner. For instance, what dstinguished the earlier pages of Commentary from those it publishes today was the willingness to confront without venom the Achilles heel of the Zionist experiment—its avoidance of the Palestinian issue. This period was closer in time and in emotional experience to World War II and the holocaust, and yet proximity did not interfere with the discussion of the situation in Palestine. Those torments were certainly not used, as they have been since, as a weapon to prohibit the open discussion of Palestinian-Israeli problems. Consider the article of Moshe Smilansky, "A Palestinian's Solution," which appeared in March 1946, and which argued against Jewish statehood on behalf of membership in the British Commonwealth, an imperialist position which offered reasons for opposing statehood.

Even more startling in its prophetic prediction of Israeli dilemmas was the article by Hannah Arendt, published in May 1948 on the eve of the partition of Palestine. Both Smilanksy and Arendt were Zionists, at least at that period. Arendt, who had personally experienced the holocaust and who had lived in Palestine, did not hesitate to criticize the increasing uniformity of opinion which she felt was contaminating Palestinian political life, and was evident among American Jews as well. She referred to this characteristic of the modern age as an expression of "fanaticism and hysteria," which was to be fought. Though clearly committed to the concept of a Jewish homeland, and enthusiastic about the kibbutz experiment despite its exclusivity, she was alarmed by the mentality she saw developing around her. She was aghast at the tendency to label all gentile opinion as hostile, an attitude she condemned as "plain racist chauvinism" and "out of touch with the realities of the world." No reality was more immediate, more pressing, and more liable to be evaded by the revisionist Zionists who triumphed in public support in the United States after 1942, as they had in Palestine, than "the presence of Arabs in Palestine, a reality no decision could alter—except, perhaps, the decision of a totalitarian state, implemented by its particular brand of ruthless force."

To argue in this fashion today in American Zionist circles is uncommon, to say the least. Yet it was possible for Hannah Arendt to insist with calm conviction that the idea of Arab-Jewish cooperation "is not an idealistic daydream but a sober statement of the fact that without it the whole Jewish venture in Palestine is doomed." It was not even sympathy for, let alone a just appreciation of, the Palestinian Arab position that marked Arendt's position. She merely reasoned with total realism when evaluating the future of the Jewish community in Palestine. The conviction that Jewish statehood ultimately threatened the "Jewish homeland" precisely because it could come into being only against the wishes of the Palestinian and Arab peoples led Arendt to champion UN Trusteeship. "It would have the advantage of preventing the establishment of a sovereignty whose only sovereign right would be to commit suicide." Statehood was proclaimed and sovereignty established but the essential problem of Israeli-Palestinian relations appears no closer to solution than it was when Arendt wrote. Now, as then, it is a truism, as Arendt said, that in the Jewish establishment "only schlemiels prefer truth and negotiation to propaganda and machine guns. . . ."

The uniformity of opinion among American Jews and Israelis is by and large worse than it was when Arendt penned her article. Yet even today there are Israelis—and they are not the "non-Zionists" about whom Arendt wrote with favor, but members of the Israeli political establishment—who argue that Rabin's policy is suicidal and that a policy of no negotiation with the PLO and the Palestinians in general is no policy at all. Yitzhak Navon, chairman of the Knesset Committee on Security and Foreign Affairs, urged the government to state that it was prepared to "conduct negotiations with any Palestinian elements, bodies or organizations which are prepared to fulfill three conditions: to recognize Israel and its right to exist; to obligate themselves to refrain from terrorist acts; to assent to Security Council Resolution 242" (Yediot Aharonot, November 28). The Minister of Housing, A. Ofer, responding to the Saunders paper, suggested that the Israeli Government take the initiative and declare itself prepared to negotiate with Jordan and with all Palestinian elements that recognize its existence (Haaretz, December 2). Such expressions of dissent are omitted from the American coverage of Israeli politics. Instead one hears repeatedly of Rabin's reasoning or the feeble attempts of Foreign Minister Allon to identify Israel's plight with that of the FLN in Algeria, the Mau Maus in Kenya or the Congress Party in India (Time, January 19), none of which movements parallels Israel's struggles with it neighboring states and none of which it supported.

Recognizing the weaknesses of Israeli policy toward the Third World and Arabs in particular is vitally important to a consideration of the current phase of the Israeli-Arab conflict. No matter how much support the Israeli Government of Prime Minister Rabin enjoys, there is still a small body of influential political opinion that has been casting doubts on its Palestinian policy and arguing in favor of a political resolution of the conflict, with conditions of the kind noted above. Yet this body of opinion, until recently and then only in restricted circles, has been almost entirely ignored by the American media and systematically cried down by the American Jewish community. It is a situation with which a number of Israelis. even those in the establishment, are familiar. In the May-June 1975 issue of New Outlook, an Israeli periodical published in English, retired Gen. Mattiyahu Peled, who had once served under Rabin, summarized his impressions of the American Jewish community. They were not flattering. In "American Jewry: More Israeli than the Israelis," Peled referred to the "blindly chauvinistic and narrow-minded" character of the American community. He described the increasing gap after the October war between American Jewry's position and that of the Israelis, some of whom had begun to question their government's policies. He expressed disappointment at the marked lack of realism in American Jewish circles that did not realize "the danger of prodding Israel once more toward a posture of calloused intransigence." And he labeled as "altogether preposterous" the denunciation of critics of Israeli policy as anti-Semites.

Above all, Peled questioned the political and military intelligence of those who insisted upon retaining for Israel the territories occupied in 1967 instead of urging their return in exchange for peace. He did not question Zionism or its relation to the overt anti-Arab discrimination in Israel; he merely argued for an approach to the Palestinian-Israeli conflict different from that proposed by the Rabin government. Yet he found a cool reception among well-placed pro-Israel lobbyists, who left no doubt that they favored the most hawkish solution to Israel's situation. Peled suggested that these supporters of Israel were in fact working for a particular "school of political thinking in Israel at the expense of others"—an interesting thought for Americans seeking information on Israeli politics in the light of recurring Mideast crises.

It is clear that Peled is no revolutionary. Neither are his colleagues in the recently formed Israel-Palestine Peace Council (IPPC), a loose coalition of establishment figures and intellectuals who advocate direct talks with Palestinians, including the PLO, as well as the establishment of a Palestinian state alongside Israel. In a rare gesture of recognition, the IPPC was described in *The New York Times* (Terence Smith: "Israeli Group Urges Palestinian Talks," January 13), although one may wonder how the article was understood by American readers who seldom hear of this side of Israeli political life. Members of the IPPC are referred to as "doves" in their opposition to the Israeli Government's intransigent position on the Palestinian question. Yet they are nationalist supporters of the Jewish state, whose criticism of government policies toward Israeli Arabs as well as toward West Bank Palestinians remains by and large on the level of pragmatic politics. They have avoided dealing with the more difficult problem of Zionism's attitude toward the Arabs per se. Without exception they accept the principle of a Jewish state and dissociate themselves from the anti-Zionist Left in Israel, including Rakah, the Israeli Communist Party, which has recognized the PLO and advocated negotiations with it (*Haaretz*, December 3). The membership of the coalition, its supporters and its political composition, make it apparent that it differs from the ruling circles primarily in its dissent on the Palestinian question. But even with this consideration in mind, it would be difficult to conceive of a comparable group of influential American Jews who would be prepared to present an alternative to the hawkish solutions to the Israeli-Palestinian conflict advocated by the pro-Zionist lobby in the United States.

The alarming paradox remains that this lobby continues to promote the positions of a certain segment of the Israeli establishment, the most hawkish one, while belittling or masking signs of Israeli dissent no matter what its source. Thus, while a number of Israelis close to or in government circles are coming to realize the inevitability of dealing with the Palestinian issue on a political level, their American supporters, unable or unwilling to face the question, remain mired in the dangerous fantasies of military solutions.

AMERICA'S ENERGY CRISIS

Mr. BAKER. Mr. President, the leading editorial in this morning's Washington Post focuses on a national concern that is, in my opinion, among the most critical choices facing our Nation. I have spoken in this Chamber on many occasions of the need for legislative leadership and initiative in regard to America's energy crisis. The emphasis of this morning's article, to which I refer, succinctly and declaratively raises many issues that have been discussed here before.

My concern at the present time relates to a number of changes currently being levelled against America's peace-time nuclear power industry. While there have always been and will continue to be needs for improvement and refinement in design construction and operation of these reactors. I still feel they are advantageous rather than disadvantageous to the welfare of the American citizenry. The pervading question which the Post article raises that is often ignored is: "If this country does not want more reactors, where does it want to find its future power?"

Rather than addressing this question, we are continuing to retreat from it. Our domestic oil production is down, our hoped-for successes in regard to shale oil are proving unprofitable, solar and geothermal commercialization is still many years away, and our nuclear development due to economic realities and citizen criticism is lagging. Given these realities, where do we turn? Our dependence on foreign oil since the oil embargo of 2 years ago has increased rather than diminished. We are more subject to embargo-like economic distress now that we were before.

Mr. President, this overall issue must be faced. I still agree with Dr. Robert Seamans, Administrator of the Energy Research and Development Administration, that our two best immediate choices are coal and nuclear development. Granted, problems will be associated with all energy alternatives, but we must continue and improve our efforts on all reasonable fronts.

I would encourage my colleagues in the Congress and the American public to analyze seriously and realistically the energy crisis. In that light, I am submitting this morning's Post article for consideration. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 18, 1976]

ATOMS, OIL AND RISKS

This country's attitude toward nuclear power is growing steadily more cautious. Certainly the recent resignations of four nuclear engineers, in protest against allegedly inadequate safety enforcement, is going to push in that direction. Three of the engineers were working for General Electric's reactor division, and the fourth was a safety specialist for the federal Nuclear Regulatory Commission. It does not appear that the four have raised any questions that are startlingly new or unanswerable. But, as a matter of prudence, the managers of the new Vermont Yankee reactor in Vernon, Vt., have decided to close it down for further tests, just as it was coming to its level of maximum efficiency. The four resignations will also push in favor of the proposal on the California ballot in the June primary. If the proposal passes, it will severely discourage further nuclear reactors in the state.

Whether the United States should continue to shift toward greater reliance on nuclear power is a compelling issue. But behind it lies an even broader one: If this country doesn't want more reactors, where does it want to find its future power? Unfortunately the present national debate is not going forward in a way that reaches that question.

To the contrary, each piece of the debate seems to belong to a different set of specialists who carry it on as though theirs were the only aspect that really mattered. The people who are debating the risk of nuclear accidents tend to be, on both sides, quite different from the people who debate drilling offshore in the Atlantic Ocean, or manufacturing synthetic gas from coal. The people engaged in the combat over federal policy on strip mining coal on the western plains tend to be quite different from the combatants over federal policy on oil and gas price controls. Each of these subjects hinges on a highly specialized technology, and the technologists do not seem to talk much to each other. Perhaps that is part of the reason why this country still has no clear idea how much energy it will need 10 years from now, or where it will come from.

The national inclination on each of these separate issues is, apparently, simply to sit tight. In recent years there has been a sharp rise in nuclear power generation. In 1972 the reactors produced 3 percent of the nation's electricity; by last year it was nearly 9 percent. But most of that increase was in 1973 and 1974. The rise almost stopped in 1975, in response to public doubts and rising construction costs. Drilling in the Atlantic is now slowly getting under way—but it is far behind the administration's original schedules.

As for recovering oil from shale and sand, the whole idea looks increasingly uneconomical. A succession of oil companies has now backed away from the experimental ventures that they originally launched with enthusiasm. Solar and geothermal energy await long processes of engineering development that relegates them, as sources on a large scale, to the latter 1980s at best. The long struggle last year between Congress and President Ford over oil pricing ended with legislation that will try, for the present, to continue to hold prices down by federal regulation. In each case, the result has been to admit as little change as possible from past practice.

It all adds up, unfortunately, to perpetuating the pattern of the early 1970s. That means depending primarily on oil and, increasingly, oil imported from Africa and the Middle East. Readers have no doubt arrived at their own opinions as to whether this flow of imported oil, from these sources, is a safe supply. But if you think not, what would you prefer instead? It is an issue that a great many Americans find easier and easier to put out of their minds altogether. The lines at the filling stations just two years ago were a sharply unpleasant experience, but the memory is fading.

Over the past couple of years one of the most heartening signs was the consumers' movement toward smaller and more efficient cars. But now, just as the American manufacturers have begun putting very light, high-mileage cars on the market Congress has promised to roll back (temporarily) the price of gasoline. Sales of the big cars are rising, the manufacturers report, while inventories of the small ones are piling up and some of the production lines are being shut down. Auto sales are a sensitive and accurate poll of public opinion. A good many Americans have evidently concluded, with a shrug, that there is no further need to worry about saving energy. Progress toward conservation falters, while the country's vulnerability to further embargoes is rising.

NO-FAULT AUTO INSURANCE

Mr. MAGNUSON. Mr. President, I invite to the attention of my colleagues two important articles on no-fault auto insurance written by a prominent expert on economics and money management, Sylvia Porter. These articles urge the passage of S. 354, a bill to establish national standards for no-fault soon to be considered by the Senate.

Mrs. Porter points out that there is critical differences between what she calls "lawyers' no-fault" legislation enacted in many States because of the political pressure exerted by trial lawyers, and the desirable "good-for-consumers no-fault" legislation embodied in S. 354.

Under "lawyers' no-fault," an accident victim gets first-party benefits from his or her own insurance company without having to prove fault, but there is little or no corresponding restriction on the opportunity to bring a lawsuit. Consumers and policyholders end up paying for both a no-fault system and a mildly diluted fault system. Lawyers lose nothing but very minor lawsuits, and the no-fault payments can be used to finance the lawyers' lawsuits. Mrs. Porter describes "lawyers no-fault" as the product of "back-room compromises which the contingent fee lawyers foisted on weak State legislators."

S. 354, the national standards for no-fault bill soon to be considered by the Senate stands in sharp contrast to these weak State plans. The Federal standards bill, writes Mrs. Porter, "finally would give us effective no-fault." In exchange for the chance of a big lawsuit recovery 2 or more years after an accident, S. 354 would insure that victims of automobile accidents receive prompt payment of lost wages, effective rehabilitation, and payment of medical expenses and related costs. The money saved by restricting costly lawsuits except in cases of very serious injury or death and other limited circumstances, is available to compensate auto accident victims—rather than to pay lawyers' fees.

Mrs. Porter points that recent articles saying no-fault insurance is not working criticized not consumer no-fault laws, but lawyers no-fault. She notes that "just about every segment of the U.S. public—with the exception of the personal injury bar" favor the concept embodied in S. 354.

I urge my colleagues to consider carefully these articles. I hope that all will conclude as Mrs. Porter does, that "solid good-for-consumers no-fault would be of great benefit to Americas' motorists."

I ask unanimous consent that the articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Star, Feb. 11, 1976]

NO-FAULT INSURANCE FOES BLITZ AGAINST A U.S. STANDARD

(By Sylvia Porter)

With the suddenness of a World War II blitz, the opponents of no-fault auto insurance have launched a drive to discourage Congress from voting an effective federal law that would greatly benefit you and me, America's motorists—and probably reduce the "take" of personal liability lawyers from auto accident lawsuits.

It may be coincidence that within a matter of days recently, the New York Times, the Wall Street Journal and Barron's (a financial newspaper) ran major articles saying that no-fault auto insurance isn't working.

That's just not true! In the few places where sound, adequate no-fault exists, it is working well to save and repair lives, to keep auto insurance premiums down, and to help accident victims rather than personal liability lawyers.

It may be merely a matter of availability that sources prominently quoted in the prestigious newspapers are well-known critics of no-fault (and merely a matter of "friendship" that Barron's aimed several particularly nasty cracks at me).

What these sources did, though, was unwittingly provide the most powerful arguments yet for the passage of federal no-fault standards.

For what they criticized was not good-for-consumers no-fault laws but the politicians' back-room compromises which the contingent-fee lawyers foisted on weak state legislatures. (Under traditional accident laws, the trial lawyers "own" up to one-half of each victim's claim—adding up to $1.8 billion a year in lawyers' fee.)

Perhaps concidence . . . perhaps easy availability . . .

But the personal injury bar has raised a "war chest" of more than $400,000 to use to block no-fault.

This coming week of Feb. 16, the full Senate is scheduled to consider S354, and chances of passage had been considered good until this spate of adverse publicity. Under this bill, federal stadards would be set which the states would have to meet in their own no-fault laws.

Regulation of the insurance business would remain with the states, there would be no new layer of federal bureaucracy. These standards, though, finally would give us effective no-fault.

As Peter Kinzler, counsel for the House subcommittee on consumer protection, explains, "If hurt in an auto accident, you would get direct and immediate benefits from your insurance company.

"In exchange for prompt payment of your lost wages, effective rehabilitation, payment of medical expenses and related costs, you would forfeit the chance of a big lawsuit recovery two or more years after your accident.

"The consumer would save money on insurance premiums and the accident victim would be quickly restored to normal life."

In favor of this concept is just about every segment of the U.S. public—with the giant exception of the personal liability bar. And since lawyers are heavily represented in state legislatures and Congress, their lobby has either killed or substantially watered down no-fault laws in all but a few states. In those few states, significantly, the record has been extraordinarily good.

In Massachusetts, first state to adopt no-fault, bodily injury premiums are 60 percent of what they were in 1967. Gov. Michael Dukakis calls the law "an unqualified success."

In Florida, second to adopt a law, premiums today are at about the same level as in 1971—and, insurance department officials say, far below what they would have been under the fault system.

(The Wall Street Journal was wrong in stating that premiums had increased 27 to 30 percent net since the law, despite a 15 percent cut at the start. The Journal omitted a mandated 11 percent cut. Simple arithmetic shows the decreases offset the increases.)

In New York, in the face of criticism of no-fault by the state insurance superintendent, Thomas A. Harnett, the superintendent's own report to the governer states there has been "only a slight increase over the January 1973 level despite three years of rampant inflation." Did Harnett read his own report?

And the nation's largest insurer, State Farm, says insurance rates in no-fault states have risen an average of 3.2 percent over the past five years, while premiums in fault states have climbed 13.5 percent.

[From the Washington Star, Feb. 12, 1976]

WRITE CONGRESS HOW YOU FEEL ON NO-FAULT

(By Sylvia Porter)

It may be impossible to prove conclusively that the personal liability lawyers—with their "war chest" of more than $400,000 and their hatred of no-fault auto insurance legislation—are trying to kill the federal no-fault bills now before Congress.

But it's a most reasonable suspicion considering the fact that legislation to set federal standards for state no-fault laws is slated to come to the Senate floor this coming week of Feb. 16—and suddenly there has been a spate of adverse no-fault newspaper stories. And it's an inescapable conclusion when you realize that virtually every segment of the U.S. public is in favor of no-fault and only the contingent-fee lawyers—who earn so many fat fees from auto accident cases—are violently opposed.

Solid, good-for-consumers no-fault would be of great benefit to us, America's motorists. So here's a quick rundown, should you wish to help influence what your Congressmen do.

Sound laws would allow you, an accident victim, to recover your medical and hospital expenses plus your lost income from your own insurance company, regardless of who was at fault;

Provide for broader, more readily available benefits;

Pay for the cost of these broader benefits by a limitation on "nuisance" lawsuits (although in more serious cases, the victim's access to court would be fully retained).

Since state laws passed so far are a patchwork, bills have been introduced into Congress to establish federal standards so that all states would have similar no-fault laws.

Most of the laws on state books now have been so watered down by the personal liability lawyers that they are nothing more than "lawyers' no-fault"—offering something for everybody except the consumer who is stuck with paying the bills.

Under lawyers' no-fault, an accident victim gets the first-party benefits and a chance of a big lawsuit recovery in all but insignificant injury cases—and you pay for both. The trial lawyers lose nothing but minor injury lawsuits. The no-fault insurer ends up financing the big lawsuits through the no-fault benefits.

What a fraud on the public! Says Peter Kinzler, counsel for the House subcommittee on consumer protection: "Auto insurance premiums under lawyers' no-fault must go up to pay for maintaining both a no-fault and a fault system operating simultaneously and to pay also for ambulance chasing in the new form known as 'breaking the no-fault threshold' (the threshold is the amount of loss a victim must suffer before he or she can bring a fault-based lawsuit)."

Left to themselves and dominated by lawyers, the individual state legislatures have failed miserably to enact effective no-fault auto insurance—and the key word is "effective." With the exception of perhaps two state laws, existing laws have been so extensively tampered with by special interests in the legislatures that they have been predictably ineffective and costly.

Key deficiencies in the laws are:

Extremely weak limitations on lawsuits—the work of the trial bar, of course, which lives on fees from lawsuits.

Unfounded rate cuts mandated by the laws—a gift from expedient politicians attuned to vote tallies, not actuarial tables.

The deficiencies have plunged the affected insurance companies into the red and forced compensating hikes in premium rates.

Even so, Kinzler believes, "no-fault is working better than fault insurance in all states." The counsel adds, however, that the politicians' compromises are coming apart as small groups of lawyers, doctors and hospitals conspire to inflate or actually falsify personal injury claims. (Frightening examples have been described before the Florida grand jury.)

You can help shape the outcome. On the Senate bill, write your views as soon as you can to your own senator, Senate Office Building, Washington, D.C. 20510. It's S. 354, sponsored by Sen. Warren Magnuson, D.-Wash., and Sen. Frank Moss, D.-Utah.

The companion House measure, H.R. 9650, sponsored by Rep. Lionel Van Deerlin, D.-Calif., is as of now in the House Committee on Interstate and Foreign Commerce, whose chairman is Harley Staggers, D.-W.Va. To spur action here, write the committee, Rayburn House Office Building, Washington, D.C. 20515.

Why should we subsidize the contingent-fee lawyers and the unscrupulous few whose occupation is ambulance chasing? Write!

BREAKING UP THE MAJOR OIL COMPANIES

Mr. HANSEN. Mr. President, the distinguished and able senior Senator from Nebraska and ranking minority member of the Senate Judiciary Committee (Mr. Hruska) chaired a series of hearings recently on legislation that would break up the major oil companies.

Such legislation, if enacted, would have such devastating effects on the economy of this Nation and the free world that I sincerely hope that each Senator will acquaint himself with the real import and consequences of such an effort.

Mr. President, two expert witnesses, one a lawyer, the other an investment banker, examined the issues involved and analyzed the legislation in testimony before the Antitrust Subcommittee during those hearings.

Here is a sample of what they said:

My testimony will try to outline the complicated problems that would have to be faced in connection with a divestiture program. My conclusion is that if Congress determines that a divestiture program should be mandated, it will result in a massive amount of litigation and will require 10 or more years of great effort by the Federal administrative agencies, by the Federal judiciary and by the private sector (oil companies, financial institutions and, not the least, lawyers) before divestiture can be accomplished. The process would be a lengthy, arduous and expensive one and would require an extensive revision of existing contractual arrangements underlying the financial and operational structure of the industry. I believe Congress should recognize these factors or run the risk of performing surgery of a most radical nature, and surgery which is irreversible on the basis of erroneous premises.

The confusion arising from the passage of divestiture legislation would have the most disastrous impact of all; in our view, it could prevent most of the petroleum industry from financing any significant amounts over the next decade except at prohibitive rates.

If the supply of capital to the petroleum industry dries up, as we believe it would, there would be only one source left to look to for support in financing this most vital of our energy industries—the Federal Government. In the end, oil company divestiture could well lead to the need for a Federal guarantee program, or some form of Federal insurance, to provide the necessary backing for petroleum financing. We question whether this is what the Congress intends or the public wants.

Mr. President, this is such a vital issue and threat to the very basis of our free enterprise system that I believe most Senators would be interested in their most thorough analysis of the divestiture issue and I ask unanimous consent that summaries of both statements be printed in the Record.

There being no objection, the transcript was ordered to be printed in the Record, as follows:

Statement of Peter Bator, Davis-Polk, New York, New York

Mr. Bator. Mr. Chairman, I want to thank the Subcommittee for the opportunity granted me to testify today regarding the legal consequences of S. 2387, and similar bills, mandating divestiture by certain vertically integrated oil companies.

My name is Peter Bator and I am a partner in the New York City law firm of Davis, Polk and Wardell. Information as to my firm is contained in my prepared testimony.

The purpose of my testimony today is not to discuss the wisdom of these bills, but to try to give the Subcommittee a lawyer's judgment of some of the legal difficulties and problems which would arise if a bill such as S. 2387 were adopted.

I believe such an analysis would be useful in light of what has been an explicit and important justification given by the proponents of the legislation. That is, the divestiture legislation could solve in a quick, relatively easy and unbureaucratic manner the problems which are perceived by some to exist in the oil industry.

It is easy to say, "Divest yourself of some assets." It is also easy to assume that such divestiture can be effected speedily and without complications. The facts are otherwise.

My testimony will try to outline briefly the complicated problems that would have to be faced in connection with a divestiture program.

My conclusion is that, if Congress determines that a divestiture program should be mandated, it would require an extensive revision of existing contractual arrangements underlying the financial and operational structure of the industry.

This restructuring would also result in a massive amount of litigation. The whole process would require ten or more years of lengthy, arduous, and expensive effort by federal administrative agencies, by the judiciary, and the private sector, not the least, lawyers.

I believe Congress should recognize these factors or run the risk of performing surgery of a radical and irreversible nature on the basis erroneous premises.

Despite the discussion of the bill in Congress and in the press, I do not believe that there has yet been published an analysis of where the strictures of S. 2387 would fall. The Subcommittee recognizes, I am sure, that all pipeline assets, domestic and foreign, are potentially affected, which means that this bill covers more than $9 billion, approximately, in domestic pipeline assets, alone, owned by some 200 oil companies.

The companies covered by the provisions of the bill relating to major refiners, marketers and producers are included in the chart prepared by Morgan Stanley, which was attached to my testimony and is, I think, attached to Mr. Gary's.

Twenty oil companies appear to fall within the definition of a "major" based on their reported 1974 production, marketing and refining. And you can see the magnitude of the assets and economic interests involved.

The total assets of the 20 companies amount to more than $146 billion; their long-term debt is more than $21 billion. There are hundreds of thousands of people who own the shares of these companies directly, and their debt, and millions more, indirectly, if you count ownership through pension funds, mutual funds, et cetera.

The aggregate market value of these companies amounts to more than $77 billion.

If S. 2387 becomes law, it will trigger, by far, the largest series of divestitures in history.

In light of the size of the transactions, the scope of the interests affected, and the potential effects on United States energy policy, Congress, I believe, is under an obligation to examine most carefully the validity of the major premises that underlie the legislation. And to move cautiously if some or all of such premises are subject to serious challenge.

The premise which I propose to challenge is the one that holds that a legislative divestiture program of this kind can be accomplished quickly and easily and inexpensively and unbureaucratically.

In an effort to determine the impact of S. 2387 upon the oil companies, we have reviewed numerous agreements and other documents relating to a number of these companies. The documentation we reviewed relates primarily to agreements covering the public and private indebtedness of these companies, the concession agreements with foreign governments, and joint venture agreements with foreign governments and other private parties.

Let me mention briefly some of the major effects of the bill upon these documents.

The documents under which oil companies having indebtedness outstanding, and we will call them "financing documents" for short, contain provisions prohibiting certain actions by the oil companies which were determined by the respective lenders to be necessary to safeguard their interests.

There are a number of types of these provisions commonly found in these financing documents, which, depending on the manner of divestiture, may be expected to be violated by a divestiture program.

These include provisions prohibiting the sale or other disposition of certain assets or the stock of subsidiaries, notably pipeline subsidiaries, provisions restricting the amount of dividends which may be paid to shareholders, provisions requiring the maintenance of certain ratios of assets to liabilities and similar financial tests, and provisions prohibiting the assignment of rights and obligations under these contracts.

The types of covenants referred to above results in default under the respective financing documents and permits the acceleration of all indebtedness issued thereunder.

Consequently, divestiture of these prohibited assets would result in a very substantial portion of outstanding oil company indebtedness becoming subject to acceleration pursuant to the terms of the financing documents.

Now should 2387 become law, we presume that the FTC would not permit this massive acceleration of oil companies debt, assuming for this purpose that the FTC would have the power to prevent it, on which point, of course, the bill is silent.

But we presume that the FTC would instead require that the creditors of these oil companies become debtholders of some or all of the newly formed entities resulting from divestiture. By the same token, however, it would not appear to be fair and equitable for the FTC to do this and to require existing creditors to accept this new indebtedness without the benefit of any contractual safeguards.

As a result, the FTC will be required to determine what contractual provisions should be binding upon these new entities in order to adequately protect the interests of the creditors.

In addition to causing violations of provisions of many of these financing documents, the bill also outlaws certain important contractual relationships. For example, the bill makes it unlawful for an oil company, which is a major producer, refiner or marketer, to own or control any transportation asset.

The definition of "control" extends to any substantial or long-term contractual relationship. As a result, the bill would prohibit the continued existence of various contracts between oil companies and their pipeline subsidiaries which constitute the security for outstanding indebtedness of these pipeline companies.

The bill would also render unlawful the performance of certain existing contracts, including particularly, concessions and joint venture agreements, which require some combination of producing, refining, marketing or transportation activities.

For example, where the terms of an agreement require that an oil company both produce and market petroleum products, then the oil company will have to own and control both production and marketing assets in order to perform the contract, which, of course, in turn would violate the bill.

Now, the FTC might determine that such an agreement should be divided into two contracts to be performed by the newly constituted production and marketing entities.

But serious questions are presented as to whether and under what circumstances an affected independent third party may be required to enter into separate agreements with the newly constituted entities in substitution for a single agreement with one party which was originally bargained for.

There are a whole series of other factors which, of course, will have to be considered in connection with divestiture which I have described in some detail in my prepared testimony and I shall not cover here.

But the thrust of what I am saying is that a divestiture program such as that mandated by S. 2387 could not possibly be accommodated within the existing contractual arrangements. In other words, divestiture would result in massive forced breaches of contract.

And, therefore, such contractual arrangements would have to be rewritten by the divestiture plans. In particular, unless the divestiture plans restructure the financing documents of the affected oil companies, divestiture would result in the right of creditors to accelerate and make immediately due and payable a very substantial portion of the outstanding indebtedness of the affected oil companies, and we are talking about $20, $25 billion.

Thus, the bill will require the FTC to become embroiled in nearly all aspects of the contractual relationships existing between oil companies and their stockholders, their creditors, their employees, and other parties.

The FTC will have to accommodate these relationships and, as a result, the FTC will be required to review, modify and approve plans submitted by oil companies which, among other things, allocate assets and liabilities of existing oil companies among the newly constituted entities and decide how much debt each one is to bear; restructure the rights of persons holding the stock and indebtedness of these oil companies; determine the financial convenance and restrictions which will be imposed on the newly constituted entities; to protect fairly the rights of the creditors; devise commercial and other contracts whose provisions no longer make sense under the changed circumstances resulting from divestiture; revise existing union and other labor agreements, and cover a whole host of other matters: employment contracts; pension and profit-sharing plans; leases; insurance policies; allocation of tax liabilities; allocation of contingent liabilities, et cetera.

The complexity of these issues must not be understated.

A further and special group of problems will undoubtedly be raised by the requirements of S. 2387 that non-United States or foreign assets of the prohibited sort will have to be disposed of, and that substantial or long-term contractual arrangements relating to foreign prohibited assets will have to be terminated.

It cannot be doubted that foreign third parties which have contractual relationships with the oil companies including foreign holders of oil company indebtedness containing covenants of the kind I have described, will seek to enforce their contractual rights in appropriate foreign forums.

It can also be expected that foreign ports will support the claims of such third-party foreigners, particularly foreign governments. And that their contractual rights cannot be abrogated by unilateral United States action.

The result will be, in addition to the termination of valuable foreign contractual rights, acceleration of oil company debt held by foreigners, claims by foreigners for substantial damages.

And these claims are likely to be upheld in foreign courts and enforced against oil companies' foreign assets.

All of these difficulties will have to be resolved by the plans which the FTC has the responsibility of proving under the bill. However, it can be expected that all classes of persons affected by the plans will intervene and participate vigorously in the proceedings for the FTC.

Given the number of companies which the bill covers, the fact that they will all have to divest at the same time, the difficulty of the issues presented, the large number and variety of persons affected by the bill and the magnitude of the interests involved, I cannot reasonably believe that the FTC will be able to perform the role contemplated for it without the creation of a new and sizable bureaucratic apparatus.

It can also be expected that affected persons will challenge substantially all of the plans submitted to the FTC before the Commission itself and, of course, in addition, will seek judicial review of the FTC decisions before the Courts of Appeals and the Supreme Court.

Indeed, all of this would give us to indicate and virtually ensures that implementation of S. 2387 will give rise to a decade or more of restructuring and litigation during which substantial uncertainty will exist as to the nature and extent of a broad range of existing contractual arrangements and legal obligations within the industry.

I believe the precedent, and there is very little precedent for this kind of structural divestiture program, bears out my point. The history of the Public Utility Holding Company Act involved an industry far smaller and, in terms of divestiture, far simpler than what you would face here.

It went on, the bill was adopted in 1935, the plans were still being carried out in the 1960s. It certainly took a matter of 15 to 20 years to carry out the major restructuring required by that Act.

Antitrust divestitures, bankruptcy reorganizations also indicate the likelihood of this kind of delay.

Where does this study lead us? First, it raises doubts as to whether a simple sounding legislation of this kind is a legally viable approach to disintegrating the largest and one of the largest and one of the most complex industries in the world.

These doubts are heightened by the drafting inadequacies of the bill which I have covered in some detail in my prepared statement. I should add that the bill presents serious constitutional, as well as other legal problems, which will inevitably lead to legal challenges to the bill and to its implementation.

The difficulty in scope of planning and implementing the breakup of all the major oil companies in the United States together with the accompanying litigation should also make it abundantly clear that any divestiture statute is not at all the simple, swift, unbureaucratic or inexpensive way of resolving what is perceived to be wrong with the industry.

In terms of delay, I am not quibbling about three years or five years, it would take at least ten and probably as long as 20 years, to resolve all of the questions presented from the time of the initial submission of plans to the FTC to the review and challenge of those plans, the court tests, and the final carrying out of the divestiture orders.

Recognition of these considerations should put to rest the suggestion that S. 2387 and legislation like it is needed as a shortcut through the perils of antitrust litigation. No matter what route is selected, the determination of such important questions will take years.

In light of that fact, I believe Congress should recognize what it is giving up in selecting statutorily required divestiture, rather than leaving the question to traditional court review.

A divestiture statute in many ways represents a very sharp departure from historical American antitrust approaches. Congress, I believe, has never before held that size alone, or vertical integration structure generally is anticompetitive.

Moreover, it has traditionally approached antitrust legislation on an across-the-board prospective rather than a single industry basis.

Finally, antitrust law enforcement has traditionally been surrounded by procedural safeguards. During the course of antitrust litigation, the court has the benefit of adversary testimony and cross-examination on the premises of anticompetitive effects, as well as expert discussion on the appropriateness of any remedy.

Although opposing views of witnesses have been presented to this Subcommittee, there have been colloquies, these issues of effect and appropriateness as they relate to S. 2387, have never been subjected to the cauldron of a true adversary proceeding.

Finally, I believe Congress should ask itself the question, "What happens to this country's energy industry during this ten to 20 years of uncertainty and litigation." As divestiture programs are proposed by the various companies, reviewed and argued before the FTC, litigated, this enormously complex and vital sector of our economy will be in what really amounts to a state of chaos.

Until plans are finally approved, litigation concluded, and the plans put into effect, literally no one will know who owns what, what kind of companies will emerge, what their capital structures will look like, or how viable and competitive, both domestically and overseas, the fragmented components will be.

Congress should, I believe, carefully consider whether an industry in this state of uncertainty could finance on a private basis huge projects which any rational, national energy policy for this country requires.

Statement of Raymond B. Gary, Morgan Stanley and Company, New York, N.Y.

I welcome the opportunity to comment on the bill introduced by Senator Bayh, S. 2387, which requires dismemberment of the major United States integrated petroleum companies.

I am Raymond Gary, and Managing Director of Morgan Stanley, an investment banking firm in New York City.

I believe that such legislation would impair the financial strength of the major portion of the U.S. petroleum industry.

It would impede the industry in raising the capital necessary to satisfy the energy requirements of this nation. Instead of promoting the availability of additional energy from domestic sources, the results of such legislation would be to create an extended period of uncertainty and weakness for domestic oil companies, leading to an even greater dependence on foreign sources of supply.

Let me provide some background on the perspective from which I am speaking.

Morgan Stanley is an international banking firm engaged in the underwriting and placement of securities for corporations and governments.

Since 1935, when we were formed, we have placed in the world's capital markets the equivalent of over $97 billion worth of debt in equity securities.

In addition, we are engaged in providing financial advisory services, in connection with long-range financial planning and the construction of large energy projects.

We have arranged financing, over the years, for many of the companies that would be affected by S. 2387.

I believe it is because we have had such extensive experience in financing for the petroleum industry that the American Petroleum Institute asked us to consider giving testimony to this Committee, from an investment banker's point of view.

Over the next decade, the ability to secure funds from investors in the world's capital markets, is going to be vital to the economic future of U.S. industry.

For the first time in modern U.S. financial history, the supply of funds may not grow as fast as the potential demand for capital, and financing considerations may act as effective constraints on the economy's capacity to finance fixed investment over the next decade.

In recent years, investors have become very quality conscious in choosing their investments. In the future, we expect them to become increasingly selective.

They will allocate their capital to industries and companies and projects which represent the best investment opportunities.

The petroleum industry has been and will continue to be an intensive user of capital. The era of cheap oil is over.

Unfortunately, large discoveries of oil in the United States today are only being found in expensive frontier areas, such as the Artic and deep offshore waters.

If the credit of our U.S. based oil companies is weakened, they will not be able to attract capital and do the job.

Furthermore, a fragmented industry would have a seriously diminished capability of competing with foreign oil companies, precisely at the time when many foreign nations are strengthening and consolidating their own national oil companies.

Prior to the Arab oil embargo of 1973, the petroleum industry enjoyed a high degree of acceptability to investors.

Since that time, world petroleum economics have been importantly affected by actions of the OPEC Cartel. A number of fators, arising largely as a result of OPEC actions, including skyrocketing costs, nationalizations, takeovers, increased taxes, government controls on prices—all of these have caused investors to become concerned about the industry's continued investment attractiveness.

The confusion arising from the passage of divestiture legislation would have a disasterous impact. In our view, it could prevent most of the petroleum industry from financing in any significant amounts, over the next decade, except at prohibitive rates.

If the supply of capital to the petroleum industry dries up, as we believe it would, there would be only one source left to look to for support in financing our most vital energy industry—it has already been mentioned—the Federal Government and the taxpayer.

In the end, oil company divestiture could well lead to the need for a Federal guarantee program or some kind of Federal insurance to provide the necessary backing for petroleum financing.

Now, my prepared testimony is divided into two major sections. It will not take the time to go into details about the future capital needs of the petroleum industry—which is covered in the first section and has also been covered by other witnesses.

Suffice to say, there are many estimates by competent authorities on capital requirements for the entire economy and for the petroleum industry, in particular.

For example, there are estimates that in the next decade the domestic petroleum industry may spend an average of $40 billion a year. This is more than four times the size of average yearly expenditures in the last decade.

A study which our firm has had prepared also indicates an emerging capital insufficiency, in which lack of availability of capital will act as a constraint on the amount of productive facilities that will be built.

We conclude, therefore, that maintenance of high credit standing is going to be vital to petroleum companies, because they are going to need to raise more money than they ever have before; and the largest amounts of money are, naturally, available to issuers of the highest credit.

Now, in order to illustrate, among other points, how important it is to have a strong credit position, I would like to tell you something about the financing of the Trans-Alaskan Pipeline system.

This is something that I am very familiar with. I was in Alaska on the day that it was first announced that the system would be built, and I have spent most of my business career, since that time, working for one or another of the participants in financing their shares of the system.

As you know, Congress deemed this system to be of strategic importance to the nation, when it passed the Authorization Act in November 1973.

The latest estimated cost of the system is $7 billion, not including contingencies or interest during construction. When these are added and, also, field development costs and the tanker fleet, the grand total is $13 billion, all of which will be spent before one penny is returned to the oil companies.

Now, there has been a lot of confusion in this record about pipeline financing; so I would like to start off and digress a moment about why it has had to be done by oil companies in the past.

To start off with, pipelines are risky investments. They transport only one commodity, over a fixed direction, over a fixed group, in only one direction. The investment is terribly inflexible; it cannot be easily altered to respond to changing distribution patterns.

The owners of the system are exposed to many risks that are completely beyond their controls; and these are changing distribution, proration, government controls, imports — name them; there are dozens of them.

Because of these risks, most oil pipelines in this country have necessarily been built by the oil interests they serve. No one else has an economic incentive to build a multimillion dollar oil pipeline, nor would a third party assume these risks without some assurance of throughput to cover them.

Lenders are acutely aware of these risks; and they have almost inevitably insisted, when financing pipelines, that they have the credit of the appropriate shipper owner oil company backing the credit of any pipeline borrower.

The credit backing is either direct, in the form of guarantees, or indirect.

Almost uniformly, the indirect backing includes unconditional commitments of the shipper owners to complete the facilities, to operate them, and if operation is interrupted or curtailed, to restore them back to operation.

The effect of all this is to require the oil companies to put up enough money to cover the outstanding indebtedness of the pipeline and its other liabilities, as well, whether or not it is completed or operates, or is ever restored to service.

These agreements are firm applications of the full credit of the oil company involved. For the purposes of financing, as noted by Mr. Bator, they are, in effect, guarantees of pipeline company's indebtedness.

Whether the credit is direct or indirect, the consequence for the lenders is the same. The risks of failure of the pipeline operation are put upon the oil companies.

The consequence for the oil companies is the same whether they own it in undivided joint interest form or in corporate form. They have dedicated parent company resources and credit to get the pipeline financed.

In TAPS, Trans-Alaskan Pipeline System, the risks I have been talking about become prodigious. The most serious of all is the risk that the line might not be completed, for whatever reason.

But this is of concern to lenders, for the kinds of reasons they mention all the time, the harsh environment, escalating costs, environmental delays, weather—any other unforeseen problem which endangers completion.

Pipelines are unique in that they are absolutely worthless until the last mile is built. They are quite different from other industrial facilities, in this regard.

Now, I would like to tell a little bit about a specific example, a placement we completed last November, for a joint financing vehicle used by the Standard Oil Company of Ohio, and the British Petroleum Company.

Together these companies own just under 50 percent of the system and their share of the cost is presently estimated to be between $5½ and $6 billion. Th principal amount of the private placement was $1¾ billion, the largest ever done in financial history.

There were drawdowns in 1975 with just over $1 billion a bond and there were additional closings scheduled through the second quarter of 1970 on a quarterly basis.

The issue was sold to 76 investors, including insurance companies, savings banks, et cetera, and in almost every case, these institutions made commitments far exceeding the amounts they had previously invested in any one issuance.

It should not surprise you, therefore, for me to tell you that the economics of the project and the credit of the companies were weighed with more care than in the case of any financing I have ever particpated in.

The lenders sought to assure themselves, not only that the pipeline system was viable from an economic view no matter what happened, they analyzed the capacity of the guarantor to withstand massive cost overruns or delays in time, and they built into the loan documents very elaborate protections, which gave them the right to intervene whenever trouble was threatened.

And Mr. Bator has named some of the restrictive covenants that are in that loan agreement. I negotiated them and they are tight. And they all had the purpose of tying the oil inextricably to the pipeline so so that the ownership of the two could never be separated.

There were detailed restrictions put upon Sohio's ability to dispose of oil, and there was a prohibition against either parent selling or assigning the equity of their pipeline subsidiaries.

Not only did we have completion and throughputs, we had guarantees as well. In effect, to give the lenders recourse against the project as well as to the going concern credits of the oil companies, themselves.

Without the credit of BP and Sohio, the financing could not have taken place. Without the credit of other integrated oil companies participating in Taps, there would be no pipeline and no prospect of oil reserves being produced from the Prudhoe Bay.

Yet, S. 2387 appears on its face to prohibit the throughput and completion agreements whereby parent companies in effect guarantee the debt. In effect, what the divestiture proponents have proposed is the end of all new pipeline financing and then voiding of the security arrangements in many existing pipelines.

Now I would like to turn to Section 2 where we address the period following enactment of the legislation. What happens if it is enacted? In our opinion, enactment would result in substantial confusion and uncertainty as to the financial outlook for the petroleum industry.

In this situation, we believe, it will be extremely difficult and in some cases impossible for infected companies to finance.

First, let us talk about how it would be accomplished. We think it would be very unlikely that any significant part of the assets could be sold for cash. For one thing, the market would be flooded with a glut of oil industry facilities being offered for sale.

For another, in a capital-restricted environment, there would hardly be a large series of buyers for tens of billions of dollars of assets unless it might be some foreigners. Potential buyers, such as other oil companies not affected by the legislation, would certainly have difficulty securing funds; if they could be buyers at all, and I don't know.

It appears to us after analyzing all the alternatives, that the distribution would have to be made in very large part by spinoffs through existing shareholders. However, there are very serious problems even with this approach. The assets of the surviving company would be materially reduced, yet its obligations would remain diminished.

Now, despite all the kinds of legal problems that Mr. Bator has already mentioned, we think it will probably be necessary to allocate the outstanding debt of each divesting oil company among the segments to be divested. Whether this would be done on book value, earnings, cash flow would be problematic. In any case, nobody would have the faintest way of predicting how much debt the individual segments would be able to support.

We think lenders will be appalled by this. Allocation changes the nature of the original investment. Holding debt of several segments of a fragmented company is substantially different from holding debt of an integrated whole.

Each segment would be viewed as inherently weaker, riskier and more vulnerable to swings and earnings in the original company. Lenders provide funds to an integrated petroleum company in the belief that they are protected by its assets and earning strength, as well as the covenants contained in relevant financing documents.

Someone might suggest the approach in lows of joint and several obligations of the existing company and the new spun-off companies. As we understand what Mr. Bator has said, even this arrangement would not be allowed since it implies control under the statutory definition.

What of the position of the investors? They are not even given Hobson's choice; they are given no choice at all. They will be forced to accept lesser credits and the risk that all that entails.

We come to the conclusion that divestiture is going to take an extended period of time to accomplish. Every party who has an interest will want to be represented before the FTC and the courts to protect those interests.

As we have heard, it means a multitude of litigants and years of uncertainty and confusion as plans are made, revised, opposed and changed again.

While all this is going on, no investor is going to be very anxious to put up any capital. Investors have no liking for uncertainty. The passage of the proposed legislation would immediately create long-lasting uncertainty for the industry.

My firm believes that investors, large and small, will attempt to dispose of their oil company securities, almost certainly at lower prices and under confused market conditions. We fear that billions of dollars of security values are going to be wiped out, to the detriment of not only large institutional investors, but of their direct and indirect beneficiaries, such as insurance policy holders, pension fund beneficiaries, et cetera.

What would happen to a company trying to sell debt after the required splitup, but before the manner of affecting it and all the legal questions have been fully resolved. Investors simply would not have available for use their traditional yardsticks.

First, it would not be possible to calculate asset backing or debt equity ratio for an indebtedness.

Second, it would be virtually impossible to appraise or predict the future earnings of the company.

Third, the investor would have no way of gauging the future marketability and price of the new debt security. He would probably be aware of the fact that credit rating on oil company securities would most likely decline. Perhaps even to levels below that permitted for investment.

But finally, in the last analysis, who would the investors be? We think most traditional investors would be in the courts suing to protect the security of their outstanding loan.

As investors, or more importantly, as fiduciaries, they would be unlikely to put up a penny more.

I will skip over the part on equity securities, We conclude with investors' savings would be lost, reduced would probably suffer reductions in their dividend income.

How long would these conditions of uncertainty continue? In my view, at least ten years and perhaps longer, while the new entities are being tested for their economic viability.

Undoubtedly, a number of the segments will encounter serious problems. And some may well fail. The stronger ones will eventually survive. However, until they can demonstrate a pattern of successful earnings for a sustained period and until the strong and the weak have been separated, neither can expect significant institutional investor support in the provision of additional funds.

Hence many portions of the industry will go through a lengthy period of stagnation involving growing obsolescence of plan and inability to finance new projects.

In conclusion, it is our view that a major portion of the oil industry may be effectively closed off from capital markets for an indefinite period. As I have noted, the market for capital is becoming more and more selective.

And with the legal and financial uncertainties that will undoubtedly accompany a divestiture program, investors will simply place their funds in other companies and industries that they can appraise more readily.

The consequence of this to the oil company financing cannot be overstated. To the extent the exploration dollar cannot be raised, it will not be spent and the new oil will not be found.

This could not come at a more critical time for our National Energy Policy. Our dependence upon foreign petroleum sources will have to increase even further, with all the consequences that has for defense and foreign policy.

Divestiture is not an experiment which can be tried without serious consequences. The price for enacting such legislation will have to be paid by someone. If not by the consumer in the price of petroleum product, then certainly by the taxpayer.

Either prices will have to be raised to provide a sustained earning power for all segments of the industry, or the federal government will have to step in. We think it is important for Congress to realize that credit strength and the ability to finance which, results from it is not something that can be restored to a company or an industry at will.

It takes a long time to build. We think the Congress should realize that if America's oil industry is torn apart, in contractual rights of petroleum company debtholders are abrogated, and if their basic credit strength of the industry is dissipated, the decision will be irreversible.

The strength of our vertically integrated oil industry is not something that the Congress or anyone else will be able to restore.

TOWARD GOVERNMENT AND BUSINESS ACCOUNTABILITY TO CONSUMERS

Mr. MAGNUSON. Mr. President, as I talk to the people of Washington and others concerned with consumer's rights, I find that what people seek is not more Government regulation but Government regulation which is more responsive to the real needs of consumers. Even more important, wherever it is possible the consumer does not want Government doing for him those things that he can do for himself.

Last Saturday a consumer task force headed by Esther Peterson and John Hechinger delivered a statement to the Democratic Advisory Council of elected officials designed to lay the groundwork for the consumer plank in the Democratic national platform. This paper, "Towards Government and Business Accountability to Consumers," is not the traditional platform package of promises to consumers. Instead it lays out in a careful and comprehensive way a series of reforms that are necessary to restore the faith of the American public that the institutions which serve them—both Government and business—are responsive to their needs, not the needs of special interests.

While I do not necessarily endorse every proposal contained in this paper, I think its basic thrust is right: right both in terms of the needs of the American public and right in terms of the response which the Democratic Party must make to the concerns of the American public if it is to remain truly the party of the people. I ask unanimous consent that the statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TOWARD GOVERNMENT AND BUSINESS ACCOUNTABILITY TO CONSUMERS

(Statement of Consumer Affairs Study Group, Domestic Affairs Task Force, Democratic Advisory Council of Elected Officials)

INTRODUCTION

Why is public trust and confidence in government at half-mast?

It is not simply a reflection of the Ford Administration's failures of policy and nerve, however much we as Democrats would have it so.

Nor is it simply that we are plagued by two much government, as Republicans and some Democrats would have it.

Beyond these substantial grievances is the overriding feeling that government has lost touch with the governed, is no longer responsive to the felt needs of the citizen.

The voices to which the government responds are alien voices: the thundering pleas of special interests, the self-proclaimed expertise of professional elites, and the self-interests of the imperial bureaucracy.

When did the consumer vote for creeping economic concentration and monopolization of business? To pay 60¢ of his insurance dollar to trial lawyers and insurance companies? To invite trucking companies to fix their own rates? When did he vote for "independent" regulatory commissioners who won't regulate and law enforcement officers who won't or can't stop corporate crime? A health care delivery system designed to maximize doctor's earnings for minimal service and accountability?

Taxation without representation? What citizen voted for the Earl Butz-agri-business-welfare tax in the inflated prices that he pays for bread and beef? The windfall profits tax on natural gas producers who are on their way to a sevenfold increase in the "regulated" price of natural gas? The chemical contamination tax buried in the health insurance premiums he must pay for the soaring rate of cancer? The lawyers subsidy tax embodied in the wasted premiums for auto insurance without no-fault? The bloated advertising tax embedded in cereal and detergent prices? Or the Exxon "sheikdown" tax at the gasoline pump?

For seven lean years we have watched Republican Administrations and militant blocks of Republican votes in Congress frustrate the implementation of good consumer laws, the improvement of inadequate consumer laws and the passage of new consumer laws designed to allow the voice of the consumer to be heard and to be effective in shaping government policies affecting consumers. For seven lean years, the American people have suffered the consequence of an unholy alliance between corporate managers and their shadow surrogates in the White House.

But it is not enough for Democrats to denounce the misfeasance of Republican Administrations—though the denunciations are well enough merited.

Nor is it enough for Democrats to revive the programs and promises of past campaigns—though many of these programs do offer the promise of substantial consumer benefit.

The New Deal and the New Frontier were equally fired by a sense of decency and concern but they often reflected a misplaced confidence in the capacity of government to perform in the public interest without direct, active and continuous public involvement and participation. The American people have come to have less faith in government doing *for* them and more determination to do for themselves.

The goal for the American consumer as consumer, just as it is for the American citizen as citizen, is to assert democratic control of those institutions which have come to shape and misshape our lives. "Accountability", "responsiveness", "participatory democracy", "regulatory reform", "populism", "trustbusting", "federal corporate chartering", "consumer and environmental protection". Each of these rallying cries bespeaks the common desire to rein in the harmful economic, social, environmental and political power of big business, and big government.

GOVERNMENT ACCOUNTABILITY

In the past, we have promised that government under the Democrats would protect the nation's consumers. Today, despite the sincerity of that commitment, such promises ring hollow in the ears of many citizens, including faithful Democrats.

We must now focus not only upon new laws to protect consumers but upon new means to enable consumers to protect themselves: government regulation—under Republicans and Democrats alike—grows sluggish with age, rigid with bureaucracy, timid in the face of corporate power. We must commit ourselves to fundamental change in the structure and process of government, in the overriding interest of democratic accountability by:

1. Strengthening the process by which dedicated regulators are recruited and selected, assuring public participation;

2. Guaranteeing direct access and participation by consumers and consumer groups in the consumer regulatory process;

3. Establishing independent voices in government with the sole job of advocating the consumer interest;

4. Strengthening the process by which Congress as the public's overseer monitors and insists upon the implementation of the laws as Congress intended in the public interest; and

5. Making bureaucrats individually accountable for failing to enforce the law and other malfeasance in office.

CORPORATE ACCOUNTABILITY

In the past, too, the Democratic party has consistently championed the cause of the individual consumer and small businessman against the giant corporations. Yet the economic and political power of the corporation has grown relentlessly through both Democratic and Republican Administrations. Once again, the programs and promises of the past are insufficient. Once again we can not rely solely upon a benign government doing for the people what the people—with proper legal and economic tools—can do for themselves. To restore consumer control of the marketplace we need:

1. Direct consumer remedies, including consumer class actions, citizen standing to challenge corporate malfeasance, and simple and inexpensive consumer grievance machines;

2. Serious, persistent antitrust enforcement;

3. A concentrated effort to restore competition in food production, processing, and marketing;

4. Federal corporate chartering of huge national and multi-national firms;

5. Selective competitive public enterprise, as in the search for new oil and gas on public lands;

6. Support for consumer cooperatives and other marketing alternatives;

7. Freedom of information in the marketplace;

8. Criminal penalties for intentional consumer fraud.

In the past we looked to Congress and the President to protect us. We sought specific new laws and regulations: truth-in-lending; truth-in-packaging; auto and product safety. We still seek no-fault auto insurance and food and chemical safety standards. And we desperately lack safeguards against the exploitation of low income and otherwise vulnerable consumers.

We needed the protection; did we need the laws? It is our intention to continue to develop papers treating these and other salient consumer needs.

But without the basic structural reforms we advocate here to make our institutions—public and private—more responsive, the best of laws will remain hollow promises.

GOVERNMENT ACCOUNTABILITY TO CONSUMERS

I. Upgrading the quality of regulatory appointments

In hacking away at the foundations of consumer regulation enacted by Democratic Congresses and Presidents over the past decade, President Ford has performed at least one useful service: namely, to focus the spotlight of public attention on the chronically poor quality of regulatory appointments.

As the delegation of Congressional Democrats to the 1975 White House meeting on regulatory reform told the President: "The single most debilitating flaw in our regulatory system has been the chronic failure of Presidents to name—and the Senate to insist upon the naming of—outstanding public servants qualified by training and commitment to implement the letter and spirit of the laws which they are sworn to uphold."

And as James M. Landis in his landmark report on the flawed regulatory process under eight years of Republican Administration reported to President-elect John F. Kennedy some fifteen years ago: "The prime key to the improvement of the administrative process is the selection of qualified personnel. Good men can make poor laws workable. Poor men will wreak havoc with good laws."

During the first year of the next presidential term, at least nine key vacancies will occur on the regulatory commissions. In addition, the President in 1977 will have the opportunity to appoint or reappoint the chairmen for six of these commissions as well as the heads of the Food and Drug Administration, the Environmental Protection Agency and the National Highway Traffic Safety Administration.

President Franklin Delano Roosevelt told the nation: "the regulating commission, my friends, must be a tribune of the people, putting its engineering, its accounting and its legal resources into the breach for the purpose of getting the facts, and doing justice to both the consumers and investors in public utilities. This means, when the duty is properly exercised, positive and active protection of the people against private greed."

Yet, past Administrations with notable—though limited—exceptions have peopled regulatory agencies with cast-off party functionaries, well-connected (mostly in Washington, D.C.) lawyers, whose prior careers were marked by single-minded devotion to the interests of oil companies and other regulated industries, ideological zealots bent upon the destruction of the very laws they were appointed to uphold, cronies of favored Senators and Congressmen surmounting the selection system by affability and contacts; and, perhaps worst of all, "inoffensive" mediocrities—narrow, biased, imperceptive strangers to the public interest as embodied by Congress in the laws. It should not be sufficent to qualify as a regulator to have come from Grand Rapids.

The White House is guided by no discernible standards in its selection of regulatory nominees, nor is there any evident talent search across the nation to tap that vast reservoir of talent and commitment which has always been the boast of American government.

The selection process is not only limited, but characterized by "silent campaigns" carefully orchestrated by office seekers with well-connected sponsors; the regulated industries themselves are solicitiously consulted, able to exercise veto by raised eyebrow of any potential nominee demonstrating initiative, independence and a troublesome public interest commitment.

The Senate has made strides in upgrading the confirmation process. But it is a painful and humiliating process for a nominee to be publicly repudiated once his name has been sent to the Senate by the President for confirmation. At its best, the confirmation process has been designed to unmask disqualifications rather than to set and apply standards of quality.

Therefore, we urge that the Democratic party and its candidates express their commitment to the appointment of regulators possessing the essential generic qualifications: integrity, intellectual capacity, the capacity to withstand political pressure, economic and philosophical independence from regulated interests, philosophical commitment to regulation, sensitivity to consumer and minority interests, and administrative ability (at least for chairmen).

In seeking qualified persons, the party and its candidates must be prepared to insist that potential nominees demonstrate these qualities, preferably through the past performance of independent public service in a regulatory capacity, past advocacy of citizen interests at variance with vested interest, and publicly and consistently articulated positions on issues of regulatory importance expressing independence from the views of regulated interests or otherwise.

Finally, beyond these general qualifications, the party and its candidates must be prepared to insist that each nominee to a regulatory post commit himself or herself to vigorous pursuit of the Congresional regulatory mandate, agency accountability through open decision making openly arrived at (with full participation of all affected interests, including the consumer) and abjure future service with any regulated interest for a substantial period of time after departing service as a regulator.

The party and its candidates should also support the upgrading of the regulatory appointment selection process to include: (1) establishment within the White House of an Office of Regulatory Appointments; (2) the conduct by that office of a nationwide talent search through its own resources and encouragement of public interest talent banks, established by broadly based public interest groups; (3) the appointment of advisory panels, both industry and consumer, to advise, on the public record, on specific regulatory vacancies and proposed nominees; (4) the maintenance of White House logs of contact with interested persons commenting on regulatory vacancies; (5) timely publication by the White House of names under consideration for appointment, to enable concerned citizens and groups to meet with potential candidates and to comment prior to nomination by the President; (6) the support of legislation to create a national commission on regulatory appointments to foster the recruitment of qualified nominees and to monitor and report upon the quality of regulatory appointments; and (7) to attract the less affluent, qualified nominees outside of Washington, D.C., necessary legislation should be enacted to reimburse regulators for the expense of moving their families from their homes to Washington and back.

To strengthen the confirmation process, the Senate should follow the lead of the Senate Commerce Committee in subjecting the nominees to a systematic and intensive examination and questioning both to disclose any potential conflict of interest and to spread on the record the nominees' regulatory philosophies prior to confirmation. Periodically, the oversight Committees should review the performance of sitting commissioners, viewing the record of their performance as measured by their commitments and testimony during the confirmation process.

II. Direct citizen access to the regulatory process

One of the most heartening developments of the past decade has been the spontaneous growth of broadly based voluntary consumer and citizen organizations joining together in the common purpose of seeking a more responsive government. Public Citizen, Common Cause, the Consumer Federation of America and similar organizations growing upon the participation and support of millions of Americans are voluntary, private associations which have demonstrated the new capacity of concerned citizens to join forces to advocate the citizen interest before the country's courts, regulatory agencies and the Congress.

But we have also learned that the entrenched opposition to effective citizen advocacy, both within a bureaucracy unwilling to be stirred from its customary pursuit of the paths of least resistance and by economic interests possessing a great stake in government lethargy and ineffectuality, placed formidable barriers before the citizen or citizen groups which would be heard.

To enable citizens and citizen groups to pry open the locked corridors and the minds of the regulatory agencies, the next Administration and Congress must complete and implement promising beginnings forged by recent Democratic Congresses.

A. Openness

Special interest bureaucratic collusion thrives on darkness and secrecy. Today, any business lobbyist worth keeping in Washington knows every bureaucratic twitch of the agencies that affects his company or industry. Only the "unconnected" consumer and consumer group is left to probe in the dark. A scourge of such collusion is the bright spotlight of informed public focus: open meetings—decision making sessions as well as hearings and advisory committee meetings (with votes a matter of public record); public logs of industry-government contacts; forthcoming freedom of information policies and practices; published and signed opinions and dissents.

B. Participatory Planning and Priority Setting

Most regulatory programs fail when bureaucratic imperatives and special interest pressures dictate priorities and goals. Each agency should be directed to develop, by an open process which ensures informed consumer participation, an annual regulatory and enforcement plan, including performance goals and criteria by which to measure the agency's success or failure. In this process, the agency should identify those matters within its jurisdiction which have the most substantial and significant impact upon the health or economic well-being of consumers so that the benefits to consumers of the regulatory plan can be judged by the public. Such plans, however, must make provision for the timely response by the agency to all citizen petitions for rulemaking or enforcement, as proposed by Senator Magnuson.

C. De-Lawyering the Regulatory Process

In the beginning, the regulatory agencies developed administrative law to provide a fair but informal and speedy process to resolve genuine disputes of fact and law. The lawyers fixed that. The lawyer-lobbyists and the lawyer bureaucrats combined to assure that administrative law accomplished virtually nothing but the continued gainful employment of lawyers. We need an Administration and regulators prepared to overhaul the administrative machinery to return to those informal, responsive procedures which will enable the agencies to do the job that Congress intended and consumers were led to expect.

D. Support for Direct Consumer Participation

Until now individual consumers and consumer groups who sought to be heard in the regulatory process have been hindered and discharged at every step by procedural minefields, resentful bureaucrats, and by the essential costs of developing and presenting technically-sound facts and arguments on consumers' behalf. Consumers lack the resources to develop the technical depth needed to demonstrate the hazards in chemicals such as PVC. the flaws in industry-developed natural gas data, the safety and reliability of the auto air bag. Hundreds of millions of dollars are spent annually by business to marshal and present to the public and government agencies the facts and arguments supportive of business interests. No fraction of these funds have been available to promote the consumer's case.

Thus, the agencies, Congress and the courts must reach out actively for consumer input, removing procedural hangups, such as narrow limits on "standing". The Consumer Product Safety Commission Act spelled out the right of a citizen to bring suit in District Court to require the Product Safety Commission to take appropriate action to remove unsafe products from the market, to enforce safety standards or orders. Such citizen rights should be extended to all regulatory agencies.

Consumer groups and their advocates must be compensated for the necessary costs to marshal and present facts and arguments important to the consumer's case. The Magnuson/Moss Act provided such funding for consumers appearing before the Federal Trade Commission, charting the course for other agencies with or without legislation. The Kennedy Attorney's Fee bill would broaden the application of the reimbursement principle to all regulatory agencies. Monetary penalties assessed against corporations for crimes and frauds against consumers could be dedicated to a public interest fund for such purposes. In Congress, Senator McIntyre's proposal to provide funding for public interest witnesses before Congressional Committees should be implemented.

The President and Congress should also encourage and support the formation and maintenance of consumer advocacy groups. Historically, our government has given moral and material assistance to such voluntary associations as farmers and veterans—why not consumers? For example, consumers with common interests such as utility, supermarket and railroad commuter consumers, should be able to obtain regular funding through voluntary check-offs on utility bills or commuter tickets or supermarket checkout counters. Serious consideration should be given to facilitating contributions to a public interest fund through a check-off on federal income tax forms, such as is now provided for political contributions. The Federal Government has a responsibility to encourage and promote development of such systems.

III. Public consumer advocacy

If we have learned one lesson about regulation under Democratic and Republican Administrations alike, it is that there is a structural magnetism between regulators—even the best regulators—and the regulated that draws them together in common cause overriding the consumer interest. We have come to realize that the regulator who must decide where the balance between a free market and government intervention in the market must be struck performs more the role of judge than of advocate. How high should gas prices go? How much testing is necessary to prove chemicals safe? How much monopolization is too much? Even the Federal Trade Commission and the Justice Department, more law enforcement agencies than regulators, must judge whether or not to prosecute a given case or industry.

In influencing these judgments business advocates can and do draw upon a vast array of talents to muster, plead and wheedle their case. Administrative Law specialists, food and drug specialists, natural gas law specialists, Federal Trade Commission specialists, House counsels steeped in industrial know-how, Washington counsels steeped in Washington know-who, legal academicians with impressive credentials and eager ambitious junior associate from the editorial boards of the great law school journals and reviews. The regulator is beseiged, plagued by the very economic interests he would regulate. Is it any wonder that his confidence and determination slowly erode until the industry satisfied with token regulation leaves him in peace?

Consumer leaders in Congress have long sought separate creation and independent maintenance of public consumer advocates. The Ford-damned Agency for Consumer Advocacy, special purpose offices of public counsel in such agencies as the ICC and Senator Mondale's proposal for a Congressional General Counsel to represent Members and Congressional committees before agencies and in courts, represent nothing less than an effort to reform the nature of the regulatory process itself.

The Ford Administration's plan of consumer representation programs in each agency embodies all that a consumer advocacy program should *not* be. This misbegotten attempt to pacify the nation's consumers has only created an expensive bureaucratic network of impotent Consumer Affairs fiefdoms for token advocates.

The naming of consumer advocates does not create a new layer of regulation—just the opposite. The advocate has had no other role but to prod and carry the consumer's case forcefully to the regulator—counterbalancing the heavy weight of special interest pleading. The result: more alert, informed consumer-responsive and accountable regulatory decisionmaking.

IV. Congressional oversight

No governmental body is more directly accountable to our citizens than Congress. We do not elect Food and Drug Administrators or Federal Power Commission Chairmen, but we do elect our Congressmen—frequently—and can make our discontent plainly and effectively known.

In the past, Congress has neglected to monitor the performance of regulatory agencies once the initial enthusiasm and momentum for enacting consumer protection laws have passed. Today Congress is in the process of strengthening its resource and resolve to oversee the implementation of its laws: investigations, hearings, reports, soundly documented critiques, tough funding reviews. Each serves to prod and discipline unresponsive agencies.

Beyond present efforts, Congress must see to it that teams of oversight specialists beholden only to the responsible Committees of Congress are responsible for each regulatory agency, armed with Congress' power to unlock every bureaucratic secret and ferret out regulatory sloth and mismanagement. Such teams should be required to issue periodic reports auditing the performance of the agency, measuring its impact against its potential, and recommending to the Committees of Congress remedial oversight activities and, where appropriate, legislation.

Congress should continue to press for agency independence of both political and industry influence by requiring the direct submission of budget and legislative recommendations to Congress without clearance from the Office of Management and Budget, agency control of its own litigation without clearance or interference from the Justice Department and the registration of lobbyists before the agencies as well as Congress.

V. Bureaucrat accountability

The unresponsiveness of many federal agencies to citizen interests begins when individual civil servants feel accountable only to government hierarchy, not citizens or voters. A seed to correct this imbalance was planted in the 1974 Freedom of Information Act amendments which allow review by the Civil Service Commission with a penalty of up to sixty days suspension for an arbitrary or capricious refusal by a civil servant to disclose information which the Act mandates by public. This concept should be expanded to give citizens the right to seek similar sanctions for arbitrary and capricious behavior by civil servants such as refusal to enforce the law, refusal to investigate suspected fraud or defects, and inaction in response to known hazards.

BUSINESS ACCOUNTABILITY TO CONSUMERS

I. Direct consumer remedies

One continuing source of citizen disaffection with "the system" is the chronic inability of consumers, either through law enforcement officials or on their own behalf, to obtain restitution of funds taken from them by corporate fraud or suitable damages for health and environmental harm caused by corporate activity or even effective action to halt continuing lawless corporate activity.

In many cases, dedicated public officials, including many state attorneys general, who seek to use their offices to obtain redress for their citizens, are powerless to do so under existing law. And consumers themselves, whose rights are openly and defiantly violated by corporate violators, nonetheless find themselves without practical remedies.

A. Consumer Class Actions

Consumer class actions minimize regulation and bureaucracy. A simple amendment to the Federal Rules of Civil Procedure to permit consumers to join in a common action to obtain those remedies—to which they would be entitled as individuals under existing law—against the sellers of shoddy goods, the false advertisers, the practitioners of fraud and deception.

What could be more in keeping with the philosophy of a Republican Administration seeking to restore "private initiative" through alternatives to the "heavy hand of government" regulation? Yet the Republican Administration has consistently opposed granting the victims of consumer crimes and frauds the power to band together to go into court on their own behalf. The Administration's position has been that the consumer's hands should be tied unless and until the corporate wrongdoer has been successfully prosecuted by the Federal Trade Commission or the Justice Department. Thus a remedy for government inaction is made to depend upon government action.

In recent decisions, the Supreme Court has further restricted the practical availability of class actions by placing enormous economic burdens upon consumers bringing such actions. Unfair and unrealistic court notice requirements can cost the consumers hundreds of thousands of dollars. Even where the courts have found, on a preliminary basis, that the complaint is serious and substantial. These inhibitions—must be cured by appropriate legislation.

A first order of business for the new Democratic Administration must be support for Congressional Democratic initiatives to make consumer class actions an unfettered self-help remedy for consumers. (Add Consumer Controversy Resolution Act—informal grievance machinery.)

B. Citizen Rights of Action

Under the common law, individual citizens were given standing by the courts to bring direct actions against violators of law as "private attorneys general", and awarded by the courts with a proportion of the penalties assessed against the law violator. These actions, known in the common law as *qui tam* actions, were specifically authorized by the Water Pollution Control Act of 1899 to stimulate the enforcement of anti-pollution regulation.

The Consumer Product Safety Commission Act specifically granted citizens the power to sue companies violating the agency's safety standards, recovering the costs of successful action and further authorized any person injured by a product produced in knowing violation of the Commission's rules or orders to recover not only damages but attorney's fees as well. This citizen right should similarly be extended to other appropriate cases, especially where the business activity involved poses the threat of injury or damage to the health or safety of consumers.

C. Consumer Redress Through Public Advocacy

The Magnuson-Moss FTC Amendments provided that the Federal Trade Commission, having determined that a business has committed unfair or deceptive acts injurious to consumers, could not only order the cessation of activities but go into court on behalf of consumers to obtain damages or other remedies for the benefit of injured consumers. As we have indicated, parens patriae provisions are also contained in the antitrust bills introduced by Senators Hart and Scott and Congressman Rodino which would authorize state attorneys general to obtain damages for the benefit of the citizens of their state against anti-trust violators.

D. Responsive Consumer Complaint Mechanisms

The Tunney-Magnuson Consumer Controversies Resolution bill is designed to improve small claims courts, arbitration programs and other consumer grievance mechanisms to make them responsive to the needs of the ordinary consumer. The bill would help to assure that consumer redress mechanisms have forms and procedures that will permit the average citizen to effectively use them, that they will be open and available at times when working people will have access to them, and that information about the availability and purpose of dispute resolution mechanisms will be widely distributed so that citizens and consumers will be aware of possibilities for securing effective, fair, inexpensive and expeditious resolution of their complaints.

Special attention needs to be given to the rights of hospital patients as consumers. Perhaps no single area of consumer frustration and impotence exists as in the treatment of patients by hospitals and many physicians. Provisions must be made to require that an independent grievance resolving mechanism be established and readily available at each hospital, separate and independent of the administration of the hospital, to render independent judgments on the validity of patient grievance.

II. Antitrust enforcement

Grain, flour and sugar prices come down. Breakfast cereal and bread prices go up. The consumer wants to know what the hell is going on.

The answer is not hard to find. Only 200 corporations in this country control roughly two-thirds of all manufacturing assets. High concentration exists in such major industries as breakfast foods, bread baking, autos, steel, computers, communications, and xerography. Four or less companies control 90% or more of the market in such products as: cereal, soaps and detergents, electric light bulbs, toothpaste, camera film, soup, chocolate candy, and many others.

In 1974, prices rose at an inflationary rate of 23% in concentrated industries, but stayed almost the same in competitive industries. During the 1969–1970 recession, prices rose in the most concentrated industries, but decreased in the least concentrated industries.

If we truly believe that markets regulated by competition are preferable to markets controlled by government regulation, then the first step is to put our money where our mouth is. Successful antitrust enforcement takes substantial economic and legal resources. It is easy for the Federal Trade Commission or the Justice Department to file a headline-grabbing complaint against a notorious monopoly. But the cases never seem to get won. They may never even go to trial. They drag on endlessly, opened by one generation of would be trustbusters, closed by the next. It is estimated that Control Data expended $15 million litigating its monopoly case against IBM, and that IBM is expending $200 million defending against the Department of Justice antitrust case. Yet, the entire Antitrust Division budget for fiscal 1976—for all its responsibilities—is but $21,595,000 for a staff of approximately 856 people.

Because of budgetary constraints and inadequate investigatory and enforcement powers, many antitrust cases are not even filed by the Department of Justice. Hart-Scott-Tunney-Moss bill (S. 1136) will triple our antitrust enforcement efforts over a three-year period.

The omnibus Hart-Scott Antitrust Improvements Act (S. 1284) would—(1) increase the pre-complaint civil investigatory powers of the Department of Justice to permit the utilization of depositions and the obtaining of documentary evidence from all persons having such information; (2) provide for advance notification to the government of large mergers (by $100 million companies) and revise injunction provisions to prevent illegal mergers before they are consumated; (3) allow a plea of nolo contendere to be used as prima facie evidence of guilt in subsequent private treble damage actions; and (4) authorize state attorneys general to pursue antitrust violations on behalf of their citizens as quasi-class actions under specialized procedures, reclaiming the fruits of monetary overcharges as damages for the benefit of antitrust victims. The latter *parens patriae* provision is also contained in H.R. 8532, sponsored by Congressman Peter Rodino.

S. 2028, cosponsored by Senators Kennedy and Philip A. Hart, would curb anticompetitive conduct sanctionsd by regulatory agencies by creating a specialized antitrust standard to be followed by regulatory agencies.

S. 1959, cosponsored by Senators Philip A. Hart, Mansfield, Abourezk, Domenici, Haskell, Kennedy, McGovern, Moss, and Nelson, would make feasible the break-up of monopoly power in the economy by targeting 7 key industries for antitrust scrutiny by a temporary special antitrust agency and court. Other important and timely bills would specifically mandate the vertical and horizontal break-up of the major energy companies.

Enactment of these measures would represent a giant step toward restoring free enterprise in America.

III. National Commission on Food Marketing

A decade ago the first National Commission on Food Marketing reported to President Johnson and Congress that increasing concentration in the food industries, in particular growth through acquisition or merger by the largest firms, "probably will result in a substantial lessening of competition". The Commission called for immediate action to halt the spread of economic concentration in all segments of the food industry. Ten years later the Commission's fears have been largely realized: concentration has increased; the spread between prices paid to farmers and the prices paid by consumers has continued to widen and food claims an increasing share of the consumer's dollar. We need a national food marketing plan, the cornerstone of which must be the break-up of monopolistic bottlenecks in the food chain. To chart this course, Congress should reconvene the National Commission on Food Marketing, give it no more than 120 days to review the growth of monopoly power in the food industry, and chart a national course back to a competitive food marketplace.

IV. Federal corporate chartering

Adam Smith never contemplated a time in which business entities would exist, grow and flourish for the benefit of their own managers rather than society as a whole. We tend to forget that he wrote "the interest of the producer ought to be attended to only so far as it may be necessary for promoting that of the consumer". (Adam Smith—1776)

Corporations with their extraordinary privileges of immortality and limited liability were creatures of the state, chartered originally only insofar as their enterprise was of substantial public benefit.

Today these axioms have been turned upside-down. The multinational corporation exists for its own purposes, not for society's. Its power is centered in the hands of self-perpetuating corporate managers unaccountable to any of their affected publics: not nations, communities, workers, consumers, nor even share-holders or boards.

The time has surely come to assert national, even international, governance of what have come to be essentially national and international entities.

The concept of federal chartering has its roots deep in our constitutional traditions. In the constitutional conventions Madison proposed express constitutional authority to charter into state corporations. Ironically, Jefferson opposed on the grounds that federal charters could be likened to excessive power concentrated in the hands of national corporations.

By setting clearly defined criteria of corporate governance, including director independence and accountability, share-holder, worker, and consumer rights, and mandatory periodic disclosure of corporate resources, plans, and activities, a federal chartering law can be drafted which will enhance the accountability of the largest corporations largely through self-enforcing provisions which will require little bureaucratic accretion.

V. Competitive public enterprises

Republicans relish criticism of New Deal legislation, yet they are curiously silent about one of the most successful New Deal alternatives to regulation: competitive public enterprise. The Tennessee Valley Authority and the Bonneville Power Administration stand as monuments of efficient public enterprise which to this day challenge and serve as a yardstick by which to measure private utility service and rates. It is an uncontroverted fact that electric utility rates in this country rise in proportion to the distance from the Tennessee Valley and Columbia River Basin. Virtually every industrialized country of Western Europe has today established national energy development enterprises.

At the very least, the arrogance and unresponsiveness of the multi-natitonal oil companies to the public need for vigorous, low-cost development of oil and gas reserves on publicly owned land surely calls for the creation of a federal oil and gas corporation to explore and develop reserves at a demonstrably reasonable cost in fair competition with multi-national oil companies.

VI. Consumer cooperatives

One self-help alternative to unresponsive business practices which has deep roots in the American tradition is the consumer cooperative. Today, as in the thirties, more and more consumers are turning to themselves to provide the kinds of food and other products they want at prices they know to be fair. In many areas such cooperative ventures have not only brought economic gains to their members, but have served as a competitive spur to which profit-oriented enterprises are forced to respond.

But cooperatives require specialized skills and guidance especially in their formative years and they need seed capital to acquire basic equipment and initial stocks. Just as Congress came to the aid of rural residents determined to bring themselves the benefits of electrification denied them by existing utilities through rural electrification loans, so the President and Congress should enact a new cooperative assistance program as proposed in the McIntyre-St Germain bill to support, through loans, the efforts of consumers who are prepared and willing to help themselves.

FREEDOM OF INFORMATION IN THE MARKETPLACE

Just as freedom of information requirements have begun to open up government to citizen involvement and impact, so a stepped-up flow of reliable information about products and services will enable individual consumers to discipline the competitiveness at the market place, exercising informed choice.

Consumers need to have information available at the time they are selecting products or evaluating services. Government developed and approved consumer product test protocols could bring consumers usable information about the comparative performance of competitive products. Product information should include price, content and cautionary data if the health or safety of the individual could be affected. In the case of food, for example, the product information needed is unit price (with clearly marked prices on all packaged items where the consumer now has that protection), the nutritional value of the contents, the major or characterizing ingredients, net or drained weight, and open dating. Special information of concern to individuals with diet-related health problems, such as diabetics, should be provided. Where either new or commonly used substances are added by processers, for whatever reasons, the consumer should be informed of the fact.

Pricing information is not only essential for products, but also for services. Until recently, lawyers, doctors, optometrists and other professionals have used their special standing as a shield against competition, not unlike the medieval guilds. Professional standards are crucial to both consumers and the service provider, but basic price information is essential to consumers when professional service costs are rising. Pricing information need not degrade services any more than it does consumer products.

In fact, the quality and availability of professional services has become a more serious problem today than ever before. The consumer is increasingly dependent on the professional, and the trust which is implied in this relationship has not always been fulfilled. The failure of the medical profession in this regard is a tragic example. Even now the nation is approaching a similar crucial point in the delivery of legal services, particularly for low and middle income consumers. The American Assembly on Law and the Changing Society urges that access to effective legal service for all individuals be a fundamental national goal. A fresh breeze of change can bring competition, accountability, costs and quality control and new delivery mechanisms to the provision of legal services. Private interests should not be allowed to capture or derail this drive toward higher quality and lower costs for legal services though opening up the consumer's access to critical information.

Premium costs for comparable life insurance policies should be available to consumers, thus introducing price competition to a service now enshrouded in confusion which hides needless costs. Hospital service should include information which is important to the hospital patient. Reports should be provided on such items as the extent of needless surgery, as determined by an independent professional audit; the pattern of drug prescription—i.e., are tranquilizers commonly prescribed; the effectiveness of infection control; and other relevant information which prospective patients should have available.

CONSUMER FRAUD

The Federal fraud statutes and the civil penalties prescribed in the Federal Trade Commission Act have been proven failures when it comes to dealing with the perpetrators of consumer fraud. Criminal sanctions are necessary to punish the wanton and reckless actions of those who prey on the poor, the uneducated, and the unsuspecting with deceitful schemes and investment opportunities. By making it a crime to knowingly engage in any one of a series of defined consumer frauds, the Consumer Fraud Act would be a major step towards rectifying the shortcomings of the existing fabric of law protecting the consumer from fraudulent practices.

REPUBLIC OF LITHUANIA 58TH ANNIVERSARY

Mr. HRUSKA. Mr. President, February 16, marked the 58th anniversary of the establishment of the Republic of Lithuania. On this day, it is the custom of the Senate to pause in its activity to pay tribute to the brave people of this small Baltic State. Once again, it is my great honor to join with my colleagues in the recognition of the right of these courageous people to chart their own national destiny. Today, however, is a sad occasion for me. For as I rise, for the last time, in this Chamber to salute the people of Lithuania I note with grave apprehension the growing shadow being cast across the world by Soviet imperialism. In the past year, two more countries and 25 million people have fallen under Soviet domination. South Vietnam and Angola, many thousands of miles apart but each bordering on areas vital to the free world, and far from the sphere of traditional Russian interests now are within the embrace of the Russian bear.

How can we in the U.S. Congress, as representatives of the most independent people the world has ever known, continue in good faith to pay tribute to the people of the Eastern European captive nations when we refuse the cries for help of others whose freedom is also being brutally crushed?

Last year on the occasion of the 57th anniversary of the Republic of Lithuania I said:

> It is essential that in the long run, while pursuing a policy of détente . . . we do not allow ourselves to become so lulled that we endanger our own freedom and that of our allies.

Since then, President Ford twice has asked the 94th Congress for assistance to pro-Western, anti-Soviet forces when that assistance may have meant the difference between freedom and foreign domination. Twice the Congress refused. Twice the forces of oppression have won.

Mr. President, let me state here and now, that congressional speeches and platitudes regarding the captive nations of Eastern Europe will carry a false and hollow ring if we are not willing to take the appropriate action to assist all men whose freedom is being threatened. For each time another people falls under Soviet domination, the chances for the eventual freedom for the people of Eastern Europe is diminished.

Thus, Mr. President, on this the 58th anniversary of the Republic of Lithuania I call upon all Americans who proudly bear an Eastern European heritage to join with me in urging the Congress of the United States to support a bipartisan foreign policy which will curb the expansionism of forces of the Soviet Union. It is only when the leaders in the Kremlin realize that the United States will stand firm in its resolve to protect the free world that they will lose their taste for conquest and adventurism. It will be then that a true relaxation of tensions can take place, followed by improved conditions in Eastern Europe.

MRS. NETTIE MITCHELL

Mr. MUSKIE. Mr. President, I had the good fortune to meet Mrs. Nettie Mitchell of Fayette, Maine, during a recent visit to my home State. She is a lively 89 years old, and is a regular columnist for the Livermore Falls Advertiser. In a recent interview with the Maine Sunday Telegram, however, she reflected on life in rural Maine when she was growing up. In order to share with my colleagues her recipe for frog ointment and her cure for hiccups, among other things, I ask unanimous consent that the article by Lynn Franklin in the Maine Sunday Telegram of February 1, 1976, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MAINE PROFILES: SOME RECOLLECTIONS OF LIFE IN RURAL 19TH CENTURY MAINE

(By Lynn Franklin)

(Nettie Mitchell is 89 and lives at Fayette. A teacher for much of her life, she is still a regular—and celebrated—columnist for the Livermore Falls Advertiser for which she writes on sports events and the Moose Hill Church. She is among people from across the nation who will be appearing on a new series of NBC Bicentennial commercials, "An American Album," sponsored by Mobil.)

I was lost in the woods for nearly 24 hours when I was eight, but I wasn't frightened. My grandmother had told me if I asked Jesus for anything, if it was right, he would give it to me. So I kept saying, "Please let me go home and see my baby sister." And I came home to see my baby sister.

I found my own way out although they had shut down the mills and more than 500 people were around the woods searching for me. They found pieces of my clothing at the edge of a quicksand way up in Chesterville, more than 10 miles from home. I had tramped up there, turned right at the edge of the quicksand and come back. My clothing was all stripped off me before I got back. I almost didn't and it was quite an event.

But I found my way. I followed a flock of sheep and they took me home. I heard the sheep bell—I was so lonely and I heard the bell—and I went with them. With my going along they went right towards home.

My paternal grandfather Joseph Plant and his friends used to gather at our house almost every Saturday evening and tell Civil War stories. Children were to be seen and not heard in those days, you know, and we sat very interested just to listen.

I think some of the tales were a bit fanciful but others were dreadfully realistic. I know my grandfather was wounded in the battle of the Wilderness. He told about the ball and chain shot used to cut down the trees where soldiers were taking cover, and I found out a man here in Fayette invented that terrible device.

Grandfather said for a hospital they used a mansion deserted by the occupants and they wheeled in the grand piano and used it as the operating table. Of course, they had no anesthetics, and they sawed off the legs of the dreadfully wounded while holding down the men. I think grandfather must have been a medical orderly, although I'm not sure.

We were terribly frightened just to listen to his stories.

Let me recite you a poem about my grandfather. I have it here as I wrote it, in my book.

MY GRANDAD

My grandad was a woodsman
And I am proud to state
That among the workmen of his time
He was accounted great.

No chainsaw was invented
Nor even a double-bit
But brawny muscles were the force
The logs to cut and split.

No six or eight hour day he knew,
From dawning until dark
He plied his mighty, honest trade
Twas labor grim and stark!

He was accounted topmost man
And always led the crew.
"Four cords of wood, all split and piled"
Was the slogan that he knew.

I always loved by grandad
And honored him as well
I loved to hear the well-worn tales
Of war and peace he'd tell.

Now after years I find it
In the Book of Psalms, if you please
"A man is famous according as he has
Lifted axes among the thick trees."

I was born in Fayette over on Moose Hill not too far from the church. My father was a farmer. I was born on March 23 in 1886.

My husband was a mill worker in his later years, but he began work at six, in a bobbin mill. In those days, you see, children worked. Later he went aboard ship for many years as a stoker. And then he worked in the woods in Virginia.

He came home to his father's funeral when his father was killed by a train, and that's when we met. He stayed home and we married later.

After we married he worked in the mill at Chisolm. They had a very serious strike at that mill one summer and all summer long he earned only $15, but we lived on what I could raise here on our farm and we managed. They got a little raise, not what they asked for, but a compromise.

He worked 11 and 13 hours a day and the biggest pay check he ever brought home was $26.

We had ten children and seven of them lived to grow up and also we took in children, you know, so we were supporting more than just our family most of the time.

In the past 25 years I have taken care of a great many children. One man called it The Refuge. They's just walk in and say, 'May I stay?' Every one of them respected me and men or women either. That's been a great blessing to me.

When I was five I had the responsibility of taking care of a family and I could not go to school until seven because of my responsibilities at home. I had to do the cooking and cleaning.

But when I did finally get to school I think I did very well. I went quickly to the most advanced reader. You see my father and mother both were very much interested in schooling. And in learning.

My father hadn't had the advantages my mother had and I think he cherished them even more. He would take me up on the bed beside him when he was lying down and I'd learn my ABC's and how to count before I was two. I began to read.

Believe it or not, when I was two a very personable lady with a long Southern drawl brought me a copy of Gullivers Travels and I started to read it. She was delighted to see I could begin to read it and she said to my mother, "I tell you, Lizzy, that girl is going to be a teacher."

I always remembered it and I wanted to be a teacher. I couldn't rest until I learned to read that book. And so I learned a great many things very early in life and it was to my advantage.

Before I was four I was reading the newspaper.

At 19 I did start to teach and I loved it. I earned $6 a week and paid $2 of that for board. I taught at Jay and at Bing's Corner and at Blaisdell, Bethel, Canton and Gilbertville. In those days they hired a teacher one term at a time, term by term. Sometimes a request would come from some other place that heard of you, 'Will you come?'

My grandfather, Roger Ela was a circuit rider. He and his father and mother had migrated from New Hampshire to New Sharon, Maine. He was only seven but he drove the cattle all the way. His mother rode a horse carrying her baby in her arms. His father drove the oxcart with their goods.

They stayed here in Maine and he became a minister. In Maine in those days religion was more marked than today, more emphasized in family life. He had a family of nine children and his wife died.

As a circuit rider, he'd carry his Bible in his saddle bags and ride about to preach in five churches a week, travelling a great many miles to do it. He was paid 75 cents a week for the five churches. That was, I believe a good sum for those days.

He met my grandmother when he came to preach at Moose Hill about 1830. She had come back home to the Wadsworth place after her husband and little daughter died. She was a Wadsworth of Moose Hill.

They married and he dragged the timbers out of the woods on his back and built a house and they lived in it and my mother was born there.

He finally was stricken. They didn't realize what was wrong except that he didn't feel well. He kept having bad spells, as they called them. Finally, while he was preaching a sermon, he was stricken and died a few hours after. They found he had cancer.

My grandmother was a small woman and both of her husbands could stretch their arms out straight and she could walk under them without bowing. She married two big men. One was a sea captain, Columbus Warren, the other was the circuit rider.

The children today would have to go to a circus to see as many interesting things as we did in our everyday living.

Of course we raised our own pork and our own beef and milk, butter, cheese and eggs and grain. Everything was produced from the land and the children had to help do it. We pulled weeds and brought in the wood and the kindling and the older boys sawed up and split for us.

We tended the fires—oh, we had a lot of work.

At the time I didn't consider it too much fun, but as I look back I think it was much better than most of the entertainment they have today.

At school at recess we played Around the Green Carpet and I'm on the King's Landing, Scootch Tag and many more games.

We also had Old Mother Witch and Going To The Store. That was a marvellous game.

The children sat in rows. One was an old witch outside, one was the mother and one was the storekeeper. The mother said to the children,

I'm giving you so much work to do
Needle, thread and thimble too.
If you get it done 'fore I get back
I'll give you five nuts to crack,
But if you don't get it done 'fore I get back
I'll give you a crack on the back.
Now I'm going to the store.

So she went to the store and she said to the storekeeper, 'I want a box of matches.' Then all the children behind her sang out, 'I want a box of matches.'

Everything she asked for they repeated. Suddenly, she'd say, 'I want a stick to lick my children with!'

When she said that they all would run back and the last one to run she could catch to take her place.

Then the old witch would come and the children were named by colors.

She would say, 'O, I love the color blue.' Then the blue child would get up and she'd take it with her while the mother was out doing something else.

And the witch would come back and say, 'Red is my favorite color.' And the child who was red would go with the witch, and she would hide all the children.

The mother would come back and no child to be seen.

The old witch would appear and say, 'I want to invite you over to my house for dinner.' She had the children all in a row back where she'd hidden them.

So, the mother followed her and they sat down to dinner. The mother tasted one of the dishes and said to the old witch, 'What's this?'

'That's cabbage. Do you like cabbage?

'That tastes like one of my children,' would scream the mother. 'Go home quick!'

Then she tasted another dish.

'What's this?'

'That's potato,' said the old witch. 'Do you like potato?'

'It tastes like one of my children,' screamed the mother. 'Go home quick!'

"And they would all start for home, the whole bunch of them and the mother running with them and the old witch charging after the whole crowd.

The one the witch caught had to be witch again, and the one the mother caught had to take her place.

Oh, there were a lot of those games we used to play and I think they were a lot more fun than hobby horses and things like that. Anyway, we didn't have any mechanical things and I think we were just as well without them, maybe better.

It was pitiful in those days for most of the aged and poor. But our neighborhood was like a family and everybody helped.

There was no Social Security, and there wasn't any when my husband died so I didn't get any either. But I did earn a little later myself, so I have the minimum.

There was no provision and it was over the hill to the poor house if people couldn't support themselves. The poorhouse—that was a workhouse for those able to do anything, and it was pitiful.

Children in a family that couldn't support them were bound out and a bound child really suffered in most cases. It was a desperate condition.

But for the most part there was a kindly spirit. I remember when my father would come home singing. And maybe he'd worked 16 hours and got a whole dollar for his day's work.

He was 6 feet 2 and rugged and had fine common sense.

I remember my father bought the first mowing machine in this part of the country and people came from miles around to see it. Everyone was mowing with a hand scythe, you see.

My grandfather's sermons came straight from the Bible. He believed literally everything that was in the Bible and he preached to people to live by its tenets. I think the spirit of Christ is just as important today. Why, today the Book of Revelations and the newspaper seem to go along together.

As I say, when I was in the woods lost I wasn't frightened. I knew what my grandfather told me, to believe in the Lord Jesus Christ, and I believed it.

Grandmother was a tiny woman but she wove great webs of cloth. I remember her sitting at her spinning wheel all day long. She was patient with everything you see, and she had a fundamental understanding of living of her own and a love in her heart for everybody. She had a forgiveness for anything she didn't agree with. She was very gentle.

She was a Wadsworth, like I said. They were an illustrious family. I recall an account in one of the old agriculture papers about the Maine State Fair held in Wayne. The reference was to Squire Wadsworth with his gentlemanly bulls and ladylike cows; the Squire wore his tall beaver hat as usual, it said.

To build his house he employed 16 men at one time or another over eight years. Of course the house had 28 rooms in it.

The house came right out of the farm. The bricks were made there and the logs cut out of the woods and the boards were all sawed there with an up-and-down saw, one man in the pit, another man on top with a big saw pushing it up and down. The Squire Wadsworth house had to be something special.

He had the first country store in this part of the country and that was just as soon as a road was built to Hallowell. Before the road everything had to be brought in saddlebags. When the road was built, I remember an old lady telling—she was around 90 and I was a little girl—she told me she remembered watching Squire Wadsworth driving his team toward Hallowell, wearing his tall hat and, she said, chewing "those wooden false teeth."

You might be interested in some of our medicines. We prepared them quite seriously and I think we benefited from them too. We weren't always hobbling off to the doctor.

Here's one for example, a basic one that can be adapted for a lot of things. It's frog ointment.

The last of June, the first of July before dog days come in, is the most proper time of the year to prepare this ointment. You should catch your green water frogs overnight and the next morning put them to ice. Then stun them and put them in a stew pan, adding an equal weight of fresh butter.

Stew them half a day or until they're all of a crump, but you must not stir them nor break them to pieces. This is prevented by keeping coals on the lid of the pan. Drain off the ointment and secure it in glass.

Now to prepare the frog ointment add as much red precipitate as will make it as red as burnt brick and in some urgent cases an ounce may be added to half a pound of the ointment.

Now if you have canker, this is what you do with it. Add to the pound of frog ointment one ounce of mashed rosemary root, mountain flax root one ounce, white buck's root half an ounce, crow's bill root half an ounce and what is called red or canker root one half ounce and pulverize or cut these roots fine and simmer them in the ointment until they are crispy, but don't burn it. Strain it off and preserve it in glass.

Now if you might possibly need a venereal salve of any kind, take a measure of frog ointment, sweet oil, the liver oil of cod or rusk, sunfish oil, bees wax, bayberry tallow, mutton tallow and hog's fat and to a pound of each of these ingredients add mashed rosemary root, adders tongue, scurvy grass. Simmer them all together one hour.

Filter this through a nest of tow or fine horsehair and secure it in glass.

Oh, there are many cures you can effect with frog ointment.

If you have rheumatism you might need it this way: Take equal parts of the frog ointment, rattlesnake grease, sunfish oil, sea turtle's grease—that's called sea tartars—woodchuck grease, pole cat's grease, called skunk, the oil of angleworm called earth and fish worms, the marrow of a healthy horse's bones, neatsfoot oil, the oil of codfish liver and otter grease if it can be obtained. To four ounces of each of these additives, add the following:

Take one gill of clear spirits of turpentine and add to the gill on ounce of the best of camphor and when dissolved add one ounce of the very vest of opium. Of course, that's illegal now, but it didn't used to be. Dissolve in as little hot water as will dissolve it and add all these ingredients together over a gentle heat. Cork this ointment tight in a glass vessel.

May it tell you how to cure the hiccups? In case of common hiccups, give vinegar and salt. But he that has brought the rum hiccups upon himself by the use of added spirits must first remove the cause. I have stopped such hiccups with the use of cramp weed and the false tongue of a colt steeped together.

But in order to remove the cause or kill the poison, give diuretic pills.

ON THE OCCASION OF NOAA'S FIFTH ANNIVERSARY

Mr. MAGNUSON. Mr. President, I want to bring to the attention of my colleagues that the National Oceanic and Atmospheric Administration—NOAA—recently observed its fifth anniversary. I believe this agency has had a positive impact on national and international ocean affairs and deserves recognition for a job well done.

Most of the 13,000 men and women who came to work for NOAA on Monday, October 5, 1970, came with the idea of establishing NOAA as an important environmental and management agency, as well as an agency concerned with environmental science and service. It has been charged with the tasks of developing a vigorous ocean and atmospheric program: to explore, assess, develop, and conserve the living and nonliving resources of the ocean; to develop a comprehensive national environmental monitoring and prediction capability, providing both weather and ocean monitoring, forecasting, and warning services; to foster the establishment of coastal zone planning and management systems by the States under Federal guidelines and support; and to explore the feasibility of controlling atmosphere and oceanic processes for the benefit of mankind as well as assessing the effects of man's activities on the oceans and atmosphere.

During the course of its first 5 years, NOAA has emerged as an important environmental management agency and as a major source of objective information on the environmental effects of man's activities. Several laws enacted in 1972 and 1973, such as the Coastal Zone Management Act, Marine Mammal Protection Act, Marine Protection, Research and Sanctuaries Act, Endangered Species Act, Offshore Shrimp Fisheries Act, and Weather Modification Reporting Act, gave NOAA a variety of tasks and enormously broadened the Agency's responsibilities.

The national sea grant program enables NOAA to assemble multifaceted aspects of the Nation's ocean interest. In late 1972, the Marine Advisory Service was created within the Office of Sea Grant. It was given the responsibility for developing knowledge and information on marine resources, providing products and services from NOAA to other Federal and State agencies and assisting private citiens interest in ocean affairs.

NOAA has taken part and coordinated U.S. participation in international world ocean and atmosphere projects. It has cooperated actively with international organizations in developing the World Weather Watch, Integrated Global Ocean Station System, global atmosphere research program, and the Earthwatch concept of the United Nations environment program.

These programs and projects that I have mentioned are only a few of the undertakings which NOAA has successfully managed. It holds the scientific and technical capabilities, facilities and resources to carry out a unified national oceanic program. I visualize this Agency as developing an approach to world ocean resources which is a concerted effort to realize the potential in the oceans and to meet a major portion of future food, energy, and raw material requirements with ocean resources in a nonpolluting manner.

In my capacity as chairman of the Senate Committee on Commerce, I look forward to working with NOAA as the world advances toward full realization of man's oceanic heritage.

I believe the article written by Ann K. Cook entitled "NOAA: A 5-year-Look," merits our attention, and therefore I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

NOAA: A 5-Year Look

(By Ann K. Cook)

Most of the 13,000 men and women who came to work as NOAA employees on Monday, October 5, 1970, the agency's first official day of operation, were engaged in providing environmental services and products or in conducting research and development to improve those services. "Monitor and predict;" "explore, map, and chart;" "improve man's understanding of the physical environment" . . . those were the phrases most often used to describe the new agency's mission.

To a great extent, the phrases still apply. But, in its first five years of life, NOAA's role has been transformed in fundamental ways.

"The most significant," according to the agency's Administrator, Dr. Robert M. White, "is the general establishment of NOAA as an important environmental management agency, as well as an agency concerned with environmental science and service. The Coastal Zone Management Act, the Marine Mammal Protection Act, the Marine Protection, Research, and Sanctuaries Act—all passed in 1972—and the Endangered Species Act of 1973, enormously broadened NOAA responsibilities in environmental management and commercial fisheries. "These," Dr. White points out, "have changed NOAA from a strictly scientific and technical agency into one that now must deal with many of the social, political, and economic problems that interface with the scientific problems of the environment which we have dealt with so extensively."

The second change is NOAA's emergence as a source of objective information on the environmental effects of various proposed actions.

"People who have to make decisions, which are essentially political decisions by elected officials, must weigh economic development against preservation of environmental quality," Dr. White explains. "My feeling is that it's not good for the country to err on either side of this problem. There are too many emotions involved, and not enough data. To err on the side of favoring economic development as against environmental quality, or to err in the other direction, is dangerous. Somebody has to put all the factors together, so that the decisionmakers have all the needed information.

"We are trying to position NOAA in such a way that our investigations of the environment, our studies of the impact of man's activities on the environment, are based so solidly on data, proper analyses, and good scientific assessment that we become looked to as an obviously impartial and reasonably objective source of information on what environmental impacts are. Our job is to get balanced information to decision-makers, and achieving this balance is a major responsibility and obligation of NOAA."

The years 1972 and 1973 were banner ones for the new organization. In rapid succession several new laws—the Coastal Zone Management Act, Marine Mammal Protection Act, Marine Protection, Research, and Sanctuaries Act, Endangered Species Act, Offshore Shrimp Fisheries Act, and Weather Modification Reporting Act—gave NOAA a variety of new responsibilities.

Referring to the new laws, Dr. White said later: "The wisdom of assembling responsibility for multifaceted aspects of the nation's ocean interests in one organization has been borne out. This has enabled the management of interlocking programs in a way that makes each function an element of a larger national drive. The Sea Grant College Program, the Coastal Zone Management Program, and our various fisheries efforts are so intertwined that to deal with them separately, as would have been required prior to the formation of NOAA, would make administration difficult and consistent policy direction impossible . . .

"NOAA has given the nation a mechanism to assist in addressing in an integrated way the urgent problems of ocean food supply environmental aspects of the development of ocean energy resources, and the ever-present challenge of protecting our people and their property from ocean-related natural hazards.

"The emergency of a central Federal agency to deal with the wide range of ocean efforts has given other government entities a place to go for assistance and a focal point for the Congress as it establishes new ocean policies and laws."

Designed to foster management of the finite and increasingly valuable shore regions in the public interest, the Coastal Zone Management Act calls for States to prepare comprehensive plans for balanced use of their coastal zones, maintaining environmental quality while providing for economic development. Under the law, NOAA gives matching fund grants, both for planning and carrying out approved State coastal zone management programs, and for establishment of estuarine sanctuaries. Grant funds became available about the beginning of 1974, and within 12 months, 29 of the 34 eligible States and territories had applied for and received program development grants. By the end of June 1975, all other eligibles except American Samoa had joined the program, and two estuarine sanctuaries—one in Coos Bay, Oregon, and another on Sapelo Island, Georgia—had been established.

"The Coastal Zone Management Act," Dr. White says, "recognizes the need for a balanced approach to environmental management problems. NOAA does not tell the States what to do. Our job is to make sure that the plans they develop conform with the balanced policies set down by the Congress. The Act provides a focus for resolving environmental issues of use and preservation of coastal areas. This resolution calls for information, lots of information, not only about our shorelands and offshore waters, but about projected industrial, population, and economic growth. Part of NOAA's task is to help the States acquire the necessary understanding with regard to the physical, biological, and chemical processes of the coastal zone. Before the Coastal Zone Management Act was passed, some 95 percent of the Sea Grant effort for five years had been devoted to the study of problems of the coastal zone, laying the base for coastal zone management programs in many states. Furthermore, the Fisheries Service, EDS, and NOS are contributing their special expertise to the success of this program. Thus, NOAA's large pool of essential talent and knowledge is being drawn upon in implementing the act."

The sanctuaries provisions of the Marine Protection, Research, and Sanctuaries Act, intended to preserve or restore marine areas for their conservation, recreational, ecological, or aesthetic value, also were assigned to the Office of Coastal Zone Management. The first marine sanctuary—site of the wreckage of the U.S.S. Monitor—was designated in January 1975.

Assignment to NOAA of responsibilities under the Marine Mammal Protection Act, Dr. White believes, "came about because NOAA was increasingly regarded as an agency that could deal with the enormously difficult problems in a considered way. The existence of the National Marine Fisheries Service, looking at both commercial and recreational populations, made it possible for NOAA to undertake this task.

"This Act, as well as the Endangered Species Act of 1973, gave NOAA responsibility for protecting many marine mammals and endangered species. Both call for extensive research on marine ecosystems. Problems of management of seal populations on the Pribilof Islands, of the porpoises accidentally caught in the process of fishing for yellowfin tuna, and protection of the world's whale stock are difficult and costly to resolve."

After the passage of the Marine Mammal Protection Act, the NOAA Administrator was appointed United States Commissioner to the International Whaling Commission, which has since instituted conservation measures to preserve many whale species. We have made great strides, but "the fight is neither won, nor over," Dr. White asserts.

To examine the reasons for fluctuation of the Alaska fur seal population, NOAA in 1973 set aside one of the Pribilof Islands as an unharvested control area. The harvested populations on St. Paul Island are being compared with the control group on unharvested St. George Island, in order to identify the factors affecting survival and abundance. With this information, the herd can be managed effectively at optimum levels in the future.

The ocean dumping provisions of the Marine Protection Research, and Sanctuaries Act led to the establishment of NOAA's Marine Ecosystems Analysis (MESA) program, now managed by the Environmental Research Laboratories. Its first project, planned for seven years, is being carried out in the New York Bight—the ocean area east of New York, New Jersey, and Delaware, where the wastes of millions of people are dumped—dredge spoils, industrial wastes, sewage sludge, and toxic acids. Through studies of the physical, chemical, and biological characteristics of the Bight, MESA is determining the effects of this waste dumping on the area's fisheries and beaches. The program now is beginning a similar study of Puget Sound, and in addition is examining the environmental consequences of mining manganese-rich nodules from the ocean floor.

MESA offers a prime example of integrated use of the cross-section of talents made possible by the creation of NOAA. It draws on the scientific capabilities and facilities of all six major NOAA components and of institutions supported by the Sea Grant program.

"The information gained," Dr. White notes, "will help solve a whole range of national problems which come into sharp focus along our coasts—the building of offshore facilities, development of energy resources, ocean transportation and deepwater ports, and offshore nuclear power plants."

An example of how NOAA know-how pays off for Federal agencies directly engaged in this energy search and in need of unbiased environmental information is the major research effort currently being carried out for the Interior Department's Bureau of Land Management (BLM). Under a contract with the BLM, NOAA has mobilized personnel and equipment from several of its components to conduct environmental impact studies this year in potentially oil-rich Alaskan waters. The BLM, which has jurisdiction over continental shelf oil leases, is making practical use of NOAA's capabilities to carry out in-depth studies of the impact of the exploration and development of oil and gas resources in the Gulf of Alaska and the Bering and Beaufort Seas.

In addition, the National Ocean Survey is producing a series of bathymetric maps to assist the BLM's oil leasing programs in areas off the Atlantic coast, in the Gulf of Mexico, and off the channel islands of southern California which geologists consider prime targets for oil exploration. These maps will provide precise and up-to-date measurements of the sea bottom and facilitate the preparation of environmental impact statements on the possible effects of ocean oil exploration in the new areas.

NOAA contributes in many other ways to the nation's search for new energy sources and for solutions to the related problems of deepwater ports and transportation of fuels. Nearly all of NOAA's major components, as well as the Sea Grant program, have taken part in the Council on Environmental Quality's studies on energy development. Some are participating in studies of offshore floating nuclear power plants and of outer continental oil and gas development. In cooperation with the Maritime Administration, baseline levels of petroleum hydrocarbons across the Pacific Ocean are being determined. Minute quantities of hydrocarbons in the tissues of marine organisms in Prince William Sound, Alaska, are being measured before completion of the Trans-Alaskan Pipeline. Such baseline studies will make it possible to determine, in future, whether levels of manmade contaminants are rising—providing an early warning system of possible environmental damage.

In a program of near-shore water circulation studies started soon after NOAA was formed, the National Ocean Survey has assessed water motion in sounds, inlets, and bays, including Cook Inlet, Alaska, and now is starting a five-year study of circulation in Puget Sound. Such surveys are vital to marine transportation, especially oil shipment, to pollution control, and to management of the coastal zone. Since 1972, NOS also has been making special hydrographic surveys of shipping channels in developing areas such as Alaska, where petroleum shipping operations and other activities are burgeoning rapidly.

A Deepwater Ports Project Office was established this year within the Environmental Data Service to meet NOAA responsibilities under the 1974 Deepwater Port Act, which calls for the agency to review, evaluate, to prepare recommendations on deepwater port license applications and related environmental impact statements.

One of the most difficult tasks of environmental management in which NOAA is involved is that of managing fisheries resources. "During the past five years," Dr. White points out, "we have taken steps to push for much-strengthened international fisheries management regimes, working through international organizations. Even though we remain unsatisfied, I think it's fair to say that we have achieved much stricter and broader conservation measures on the part of other nations to protect our fisheries.

"But, as the present Law of the Sea deliberations unfold, and as Congress decides upon its course of action, it is clear that in the near future our nation will be responsible for an expanded economic jurisdiction over oceanic resources. We will need new arrangements for managing our fisheries that provide for their conservation as well as their development. The Fisheries Service has been active in devising management schemes for a future 200-mile economic jurisdiction, and also has developed a comprehensive national fisheries plan which I think will set the pattern for the development of U.S. fisheries in the years ahead. NOAA, working with the states and the affected industries, hopes to conserve these valuable and renewable resources, while at the same time establishing meaningful management systems which can enable our fishing industry to thrive."

To bring users of the sea information on marine resources, products, and services available from NOAA and other Federal and state agencies, the agency in late 1972 created an integrated NOAA Marine Advisory Service within the Office of Sea Grant. The NOAA Marine Advisory Service, Dr. White notes, is an excellent example of the benefits realized by unifying ocean programs. "Before NOAA, there was no uniform marine advisory service dealing with all aspects of marine affairs; now there is."

Also he views the designations, beginning in 1971, of eight universities as Sea Grant Colleges, as among key achievements in

NOAA's five-year history, "a landmark event that, 100 years from now, will be looked back upon much as the establishment of Land Grant Colleges a century ago is now."

To a great extent, NOAA's ability to respond to the myriad new needs for environmental information stems from its ability to develop observing platforms and systems for multiple environmental uses based on the capabilities and interests of the organizations from which NOAA was formed.

Since 1966, the Environmental Science Services Administration, NOAA's predecessor, had operated a satellite system primarily designed to observe the earth's weather system and provide information for weather forecasts and warnings.

"If it were not for NOAA," Dr. White believes, "the satellite system might have remained essentially meteorological, rather than evolving as it has into a system that monitors solar activity and provides vital data on the oceans. NOAA satellites have become key elements of an ocean monitoring assessment system."

Two months after the new agency came into being, its first satellite—NOAA-1—was placed in polar orbit, providing unprecedented nighttime, as well as daytime, coverage of the world's weather. Operational uses of satellite data again were expanded with the October 1972 launch of NOAA-2, which added the capabilities of sounding the atmosphere over vast ocean and polar areas and providing global data on sea surface temperature and ice conditions.

The most significant advance in satellite coverage of weather and oceans came with the orbiting of two operational earth-synchronous environmental satellites, one in May 1974 and the second in February 1975. Launched by NASA and operated by NOAA, these spacecraft—prototypes for NOAA's future GOES (Geostationary Operational Environmental Satellite) system—constitute, according to Dr. White, "the most significant step forward in weather and ocean monitoring systems since the first polar-orbiting satellite. They have clearly brought about dramatic improvements in our ability to track severe storms." Continuously viewing nearly hemispheric areas of the globe, earth-synchronous satellites make it possible for the first time to determine winds over large ocean areas.

Another important attribute of these spacecraft is their ability to collect environmental data from instruments on remote platforms at sea and ashore. Among these will be the buoys developed by the National Data Buoy Office, essential platforms for marine environmental monitoring in conjunction with ships, aircraft, and satellites. In 1972, the buoy project began to deploy test networks in the Gulf of Mexico. Large moored data buoys since have been placed in the Gulf of Alaska, in the storm-ridden western Atlantic, and off the Pacific coast. During the test and evaluation phase, the buoys' instruments have provided important operational data for weather and ocean forecasting. By 1980, NOAA plans to have 32 buoys deployed along the data-sparse coastal areas of the United States: 16 in the Pacific Ocean; nine in the Atlantic; four in the Gulf of Mexico; and three in the Great Lakes.

The NOAA fleet—brought together from the National Ocean Survey, the National Marine Fisheries Service, and the Lake Survey Center—provides another major data collection and research capability, and its use has been broadened and improved. "Operation of the fleet has been consolidated," Dr. White points out, "and the fleet has been upgraded. Some of our ships are used for a variety of purposes, and the NOAA Corps officers who operate them now are being trained to deal with fishery and other ocean observations, in addition to their traditional charting and surveying activities."

Preparation of charts from data gathered by the fleet's survey ships has been speeded by means of automated data acquisition and processing techniques. Today, a large portion of the fleet is collecting environmental baseline data that will serve as the basis for decisions on oil and gas development.

Beneath the surface of the sea, submersibles and habitats have been used by NOAA's Manned Undersea Science and Technology program to explore and study the waters, undersea features, and marine life in areas from the Bahama Banks to the Bering Sea.

Joining ocean and atmospheric activities in one agency, Dr. White says, has brought about broader use of environmental observing systems. "The Environmental Research Laboratories now are using remote-sensing techniques, originally developed for the atmosphere, for probing the oceans." One, now under development, is an over-the-horizon radar capable of sensing sea state or roughness. Other remote-sensing techniques that five years ago existed largely on paper have been developed by ERL into experimental systems: Doppler radars that measure wind velocities in thunderstorms and other weather systems and thus help to improve understanding of severe storms and tornadoes; lasers and lidar that detect and measure winds, chemical constituents, water content, and other atmospheric characteristics; and acoustic sounders capable of detecting such phenomena as the formation and dissipation of urban inversion layers and wind shear over airports.

"NOAA," as Dr. White notes, "is the Nation's principal disaster warning agency. We are attempting to understand the phenomena which cause destruction, develop techniques for their prediction, and the technology for tracking and predicting them. NOAA operates the largest environmental observing network of any agency in its attempt to monitor and predict such natural environmental events as hurricanes, tornadoes, tsunamis, and floods. To do this, we deploy a remarkable array of observing devices and communications systems. The observing devices range from earth-orbiting satellites to networks of radars which allows us to pinpoint severe weather. Communications systems of many kinds, including facsimile, teletype, and radio broadcasts, all help us to meet the needs of the public by disseminating warnings of rapidly changing environmental conditions."

In June 1972, tropical storm Agnes cut a swath from south to north through the eastern states, creating record floods that killed 118 people and caused $3.5 billion damages, making the storm the worst natural disaster in U.S. history as far as property damage is concerned. Asked by the NOAA Administrator to evaluate the performance of the National Weather Service's storm warning system, a panel of the National Advisory Committee on Oceans and Atmosphere rated the performance as good, and in some cases outstanding, although the warning system had been strained to the limits of its capacity. Among the system's principal deficiencies, the panel reported, were delivery of warnings to the public, public response to warnings, rainfall forecasts and observations, and adequate flashflood warning systems.

By the following year, NOAA—in cooperation with other Federal agencies involved—had developed a detailed plan for improving warnings and preparedness for all kinds of natural disasters—hurricanes and storm surges, tornadoes and severe local storms, fire weather, severe winter weather, river and flash floods, tsunamis, droughts, frosts, and freezes. The plan was designed to reduce the disaster toll by significantly improving the accuracy and timeliness of warnings, by developing the capability of warning all people in threatened areas, and by making assistance in disaster planning available to all U.S. communities.

Specific improvements planned included the two-satellite geostationary system; expanded networks of long- and short-range radars and additional remote radar displays; extension of river and flood forecast and warning—as well as flash-flood warning—services throughout the United States; improvement of airborne automated data systems; implementation of the Automation of Field Operations and Services system at Weather Service Forecast Offices, to eliminate manual handling of data; and the assignment of community preparedness specialists at key weather service offices to aid in developing community weather disaster preparedness plans and to educate the public in protecting life and property during weather emergencies.

Less than a year later, when the planned improvements in the warning system had just begun, the system's effectiveness underwent another severe test. On two days—April 3 and 4, 1974—148 tornadoes struck 13 states, killing some 300 persons and injuring 6142 others. The most devastating outbreak of tornadoes ever recorded anywhere in the world, its toll of lives was high, but timely Weather Service warnings were credited with keeping fatalities in the hundreds rather than the thousands. However, the disaster gave renewed emphasis to the need for completing the planned warning and preparedness system as swiftly as possible.

"The past five years have been dramatic improvements in the disaster warning system," Dr. White says. "We're now introducing a whole new system of modern radars. We have started to introduce new weather and other natural disaster communications systems, as for example, our VHF-FM continuous weather broadcast facilities. We will have completed, in this five years, the NOAA Weather Wire—extending teletype communications systems to mass news media to all of the lower 48 states. In addition to that, we have received approval to move ahead with the automation of our field weather operations through the AFOS system." AFOS—Automation of Field Operations and Services—is a system of highly computerized meteorological offices planned for installation in some 275 locations by 1980.

As to some other recommendations of the natural disaster warning and preparedness plan: the two geosynchronous satellites are now operating; improvement of data systems in research and reconnaissance aircraft is underway; the radar network has been extended so that only a few gaps remain to be filled, and a community preparedness program has been established in the Weather Service.

Since the formation of NOAA, the Weather Service has extended its activities farther from land, and added new kinds of marine warnings. A new Office of Oceanography was created in the Weather Service, charged with increasing real-time ocean observations and predictions. Now, Marine Forecast Units have been established at National Weather Service Forecast Offices in Anchorage, Washington, D.C., San Francisco, Honolulu, and Miami. In 1973, the National Meteorological Center began issuing computerized wind wave and swell predictions to guide the Marine Forecast Units in preparing forecasts and warnings for ocean areas. The following year, the Center began using satellite data to prepare sea-surface temperature analyses for both the Atlantic and Pacific Oceans.

Because many environmental monitoring and prediction problems are global in nature, NOAA has cooperated actively with international organizations in developing the World Weather Watch, the Integrated Global Ocean Stations System, the Global Atmospheric Research Program, and the Earthwatch concept of the United Nations Environmental Program (UNEP).

Earthwatch and UNEP evolved from the history-making June 1972 Conference on Environment and Man, convened in Stockholm to consider how the earth's environment could be protected by international action. Earthwatch is to be a comprehensive assessment, that includes monitoring, research, and information exchange, to evaluate critical global problems such as climate change, marine pollution, land use practices, and natural disasters. GEMS—the Global Environmental Monitoring System—is part of Earthwatch, building on existing national and international programs and facilities. One such international program already in operation is the World Weather Watch, an effort initiated in the early 1960's.

The combination of ocean and atmospheric programs in a single agency has facilitated participation in several major international experiments.

First, there was IFYGL—the U.S.-Canadian International Field Year for the Great Lakes. During its field phase in 1972–1973, more than 100 million observations were gathered in Lake Ontario by ships, buoys, aircraft, and shore installations, to provide a scientific basis for improved management of water quality and quantity in the Great Lakes. Early results of IFYGL data analyses indicate that the atmosphere plays a major role in determining the development of circulation and thermal patterns in the Lake.

From June through September 1974, ships, aircraft, and buoys from many nations were deployed across the Equatorial Atlantic to study the relationships between tropical ocean and weather conditions and large-scale atmospheric circulation. Called GATE—Global Atmospheric Research Program-Atlantic Tropical Experiment—the project was the greatest international cooperative undertaking in the history of the atmospheric sciences.

Oceans have served as the avenue for other international projects in which NOAA has taken part or coordinated all U.S. participation. NOAA leads the U.S. effort in the Cooperative Investigation of the Caribbean and Adjacent Regions, sponsored by the Intergovernmental Oceanographic Commission; it is the U.S. Executive Agent for the U.S.-U.S.S.R. agreement on Cooperation in Studies of the World Ocean; and it serves as the national focus for the United States' bilateral undertakings in marine affairs with France and Japan.

With other U.S. agencies, NOAA joined in the 1974 French-American Mid-Ocean Undersea Study, in which scientists from the two nations descended 12,000 feet beneath the sea surface in submersibles, for man's first look at the Mid-Atlantic Ridge.

An emerging problem that critically affects the lives of all men on earth is climate change, both natural and man-induced. For several decades, NOAA has operated a climate monitoring station at Mauna Loa, Hawaii, amassing the world's only long-term records of carbon dioxide and other constituents in the atmosphere. Now NOAA has established three additional stations to monitor the factors involved in long-term changes in climate: one in the Antarctic, one in the Arctic, and a third in American Samoa. As contributions to the World Weather Watch and Earthwatch, nine other nations intend to establish 18 more baseline stations, creating an international network that will provide effective global coverage of long-term climatic changes.

Within NOAA, growing awareness of the dependence of man's social and economic wellbeing on climate and climate change has led to the recent establishment in the Environmental Data Service of a Center for Climatic and Environmental Analysis, and the beginning of a cooperative EDS–NASA–Department of Agriculture Large Area Crop Inventory Experiment which will determine whether satellite data can make crop assessment more timely and accurate.

At ERL's Geophysical Fluid Dynamics Laboratory, scientists continue the development of increasingly accurate mathematical models of the atmosphere and the ocean-atmosphere system. Using these computer models, the Laboratory is gaining new insights into the long-term climatic consequences of changing the composition of the atmosphere.

Recently, the specter of partial destruction of the stratosphere's ozone layer, by supersonic transport exhausts or by freon from spray cans and other uses, has been raised. Because the ozone layer shields all living things from the sun's ultraviolet rays, any decrease in it increases the probability of human skin cancer and of adverse effects on agriculture. Three of NOAA's Environmental Research Laboratories—Air Resources, Aeronomy, and Atmospheric Physics and Chemistry—have been examining various aspects of the upper atmosphere, including the ozone layer. Their studies—and those of the National Academy of Sciences—indicate that the danger to the protective layer is very real, although much more research is needed before the full implications are understood completely.

Paralleling NOAA's assessment of natural and inadvertent climate changes is the search for methods of modifying the atmosphere for the benefit of man. When NOAA was formed, its major ongoing weather modification program was Project Stormfury, an exploration of the feasibility of diminishing the force of hurricanes. In 1969, the joint ESSA–Department of Defense effort had repeatedly seeded Hurricane Debbie and, after the seedings, the storm's maximum winds at higher levels had decreased substantially. Since then, nature has not cooperated with the project and no storms appropriate for the experiments have occurred in Stormfury's operating area of the Atlantic, Caribbean, and Gulf of Mexico. Now, NOAA is planning to move the project to the western Pacific—where records show three times more seedable storms occur than in the Atlantic—and resume Stormfury operations from a base in Guam in 1977.

In the meantime, the Environmental Research Laboratories have conducted cumulus cloud seeding experiments in Florida each summer, examined the possibility of altering the patterns of snowfall from winter storms in the Great Lakes Region, and tested methods of reducing lightning and hail. This research was turned to timely use in cooperation with NASA for its Apollo-Soyuz flight.

The air fleet operated by the Research Facilities Center (formerly the Research Flight Facility) for weather modification and other research projects has been modernized with the retirement of two older planes, acquisition of a WC–130 and two new WP–3D aircraft, and installation of improved data-collection systems.

Under the Weather Modification Reporting Act of 1972, weather modification activities in the United States and its territories now are reported to NOAA, which issues periodic summaries of these reported activities.

Information gathered by the varied and farflung operational and research programs of NOAA and other private, national, and international organizations, is archived and disseminated through the Environmental Data Service's national centers of climatic, oceanographic, and geophysical and solar-terrestrial data centers. "Without NOAA," Dr. White says, "such an Environmental Data Service could not exist. Its rapid development of improved automated data systems has made EDS the most comprehensive environmental data service in the Nation."

Of the agency's many accomplishments during the past five years, Dr. White believes, "almost all would have been more difficult to achieve if NOAA had not been established. Our ocean and atmospheric programs have been able to interact in a way that has made all of them more effective."

And what does the future hold for NOAA?

"The biggest job we're going to have in marine resources," Dr. White predicts, "is managing fisheries resources in an economic zone of 200 miles. We will be involved with the states, the industry, and other groups interested in fisheries—setting up a management system, implementing it, conducting surveillance, and enforcing its provisions. This is going to be a very large, important program.

"In coastal zone management," he continues, "the real problems, and real opportunities, lie ahead. Coastal zone management will grow and expand into a major activity, affecting every citizen of this country. It is going to be an enormously complex and difficult task.

"Definitely, there will be deep ocean mining," the Administrator says, "and here NOAA will play an increasingly central role, not only in its environmental aspects but also in its management aspects.

"In environmental monitoring and prediction, our major task now is to complete the natural disaster warning system. We will see that to completion, certainly by 1980, with new generations of polar-orbiting satellites and the AFOS automated systems bringing a complete transformation in the field operations of the Weather Service.

"The first GARP Global Experiment will be carried out, to collect a complete set of data for studying large-scale global motions of the atmosphere.

"Investigations of climatic problems, and the long-range consequences of man's activities on the whole environment, will be a major effort," Dr. White adds. "In connection with this, ocean conditions will be more intensively monitored. Successful development of ocean-sensing techniques from satellites may finally make its posible to achieve a simultaneous view, not only of ocean temperatures, but of other ocean parameters as well. Such ocean monitoring systems will become increasingly important both for protecting life and property and for providing the sampling and monitoring that is essential to preservation of a quality environment.

"In geodesy," he notes, "we will carry out the releveling of the vertical network, as well as the readjustment of the North American horizontal datum, begun last year to provide a geodetic reference system with an overall accuracy of one part in a hundred thousand.

"I hope that we will be able to expand our marine boundary survey program, so that the coasts of the United States will be properly surveyed. And, in connection with our mapping and charting programs, we will have to begin considering fleet replacement.

"These are some of the new program directions I foresee for NOAA in the years ahead. But NOAA is more than just programs. It is people.

"While we go about our essential tasks of providing the services the nation expects of us, we must always keep paramount that it takes people—dedicated people, who feel that there is challenge and opportunity provided by the organization.

"We've made some progress in our people programs since NOAA was formed, but we have a long way to go."

The "people programs" to which Dr. White refers are exemplified by NOAA's efforts in the area of Equal Employment Opportunity (EEO).

In NOAA's first year, an EEO Committee was established at headquarters to advise the Administrator on the operation and effectiveness of the total NOAA EEO Program. Since then, much progress has been achieved through recruiting efforts at colleges with large minority enrollments, EEO training programs to accomplish understanding and support of EEO goals among supervisors and all employees, and, in particular, a number of innovative upward mobility training programs. A list of a few of these programs gives an idea of the scope of EEO training efforts over the last five years: the Alaskan Native training program, the Trust Territories training program, the American Indian training program, the Computer Operator training program, the Administrative Trainee program, the Junior Fellowship Program, and Scientific Upward Mobility Training Programs (SUMTP).

These scientific training programs were developed on a NOAA-wide basis in less than a year after a training agreement to qualify candidates was negotiated with the U.S. Civil Service Commission. The purpose of SUMTP is to achieve better utilization of available manpower in NOAA, discover men and women with a high degree of potential for contributing to NOAA's missions, and improve upward mobility and equal employment through the agency. Through SUMTP, candidates can compete for entry level positions and career advancement opportunities in such fields as cartography, engineering, hydrology, meteorology, oceanography, and physics. Training positions are located in NOAA installations throughout the U.S. The length of training for each of the SUMTP programs is one year. Candidates are trained for specific positions, so their placement upon successful completion of the program is guaranteed. Through SUMTP, any NOAA employee with a high degree of potential for scientific work now has the opportunity to enter new career fields where they can contribute directly to NOAA's scientific and technological missions.

In addition to these and other EEO oriented training programs, NOAA has greatly expanded its nationwide EEO Counselor system to help employees and their supervisors to better understand the concepts of the program and deal with problems on a personal, one-on-one basis.

Along with minority groups, women have found that NOAA is ready and willing to get involved in innovative "people programs." For example, the NOAA Corps has carried out an active and successful program to recruit minorities and women for its ranks of scientist/officers.

"NOAA enters the United States' bicentennial year," according to Dr. White, "young but not lacking in experience, diverse but with a unity of purpose, moving ahead aggressively to provide vital environmental sciences to meet ever-expanding national needs."

NOAA: How It Happened

Formal announcement of plans to create NOAA—the National Oceanic and Atmospheric Administration—came, curiously, as the Environmental Science Services Administration (ESSA), largest by far of the nine organizations to be melded into the proposed agency, was observing its fifth anniversary.

On July 9, 1970, the President sent to Congress two reorganization plans—one establishing NOAA, the other the Environmental Protection Agency (EPA).

The following night, several hundred ESSA employees gathered near Washington, D.C., for an anniversary celebration and to honor the winners of the first ESSA thousand-dollar awards and unit citations. A continuing counterpoint to the applause and congratulations was a buzz of conversation and speculation: "NOAA . . . NOAA . . . what will it mean?"

The same question buzzed in the minds of federal employees of several other agencies which would be affected by the creation of the administration with the stentorian acronym.

The concept of a single agency as a focus for national oceanic and atmospheric programs had not materialized overnight. It had developed over more than a decade, the culmination of two concurrent trends in national science policy thinking. One was the growing conviction that the Nation should pay increased attention to wise development of oceanic resources, and the other was the growing recognition that protecting the quality of our environment called for new organizational approaches dealing with the interlinked problems of ocean and atmosphere.

In the mid-60's, first the National Academy of Sciences and then the President's Science Advisory Committee examined the national needs for ocean programs and recommended expanded efforts in marine sciences. The consensus among these groups and other leading members of the scientific community, as well as within the Congress, was that ocean programs were too widely dispersed, in too many government organizations, and that a more coherent effort was required. Within the Congress, initiatives for increased development of oceanic resources led to the passage of the National Sea Grant Act and the Marine Resources and Engineering Development Act in 1966. A key feature of the latter Act established a Commission on Marine Sciences, Engineering, and Resources. Purpose of the Commission was to study all aspects of marine science and recommend a comprehensive plan for a national oceanographic program that would meet present and future needs.

The Stratton Commission—as it came to be known for its chairman, Dr. Julius A. Stratton—was appointed in January 1967, and published its report, "Our Nation and the Sea," in January 1970. Its recommendations were founded on the premise that the misuse of ocean resources and of the total physical environment are inseparable. Therefore, the Commission urged that all of the oceans, the atmosphere, and certain aspects of the solid earth be considered together in forming an organization to conduct the Nation's ocean program. The many existing ocean activities within the Federal Government, the Commission recommended, should be brought together with atmospheric programs to form a civil center of strength with the scientific and technical capabilities, facilities, and resources to carry out a concerted, unified national oceanic and atmospheric program.

Outlining several major efforts this new agency should conduct, the Stratton Commission established a blueprint for what are now NOAA's primary missions: a vigorous program to explore, assess, develop, and conserve the living and non-living resources of the oceans; a program to develop a comprehensive national environmental monitoring and prediction system, providing both weather and ocean monitoring and forecasting and observing services; a program to foster the establishment of coastal zone management systems by the States under Federal guidelines and support; and exploration of the feasibility of control of atmospheric and oceanic processes for the benefit of mankind, as well as assessment of the effects of man's pollution of the oceans and atmosphere.

And, just half a year later, the reorganization plan incorporating many of the Stratton Commission's recommendations declared: "There is hereby established in the Department of Commerce an agency which shall be known as the National Oceanic and Atmospheric Administration."

Without objection from Congress, NOAA was born on October 3, 1970, its arrival on the scene accompanied by a shower of management orders—"Interim System of NOAA Directives," "Designation of Management Control Centers," 'Organization of NOAA"—to keep the machinery running while the nine organizations were being shaped into one.

Of the nine, the largest was the Commerce Department's Environmental Science Services Administration, 10,000 employees strong and with a 1971 budget of $234 million to operate the Weather Bureau, Coast and Geodetic Survey, Environmental Data Service, National Environmental Satellite Center and Research Laboratories. Though ESSA itself had existed for only five years, its components had traditions of service reaching far back in U.S. history. Senior was the Coast and Geodetic Survey, founded in 1807 to survey and chart the coasts of the United States and later responsible for the Nation's aeronautical charting and its geodetic control network. Then there was the Weather Bureau, which observed its centennial in the year of NOAA's establishment. It was organized in the administration of President U. S. Grant, to provide storm warnings to vessels on the Great Lakes, and it ultimately accrued a broad range of responsibilities for weather and river forecasts and warnings. Until the establishment of ESSA, many of the functions of the Environmental Data Service, the Satellite Center, and the Research Laboratories had been vested in the Weather Bureau.

Second largest organization to be placed in NOAA in terms both of manpower and funding was the Bureau of Commercial Fisheries, which had 2,800 employees and a $44.5 million budget. It came into NOAA from the Department of Interior, along with two smaller organizations, the Marine Game Fish Research Program and the Marine Minerals Technology Program. Like the Weather Bureau, the Bureau of Commercial Fisheries had been founded during President Grant's administration, but precisely a year later, on February 9, 1871. Its primary responsibility was to carry out the programs, including research and assessment needed to manage and conserve domestic and international fisheries resources.

Next largest to the Bureau of Commercial Fisheries in terms of funds—and bringing a wide variety of activities with them—were the Data Buoy Development Program, which came from the Coast Guard with 50 employees and a budget of $13.5 million, and the National Sea Grant Program of the National Science Foundation, which managed its widespread $13 million support programs with seven employees.

A long-established unit joining NOAA—second only to the Coast and Geodetic Survey in longevity—was the Army Corps of Engineers' Lake Survey Center, which traces its history back to 1841. By 1970, the Center employed 120 persons and had a budget of $2.1 million to chart and study the waters of the Great Lakes.

The Navy's National Oceanographic Data Center and National Oceanographic Instrumentation Center made up the remaining organizational elements brought into the new ocean-atmosphere agency.

These diverse groups were immediately reshaped into the new structure devised for NOAA. The National Ocean Survey combined the former Coast and Geodetic Survey and the Lake Survey Center. The National Marine Fisheries Service was formed from the Bureau of Commercial Fisheries and the Marine Game Fish Research Program, giving it responsibilities in all salt-water fishing, both commercial and recreational. The Environmental Data Service comprised ESSA's Environmental Data Service and the Navy's Oceanographic Data Center.

The National Weather Service, National Environmental Satellite Service, Environmental Research Laboratories, Office of Sea Grant, and the NOAA Commissioned Corps essentially retained their previous forms and functions, but gained new names.

At first, the National Oceanographic Instrumentation Center, the National Data Buoy Office, and the Marine Minerals Technology Center were under the direction of an Assistant Administrator for Environmental Systems; now, the first two are under the National Ocean Survey's Office of Marine Technology, while the latter has been assimilated into the Environmental Research Laboratories.

With the establishment of NOAA, the Secretary of Commerce designated Dr. Robert M. White, former ESSA Administrator, as Acting Administrator. Immediately, Dr. White appointed officials of the interim organization. Of the 15 highest positions, it is noteworthy that nine are held today by the men designated then: Dr. John W. Townsend, Jr., Associate Administrator; Theodore P. Gleiter, Assistant Administrator for Administration; Nels E. Johnson to head International Affairs; Stanley B. Eames, Public Affairs; RADM Harley D. Nygren, NOAA Corps; Dr. Robert B. Abel, Office of Sea Grant; Dr. George P. Cressman, National Weather Service; Dr. Wilmot N. Hess, Environmental Research Laboratories; and David S. Johnson, National Environmental Satellite Service. Two others have transferred to different posts within NOAA, and only four have retired.

Early in 1971, the President announced his intention to nominate Dr. White as NOAA Administrator, former Alaska Congressman Howard W. Pollock as Deputy Administrator, and Dr. John W. Townsend, Jr. as Associate Administrator. The nominations were approved by the Senate, and the three men sworn into office on March 18.

Within a week of gaining its permanent officials, NOAA also had its own emblem. Given the opportunity to vote on three designs or suggest alternatives, NOAA employees overwhelmingly chose the now-familiar white gull-like form linking a deep blue atmosphere to a light-blue earth or sea. Pointing out that the top line of the gull's wings also resembled the trough between two foaming waves, the March 26, 1971, issue of NOAA Week stated: "The emblem symbolizes NOAA's worldwide role in the environmental sciences and the role of these sciences in defining and determining ecological relationships, promoting better use of our natural resources, and providing a better understanding and predictability of global phenomena."

ETHNICS IN THE EXECUTIVE SUITE

Mr. MONDALE. Mr. President, Msgr. Geno Baroni, director of the National Center for Urban Ethnic Affairs, and writer Charles Conconi have published an exceptionally thought-provoking article in the magazine, Foundation News.

Their article, based on a study that Dr. Russell Barta conducted for the Institute of Urban Life, attacks the notion that America's ethnic millions—the Poles, the Italians, and others—have "made it" in the corporate world.

I believe my colleagues will find this a thoughtful article. So I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Foundation News, January/February 1976]

THE POWER STRUCTURE EXPLORED FROM AN ETHNIC PERSPECTIVE

(By Geno Baroni and Charles Conconi)

For more than a decade, serious attempts have been made to confront and measure the extent of the racial discrimination that exists in this nation and how these pressures affect full participation in our society and the patterns of social and economic mobility.

Since most of these examinations have been directed at the more obvious crisis of racial discrimination, several mistaken assumptions have arisen that religious prejudices, mainly against Jews and Catholics, are at "insignificantly" low levels and that the older, more established ethnic groups that were once the targets of discrimination have "made it."

The truth is far different. These fallacious assumptions, however, are perpetuated mainly because accurate information as to how many or what percentage have "made it" has never been tested or accumulated to any significant degree. The mistaken beliefs about levels of achievement have caused tense antagonism between racial groups and older ethnic minorities, with both sides competing for the same positions that the ethnic groups are progressing and are fighting to hold racial minorities back. The ethnic groups believe blacks are getting ahead at their expense. The truth is that neither is part of the power structure.

Much of the worthwhile foundation-supported research and most projects concerned with minorities in the areas of education, employment and discrimination do not relate to the increased alienation and polarization that exists in American society, particularly in our urban areas.

Sociologist James S. Coleman recognized this alienation and polarization in a speech before the American Educational Research Association when he said that by failing to heed the concerns of white families about urban school desegregation, the Federal government may be condemning future black children to even greater racial isolation than existed before the schools were desegregated.

Be it foundation or Federal policy and programs, we have ignored the legitimate concerns of ethnic Americans who are presumed to have "made it" and who have remained behind in our urban communities to bear the burden of social change. These "whites," heavily ethnic, who remain are termed part of the problem. In reality, they are a significant part of the solution."

Taking a lead from the American Jewish Committee, an organization that has conducted important seminal studies to measure the executive mobility of Jews, a study was prepared for the National Center for Urban Ethnic Affairs to examine the executive suites of 106 major national corporations and financial institutions headquartered in Chicago.

The study, conducted by **Dr. Russell Barta**, a social science professor at Mundelein College of Chicago, in conjunction with the Institute for Urban Life, decided to discover just how many Italians, Poles, blacks and Latins were members of the boards of directors or officers of the 106 firms. More than half of the corporations, or 66 percent, had been included in Fortune magazine's 1972 list of the 700 largest corporations in the United States.

Dr. Russell Barta, who conducted the study for the Institute of Urban Life, reported that the results of his study were far worse than he had expected. He found that, while the four groups studied represented nearly 34 per cent of the seven million greater Chicago metropolitan area population, only 36 directors—less than three per cent of the total 1,341 directors—and 52 officers—less than 4 per cent of the total of 1,355 officers—were Polish, Italian, black or Latin.

A more dramatic fact that was 55 of the 106 corporations had no Poles, Italians, Latins or blacks as either directors or officers. In fact, Poles, Latins and blacks were virtually absent from the upper echelons of Chicago's largest corporations: 102 of the 106 firms had no Polish director and 97 had no Polish officers. Only one corporation had a black officer and two had Latin officers.

While Italians had better representation in the executive suite, 84 corporations had none as directors and 75 had none as officers. The Italian statistics were misleading because the Admiral Corporation, one of the first studied, is Italian-American owned and operated, and also because Dr. John Rettaliata, the former president of the Illinois Institute of Technology, at the time was a member of 9 of the 106 boards.

Although Poles make up 6.9 per cent of the Chicago metrolopitan population, only 0.3 percent of the directors were Polish. Italians, at 4.8 percent of the population, comprised 0.4 percent of the directors and Latins, comprising 4.4 percent of the population, held only 0.1 percent of the directors' positions. The same general pattern held true for percentages of the four groups who held company officer positions.

As was expected, on the average, the ethnics were better represented than the blacks. It was obvious, however, that neither had "made it" and that the top layers of corporation management are still closed.

The study narrowed itself to the executive suite because Dr. Barta felt the results would be significant and for the obvious reason that it was easier, given the limited budget, to get the information since the names of corporaion officers and boards are published in annual reports.

To double check, Dr. Barta called directly the firms that had no obvious representation in the photographs or in the spelling of the names. He is aware that he may have missed some ethnics hiding behind Anglo-Saxon names, but feels they wouldn't change the percentages enough to make any difference.

The question of what is an ethnic and how many generations are required before an ethnic is no longer a hyphenated American was troublesome. The question was also raised about the ethnic who does not consider himself an ethnic.

Dr. Barta's answer was: "We are tracing the mobility of groups. It makes no difference if they are third or fourth generation or have given up their ethnic identity. The measure of the progress they have made is still valid. What we have is a de facto system where young people perceive that the top is closed to them and don't go into industry looking to go to the top."

Dr. Barta argued that it is good to be aware of imbalances and that ethnics, like blacks, have to go through the counting stage and ask: "How come?" He believes it is necessary because 'white" is a false, misleading category. 'Who are the whites? Where in hell are the Poles?" he asks. " We know more about the tribes in Nigeria than we know about American ethnic groups and their economic patterns."

The question of why ethnics are not better represented at the top brings responses that range from conscious discrimination to ocmpany tradition and the clubbishness of the executive suite, where boards especially tend to seek out people with similar backgrounds.

Of the four groups studied, it was generally agreed that Latins are too recent immigrants to have any significant impact yet and quietly admitted that some boards simply are not ready for blacks. The questions raised about the absence of Italians and Poles were much more complicated.

That minority groups tend to go into the professions rather than into the corporate structure has been generally documented and even offered as an excuse as to why more blacks and ethnics are not seen at higher levels.

The tougher questions about hiring and promotion practices or learning how many blacks and ethnics are on the second management levels haven't been tackled because—while it is felt that the key to the problem is there—no corporation is expected to cooperate with such an investigation.

Some of the reactions to the study were interesting to relate:

David Roth, midwestern director of the American Jewish Committee, said he wasn't surprised at the study's results. "The Poles and Italians are groups that attempted to homogenize into the society, but the second and third generations are discovering that it takes more than time to become part of the mainstream."

Anthony J. Fornelli, a Chicago attorney and a leader of the Chicago Polish Italian Conference: "If we are such a large percentage of the national population, why do we have such a small percentage of the top jobs? Either we are a minority in numbers or a minority in thought. Either business is ignoring an untapped vast resource or there is a conscious effort to exclude. The statistics say something is wrong. I think the decision is a conscious one. I feel there is conscious effort to exclude at hiring. Can you believe the four groups have been excluded without a conscious effort? I am on my own because of a deep-rooted feeling I'd never make it in one of the corporations."

Mitchell P. Kobelinski, former president of the Illinois Polish National Alliance and a presidentially appointed director of the Export-Import Bank in Washington, D.C.: "The Executive Suite Study speaks for itself and shifts the burden of proof to the corporations. With the existing population percentages of the four minority groups represented in the study, it couldn't be coincidence. It must be design. You (corporations) prove to us you haven't been discriminating."

John M. Coulter, director of Merit Employment, Manpower and Development Training for the Chicago Association of Commerce and Industry: "Most major corporations had some fairly rigid and strict identification in the past—a lodge, university, specific denomination, possibly an ethnic group. Boards tend to seek out people with like backgrounds even while trying to find the best men they can."

An interesting footnote is that the Chicago Association of Commerce and Industry, with a 5,000-firm membership, taking in the largest Chamber of Commerce in the country and the second largest in the world, has an 85-man board composed of four blacks and no Poles, Italians or Latins. Of the association's 16 officers, none were from the four groups studied. Dr. Rettaliata, who is on 16 boards, 9 of which were in the Executive Suite Study, admitted to being surprised at the low levels of ethnic participation, but added, "Anyone who is qualified and is no crusader who will embarrass the company can become an officer or a board member. There is no reason why an ethnic can't go as far as anyone."

Millard Robbins, a Chicago owner of an insurance and mortgage business and the only black board member of People's Gas: "I was appointed to the board because they needed a black face somewhere . . . I am surprised that Nixon's silent majority—the Poles and Italians—weren't better represented."

Walter H. Clark, vice president of the First Federal Savings and Loan Association of Chicago, and the only black officer in the 106 corporations studied: "It (the study) doesn't surprise me. We are seeing the results of years of discrimination. For the average black kid, the statistics don't show any bright spots."

The Chicago Executive Suite Study was a modest study, limited by funds and a purposefully narrowed scope. The results, however, were significant in that they showed that enough evidence is available to demand further studies that would extend to the representation levels on civic groups such as public boards and commissions, private agencies, associations, foundations, and social organizations, national, statewide or local.

It is evident that this kind of research has been lacking. The statistics haven't been available and unfounded assumptions have contributed to many of the frustrations and social problems of this generation.

Foundations must be willing to support studies of their own pluralism and public representations. In light of the Filer Commission study of American philanthropy, the evidence points out the need for foundations to look at themselves, not only in terms of recent articles highlighting the legitimate concerns of black and Hispanic representation on foundation boards and staffs and in grants, but for a study that would reflect the pluralism of the real ethnic, racial and religious diversity that is America. Such diversity has the salutary effect of creating social tensions that force us to deal with each other, thus elevating tolerance to the status of being more than a virtue. Tolerance instead becomes the requirement for survival.

Foundations must recognize that in moving away from the melting pot concept to legitimizing ethnic, racial and life style diversity, we need a new way of looking at ourselves if we are to deal with the group conflicts and frustration in contemporary American life.

If there is to be genuine social progress and equity, there must be recognition that ethnic and racial minorities have related problems and goals, and must come together to ensure that full participation and economic mobility are freely available to everyone.

THE WHITE HOUSE AND THE PRESS UNDER GERALD R. FORD

Mr. MUSKIE. Mr. President, the Professional Relations Committee of the National Press Club recently completed its second study of the White House and its approach to the press. The first study was undertaken 3 years ago, when the story of Watergate was unfolding. Last April, the National Press Club board ordered a second study to determine what improvements and changes had been made since then in the flow of information from the White House to the public, through the press.

John Kole, an experienced and competent reporter for the Milwaukee Journal, headed the subcommittee which conducted the study and drafted the assessment.

The study, endorsed by the board of governors of the National Press Club, found that President Ford and his staff have made improvements in the availability of information and access to the President, but warned that much more needs to be done, and urged continued vigilance. Professional Relations Committee Chairman James McCartney cautioned that "the wall between the public and its ostensible servants is growing higher once again."

It is a truism of American government that we base our strength on the decisions of an informed electorate. I would like to commend the National Press Club, Mr. McCartney, and Mr. Kole for their work in analyzing what more needs to be done at the White House to insure adequate public access to information.

To share their work with my colleagues, I ask unanimous consent that "The White House and the Press Under Gerald R. Ford" be printed in the RECORD.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE AND THE PRESS UNDER GERALD R. FORD

". . . That the Professional Relations committee undertake a study of the performance of White House press relations and submit a report to the Board of Governors to be completed this year, the study to be conducted by active members of the National Press Club who hold White House credentials."—Resolution of the Board of Governors, National Press Club, April 7, 1975.

". . . That the Board . . . gives its formal endorsement of the report of the Professional Relations committee on White House press relations."—Resolution of the Board of Governors, National Press Club, December 8, 1975.

FOREWORD

(By James McCartney, Chairman, Professional Relations Committee)

Three years ago, after former Vice President Spiro Agnew had launched a not-so-subtle White House attack on the press, many members of the Board of Governors of the National Press Club were deeply concerned. They asked the Club's Professional Relations committee, which is assigned to concern itself with professional journalistic issues, to "investigate" White House press relations. The result, just as the Watergate scandals were coming to a head, was a 40-page report analyzing what the White House was doing, and demanding reforms.

In April of 1975 a new National Press Club board asked the same committee to take a new look at White House press relations, under the new president, Gerald R. Ford. The thought was that if improvements had been made, the White House should be given credit. If they hadn't, it should be noted.

John Kole of the Milwaukee Journal, an experienced Washington reporter with a reputation for objectivity and integrity, was appointed chairman of a subcommittee to make a study and an assessment.

This report is the result. It has been debated, and approved, in turn, by the Professional Relations committee and the Board of Governors, acting for the Press Club.

But events move rapidly. As the report is made public problems between the press and the White House are growing more serious. The wall between the public and its ostensible servants is growing higher once again.

It is the committee's hope that future studies to monitor this vital problem area will be undertaken by future press club administrations.

THE PRESS CLUB PARTICIPANTS

Subcommittee which conducted the study: John W. Kole, Milwaukee Journal, chairman; Aldo Beckman, Chicago Tribune; Clifford Evans, RKO General Broadcasting; William Shannon, New York Times; Daniel Moskowitz, McGraw-Hill; James McCartney, Knight Newspapers.

Professional Relations Committee: James McCartney, Knight Newspapers, chairman; Muriel Allen, Business Week, McGraw-Hill; Roy Bode, Arkansas Gazette; Adam Clymer, Baltimore Sun; William Eaton, Chicago Daily News; David Kraslow, Cox Newspapers; Richard Zimmerman, Cleveland Plain Dealer; Gilbert Bailey, Ridder Publications; David Barnett, Hearst Newspapers; Aldo Beckman, Chicago Tribune; Peter Behr, Gannett Newspapers; Karen Elliott, Wall Street Journal; Mary Lou Forbes, Washington Star; John

Herling, National Newspaper Syndicate; John W. Kole, Milwaukee Journal; Donald Larrabee, Griffin-Larabee News Group Research; Clark Mollenhoff, Des Moines Register-Tribune; Edward O'Brien, St. Louis Globe Democrat; Judy Randal, New York Daily News; Leo Rennert, Sacramento Bee; Warren Rogers, National Forest Products; Dick Ryan, Detroit News; Richard Smith, attorney; William V. Shannon, New York Times; Jack Steele, Scripps-Howard Newspapers; Dan Thomasson, Scripps-Howard Newspapers; Vivian E. Vahlberg, Daily Oklahoman; James Weighart, New York Daily News; Dan Moskowitz, McGraw-Hill; Cliff Evans, RKO General Broadcasting.

Board of Governors: William Broom, Ridder Publications, president; Robert Ames Alden, Washington Post, vice president; Richard J. Maloy, Thompson Newspapers, secretary; David A. Nelson, Research Institute of America, treasurer; Clark Hoyt, Knight Newspapers, financial secretary; Kenneth Scheibel, F-D-C Reports, past president.

Linda Vance, Commodity News Service, chairwoman; Richard G. Zimmerman, Cleveland Plain Dealer, vice chairman; Dan Byrne, Traffic World; Vivian E. Vahlberg, Daily Oklahoman; Michael L. Posner, Reuters; Robert E. Farrell, McGraw-Hill; Robert D .G. Lewis, Booth Newspapers.

THE REPORT

"I believe that truth is the glue that holds government together, not only our government, but civilization itself. That bond, though strained, is unbroken at home and abroad. In all my public and private acts as your president, I expect to follow my instincts of openness and candor with full confidence that honesty is always the best policy in the end."—Gerald R. Ford, August 9, 1974.

In June, 1973, when the National Press Club's Professional Relations Committee surveyed the media relations of Richard M. Nixon's White House, it deplored a situation without parallel in American history.

"In summary," the committee said, "we conclude that the Nixon Administration has engaged in an unprecedented, government-wide effort to control, restrict and conceal information to which the public is entitled, and has conducted for its own political purposes a concerted campaign to discredit the press."

That, of course, was while the full story of the Watergate scandals still was unfolding. Fourteen months later, in August, 1974, President Nixon was driven from office—the first US president ever forced to resign—because of the greatest scandal in any American presidency.

During the 16 months of President Ford's administration, there is no question that White House press relations have improved. However, our interviews with more than 30 Washington reporters, most of them White House regulars, demonstrate that they still have substantial complaints about the quality of the information they are getting despite the clear improvement in the atmosphere.

Press Secretary Ron Nessen who has consistently had grave problems with foreign affairs, plunged to his nadir on the recent China trip by what many White House reporters believe was the most inept performance in modern times in handling the press relations on a president's mission overseas. It is difficult to see how Nessen can be the presidential spokesman abroad unless he finds some way to improve on this kind of disastrous nonperformance.

President Ford himself has accomplished much of the improvement in the atmosphere by restoring regular White House press conferences and granting dozens of interviews. Through the end of November, after almost 16 months in office, the president had held press conferences, 14 in Washington and 9 in other cities. And he had granted more than 50 interviews to individual journalists or groups of reporters.

Nixon, by contrast, had only 37 press conferences in his 5½ years as president, by far the fewest of any president since Franklin D. Roosevelt made the forum popular. Roosevelt held 998, an average of more than three every two weeks over a 12-year period.

After only a month in office, Ford discovered how devastating the secretive ways of the Nixon Administration could be to the credibility of his presidency. The negotiations leading to the surpise Sunday morning pardon of Nixon "for all offenses against the United States" were shrouded from Press Secretary Jerald terHorst even though he inquired about them. He was deliberately misled by other White House officials who made a mockery of Ford's pledge of openness and candor. On the day the pardon was announced terHorst resigned in protest.

There is a widespread feeling among White House reporters that much information still is being withheld from them. As Norman Kempster wrote last March when he was covering the beat for the Washington Star. "A typical Ford press conference is a predictable series of restatements of the President's already well known positions, interspersed occasionally with the dismissal of a whole subject as 'inappropriate' for comment."

A recent Ford press conference (Nov. 3) demonstrated this problem once again—no matter what questions were asked about the reasons for the high level firings in his administration, the President kept returning to his opening script, that he simply wanted to field his own team.

Not until a week later, on Meet the Press, did Ford acknowledge that "growing tension" between Secretary of State Kissinger and Secretary of Defense Schlesinger led to the firing of Schlesinger.

By this kind of press conference stonewalling, the President sabotages the purpose of the followup question, an innovation which permits a second chance for a reporter to pin down a point. This feature is generally praised by reporters, although some of them think it is too often abused, thereby reducing the opportunities for other queries.

Most of the reporters we interviewed believe that Ford is doing much better on his pledge to conduct an open and candid Administration than Nixon, who made a similar promise. But some reporters disagree.

"You can't conduct openness by proclamation," said Peter Lisagor of the Chicago Daily News. "To communicate what really is going on back there would risk showing the warts. The game is one of selective coverup."

White House Press Secretary Ron Nessen and his staff generally are given credit for improving the efficiency of the operation. Particularly helpful are the regular morning postings and the punctuality of the daily briefing, usually held at 11:30. The recorded message about the President's schedule also is considered an improvement.

As for Nessen's staff, John Carlson and Bill Greener are given the highest marks for competence. Tom Brokaw of NBC comments: "It is an eager, good humored staff that understands the role of the press as an adversary. Unanswered questions are chased down. Much of the red tape has been cut through."

We of the National Press Club have found that Nessen is willing to listen to complaints about press office procedures. Last July, he scrapped new guidelines for White House press credentials after Club protests that it was unfair to require coverage "on a regular, ongoing basis." Instead, he agreed to allow an applicant's bureau chief or editor to affirm that a reporter needs a permanent White House credential.

In September, Nessen responded to complaints from the Club and other organizations by persuading Ford to relax the ban on coverage of White House social receptions.

President Ford's press office also has purged itself of the favoritism which infected Nixon's operation in, for example, the selection of coverage pools. This depoliticizing of the White House press office is a refreshing change.

On the negative side, we received repeated complaints that Nessen and his staff too often do not have adequate information to answer questions. Dennis Farney of the Wall Street Journal concludes: "I view the press office as giving you lots of information on trivial things and not much on important things. I view the press office as a hindrance to openness." And Carroll Kilpatrick, the retired White House correspondent of the Washington Post, adds: "Nessen has made a real effort (to achieve openness) and has been disappointing in achieving it."

Many reporters suspect that Nessen has been the victim of higher authorities in the White House structure, particularly Donald Rumsfeld, the chief of staff until he was appointed Secretary of Defense last month. Rumsfeld was seen as working against an open administration because of his overriding desire to protect the President from criticism. We shall have to wait to see whether this situation improves under Rumsfeld's successor, Richard Cheney.

Nessen has had a particular problem in foreign affairs because of the penchant for secrecy by Secretary of State Kissinger. Because Nessen has had trouble getting good information in this area, his foreign policy presentations often strike reporters as shallow and uninformed. Earlier this year, Nessen conceded in one interview that "the quality of my foreign policy statements is far below the quality of my domestic statements."

Near the end of the year, Nessen contended in another interview that he had made substantial progress on his foreign affairs problem, but that certainly was not evident on the President's recent China trip. In the judgment of Martin Schram of Newsday, "The Peking summit was a professional disaster." Wrote Schram: "The President's sweep through the Pacific ended with members of the White House press corps embittered, virtually unanimously, over what they felt was Nessen's inept performance, his failure to really carry out the role of the press secretary."

Nessen has complained about the "mood of hostility and suspicion and distrust" between the White House and the press corps as an aftermath of the misinformation and lies peddled regularly during the painful periods of the Vietnam War and Watergate scandals. Reporters believe there is generally a healthier attitude of skepticism, but they do not believe they are improving their own performance by more enterprise reporting.

Most White House reporters want to continue the daily briefing, although some think it is unnecessary, particularly when Nessen has nothing substantial to say. Some suggested that an additional briefing in the afternoon would be helpful, with a particular emphasis on clearing up unanswered questions from the morning session. Others said it would be helpful if Nessen brought experts to the briefings more often to present detailed explanations.

White House reporters believe there has been some improvement in the availability of key White House officials, but there still are many complaints about lack of candor. And in many instances the responses to telephone calls do not come soon enough to meet deadlines.

With this background, the Professional Relations Committee of the National Press Club makes the following findings and recommendations:

President Ford has restored civility to White House relations with the press, which, in a free society, must necessarily be an adversary to the chief of state. We commend him for his regular press conferences and for his unprecedented and frequent interviews with journalists throughout the country.

We also commend the Administration for improving the accessibility of White House officials and for allowing its press office to cooperate with, rather than hinder, the work of journalists. We appreciate the clear improvement from the Nixon Administration when we were forced to conclude, in a June, 1973, report, that "rather than opening a window to the White House, the press secretary closes doors."

The President, however, has not always operated with the "openness and candor" which he promised the American people the day he took office. Without admitting that he is refusing to answer tough questions, he has spurned legitimate inquiries at press conferences by reverting to prepared and inadequate statements.

Some of his top White House and Cabinet associates have repeatedly evaded vital questions by refusing to provide requested information. Accessibility is not enough in itself. We urge President Ford to issue an executive order that will result in the implementation of his pledge to conduct a truly open Administration.

Top White House officials must do much better in informing Press Secretary Ron Nessen and his staff about what really is going on. It is untenable for the press office to try to explain Administration policies while its efforts are being sabotaged within the White House itself. But at the same time, a press secretary must probe within the White House to learn what is going on and we are not persuaded that Nessen has done all he could in that regard.

In the spirit of the sound innovation of permitting followup questions at presidential press conferences, we urge Nessen to hold a second news briefing in the afternoon, with a high priority on clearing up questions that he is unable to answer in the morning.

There is a critical need for more detailed and solid information at White House press briefings. Government experts, particularly in foreign affairs, should be brought to the briefing room more often to explain Administration programs and views.

We suggest a reexamination by the White House of the proper role of the press secretary as an official government "spokesman." The press secretary in recent Administrations appears, himself, to have become the victim of manipulation by White House policy level officials. In general, we support the principle of direct and sustained access to policy level officials—particularly the President, the assistant to the President for national security affairs and the chief of staff.

APPENDIX

Comments by White House Reporters

From August to October, 1975, more than 30 reporters were interviewed by members of a subcommittee of the National Press Club's Professional Relations Committee.

The subcommittee was headed by John W. Kole of the Milwaukee Journal. Other members were James McCartney of Knight Newspapers, Aldo Beckman of the Chicago Tribune, Clifford Evans of RKO General Broadcasting, William Shannon of the New York Times and Daniel Moskowitz of McGraw-Hill.

Some of the comments made in answer to a series of prepared questions are included here.

Tom Brokaw, NBC.—Gerald Ford in his relations with the press is one of the most accessible, emphatic, good humored presidents in the history of the office. His staff is not quite so forthcoming . . . for the most part they're determined to carry on that well established White House tradition of treating candor as if it were a social disease.

The press office, under the direction of Ron Nessen, has a mixed record. The press office is not as well informed on issues and policy as the Ziegler operation. The Ford press operation is generally weak in foreign policy, a subject that Ziegler handled surprisingly well.

If there is a consistent flaw in television's coverage of the White House it is that we are too much a prisoner of the man, the presidential person. We need to remind ourselves more often that we're covering a politician. not a monarch. The White House is a home, not a castle. The medium needs to improve its coverage of the White House decision making process. With so fresh a reminder as Watergate, I am embarrassed and puzzled by our almost careless attitude toward the influence of special interests. We must become more diligent in our coverage of the presidential promises.

Peter Lisagor, Chicago Daily News.—There's a great improvement between Ford and the press but not between Nessen and the press. For all his (Nessen's) effort to be obliging, he has a certain arrogance and impatience with the kind of niggling that inevitably occurs. So he runs against the grain of people and creates unnecessary animosity and antagonism.

The briefings have taken on a life of their own. They have become the source for daily stories that don't reflect what is going on. They have become a dueling exercise with Nessen being forced into saying things. It has become an institution in and of itself and Nessen must break that chain . . . the only way to break it is not hold a briefing every day.

Bonnie Angelo, Time magazine.—The daily press briefing has slid from adversary to antagonist . . . (because of) his (Nessen's) temper, his irascibility—I just don't think that's a trait that's tolerable in a press secretary.

Dennis Farney, Wall Street Journal.—He's been about as open as any politician, but like any other one, he tries to present himself in the best light.

He (Nessen) gets all caught up in gamesmanship. He feels himself tested and responds by making us drag information out of him . . . I'd like to see briefings only when there is news. You are unlikely to get more than they want to tell you anyway. I could better spend my time setting up interviews.

Eugene Risher, Cox Newspapers.—He's (Ford) more candid and open than Nixon but the timing and distribution of information is being done to enhance his position and image.

It (the press office) suffers more from incompetence than credibility.

Forrest Boyd, Mutual Broadcasting System.—White House officials are not always accessible and cannot answer every question. It is still hard to get official comment or explanations while they are still timely insofar as our deadlines are concerned.

Donald R. Smith, Congressional Quarterly.—I've found the White House a lot more informal, a lot more relaxed, a lot more friendly . . . it's a different planet.

Nessen seems to be a messenger boy; he just doesn't seem to really be in the Administration . . . I'd like to see a more important, more influential person in that job . . . I think his heart is in the right place, but I just don't think he's keyed in to decision making.

I just think the daily press briefing is a horror show, but a necessary horror show. I guess. Nine times out of ten it's just not that productive.

It's clear that it's a lot more open than it was, but it's not as open as it should be . . . people are afraid of telling the truth.

Saul Kohler, Newhouse News Service.—It's like day following night after Ziegler. Nessen has done some great things, but I think he does let the briefing get out of hand. There is nothing wrong with saying: "I don't know." I would like to see Nessen refrain from his "cute answers" and be more serious and less frivolous.

William Theis, Hearst Newspapers.—I can't recall an incident when they (the press office) didn't make a reasonable effort to get information out. And that's half the battle.

You have to measure him (Nessen) against his predecessor (Ziegler). And that was pretty awful. But Nessen doesn't stack up with men like Jim Hagerty or Steve Early. These were mature experienced spokesmen who had the complete confidence of their bosses.

Paul Healy, New York Daily News.—He (Nessen) talks too much and doesn't control briefings like he should. He lets things get out of hand because he likes to talk when he doesn't know what he is talking about.

Robert Pierpoint, CBS.—You can't rate an office. You rate a press secretary. I think Nessen is doing a better job than Ziegler or several of the LBJ press officers, but not as good as Bill Moyers or Jim Hagerty. I think the job any press secretary does is limited by the wishes and commands of his master.

The biggest problem is getting accurate guidance or information from Nessen on a background basis. This is particularly true when you have exclusive stories. Very often, either he doesn't seem to know what's going on or is afraid to give you any real help. The big area of why things are happening he never seems able to explain.

I think reporters always should suspect the worst of government officials on any level.

Top officials in this Administration are a little more accessible than in most previous administrations. Candid? I know few government officials who are candid. Getting through to some officials is harder than others. Generally, the press office is not overly helpful, except in giving out phone numbers.

Lee Walczak, McGraw-Hill.—It's not as candid as is widely believed, but it is open . . . I've never had a major access problem. I'd be hard pressed to finger anyone as being inaccessible.

The major criticism of the White House press people is that they are tremendously uniformed . . . they always seem to be on the fringe . . . the press office is chronically underinformed, although they are the nicest possible fellows.

James Deakin, St. Louis Post-Dispatch.—Like the past five administrations, it is still too difficult to get the pros and cons offered to the President on various major decisions. The doctrine of executive infallibility continues to apply.

The press office under Nessen is weak as a kitten on foreign policy but I give it reasonable marks on the domestic side.

Nessen's complaint about a poisoned atmosphere because of Watergate is special pleading. Reporters were much harder on Lyndon Johnson because of Vietnam than they are now.

Godfrey Sperling, Christian Science Monitor.—Of course, Watergate poisons the atmosphere in the press room. But this is a healthy aftermath to the scandals.

Morton Kondracke, Chicago Sun-Times.—I would like to see more officials come down to explain positions. As it is now, Frank Zarb is the only regular visitor. Nessen should release whatever information he has in hand and not insist that a question be asked to pull it out of him.

Don Irwin, Los Angeles Times.—Too often they don't know answers or have wrong or incomplete answers. Some answers are misleading because of inadequate information.

I get the feeling of improvisation. He (Nessen) seems to ad hoc every problem.

James Naughton, New York Times.—Too often the press office is not informed.

Reporters are not doing any better job. They are putting up more bluster in the open but as far as general enterprise is concerned, it is not better and no worse than before.

I would like to see the White House experiment with press conferences including a small number of reporters, perhaps three or four, with the participants rotated and the interview available for coverage by all. This kind of a relaxed atmosphere might be conducive to thoughtful answers.

Clifford Evans, RKO General Broadcasting.—The image (of openness) is there, but the reality does not measure up.

Some comments by Ron Nessen

After six months on the job, Nessen delivered what he called his "first public speech as press secretary" to the Washington Chapter of Sigma Delta Chi, March 18, 1975:

I take very seriously the responsibility of the job of press secretary to the President. I take very seriously the relationship between the press secretary and the profession of journalism. And I take very seriously the right of the public to know what their President and their White House are doing . . .

On the day that President Ford appointed me as his press secretary, I promised that I would never knowingly lie and never knowingly mislead. Looking back over the incredibly long days and weeks, despite the pressures, the sensitivity of certain issues we've dealt with and the new aggressiveness of the White House press corps, I can honestly say I have kept that promise . . . with the possible exception of the Jackie Gleason golf tournament.

The accomplishment of which I am most proud is the restoration of believability in the White House. The President and the office of his spokesman are believed, something which could not always be said with certainty during the previous five years or perhaps during the previous ten years. The White House and its press office are open, their personnel are accessible and more legitimate news is flowing out . . .

To sum up, the policy of the press office under President Ford is to make as much information available as possible, rather than as little information as we can get away with.

Interview by Paul Duke, Public Broadcasting Service, June 30, 1975

Now as for the mood of the press after Watergate, I think a lot of members of the press have written about this. And I would share the view that it's very hard to come down off the "high" of Watergate; it was a very exciting time in the life of every Washington journalist, including mine, because I worked on that story.

And I think it's difficult, after that excitement of that period and the magnitude of the story, to settle down and deal with more mundane everyday stories like the budget and the energy program and the recession, and so forth . . .

There's every effort at the White House to keep me straight and not to program me to mislead . . . And the terHorst episode, I think, perhaps is one of the reasons for it. I think people at the White House who were there then learned from that episode that the press secretary needs to know everything that's going on so that he doesn't . . . he is not misinformed and through misinformation damages the White House's credibility or the President's credibility. The effort is to avoid anything like what Jerry terHorst said happened to him . . .

If you want to talk to Rumsfeld or Marsh or Hartmann or Buchen or anybody you call them directly; if you have trouble arranging a meeting or a phone call, then I will help get the reporter and the official together. But as far as being a traffic cop or a censor, I got totally out of that business and that has opened up the White House more.

Interview by Jack Kole and Jim McCartney for the National Press Club, November 6, 1975

The President has announced his decisions (on the Cabinet shakeup), has explained why he did it and the reporters think: "I wonder what he meant by that, what's really behind this?"

Well, there's nothing really behind this except what he said the other night. But I mean if there is a search for hidden meanings or explanations other than the ones he gave then obviously there's going to be dissatisfaction because it comes to a very simple question of do you believe the President or don't you.

But what evidence is it other than the sort of feeling in Washington these days that nothing is what it appears, that everything has a conspiracy behind it, that there must be more to anything than shows on the surface . . .

Now what does "generally believed in Washington" mean? It means a bunch of guys sitting at the press club bar and saying: "O bull shit!" Well, God damn it, I think there is a difference in the quality of the information between either the President saying something or somebody in the White House who really knows and a bunch of guys sitting around and saying: "That just can't be true—it's too simple."

And I really think that this spate of credibility stories, unless there is some evidence, unless somebody comes forward and says: "Look, I just got to tell you the President lied the other night and here are the real facts." If it's suspicion or press club gossip or the mentality that things must be other than they appear than I just think that those stories are irresponsible . . .

I'm overprepared (for the daily briefings). I probably come to the briefing with a good 50% more than I'm ever asked about. And on occasion when I try to elaborate on an issue there are moans and groans and people say: "Oh, we can read that ourselves." . . . Just to be frank, I'm better prepared than the questioners are.

Speech, National Association of Realtors, San Francisco, November 11, 1975

My experience as a news reporter for 20 years and now as White House press secretary for 14 months convinces me that the American people sometimes miss the full complexities and background of important issues in their newspapers, television, radio and magazines. This happens once in awhile because of the pressures under which reporters, editors and producers must work: the deadlines, the competition, the lack of air time or newspaper space, the need to find something catchy for the headline. Unfortunately, these pressures have created a trend toward trivia in the news and the resulting downgrading of serious coverage of serious issues . . .

There has been a great deal of speculation about what's really behind these personnel changes. Some people suggest there's more to it than meets the eye. This speculation reminds me of the two psychiatrists who pass on the street. One says: "Good morning, doctor." And the other walks around the rest of the day wondering: "I wonder what he meant by that."

. . . A mood of suspicion has grown up in the country because of the events in the past few years. One of the problems with honesty these days is that some people don't believe the simple truth . . .

RUFUS WOODS

Mr. MAGNUSON. Mr. President, the following article on a great citizen of the State of Washington recently appeared in the Seattle Post-Intelligencer. I first met Rufus in the early 1930's and it was my privilege to be a close friend of his until his death in 1950. Without Rufus' foresight and persistence, it is quite possible that the extensive system of hydroelectric dams and irrigation projects in my State would never have been built. And it was because of Rufus' work in the promotion and development of apple orchards that Wenatchee, Wash., is now known as the "Apple Capitol" of the world.

Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RUFUS WOODS

(By Walter Evans)

Rufus Woods was the type of reporter who never let go of a good story. For instance, there was the time he interviewed attorney William M. Clapp in Ephrata in July of 1918.

Clapp told Woods about a plan to utilize the Columbia Basin by building a dam at the Grand Coulee and trapping water for irrigation. It was a far-fetched idea at the time, but Woods never let the story drop. He wrote about Clapp's plan time and again. He fought for it, editorially and with his own time and considerable abilities.

It took 23 years for the story to become a reality, 23 long years of tough battles, but Rufus Woods was at Grand Coulee Dam that March day in 1941 when the first power came through what was then the largest structure ever built by man.

Woods was not a one-story reporter. He was a world traveler and, as editor and publisher of the Wenatchee World, he brought the globe to his readers. And he brought it with enthusiasm.

One of Woods' dictums to his staff was to "play big things big." He followed that advice himself and his own stories and columns were heavy with bold face type and liberal use of words in capital letters to emphasize points. The eye-arresting "circus makeup" he favored for big stories he said came from his youth when he wanted to join a circus.

But there was nothing of the clown about him. Born at Surprise, Neb., on May 17, 1878, he was graduated from the University of Nebraska. He came west with the Alaska Gold Rush and found his home in Wenatchee. Woods became editor of the Wenatchee Republic in 1904 and of the Wenatchee Advance in 1905. He served as secretary of the Wenatchee Chamber of Commerce in 1906–07 before taking over the World.

Woods was an active promoter of his town, his area and his state. But nothing took his attention as much as the Grand Coulee Dam and the fallow ground of the Columbia Basin. He was one of the founders and a president of the Columbia River Development League and devoted innumerable hours to that project.

Rufus Woods' big story was almost a lifetime story. And he helped make the dream of Billy Clapp become a reality.

Woods died May 28, 1950, while on another of his travels. He was fatally stricken in Toronto, Canada, as he was traveling east—to study the public power situation there.

Today, between Bridgeport and Coulee Dam, the Columbia is a broad, quiet river. They call it Rufus Woods Lake.

WESTERN DISARRAY AND MIDEAST TIME BOMBS

Mr. McGEE. Mr. President, last December my distinguished colleague and friend, the senior Senator from New York (Mr. JAVITS) delivered an important speech to the Chicago Council on Foreign Affairs.

In that speech, Senator JAVITS warned that a Mideast policy of noninvolvement on the part of Western Europe was, in the long run, extremely dangerous to the interests of the industrialized West.

I ask unanimous consent the speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

WESTERN DISARRAY AND MIDEAST TIME BOMBS

There is a new struggle going on in the Middle East which is of the utmost consequence for the industrial democracies of the West. This new struggle—between the 'moderates' and 'extremists' for supremacy within the Arab world—is related to, but has now upstaged even the Arab-Israel conflict. I believe that the outcome of this struggle could be influenced probably by creative Western diplomacy. But, the sad fact is that there is little 'Western diplomacy' respecting the Mideast even though the common interests of the Western nations in the Middle East are acknowledged to be essentially an inextricably collective interest.

For Western Europe is itself in serious disarray; yet, must pull itself together on the Middle East or be dangerously exposed if it does not. The explosion in oil prices following the 1973 Mideast war has had a devastating impact on the economies of the European Community nations and has also tended to paralyze temporarily the political will and initiative of the governments of our allies.

Indeed, the short-run picture in the United States is not much more reassuring. U.S. foreign policy is being drained of momentum by the lingering constitutional crisis precipitated by Watergate, and by the approach of the 1976 Presidential election. Public confidence in government is eroded by the continuing disclosure of high crimes attributed to high officers of our most sensitive institutions of government and of national security. Our President lacks an electoral mandate and seems even to perceive himself to be challenged by the simplistic anachronisms of the ultra-right in our party.

The quasi-immunity from attack which Secretary of State Kissinger enjoyed during the Nixon-Ford transition period has been succeeded by an 'open season' for attack upon the Secretary.

Since 1973, the United States has pursued a policy of step-by-step negotiations for a Mideast peace settlement. This policy has produced two interim agreements between Egypt and Israel and one agreement between Syria and Israel. I believe that this is a correct policy for the United States and I have supported it. The two questions now are: has this policy now reached a dead end; and will the industrial democracies rally to its support.

Step-by-step diplomacy has been a unilateral policy of the United States. European involvement has been minimal. I believe that this policy may be running out of steam unless it can attract positive support from Western Europe and Japan.

In my judgment, the attempt by Western European governments to avoid any policy involvement in the Mideast is fruitless in the short run and extremely dangerous to developed nations' interests in the long run. There are powerful new dynamics at work within the Middle East. The playing out of these dynamics are of great consequence to the economic well being and physical security of the Western democracies. Benign neglect just will not work. Policy default will reap a fool's harvest.

Yet, if our industrialized allies do not rally to support Dr. Kissinger's step-by-step diplomacy, I believe that the West will be left without any Mideast policy at all. For, I do not believe that it is possible for the United States to shift unilaterally to a new policy course before mid-1977 when we will have an elected President with a new mandate. And, there is no indication of a new Mideast policy initiative from Western Europe or Japan.

While military tensions persist between Israel and Syria, I believe that the main action in the Mideast has shifted at least temporarily to two other forums.

First, there is a rather savage political and propaganda struggle between the 'moderates' and the 'extremists' within the Arab camp. President Sadat of Egypt has emerged as the leader and spokesman of the 'moderates'. The recent Sinai agreement, negotiated by Dr. Kissinger and overwhelmingly approved by the U.S. Congress, is the exemplar of the approach which has been adopted by President Sadat. This approach, which necessarily entails cooperation with and dependence upon the West, as well as negotiations with Israel, is perceived by the Arab radicals as a mortal challenge to their position which is based upon a revolutionary, anti-Western ideology and the physical dissolution of Israel.

The United Nations General Assembly resolution purporting to condemn Zionism as racism was the work of the Arab 'extremists' and it is reported that the 'extremists' themselves saw it as being as much a reproach to President Sadat and Dr. Kissinger for the Sinai agreement, as a reproach to Israel itself. The implications of this inter-Arab struggle are most serious, in my judgment.

The second arena which has now moved to center stage is the Mideast in Lebanon. The struggle there is more complicated but the ultimate issues are the same. The civil war in Lebanon can be understood only against its historical background. In a real sense, the contemporary state of Lebanon is a product of European, or, more specifically, French policy. Modern Lebanon was carved out of the mandate over the Levant States which France acquired after World War I. The political settlement devised in 1943 was heavily weighted in favor of a Lebanon envisaged as a state which would be Western in orientation and where Christians would be safe from oppression and discrimination.

The privileged position of the Christian community in Lebanon is seen as an anachronism in view of the population and other changes which have occurred in Lebanon in recent decades. Undoubtedly, a reconciliation of the distribution of political power is always in order in a democracy.

The question is, however, whether this will be accomplished by negotiations or by shattering the basic nature and orientation of the Lebanese State.

It appears that Palestinian and other extremist elements have seized control, perhaps irrevocably, of the Moslem fighting forces in Lebanon with the purpose of transforming Lebanon into a radical, 'confrontation' state. If this radical Arab revolution succeeds in Lebanon, the repercussions will extend far beyond the borders of Lebanon itself. First, the transformation of Lebanon from a Christian-dominated neutral state into a radical Arab state in 'confrontation' with Israel will drastically alter the strategic and geopolitical situation in the Mideast. Second, the viability of the Golan Heights disengagement agreement will be called into question and the danger of renewed fighting along Israel's northern border will become immediate.

Moreover, I believe that the Palestinian Liberation Organization (P.L.O.) and the dominant radical elements in Syria today see Lebanon in much the same light that Hitler and Mussolini saw the Spanish Civil War in the mid-1930's—as a military and political testing ground.

In this connection, I think it is important that we pay attention to the explanation of the resolution condemning Zionism as 'racism', which has been put forth in the New York Times and elsewhere, by ideological spokesmen of the P.L.O. who were the authors of the anti-Zionism resolution. According to these ideologies, the fundamental objection to Israel is that it is a Western, or European "intruded" state in the Arab world. They seek to compare it with South Africa which they likewise call a European "intruded" state in black Africa.

The obliteration of Israel which is called for by these ideologies, is justified by them as an expulsion of Europeans from the Middle East.

If the proxy effect of transforming Lebanon from a pro-Western and Christian-dominated state into a radical Arab 'confrontation' state succeeds, a major new impetus will be given to the radical Arab forces which preach and seek the destruction of Israel.

Undoubtedly our Western European allies are dependent upon Persian Gulf and North African oil. This dependence, combined with the political disunities and extreme caution which characterize Western European diplomacy have resulted in sporadic efforts by the governments of Western Europe to combine 'appeasement' of the radical Arabs with a general policy of detachment from the Arab-Israel dispute.

Leaving aside the moral issues, for the moment, I do not believe that European policy, or lack of policy, can be justified in terms of the self-interest of Western Europe.

First, the Western European attitude ignores the basic fact that the essential Persian Gulf oil is in the hands of 'moderate' states—states which themselves fear, and are threatened by the very Arab radical forces who see the destruction of Israel in terms of the expulsion of "Europeans" from the Middle East.

Secondly, I do not believe that there is a government in Western Europe which would not be shaken to its foundations by the destruction of Israel. There is a moral umbilical cord which connects Israel to Western Europe and the Nazi holocaust which cannot be severed without causing a most severe hemorrhage. It is just impossible for the democracies of Western Europe not to be a party to the events in the Middle East.

I see an urgent need for the opening of a new dialogue between Israel and the nations of Western Europe. The Europeans complain of a 'rigidity' in Israel's diplomacy. If there is such a rigidity, it is a product in part of Israel's sense of diplomatic isolation.

There is more that the Western Europeans can and should do. U.S. diplomacy has induced the President of the largest and most important Arab state to try a new approach to Arab-Israel peace in cooperation with the United States. The movement of Egypt away from its alliance with the Soviet Union, its traditional position as leader of the radical Arab states and its command position in the military "confrontation" with Israel, is, in my judgment, a development of great significance for Western interests in the Middle East which have not been appreciated by our European allies. Europe can ill-afford to leave President Sadat out on a limb—'twisting slowly, slowly in the wind'—while the radical Arab states seek to discredit the Sinai agreement in part through bullying tactics at the U.N. abetted by a Western European attitude of appeasement of the radical Arab states.

I believe that Western Europe has a very direct interest in seeking to assure that the Arab 'moderates' prevail over Arab 'radicals' because Western Europe is going to be dependent for some years on Persian Gulf oil supplies. If the radical Arab policy should gain control of Saudi Arabia and Kuwait, for instance, there is little doubt that this would soon be reflected in OPEC policies vis-a-vis Western buyers. Present resistance within OPEC to 'politicizing' the international oil trade would be eroded, and non-economic considerations would be in the driver's seat when it came time for the

Western European nations to negotiate prices and supply terms. Thus, our allies would be faced ultimately with confronting the very issues they now seek to avoid.

In addition to opening a new dialogue with Israel, I believe that the European Community nations should consider initiatives to strengthen internationally the position of Arab 'moderates'. A first step might be overt support for the Sinai agreement between Israel and Egypt, followed by concerted efforts to cooperate with U.S. attempts to negotiate a second disengagement between Syria and Israel.

In my judgment, such efforts and initiative by our European allies would help to create an atmosphere conducive to a diplomatic initiative by the Government of Israel on the Palestinian question, which could provide a new and more realistic basis for international consideration of the one issue which, more than any other, holds the key to a just and lasting Mideast peace settlement.

Developments of this nature could help considerably in restoring vigor and momentum to U.S. diplomatic efforts respecting the Mideast, and thus help the United States and the world to avoid a situation which in U.S. diplomacy might otherwise become the victim of a creeping paralysis induced by the approach of the 1976 Presidential election and the cumulative effect of disclosures of misdeeds and continuing Western European 'detachment' from the Mideast crisis.

A TESTING TIME FOR AMERICA

Mr. JACKSON. Mr. President, I ask unanimous consent that a recent article by former Secretary of Defense James R. Schlesinger be printed in the RECORD. Secretary Schlesinger, a shrewd student of international affairs, writes with conviction and insight about America's role in today's world. I hope his views will be given the attention they deserve.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Fortune magazine, February 1976]

A TESTING TIME FOR AMERICA

(By James R. Schlesinger)

A specter is haunting Europe: not the specter of Communism evoked in these famous words by Karl Marx in 1848, but the specter of Soviet hegemony. That specter arises from the steady expansion of the military power of the Soviet state. But it remains contingent upon the faltering of American purpose, as America, wounded by the internal travail and external setbacks of the last decade, becomes preoccupied with its internal problems and internal divisions.

Other margins of the Eurasian continent—Japan, Korea, the Middle East—are similarly exposed to the growing reach of Soviet military power and the psychological aura it increasingly conveys. Such power may be employed directly for intervention or seizure, but is more likely to be exploited indirectly to extract political, economic, or military concessions. To avoid such concessions, deterrence through countervailing military power remains an indispensable requirement. In the area of the Persian Gulf, the resources of which remain critical to the economies of the industrialized world, the possibility of Soviet military preponderance poses not only a direct threat, but also, through potential control of energy supplies, an indirect threat to the independence of the economies and the social order of the industrialized world.

The decade ahead will be a testing time for the Western democracies. The outcome will critically depend on the role the United States assumes, on its ability to attain renewed consensus and common purpose, and on its willingness to maintain a sufficient margin of military power to preserve a military balance in those sectors of the Eastern Hemisphere vital to our security.

Concern about the implications of Soviet military and political power has waxed and waned in the years since 1945. It started with the overrunning of Eastern Europe, the coup in Czechoslovakia, and the Berlin blockade. In that now distant epoch, however, the task of countering Soviet power was far simpler. The United States alone possessed nearly half of the world's productive capacity; it possessed a monopoly of nuclear weapons; and the Soviet Union, backward and badly damaged by World War II, had but a fraction of the potential military power of the United States. The direct military threat therefore remained manageable. The fundamental task was to stabilize the societies of Western Europe, to revive their economies, and to provide the prospect of economic growth and trade expansion in occupied Japan.

Nonetheless, in the period of the Marshall plan and the formation of NATO, concern remained deep. Though the problems were tractable, the solution required a transformation of previous American attitudes and a major commitment of American power. That alteration in attitude did occur. The American commitment was made, and a remarkable degree of stability was attained.

THE WEST IN DISARRAY

Yet in that time Barbara Ward could write a book entitled *The West at Bay*. Today, despite a widespread complacency, conditions are inherently worse. The West is clearly in disarray, and within a few years could actually be at bay. Our current problems are inherently less tractable than those of the early postwar years.

The underlying reality is that at no point since the 1930's has the Western world faced so formidable a threat to its survival. As then, the military balance is deteriorating, but the trend in large measure goes unnoticed because the Soviets today, though expansion-minded, speak in less bombastic and threatening terms than the Nazis did. The economies in the industrialized nations are now more vulnerable to external pressure than in the 1930's.

The growth of economic interdependence, notably in energy supply, implies that the industrialized world cannot survive without imports, massive in volume, from the less developed nations. These nations are no longer under Western political control and are exhibiting increasing hostility to the Western world and Western concepts of governance. The harsh words used in the United Nations are but a surface manifestation of this growing Western vulnerability and, at base, reflect a perception of growing Western powerlessness.

Economic difficulties, once again, afflict all the industrialized nations—and are again the principal preoccupation. Driven by the dramatic change in the price of oil, the unavoidable deficits incurred by oil-importing nations imply a fundamental disequilibrium in payments balances, placing the international financial mechanism under severe strain. Structural problems result in unacceptable rates of inflation accompanied by a level of unemployment probably inconsistent with long-run political stability. Yet the gravest danger remains a mixture of fatalism and complacency regarding this congeries of interrelated problems facing the Western world.

TAKING SECURITY FOR GRANTED

For too many Americans, security—not only the physical security of the United States and its closest allies, but also the security of the delicate web of economic relations—has come to be accepted as the order of nature. For more than a decade no problem of international conflict other than Vietnam, which was perceived as an American error and excess, has deeply penetrated the American consciousness. The Cuban missile crisis, the last episode to galvanize the American public, now seems remote. The invasion of Czechoslovakia in 1968 was all too readily dismissed with regard to its longer-run implications for East-West relations. The fundamental conflicts in the Middle East, which resulted in the 1973 war and the subsequent oil embargo, are widely believed to be on the way to resolution through a change in American tactics and diplomatic stance.

Security has too widely been viewed as *given*. America's involvement in the external world, on which our amenities and satisfactions are so dependent, has appeared to be a matter of simple choice reflecting nothing more fundamental than our tastes or moral preferences. Too little is it appreciated that the stability we still enjoy is a reflection and legacy of past American involvement and active leadership. For the younger generation in particular, security has appeared to be a matter of right, rather than something earned through continuing effort.

As with other legacies, this one is being consumed improvidently. Worldwide stability is being eroded through the retrenchment of American policy and power. This growing instability reflects visible factors such as the deterioration in the military balance, but also, more immediately, such invisible factors as the altered psychological stance of the United States, a nation apparently withdrawing from the burdens of leadership and power.

The political mechanism, as in all democracies, remains the sensitive barometer of the public mood. The illusion is widespread that America can obtain the benefits of international order without paying the costs. Americans are comforted either by a belief that the nation's power has not declined or by a belief that its power can decline without untoward consequences.

These soothing notions represent a flight from reality. The external world and weight of responsibility unavoidably placed on the United States will not disappear merely because the American public has become tired or has become absorbed in its domestic concerns. The foreign and security policies of the United States require painstaking attention and careful thought—something more than a post-Vietnam recoil from the policies and posture of the last quarter century.

The United States today still represents the only potential counterweight to the military and political power of the Soviet Union. There is no one else waiting in the wings. There will be no *deus ex machina*. That the United States alone has the power to serve as counterweight to the Soviet Union continues to be an ineluctable fact—just as it has in the entire period since 1945. We may resent that fate or accept it soberly, but it remains the fundamental reality of global politics.

For a great power such as the United States, refraining from action carries consequences as surely as taking action. The failure of the United States to bear the responsibility, which it alone can bear, would create a void into which Soviet power would move. And, despite the brief respite afforded by a period of quiescence, the longer-term problem will become intensified. Unchecked expansion of Soviet power would create a psychological momentum, and most nations in the Third World and, indeed, some of our erstwhile allies will prefer to be with the apparent winner.

Global realities have thrust us into a role that we might have preferred to avoid. But unless we are prepared gradually to withdraw to the Western Hemisphere and ultimately to the North American continent—to become in the process a beleaguered and mean-spirited nation—we shall have to face up to these global realities as they are and not as we might wish them to be. We shall be judged in the future, not on the basis of our irrelevant or petulant preferences, but rather on how well we acquit ourselves in discharging our unavoidable responsibilities.

The destiny for this nation was shaped in the aftermath of World War II by the evolution of world politics, by the decline of the European powers and Japan, and by our own decisions. It is not a destiny about which one can express much jubilation. The mood it entails is markedly different from the exuberance that characterized the nineteenth-century vision of manifest destiny. Indeed, from the standpoint of historic American aspirations it is an odd and unenviable fate. Yet it must be faced soberly; there is no escape.

WEAKNESS, TOO, CAN CORRUPT

Power remains the ultimate sanction in dealing with potential conflict. Where power exists and is respected, it will not have to be exercised. Through power one can deter the initiation of an unfavorable chain of events. To be sure, military power is not the only form of power, but it remains an irreplaceable element in the total mix of power; without it, the disadvantageous turn in events would be swift and sure.

Nations that cannot deter the Soviet Union either on their own or with our support will, of necessity, conciliate the Soviet Union by making concessions, initially at the expense of our interests and ultimately at the expense of their own. To the extent that we fail to deter the Soviet Union, either jointly with others or on our own, we shall suffer continuing losses, as the process of accommodation continues. Contrary to a newly fashionable view, there is no incompatibility between a strong military posture and idealism. Given all that the Western and democratic world has to protect, only through the security afforded by adequate military strength can we assure reasonably free play to our own aspirations.

Disenchantment with Vietnam has led to the view that errors of policy, presumed to be the result of excessive strength, could be avoided through weakness. Whatever the limitations of a position of strength, however, a position of weakness provides a wholly unsatisfactory substitute. Countless nations in the course of history have learned to their sorrow the consequences of weakness. Lord Acton's dictum that power tends to corrupt has, to be sure, an abiding relevance for the actions of individual men and of institutions. Yet, in the larger context of the affairs of nations, it is readily misapplied, for it neglects an equally important truth. Weakness also corrupts—and can do so fatally.

American ambivalence on the subject of power is long-standing. Power must continually be justified in relation to the specific uses to which it will be put. By contrast, Soviet leaders have consistently valued power in general, aside from specific uses, and have steadily sought an increase in their nation's relative power. In the Soviet Union there is keen appreciation of the relationship between power and influence. It is deeply etched in party doctrine, and is evident in the emphasis on "objective factors." For the Soviet leadership, the accretion of military power is an indispensable element in the success of the Soviet state. It is reflected in the persistent rise in real Soviet military expenditures—at 3 or 4 percent per year. That steady growth has continued in recent years despite the spirit of detente—just as it did in the spirit of Geneva, the spirit of Camp David, the spirit of Glassboro. Nor should it be at all surprising that the actions of the Soviets match their doctrinal views.

CONFRONTATION IN ANOTHER GUISE

In the Soviet view, detente itself is a *consequence* of the growth of Soviet power, which has forced the West to grant concessions. Detente reflects the shift in the "correlation of forces"—the estimate of the objective factors, incorporating political and economic elements in addition to the military balance. Far from sharing the Western view of detente as gradual reconciliation, with hope of ending the possibility of conflict, the Soviets view detente as rich with opportunities for major gains—in short, as confrontation in another guise. There is little here of a live-and-let-live attitude—with principal emphasis on vistas of expanding trade and peaceful exchanges. To the contrary, the Soviets bluntly declare that detente requires an intensification of the ideological struggle.

In bilateral relations with the United States, that struggle, of course, may be covert rather than overt. Elsewhere the ideological contest is intensely pursued—vigorously so in Western Europe, but even more violently in the support for "wars of national liberation" in Southeast Asia, in the Middle East, or in Africa. On Christmas Eve, 1975, an editorial in *Izvestia* succinctly expressed the Soviet view: "Detente does not mean and cannot mean a freezing of the social status quo . . . Support of national liberation movements is one of the most important principles of Soviet foreign policy."

Soviet action in the political realm or in the economic realm (the encouragement of the oil embargo in 1973–74, for example) as well as the persistent expansion of Soviet military power pose a continuing challenge to the West. Yet leadership groups in the West have not fully appreciated the more subtle challenge in the absence of the bombast of the Khrushchev or Stalin periods.

Among our leadership groups, the business community has been particularly utopian regarding the prospects of detente. Historically the business community, focusing on the narrower problems of production and sales, has been inept in politics generally, and insensitive to the clash of social forces—the central feature of interest to Communist party elites. For the Soviets the innocence of Western businessmen (reflected in the gibe attributed to Lenin, that the bourgeoisie would gladly contract to sell the rope with which to hang themselves) remains a byword and a source of steady amusement.

Trade is no panacea for achieving international stability. History is replete with instances of nations going to war with major trade partners—perhaps most prominently Germany and Russia in two world wars. The failure to fatten up the profit-and-loss statement through the sale of technology to the Soviets may be a loss to an individual company; it is not likely to be a loss to the West. The sale of refrigerators, soft drinks, or consumer goods generally will solve no political problems. It is scarcely a substitute for a stable balance in the "correlation of forces."

The gravest problem for the Western world is without question the loss of vision, of moral stamina, of national purpose. It is also important, however, to examine the trend in the physical instruments of power—i.e., the military component of the "correlation of forces." In the United States during the last decade, the defense effort has been cut approximately in half, on a proportional basis. This decline has been reflected in every relevant measure—share of G.N.P., share of government spending, and so forth.

A DRAMATIC REORDERING OF PRIORITIES

The share of public spending that this nation devotes to defense, for example, is at the lowest point since two years before Pearl Harbor. While some profess to believe that the share-of-G.N.P. data convey little in terms of military capability, the sharp relative decline in defense spending in the last decade points to a dramatic reorienting of priorities. It points also to a major reduction in the share of the total labor force devoted to defense activities—a reduction far too severe to be offset by an increase in productivity. These trends are reflected in the data on military manpower, Army divisions, tactical air squadrons, and Navy ships.

Since fiscal year 1968, U.S. military manpower has declined by 1.5 million men. It is now approximately 600,000 men below the pre-Vietnam level. Indeed, it is almost 500,000 men lower than during the Eisenhower years, when the nation possessed overwhelming nuclear strength and declared its reliance upon a military strategy of massive retaliation. Even during the pell-mell demobilization following World War II, and during 1949–50, when Secretary of Defense Louis Johnson was "cutting fat and not muscle" before the Korean war, this nation maintained a higher ratio of its population under arms.

Defense investment, which covers procurement of new equipment, research and development, and construction, is perhaps the most revealing figure. Excluding, as it does, current operations and personnel compensation, it suggests the direction for the defense establishment in the future. In constant dollars, defense investment has shrunk to less than half of the 1968 level and 35 percent below the pre-Vietnam level.

THE CARRIERS NEVER REACHED THE SCENE

The strength of the Navy is perhaps the most dramatic case in point. In the face of a major expansion of Soviet naval forces, which has altered the character of the naval balance, the size of the U.S. fleet has diminished sharply. In fiscal year 1968 the Navy had 976 ships. This fiscal year it will be down to 483 ships. The shrinkage reflects the disappearance from the fleet of vessels constructed during the World War II period, some thirty years ago. It also reflects the postponement of naval construction during the Vietnam war, and the present lack of shipyard capacity. Naval commitments in the Far East and in the Mediterranean have not shrunk commensurately. As a result, the smaller fleet of today is overworked in the attempt to maintain those commitments. The consequence has been a distressing decline of the material readiness of the fleet.

The decay in the condition of the fleet was dramatically underscored during the response to the *Mayaguez* incident. The thirty-one-year-old carrier *Hancock*, which had been operating without one of its four shafts, limped belatedly from Subic Bay toward the Gulf of Thailand at twenty-three knots, but never reached the scene. The helicopter carrier *Okinawa*, with part of its boiler plant off the line, crept along at thirteen or fourteen knots; it also never arrived at the scene. The escort vessel *Holt*, the first ship at the scene, had power-supply problems, and consequently its main battery was down the night before the engagement. Clearly, this nation cannot for long tolerate the present readiness condition of the U.S. Navy, if we are to continue to rely on it for rapid response.

As the American defense establishment's manpower, force structure, resources, and support have dwindled, how has the Soviet Union responded? By steadily expanding its forces both qualitatively and quantitatively. Since 1960, Soviet military manpower has grown from approximately three million men to 4.4 million—more than twice the size of the U.S. military establishment. The Soviets devote at least 15 percent of their national effort to defense activities. This is one area in which they have never skimped. In every category of military hardware except helicopters they are outproducing the United States—dramatically so in the area of ground-forces equipment, in which the ratios run about six to one. Even leaving aside the massive Soviet reserve structure, the Soviet combat ground forces outnumber those of the United States by roughly three and a half to one.

The United States continues to have a significant qualitative edge in tactical air. Yet in recent years the Soviets have begun to deploy newer types of aircraft such as the Flogger, Foxbat, Fencer, and Backfire in substantial numbers. By the end of the decade their tactical-air order of battle will be an impressive one. In fighter aircraft, production rates exceed those for the U.S. Air Force by a factor of four. (The USAF this year procured a total of 181 aircraft of all types: at that rate it would be unable to maintain a modernized fighter inventory.) In addition the Soviets have been upgrading their airlift capabilities as part of a dramatic improvement of their mobility forces, which in the future will be able to intervene well beyond the boundaries of the Soviet Union—in areas such as the Middle East.

Since 1965 the character of the Soviet Navy has been altered in significant ways. Previously it had been designed primarily as a coastal-defense and interdiction force. Now, with the introduction of more capable classes of ships, it has become a formidable blue-water navy challenging that of the United States. Soviet fleets operate increasingly in the Indian Ocean, have begun to edge out the United States in the seas around Japan, and in certain respects have become a match for the U.S. Sixth Fleet in the Mediterranean, formerly an American lake.

TROUBLING BUDGET TRENDS

According to intelligence estimates, the Soviets now outspend the United States in virtually all major categories of defense activity. In the aggregate, the CIA estimates, the Soviets outspend the United States in dollar equivalents by about 45 percent. In this era of conjoined illusion and skepticism, the hope has been expressed that such estimates are on the high side. To the contrary, my own experience in developing these estimates suggests that the procedures employed are highly conservative—and undoubtedly result in understatement of the Soviet effort. For one thing, the Soviet defense ministry receives a lot of external support. Soviet industry bears the cost of the massive reserve establishment. Other ministries absorb much of the costs of health, education, and housing for defense personnel—costs that are internal to the U.S. Department of Defense. Inclusion of such items would appreciably increase the estimate of the Soviet defense effort relative to our own.

Even more significant, however, than the existing discrepancy in expenditures are the relative budget trends. From the American standpoint, these have been highly adverse. While the Soviet Union has been increasing its military expenditures in real terms at 3 percent or more per year, the United States has in recent years been shrinking its expenditures at approximately the same rate. Because the estimate for the Soviet Union is necessarily an approximation, one can question the precision of the figures for any single year. No one, however, can validly challenge the overall trends or their long-term implications. A continuation of such trends over a period of years would leave the United States markedly inferior to the Soviet Union in gross military power.

The United States, of course, is not alone. Its NATO allies maintain forces far more potent than the forces maintained by the Soviet Union's Warsaw Pact allies. In terms of the overall balance, moreover, the estrangement between the Soviet Union and the People's Republic of China has probably been the single most significant strategic development of the last decade. It has meant that the worldwide military balance has not yet been upset. But it has made the Western position dependent upon continuing Soviet-Chinese tensions. At the same time, the apparent American weakness since the fall of Vietnam has made the Chinese increasingly wary of dependence on the United States, for they quite naturally value us only as a *reliable* counterweight. We have lately seen the first tentative signs of a possible Chinese reconciliation with the Soviet Union. The irony is that undue American reliance on the China connection reduces its value to the Chinese and so increases the likelihood of its weakening.

EATING INTO CAPITAL

The shifting of the military balance and the implications of the adverse trends are increasingly clear to other nations, if not to ourselves. The policy inferences should be obvious. There should be no further attrition of the U.S. force structure and readiness posture. We should be prepared to increase the real program value of our defense effort by 2 or 3 percent per year, and to maintain, approximately, the share of national output going to defense. In the longer term, policy should be governed both by future Soviet actions and by the course of Sino-Soviet relations.

Currently the United States operates on a narrower and narrower military margin. With the alteration in the military balance, the latitude for error has dwindled. As the United States devotes less and less to defense relative to the other superpower, there is increased need for accurate information both to assess the nature of the military capabilities arrayed against us and to avoid the misuse of our own resources. It should be obvious that the value of intelligence has increased as our preponderance of power has evaporated. Yet here again we have been inflicting damage on ourselves. We have had revelations not only of questionable activities but also of sources and methods of intelligence collection that it took a great investment of time and cost to acquire. Again we have improvidently been eating into capital.

The ability to use our resources wisely, the ability correctly to assess the threat, in fact, the very ability to monitor arms-control agreements is in process of being compromised. At the very moment when we need accurate intelligence more than ever, we have chosen to indulge in a destructive orgy—endangering our own assets, compromising our relationships, and weakening the entire intelligence effort. It has caused delight and derision among our potential foes, concern among our friends, and wonderment on the part of all.

Intelligence is our nation's first line of defense. It would seem imperative therefore that we start now to rebuild a structurally secure intelligence establishment.

A PREFERENCE FOR BLINDERS

The basic facts regarding the current status and the comparative trends in Soviet and American defenses efforts would seem to be plain enough. Nonetheless, there exists a widespread disposition to bury one's head in the sand, to believe in the continuing preponderance of American power, to assume that, irrespective of our own actions, American military strength will remain "second to none." Why is this?

Undoubtedly, in the existing political climate, many people really do not want to know the facts. Acceptance that the balance is indeed tipping implies difficult decisions. It might require this nation to do something that many would prefer not to do: to maintain or enhance our military posture rather than reduce the defense burden. To review the comparative statistics without blinders runs against the grain of the prevailing compulsion to cut defense spending and to ignore the implications.

Does the tipping of the military balance matter at all? In the age of détente, can we not rely upon Soviet goodwill and forbearance? Such questions provide the ultimate rationalization for allowing the military balance to deteriorate further. The answer relates once again to the inescapable element in the current structure of world power. The United States remains the indispensable counterweight to Soviet military preponderance in the Eastern Hemisphere. Without the strength and support of the United States, no combination of nations can provide the requisite military power to withstand Soviet political and military pressures. Even the nations of Western Europe are but a collection of small and medium-size states that require the help of American power to serve as both the backbone and the adhesive of the Alliance. By themselves they cannot counter the full weight of the Soviet superpower.

But to sustain the margin lands of the Eurasian continent—in Europe, the Middle East, and Northeast Asia—the United States must be able to operate over distances of many thousands of miles and close to the sources of Soviet power. If one views the map from the perspective of a planner in the Kremlin, it will convey how fragile the military balance can become on the margin of the Eurasian continent.

As the military balance tips more directly toward the Soviet Union, its neighbors will increasingly recognize the imbalance of power and some will become more willing to acquiesce in demands or to offer concessions. Deterrence has thus been weakened. The gradual disappearance of American strategic nuclear superiority has already reduced the inhibiting influence on Soviet policy those forces provided. The unavoidable corollary, if an adequate deterrent posture is to be maintained, is increased reliance on the other, nonstrategic components of the force structure—the so-called general-purpose forces, mainly conventional.

Under the circumstances, further weakening of American and allied general-purpose forces relative to those of potential opponents implies acceptance of a rising level of risk. In addition, it also means that we must accept increasing reliance on the threat of early recourse to nuclear weapons in the event of major conventional assault. That is a strategy we should seek to push further away, rather than to embrace. Because of its ostensibly low cost, it is a poor man's strategy, but it might better be characterized as a rash man's strategy. It would certainly require courage, if not rashness, to employ nuclear weapons in response to less than all-out assault.

Moreover, because there will be doubts regarding the will to use such weapons, such a strategy could invite the very types of confrontations that we seek to deter. A potential opponent could reasonably conclude that nations lacking the courage to tax themselves sufficiently to provide the conventional elements of an adequate deterrent posture might well lack the courage to employ weapons inherently so much riskier and more destructive.

A QUESTION OF AMERICAN WILL

Yet beyond these basic issues of force structure and strategy, of military posture and military risks, of the actions necessary over the long run to maintain deterrence and a military balance, lies a question even more fundamental. Our allies and dependents overseas recognize their reliance on the firmness of American policy—and the will of the American public to continue to fulfill our historic responsibilities. The deterioration of the military balance both draws upon and contributes to the loss of will. In that loss of will—with all that it reflects regarding the decline in confidence and moral stamina—lies the not-so-hidden crisis of Western civilization.

Some years ago, in the final words of his memoirs, Arthur Krock confessed to a visceral fear "that the tenure of the United States as the first power in the world may be one of the briefest in history." I trust that this will not be the case. But on the basis of the present evidence, it is not easy to dismiss his apprehension.

In a democracy such as the United States, foreign policy will reflect domestic politics. Our internal preoccupations and our political divisions of recent years have at least suggested a growing infirmity of American policy. For much of mankind the continuation of American firmness remains the decisive question. How America responds to its unenviable historic destiny will determine the shape of the international community in the last quarter of the twentieth century.

Many have pondered the question whether or not a long recessional of American power will succeed the long recessional of British power. They quite rightly fear the consequences, were that indeed to be the case. The continued deterioration of the military balance would ultimately leave the Western world in a position in which its only serious foreign policy course would be retreat or appeasement.

The bicentennial year should not coincide with a further weakening of our acceptance of our responsibilities to the external world and to ourselves. If we seek to preserve a satisfactory condition for the United States in the world, if we seek the survival of freedom elsewhere than in North America, if indeed we value what our civilization represents, American strength remains indispensable. Without enduring American strength, Western civilization will not survive.

MARY GINN WORTHLEY

Mr. MUSKIE. Mr. President, Mary Ginn Worthley, one of the most enthusiastic, dedicated, and energetic people it has been my pleasure to meet, celebrates her birthday this week. She is one of those people who are difficult to describe, because no adjective seems quite enough for her talents, her work or her personality.

Forced to retire in 1945 from her teaching job, for health reasons, Mary began to get involved in humanitarian causes, and while she has always volunteered her help to those who needed it, she is very much a professional. She still serves on a dozen citizen boards, in and out of government, and always serves the cause of people.

I believe her first governmental job was a mental health study commission she chaired at my request during my years as Governor of Maine. The time, energy, and persuasive power she brought to that job were of incalculable value to the people of Maine. And she has continued to contribute—freely, effectively, and just as actively as when she began her humanitarian career.

The February 1976 issue of Yankee magazine published an article on Mary by Elizabeth Starratt, and as usual, Mary summed up herself better than anyone else could. "I was given 1 year to live at 45," she said, "but I am still creaking along. I have things to do."

Mr. President, I ask unanimous consent that the article on Mary Ginn Worthley from the February 1976 issue of Yankee, be reprinted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Yankee magazine, February 1976]

HOW THE LADY FIGHTS

(By Elizabeth Starratt)

"I've found that where I like to be is out on the cutting edge, where new ideas and thoughts are forming. I'm one that likes to plow the ground. I like it when the going is hard. When anything really gets started, and other people can take it on, I want to get into something else."

This is Mary Ginn Worthley speaking. The first woman ever to present a major bill before the Maine Legislature, she succeeded in getting a bill passed in every session of the Legislature from 1947 through 1972. When both chambers of the Maine Legislature proclaimed May 7, 1975, "Mary Ginn Worthley Day," they gave recognition and a standing ovation to a courageous woman who belongs to a vanishing breed—the humanitarian volunteer.

"On the retired teachers' death certificates—I went through hundreds of them—was written 'Death by Malnutrition.' "

For 30 years she has struggled to better conditions in Maine, and many have benefited from her concern: retired schoolteachers, the mentally ill, the elderly, women alcoholics, and schoolchildren.

Born in 1902, Mary became a school teacher, upon her graduation from Bates College, but in 1945 she suffered "one or two slight heart attacks" and was forced to retire. The doctors gave her a year to live.

Mary took up year-round residence in North Berwick, Maine, with her father, a Congregational minister. They had many friends, and the house was always filled with people.

"I can remember so often in summers, there'd be one big group on the front porch, another on the back porch, another inside in the front room, and perhaps another in the kitchen, and each one would think I was with the other, so I could scoot upstairs to rest a little! But we never sat down to a meal alone, always people coming and going, and I loved that kind of life, but I wasn't able to keep up with it.

Mary's father died after a long illness, and her health deteriorated further. At this point, Amelia Shapleigh, a friend some 30 years Mary's senior, invited Mary to come and live with her in West Lebanon.

"All this seemed at the time a deprivation: I lost my health, and, to take care of my father, I'd used up everything I had. I had been going to the principal of a big high school in Washington—and that might seem a deprivation. Well, life works in very mysterious ways, because I've got involved in humanitarian work and a completely new career here, and I wouldn't change it for anything. It's been a wonderful, wonderful life.

"I'm a great believer that faith works things out, because I've had it work so in my own life. The mainspring of my life has been faith—I was brought up in it, and it's natural to me. Life brings you a lot of hard things, but adversity is the best teacher there is. People who have lived to be 50 and haven't lived through any really hard things seem a little shallow. They're not the people that you would go to if you were in any difficulty. Too many people surround themselves with people of their own kind, of their own social and economic level: they don't learn. You do better if you involve yourself in something that is really life-engaging, but many people are satisfied to pass out little cups of cold water."

Miss Shapleigh shared her home and her work for the WCTU with Mary until her death eight years later. Through her work, Mary gained confidence in her ability to persuade others and to organize for political action. She wrote many pieces on the danger of alcohol for schoolchildren.

In the early 1950s, retired teachers in Maine were receiving as little as $67.50 a month in pension, and they asked Mary to try to get their pensions raised.

"I worked like a dog! I found they were starving to death behind their lace curtains. On their death certificates—I went through hundreds of them—was written 'Death by malnutrition.' They starved to death. I went through the records of every single one and took out all the information that was needed, and from that I made a report.

"And it's the first time that a woman had ever gone down to the Legislature and taken a major bill. Women had spoken, but it was the first time a woman in government had fought for a major bill. Well, some of those old ones didn't like it! 'We don't like pushy women,' they told me. But I put on an elegant, stage-managed campaign. Frankly, I was scared to death of my capacity to approach them!"

So Mary organized a large group of retired teachers and instructed them in the fine art of political reform.

"Write buckets of letters! Write to your own Legislators. Write to any student you ever had who is in the Legislature. So I got them drilled, and had big meetings, and it was a going thing. Then I got out a paper called the 'Clarion' to the teachers once a month—wrote it all myself, addressed the 2,500 envelopes. I struggled to get that bill through!"

A reporter for the Portland Press Herald recalled Mary's campaign in an article in May 1972: "She would tell teachers who were to testify at hearings, 'Don't wear your good things. If you've got an eight-year-old coat, wear it!' And they did."

Despite Mary's efforts, things did not look promising for her bill.

"There was one legislator who was much opposed to this, and he tried to get out another bill which would limit it to just a very few teachers. (Ours was going to cost $300,000.) And I was sitting there, looking very glum, when one of the liquor lobbyists approached me. I'd fought liquor like grim death, but I'd always got along with the men who lobbied for it very well, and he said, 'Well, how's your bill coming for old teachers?' And I said, 'Not well at all. They're trying to kill it, they're just trying to kill it.' He said, 'I will speak to a few.'

"So, when that bill went before the House, each of the liquor boys got up and said how he loved his dear old teachers, and how glad he was to see them! Of course, I had a lot of other support besides that, but really, it gave a big boost, and it went right through! I didn't get $300 for them the first time—I got $250—but, in five different sessions of the Legislature, I increased the teachers' pensions."

Her fight for the teachers didn't end there, however. It became apparent to Mary that the teachers would be better off if they were included with the State employees.

"So I took down the record of every state employee, and added them all up. I did tremendous amounts of work. I made graphs showing that state employees had always been favored over retired teachers in retirement policies and pensions. Then I said I wanted to go before the Retirement Board. The Board was all state employees at that time and had just one school superintendent on it. And so I asked the Governor, who was Reed at the time, to come, because I knew they'd take me apart at the seams. I was scared to death.

"I presented all these graphs, and they got madder and madder. And then the Governor said, 'Mary, you have presented a wonderful program. We are proud of you. I want a copy of this. I'm going to use it.' And no more was said! It all sailed right through!"

Mary noted with a mischievous grin that

she was denied access to State records after that episode.

Impressed by her efforts on behalf of the retired teachers, the Governor approached her to serve on a committee to study mental health conditions.

"I picked up the paper one night and saw that I was the Chairman of that Committee! So, I got right into my automobile and I went right down to see the Governor, who was then Muskie, and said, 'I don't know anything about mental health. I only know what the average person knows. I'm not a mental health expert! On this committee there are professors and psychologists.' And Muskie said, 'Mary, I've watched you work like a horse: you go right home and get to work. You're the one I want.' "

She went home and got to work, reading and studying the subject of mental health, comparing mental health institutions and systems in other states, and marshalling support from citizens all over the state.

"I went through the state like a whirlwind. I made 250 speeches over the state, trying chiefly to change the image of the mentally ill. That they were sad, sick people who needed love and understanding was the basis of what I said."

Her committee spent long hours preparing the bill for the Legislature, calling for the statewide establishment of the community mental health centers we now have. Mary remained active on the Committee until 1970.

In the 1960s, the minister of her Congregational Church in Sanford became ill. For six months during his illness Mary served as minister at the church and was commissioned a lay minister.

In addition to filling in at various churches, her ecumenical approach to religion allows her to preach two or three Sundays a month in a tiny Quaker church in Gonic, New Hampshire ("Eighteen souls when they're all there.") Sometimes her health or other commitments prevent her from preaching in Gonic, but she has preached an average of 30 Sundays a year for the past ten years.

"I feel more at home in the pulpit than any other place. I love it. I was born and brought up in it, and it's been the backbone of my life, although I do shake them up now and then!

". . . In *Les Miserables* there's something I've never forgotten: 'Life is to give and not to take.' If you have that kind of belief that's a model that people will carry with them. We *lack* those models, and life is impoverished because of it."

Mary served as Chairman of the Governor's Advisory Committee on Welfare, and worked to get pauper laws abolished. In the course of her work for this committee, it was decided that the members should fly to Vermont to consult with a group there. She recalls the trip from the little Sanford airport with much amusement:

"It was January 2nd or 3rd, and the Governor was lending us his little plane. Well, it was a ghastly day, very icy. When I got on, the other four were already inside, and they said, 'We've been waiting for you to speak to the Lord, to make sure we get there safely!' "

She serves "on some eleven or twelve boards now," including Crossroads and the Milestones Foundation, both treatment centers for alcoholics; on the Southern Maine Comprehensive Association, Area 5 Board; on Homemakers; the Pine Tree Legal Association; and Literacy Volunteers. She's also on the Consumer's Council for Blue Cross-Blue Shield, on the Governor's Advisory Committee for Rehabilitation Services, and is a Trustee of the library in her hometown.

She describes herself as a liberal with one foot firmly on the ground.

"I've worked with the Civic League—most of the Board are Fundamentalist ministers. I'm the only one they regard as a liberal. 'Liberal' is a bad word to them. I try to show them that somebody can be a liberal and still be a human being, and try to keep them from going quite as far as they might do otherwise."

Although her health has forced her to give up some activities, her determination remains strong.

"My greatest fear, really, is of not using the rest of my life well. The thing I want to do the most is to be able to use what I have learned to help others . . . I'm not afraid of dying.

"Now I want to do something about nursing homes, rural crime, and education, and, if I were five years younger, I would just sweep through the state like a flame! I would make up a group of people who care, and, if you get enough citizens to bear down, that's the only way. It's never going to be done by the bureaucracy.

"I sometimes think that if it's to be done, and nobody else comes up with it, I'll be given the strength to do it. I have the faith that I'll have the strength. And I get it. So you may hear me sweeping through! I was given one year to live at 45, but I'm still creaking along. I have things to do."

THE OLYMPIC GAMES AND RADIO FREE EUROPE

Mr. JACKSON. Mr. President, like all Americans, I was proud of the splendid performance of our athletes at the Olympic Winter Games. It is unfortunate indeed that the competition was marred by the attempt of some of the participating governments to use the games for political propaganda. More distressing still was the willingness of the International Olympic Committee to knuckle under to these political pressures by excluding the correspondents from Radio Free Europe who had come to Innsbruck to cover the competition. I ask unanimous consent that the telegram sent by Mr. David Abshire, chairman of the U.S. Board for International Broadcasting, to the International Olympic Committee be printed in the RECORD. I think that Mr. Abshire sums up the views of those of us who hope for a genuine détente based on a freer movement of people and ideas.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

FEBRUARY 10, 1976.

Telegram to:
Lord Killanin, President, International Olympic Committee
Willy Daumer, First Vice President, International Olympic Committee
Juan Antonio Samaranch, Second Vice President, International Olympic Committee
Major Silvio de Magalhaes Padilla, Third Vice President, International Olympic Committee
Mohammed Mzalli, International Olympic Committee
James Worrall, International Olympic Committee
Masaji Kiyokawa, International Olympic Committee
Julian K. Roosevelt, United States Member, International Olympic Committee
Philip Crum, President, U.S. Olympic Committee
Don Miller, Executive Director, U.S. Olympic Committee
Innsbruck, Austria.

As Chairman of the United States Board for International Broadcasting, I protest most energetically the withdrawal of Olympic press accreditations from the Radio Free Europe news team and urge you to take speedy action to restore these credentials.

Our Board, appointed by the President of the United States and confirmed by the United States Senate, was created in 1973 by law to grant Federal funds to Radio Free Europe and oversee its broadcast activities, after a finding by the Congress of the United States that Radio Free Europe and Radio Liberty further the open communication of information and ideas, thereby contributing to international peace and stability. Our Board continuously, and the Congress in annual authorization and appropriations hearings, have reviewed the activities of Radio Free Europe and found it a professional news and information service of the highest integrity.

Less than a year ago, the Congress of the United States after extensive hearings passed the authorization and appropriation legislation for our board and the radios without a single recorded dissent. The appropriation constituted a 30 percent increase, reflecting the conviction of a broad coalition of liberals and conservatives in both houses of Congress that the news, information and ideas broadcast by Radio Free Europe and Radio Liberty contribute effectively to détente and international understanding among peoples.

Radio Free Europe sports reporters have been covering Olympic Games since 1952, and the International Olympic Committee decisively rejected Soviet challeges to RFE credentials at Mexico City in 1968 and Munich in 1972. RFE broadcasts of those Olympics were thoroughly professional and non-political, as were the broadcasts of the world football cup in Munich in 1974 and numerous other international sports events to which RFE has been accredited.

In our view, the challenge by the Soviet Union and other Warsaw Pact representatives to RFE credentials at Innsbruck is in direct violation of the final act of the conference on security and cooperation in Europe, which pledges the signatories to "favor cooperation among public or private, national or international radio and TV organizations" and in which the signatories "note the expansion in the dissemination of information broadcast by radio, and express the hope for the continuation of this process."

As you know, the Austrian organizing committee has repeatedly stated its view that RFE reporters were duly accredited, as specified in the IOC bylaws, and the United States delegation has expressed its willingness to endorse RFE-accreditations under its national quota. In view of these facts, we strongly urge you and your fellow members of the International Olympic Committee to restore RFE credentials to the Innsbruck Olympics and to insure that no similar controversy, fomented by a small group of states for political reasons, is permitted to mar the summer Olympics at Montreal and hinder the free flow of information.

With deepest respect,

DAVID M. ABSHIRE,
Chairman, United States Board for International Broadcasting.

JEFF PETERSON

Mr. LONG. Mr. President, it has been my privilege to know and work with Jeff Peterson, administrative assistant and formerly legislative assistant to Senator ABE RIBICOFF. Jeff is resigning as of March 1 to return to his native Connecticut to run for Congress. I hope he makes it.

Over the last 5 years Jeff has been a close friend and a valued adviser not only to Senator Ribicoff but to me, other members of the Senate Finance Committee and my staff and the committee staff.

The Finance Committee faces a wide variety of issues, most of them extremely complicated. We must deal with taxation, health, social security, medicare, welfare, unemployment among other issues. Jeff Peterson has been deeply involved in all of these areas and knows them well. I have a deep respect not only for his knowledge of complicated legislation but for his ability to work with others of varying different views to shape legislation which is workable and reasonable.

Senator Ribicoff and I have worked closely in developing a national health insurance bill—the Long-Ribicoff bill—which is a workable approach to meeting our most pressing health needs. Jeff played a major role in helping Senator Ribicoff and me shape this legislation. I know Jeff has been an articulate spokesman for this legislation.

When legislation to improve and extend our unemployment compensation program for the long-term unemployed was needed, Jeff worked closely with the committee and other staff in forging a bill which would begin to meet the needs of the unemployed and which would be acceptable to a majority of the Senate.

No discussion of Jeff's work on Finance Committee would be complete without reference to H.R. 1, a monumental welfare—social security—medicare bill in 1971–72 which ran thousands of pages and contained some of the most far-reaching changes in social legislation in many years. Jeff knew the bill in detail and Senator Ribicoff had numerous proposals to improve or modify the bill, many of which were adopted as amendments to our medicare and social security laws. Jeff helped develop these proposals.

On welfare reform, however, Senator Ribicoff and I differed in our approaches to this complex problem. Senator Ribicoff had developed his own proposal and Mr. Peterson worked long and hard on this issue, developing a fine and well-respected reputation in the field. As the bill progressed through the Senate Mr. Peterson worked late into the night as the Senate debated the merits of the legislation. He provided valuable assistance for those in the Senate who believed in the Ribicoff approach to welfare reform.

Jeff wants to run for Congress and I wish him well. I know he would have made a fine addition to the Senate Finance Committee staff, and he has had a standing offer to join our staff for years. But his heart is in Connecticut where he has spent his entire life. He will be missed. I hope that I will have an opportunity to work with him when he is elected to the House.

I ask unanimous consent that an article about Jeff Peterson from the Westport News be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Westport (Conn.) News, Dec. 3, 1975]

Geoffrey Peterson Just Might End That Old Joke: "The Westport Candidate" for Congress

(By Douglas Shrader)

"Who's the Westport Candidate this time?"

"Don't know yet, but you can bet there will be one."

It's about time for that little exchange to be heard around Fairfield County. It has become an established in-joke in Democratic Party circles, a none-too-kind jab at a local political phenomenon which repeats itself with a remarkable regularity.

Roughly translated, the question says: "Every two years, sure as swallows, someone from Westport with little or no experience in government or politics announces himself as the Democratic candidate for Congress from Connecticut's fourth congressional district."

This announcement, usually made at a press conference in Stamford, is followed by a flurry of political activity, largely confined to Westport, right up to the nominating convention. At the convention one of the big city types gets the nomination on the first ballot, and the Westport Candidate goes back to wherever Westport Candidates come from in the first place.

In the recent past Westport has produced the congressional candidacies to Kiermaier, Cohen, Dunham and Dugan, all fine gentlemen, to be sure, but never closer to the Congress of the United States than the best of visitors' passes would permit. So they became the stuff on which the legend of the Westport Candidate is made.

Now with the nominating convention less than nine months away, it's about time for Fairfield County Democrats to bounce the old question around again, giving Westport the needle whenever possible. "Who's the Westport Candidate this time?"

However, the odds on a somewhat different form of answer for 1976 are very good. Chances are you'll hear Westport Democrats begin to respond, "Well, there is a candidate, and he is from Westport, but he's not the Westport Candidate, if you know what I mean. I mean, he's for real."

Geoffrey Peterson, 7 Scot-Alan Lane, Westport, Connecticut, is sure enough for real. And if qualifications for public office still mean anything in the world of politics these days, the Democratic Party in this area is about to surface a candidate for Congress of unaccustomed caliber.

Geoff is currently the top man on Senator Abraham Ribicoff's office staff in Washington, the Administrative Assistant. He got there by working his way up through the ranks of researchers and legislative assistants, and along the way has apparently mastered that mysterious art of congressional workings. Indeed, last summer there was debate on the floor of the United States Senate among Senators Humphrey, Ribicoff and Long as to where Geoff's talents might best be employed. Senator Long concluded his remarks by informing Senator Ribicoff, "Any time the Senator decides he no longer needs Mr. Peterson, we will be delighted to have him on the Finance Committee staff." Senator Ribicoff kept Mr. Peterson.

Similar kudos are recorded by Congressman Dodd regarding a Peterson speech on energy tax legislation. A letter of thanks for Geoff's work on the Emergency Jobs and Unemployment Assistance Act is signed simply, "Jerry Ford."

In addition to these qualifications of substance, Geoff Peterson seems to have all those little non-essential qualities all politicians covet. His background includes Staples High School for hometown boy local color; Choate and Harvard for those who remember Camelot; Georgetown University Law Center for training in government image; election to the Law Journal for proof of smarts.

Geoff Peterson is also handsome, especially if your tastes run to middle linebackers. His new bride, Lynn (real insiders sometimes call her Corey), besides being a strikingly beautiful woman, exemplifies the modern perfect candidate's wife. That is to say, she has the charm, grace and intelligence to be a most attractive candidate herself.

Geoff Peterson is certainly no Westport Candidate. On the contrary, he appears ready right now to join Reps. Moffett and Dodd in the Connecticut congressional delegation youth movement.

But is Geoffrey Peterson a candidate for Congress? Oh is he ever a candidate for Congress! During the last couple of months if there has been a gathering of as many as three Democrats in Fairfield County, Geoff Peterson was likely one of them.

Now is the time for some very critical flesh pressing, wooing the delegates before they even become delegates, doing some favors, being nice. Geoff Peterson is hard at it, this pre-campaign campaigning, and while he may not have yet achieved the level of political skill enjoyed by his present boss (no one else has either), his presence is being felt, he's becoming known.

True, there has been no official announcement as yet. Look for that around March 1, and look for it in Westport, not Stamford or Bridgeport.

Thereafter, Westport's Geoffrey Peterson can look for a first ballot nomination next August. And after that Westport's Geoffrey Peterson can look out for someone named Stewart McKinney next November.

THE UNITED STATES/SOVIET MILITARY BALANCE

Mr. CULVER. Mr. President, the immense cost of U.S. defense spending and the high stakes involved in our national security policy make it imperative that accurate, detailed information be available for the national defense debate. As one of the steps toward a more informed debate the Library of Congress has prepared, at my request, a study of "The United States-Soviet Military Balance." The Armed Services Committee on February 11 released the report as a committee print.

The report does not propose increases or decreases in defense spending. But it does state that "bolstering budgets is the last, not the first, report."

Prepared by John M. Collins, the Library's Senior Specialist in national defense, the report focuses on the question "How much is enough?" Instead of measuring "enough" in terms of superiority or parity, the report relies on "sufficiency," a standard which "concentrates on what this country can do despite Soviet opposition, not on what each side has."

The report notes that the military balance is only part of the larger "strategic balance," which compares national strength in economic, political and social terms as well as military terms. If the defense debate is to be as well informed as possible it must properly address all the forces that constitute national power.

This report, which concludes with 45 multipart questions for Congress, should contribute to such an expansion of the defense debate. It is available to the public, for $1.45, from the Government Printing Office.

WORKPLACE NOISE AFFECTS HEALTH OF MILLIONS OF AMERICAN WORKERS

Mr. MONDALE. Mr. President, one of the most formidable environmental issues of our times is today resting on the desk of the Secretary of Labor. It involves an acceptable occupational noise level which must be set for the 60 million American working men and women who are presently covered by the Occupational Safety and Health Act of 1970.

Last summer, virtually unnoticed by the media, for 22 days some of the leading experts on noise in the United States and from the world presented arguments pro and con over the disputed facts in this controversial public health question.

The hearing was prompted by the Environmental Protection Agency. Under the Noise Control Act, the EPA has the obligation to question the soundness of a particular noise standard, even though the final authority to set that standard in this case rests with the Secretary of Labor.

EPA has summarized the contending issues and sifted out the testimony which ran to 4,000 pages of written transcript. While EPA's position runs contrary to the present Labor Department proposal for a 90-decibel noise level for 8 hours, the massive job of summary is in the best tradition of diligent public service, and deserves more attention than it might otherwise get. The Labor Department's final decision on occupational noise will certainly be influenced by EPA's marshaling of facts.

It should be understood that occupational noise occurs in more concentrated amounts than does community noise—and workplace noise is more difficult to escape from. Yet far greater attention has been given to reduction of community noise levels, as important as that is.

Much of the occupational noise controversy has centered on how much it would cost if noise levels were to be reduced. There are a variety of estimates which have been made by the many contenders in this public debate. What is needed, in my judgment, is a national commitment to lower noise levels at the workplace. Surely the improved mental health, improved productivity, and lessening of worker injury compensation claims would be a net gain for the entire Nation.

All of these considerations have been dealt with in EPA's post-hearing comments "In the Matter of the Public Hearings on the Proposed Exposure Standard for Occupational Noise."

There is no other occupational health standard which will apply to more working Americans nor any other occupational health controversy which has yielded so much testimony. Because of the far-reaching implications of the decision which the Secretary of Labor must ultimately make, I ask unanimous consent that the full text of the EPA comments, with accompanying footnotes and their reference to the hearing transcript, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Before the Occupational Safety and Health Administration, U.S. Department of Labor, Post-hearing comments, Docket No. OSH–11]

(In the matter of the public hearings on the proposed exposure standard for occupational noise)

U.S. ENVIRONMENTAL PROTECTION AGENCY

The United States Environmental Protection Agency (EPA) submits these comments pursuant to the ruling of Judge Milton Kramer of July 30, 1975, authorizing participants in the hearings on the proposed exposure standard for occupational noise to submit post-hearing comments for a period of 45 days following the close of the hearings.[1] EPA maintains a great interest in this proceeding because of our common interest in reducing the hazard of noise exposure and because of EPA's responsibility to review the proposed regulations of Federal agencies respecting noise to determine whether they protect the public health and welfare to the extent required and feasible.[2] After determining that OSHA's proposed standard did not so protect the public health and welfare, and requesting OSHA to report on the advisability of revising the proposal,[3] EPA participated extensively in the hearings held by OSHA from June 23 to July 30, 1975.

These hearings, which extended over twenty-two days of testimony and cross-examination, were attended by some of the most eminent people in the fields associated with noise and noise control. Facts and opinions presented by experts and interested parties take up almost 4,000 pages of written transcript. Together with the written submissions to the docket, these hearings have produced an impressive source of information. OSHA's task, to arrive at a decision "supported by substantial evidence in the record, considered a whole," [4] is a formidable one where, as here, the record contains fact embellished by opinions, medical judgment tempered by economic considerations—a cross-fertilization of dozens of complicated issues.

The purpose of these comments is to serve as an aid to OSHA in sorting out fact from opinion and in separating out the essential issues into their simplest components. EPA does not by any means believe that any one body of evidence on any point is self-sufficient, or that any of the issues are simple. However, when the relevant issues are carefully unraveled, certain compelling conclusions become apparent from this body of evidence. These comments will illuminate these conclusions.

I. THE PROPOSED CRITERION DOES NOT ADEQUATELY ASSURE THAT NO EMPLOYEE WILL SUFFER MATERIAL IMPAIRMENT OF HIS HEALTH OR FUNCTIONAL CAPACITY OVER HIS WORKING LIFE

The Occupational Safety and Health Act requires that this standard shall be the standard which most adequately assures, to the extent feasible, on the basis of the best available evidence, that no employee will suffer material impairment of health or functional capacity even if such employee has regular exposure to the hazard dealt with by such standard for the period of his working life.[5]

Leaving aside questions of feasibility for the moment, can it be said that the proposed standard of 90dBA is the standard which most adequately assures that *no* employee will suffer *material impairment* to his health or functional capacity over his working lifetime? If OSHA has any intention of supporting a 90dBA standard on a health basis, it must be able to answer that question yes.

The most resounding message of the hearings is that on a safety and health basis alone, a standard of 90dBA 8-hour time weighted average and a 5dBA doubling factor cannot be supported. OSHA has taken the position that (1) the standard would not be lowered from 90dB until further data demonstrated the need, and (2) that 90dBA is sufficiently protective in the meantime.[6] EPA believes that the data are adequate to make an informed decision now, and that OSHA's comparative analysis relating to levels of 85dBA and 90dBA is not a sufficient basis on which to assess what safety and health require. The only way this can be done is to define "material impairment" and to determine, apart from considerations of feasibility, what level must be achieved in order to most adequately assure that no employee will suffer material impairment if exposed for the period of his working lifetime. The Court of Appeals for the District of Columbia circuit has held that "protection of the health of employees is the overriding concern of OSHA." [7] In the absence of a clear statement of the level requisite to prevent material impairment, it is impossible to assess the extent to which OSHA's standard trades off protection of the health of employees for feasibility considerations.

A. Sufficient data are available to support a reasoned judgment.

A recurring theme of the hearings was that there are not sufficient data available on which to base judgments about noise exposure levels necessary to prevent hearing loss.[8] A substantial number of experts in the field testified that the data are adequate,[9] and a study of the record confirms their assessment.

There was discussion of one relatively recent study appearing in the Journal of Occupational Medicine, which delineates the amounts of hearing loss resulting from exposures of 85 to 90dBA, and the associated risk of crossing a 25dB "fence" at the mid frequencies. No substantive criticisms of this study were raised.

Three major bodies of data, those of Baughn, Paschier-Vermeer, and Burns and Robinson [10] were discussed at length at the hearings. The criticisms directed toward Baughn's data were satisfactorily explained and resolved by Dr. Kryter [11] and Dr. Ashford.[12] While Paschier-Vermeer's data received relatively little attention, Dr. Burns testified as to its evidentiary value.[13]

Some minor aspects of Burns' and Robinson's procedures were questioned, but the data remained well respected throughout the hearing.

Dr. Burns questioned the ethics of putting off setting a standard in the face of such a body of information,[14] suggesting that there is a limit to the amount of hearing loss that we ought to inflict on human subjects in the name of data gathering. EPA observes that once the standard is put into effect, there can be no meaningful data gathering, because the regulation provides that any individual whose audiogram shows significant threshold shift will be required to wear hearing protection.[15] Thus, all future occupational noise induced hearing loss will be favorably affected by hearing protection.

It is essential now to get on with the business of identifying the health and safety goal on the basis of the adequate data available, and spend our efforts on determining how well we can approach that goal.

B. OSHA's analysis has not shown that 90dBA can be supported on a health and safety basis

OSHA has chosen to restrict its reasoning to a comparative analysis between 90dBA and EPA's suggested compromise of 85dBA. As a result, much of the debate at the hearings focused on the relative benefits of these two levels. Even on this basis, the 90dBA

Footnotes at end of article.

criterion cannot stand up. Expert witnesses testifying for labor unions,[16] government,[17] and on their own behalf,[18] testified repeatedly that 90dBA was nto adequately protective of the health and safety of workers. Several witnesses who testified for industry admitted that 85dBA is a more protective time-weighted expsoure criterion than is 90dBA.[19] EPA has pointed out emphatically that the actual noise-induced threshold shift from exposure to 90dBA is approximately twice as great as from exposure to 85dBA.[20] This generalization appears to hold true for the various audiometric frequencies, for the median as well as the 90th percentile, and for relatively short (10 years) as well as long durations (40 years).[21] Doctors Moller [22] and Ashford [23] also brought out the fact that the risk of exceeding a 25dB "fence" at 500, 1,000 and 2,000 Hz is twice as great at 90dBA as it is at 85dBA. In fact, Dr. Ashford showed that the risk is doubled regardless of whether the fence is at 15dB, 20dB. 25dB or 50dB, and even when 3,000 Hz is substituted for 500 Hz.[24] OSHA's own medical witness, Dr. Glorig, acknowledged that he had stated in the past, on the basis of the best currently available data, that the risk at 90dBA was approximtely twice the risk at 85dBA.[25]

Thus, the record shows that if the issue is whether 85dBA or 90dBA is a safer level, 90dBA must fall. EPA insists, however, that this kind of analysis is not meaningful. The only reason these levels are discussed and compared is because questions of feasibility have infiltrated the health issue.

C. OSHA's definition of material impairment is not sufficiently protective

The record is replete with indications that noise may impair a person's health or functional capacity in many different ways. The best documented of such effects is hearing loss, and OSHA has chosen to assess material impairment in terms of hearing impairment.

OSHA's definition of hearing impairment, however, came into serious question at the hearings. Industry commentators appeared to support OSHA's definition of 25dBA or more loss averaged over the frequencies 500, 1,000 and 2,000 Hz.[26] The labor unions, on the other hand, expressed the fear that this criterion is too liberal, and permits too much hearing loss.[27]

The preponderance of expert testimony on the issue of how to define material impairment favored a definition which would allow less hearing loss. OSHA had adopted a definition of hearing handicap developed by the American Academy of Ophthalmology and Otolaryngology (AAOO) developed in 1959. However, the eminent scholars and physicians testifying at these hearings criticized the use of that definition for this purpose. Most often cited was the conclusion that the use of the frequencies 500, 1,000 and 2,000 Hz ignores the important frequencies of 3,000 and 4,000, which are more sensitive to noise and thus more indicative of early hearing loss, and which are also important in the understanding of spoken English.[28] Another criticism was that 25dB allows too great a hearing loss at those frequencies used, because people experience speech difficulty at lower average hearing loss levels.[29] Others criticized the averaging concept on the grounds that some individuals could suffer great losses at, e.g. 2,000 Hz, but such losses would be averaged out by small losses at the other two frequencies.[30]

In order to understand why a definition developed by such an august body was so severely criticized as OSHA had applied it, it is necessary to examine what AAOO had in mind in arriving at its definition. The original purpose for which AAOO derived this definition was to establish a level at which workmen's compensation payments could be claimed.[31] The level to which it relates, for this purpose, is the beginning of handicap.[32] Handicap was defined by AAOO as "the disadvantage imposed by an impairment sufficient to affect one's personal efficiency in the activities of daily living." [33] Impairment, on the other hand, is defined by AAOO as "a deviation or a change for the worse in either structure or function, usually outside the range of normal." [34] Thus, AAOO would distinguish between handicap, which begins at 25dB loss at 500, 1,000 and 2,000 Hz according to their definition, and impairment, which begins at a much lower level, any deviation from normal. OSHA's problem is to identify an impairment that can be considered material. The weight of the testimony says that OSHA is not justified in going all the way to handicap in order to find impairment "material." [35] One witness, testifying on his own behalf in writing, stated that his hearing loss is approximately the same as that allowed under the AAOO criterion, and it results in a handicap severe enough that he must wear a hearing aid.[36] The Occupational Safety and Health Act would be irreparably abused if employees exposed to levels at or slightly above OSHA's standard had to wear hearing aids upon retirement.

Even if it were appropriate to use the AAOO criterion for preventive purposes, there were indications in the record that it may be subject to question. Dr. Kryter suggested that when AAOO's definition was developed sixteen years ago, there were not sufficient data available on the true nature of the relation between pure tone hearing levels and everyday speech communications.[37] In the absence of such data, the criterion was based at least in part on the subjective opinions of individuals as to their hearing ability,[38] which has limitations as a means of analysis.[39]

Consequently, many groups are reviewing their workmen's compensation definitions. The Federal Bureau of Employee Compensation uses 25dB loss at 1,000, 2,000 and 3,000 Hz.[40] This is in accord with the recommendation of NIOSH.[41] Several States now use higher frequencies for workmen's compensation handicap definitions, including Kansas, California, and New Jersey.[42] The draft British standard uses 1,000, 2,000 and 3,000 Hz.[43] Even AAOO is reviewing the possibility of revising its definition to include 3,000 Hz.[44]

In the face of all of this testimony, OSHA cannot insist on staying by an old definition of hearing handicap to serve as a criterion for developing a standard to prevent material impairment. A criterion which represents less of a loss in ability to function successfully must be found. EPA recognizes that, because of the nature of noise induced hearing loss, tradeoffs may be made between hearing level ceiling and frequencies. In other words, a hearing loss criterion of 25dB at 4,000 Hz is more protective than 25dB at 2,000 Hz, just as a 10dB criterion at 3,000 Hz is more protective than 20dB at 3,000. Thus, EPA believes good occupational health practice would permit a criterion of 25dB for material impairment if the appropriate frequencies were used.

EPA believes, as we stated in our comments on OSHA's draft EIS, that a necessary frequency to add to the criterion is 4,000 Hz. This frequency is the earliest and most severely affected by noise induced permanent threshold shift.[45] Moreover, failure to include frequencies above 2,000 Hz ignores the vital contribution of those frequencies to the understanding of spoken English.[46] This is particularly true under lifelike conditions as opposed to the quiet conditions of soundproofed rooms, upon which the 500, 1,000, 2,000 Hz guideline is based. For purposes of preventing impairment of ability to function in real life, we must look at these frequencies, because, as NIOSH has shown, estimates of the amount of time that speech is distorted range from a conservative figure of 50 percent up to about 100 percent.[47] A study by Kryter, Williams and Green shows that averaging measured losses at the frequencies 1,000, 2,000 and 4,000 Hz produced the closest agreement between hearing loss and discrimination scores for difficult listening conditions.[48] For these reasons, EPA recommends that OSHA define material impairment as an average 25dB loss over the three frequencies 1,000, 2,000 and 4,000.

Lest OSHA be tempted to say that this is "too conservative," and play back the position expressed by at least one witness that no adequate cause has been shown for conservatism,[49] EPA directs attention at another aspect of the record, that relating to non-auditory health effects. Like OSHA, EPA is unable to suggest a way of working these effects into a definition of material impairment because the data as to them are still developing and cannot yet be tied down to connect identifiable effects with identifiable noise levels. Nonetheless, the fact that noise does have such effects exists, and should give OSHA cause for acting cautiously.

Several witnesses, for example, pointed to indications that noise can lead to greater incidence of cardiovascular disease.[50] Elevated blood pressure has been observed as a result of noise.[51] There are indications that noise affects blood cortisol levels,[52] which recent studies have shown can lead to reduction in the ability of the liver to detoxify carcinogenic substances.[53] NIOSH studies have shown a relationship between noise and the visual sense,[54] and they are investigating other sensory effects. Throat problems, due to the need to shout in a high-noise environment, have been indicated.[55] Also discussed at length in the hearings were the better known effects of headaches, fatigue, insomnia and anxiety which noise produces.[56]

How to relate all this evidence to standard setting is a matter for OSHA's judgment. Dr. Aage Moller, Swedish physician and professor of physiological acoustics, testified that effects on the sympathetic nervous system can begin at 60 decibels.[57] Thus, when decisions are being made between levels as high as 80, 85 or 90dBA, OSHA must look very carefully at the evidence of non-auditory health effects.[58]

This is not the first time OSHA has been in the position of making decisions on the basis of information that is still developing. In both the Asbestos and Vinyl Chloride standard setting proceedings, OSHA faced similar problems, and was not deterred. The Courts upheld their decisions. In *Society of the Plastics Industry, Inc.* v. *OSHA*, the Court of Appeals held as follows:

> As in *Industrial Union Department, AFL–CIO* v. *Hodgson, supra*, the ultimate facts here in dispute are "on the frontiers of scientific knowledge", and, though the factual finger points, it does not conclude. Under the command of OSHA, it remains the duty of the Secretary to act to protect the workingman, and to act even in circumstances where existing methodology or research is deficient. The Secretary, in extrapolating the MCA study's finding from mouse to man, has chosen to reduce the permissible level to the lowest detectable one. We find no error in this respect.[59]

D. OSHA must assure that no employee be materially impaired

Having settled on a definition of material impairment, OSHA will have to determine what is an acceptable percentage of the population which it will permit to incur that amount of hearing loss. It is well known that

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Footnotes at end of article.

susceptibility to noise induced hearing loss varies among the population.[60] One member of the population will incur a greater amount of hearing loss than another when exposed to the same noise stimulus for the same amount of time. There was testimony given that it is impossible to protect every member of the working population no matter what the standard is set at, because some people are simply hypersensitive. Thus, OSHA must determine what approach it will take to this problem in light of the fact that the Act requires that the ideal standard assure that *no* employee suffer material impairment. In making this determination, OSHA must exercise careful judgment so as not to defeat the intent of Congress. It is not clear what position OSHA has taken on this question. In the draft Environmental Impact Statement, data were displayed for the top two and top ten percent of the population.[61] Yet, Dr. Boyd, testifying for OSHA on the first day of the hearing, stated, "The levels which OSHA has proposed are designed to protect a majority of the occupationally exposed population from noise-induced hearing impairment." [62] If this is a correct assessment, then OSHA has misapplied its statutory mandate. In view of the varying susceptibilities of workers in the population, OSHA mush select its adequately protective level on a basis of *at least* the 90tb percentile. That is, the exposure level selected must predict that at least 90% of the exposed population will be protected from suffering material impairment.

E. A time-weighted average exposure level of 80dBA with a 3dBA time-intensity trading factor is required to assure that no employee is materially impaired over his working lifetime.

1. Eight-hour Criterion

Having set the health and welfare goal in terms of acceptable hearing loss, OSHA must ask the question, what noise level will protect the work force from having hearing losses above those levels upon retirement?

It is important at the outset to determine the proper handling of presbycusis, the loss of hearing attributable to the natural process of aging. OSHA is correct in its analysis that in estimating the amount of expected hearing loss due solely to noise exposure, it is necessary, when using a sample population which includes persons who have incurred presbycusis, to subtract out of the amount of hearing loss attributable to presbycusis.

This is not to say, however, that when we set a standard we can ignore the fact that the same population exposed to noise will be simultaneously incurring hearing loss due to presbycusis. On the contrary, presbycusis is a fact of life, and afflicts the noise exposed as well as the non-noise exposed. The average non-noise exposed person will not be "materially impaired," according to the above definition, by age 60.[63] That is, presbycusis will not by itself materially impair him. However, when noise exposure is added to the problems of presbycusis already facing the work force, far greater numbers of workers will become materially impaired by age 60, and the increased number who will become impaired is the real population "at risk" in the real world.

Consequently, it is meaningless to talk of a 25dB loss due to noise exposure alone. If that loss is inflicted on a ten year old, he will be barely handicapped. However, if it is incurred by a 60 year old man who has lost 25dB to presbycusis, he will be significantly handicapped.

Some argued at the hearings that to add in presbycusis was to penalize industry for the effects of nature.[64] It must be most emphatically stated that OSHA does not penalize any employer for any employee's hearing loss. OSHA's task here is to set a standard which assures that when an employee picks up his gold watch after 40 years of work, he is not going to be materially impaired. The search is for the number of dB loss which may be imposed by noise exposure without causing the employees' presbycusis hearing loss from becoming an impairment.

Using Robinson's data, which OSHA accepts as being "based on a careful study of an otologically screened population of British workers," [65] we can come up with a noise exposure level (8-hour equivalent) which will prevent an incidence of more than 25dB average hearing loss at 1,000, 2,000 and 4,000 Hz for 90% of the population at age 60 after 40 years of exposure to noise. Using the Robinson data, which give only predicted noise-induced hearing loss, it is necessary to add back the expected loss due to aging for the median of the population, which Robinson subtracted out. These figures are (rounded) 7dB at 1,000 Hz, 10dB at 2,000 Hz and 19dB at 4,000 Hz.[66] When these are added to the expected noise-induced hearing loss at those three frequencies for an exposure level of 80dBA, the result is approximately 26dB average hearing loss at 1,000, 2,000 and 4,000 Hz in the 90*th* percentile.[67] Corresponding figures for exposure levels of 85 and 90dBA are 31 and 38dB respectively.

Thus, an eight-hour exposure level of no higher than 80dBA is required to adequately assure that no worker will suffer material impairment of health or functional capacity if exposed over his working lifetime.

2. Time-Intensity Trading Factor

There remains the issue of the time-intensity trading factor. Setting the 8-hour criterion is only the initial step, because many workers are exposed for longer or shorter periods than eight hours, and, because noise-induced hearing loss is a dose function, other noise levels are appropriate for different exposure times.

EPA has repeatedly made clear its position that the ratio upon which these time-weighted levels should be determined is an increase of 3dBA for each halving of exposure time. Evidence was presented favoring both this position and OSHA's position that 5dBA is an adequate trading factor. However, EPA is concerned that the debate focused on the theoretical and mathematical nature of the dispute, rather than the health aspect. It must be stressed that the number selected is critically important to all workers whose exposure is less than eight-hours in duration. The difference between a 3dBA and 5dBA factor is marked. For example, assuming the 8-hour criterion were 85dBA, a 5dBA trading factor would mean that an employee whose exposure time was one hour could be exposed to 100dBA, whereas the 3dBA factor would only allow 94dBA. Thus, if an inadequately protective factor is selected, the error is not simply a theoretical one. Its consequences are just as real as selecting the wrong 8-hour criterion.

The 3dBA trading factor is based on the theory that equal amounts of sound energy produce equal effects on hearing, regardless of how they occur in times.[68] Dr. William Burns, eminent British physician and scholar and a leader in the research on this point, testified as to several bases of support for the equal energy rule, including a study of 581 subjects, which he conducted with Dr. Robinson,[69] a series of studies by Professor Atherly,[70] a paper by Paschier-Vermeer,[71] and several other studies.[72] He concludes that the evidence supports the 3dBA trading relation.[73]

The 5-dBA factor is a modification of the equal energy concept, based upon the fact that industrial noise exposure is not actually continuous, but is punctuated throughout the day with interruptions.[74] Industry nods approval for this rationale without providing any empirical data as to number, duration or spacing of interruptions.[75] Instead, they cite industrial experience which has no potential for proving or disproving the equal energy theory. DuPont, for example, bases its approval on the fact that "Actual audiometric testing of thousands of duPont workers exposed to noise under the 90dBA/five dBA doubling rate criteria indicates no significant permanent threshold shifts . . ." [76] The unstated shortcoming in this analysis is that their program was based not upon engineering controls but upon hearing protection. For purposes of establishing a proper trading ratio, this experience cannot help us, because hearing protectors distort hearing loss results. The whole purpose of this exercise is to identify a ratio that will assure that if it is met by engineering controls, hearing protectors will be unnecessary.

DuPont then says that it is the equal energy rule which must be proven by experimental studies.[77] On the contrary, it is the 5dBA rule, a theoretical and less protective modification of the mathematical rule, which requires proof. The hearings did not provide such proof.

In the absence of proof for a 5dBA factor, and recognizing the evidence supporting 3dBA, many conscientious standard setters have opted for the more conservative 3dBA rule. The Air Force made this choice in 1956 when setting noise standards for flight lines.[78] It was incorporated in International Standard R1999.[79] The 3dBA rule has been adopted by ten of fourteen countries which have enacted industrial noise exposure standards in recent years.[80] EPA believes the record does not justify OSHA's straying from the more protective principle.

II. THE USE OF HEARING PROTECTORS WILL NOT ADEQUATELY ASSURE THAT NO EMPLOYEE WILL SUFFER MATERIAL IMPAIRMENT

Once OSHA has settled on a valid definition of material impairment, it must select a method of regulation which will most adequately assure to the extent feasible that no employee will suffer such impairment if exposed to the hazard over his working lifetime. Having identified the levels of noise exposure which will produce material impairment, OSHA must select the method which provides the greatest assurance of preventing such exposure.

It must be kept in mind that OSHA is not in the business of weighing off assurability against feasibility. The Act uses the words "to the extent feasible." It does not say "the least expensive," or "the most simple" solution must be selected. Thus, if two different methods are available, both of which OSHA determines are feasible, then OSHA must select the one which most adequately assures protection, even though it is considerably more expensive ("less feasible") than the other.

Firestone stated the position of industry that the use of hearing protection "is far more effective in reducing noise levels than are engineering methods, is available and feasible, and costs only a tiny fraction of what is required to engineer to 90dBA, let alone to 85dBA," [81] and that therefore it is not reasonable for OSHA to require engineering controls. In view of this position, OSHA has had to look hard at its preference for engineering controls.

EPA admonishes OSHA not to retreat from this preference. We believe the record demonstrates that personal protective devices are not, by themselves as effective; that because of the many problems with effectively administering a hearing protector program, they would not adequately assure the kind of protection necessary; and that, though they are available and feasible and apparently less expensive than engineering solutions,[82] OSHA must select an engineering solution to the extent feasible. Therefore, hearing protection should be required only as an interim

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means of noise reduction until the noise at every plant has been brought down to safe levels.

A. Hearing protectors will not provide as effective protection from noise-induced hearing loss as engineering controls.

It appears not to be seriously in dispute that a properly fitted hearing protector of high quality is capable of reducing the level of noise reaching the eardrum by as much as 35dBA.[83] However, the point that was made continuously throughout the hearings was that in actual use under workday conditions, the effectiveness of hearing protectors in preventing hearing loss is seriously reduced.

Data were presented on both sides of this issue, and an ominous number of studies, controlled and uncontrolled, theoretical and empirical, was displayed. OSHA has the unenviable task of assessing the relative weight of these data. EPA believes, however, that the more carefully controlled studies indicate that workers exposed to high noise levels will be at risk of suffering noise-induced hearing loss despite the fact that they are wearing hearing protectors.

Doctor David Metz discussed two studies which indicate this. One,[84] a study of 60 subjects, was designed to discover whether hearing protection could prevent temporary threshold shift [85] at various noise levels. His results showed that of the subjects, all of whom wore hearing protectors, none of the 15 exposed to 80–85dBA experienced a shift; yet one of 15 exposed to 85–90dBA, two of 15 exposed to 90–95dBA, and four of 15 exposed to 95–100dBA experienced temporary threshold shifts.

Dr. Metz also reported a study of 263 employees exposed to high noise levels, 17 of whom experienced significant threshold shift (using the OSHA definition),[86] despite the use of hearing protection.[87]

Dr. Karl Kryter discussed [88] a study by Doctor Roberta Solomon of UCLA [89] which developed three categories based on responses to questionnaires: (1) non-noise exposed; (2) noise-exposed without hearing protectors; (3) noise-exposed, hearing protectors used. This study, based on audiograms, showed lower noise induced permanent threshold shift (NIPTS) for category one, while the two noise-exposed categories sustained comparable NIPTS, both significantly higher than category one.

Industry representatives presented a number of studies. Some, EPA believes, support our position. For example, one showed that almost 10% of 494 workers in five plants incurred significant threshold shift (OSHA definition) in only five years despite the use of hearing protection.[90] Another discussed four different companies with interesting histories of varying effectiveness in hearing protection programs. Yet even at one company with "strict enforcement" and a "strong educational program," and trained nurses to fit the hearing protectors, 2.3% of the employees showed significant threshold shifts in only three years.[91] This number may be even more significant when one considers that an unstated number of the exposed subjects were working in exposures as low as 85dBA.[92]

The studies presented to support the proposition that hearing protection is at least as effective as noise source control were subject to certain recurring limitations. Almost all were of relatively short duration, three to seven years. Dr. Von Gierke, who has had many years of experience with hearing protection, expressed his opinion that a study of actual industrial hearing protection applications would have to be at least ten years in duration to provide any valid results.[93] Another common fault was the failure to keep accurate detailed records of exposure levels. In some cases there is a distinct possibility that some members of the "exposed" group had lower levels of exposure than some members of the control, or "non-noise exposed" group. Some of the studies were not of as long duration as they purported to be, because they contained unspecified numbers of persons whose exposure time was much shorter. Nor do most of the studies show figures on age of the subjects, and hence the effects of presbycusis on the study and control groups cannot be accurately assessed.

One "five-year" study [94] covered six plants and 1754 employees, of whom 1144 were exposed to levels between 85 and 105dB for 8 hours; all subjects wore hearing protectors. Included in the study were employees whose participation in the program was only six months.[95] Sixty-nine of the employees showed 10dB shift at 2,000, 3,000 and 4,000 Hz. Various reasons are presented for reducing the number whose shift was "unexplainable." One such reason was that the subjects had a history of poor wearing of ear protectors.[96]

A study in the textile industry showed that 2.1% of 550 employees wearing hearing protectors incurred shifts in excess of 10dB at 1,000, 2,000 and 4,000 Hz, after exposures to unstated noise levels over periods of 12 to 57 months.[97]

The airline industry presented a "ten-year" study in which they had not compiled data of actual exposure time.[98]

Different kinds of results were obtained in a five-year audiometric study of 175 employees wearing hearing protectors and exposed to the equivalent of 98dBA for eight hours.[99] The population showed a mean shift of 1.8dB at 500, 1,000 and 2,000 Hz (standard deviation 7.6dB). It is difficult to relate these results to the above-cited studies, but presumably there was not an insignificant percentage incurring a 15dB shift (two standard deviations) at those frequencies, and undoubtedly the percentage would be higher if data were available on shifts at higher frequencies, which are more sensitive to noise.

Another study, providing no data as to levels of exposure or actual exposure time showed that of those using hearing protectors in a voluntary seven-year program, 98% incurred "no significant shift in hearing." [100] We can infer than 2% of those employees suffered significant hearing loss in seven years; that percentage would have grown markedly by the time forty years had passed.

One study [101] was cited as authority for for the proposition that with hearing protection, there will be no association between hearing loss and noise level in the work area. This study was subjected to extensive cross-examination, and showed important flaws. The analysis extended over a five-year history of 1966 employees, 1173 of whom worked in "quiet office areas where noise levels were below the hearing conservation criteria of approximately 90dBA," and 793 whose work area was above the 95dBA level and who wore hearing protection.[102] The results were presented in the form of mean shifts in hearing level,[103] and showed similar shifts for the non-noise exposed and the protected-exposed employees.

The major flaw of this study was that exposure levels of the noise-exposed employees were in some cases [104] as low as 85dBA,[105] at which level the median shift would be expected to be very low; and, as quoted above, possibly some of the non-noise exposed workers were in exposures near 90dBA.

Most important, 431 of the workers who began the study in the noisy areas had been shifted to quieter areas by the end of the five year period.[106] Their expected shift in hearing level would be correspondingly reduced.

One other notable aspect of this study was that its author testified that its test error was 25dB.[107] Thus, conceivably, a subject could suffer a hearing loss of 25dB without being picked up as incurring a shift. When asked whether this was true, none of the witnesses would give a direct denial.[108]

The same witness conducted a six-month test-retest analysis of a sample of 185 employees to determine whether a particular hearing protector could effectively prevent temporary threshold shift.[109] Its conclusion, that it can prevent TTS, is somewhat suspect, because no attempt was made to screen out the subjects who may have been experiencing TTS at the time of initial testing; thus, the only valid conclusion that can be drawn is that it can effectively prevent any greater TTS than experienced without its use, if any.[110] Furthermore, for some unexplained reason, 6 of the 185 subjects were not retested at the end of the study.[111]

On the basis of this tangle of data and rhetoric, OSHA cannot help but conclude that there is reason to believe that hearing protectors in-use are not as effective as a quiet working environment in reducing noise-induced hearing loss. There are many reasons why this is the case. Most basic, perhaps, is the fact that the effectiveness of a hearing protector varies substantially from individual to individual, even if a proper fit is achieved.[112] Obtaining a proper fit is difficult, and requires expert attention, often resulting in different sizes of ear protectors for one person's left and right ears. Even a properly fitted ear protector is apt to come unseated often and lose its attenuation capability.[113]

Extensive testimony was presented on the point that there is a great deal of resistance to their use among workers.[114] This creates a problem of administration, requiring extensive education and supervision. Unfortunately, it is often difficult to tell whether a person is properly wearing his hearing protectors.[115] OSHA is well aware of these problems, and the record amply supports its position.

As to whether these difficulties can be overcome, it is safe to say that some can. For example, employee resistance can be reduced if an enthusiastic and responsible education program is introduced.[116] Improper fit can be somewhat ameliorated by instituting ambitious programs utilizing trained audiological industrial hygienists.

Nevertheless, it is important to note that virtually all the studies reported above, all of which showed *some* hearing loss, purported to relate to effectively administered hearing conservation programs.

B. Hearing protectors present other problems even in an effectively administered program

There are some other problems which will persist, even though hearing protection programs are effectively administered. One important difficulty is the potential for infections of the ear canals.[117] There also appear to be some noises which are not abated by hearing protectors, or are even amplified by them.[118]

The well-known problems of discomfort, isolation, headaches, and dizziness were discussed at great length in the hearings.[119] Also raised was the issue of whether other sounds, which need to be heard, are kept out by hearing protectors.[120]

There remains the fact that some workers, for one of a number of reasons, simply cannot wear hearing protectors.[121] If the working environment in their chosen trade is left noisy in favor of hearing protection, what are they to do? The choice is to let them lose their hearing or to freeze them out of the job for which they have educated themselves.[122]

EPA supports OSHA's position that hearing protectors should be only a stop-gap measure in an overall effort to control noise. NIOSH also supports OSHA,[123] as do the Labor Unions,[124] the American Speech and Hearing Association [125] and the record of

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Footnotes at end of article.

these hearings. A worker can plug up his ears any time he wishes; if that is the solution to this complex problem, then we don't need an Occupational Safety and Health Act.

III. COST AND TECHNOLOGY DATA BASED ON AMERICAN INDUSTRY IN GROSS IS NOT SPECIFIC OR RELIABLE ENOUGH TO JUSTIFY PROMULGATING A LEVEL LESS PROTECTIVE THAN THAT REQUIRED TO ASSURE THAT NO WORKER WILL SUFFER MATERIAL IMPAIRMENT

The next major question OSHA must resolve is whether it is feasible to achieve this standard for every employee by engineering controls. The Occupational Safety and Health Act requires that the standard most adequately assure, to the extent feasible, that all employees are protected from material impairment.[126] Further down, it states: In addition to the attainment of the highest degree of health and safety protection for the employee, other considerations shall be the latest available scientific data in the field, the *feasibility of the standards*, and experience gained under other health and safety laws.[127] [Emphasis added.]

A significant thrust of the industry testimony hearings was to attempt to convince OSHA that it is not feasible for industry to achieve a standard of 85dBA or, in most cases 90dBA, by engineering controls. Feasibility is not a difficult concept to define; it simply means "can it be done?" The Court of Appeals has agreed that in answering this question OSHA may consider not only technological capability of complying, but also economic feasibility.[128]

OSHA's approach to the question of feasibility has relied heavily on Bolt Beranek and Newman's report[129] which stated that the technology was available to achieve 92% compliance by engineering controls with either an 85dBA or a 90dBA standard,[130] and that such compliance would cost industry $31 billion for an 85dBA standard or $13 billion for a 90dBA standard.[131] Based on this analysis, OSHA has thus far determined that the cost of complying with 85dBA is too great,[132] and that the general standard should be set at 90, to be achieved by application of engineering controls, "except to the extent that such controls are not feasible."[133]

The record reveals that the question of feasibility is far too complicated to be treated in this facile manner, and that OSHA must engage in a more detailed analysis in order to meet the statutory requirement.

Section 6(b)(5) of the Act is preeminently concerned with reducing the hazards of the workplace. Practical considerations can clearly "temper protective requirements."[134] However, to the extent that such tempering is done, the Secretary is obliged to show why he has promulgated a standard that does not protect every worker from material impairment. In *AFL–CIO* v. *Hodgson* the Court addressed this point:

> What we are entitled to at all events is a careful identification by the Secretary, when his proposed standards are challenged, of the reasons why he chooses to follow one course rather than another. Where that choice purports to be based on the existence of certain determinable facts, the Secretary must, in form as well as substance, find those facts from evidence in the record. By the same token, when the Secretary is obliged to make policy judgments where no factual certainties exist or where facts alone do not provide the answer, he should so state and go on to identify the considerations he found persuasive.[135]

The questions of costs and technical capability are matters that can be determined by facts, and the Secretary's decision must be based on them. Those facts, however, must be specific enough, and reliable enough, to be meaningful as a decisionmaking tool. The transcripts of the hearing compel the conclusion that the analysis given cost and technology, treating all American industry in gross, is not specific or reliable enough to justify going to a standard less protective than the one which will most adequately assure that no employee will suffer material impairment.

Bolt Beranek and Newman's analysis of costs was an indication of the relative costs to society of industrial compliance with 85dBA and 90dBA standards. But the law requires much more in the analysis of economic feasibility:

> Standards may be economically feasible even though, from the standpoint of employers, they are financially burdensome and affect profit margins adversely. Nor does the concept of economic feasibility necessarily guarantee the continued existence of individual employers. It would appear to be consistent with the purposes of the Act to envisage the economic demise of an employer who has lagged behind the rest of the industry in protecting the health and safety of employees and is consequently financially unable to comply with new standards as quickly as other employers. As the effect becomes more widespread within an industry, the problem of economic feasibility becomes more pressing. For example, if the standard requires changes that only a few leading firms could quickly achieve, delay might be necessary to avoid increasing the concentration of that industry. Similarly, if the competitive structure or posture of the industry would be otherwise adversely affected—perhaps rendered unable to compete with imports or with substitute products—the Secretary could properly consider that factor. These tentative examples are offered not to illustrate concrete instances of economic unfeasibility but rather to suggest the complex elements that may be relevant to such a determination. [Footnotes omitted.][136]

These "complex" elements are lacking from the BBN study. Beyond the questions of reliability resulting from the severe limitations imposed on the study,[137] it is incapable of providing the specificity which would allow OSHA to even guess how much it would cost a brass and bronze ingot manufacturer to comply, or how many paper mills would be endangered of going out of business. The most specific BBN's analysis gets is two-digit Standard Industrial Classifications. These are very broad categories, each one containing many individual industries which are categorized together because of the kindred nature of the products they manufacture.[138] The classification breaks down much further, to six-digit industries.[139] However, at the two-digit level, the similarity of products is extremely general. For example, SIC group 20 includes all food and kindred product manufacturers, including beverages, meat products, frozen foods, canned goods, etc.[140] The point to be made is that these broad categories include industries which have no conceivable similarity in noise levels, no similar machinery in many cases, and often no identical processes.[141] Moreover, these two-digit category estimates were based on extrapolations in some cases from one industry or one company within that category.[142] BBN's estimates that it would cost the food and kindred products group $2.6 billion to comply with an 85dBA standard[143] can be the basis of no meaningful decisionmaking by OSHA; it leads only to the simple conclusion that this industry would have to expend a lot of money.

In contrast, OSHA was confronted at the hearings by dozens of manufacturers representing dozens of industries who had stories of very specific technological problems and solutions and very specific costs.[144] EPA submits that on the record, OSHA's gross cost analysis, while having possibilities of societal and macroeconomic predictions, is conceptually inadequate to predict economic feasibility in the sense that the statute requires.

The situation with technological feasibility is similar. BBN's simple estimate of 92% achievability was used by OSHA in concluding that the standard is generally achievable, and in relying on the "feasibility" escape valve in proposed § 1910.95(e)(1), *supra*, to account for the other 8%. Much information was presented at the hearings by industries, some asserting that they could not achieve the standard of even 90dBA because of special problems with machines or operations or particular combinations of machines.[145] On the other hand, noise control engineering experts presented the case that the know-how and methods to handle noise problems exist and have existed for many years, and that by the process of applying this expertise to specific noise problems in specific situations, a standard of 90dBA, or even 85dBA, can be achieved.[146] It seems clear from the testimony that in the vast majority of cases solutions are readily available,[147] and probably at a manageable cost.[148] However, OSHA's approach ducks the real issues of feasibility. It leaves open the possibility of an employer determining that he just does not want to expend the money and throwing the burden back on OSHA to bring an enforcement action and prove in Court that it would have been feasible for him to comply by engineering controls.

EPA believes that the Occupational Safety and Health Act places a responsibility on OSHA to take a position on feasibility, not to leave it in the lap of the regulated parties. The standard is supposed to assure that no worker will be impaired—not the good will of the employer, but the standard. The DuPoint Company provided some insight for the record into how they go about making the decision on whether to quiet a workplace in the absence of an outright standard.[149]

They set priorities according to the formula

$$\text{Priority} = \frac{N \times L_p}{F^2}$$

where N equals the number of exposed employees, L_p equals the sound level in decibels and F equals the technical feasibility. The various levels of feasibility are 1=on the shelf; 2=some development required; 3=major development required; 4=research required; 5=not proven or no solution. This formula stacks the deck against the exposed employee by 1) placing in the numerator the value of noise level which increases the priority by integers while the actual noise impact on the worker increases logarithmically, and 2) squaring the technology factors in the denominator, and assigning a value as high as four to a fix which OSHA could require under the Act. Corporations tend to view technical feasibility in much more restrictve terms than the courts have. In *Society of Plastics Industry, Inc.* v. *OSHA*[150] the Second Circuit stated that the Secretary is not restricted by the status quo. He may raise standards which require improvements in existing technologies, or which require the development of new technology, and he is not limited to issuing standards based solely on devices already fully developed.[151]

To best carry out the mandate of the Act to set standards which most adequately assure to the extent feasible that no employee suffers material impairment of his hearing, OSHA must analyze each industry individually, look at the noise problems, the technical solutions, the costs of compliance, the economic dislocations, etc. Again, as in EPA's request for review and report,[152] we call for OSHA to seriously consider industry by industry standards. Some industries will have real, not imagined, problems in complying with a standard low enough to be protective. OSHA should discover what these are, and set a feasible standard with which all companies in that industry must comply. In other industries, OSHA will find that it

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is feasible to go to 80dBA, and set a standard which will more adequately protect employees from hearing loss, and other physiological and psychological effects of noise.

OSHA has objected to an industry-specific approach on the grounds that it would be burdensome for OSHA to promulgate and enforce such standards.[153] This is not an adequate justification for not taking that action. The hearing of too many employees is at stake to pass off a viable alternative on the basis of bureaucratic problems. Even if this were a valid justification, OSHA's superficial analysis to date would not survive judicial review. In the setting of Asbestos standards, OSHA used this rationale (and others) for setting an effective date applicable to all affected industries, in spite of indications that some could comply sooner. On petition for review of that standard, the Court of Appeals remanded to OSHA on this very point:

> It may be that the task of devising categories and classifying employers by industry would be unmanageable in view of the many diverse uses of asbestos. However, there is no evidence to that effect in the record, and it is not for the court to guess at the Secretary's reasoning or to supply justifications for his action. We have noted his cryptic reference to "reasons of practical administration," but, insofar as inter-industry distinctions are concerned, those reasons are not self-evident. Therefore, we remand this aspect of the standards to the Secretary for clarification or reconsideration.[154]

OSHA has also raised the argument that it would not be fair to employees to have different standards in different industries.[155] Again, this same argument was invoked by OSHA in the Asbestos standard setting. The Court of Appeals held that:

> Separate standards for different industries would not appear to create opportunities for employers in one industry to challenge their standards on the grounds that standards for another industry were less demanding. The only relevant question would be whether the time schedule established for each industry was feasible for that industry; . . . .[156]

This justification for an across-the-board standard misses the point of the statutory mandate. The goal is to protect every worker to the extent feasible. If it is feasible to protect workers in one industry more adequately than those in another, this Congressional purpose would require that it be done. The true unfairness is in having the workers in industry A, where noise control would be cheap and easy, suffer from 90dBA levels right along with those in industries B through Z just because it is less feasible in some of those others.

Moreover, as pointed out by the Council on Wage and Price Stability, the industry-by-industry approach can give more workers more protection for the same resource expenditure than setting a standard applicable across the board.[157] For this reason, the Council urged OSHA not to reject this approach.[158]

Congress, in enacting the Occupational Safety and Health Act declared that its purpose was "to assure so far as possible every working man and woman in the Nation safe and healthful working conditions, and to preserve our human resources . . . ." [159] It is a disservice to that Congress and to those working men and women to insist on an all-industry standard and then support keeping the standard at 90dBA rather tha reducing it to 85dBA on the basis that it would cost $31 billion to reduce it, and that seems like too much money.

If OSHA determines that the industry-specific approach cannot be pursued, EPA reiterates that the record does not support selecting 90dBA over a more adequately protective standard on feasibility grounds. On the issue of technology, there is no question that it can be achieved if enough money is spent. On the issue of cost, the BBN study is too unreliable and too general to serve as a basis for being less protective. Not only does it project whole industry-group costs on the basis of a tiny segment of that group,[160] in which the noise problems are likely to be completely different from other industries in the group; but it also projects costs on the basis of control technology which is not necessarily the cheapest and best.[161] These were natural limitations on the report's results caused by the short three-month performance period.[162] Furthermore, the study does not take into account economies of scale or a learning curve,[163] which are likely to result when regulation moves noise control from a specialty business into the realm of general application.[164]

The other general shortcoming of the BBN study, one which has a totally upward bias, is the failure to reduce the cost of noise control by the monetary benefits. We do not refer here to the benefits of hearing protection and better health, but rather to quantifiable benefits which will certainly be realized by the employer. Among these are a reduction in the number of workmen's compensation claims and a consequent reduction in employers' insurance rates; reduced absenteeism; reduced worker turnover resulting in lower costs of recruitment and training.[165] Also ignored were the direct benefits of reduced wear and maintenance, reduced fuel consumption, and increased product quality, all resulting from the fact that quieter equipment is more efficient equipment.[166] Had all these economic benefits been taken into account, the gross predictions of BBN would have been drastically reduced.

One of the authors of the study expressed the belief that "imperfect information very soon is superior to more complete information at a later date, given the fact that people are currently exposed to hearing damage risk." [167] EPA believes that exactly the contrary is true where, as here, that imperfect information is being used to justify keeping the standard at the current level, far above the level which most adequately assures protection of those people at risk.

CONCLUSION

OSHA must begin the task of extricating itself from this complex record by reexamining its definition of "material impairment" due to noise exposure. It must then identify the level of noise exposure which will most adequately assure that no employee will suffer material impairment to his health or functional capacity over his working lifetime. The record clearly leads to the conclusion that this will require a standard no higher than 80-dBA eight-hour time weighted average with a 3dBA time-intensity trading factor.

Having identified the adequately protective level, OSHA must determine the best way to achieve it. The record shows that, in order to prevent the impairing effects of noise, engineering quieter workplaces is far more effective than instituting hearing protector programs.

Recognizing the most effective approach and the target level, OSHA must set standards which are feasible. The message of the record is that feasibility is far too complicated a question to deal with on the basis of all industry or large groups of industries. While in a technological sense, the noise control know-how exists, determining costs will require specificity by industry. This kind of analysis will reveal the fact that different industries have different compliance capabilities, and OSHA should handle that by industry-specific standards, not by providing a feasibility escape valve in the regulation. Just as important, in weighing costs, OSHA must consider the economic benefits which will yield a more accurate prediction of costs of noise control.

Millions of Americans lose their hearing because of occupational noise. OSHA can take the lead and work toward a society where senior citizens are no longer repaid for a life of labor by being hard of hearing. As more data are unfolding, it becomes clearer that there is even more at stake than hearing loss. In a few years, OSHA will be praised for its vision, if the right choices are made today.

Respectfully submitted,

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Dated: September 15, 1975, Washington, D.C.

FOOTNOTES

[1] Transcript of Proceedings (subsequently cited as "Tr."), 3653.

[2] Noise Control Act of 1972 § 4(c)(2), 42 U.S.C. 4903(c)(2).

[3] Exhibit 5 (subsequently cited as "Ex."), *Request for Review and Report*, 39 Fed. Reg. 43802 (Dec. 18, 1974).

[4] See Occupational Safety and Health Act § 6(f), 29 U.S.C. 655(f).

[5] OSHAct Section 6(b)(5), 29 U.S.C. 655 (b)(5).

[6] Ex. 4, *Occupational Noise Exposure, Proposed Requirements and Procedures*, 39 Fed. Reg. 37773, at 37773 (Oct. 24, 1974); Ex. 3, OSHA, Draft Environmental Impact Statement, 11.

[7] *Industrial Union Department, AFL–CIO v. Hodgson*, 499 F.2d 467, 475 (D.C. Cir. 1974).

[8] A. Glorig, Tr. 561, 565; F. Parnell, Tr. 530; C. Stein, Tr. 1262; T. Hanna, Tr. 3115; A. Teplitzky, Tr. 1277.

[9] H. Von Gierke, Tr. 715; A. Moller, Tr. 1606; J. Finklea, Tr. 416, 428–9; G. Thomas, Tr. 803; W. Ward, Ex. 154; R. McLauchlin, Tr. 2549; K. Kryter, Tr. 779–88.

[10] W. Paschier-Vermeer, *Hearing Loss Due to Exposure to Steady State Broadband Noise Exposure*, Report 35, Institut voor Gezondheidstechniek, Delft, Netherlands (1968); D. W. Robinson, *The Relationship Between Hearing Loss and Noise Exposure*, National Physical Laboratory, Aero Report AC 32, Teddington, England (1968); W. L. Baughn, *Relationship Between Daily Noise Exposure and Hearing Loss Based on the Evaluation of 6,835 Industrial Noise Exposure Cases*, Joint EPA/USAF Study (June 1963).

[11] K. Kryter, Tr. 779–83.

[12] Ex. 138(a), N. Ashford, D. Hattis, G. Heaton, J. Katz, "Some Considerations in Choosing an Occupational Noise Exposure Regulation," 17.

[13] W. Burns, Tr. 848.

[14] W. Burns, Tr. 869–70.

[15] Ex. 4, Proposed § 1910.95(f), 39 Fed. Reg. 37776.

[16] A. Moller, Tr. 1608; S. Wolfe, Tr. 1769–70; R. Bailey, Tr. 1712–13; L. Royster, Tr. 1942.

[17] H. Von. Gierke, Tr. 717; G. Thomas, Tr. 803; K. Kryter, Tr. 779–87; W. Burns, Tr. 852–3; J. Finklea, Tr. 416; D. Metz, Tr. 183.

[18] F. Parnell, Tr. 527, 530; N. Ashford, Tr. 2758; R. McLauchlin, Tr. 2549; A. Fox, Tr. 3068.

[19] H. Imbus, Tr. 3467–8; A. Glorig, Tr. 565; W. Ward, Tr. 1045.

[20] Ex. 5, *supra*, n. 3, 39 Fed. Reg. 43804.

[21] *Id.*

[22] A. Moller, Tr. 1607.

[23] Ex. 138(a), *supra* n. 12, at 17.

[24] *Id.*

[25] A. Glorig, Tr. 562.

[26] *See, e.g.*, W. Connolly, Firestone Tire and Rubber Co., Tr. 3308; A. Teplitzky, Edison Electric Institute, Tr. 1273; B. Karth, E. I. DuPont de Nemours and Co., Inc., Tr. 2251.

[27] *See, e.g.*, J. Hafkenschiel, Communication Workers of America, Tr. 1484; A. Moller, AFL–CIO, Tr. 1608; S. Wolfe, AFL–CIO, Tr. 1793; L. Royster, Int. Brotherhood of Teamsters, Tr. 1992.

[28] *See*, J. Finklea, Tr. 430; F. Parnell, Tr. 532; A. Meyer, Tr. 600; L. Royster, Tr. 1992;

H. Von Gierke, Tr. 712; W. D. Ward, Tr. 1070; R. McLauchlin, Tr. 2553; G. Thomas, Tr. 811.

[29] *See*, H. Von Gierke, Tr. 710; K. Kryter, Tr. 779.

[30] G. Thomas, Tr. 810.

[31] H. Von Gierke, Tr. 703, 709; G. Thomas, Tr. 807–809; A. Moller, Tr. 1608; A. Teplitzky, Tr. 1291–3.

[32] G. Thomas, Tr. 807; A. Moller, Tr. 1608.

[33] H. Von Gierke, Tr. 703; J. Miller, *Effects of Noise on People*, 56 Jnl. Acoustical Society of America 738 (September 1974), referenced at Tr. 20.

[34] *Id.*

[35] A. Moller, Tr. 1608; A Meyer, Tr. 598–9; K. Kryter; Tr. 776; G. Thomas, Tr. 805–7; J. Hafkenschiel, Tr. 1484; H. Von Gierke, Tr. 710; Ex. 184, W. Sperry, written submission to the hearing docket, at 5 (July 29, 1975).

[36] W. Sperry, *supra*, n. 35, at 3.

[37] K. Kryter, Tr. 787.

[38] D. Boyd, Tr. 13; W. Ward, Tr. 1071.

[39] W. Ward, Tr. 1071.

[40] Ex. 6, OSHA, Review and Report Requested by EPA, 40 Fed. Reg. 12336, 12337 (March 18, 1975).

[41] Ex. 1, National Institute for Occupational Safety and Health, *Occupational Exposure to Noise* (1972).

[42] Ex. 46, A. Suter & H. Von Gierke, "Evaluation and Compensation of Occupational Hearing Loss in the U.S." (June 1975).

[43] W. Burns, Tr. 851.

[44] W. Ward, Tr. 1070.

[45] H. Von Gierke, Tr. 712; Ex. 3, *supra* n. 6, at 29.

[46] N. French and J. Steinberg, *Factors Governing the Intelligibility of Speech,* 19 JNL. ACOUST. SOC. AMER. 90 (1947); *see* Tr. 807.

[47] Ex. 1, *supra* n. 41.

[48] K. Kryter, C. Williams and D. Green, "Auditory Acuity and Perception of Speech," 34 Jnl. Acoustical Soc. of America 1217 (1962).

[49] A. Glorig, Tr. 151.

[50] F. Parnell, Tr. 527; N. Ashford, Tr. 2768; A. Moller, Tr. 1613; A. Ferguson, Tr. 903; R. Quattrocci, Tr. 3428.

[51] J. Sherman, Tr. 1817; A. Moller, Tr. 1612.

[52] A. Moller, Tr. 1612; F. Parnell, Tr. 527.

[53] A. Moller, *supra* n.52.

[54] J. Finklea, Tr. 418.

[55] R. Marco, Tr. 1891–1894.

[56] A. Ferguson, Tr. 903; F. Parnell, Tr. 527; L. Woodcock, Tr. 1389; C. Bixler, Tr. 1868.

[57] Tr. 1636.

[58] An excellent summary of this evidence may be found in Ex. 138(a), *supra* n.12, at sec. 2.3.

[59] *Society of the Plastics Industry, Inc. v. OSHA,* 509 F.2d 1301, 1308 (2 Cir. 1975).

[60] A Glorig, Tr. 148; A. Moller, Tr. 1607.

[61] Ex. 3, *supra* n.6, at 49.

[62] D. Boyd, Tr. 12.

[63] D. Robinson & M. Shipton, "Tables for the Estimation of Noise-Induced Hearing Loss," National Physical Lab., NPL Acoustics Rep. Ac 61 (March 1973), 16.

[64] *See, e.g.,* A. Wilson, Tr. 3659–61.

[65] Ex. 3, *supra* n.6, at 29.

[66] *See, Loc. Cit.,* note 63.

[67] *See, id.*

[68] W. Burns, Tr. 833.

[69] W. Burns, Tr. 833–41.

[70] *Id.,* Tr. 844.

[71] *Id.,* Tr. 848–50.

[72] *Id.,* Tr. 845–8.

[73] *Id.,* Tr. 850.

[74] Ex. 4, *supra* n. 6, at 39 Fed. Reg. 37774.

[75] The relevance of these factors is discussed in EPA's request for review and report, Ex. 5, *supra,* n. 3, at 39 Fed. Reg. 43806–43807.

[76] B. Karrh, Tr. 2241–2.

[77] B. Karrh, Tr. 2242; T. Dear, 2424.

[78] H. Von Gierke, Tr. 719.

[79] *Id.,* Tr. 720.

[80] Ex. 32, Information Systems Company, "Occupational Noise Exposure: The Standards in the Major Industrial Countries," Draft Report (June 10, 1975).

[81] W. Connally, Tr. 3307.

[82] The record demonstrates, however, that an effective hearing protector program is quite expensive, and industry has underestimated the cost of such a program.

[83] *See,* L. Goodfriend, Tr. 2789; P. Toth, Tr. 3166; R. Ware, Tr. 3373; B. Karrh, Tr. 2336; R. Greczanik, Tr. 2201.

[84] D. Metz, Tr. 181–182.

[85] 10dBA shift at any of the frequencies 500, 1,000, 2,000, 3,000, 4,000 or 6,000 Hz.

[86] An average shift of more than 10dB at frequencies of 2,000, 3,000 and 4,000 Hz, proposed 19 CFR § 1910.95(b), Ex. 4, *supra* n.6.

[87] D. Metz, Tr. 184.

[88] Tr. 795.

[89] R. Solomon, "The Role of Ear Protection in Reducing Occupational Hearing Loss," University of California at Los Angeles (1974).

[90] R. Whitney, Tr. 2152.

[91] J. Epley, Tr. 2703–4.

[92] *Id.,* 2703.

[93] H. Von Gierke, Tr. 758.

[94] H. Imbus, Tr. 3457 *et seq.*

[95] *Id.* at Tr. 3457; see also Tr. 3484.

[96] *Id.,* Tr. 3459.

[97] J. Sataloff, Tr. 3289.

[98] O. Willingham, Tr. 2843 *et seq.; see* Tr. 2853–5.

[99] E. Toothman, Tr. 2898 *et seq.*

[100] E. Summar, Tr. 2907.

[101] *See,* B. Karrh, Tr. 2239 *et seq.*

[102] *Id.,* Tr. 2239.

[103] *Id.*

[104] The exact number cannot be determined, since the witnesses declined to submit this information when requested. Tr. 2305.

[105] Tr. 2304.

[106] Tr. 2305.

[107] *S. Pell,* Tr. 2289.

[108] *See,* Tr. 2292–6.

[109] *See,* Tr. 2311; this study appears in the written submission to the docket by E. I. DuPont de Nemours Company, Inc.

[110] *See,* Tr. 2314–15.

[111] Tr. 2311.

[112] *See,* L. Royster, Tr. 2014–15; K. Kryter, Tr. 798; W. Winpisinger, Tr. 1465.

[113] D. Metz, Tr. 203; J. Fletcher, Tr. 217, 218.

[114] *See,* C. Stallard, Tr. 2582; R. Ware, Tr. 3371; A. Glorig, Tr. 166; J. Fletcher, Tr. 214; J. Harris, Tr. 2632.

[115] *See,* D. Metz, Tr. 176; J. Fletcher, Tr. 219; E. Frumin, Tr. 2051; R. Ware, Tr. 3371.

[116] *See,* C. Stallard, Tr. 2582–2583; C. Siegel, Tr. 1221 *et seq.*; M. Lawrence, Tr. 3140; R. Ware, Tr. 3374; B. Karrh, Tr. 2366, 2367.

[117] *See,* J. Fletcher, Tr. 221; J. Sherman, Tr. 1803, A. Moller, Tr. 1614.

[118] C. Stein, Tr. 1268; *see also,* L. Royster, Tr. 1285.

[119] D. Metz, Tr. 201; J. Fletcher, Tr. 214; R. Greczanik, Tr. 2202; A. Glorig, Tr. 576; A. Meyer, Tr. 603; I. Abel, Tr. 1371; R. Knowles, Tr. 2022; P. Williams, Tr. 3269.

[120] B. Karrh, Tr. 2248; G. Warnaka, Tr. 958; A. Moller, Tr. 1614; A. Wilson, Tr. 3675. The most convincing resolution of this issue is found in D. Lipscomb, Tr. 2557.

[121] J. Fletcher, Tr. 215.

[122] *See* R. Jennings, Tr. 2300.

[123] J. Finklea, Tr. 422.

[124] I. Abel, Tr. 1370; L. Woodcock, Tr. 1396.

[125] R. McLauchlin, Tr. 2549.

[126] OSHAct § 6(b)(5), *supra.*

[127] *Id.*

[128] *IUD, AFL–CIO v. Hodgson, supra,* 499 F. 2d at 477.

[129] Ex. 7, Bolt Beranek and Newman Inc., "Impact of Noise Control at the Workplace," Report No. 2671 (1974).

[130] *Id.,* 26; R. Bruce, Tr. 323.

[131] Ex. 7. *supra* N. 129, at 15, 28.

[132] Ex. 4, *supra* n. 6, at 39 Fed. Reg. 37773.

[133] Ex. 4, *supra* N. 6, Proposed 19 CFR 1910.95(e)(1), 39 Fed. Reg. 37776 (Oct. 24, 1974).

[134] *IUD, AFL–CIO v. Hodgson, supra,* 499 F.2d at 478.

[135] 499 F.2d at 475.

[136] *IUD, AFL–CIO v. Hodgson, supra,* 499 F.2d at 478.

[137] *See* R. Bruce, Tr. 292–6.

[138] R. Bruce, Tr. 358–9.

[139] *Id.*

[140] *Id.,* Tr. 359.

[141] *See id.,* Tr. 294.

[142] R. Bruce, Tr. 299–300.

[143] Ex. 7, *supra* n.129, at 28.

[144] *See, e.g.,* R. Birdsall, Tr. 3194 (Auto Industry); L. Burton, Tr. 3512 (Woodworking); W. Schimming, Tr. 3264 (Textile); R. Anerson, Tr. 1008 (Printing); E. Toothman, Tr. 1116 (Iron and Steel); G. Bryne, Tr. 1190 (Fastener); A. Teplitzky, Tr. 1278 (Electric Power); T. Dear, Tr. 2385 (Chemical); N. Germany, Tr. 1318 (Footwear).

[145] *See, e.g.,* D. Lewis, Tr. 3252; W. Schimming, Tr. 3266; T. Dear, Tr. 2380; R. Whitney, Tr. 2147; L. Burton, Tr. 2507; W. Becker, Tr. 2827.

[146] *See, e.g.,* L. Yerges, Tr. 45; H. Pelton, Tr. 82 *et seq.*

[147] Many witnesses testified to burdensome costs, not denying technical achievability. *See, e.g.,* J. Cornell, Tr. 2656; R. Birdsall, Tr. 3193; N. Germany, Tr. 1319; A. Teplitzky, Tr. 1271; G. Byrne, Tr. 1190–91; E. Toothman, Tr. 1116; J. Rohrbaugh, Tr. 2927.

[148] L. Yerges, Tr. 45.

[149] T. Dear, Tr. 2398.

[150] 509 F.2d 1301 (2 Cir. 1975).

[151] *Id.,* 509 F.2d at 1309.

[152] Ex. 5, *supra* n.2.

[153] *See* Ex. 6 *supra,* n.40, at 39 Fed. Reg. 12338.

[154] *IUD, AFL–CIO v. Hodgson, supra,* 499 F.2d at 481.

[155] Ex. 6, *supra* n.40, 40 Fed. Reg. at 12338.

[156] *IUD, AFL–CIO v. Hodgson, supra,* 499 F.2d at 480.

[157] G. Eads, Tr. 485.

[158] *Id.*

[159] OSHAct, *supra,* § (2)(b).

[160] A. Ferguson, Tr. 898; see also n.142 *supra.*

[161] *See,* R. Bruce, Tr. 293.

[162] *Id.,* 292.

[163] R. Bruce, Tr. 293.

[164] G. Warnaka, Tr. 953; R. Ruttenberg, Tr. 1511.

[165] *See* A. Ferguson, Tr. 898, 902; R. Ruttenberg, Tr. 1510, 1519; I. Abel, Tr. 1375.

[166] L. Yerges, Tr. 51; R. Ruttenberg, Tr. 1519.

[167] R. Bruce, Tr. 353.

ABA APPROVES GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, today I am extremely pleased to announce that the American Bar Association's House of Delegates has approved overwhelmingly the Convention on the Prevention and Punishment of the Crime of Genocide. This action by the ABA is of great importance, because so many of the opponents of U.S. ratification of the Genocide Convention have based their own arguments on those of the ABA. I hope that the ABA approval will clear the last obstacle from the path of Senate ratification of the treaty.

It has been over a quarter of a century since the General Assembly of the United Nations adopted the convention by unanimous vote. Every American President since that time has given his personal endorsement of the Genocide Convention, but the Senate has stubbornly refused to ratify it. The American Bar Association has until now also refused to endorse the convention. Many have interpreted the ABA's opposition as proof that the convention contained deadly traps for the United States. This new turn by the ABA in favor of the Genocide Convention should convince everyone that we have absolutely nothing to fear from ratification.

Mr. President, I ask my colleagues who in the past have opposed my efforts on behalf of Senate ratification to reconsider their position, in light of the ABA endorsement. I am confident that they will join with me to avoid any further delay in our ratification. I am hopeful that we can in the very near future join with the 84 nations of the world which already have seen fit to commit themselves to the prevention and punishment of the crime of genocide.

EMPLOYMENT GAINS: WAIT AND SEE

Mr. WILLIAMS. Mr. President, the unemployment statistics for the month of January have evoked prayers of hope since they were made public a week ago Friday.

After 5 months of joblessness on an unacceptably high plateau, the Bureau of Labor Statistics reported that the seasonally adjusted unemployment rate declined by five-tenths of 1 percent in January. It was the largest 1-month decline in the rate since December of 1959.

Frankly, the development came as a surprise to me, as it did to others. My first impulse, however, was to be skeptical about a 1-month decline that occurred at the same time as BLS was applying its annual adjustments to the unemployment rate. I felt that expressions of joy should be deferred until we can see whether the February, and perhaps March, statistics confirm whether the recession is indeed beginning to fade.

Reflecting on these considerations this past week, I have become convinced that my first reactions were correct. The January improvement must be viewed with skepticism, not only because of the potential statistical error, but because the improvement, even if it occurred, leaves the Nation with an astounding level of unemployment that cannot be allowed to continue.

I emphasize that the 7.8 percent rate reported by the Bureau is the "seasonally adjusted rate," statistically adjusted to disallow the layoffs that normally occur in any January. Seasonal adjustment can disallow the statistics, but it cannot make the unemployed disappear.

Without seasonal adjustment, the BLS report shows the numbers of the unemployed to be approximately 8.2 million persons—flesh and blood individuals who could not find work in January.

Mr. President, by the administration's own estimates, the Nation will not begin to realize full employment until at least 1981, unless some dramatic initiatives are undertaken without busting the budget. By realining national priorities within the budget ceiling we establish, the Congress can rally toward the full employment goal and achieve it before the end of the decade. My own commitment to these efforts is unstinting.

Mr. President, I ask unanimous consent to have printed in the RECORD a copy of the news release on the January unemployment statistics, issued by the Bureau of Labor Statistics, and a copy of an analytical article published Saturday in the weekly AFL–CIO News.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE EMPLOYMENT SITUATION: JANUARY 1976

Unemployment declined and employment rose in January, as the Nation's unemployment rate dropped from 8.3 percent in December to 7.8 percent, it was reported today by the Bureau of Labor Statistics of the U.S. Department of Labor. The jobless rate had reached a high of 8.9 percent (as revised) last May; most of the subsequent improvement has occurred between October and January.

Total employment—as measured by the monthly survey of households—increased by 800,000 in January, after adjustment for normal seasonal fluctuations. At 86.2 million, the employment level was 2.1 million above last March's recession low and very close to the pre-recession peak reached in July 1974.

Nonagricultural payroll employment—as measured by the monthly survey of establishments—rose by 360,000 in January, with nearly three-quarters of the gain taking place in manufacturing and trade. The payroll total of 78.1 million jobs was 1.8 million above the June 1975 low but still 700,000 short of the previous September's peak.

As is usual at this time of year, seasonally adjusted data from the household survey have been revised; the current revisions are based upon experience through December 1975. A note on this process and a table depicting the overall unemployment rate as originally reported and as revised appear below.

UNEMPLOYMENT

The number of persons unemployed fell by about 450,000 in January to 7.3 million (seasonally adjusted). Since October, unemployment has declined by 770,000, after having held close to the 8-million mark since April. The unemployment rate fell to 7.8 percent from the 8.3 percent registered in December. For the second consecutive month, the drop in unemployment occurred entirely among those who had lost their last job, the jobless group most sensitive to cyclical fluctuations.

The overall decline in joblessness was reflected in improvements among most component labor force groups. The unemployment rate for adult men fell from 6.6 to 5.8 percent, while the rate for adult women moved down from 8.0 to 7.5 percent. Paralleling these declines were sizable decreases in the unemployment rates for household heads, married men, and full-time workers. On the other hand, the rate for teenagers—19.9 percent—was virtually unchanged in January.

TABLE A.—HIGHLIGHTS OF THE EMPLOYMENT SITUATION (SEASONALLY ADJUSTED DATA)

	Quarterly averages					Monthly data		
		1975						
Selected categories	1974, IV	I	II	III	IV	November 1975	December 1975	January 1976
Millions of persons:								
Civilian labor force	91.7	91.8	92.5	93.1	93.2	93.1	93.1	93.5
Total employment	85.5	84.3	84.4	85.1	85.2	85.2	85.4	86.2
Adult men	48.2	47.3	47.3	47.6	47.5	47.5	47.6	47.9
Adult women	30.0	29.9	30.1	30.5	30.7	30.6	30.8	31.1
Teenagers	7.3	7.1	7.0	7.1	7.0	7.0	7.1	7.1
Unemployment	6.1	7.5	8.1	8.0	7.9	7.9	7.7	7.3
Percent of labor force:								
Unemployment rates:								
All workers	6.7	8.1	8.7	8.6	8.5	8.5	8.3	7.8
Adult men	4.9	6.2	7.0	7.0	7.0	7.1	6.6	5.8
Adult women	6.5	8.0	8.4	7.9	7.9	7.9	8.0	7.5
Teenagers	17.6	19.8	20.2	20.2	19.5	19.0	19.6	19.9
White	6.0	7.5	8.0	7.9	7.8	7.8	7.6	7.1
Negro and other races	11.7	13.4	14.1	14.1	14.0	13.9	13.8	13.2
Household heads	4.2	5.4	6.0	5.9	5.9	5.8	5.7	5.1
Married men	3.5	4.7	5.5	5.4	5.1	5.1	4.8	4.1
Full-time workers	6.2	7.7	8.4	8.3	8.2	8.3	7.9	7.3
Weeks:								
Average duration of unemployment	10.0	11.3	13.8	15.6	16.5	16.9	17.0	16.9
Millions of persons:								
Nonfarm payroll employment	78.3	76.9	76.4	77.0	[1] 77.6	77.6	[1] 77.8	[1] 78.1
Goods-producing industries	24.1	22.8	22.3	22.4	[1] 22.7	22.7	[1] 22.7	[1] 22.9
Service-producing industries	54.2	54.1	54.1	54.6	[1] 54.9	54.9	[1] 55.0	[1] 55.3
Hours of work:								
Average weekly hours:								
Total private nonfarm	36.3	36.1	35.9	36.1	[1] 36.3	36.3	[1] 36.4	[1] 36.6
Manufacturing	39.6	39.0	39.1	39.6	[1] 40.0	39.9	[1] 40.3	[1] 40.4
Manufacturing overtime	2.9	2.4	2.4	2.7	[1] 2.9	2.8	[1] 3.0	[1] 3.0
1967=100:								
Hourly Earnings Index, private nonfarm:								
In current dollars	164.3	167.7	170.7	174.3	[1] 177.7	178.2	[1] 178.2	[1] 179.8
In constant dollars	106.5	106.7	107.1	107.1	[1] 107.4	107.6	[1] 107.1	NA

[1] Preliminary.

NA—Not available.

White workers showed an improvement in unemployment, as their rate dropped 0.5 percentage point to 7.1 percent in January. The rate for black workers (13.2 percent), though little changed from December, has trended downward from the September peak of 14.4 percent.

Declines in industry unemployment rates were pervasive, while the drop in joblessness by occupational categories was concentrated among blue-collar workers, whose rate fell from 10.7 to 9.4 percent.

The average (mean) duration of unemployment, which usually lags behind movements in total unemployment, remained stable in January at 16.9 weeks, despite a large decrease in the number of persons unemployed 15–26 weeks. However, the number unemployed 5–14 weeks also dropped substantially and the number unemployed 27 weeks or longer—1.6 million—were little changed over the month.

In contrast to the downward movement in overall unemployment, the number of persons working part time for economic reasons on nonfarm jobs rose by 240,000 in January to 3.5 million, after having remained at about 3.3 million since last July. However, labor force time lost—a measure that combines the involuntary part-time employed with unemployment on a worker-hours basis—declined from 8.9 to 8.4 percent over the month.

TOTAL EMPLOYMENT AND LABOR FORCE

Total employment surged upward by 800,000 in January to 86.2 million (seasonally adjusted); employment has risen by 2.1 million since the March recession low. Over-the-month employment increases were concentrated among adult workers in nonagricultural industries. Workers in both white-collar and blue-collar occupations registered large employment gains.

The civilian labor force rose by 360,000 in January to 93.5 million persons (seasonally adjusted). All of the increase occurred among adult women and teenagers. The labor force has grown by 1.5 million over the past year, with adult women accounting for 1.1 million of this increase.

INDUSTRY PAYROLL EMPLOYMENT

Total nonagricultural payroll employment increased for the second month, moving up by 360,000 in January to 78.1 million (seasonally adjusted). As in the previous month, the most substantial gains occurred in manufacturing and trade. The total payroll job count now stands 1.8 million above the June 1975 recession low.

Employment increases from December to January occurred in 68 percent of the 172 industries comprising the diffusion index of nonagricultural payroll employment. Three-fourths of all industries have posted job gains over their July levels.

Employment in manufacturing advanced by 140,000, as widespread gains took place among both the durable and nondurable goods industries. Within durable goods, the largest increases occurred in electrical equipment, transportation equipment, and fabricated metal products. In nondurables, notable gains were registered in apparel and food processing. In contrast, employment in contract construction remained about unchanged over the month, maintaining the recessionary low level of 3.4 million exhibited for more than half a year.

An expansion in each of the industry divisions in the service-producing sector was led by an increase of 120,000 jobs in wholesale and retail trade. The service industry division continued its steady upward trend, growing by 60,000. An increase of 20,000 in transportation and public utilities resulted from the settlement of airline strikes.

HOURS

The average workweek for all production and nonsupervisory workers on private nonfarm payrolls continued to climb, advancing by 0.2 hour in January to 36.6 hours (seasonally adjusted). The manufacturing workweek edged up to 40.4 hours, following a gain of 0.4 hour in the previous month. The factory workweek was 1.6 hours above its recession low but 0.6 hour below the prerecession high recorded in February 1973. Factory overtime, which in December had recorded its first increase since August, held steady in January at 3.0 hours.

The index of aggregate hours of private nonagricultural production or nonsupervisory employees rose by 0.9 percent to 110.3 (1967–100), the seventh consecutive monthly increase. Aggregate factory hours also rose by 0.9 percent over the month to 93.3, continuing the upward movement from last March's low of 86.4.

HOURLY AND WEEKLY EARNINGS

Average hourly earnings of production or nonsupervisory workers on private nonagricultural payrolls rose 1.1 percent from the December level (seasonally adjusted) and 7.3 percent over the last 12 months. Average weekly earnings advanced 1.6 percent over the month and have risen 8.4 percent since January 1975.

Before adjustment for seasonality, average hourly earnings rose 4 cents to $4.72. Since January 1975, the increase has been 32 cents. Average weekly earnings were $170.39, down 43 cents from December but $13.31 above January a year ago.

THE HOURLY EARNINGS INDEX

The Hourly Earnings Index—earnings adjusted for overtime in manufacturing seasonality, and the effects of changes in the proportion of workers in high-wage and low-wage industries—was 179.8 (1967=100) in January, 0.9 percent higher than in December. The index was 8.2 percent above January a year ago. During the 12-month period ended in December, the Hourly Earnings Index in dollars of constant purchasing power rose 0.7 percent.

NOTE ON SEASONAL ADJUSTMENT

At the beginning of each calendar year, the Bureau of Labor Statistics routinely revises the seasonally adjusted labor force series derived from the Current Population Survey (household survey) to take into account data from the previous year. This year, in addition to these routine annual revisions, the Bureau has introduced a modification in the procedure for seasonally adjusting teenage unemployment and those few other series of which teenagers are the exclusive or major part. All other series are adjusted following past procedures.

Largely because of the dramatic rise in unemployment in 1975, the seasonally adjusted figures were revised to a much greater extent than in prior years. For example, as shown in Table B below, the revised overall unemployment rates for 1975 differ from those originally published by 0.3 percentage point in 5 months, 0.2 percentage point in 3 months, 0.1 percentage point in 2 months, and were unchanged in just 2 months. Of course, these revisions do not affect the annual average, which was 8.5 percent in 1975. An explanation of the seasonal adjustment methodology will accompany publication of the new seasonal adjustment factors for the 12 major components of the civilian labor force—as well as revised historical data for nearly 300 series—in the February 1976 issue of Employment and Earnings.

TABLE B.—SEASONALLY ADJUSTED UNEMPLOYMENT RATES IN 1975

Months	As originally published	As revised	Difference
January	8.2	7.9	−0.3
February	8.2	8.0	−.2
March	8.7	8.5	−.2
April	8.9	8.6	−.3
May	9.2	8.9	−.3
June	8.6	8.7	.1
July	8.4	8.7	.3
August	8.4	8.5	.1
September	8.3	8.6	.3
October	8.6	8.6	
November	8.3	8.5	.2
December	8.3	8.3	

[From AFL–CIO News, Feb. 14, 1976]

"TRUE" JOBLESS RATE PUT AT 10.6 PERCENT

(By James M. Shevis)

Unemployment in the United States last month was closer to 10.6 percent than the 7.8 percent officially reported by the Bureau of Labor Statistics, the AFL–CIO declared.

While the government's report on jobs in January did show a modest improvement in overall employment, particularly in the nonfarm sector of the economy, "a careful study of the full report indicates no justification for claims that there was a dramatic drop in unemployment," AFL–CIO Research Director Nat Goldfinger said.

Several critical factors were not considered in arriving at the 7.8 percent rate, Goldfinger noted. For instance, he said, the report does not include the one million jobless persons who have become so discouraged they have stopped looking for work.

"Neither does it include the partial unemployment of part-time workers who want and need full-time work."

The number of persons forced to work part-time because full-time jobs were not available rose by 240,000 in January to 3.5 million, after having remained at about 3.3 million since last July, BLS reported.

When these and other factors are included, then "a more realistic measure of unemployment in January would be 10.6 percent," Goldfinger said.

He pointed out that there was increased unemployment among teenagers during the month, and new seasonal adjustment calculations, applied by BLS for the first time in January, "distorted" the officially reported decline in joblessness.

While the January decline of five-tenths of 1 percent in the official jobless rate was more than had been anticipated, the 7.8 percent rate was still higher than the peak rates in any of the four previous recessions.

During the 1970–71 downturn, the rate never climbed above 6.1 percent, while in the 1960–61 recession, it never got higher than 7.1 percent. In 1958, the jobless rate went as high as 7.5 percent while in 1954 it rose as high as 6.1 percent.

In determining the official jobless rate, the government counts part-time workers as fully-employed. Thus, the effect is to lower the overall rate.

"A truer measure would count half of this group as unemployed," Goldfinger said. "They are, in fact, partially-unemployed and their families suffer the consequences of reduced paychecks.

"A realistic measure of unemployment would not claim those forced to work part-time because full-time jobs were not available as 'fully-employed'."

AFL–CIO Legislative Director Andrew J. Biemiller said last month's improvement in non-farm employment was largely due to job-creation programs passed by Congress.

But, he warned, President Ford may use the decline in the official unemployment rate to justify a veto of the public works bill. Passed overwhelmingly by Congress, the bill would create nearly 600,000 badly-needed jobs.

Biemiller also noted that the January jobs figures "show that the Congress was right in insisting on an extension of anti-recession tax cuts, which the President initially vetoed. Without these tax cuts, the economy would have lost $1 billion in job-generating purchasing power in January."

Total employment last month rose by 800,000, after adjustment for seasonal fluctuations. At 86.2 million, the employment level was 2.1 million above the recession low of last March, and very close to the pre-recession peak reached in July 1974, BLS said.

The labor force grew by 360,000 to 93.5 million in January, with all of the increase occurring among women and teenagers, the government said.

The number of jobless persons dropped by 450,000 to 7.3 million, the largest one-month decline since December 1959 when the nation was beginning to pull out of the 1958 recession.

For the second consecutive month, the drop in unemployment occurred entirely among those who had lost their last job, BLS said. The government said 78.1 million nonfarm workers were on company payrolls in January, an increase of 1.8 million since the June 1975 low.

Among major labor force groups, adult men showed the greatest improvement. Their jobless rate declined from 6.5 to 5.8 percent from December to January. The rate for adult women moved down over the month from 8 to 7.5 percent. For household heads, the rate dropped from 5.7 to 5.1 percent.

Joblessness among teenagers rose three-tenths of 1 percent to 19.9 percent in January, however. The jobless rate for black teenagers was 34.6 percent, only slightly improved from the 35.2 percent of the previous month. Their rate a year earlier was 39.5 percent.

Joblessness among white-collar workers was virtually unchanged at 4.7 percent last month, but the unemployment rate for blue-collar workers fell to 9.4 percent from 10.7 percent in December.

The average duration of unemployment held at nearly 17 weeks while the number of "hard-core" unemployed—those out of work 27 weeks or longer—was little changed at a record level of 1.6 million.

RURAL HOUSING PROGRAMS WILL MISS GOALS UNLESS IMPOUNDMENT REVERSED

Mr. ABOUREZK. Mr. President, the administration has currently impounded more than $500 million in rural housing loan authority that Congress has voted. I would like to point out to the President and to my colleagues in Congress that a continuation of that impoundment will jeopardize the administration's own targets in the field of rural housing.

Prior to last year, Mr. President, the number of units assisted under the interest-credit programs of Farmers Home Administration had been on a downward slide for 2 years. Between fiscal years 1972 and 1973 the number of subsidized units financed by the agency dropped by 9 percent, from 64,420 to 58,350. In fiscal year 1974 the program level fell by another 15 percent to 49,820 units. Last year that trend was dramatically reversed and the number of units rose by 54 percent to a record level of 76,910.

For the current fiscal year, it is projected by the administration to rise another 16 percent to 88,860 units. But a careful comparison of the program targets which go into that estimate with past program experience and with the data from the first half of this fiscal year make it clear that the increase will not occur unless the President allows Farmers Home to use the additional loan funds Congress has provided to it. Without those additional funds, I would predict that this year's level of assisted rural housing units will be only marginally above last year's. Based on the first half of the year, the fiscal year 1976 program levels could be more than 11,000 units below the administration's own target—a shortfall of about 12 percent.

It is true that if you look in this year's budget documents they would have you believe that the target of 88,860 subsidized units can be reached without the impounded funds, but the estimates in the budget documents are based on very unrealistic assumptions. I know that Budget Director Lynn and others in the administration boast that this year's budget is a "straight-up" document, but I think the statistics on Farmers Home subsidized housing units reflect a slight tilt.

In the first place, the administration continues to project $20 million in loans for home repair, giving a program level of 8,000 units affected. In fact, the agency has never loaned more than $5 million in a year under this program, for a number of reasons. They seem to be doing better this year and reported $3 million in loans during the first 6 months of fiscal year 1976, but even if they keep up they will only finance 2,400 home repairs rather than the 8,000 projected in the budget—and if they set an even higher program record by utilizing $7.5 million of those direct loan funds, they would still be 5,000 units below the target.

Second, the administration is continuing to project a $267 million program level for subsidized rental housing. But the data from the first half of the year show only $72.5 million loaned under that program—less than 55 percent the rate needed if they were to make the budget target. Even if they do twice as well in the second half of the year as in the first, they will still be an estimated 3,200 units short of their own goal.

And finally, the budget continues to claim that their homeownership program will emphasize existing housing and the rehabilitation of existing housing. But the truth of the matter is that the supply of existing housing in rural areas which is decent or even suitable for rehabilitation is just not large enough to support the administration's desire to save money by emphasizing rehabilitation loans.

The figures in the budget are based on the assumption that 45 percent of the homeownership loan funds will go for existing housing, either with or without rehabilitation. But, if the administration will look at the information from the first half of this fiscal year it will find that only 26 percent of the homeownership loans want for such purposes. That pattern is, I might add, fully consistent with the experience of the preceding year, fiscal year 1975. Because of the difference in the average loan size for existing housing and the average loan size for new construction, that difference between 45 and 26 percent can translate into about 2,300 less units financed than the target level.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table which compares the administration's estimates for subsidized rural housing with more realistic projections, assuming the same level of $1,660 million in insured loan funds, but with a program level in direct loans for home repair at a level far more likely than that projected in the budget document.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FmHA SUBSIDIZED HOUSING IN FISCAL YEAR 1976—A COMPARISON OF ADMINISTRATION ESTIMATES WITH MORE REALISTIC PROJECTIONS

			More realistic projections			
	Administration estimates		Program mix A		Program mix B	
Type of units financed	Loan funds (millions)	Units	Loan funds (millions)	Units	Loan funds (millions)	Units
Insured loans:						
Homeownership—New construction	$760	31,750	$1,121.1	46,830	$930.4	38,860
Homeownership—Existing housing	560	25,400	363.6	16,490	461.6	20,930
Homeownership—Rehabilitation	73	6,350	30.3	2,630	50.5	4,390
Rental housing	267	17,360	145.0	9,430	217.5	14,140
Total, insured loans	1,660	80,860	1,660.0	75,380	1,660.0	78,320
Direct loans: Home repair	20	8,000	6.0	2,400	7.5	3,000
Total, subsidized housing	1,680	88,860	1,666.0	77,780	1,667.5	81,320

Note: Program mix A assumes continuation of pattern reflected in 1st half of fiscal year 1976; program mix B assumes a program mix midway between that and the one assumed by the administration.

Mr. ABOUREZK. Mr. President, this table shows that the total level of assisted rural housing units to be expected in fiscal year 1976 is 7,540 to 11,080 less than the administration's own target if the administration's dollar levels are adhered to.

As things now stand, the additional $500 million which we voted for rural housing programs in December will become available about the middle of March or so. That is the case if the administration insists on waiting all of the 45 congressional days specified in the Impoundment Control Act to allow Congress to act on a rescission. In fact, the House has already acted on this particular rescission and rejected it. I hope that the Senate will soon do so and that the administration will thereupon release the funds and end its refusal to do as Congress directs. Its failure to do so will, as these figures make clear, jeopardize its own supposed goals in terms of the subsidized rural housing program.

ICC INEFFICIENCY

Mr. TAFT. Mr. President, the New York Times of February 2 contained an article entitled, "Staff Finds ICC in Policy Vacuum," which illustrates one more problem with the whole concept of agency regulation of the free market economy. The article reports that, according to a study by the ICC's own staff, the Commission's enforcement of the law "has no overall purpose," and that it concentrates on economically unimportant cases.

This should not be surprising to anyone who has either seen the results of ICC activity or has studied the internal dynamics of regulatory agencies. The railroads lie prostrated as the best monument to the results of ICC regulation; although the railroad is the most efficient way to move goods and often people as well, our regulated railroad industry is in the final stages of capital starvation. Why? Because the ICC has held the rate-of-return on investment in the industry to below the cost of capital for 25 years. The railroads are testimony to the fact that the ICC seems to have learned its economics from Juan Peron.

As the Times article indicates, the internal dynamics of the agency also contribute to its congenital incapability to promote efficiency. A researcher's work is evaluated quantitatively, not qualitatively. This sort of thing is inevitable in any bureaucracy, and it is one reason why a free market approach is invariably better.

Mr. President, I ask unanimous consent that the Times article be printed in the RECORD for the information of my colleagues.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STAFF FINDS ICC IN POLICY VACUUM: REPORT SAYS ENFORCEMENT FOCUSES ON 'ECONOMICALLY INSIGNIFICANT CASES'

(By David Burnham)

WASHINGTON, February 1—An unusually blunt report by the staff of the Interstate Commerce Commission has concluded that the commission's enforcement of the law "has no over-all purpose" and "concentrates on economically insignificant cases."

The report, labeled administratively confidential, also maintained that "major efforts of regulatory concern are virtually untouched by our enforcement program."

The I.C.C., which has a staff of 2,100 and an annual budget of about $50 million, is responsible for enforcing many of the Federal laws governing the railroads, trucks, buses, pipelines and barges, and thus has a vast potential impact on the nation's economy. It was established by Congress in 1887, making it the oldest Federal regulatory agency, and is widely considered the most creaky.

The critical staff study, a copy of which was obtained by The New York Times, is expected to be the subject of a hearing scheduled for tomorrow by the House Interstate and Foreign Commerce Committee's Subcommittee on Oversight and Investigations headed by Representative John E. Moss, Democrat of California.

Asked for comment on the staff report, George M. Stafford, chairman of the I.C.C., said he had requested the study as part of the commission's continuing effort to improve its performance.

"I asked them to write down everything they found out, but the fact that it is in the report doesn't mean it's true," Mr. Stafford said.

The 44-page report was submitted to Mr. Stafford by Alan M. Fitzwater chairman of the staff panel, last Oct. 8.

"The panel found that there is little, if any, development or coordination of policy, either at the headquarters or the field levels," the report said. "One field employee put it bluntly when he stated that the compliance program operates like a ship without a captain."

The report said the policy void resulted in several undesirable consequences, "first, the compliance program has no over-all purpose." It added:

"Investigators at the lowest level of the organization are permitted to decide who, what, when and where to make investigations. Because investigators believe their performance is judged primarily, if not solely, on the number of cases which they handle per year, investigators concentrate on simple cases, which usually are of little or no economic significance."

DIFFICULTIES NOT NEW

The letter transmitting the report to Mr. Stafford noted that the difficulties found by the staff panel were not new. "The principal weaknesses that we have found in the commission's compliance program and the organizational units are similar in many respects to those identified in the earlier studies, and more recently by the General Accounting Office," the letter said.

The panel recommended a number of major changes:

A central office of compliance should be established in which the 700 persons scattered in the commission's Bureau of Enforcement, Bureau of Operations and Audit Section of the Bureau of Accounts would be merged.

The Commission's compliance program should be redirected with the emphasis shifted to areas of more economic significance, increased efforts on identifying violations by water carriers, freight forwarders, and pipelines, increased attention to shipper culpability and strengthened authority over agriculture cooperatives.

Procedures for evaluating the performance of field agents should abandon the present emphasis on the number of cases completed each year. The report contended that the lack of direction and the widespread belief that asking the largest possible number of cases each year was a prerequisite to promotion meant that "the large majority of investigations conducted and cases concluded involve operating rights violations against extremely smaller motor carriers (less than $300,000 annual revenues), which have little economic impact."

SIGNIFICANT CASES

Most investigators, the report said, agree there are a considerable number of truly significant cases involving such areas as violations of the Clayton Antitrust Act, but that the investigatory effort is simply not directed toward them because "the numbers game precludes investigators from devoting the time necessary for their development."

The report also maintained that the commission's present enforcement effort appeared "to discriminate against small carriers and against those carriers who keep good records" because 'their violations are more easily detectable than those firms which keep inaccurate or incomplete records."

The report also said that the commission should establish a new mechanism for Communication Commission directives. "The panel found that although a system of sorts is in plans for the dissemination of commission policy, guidelines and case precedents, there is virtually no regard for implementation of directives."

"Field offices," the report said, "operate in a vacuum, often pursuing obsolete policies and directives and, in some instances, developing their own."

FOREST HAVEN—ACTION REQUIRED TO BETTER SERVE MENTALLY RETARDED PERSONS

Mr. HUMPHREY. Mr. President, on several occasions I have discussed in the Senate a very serious situation at Forest Haven, the District of Columbia's residential facility for the mentally retarded.

At my request, the General Accounting Office investigated the accounting of funds appropriated by the Congress for Forest Haven and especially of staffing problems at this facility. The GAO report, which was released in May of 1974, brought out the central problem: staff shortages in all areas including maintenance, housekeeping, nursing, counseling, and management.

Since then a dedicated administrator has been hired and there have been other improvements. But it is reported that the residents still suffer from everything from abuse and neglect to unsanitary conditions. Most of the problems are directly related to the shortage of staff. For the most part the situation described 2 years ago remains true today.

The Congress appropriated funds for some additional staff but most of it never reached the facility.

Mr. President, in November 1975, I wrote to Joseph Yeldell, Director of the D.C. Department of Human Resources which is responsible for Forest Haven. I asked for some answers on the situation at Forest Haven. To date I have not received a response. I have now written to Mayor Washington for some answers as to what can be done to provide staff supervision for mentally retarded residents who cannot care for themselves.

We must do something now to help. Only the other day another resident was found to have been attacked. In November two residents were beaten. I have requested the Subcommittee on the District of Columbia of the Senate Committee on Appropriations to explore what can be done to provide the city with funds to adequately staff this facility and to require the Department of Human Resources funds for Forest Haven are not diverted to other programs. We in the Congress share the responsibility for whatever happens there.

I would like to share with my colleagues an appeal from the Friends of Forest Haven which appeared in their recent newsletter, Echoes from Forest Haven.

Mr. President, I ask unanimous consent that this appeal and the two recent excellent articles from the Washington Star, which vividly point out the deplorable situation at Forest Haven, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Echoes from Forest Haven]

Who will give us the answers?
Who will hear our prayers?
Who is kind enough to care?
Why is Forest Haven so critically understaffed?
Why are our children neglected?
Why are our children mistreated?
Who will give us the answers?
Who will hear our prayers?
Who is kind enough to care?
Why do our children have to sleep without sheets on their beds?
Where are the excellent programs our children are supposed to be enrolled in?
When will the Snake Pit that is called Forest Haven be turned back into the Qualified Institution for the mentally retarded it should be?
Who will give us the answers?
Who will hear our prayers?
Who is kind enough to care?
Where is the money that was appropriated to hire more staff at Forest Haven?
Who is neglecting whose job and therefore neglecting our children?
Who is to blame for our unending grief?
Who will give us the answers?
Who will hear our prayers?
Who is kind enough to care?
When will our children get the proper care?
When will the educational programs be instituted?
When will there be enough staff at Forest Haven so our children will get the proper care?
Who will give us the answers?
Who will hear our prayers?
Who is kind enough to care?

FOREST HAVEN: AFTER 2 YEARS, THE FORGOTTEN STILL SUFFER

(By Diane Brockett)

In the Curley Building at Forest Haven, the District's institution for the mentally retarded, a profoundly retarded young man with gaunt cheeks stares balefully from the same tall, narrow window day in and day out. His view is of a dilapidated, brick administration building across the road.

The man was at the same window two years ago, staring blankly at the world outside, when an investigation by The Star called attention to the miserable plight of Forest Haven's 1,300 residents. Local and national officials professed outrage and vowed that things would change.

But a visitor to Forest Haven still would see the young man at the window, his lonely days still filled with emptiness, a squalid symbol that things at Forest Haven have not changed.

"It tears me up to see him there every day when I come to work and every day when I leave," said a Forest Haven employe who was at the institution when promises of reform were made.

Forest Haven is a bleak, sprawling collection of 17 one- and two-story brick buildings, looking like a decaying college campus from the 1920s. It is set in rural Maryland, 22 miles from Washington, just off the Washington-Baltimore Parkway near Laurel.

The institution's 1,050 residents, a decline of 250 over the last two years, range from the profoundly retarded with an I.Q. level of about 35, to the nearly normal, some of whom are merely illiterate. Like most homes for the retarded, Forest Haven has been used all too often as a repository for unwanted and problem children.

A catalog of Forest Haven's problems, 1976 edition, is almost a reprint of the 1973 version: overcrowded, understaffed, underfunded and a demoralized staff that knows the institution has been forgotten by the public. But the size of the staff has shrunk even further since 1973, and Forest Haven's budget, in terms of buying power, also has diminished.

A series of inspections of the institution conducted by The Star over the last month found such problems as:

A cafeteria so unsanitary D.C. Environmental Services officials want to close it down (they only have authority to shut restaurants and private facilities, not the District's own operations).

A shortage of funds so acute that Forest Haven residents are forced to pay out of their own meager pockets for custodial supplies, soap, disinfectant, mops, to keep the buildings clean. Staff members also buy many of the daily necessities such as aspirin and light bulbs.

Among the myriad supply shortages at Forest Haven is the linen problem. Parents frequently take bedclothes home with them to wash so there will be enough to get through a weekend. When the institution runs out of diapers for residents without toilet control the precious sheets are ripped up to make substitutes.

As a result of staff shortages, parents report that their children have been straightjacketed as a result of staff shortages, although they have never needed to be restrained in the past.

Employees regularly work 16-hour shifts, an undesirable practice in a situation where patient abuse is a constant danger. Counselors are so overworked they do not have time to make sure residents swallow their medicines. Overtime costs run $46,000 a month.

Forest Haven's school buses are so old that children who attend special education schools in the District sometimes don't get there because none of the vehicles is operating.

Residential buildings are as run down, filthy and depressing as any inner-city tenement. Most of the buildings have no janitorial services, and maintenance is done only in emergencies.

Roland J. Queene, hired as superintendent in August 1974 to turn the institution into a more humane facility of which the District no longer need be ashamed, said the institution still gives an embarrassing brand of treatment to at least 70 percent of its 1,050 residents.

At one point in November 1973, it appeared that a new day was dawning for Forest Haven, Sen. Hubert Humphrey, D-Minn., speaking on the floor of the Senate, described the institution as "a shocking case of governmental abuse of 1,300 people" and as "an insult to God's children . . . to this government . . . to any sense of decency." He promised he would "harass" Congress and the D.C. government until something was done about these "hundreds of people forgotten by society and seemingly barely tolerated by government."

The District hired Queene to replace a registered nurse who had been acting superintendent for 28 months. The city also drew up an 8-year plan to revamp and improve Forest Haven. The plan called for $8.2 million to be added to the institution's budget over the next eight years. Congress appropriated the first $1.2 million for fiscal year 1975.

The new superintendent has set the institution on a course of preparing as many residents as possible to return to their communities—about 400 of the total 1050 residents, Queene estimates. He has made modest gains in improving the lives of those who will remain.

But Queene himself insists that living in an institution such as Forest Haven is "worse than being in jail." He has refused to admit any new residents except under court order. Still, Queene says, there are instances of poor commitments, as in the case of a recently committed delinquent teenager with a relatively low I.Q.

"His problem is delinquency, not mental retardation. What can we do now but give him three meals a day and a place to stay? We have absolutely no programs for him," Queene said.

The Curley Building—a cold, low-slung, cement and brick dormitory opened in 1971 as the institution's show piece—now has become the most troubled cottage at Forest Haven. As the home of 200 profoundly retarded residents, it is the place where the shortages seem especially cruel.

The residents live in groups of about 20, their beds in cubicles containing six beds each—and nothing else. There are equally barren day rooms with connecting mass bathrooms.

The building is clean and the walls brightly colored, but everything else is stark and sterile, without the first touch of softness. There is no furniture, merely beds, folding chairs and hard benches.

On a recent visit to Curley Building, about 20 women and girls were lying on the bare tile floor of a day room or sitting on the wooden benches. Some were scratching and fondling one another and themselves. Some stared toward some non-existent vista. Some grabbed clumsily at the visitor.

Their light cotton clothes were rumpled, they wore no undergarments, and no one bothered if a dress hung open or was pulled up to the waist. The only toy in the vast room was a detached doll's arm that lay untouched on the floor.

There are one or two counselors to each dayroom per shift, and the care is rarely more than custodial. The only counselor in the day room in Curley was reading a movie magazine while the women wandered aimlessly and rolled on the floor. She explained: "When you are by yourself all you can do is watch them. Otherwise, if you give attention to one, the others will hurt themselves or each other to get your attention."

When there are two counselors on duty, one can give individual attention to a single resident while the second watches the remaining 19 residents doing nothing.

Because of a federal court order, 55 residents of the Curley Building are in school six hours a day, learning things such as the names of colors and how to hold eating utensils. But for the remaining 145, everyday life everyday is depressingly like the scene in the day room—monotonous, aimless and lonely.

Those 145, most of them older, did not receive any educational services when they were school age because no federal court order existed. There is virtually no hope now that the years of neglect will be made up to them or to the other several hundred older residents around the institution who have been similarly cheated.

"Everybody has potential," Queene said of the profoundly retarded Curley Building residents, people who repulse many visitors, in part because of the surroundings which make them seem like animals in a zoo.

"If we only had the staff," said Queene. "They can at least be toilet-trained and trained to feed themselves. We don't really know their potential. They can experience pleasure, feel love in their way, know when they've been hurt both mentally and physically."

Original plans for the Curley Building called for a staff of 116 nursing assistants and nine nurses. It currently has 82 nursing assistants and two nurses.

For the more capable residents, who live in cottages with 30 to 70 residents, the world consists of a bed in a vast dormitory without a place to keep personal possessions; a dismal day room furnished with dilapidated furniture and a television set blaring at all times. The resident gets three meals a day in a barn-like eating hall. The food is such that staff members eat off the grounds.

No one watches what the residents actually eat, so some probably live on a steady diet of cake, Queene said. A balanced if unappetizing meal is available, however, in unlimited portions.

Staff shortages affect every aspect of life at Forest Haven. In the infirmary, which houses bedridden patients, many of them severely and profoundly retarded, nurses aides must sometimes bathe, diaper and feed 13 persons. They have been trained to give some stimulation and affectionate care to each patient as they work, but with so many people to care for there is little time for lingering.

In cottages where residents are not bedridden, yet still are not self-sufficient, one counselor may be faced with helping 35 persons brush their teeth, bathe and dress each morning, making it impossible to teach one how to button a blouse properly or which shoe goes on which foot.

Peeling and filthy paint, dirty floors, dim lights, broken steps and barren, wind-swept fields comprise the Forest Haven environment.

"The only city code we can meet is that of how much smoke we produce burning our garbage," Queene said, referring to lax health and safety conditions throughout the institution. He said the backlog of repair requests is over a year old, the result of too few maintenance men and too little money to stock parts.

There have been plans for over two years to close down the Forest Haven laundry, where residents work in inhumane heat during the summer and comfortable temperatures in winter, but the bureaucracy has never followed through, Queene said. One improvement since The Star wrote about conditions at the laundry in 1973—when residents worked in the heat until they collapsed—is that the toilet facilities in the building have been made usable.

Some improvements are planned and will go forward despite the District government's curtailment of most other construction projects, according to Terry Peal, head of the D.C. capital improvements program.

Some 200 residents work on the grounds, a few more work in D.C. or Laurel. About 60 school-age children go to special education schools in the District and the other 217 children, age 7 to 16, attend school days on the grounds. But half of the 1,050 residents still have nothing to do all day, Queene said.

They stare at television sets or into space, shuffle around the grounds. They sit in hallways, some begging for money. One old man repeatedly wandered away from the institution to set small fires in nearby fields.

Judy cries "everytime we see her because she just wants something to do besides watch television," said her troubled mother.

Queene offers little hope to the parents of changing Judy's life or that of the man in the window in the foreseeable future. "And it's not that we don't know what needs to be done," he said with some bitterness.

[From the Washington Star, Feb. 2, 1976]

New Director Says He's Losing Ground: Lack of Promised Funds Slows Forest Haven Reform

(By Diane Brockett)

Shortly after Roland J. Queene was named superintendent of Forest Haven, the District's badly troubled institution for the mentally retarded, he vowed to close it.

At least 40 percent of the then 1,300 persons living at Forest Haven never should have been committed to such a place—a place "worse than being in jail," in Queene's words. And he felt the other 60 percent, profoundly retarded people, deserved humane treatment and careful attention of a kind that Forest Haven couldn't provide.

His plan was to ship as many Forest Haven residents as possible away from the bleak, isolated compound in rural Maryland, 22 miles from the District, and to find new lives for them in their own communities.

That would free the institution to care for the severely retarded, those with IQs of 35 or lower, plus those older residents who simply had been at Forest Haven too long to readjust to the outside world.

A year and a half later, Queene is a discouraged man. He says the District government has broken its promises to Forest Haven since he was hired in August 1974.

He hasn't given up on Forest Haven, Queene insists, but he's convinced he's "losing ground" trying to reform the place. There are fewer funds—in terms of buying power—available for personnel and supplies than there were two years ago, and conditions in most aspects of life there have not improved.

Queene was hired as a result of public outcry over deplorable conditions at Forest Haven uncovered by The Star in October 1973.

A month-long investigation concluded Forest Haven was a forgotten institution where the mentally retarded, ranging from infants to elderly people, were living in crowded, depressing, often filthy conditions, most of them condemned to the barest of existences until death. Like many state institutions for the mentally retarded across the nation, Forest Haven was largely the product of neglect.

The report outraged Congress, which said it wanted something done and asked the General Accounting Office to investigate. Sen. Hubert H. Humphrey, D-Minn., called Forest Haven "a shocking case of governmental abuse" and "an insult to God's children."

When the District drew up a plan to upgrade the institution by nearly doubling its $8 million annual budget for personnel, supplies and programs over an eight-year period, Congress speedily approved it.

Virtually none of the new funds have materialized.

A new investigation of Forest Haven by The Star last month found conditions much the same as they were in 1973.

It's still overcrowded, understaffed and underfunded. The demoralized staff has shrunk further and the institution's budget, in terms of buying power, also has diminished.

Forest Haven is a ward of the D.C. Department of Human Resources, headed by Joseph P. Yeldell.

"Yeldell promised me the world," Queene said of his initial understanding with DHR officials. "Forest Haven was going to become a model for the rest of the country."

But now, Queene asserts bluntly: "We don't have an eight-year plan. We haven't been allowed to spend the money."

A former director of mental retardation in Virginia, Queene is a soft-spoken man who has become unpopular with Yeldell and other high-level District officials because of his outspoken views about the institution's situation and the District government's responsibility for it.

Yeldell and other officials maintain the institution's problems, though still high on the priority list, must await some solution to the city government's own financial crisis.

Yeldell insists he has kept his promises to Queene and to Congress—given the constraints the District budget deficit has placed upon him. The fact that almost none of the new funds appropriated for Forest Haven have materialized could not be helped, Yeldell said, because the money was needed to cover the city deficit.

Yeldell said he agrees with Queene's plans for Forest Haven, but he noted that the situation is no worse than at many institutions for the retarded throughout the country.

"Those institutions have been allowed to be substandard for years. Now the cry is to bring them up to par, and that will take an awful lot of dollars," said Yeldell.

He added that such institutions need a staff-resident ratio of one-to-one. In other words, Forest Haven would have to double its current staff of 550 in order to care for residents properly.

"There is not one person who doesn't give a damn about Forest Haven," commented Dr. Leonard Allen, chief of the D.C. Bureau of Developmental Disabilities which oversees Forest Haven. "But unless someone gives us lots and lots of money, there is only so much we can do."

But many other agencies in the District government, including Yeldell's own public relations staff, have been allowed to break the city government's hiring freeze.

Forest Haven, already faced with a critical shortage in personnel, watched its staff shrink by 65 before getting approval—one year late—to begin hiring 50 "extra" personnel. The extras, when hired, will still leave Forest Haven with 15 fewer staff members than it had when Queene took over.

Yeldell, who has requested an extra 50 staff members for Forest Haven in next year's city budget, explained that the D.C. government allowed other agencies to break the hiring freeze to replace departing personnel because they had additional funds already in their budgets. He said Forest Haven had not been allowed to break the freeze because it has been running at a deficit at least since 1970.

But the depth of Forest Haven's financial problem is hardly surprising.

Under the eight-year plan, Forest Haven was to receive $1.2 million in additional funding for the fiscal year beginning in July 1974. The additional funding was to be stepped up to $2.2 million in July 1975, and, with similar increases each year, the institution would be receiving an extra $8.2 million annually after eight years—all in addition to increases in the basic Forest Haven budget to keep it in line with inflation.

But the institution has been allowed to spend only $675,000 in new funds in the last two years. Implementation of the eight-year plan has been stymied as the District has diverted most of the other funds to help cover its own growing budget deficit.

Congress was partly responsible for the loss of Forest Haven's first $1.2 million supplemental appropriation. It was cut down to $900,000 because the entire D.C. budget was not adopted by Congress until after the start of the fiscal year.

Of the $900,000, however, Queene was allowed to spend only $225,000 at the outset to pay residents who had been working without wages in the institution's laundry, cafeteria, offices and at other menial jobs.

All of Queene's other requests for expenditures of the supplemental money were turned down by the District government.

After a full year of lobbying for his funds, Queene received permission to start hiring the 50 "extra" employes provided for in the first year of the eight-year plan—at a cost of $450,000. But the remaining $225,000, which had been designated for new supplies and equipment, was taken by the mayor's office to cover the city's deficit.

In addition, Yeldell and Mayor Walter E. Washington proposed deferring implementation of the $2.2 million second-year appropriation until next July.

The reason they gave was that Forest Haven had not finished implementing steps called for in the first year of the eight-year plan. They said the $2.2 million also would go to help cover the city's budget deficit.

Yeldell said he does not feel his department has acted in bad faith toward Congress.

"We did nothing to interfere with the first-year program," he said, adding that he thought the first-year money that has been withheld is inconsequential. He said that despite repeated requests, the mayor had refused for months to exempt the 50 extra staff positions from the citywide freeze on government hiring, which has been in effect since before Queene was hired.

But Queene said when he was hired he was promised that the extra staff positions called for in the eight-year plan would be exempted from the freeze.

Other sources said Forest Haven was not exempted from the hiring freeze because it was not high on the priority list. Otherwise, the sources said, funds from other offices could have been redirected by Yeldell.

While Forest Haven has not been allowed to hire new personnel until now, it has been paying $46,000 a month in overtime just to maintain a minimum staff level in the residential cottages. Queene said that amount of overtime is enough to cover 65 to 70 new employes working regular hours.

Yeldell said the institution had been told to make a report showing it would be more advantageous to hire people than to spend the overtime. He said Queene never made the report.

But Queene said he submitted the requested report twice, in September 1974 and October 1975. He said DHR never responded.

Many employes are regularly working 16-hour shifts, leading to exhaustion and short tempers, he said. There is less emphasis on working with the residents and more on simply containing them.

There were two serious beatings of patients by counselors in November, neither related to long working hours, Queene said, but he thinks the overtime practices could aggravate the situation seriously.

The two employes involved in the November beatings have been transferred from Forest Haven to other jobs within DHR.

The lack of funds pervades every aspect of life at Forest Haven. Bureaucratic strings must be pulled to get enough food for the week, and residents go to bed lonely each night because there is no one with time enough to give them a little personal attention during the day.

Buildings are never cleaned because of a shortage of janitors. Maintenance is on an emergency basis and only if there is money for the spare parts. Furniture is ratty.

The educational staff has been stretched to provide special education for all retarded youngsters, 6 to 17, in order to meet a court mandate. But the budget cannot provide teachers for those under 6 or over 17. Forest Haven has lost nine teachers in the last two years, while grant funds have permitted only two to be hired.

A court-ordered evaluation of the educational program in November found considerable improvement but not enough to overcome the shortage of staff and supplies.

There are a few job training programs on the grounds—in horticulture, janitorial and cafeteria work and in the laundry, where residents have sometimes collapsed in the stifling heat.

In another job program, which teaches residents to work in a commercial bakery, the instructor is close to retirement. Unless the hiring freeze is lifted, the program will die.

For a time a Forest Haven social worker attempted to contact about 150 retarded children's parents all of whom had moved out of the District. The worker was to try to persuade the parents to transfer their children to institutions in their new states of residence, but that program came to a standstill when DHR detailed the worker to a project outside Forest Haven.

For Queene, the most frustrating aspect of his efforts to modernize Forest Haven has been the apathetic response of government officials.

When Forest Haven first was opened in 1925, the prevailing theory of treatment for the mentally retarded was to hide them away—either in the attic or out in the country.

Queene believes that a turning point in the public's attitude resulted from the openness of the Kennedy family in the early 1960s in dealing with the President's retarded sister.

The resulting awareness and sense of humanity toward retarded persons has created a new emphasis on education and training.

For the most severely retarded who will always have to live in institutions, the new philosophy of care includes teaching them to live up to their potential, whether it be brushing their own teeth, taking charge of their own clothing, chewing and swallowing solid food, or using a toilet.

Since 1974, Queene has reduced the Forest Haven population from 1,300 to 1,050, but he still maintains that 40 percent of Forest Haven's residents should never have been committed there. All but 30 of the residents were court committed.

The Forest Haven staff has opened two group residential homes in the District, one each for men and women, and they have been filled by the residents most able to care for themselves and hold jobs. They pay the rent and other expenses out of their salaries and are supervised by a team of Forest Haven staff members.

A few former residents also have moved into apartments, some sharing with each other, and another 14 are ready to try their wings in the outside world when suitable living arrangements and jobs can be found.

The more difficult part of Queene's avowed task—to empty Forest Haven of as many residents as possible—will be to place the less capable residents.

In the second year of the eight-year plan, Forest Haven was to receive $675,000 to assist in freeing residents from the institution. The money was to have paid for 37 new staff members, among other things.

An ancillary effort has been to teach all residents the basic skills of living—from budgeting and maintaining a household to using a deodorant and silverware, depending on individual ability.

Here again, staff shortages have proven disastrous.

"How can you teach tooth-brushing if you're one counselor with 50 residents?" said Geneva S. Folsom, a staff member of the George Washington Medical School who has a federal grant to head the Forest Haven program.

Yeldell believes the future of Forest Haven depends upon how much support can be raised in the City Council and in Congress.

"Politics will determine what we get," agreed Queene. But that prognosis is hardly a promising one for a lonely institution out in the country with no one to lobby for help except a tiny and powerless group of parents.

The parents meet among themselves and sometimes call Humphrey's office to voice their concerns, but they say they are afraid to speak out publicly for fear the Forest Haven staff might retaliate against their children.

Queene doubts that "anything short of a (court) suit" will get Forest Haven residents their due. "It's pretty obvious to me one is coming," he said, either from the disgruntled parents or from public interest groups.

"These things are not supposed to happen in the nation's capital, and yet we are not able to do anything about it."

MEDICARE/MEDICAID ABUSES

Mr. DOMENICI. Mr. President, I would like to say a few words today about investigations currently conducted by the Senate Committee on Aging's Subcommittee on Long-Term Care with regard to fraud and abuse in the medicare and medicaid programs. I am a member of this subcommittee chaired by my colleague, Senator FRANK MOSS. Our review of "store-front" medical clinics in Chicago has produced encouraging changes, and I am certain that further inquiries in other areas of the country will uncover similar abuses and expand additional corrective measures.

In 1975, special committee investigators centralized their attention on the nursing home industry. The corruption discovered by certain nursing operators in the Nation's larger cities clearly indicated further abusive practices by related health service personnel. In our hearings in New York City last year, for example, many of us on the committee were shocked by the revelations of fraud and abuse. The following were more or less common practices used by a few nursing home operators:

Making "donations" to political parties and charging them to medicaid as "legal fees."

Charging parking tickets to medicaid as "travel and entertainment expenses."

Charging the State for wine and liquor under the heading of "medical and professional fees."

Making interest-free loans or gifts to various individuals including relatives. Such gifts also included Cadillacs and chauffeur-driven Rolls Royce automobiles.

Charging medicaid for tuition paid to enable family members or relatives to attend college or law school.

Withholding patients' account moneys—the $25 a month welfare patients receive for personal expenses.

Listing wives as employees of the nursing home when no work was performed.

I believe our hearings served a valuable purpose in bringing these facts out into the open. As we know, those hearings have led to a large number of indictments and more indirectly to expanded nursing home investigations in other States.

In addition, through these initial investigations, the subcommittee came to question all providers such as individual physicians, pharmacists, clinical laboratories, ambulance companies, and factoring companies.

Two weeks ago, Senator Moss and I went to Chicago to see for ourselves the services offered to the poor and elderly recipients of medicare and medicaid benefits. We went to Chicago first because of the reports we had received about the flagrant abuses hitherto practiced in that city. A local citizen's group, the Better Government Association, had begun a preliminary investigation with the assistance of the committee staff. Senator Moss and I were accompanied by Val Halamandaris, the committee's associate counsel and Bill Recktenwald, a committee investigator.

Mr. President, I would like at this point to acknowledge the fine, professional work of the Aging Committee staff, and in particular, Mr. Halamandaris and Mr. Recktenwald. We, on the Special Committee on Aging have come to appreciate the dedication and competence of these men during these investigations, and I would like to publicly compliment their efforts today.

While in Chicago, we saw the proliferation of medical clinics in dilapidated buildings. Buildings which had once been taverns and pornography shops, now house a more lucrative enterprise. Fancy signs attract the poor and the elderly with the promise of free health care. The care may be free to the poor and aged who have medicaid cards, but it is not free to the taxpayers of this country. Nor is it assured that the elderly receive the quality care they need and for which we pay.

We should remember that the Federal Government provides more than 50 percent of the money for the medicaid program, and that the elderly are the program's prime beneficiaries.

The "medical clinics" that we visited were owned, not by physicians, but by private enterpreneurs. The possibilities for kickbacks in these medicaid mills are endless. Generally, one person rents the clinic for, let us say, $300 a month, and then subleases a tiny part of this space to one to six doctors, often foreign doctors, who pay him $1,000 a month in rental fees. Another small area is subleased to a pharmacist who pays him another $1,000 a month in rental—and perhaps, a kickback on every prescription filled. Similarly, the clinical lab may be paying him still another $1,000 for each month for a closet-sized room. The payment is disguised as rent. This is not a hypothetical example. We visited just such a place last week.

Furthermore, it is questionable to me that these labs are equipped for proper analysis of specimens. It appeared that the poor and elderly, despite Congress good intentions, are receiving inferior medical services. We found in many instances, tests were charged which were not authorized by the physicians in the first place. We found in other instances, questionable readings on individual patient samples—bringing to mind the possibility of the "sink test"; that is to say, samples simply being thrown away and numbers, any numbers, are referred back to the doctors.

But there is yet another practice which is just as offensive to me. This is the practice of "ping-ponging." This term describes the procedure where a welfare recipient will be seen by all the practitioners in a clinic irrespective of need. Typically, a patient will be seen for 5 minutes—or at least, medicaid will be billed for such visits—by the general practitioner, the podiatrist, the dentist, the optometrist and the ear, nose, and throat specialist—all in one visit, on one day, resulting in another outrageous bill to medicaid and questionable medical service to the patient.

The factoring companies flourishing in Chicago and other cities also require our immediate attention. A factoring company is a brokerage. A physician who is due $500 from the State for medicaid services, for example, will go to a factoring company and receive an immediate $350. The factoring company in turn goes to the State agency for collection on the entire $500. An obvious cure to this "ripoff" by nonmedical entities is a quick payment by the State agency to the individual doctors who often cannot wait 6 months to a year, the average wait in many States. Significantly, the factoring companies seem able to receive prompt payment. When you figure an average turnaround time of 60 days on their money, factoring companies are making anywhere from 48 to 150 percent interest on their money. Someone has called factoring legalized loan sharking, and I believe there is merit to that accusation. Certainly, Congress did not intend taxpayer's money to go to these unregulated lenders rather than the doctors providing the actual services.

It is apparent that something must be done immediately to head off the uncontrolled proliferation of these medicaid mills and other "middlemen" enterprises. After my visit to Chicago, I can understand why some experts project that $1 out of every $5 we spend for health care under medicare and medicaid is ripped off.

The abuses I have mentioned today are but a few of the trouble areas uncovered by the subcommittee and unveiled this week on the TV news program, "60 Minutes," and during hearings held February 16. I think it is time that Congress stepped in and ended this gold rush in the area of health care of the poor and aged. These programs have millions of recipients. They have grown like Topsy in the past 9 years; medicaid costs have shot up $11 billion and medicare has risen by $9 billion in the same period. Yet for all the help these programs provide, some experts estimate that as much as 10 percent of these expenditures—that is $3 billion—are fraudulent.

There is one note of happy news on which I will end my remarks. I am pleased to report that as a result of the investigations by the Committee on Aging just recently made public via our hearings and through news broadcasts, 17 Chicago doctors, predominantly foreign, previously milking the system were suspended from the medicaid program. Several laboratories connected to the medicaid mills have been suspended and the State of Illinois is now apparently actively pursuing the irregularities uncovered by the committee investigators and Better Government Association of Chicago.

I believe that we have only exposed the tip of the iceberg. Mr. President, when so many of our taxpayers are watching their spending so carefully, when Americans are doubting the efficiency of all Government programs, we, in Congress, should quickly act and implement new procedures to insure adequate health care to the poor, the aged, blind, and disabled.

YOUTH AND THE CHALLENGE OF THE FUTURE

Mr. HUMPHREY. Mr. President, it was recently my special privilege to address the graduation banquet of A Presidential Classroom for Young Americans. My colleagues are well aware of the fine contributions made by this organization to the health and future of our political system.

I have experienced great satisfaction in public life in working and talking with young people who are learning about American politics. Frankly, I find few more important tasks than helping to bring new people into the political process.

I take particular pride into the work of the Presidential Classroom program. Intensive seminars developed into a well-rounded format provide the students with the knowledge to separate form from substance in the political world, and to know the important role of each.

The vitality and strength of our democracy are sustained by a politically informed and skilled citizenry, capable of maintaining accountability and demanding effective performance of their elected officials.

We must develop additional opportunities for young people to participate in the governing process. That is why I continue to hope we will be able to expand on this kind of political education through adoption of the Interns for Political Leadership Act which I originally introduced in the 92d Congress.

We could make no greater mistake than to ignore the new spirit of political awareness which is building in our land. It is idealistic, yet pragmatic—tempered by the active participation of millions of young Americans in our political parties, campaigns, Government, and citizen groups.

I am greatly encouraged by the strong desire on the part of this Nation's young people to claim their political rights and responsibilities, to harness the vast potential of American industry and creativity in the cause of social justice and human dignity, and to restore our American commitment to the basic rights of life, liberty, and the pursuit of happiness for every citizen.

Mr. President, I ask unanimous consent that the text of my remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

Remarks of Senator Hubert H. Humphrey

It's a pleasure to be here with you this evening and to offer congratulations on your participation in the Presidential Classroom program.

I first visited this city some 40 years ago. At that time, there were few organizations capable of providing the kind of intensive seminars and first-hand exposure that forms the base of this program.

Yet I still can remember my first visions of Washington—the buildings, the people and the debates. And needless to say, I was quite taken with the workings of the federal government, particularly the Congress.

Since that time, tons of paper and millions of words—too many of them mine, some might say—have added to the complexity of this government.

I am sure that after your experience here, you can better appreciate the competing and conflicting pressures and interests which are the substance of American politics.

Few Americans have had the opportunity to reach out and touch the very structure of their government. Washington is a mystical city which enthralls most of its visitors. The bright and bristling buildings which house our government have become the very symbols of this Republic.

And one of the principal tasks of any student is to separate the form from the substance, to learn how to differentiate appearance from reality. That's something no one can fully accomplish in one week, or in one lifetime. But it is an effort that must be undertaken by every citizen.

So I hope that each of you have been testing your assumptions about the federal government. Washington is the place to test your impressions of history against the realities of the present and your hopes for the future.

I hope that your minds are open to the new information you have gained. I hope your thoughts are being challenged, worked over, and measured against what civics books say government in our democracy should be.

Fortunately, no other government on this earth operates in such an open manner. This is, and must be, a government with its processes and decisions open for public inspection.

But an open government without an informed citizenry simply is not accountable.

We ask you then, not simply to trust government, but to be informed about its work and the problems with which it is grappling, and then make our own judgment.

The perspective and appreciation you have for the immensity of this government should serve you well throughout your lifetime. Time and again, this country will be faced with divisive, controversial issues. With problems that have no simple answers.

We find this day after day in the Congress. Issues of international affairs—arms control, the Middle East, detente—each presents complex problems to policy makers. As a result, honest divisions exist between men and women of goodwill as to what actions will resolve the conflicts and secure domestic and international justice.

Further complicating this situation is the fact that we have no perfect people to make and administer the decisions adopted by a majority. We simply are human beings, with ample faults and strengths.

This, of course, is why the ultimate decision must rest with all the people. We have no single sovereign in America, no one source of power, no final single arbiter. Every citizen must be that final judge, and in a sense a politician.

That is why, regardless of age, every American must be willing to exert some kind of leadership, a measure of political responsibility. And although we sometimes forget, it is that sense of individual responsibility and citizenship that allows us to celebrate this Nation's Bicentennial.

The 56 men who signed the Declaration of Independence on that hot, humid July day in Philadelphia were effectively putting their names to their own death warrants.

During the War of Independence, nine of those men died of wounds or hardships, five were captured as traitors, twelve had their homes ransacked or burned, and the sons of many others were killed, wounded or captured.

But the job they did was worth the price they paid, for they had set in motion the most powerful force for human freedom since the dawn of time. They had lighted for the world a beacon of hope that still shines today.

I continue to be impressed over how relatively young these men were. Nineteen of the 56 signers of the Declaration of Independence were in their 40's. Sixteen were in their 30's. Two were only 27.

In 1776, Thomas Jefferson was 33, James Madison was 25, Alexander Hamilton was 21.

George Washington held the position of public surveyor of Fairfax County, Virginia, at age 17. When he was only 20, he was sole manager of a 4,000 acre tobacco plantation, while simultaneously holding a commission as a Major of adjutant of one of the four military districts of Virginia.

At 21, he was entrusted with a critical diplomatic military expedition to the French positions in the Ohio Valley. The report which he wrote was published in Virginia and England and helped alert the British government to the encroachment of the French into the Western areas of the colonies.

At 22, Washington was a Lieutenant Colonel, and a year later he was made Commander-in-Chief of all Virginia militia.

When Alexander Hamilton was 20, he was an impassioned and effective pamphleteer in defense of colonial policies. A year later he was a Lieutenant Colonel on George Washington's personal staff.

Two hundred years ago we the people came together to form a more perfect union. We took a risk that never had been taken before in the history of mankind.

It was not the risk of rebellion, for many rebellions had been tried and failed. Rather, it was the risk of a grand experiment in democracy—of forming a government under which all the people were sovereign as well as subject, rulers as well as ruled.

The risk was that of union, a union of persons who—whatever their station in life, their level of income, their education, or their background—were to be regarded as equal in creation and in their protection under the laws.

The document which those 56 men took a risk in signing—the Declaration of Independence—affirmed that there are certain God-given, inalienable rights, including life, liberty, and the pursuit of happiness. And, to secure these rights, a government was instituted, deriving its just powers from the consent of the governed.

But it was President Franklin Delano Roosevelt who effectively translated for our time the demand for a new pioneering leadership to make the promise of the Declaration of Independence a reality.

"I do not believe that the era of the pioneer is at an end," he said. "I only believe that the area for pioneering has changed." He then went on to say that "our country needs bold, persistent experimentation. It is common sense to take a method and try it. If it fails, admit it frankly and try another. But above all, try something!"

Those who are young ought to have a great sense of purpose and idealism as they step forward to explore the future. And traditionally it has been part of the American character to be optimistic—to have faith and confidence in the future.

That is why I am deeply concerned when I see some of our young people reflecting a more pessimistic, negative mood—when they seem unwilling to take a risk on the future.

Our whole history is filled with adventure and pioneering. Americans through the years have opened up a continent—developed a new nation. We have showed the world new technologies in agriculture, medicine, education, transportation—yes, in every aspect of life.

You are in the very spring of life. Today, you are better equipped to challenge old assumptions and the traditional way of doing things than any generation in human history. Now is the time to question and to probe—to gain new understandings and to live each day to its fullest.

I sense a new spirit dawning in America. I find it no matter where I travel. A long nightmare of confusion and dashed hopes for all too many Americans is going to end, because at the root of the American experience is a determination *not* to lower expectations, but to engage in bold experiments.

We are not a Nation that seeks the certainty of sure stability. No, we are a people who thrive on exercising free choice.

So, test your knowledge and your ability to the utmost. Continue your education and your political involvement throughout your lifetime. Trust in your own judgment and remain open to new ideas. You *can* make a difference if you take the risk of becoming informed and involved.

In closing, I want to remind you of what that great philosopher, Victor Hugo, said:

"The future has several names. For the weak, it is impossible. For the faint-hearted, it is unknown. For the thoughtful and valiant, it is ideal. The challenge is urgent. The task is large. The time is now."

SPECIAL ENVOY NEEDED FOR MIDDLE EAST

Mr. ROBERT C. BYRD. Mr. President, I have written President Ford, urging that he appoint a Special Envoy to the Middle East to meet with various parties to the conflict there in order to come to an agreement on representational arrangements acceptable to all parties.

I ask unanimous consent that the text of my letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Senate,
Committee on Appropriations,
Washington, D.C., February 16, 1976.

The President,
The White House,
Washington, D.C.

Dear Mr. President: With the knowledge that unstable political conditions in the Middle East present a threat to world peace, I believe the U.S. should make a bold, new diplomatic effort to break the existing deadlock which stands in the way of a negotiated peace settlement.

I, along with many other Americans, believe that a just and lasting resolution of the Arab-Israeli conflict can be achieved only through negotiations. However, until the representational matters are resolved, negotiations cannot be resumed.

To break the existing deadlock, I respectfully suggest that you appoint a U.S. Special Envoy to the Middle East to meet with the various parties to the conflict—both Israeli and Arab—in order to come to an agreement on representational arrangements acceptable to all parties.

In the past, special envoys have been appointed to discharge specific Presidential foreign policy assignments. The successes of U.S. Special Envoys—among them Henry King and Charles Crane (1919), Henry Grady

(1946), Joseph E. Johnston (1953), James Richards (1957), Robert Murphy (1958), Cyrus Vance (1967), and William Scranton (1968), to name but a few—speak well for the potential success for this kind of mission.

The United States is fortunate to have many distinguished American statesmen well qualified for such an appointment. Notably, Ambassador David K. E. Bruce and Governor Averell Harriman are two senior American statesmen who have served their country admirably in several diplomatic posts. Many other distinguished American statesmen and educators, including George Ball. Dean Rusk, Douglas Dillon, U. Alexis Johnson, Clark Clifford, Charles W. Yost, William Polk, and Don Peretz, are also well qualified to serve.

My recommendation for appointment of a U.S. Special Envoy to the Middle East should not in any way be considered as a slight against the Secretary of State. Secretary Kissinger's success in arranging a cease fire in 1973 and the withdrawal of troops in the Sinai attest to his diplomatic skill. His past efforts in the Middle East have earned him the well-deserved respect of all nations involved. Moreover, Secretary Kissinger is involved in highly technical SALT II discussion in anticipation of a new arms agreement with the Soviets.

However, by appointing a U.S. Special Envoy from outside the Department of State, a new and different diplomatic avenue may be taken. A Special Envoy could hold lengthy private talks in a quieter, more low-key, and potentially more effective diplomatic effort. Such talks could be fruitful and productive in reaching an agreement to the representational question.

With best wishes.

Sincerely,

ROBERT C. BYRD,
U.S. Senator.

THE NEED TO EXPAND HIGHWAY-RAILROAD SAFETY PROGRAMS

Mr. STONE. Mr. President, in the 1973 Federal Aid Highway Act, Congress established and categorically funded a safety program specifically directed toward the elimination of hazardous railroad-highway grade crossings. Since 1973 the States have obligated over $100 million for the construction of grade crossing safety projects.

A recent study conducted by the U.S. Department of Transportation indicates a strong need to accelerate the construction of railroad grade crossing safety projects. This study has revealed that only 23 percent of the Nation's 402,000 grade crossings have automatic signalization. The failure to provide adequate safety devices at crossings has resulted in 12,000 train-vehicle collisions each year. These tragic accidents have resulted annually in the death of 1,200 motorists and the serious injury of over 7,000 other motorists.

The cost effectiveness of railroad grade crossing warning systems can be best seen by examining the results achieved by the State of Georgia under the safety program authorized by the 1973 Federal Aid Highway Act. By using funds authorized under this program the State of Georgia installed 188 grade crossing signals in 1975. Recent reports from their state Department of Transportation indicate that the total cost of their 1975 program was recovered by the reduced costs resulting from fewer accidents. The number of crossing accidents was reduced by 33 percent and the number of fatalities was reduced by 69 percent. A recent report published by the California Public Utility Commission indicates that the installation of automatic signals has resulted in an 86 percent reduction in deaths and an 80 percent reduction in serious injuries. These results illustrate the economic and safety benefits of this safety program.

Unlike the cause of many traffic accidents, railroad-automobile accidents can be totally eliminated by the implementation of adequate warning devices. By continuing to fund the grade crossing safety program provided by the 1973 Federal Aid Highway Act, we could virtually eliminate grade crossing fatalities by 1990. Therefore, I strongly urge the conference committee to retain categorical funding for railroad-highway safety improvements contained in H.R. 8235.

EDUCATION ON AGRICULTURE NEEDED

Mr. HUMPHREY. Mr. President, I wish to bring to the attention of my colleagues a recent address given by Dr. Norman Borlaug, Nobel Prize winner, at the Annual Hayes Memorial Lecture at the University of Minnesota's Saint Paul Campus on January 20.

Dr. Borlaug, who is one of the Nation's most eminent spokesmen in the field of agriculture, pointed up some of the basic marvels of our agricultural production system. He also indicated that unfortunately this complex system is not well understood. He said "how many of the children in grade school or in high school learn anything about the importance of food production and agriculture?"

He also asked the same question of our lawyers and our people trained in colleges of education.

Dr. Borlaug also pointed out that many urban residents have never seen a cow and undoubtedly have little familiarity with farm production and its problems.

Our consumers are now paying only about 17 percent of their take home pay on food. This is up from 15 percent a few years ago and 25 percent after World War II. This contrasts favorably with Western European countries which spend from 25 to 30 percent of their take home pay on food. In the developing world, this figure runs as high as 75 to 80 percent of take home pay.

These facts are well known in the farm community. However, all people in this country would do well to reflect on them.

Mr. President, I ask unanimous consent that the article entitled "Borlaug: More Understanding Needed," in the February 3, 1976, Co-op Country News, by Jim Gustafson be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BORLAUG: MORE UNDERSTANDING NEEDED

(By Jim Gustafson)

Does the general public have a better understanding of the importance of agriculture and food today than say a few years ago?

Dr. Norman Borlaug, the Nobel Prize winning wheat scientist, doesn't think so. He feels more communication is needed with the masses who have lost contact with the soil.

Americans live in a privileged nation and fail to understand the importance of agriculture and food, Borlaug said in delivering the third annual R.K. Hayes memorial lecture at the University of Minnesota's St. Paul campus January 20. The public needs more education about agriculture, he told his audience of 500 persons.

"How many of the children in grade school or in high school learn anything about the importance of food production and agriculture," Borlaug asked. "They learn a great deal about the environment in a very lopsided sort of way.

"How many of the lawyers that are graduating from our faculties of law have ever taken a course in biology, much less agriculture? But they have found the mother lode of gold in the environmental issues, many of which impinge on the future efficiency of agriculture and our ability to produce food.

"Haw many of the people being trained in the colleges of education ever study anything about agriculture? And yet, agriculture is basic. The most basic of all. It has been taken for granted in this very privileged nation," Borlaug said.

"We seldom think about the biological importance of food when we're a privileged society because we've had an abundance of food all our lives," he said.

Borlaug pointed out that the United States is unique in that, according to the last census, only five percent of its people live on the land and produce the food that is so abundant here and is exported in enormous quantities to meet the needs of other nations.

"Seventy-five percent of the remaining population lives in large urban areas. They have lost contact with the soil and with agriculture, especially, because you have been too successful. You've been taken for granted.

"There are many people in New York City who have never seen a cow. A good share of those people are sure that food comes out of the supermarket. They forget who put it there. And, they do not understand that it takes capital investment to produce food."

Because food has been so abundant and cheap, the average U.S. family spent about 25 per cent of its take-home pay on food at the end of World War II. With increasing wages and depressed prices, it spent about 15 per cent of its take-home pay for food in 1971, Borlaug said.

It's a different story in the developing world. "In countries such as India, Pakistan, or for that matter, the People's Republic of China, about 80 per cent of the total population is engaged in agriculture. It's a subsistence agriculture. It's not very efficient from the standpoint of production of food per cultivated acre, but it's a way of life also.

"Those people, whether in a capitalistic or free enterprise system, frequently spend 75 to 80 per cent of their take-home pay for food. And then when something goes wrong and there are shortages, it's all of their pay, all of their earnings, and they're still short. They're hungry," Borlaug said.

"When we look at food from the standpoint of social and political stability, we get even more bewildered in a country where there's been an abundance. When people are hungry and when stomachs are empty, you have social unrest."

When social and political chaos reigns, food production cannot be changed even though the technology for increasing it is available, he said.

"Again, we take all of these things for granted, not all of you, but very often I think we fail to recognize how privileged we are," Borlaug added.

Borlaug was invited to speak at the third annual memorial lecture honoring H. K. Hayes, a distinguished plant breeder, teacher and author, who was affiliated with the University's Department of Agronomy and

Plant Genetics for more than 40 years and led it to worldwide prominence.

Donn P. Cummings, Brownsburg, Ind., was the recipient of the H. K. Hayes Graduate Student Award. The award is given each year to an agronomy student who is judged to have made the greater contribution during his graduate training.

TAX CREDIT FOR HOUSING ASSISTANCE TO ELDERLY

Mr. MONTOYA. Mr. President, I have recently received a letter from the Honorable Royden P. Dyson, member of the Maryland House of Delegates, 29th Legislative District, which I wish to share with my colleagues. Mr. Dyson has taken the time to write to me concerning legislation which I introduced in the Senate, S. 2695, to amend the Internal Revenue Code in such a way that taxpayers are encouraged to keep or invite older Americans to share their homes.

There has been a great deal of interest in this bill, and in the parallel bill which Congressman JAMES SCHEUER of New York has introduced in the House. However, I am particularly pleased to have received this letter from a representative at the State level in support of my legislation. It seems to me that the alertness of Delegate Dyson is to be commended. His interest in Federal legislation which he believes will be of benefit to his constituents is an example of the cooperation between local, State, and Federal Government which is most valuable to all of us. His courtesy in writing to me to express his interest is deeply appreciated.

Mr. President, I ask unanimous consent that Delegate Dyson's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARYLAND HOUSE OF DELEGATES,
Annapolis, Md., February 13, 1976.

Hon. JOSEPH M. MONTOYA,
U.S. Senate, Dirksen Senate Office Building, Washington, D.C.

DEAR SENATOR MONTOYA: In behalf of the people of my district of Maryland, both old and young, I want to congratulate you on your sponsorship of S. 2695.

This bill, which will provide a tax credit of $250 for every taxpayer who takes a senior citizen over 61 years of age into his home, will be a boon to the people of Eastern and Southern Maryland.

As you know, we Marylanders are a close-knit clan. We take care of our own, sometimes at the cost of considerable hardship. Grandparents and elderly parents in the home, as part of the family, is more the rule than the exception here. It is only with a great deal of heartache and soul-searching that we ever send any of our elderly relatives to nursing homes, and then only because there are absolutely no alternatives.

Your bill will not only help our younger people, who care for their elders out of deep love and respect, but will immeasurably help those elderly who, but for the grace of your bill, might have to be sent away from their families.

I can't help but believe that your bill will be of benefit to everyone: to the young, who will not have to go through the heartbreak of sending their elderly relatives away; to the elderly, who will have the heartwarming love of their generations to surround them in their latter years; to the nation, which will preserve the wisdom and the know-how of these elderly for many years; and to the federal budget, which will undoubtedly save many of the millions it now must budget to underwrite the costs of nursing home care.

It is a brilliant concept, and I just wanted to add my voice to the many who must have already thanked you for it. I do hope it can be passed in this session of the Congress.

Sincerely,

ROYDEN P. (ROY) DYSON,
Member, Maryland House of Delegates.

RULES OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. METCALF. Mr. President, in order to comply with section 133B of the Legislative Reorganization Act, as amended, I ask unanimous consent that the Rules of the Committee on Interior and Insular Affairs be published in the RECORD.

There being no objection, the rules were ordered to be printed in the RECORD, as follows:

RULES OF THE SENATE INTERIOR AND INSULAR AFFAIRS COMMITTEE

COMMITTEE RULES

Rule 1. The Standing Rules of the Senate and the provisions of the Legislative Reorganization Act of 1946, as amended by the Legislative Reorganization Act of 1970, to the extent the provisions of such Acts are applicable to the Committee on Interior and Insular Affairs and as supplemented by these rules, are adopted as the rules of the committee.

MEETINGS OF THE COMMITTEE

Rule 2. (a) The committee shall meet on the third Wednesday of each month while the Congress is in session for the purpose of conducting business, unless, for the convenience of Members, the Chairman shall set some other day for a meeting. Additional meetings may be called by the Chairman as he may deem necessary.

(b) Business meetings for any Subcommittee may be called by the Chairman of such Subcommittee, Provided, That no Subcommittee meeting or hearing other than a field hearing, shall be scheduled or held concurrently with a full Committee meeting or hearing, unless a majority of the Committee concurs in such concurrent meeting or hearing.

OPEN HEARINGS AND MEETINGS

Rule 3. Hearings and business meetings of the Committee or any Subcommittee shall be open to the public except when the Committee or such Subcommittee by majority vote orders a closed hearing or meeting.

HEARING PROCEDURE

Rule 4. (a) Public notice shall be given of the date, place, and subject matter of any hearing to be held by the Committee or any Subcommittee at least one week in advance of such hearing unless the Chairman of the full Committee or the Subcommittee involved determines that the hearing is non-controversial or that special circumstances require expeded procedures and a majority of the Committee or Subcommittee involved concurs. In no case shall a hearing be conducted with less than twenty-four hours notice.

(b) Each witness who is to appear before the Committee or any Subcommittee shall file with the Committee, at least 24 hours in advance of the hearing, a written statement of his or her testimony in as many copies as the Chairman of the Committee or Subcommittee prescribes.

(c) Each Member shall be limited to five minutes in the questioning of any witness until such times as all Members who so desire have had an opportunity to question the witness.

(d) The Chairman and ranking Minority Member or the ranking Majority and Minority Members present at the hearing may each appoint one Committee staff member to question each witness. Such staff member may question the witness only after all Members present have completed their questioning of the witness or at such other times as the Chairman and the ranking Majority and Minority Members present may agree.

BUSINESS MEETING AGENDA

Rule 5. (a) A legislative measure or subject shall be included on the agenda of the next following business meeting of the full Committee or any Subcommittee if a written request for such inclusion has been filed with the Chairman of the Committee or Subcommittee at least one week prior to such meeting. Nothing in this rule shall be construed to limit the authority of the Chairman of the Committee or Subcommittee to include legislative measures or subjects on the Committee or Subcommittee agenda in the absence of such request.

(b) The agenda for any business meeting of the Committee or any Subcommittee shall be provided to each Member and made available to the public at least three days prior to such meeting, and no new items may be added after the agenda is so published except by the approval of a majority of the Members of the Committee or Subcommittee. The Clerk shall promptly notify absent Members of any action taken by the Committee or any Subcommittee on matters not included on the published agenda.

QUORUMS

Rule 6. (a) Except as provided in subsections (b), (c), and (d), five Members shall constitute a quorum for the conduct of business of the Committee.

(b) No measure or matter shall be ordered reported from the Committee unless eight Members of the Committee are actually present at the time such action is taken.

(c) Except as provided in subsection (d), three members shall constitute a quorum for the conduct of business of any Subcommittee.

(d) One Member shall constitute a quorum for the purpose of conducting a hearing or taking testimony on any measure before the Committee or any Subcommittee.

VOTING

Rule 7. (a) A roll call of the Members shall be taken upon the request of any Member.

(b) Proxy voting shall be permitted on all matters, except that proxies may not be counted for the purpose of determining the presence of a quorum. Unless further limited, a proxy shall be exercised only upon the date for which it is given and upon the items published in the agenda for that date.

SUBCOMMITTEE

Rule 8. (a) Membership of Subcommittees shall be fixed by the Chairman in consultation with the ranking minority member, and, insofar as possible, shall reflect the wishes and preferences of the individual members of the Committee.

(b) Following consultation with the ranking Minority Member, the Chairman may, from time to time, establish such ad hoc or special subcommittees as he deems necessary to expedite Committee business.

(c) Any Member of the Committee may sit with any Subcommittee during its hearings and business meetings but shall not have the authority to vote on any matters before the Subcommittee unless he is a Member of such Subcommittee.

SWORN TESTIMONY AND FINANCIAL STATEMENTS

Rule 9. Witnesses in Committee or Subcommittee hearings may be required to give testimony under oath whenever the Chairman or ranking Minority Member of the Committee or Subcommittee deems such to be necessary. At any hearing to confirm a

Presidential nomination, the testimony of the nominee and, at the request of any member, any other witness shall be under oath. Every nominee shall submit a financial statement, on forms to be perfected by the Committee, which shall be sworn to by the nominee as to its completeness and accuracy. All such statements shall be made public by the Committee unless the Committee in executive session determines that special circumstances require a full or partial exception to this rule. Members of the Committee are urged to make public a complete disclosure of their financial interests on forms to be perfected by the Committee in the manner required in the case of Presidential nominees.

CONFIDENTIAL TESTIMONY

Rule 10. No confidential testimony taken by or confidential material presented to the Committee or any Subcommittee, or any report of the proceedings of a closed Committee or Subcommittee hearing or business meeting, shall be made public, in whole or in part or by way of summary, unless authorized by a majority of the Members of the Committee at a business meeting called for the purpose of making such a determination.

DEFAMATORY STATEMENTS

Rule 11. Any person whose name is mentioned or who is specifically identified in, or who believes that testimony or other evidence presented at, an open Committee or Subcommittee hearing tends to defame him or otherwise adversely affect his reputation may file with the Committee for its consideration and action a sworn statement of facts relevant to such testimony or evidence.

BROADCASTING OF HEARINGS OR MEETINGS

Rule 12. Any meeting or hearing by the Committee or any Subcommittee which is open to the public may be covered in whole or in part by television broadcast, radio broadcast, or still photography. Photographers and reporters using mechanical recording, filming, or broadcasting devices shall position their equipment so as not to interfere with the seating, vision, and hearing of Members and staff on the dais or with the orderly process of the meeting or hearing.

AMENDING THE RULES

Rule 13. These rules may be amended only by vote of a majority of all the Members of the Committee in a business meeting of the Committee: *Provided*, That no vote may be taken on any proposed amendment unless such amendment is reproduced in full in the Committee agenda for such meeting at least three days in advance of such meeting.

PROPOSED ARMS SALES—SAUDI ARABIA

Mr. SPARKMAN. Mr. President, section 36(b) of the Foreign Military Sales Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million. Upon such notification, the Congress has 20 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent to have printed in the RECORD the notifications I have just received. A portion of these notifications, which is classified information, has been deleted for publication, but is available to Senators in the office of the Foreign Relations Committee, room S-116 in the Capitol.

There being no objection, the notifications were ordered to be printed in the RECORD, as follows:

OFFICE OF THE DIRECTOR, DEFENSE
SECURITY ASSISTANCE AGENCY,
DEPUTY ASSISTANT SECRETARY
(SECRETARY ASSISTANCE), OASD/
ISA,
Washington, D.C., February 17, 1976.

In reply refer to: 1-12585/75.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding under separate cover Transmittal No. 76-27, concerning the Department of the Army's proposed Letter of Offer to Saudi Arabia for an estimated cost of $26.1 million.

Sincerely,

H. M. FISH.

TRANSMITTAL NO. 76-27

(Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Foreign Military Sales Act, as amended)

a. Prospective Purchaser: Saudi Arabia

b. Total Estimated Value: $26.1 million

c. Description of Articles or Services Offered: Deleted.

d. Military Department: Army.

e. Date Report Delivered to Congress: February 17, 1976.

OFFICE OF THE DIRECTOR, DEFENSE
SECURITY ASSISTANCE AGENCY
AND DEPUTY ASSISTANT SECRETARY (SECURITY ASSISTANCE),
OASD/ISA,
Washington, D.C., February 17, 1976.

In reply refer to: 1-12586/75.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding under separate cover Transmittal No. 76-28, concerning the Department of the Army's proposed Letter of Offer to Saudi Arabia for an estimated cost of $124.4 million.

H. M. FISH.

TRANSMITTAL NO. 76-28

(Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Foreign Military Sales Act, as amended)

a. Prospective Purchaser: Saudi Arabia.

b. Total Estimated Value: $124.4 million.

c. Description of Articles or Services Offered: [Deleted.]

d. Military Department: Army.

e. Date Report Delivered to Congress: February 17, 1976.

OFFICE OF THE DIRECTOR, DEFENSE
SECURITY ASSISTANCE AGENCY
AND DEPUTY ASSISTANT SECRETARY (SECURITY ASSISTANCE),
OASD/ISA,
Washington, D.C., February 17, 1976.

In reply refer to: 1-12587/75.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding under separate cover Transmittal No. 76-29, concerning the Department of the Army's proposed Letter of Offer to Saudi Arabia for an estimated cost of $40.7 million.

H. M. FISH.

TRANSMITTAL NO. 76-29

(Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Foreign Military Sales Act, as amended)

a. Prospective Purchaser: Saudi Arabia.

b. Total Estimated Value: $40.7 million.

c. Description of Articles or Services Offered: [Deleted] anti-aircraft weapons; space parts and support equipment.

d. Military Department: Army.

e. Date Report Delivered to Congress: February 17, 1976.

OFFICE OF THE DIRECTOR, DEFENSE
SECURITY ASSISTANCE AGENCY AND
DEPUTY ASSISTANT SECRETARY
(SECURITY ASSISTANCE) OASD/
ISA,
Washington, D.C., February 17, 1976.

In reply refer to: 1-12588/75.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding under separate cover Transmittal No. 76-30, concerning the Department of the Army's proposed Letter of Offer to Saudi Arabia for an estimated $118.1 million.

Sincerely,

H. M. FISH.

TRANSMITTAL NO. 76-30

(Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Foreign Military Sales Act, as amended)

a. Prospective Purchaser: Saudi Arabia.

b. Total Estimated Value: $118.1 million.

c. Description of Articles or Services Offered: [Deleted].

d. Military Department: Army.

e. Date Report Delivered to Congress: February 17, 1976.

OFFICE OF THE DIRECTOR, DEFENSE
SECURITY ASSISTANCE AGENCY AND
DEPUTY ASSISTANT SECRETARY
(SECURITY ASSISTANCE) OASD/
ISA,
Washington, D.C., February 17, 1976.

In reply refer to: I-702/76.

Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding under separate cover Transmittal No. 76-31, concerning the Department of the Air Force's proposed Letter of Offer to Saudi Arabia for an estimated cost of $47.0 million.

Sincerely,

H. M. FISH.

TRANSMITTAL NO. 76-31

(Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Foreign Military Sales Act, as amended)

a. Prospective Purchaser: Saudi Arabia.

b. Total Estimated Value: $47.0 million.

c. Description of Articles or Services Offered: [Deleted.]

d. Military Department: Air Force.

e. Date Report Delivered to Congress: February 17, 1976.

Office of the Director, Defense
Security Assistance Agency and
Deputy Assistant Secretary
(Security Assistance), OASD/
ISA,
Washington, D.C., February 17, 1976.
In reply refer to: I–137/76.
Hon. John J. Sparkman,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding under separate cover Transmittal No. 76–36, concerning the Department of the Army's proposed Letter of Offer to Morocco for an estimated cost of $57.4 million.

Sincerely,

H. M. Fish.

Transmittal No. 76–36

(Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Foreign Military Sales Act, as amended)

a. Prospective Purchaser: Morocco.

b. Total Estimated Value: $57.4 million.

c. Description of Articles or Services Offered: [Deleted.]

d. Military Department: Army.

e. Date Report Delivered to Congress: February 17, 1976.

PROPOSED ARMS SALES—MOROCCO

Mr. SPARKMAN. Mr. President, section 36(b) of the Foreign Military Sales Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million. Upon such notification, the Congress has 20 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent to have printed in the Record the notification I have just received. A portion of the notification, which is classified information, has been deleted for publication, but is available to Senators in the office of the Foreign Relations Committee, room S–116 in the Capitol.

There being no objection, the notification was ordered to be printed in the Record, as follows:

Office of the Director, Defense
Security Assistance Agency
and Deputy Assistant Secretary
(Security Assistance,
OASD/ISA,
Washington, D.C., February 18, 1976.
In reply refer to: I–13040/75.
Hon. John J. Sparkman,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding under separate cover Transmittal No. 76–35, concerning the Department of the Air Force's proposed Letter of Offer to Morocco estimated to cost $112.0 million.

Sincerely,

H.M. Fish.

Transmittal No. 76–35

(Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Foreign Military Sales Act, as amended)

a. Prospective Purchaser: Morocco.

b. Total Estimated Value: $112.0 million.

c. Description of Articles or Services Offered: [Deleted.]

d. Military Department: Air Force.

e. Date Report Delivered to Congress: February 18, 1976.

PROPOSED ARMS SALES—SAUDI ARABIA

Mr. SPARKMAN. Mr. President, section 36(b) of the Foreign Military Sales Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $25 million. Upon such notification, the Congress has 20 calendar days during which the sale may be prohibited by means of a concurrent resolution. The provision stipulates that, in the Senate, the notification of proposed sale shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is immediately available to the full Senate, I ask unanimous consent to have printed in the Record the three notifications I have just received.

There being no objection, the notifications were ordered to be printed in the Record, as follows:

Office of the Director, Defense
Security Assistance Agency,
and Deputy Assistant Secretary
(Security Assistance),
OASD/ISA,
Washington, D.C., February 17, 1976.
In reply refer to: I–12583/75.
Hon. John J. Sparkman,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding herewith Transmittal No. 76–25, concerning the Department of the Army's proposed Letter of Offer to Saudi Arabia for management of the planning, design, procurement and construction of two port facilities estimated to cost $300 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. Fish.

Transmittal No. 76–25

(Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Foreign Military Sales Act, as amended)

a. Prospective Purchaser: Saudi Arabia.

b. Total Estimated Value: $300 Million.

c. Description of Articles or Services Offered: The U.S. Army Corps of Engineer's management of the planning, design, procurement and construction of two port facilities, one on each coast of Saudi Arabia.

d. Military Department: U.S. Army.

e. Date Report Delivered to Congress:—.

Additional Information Related to Transmittal No. 76–25

This proposed sale is for the U.S. Army Corps of Engineers to provide the management for the planning, design, procurement and construction of two port facilities for Saudi Arabia. One on the east coast and the other in the country's west coast. The project includes eight ships births at each port and other support facilities. This proposed sale will not impact on the U.S. readiness or procurement programs.

The Saudi Arabian Government has requested the U.S. Army Corps of Engineers to undertake this project pursuant to the Engineer Assistance Agreement signed between the two governments in March 1965.

The construction of these port facilities will not have an impact on arms control considerations for the area.

All Corps of Engineers costs for this project are fully financed by the Saudi Arabian Government as a dependable undertaking (cash) basis and there will be no cost to U.S. tax payers. This sale will have a positive net effect on the U.S. balance of payments.

Office of the Director, Defense
Security Assistance Agency
and Deputy Assistant Secretary
(Security Assistance),
OASD/ISA,
Washington, D.C., February 17, 1976.
In reply refer to: I–12590/75.
Hon. John J. Sparkman,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding herewith Transmittal No. 76–32, concerning the Department of the Army's proposed Letter of Offer to Saudi Arabia for Amendment No. 9, Naval Expansion program estimated to cost $593.5 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. Fish.

Transmittal No. 76–32

Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Foreign Military Sales Act, as amended

a. Prospective Purchaser: Saudi Arabia.

b. Total Estimated Value: $593.5

c. Description of Articles or Services Offered: This is Amendment No. 9 (Amendment No. 8 was submitted under Transmittal No. 76–5) for the Saudi Naval Expansion program. This amendment provides authority and funding for the award of construction contracts and for supervision and inspection of construction of on-shore facilities at Jubail, Jidda and Riyadh.

d. Military Department: Army.

e. Date Report Delivered to Congress: February 17, 1976.

Additional Information Related to Transmittal No. 76–32

This proposed sale is Amendment No. 9 to the U.S. Army Corps of Engineers project for planning, design, procurement and commercial construction of the Saudi Naval Expansion program. The amendment provides authority and funds for award of construction contracts and for supervision and inspection of construction of on-shore facilities at Jubail, Jidda and Riyadh; for continuation of planning, design, construction for the Saudi Naval Expansion program. Except for the management aspects of this project, the primary efforts will be accomplished by civilian contractors and will not affect the U.S. readiness posture or procurement programs.

This amendment is to an on-going Foreign Military Sales case and could not be efficiently procured as a direct commercial transaction.

This proposed sale involves improvement of naval facilities and will not significantly impact on arms control for the area.

All Corps of Engineers costs for this project are fully financed by the Saudi Arabian Government as a dependable undertaking (cash) basis and there will be no cost to U.S. tax payers.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, D.C., February 17, 1976.
In reply refer to: I-703/76.
Hon. JOHN J. SPARKMAN,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Foreign Military Sales Act, as amended, we are forwarding herewith Transmittal No. 76-38, concerning the Department of the Air Force's proposed Letter of Offer to Iran for a Supply Support Arrangement estimated to cost $150 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

H. M. FISH.

TRANSMITTAL No. 76-38

(Notice of Proposed Issuance of Letter of Offer Pursuant to Section 36(b) of the Foreign Military Sales Act, as amended)

a. Prospective Purchaser: Iran.

b. Total Estimated Value: $150.0 million.

c. Description of Articles or Services Offered: Supply Support Arrangement for spare parts support for Iranian Air Force equipment.

d. Military Department: Air Force.

e. Date Report Delivered to Congress: February 17, 1976.

ADDITIONAL INFORMATION RELATED TO TRANSMITTAL No. 76-38

This proposed sale is a Supply Support Arrangement for the annual spare parts requirements to support the Iranian Air Force. This proposed sale will not adversely effect the U.S. readiness or procurement programs.

Under the proposed arrangement the Iranian Air Force will in effect buy into the U.S. Air Force logistics system. Therefore, this could not be a direct commercial transaction.

This proposed sale involves only repair parts and will not impact on arms control for the area.

Iran will pay all costs for the repair parts plus a proportionate share of operational costs of the U.S. Air Force logistics program. This sale will result in a positive net effect on the U.S. balance of payments and may contribute to lower unit costs for certain aircraft spares.

SOME THOUGHTS ON S. 626

Mr. MOSS. Mr. President, parents all over Utah are angry and frightened about legislation in Congress entitled "The Child and Family Services Act." Hundreds have written to me or called my office in protest. They are convinced that Congress is about to take away their authority over their children. This hysteria seems to be largely the product of a single anonymous "fact sheet" which quotes extensively, and out of context, from a 1971 Senate debate and completely misrepresents the purpose and provisions of the present bill. Normally responsible institutions and news media have distributed this document without attempting to confirm or deny its allegations.

Scare campaigns of this sort turn serious debates into ideological shouting matches and, worse, destroy trust in public officials. I am shocked how many people seriously believe that Congress would enact a law giving children the legal right to disobey their parents, or prohibiting parents from providing religious training to their children, or giving the Government authority to say how they should be reared, or allowing children to sue their parents for exercising discipline.

These charges are completely false. The Senate bill, S. 626, specifically states that "the family is the primary and most fundamental influence on children" and the purpose of the bill is to "build upon and strengthen the role of the family." It offers health, education, and child care services to needy families on a totally voluntary basis. No one would be compelled or pressured to participate. Parents would select and control all programs funded by the act; they would be operated locally, not by the Federal Government.

S. 626 also declares that "nothing in this act shall be construed or applied in such a manner as to infringe upon or usurp the moral and legal rights and responsibilities of parents or guardians." It does not contain, and the sponsors never contemplated, a "charter of children's rights," nor a "child advocacy" clause, nor any restriction on religious training.

The real issues are whether the Federal Government can afford to take on these new responsibilities of funding day care and to whom these services should be provided. The bill authorizes expenditures of up to $1.8 billion in the next 3 years. I do not believe that present budget constraints will permit the adoption of such an expensive social program. Congress is determined to restrain Federal spending in order to control the budget deficit and to reduce inflation; and I support these efforts as a member of the Senate Budget Committee. There is also a reasonable question for the future whether the Government should heavily subsidize services to middle-class families in addition to helping the poor in need.

Fortunately, a few broadcasters and newspapers are beginning to expose the deception and tell the public the facts. One editorial recently observed that one of the most tedious but important tasks of the news media is to seek out the source of irresponsible literature and try to mitigate its effects. I am convinced that the public will listen and form their own opinions.

A woman in Granger, Utah, wrote to me last month concerning S. 626:

> I would like you to know that I am opposed to legislation which has been introduced in the House or Senate to infringe on the authority of parents in the home . . . I expect you as my representative to actively fight any such legislation in the future.

In my response, I sent a copy of the bill and asked for her judgment after a careful reading of its provisions. She wrote back:

> Thank you for sending a copy of S. 626 to me. I can see nothing in it that threatens the authority of parents over their children. My only regret, after reading it, is that the Federal government apparently must take responsibility . . . Individuals and groups in the nation close their eyes, ears and hearts to the needs of those who may be less fortunate than their own.

DEATH TAXES FORCE FARM SALES

Mr. McGOVERN. Mr. President, the Sunday, February 15, 1976, edition of the New York Times carried an unusually perceptive article on one of the most pervasive issues facing the agricultural community—Federal estate and joint tenancy taxes. The article "Death Taxes Compelling Heirs to Sell Farm Land," was written by Roy Reed, who lives in New Orleans and covers much of the South as well as other areas for the Times.

I do not think that there is a Member of either body who has not received hundreds of letters and petitions on the subject of the outmoded Federal exemption of $60,000 established in 1942, as well as the inequities involved in section 2040 of the Internal Revenue Code relating to terminating joint tenancies, generally referred to as the "widow's tax."

Of equal concern is the problem of establishing young farmers on the land during these days of almost insurmountable credit restrictions. I am thus grateful to Mr. Reed for his description of legislation I have introduced to remedy this situation called the Young Farmers Homestead Act of 1975.

The article poses as a possible solution the upgrading of the exemption to $200,000 as is provided for in a number of bills now pending as well as valuing farmland at its agricultural or productive value and not at its "fair market value" as I provide for in legislation I introduced on January 27 of this year called the Federal Estate and Alternative Land Valuation Act of 1976.

Since there can hardly be a Member of the Senate who is not concerned with the problem I ask unanimous consent that the article I have referred to be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

DEATH TAXES COMPELLING HEIRS TO SELL FARM LAND

(By Roy Reed)

SPRINGFIELD, NEBR.—Lloyd Royal, 59 years old, drives a 7-year-old Chevrolet with 110,000 miles on it. He lives in an ordinary farmhouse next to a barn lot. If anyone called him rich, he would laugh.

But if he died his wife, Doris, would have to pay $32,000 to the Internal Revenue Service in Federal estate taxes. That's because their modest farm has quadrupled in value since they bought it, thanks to inflation and spiraling land prices. They have become "paper rich."

"There's an old saying that a farmer lives poor and dies rich," Mrs. Royal said this week. "If he died, I'd be in the job market and probably at the minimum wage, because the only thing I know anything about is farming."

Death taxes are making it increasingly difficult for farm families to keep their land. Children who inherit land usually pay even higher taxes than spouses. Just this week, a man near here had to sell his parents' 80-acre farm to pay the death taxes. He sold it to one of the largest landowners in the area—a pattern that has become familiar in the farm country here and elsewhere.

Farmers in New Jersey and on Long Island have also told of hardships because of the tax structure—and many are seeking change.

The inflated land prices that have caused death taxes to become a problem are also keeping young people from entering farming. It now takes at least $250,000 by many estimates to start farming after high equipment prices are added to high land prices.

From her kitchen table, Mrs. Royal has set out to change what she and many others regard as an absurdity in the tax law. She and a handful of friends have rounded up 70,000 petition signers in 42 states asking Congress to act on it.

This election year is apparently going to bring a new attack on the problems of death taxes and prohibitive start-up costs for farmers.

President Ford and several members of Congress have proposed legislation to make estate taxes more bearable for all small and middle-sized estates, including those of farmers. The proposals vary widely.

Senator George McGovern, the South Dakota Democrat, and 16 other Senators representing varied philosophies have introduced another bill to have the Federal Government buy land, lease it to young farmers, then sell it to them at a reduced price after seven years' labor.

The Young Farmers' Homestead Act, as the bill is called, has drawn favorable attention from such varied sources as the National Farmers Union and Progressive Farmer Magazine.

Progressive Farmer, a generally conservative publication, cited projection that 200,000 to 400,000 farms a year would disappear for the next 20 years if today's trend was not stopped.

"The legislation faces up squarely to what probably has to be done if not-rich but bright youngsters are really going to get into ranching or farming for themselves," it said in its January issue.

Estate taxes were no problem to farmers until a few years ago. Federal law exempts the first $60,000 of an estate from the death tax. Most farms were worth nowhere near that when that law was written in 1942.

W. Fred Woods, an economist with the Agriculture Department, estimates that the average value of farm assets in the United States was only $51,440 in 1960. By 1974 that had climbed to $169,744.

Farm values have continued to rise. Land prices in eastern Nebraska are going up more than 20 percent a year, according to observers.

TYPICAL ESTATE: $320,000

In 1960 the Royals paid $72,000 for their 240 acres—a small farm by Nebraska standards. Today, the land lone would cost close to $300,000. The Royals have become rich in the eyes of the Internal Revenue Service, even though they live little better than they did in 1960.

Gilbert Brody, president of the Wisconsin division of the National Farmers Union, says a farmer who earns $10,000 to $12,000 a year typically leaves an estate valued at about $320,000.

His widow pays a Federal estate tax of $20,200 on that, in addition to smaller state inheritance taxes.

When she dies, the children pay $83,190 in estate taxes, their share being larger because they do not receive the 50 percent marital deduction. According to Mr. Brody, the children probably will have to sell the farm to pay the death taxes.

President Ford has proposed delaying the payment of those taxes until five years after the death of the owner. Then the heirs could elect to pay the tax over 20 years, with the addition of 4 percent interest. Heirs may now stretch the payment over 10 years, but at an interest rate of 7 percent.

Mr. Ford's 20-year proposal would apply only to the first $300,000 of an estate. Descending benefits would be allowed up to $600,000, after which the present 10-year stretch-out provisions would apply.

$200,000 EXEMPTION PROPOSED

The Royals and their friends do not think much of the Ford proposal. They regard it simply as a postponement of an unjust debt.

"What on earth good is that when you don't have that kind of money in the first place?" a California woman said in a letter to Mrs. Royal.

At least 10 bills pending in the Senate would raise the $60,000 exemption to $200,000 on all estates, farmers' included.

Other bills would require the I.R.S. to assess farmland at its agricultural value and not at the "fair market value" it would bring if sold for some other use.

Land values here are being pushed up by the growth of Omaha, which is less than 25 miles from the Royals' farm. As the city pushes out, it absorbs farmland at dizzyingly inflated prices and converts it into housing developments and shopping centers.

Many argue that farmers would be less likely to sell to developers if their land was assessed at its value for farmland and not for commercial or residential use.

Arthur H. West, president of the New Jersey Farm Bureau, said that Federal estate taxes, inflation and the system of appraising property had imposed unfair burdens on farmers. He added that many New Jersey farmers were actively supporting proposed legislation that would require that the assessment of a property be based on its value for farming.

Mr. Woods, the economist, warned in a recent interview in Washington that changes in the estate tax law should be made carefully if they are not to exacerbate the problem.

Assessing land at its value for farming or as open land instead of at fair market value could result in a low-tax device for the wealthy in passing their estates on to their heirs, he said.

"That would run up farmland prices and make it more difficult for producing farmers," he said.

LETTERS OF HARDSHIP

No one knows how many farmers have had to sell land to pay estate taxes, but there are indications that this is happening more often.

Thomas Pulaski, who used to own a 25-acre potato field near Riverhead on Long Island, says he sold his farm because of his tax bill. He drives a truck for a living.

Mr. Pulaski, who lives in Coram, L. I., said: "If I had decided to stay on my farm after my father's death, I'd have spent half my lifetime paying off loans through which my taxes would have been paid." He sold his property to a real-estate developer and made $6,000 profit—after taxes.

Suffolk County, New York State's largest agricultural county because of its potato and cauliflower crops, is trying to encourage farmers to stay by means of a farmland preservation program. In a $60-million project, the county is buying development rights—not the fee title—to the existing 57,000 acres of farmland. In effect, a farmer will get the market value of the property from the county and may keep the land. But he must agree not to use the land for any purpose other than agriculture.

More than half of 258 farmers surveyed last month by the Wisconsin division of the National Farmers Union said they had known farm families that had had to sell all or part of their farms to pay estate taxes.

Many of those who have written to Mrs. Royal have told of hardships caused by the tax. After her campaign was described by the Farm Journal last fall, the magazine received a letter from William Jones of Lakeport, Calif.

"Our orchard land has been in the family for over 100 years," he wrote, "and now because of this unfair tax in an inflationary period, the resources of the family [never more than provided a living for the family during the past 30 years] is now about to be confiscated by the Government for taxes."

Another Californian, William G. Cox of Capistrano Beach, wrote that his family already lost its farm because of an exorbitant estate tax bill after his mother's death.

"The I.R.S. is killing the goose that lays the golden egg," Mr. Cox wrote. "The big corporations that are buying up the small farms will never pay another death tax on the land because a corporation never dies. Forming trusts and corporations within families seems to be the only way to go now."

Dixon G. Adams, a Springfield lawyer who is donating time to Mrs. Royal's campaign, estimates that 40 or 50 of Sarpy County's 600 farms have been incorporated in recent years to escape or lessen the impact of death taxes. But many farmers resent that alternative. They feel that incorporation would impose more bookkeeping and "red tape" and would diminish their independence. Mr. Adams agrees.

"I don't want to construct a scheme where a farmer has to have a lawyer and a C.P.A. riding on the tractor with him," he said. "We are doing it, though, because of necessity.

Many of the farm wives who write to Mrs. Royal complain of what they believe to be sex discrimination in the Federal tax law. These women dislike being treated in the same way as wives of city residents and millionaires.

Federal law allows a widow to deduct from her tax payment any financial contribution she has made to the family estate, but only if she can prove it with payroll check stubs or the like. Simply working shoulder to shoulder with her husband on the farm for 30 or 40 years is not enough for the I.R.S.

Resentment against that drew Mrs. Royal into her campaign. "I got started one day during the blizzard of 1975," she said. "I had been out in the snow all day helping get the cattle into the barn and then throwing hay to them and getting everything ready for the storm.

"I got back in the house after dark, worn out, and I said, 'Lloyd, do you realize that I haven't contributed a dime to this farm today, according to the I.R.S.?' If he'd have dropped dead the next day, I hadn't done anything at all the day before, as far as they were concerned at the I.R.S."

Mary Heath is a rancher in the sparse sand hills of northern Nebraska, where the grass is so thin that it takes 20 acres to sustain one cow, and where the winters are so grim that only the hardiest can survive.

Her husband, Floyd, died a year and a half ago. She inherited a $40,000 debt along with the ranch. Cattle prices have been depressed for three years.

Now she has had to borrow another $5,000 from the bank to make the first payment on her estate tax. The tax, by her figuring, is $28,000. She has been waiting for months to learn whether the Internal Revenue Service will settle for that.

"When the Government takes my place away from me, it takes my livelihood," she wrote to Mrs. Royal. "I don't know where I can get a job at my age [55] and I'm not old enough for Social Security. This is all the work I know how to do. I wouldn't even be able to get housework for I'm not much good at that, either. My work has been with cattle and hogs.

"I had worked alongside of him from the time we got this place. I don't consider this place a gift. It makes me sick to think I'll lose everything my husband and I worked for. Unless times get better it could very well happen."

THE MARIANAS

Mr. INOUYE. Mr. President, the future of the Trust Territories of the Pacific Islands has long been under consideration by the people of Micronesia and by those Americans who have been closely involved in Pacific area matters. Some of the future status discussions and negotiations have occurred in my State. Because of our relative proximity, it has been an issue of considerable interest to the residents of Hawaii and well covered in our Hawaii newspapers. It is, therefore, somewhat surprising to me to now find objections to ratification of the Marianas Covenant raised in this body on the grounds that we are rushing into something without adequate consideration.

Certainly, it is not a recent notion nor one which is being taken without thought and attention to the issues involved.

First among our considerations must be the wishes of the people themselves. Throughout my years of discussions with Micronesian leaders, I have emphasized that the desire of the Micronesians themselves as to their future status and relationship was and remains the single most important consideration.

It is a fundamental principle that we should not impress any people to associate with us beyond their own desire. The people of the Marianas and the people of Micronesia through their elected representatives have now spoken. It is difficult to believe that we will now turn our back on them and refuse to let these people, who bear a closer kinship with the people of Guam than to any other group, now be cast aside as undeserving or unworthy of our association.

For those who are concerned that we will, through support of the Northern Marianas Covenant, be extending our territory far beyond Hawaii, I can only suggest that it is the relationship of this area, geographically, culturally, and economically, to Guam less than 200 miles to the south, rather than to Hawaii, which must be borne in mind. The Northern Mariana Islands are not integrated economically or culturally with the other districts of the Trust Territories of the Pacific and have been associated with them governmentally only through the medium of our trusteeship which could hardly be considered a voluntary decision. The United Nations has been kept informed and while I would not claim our stewardship under U.S. auspices has fully met standards, I considered appropriate our shortcomings do not lie in the area of future status negotiations or in the steps taken to draft the Northern Mariana Islands Commonwealth Covenant.

Mr. President, I would like to share with my colleagues editorial comment which has appeared in the Hawaii newspapers these past several months in the hope that it will help them in their consideration of this issue. I ask unanimous consent to have these comments printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Honolulu Star-Bulletin, Dec. 12, 1975]

FACTS ON MARIANAS

Opponents of the proposed Commonwealth of the Northern Marianas like to pretend that the plan is being sneaked through Congress by the administration without anyone knowing about it. The fact is that the administration kept the Senate and House Interior Committees fully informed about the negotiations that preceded the signing of the compact, which is why the plan won unanimous approval in committee and then breezed through the House. The delay in the Senate stems from opponents in the Foreign Relations and Armed Services Committees, which did not have initial jurisdiction over the proposal.

The New York Times editorial on this page distorts reality by describing the proposal as one "to extend United States sovereignty and citizenship to the Northern Mariana island chain, far across the Pacific." Sure, the Marianas are far from New York, but no farther than nearby Guam, which is already an American territory.

And the statement omits the fact that the Northern Marianas, as part of the Trust Territory of the Pacific Islands, have been under American administration since shortly after World War II and in that sense are not comparable to a part of the Philippines or Honduras or Sierra Leone or Greece—the comparison made later in the editorial.

But the most unfortunate aspect of the Times editorial is the attempt to deprecate the plebiscite on the commonwealth plan conducted last June. That plebiscite was a clear and unmistakable expression of the desire of the people for a permanent link with the United States. Almost everyone eligible was registered to vote, and almost everyone registered did in fact vote—a far greater turnout than American elections enjoy.

In the face of the results—78 per cent approval of the commonwealth—after nearly three decades of American administration under the United Nations trusteeship, rejection of the commonwealth by Congress would virtually amount to a betrayal of trust.

The United States assumed the trusteeship over these islands because it had to drive the Japanese off them during the war and we did not want to repeat that experience. They continue to have value for the maintenance of American military dominance of the Pacific.

But there is now a moral consideration that may be more important than the strategic. Can we ignore the only act of self-determination these people have ever been permitted?

[From the Honolulu Star-Bulletin, Jan. 12, 1976]

MARIANAS DISPUTE

In the debate over the creation of a new U.S. commonwealth for the Mariana Islands, two ridiculous arguments are being voiced by the opposition in the Eastern U.S.

One is that something is being sprung on the Congress by surprise. Quite the contrary, the negotiations extended over several years, and were publicized throughout. The 1975 plebiscite was well-published in advance and also scrutinized by outside observers who attest to its fairness. Our East Coast friends simply weren't paying attention, and now want to blame the negotiators who sought their attention but couldn't get it.

Equally wild is the charge that we will be extending the U.S. borders 4,000 miles west from Hawaii. We will be advancing them 200 miles north from Guam, a U.S. possession since 1899, that has been governed as an unincorporated U.S. territory since 1951.

For more on the Marianas, see the article on the opposite page.

[From the Honolulu Star-Bulletin, Jan. 23, 1976]

MARIANAS ACTION

The Northern Marianas Commonwealth has passed another hurdle with favorable action by the Senate Foreign Relations Committee.

Before the 7–4 vote was taken Tuesday, several senators spoke in favor of the commonwealth covenant. Especially encouraging to supporters of the plan were the remarks of Sen. Charles Percy, R-Ill., who had formerly advocated deferral of action on the covenant until the future of the other districts of the Trust Territory of the Pacific Islands could be decided.

Percy now supports immediate approval of the commonwealth. He congratulated the people of the Northern Marianas on the way they had treated the question of their future status and the way they conducted the plebiscite on the covenant last June.

On the Democratic side, Sen. Hubert Humphrey of Minnesota asserted that the people of the Northern Marianas are ready for self-government, and he said he is proud that they want to join the United States. Chairman John Sparkman of Alabama also gave the covenant strong support.

The next hurdle for the commonwealth will be the Senate Armed Services Committee, which might be a tougher one. That committee will consider two reports from its Subcommittee on General Legislation, the majority report for deferring consideration of the covenant, the minority report for immediate approval. Despite the 5–2 adverse vote in the subcommittee, the Ford Administration is hoping for favorable action by the full committee, which is supposed to act by Jan. 27.

The Senate Interior and Insular Affairs Committee had earlier reported the measure out favorably, back on Oct. 22, while the House of Representatives cleared it in July.

The delay in the Senate has been partly attributed to the lack of an obvious constituency for the covenant. In the House, Rep. Phillip Burton, D-Calif., organized a broad coalition in support, but this has not happened in the Senate.

The claim of covenant opponents that Congress was acting too hastily can no longer be taken seriously. Now that all the arguments have been heard, the Senate should approve the covenant and end the uncertainty that has hung over the Marianas since the commonwealth was overwhelmingly approved in the June plebiscite.

[From the Honolulu Advertiser, Jan. 26, 1976]

MICRONESIA'S YEAR?

The successful conclusion of Micronesia's constitutional convention in November has been hailed as a victory for unity among the 110,000 people and 2,300 islands. So it was, compared to a convention that didn't produce agreement.

But separatism still stirs in the six districts, that make up the Trust Territory the U.S. has ruled under United Nations mandate since 1947. An adjoining article reports on post-convention developments in the Marshall Islands district.

The Northern Mariana Islands, above the separate and longtime U.S. Territory of Guam, remain a special case.

They are still a district of the Trust Territory but have negotiated an agreement to become a separate U.S. commonwealth.

A measure to approve that arrangement passed the U.S. House easily last year but has been stalled by opponents in the Senate.

Its chances there got a boost last week when the Senate Foreign Relations Committee voted it out with expressions of support from influential senators such as Hubert Humphrey and Charles Percy.

Despite some remaining hurdles, Administration backers are hopeful for full Senate approval soon, probably next month. They may be right, although timetables involving Micronesia have a way of running late and this is a question where honest people strongly disagree.

A separate Marianas may not be best for the rest of Micronesia, and it didn't have to be. Yet the commonwealth arrangement is in accord with the wishes of the people there, as well as preferences of the U.S. military which will have a big base on Tinian.

As for the rest of the Trust Territory, some feel the agreement on the proposed constitution and U.S. congressional approval of the Marianas deal will lead to a settlement in talks that have dragged on and off for six years. More talks are expected soon.

Negotiators long ago reached near understanding on a draft "compact" or agreement on a future status termed "free association," which would give the Micronesians complete internal self-government with the U.S. handling defense and most foreign affairs.

Now that compact has to be reconciled with the sometimes-different provisions of the proposed new constitution—which itself has to be approved by the people of Micronesia.

The bottom line, then, is this:

The Micronesia situation is inching along toward some uncertain outcome. It's possible to feel that this, finally, will be the year when Micronesia's future political status will be set (although the formal breakup of the present U.N. Trust Territory will not come for several more years). Still, several "years of decision" have come and gone as Micronesians have gone to the brink, looked, and pulled back for further thought.

That's frustrating for some Americans. But it's also natural and proper for Micronesians. It is, after all, their future and their islands.

[From the Honolulu Star-Bulletin, Feb. 6, 1976]

Micronesian Position

Both the Congress of Micronesia and the Marianas Political Status Commission are represented in Washington by well-known law firms. But they are not in conflict over the Northern Marianas Commonwealth.

An attorney at Clifford, Warnke, Glass, McIllwain and Finney, the firm representing the Congress of Micronesia, said recently that the Marianas "have our (Micronesia's) blessings" to pursue their own political status.

The attorney explained that the Congress of Micronesia's main interest in the Marianas Commonwealth covenant—now awaiting Senate floor action after being favorably reported by three committees—is to ensure that Micronesia's interests are protected. He mentioned the problem of a new capital to replace Saipan, rights of Micronesian citizens residing in the Marianas, and distribution of U.S. aid between the Marianas and the rest of Micronesia.

Further confirmation of the position of the Congress of Micronesia has just been given in the form of a resolution passed by its Senate urging the U.S. Senate to take prompt and favorable action on the Marianas covenant.

The co-chairman of the Congress of Micronesia's own Future Status Commission, which is negotiating separately with Washington, Sen. Lazarus Salii of Palau, congratulated the people of the Marianas—somewhat prematurely—for achieving their "long-sought" goal of permanent union with the United States.

The other peoples of Micronesia have acknowledged the desire of the people of the Marianas to seek a different political status and will not stand in their way. Claims to the contrary by opponents of the covenant are incorrect.

IS IT TIME TO RETHINK GRAIN RESERVES?

Mr. McGOVERN. Mr. President, probably no Member of this body has been a longer or stronger advocate of domestic grain reserves than I have. Several administrations have turned deaf ears to my warnings that adequate and strategically situated foodstuff should be available in time of want regardless of attendant storage costs.

Though I retreat from sounding a cry of panic, I do feel it time to view with alarm the winter's drought in the Great Plains and the dire possibilities it reflects for the coming harvests. National television networks carried stories of far-less-than-normal moisture in the wheat country and grain forecasts have taken a substantially downward drift that could result in disaster conditions for both farmers and city dwellers unless better conditions develop.

With carryovers short, many experts are starting to rethink the value of food reserves to carry us through periods when supplies are well below normal. Evidence of these warnings come from two editorials, one from the Springfield, Mo., Daily News of February 12, 1976, entitled, "Dusty Danger," the other from the February 7, 1976 edition of the Hannibal Courier-Post called, "Grain Reserves Need Put Forth."

James Rhodes, professor of agricultural economics at the University of Missouri says—

> In the long range, I think reserves are inevitable as a social policy. And over the long run, I don't think they will hurt the income of farmers, because they will put some price stability into the picture.

Mr. President, I ask unanimous consent that the text of these two editorials be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Springfield (Mo.) Daily News, February 12, 1976]

Dusty Danger—The Plains and Food Policy

Disaster may be closing its grip on the wheat country of the Great Plains. Drought.

We are not talking about a dry spell. The dry spell began in September. We are talking about a cruel parching, severe and lasting, about the kind of drought that turned the region into the Dust Bowl of the 1930s, and made the California-bound Okie a fixed figure in our folklore.

Between September and November, the Plains received less than three-quarters of the precipitation considered "normal." In December and January, precipitation was less than half of "normal."

Already, the red winter wheat crop is in trouble. If the soil continues to crumble for want of moisture, countless tons of rich dirt will be lifted away by the winds of late winter and early spring. The advances in soil management since the Dust Bowl days will help, of course. But man is not yet the master of nature: dry soil will blow in the wind, no matter what we may do.

The Plains is no longer merely a source of exportable food for the U. S., and a guarantee from Nature that America will have wheat, come what may. It is the breadbasket of much of the world, and the world is very hungry, despite this year's welcome improvement in the global level of food supply.

An outright disaster, then, in the Plains means not just higher bread prices in the U.S. It means starvation for millions in food-marginal regions of the globe. It means political tensions, a high-priced seller's market in the international grain trade, and an explosive set of choices for the U. S. government that boil down to keeping grain at home to keep down prices at home, knowing that it means disaster in many countries, OR letting the grain onto the world market and taking the heat for even higher prices at home.

We bring up the matter of this very real threat to the Great Plains not for the sake of crying doom, but because it reinforces, dramatically, a point we have been making for a good while.

The point is this: It is past time to commit ourselves to a national food policy that recognizes our ability to produce food as our MOST valuable natural resource, and recognizes the economic AND political power that it should give us.

A starting point, obviously, is a national grain reserve and a set of policies designed to put some distance between the domestic and international grain markets.

Against the backdrop of the present dryness in the Plains, we should consider, too, that this may not be simply another drought in the rough cycle of every 20 years that seems to govern moisture in the Plains.

It may be, as many climatologists are asserting, that the precipitation levels that we consider "normal" are not normal at all. This view holds that the past several decades have been a period of above-normal weather conditions, in the Plains and in other parts of the world, and that we should look for a long-term shift toward conditions drier and less favorable to agriculture.

[From the Hannibal (Mo.) Courier-Post, Feb. 7, 1976]

Grain Reserves Need Put Forth

(By David Lammers)

Columbia.—An economics professor advocated grain reserves as a necessary compromise at the Farm Outlook session of Ag-Science Week at the University of Missouri Wednesday.

James Rhodes, professor of agricultural economics at the University of Missouri, said the recent boom in grain exports are "a shaky platform" of income for farmers.

"I'm not advocating farm reserves. I'm just the messenger of the bad news. In the long range I think reserves are inevitable as a social policy. And over the long run, I don't think they will hurt the income of farmers, because they will put some price stability into the picture," Rhodes said.

Exports increased from about $6 billion in 1971 to about $22 billion in 1975. And net farm income increased from about $14 billion in 1971 to $25 billion in 1975. Rhodes said farmers' profits increased much faster than inflation during that four-year period.

But high grain prices are the result of bad weather in the rest of the world.

"With two consecutive years of good weather around the world, exports could drop to the 1971 levels," Rhodes warned.

Exports have reversed the traditional farm picture, he said. Before the export boom, crops were traditionally about 40 per cent of total farm receipts. Now, crops claim 55 per cent.

The export demand propelled an economic boom for farm cooperatives, tillable land prices, and state economies in predominantly agricultural states.

But rapidly swinging prices hurt the livestock producer. Rhodes said hog and poultry producers have rapidly recovered from high feed costs, but beef and dairy men are making a slower recovery.

Japan is by far the biggest customer of U.S. grain. But the sporadic purchases of Russia have a big effect on prices.

Russia has dramatically increased its grain producing ability since 1950, when it produced a normal crop, for that time, of 30 million metric tons.

In 1974, Russia fell 65 million metric tons short of its 1973 output of 165 million metric tons. Similarly huge grain shortfalls in Russia will again send livestock producers into a financial squeeze and raise the ire of consumers.

Rhodes listed six factors that make the world grain export market unstable.

Sporadic Russian grain production, monsoons in Southeast Asia, the instability of economic policies because of the unstable oil prices, the slaughter of Russian livestock to conserve grain, competing reserves such as Brazilian soybeans and Oceana palm oil, and the extent of U.S. grain reserves, are the six variables in the export market.

"I defy you to predict what will happen

to any one of these variables, and yet they dominate our export policy," Rhodes said.

"Obviously this nation needs a food policy that takes care of its farmers; the politicians realize that. They need reasonably stable prices as part of their domestic policy, dollars for export grain sales to buy oil, and food supplies to effect diplomatic policies. Grain reserves, then, are necessary, and I realize those are nasty words to farmers. But this is a decision that must take into account the needs of the larger society," Rhodes said.

"Now, we have practically no reserves and the world is skirting around world hunger. We don't have world-wide famine now, but with short crops we could easily have a very serious situation. Any responsible government has to take steps to avoid world hunger," Rhodes said.

With the high cost of land, equipment and fertilizer, farmers need more price stability. And consumers will not endure continued extreme price fluctuations, Rhodes said.

In an article of the Midcontinent Farmers Association magazine, Rhodes advocated a "thermostat" approach where the government would set a maximum limit on the amount of reserves. Reserves could be purchased when the market price fell below a designated non-land production cost figure.

The Secretary of Agriculture would be required to announce the guidelines of the thermostat control of reserves well in advance of the harvest, Rhodes said in the MFA maagzine.

Rhodes was a member of Extension Service Agent Don Broermann's 4-H group when Broermann was stationed at Maryville some 20 years ago. Rhodes later went to Harvard, and is now the head of Missouri's agricultural economics department.

THE FISCAL 1977 BUDGET

Mr. MOSS. Mr. President, the Senate Budget Committee has been holding hearings aimed toward development of the first concurrent budget resolution for fiscal 1977, which the committee must report to the Senate by April 15. On February 5, Dr. Alice R. Rivlin, Director of the Congressional Budget Office, testified before the committee.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a portion of her statement, "The President's Budget: A Capsule Analysis."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE PRESIDENT'S BUDGET: A CAPSULE ANALYSIS

The President's Budget for FY 1977 does exactly what a budget ought to do. It expresses in coherent form the philosophies and priorities of the Administration.

No President—and no Congress—makes up a budget from scratch. Much of what the government does is already determined, the consequence of a past and continuing consensus. We are going to have a social security program; we are going to have an Army. Such issues are not up for discussion. The discussion is about decisions at the margins—whether old age benefits should be changed; whether there should be 13 or 16 Army divisions. It is within those kinds of limits that a President gets a chance to express his philosophy of government in a budget. This budget clearly does that.

The basic point made in the President's budget is that we must not continue drifting in the direction of bigger and bigger government and that we must rely on and nurture the private sector. To that end, he has proposed a program which, in constant dollar terms, will lead to 3 percent less Federal spending next year than this.

There are areas, however, in which the President clearly believes that the government is not doing enough.

The budget reflects the Administration view that a downward turn in real defense spending endangers national security. High priority is therefore accorded to national security in the budget, especially weapons procurement and other nonpay items for which the President is recommending a real increase in spending of about 8 percent.

Another high priority item in the President's budget is fostering energy independence. On-budget outlays for energy Research and Development (R & D) will increase by $626 million, a rise of more than 30 percent. The President also again proposes creation of a $100 billion Energy Independence Authority to provide loans, loan guarantees and other assistance to private sector developers. The $100 billion would be off-budget.

With respect to assistance to individuals, the President's budget reflects a view that federal programs have been growing too fast, and that the rate of growth must be slowed—and in some cases reversed.

Four functions contain the bulk of individual assistance: education, training, employment and social services (500); health (550); income security (600); and veterans (700). The President proposes that the education and veterans functions be cut below fiscal year 1976 levels; and that the four functions combined be cut $19 billion below a current policies budget.

To achieve such cuts, the President made some difficult choices, for example:

Phasing out 260,000 public service employment jobs, mostly after December, 1976.

Providing catastrophic health coverage for the elderly at a fiscal year 1977 cost of about $0.6 billion, but increasing the cost sharing of medicare patients generally by about $1.7 billion.

Increasing basic grants to needy college students by $50 million, but cutting other forms of student aid by $700 million.

Cutting child nutrition outlays $400 million below fiscal year 1976 levels.

Tightening food stamp eligibility, at an estimated outlay savings of $1.2 billion, with 2 million fewer beneficiaries.

None of these examples is arbitrary; each is supported by a rationale in the budget document, and while reasonable people may and doubtless do differ on the desirability of any particular cut, those and others that the President has recommended are consistent with the stated basic purpose of his budget.

The President's budget also places major emphasis on the consolidation of grants to state and local governments, and the transfer of authority to the states to allocate the funds within block grant programs. For example, medicaid and 15 other categorical health programs would become a single block grant program, with no matching required.

The proposed consolidations are accompanied by proposed real reductions in the sum of federal grants to state and local governments, going only from $59.8 billion this year to $60.5 billion next year, far less than enough to cover inflation. On a current policy basis, allowing for inflation, aid to state and local governments would not decline; it would rise by about $6.5 billion.

The President's intent to encourage the private sector finds expression in recommendations for corporate and individual income tax reductions of $10 billion more than would occur through a simple extension of the Revenue Adjustment Act of 1975. These reductions would be offset in part by $5.4 billion in higher social insurance taxes and contributions proposed to begin January 1, 1977. The overall effect of the President's proposals for fiscal year 1977 is a revenue reduction of about $5 billion and a spending reduction—from a current policy budget—of about $31 billion.

In my view, the President and his advisors are to be congratulated on giving the Congress a budget that coherently and consistently expresses a set of priorities and a philosophy of government. These priorities and this philosophy may or may not command the support of a majority of the Congress, but they are clearly worthy of earnest study and extended discussion.

Quite obviously, the course which the President has recommended is only one of many which are possible. The Congress will have to decide how much to stimulate or to restrain the economy, how to spend and to tax, and on what to spend and whom to tax. Pursuant to its statutory mandate to provide this Committee and its House counterpart with a fiscal policy report which includes a discussion of budget alternatives, CBO will later this month furnish you its annual report. We hope that the document will be useful to you as you deal with the issues posed by the state of our society and by the President in his budget message.

Mr. MOSS. This analysis points out that no President—and no Congress—makes up a budget from scratch. Much of what the Government does is already determined, the consequence of a past and continuing consensus. Accordingly, the discussion is about decisions at the margins.

The analysis also notes that the overall effect of the President's proposal for fiscal 1977 is a revenue reduction of about $5 billion and a spending reduction—from a current policy budget—of about $31 billion. The President is recommending increased spending in some areas; for example, a real increase of about 8 percent in defense, but he has proposed cuts in education, training, employment, social services, health, income security, and veterans.

As Dr. Rivlin states, the "priorities" and "philosophy" of Government in this budget "may or may not command the support of a majority of the Congress but they are clearly worthy of earnest study and extended discussion."

However, I think the real message in Dr. Rivilin's statement is the course which the President has recommended is only one of many which are possible.

SOUTH DAKOTA LEGISLATURE AND THE WIDOW'S TAX

Mr. McGOVERN. Mr. President, permit me to call to the attention of this body South Dakota Senate Resolution No. 7, adopted by the South Dakota State Legislature on February 5, 1976, memorializing the Congress to amend the Internal Revenue Code with regard to the so-called widow's tax.

With so much attention generated in the Congress to move on the tax liability of those who encounter Federal tax problems when one owner of jointly held property dies, I think it appropriate to point out that under South Dakota State law, widows are assessed State inheritance tax only on the half of the jointly held property they inherit. There seems to me to be no compelling reason why Federal law should not be amended to reflect this basic equity and presume the wife's contribution to farm or business operations. I ask unanimous consent that the text of the resolution be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

SENATE CONCURRENT RESOLUTION NO. 7

A concurrent resolution, memorializing the Congress of the United States and the President of the United States to amend the Internal Revenue Code with regard to the "widow's tax"

Be it resolved by the Senate of the State of South Dakota, the House of Representatives concurring therein:

Whereas, wives on the farm and ranch play a significant role in the farm operation by working alongside their husbands in the fields, in the homes and keeping the records; and

Whereas, the Internal Revenue Service in reviewing joint tenancy estates refuses to recognize the "partnership-like" contributions of the wife unless she can prove that she inherited part, held off-farm jobs to meet land or machinery payments or otherwise made a legally-recognized contribution of money or "money's worth;" and

Whereas, a federal system which requires a widow to pay an unequal share of federal estate taxes upon the death of her husband is grossly unfair and unjust; and

Whereas, South Dakota inheritance law has long presumed that husband and wife joint tenancy property was jointly acquired resulting in the surviving spouse paying inheritance taxes only on the one-half inherited on the death of the spouse:

Now therefore, be it resolved, by the Senate of the State of South Dakota, the House of Representatives concurring therein, that the Congress of the United States and the President of the United States and his subordinates are urged, petitioned and memorialized in this bicentennial year to recognize fully, and legally value, the wife's contributions to farm and business operations; and

Be it further resolved, That copies of this resolution be forwarded by the Secretary of the Senate of the State of South Dakota to the presiding officers of the United States House of Representatives and the United States Senate, the South Dakota Congressional delegation, the President of the United States, the Secretary of Treasury and the Attorney General of the United States.

ADAMHA'S USE OF CHARTERED AND UNCHARTERED ADVISORY COMMITTEES

Mr. METCALF. Mr. President, at my request the General Accounting Office looked into the use of advisory committees by the Alcohol Drug Abuse, and Mental Health Administration for initial review of grant applications in fiscal years 1974–75.

At the same time I asked GAO to explore the circumstances surrounding the award of a grant by the National Institute on Alcohol Abuse and Alcoholism to the Citizens Conference on State Legislatures, and to review the accountability for and disposition of funds by Federal advisory committees and councils established or utilized by the Office of Education.

The three-part request was made to assist the Subcommittee on Reports, Accounting, and Management in carrying out its responsibilities for oversight of the Federal Advisory Committee Act.

Today I would like to discuss the information GAO developed on ADAMHA. The information is timely, since the subcommittee has scheduled hearings March 8, 9, and 10 on the Federal Advisory Committee Act Amendments of 1976—S. 2947—and the Secretary of Health, Education, and Welfare has been invited to testify on March 10.

In fiscal 1974, GAO found, ADAMHA utilized 18 unchartered committees and 20 chartered committees for initially reviewing grant applications. In fiscal 1975, one additional committee was chartered for this purpose. Comments GAO:

> While we believe the use of these unchartered committees was useful in providing an objective review of grant applications, the use of such committees is unauthorized.
>
> ADAMHA attempted to obtain charters for 25 initial review groups in fiscal year 1975 but was successful in chartering only 4.

The Federal Advisory Committee Act provides that all executive branch committees which meet the definition of advisory committee must be chartered. Further, in February 1973, the Secretary of HEW established, as departmental policy, a requirement that all discretionary grant awards be based on a system of objective review by persons outside the organization which has grant award authority. Formal instructions to implement this policy were published in the Public Health Service Grant Administration manual on December 31, 1974, to be effective not later than June 30, 1975.

However, an ADAMHA official told GAO that HEW and Office of Management and Budget officials responsible for advisory committee management: First, generally do not agree as to whether additional committees are needed to review grant applications; second, believe that one purpose of the Federal Advisory Committee Act is to limit the number of committees; and third, base the need for chartered committees on the programs in the President's budget.

Mr. President, the act most definitely aims at limiting the number of advisory committees. One of its main tenets is that "new advisory committees should be established only when they are determined to be essential and their number should be kept to the minimum necessary."

However, I can state most emphatically that the act does not predicate the need for chartered committees on programs in the President's budget. To base the need for them on programs in the President's budget is to assert a new form of resistance to the will of Congress—for example, to claim the power to thwart a continuing resolution, which authorizes as it funds and so often has been needed to keep alive programs that the President wished to terminate or starve, pending a final decision by the Congress.

What it comes down to is the wisdom of the HEW policy on objective outside review, implementation of that policy in keeping with the Federal Advisory Committee Act, and the question of just how many committees are needed to review grant applications.

This is but one of the questions I expect to be addressed at the subcommittee's forthcoming hearings.

Mr. President, I ask unanimous consent that the information developed by GAO on ADAMHA's use of chartered and unchartered advisory committees be printed in the RECORD.

There being no objection, the information was ordered to be printed in the RECORD, as follows:

ADAMHA ADVISORY COMMITTEES

As of September 1975, ADAMHA had 31 chartered advisory committees—24 for the initial review of grant applications and 7 for other purposes.

ADAMHA utilized 18 unchartered committees and 20 chartered committees in fiscal year 1974 for the initial review of grant applications. In fiscal year 1975, one additional committee was chartered for this purpose.

The Federal Advisory Committee Act authorized the establishment of a system governing the creation and operations of advisory committees in the executive branch of the Federal Government. The act's objectives include:

Limiting the number of advisory committees to those that are essential.

Providing clear goals and standards and uniform procedures for advisory committee creation, operation, and duration.

Insuring that adequate information on advisory committees is provided to the President, the Congress, and the public.

All executive branch committees which meet the definition of advisory committee in the act must be chartered. The charters specify the committees' scope of activities and objectives and financial and administrative requirements. Nevertheless, ADAMHA has used unchartered committees to perform essentially the same functions as the chartered committees. While we believe the use of these unchartered committees was useful in providing an objective review of grant applications, the use of such committees is unauthorized. We plan to pursue this matter further with the agency.

An ADAMHA official told us that unchartered committees and other review mechanisms were used to:

Avoid conflict-of-interest situations—for example, the application of a member of a chartered review committee cannot be reviewed by his own committee.

Permit evaluation of an application for which no chartered committee existed.

Review grant applications for chartered committees which had been abolished.

INITIAL GRANT APPLICATION REVIEW

In fiscal year 1974, the ADAMHA agencies utilized 20 chartered advisory committees for initial grant application review. Since then four new committees have been added—one in fiscal year 1975 and three in fiscal year 1976.

In fiscal years 1974 and 1975, the ADAMHA grants referral and review officer also referred applications to 18 unchartered initial review committees. Of these, 10 had previously been chartered committees responsible for reviewing National Institute of Mental Health applications for training grants. When the Administration attempted to phase the training programs out, these committees were abolished. Congressional appropriation actions, however, required that these programs be continued.

ADAMHA officials told us that, except for research grants and contracts, there are no specific legislative requirements that either chartered or unchartered committees be used for initially reviewing grant applications. They stated, however, that various review mechanisms were administratively established to objectively review applications.

In fiscal year 1975, ADAMHA attempted to obtain charters for 25 advisory committees for initial grant application review but only succeeded in chartering 4. An ADAMHA official told us that attempts are being made to obtain charters for most of the rest of these committees. He also said HEW and Office of

Management and Budget officials responsible for advisory committee management (1) generally do not agree as to whether additional committees are needed to review grant applications, (2) believe that one purpose of the Federal Advisory Committee Act is to limit the number of committees, regardless of the need for additional committees, and (3) base the need for chartered committees on the programs in the President's budget.

OTHER CHARTERED COMMITTEES

In addition to the 24 chartered initial review committees, ADAMHA uses 7 other chartered advisory committees. They advise HEW officials on (1) technical matters—for example, they assess the intramural research in progress as well as the productivity of the staff scientists involved, (2) the development of agency policy, and (3) final recommendations on grant applications.

The committees which make final recommendations on applications were established by legislation; the initial review committees were administratively established.

NUMBER OF APPLICATIONS REVIEWED BY ADAMHA

In fiscal years 1974 and 1975 various types of ADAMHA grant review groups reviewed 9,719 competing grant applications.

Competing grant applications include applications for (1) new projects, (2) existing projects scheduled for termination but which are requesting funds for additional years of support, and (3) supplemental funds. Requests for supplemental funds by existing grantees are generally reviewed by agency personnel unless the grantee is requesting a change in the scope of its operations.

The following table contains information on the number of grant applications reviewed by agencies within ADAMHA and by the various types of ADAMHA review groups in fiscal years 1974 and 1975.

NUMBER OF COMPETING APPLICATIONS REVIEWED

Type of review group	Agency						Total	Percent
	Fiscal year 1974			Fiscal year 1975				
	NIMH (note 1)	NIDA	NIAAA	NIMH (note 1)	NIDA	NIAAA		
1. Permanent chartered committees	1,700	312	282	1,861	308	382	4,845	49.9
2. Standing unchartered committees	129	199	701	165	35	295	1,524	15.7
3. Ad hoc committees (note 2)	704	252	8	770	105	0	1,839	18.9
4. Special review panels—"reader system" (note 3)	9	0	1	8	0	1	19	.2
5. Agency personnel	76	78	16	54	147	60	431	4.4
6. Other mechanisms (note 4)	383	4	0	132	22	520	1,061	10.9
Total	3,001	845	1,008	2,990	617	1,258	9,719	100.0

[1] National Institute of Mental Health.

[2] Includes committees that generally meet only once a year to review training grant applications.

[3] These groups functioned in a manner similar to that of the group that reviewed the Citizens Conference proposal.

[4] Includes grants reviewed by a combination of methods (such as reader plus staff review) in NIDA and NIAAA and regional office review in NIMH.

ORDER FOR ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. FORD. Mr President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10 o'clock tomorrow morning.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The second legislative clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

THE INTERNATIONAL SECURITY AND ASSISTANCE ARMS EXPORT CONTROL ACT OF 1976

The VICE PRESIDENT. Under the previous order, the Senate will now resume consideration of the unfinished business, S. 2662, which the clerk will state.

The legislative clerk read as follows:

A bill (S. 2662) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

The Senate resumed the consideration of the bill.

Mr. FORD. Mr. President, I suggest the absence of a quorum with the time to be equally divided.

The VICE PRESIDENT. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GLENN). Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I would like to announce that if Senators who have amendments do not arrive in the Chamber, I am going to move for the third reading. We have work to do. So if there are any staff members around here who are in contact with their Senators, tell them to come to the Chamber. We are going to have one more quorum call. If we do not have response on that quorum call, I am going to ask for a third reading and the bill will pass. We will not stall this bill all day long.

Mr. President, I suggest the absence of a quorum, and I ask that the time for the quorum call be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LEAHY). Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I believe the Senator from Illinois has an amendment.

AMENDMENT NO. 1404

Mr. PERCY. Mr. President, I call up my amendment No. 1404, which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Illinois (Mr. PERCY) proposes an amendment No. 1404.

Mr. PERCY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 71, lines 4 and 5, strike out "or any major defense equipment as defined in section 21(e) of this Act".

On page 91, lines 19 and 20, strike out "or any major defense equipment as defined in section 21(e)(3) of this Act,".

On page 93, lines 10 through 12, strike out "any major defense equipment, as defined in section 21(e)(3) of this Act, or of".

Mr. PERCY. Mr. President, this amendment would delete the provision for prior legislative review of sales of major defense equipment valued at less than $25 million. As defined in the bill, this means all equipment with an R. & D. cost of $50 million, or more, or a total estimated procurement cost both recurring and nonrecurring of $200 million, or more.

According to a recent State Department analysis we would expect to receive several hundred cases a year.

I have here for the examination of any of our colleagues 188 applications for sales over $100,000 that have been filed within the last 7 months, that would fall within the provision of the bill as now drafted. So, when I say there would be hundreds, it is estimated that in any one year it may be up to as many as 500 such applications that would then be referred to Congress. They could not be approved or acted upon until such time as 30 calendar days have elapsed.

This amendment would leave intact the provision for prior legislative review of all major arms sales valued at $25 million, or more.

I believe it makes sense to take the $25 million level as the point at which arms sales have indisputable foreign policy implications. Some kinds of sales below this level may have certain policy implications, that is, sales to certain countries or sales of certain articles. But before granting itself powers to intervene in hundreds and hundreds of export transactions, Congress should first develop policy positions so it will know what it seeks to achieve.

For example, during the past 7 months among this list of applications that I have before me, there are 60 export licenses that have been issued for aircraft and marine navigational systems to almost 60 separate countries, mainly for use by their civilian airlines. Each of these navigational systems sell for about $100,000. It is true that these navigational systems can also be used in military aircraft.

It is possible that Congress might wish to restrict their sale in some way such as not selling them in certain areas of the world. But could any of us offer a coherent rationale for restricting their sale now? In the absence of such a policy position by Congress, it makes no sense to delay each individual sale by a month or more and subject both buyer and seller to needless uncertainty about how Congress will act on each transaction.

I fully agree with the authors of this bill that Congress should begin formulating broad and meaningful policy decisions covering all U.S. arms transfer abroad. This is an important area of U.S. foreign relations. However, in our zeal to make up for our long neglect of this subject, we should not plunge into detailed administration of hundreds of cases that have virtually no policy implications.

What we have here is a classic case of deciding how far to go in intervening in the administration of foreign relations in order to gain a handle on a vital aspect of U.S. foreign policy.

Mr. President, I should like to direct several questions to the manager of the bill, the Senator from Minnesota (Mr. HUMPHREY), who has himself deep experience over a period of many years in the executive branch of Government and also has a profound knowledge of the legislative process and the operations of Congress.

First, how would Congress operate and effectively carry out the responsibility assigned to it by this bill when Congress is in recess? Let us say that on October 15, we adjourn sine die, and we do not intend to come back until next year. Applications are filed every day. What happens then in that period? What if some really major ones come along in that period of time? What does Congress contemplate doing in that circumstance, because at the end of 30 days, as I understand the bill, they can go right ahead?

Mr. HUMPHREY. I respond in this manner to the Senator: The executive branch, as the Senator knows, proposed the Hawk missile sale to Jordan at a time when we were in recess; nevertheless, it withdrew the letter of offer to give Congress sufficient time for its review.

The Senator is correct that the executive branch, if it wanted to, could be arbitrary during periods of recess, even though these periods are not very long. We have not had recess periods more than 30 days at any time that I can recall in recent years.

Mr. PERCY. Does the Senator feel, though, that this year we probably would be in recess for more than 30 days?

Mr. HUMPHREY. Yes, because of the elections. It is my judgment that in that instance, for example, the so-called 30-day review period would continue to run, with the executive branch, hopefully, cooperating by the withdrawal of its letter of offer.

If it did not, the executive branch would be precipitating more restrictive legislation in Congress. I think we have to recognize that there must be a spirit of cooperation.

Mr. PERCY. The point is, though, that there is no possible way for the executive branch really to cooperate when license applications are coming from all over the United States, from all kinds of contractors. Business is done year-round all over the world. Congress is the unique institution that does its business and then for a period of time, for elections and so forth, goes out of business and goes home.

Mr. HUMPHREY. Wait a minute.

Mr. PERCY. I might say, for clarification, not to rest or relax or vacation, but for hard work.

Mr. HUMPHREY. But the staff is here. The old argument about the continuing body is the one that does exist. It is not as if, somehow or other, we just evaporate into the woodwork. The procedures of Congress still remain.

There are very few extended periods of time in which Congress is not on the job. Let us take, for example, an election period, in which most likely we will be out of here in October, this means that there will be approximately 3 months before Congress will return to session. None of the major weapons systems that the Senator could think of would require such urgent delivery that a delay would in any way cripple American industry or put us at a competitive disadvantage.

First of all, we have a situation worked out, as the Senator knows, in which the Defense Department will give us prenotification even before the letter of offer. In many instances, we may have sufficient prenotification that we can say to the Defense Department, "Let's hold up on the letter of offer here. Time is needed to work these matters out."

I do not say that there is not some validity to the concern you have expressed. But we have talked this out with the Defense Department; we have talked this out with General Fish, who is in charge of these military sales.

I refer again to our professional staff. I believe I am correct in saying that the Defense Department suggested this proposal. We did not just reach up in the air and say, "We have to get a better handle on all this," and formulate this proposal. This language about the major weapons system, added to the so-called Nelson amendment, has been developed by the Defense Department in cooperation with our specialists in the field of military sales.

Mr. PERCY. The Senator from Illinois is pleased that he can engage in this dialog with the Senator from Minnesota, because I know he is deeply concerned about this.

The question before us, for the benefit of the Senator from New Jersey, is this: What happens when Congress is in recess and these applications continue to flow? The Senator from Illinois, who is fully sympathetic with the desire and absolutely in favor of legislative oversight on every application in sales of $25 million or more——

Mr. HUMPHREY. There is the problem. What we are really talking about here is not only the Nelson amendment in current law which states that all weapons sales of $25 million or more shall have congressional review, but also, we are talking about the kind of items that have a substantial R. & D. cost. I believe the figure is $50 million of R. & D. We are also talking about items that have a total production run costing more than $200 million.

Frankly, current law, which says that Congress shall have review over all sales of $25 million or more, can be circumvented by dividing a large weapons sale into a number of smaller sales under $25 million. When we talk about major weapons, we are talking about the sale of armored personnel carriers, laser weapons, antiarmor missiles, artillery, light cannons, and mortars, all of which have been developed by American technology but sales of which could be under the $25 million figure. The U.S. Government has put hundreds of millions of dollars of R. & D. into their development, and manufacturers have sold up to $200 million of this equipment.

We are not trying to stop every sale. That is not what we are trying to do. That is not the purpose. Our purpose is to compel the executive branch to follow a more reasoned policy in agreeing to sales. We do not expect the executive branch to submit sales to Congress which we will have to disapprove. It really is a stop, look, and listen sign. That is what it really amounts to.

Mr. PERCY. What the Senator from Illinois is concerned about is that, roughly estimated, there are 40 applications that would involve $25 million or more. There are hundreds that involve less than that, of major equipment. The Senator from Illinois would like to ask whether any list of major defense equipment is available by which we could check off to see whether or not this equipment is subject to this particular provision. The Senator from Illinois cannot find any such list. I have gone over the 188 applications that have been filed in the last 7 months, and the Senator from Illinois finds radar equipment for Sweden, navigational equipment for Belgium, for Germany. He finds helicopter engines for Italy; navigational equipment for the United Kingdom, for Finland, for Spain, and for India.

In other words, we seem to be getting into many areas that involve a terrific amount of paperwork and about which there is no real policy question. Why do we want to burden ourselves with those kinds of things? Are we not truly getting into the executive branch of Government? Can we not establish a policy question that we either are going to sell or not sell navigational equipment, settle it once and for all, and then not have every system come up here for a 30-day period? We are competing against companies all over the world that are making comparable equipment. It is hard enough sometimes to get business, without having to have the application approved by our own executive branch of Government and also having it sent to Congress for a period of 30 days. What happens when we are not in session?

My second question is this: What kind of staff do we set up to handle hundreds of complex applications? The Senator from Illinois has spent most of his life in industry; but as I look at many of these systems that are outlined here, the Senator from Illinois does not know what those systems are. It would require a technical staff to dig into them. They have already been screened by the executive branch. How can we find an easier way to do it?

It reminds the Senator from Illinois of the time we passed a bill in the Senate that required everyone in this country to register shotgun shells. At hunting season, people stood in lines a block long to register those shells. There was no possible way to trace those shells, anyway. But, somehow, we thought we were going to cut out assassinations.

Two years later, the Senator from Illinois took a look to see where those applications were and what happened to them and who looked at them. Most of of them were piled up at the Treasury Department. Not one Federal employee had ever looked at any of them. Yet there were millions, I suppose, of manhours put into filling them all out. That seemed to be a needless way to encumber our operation. We have a Commission on Paperwork. We are trying to cut down paperwork. Yet, every day we seem to be creating more of it.

The Senator from Illinois absolutely concurs with the managers of the bill that over $25 million, we really have an arms sale with foreign policy implications. Under that, we really are catching a lot of what we might call cats and dogs, where policy is really not involved and where we can handle it in a much simpler way.

Let us do a good job on the 40 or so applications a year that are over $25 million. Let us not automatically delay each of the ones below that level, but rather study them to see if there are groupings that have foreign policy implications. Maybe we want to eliminate sales to certain areas of the world. Maybe we want to eliminate sales to certain countries. Maybe we want to prohibit the sale of certain types of equipment, such as Pershing missiles.

The Senator from Illinois was very much opposed to those being introduced in the Middle East. I think that would escalate the danger of war. Now that sale was clearly a foreign policy issue. We did not have to deal with hundreds and hundreds of individual applications to realize it.

Moreover, once we get these provisions for legislative review enacted into law, it is very, very hard to get rid of them.

Mr. HUMPHREY. Let me try to respond.

Mr. PERCY. I ask this one question—how do we set up? In what committee do we process these applications? What staff do we provide for that committee? Are our present committees properly equipped and staffed, with the proper technical personnel to handle these applications? In the executive branch of Government, we have a very sophisticated group of experts handling the review of these applications today.

Mr. HUMPHREY. Let me say to the Senator that we are not talking shotgun shells, No. 1. Let us get our comparisons correct.

Mr. PERCY. We are talking navigational equipment.

Mr. HUMPHREY. No. we are talking M–60 tanks.

Mr. CASE. And Redeyes.

Mr. HUMPHREY. And Redeye missiles, under $25 million. That is one thing.

Second, the Department of Defense says that it will give us a list of weapons system with an R. & D. cost in excess of $50 million and a total production run of more than $200 million. They will therefore, cooperate with the appropriate legislative body or legislative committee.

I think it is fair to say that 99 percent of the transactions covered by this particular language will not require action by Congress. They would be easily screened by the type of equipment and the purchaser.

The $25 million criterion could catch a large truck sale but not a small sale of TOW missiles, which cost only $170,000.

There are so many weapons, I say to the Senator, that our technology has developed that can be sold under this $25 million ceiling. All we are trying to do is tell the Department of Defense to be careful in its sales. And the Department of Defense itself says that what we have is a workable formula—one that they can work with, because they helped us to develop it.

Mr. PERCY. Why do we not, then, zero in on just that 5 percent, rather than the 95 percent? That is the problem that the Senator from Illinois has. Looking over this list of actual applications that would be required to be sent to Congress, I actually find one for cameras being sent to Japan. I cannot imagine what cameras are going to Japan.

Here are helmets going to Singapore. Here are receivers for Austria, radio navigational sets for Iran. Why not just zero in on the major items?

Once again, I respectfully ask the managers of the bill to outline in detail who would process these applications in the House and in the Senate? In what committee would they be processed? By what technical staff would they be processed? What kind of budget would be required? Could we do a thorough job within 30 days of review? And then, what do we do for what might be estimated to be, for the last 3 months of the year, 100 or more applications that pile up while we are in recess?

Mr. CASE. Mr. President, I do not know just how the time allocation is being operated here. Is the Presiding Officer allocating to us the time on which we speak, or is it being charged to the Senator? I do not want to take undue time.

Mr. PERCY. This Senator is finished with his statement. I have no further statements to make.

The PRESIDING OFFICER. The time has been charged to the manager of the bill when he has spoken.

Mr. CASE. I see. And it also will be charged to the manager when I speak?

The PRESIDING OFFICER. That is correct.

Mr. PERCY. The Senator from Illinois would like to reserve a few minutes. I understand the Senator from Texas would like to speak.

Mr. CASE. What is the time situation?

The PRESIDING OFFICER. The Senator from Minnesota has 25 minutes remaining at his disposal on the amendment. The Senator from Illinois has 16 minutes remaining.

Mr. CASE. Then the Senator from New Jersey does not feel that he wants to impose on anybody.

Mr. HUMPHREY. The Senator from New Jersey never imposes on anybody. What he wants he shall have.

Mr. CASE. I thank the Senator.

The Committee on Foreign Relations of the Senate, the Committee on International Relations of the House will receive this information, and it would be its responsibility—ours—specifically that of the Subcommittee on Foreign Assistance, in the Senate, of the Commitee on Foreign Relations, which will have the responsibility for working out methods of handling this matter.

I do not share, and this comes down, really, to a matter of subjective judgment, I guess, the concern expressed by the Senator from Illinois about possible difficulties in administration. Theoretically, these are always possible. If we do not work them out practically, the world will not stop, at least so far as human intervention goes. We have worked them out in the past.

This amendment was not artistically drawn in that sense. We had problems last summer, as the Senator will recall, in respect of the Hawk missile. There were 20 days during which we had, theoretically, only the right to consider a notice of proposed sales. The administration did not press that. A squawk would have gone to high heaven if they had. So it would be in working out the mechanical arrangements for handling this kind of thing.

I have no doubt in the world that, under the sterling leadership of the Senator from Minnesota, assisted by the humble efforts of other members of his staff, including the Senator from New Jersey, we can work out a way of handling this which will not involve harassment of industry, delays that are undue in relation to the importance of the subject, or any other encumbrance to the normal and right flow in this area.

If the Senator, and I know he does not mean this in any bad way, is concerned about a scrutiny by Congress as well as by the Executive, then we do have a disagreement and we may as well go to a vote on it right now. I think Congress has the right and the duty in these matters, because large policy is involved in these sales. If an error has to be made as between inadequate performance of the congressional role and some delay in the sale of major military equipment, then I should prefer to err on the side of the latter. But I do not think that this will be a practical problem. That is, really, the way we feel about it.

I do not think it is quite fair to suggest that, before we enact broad policy guidelines, as we are doing here, we spell out a blueprint for something which human beings can work out and, it must be assumed, will work out when the law is passed.

I do not think I need to take any more time, myself. If the chairman wants to go to a vote any time, he has my complete agreement.

Mr. HUMPHREY. I thought I might just add to our discussion here, because this is a matter of grave and deep concern. I think it is one of the more important discussions we are going to have on this bill.

The major weapons system criteria in the bill, which the Department of Defense helped us to develop, is a means of supervising small sales of sophisticated weapons which could have a significant impact in certain situations. I also have been told that our committee and its professional staff have begun to utilize the computer to assist in processing the information that we will receive. There does not seem to be any difficulty with the Department of Defense or our staff in developing this kind of system for handling the information.

Here is what might happen under the amendment of the Senator from Illinois, as I see it. A number of transfers of weapons today are those frequently called surplus. Many of our naval vessels, perfectly good destroyers, U.S. destroyers, and other types of ships have been sold to other countries at scrap value—destroyers for $150,000. "Buy yourself a destroyer at the discount store for $150,000."

Submarines for $110,000. Passage of the proposed amendment would mean that proposals to sell a flock of surplus ships would not be subject to any review by Congress unless the sales price went over $25 million. If it were $24,999,999——

Mr. TOWER. And 99 cents.

Mr. HUMPHREY. If it were $24,999,999.99, even with Gold Bond stamps it would not come under the purview of Congress.

Congress is not going to meddle in every one of these matters. That is not our intent. How many proposals over $25 million have been transmitted to us under the Nelson amendment? We have had approximately 60 such notifications, proposed letters of offer which have been registered with our committee. Because Congress took a position on one of them we worked out certain difficulties that, I think, was helpful to the situation in the Middle East.

The Senator from Illinois was one of the first to worry about Pershing missiles. Yet the Pershing missile is under $25 million.

Mr. PERCY. Mr. President, will the Senator from Minnesota yield for a question at that point?

Mr. HUMPHREY. Yes.

Mr. PERCY. Just for clarification, the Senator from Illinois fully appreciates the fact that this was worked out in the case of Jordan.

Mr. HUMPHREY. Yes.

Mr. PERCY. It was worked out harmoniously, cooperatively, and, I think, with great diligence on the part of all sides. But there was no such provision in the bill at that time. It was worked out because it was right to work it out.

Mr. HUMPHREY. No.

Mr. CASE. It came under the $25 million provision in the Nelson amendment.

Mr. HUMPHREY. The Nelson amendment was operative, and continues to be operative.

To illustrate, we are really talking about take, for example, the Dragon missile. Now, the Dragon missile tracker, that is, the tracker for the missile, sells for $310,000. The missile itself sells for $4,000.

Take the Hawk missile. The total purchase price for a Hawk missile battery is about $8 million—is that correct—a battery of Hawk missiles is $8,700,000. Now, a battery of Hawk missiles is not to be used at a Fourth of July celebration. You can upset the balance-of-power structure in an area with a few batteries of Hawk missiles.

Here is the Lance missile. The Lance missile itself sells for $171,000. For $24,999,999.99 you can get an awful lot of Lance missiles.

Let me give the Senator a better one. The fighter aircraft, the United States is selling all over the world, the F-5E, a good fighter aircraft, sells for about $1.5 million. You can buy a whole squadron of them for under $25 million.

Are we going to say that we ought not to have an opportunity to determine this to be a major weapons system? Does somebody believe that a squadron of F-5E's is not a major weapons system? I say that it is, and I think that type of sale ought to be within the purview of the Congress of the United States. We do not want to interfere in every sale; we merely want to alert the Department of Defense to be more careful about the countries to which these sales are made and the number of the weapons that are sold into a particular area.

The Percy amendment would not allow Congress—and I bring this to the attention of all of our colleagues—the amendment would not allow Congress to reject third country transfers unless the value of the weapons to be transferred exceeds $25 million. This is very important. We are selling all kinds of weapons to Iran, to Saudi Arabia.

You could transfer a whole squadron of F-5E fighters—not only a squadron, gentlemen, but four or five squadrons—why? Because once a plane is flown, it is like a used car. The minute you drive it out of the garage from which you purchased it, the car loses $1,000 in value because it is a used car.

The minute a plane has been sold, it is used equipment, and may be transferred to a third country at reduced prices.

This amendment would prevent Congress from exercising any supervision, any review of such transfers to third countries valued under $25 million.

I want to say for the Senate's record that one of the concerns of our committee is the sale of these sophisticated weapons to countries we believe to be our friends and the subsequent transfer of them by those countries to third countries.

We have had instances where not only the weapons, but also the training has been transferred. In one recent instance we decided not to sell Egypt any sophisticated military equipment, and then found out that, I believe it was the Saudi Arabians were transferring equipment to Egypt and using our training for those pilots.

I am not trying to say that Egypt is an unreliable country. I am simply saying there was no intention in the initial sale of the weapons to Saudi Arabia or Iran that they be transferred to another country.

This amendment would permit massive transfers without congressional review. I think it is imperative that Congress be able to review proposed transfers of major weapons to third countries. Otherwise we will have a handle on sales of American weaponry to countries we believe are friendly but not on the possible transfer into the hands of the people who could turn on our allies or our friends.

It is bad enough that the United States is becoming the chief arms merchant of the world—and we are because in the last fiscal year it totaled $12 billion—but it is worse that we should permit countries that can afford to buy expensive weapons to resell them to third countries at low prices without congressional review. This is exactly what could happen under this amendment, and this is why the committee decided to do something about it.

I am proud and happy to say to the public that while it was not easy for the Department of Defense to come to an understanding with us, they did. We have had cooperation from General Fish. They would prefer, of course, not to have any of these restrictions. But that is not their alternative. The alternative is to develop restrictions that are workable. I think the provision relating to sales and third country transfers of major weapons systems is a good one. It is an initiative of the Senator from New Jersey, who has been deeply concerned about this, particularly the transfer of weapons to third countries.

I beg of the Senate not to disrupt what we have in this bill. It is not the product of any one man, not the product of somebody who is flying off into the wild blue yonder with a cause, and but something which is the product of months of negotiation. I think we have a good piece of legislation. I can tell the Senators here and for the record that the Department of Defense will present us with a list of major weapons systems. They do not find this particular section to be unworkable. They feel that they can live under it, and I submit that if there are problems with this section of the bill, we can work them out in conference, Senator.

The Senator from Illinois will undoubtedly be in that conference. If we find difficulties between now and then, I think the Senator from Illinois knows that I am not one of those persons who are immovable objects; that I hope to be reasonable, and that I have the highest regard for the ability, the concern, and the dedication of the Senator from Illinois.

I understand the Senator's concerns with respect to this bill. I do not say those concerns are without merit. I simply say if you weigh the concerns that the Senator from Illinois expresses, which are legitimate concerns, against the significant number of sophisticated items that can be sold under the $25 million ceiling, the possibility of sophisticated weapons systems getting into the hands of third countries without congressional review, we would be better off to accept what is in the bill than to accept an amendment that would put us back where we were before.

Mr. PERCY. Mr. President, I think the dialog this morning has been extraordinarily helpful. I think it has helped to clarify the points where the Senator from Minnesota, the Senator from New Jersey, and the Sentaor from Illinois are really together.

Mr. HUMPHREY. Correct.

Mr. PERCY. Certainly, with respect to the weapons systems that have been enumerated, as a matter of policy, we would like to take a look at their implications for the security and peace of the world. The Senator from Illinois does not disagree with that one iota.

The problem I have with this particular construction of the bill is that what we are doing in the Senate—I believe they have not so far done it in the House—is to throw out a net and bring in an awful lot of things, many of which we know we are not even interested in.

When we cast a fly for a trout, we hope not to have a whole lot of catfish and other things bite. That is why we throw it out, just for that particular kind of fish. If we try to fish with a big clumsy net, it is not so much fun, and we are going to catch in that net a lot of things that we do not want——

Mr. HUMPHREY. I will have to tell my southern friends that the Senator is against catfishing.

Mr. PERCY. And we are obviously bringing in here hundreds and hundreds of items which we have no need to control, and which we have no desire to control. What we will have is a deluge of paperwork. We are establishing a procedure which the Senator from Illinois is afraid, really, is getting the legislative branch of Government into the function and the operation of the executive branch. We are forgetting that policy is what we are concerned with.

I am simply saying that many of the items that would be subject to prior legislative review by this bill are not offensive weapons systems that can bring death and destruction. They are simply defense equipment and they do by that definition include all sorts of things to which we would have no policy objection. The Senator from Illinois has already enumerated many items of this kind.

That is why I say we should not throw the net out and bring in everything, and only then establish our criteria—what we are looking for. Is it not possible for us to establish our policy criteria first, and thus pinpoint the kinds of transactions we want to stop or at least subject to prior review? Thus, we could avoid setting up this whole cumbersome procedure?

A little more time would be helpful in setting up these criteria, and if the Senator from Illinois would be able to participate in the conference, along with the Senator from Minnesota the Senator from Illinois would feel much more comfortable about this. I know, having talked just as recently as last evening with the Acting Secretary of State, that he is deeply concerned about this, that the Defense Department, we know without any question, would rather not have it, that they do not feel it is really necessary the way it is formulated.

But there are certain things with which they do not disagree one whit, nor does the Senator from Illinois disagree one whit.

All of those items over $25 million, and maybe all others under $25 million that are weapons of destruction that can destabilize areas, we could determine, as a matter of policy, should be subject to congressional review and oversight. But the way the bill is presently written, it does not adequately discriminate between cases that plainly have foreign policy implications and those that do not.

I am afraid we may be overcompensating for our long neglect of this subject and trying to establish a procedure which we will have to undo at some point.

The purpose or function of the Committee on Foreign Relations is not to review all that multitude of paperwork, not to be sitting there screening license applications all day. It is up to the executive branch to do that. Our concern is with setting policy guidelines.

Mr. HUMPHREY. We do not disagree on that.

Mr. PERCY. We have enough paperwork of our own, rather than take it over from them.

Let us establish the policy and the guidelines and then have oversight. Then if they overstep our policy guideline, we can go after them. But once we become a party to the decision and act, we have lost our ability to have oversight.

Mr. HUMPHREY. I assure the Senator that the Defense Department is going to work with our committee to establish what is known as the major weapons list, No. 1.

No. 2, we are working in close conjunction with them on the entire bill because it is a vital matter. The Armed Services Committee also has interest in this bill.

I think the Senator can be very helpful in helping us resolve some of the difficulties here.

I do not deny there are problems, but I also say that the problems of not doing what this bill now prescribes are greater than those the Senator cited of doing what the bill requires.

That is the issue.

I want the Senator to know that because of my high regard for him and the high regard every member of this committee has for him, I would request that he be on the conference committee.

Mr. CASE. I would support it.

Mr. HUMPHREY. The distinguished ranking minority member will support it.

Mr. CASE. As in all matters.

Mr. HUMPHREY. So may I say, the best way to do that in light of the colloquy is for the Senator to withdraw his amendment with the assurance that he will be given the opportunity to serve on the conference committee, to work out what details and problems may arise. I will work with him to accomplish the objectives he has in mind.

But I want him to understand that where it comes to sales of certain types of weaponry that may be valued at less than $25 million, we must have some way of being able to review them.

Mr. PERCY. With that, the Senator from Illinois is fully in accord.

I think that the suggestion that has been made is a fair and equitable one.

The Senator from Illinois will enjoy working with his distinguished colleagues on the conference because I think what is being established is tremendously important, and the Senator from Illinois certainly concurs.

Mr. HUMPHREY. I know the Senator from Illinois voted for the bill in committee, with certain reservations that have been expressed in his amendments.

Mr. PERCY. Mr. President, I ask unanimous consent that the amendment pending before us be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I thank the Senator from Illinois for his cooperation. I know I speak for the Senator from New Jersey and others here. This has been a very helpful discussion today.

Mr. President, the Senator from South Dakota has an amendment. He was hoping there would be a number of his colleagues here to participate.

I suggest the absence of a quorum and I ask unanimous consent that the time be equally divided.

Mr. President, I withhold that request. We have a message.

(At this point in the proceedings the Senate received messages in writing from the President, which are printed in today's RECORD under morning business.)

Mr. HUMPHREY. Mr. President, I would note that there are several messages. The President is a busy man.

The PRESIDING OFFICER (Mr. LEAHY). The Chair would note that the President must have a weighty matter on his mind. The Chair has never seen quite such a voluminous message.

Mr. HUMPHREY. Mr. President, I——

Mr. PERCY. May the Senator from Illinois make a comment? Wait until the Senator from Minnesota is the President.

Mr. HUMPHREY. I thank the Senator for his expression of confidence. Do I consider this an endorsement or just an observation? [Laughter.]

Mr. President, I suggest the absence of a quorum without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> On page 117, line 8, immediately after the comma insert the following: "no sales (including cash sales) or deliveries pursuant to previous sales may be made, no licenses may be effective and no deliveries pursuant to any license may be made,".

Mr. KENNEDY. Mr. President, the amendment I am offering today would effectively return section 311 of the bill, which stems from an amendment I originally introduced on November 10, 1975, back to its original form. In so doing, it would prohibit all military aid, assistance, sales and deliveries of weapons to the current dictatorship in Chile.

As the measure now comes from the committee, it contains a prohibition on grant assistance. It also prohibits credit sales. But it permits—even though the measure enacted a year ago did not—Government cash sales. In addition, it permits the Government to license, and therefore to approve, of commercial sales of weapons to Chile.

I believe the record of the junta in Chile is clear. It has imposed a repressive dictatorship in Chile. It has endorsed and permitted the use of torture against its opponents. It has ruled by decree and voided traditional due process guarantees. And it has continued to operate with disdain for the very values of human rights and dignity for which Chile traditionally was honored.

In the most recent incident, a British doctor was tortured. On her return to Britain, the British Foreign Secretary, recalling Britain's Ambassador, issued the following statement:

> Now that Dr. Cassidy is safely out of Chile I can state what we have up to now deliberately refrained from publicizing. This is that Dr. Cassidy was tortured by the Chilean security police. In order to obtain information from her, they stripped her and gave her severe electric shocks. This happened on the night of her arrest.
>
> No British Government can accept such uncivilized, brutal treatment of a British subject at the hands of a foreign government.

That is only the most public expression of the continued pattern of brutal repression unleashed by the military junta.

Despite the efforts of the junta, the reports of what has occurred in Chile and what continues to take place in that country have reached the world.

The Organization of American States passed a resolution at its General Assembly in May calling attention to the OAS Human Rights Commission condemnation of the junta's actions. The report had concluded that the junta had engaged in:

> Repeated violations of rights set forth in . . . the American declaration of the rights and duties of man—the hemisphere's own declaration of human rights.

In July, the junta refused to permit the United Nations Human Rights Commission to enter Chile.

In October, the U.N. Commission's working group reported that "torture centers" are still being operated in Santiago and other parts of Chile.

The United Nations General Assembly—with the evidence now overwhelming, and with the United States delegate voting "aye", condemned Chile for its continued violations of human rights.

These actions underscore the appropriateness of our having sought to deny military aid to Chile a year ago through the adoption of my amendment to last year's foreign aid bill.

Now it is time to close the loopholes and halt all weapons traffic to Chile. Despite the action of Congress, the administration interpreted the legislation of a year ago to permit unfettered issuance of licenses for direct sales of military weapons and more than $15 million in weapons were transferred to Chile, in the first 6-month period alone, after enactment of that legislation.

The administration recognized the inappropriateness of directly providing military aid by declining to request any amount for Chile in this year's bill. However, the resolve of the administration in this area is suspect—from its past actions establishing an atmosphere of support for the coup itself, its full-blown embrace of the military junta when it assumed power, its largesse in distributing weapons and economic assistance to the junta directly for the past 2½ years, and its most recent pressure in support of world bank loans—despite the abstention of our Western European allies—and debt renegotiations for Chile.

There is only one way to assure that the administration does not decide to provide military aid and assistance to the junta later this year, and that is to deny them the authority. This is particularly essential since they have already indicated a continued willingness to provide government cash sales and to license further weapons sales to that country.

Without the adoption of my amendment, I am afraid that the effect of the committee's action will be almost null and void. Under the economic assistance that still goes to Chile, nearly 85 percent of all our food assistance to Latin America goes to Chile under the Public Law 480 program. By permitting the sale of that food, Chile obtains additional revenues which it will use, if this amendment is not adopted, to purchase more weapons. We will be providing them revenues with the one hand, and with the other will be permitting them to use their foreign reserves for buying weapons to repress their citizens rather than use those reserves for the purchase as food.

The torture of political opponents includes former parliamentarians, such as the former Christian Democratic Congressman, Pedro Araya Ortiz.

Elected as a Christian Democrat and considered a political moderate, he was tortured after being abducted by the Chilean secret police, apparently because he had been searching for four union leaders who had disappeared mysteriously.

The account of his torture was reported by Juan de Onis of the New York Times and by Jack Anderson. Onis' article began:

> "Pedrito, are you cold?" Asked a voice in the concrete cell.
>
> "Yes, very cold," replied Pedro Araya Ortiz, who was stretched out naked on a wet metal table where he had been writhing under repeated electric shocks. "This will warm you up," said the voice and a burning cigarette was ground into Mr. Araya's skin.

Accounts such as these, the Times reported noted, are among "the hundreds of documented examples of torture of political prisoners in the hands of the five military and police agencies in charge of national security investigations."

With the press under tight censorship, with the universities presided over by military governors, and with all political expression stifled, the only avenue for protesting these abuses has fallen to the churches.

And in recent months, the junta has moved against the churches, imprisoning priests—including several American priests and nuns—forcing the dissolution of the Inter-Denominational Committee for Peace and Justice which had sought to provide relief for the families of political prisoners, and declaring persona non grata Lutheran Bishop Helmut Frenz, who was head of the Lutheran Church in Chile.

Lawyers working with that committee, a group whose concern for human rights alone had won praise from international observers, still remain imprisoned.

Nor do I believe that the people of the United States want to see this Nation provide the military might with which the junta carries out its repression. I do not believe they want us to license the sale of those weapons. I do not believe they want us to sell them those weapons. I do not believe they want us to give them those weapons or advise them on which weapons they ought to be buying to achieve their purposes.

I believe halting this military aid to Chile is in keeping with the spirit of this legislation and with the traditions of our own Nation, to deny the military support to that junta.

I urge the adoption of my amendment.

The PRESIDING OFFICER (Mr. FORD). Who yields time?

Mr. JAVITS. Mr. President, to give the manager of the bill an opportunity to return, I ask unanimous consent that there be a quorum call without the time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, the amendment presented by the distinguished Senator from Massachusetts is one that has a considerable amount of attraction to me as an individual and as a Senator.

I am deeply disturbed about what has been happening in Chile—the seeming arrogance of the current administration in Chile toward human rights and, indeed, the violation of the elemental standards of international conduct with respect to human rights. The junta which has control in Chile has been condemned, as the Senate knows, by the prodemocratic forces of the conservative elements, Christian Democrats, the so-called liberal Democrats, the labor people. This regime has violated all the standards of democratic conduct.

I understand that the administration did not make any cash sales or commercial sales to Chile during fiscal year 1975, after the amendment that was attached to our bill of last year went into effect—that is, the amendment by Senator KENNEDY. I voted for that amendment at that time.

Then, with the continuing resolution that took the program of military sales into fiscal 1976, the administration apparently felt there was some uncertainty in the Kennedy amendment of last year and decided to make certain commercial and cash sales.

Mr. JAVITS. Mr. President, will the Senator yield to me so that I may request the yeas and nays?

Mr. HUMPHREY. I yield.

Mr. JAVITS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President, what the amendment now presented by the Senator from Massachusetts will do will be to ban all sales of military weaponry, whether they are credit sales, commercial sales, or cash sales, as well as any form of military assistance, which we have not provided in the bill, anyway. It also would ban deliveries. That means that all pipeline supplies that have been contracted for would be stopped. So it is a total ban.

I might add that while this is very severe and it is almost unprecedented, nevertheless, what it really calls for is an action on the part of the government of Chile to show some regard to decent treatment of its own people, of its political opposition, and some respect for the established standards of international relations in the field of human relations. Therefore, I am going to vote for this amendment.

I say again to the Senator that I appreciate his eternal vigilence in this matter. The committee had given consideration to the situation relating to Chile, and we felt at the time that the only sales that should be permitted were cash sales. Upon sober reflection, I am going to advise and urge our colleagues to support the amendment of the Senator from Massachusetts.

Mr. JAVITS. Mr. President, I shall simply adopt what Senator HUMPHREY has said and add just one point.

The Human Rights Commission of the Organization of American States has found against Chile on the facts and has acted accordingly

When we run into a situation such as that, it is a road with no exit. We simply face a brick wall in Chile. We know that you cannot take a whole nation of people and condemn it to some eternal punishment. Therefore, I join Senator HUMPHREY in saying even to this regime in Chile, notwithstanding its record: "Seek to come to an accommodation with the world. In the absence of that, you leave other people—no matter how much they do not wish to hurt the people of Chile, how much we may disapprove of what this regime is doing in the field of human rights—with no choice but to cut off from you, so far as we humanly can, that degree of relationship which represents some recognition by one nation of another."

I think that this is all that morality and duty will allow us to do—simply to extend a hand of friendship if, when it is accepted, it is not at the same time so deeply soiled with the inequity of torture of its own people.

Mr. President, I hope very much that this will bring the regime in Chile to some recognition of the total import of its acts. It cannot, by any stretch of the imagination, be subject to some tautology which says that it is OK to sell them arms if they pay for them in cash but it is not OK to sell them arms if we are going to do it on credit or in some other way under this bill.

I say to the Senate that in discussing this matter with my colleagues who are managing the bill, it was I who felt that the issue was such that we would have to go on record about it. There is no way here of just accepting an amendment. We had to express ourselves on the record as to how we felt about this situation. We express ourselves, of course, systematically in the light of the fact that you cannot sentence a nation or its people to some eternal penalty. But in the absence of some effort to have a sense of decent recognition of the outrage of the world, now justified by the findings of a commission of the Organization of American States, I can see no other way to express ourselves than the one offered us by the Senator from Massachusetts. Accordingly, I, too, shall vote "aye" and hope that other Members on this side will do as well with respect to this amendment.

Mr. GOLDWATER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. GOLDWATER. As the Senator knows, yesterday I offered an amendment that was to substantially the same effect as this one. However, it was ruled nongermane. I ask whether the Senator will yield so that I may put that question to the Parliamentarian.

Mr. HUMPHREY. There is a provision in this bill that deals with Chile. There was no provision in the bill as of yesterday that dealt with the Soviet Union or with grain. This deals with military weaponry. As a manager of the bill, I expressed my feeling that it is a thoroughly germane amendment, because Chile is specifically mentioned in the bill.

Mr. GOLDWATER. The reason I ask was that, as I recall yesterday's decision by the Parliamentarian, it was because grain was not mentioned in the bill. It did not refer at all to any country. I would question whether this was germane, because it covers the waterfront.

Mr. HUMPHREY. Section 310 of the bill provides:

> (a) No military or security supporting assistance may be furnished under the Foreign Assistance Act of 1961, no credits (including participations in credits) may be extended, and no loan may be guaranteed, under the Arms Export Control Act with respect to Chile.
>
> (b) No deliveries of any such assistance may be made to Chile on and after the date of enactment of this section.

So Chile is a prime factor in this legislation.

Mr. GOLDWATER. I agree with that, but what I am getting to now is this: Would this cover, for example, the sale of foodstuffs, the sale of wheat and grains?

Mr. HUMPHREY. No. This relates to military weaponry.

Mr. GOLDWATER. Only?

Mr. HUMPHREY. Yes.

Mr. GOLDWATER. We could continue to do business with Chile on items other than military items?

Mr. HUMPHREY. That is my understanding. This relates to military credits, military deliveries, military cash sales. It has nothing to do with general trade.

Mr. GOLDWATER. We are not precluding American businessmen from doing business in Chile?

Mr. HUMPHREY. No, except, of course, in military sales.

Mr. GOLDWATER. I understand that.

REMOVAL OF INJUNCTION OF SECRECY FROM TREATY OF FRIENDSHIP AND COOPERATION WITH SPAIN (EXECUTIVE E, 94TH CONGRESS, 2D SESSION)

Mr. HUMPHREY. Mr. President, as in executive session, I ask unanimous consent that the injuction of secrecy be removed from the Treaty of Friendship and Cooperation with Spain, signed at Madrid on January 24, 1976 (Executive E. 94th Cong. 2d sess.), and the Treaty with the Swiss Confederation on Mutual Assistance in Criminal Matters, signed at Bern on May 25, 1973 (Executive F. 94th Cong. 2d sess.); both transmitted to the Senate by the President of the United States today, and that the treaties, together with accompanying papers, be referred to the Committee on Foreign Relations and ordered to be printed, and that the President's letters be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The messages from the President are as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty of Friendship and Cooperation between the United States of America and Spain, signed at Madrid on January 24, 1976, together with seven Supplementary Agreements and eight related exchanges of notes. For the information of the Senate, I transmit also the report of the Department of State with respect to the Treaty.

I believe this Treaty will promote United States interests and objectives relating to Spain and western security. With the advice and consent of the Senate to ratification, the Treaty would serve to provide a firm basis for a new stage in United States-Spanish relations, reflecting United States support for and encouragement of the important evolution which has begun in Spain and to which the Spanish Government renewed its commitment in connection with the signing of the Treaty. The Treaty reflects the mutual conviction of Spain and the United States that the proper course of this evolution should include, as major objectives, the integration of Spain into the institutions of Europe and the North Atlantic defense system and should include a broadly based cooperative relationship with the United States in all areas of mutual interest. The Treaty should contribute positively to the achievement of these goals.

In the area of western security, the agreement provides for a continuation of the important contribution made by Spain through facilities and related military rights accorded United States forces on Spanish territory. The agreement reflects a careful balancing of Spanish concerns with the changing requirements of United States military deployment. As a new development of the United States-Spanish defense relationship, the Treaty establishes mechanisms and guidelines, such as those reflected in the provisions dealing with military planning and coordination, to help develop an active Spanish contribution to western security, a contribution which complements and is coordinated with existing arrangements. The Treaty does not expand the existing United States defense commitment in the North Atlantic Treaty area nor does it create an additional bilateral one. Finally, the Treaty pledges military assistance to the Spanish armed forces in their program of upgrading and modernization. The major portion of that assistance is in the form of loan repayment guarantees. The actual cost to the United States taxpayer is expected to be far lower than the figures listed in the agreement.

I recommend that the Senate give prompt consideration to the Treaty and consent to its ratification.

Gerald R. Ford.

The White House, *February 18, 1976.*

To the Senate of the United States:

I transmit herewith the Treaty between the United States of America and the Swiss Confederation on Mutual Assistance in Criminal Matters, signed at Bern on May 25, 1973, six exchanges of interpretative letters of the same date, and an exchange of interpretative letters dated December 23, 1975. I urge that the Senate advise and consent to ratification of the Treaty and related matters.

The Treaty is the first major international agreement by the United States aimed at obtaining information and evidence needed for criminal investigations and prosecutions. Cooperation of this kind with Switzerland is uniquely important because of its position as an international financial center. Despite the general cooperation of Swiss authorities in criminal cases, the procedures for obtaining needed information have been generally ponderous and inadequate. Despite this cooperation, United States law enforcement and investigative agencies have frequently encountered severe difficulties in obtaining needed information from Swiss banks because of banking secrecy laws.

The new Treaty, as implemented by Swiss legislation, should open up new avenues of cooperation in Switzerland and greatly facilitate the work of the United States law enforcement and prosecutive agencies, especially in dealing with cases involving organized crime. Assistance will extend to ascertaining the whereabouts of persons, taking testimony, producing and preserving judicial and other documents, records and evidence, and serving and authenticating judicial and administrative documents.

The Treaty is expected to provide a useful and significant tool in combating crime and bringing offenders to justice. I recommend that the Senate give the Treaty and related letters prompt consideration and consent to their ratification.

Gerald R. Ford.

The White House, *February 18, 1976.*

INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT OF 1976

The Senate continued with the consideration of the bill (S. 2662) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

The PRESIDING OFFICER. Do the Senators yield back their time?

Mr. KENNEDY and Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I have a short comment. A question could be raised concerning why we are singling out Chile in this instance. It is largely because of the violation of human rights in that country. I think it is worthwhile mentioning that the record with regard to the Chilean junta's violation of human rights—a record compiled by the OAS, by the United Nations, by the International Commission of Jurists, and by other groups that have been investigating—is overwhelming in this particular issue. I daresay that we have also some important responsibility with regard to Chile because of our own past involvement in bringing about an end to the previous regime.

It seems to me that this particular situation demands that this action be taken. I certainly support the investigation of human rights in other countries, but it does seem to me that this country has a very special obligation and responsibility with regard to Chile, given our past record and given the overwhelming indictment that has been made by the hemispheric organization, the OAS Commission on Human Rights. We shall be working in concert with the OAS consistent with American foreign policy. I hope that, for these reasons and the others that have been commented upon, we can accept this amendment.

Mr. HUMPHREY. Mr. President, I am prepared to yield back my time.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. I shall be happy to yield time to the Senator from South Carolina.

Mr. THURMOND. If I rise in opposition, do I have to have time yielded by the side that is supporting the amendment, or does the opposition have some time?

Mr. HUMPHREY. I am in charge of 30 minutes of time. I yield some of it to the Senator from South Carolina. I suggest that he not put it through a litmus test, that he just use the time.

Mr. THURMOND. I am just asking the question whether the opposition has any time.

Mr. HUMPHREY. The Senator will apparently get some time. Is he in opposition?

Mr. THURMOND. I am in opposition to the Kennedy amendment.

Mr. HUMPHREY. Then he gets time. I am glad to yield time to the Senator.

Mr. THURMOND. Mr. President, I rise in opposition to the amendment being offered by Mr. Kennedy which, in effect, would institute a total embargo on the transfer of military equipment from the United States to Chile. In opposing Mr. Kennedy's amendment, let me remind my colleagues that for a period of years, U.S. military equipment and training have been acquired in good faith by Chileans. This equipment has been incorporated into the basic structure of their military units. The interruption of logistic support would be a serious blow to the Chilean armed forces, and because of recognized arms imbalances that exist in that region, such action would also be counter to efforts directed toward maintaining regional stability.

I should think that it is well understood that when foreign countries enter into security assistance agreements with the United States, they do so on a good faith basis, that these agreements support U.S. interests, and that they directly affect the long-term national defense capabilities of the countries involved. Therefore, actions to summarily cut off these relationships, as proposed with regard to Chile in the sweeping amendment offered by the distinguished Senator from Massachusetts, should be enacted only under exceptional circumstances.

While I abhor violations of human rights in whatever country or for whatever reason, I do not believe that such a severe measure as is being proposed by Mr. KENNEDY is appropriate to the situation, nor would it serve to improve the conditions in any way. On the contrary, it would most probably be perceived by the Chileans as a very unfriendly act going beyond an expression of U.S. concern over human rights and interfering directly into matters of national sovereignty. Earlier this year, we evaluated a similar situation concerning U.S. assistance for Turkey, and, I believe, determined that an enactment of a total cutoff of military supply to a country which has established long-term logistic arrangements with the United States creates, myriad problems and that this type of action may not support the long-term interests of the United States. We must be mindful that to leave little choice open to Chile's current Government but, perhaps, to abandon a long-standing friendship and military relationship with the United States, could lose us the very influence we seek to exert.

Mr. President, in contrast, the amendment of the Committee on Foreign Relations on Chile—and I should like to ask the manager of the bill about this, if he will give me his attention—in contrast, the amendment of the Committee on Foreign Relations on Chile seems to be well suited to the situation, as I understand it. The committee's amendment, as I comprehend it, would prohibit the offering of grant military assistance and foreign military sales credits, but would not prohibit cash sales.

Is that the understanding of the manager?

Mr. HUMPHREY. That is correct; the Senator is correct.

Mr. THURMOND. It would also allow for the continuation of deliveries of items in the pipeline which were ordered in years past. Is that correct?

Mr. HUMPHREY. That is correct.

Mr. THURMOND. Mr. President, the committee's recommendation, in contrast to that proposed by Mr. KENNEDY, makes eminently good sense in that it seeks to preserve the underlying good will between Chile and the United States and to encourage a climate in which our Government is able to use its influence in an appropriate manner.

I will fully support the recommendation of the Committee on Foreign Relations on this matter which, I understand, is also supported by the administration.

Mr. President, I want to say in closing that I see no need to go out and jab our fists in the face of the Chileans and say, "Although you have the money and you are willing to buy from us, and we have the goods and want to sell, we are not going to sell to you." That is a different thing from granting credits or granting the loans and so forth. These people are going to buy military equipment somewhere. Why should we deny selling these people military equipment? They have been friendly to the United States. They are not in a category with the Soviet Union. They are friends of the United States. They are part of South America. They come under the Monroe Doctrine, in which we have pledged to protect that part of the world. Why do we want now to just take a jab here for pure political purposes? I charge that that is what it is.

Mr. GOLDWATER. Will the Senator yield?

Mr. THURMOND. I am pleased to yield to the distinguished Senator from Arizona.

Mr. GOLDWATER. Mr. President, I want to point out the exercise in inconsistency that we are engaged in here. Yesterday, I offered an amendment that would have done substantially the same thing with the Soviet Union and a vote was avoided on that because it was nongermane. But here we are, with Members of this body having suggested better relations with Cuba, better relations—even business relations—with Red China, where millions were killed over there by dictators; continuing better business relations with the Soviets—Lord knows how many they have killed under a much worse form of government than Chile has ever had. So it goes.

We have a friend in Chile. Their government might not be admired, although I hope, within a few weeks, to make a statement that I think will verify much of the reports that we have heard.

So I think it is rather inconsistent to find this body willing to cut off help to a friend while breaking our backs to do everything we can to help our enemies.

Mr. HUMPHREY. Mr. President, will the Senator yield there, since it is on my time?

Mr. THURMOND. Does the Senator want me to yield?

Mr. HUMPHREY. Yes, please.

Mr. THURMOND. I would be pleased to yield to the distinguished Senator from Minnesota, the manager of the bill.

Mr. HUMPHREY. Let me say, first of all, the Senator is right. The committee report did permit cash sales. I did not mean everybody in the committee was for it, I want that clear, but there was a prevailing majority for that position. That is No. 1.

Mr. THURMOND. The majority of the Foreign Relations Committee did favor being willing to sell military equipment to Cuba if they paid for it.

Mr. HUMPHREY. Not Cuba.

Mr. THURMOND. I mean Chile if they were willing to pay for it.

Mr. HUMPHREY. The Senator is correct.

Let me say right now the argument comes in here as to whether or not there is an identity of interest or similarity between this particular proposal of the Senator from Massachusetts and the proposal of yesterday relating to the sale of grain and computers to the Soviet Union.

Had the Senator from Arizona brought up an amendment that said we should have no military sales to the Soviet Union or Cuba he would have had my support. I do not believe we ought to be selling military equipment to anybody that wants to buy it. On that basis, East Germany might decide it wants to buy it; East Berlin might decide it wants to buy it. The Soviet Union might decide that because our technology is better they would like to buy some of our more sophisticated missiles. I do not believe you should just go around selling military equipment to anybody.

What is more, the Senator knows that this amendment does not apply to normal commerce. You can sell grain to Chile, you can sell a computer to Chile. You can sell a tractor to Chile, but not military equipment, not military equipment which is covered by this bill. That is the purpose of this amendment, and I think it has genuine merit.

Now, the Senator from South Carolina says this is nothing but a political issue, and he is right, political in this sense: that I do not think the Government of the United States ought to be aiding and abetting the most vicious type of totalitarian regime in Latin America. Chile's Government today does not represent the Chileans. They never were elected. They shot their way into power. They have not been elected by anybody. That Government is condemned by the church, condemned by the Organization of American States, condemned by the very people who wanted them in power, the former President of Chile, President Frei, the former Foreign Minister, Mr. Vidella, and person after person in Chile who represents democratic thought.

Of all the places in this world we ought to frown upon and hold up to scorn is that handful of generals and colonels down there in Chile.

I love the Chilean people. I have been in that great country. I was one of those who wanted to see the Christian Democratic Party, the Liberal Democratic Party or any other democratic party in Chile, any representative government. It is not my purpose to pick out which representative government ought to be there, but I do not believe the Government of the United States ought to be fostering the control of a dictatorship by a handful of generals who act like thugs, who shot their way into power. That goes for the totalitarians in the East or in Latin America.

Mr. THURMOND. Mr. President, some people have been frustrated and displeased ever since the Communist head of the government in Chile was put out, and it is mighty strange that we are fighting communism all over the world, we oppose it everywhere, we claim, and yet we are castigating the people who put communism out of Chile.

Chile had a Communist head of government. The crowd in now put him out.

Why do we object to that? Why should the people of America and the free world object to a Communist head of government being put out?

Mr. President, it is a strange thing that some people around here want to recognize Cuba, Red China and other countries, and yet they do not even sell military equipment to a country that is friendly to the United States.

I do not say we should approve of everything they have done in Chile—of course not. The distinguished Senator from Minnesota does not approve of that, and I do not approve of it. But I do say that they are anti-Communist, and we had better rally every anti-Communist country we can to stand with the free world if we are going to keep freedom in the free world.

Mr. HUMPHREY. May I say to the Senator, Hitler was anti-Communist. He is not my kind of cat.

Mr. THURMOND. Mr. President, Hitler's tactics were the same as those of the Communists. Hitler's tactics were totalitarian just the same as those of the Communists.

Here I do not see any use in singling out a friendly country in South America that wants to buy goods, has the money to buy them, willing to buy them, help our balance of trade, and help to give jobs to Americans, and then to say, "No, we are not going to sell you goods."

We had better begin to reappraise who are the friends of the United States, and we had better begin to stand by those who are friends of the United States, even though they may have some defects, they may have some frailties, they may not be perfect. Yet if they will stand with us against the Communist menace which endangers the freedom of the entire world, then I say we had better think carefully before we turn them down.

Mr. KENNEDY. Mr. President, just a final comment: The fact of the matter is that, Mr. Allende was actually elected by the people of Chile. Whether we like it or not, they elected him.

I have grave reservations about the military aid program in general and, particularly, about sales of military equipment in all parts of the world in any event. But the interesting point is that we were prepared to deliver approximately $2 million to Chile in fiscal year 1973, primarily small arms, during the Allende period. But after the overthrow of Mr. Allende, as of September 30 last year there was over $100 million of American military sales in the pipeline, in spite of the fact of the Chilean junta's being one of the most oppressive, repressive, regimes in all of Latin America and, I daresay, one of the most repressive in the world; and in spite of the fact that they come here time and again asking for humanitarian help and assistance and aid which the United States is prepared to provide. Nearly 85 percent of our food program in Latin America now goes to Chile which also makes no sense. But I want to make it very clear, to those who have expressed some question about the fact that we are not directing our thoughts to other kinds of economic aid and assistance, that this specific amendment is not directed towards economic aid and assistance. I want to give assurances to my colleagues that I will have amendments to remedy the overwhelming concentration of economic assistance directed to Chile when the first opportunity comes by. However, this amendment is only related to military assistance.

Chile is buying many tens of millions of dollars worth of arms. There is over $100 million of U.S. arms sales to Chile in the pipeline now, with no discernible threat to Chile's security and with the overwhelming preponderance of evidence to demonstrate clearly and unequivocally that some of these military arms we sell are being used on the Chilean junta's own people within their country in the most repressive ways and on individuals who have demonstrated a loyalty and support and friendship for the people of the United States. The case has not been made here, Mr. President, to justify any such program of military arms sales, and I am hopeful this amendment will be accepted.

Mr. President, I am prepared to yield back the remainder of my time.

Mr. HUMPHREY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Massachusetts (Mr. KENNEDY).

The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Idaho (Mr. CHURCH), the Senator from Colorado (Mr. HART), the Senator from Michigan (Mr. HART), and the Senator from Washington (Mr. JACKSON) are necessarily absent.

I further announce that the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Wisconsin (Mr. NELSON), and the Senator from Illinois (Mr. STEVENSON) are absent on official business.

I also announce that the Senator from Rhode Island (Mr. PASTORE) is absent attending a funeral.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE), and the Senator from Washington (Mr. JACKSON) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Hawaii (Mr. FONG), the Senator from Utah (Mr. GARN), the Senator from Nevada (Mr. LAXALT), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

The result was announced—yeas 48, nays 39, as follows:

[Rollcall Vote No. 31 Leg.]

YEAS—48

Abourezk
Beall
Biden
Brooke
Bumpers
Burdick
Cannon
Case
Chiles
Clark
Cranston
Culver
Durkin
Eagleton
Ford
Gravel
Hartke
Haskell
Hatfield
Hathaway
Helms
Huddleston
Humphrey
Inouye
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGovern
Metcalf
Mondale
Montoya
Moss
Muskie
Pearson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stone
Symington
Tunney
Weicker
Williams

NAYS—39

Allen
Baker
Bartlett
Bellmon
Bentsen
Brock
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Curtis
Dole
Domenici
Eastland
Fannin
Glenn
Goldwater
Griffin
Hansen
Hollings
Hruska
Johnston
Long
McClellan
McClure
McGee
Morgan
Nunn
Packwood
Percy
Roth
Scott, Hugh
Scott, William L.
Stafford
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower

NOT VOTING—13

Bayh
Church
Fong
Garn
Hart, Gary
Hart, Philip A.
Jackson
Laxalt
McIntyre
Nelson
Pastore
Stevenson
Young

So Mr. KENNEDY's amendment was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to, and I ask for the yeas and nays.

Mr. HUMPHREY. Mr. President, I move to lay that motion on the table.

Mr. HELMS. I ask for the yeas and nays.

The PRESIDING OFFICER. The motion is to table the reconsideration of the vote by which the amendment was agreed to. The yeas and nays have been requested. Is there a sufficient second? There is a sufficient second.

The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Idaho (Mr. CHURCH), the Senator from Colorado (Mr. HART), the Senator from Michigan (Mr. HART), and the Senator from Washington (Mr. JACKSON) are necessarily absent.

I further announce that the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Wisconsin (Mr. NELSON), and the Senator from Illinois (Mr. STEVENSON) are absent on official business.

I also announce that the Senator from Rhode Island (Mr. PASTORE) is absent attending a funeral.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE), and the Senator from Washington (Mr. JACKSON) would each vote "yea."

Mr. HUGH SCOTT. I announce that the Senator from Hawaii (Mr. FONG), the Senator from Utah (Mr. GARN), the Senator from Michigan (Mr. GRIFFIN), the Senator from Nevada (Mr. LAXALT), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

The result was announced—yeas 49, nays 37, as follows:

[Rollcall Vote No. 32 Leg.]

YEAS—49

Abourezk
Beall
Biden
Brooke
Bumpers
Burdick
Cannon
Case
Chiles
Clark
Cranston
Culver
Durkin
Eagleton
Ford

Gravel
Hartke
Haskell
Hatfield
Hathaway
Huddleston
Humphrey
Inouye
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGee
McGovern
Mondale
Montoya
Moss
Muskie
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Stafford
Stone
Symington
Tunney
Weicker
Williams

NAYS—37

Allen
Baker
Bartlett
Bellmon
Bentsen
Brock
Buckley
Byrd, Harry F., Jr.
Byrd, Robert C.
Curtis
Dole
Domenici
Eastland
Fannin
Glenn
Goldwater
Hansen
Helms
Hollings
Hruska
Johnston
Long
McClellan
McClure
Metcalf
Morgan
Nunn
Packwood
Roth
Scott, Hugh
Scott, William L.
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower

NOT VOTING—14

Bayh
Church
Fong
Garn
Griffin
Hart, Gary
Hart, Philip A.
Jackson
Laxalt
McIntyre
Nelson
Pastore
Stevenson
Young

So the motion to lay on the table was agreed to.

AMENDMENT NO. 1378

Mr. ABOUREZK. Mr. President, I call up my amendment No. 1378, which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from South Dakota (Mr. ABOUREZK) proposes an amendment No. 1378, as follows:

At the end of the bill add a new section as follows:

SEC. . (a) No military, economic, or other assistance, or sales of defense articles and services (whether for cash or by credit, guaranty, or any other means), or licenses with respect to the transportation of arms, ammunitions and implements of war (including technical data relating thereto) under this Act shall be made available to any country that uses such assistance, articles or licenses to violate the territorial sovereignty or air space of any other nation.

(b) Subsection (a) of this section shall not apply to the use of any such assistance, articles or licenses where such use is solely provided for defense against an armed attack by the armed forces of another nation.

Mr. ABOUREZK. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. ABOUREZK. Mr. President, I yield briefly to the Senator from Kansas.

RELEASE OF RESTRICTIONS—ELKHART, KANS.

Mr. PEARSON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 270.

The PRESIDING OFFICER (Mr. BUMPERS) laid before the Senate the amendment of the House of Representatives to the bill (S. 270) to authorize the Secretary of Transportation to release restrictions on the use of certain property conveyed to the city of Elkhart, Kans., for airport purposes, as follows:

Strike out all after the enacting clause, and insert: That, notwithstanding section 16 of the Federal Airport Act (as in effect on March 11, 1958), the Secretary of Transportation is authorized, subject to the provisions of section 4 of the Act of October 1, 1949 (50 App. U.S.C. 1622c), and the provisions of section 2 of this Act, to grant releases from any of the terms, conditions, reservations, and restrictions contained in the deed of conveyance dated March 11, 1958, under which the United States conveyed certain property to the city of Elkhart, Kansas, for airport purposes.

SEC. 2. Any release granted by the Secretary of Transportation under the first section of this Act shall be subject to the following conditions:

(1) The city of Elkhart, Kansas, shall agree that in conveying any interest in the property which the United States conveyed to the city by deed dated March 11, 1958, the city will receive an amount for such interest which is equal to the fair market value (as determined pursuant to regulations issued by such Secretary).

(2) Any such amount so received by the city shall be used by the city for the development, improvement, operation, or maintenance of a public airport.

Attest:

Mr. PEARSON. Mr. President, I move that the Senate concur in the amendment of the House.

The motion was agreed to.

INTERNATIONAL SECURITY ASSISTANCE AND ARMS EXPORT CONTROL ACT OF 1976

The Senate continued with the consideration of the bill (S. 2662) to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act, and for other purposes.

Mr. PEARSON. Mr. President, on behalf of Mr. DOLE, I ask unanimous consent that a member of his staff, Robert Dowden, have the privilege of the floor during the consideration of S. 2662..

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABOUREZK. Mr. President, amendment No. 1378 is a general amendment that would shut off military aid to any country that violates the air space or territorial sovereignty of another nation. It would also provide for a shutoff of U.S. arms aid. An exception would be allowed if the nation in question receiving arms aid is acting in its own defense resulting from an attack by the armed forces of another nation.

The prime example that comes to everybody's mind is that of the continuing Israeli bombing in southern Lebanon, bombing which has been going on for the last several years. During that time, Israel has killed and wounded thousands of innocent people, both Palestinians in the Palestinian refugee camps and Lebanese farmers and villagers in the south of Lebanon.

In fact, the real result of that policy of Israel bombing in the south of Lebanon is what is referred to by some writers as a "scorched earth policy." "Scorched earth" is not a figure of speech. That is what has been accomplished by this policy.

I want to illustrate what that policy means as southern Lebanon is concerned. Israel has dropped napalm, phosphorous bombs, cluster bombs, rockets, and regular TNT explosive bombs on the fields, in the villages, and in the densely populated Palestinian refugee camps in Lebanon—all to no avail. Mostly, what we read about in this country as an excuse for this kind of military terrorism—and it can only be called terrorism—is that they are seeking out Palestinian terrorists.

Mr. President, during the years of the Vietnam war, many Members rose on the floor of the Senate to denounce and decry U.S. bombing of Vietnam villages and countryside; our excuse at that time—the official Government excuse—was that they were seeking out terrorists. Those who rose in the Senate to denounce that kind of policy of bombing did so because it was said, and rightly so, that they were bombing innocent civilians and that they could not tell from the air who was a terrorist, who was a combat soldier, and who was an innocent civilian.

We eventually shut off money for the bombing of Vietnam, mainly for humanitarian and moral reasons.

It is curious that we would allow the same kind of terror, the same kind of terror from the air or from the ground, to occur in a small nation, Lebanon. We are not at war there. It is a country which has nothing to do with anybody's war in the Middle East. Yet its civilians are suffering almost every day as a result of U.S. arms aid to Israel, which, with impugnity, continues to conduct raids in that country causing the death and suffering of thousands of people.

We have furnished to Israel what is known as cluster bombs. Cluster bombs are round weapons a little larger than grapefruit size. When dropped to the ground, they explode in small metal fragments contained inside the cluster bombs, scattering fragments in every direction which kill, wound, and destroy everything in their path.

Any one who says they are seeking out a terrorist or a guerrilla with that kind of bomb, when that bomb is dropped inside a Palestinian refugee camp or dropped in a civilian village in Lebanon, is simply not telling the truth. In fact, they are conducting the very same kind of savagery that we in this country have denounced through the generations.

This amendment is very similar to the amendment which cut off aid to Turkey. All we did in 1974, when a majority of the Senate voted to cut off arms aid on the ground that Turkey had violated the territorial sovereignty of another nation, was to reaffirm an existing law at the time. There is not a single bit of difference in the two cases.

Mr. President, I have written to the Secretary of Defense and the Secretary of State, asking for a copy of the agreement that was signed in either 1970 or 1971 between the Government of Israel and the Government of the United States. That agreement dealt with the furnishing of cluster bomb units to Israel by this country. The letter to the Secretary of Defense, dated December 22, 1975, said, and I quote:

December 22, 1975.

Hon. Donald Rumsfeld,
Secretary of Defense, The Pentagon, Washington, D.C.

Dear Mr. Secretary: It is my understanding that in recent years, Israel has asked the United States for a large number of CBU's or cluster bombs. It is also my understanding that Israel signed a written agreement at that time indicating that government's intention not to use these weapons except in a time of war.

I am most interested in obtaining information about Israel's purpose for these weapons. Specifically, I would like a copy of that agreement. I would also like to know if that country has used these weapons against terrorists. Finally, I would appreciate having your explanation of why the agreement was necessary.

I would appreciate obtaining this information no later than January 9, 1976.

Thanking you in advance for your cooperation, I am

Sincerely,

James Abourezk,
U.S. Senate.

I received a letter from the Secretary of Defense which reads as follows:

The Secretary of Defense,
Washington, D.C., January 13, 1976.

Hon. James Abourezk,
U.S. Senate,
Washington, D.C.

Dear Senator Abourezk: This is an interim reply to your letter of December 22, 1975, in which you inquire about cluster bombs (CBUs) provided by the United States to the Government of Israel.

CBUs were first provided to Israel in August, 1970, and there have been additional sales since that time. Certain stipulations were placed on the use of these munitions at the time of their sale. I have directed a thorough research of Department of Defense records with respect to the sale of CBUs to Israel, and their use by that country, and I will provide a full response to your inquiries in about two weeks.

Sincerely,

Donald Rumsfeld.

Then, in an additional letter to the Department of Defense, I wrote and requested that I be provided with the dates and quantities of shipments of CBU's to Israel.

February 4, 1976.

Hon. James H. Noyes,
Deputy Assistant Secretary of Defense for Near Eastern, African and South Asian Affairs, Washington, D.C.

Dear Mr. Noyes: This confirms our telephone conversation of Monday wherein I requested that you not only furnish the U.S.-Israel agreement on CBU's but also provide me with both the dates and quantities of shipment of CBU's to Israel.

Sincerely,

James Abourezk,
U.S. Senate.

I have not yet received an answer to either letter from the Department of Defense. Senator Humphrey's staff tried to obtain the same information. I wanted it for use in this debate. The Pentagon has refused to send me the letter. They sent the letter to the State Department where, I am told by Senator Humphrey's staff, who checked into it, Secretary Kissinger literally has the letter in his briefcase and refuses to release it.

First, I think it is outrageous that the Senate would continue with consideration of this entire arms bill until such time as the Secretary sees fit to release information to Members of Congress.

Second, I am certain that if we got the letter, it would disclose that, indeed, we have been furnishing great numbers of cluster bombs to Israel and that they, indeed, have been using those cluster bombs on innocent civilians in Lebanon, both in Palestinian refugee camps and in the fields and villages of southern Lebanon.

I have some newspaper articles from the New York Times of December 4, 1975. One is an article by James Markham, the Times correspondent in the Middle East. There was a savage raid in three refugee camps and villages all through Lebanon on December 3. In describing the raid, he says:

Nabatiye, Lebanon, December 3.—Assia Salame, 6 years old, lay today in a tidy hospital bed in Nabatiye with a patch over her left eye. Her round face was scarred with charcoal-colored wounds.

Her village was attacked yesterday in an Israeli air raid. A nurse said that the child's mother had been by her side shortly after 10 A.M. when Israeli Skyhawks swept over the little village of Kharpat Toul and attacked it with bombs and rockets. The girl's sister was also killed, the nurse said.

The nurse and a woman identified as an aunt, standing taut by the hospital bed, said the Lebanese girl had been hit in the eye, arms and legs when a round and shiny "ball" dropped during the raids exploded in her hands.

A number of people told a visitor here that the Israelis had dropped objects that—according to their descriptions were antipersonnel bombs. But apart from one half-buried object, Palestinian guerrillas on the scene were unable to produce an unexploded bomb of the kind they said had been dropped in profusion.

Nor were they able to identify a bomb they said wounded the children, aside from saying that it was metal and round, about the size of a grapefruit, with a fuse or detonator at one end.

I also include a summary of a February 5, 1976 television news broadcast, which quotes Ike Pappas of CBS News, concerning a story CBS News did on cluster bombs used by Israel on Lebanon:

After Israel bombed suspected terrorist bases in southern Lebanon early last December, villagers charged that the Israelis had dropped deadly anti-personnel bombs on them. The Israelis promptly denied the charge. But newsmen who went to the scene, among them Mike Lee of CBS, reported seeing the small softball size so-called cluster bombs unexploded on the ground in the area. There has never been an official confirmation the Israelis used the bombs on civilians.

A secret Government Accounting Office report in November last year noted that the United States has sent over 10,000 of these cluster bombs to Israel. The first shipments were in August 1970 and there have been additional sales since.

Yesterday, on this same bill, the Senate voted to shut off money to any nation that aided and abetted terrorism. As I said during the debate on that amendment yesterday, that is a laudable goal, because I think we ought to try to stop terrorism worldwide. But I think we ought to stop all terrorism, Mr. President, not just that which might come from one side of the conflict.

How can we deny that the bombing, the barbaric attacks that Israel has perpetrated upon civilians in southern Lebanon, civilians of all kinds, are terrorism as well?

Mr. President, I ask unanimous consent that an article published in the New York Times of December 4, 1975, entitled "Lebanese Village in Ruins After Bombing by Israelis" and a partial transcript of a February 5, 1976, CBS Morning News broadcast be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Lebanese Village in Ruins After Bombing by Israelis

(By James M. Markham)

Nabatiye, Lebanon, December 3.—Assia Salame, 6 years old, lay today in a tidy hospital bed in Nabatiye with a patch over her left eye. Her round face was scarred with charcoal-colored wounds.

Her village was attacked yesterday in an Israeli air raid. A nurse said that the child's mother had been by her side shortly after 10 A.M. when Israeli Skyhawks swept over the little village of Kharpat Toul and attacked it with bombs and rockets. The girl's sister was also killed, the nurse said.

The nurse and a woman identified as an aunt, standing taut by the hospital bed, said the Lebanese girl had been hit in the eye, arms and legs when a round and shiny "ball" dropped during the raids exploded in her hands.

A number of people told a visitor here that the Israelis had dropped objects that—according to their descriptions were antipersonnel bombs. But apart from one half-buried object, Palestinian guerrillas on the scene were unable to produce an unexploded bomb of the kind they said had been dropped in profusion.

Nor were they able to identify a bomb they said wounded the children, aside from saying that if was metal and round, about the size of a grapefruit, with a fuse or detonator at one end.

Today, in Kharbat Toul, a desolate Lebanese community of about 10 families of tenant farmers on low hills outside Nabatiye, farmers and Palestinian guerrillas pointed out what they said was an exploded antipersonnel bomb, a brass colored object half-embedded in the earth and marked off with a stick and stones as a warning.

A young man was loading some meager possessions—mattresses, pots and pans, dishes and a broom—into a truck from an old stone farmhouse that had been shattered in the raid.

Two grizzled men worked on a length of waterpipe in one of the huge craters around the farm buildings. A dead black and white cow lay in the rubble of what had been a barn bulging with tobacco and hay.

Kharbat Toul and its surrounding acres of tobacco fields are owned, according to the farmers, by the family of the late Riad Solh, one of the founders of independent Lebanon and its first Prime Minister.

"I want the daughter of Riad Solh to come here and build again on the blood of the people who died here," said one young farmer, pushing his way forward to give his opinions to the visitor.

Abdul Nabi Baidun, an unshaven Lebanese in dirty clothes and torn cloth cap, said he was going back to Bint Jbeil, on the border with Israel, which he said he fled five years ago, because of shelling in the area.

"I am going back to Bint Jbeil," he said softly. "It doesn't matter if they come every day, ever hour." He put one fist over the other in a gesture of determination.

Slightly above Kharbat Toul is what was once a Palestinian camp bearing the name of Nabatiye Township. The Palestinians abandoned it for the safety of nearby villages after May 16, 1974, when Israeli jets destroyed many of its cinderblock houses in retaliation for the Palestinian raid at Maalot the day before that took the lives of 16 Israeli students.

The intermingling of the Palestinians and the Lebanese increase the chances of Lebanese casualties in any Israeli raid. According to figures supplied by the Nabatiye Hospital, nine Lebanese were killed and 12 were wounded in the raid.

A hospital official said the Palestinian casualties had been treated elsewhere. The Palestinian press service, Wafa, reported a total of 17 persons killed and 23 wounded in Nabatiye, but it gave no breakdown on the numbers of Lebanese and Palestinians.

A total of 3,272 Palestinian refugees are registered with the United Nations as residents in Nabatiye, but none could be found at the camp site today. "Only the widows live here," said a Palestinian guerrilla, casually lugging his AK-47 assault rifle down a muddy strip of road.

The area around the deserted camp is studded with concrete bomb shelters of the kind found in other camps in Lebanon and erected by the Palestinian Liberation Organization. According to guerrillas warming themselves around a fire, two fellow guerrillas were crushed to death in one of the shelters when the Israeli planes attacked.

A three-story building that the guerrillas said had been a primary school for Palestinian children was in ruins. Two white Mercedes-Benz cars had been mangled by a bomb explosion and a Land-Rover lay on its side under rubble.

[From a broadcast by the CBS Morning News, CBS-TV, Feb. 5, 1976]

ISRAEL AND ANTI-PERSONNEL BOMBS

BRUCE MORTON. South Dakota Senator James Abourezk is the only Senator of Lebanese ancestry. Abourezk has been concerned at Israeli air attacks on Lebanon, which Israel claims are directed against Palestinian guerrillas.

Abourezk says the Israelis have been using American-made anti-personnel bombs in those raids, bombs they had promised to use only in case of war.

Ike Pappas reports.

IKE PAPPAS. After Israel bombed suspected terrorist bases in southern Lebanon early last December, villagers charged that the Israelis had dropped deadly anti-personnel bombs on them. The Israelis promptly denied the charge. But newsmen who went to the scene, among them Mike Lee of CBS, reported seeing the small softball size so-called cluster bombs unexploded on the ground in the area. There has never been an official confirmation the Israelis used the bombs on civilians.

A secret Government Accounting Office report in November last year noted that the United States has sent over 10,000 of these cluster bombs to Israel. The first shipments were in August 1970 and there have been additional sales since. At the time the United States placed certain limitations on their use. The Pentagon will not say what those restrictions are. But according to Senator James Abourezk, the Israelis agreed to use the bombs only in time of war.

Senator JAMES ABOUREZK. The fact is that they have used them on civilians in southern Lebanon and Palestinian refugee camps where there are thousands of women and children, non-combatants.

The Pentagon has never bothered to ask Israel whether or not they're using them. They never bothered to check out the allegations that they're using them. And it is, then, a violation of the secret agreement that Israel has with the Pentagon.

PAPPAS. Abourezk intends to introduce an amendment to the Security Assistance Bill now on the Senate floor, which would cut off all military aid to Israel until the Israelis agree to stop bombing Lebanon.

Ike Pappas, CBS News, Washington.

Mr. ABOUREZK. I reserve the remainder of my time.

The **PRESIDING OFFICER.** Who yields time?

Mr. JAVITS. Mr. President, I yield myself such time as I may require.

I do not feel that the affairs of men, the decency and humanity of men, will be enhanced by a debate between the mover of this amendment and myself on how awful a world situation can be which endangers or destroys so much of humanity and of human value. I only wish to point out, Mr. President, that the 10,000 who were reported to have been killed in Lebanon within recent weeks are an infinitely greater content of blood and anguish, even, than the Senator who is moving this amendment has referred to.

I would rather, Mr. President, deal with a much more profound aspect of the situation, which he has so colorfully described, than to compare lives and limbs in number and quantity; that is the deplorable intransigence which bedevils an effort to find a Middle East settlement and the opacity of mind which has brought about this intransigence.

It is quite characteristic that my colleague has the best of intentions. I told him yesterday, after the debate on the amendment of the Senator from Florida, that I was sure of it—I know it, he does not even have to assure me, though he did—that he would join me and others here who are similarly interested in the greatest effort in a desire to see if we can possibly find a way to bring about a resolution of this dreadful conflict which rages there. I did not mention the Lebanon situation because I derive any satisfaction from it. On the contrary, I feel exactly as Golda Meir does, that every mother, in Israel or anywhere else, must feel equally the pain of every other mother whose son or child or kin is caught in this conflict and hurt.

I believe that this opacity is demonstrated by the presentation made—and again, I do not charge it as anything witting or anything false or anything like that; it is just a state of mind. My colleague looks at what he considers to be the reprehensible actions of Israel and does not even mention the reprehensible actions of the Arabs. That is why I said what I did about Lebanon—a war obviously run by the most radical of the Arab states, Syria, even to the use of its own paramilitary forces in organized array to subdue the Christian element of the population in Lebanon in order to, as they consider it, improve the condition of the Moslem element.

Not only is there disregard for the gruesome record of terror on the part of those who call themselves guerrillas or Palestinian patriots, if you will, and who have found their sanctuary in Lebanon and, in order to maintain that sanctuary, have imposed upon the people of Lebanon such a dreadful civil war. But also, this has been carried out by the radical Arab States in the United Nations, by preponderant votes because of a strange malaise which has crept into the consciences of the free world, to condemn Israel constantly, without any reference whatever to what is happening to provoke this situation.

Second, Mr. President, when my colleague seeks to analogize the Turkish situation, where we cut off aid and where I voted consistently for exactly that purpose, and the situation respecting Israel, again, there is the same opacity, for Israel's very survival is in hazard. Nobody can make any mistake about it. I should like the record to show that the 1968 declaration as to the purposes of the so-called Palestinian Liberation Organization, is very explicit on exactly what they seek ultimately in respect of the situation in Israel.

They promise—they are very clear about it—nothing less than the destruction and the dismantling of Israel as a state.

Mr. JACKSON. Mr. President, will the Senator yield on this point?

Mr. JAVITS. Not at this point.

I am sorry. I thought the Senator was going to bring something else up.

Mr. JACKSON. No, no, just a brief observation.

I think the distinguished Senator from New York is making a very good point. As I read this amendment proposed by Senator ABOUREZK it is really directed against the State of Israel and the right of Israel to defend itself against terrorist attacks. At the same time, this amendment would blatantly favor the PLO, if I read it correctly, because the exception provided in the Abourezk amendment allows assistance solely for defense against the "armed forces" of another nation. This would mean, as I read it, that the PLO would be considered exempted from the restrictions provided in the amendment; I think this is a bad and dangerous amendment.

Mr. ABOUREZK. Mr. President, will the Senator from Washington yield at that point?

Mr. JAVITS. The Senator from Washington does not have the floor, I do, and I have yielded to the Senator from Washington.

Mr. JACKSON. The general interpretation I would place on the amendment is that Israel is not entitled to the means to defend itself against guerrilla attacks and that, in effect, the guerrillas would be entitled to the means to carry on their terrorist attacks. Is this a fair observation?

Mr. JAVITS. I think the observation perhaps needs to be qualified. Yesterday we did adopt an amendment which sought to reach governments which aid or abet terrorist individuals or groups, and I would consider the PLO and its individual terrorists an individual or group.

But the existence of the PLO is not threatened even by yesterday's amendment, threatened as an organization moreover, the indigenous Lebanese people and government were more at the mercy of the PLO than harboring it as willings hosts.

But the very existence of Israel is definitely not only threatened but put in complete jeopardy by this amendment, because the Senator is absolutely right, an organized government has no way to defend itself, as is shown by the fact that even through what we know to be the utmost vigilance on the part of the people and Government of Israel, there has been constant infiltration by Arab terrorists and commitment of unbelievable, horrifying acts of terror—which my colleague never even mentioned.

Let us not forget the 24 children gunned down on the floor of a public school which I visited myself in Maalot in 1974, but the latest is directly connected with the raid on Lebanon which the mover of the amendment has referred to, and that was the killing by a bomb in Zion Square in Jerusalem for which the PLO did not have to be found out; it advertised that it was to be given the "credit" for this terrible atrocity, as it had respecting earlier ones.

Mr. President, I am not taking any satisfaction in the fact that my colleague said one thing and I countered it with another. That seems to me to be puerile when dealing with this dreadful, dreadful subject.

I only point out the one-sidedness of this amendment. I make no challenge whatever to the complete good faith and intense feeling of my colleague, but the consequence is this kind of a blind majority, overwhelming majority, in the United Nations which we are asked to extend to U.S. law by this amendment, "Don't see anything except what I want you to see," is the general theme of this amendment. We are dealing here not with retaliation, punishment, in an area for which punishment is richly deserved; we are dealing with survival because everybody knows that unless Israel gets military materiel aid from the United States she will be extinguished. There is just no question about that. And all this nonsense about how moderate Arafat is, is our invention, not his. There is nothing very moderate about a man with a pistol in his belt who appears before the world debating forum at the U.N. and says, "You can have the pistol or you can have peace on my terms."

What are those terms, Mr. President? Those terms are nothing less than the liquidation of this small state, and the recompense for 6 million having been burned in Europe's ovens, to be deprived of even this little bit of territory to which so much blood, sweat, and tears have been devoted in order to built it up.

One other thing, Mr. President, which seems to me is very important. Lots of people in the Middle East, Arabs and Arab States, are saying, "Well, we agree with Security Council Resolution 242 which should be the basis for a disposition and settlement of the problems of the Middle East, of that part of the world."

But resolution 242 states, "Every state in the area is entitled to its sovereignty, territorial integrity, and political independence, and to have that recognized."

But look at the declarations of the PLO, Mr. President, to which I began to refer a minute ago, and what do we find? We find the 1968 National Covenant, which is the basic charter of the Palestine Liberation Organization. It asserts that the partitioning of Palestine in 1947 and the establishment of Israel are fundamentally null and void. It says, "The Jews are not a national people with a right to statehood." It calls on the Arabs "to purge the Zionist presence from Palestine."

The same document, the same PLO constitution, says it is going to allow, and hear this, "Jews who were living permanently in Palestine until the beginning of the Zionist invasion will be permitted to remain," so says the PLO. But Mr. Arafat, the chairman of the PLO, says the beginning of the Zionist invasion was 1881.

The Arab commandos use the innocent people who live in those camps as a shield to cloak their own operations and their own storehouses of weapons and munitions and their own base for their own terror raids into Israel and into many other parts of the world—who can forget the shootings, killings, and bombings at airports in other parts of Europe?

Now, these very same camps have been widely advertised as used as bases of operations not only against Israel, Mr. President, but against Lebanon itself, including right now, currently, where they were used as bases to bring down or try to bring down, to destroy, constitutional government in Lebanon. Who will forget that from refugee camps that a war was fought by the PLO against Jordan, in order to try to bring down King Hussein because he had the temerity to be trying to seek some kind of a peace in the Middle East. Enormous numbers of Arab lives were there sacrificed in a Jordanian civil war waged against the government from these very same types of camps—camps which serve as bases for terrorist raids into Israel, and as bases for the Palestinian 'state within a state' which fueled the Lebanese civil war.

It is very clear what this particular amendment seeks to accomplish. Using the cover of our effort to get some control over guerillas emanating from other countries and moving into the dreadful terrorists acts in Israel, to get some control over them, a cover that is going to be used or is trying to be used to dismantle Israel, and that would be the effect of this amendment, clear.

Remember that here it is not a question of Turkey taking a piece of Cyprus, which may be reprehensible enough, but it is a matter of whether or not Israel can survive as a state. Everybody knows that, to get an even minimal security, Israel must have some opportunity to get a handle on the base of these terrorist activities.

Unhappy and unfortunate, deporable as it is, as I believe it is, I cannot condone it; but I can only understand it. The problems of Israel are the problems of elementary survival. Does any American really think—and I beg my fellow Americans to think of this very carefully—that in the present atmosphere that Israel would throw in the sponge when this would mean nothing less than its complete destruction?

I hope very much, Mr. President, that we will see through what this really means in Israel's case and that we will resoundingly defeat this amendment.

Mr. ABOUREZK. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. STAFFORD). The Senator from South Dakota has 13 minutes remaining.

Mr. ABOUREZK. Mr. President, there is not enough time to go into the history of the establishment of the State of Israel on land which belonged to the Palestinians. There is not enough time to go into the philosophy behind the Zionist movement and what it did to get into what is now Israel but was once Palestine.

The time limitation on this bill and its amendments prevent that.

But I just want to say that Senator JAVITS is an excellent lawyer, and as an excellent lawyer he can argue either side of a case just as effectively.

I recall listening to Senator JAVITS during the Vietnam War when he argued precisely the opposite—that U.S. bombers were bombing so-called guerrillas and should not have done so because they were killing civilians in the process—and he argued eloquently, emotionally, and humanely.

But all of the things he brought up in this argument here really have nothing to do with the present amendment.

It is perhaps good press to talk about PLO terrorism. Senator JAVITS knows that I have never condoned one act of terrorism by the PLO, or by Israel, or by anybody else, and I never will.

There are two ways to prevent terrorism by the Palestinians. The first is to either shut off arms aid to them or shut off U.S. money to them. We cannot do that because we do not give them arms and we do not give them money.

Alternatively, we can allow them some voice in the political process. History has shown that any time people are denied the right of political expression, as the Palestinians have been, they are eventually forced into violence and into terrorism.

That is something we ought to stop. Incidentally, Israel and the United States together have sought to prevent, or in fact deny, the Palestinians some kind of political forum in which they can negotiate what they consider to be their national rights.

Palestinians did not turn to terrorism until 1965. They did not turn to what they consider arms struggle until 1965. But they had a good memory and they learned very well how to conduct the acts of terrorism which they have undertaken since that time. They learned it from whom they thought were the best teachers in the world, and that is the Jewish terrorist groups who operated in Palestine prior to 1948—the Irgun and the Stern Gang—who sent letter bombs, who blew up civilians, who massacred more than one village.

They learned from them, but they did not put that into operation until 1965—and I wish they would stop. I wish they would stop. Like Senator JAVITS, I understand it, but I cannot condone it.

But there is something we can do in the Senate, and in this Government, to prevent the terrorism that is coming from the other side over to the Arabs, because we do furnish arms and we do furnish money to Israel. We can tell them, as this amendment says, that if they do not stop the terrorism that they are undertaking, they will no longer get those arms and support from this country.

Senator JAVITS spoke of the massacre of Maalot. He said it was retaliation for terrorism in southern Lebanon.

Let me remind my colleague from New York that 2 days before the Maalot massacre—or however we want to characterize it—a little village in southern Lebanon called the Kfeir was bombed by Israeli phantom jets. That bombing raid was retaliation for nothing. The bombing raid was in retaliation for nothing that occurred prior to that.

In that raid a mother, her 8-month-old child and a 5-year-old and an 8-year-old child were all killed, all Lebanese peasants.

The reason I know about this raid in that kind of detail is that Kfeir is the village where my parents were born, the village from which they emigrated to come to the United States around the turn of the century, and I heard about that right away.

That was 2 days before Maalot, and what was it in retaliation for?

Mr. President, no amount of beautiful words, no amount of language can disguise the fact that we are supporting unabridged and unbridled terrorism by the Israeli armed forces and the Israeli Government on people who are innocent and who have no ability to fight back.

If Senator JAVITS and others are concerned about PLO terrorism, I would give them a third way to try to stop it, in addition to the two I have already outlined. The Israeli armed forces should do something about the border crossings and to do something about putting civilian settlements on the border on the occupied territories.

Is it true as the Arabs sometime charge, that those settlements, deliberately placed there by the Israeli Government, are some kind of cannon fodder to taunt terrorist attacks so that they can retaliate and undertake the "scorched earth" policy that has been going on in southern Lebanon?

Why else would the Israeli Government put paramilitary settlements, not civilian but paramilitary, right up on the border?

There are several things that we can do to help bring peace in the Middle East. We should allow the Palestinians their right of political expression which, so far, this Government has tried to prevent by supporting Israel's demands to do so; and secondly, we can try to prevent an increased militancy on the part of the Lebanese Government.

In 1969 and 1970, the Israeli Air Force overflew Cairo, Egypt, nearly every day. I was told this when I was in Cairo a couple of years ago—every day there were overflights of Israeli Phantom jets flying over Egypt.

It was nerve racking, but it was a national disgrace to the Egyptian Government that, in the eyes of their people, could not do anything to protect their own sovereignty and airspace—they requested antiaircraft missiles from the Soviet Union. When those antiaircraft missiles were installed in Egypt the overflights stopped. Incidentally, the implications of this problem is obvious. We have consistently chased people who have wanted to be our allies over to our adversaries.

We drove Egypt into increased militancy back in 1969 and 1970. We have done so with the other Arab States as well. And concerning the Palestinians, we have driven them into total militancy even though they traditionally were a gentle, highly educated people.

If we continue to furnish American arms, weapons of destruction, such as cluster bombs and phosphorus bombs which burn on contact, napalm, rockets and other TNT bombs, eventually we are going to force the Lebanese Government to turn to somebody else for assistance, for antiaircraft assistance and for military assistance. We may not like the government that they turn to. I do not know who it might be or when it might be. Obviously, that was one of the reasons for the instability of the Lebanese Government that brought on the civil war. There are many reasons, but one reason for the instability was that the Lebanese Government was incapable of doing anything about the bombing in the south by Israel.

We are going to force them to turn to somebody else if that new government wants to maintain its credibility with its own people.

It seems to me, Mr. President, there is ample precedent. The Senator from New York has voted for arms cutoff in identical situations. There is no reason to exempt Israel from acts of terrorism. Everybody ought to come under that kind of prohibition—not just Arabs, not just Lebanese, not just Americans, but also Israel.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. JAVITS. Mr. President, I believe this is the kind of debate which can go on for a very considerable time. I feel I have made the case against this amendment right up to the present day, as far as we are concerned. I do not think on this amendment, that is, as to what is germane in this amendment, I can add further enlightenment. I know how my colleague feels about it. I am prepared to yield back the remainder of my time.

Mr. ABOUREZK. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from South Dakota. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. HUMPHREY. Mr. President, the distinguished Senator from New York has made what I consider to be the key point regarding this amendment: it is a one-sided proposal which will contribute nothing to the search for peace in the Middle East.

Despite its apparent lack of specificity, we all understand that it is directed at the State of Israel. By implication the amendment suggests that Israel is a potential violator of the sovereignty of its neighbors.

Mr. President, we all know what a desperate struggle the Israelis have undergone to insure their survival. Their efforts to defend themselves have consistently been portrayed by others as aggression.

By contrast, the vicious and indiscriminate terrorism of the PLO and other extremist groups is sometimes mistakenly lauded as a struggle for national identity. But while Israel's actions and its sources of supply are open for all the world to see, those of the Palestinians are clandestine.

While I respect the sincerity of its sponsor, this amendment appears to be an effort to embarrass Israel and its friends. Its implementation would depend upon highly arbitrary and almost impossible findings regarding the violation of one country's airspace by another. It would require the President to divine the intent of every alleged airspace violation by any recipient of U.S. assistance. This is an impossible task.

As we all know, it is difficult enough to determine whether a sustained ground action represents self defense or not. To think that such judgments can be made in the case of fleeting overflights is absurd.

Mr. President, there would be no occasion for a debate such as this were it not for the persistent efforts of Israel's neighbors to destroy it—or for the vicious, clandestine attacks of Palestinian terrorist groups upon peaceful Israeli settlements. Would that the Senator from South Dakota had offered an amendment to deal with that problem.

I urge my colleagues to defeat this amendment.

Mr. McGEE. Mr. President, Israel's decision to strike at guerrilla bases inside Lebanon is justified by international law, political realities and common sense.

First. Article 51 of the U.N. Charter asserts that "Nothing in the present Charter shall impair the inherent right of individual or collective self-defense if an armed attack occurs against a Member of the United Nations * * *" Israel's strikes have always come after guerrilla operations have been launched against her territory and people—often after many civilian lives have been lost. As noted below in point 7, Israel has attacked military targets which were the base of aggressive acts.

Second. Article 2 of the U.N. Charter asserts that "All Members shall refrain in their international relations from the threat or use of force against the territorial integrity or political independence of any state * * *" By its acceptance of the 1969 Cairo Agreement, which grants the Palestine Liberation Organization the right to attack Israel from Lebanese territory, Lebanon has gone on record supporting the aims of the PLO. Those aims, as defined by the 1968 Palestine National Covenant, are the destruction of Israel's territorial integrity and political independence.

Third. In accordance with the principles of international law, and the declaration on principles concerning friendly relations and cooperation among states adopted by the U.N. General Assembly on October 24, 1970, all member states are duty bound not to tolerate any subversive or armed activities against other sovereign states. The declaration states:

> No state shall organize, assist, foment, finance, incite or tolerate subversive, terrorist or armed activities directed toward the violent overthrow of the regime of another state, or interfere in civil strife in another state.

Fourth. The Declaration on Friendly Relations, official records of the General Assembly 25th session supplement No. 18—A/8018—states:

> Every state has the duty to refrain from organizing or encouraging the organization of irregular forces or armed bands, including mercenaries, for incursion into the territory of another state.

Fifth. Israel's actions on Lebanese territory are also based on U.N. General Assembly document A/AC134/L.46 of April 12, 1974 of the Special Committee on the Question of Defining Aggression, article 3:

> Any of the following acts, regardless of the declaration of war, shall, subject to and in accordance with the provisions of Article 2, qualify as an act of aggression.
>
> The sending of by or on behalf of a state of armed bands, groups, irregulars or mercenaries, which carry out acts of armed force against another state of such gravity as to amount to the acts listed above or its substantial involvement therein.

Sixth. The Armistice agreement signed by Israel and Lebanon on March 23, 1949 clearly bars the use of "military or paramilitary forces" against the civilians of either state. The armistice agreements also bar such forces from violating the armistice lines by passing over or advancing beyond them for any reason. Warlike acts and acts of hostility conducted from the territory of either signatory are also barred.

Seventh. Neutral or Arab observers have confirmed that certain refugee camps which have been the targets of Israeli raids were in reality guerrilla bases where arms were stored and training of terrorists for raids into Israel took place. Camps so described were Rushdiya—by the BBC, in Arabic, June 30, 1972; Shatila and Sabra—by Al-Jarida, June 30, 1972; Ein el-Hilwe—by an-Nahar, July 4, 1972; Nahr el-Bared and Baddawi—by the Beirut Daily Star, April 12, 1973.

Eighth. In striking at guerrilla redoubts using refugee camps as camouflage, Israel has only repeated what the governments of Lebanon and Jordan both found necessary to do when Palestinian terrorists threatened the stability of these countries. During the May 1973 fighting both CBS and NBC filmed Lebanese Hunter jets bombing refugee camps where arms were stored and from where artillery was fired. The refusal of the Palestinian terror organizations to remove their armaments and artillery from refugee camps was directly responsible for the fighting between the Lebanese army and the Palestinian groups in 1969 and 1973; it was a primary cause of the dreadful fighting which claimed more than 10,000 lives in Lebanon during the past year. In a similar situation, when Palestinian brigandage threatened the survival of his kingdom, King Hussein of Jordan ordered army attacks against guerrilla arms strongholds in refugee camps near Amman. These attacks took place in 1970.

Mr. President, I also offer the following chronology of events which preceded Israeli raids on terrorists installations in Lebanon:

CHRONOLOGY OF EVENTS PRIOR TO THE RAIDS

Nov. 13—Seven teenagers killed by bomb in Zion Square, Jerusalem. Dozens injured. PLO claimed credit.

Nov. 20.—Three rabbinical students killed, a fourth was hit with an ax at Ramat Hamagshimim. PDFLP claimed credit.

Nov. 30—After raising tensions on the Golan Heights, Syria agreed to extend the UNDOF mandate. UN Security Council acquiesced to invite PLO.

Dec. 2—Israeli jets bomb terrorist camps in Lebanon.

THE RAIDS

According to Israeli officials, the operation against terrorist concentrations was decided upon after the Ramat Hamagshimim attack. The attack had nothing to do with the Security Council decision.

Israeli officials have stated that the raids were preventive—not punitive. The locations attacked were bases for various terrorist organizations. Information received indicated terrorist concentrations and plans to increase the scale of terrorist raids into Israel.

Under international law a country has the right to act in self-defense against paramilitary forces located in another country when the host country—Lebanon—does nothing to block belligerent acts.

With a civil war raging in Beirut, it is very difficult to get third-party corroboration on damage or casualty tolls. The following, however, has been gleaned from various reports:

There were five targets for the 30 planes that took part in the operation—Nabatiya, Nabatiya el Foka, Masrat Tul, Nahr el Bared, and Badawi. Nabatiya, whose citizens fled last year, is a major terrorist base. The school building hit by Israeli planes, and referred to by most press reports, was deserted of children since May 1974, but not of terrorists. Saiqa had converted the school into its headquarters. Nabatiya el Foka served as a jeep camp and a Fatah supply center. A missile armory in this area was blown up in the Israeli strike. Masrat Tul served as a general training base. It should be noted that Saiqa members are actively involved in the Beirut fighting.

None other than the Beirut Daily Star, April 12, 1973, identified the two northern camps, Badawi and Nahr el Bared, as terrorist bases and armories. In these camps, offices of the PFLP, PLO, and Fatah were hit.

It should be remembered that just 2 years ago Lebanese bombers were attacking some of these same bases. Jordan was also forced to resort to attacking camps in order to maintain her sovereignty.

Israeli officials issued the following statement regarding casualties:

> All the targets were destroyed and a large number of saboteurs were killed. At the same time, there were some hits on civilians who were in the area, in spite of all our efforts to prevent any civilian hit. The targets were carefully chosen to be outside of camps. We did not aim at a single civilian village or concentration.

In addition, if armories were hit, as reported in the press, exploding munitions and secondary explosions would also cause extensive damage.

Lastly, casualty reports have been very contradictory and unreliable. The following account by ABC's Peter Jennings after a similar raid last year may help put the casualty and damage reports into perspective:

> We were allowed to film only one section of the camp, leading some observers to believe that the Israelis had hit commando positions in the region. The damage in the civilian part was not extensive. . . . We were similarly forbidden to film the commandos, but it would have been impossible to miss them. There were hundreds.

Mr. President, the case is heavily in favor of Israel on this issue. The Israeli Government has plainly acted within the perimeters of international law in protecting her citizens. It is for the reasons I have outlined above that I urge my colleagues to reject the amendment offered by the distinguished Senator from South Dakota (JAMES ABOUREZK).

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Idaho (Mr. CHURCH), the Senator from Michigan (Mr. PHILIP A. HART), and the Senator from Colorado (Mr. GARY HART) are necessarily absent.

I further announce that the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Wisconsin (Mr. NELSON), and the Senator from Illinois (Mr. STEVENSON) are absent on official business.

I also announce that the Senator from Rhode Island (Mr. PASTORE) is absent attending a funeral.

I further announce that if present and voting, the Senator from Rhode Island (Mr. PASTORE) and the Senator from New Hampshire (Mr. MCINTYRE) would vote "nay."

Mr. HUGH SCOTT. I announce that the Senator from Hawaii (Mr. FONG), the Senator from Utah (Mr. GARN), the Senator from Michigan (Mr. GRIFFIN), the Senator from Nevada (Mr. LAXALT), and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

The result was announced—yeas 8, nays 79, as follows:

[Rollcall Vote No. 33 Leg.]

YEAS—8

Abourezk
Curtis
Fannin
Goldwater
Hatfield
McClure
Metcalf
Scott, William L.

NAYS—79

Allen
Baker
Bartlett
Beall
Bellmon
Bentsen
Biden
Brock
Brooke
Buckley
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Clark
Cranston
Culver
Dole
Domenici
Durkin
Eagleton
Eastland
Ford
Glenn
Gravel
Hansen
Hartke
Haskell
Hathaway
Helms
Hollings
Hruska

Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Leahy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
Mondale
Montoya
Morgan
Moss
Muskie
Nunn
Packwood
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stennis
Stevens
Stone
Symington
Taft
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams

NOT VOTING—13

Bayh
Church
Fong
Garn
Griffin
Hart, Gary
Hart, Philip A.
Laxalt
McIntyre
Nelson
Pastore
Stevenson
Young

So Mr. ABOUREZK's amendment (No. 1378), was rejected.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS and Mr. TOWER addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

The Senator from North Carolina (Mr. HELMS) proposes an amendment, as follows:

Mr. HUMPHREY. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The point is well taken.

The Senate is not in order. The clerk will withhold. The Chair will try to get order.

The business of the Senate will be expedited if Members who wish to converse will leave the Chamber and converse in the cloakrooms.

The clerk will proceed.

The second assistant legislative clerk resumed reading and read as follows:

At the end of section 310, paragraph (b), line 12, page 117, insert the following new paragraph:

(c) The President may waive the provisions of this section if he determines after September 30, 1976, that the Government of Chile has made substantial progress in promoting the recognition and enforcement within Chile of internationally recognized human rights. In making that determination, the President shall consider the extent of cooperation by the Government of Chile in permitting an unimpeded investigation of alleged violations of internationally recognized human rights by appropriate international organizations, including the International Committee of the Red Cross and organizations acting under the authority of the United Nations or the Organization of American States.

Mr. STONE. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. HELMS. I yield to the able Senator.

Mr. STONE. Mr. President, I ask unanimous consent that the Senator from Florida may be included as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I thank the distinguished Senator for his support.

Mr. BARTLETT. Mr. President, will the Senator yield for a unanimous-consent request?

Mr. HELMS. I yield to the distinguished Senator from Oklahoma.

Mr. BARTLETT. Mr. President, I ask unanimous consent that Fred Ruth of my staff be accorded privileges of the floor during the debate and vote on this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair understands there is 1 hour on the amendment to be equally divided between the Senator from North Carolina and the Senator from Minnesota.

Mr. HELMS. Mr. President, I shall not take nearly that much time. As a matter of fact, I intend to take only a very few minutes because this amendment speaks for itself.

First of all, Mr. President, I ask unanimous consent that Dr. James Lucier of my staff be accorded privileges of the floor during the discussion and any votes thereon in connection with this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, this amendment is the same as the Buchanan amendment adopted February 3 by the House committee. The House bill is not as yet finished.

Mr. President, this amendment would add to the Senate bill language that has already been added to the House bill in committee, although as we know, the House bill has not yet been reported. This is the so-called Buchanan amendment, written by the distinguished Congressman from Alabama, and adopted by the House committee as part of a compromise on the Chile question. It would enable the President to waive the provisions of section 310 if he determines that the Government of Chile has made substantial progress in promoting the recognition and enforcement within Chile of internationally recognized human rights.

I believe that this language complements the intentions of the distinguished members of the Foreign Relations Committee in reporting this bill. As I interpret their action, the purpose of the prohibition of military assistance to Chile is a reaction to charges of violations of human rights in Chile. Yet as the language of the bill stands, the prohibition of military assistance is complete and total, and becomes permanent law. Chile is the only country in the world that is so singled out. If the intention is to encourage Chile to make progress in areas of human rights, then the language of section 310 as it stands is self-defeating.

Every country has the right to self-defense, and the right to acquire the means for self-defense. Now I understand that Chile will still be allowed sales under the terms of the new legislation, and has not sought military assistance from the United States for fiscal year 1976. Indeed, it is a sign of progress and social sensitivity that Chile, even though it supposedly is under the rule of militaristic rulers, has not sought military assistance. The four-man military group, in its budget for 1976, has deliberately diverted resources away from building up a military machine, and into social programs for family and child support, education, health, and unemployment assistance. These are not the sort of priorities popularly ascribed to military men. So it is not a question of Chile requiring assistance from us at present.

But it is unfortunate that Chile is singled out for a permanent prohibition on military assistance without any chance, short of legislative enactment, for assistance to be provided in the future. Chile knows full well that both the Soviets and the United States are contributing to a massive military buildup in Peru, just to the north, a country with which Chile has lived in an uneasy truce for 100 years. Chile also knows that the situation in Argentina is very unstable, and that if a government hostile to Chile should arise there, it would be very difficult to defend the nearly 3,000-mile border that separates them.

So it is distinctly in the interest of Chile to know for certain that if military assistance from the United States is needed for self-defense in the future such an avenue of aid is not cut off permanently. Such a hope will encourage the present government to take steps which will satisfy all of us who are concerned that human rights be safeguarded.

In other words, a flat prohibition of military assistance at any time, even in the future, is not only a reproof, but a stone wall that leaves no encouragement for progress. What we need is a very powerful inducement for progress, and the Presidential waiver procedure is the way to do it. Congress will go on record in favor of progress, instead of taking an action which may appear sterile and punitive.

Now as a matter of fact such an action, which indeed would be difficult to interpret as other than as a gratuitous hostile act, is definitely premature. It is an expression of a judgment against Chile that is based upon no definitive findings by any impartial body. The Senate would be prejudging the case, based upon newspaper stories, hearsay testimony, and the testimony of political opponents of the Chilean Government.

Indeed, even as we are moving forward rapidly to a vote on this measure today, the United Nations Commission on Human Rights is meeting in Geneva. Consideration of the Chilean case began only the day before yesterday, and it will be continuing for several days. It would be extremely unfortunate if the Senate were to take a final and lasting action before the U.N. Commission on Human Rights even finishes its deliberations.

As a matter of fact, it does not appear that the United Nations Commission on Human Rights is rushing toward a condemnation of Chile. So far, representatives of several countries and three nongovernmental organizations of the United Nations have participated. The participating persons from the nongovernmental organizations were all Chileans who were former ministers and officials of the Salvador Allendé regime. Only one resolution has been proposed, by the delegate from Senegal, who happens to be president of the supreme court of his country. This proposal contains no sanctions nor does it request sanctions. Furthermore, it recognizes the positive steps taken by Chile in matters of human rights, mentioning specifically the collective amnesties of September and December of last year, and decree 187, which gives certain guarantees to those arrested for violations of the state of siege, placing them under the control of the supreme court.

Moreover, the delegates from Germany and the United States have both intervened, with the approval of England, to suggest that any resolution to be adopted should contain neither sanctions against Chile, nor any coercion. Indeed, it appears that Great Britain is backing off somewhat from the sensational allegations of Sheila Cassidy, allegations which have been categorically denied by Chile. The British delegate scarcely touched upon the case, and recognized the positive steps taken by Chile, which had been previously mentioned by the Senegalese delegate.

Furthermore, the representative of Egypt made known his opposition to the fact that action on the problem of human rights seems to be concentrated against Chile, and he anticipated that he would vote against any resolution against Chile.

The trend of the debate in Geneva, therefore, does not seem to be supporting strong condemnation against Chile, and certainly not sanctions. Indeed the Chilean delegation has been holding conversations with the working group, which should have visited Chile last year, but was asked not to come at the last moment by the Chilean Government. These discussions have included the Ambassador of Austria, who is a former President of the Human Rights Commission.

All of these are positive signs that Chile is acting in good faith, and that the Commission on Human Rights is recognizing that progress is being made toward a mutual understanding.

Moreover, the International Committee of the Red Cross maintains a permanent mission in Santiago, and continues to visit the detainees. A recent letter from the Chief of the Chilean Delegation of the International Red Cross to the Chilean Foreign Minister gives a good account of the type of work which the Red Cross has been doing in Chile. It also is an indication of the kind of press distortions to which Chile has been subjected in an apparent effort to discredit Chilean actions. The French press reported that the Red Cross had visited 40,000 detainees for the quarter ending in September 1975. The true number, as the Red Cross representative points out, was 4,000. Since that time, the number has been significantly reduced by the amnesty actions.

It is for this reason that the language of my amendment states that the President shall consider the extent of cooperation by the Government of Chile in permitting an unimpeded investigation of alleged violations of internationally recognized human rights by appropriate international organizations, including the International Committee of the Red Cross and organizations acting under the authority of the United Nations or of the Organization of American States. I am confident that these organizations will continue to find good cooperation from the Government of Chile.

Indeed, Mr. President, it might be useful at this point to clear up some misconceptions about the actions of the U.N. and OAS on the Chile case. It has been said on this floor several times, for example that the Inter-American Commission on Human Rights has issued a report, following an on-site inspection that concluded the Chilean Government had engaged in "repeated violations of rights set forth in articles I, II, VIII, XVII, XXV, and XXVI of the Inter-American Declaration of the Rights and Duties of Man. It has also been said that last May the General Assembly of the Organization of American States accepted that report and adopted a resolution directing Chile to abide by the recommendations of the Commission to halt the violation of human rights.

But as a matter of fact, there was really no such so-called "report." The document in question was a preliminary draft. It was based upon interviews with political opponents of the Chilean Government who were naturally seeking to discredit that Government. According to the OAS statutes, such a document is not to be released until it has been submitted to the member State for comment. Instead the document was released to the press without waiting for Chile's comments on the findings. Indeed, the OAS took sanctions against the employees who had illegally leaked the document.

Nevertheless, before the report, with Chile's comments, was ultimately accepted by the OAS, the U.N. Commission on Human Rights had already decided, on the basis of the leaked document, to send a working group to Chile.

Moreover, when the OAS considered the report on May 19, 1975, it did nothing to endorse the report's conclusions. The language of the resolution merely said that the General Assembly of the OAS resolved "To take note, with appreciation of the report of the Inter-American Commission on Human Rights on "the Status of Human Rights in Chile, as well as the observations of the Government of Chile on that report." Thus it is clear that the OAS accepted Chile's comments as well as the report itself, on an equal basis.

Nor did the OAS condemn Chile as a result of the report. Instead, the resolution said the General Assembly resolved "To respectfully call upon all governments, including the Government of Chile, to continue to give the most careful attention to the suggestions and recommendations of the Inter-American Commission concerning human rights."

Clearly, no special condemnations or directives were issued against Chile. The resolution calls upon all governments, including Chile, to continue to protect human rights.

It is totally false to conclude from the actions of the OAS that Chile was singled out for condemnation. I believe that it would be highly inappropriate for the Senate to take sanctions against Chile on the basis of that OAS resolution.

It is for reasons such as this that Chile became gun-shy about teams of supposedly impartial investigators coming to Chile. Chile welcomed such groups as the International Red Cross, the International Labor Organization, Amnesty International, the Inter-American Human Rights Commission, and even the working group of the U.N. Human Rights Commission. But, except for the Red Cross, Chile found impartiality lacking. Leaks, distortions, trials in the press, and political action by Socialists and Communists attacking Chile's stability gave the lie to impartiality. The last straw was when the U.N. Human Rights Commission's working group, made its first stop in the Chilean investigation in Peru, Chile's historic threat, and a country headed by a far-leftist regime. And in Peru, members of the working group made statements which made it clear that they had already come to their conclusions before they had set foot in Chile. It was at that point that the Government of Chile said that the proposed visit was inopportune, and asked the working group not to come.

Mr. President, far from inhibiting the process of investigating the problems of human rights, Chile has been most cooperative. Indeed, at the United Nations Chile has offered a resolution to create a general system of universal application which will effectively permit the investigation of all allegations of violations of human rights, wherever they occur. What Chile objects to is being singled out for concentrated attack. It is ironic that nations which were eager to condemn Chile for refusing to allow a working group—which had apparently prejudged the matter—to enter her territory were among those nations who have never allowed any such investigation in their own countries. Yet Chile has repeatedly cooperated with such international groups and allowed them to come into Chile, until the working group incident. So Chile is prepared to allow even the U.N. Human Rights Commission to send a group, provided that it is part of a process that applies universally, so that any allegation of violations of human rights in any country could be considered by the same mechanism.

It is not surprising, therefore, that the United Nations, heavily weighted against Western countries by the third world and Communist blocs, condemned Chile last fall. It was a purely political vote, not based upon any impartial investigation. It is to the shame of the United States that our delegate voted for this conviction by a hanging jury. I am pleased to see that the U.N. Commission on Human Rights appears to be taking a more balanced study of this matter at the present time.

I hope therefore that the Senate will be agreeable to conforming the Senate bill with the text of Mr. Buchanan's amendment adopted in the House committee. It will be a powerful incentive to insure that positive steps will continue to be taken by Chile. It will not prejudge the situation before the U.N. Human Rights Commission, which is considering the matter this week, has had a chance to act. It will allow flexibility in the administration of the act which will have a carrot-and-the-stick approach as regards Chile, and avoid imposing a stringent sanction which has not been justified by impartial examination.

Mr. President, earlier I spoke of the military buildup by Peru, a buildup which was begun by the Soviets and is currently abetted by the United States. It is very strange indeed that we assist a pro-Marxist government in Peru, yet we take sanctions against the anti-Marxist government of Chile. The military buildup in Peru has been enormous, and the thrust of the forces have been stationed on the southern border, adjacent to Chile. The advantage is overwhelmingly on Peru's side. Peru has one of the largest military forces in Latin America. For example, to take ground forces in an armored infantry, the balance is favorable to Peru 4 to 0. In classic infantry, the balance is favorable to Peru 19 to 0. In armored cavalry it is favorable to Peru 2 to 1. In 105 mm artillery, the balance is favorable to Peru 4 to 1. In the number of antitank units, the balance is favorable to Peru 2 to 1.

Only in the area of motorized infantry, where the balance is 0.7 to 1, and in the mobilization of special forces, where the balance 0 to 2, is the advantage on the side of Chile.

Overall, the Peruvian army has an active force of between 80,000 and 90,000 men, with a 3,000 to 4,000 man officer corps.

As far as the Peruvian air force is concerned, Peru has an overall advantage 3 to 1. The air force numbers 16,000 men.

Peru's 12,000 man navy has the advantage over Chile, with an equilibrium in surface vessels and an 8 to 1 imbalance in submarines.

It is clear here that Chile has never attempted any massive military build-up on the order of Peru's. Chile is not attempting to become a military power. But Chile does look upon the Peruvian forces stationed on the border, and notes that Peru's armored divisions are specially equipped for travel over sand and desert. They note also that the northern part of Chile is the site of the Atacama desert, a mineral-rich land that was part of the dispute with Peru over 100 years ago. They have decided to take a calculated risk to put the limited resources of Chile—resources that were decimated by the socialist policies of the Allende regime—into improving the delivery of social services to the poor, and into capital projects such as the new subway which will benefit unemployed workers seeking construction jobs. Greater mobility will also make it easier for the unemployed to find permanent jobs as the economy recovers.

But the military threat of the Peruvian imbalance, an imbalance which we helped to create remains. And in the future, it may be in the interests of the United States to provide military assistance to Chile.

Mr. President, I ask unanimous consent that a listing of Peru's military strength be printed in the Record at the conclusion of my remarks.

Mr. President, I also ask unanimous consent that the resolution of the Organization of American States of May 19, 1975, be printed in the Record at the conclusion of my remarks.

Mr. President, I also ask unanimous consent that the text of Decree 187, showing the codification of the rights of prisoners taken under the state of seige in Chile, be printed in the Record at the conclusion of my remarks so that all can see the importance of this positive action.

Mr. President, I also ask unanimous consent that a translation of the text of the letter from chief of the Chilean delegation of the Red Cross be printed in the Record at the conclusion of my remarks.

Finally, Mr. President, I ask unanimous consent that the text of the Chile draft resolution of November 21, 1975, in the U.N. General Assembly be printed in the Record at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the Record, as follows:

STATUS OF MILITARY STRENGTH OF PERU, 1973–75

Weapons system	Numbers as of 1973	Number added, 1974	Total numbers 1975
ARMY			
Artillery:			
155mm automatic, mobile cannons (U.S.A.)		24	52
105mm cannons		24	26
105mm automatic cannons	132	132	320
122mm mobile cannons (Czech)		36	36
130mm mobile cannons (U.S.S.R.)			7
105mm S/R cannon (U.S.A.)		60	60
75mm S/R cannon (U.S.A.)		32	150
91/120mm mortars (U.S.A.)	120	120	350
Rockets:			
Cobra B0810 antitank (West Germany)		1,100	1,700
Lance rocket, with launcher (Spain)			728
M–65 rocket, 88.9mm (Spain)			(?)
SAM II (U.S.S.R.)	(?)	(?)	(?)
SAM III (U.S.S.R.)		2	2
SAM VI (U.S.S.R.)		2	2
SAM VII (U.S.S.R.)[1]		(?)	(?)
Armor:			
Tank, M4A3, 105 mm (U.S.A.)	55		50
Tank, AMX13–754, 105mm (France)	108		100
Tank, T–55/55, 100mm (U.S.S.R.)	150	250	350
Armored car, AAZSU–23–4, 23mm (U.S.S.R.)			(?)
Armored car, UR–416 Alleman (West Germany)	148		148
Armored Car, BL–ANF, (British)		70	70
Armored Car, ADC–113 MA (U.S.A.)		84	254
Motor vehicles:			
Vehicles to transport tanks (U.S.A.)	25	(?)	185
Unimog multipurpose troop truck, desert use (West Germany)	100	(?)	1,000
Troop truck (West Germany)	400	1,600	2,000
Sand vehicle (West Germany)		200	200
NAVAL FORCES			
Submarines (U.S.A. and West Germany)	4	4	8
Cruisers (Holland)	2	1	3
Frigates (Italy)			[2] 2
Destroyer–DDG (Great Britain)	2		2
Destroyer–DD (U.S.A.)	2		2
Destroyer–DE (U.S.A.)	1		1
Corvettes (U.S.A.)	2		2
Landing craft LST (U.S.A.)	2		2
Landing craft LSM (U.S.A.), plus assorted tenders, oilers and naval aviation aircraft		2	2
AIR FORCE			
Fighters:			
Mirage S (France)	14		12
F–86–F (U.S.A.)	8		8
Hawker Hunter (Great Britain)	5		5
Lockheed T–33 (U.S.A.)	12		12
A37–B (U.S.A.)			8
F–5E (U.S.A.)			24
MIG–21 (U.S.S.R.)			24
Bombers: Canberra, plus some World War II vintage B–25 bombers of unknown quantity	18	4	22
Miscellaneous:			
Transports, C–130 (U.S.A.)			3
Transports, miscellaneous	(?)	(?)	60
Trainers, miscellaneous	(?)	(?)	110
Helicopters, miscellaneous	(?)	40	50
Photo reconnaissance		2	2

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[1] There is definite knowledge of the presence of several varieties of SAM missiles from the U.S.S.R. but no concrete knowledge of their installation at this time.

[2] 2 more under construction.

Note: It is interesting that a large number of Peruvian tanks, armor, and troop transport vehicles are geared for desert warfare in a country known mostly for its high mountains. In fact, the only desert area of Peru is in the South of the country, on the Chilean border—a good indication of the aggressive intentions of the Peruvian military.

[Organization of American States General Assembly, Fifth Regular Session, Washington, D.C., May 8 through May 19, 1975—Proceedings; Volume I, Certified texts of the resolutions and declarations]

REPORT OF THE INTER-AMERICAN COMMITTEE ON HUMAN RIGHTS ON "THE STATUS OF HUMAN RIGHTS IN CHILE"

(Resolution adopted at the sixth plenary session, held on May 19, 1975)

Whereas:

It has received the report of the Inter-American Commission on Human Rights on "The Status of Human Rights in Chile," based upon materials presented to the Commission by various sources, including the Government of Chile, and on its *in situ* investigation of the facts during its visit to Chile from July 22 to August 2, 1975;

This report, together with the observations of the Government of Chile, was sent to the United Nations and was considered at the Thirty-first Session of the United Nations Commission on Human Rights;

As a result of this consideration, in which seven member states of the OAS took part, the United Nations Commission on Human Rights unanimously decided to send a working group to Chile to study the present status of human rights in that country; and

Consequently, both the Inter-American Commission on Human Rights and the next session of the General Assembly will have the additional benefit of a report based on further investigations to assist them in their work in the coming year,

The General Assembly Resolves:

1. To take note, with appreciation, of the report of the Inter-American Commission on Human Rights on "The Status of Human

Rights in Chile," as well as the observations of the Government of Chile on that report.

2. To take note, with approval, of the acceptance by the Government of Chile of the visit of the working group of the United Nations Commission on Human Rights.

3. To respectfully call upon all the governments, including the Government of Chile, to continue to give the most careful attention to the suggestions and recommendations of the Inter-American Commission concerning human rights.

4. To request the Inter-American Commission to secure, by all appropriate means, additional information, to consider that information, and to submit a report on the status of human rights in Chile to the next session of the General Assembly, ensuring that the Government of Chile has reasonable time to submit its own observations.

SUPREME DECREE ON GUARANTEES FOR PERSONS ARRESTED DURING THE STATE OF SEIGE

Decree 187.—Whereas: The need to regulate adequately the norms designed to guarantee the rights of the persons arrested during to the state of seige, as established in Article 1 of the Decree-Law 1009, of 1975, and keeping in mind what was established in Article 10, number 1, e) of the Decree-Law 527,

Be it decreed that:

Article 1. Every person arrested by any organization and in the situation referred to under Article 1 of the Decree-Law 1,009 of 1975, even before going into the offices, facilities or places of detention under each one, shall be examined by a physician. The same medical examination shall be given the arrested person before leaving these offices, facilities or places.

The Legal Medical Services and the National Health Service, jointly, shall assign a physician to these offices, facilities or places previously mentioned to perform the physical examinations required by this article.

The above mentioned physicians shall file a written report in each case in which he shall describe the state of the person examined, and shall forward it immediately to the Ministry of Justice.

Article 2. If in the certificates mentioned in the last paragraph of the preceding article, it might be understood that the person arrested had been the object of brutality or undue pressure, the Ministry of Justice shall proceed to denounce the facts to the corresponding authorities, be it administrative, institutional or judicial, depending on the case.

Article 3. Arrests made in compliance with the regulations in force during the state of siege referred to in Article 1 on the Decree-Law 1009, of 1975, can only be applicable previous of written order issued by the Chief of the corresponding specialized security agency, and which shall contain a listing of the following items:

A. Identification of the arrested person;

B. Identification of the person making the arrest;

C. Place where the arrested person shall be taken;

D. Date, time and place where the person was arrested;

E. Name, position and signature of person who ordered the arrest, and

F. Seal and stamp which authorizes such order.

A copy of the arrest order shall be delivered to the next of kin of the person arrested, as chosen by himself, and who resides at the same address where the arrest was made, within the 48 hours established in Article 1 of the Decree-Law 1009 of 1975.

Article 4. If in order to comply with the order of arrest referred to in the previous article or as a consequence derived from it, it would seem necessary to break into a house, or a building or any other locked place—public or private—the Chief of the corresponding specialized agency shall issue a written order authorizing the officer to do so. Such order shall be previously down to the head of the household, or to the resident-manager or locked place, or in any case, to the person to whom a copy shall be handed once the search is completed.

Article 5. If in carrying out the arrests or break-ins mentioned in this Supreme Decree, resulted in the loss of freedom of an alien, the Ministry of the Interior shall proceed, in compliance with its legal functions, to deport him from the country.

Article 6. The President of the Republic, under the Supreme Decree which shall bear the signatures of the Ministers of the Interior and National Defense, shall identify the places and facilities destined for detention and referred to in Articles 1 and 3 letter c) of this Decree, and in which promises, a book—with pages duly numbered—shall be used to enter the arrival and departures of the arrested persons, indicating date and time in which they take place, as well as the order under which these were carried out.

Article 7. It shall be the function of the President of the Supreme Court and/or of the Minister of Justice, to appear, without previous warning, at any place of detention assigned for this purpose for the application of these regulations under the State of Siege, in order to inspect them and to verify the strict compliance with the legal norms and regulations in force regarding the rights of the arrested persons and to inform about irregularities which might have been found to the corresponding authorities, through written, confidential reports, which fact shall not prevent them from ordering the immediate physical examination of the arrested person who complained during the inspection visit about brutality or undue pressure during his stay at the place inspected.

Article 8. In the geographical sites not included in the metropolitan area, the Minister of Justice, in complete accord with the President of the Supreme Court, shall appoint an officer who shall perform all or part of the functions and activities mentioned in Article 7 of this Supreme Decree.

Article 9. The corresponding authority shall order, in the cases described in the preceeding Articles 2, 7, and 8, and within 48 hours, the initiation of the corresponding summary, which shall start with the denunciation of the President of the Supreme Court, of the Minister of Justice or of the officer appointed by the latter, in order to determine who are responsible for the facts denounced and to apply to them the penalties established by law. It shall be specially considered, within this summary, the investigation and the verification of those facts that are relevant to eventual violations of Articles 150, 253 and 255 of the Penal Code and of 328 and 330 of that of Military Justice.

Article 10. The Ministry of the Interior or that of National Defense in the metropolitan area, and the Quartermasters or Governors of the Provinces or the Commandants in their respective jurisdictions shall provide the President of the Supreme Court, the Minister of Justice or the officer appointed by the latter every means conducive to the performance of their functions.

The employees who deny or in any way fail to provide due assistance in the performance of the functions previously mentioned shall be responsible of serious offenses while in the performances of their duties.

Take note, forward and publish.

(Signed) Auguste Pinochet Ugarte, General of the Army, President of the Republic; Cesar Benavides Escobar, Minister of the Interior and Acting Minister of National Defense; Miguel Schweitzer, Minister of Justice; and Luis Givovic, Acting Minister of Health.

TO THE MINISTER OF EXTERNAL RELATIONS OF CHILE

EXCELLENCY MR. MINISTER:

We have the honor to address ourselves to Your Excellency in reference to our letter of September 8, sent to Major Enrique Cid, Chief of the Office of Human Rights of the Ministry of Foreign Relations. During the first week of the current month, Major Cid had informed us of an erroneous report made by a French press agency on the number of detained persons visited during the first quarter of 1975, by the Delegation of the International Committee of the Red Cross in Chile.

Referring to our quarterly report, which was published in part by our Headquarters in Geneva at the beginning of September, it was supposedly stated that our Delegation visited 40,000 detained persons during that period. This report, however, made reference to 4,000 detained persons visited (detained by State of Siege, condemned by Military Tribunals, and tried by Military Prosecutors).

We are pleased to inform Your Excellency that the International Committee of the Red Cross (CICR) in Geneva will prepare a corrected summary for its next bulletin, "CICR in Action," taking into account that the figures disclosed without explanatory comment could have been interpreted incorrectly by press agencies. In addition, our Headquarters is going to contact the Permanent Mission of Chile in Geneva for the purpose of clarifying the situation. Further, the CICR delegate to the United Nations in New York has received instructions to rectify possible erroneous statements, during the General Assembly.

We take the opportunity to present to Your Excellency the following summary of the quarterly report on the activities of the CICR Delegation in Chile:

Our delegates have made a total of 150 visits to 85 places of detention (prisons and camps). During those visits, about 4,000 persons detained by order of the Military authorities (detained by State of Siege, condemned by Military Tribunal, and tried by Military Prosecutors) have been seen.

With regard to assistance to detained persons, the Delegation has submitted material with a value of US$ 18,000.

The program of aid to families of detained persons has benefitted approximately 3,000 families throughout the country. The value of this assistance in kind and in money comes to US$ 36,000. This amount includes the value of considerable donations (milk, flour, clothes, etc. . . .), which the Delegation has received from various National Societies of the Red Cross and other charitable organizations.

Our Search Agency has established 14,000 new files. These files contain reports collected by the delegates during their visits or received from the Authorities or from other sources. These files mention the identity of those detained, location, transfers, release, departure from the country, etc. We point out that a detained person has several files with the mentioned information.

Also, in the first quarter of 1975 travel authorizations have been established.

Trusting that the above information will serve to clarify for Your Excellency any doubt on this matter, we avail ourselves of this opportunity to express to you our highest consideration.

Sincerely,

ROLF K. JENNY,
Chief of the Chilean Delegation of the Red Cross.

[United Nations General Assembly, Thirtieth session, Third Committee, Agenda item 73]

ALTERNATIVE APPROACHES AND WAYS AND MEANS WITHIN THE UNITED NATIONS SYSTEM FOR IMPROVING THE EFFECTIVE ENJOYMENT OF HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS

CHILE: DRAFT RESOLUTION

The General Assembly,

Recalling that Articles 55 and 56 of the Charter of the United Nations provide that the Organization shall promote universal respect for human rights and that all Member States pledge themselves to take joint and separate action to that end,

Bearing in mind the Universal Declaration of Human Rights, the International Covenants on Civil and Political Rights and on Economic, Social and Cultural Rights, the Convention on the Elimination of All Forms of Racial Distcrimination, the Declaration of the International Conference on Human Rights held at Teheran in 1968, and other instruments of a universal or regional nature which give expression to human rights and establish machinery for their protection,

Noting the Declaration on Principles of International Law concerning Friendly Relations and Co-operation among States in accordance with the Charter of the United Nations (resolution 2625 (XXV)), particularly as regards the duty of States to co-operate in the promotion of universal respect for human rights and fundamental freedoms for all.

Noting further, inter alia, General Assembly resolutions 2144 (XXI), 3136 (XXVIII) and 3221 (XXIX), Economic and Social Council resolution 1164 (XLI) and resolution 2 (XXII) of the Commission on Human Rights, which call for strengthening the United Nations system in order to ensure the universal exercise of human rights, without distinction of any kind, and for determining the ways and means of strengthening it,

Considering that resolution 3221 (XXIX) provided for soliciting the views of Member States, the specialized agencies and regional intergovernmental organizations on alternative approaches and ways and means within the United Nations system for improving the effective enjoyment of human rights and fundamental freedoms,

Having considered the report of the Secretary-General (A/10235), which contains the views of Member States and of the above-mentioned agencies and organizations concerning alternative approaches and ways and means within the United Nations system for improving the effective enjoyment of human rights and fundamental freedoms,

Again expressing the hope that the International Covenants on Human Rights will enter into force in the near future and will receive universal application, without exceptions or discrimination,

Bearing in mind resolution 1159 (XLI) of the Economic and Social Council, the report of the *Ad Hoc* Study Group on Regional Commissions on Human Rights (E/CN.4/966 and Add. 1) and other agreements and documents relating to the activities and functions of such Regional Commissions,

Noting that the only pre-established system for the investigation of individual allegations concerning violations of human rights (Council resolution 1503 (XLVIII)) has not fully achieved the objectives for which it was established,

Considering the essential need to create a general system of universal application which will effectively permit the investigation of all allegations supported by reliable evidence of violations of human rights, wherever they occur,

1. Instructs the Secretary-General of the United Nations to appoint a group of 10 experts of recognized integrity and proven knowledge in the field of human rights, in which the different geographical areas are represented and the different legal systems taken into account, for the purpose of preparing a study on the establishment of a system for investigating allegations of violations of human rights;

2. Decides that such a system should allow for appropriate participation by regional organizations, should be universal in scope and (automatic and compulsory for all Member States), should avoid duplication, should ensure adequate machinery for co-operation between the Organization and the States investigated and should confer upon such States appropriate guarantees regarding discretion and fairness;

3. Requests the Group of Experts to submit its report to the Economic and Social Council at its sixty-first session for subsequent consideration by the General Assembly at its thirty-first session, taking into account the background information obtained during the study of this question by the United Nations and the opinions expressed recently by Member States in this respect;

4. Decides to include in the provisional agenda of the thirty-first session the item "Alternative approaches and ways and means within the United Nations system for improving the effective enjoyment of human rights and fundamental freedoms".

Mr. HELMS. Section 310 as originally reported put an absolute prohibition in permanent law for military assistance to Chile—but not sales. My amendment provides for a Presidential waiver if he determines Chile has made substantial progress in promoting recognition and enforcement in Chile of human rights. President must take note of extent of cooperation with Red Cross, the U.N., the OAS.

Chile has not asked for military aid in fiscal year 1976 but does want sales.

Of course, I need not allude to the earlier vote on the amendment by the distinguished Senator from Massachusetts, I will observe only that I consider it very unfortunate that that amendment was approved in the light of the overall circumstances.

But section 310 is permanent law, and is not flexible if Chile is threatened by a neighbor. Peru, a left-of-center government, has built up an enormous force with Soviet aid, and with U.S. aid. Peru is Chile's historic enemy. Argentina could collapse and establish a Communist government. It has a 2,500-mile border with Chile. It might be in the U.S. interest to give Chile military aid in the future, and we should not foreclose that option.

Moreover since Monday, February 16, the U.N. Human Rights Commission in Geneva has been considering the Chilean case. Britain, Germany, the United States, Senegal, and Egypt have taken note of Chile's progress in human rights, and have spoken against sanctions or coercion against Chile. The Senate should not put a permanent ban on aid to Chile while the Human Rights Commission is still considering the case.

Finally, Mr. President, a flat prohibition on military assistance is a disincentive to progress; a waiver is a strong incentive for Chile to continue taking positive steps, such as the amnesties of November, December, and the recent law providing medical examinations, notice to relatives, positive identifications, court order for seizure and search, and Supreme Court regulation of rights of arrested persons.

In any case, Chile will still come under section III—of the Humphrey bill—which provides for congressional veto of military aid within 30 days, and so forth.

Mr. KENNEDY. Mr. President, will the Senator yield for a question?

Mr. HELMS. I yield.

Mr. KENNEDY. Does the Senator have a copy of his amendment?

Mr. HELMS. Yes, I certainly do. It is the same as the Buchanan amendment accepted in the House committee, I say to the Senator.

Mr. KENNEDY. All right. I am not familiar with the Buchanan amendment.

Mr. HELMS. I am delighted to furnish the Senator with a copy of it.

Mr. KENNEDY. I thank the Senator.

Mr. HELMS. Mr. President, the other points that I would make I think are obvious and were covered in my statement earlier.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, has the Senator from North Carolina completed his statement with reference to his amendment?

Mr. HELMS. Yes.

Mr. HUMPHREY. I ask the Senator from Massachusetts if he has any comment.

Mr. KENNEDY. I am glad to comment. If the Senator from North Carolina will yield for a question, I just received both the notification and the amendment of the Senator from North Carolina, and I was reading through the context. As I understand, I would like to go over the language of it:

> In making that determination, the President shall consider the extent of cooperation by the government of Chile in permitting an unimpeded investigation of alleged violations of internationally recognized human rights by appropriate international organizations, including the International Committee of the Red Cross and organizations acting under the authority of the United Nations or of the Organization of American States.

I am wondering what additional information the Senator is looking for. He has asked for investigation by the Organization of American States. The OAS Human Rights Commission already has investigated it. They have found an overwhelming violation of basic human rights by the Chilean junta.

Here is the amendment of the Senator from North Carolina asking that the OAS do an investigation. They have already done it. We submitted the statements and the summary of that in the earlier debate.

There are other international groups that have done such an investigation.

I believe the IRC has done some investigations as well, but they do not make public critique in order to provide relief to those prisoners.

I am wondering what the purpose of this amendment is, given the fact that the Human Rights Commission of the Organization of American States, having had the endorsement of the full organization, did review and make these determinations; and it is on the basis of that determination that its General Assembly adopted a resolution on that subject last July. I simply fail to see any new information that justifies trying to alter the earlier action by the Senate.

Mr. HUMPHREY. Mr. President, I suggest to the Senator from Massachusetts the possibility of a quorum call so that we might have a little discussion on the language of this amendment between ourselves and the sponsor of the amendment and with the able Senator from New Jersey, who would like to have some expression of discussion.

Mr. KENNEDY. Fine.

Mr. HUMPHREY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I should like to discuss this amendment with its sponsor and also have the attention of the distinguished Senator from Massachusetts and the ranking minority member of the Committee on Foreign Relations, the Senator from New Jersey.

This amendment has real possibilities. I am sure that it is the sort of amendment that is found in legislation giving the President waiver authority when certain conditions are met.

Also, there is a procedure in the bill before the Senate which would give Congress authority in terms of concurrent resolution to override the Presidential waiver and the right to cancel licenses, and so forth.

However, I have expressed to the Senator from North Carolina the hope that this type of legislative proposal could be held in abeyance for a little. We have a new bill that is going to come to the Committee on Foreign Relations for fiscal year 1977. We will have had some experience under the bill for fiscal 1976. Really, we are talking about fiscal 1976, I have to tell my colleagues. It is pretty late in the year, but the administration request was very late in arriving.

We are going to get the administration proposal, it is my understanding, in the latter part of this month or the early part of March. That will mean that the Committee on Foreign Relations will go into hearings on it in March. We are required to process that proposed legislation, hopefully, before May. I think we would get a better review of what this amendment seeks to do if we waited to go through the normal committee process.

I assure the Senator from North Carolina that his amendment not only would be given all possible consideration, but also, we would even want him to talk to us about it. I believe that is the better way to approach it.

I have said this on a couple of other amendments that seemed to have merit. We are at the point where we have new legislation coming down the road, and I think we would be better off to approach it that way.

Mr. HELMS. Mr. President, I can understand the Senator's position. I have no desire to prolong the discussion, and I will not.

I simply say that I am a bit disturbed by some of the actions in connection with this bill. The Human Rights Commission is now considering this matter, this week, in Geneva, and it does not appear to be disposed to condemn Chile now.

Mr. HUMPHREY. Yes.

Mr. HELMS. Yet, the Senate acted today, in the view of the Senator from North Carolina, a bit percipitately.

However, in light of the suggestion by the distinguished Senator from Minnesota, I am not disposed to push this matter further. I am already on record with my apprehension that the Senate acted precipitately this afternoon in approving the Kennedy amendment. I might add that I changed my vote to "yea" so that I could——

Mr. HUMPHREY. I understand very well why the Senator voted "yea."

Mr. HELMS. I do not want anybody to misunderstand the position of the Senator from North Carolina on that vote; but from the standpoint of parliamentary procedure, that was the only way I could attempt to obtain a reconsideration of the vote, and a vote on the motion to table the motion to reconsider.

Mr. HUMPHREY. When the Senator first voted "yea," my heart swelled with joy. Then my mind settled on the issue, and I knew the Senator, as always, was being a brilliant man, following out the parliamentary situation. I could see what was coming.

Mr. HELMS. The Senator saw evil afoot. [Laughter.]

Mr. HUMPHREY. No, I saw the usual very competent and able tactic of the Senator from North Carolina.

Mr. HELMS. I thank the Senator.

Mr. President, with the legislative history that has been made in the past 2 or 3 minutes, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

The bill is open to further amendment.

Mr. HUMPHREY. Mr. President, I yield to the Senator from Massachusetts from the time on the bill.

Mr. KENNEDY. Mr. President, I want to make my position extremely clear on this issue.

I am completely and wholeheartedly opposed to the concept or letting the executive make a unilateral decision and determination on when it will begin pumping arms back to Chile again. They have already made it, and when they made it, they made it to the extent of more than $105 million of military assistance now in the pipeline. They are not seeking new grant aid but they will seek to send more arms to that country. So I know what the administration's position is going to be. With only a few exceptions, it has been the same as it has been since the first time the junta came to power in Chile. It has been working hand in glove with that regime, which has been a part of the gravest violation of human rights in the hemisphere that we have seen in recent years.

I will do everything in my power—and the decision will be made by the Senate—to have Congress exercise its judgment on this matter.

I fail to find persuasiveness in the statements of the Senator from North Carolina that the President—acting alone—even with an international agency's review in the future as a suggested basis on action—should be able to resume the flow of weapons to the junta. In fact, the record is clear. The international agencies have found pervasive, institutionalized and continuing violations of human rights in Chile.

I know that there are those who say, that is in the past; let us look at what is happening today. I am completely willing to let any fairminded group examine the situation today. If they had examined it 3 weeks ago, they would have found the same thing that the British Foreign Minister had found; that is, that there is a continuation of the use of torture. They found it used against a British doctor and withdrew their own representation in Chile. Here we are, talking about permitting the President to issue a waiver on our prohibition on arms transfers. I would oppose that action.

Mr. President, I am glad that everybody is stating his position on it. I understand very clearly the position of the Senator from North Carolina, but I want to indicate what my position on this issue is today.

We are talking about military assistance. We are not talking about a food program or a milk program to look after poor children in Santiago. We are talking about military equipment that is used to torture citizens, including many who have been longtime friends of the United States. No one said that more eloquently than the Senator from Minnesota earlier today. I think the Senate has gone on record on this issue. I believe that that is an important vote.

There has been a failure of American foreign policy in recent times. It has been the fact that we have not put the issue of human rights in the forefront of American policy. Now that we have walked up a little hill to register our disapproval of human rights violations in Chile, I am not going to be one who is going to see us just walk right back down again and turn that issue back to the executive.

We have withdrawn the amendment, but I want, as I am sure the Senator from Minnesota and my good friend, the Senator from New Jersey understand, to emphasize the importance of this human rights issue. I do not envy their job in trying to steer legislation through this body.

I want to make it very clear that I have supported the various programs for aid and assistance over the years. I know what is going on outside with the administration. They are out there in the corridors, saying, "You are going to lose my vote in terms of final passage," if you adopt certain amendments.

I commend the chairman of this subcommittee, the Senator from Minnesota, who has been tireless in his pursuit of human rights and liberties in his service in this body and as a leader of this country. I commend the Senator from New Jersey, who has been tireless in that pursuit. I just hope that in every bill that comes before this body, we can insure that this body stands on the side as protecting human rights.

Mr. HUMPHREY. Mr. President, I assure the Senator that this bill contains the strongest provision on human rights that has ever been written in legislation dealing with international relations. I assure him that I will not retreat from it, even 1 inch. I think this is a fundamental moral question that is vital to our foreign policy.

I see my friend presiding, the distinguished Senator from Oregon (Mr. HATFIELD), who, on the issue of food aid, saw the some issue of human rights and human need. We have done things in Congress in this field that no one would have believed possible a few years ago. I am proud of it and we are not going to back off.

The Senator can be assured that we shall have remedies in legislation that protect the life and the dignity of people. That is what this country is supposed to stand for, and in the Bicentennial Year, I think it might not be a bad idea to incorporate that in all of our legislation.

Mr. TUNNEY. Mr. President, I would like to take this opportunity to briefly explain why I have chosen not to call up my amendment to S. 2662. This amendment would have required full approval by the entire Senate, in either open or secret session, before any funds could be transferred or reprogramed for the purpose of conducting or facilitating covert military or paramilitary operations in foreign countries.

The need for such an amendment is clear. In the past, this authority has been seriously abused as a device for providing money for secret military operations for which no other funds—or insufficient funds—were available or which had not been approved by the Congress. Despite this, there is currently no formal structure for either approving or denying reprograming or transfer requests. In fact, in most cases only one or two members of the Appropriations Committee ever see such requests.

While this might be acceptable procedure in the case of minor changes in funding in some small domestic programs, clearly it is inappropriate where matters of war and peace are concerned. We have learned the hard way that wars often begin by a slow process of accretion, the first step of which might be the provision to one force or another in a foreign country of reprogramed American money. I think that the question of whether this Nation should or should not become involved in a foreign conflict is one that is much too important to be made by one man—whoever he is—and rightfully should be subjected to the entire Senate for careful consideration and studied debate. This was the reason I chose to submit an amendment to this bill.

However, I am well aware of the fine job that the Select Committee on Intelligence Oversight, chaired by Senator CHURCH, has been doing in the area of establishing controls on our involvement in foreign military and paramilitary operations. Senator CHURCH has informed me that his report, together with its recommendations for preventing future abuse of reprograming and transfer authority, will be available by the first of April. Therefore, in deference to the work of Senator CHURCH and the other distinguished members of that committee, I have chosen to withdraw my amendment pending their recommendations.

Nonetheless, Mr. President, I want to state categorically that I regard this problem as a serious one that warrants immediate attention. I plan to carefully study the select committee's recommendations in this area. And I am reserving the right to propose my amendment at some future date if the recommendations of that body are not strong enough to insure a reasoned debate on matters of such importance, or if those recommendations are not acted upon promptly. I think it is high time the Senate act to restore the much-needed balance between the Congress and the Executive in the conduct of our foreign policy.

Mr. HUMPHREY. I appreciate the cooperation of the Senator from California. I do believe that all amendments relating to the Central Intelligence Agency should be withheld from consideration on this bill.

FOREIGN POLICY BY REPROGRAMING

Mr. CRANSTON. Mr. President, if my colleague from California had been able to offer his reprograming amendment today, I had intended to raise some questions about this process as it is used in foreign policy. Instead, I would like to list for the RECORD some questions I had prepared for discussion during the debate.

I ask unanimous consent that these questions be entered in the RECORD after the remarks of Senator TUNNEY. Also I ask unanimous consent that just after my remarks the following materials be printed: First, an article by Leslie Gelb in the New York Times of January 21, entitled "Decision Near on Disputed Aid to Zaire"; second, pages 1 through 4 of a DOD document entitled "Implementation of Reprograming of Appropriated Funds."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

QUESTIONS BY SENATOR HUMPHREY

Following are questions Senators should, it seems to me, be considering (I recognize that all these could not necessarily be answered in an open Senate session):

Question.—Has any reprogramming of funds been requested in the Defense Department budget, or other agency budgets, for the purpose of carrying out any covert CIA operation in any foreign country since the Angola debate in December?

Question.—Has the Senate Appropriations Committee approved any reprogramming for covert military or paramilitary operations since Dec. 19 when the Senate voted on Angola?

Question.—What procedure was followed on Jan. 19 when Administration officials reportedly (see Les Gelb Jan. 21 NYT story) informed several committee chairmen of Secretary Kissinger's intention to immediately grant an emergency loan of $10 million to Zaire?

Question.—Would the $10 million loan to Zaire allow that country to release a comparable amount to its allies in Angola?

Question.—Just how is aid redirected from one country to another?

Question.—In the case of the alleged recent authorization by the President to funnel CIA funds to political parties in Italy—about which the Foreign Relations Committee and other committees were briefed in early December—was a request for reprogramming funds for this purpose ever made of the Appropriations Committee? Or was that committee ever advised of any funds being specifically designated for Italy from the lump sum CIA budget (which is contained in the DOD budget)?

Question.—Would the authorization committees, e.g., Armed Services or Foreign Relations, necessarily know when a reprogramming request is pending or when a "spend out" decision in re a particular contingency fund has been made? In other words, is there any synchronization here?

Question.—Has the Senate Appropriations Committee designated—under reprogramming procedures—covert CIA operations "as a matter of special interest" requiring prior committee approval?

[From the New York Times, Jan. 21, 1976]

DECISION NEAR ON DISPUTED AID TO ZAIRE

(By Leslie H. Gelb)

WASHINGTON, January 20.—State Department officials are expected to decide in a few days whether to go ahead despite objections from key Congressional leaders with an emergency loan of $10 million to Zaire, according to Government officials.

The Congressional leaders are concerned that the aid would allow Zaire to release a comparable amount of funds to its allies fighting in the Angolan civil war. The Central Intelligence Agency has been funneling covert military aid and cash through Zaire to the two Western-supported Angolan liberation groups fighting the group supported by the Soviet Union.

Administration officials informed several committee chairmen last night the intention of Secretary of State Henry A. Kissinger to give the aid immediately. The chairmen objected, and high State Department officials suspended the order to execute the loan.

One official said: "We have not gone ahead—yet; we're trying to see if we can meet Congressional objections."

Officials of the Africa bureau of the State Department argue that the $10 million in industrial credits is urgently needed to meet the deteriorating economic situation in Zaire.

Other officials in the State Department are less concerned about Zaire than about the danger of a new rupture in relations with Congress if the wishes of the representatives are ignored.

The State Department is legally entitled to provide the aid without specific legislative authority, but Congressional leaders said that they would regard this as a breach of a two-year working relationship.

Congress has not passed a new foreign-aid bill this year. In the absence of new legislation, aid programs are continued by means of a resolution continuing spending authority based on last year's aid bill.

AID CAN BE REDIRECTED

Operating within these resolutions, the Administration can redirect aid from one country to another or increase aid to a country without Congressional approval. It is merely required to inform Congress 15 days before carrying out its decision.

Under an arrangement in effect for the last two years, however, the State Department has invariably been responsive to objections by committee chairmen, either modifying decisions or reversing them in accordance with the wishes of the chairmen.

Senator Daniel K. Inouye, Democrat of Hawaii and chairman of the Senate appropriations subcommittee on foreign operations, was informed of the decision to send the aid yesterday afternoon. He immediately registered his objections with Mr. Kissinger.

In a telephone interview today, Mr. Inouye said he had assumed that the aid had already been given, but said that he was pleased to hear of the reconsideration, given the fact that "the Administration has honored the working relationship until now."

ASSURANCES SOUGHT

Representative Clement J. Zablocki, Democrat of Wisconsin, and a key member of the House International Relations Committee, said that he might favor certain kinds of aid to Zaire if there were assurances that the aid would not directly or indirectly find its way into Angola.

He added: "But if the State Department does not follow Congressional desires on this matter, we will rewrite the law to require prior approval" of every decision to redirect, or increase aid.

Representative Otto E. Passman, Democrat of Louisiana and chairman of the House appropriations subcommittee on foreign operations, said in an interview today that he gave his approval to the aid yesterday, "But I'm protesting it today; I don't think they've justified it."

Mr. Passman and Mr. Inouye objected to a similar State Department request for Zaire in October. At this time, Mr. Kissinger was seeking $22.7 million in long-term loans for Zaire, but did not go ahead with the loan because of Congressional objections.

ACTION CALLED AN AFFRONT

Representative David R. Obey, Democrat of Wisconsin, a member of Mr. Passman's subcommittee, called yesterday's notification by the Administration "an attempt to slip one by before Congress has a chance to act."

"It's stupid and an affront to the express concerns of Congress," he said.

So far this year, Zaire has received $15 million in Government-sponsored commercial credits. The State Department is seeking $19 million additional in military credit sales, and a $20 million loan by the Export-Import Bank.

President Mobutu Sese Seko of Zaire has been a supporter of United States policy in Africa in recent years. On Monday, following the emergency meeting of the Organization for African Unity, Mr. Mobutu charged Moscow with "intolerable intervention" in Angola.

DEPARTMENT OF DEFENSE INSTRUCTION

Subject: Implementation of Reprogramming of Appropriated Funds.

I. REISSUANCE AND PURPOSE

A. This Instruction implements the policies stated in reference (a) which reflect recognition by the Congress of the practice of reprogramming Department of Defense funds covered in Department of Defense Appropriation Acts as a necessary, desirable and timely device for achieving flexibility in the execution of Defense programs.

B. The Instruction establishes an orderly system for obtaining approvals and related operating procedures designed to assure that the responsible officials keep faith with the Committees and the Congress by (1) respecting the integrity of the justifications presented in support of fund authorizations and budget requests, and (2) providing timely information on any significant deviations from approved programs. The system:

1. Establishes the base from which such actions may be taken.

2. Specifies reprogramming actions requiring prior specific written approval of the Secretary of Defense, the Deputy Secretary of Defense, or the Assistant Secretary of Defense (Comptroller).

3. Specifies reprogramming actions requiring prior approval of or timely notification to one or more of the Committees of Congress.

4. Establishes procedures for submission, approval, and processing of reprogramming actions.

5. Prescribes a semiannual report in summary form reflecting all reprogramming actions previously submitted to Congress, together with identification of the less significant reprogramming actions not otherwise requiring submission or approval under the provisions of this Instruction. Additionally, a special quarterly report as required by attachment 2 to enclosure 3 hereto will be provided.

C. Reference (b) is hereby superseded and cancelled.

II. APPLICABILITY AND SCOPE

The provisions of this Instruction apply to the Military Departments and Defense Agencies and encompass all appropriation accounts covered by the Department of Defense Appropriation Act.

III. DEFINITIONS AND CRITERIA

A. Reprogramming actions are defined as changes in the application of financial resources from the purpose originally contemplated and budgeted for, testified to, and described in the justifications submitted to the congressional committees in support of fund authorizations and budget requests.

B. Requests for reprogramming of funds or requests for use of transfer authority under Public Law 93–437 (herein called general transfer authority) (reference (d)), or similar provisions in subsequent DoD Appropriation Acts, may not be considered where the item for which reprogramming or transfer authority is requested has been denied by the Congress.

C. Requests for reprogramming of funds shall not be presented to the Congress and general transfer authority may not be used unless for higher priority items, based on unforeseen military requirements, than those for which funds were originally appropriated. (Public Law 93–437, reference (d).)

IV. BASE FOR REPROGRAMMING ACTIONS

A. The "Base for Reprogramming Actions" is established immediately after final congressional action on fund authorizations and budget requests. It identifies the purposes, in terms of items or activities measured in quantities and amounts, for which funds have been authorized and appropriated.

B. A report on the base for reprogramming actions will be prepared in accordance with the instructions contained in enclosure 1 and submitted to the Assistant Secretary of Defense (Comptroller) for prompt transmission to the House and Senate Committees on Appropriations, and to the House and Senate Committees on Armed Services, as appropriate.

V. REPROGRAMMING ACTIONS REQUIRING PRIOR APPROVAL OF CONGRESSIONAL COMMITTEES

A. DoD Directive 7250.5 (reference (a)) requires specific approval of the Secretary of Defense or the Deputy Secretary of Defense on all reprogramming actions prior to their submission to the House and Senate Committees on Armed Services and to the House and Senate Committees on Appropriations for Committee approval.

1. Prior Committee approval, as specified in subsections V.B. and C., below, is required on any reprogramming action involving the application of funds, irrespective of the amount, to:

a. Items or activities for which specific reductions in the amounts originally requested were made by the Congress.

b. Increase the procurement quantity of an individual aircraft, missile, naval vessel, tracked combat vehicle, other weapon or torpedo and related support equipment, for which funds are authorized under 10 U.S.C. 138 (reference (c)).

c. Reprogramming action which, by nature of the action, is known to be or has been designated as a matter of special interest to one or more committees.

d. Items in a fiscal year approved program subsequent to a fiscal year approved program from which the resources are derived (applies to Shipbuilding and Conversion, Navy, FY 1971 and prior, only).

2. In proposing any prior approval reprogramming action, including those instances when the DD Form 1415 requests the use of transfer authority, the reprogramming request must include a statement that the proposal meets all the administrative and legal requirements of the Congress.

B. The prior approval of the House and Senate Committees on Armed Services and of the House and Senate Committees on Appropriations will be obtained on reprogramming actions specified in subparagraphs V.A.1.a. through d., prior to their implementation, when such items or activities have been covered by legislation authorizing the appropriation of the funds involved (10 U.S.C. 138, reference (c)).

C. The prior approval of the House and Senate Committees on Appropriations will be obtained with respect to all other reprogramming actions specified in subparagraphs V.A.1.a., c. and d., prior to their implementation.

D. A separate "Reprogramming Action" (DD Form 1415) will be prepared and submitted to the Assistant Secretary of Defense (Comptroller) for each proposed reprogramming requiring prior approval of one or more congressional committees. Such submission will be limited to those line items which require such approval and the related offsetting line item or items necessary to show the source of fund resources being applied to the prior approval action and the disposition of any balance of fund resources not so applied. Enclosure 2 contains instructions for the preparation of DD Form 1415.

E. After approval by the Secretary or the Deputy Secretary of Defense, the reprogramming action will be transmitted promptly to:

1. The House and Senate Committees on Armed Services and the House and Senate Committees on Appropriations when the items or activities are covered by legislation authorizing the appropriation of the funds involved (10 U.S.C. 138, reference (c)).

2. The House and Senate Committees on Appropriations with respect to all other such reprogramming actions.

F. The foregoing proposed reprogramming actions will not be implemented until after all applicable congressional committees have approved the proposed reprogrammings. As soon as clearance is received from all applicable committees, the Deputy Assistant Secretary of Defense (Program/Budget) will advise, in writing, the DoD Component concerned of committee action and the extent to which the reprogramming action may be implemented.

AMENDMENT NO. 1399

Mr. TOWER. Mr. President, I call up my amendment No. 1399.

The PRESIDING OFFICER (Mr. HATFIELD). The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. TOWER. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 58, lines 9 and 10, strike out "The Director of the Office of Human Rights, Department of State" and insert in lieu thereof "The Secretary of State".

On page 58, line 16, strike out "Director" and insert thereof "Secretary".

On page 59, beginning with line 5, strike out all through line 20 on page 63.

Mr. TOWER. Mr. President, I could be inspired by what I hear this afternoon if I felt that the people who are enunciating these things had the same concern about people in leftwing dictatorships as they do about people in rightwing dictatorships. I wonder if they are aware of the torture that goes on in leftwing dictatorships. I wonder if they are aware that the leftwing dictatorships seek to export their brand of tyranny elsewhere, whereas the right-wing dictatorships do not. There is a sense of inconsistency here this afternoon, Mr. President. There is a lot of hypocrisy. I am a little tired——

Mr. HUMPHREY. Will the Senator yield?

Mr. TOWER. I am a little bit tired of our going after the rightwing juntas that want to be our friend, regardless of their moral and social values who identify a common interest with us. But the Marxist dictatorships seem to be all right. I get a little tired of this. We sort of obscure the national interest in this country. We push aside the people who identify their interests with us because we do not like what they do internally. We can certainly continue not to like what they do internally. But at the same time, we pander—yes, we pander—to the leftwing dictatorships, which, I warrant, have more political prisoners in their jails than the rightwing dictatorships do.

Yes, I yield to my friend from Minnesota.

Mr. HUMPHREY. I say to my good friend from Texas, I do not care what kind of dictatorship it is, I vote no—right, left, upside down, inside out, around the corner, in the center, wherever it is. The dictatorship that violates these rights is not the kind of government we ought to be helping, particularly with military assistance.

When it comes to humanitarian assistance, we try to help people. But what Senator here would vote to make available, on a cash or credit basis, weapons to the Soviet Union, or the People's Republic of China, or Cuba?

Mr. TOWER. Will the Senator yield?

Mr. HUMPHREY. Yes.

Mr. TOWER. Some of the same people who voted against aid to Chile today opposed an amendment I offered on this floor sometime ago to deny aid to Sukarno, who was torturing and killing people by the hundreds and by the thousands.

Mr. HUMPHREY. Not this one.

Mr. TOWER. No; not the Senator from Minnesota. But the Senator from Massachusetts was one of those. If he would like to come out on the floor and explain why that is up to him.

The fact of the matter is that the argument we got then was, ah, but a great day might come. Leave it to the discretion of the President. Do not legislate to deny all aid to Sukarno, because that great day might come when he will have a change of heart, or the people of Indonesia might rise up and throw him out. Thank God, they finally did.

Mr. HUMPHREY. Cheers.

Mr. TOWER. I am glad that day did come.

Mr. HUMPHREY. Does the Senator have that amendment he wants to bring up?

Mr. TOWER. Yes; but I wanted to talk about that, because it bears directly on what we have before us today.

Mr. HUMPHREY. Good.

Mr. TOWER. Mr. President, before addressing the specific provisions of my amendment, I would like to raise what I perceive to be a few fundamental issues implicit in the policy set forth by this bill.

First, I would remind my colleagues that there is already stated in existing law—section 502B of the Foreign Assistance Act of 1961—a statement of policy very similar to that contained in this bill.

However, S. 2662, as reported by the Committee on Foreign Relations, would establish a new procedure whereby a newly created Director of the Office of Human Rights would be required to submit to Congress on request a statement containing a detailed description of practices on the part of a recipient country considered to be "gross violations of human rights." Congress could then terminate or restrict security assistance to this country by concurrent resolution, apart from its regular annual authorizations and oversight authority already established by law.

Mr. President, I feel we should consider the question of how the United States should reconcile its efforts to promote the observance of human rights with its policy to strive for regional stability in the critical regions of the world. Where should our ultimate priorities lie? How may we deal with the practical and unavoidable consequences which could stem from managing our security assistance programs in this fashion?

Let us consider how this new procedure would affect those nations who receive aid and purchase defense materials from the United States. How would it affect their own security with respect to their potential adversaries? How will it affect their perceptions of our concern for their security? Will they appreciate and understand our emphasis on social justice, or will they consider ours an imperial attitude and simply turn elsewhere for their defense needs?

It seems to me, Mr. President, that the critical question relates most significantly to what our policy should be with respect to nations which are not closely alined to the United States. There are many countries that we would not formally label as "allies" in the strict sense, to which we provide security assistance and to which we sell defense materials. Few of these nations are what we would term "fully developed" in the economic sense; few possess the sophisticated political systems and social values associated with the major western powers. It is safe to say, Mr. President, that some of these nations do not share, at this point in history, the degree of concern prevalent in the United States for what we consider to be "human rights."

Before we act on this bill, let us decide what our foreign policy goals, particularly with respect to these nations, should be. Then let us arrive at the best procedures for the pursuit of this policy.

Should we adopt a policy which could serve to turn these nations away from the United States and thereby encourage them to seek assistance from other major powers—powers which may well have absolutely no regard for human rights? I cannot see how this would serve either the course of the world peace, or the course of human rights. I ask if this sort of device for preserving human rights in fact preserves anything, or does it, under a more thoughtful review, only complicate our efforts to seek stability among nations, particularly those not closely alined to the United States at this moment in history.

Mr. President, I would urge a serious consideration by the Members of this body as to what the essential direction and purpose of our policies in this vital area should be, and what procedures we should establish to pursue these policies in the name of international peace.

Mr. CASE. Mr. President, the chairman of the subcommittee, the manager of the bill, had to step out for a minute. The Senate will be the loser, but the Senator from New Jersey will be the gainer by the chance to say a few words on his own.

Mr. TOWER. May I say further that the Senator from Texas may be the loser because the Senator from New Jersey is most eloquent and he aided and abetted my cause the other day on the most telling part of the argument, and now I hate to see him on the other side.

Mr. CASE. The Senator is most gracious in his remarks.

May I say this, not in the spirit of levity, but we had a bill, it passed. We had a law—I forget the name of it—which had to do with election financing, and a few weeks ago the Supreme Court took interesting action in respect to that legislation.

In some ways, the Supreme Court in regard to that law, its action, in effect, eliminating the commission which was set up under the law to provide the machinery for its enforcement, struck the law, although the Supreme Court said certain substantive provisions could be stated as principles and still remain.

Well, that is about what the Senator would do here. He would provide that it is against the law for us to provide security assistance to any country the government of which engages in a consistent pattern of gross violations of internationally recognized human rights.

The Senator accepts that, as I understand it, and would provide instead of the machinery for enforcement of that section which we worked out very carefully, and with the cooperation of the Department of State and of AID, he would substitute a provision just for reporting by the Secretary of State.

Now, as to that matter of who makes the reports or what executive agency is responsible for making the determination in the first instance that the country is engaged in practices of this sort, we first had in there a provision that the President should make that determination. This was later changed in the process of our working on the bill to the Secretary of State. But we still felt, and the people downtown represented to us, that this would be an embarrassment for the Secretary of State, as it would indeed have been a greater embarrassment for the President, to make a determination with respect to a foreign country, with which either of those officers had to deal on a daily basis, that it is involved in a gross violation of human rights, so we changed that.

Mr. TOWER. Mr. President, will the Senator yield? I fully understand what the Senator is saying, and I appreciate the desire of the Committee on Foreign Relations to shoulder the burden itself and take it from the shoulders of the President of the United States and the Secretary of State. But the fact of the matter is I am not so much concerned about the embarrassment of the President or the Secretary of State as I am the embarrassment of the United States. I know what influences play on this Congress here and what we are very likely to do.

Mr. CASE. I think maybe we are coming to a parting of the ways at that point. I think our shoulders are broad. We can assume that responsibility and the embarrassment will not be an undue burden upon the country. After all, it is our money we are talking about. After all, most people in this country feel, and I am sure the Senator does, too, that anyone who engages in a gross and persistent course of violating human rights——

Mr. TOWER. Mr. President, if the Senator will yield, let me make myself clear on that point.

Mr. CASE. Of course, I yield. It is not necessary because we accept it.

Mr. TOWER. We Texans have long been believers in human rights, even before we had the law to enforce it. We enforced them in informal and, sometimes, in allegedly casual ways.

Mr. CASE. That is quite true. I am sure we do not differ on that. The only question is whether we are going to use this bill in any way as an instrumentality or instrument, perhaps, would be more accurate—in dealing with the Senator I know that precision of language is, among other things, a matter of concern, and properly so. The only question is whether we are going to use this bill as an instrument for accomplishing the betterment of the human race in this regard.

So I do not feel that the concerns the Senator has are really justified. I think the committee has done a good job in this respect. I may be wrong, and if I am I want to be corrected, but I think in general the Department of State has accepted this version of the bill and the machinery that we set up, and appreciates that we have dealt with it in the way in which we have.

Now, as far as the rhetorical part of the Senator's remarks is concerned, everybody knows that no one in this body is interested in helping a Communist government either remain Communist or certainly to extend——

Mr. TOWER. I accept that, and I want to elaborate on that matter later.

Mr. CASE. Of course, the Senator will. So I think it was irrelevant to comment on the fact that we are not talking about here in this bill about refusing aid to Communist governments. We are not going to give any such aid.

So far as dealing with a country which may have committed errors in the past, and passing upon the determination of its change of heart and course of action, the Senator knows how this Senator feels about that. I agree with the spirit of the amendment that was proposed by the Senator from North Carolina just a moment ago in a somewhat analogous situation, so I do not think we are faced with the question of helping or not helping Communist governments or our friends. We on the committee do not feel that governments which engage in patterns of conduct of this sort ought to be helped to stay in office by aid administered under the Foreign Assistance Act, military or otherwise.

I do not know whether my friend from Minnesota would like to cast some pearls before swine [laughter] or gild the lily here, but I know we would be instructed if he did.

Mr. TOWER. Well, I wonder if I might outline some specific changes I would offer here which might serve partially as a response, and which I think also would serve as a peg on which we could hand our hats for a continuing dialog on this matter.

Mr. President, I would now like to outline the specific changes I would offer to the "human rights" section of S. 2662.

First, my proposal would retain the statement of policy with respect to conducting U.S. security assistance programs in a manner which will promote the observance of internationally recognized human rights. I have no desire for us to do otherwise.

My amendment would retain the requirement for an annual report to the Congress concerning practices regarding the observance of human rights in each country to receive U.S. security assistance. Under my proposal, however, these reports would be submitted by the Secretary of State rather than by a director of the Office of Human Rights.

My amendment would delete the language establishing an Office of Human Rights in the State Department and authorizing the director of that office to submit to Congress on request a special statement citing a recipient nation for gross violations of human rights. My amendment would also delete the new and additional authority for Congress to immediately terminate security assistance to such countries by concurrent resolution.

In addition to the fundamental questions which I discussed earlier, I do not believe that we need to establish a new bureaucrat in the State Department who would be empowered to issue such broad and subjective judgments on possible "gross violations of human rights." I fail to see how such public citations would serve to enhance the very purpose of our foreign policy. I fail to see how such public citations will serve the international promotion of human rights. I would think that a more reasoned approach of persuasion and negotiation would prove to be more fruitful than would an approach based on moral pronouncements that could well incur indignation abroad.

With regard to the additional authority to terminate security assistance, I would point out that Congress already has the authority to terminate military aid for any reason by concurrent resolution under the Foreign Assistance Act of 1961, as amended. I would also remind my colleagues that this bill elsewhere contains several provisions concerning the authority of Congress to disapprove military sales and exports. Additionally, Congress must annually authorize military assistance funds for each recipient nation. In my view, Mr. President, these existing authorities are sufficient for supporting our stated human rights policy.

In summary, Mr. President, this amendment will provide an effective means of pursuing our stated policies without expanding the bureaucracy and broadening the already considerable range of administrative decisions and specific responsibilities which Congress must carry on in securing our security assistance programs.

In my view, the existing law perhaps even goes further than it should, but I am willing to preserve it, and what I am offering here is very much like kissing your sister—it is not really that much of a change in the bill.

In any case, why do we have to add to the layer another bureaucrat? Here they are, talking about relieving the Secretary of State of embarrassment in a bureaucracy, and then inflict that same embarrassment on him if it makes that recommendation.

Mr. CASE. Mr. President, I really——

Mr. TOWER. I yield the floor.

Mr. CASE. When we get right down to it, I do not want to unduly delay the debate on this matter. I think we are prepared to go to a vote if the Senator is ready to at any time.

Mr. TOWER. Can the Senator from

Texas faintly denote the whistle of the steamroller in the background?

I am sure I can understand why the Senator from New Jersey is prepared to go to an immediate vote, but I still think perhaps we should air the matter a bit further.

Mr. CASE. Maybe we should.

What I was going to say before I made that ill considered suggestion was that, really, the Senator has characterized this amendment better than, almost, I could, and certainly more frankly than I would—it is not all that much.

What he is doing, and the only thing he has really done about this——

Mr. TOWER. What I mean by that is that it does not really dilute our ability to deny aid on any grounds we prefer, whether it is denial of internal human rights, or not.

Mr. CASE. The Senator is quite correct in referring to the provision under which Congress by concurrent resolution can cut off aid for any cause or, indeed, for no cause. That is quite true. But that is different from establishing a systematic way in which a review is made of countries where this sort of thing happens.

Reports are provided for, publicity attaches to that, and the Congress attention is directed to it by all the forces of public opinion, as I think it should.

When the Senator claims all he is doing is stripping from the bill a provision adding a bureaucratic layer, I think he, in a way, protests both too much and too little.

This job is going to be done or it is not going to be done. If it is going to be done, it is going to be done by people, and if the Secretary of State fulfills his obligation under the Senator's amendment, he would have to have the same kind of advice he is going to get here from the director that we would establish with a specific congressional mandate to perform that function.

I do not feel, in respect to this complicating the situation, the committee bill is in any respect subject to criticism the Senator raises against it. But I do feel that there would be a very definite reduction in the effectiveness of the administration of this provision if the Senator's amendment should carry.

I hope it will not.

Mr. HUMPHREY. Mr. President, may I ask how much time there is on this side?

The PRESIDING OFFICER. The Senator has 19 minutes remaining.

Mr. HUMPHREY. Mr. President, I yield myself such time as I may need for the moment.

Mr. CRANSTON. Will the Senator please reserve some time?

Mr. HUMPHREY. I will, indeed, for the Senator that has been in the forefront of this particular provision in this legislation, the Senator from California.

Mr. CRANSTON. I thank the Senator.

Mr. HUMPHREY. Mr. President, first of all, I ask unanimous consent to have printed in the RECORD the revised section of the committee report B relating to the Human Rights Provision.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REVISED SECTION-BY-SECTION ANALYSIS

SECTION 111. HUMAN RIGHTS

This section revises Section 502B of the Foreign Assistance Act. The Committee feels strongly that human rights considerations should be a key factor in determining both the recipients and levels of security assistance. While the Committee recognizes that the United States has other national interests that are served by such assistance, it believes that where the proposed recipient is a gross violator of human rights, the burden of proof is on those who wish to provide the assistance, not those who want to terminate it.

Subsection (a)(1) states that it is the policy of the United States that security assistance not be provided to any country the government of which engages in a consistent pattern of gross violations of human rights (such as those enumerated in subsection (a)(3)), except in accordance with provisions set forth in this section. Subsection (a)(2) specifies that a principal goal of U.S. foreign policy shall be to promote the increased observance of internationally recognized human rights. In furtherance of this policy subsection (a)(3) directs the President to formulate and conduct international security assistance programs so as to accomplish that objective. The subsection also directs that such programs be conducted in a manner which does not identify the U.S. Government with gross violations of human rights, including those enumerated in this subsection.

The new subsection (b) requires that the Director of the Office of Human Rights in the Department of State (a new position created by amendments made in subsection (b)(1) of section 111 of the bill) transmit a full report on the human rights practices of each proposed recipient of security assistance as part of the Congressional presentation materials each year. The Director shall take into account findings of international and regional organizations, and the extent of cooperation given such organizations in their investigations, in preparing the report.

The first such report shall be submitted in conjunction with the fiscal year 1977 security assistance request or, in the event such requests are submitted prior to the enactment of this legislation, promptly following its enactment.

Subsection (c)(1) requires that the Director of the Office of Human Rights, upon request of the Senate or House of Representatives, or of the Committee on Foreign Relations of the Senate or the Committee on International Relations of the House, transmit a statement within thirty days after receipt of such request setting forth:

A detailed description of the human rights practices of the recipient.

The steps taken by the United States (1) to discourage practices inimical to human rights and (2) to call attention to and to disassociate any assistance provided from such practices.

Whether, notwithstanding such practices, the Secretary of State is of the opinion that exceptional circumstances require the continuation of assistance and a description of those circumstances and the extent of such continued assistance.

Paragraph (2) provides that a resolution to request a statement under paragraph (1) shall be considered in accordance with the expedited procedures outlined in Section 301(b) of the bill.

Paragraph (3) states that if a statement requested pursuant to paragraph (1) is not transmitted within thirty days of this request, no security assistance shall be delivered to that country except as Congress provides otherwise specifically as to that country or unless and until the statement requested has been submitted.

Paragraph (4) provides that Congress would have thirty days of continuous session, as defined in Section 301(b)(1) of the bill, after receipt of a requested statement to terminate or restrict the provision of assistance to such country by concurrent resolution. Restrictions short of termination may be directed against particular kinds of assistance and may also limit the amount of financial support provided by the United States to such country. Any such resolution shall be considered in accordance with the provisions of Section 301 of the bill.

Subsection (b)(1) of section 111 of the bill amends section 624 of the Foreign Assistance Act to establish in the State Department an Office of Human Rights, the Director to be appointed by the President and subject to Senate confirmation.

Subsection (b)(2) outlines the responsibilities of the Director—continuous review of all foreign assistance programs for the purpose of:

Gathering detailed information on the observance of human rights by each recipient of security assistance; preparing the annual presentation to Congress required by Subsection (b) and statements requested under Subsection (c).

Determining whether such assistance is being furnished in compliance with this section and Section 116 of the Foreign Assistance Act.

Making recommendations to the President, the Secretary of State, and the Administrator for the correction of any deficiencies in compliance.

The committee anticipates that in exercising its role with respect to the administration of section 116 of the Foreign Assistance Act of 1961 the Director will concentrate his attention on the gathering information and the identification of repressive practices. Program design responsibility remains the province of the Administrator who is charged under section 116 with insuring that aid reaches needy people and reporting to the Congress in the manner described in section 116(b).

Subsection (b)(3) provides that prior to the establishment of the Office of Human Rights, any report or statement required by this section shall be submitted by the Secretary of State.

Mr. HUMPHREY. Mr. President, this particular section was given more time and attention than almost any other section in the bill. The reason has been stated very well by the Senator from New Jersey and almost with equal eloquence by the Senator from Texas.

The reason that this section was put in setting up this Director of Human Rights is that the committee wanted to insulate both the President and the Secretary of State, two major policy officers of the executive branch of Government, from making a direct judgment upon another country and its practices. The whole purpose here is to put the Congress in a position of making the judgment and using the Office of Human Rights and then its Director as the fact-finding body.

I believe this is an ingenious device that we have been able to bring forth.

We are all in agreement on the policy statement in the bill. The Senator from Texas has indicated his complete support of the policy objectives as stated in this bill in the field of human rights, but the basic question was, how do we implement that policy statement, and related to that question was this: Should we directly involve the President and the Secretary of State in making conclusive judgments?

This might be very embarrassing to the President and the Secretary of State. Furthermore, we would be relying upon the President and the Secretary of State for all of the evidence as well as the judgment.

The provision in the bill says that if any Senator, or if the Committee on Foreign Relations, feels that there is evidence that indicates that there is a gross violation of human rights in a country that is receiving U.S. security assistance and military assistance, a request will be made to the office of the Director of Human Rights. That director and his office will provide the information to the Committee of the Congress. A hearing will be held. Evidence will be gathered. Then the committee will make its recommendations.

If the committee recommendations are to the effect that there has been a gross violation, the committee will report such recommendations to the Senate. A similar committee would make its report to the House. It would take a concurrent resolution to end the flow of military assistance or military credits to the country that is held in violation of internationally recognized human rights.

I believe that we have come to grips with the fundamental human rights issue in the policy statement and in the establishment of the machinery to make the policy statement effective. But I think of equal significance, we have protected the President and the Secretary of State in their role as the Chief Executive Officer in the President and the President's first officer in the Secretary of State in conducting foreign policy.

Under present law, for example, the President and the Secretary of State are required to make judgments.

We do not require that in this act. We require that the Executive Office give us the information that we request, and we will make the judgment.

The Senator from Texas says that the present law is working well. The reason that we came around with this new provision of law is that the present law is not working well.

Mr. TOWER. If the Senator will yield, I did not say it was working well. I said it was adequate.

Mr. HUMPHREY. It is not adequate.

Mr. TOWER. If it is not working well it is because we do not make it work well.

Mr. HUMPHREY. No.

Mr. TOWER. We have the authority by concurrent resolution.

Mr. HUMPHREY. The Committee on Foreign Relations under date of November 14 received a letter signed by the Under Secretary of State for Security Assistance, Mr. Carlyle E. Maw, on the report to the Congress on the human rights situation in countries receiving U.S. security assistance. It did not meet the requirements of section 502(B) of existing law.

It was about as bland, may I say, as swallowing a bucket of sawdust.

Mr. TOWER. The Senator would not think that was bland if he ever swallowed a bucket of sawdust.

Mr. HUMPHREY. Or maybe barium, just to give a little physiological treatment to this discussion.

It tells little or nothing that we do not already know, and proposes no remedies.

I believe if we are going to find out what the troubles are we should have some prescription for the cure. We know there are troubles. We now have a means, hopefully, of getting at some of the cure.

Today, because of the feelings of this body on Chile, we made a decision in the Senate relating to assistance to Chile. I voted for that; some others did not. I think the better procedure would have been to have had the Director of the Office of Human Relations gather the material together as related to the express concern of Members of this body, to have processed that material through the Senate Committee on Foreign Relations and the House Committee on International Relations, and then come to the Congress for whatever we wished to do.

Mr. TOWER. May I say in response to my distinguished friend from Minnesota——

Mr. HUMPHREY. Will the Senator yield to me to allow me to make a unanimous-consent request?

Mr. President, I ask unanimous consent that that report from the Department of State to the chairman of the Foreign Relations Committee relating to the human rights situation in countries receiving U.S. security assistance, and to which I referred earlier, be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNDER SECRETARY OF STATE
FOR SECURITY ASSISTANCE,
Washington, November 14, 1975.

Hon. JOHN J. SPARKMAN,
Chairman, Foreign Relations Committee,
U.S. Senate.

DEAR MR. CHAIRMAN: The interim summary of the FY 1976–7T security assistance Congressional Presentation Document was transmitted to you on October 30, 1975. These program decisions were reached with due consideration for human rights factors in accordance with Section 502B of the Foreign Assistance Act of 1961, as amended. In this regard, I am pleased to enclose a report on the Department's efforts to evaluate human rights as a component of the FY 1976–7T Security Assistance Program.

I trust you will find this report helpful and of interest.

Sincerely,

CARLYLE E. MAW.

REPORT TO THE CONGRESS ON THE HUMAN RIGHTS SITUATION IN COUNTRIES RECEIVING U.S. SECURITY ASSISTANCE

The Foreign Assistance Act of 1961, as amended, has contained in recent years several provisions regarding respect for internationally recognized human rights in countries receiving United States security assistance. Section 32 of the 1973 Foreign Assistance Act contained a provision expressing the sense of Congress that assistance should be denied to any government practicing the internment or imprisonment of its citizens for political purposes. Section 25 and 26 of the 1974 Act limited the amount of assistance that could be made available to Chile and the Republic of Korea. Section 46 of the 1974 Act further added a new Section 502B to the basic Act which expressed the sense of Congress that, except in extraordinary circumstances, security assistance should be substantially reduced or eliminated in the case of any government found to engage in a consistent pattern of gross violations of internationally recognized human rights, and established certain precepts and definitions. Specifically, Section 502B requires the President to advise the Congress of the "extraordinary circumstances necessitating" the proposing or furnishing of security assistance to any government which has been determined to be "engaging in a consistent pattern of gross violations of internationally recognized human rights. . . ."*

The Foreign Assistance Act of course is designed to support many U.S. interests, among the most important of which are U.S. security and the protection of fundamental freedoms and human rights. This is illustrated in the Act:

"The Congress declares that the freedom, security, and prosperity of the United States are best sustained in a community of free, secure and prospering nations. In particular, the Congress recognizes the threat of world peace posed by aggression and subversion wherever they occur, and that ignorance, want, and despair breed the extremism and violence which lead to aggression and subversion. The Congress declares therefore that it is not only expressive of our sense of freedom, justice, and compassion but also important to our national security that the United States, through private as well as public efforts, assist the people of less developed countries in their efforts to acquire the knowledge and resources essential for development and to build the economic, political, and social institutions which will meet their aspirations for a better life, with freedom, and in peace."

Similarly, the statement of policy of Part II of the Foreign Assistance Act states: ". . . It is therefore the intention of the Congress to promote the peace of the world, and the foreign policy, security, and general welfare of the United States by fostering an improved climate of political independence and individual liberty . . ."

It is thus clear that the Foreign Assistance Act recognizes both the need to protect basic human rights and freedoms in all countries and the importance of protecting U.S. security interests. The question presented is what is to happen when one of these objectives cannot be accomplished without prejudicing the other in our relations with a particular country.

We view Section 502B as an authoritative expression of Congressional concern for human rights in all countries receiving security assistance. The Executive Branch shares this concern and agrees with the Congress that the promotion of human rights and fundamental freedoms throughout the world is an important and legitimate goal of our foreign policy.

Acccordingly, the Department of State has issued a series of instructions to U.S. missions in the field calling for comprehensive reports on the human rights situation in each country. The first of these instructions was issued on April 4 of last year and went to a total of 68 posts. Its text is contained on page 283 of the Record of Hearings before the Committee on Foreign Affairs of the House of Representatives on the Fiscal Year 1975 Foreign Assistance Request. Further instructions were issued over succeeding months and culminated in a cable regarding Section 502B to all diplomatic posts on January 17, 1975 with a follow-up circular airgram on February 14, 1975. The texts of both are attached to this Report.

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*The full text of Section 502B is attached.

In response to these instructions each mission submitted to Washington its classified analysis of the human rights situation within the country in which it was located. The Department studied these analyses extensively.

The results of this study, as might be anticipated, present an uneven picture. Virtually all governments acknowledge the UN Universal Declaration of Human Rights of 1948 as stating accepted goals. Many embody such rights in their constitutions. Nevertheless, with or without claim that they act pursuant to exception clauses of Declarations, Constitutions or Conventions, many states appear to be in violation of various rights and freedoms. Some countries, of course, present more serious evidence of violations than others.

Repressive laws and actions, arbitrary arrest and prolonged detention, torture or cruel, inhuman or degrading treatment or punishment, unfair trials or other flagrant denials of the rights of life, liberty and the security of the person are not extraordinary events in the world community. These are all too common, occurring within both those countries receiving U.S. security assistance and those that do not.

Human rights abuses follow no pattern. They are not limited to types of political regimes or political philosophies. Abuses take place in both the Western and Eastern Hemispheres. They are carried out by and against persons of virtually all races and major religions of the world.

This stark fact reflects many realities of the world including the types of insecurities in many regions which have caused States of Siege or States of Emergency or martial law to be proclaimed.

In drawing these somber conclusions, it must be said that the worldwide longing for life, liberty and the pursuit of happiness which the Universal Declaration embodies persists unabated, with greatest poignancy, doubtless, where repression is most severe.

The fact is that there are nations in all parts of the world in which the people and leadership place high priority on the enjoyment of human rights. Indeed, such nations are the leaders in the international effort to advance the human rights cause. The United States itself has sought for many years to play an important role in this effort.

However, experience demonstrates that the political, economic, social and cultural problems which cause seemingly intractable human rights abuses to occur need to be resolved before real improvements in human rights conditions can apparently take place—with or without bilateral or international pressure. In most of the world the problems associated with poverty and the evolution from traditional to more modern societies seem to take precedence over respect for human rights.

CONCLUSIONS

When we consider using security assistance as a possible lever to improve the human rights situation in a particular country we are faced at the outset with at least two fundamental questions:

(1) Would the substantial reduction or termination of security assistance to that country damage our own national security?

(2) Would the substantial reduction or termination of security assistance improve or worsen the human rights situation in that country or make it more difficult to make our views known?

We know that some members of Congress feel that the U.S. Government should simply disassociate itself from repressive governments, even if such actions would have no effect on human rights problems there. Others feel that if our security interests (or other kinds of national interests, for that matter) are strong enough, these interests should prevail. Our view is that while both security interests and human rights are important, each country needs to be looked at individually to determine where our predominant interests lie in every case.

We believe, in the spirit of Section 502B and the statements of policy quoted above, that the USG should take positive actions to improve human rights wherever possible. There are many ways of doing so, however, by direct and indirect means, such as diplomatic representation, multilateral efforts in concert with other countries, educational and exchange programs and the pressures of public and private opinion.

Renewed efforts are underway both within the Department itself and in AID to develop new programs with particular focus on the betterment of human rights in various countries around the world. These include new emphasis on human rights concerns in programs sponsored by the Department's Bureau of Educational and Cultural Affairs and an effort to continue open and cooperative relationships with relevant sections of the American Bar Association, with the Lawyer's Committee for Civil Rights under Law, the International Commission of Jurists, the World Peace through Law Center, Amnesty International and many other organizations concerned with human rights. AID is planning to do more important work in this area. Examples of possibilities are programs to improve the capability of legislatures in human rights matters, technical assistance to provide competent legal advice from local counsel and exchange programs between law schools with particular emphasis on human rights problems.

Our security assistance programs are designed to meet U.S. security interests as well as those of other countries. The reduction or termination of security assistance thus can have a direct adverse effect on our own security.

In particular instances, moreover, the reduction or termination of security assistance may be wholly ineffective so far as improvement of human rights conditions in a particular country are concerned or may serve only to impair whatever influence we otherwise might have been able to wield in this regard.

Obviously, if reduction or termination of security assistance to a country would adversely affect U.S. security interests and be unlikely to produce a favorable impact on the human rights situation there, other means should be sought to promote human rights and make clear the U.S. position.

As noted, suppression of human rights or failure to provide adequate protection for them is in many cases symptomatic of a basic insecurity on the part of the government in a particular country. It is possible, therefore, that U.S. security assistance, by contributing to the economic stability of such a country or by enhancing its sense of security from outside attack, may serve to improve local attitudes toward the protection of human rights.

The situation in each country must always be weighed individually and assessed on the basis of careful analysis as to where U.S. interests with respect to security and human rights lie and how they can best be served.

In view of the widespread nature of human rights violations in the world, we have found no adequately objective way to make distinctions of degree between nations. This fact leads us, therefore, to the conclusion that neither the U.S. security interest nor the human rights cause would be properly served by the public obloquy and impaired relations with security assistance recipient countries that would follow the making of inherently subjective United States Government determinations that "gross" violations do or do not exist or that a "consistent" pattern of such violations does or does not exist in such countries.

Quiet but forceful diplomacy continues to be the most effective way both to reduce the perception of insecurity that burdens so many governments and to convey the U.S. concern on human rights issues to such governments. The Executive Branch shares the Congress' desire to encourage improved human rights observance wherever possible. We shall reinforce our bilateral efforts and we intend also to provide vigorous support for human rights issues in multilateral fora, similar to the U.S. initiative on torture proposed by Secretary of State Kissinger in his September 22, 1975 address to the UN General Assembly. Such efforts will be given priority attention and all necessary high-level support.

Administration witnesses will be prepared to discuss this subject further during the course of the presentation to both Houses of Congress of the Administration's requested program for FY 1976.

SECURITY ASSISTANCE AND HUMAN RIGHTS

SEC. 46. Chapter 1 of part II of the Foreign Assistance Act of 1961 is amended by adding at the end thereof the following new section:

"SEC. 502B. Human Rights. (a) It is the sense of Congress that, except in extraordinary circumstances, the President shall substantially reduce or terminate security assistance to any government which engages in a consistent pattern of gross violations of internationally recognized human rights, including torture or cruel, inhuman or degrading treatment or punishment; prolonged detention without charges; or other flagrant denials of the right to life, liberty, and the security of the person.

"(b) Whenever proposing or furnishing security assistance to any government falling within the provisions of paragraph (a), the President shall advise the Congress of the extraordinary circumstances necessitating the assistance.

"(c) In determining whether or not a government falls within the provisions of subsection (a), consideration shall be given to the extent of cooperation by such government in permitting an unimpeded investigation of alleged violations of internationally recognized human rights by appropriate international organizations, including the International Committee of the Red Cross and any body acting under the authority of the United Nations or of the Organization of American States.

"(d) For purposes of this section, 'security assistance' means asistance under chapter 2 (military assistance) or chapter 4 (security supporting assistance) of this part, assistance under part V (Indochina Postwar Reconstruction) or part VI (Middle East Peace) of this Act, sales under the Foreign Military Sales Act, or assistance for public safety under this or any other Act."

HUMAN RIGHTS REPORTING

1. Deputy Secretary Ingersoll, in a letter to Chairman Morgan of the House Foreign Affairs Committee dated July 28, 1974, promised updated post reporting on significant human rights developments generally, and in light of section 32 of Foreign Assistance Act of 1973. The Deputy Secretary further promised to extend such reporting to countries not receiving assistance. Facts obtained from this reporting will be used in formulating our policies and in considering, country by country, what we should do to promote respect for and observance of human rights both for their own sake and in response to increasing congressional interest, for example section 46 of the Foreign Assistance Act of 1974. The reporting will be particularly needed to backstop 1975 FAA presentations and to prepare the U.S. follow-through on the U.S.-supported initiative against torture at recent U.N. General Assembly.

2. Posts will recognize that information provided cannot be exhaustive. Moreover, in regard to countries which are relatively exemplary in their concern for human rights it should suffice to indicate the basic legal guarantees and other circumstances that make them so, their most recent positive contributions in the area (for example, initiatives in the UNGA, new legislation, and so forth) and any problems that an objective statement must include. The Department expects that posts will refer freely to prior reporting and to publications which are or can be made available to the Department. The reporting requested is needed first of all for Department reviews of policy relating to countries in which the possibility emerges of a pattern of human rights violations. In such reviews, as Deputy Secretary Ingersoll wrote Chairman Morgan on June 27, we keep in mind options ranging from quiet diplomacy and the normal procedures of international organizations on to other possible forms of action.

3. Such information is also needed to respond to congressional and public inquiries. Naturally, in so doing we must at all times be as candid as possible and at the same time be sure to protect our legitimate security interests. In the human rights area, such basic information as the nature and operation of the legal system is largely a matter of public record and can be presented in an objective and non-polemical manner.

4. In line with above, posts should provide by Friday, Feb. 28, 1975, by airgram, a documented and up-to-date appraisal of the record, current status and prospects of host governments in discharging their obligations under international law to respect human rights and fundamental freedoms, including, of course, those of their own nationals. Posts should also report whether those in authority ignore, condone, encourage or direct activities of officials tending to violate the human rights and fundamental freedoms of people, especially through unlawful killing, arbitrary arrest and detention, torture, unfair trials, denial of freedom of movement, religion, opinion, expression, assembly or association or through deprivation of right to take part in the government. Reference should, of course, be made to prior relevant reporting to avoid duplication or repetition.

5. The Department is aware that relatively brief statements could be made for well-established constitutional democratic governments, while a more carefully analytical statement, as well as documentation to the extent available, would be required in other instances.

6. Pertinent background material and guidance is being forwarded by airgram.

HUMAN RIGHTS

(From the Department of State)

The present airgram is to provide posts with important information relevant to their work on human rights.

Reference A refers to the decision of the Deputy Secretary to ask for further reporting. Two letters (June 27 and July 28, 1974) from Deputy Secretary Ingersoll to Chairman Morgan of the House Committee on Foreign Affairs and a memorandum from the Deputy Secretary to various Assistant Secretaries show how the matter has developed. They are attached (Tabs A and B).

An important passage in the letter of June 27th reads, "Finally, we take seriously our obligation under the United Nations Charter to promote respect for and observance of human rights and fundamental freedoms for all. No matter where in the world violations of human rights occur, they trouble and concern us and we make our best efforts to ascertain the facts and promote respect for human rights and fundamental freedoms. At the same time, it must be recognized that the United Nations Charter does not prescribe how to fulfill that obligation in respect to particular violations by others. Thus there are usually complex questions of policy and tactics to be considered in deciding whether and how the United States can best seek to discharge its obligations in a particular case consistent with its commitment to other goals, including that of maintaining international peace and security. Such questions include the seriousness of the violation, the various options for United States action, and the consequences of inaction." The legal basis for this position is developed in a memorandum of law that summarizes the development of the international duty of states to promote and respect the human rights of all persons (Tab C).

Posts may not have all the more important legal texts readily available and for this reason the following are furnished:

Provisions of UN Charter relevant to human rights (Tab D).

Universal Declaration of Human Rights (Tab E).

Common Article 3 of the Geneva Conventions for the Protection of War Victims of 1949 (Tab F).

Article 36 of the Vienna Consular Convention of 1963 (Tab G).

ECOSOC Resolution 1503 establishing UN Human Rights Commission procedures for dealing with governmental and non-governmental complaints of violations (Tab H).

Decalration of Principles . . . concerning Friendly Relations . . . (General Assembly Resolution 2625 of October 24, 1970 (Tab I).

In addition, there is furnished United States Policy in the Promotion of Human Rights, Rights Abroad, a study by the Department's Historical Office, dated June 24, 1974 (Tab J).

As is stated in the Deputy Secretary's letter of July 27 (Tab A), a Special Assistant for Human Rights will be appointed in the Deputy Secretary's Office. The following have been designated Human Rights Officers for their respective Bureaus: AF—Mr. Julius W. Walker, APA—Mr. George Lister, EA—Mr. Robert L. Walkinshaw, EUR—Mr. Daniel Goott, NEA—Mr. Richard C. Searing.

In addition, Mr. Warren Hewitt is in charge of human rights in IO as Deputy Director of the Office of United Nations Political Affairs and is assisted by Mr. Frank Crawford. Mr. Charles Runyon has been designated Assistant Legal Adviser for Human Rights and other Assistant Legal Advisers will continue their already deep involvement in this work.

INGERSOLL, *Acting*.

Enclosures: As stated.

Mr. HUMPHREY. The Senator is on his own time now.

Mr. TOWER. I am on my time.

Mr. HUMPHREY. I have to save some for the Senator from California.

Mr. TOWER. Mr. President, implicit in the argument of the distinguished Senator from Minnesota, for whom I have a very high regard is the idea that there is a shortcut to improving the observance of human rights, and that quick or dramatic results in troubled lands by the cutting off or restriction of assistance to the governments of those countires is indeed a shortcut.

It is a carrot and stick approach which does not have much of a proven track record. It has not worked.

Let me ask the Senator from Minnesota if he believes that we should embargo any further shipments of wheat to the Soviet Union until they cease their repressive activities against their citizens?

Mr. HUMPHREY. No. We are not talking about wheat. We are talking about military assistance.

Mr. TOWER. I know.

Mr. HUMPHREY. Let us not mix the oranges and the apples——

Mr. TOWER. Wait a minute.

Mr. HUMPHREY. Let us not get the olives and handgrenades mixed up.

Mr. TOWER. What is so orange or apple about this?

Food is a strategic commodity.

Mr. HUMPHREY. But one would have a hard time killing people with food. Food gives life, weapons take it. I am for selling the Soviet Union all things they cannot shoot back as long as they will pay cash. Let me say I will sell to Chile that way, too. But we are not talking about apples and oranges. We are talking about weapons.

Mr. TOWER. All right, let us talk about weapons. By refusal, is there not asymmetry of military power in South America? What if by refusal to sell arms to Chile she were overpowered by a neighboring country, regardless of the character of its government, who was bent on its own territorial aggrandizement? Would that be good?

Mr. HUMPHREY. We are not required to police the whole world.

Mr. TOWER. I am not saying that. I am not talking about policing the world.

Mr. HUMPHREY. What is the Senator talking about?

Mr. TOWER. How is this country going to defend itself from its external foes if we do not sell arms to our friends?

Mr. HUMPHREY. Does the Senator think the Argentines, the Colombians or Paraguayans are going to attack us?

Mr. TOWER. Not us, but they will be attacked.

Mr. HUMPHREY. They may attack each other, but we are not going to settle every fight that goes on.

Mr. TOWER. Then we are not concerned about their defense?

Mr. HUMPHREY. We are concerned, but we are not obligated.

Mr. TOWER. In other words, we would leave the defenses to the more powerful neighbors?

Mr. HUMPHREY. Not at all.

Mr. TOWER. That is what the Senator is suggesting we do.

Mr. HUMPHREY. Not at all. All I am suggesting is that we have a right to determine to whom we sell weapons.

Mr. TOWER. And we have a right to determine to whom we will sell wheat.

Mr. HUMPHREY. Yes, indeed.

Mr. TOWER. If the sale of weapons is a good carrot and stick approach with the idea of compelling more perfect human rights observance on the part of a country, is not food even more compelling?

Mr. HUMPHREY. Let me just say this: We are not trying to compel anything. We are simply saying if there is a gross violation of human rights which can be documented, which the President does not have to declare—we are not putting the President in that bind; we are not putting the Secretary of State in that bind—if the Congress has expressed its concern over the issue and finds there is a continuing pattern of cruel and inhuman treatment and a gross violation of human rights, then the Congress, if it wishes, by concurrent resolution, can stop the flow. What have we proposed in the flow of weapons? What have we proposed? We have simply proposed in this measure a mechanism, that is all. We have proposed a mechanism so that we get the facts. I am amazed that my distinguished, scholarly friend from Texas, a brilliant mind, a man of unsurpassed scholarly quality, would stand here and want to make judgments without facts. The Office of Human Rights has this specific function; to respond to requests from a concerned Member of the Congress or a committee of the Congress, "What evidence is there that country X violates human rights?"

That does not mean that we will stop the supply of weapons to that country. It may be that they did not violate human rights. Maybe a majority of the two Houses of Congress does not believe we should stop them.

But if we are going to put human rights issues in legislation, let us have a way of effectuating it. Let us not just simply say we believe people ought not to be hurt, they ought not be tortured, they ought not to be abused, and then say, "Good night, amen." Not at all. We are saying that if we put the policy statement in, we have to have the means to implement it.

Mr. TOWER. All right. Let me couch this in the form of a question: What is our objective in not selling arms to them, if they are considered to be in violation of what we perceive to be basic human rights? What is the objective, to perfect them, or to try to encourage them to do better?

Mr. HUMPHREY. There are three objectives. One is to see that we do not engage in that kind of traffic with a government that practices brutality on its own people, most likely using the weapons which we would send them.

Mr. TOWER. To display our own moral virtue?

Mr. HUMPHREY. Listen, there is nothing wrong with the United States standing before the world with clean hands.

Mr. TOWER. Well, proceed.

Mr. HUMPHREY. Secondly, we do not want to identify ourselves with totalitarian regimes through the sale of weaponry which can be used for oppressive purposes.

Thirdly, we have the right and option as a country to determine to whom we are going to sell our weapons. There is no obligation for this Government to sell weapons to anybody, unless we think it will fulfill our own national security purposes.

Mr. TOWER. So the Senator is saying we are not trying to encourage them to improve their role in supporting human rights, but to withdraw from any kind of identity with them for the sake of our own image; is that right?

Mr. HUMPHREY. I would like to get them to improve their human rights, but I am not so foolish as to believe we can get them to do what we want them to do. I do not believe in aiding them and abetting them in their abuses. I do not believe in putting into their hands weaponry they can use against their own people.

Mr. TOWER. Do we not aid and abet the Soviet Union if we sell them wheat to make up for their own shortfall in production? It is my view that probably the Soviets could raise the wheat if they were willing to devote the resources and manpower to it. Why should we identify with that regime, which I think everyone here would concur over a period of time has been one of the most repressive in human history?

Mr. HUMPHREY. Let me say most respectfully, because I have great respect for the Senator from Texas, that the statement he has just made is not supported by any fact whatsoever, and he should know better. He knows that the Soviet Union has put billions of rubles into trying to make its agriculture more productive.

Mr. TOWER. Why not let them put in more billions of rubles? Why do they not stop making planes and tanks and make tractors? Why do they not stop making missile fuel and make fertilizer?

Mr. HUMPHREY. My dear friend, they still cannot change the growing season. Not even from Texas can you change the growing season. When it is cold it is cold, and when there is frost there is frost, and 85 percent of all the tillable land in the Soviet Union is in the same latitude as Canada.

There is only one force in the world that can make the Soviets self-sufficient in food, and that is God Almighty, and they have repudiated him. [Laughter.]

Mr. TOWER. Well, this all sounds very good. Perhaps the question of whether they could or could not be self-sufficient in food is arguable; but one thing is not arguable, and that is that we aid them and abet them by shipping them food.

Mind you, I voted against the amendment denying them the sale of food. I think that ought to be a judgment matter. We need some things from them, such as their technique for the gasification of coal. But it seems to me if we want to give incentives to countries to improve their records in terms of the observation of basic human rights, food is a far more powerful weapon than military sales.

We do not apply the same standards to the Soviet Union. Why? Because they are big and tough, and we know we cannot get anywhere. We are probably not going to get anywhere with these smaller countries, either. Let them turn to the French to provide them with the Mirage aircraft and whatever else—instead of buying American equipment.

Mr. HUMPHREY. They do not buy them from the French.

Mr. TOWER. I am not talking about the Soviet Union. We are talking about smaller countries. We are talking about alienating friends. Talking about Allende, has the Senator seen a Marxist government in any country anywhere in this world that was not repressive? What about the government in Portugal? They got 12 percent of the popular vote, yet the Communists determined they were not going to relinquish the reins of control of that government, until finally the moderates got together and threw them out.

Mr. HUMPHREY. And the Senator and I were on their side.

Mr. TOWER. But let us not be naive. We never express a concern about leftwing dictatorships in this body, just rightwing dictatorships. Every time a rightwing dictatorship appears, we have the awfullest cries of outrage you ever saw. But the fact of the matter is, we are all so self-righteously preoccupied with the idea of what rightwingers do to repress human rights that we cannot perceive where our national interest lies, and day after day, to pander to certain ethnic prejudices in this country and to pander to certain press commentators, we take off on the rightwing juntas, who do not share this danger of exporting their brand of economics to other countries, as leftwing dictatorships do.

Look at Chile. Chile proceeded, under Allende's government, and became a springboard to further the Sovietization of all South America.

We do not perceive our national interest any more, but we pander to what we perceive to be our concept of the national interest. But talking about apples and oranges, the fact is we do not apply the same standard to the Soviet Union, or we would say "No more food until you show more concern for human rights."

Mr. HUMPHREY. Most respectfully, I say that if the Government of Chile wants to buy some more food at world prices from the United States——

Mr. TOWER. You will sell it to them.

Mr. HUMPHREY. We will sell it to them, and if they want to buy some shirts, some clothing, some tractors, we will sell it to them, but we are not going to sell them military equipment.

Mr. TOWER. I still fail to perceive the difference.

Mr. HUMPHREY. It is exactly the same way with the Soviet Union. The Senate voted not even to permit most favored nation treatment to the Soviet Union, because of its violations of human rights. This body voted to restrict the Soviet Union on Export-Import Bank loans because of its violations of human rights. We do not ignore leftwing dictatorships but let me say I believe a dictatorship is a dictatorship, and there is no difference between leftwing and rightwing, except the color of the shirts they wear.

I do not disagree with the Senator on his views of totalitarian governments. All I am saying is, the argument here is, should we have the mechanism in this bill to help Congress make a decision on the basis of violations of human rights? That is all.

Mr. TOWER. If you really want to pinch a country, or withdraw from any kind of identification with them, or try to give them an incentive to do more in the field of human rights, what is the one thing most calculated to do that? Not a withdrawal of arms sales, but a withdrawal of food.

Mr. HUMPHREY. There is a difference. Food feeds the masses of people, and weapons suppress the masses of people.

Mr. TOWER. But the people who are fed are the people who would be most likely to rise up and topple the Government of the day.

Mr. HUMPHREY. Let us talk about the people of Chile today—Catholic, God-fearing people. I am not going to starve those people, not with my vote.

Mr. TOWER. I am not advocating that.

Mr. HUMPHREY. But, Mr. President, I am simply saying, I am not going to give that Government the weapons to suppress its people.

Mr. TOWER. I am just saying you have a double standard here that simply does not wash. It does not work.

Mr. HUMPHREY. I have a double standard, you bet.

Mr. TOWER. If the Senator wishes to punish them for their failure in human rights.

Mr. HUMPHREY. I have a double standard: food for people and no guns for oppressors. That is my double standard.

Mr. TOWER. Is the Senator sure that the people are going to get food if we send it to them? Who is going to dole it out? The Government is.

Mr. HUMPHREY. They have a better chance of getting food, may I say, than they have of getting good use out of weaponry put on them.

Mr. TOWER. The purpose of weaponry, at least in the American view, is to deter an attack and to provide a climate of security in which differences can be negotiated.

It seems to me that, by alienating ourselves from a government and by discriminating against them, we deny ourselves any influence over them.

Time and again it has been proven that, when we deny assistance, sales, or normal relationships with the Government because of some internal policy, we create a domestic political situation in that country that makes it impossible or, at the best, very difficult, for us to have very much influence over them.

Look at the arms ban on Turkey. I cannot think of anything more stupid, and I will say "stupid," that this Congress has done, viewed in the context of our national interest, than that. And what did that do to alter Turkish policy? It did nothing at all.

What we are doing here is meddling in the internal affairs of these countries, however much we disagree with what they do, in such a way as to exacerbate our differences and not reconcile them.

I submit that, by this kind of head-in-sand policy, what we are doing is diminishing American influence.

We are already being viewed in this world as innocent children with the power of a giant. We do not know how to use our power, and the international confidence in the United States is eroding steadily day by day.

Read the accounts in the European newspapers and see what I mean.

They have a diminishing amount of respect for us. The day is coming when this country is going to be irrelevant in international affairs, because we have a kind of myopia that causes us to base our judgments on a popular whim of the moment or on the basis of the forced application of the standard of morality to which we adhere but to which we cannot reasonably expect others to adhere. Because we ignore the national interest and fail to use our power wisely and pragmatically is certainly no virtue over the long pull. If by the facts we someday become irrelevant we would have proved to be wanting in virtue because we have had in our hands the power to save mankind and we failed.

As I see it, this is another exercise in foolishness.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, I simply wish to make this one comment:

There is not a thing in this bill in the human rights section that will deny any kind of assistance to our NATO allies, which is the bulwark of our defense. None.

There is not a thing in this bill which will deny us the kind of assistance that the great country of Japan needs as a part of our mutual security. None.

There is not a thing in this bill that will deny most of the countries in Latin America the kind of assistance that they need. None.

There are a few places in the world where there is an unbelievable cruel violation of human rights. I think the United States of America will not weaken its role in the world either as a military leader, a financial leader, an economic leader, or a moral leader, by subscribing to principles on which this Republic has been standing and dedicated for years, years, and years.

Mr. President, let me summarize the arguments against this amendment to delete certain human rights provisions.

Our experience with current provisions indicates existing law is not strong enough;

The report provided by State Department this year in reply to section 502(b) was totally nonresponsive;

The creation of a Human Rights Office answerable to Congress would provide additional information on which to base decisions and create a positive force within the State Department intended to generate alternative action.

Overall, the added teeth on human rights provided by the portions which Tower would delete would give new content and meaning to U.S. foreign policy by establishing human rights as an important foreign policy consideration.

The previous presumption has been that all countries could receive aid unless those concerned about human rights could build an overwhelming case against such aid.

The bill seeks to set up a situation whereby burden of proof is on executive to justify aid to repressive regimes.

We should not have to wait until a situation is as bad as that in Chile has become before the Congress can act.

I yield to the Senator from California.

Mr. CRANSTON. I thank the Senator.

Mr. President, I rise in support of the human rights section of the security assistance bill now before the Senate. It is the result of considerable effort on my part, and my staff, over a long period of time. It is the result of constant dedication to the cause over many years by Senators ABOUREZK, MCGOVERN, KENNEDY, and JACKSON, among others. And most importantly, it comes from the concentrated labors over many weeks of the Subcommittee on Foreign Assistance of the Foreign Relations Committee, chaired by the able Senator from Minnesota, Senator HUMPHREY, and joined by the Senator from New Jersey (Mr. CASE) and the Senator from New York (Mr. JAVITS).

So it is a composite effort, Mr. President.

By way of indicating the inadequacies of the present law, and as a means of illustrating the need for change, I would like to chronicle the experiences of one Senator in trying to encourage greater attention to human rights in American foreign policy, and to disassociate our beloved countries from the tyrannies and the tortures engaged in by regimes we arm.

Beginning in late 1974, at the time section 502B of the present law was passed by Congress, I, along with Congressman FRASER and other Representatives, have met with the Secretary of State on several occasions within the past year for the purpose of discussing the proper relationship between human rights concerns and other American foreign policy goals.

At two of those meetings I was promised by a high official in the State Department that I would be provided with a study of the status of human rights in countries receiving foreign assistance from our Government. I was asked for a sample list of countries, which was supplied by my staff, with the understanding that the Department would provide an analysis of human rights conditions in those countries to my office. These initial reports were to be followed by similar reports on other countries.

Mr. President, I have yet to receive a single report on any country. Such reports do exist, by the way. All U.S. embassies were asked for human rights status reports on their particular countries last winter, following passage of section 501B.

Over the months I have placed several calls to the State Department about this matter. In early July, I called the Coordinator for Humanitarian Affairs to ask for the promised reports. I was told I would receive them on all security assistance recipient countries in August. They never came.

Following the submission of a statement on human rights by the Department of State in late fall, that was not in compliance with the intent of section 502B, I met with the Under Secretary of State for Security Assistance on December 3. He promised that I would receive the reports on individual countries if I would submit a list. I submitted a list of 16, and I have yet to receive a single report, let alone an answer to my letter of December 5. In succeeding phone calls to this official, I was told I might get a "peek" at them but that I could not keep them. I have yet to peek into one folder. The sense of mystery is overwhelming! So I have had to revert to extensive accounts in American newspapers for documentation of violations of human rights in the Philippines, Korea, Brazil, Ethiopia, Chile, Indonesia, and Zaire—to list a few notorious examples.

Thus we come down to the present time, Mr. President.

Why should we pass new human rights legislation? That is the question, and here is my answer.

Simply put, these are tax dollars to the tune of over $4,500,000,000 that Congress is being asked to approve in security assistance for fiscal year 1976. As we know, when the foreign military sales that the Government is likely to underwrite or approve in this fiscal year are taken into account, we are dealing with a new figure of well beyond $10 billion.

And when we think of all the housing and the health care—no national health insurance—the transportation needs that go unmet, the pollution and the poverty that we do not bring resources adequately to bear upon, why should we squander money, and "squander" is the correct word for much of it, on tyrants, giving them tools to hold down their own people and to attack their neighbor?

Congress has the right and the duty under the Constitution to require any information from the President that we feel is relevant in reaching legislative decisions on matters of this magnitude, not only in terms of dollars but in terms of the human rights affected by these dollars one way or another. We cannot abdicate these judgments, nor control over the information behind the judgments, to the executive branch. If we do that, that is the path to one-man rule in our land. The security assistance bill authorizes American tax dollars and grants legislative approval for arming foreign governments. This is a decision for Congress in the final analysis, but the policy judgments are a joint responsibility of course with the President.

Unfortunately, the State Department and the White House do not seem to give the attention to human rights in reaching foreign aid decisions that majorities in both Houses of Congress desire. The committee bill says that Congress is entitled to receive as much information as is available in regard to the status of human rights and freedom in countries receiving, through our tax dollars, security assistance.

The committee bill would then permit us in Congress to take that information and weigh its relevance along with the national security judgments made by the President and the Secretaries of State and Defense and our own national security judgments.

Then we can take that information and weigh its relevance, along with the "national security" judgments made by the President and the Secretaries of State and Defense. If Congress—as the elected representatives of the people—wants to give more importance to human rights concerns in the total scheme of things, then we have the right and the power to do it.

But the bill does not contain an automatic security assistance cut off provision in regard to particular countries. Rather it is an information requirement, designed to arm Congress with what it needs to make wise policy judgments prior to extending security assistance or allowing arms sales to countries around the world.

I believe that we should re-evaluate security assistance programs in regard to particularly repressive regimes, and there are quite a few very repressive regimes headed by tyrants that presently receive our aid.

This legislation provides a formula for doing that. It is designed to insure that human rights concerns will be a major factor in the future decisions of our Government in granting or selling weapons and training and other forms of security assistance around the world, or refusing to do so.

Our experience here in Congress, over the years with various administrations, in foreign and domestic policy legislation, can be summed up in a phrase: When we legislate policy in general terms, they ignore us at the other end of Pennsylvania Avenue; when we legislate in specific terms, they resent it, but presumably, they must obey it. They will have to follow the dictates of the bill as written. They would have a lot of leeway and choices if the Tower amendment were adopted, as I trust it will not be.

I believe it is time to get more specific in regard to human rights and foreign assistance—as, indeed, the Senate was in its own human rights amendment last year.

The legislation we are considering today is tougher than section 502B of the present law, and it builds upon the admirable efforts of Representative HARKIN and Senators McGOVERN and ABOUREZK to raise human rights standards in connection with the foreign economic assistance program. Last December when Congress passed section 502B of the Foreign Assistance Act, many of us thought that a significant step forward had been taken. That law reads:

> Sec. 502B. Human Rights.—(a) It is the sense of Congress that, except in extraordinary circumstances, the President shall substantially reduce or terminate security assistance to any government which engages in a consistent pattern of gross violations of internationally recognized human rights, including torture or cruel, inhuman or degrading treatment or punishment; prolonged detention without charges; or other flagrant denials of the right to life, liberty, and the security of the person.
>
> (b) Whenever proposing or furnishing security assistance to any government falling within the provisions of paragraph (a), the President shall advise the Congress of the extraordinary circumstances necessitating the assistance.
>
> (c) In determining whether or not a government falls within the provisions of subsection (a), consideration shall be given to the extent of cooperation by such government in permitting an unimpeded investigation of alleged violations of internationally recognized human rights by appropriate international organizations, including the International Committee of the Red Cross and anybody acting under the authority of the United Nations or of the Organization of American States.
>
> (d) For purposes of this section, 'security assistance' means assistance under chapter 2 (military assistance) or chapter 4 (security supporting assistance) of this part, assistance under part V (Indochina Postwar Reconstruction) or part VI (Middle East Peace) of this Act, sales under the Foreign Military Sales Act, or assistance for public safety under this or any other Act.

Yet despite the wording in that law, now the law of the land, and its clear intent, Congress, contrary to provisions requiring this in that bill, in that law, has not received in fiscal year 1976 a report from the President advising the legislative branch of the "extraordinary circumstances" necessitating security assistance to governments that grossly violate human rights.

Nor do we have from the President a "detailed plan for the reduction and eventual elimination of the present military assistance program" as required by section 17 of the Foreign Assistance Act of 1974.

Instead, we have a statement from the Secretary of State and a report from the State Department that ignore and evade the spirit and intent of the laws passed by Congress on this subject.

In the Secretary of State's statement to the House International Relations Committee on November 6, in regard to the security assistance program, there is incredibly no mention of human rights as a factor in the decisions to extend security assistance to particular countries.

Clearly, other considerations dwarf these concerns in the Secretary's mind. At one point he states:

> The United States cannot expect to retain influence with nations whose perceived defense needs we disregard. Defense supply links to these countries can significantly strengthen efforts to achieve cooperation on other issues.

He goes on to argue:

> And there are gains to our domestic position as well. Security assistance programs contribute needed jobs to several sectors of our labor force. They help us maintain a more favorable balance of payments. And they permit our defense industries to achieve significant economies through scale of production.

Something is missing here, Mr. President. There is no mention of human rights under "the criteria of security assistance" listed by the Secretary.

I find it very difficult to understand, in light of the wording of section 502B, why there are no statements by the President or the Secretary either in the document entitled "Security Assistance Program, Congressional Presentation, Fiscal Year 1976" or in the Presidential message to Congress of October 30, setting out the "extraordinary circumstances" that warrant military assistance and other forms of aid to certain regimes.

Does this omission mean that the State Department has concluded that not a single one of the 45 or so counties, for which security assistance is requested in fiscal year 1976, has a government that, in fact, consistently engages in serious violations of internationally recognized human rights?

In light of what everybody knows is

going on in this world, that would be a preposterous conclusion. I assume it is not the Department's conclusion, but I am unable to explain why they have not complied with the law.

I draw attention to the belated, unsigned report received on the Hill from the State Department on November 18. It is entitled: "Report to the Congress on the Human Rights Situation in Countries Receiving U.S. Security Assistance."

After citing the law—section 502B—it states:

> We view Section 502B as an authoritative expression of Congressional concern for human rights in all countries receiving security assistance.

The report then states that each U.S. mission in 68 countries has submitted to Washington its classified analysis of the human rights situation within the country in which it is located.

The report goes on to declare that, based on the embassy submissions:

> Repressive laws and actions, arbitrary arrest and prolonged detention, torture or cruel, inhuman or degrading treatment or punishment, unfair trials or other flagrant denials of the rights of life, liberty and the security of the person are not extraordinary events in the world community.

But the report also states that—

> Some countries, of course, present more serious evidence of violations than others.

Then the report raises two questions:

> When we consider using security assistance as a possible lever to improve the human rights situation in a particular country we are faced at the outset with at least two fundamental questions:
>
> (1) Would the substantial reduction or termination of security assistance to that country damage our own national security?
>
> (2) Would the substantial reduction or termination of security assistance improve or worsen the human rights situation in that country or make it more difficult to make our views known?

The report continues:

> We know that some members of Congress feel that the U.S. Government should simply disassociate itself from repressive governments, even if such actions would have no effect on human rights problems there. Others feel that if our security interests (or other kinds of national interests, for that matter) are strong enough, these interests should prevail. Our view is that while both security interests and human rights are important, each country needs to be looked at individually to determine where our predominant interests lie in every case.
>
> We believe, in the spirit of Section 502B and the statements of policy quoted above, that the USG should take positive actions to improve human rights wherever possible. There are many ways of doing so, however, by direct and indirect means, such as diplomatic representation, multi-lateral efforts in concert with other countries, educational and exchange programs and the pressure of public and private opinion.

But, Mr. President, the issue is not simply resolved by what the State Department considers, knows, believes. Because the Congress of the United States has made the judgment, the Congress of the United States has set the policy, the Congress of the United States has passed the law of the land—which is section 502B.

Near the end of this unacceptable report, there is this far-reaching conclusion:

> In view of the widespread nature of human rights violations in the world, we have found no adequately objective way to make distinctions of degree between nations. This fact leads us, therefore, to the conclusion that neither the U.S. security interest nor the human rights cause would be properly served by the public obloquy and impaired relations with security assistance recipient countries that would follow the making of inherently subjective United States Government determinations that "gross" violations do or do not exist or that a "consistent" pattern of such violations does or does not exist in such countries.

The attitudes so prevalent in this document might well be characterized as "malignant neglect."

There is the inference that "everybody does it"—so why make an issue of it? But this is America, Mr. President. Of all the gifts bestowed on this country, the one that alone remains as the great American exception is the constitutional system in a democratic setting. For all our domestic and foreign mistakes, our record as a civilized society commands respect. If we do not respect our own history and hold up the torch of democratic ideas, who will? And if we do not, who are we?

When we hear about repression in another country—and there are gross violations against humanity occurring in countries to which we give military assistance—do we keep our distance? What would the Secretary of State have us do? Do we take the attitude that "After all, what does it have to do with us?"

I am aware, of course, that some would say this is lofty idealism in the face of the real facts of life on the international scene. It is argued that the realistic course is to continue military aid and military sales to repressive regimes, regardless of their tyrannies and tortures, for various reasons. But it is realistic, Mr. President, to aid particularly repressive regimes in the name of "stability" or "leverage" or "national security"? It did not prove so in Vietnam.

I believe that, very often, idealism is the better part of realism on this issue; that the so-called idealists are rather realistic. I do not mean just in terms of our image in the world, but also in terms of concrete results. Do we advance our true national security interests over the long run by supporting or supplying very repressive regimes? I think not, although I recognize there may be some extraordinary circumstances in the case of certain countries, and the present bill takes this into account.

The administration maintains in the report that there is "no adequately objective way" to determine if gross violations of human rights are occurring, and that no good cause is served by a "public obloquy" on the matter.

But testimony presented by Freedom House contradicts the claim that there is no way to objectively assess the human rights situation in a particular country, especially to ascertain if there have been gross violations such as torture and detention without trial.

In addition, Mr. President, we know that the State Department has prepared human rights reports on individual aid to recipient countries. They gave a very detailed one on Korea to Representative Fraser's Subcommittee of the House International Relations Committee last summer.

But, this argument aside, Mr. President, I would hope we as Americans have some subjective feelings about what is going on today in Chile, Brazil, Korea, Indonesia, Ethiopia, Zaire, the Philippines, and Cyprus—to name a few countries which have been touched by our security assistance program. Can the State Department give us some examples of where quiet, but forceful diplomacy has made a difference in dealing with the way a tyranny treats its people?

The PRESIDING OFFICER (Mr. HANSEN). The Senator's time has expired.

Mr. HUMPHREY. Mr. President, I yield the Senator 2 minutes on the bill.

Mr. CRANSTON. I hasten to note, Mr. President, that many responsible individuals in the State Department are deeply concerned about human rights.

Ambassador Moynihan in recent months has eloquently focused the attention of the world on the repressive practices of dictatorial regimes.

But the most impressive statement of all was given recently in Boston by Mr. William D. Rogers, the Assistant Secretary of State for Inter-American Affairs, in a November 4 speech before the Pan American Society. He, in effect, answers the indifference of others in his department.

I would like to quote one passage from his noteworthy address:

> We have not been immune to the imperial virus. But after each deviation from the conception of the U.S. as vanguard in an unrelenting struggle to enlarge the frontiers of human freedom and justice, we have purged ourselves with self-criticism and reaffirmed the original vision. In this country, the cynics and the Realpoliticians have not enjoyed permanent employment.
>
> How then to structure the human rights inquiry in a way which will recognize these complexities? What, in other words, are the standards against which national behavior in the human rights field is to be judged? And how is the process of judgment to occur?
>
> There is a yardstick of public inhumanity. Every country is represented somewhere on it. No national record is unblemished.
>
> But there are differences of degree, even after one makes a proper allowance for varying historical experiences and levels of economic, social and political evolution.
>
> And there are, in the end, qualitative thresholds. These are the limits below which no government can fall without international judgment. Mass murder, officially tolerated torture, mass imprisonment or exile of those who peacefully dissent, comprehensive denial to some racial, religious or ethnic group of the opportunity to participate in the various social values, these acts are beyond the pale. They transgress the minimal standards of decency declared by mankind at large in the Universal Declaration of Human Rights, and the American Declaration of the Rights and Duties of Man, as well as a plethora of UN Resolutions, regional covenants and virtually all national constitutions. These international governing norms are so unequivocal and so profoundly embedded in the contemporary conscience that even those governments that perpetrate these acts feel compelled to deny them and conceal their delinquencies.

Mr. President, it should be obvious that Congress needs to pass new legislation to achieve its goals in regard to human rights. Therefore, today I urge passage of the human rights section of the security assistance bill designed to establish a formula for congressional approval of executive decisions to provide aid to regimes violating human rights. This, too, is a "sunshine bill." The Tower amendment should be defeated for these reasons.

Mr. JAVITS. Mr. President, will the Senator yield me 2 minutes?

Mr. HUMPHREY. I yield.

Mr. JAVITS. Mr. President, unhappily, I have had to be in conference and have not heard all the debate that I would like to have heard. However, I wish to tell the Senate that of all the provisions in this bill, this one had the most careful draftsmanship and consideration.

We bore in mind the situation we are in, which, notwithstanding the strongest dictates of national policy, we are always in some role of supporting, for very important and good reasons, but we find ourselves on the wrong side with many of these countries on the human rights issue.

As we know, those reasons are very valid, and it took us a long time to work out a way in which to deal with that problem.

Every part of this amendment, I wish to represent to the Senate, including those who oppose, has been considered very carefully in relation to every other part and to the aggregate policy of the United States, even to the responsibility of individual officials of the Government—the President or, in other cases, an official other than the President, for very good reason.

I say to the Senate that of all the amendments on which I worked in respect of this bill—and it was strictly a labor of agency, as I was working for many Members in this regard—this is the one which I think is the most delicately fashioned and balanced to accomplish what we should do—try to bail us out of the situation which we are too often in because we are such a great power and have so many interests in the world, and at the same time to give decent respect for the human values which are here concerned.

I hope very much that the Senate will sustain us as we stand, because every time we tinker with something in this, we will dislocate something else.

The PRESIDING OFFICER. Who yields time?

Mr. TOWER. Mr. President, I am prepared to yield back the remainder of my time. I think other Senators have amendments. I wonder whether the Senator from Minnesota would think it would be fair to those who have very little time for us to agree to vote at 5 o'clock on the pending amendment.

Mr. HUMPHREY. Mr. President, I believe that is a very good suggestion. I ask unanimous consent that the vote on the Tower amendment, just discussed, be delayed to just prior to final passage, which is scheduled for not later than 5 o'clock.

The PRESIDING OFFICER. Is there objection?

Mr. PERCY. Mr. President, reserving the right to object, is it possible that it be a 10-minute vote?

Mr. HUMPHREY. I also ask unanimous consent that that rollcall vote be——

Mr. TOWER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TOWER. Under the usual form, if there has been an agreement to vote on final passage at 5 o'clock, that does not preclude all amendments that are pending at the moment from being voted on at 5. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. TOWER. In sequence.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HUMPHREY. So the unanimous consent agreement is that we vote just prior to 5 o'clock, with a 10-minute rollcall vote on the Tower amendment.

Mr. PERCY. Mr. President, reserving the right to object, is it possible to advance the vote on the Tower amendment to a little before 5?

Mr. BAKER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. BAKER. Is it the unanimous-consent request, in the first instance, that it precede the vote on passage at 5 o'clock?

Mr. HUMPHREY. That is correct; it would be a vote prior to the vote on final passage.

The PRESIDING OFFICER. The vote on the Tower amendment, as the Chair understands——

Mr. HUMPHREY. Mr. President, may I ask the Senator from Tennessee what he said?

Mr. BAKER. According to my understanding of the request, the vote on the Tower amendment would occur at 4:50.

Mr. HUMPHREY. That is correct, 4:50.

The PRESIDING OFFICER. Is there objection?

Mr. BARTLETT. There is objection.

The PRESIDING OFFICER. Objection is heard.

Mr. BARTLETT. Mr. President, I have an amendment, and it was my understanding that I would have a chance to call it up.

Mr. HUMPHREY. That is what we are trying to do.

Mr. BARTLETT. And that I would have 30 minutes. I also understood that the Senator from Minnesota was going to yield 10 minutes to the Senator from Virginia, and I planned to ask for a yea and nay vote on my amendment if it was not accepted by the distinguished Senator. I am afraid that with the 4:50 vote on the Tower amendment, I might be precluded from having the full time.

Mr. HUMPHREY. There is an easier way. We will just proceed in regular order. That will clarify everything.

Mr. THURMOND. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The question is on agreeing to the amendment. On this question the yeas and nays have been ordered.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield to the Senator from the time on the bill.

Mr. THURMOND. Mr. President, I wish to have about 3 minutes to propound a statement and have the Senator comment on it sometime before the bill is voted on.

Mr. HUMPHREY. We will do our level best, but we have a unanimous-consent agreement not to vote later than 5 o'clock.

Mr. BARTLETT. Could the Senator make the request that the Tower amendment be voted on at 5, or any other pending amendment?

Mr. TOWER. If the Senator will yield, my purpose here was to put off any further votes until 5 p.m., then all amendments could be voted on in sequence before final passage. I tried to give more time. If that request is objected to, it takes up more time.

Mr. BARTLETT. I have no objection to that.

Mr. BAKER. Mr. President, parliamentary inquiry. I do not mean to be hard-nosed, but do we have a unanimous-consent order down to vote on passage at 5 p.m.?

Mr. HUMPHREY. Not later than 5 p.m. That is the unanimous-consent order.

The PRESIDING OFFICER. To vote not later than 5 p.m. But that would not preclude further amendments.

Mr. HUMPHREY. But without debate.

The PRESIDING OFFICER. There would not be time to speak to them.

Mr. BAKER. The point of the matter is that if the unanimous-consent request propounded here were granted, it would modify the previous unanimous consent order and we would vote on passage sometime after 5 p.m., after the Tower amendment.

Mr. HUMPHREY. No, the unanimous-consent request of the Senator from Minnesota was that, just prior to the 5 o'clock vote on passage, prior to that time, there would be a vote on the amendment of the Senator from Texas (Mr. TOWER). That hour would be 4:50.

The PRESIDING OFFICER. The Chair states that the effect of that unanimous-consent agreement would be not to change the existing order.

Mr. HUMPHREY. That is correct. Therefore, the Tower amendment vote would be at 4:50.

The PRESIDING OFFICER. Is there objection?

Mr. HUMPHREY. With a 10-minute rollcall.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. WILLIAM L. SCOTT addressed the Chair.

Mr. HUMPHREY. Mr. President, I yield 5 minutes to the Senator from Virginia.

Mr. WILLIAM L. SCOTT. No, Mr. President, it will take me approximately 10 minutes.

Mr. HUMPHREY. I shall yield up to 10 minutes.

Mr. JAVITS. I have an amendment which will be acceptable. I should like to have just 2 minutes.

Mr. HUMPHREY. Let us get this one out; then we shall come to the Senator from New York.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WILLIAM L. SCOTT. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. WILLIAM L. SCOTT. Mr. President, I do not have an amendment to offer, but I rise in opposition to the bill. I wish to state briefly my reasons for opposing it. While the measure is designated as an International Security Assistance Act, I feel we should be interested in what is best for the security of the United States and that international security is secondary to our own security. In my opinion actions of Congress in the international field should be prefaced upon how our actions relate to our own national defense.

This bill would authorize appropriations of more than $3 billiion for the current fiscal year—this at a time when our budget deficit for the current fiscal year, according to a February 16 report of the Budget Committee, is estimated to be $74.1 billion. Of course, we need to have an adequate national defense and hopefully friendly allies in the event a military conflict should develop but I believe that economic prosperity is also an important factor in our overall defense posture. It is my understanding that we had a deficit for the last fiscal year of $43.6 billion. The Committee on the Budget now estimates a deficit this year of $74.1 billion and even though the budget submitted by the President for the next fiscal year contains a deficit of approximately $43 billion, comparisons of the deficits estimated by Presidents in the past and the actual deficits at the end of the year would indicate that the deficit will far exceed the President's estimate. In view of our fiscal condition this foreign aid measure does not appear to be in the best interest of the people of our own country.

For a number of years the Congress has provided broad-brush foreign aid programs and the report filed with this proposal indicates the Committee on Foreign Relations is attempting to get some sort of a handle on this situation. Nevertheless, I believe we should look at the history of foreign aid commencing shortly after World War II and continuing on an annual basis until the present time. The Library of Congress has furnished a tabulation of the actual budget surpluses and deficits, Federal debt and foreign aid from 1946 through fiscal year 1975. I ask unanimous consent, Mr. President, to have this tabulation printed at this point in the RECORD.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

THE LIBRARY OF CONGRESS, CONGRESSIONAL RESEARCH SERVICE

ACTUAL BUDGET SURPLUSES AND DEFICITS, FEDERAL DEBT AND FOREIGN AID

[In billions of dollars for fiscal years 1946–75]

Fiscal year	Actual budget surpluses or deficits	Federal debt	Foreign aid
1946	−20.676	270.9	6.1
1947	+.754	257.1	6.0
1948	+8.419	252.0	3.0
1949	−1.811	252.6	8.5
1950	−3.122	256.9	5.2
1951	+3.510	255.3	4.7
1952	−4.017	259.1	4.1
1953	−9.449	266.0	6.7
1954	−3.117	270.8	5.7
1955	−4.180	274.4	5.2
1956	+1.626	272.8	5.6
1957	+1.596	272.4	5.4
1958	−2.819	279.7	5.3
1959	−12.427	287.8	5.5
1960	+1.224	290.9	5.0
1961	−3.856	292.9	5.6
1962	−6.378	303.3	7.3
1963	−6.266	310.8	7.6
1964	−8.226	316.8	5.7
1965	−3.435	323.2	5.7
1966	−2.251	329.5	7.4
1967	−9.869	341.3	8.0
1968	−28.382	369.8	7.9
1969	−5.489	367.1	7.3
1970	−13.143	382.6	7.9
1971	−29.866	409.5	9.4
1972	−29.113	437.3	11.3
1973	−25.046	468.4	13.2
1974	−17.473	486.2	13.0
1975	−51.023	544.1	[1] 13.0
Total	−284.308	544.1	210.3

[1] Estimate.

Sources: U.S. Budget, Fiscal Year 1977, p. 368 plus previous issues. U.S. Overseas Loans and Grants, 1945–1974, AID 1975

Mr. WILLIAM L. SCOTT. Mr. President, you will note that our national debt has grown from approximately $271 billion in 1946 to over $544 billion last year and that foreign aid has ranged from a low of $3 billion in 1948 to a high of $13.2 billion for 1973 and $13 billion for the current year. This, of course does not include the cost of the Korean and Vietnam wars, the cost of maintaining U.S. military forces in Korea, interest on the money we borrowed to loan or to give to foreign nations around the world, or the cost to the United States of military contributions to NATO over the last 30 years. I understand, however, that the cost figure for U.S. forces and support elements in NATO for the fiscal year 1975 was $10.5 billion. All of these costs are in addition to the $210.3 billion cumulative total in foreign aid, but even that does not represent the entire burden upon our Government. Excluded from these figures also are the costs to the United States of the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Asian Development Bank, the African Development Bank, the Inter-American Development Bank, and the amounts we contributed to the operating expenses of the United Nations.

Information in the House of Representatives Report No. 94–53, which accompanied the foreign assistance and related programs appropriations bill for 1975, estimated the cost to the United States of the Korean war for the fiscal years 1950 and 1951 at $18 billion, the cost of maintaining U.S. military forces in Korea from 1954 to 1973 at $10.3 billion and the estimated cost of the Vietnam war for the fiscal years 1965 through 1974 at $138.2 billion or a total of $166.5 billion for Korea and Vietnam. This House of Representatives report, on page 8, also states,

> Since we have had a surplus in the administrative budget only six times since the end of World War II, it has been estimated that an additional cost of $105,731,600,000 in interest has been incurred to borrow money we have given to other countries.

The House Appropriations Committee report last year also stated that it was anticipated that 100 countries and territories would receive disbursements from various foreign aid programs.

Mr. President, if we consider the $210.3 billion cost of foreign aid shown in the Library of Congress tabulation, add the additional military expenditures in Korea and Vietnam of $166.5 billion and include interest incurred to borrow money provided other countries of $105.7 billion, we arrive at a total of $482.5 billion in foreign aid provided by this country; and even this does not include NATO costs, United Nations costs, or the various international banks and financial institutions to which the United States contributes a major share. I do not believe that we can consider the $3 billion plus cost of the measure before us without taking into consideration the cost of the various other financial assistance programs that will have to be paid by the citizens of this country this year, the vast contributions over the past generation, and what will be expended in the future unless there is a change in what Congressman H. R. Gross used to refer to as the "foreign giveaway programs."

I vote in favor of substantially every military authorization and appropriation bill that comes before Congress. In my opinion, we must maintain a strong national defense as the best guarantee for the peace and safety of our own country, but I believe our defense position is weakened when we expend vast sums of money to other nations in the form of military and economic aid. Even nations unfriendly to one another and oftentimes unfriendly to our own country in the past have received these funds.

Let me add that earlier this year, I solicited the views of the people of Virginia on issues confronting the country in an annual questionnaire. The response indicated that their major concerns were Government spending and the high cost of living. The 92 percent of those responding indicated they wanted our national budget balanced. Certainly we cannot balance the budget, or, in my opinion, act responsibly by approving this foreign aid bill.

This month's Reader's Digest contains a brief item entitled, "Neighborly Example." It indicates that Canada has been helping a number of nations around the world but almost half of the former recipients are being cut off and the funds restricted to those needy nations showing a determination to help themselves. It is certainly a humanitarian act for individuals able to do so to help deserving people less fortunate than they are and this country has many voluntary organizations to help the underprivileged as well as the vast Government sponsored welfare programs.

I believe it is entirely proper for us to use both voluntary and taxpayers' funds to help nations experiencing disasters such as occurred some days ago in Guatemala. But, Mr. President, we are not considering measures of this type, we are still thinking in terms of throwing taxpayers' money all around the world.

My remarks may not change the vote of any Senator. Individual Senators probably have already made up their minds on this matter but at least I wanted to explain to my colleagues and constituents the reason I propose to vote "no."

The PRESIDING OFFICER. Who yields time?

Several Senators addressed the Chair.

The PRESIDING OFFICER. Who yields time? The Senator from Minnesota.

Mr. HUMPHREY. Mr. President, very quickly, I send an amendment to the desk, which amendment has been cleared on both sides of the aisle. It has broad cosponsorship, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Minnesota (Mr. HUMPHREY) proposes an amendment cosponsored by Mr. GOLDWATER, Mr. CASE, Mr. JAVITS, Mr. MONDALE, Mr. CLARK, Mr. TOWER and Mr. DOLE.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following new section:

"SEC. 313. It is the sense of the Senate that the President is requested to undertake immediately an evaluation of the emergency food needs of Portugal.

"It is further the sense of the Senate that the President should take timely action to alleviate such emergency by providing Portugal with food commodities under the provisions of the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480) or other pertinent statutes."

Mr. HUMPHREY. Mr. President, this is merely a sense of the Senate amendment calling upon the President to immediately look into the food conditions in Portugal. The administration has indicated its interest in this matter. This calls upon the President to take timely action to alleviate the food needs of Portugal.

Mr. President, under normal conditions, Portugal, one of the poorest nations in Europe, must import a substantial portion of its food supply. Today, conditions are far from normal for the Portuguese. The Portuguese must find food for 300,000 refugees who have fled to Portugal from the turmoil in its former African colonies, including Angola. If food cannot be imported, grave problems may arise for the people and the government of Portugal.

Mr. President, I believe that our Government should give prompt and serious consideration to the impending food emergency in Portugal. If we act promptly we may be able to avoid hardship for the people of that nation and may avoid additional problems for ourselves.

My amendment expresses the sense of the Senate that the President undertake an immediate evaluation of the food needs of Portugal. I urge its favorable consideration.

Mr. CASE. I, too, wish to express my strong support for this amendment. It is important that we meet the pressing needs of the Portuguese people in this hour of great difficulty.

The PRESIDING OFFICER. Is all time yielded back?

Mr. HUMPHREY. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Minnesota.

The amendment was agreed to.

Mr. HUMPHREY. There is another amendment which will take just a minute that the Senator from Iowa has which has been cleared on both sides.

AMENDMENT NO. 1403

Mr. CLARK. Mr. President, I call up my amendment, No. 1403.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative cleark read as follows:

The Senator from Iowa (Mr. CLARK) proposes an amendment, No. 1403.

The amendment is as follows:

On page 42, strike out lines 7 through 13, inclusive.

On page 42, line 14, strike out "(9)" and insert in lieu thereof "(8)".

Mr. HUMPHREY. This amendment, may I say, relates to a section of the bill having to do with the basis on which our aid is determined, and I ask the Senator from Iowa to make any statement he wishes.

Mr. CLARK. This amendment really deals with dropping a paragraph of the bill which has nothing to do with the authorization in this bill but, rather simply, with what foreign policy considerations shall be taken into account in the provision of assistance.

Mr. President, on behalf of Senator KENNEDY and myself, I have introduced an amendment to strike section 101(a)(8) in its entirety from this bill. This subparagraph states that the President shall, in determining the level of security assistance requests for individual countries, take into account positions taken by such countries in international organizations.

In the first place, this provision adds nothing to the bill since the President is required only to "take into account" positions in the U.N. and other organizations. The President's options are neither augmented nor diminished by this provision. If a country always votes contrary to our views, the President can still request assistance; the same country could always vote with us and still never receive any aid. Thus, this is an unnecessary provision.

More to the point, however, it lends itself to misinterpretation and possible misuse. This provision may well be interpreted by our friends and allies as a threat: It seems to say, "If you do not vote with us in the U.N., then we may well cut off our aid programs to you."

I recognize that this subparagraph, as drafted, is not binding on the administration. But its very approval by the Congress would clearly imply a threat which would be glaringly obvious to our friends as well as our foes abroad.

No one likes to be threatened. Every country is proud of its sovereignty and independence; and the new, small, economically weak countries who make up a majority in the U.N. these days are more sensitive than most.

I ask the Members of the Senate to consider how they—how the people of the United States—would respond if some other country should set up standards, such as how we vote in the U.N., to determine key aspects of our relations. They would not like it; they would resent it. And, being human, they might well respond by telling that country where it could go. Threats usually have exactly the opposite effect from what is intended.

Rather than threats, what we need in our international relations and in our diplomacy is a greater understanding of the problems and a more serious and sustained effort to cooperate with other countries. The initiatives taken by the United States in the seventh special session of the U.N. General Assembly last September were an example of an imaginative approach to the problems facing many countries of the world. As we cooperate with these countries, we will be in a better position to seek their cooperation. Unfortunately, much of the good will gained in the seventh special session was later dissipated by a pattern of intemperate remarks by our ambassador to the U.N. We need more skillful diplomacy in pursuit of more enlightened policies—not more bluster and threat, based on frustration.

In summary, this provision is both unnecessary and unwise. The threat implied is it is more likely to alienate governments and lose us votes in international organizations than it is to get us additional support. We should delete this provision from the bill.

Mr. KENNEDY. Mr. President, last week I submitted an amendment to the pending International Security Assistance and Arms Export Control Act of 1975 which would clarify the provision in section 101 of the bill that says the President "shall take into account," in making requests for military aid and security supporting assistance, "the positions taken by such countries in international organizations which affect important American interests."

My amendment indicated that such considerations "shall not be taken into account in determining the level of humanitarian and related developmental assistance authorized in this or any other act." It is repugnant to me, and I know many Americans, to suggest that how a country votes in the United Nations—such as an African nation facing starvation—will affect American food aid and humanitarian relief assistance. And it must be clear to all that the administration would not penalize major developing countries, however they act at the U.N. and elsewhere; its actions would be limited to the poorest of the poor—those most in need and least able to resist pressures from leading countries in the third world that may organize votes in the U.N. and elsewhere with which we disagree.

It is important that the Congress and the American people go on record against the formulation of a policy which would contravene the clear language of the Foreign Relations Committee report on the International Development and Food Assistance Act which stated:

> The resources provided for in this bill are not to be regarded as tools for the pursuit of short-term political objectives.

The entire thrust of the congressional mandate last year, and the congressional intent this year in revising the foreign assistance program, was to emphasize the purely developmental and humanitarian purposes of the foreign aid program. This clear intent of Congress must not be dismissed or ignored by the administration.

I will not call up my amendment, however. Instead, I urge Senate passage of the amendment offered by the distinguished Senator from Iowa (Mr. CLARK), which I am happy to cosponsor. It would simply delete section 101(8) in this bill, regarding nations which vote against the United States in international bodies.

By deleting this section, it is our hope that a policy which penalizes nations for their votes in international organizations shall not become an instrument of American foreign policy. However, I want to make it clear that, in not calling up my amendment, the passage of the amendment to strike expressly places the administration on notice that Congress will not accept a policy which penalizes nations, for their votes in the U.N. and in other bodies, through our foreign assistance program.

Mr. HUMPHREY. I yield back my time.

The PRESIDING OFFICER. Has all time been yielded back on the amendment?

Mr. CLARK. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa.

The amendment was agreed to.

Mr. BARTLETT. Mr. President, I would like to call up my amendment. It is an unprinted amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

> On page 64, strike lines 18–25; on page 65, strike lines 1–25; on page 66, strike lines 1-25; on page 67, strike lines 1–24; on page 68, strike lines 1–16.

Mr. BARTLETT. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, will the Senator yield me 2 minutes, and only 2 minutes, to consider an amendment and, if he does yield me the time, I will ask unanimous consent so that I may propose it, and that his amendment will immediately be reinstated.

Mr. BARTLETT. I yield 2 minutes.

Mr. JAVITS. Mr President, I ask unanimous consent to send an amendment to the desk which relates to encouraging the procurement by small business, which simply calls for a report, that the amendment may be in order, and immediately to be followed, if disposed of within the 2 minutes, by Senator BARTLETT's amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JAVITS. I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk proceeded to read the amendment.

Mr. JAVITS. Mr President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> On page 115, line 11, insert the following:
>
> SEC. 306. (c) In order to encourage procurements from small business concerns under section 306 of this Act, the Administrator of the Agency for International Development shall be required to issue a report to the Congress every six months on the extent to which small businesses have participated in procurements under such sections and on what efforts the Agency has made to foster such procurements from small business concerns. The Small Business Administration shall be required to lend all available assistance to the Agency for the purposes of carrying out this provision.

Mr. JAVITS. Mr. President, this amendment is submitted on behalf of myself, Senator HUMPHREY, and Senator CASE. It requires the Administrator of AID to issue a report to Congress every 6 months as to the extent to which small business is participating in the procurement under the aid program, and it asks the Small Business Administration to lend all available assistance to the AID for the purpose of carrying it out. I do not think there is any objection.

Mr. President, it is my understanding that the bill will allow AID to set aside a portion of the economic assistance procurement for contract awards to small businessmen and minority businessmen.

According to SBA statistics, in fiscal year 1975 AID provided only 5.73 percent of its total Federal contract dollars as set-asides for small businessmen.

It is my hope that the Small Business Committee will hold hearings on this matter to insure that small businessmen and minority businessmen receive a fair proportion of Federal contracts under AID.

In the interim, I am offering this amendment to section 306 of the act.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York. Is all time yielded back?

Mr. JAVITS. Yes.

Mr. HUMPHREY. I yield back my time.

The amendment was agreed to.

Mr. JAVITS. I thank the Chair and I thank my colleague.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BARTLETT. Mr. President, the effect of my amendment is to delete section 112 which amends the Foreign Assistance Act of 1961 by adding at the end of it a new section 655, and so it deletes the bottom of page 64, all of pages 65, 66, 67, and 68 down through line 16.

The first part of this new section establishes the sense of Congress and, point No. 1, is that the people of Angola should be allowed to determine their own political future without military interference from foreign countries. I think that is just academic trivia. I think you could get the response of a "bully for the Congress," because it is very redundant.

The real situation there was that outside troops numbering some 15,000 Caucasian Cubans, Caucasians in great numbers—when I was there I did not see one black Cuban, but lots of Caucasian Cubans—and Algerians, the Czechs driving tanks, plus technicians from several countries, particularly the Soviet Union, were intervening and fighting against 75 percent of the Angolans represented by the two groups, FNLA and UNITA.

So I think if Congress wants to take a position on Angola then it should look at the real balance there, the real battle that is taking place, and decide whether it wants to join one side which is supported by the Soviets, et al., or if it wants to join the other side which agreed in Portugal, the two forces agreed together with the MPLA, that there would be constitutional government, that there would be elections on November 11. They also favor freedom of the press, and so on, so I think if there is a stand to be taken in that area that would be it on one side or the other.

The second point is it says Congress supports the efforts by the Organization of African Unity to achieve a settlement. Well, this is irrelevant. It is obvious that the OAU has been unsuccessful in achieving a settlement. The MPLA, which asked for the intervention by the Cubans, the Soviets, the Algerians, the Czechs, et al., have virtually won the war. The main fighting has now provided such fierce combat that the MPLA side has gained control of practically all the major cities, and the warfare that is really taking place now is a guerrilla type warfare, so the war is practically over.

The third point is it states that a disengagement by such countries would be a welcome reaffirmation of the spirit of détente both throughout the world and in Africa.

Well, I think that is a lot of pious redundancy. Détente by itself in Angola failed and, I think, one of the reasons it failed was that it was obvious there was not the will of our Government to use any of the power that it had. This power was power in the form of military aid to the side of the UNITA and the FNLA forces.

The fourth point is that the President should do his utmost to seek an agreement among the various parties involved in the hostilities or in the support of such hostilities in Angola, and should seek to terminate such hostilities or such support.

Well, I think it is very clear, Mr. President, that the President, through the Secretary of State, did try shuttle diplomacy to Moscow and he failed, and, in part, he failed—this was on top of using the pressure of détente—because of the lack of will of Congress in support of power that the United States has.

So I think these four points do not face up to the critical questions the Congress should ask itself: Does it have a foreign policy for Africa? Does it have a policy for Angola, Zaire, and Zambia? Does it believe in a containment policy of the Soviet Union and a nonintervention of such countries in any country in Africa?

I think these are the kinds of points that the Congress should face itself with and answer.

Now, we go to section (b) (1) that points out that no security assistance may be furnished to Angola by the President.

That, also, is redundant because military aid has already been cut off.

Then, that is followed by another provision which does provide, in the event the President believes that there should be such aid furnished, certain conditions as to how he may proceed.

I think this is rather presumptuous of the Congress. I believe they are well aware of the fact that the President has served some 25-plus years in the Congress, knows the etiquette and the rules, and certainly does not need to have conditions placed on him as to how he might present an issue to Congress.

As a matter of fact, I think that it would be a more gentlemanly way to proceed to have it clearly understood with the President that if he has any proposals to offer to Congress that he feel free to do so.

Certainly, this is not what I learned in the Dale Carnegie course on "How To Make Friends and Influence People." I think this is one thing that is needed today, for the Congress to open its arms to the Presidency to try to develop a consensus in Africa.

The second paragraph after that, the ii paragraph says that the amounts and types of assistance which have been furnished and which are proposed to be furnished must be provided, and in an unclassified way.

This would mean that apparently Congress would want to help the other side, which we might call the enemy, and provide them with a breakdown of all the equipment that it would be furnishing prospectively and all that it had furnished in the past.

Then in section (b) (1) which follows, it provides that the President, under these certain conditions which are rather restrictive, may make application or may submit to Congress a plan for military aid to Angola, but if either House within 30 days in which Congress is in session—which would be 6 weeks in a normal situation—would disapprove, then this aid would not be forthcoming.

So, for a 6-week period, Mr. President, either House has a veto that hangs over the prospective aid.

I go into these three conditions, the conditions on the President approaching Congress, the publishing of unclassified amounts and types of assistance, and the 6-week delay, because I am just wondering if this is an indication of what Congress has in mind for military aid for another Angola or, on the other hand, is it just an effort by Congress to get the extra pound of flesh from the President so far as Angola is concerned?

So I do not think that this proposal puts the Congress in any particularly good light.

I realize that I have been critical of the main provisions of this proposed new section 665, but I think if Congress wants to cultivate the kind of friendly relations with the executive branch that are obviously conducive and necessary for any kind of foreign policy to develop, that this section should be stricken.

But what should Congress be doing now?

I would like to give a little background, and certainly this background is going to be in hindsight.

The Russians in recent months have changed from a regional superpower to a worldwide superpower.

To see and to hear and ignore Soviet buildup, expansion of power, and presence in Africa and elsewhere in my opinion is naive.

After the adoption of the Tunney amendment, the effect in Africa which I found was rather catastrophic. The South Africans, rightly or wrongly, felt dealt in. There were those that felt that the United States abandoned the cause of freedom. There were those that felt the effect of the Tunney amendment was to aid the Soviet and Cuban aspirations.

There certainly was very strong feeling and opinion that the Tunney amendment undermined the American prestige and leadership in Africa.

Certainly, we were tested and we did not compete.

There were those that felt we lacked the will in Congress.

Currently, the Cubans have some 650 to 700 military in 5 countries in Africa other than Angola. They are, in addition, approximately in 8 more countries, totaling 13 providing economic assistance. And then the Soviets—and I will not read all the amounts—are providing military aid, assistance, in a host of countries, Mali, Algeria, Libya, Egypt, Sudan, Uganda, Somalia, Mozambique, Angola, Nigeria, and Guinea-Bissau.

So we can see that there is a lot of activity in Africa by the Soviets and the Cubans.

I think it is unfortunate that Congress apparently has no plan, nor a plan of containment, nor a plan of deterring outside intervention or dealing with it, other than what exists with détente, what exists with diplomatic relations, what may exist with economic sanctions if they were utilized, but no set plan.

I think this increases the chance of involving American troops and civilians at some later date when we are tested, unless we can develop a containment plan, a good one that will not involve American troops and American civilians in Africa.

I am very much aware that hindsight has many advantages and I am using it at the present time. But I would also use it as far as the administration is involved in this, too. First, I would like to provide a little more background before talking about that.

The Soviets in the fall of 1975 escalated the civil war overnight and the potential for the civil war that would evolve after that November 11 date from a guerrilla to a conventional war, and then provided something that I am sure was not anticipated by anybody, that there would be technicians and soldiers to operate the modern equipment that would be provided from Cuba, the Czechs and the Algerians.

So I would ask us to imagine what would have happened if the Tunney amendment had failed, and the military appropriation had been processed very quickly and had ended up on the President's desk.

I think the situation that would have occurred is that at about the time, or prior to the time, that the President would have signed it in the most expeditious manner possible, massive aid would have been needed to bring about a balance and, second, there would have been a need for skilled troops from somewhere and technicians to operate and maintain the equipment.

I do not know that such a plan existed, but I do know that such a plan did not exist that had nationwide support.

What I think we need to be talking about today is developing a consensus between the executive branch and the legislative branch of our Federal Government. I do not think it is enough to be just in the veto business, but to be creative and to try to develop a plan to let the people of this country know where the Congress stands and, hopefully, where an agreement can be reached by both the administration and the Congress on a policy in Africa, a workable policy that would not involve American troops and which would not involve American civilians.

For this to take place and to be usable it must have public support. This is what was certainly missing as far as any plan to match the tremendous, massive aid provided by the Russians to the Cubans and the others.

I think the Members of the Senate in reviewing Angola must look at the facts which very clearly show that there is intervention by outside powers which have pretty much taken over the fighting for the MPLA, which represented some 25 percent or slightly less of the people in the area originally.

So I feel at a time when we are very proud to celebrate our dedication to liberty 200 years ago, we in the Congress are taking no action on the desire of those in Angola and in other parts of Africa to protect their rights to determine their future and their liberty, to have constitutional government, to have free elections.

We are ignoring the fact that outsiders are coming in and implanting a government on the people of Angola, the MPLA.

I believe it is rather interesting to know the thinking of the President of Zambia, President Kaunda, who indicated that when the MPLA asked for and accepted aid after they were a party, which occurred on the 11th of November, they had no right to do that for the purpose of implanting their government on the people of Angola. He felt that since the MPLA as a party asked for outside force, and apparently, he said, the UNITA forces asked aid from their neighbor, South Africa, this was all right, too, to counterbalance. But at the present time the South Africans are not involved in the fighting in Angola and have not been for some time, nor has our aid been going to the UNITA or the FNLA forces.

Mr. CLARK. Will the Senator yield?

Mr. BARTLETT. I will yield for a question.

Mr. CLARK. I know there are only 5 minutes remaining. Those of us who offered this amendment will not have an opportunity to speak on behalf of it. But let me just ask a question.

As I understand the Senator's amendment, it would strike the provision that Senator Case and I offered in committee, which would cut off covert aid by our Government to Angola, and it would not cut off overt. My question is: Why is the Senator so determined to continue covert activity? If it is a good idea to support these forces, why would the Senator not be prepared to come openly to the Congress and ask for this kind of assistance?

Mr. BARTLETT. I have no problem with asking for aid openly. If the Senator was listening to my remarks, and I believe he was, I think he realizes that what I was suggesting to the Congress is that we work with the administration to develop a plan which would have public support. I am not favoring covert aid at all. What I am opposed to is a number of very ridiculous sense of the Congress provisions which do not apply. I realize this was written some time ago, but I feel today this is rather demeaning to the President of the United States in the manner in which it deals with the total matter of Angola.

Mr. CLARK. But if I may ask further, it is my understanding that the amendment of the Senator would simply strike that portion of the bill which does specifically restrict covert aid and, indeed, even invites overt aid if the administration feels that it is important. The Senator is striking that part, is he not?

Mr. BARTLETT. I would disagree. There is no desire on the part of this Senator to invite covert aid. There is no way that covert aid would provide the solutions needed in that area.

Mr. CLARK. Is that exactly what the amendment would do?

Mr. BARTLETT. My amendment would take out whole provisions which are irrelevant, which are redundant, which do not face up to the real issues of Angola, since the Congress has not faced up to them at all. What I would like to see the Congress do is to face up to those real issues and wrestle with them, debate them.

Mr. CLARK. Will the Senator agree that if his amendment passes, the administration quite consistently with this legislation could go ahead with covert activities in Angola?

Mr. BARTLETT. I believe the administration knows that there is no chance or opportunity to undertake covert activities in Angola, nor does it have any desire to do so. But I think the administration does want to develop a plan. I hope they do. I have talked to them about it, encouraging them. They are trying to encourage the Congress likewise, encourage the Senator, as a very interested Senator, to work with the Congress and with the administration, to try to develop a plan so the people in this country will know that we do have a positive plan in Africa, and that if there are other Angolas at least these are the options that we have.

Hopefully, I would think there would be an option of military aid, not involving American soldiers and not involving American citizens. But if that option was not part of it, nonetheless I think we should know what our options are, what our plan is, and have some idea whether we think it would stack up with what we know the Soviets are advancing.

Mr. CLARK. Let me say to the Senator that although I disagree with the amendment because it seems to me it restores the possibility of covert activity, I compliment him on the idea of this Congress and the administration developing a positive African policy because none has ever been developed. The only interest we have ever shown in Africa is this military interest. If we were, as the Senator suggested, to develop a full-blown policy, then perhaps we could avoid future Angolas. I thank the Senator for yielding.

Mr. BARTLETT. I believe it is important to have a much broader policy in Africa, and I think there are areas with which I am acquainted which go beyond the military. I know, for example, in Somalia, from which I returned last summer, I recommended that there be humanitarian aid. There has been humanitarian aid as far as their refugees are concerned. I know in other areas there are activities going on where the United States is involved. But right now our foreign policy is in a shambles. It is in the interest of this Congress and citizens of this country to realize that and to do something about it. It is not enough just to be a veto Congress. I think the Congress wants to be creative and wants to do a good job for the United States.

Here is an opportunity which has not been met at all by the Senate of the United States.

The PRESIDING OFFICER. Under the previous order, the hour of 10 minutes to 5 having arrived, the question is on agreeing to the amendment of the Senator from Texas (Mr. Tower). On the question, the yeas and nays have been ordered, and the clerk——

Mr. HUMPHREY. Mr. President, just prior to that, after consultation with my colleagues, it appears that it would be well for the first rollcall to be a 15-minute rollcall, and the subsequent rollcalls, because they will be in sequence, to be 10-minute rollcalls.

The PRESIDING OFFICER. Does the Senator ask unanimous consent to that effect?

Mr. HUMPHREY. Yes. Mr. President, I ask unanimous consent that there be a 15-minute rollcall on the Tower amendment, a 10-minute rollcall on the Bartlett amendment, and a 10-minute rollcall on passage.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment (No. 1399) of the Senator from Texas (Mr. Tower). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from New Hampshire (Mr. McIntyre), the Senator from Wisconsin (Mr. Nelson), and the Senator from Illinois (Mr. Stevenson) are absent on official business.

I also announce that the Senator from Rhode Island (Mr. Pastore) is absent because of attending a funeral.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. Pastore) and the Senator from New Hampshire (Mr. McIntyre) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Buckley), the Senator from Hawaii (Mr. Fong), the Senator from Utah (Mr. Garn), the Senator from Nevada (Mr. Laxalt), and the Senator from North Dakota (Mr. Young) are necessarily absent.

The result was announced—yeas 21, nays 70, as follows:

[Rollcall Vote No. 34 Leg.]

YEAS—21

Allen
Baker
Bartlett
Bellmon
Curtis
Eastland
Fannin
Goldwater
Griffin
Hansen
Helms
Hruska
Johnston
Long
McClellan
McClure
Scott, William L.
Stennis
Talmadge
Thurmond
Tower

NAYS—70

Abourezk
Bayh
Beall
Bentsen
Biden
Brock
Brooke
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Dole
Domenici
Durkin
Eagleton
Ford
Glenn
Gravel
Hart, Gary
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McGee
McGovern
Metcalf
Mondale
Montoya
Morgan
Moss
Muskie
Nunn
Packwood
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stone
Symington
Taft
Tunney
Weicker
Williams

NOT VOTING—9

Buckley
Fong
Garn
Laxalt
McIntyre
Nelson
Pastore
Stevenson
Young

So Mr. Tower's amendment (No. 1399) was rejected.

Mr. HUMPHREY. Mr. President, I

move to reconsider the vote by which the amendment was rejected.

Mr. CASE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. Gary Hart). The question is on agreeing to the amendment of the Senator from Oklahoma.

Mr. HUMPHREY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HUMPHREY. Am I correct that the vote now to be taken is on the Bartlett amendment which would strike the section relating to Angola from this bill?

The PRESIDING OFFICER. The Chair will not interpret the amendment before the Senate.

The question is on agreeing to the amendment of the Senator from Oklahoma. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from New Hampshire (Mr. McIntyre), the Senator from Wisconsin (Mr. Nelson), and the Senator from Illinois (Mr. Stevenson) are absent on official business.

I also announce that the Senator from Rhode Island (Mr. Pastore) is absent attending a funeral.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. Pastore) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. Buckley), the Senator from Hawaii (Mr. Fong), the Senator from Utah (Mr. Garn), the Senator from Nevada (Mr. Laxalt), and the Senator from North Dakota (Mr. Young) are necessarily absent.

The result was announced—yeas 16, nays 75, as follows:

[Rollcall Vote No. 35 Leg.]

YEAS—16

Bartlett
Bellmon
Curtis
Domenici
Eastland
Fannin
Goldwater
Griffin
Hansen
Hruska
Long
McClure
Morgan
Stennis
Thurmond
Tower

NAYS—75

Abourezk
Allen
Baker
Bayh
Beall
Bentsen
Biden
Brock
Brooke
Bumpers
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Case
Chiles
Church
Clark
Cranston
Culver
Dole
Durkin
Eagleton
Ford
Glenn
Gravel
Hart, Gary
Hart, Philip A.
Hartke
Haskell
Hatfield
Hathaway
Helms
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Johnston
Kennedy
Leahy
Magnuson
Mansfield
Mathias
McClellan
McGee
McGovern
Metcalf
Mondale
Montoya
Moss
Muskie
Nunn
Packwood
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott, Hugh
Scott, William L.
Sparkman
Stafford
Stevens
Stone
Symington
Taft
Talmadge
Tunney
Weicker
Williams

NOT VOTING—9

Buckley
Fong
Garn
Laxalt
McIntyre
Nelson
Pastore
Stevenson
Young

So Mr. Bartlett's amendment was rejected.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. CASE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ADDITIONAL STATEMENTS SUBMITTED ON S. 2662

Mr. MONDALE. Mr. President, I believe that the foreign military sales bill before us today will do much to strengthen the ability of concerned policymakers to curb one of the most potentially dangerous developments in recent years, the unbelievable increase in the transfer, distribution and sale of arms by the United States to other nations.

During the incredible growth period of armament sales in the past few years, there has, fortunately, also been an increase in concern and discussion over the impact our arms dealings would have on regional and world stability. However, until this time, there has been limited cooperation between the executive and legislative branches in terms of measures of control and accountability, and in determining the long- and short-term effects of U.S. arms transactions.

As one who is deeply concerned about our inability to investigate, weigh and control our dealings with other nations in this important area, I wholeheartedly support the measures included in the foreign military sales bill. The far-reaching reforms that have been proposed in this legislation represent a judicious and long-overdue commitment to implement guidelines by which Congress, in cooperation with the executive branch, can finally judge the impact and merit of arms sales and transfers.

However, I want to insert one note of caution: we cannot afford to rest on the merits of our current endeavors. The actions that I am commending here can only be viewed as a necessary beginning. If we are to hope for the eventual establishment of safeguards on an international level, we will be required to seek discussion with, and the support of, nations other than the United States who are involved in the transfer and purchase of war technology.

Figures made available during the last few years indicate the United States is the No. 1 salesman to the world of advanced implements of war. To add to our concern over the quantity of weapons being sold or transferred, is the fact that this country is also selling the latest and best quality equipment.

Rather than perpetuate this legacy, I believe the United States has both the leverage—as the main source supplier—and the responsibility to take a leadership role in initiating the necessary effort to move the question of arms sales off dead center.

In view of these developments, and the overwhelming concern and awareness exhibited by the American people over the lack of a viable arms policy, Senator Culver and I introduced a resolution last November that called on the President to include the question of arms sales at several international conferences being held at the end of last year. I was pleased to see in a recent letter to the Senate Foreign Relations Committee, commenting on that proposal, that the administration also recognizes the need to keep this issue alive. While I commend the administration's assurances and support in this endeavor, I am very gratified to note that the Foreign Relations Committee has included in the foreign military sales bill the substance of Senator Culver's and my resolution, asking the President to make a concerted effort at convening an international conference of major arms-supplying and arms-purchasing nations.

I believe that the support exhibited for this conference will insure that the balanced policy we seek for the United States will not be a one-sided reform, but will be reinforced by a U.S. expression of the same concern in relation to other countries involved in the lethal arms trade.

Mr. DOLE. Mr. President, few legislative measures have as great an impact on both domestic and international affairs as those which deal with U.S. economic aid and weapons exports to foreign governments. The measure before the Senate today, titled "The International Security Assistance and Arms Export Control Act of 1976," certainly reflects this significance. The measure is comprised of two major components: an authorization for the appropriation of $3,049,900,000 for security assistance programs to selected foreign nations during fiscal year 1976; and substantial revision of current U.S. policies regarding foreign military grant assistance and military sales and exports. At the same time, S. 2662 will substantially expand the congressional role in oversight of U.S. military assistance and sales programs abroad.

The principal provisions in the bill have been explained in detail earlier in this debate, and I will not belabor the technicalities of the bill at this time. Instead, I simply want to comment briefly on those aspects of the measure which seem to me to be of particular importance, either for their beneficial aspects or for their troublesome nature. On the whole, I think the provisions of this measure are generally satisfactory and passage of the bill should not be delayed. Nevertheless, there are some disturbing elements within this legislation, and I will expand on these points at a later stage in this statement.

AUTHORIZATION OF APPROPRIATIONS

This measure would authorize appropriations to fill the administration's request for funding of its security assistance and related programs for fiscal year 1976, and for the interim quarter of July 1, 1976 through September 30, 1976. Earlier, this Congress separately authorized development and humanitarian assistance through Public Law 94-161. The measure before us today will authorize military assistance and foreign sales credit assistance. I am pleased to see that the Senate Foreign Relations Committee has set forth spending authority recommendations which are within the guidelines of the second concurrent budget resolution, as submitted earlier by the Senate Budget Committee, of which I am a member.

MIDDLE EAST ASSISTANCE

It is worth noting that four Middle Eastern nations are scheduled to receive 71 percent of the total aid programs authorized in this bill. The Government of Israel is being provided with a total of $2,225,000,000 in foreign military sales credits and supporting assistance; $750,000,000 of the military credits will not have to be repaid. Egypt is scheduled to receive $700,000,000 in economic assistance only, about 3 times more than that nation received during fiscal year 1975. Two other Mideast nations, Syria and Jordan, would receive $50,000,000 and $67,000,000, respectively, in economic assistance, with Jordan also scheduled to receive $75,000,000 in military sales credits and $50,000,000 in military grant assistance.

These amounts of assistance for Israel and Egypt are substantially higher than those which the United States provided during the last fiscal year. It is my understanding that these much higher figures reflect, in part, the fulfillment of this administration's promises to both the Israeli and Egyptian Governments during negotiations last year that led to the Sinai agreement and peace in the Middle East. While I am not opposed to American resources being used to establish that peace, I am concerned about the growing economic burden of aid for the Middle East which the U.S. Government is shouldering, with little participation by other Western governments. The priorities in American foreign aid have shifted significantly during the last several years, from providing money for fighting wars to providing money for buying peace. Aid for peace may, indeed, turn out to be at least as expensive as aid for war.

When the Senate considered the International Development and Food Assistance Act last fall, I made note of the fact that there are many other countries which benefit as much or more from peace in the Middle East than does the United States. It seems only fair that the governments of Western Europe and Japan should be encouraged to participate in the "investment" in peace which strengthens the Sinai accord and overall stability in the area. At the same time I introduced, and the Senate accepted, an amendment expressing the sense of the Senate that the President should attempt to negotiate an equitable share of participation by other interested nations in providing military and economic aid to maintain peace in the Middle East.

Prior to consideration of S. 2662 this week, I contacted Secretary of State Henry Kissinger and requested information regarding the adminstration's efforts in recent weeks to secure such assistance from other sources. By way of reply, the State Department advised me on January 13 of this year that it fully agrees with the concept supported by that amendment and that a major thrust of the administration's current Middle Eastern policy is to encourage other nations, such as Japan and Western Europe, to financially participate in efforts to bring peace to the Middle East. In fact, there has been some outside aid provided to Egypt, but relatively few other nations have agreed to provide Israel with such assistance. I ask unanimous consent that the letter, signed by Assistant Secretary Robert J. McCloskey, may be printed in the RECORD at this point. I believe it contains relevant information which may be of interest to my colleagues regarding the assistance programs for Israel and Egypt.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, D.C., January 13, 1976.

Hon. BOB DOLE,
U.S. Senate, Washington, D.C.

DEAR SENATFR DOLE: The Secretary has asked me to reply to your recent letter concerning participation by other countries in providing assistance to Israel or Egypt.

We fully agree with you that many nations other than the United States have a significant stake in maintaining peace in the Middle East and that those nations which are in a position to assist Israel and Egypt should certainly do so. A major thrust of our current Middle Eastern policy is to encourage other nations, particularly Japan and our Western European allies, to support efforts to bring peace to the Middle East and to provide economic assistance to the countries in the region. I can therefore assure you that the "sense of the Senate" as expressed in your amendment to the International Development and Food Assistance Act of 1975 is in harmony with the view of the Administration.

In this connection, U.S. officials have had extensive contact with high-level officials of the various countries which have the economic potential for assisting in the Middle East. This is an ongoing diplomatic effort.

Although only relatively few countries are currently providing Israel with assistance, many countries have come forward with economic aid to Egypt. The major portion of Egypt's development aid, in fact, comes from countries other than the United States. During this calendar year Egypt has received commitments of economic support from other Arab countries, primarily Saudi Arabia and Kuwait, totalling about $2.8 billion. In addition, non-Arab countries such as Iran, Japan, France and West Germany and the international financial institutions have made substantial commitments of economic support to Egypt during this calendar year.

The Secretary asked me to express his personal appreciation to you for the support you have given to our Middle East peace initiatives and his hope that we can continue to rely on your most valuable support and assistance in the days ahead.

Sincerely,

ROBERT J. MCCLOSKEY,
Assistant Secretary for Congressional Relations.

Mr. DOLE. Although I share concern along with many Kansans and many of my colleagues about the extraordinary increases in military and economic assistance to the Middle East, I do feel that the sincere efforts undertaken by the State Department to encourage participation by other governments are commendable, and on that basis I am prepared to support the sums of assistance recommended by the committee for these Middle Eastern nations during fiscal year 1976. It is important, however, that our Government continues to seek the support of other friendly Western nations for strengthening peace in the Middle East.

This is, of course, an authorization of these amounts, and it will be subject to the normal appropriation process later this year.

MAJOR POLICY REVISIONS

Late last year, Senator HUMPHREY introduced legislation to provide for comprehensive and major revisions in arms sales policy. As I understand it, the Arms Export Control Act, which is now incorporated in the same legislation with the security assistance authorization, is designed to place more emphasis on public disclosure of arms sales matters and to encourage consistency and coherence in American arms sales policy. Such weapons transactions take place annually on both a government-to-government basis, as well as through commercial channels. While the general intent of this initiative has merit, I have serious reservations about the effect which its provisions could have on both public and private arms sales, in practice.

In particular, revised policy controls recommended within S. 2662, would do the following: Make all restrictions applicable to government-to-government sales applicable to commercial sales as well; stipulate that all sales of major defense equipment items totaling $25 million or more must be made through government-to-government channels; and require the President to submit an annual country-by-country justification to Congress for the government-to-government military sales program. Furthermore, the measure would establish a new realm of "legislative veto" power enabling Congress to reject by a concurrent resolution certain transfers to third countries of major military equipment. Congress would also be able to reject by concurrent resolution those proposed licenses for commercial export of major defense equipment, for those military articles or services valued in excess of $25 million, and for certain proposed commercial manufacturing license agreements for overseas production. Congress would also be permitted to terminate or restrict security assistance to any country which was charged with grossly violating human rights. It is clear that these provisions would shift a good deal of responsibility in military sales decisions from the President to Congress.

While this is not an altogether unacceptable proposal, it does raise some serious questions, I think, regarding standards for congressional evaluation and regarding potential impact on existing commercial sales operations.

POINTS FOR CONSIDERATION

Let me state at the outset that I feel it is very important that the health of the American arms industry be preserved, and that an adequate volume of U.S. arms sales abroad should continue. Congress should take particular care not to impair the ability of commercial U.S. firms to sustain good production activity or to compete with the international market in arms sales abroad. This industry provides a major source of jobs in this country, and our Nation's role as a supplier enables us to maintain some control and influence over the distribution and use of those arms.

Government supervision is already in effect for certain aspects of commercial military sales abroad, in order to insure that such transactions are in line with general U.S. foreign policy objectives. There are a large number of primary contractors and subcontractors throughout this country, including some in my own State of Kansas, whose manufacturing industries could be affected by these proposed revisions in armament control policies. Increased congressional interference in commercial arms sales could, in some instances, have a negative impact on the now-favorable balance of trade for the United States. Steady improvement in this balance over the last several months has enhanced the economic well-being of our Nation as a whole. If that balance were to be shifted substantially in the other direction by reckless or short-sighted legislative vetoes, it could result in a serious loss of jobs and be a severe blow to our national economy.

At the same time, the provisions in this bill for expanded congressional "oversight" of armament transactions with foreign governments raise some concern regarding precise standards by which Congress could responsibly evaluate the virtues of those transactions. It is easy for Congress to assert a claim to greater oversight control in military sales overseas. But if there is one thing we can expect, it is a lack of consensus among the Members of that Congress as to what standards should govern export controls. Congress is seldom of one mind on matters relating to foreign policy. Clearly, difficult policy decisions are involved in any arms export proposals, and disagreement about national interests and priorities could prove to be a substantial obstruction to both Government and commercial arms sales abroad.

How, for example, would Congress reach a consensus on the definitions for such critical terms as "national security," "impairment" of U.S. combat readiness, and "gross violations" of human rights? How do we reach agreement as to whether available supplies go to ideological allies or to cash-paying governments regardless of ideology? There are no simple answers to these questions, and I think that the greater degree of congressional oversight will produce no easy solutions to such arms sales issues.

Nevertheless, undue delay of this measure now would not resolve the issue, nor benefit trade relations. While I know that many of my colleagues share my concern on this points, there is general sentiment that this bill should not be held up. Both the President and the Secretary of State oppose delay in its passage.

Furthermore, I am encouraged by assurances given by the managers of this bill on the Senate floor today that many of these concerns about the extent of jurisdiction of congressional oversight will be further discussed and thoroughly reconsidered during the forthcoming conference on the bill. At that time, committee conferees from both the House and Senate will, it is hoped, be able to fully analyze and resolve some of the concerns which I and others share about certain aspects of oversight in this bill. I do, of course, expect to make a final review and judgment of all such aspects in their final form when the conference committee's recommendation is sent to the Senate floor.

Mr. HRUSKA. Mr. President, I rise to register my genuine concern over one particular provision of the pending bill. Section 303(c) (1) states:

> (c) (1) Notwithstanding any other provision of law, no officer or employee of the United States may engage in any police actions in any foreign country with respect to narcotics control efforts.

Mr. President, this provision was added at the request of our distinguished majority leader, and was subsequently adopted by the Committee on Foreign Relations. In reporting this bill, however, the committee took note of the balancing of two important U.S. interests: motivating foreign governments to cooperate to the fullest degree in stopping drugs from reaching the United States and avoiding excessive U.S. intervention in the internal affairs of other nations.

Mr. President, it is my opinion that this provision, section 303(c) (1), goes too far in curtailing American narcotics control activities overseas.

The administration's White Paper on Drug Abuse, which the President has endorsed, and which has been widely praised as realistic and practical, underscored the need to internationalize the response to the drug abuse problem which is so savagely attacking the human resources of this and other nations. The White Paper recommends accomplishing this by creating an awareness and spirit of cooperation among nations of the world.

The efforts of the Drug Enforcement Administration in working closely with foreign police officials in their respective nations are vital in demonstrating the seriousness of the U.S. Government in combating this problem. This program has been successful not only because of the intelligence and exchange of information it generates, but also because it has improved the enforcement of efforts of other nations in this crucial battle against international narcotic trafficking.

A key ingredient to the success of this program is the person-to-person relationship our agents enjoy with their foreign counterparts. Our agents are trusted by foreign officers, often very senior ones, because they work closely with them and share the risks and hardships. Without this close working relationship, the U.S. drug interdiction effort overseas would be seriously hamstrung and probably would become ineffective.

The direct working relationships of DEA agents with their counterparts in foreign countries have led to many benefits for the United States. For example, as a result of DEA's involvement overseas, seizures of illicit drugs and arrests of international drug traffickers have increased in each of the last several years. I am sure everyone agrees that this is precisely the way it should be. Our agents are doing their jobs.

It would be a tragic mistake for the Congress to tie the hands of our drug enforcement agents working overseas, and I fear that the provision prohibiting U.S. employees from engaging "in any police actions" would produce essentially this result. Our international efforts are too critical to the war on drugs to allow this to happen.

Mr. President, it is not my intention to move for the elimination of section 303 (c) (1) at this time. I would, however, encourage the other body to carefully consider this provision, and if it comes to it, that any conference between the two Houses also avoid action that would seriously undermine the efforts of the narcotic law enforcement agencies to enforce our illegal drug-trafficking laws.

Mr. CHURCH. Mr. President, I have just received a copy of a letter from the German Defense Ministry of the Federal Republic of Germany to the U.S. Embassy in Bonn concerning the effect of reporting fees and commissions on the competitive position of U.S. firms selling arms in Germany.

Concisely, it states:

> (1) The public reporting of information concerning commissions included in the price charged is entirely desirable;
>
> (2) Disclosure of this information would *not* place American companies in an unfavorable position vis a vis the firms of other countries. It is only the total price that is relevant, not the components;
>
> (3) The Federal Republic of Germany already has similar regulations.

I hope this lays to rest some of the fears expressed that disclosure of these payments will harm the competitive position of U.S. corporations.

I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[Translation from German]

FEDERAL MINISTRY OF DEFENSE,
Bonn, December 23, 1975.

To: Military Assistance Advisory Group, Navy Section, Colonel van Huss.

Subject: New regulations to prevent the payment of illegal or excessive commissions in the USA; in reply to an inquiry from the U.S. Embassy on 5 November 1975 to the Chief, Department of Armament-Economics.

Reference: Conversation with Herr UAL Ru II, on 11 December 1975.

The Honorable Colonel VAN HUSS: Pursuant to the discussion on 11–12–1975 with the Ministerial dirigent Respondek, I am replying to the questions contained in your letter of 5 November 1975, as follows:

1. The public reporting of information concerning commissions included in the price charged by U.S. firms is, as far as the Federal Republic of Germany is concerned, entirely desirable.

2. The disclosure of commissions and consultant fees contained in the (selling) price would not place American companies in an unfavorable competitive position vis-a-vis the firms of other countries. According to the operative rules on price competition, it is only the total that counts, and not individual components.

3. The Federal Republic of Germany already has similar regulations. According to

existing procurement regulations, commissions and consulting fees can be paid only with the consent of the customer, regardless of the market price.

Most respectfully yours,

Dr. ABILD.

Mr. BAKER. Mr. President, when the Senate began its consideration of this bill on February 4, there was an extended colloquy regarding the constitutional validity of the several provisions which authorize the Congress, by concurrent resolution, to withdraw power it has delegated by law to the President. From a reading of these remarks alone, and of the extract from the committee report which was inserted in the RECORD, one might wonder that the executive branch should have expressed any doubt whatsoever as to the constitutionality of the bill's various proposals for legislative veto by concurrent resolution.

During the recess, I have had an opportunity to look further into this issue and have had some interesting discussions with executive branch representatives. And the more I examine this question, the more difficult it seems to be. I have the greatest respect for the legal scholarship of my distinguished colleagues who have offered such a persuasive analysis of the issue, and I fully recognize how hard and how ably those concerned have worked on this important legislation. Nevertheless, I believe there are relevant considerations which have not been addressed by them and are not fully treated in the committee report.

The basic question raised by the concurrent resolution veto provisions in the bill is whether they offend the presentation clause in article I, section 7, of the Constitution. The Constitution says that every resolution requiring the concurrence of the House and Senate except on a question of adjournment shall be presented to the President and shall not take effect unless it is approved by him or, if disapproved, repassed by two-thirds of the Senate and House of Representatives "according to the rules and limitations prescribed in the case of a bill."

The report of the Foreign Relations Committee dismisses the specific language of the Constitution, "Every . . . Resolution . . . (except on a question of adjournment) . . ." by saying the presentation clause is not a bar to a concurrent resolution having the force and effect of law if a statute so provides. The committee's rationale for departing from a literal reading of the presentation clause is a contention that the historical record does not reveal an intent by the Framers to preclude the incorporation of legislative vetoes in statutes. A more accurate statement might be that the historical record does not address the question of such "incorporated" legislative vetoes at all. Thus, the historical record could as easily be used to argue against the permissibility of this form of concurrent resolution. Indeed, this method of avoiding the risk of Presidential veto of a resolution seems to run counter to the importance attached by the framers to the need of the President to be able to defend himself against being "gradually . . . stripped of his authority by successive resolutions."—Federalist Papers, No. 73 (Hamilton); see also 2 Farrand, the Records of the Federal Convention of 1787, 299-300, 586-87 (1937 (Rev. ed.).

The committee's reliance upon the absence of explicit indication of prohibitory intent on the part of the framers as support for the "incorporated" legislative veto also disregards constitutional practice. The committee report notes that the development of the legislative veto began in 1932. Yet, it attaches no significance to the fact that until then Congress had not sought to give legal effect to concurrent resolutions by the device of incorporating them into statutes. Had the framers intended not to preclude this use of concurrent resolutions as a substitute for amendatory legislation, it seems strange that it was not employed at any earlier time in our Nation's history. Yet, the earlier practice, as succinctly stated in a report by the Senate Committee on the Judiciary, was to decide whether or not to submit resolutions to the President depending—

> not upon their mere form, but upon the fact whether they contain matter which is properly to be regarded as legislative in its character and effect. If they do, they must be presented for his approval; otherwise, they need not be. . . . (S. Rept. No. 1335, 54th Cong. 2d Sess. (1897), p. 8.)

The most recent significant article on the subject—Watson, "Congress Steps Out: A Look at Congressional Control of the Executive," 63 Calif. L. Rev. 983 (1975)—relies on historical evidence of the intent of the framers to suggest that a statute incorporating a legislative veto authority is invalid if it seeks to perpetuate an imbalance of power between the legislative and the executive branches. This analysis seems particularly apt in the context of the present legislation. If S. 2662 is enacted into law, it will be possible thereafter for Congress to prevent individual exports and to disrupt proposed Government sales to foreign countries by simple majority votes, whereas heretofore such actions would require the enactment of a law subject to Presidential veto. Once achieved, such congressional powers would persist into a future time when the likelihood of similar legislation might be substantially reduced by evolving attitudes as to the proper responsibilities of the Congress and the President. In this light, the constitutional validity of the legislative vetoes incorporated in S. 2662 seems particularly doubtful.

This brings me to a second issue raised by the concurrent resolution provisions in this bill—their compatibility with the doctrine of separation of powers. Congress has express constitutional authority to enact legislation controlling foreign commerce. The President has an express constitutional duty to see that the laws are faithfully executed. If Congress disapproves the way in which the President carries out a law, it is free to amend or repeal the authority it has granted. Where Congress instead seeks, through legislative veto provisions such as those contained in S. 2662, to participate directly in decisions taken on individual transactions in carrying out the laws it has enacted, serious constitutional questions are raised. The seriousness of these questions is compounded when the subject matter is in the area of foreign affairs and the effect of the legislative veto provisions is to give Congress a direct role in the conduct of foreign affairs.

Congress has clearly neglected for too long its important responsibilities in the formulation of foreign policy. Perhaps the plenary authority previously delegated to the President to control arms exports should be made subject to more explicit legislative policy guidance, criteria and procedural requirements. However, a procedure which directly involves Congress in the performance of the export licensing and sales functions is not the only way Congress can keep a tight rein on the Executive. The scheme of this bill is to require hundreds of individually proposed transactions to be submitted to Congress in their final stages for the consideration of resolutions that would frustrate executive branch decisions. Surely, we must be able to devise legislation less subject to constitutional doubt and more positive in its application.

Mr. President, my purpose in rising has been to point out the existence of constitutional problems raised by S. 2662 which have not been fully considered in the previous debate. If the provisions of this bill regarding legislative vetoes are valid, there would seem to be no limit to the extent to which Congress could reserve to itself in legislation the right to exclude the President from his constitutional role in amending or repealing that legislation, and not limit to the extent to which Congress could involve itself directly in the process of carrying out the laws it has enacted. I have not attempted to analyze in detail each of the relevant provisions in the bill or to review all aspects of the committee report.

By these remarks, I want simply to indicate my serious concern over some of the provisions in this legislation. I suspect that I will vote in favor of its passage, but I would hope that our colleagues in the House take a close look at the concerns I have expressed. Although I believe there is a crying need for better executive-congressional cooperation, I question whether this legislation will contribute to that goal; and I suspect that we will have occasion to question the wisdom of the congressional veto in the not-too-distant future.

Mr. THURMOND. Mr. President, I rise to discuss budget ceilings with the managers of the pending bill S. 2662, the International Security Assistance and Arms Export Control Act of 1976.

This legislation authorizes an appropriation of $3,049,400,000 for fiscal year 1976 and one-fourth that amount for the interim quarter for military assistance and sales and similar programs for fiscal year 1976.

The budget authority provided for in this bill for fiscal year 1976 is $4,487,700,000. This recommended authority is about $400 million less than that requested by the administration.

In the report on S. 2662 the Foreign

Relations Committee states it was particularly attentive to the budget allocations and ceilings contained in the second concurrent budget resolution. They further state this bill is within those budget guidelines.

Based upon the best information available it would appear the budget authority ceiling is met. However, I would like to raise with the managers of the bill and the chairman of the Senate Budget Committee the question as to whether this legislation is within the second concurrent budget resolution ceiling as regards outlays in fiscal year 1976.

The second concurrent resolution assumed this bill would have to be reduced $400 million in budget authority and $200 million in outlays to stay under the ceilings set by the Congress. This information may be found on page 6 of the conference report on the second concurrent resolution on the budget fiscal year 1976.

The budget authority ceiling was met as the bill reduces the administration request by $400.4 million. However, it is my understanding that the Congressional Budget Office estimates indicate there is only $156.6 million reduction in outlays in S. 2662 which according to my arithmetic would mean that this bill is $43.4 million over the second concurrent budget resolution in outlays, if fully funded.

As I recall, some previous authorization bills have been questioned based on the fact that they exceeded budget targets. The Senate must recognize the difficulty of applying these budget targets to authorization bills as opposed to appropriation bills.

Mr. President, I wanted to bring this point to the attention of the chairman and members of the Senate Budget Committee and the managers of S. 2662. This bill will probably be reduced in the Appropriations Committee so some formula must be developed to recognize that fact when outlay ceilings are applied to authorization bills.

Mr. CASE. I call attention to a very important aspect of this measure—namely section 104 prohibiting discrimination against Americans in the conduct and execution of the foreign military aid program, and the foreign military sales program.

Section 104. Prohibition Against Discrimination.

Section 104 sponsored by Senators Case, Humphrey, and Javits, adds a new subsection (g) to section 505 of the Foreign Assistance Act.

Paragraph (1) states that the policy of the United States is that no grant military assistance should be furnished to any foreign country, the laws, regulations, official policies, or governmental practices of which prevent any United States national from participating in the furnishing of defense articles or defense services under this chapter on the basis of race, religion, national origin, or sex.

Paragraph (2) provides that no agency performing military assistance functions shall, in employing or assigning personnel to participate in the performance of any such function whether in the United States or abroad, take into account the exclusionary policies or practices of any foreign government where such policies or practices are based upon race, religion, national origin, or sex.

It also requires that each contract entered into by any agency for the performance of any military assistance function shall contain a provision to the effect that no person, partnership, corporation, or other entity performing functions pursuant to that contract, shall, in employing or assigning personnel to participate in the performance of any such function whether in the United States or abroad, take into account the exclusionary policies or practices of any foreign government where those policies or practices are based upon race, religion, national origin, or sex.

Paragraph (3) provides that the President shall promptly transmit reports to the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations concerning any transaction in which any person of the United States is prevented by a foreign government on the basis of race, religion, national origin or sex from participating in the furnishing of assistance under this chapter, or education and training under chapter 5 to any foreign country. The report shall include a description of the facts and circumstances of any discrimination, the response on the part of the United States and the result of such response, if any.

Paragraph (4) provides that if the discrimination by a foreign government reported pursuant to paragraph (3) continues so that such person would be prevented from participating in the furnishing of such military assistance transaction or military education or training transaction under the provisions of this Act, then the President shall immediately terminate such assistance or training transaction.

Mr. CULVER. Mr. President, the legislation we are considering today strikes to the heart of the issues which confront American foreign policy in the years ahead. Arms transfers and the surging international market in weaponry constitute an inescapable obligation on both the executive and legislative branches in realining our practices and policies to accord with the new realities of international security. The bill before us provides an excellent vehicle for meeting this obligation and can set in motion the policy reassessments so urgently required. I congratulate Senator HUMPHREY and his colleagues for the comprehensive and careful contribution they have made in this legislation.

This is not a bill which blindly condemns all arms sales or which fails to recognize an appropriate but measured role for the United States in foreign military sales. But it does recognize the unguided, uncontrolled, and potentially runaway nature of our present policies. It recognizes that the policy initiatives of this legislation must in turn be merged into a much broader international effort by many nations to channel more responsibly the spread of sophisticated weaponry and technologies. And it recognizes, too, that foreign military sales running at a level of nearly $10 billion annually can have profoundly important effects on our domestic economy as well as on our own defense stockpiles and state of readiness. Finally, this bill recognizes that the public interest requires both a collaborative and also a separate role for both the executive and Congress in this area of national policy.

During the past year we saw not only sales agreements totaling $9.5 billion including some of the most modern equipment in tanks, tow, antitank missiles, and aircraft. We have also learned that as a result of sales and grants there will be shortfalls in our own inventories of some important equipment which will persist until 1978. Beyond this we have a number of particular reasons to be apprehensive about the perils of escalation, especially when there is insufficient congressional and public awareness of what is going on. The fierce rivalry for the mushrooming weapons market endangers our friendly relations with our allies, interjects a destabilizing influence in areas of high international tension, such as the Mideast, and poses a risk to our national security through corruption in arms sale promotion and potential loss of technological secrets.

Arms sales in today's world are not mere commercial transactions or entries on a balance of payments ledger. They are highly volatile political instruments, and they can easily make U.S. policy hostage in many areas to its foreign sales. This is nowhere more true than in the Persian Gulf States, which has been receiving more than one-half of our sales for the past 2 years, but it has clear implications in other parts of the world as well. The adoption of this legislation would significantly help us to address this gathering but already daunting set of problems.

Mr. President, this legislation ought to commend itself to a broad majority of this Congress and the American people. But we must look beyond this congressional action to a coalition of action by many nations. In my judgment, for example, it is essential to achieve greater standardization within NATO—not only to improve the overall combat readiness at reduced costs, but to provide arms-producing NATO countries opportunity to compete on a reasonable basis for the European market. This would serve to dampen down the intensity of the pressures on these countries to sell to countries of the Persian Gulf and other politically volatile areas. Arms transfers, like nuclear proliferation, are beyond the solution of any one nation, though the precedents set by this country can have a persuasive and moderating influence in the wider international community.

I am happy that this bill incorporates the proposal made by Senator MONDALE and myself to seek an international conference on arms transfers. We must move this issue into high profile on the international agenda and particularly among the major arms producers. With this legislation we could enter such negotiations with a flexible set of tools and with a credible consensus. That is an opportunity which should not be lost. That we have finally redesigned our mutual security program after nearly 25 years is itself an historic achievement. But at the same time it invites us to seek still greater accomplishment in controlling the spiral of international arms.

UNITED STATES—ARSENAL FOR THE WORLD

Mr. PROXMIRE. Mr. President, even though the International Security Assistance and Arms Export Control Act of

1975 contains many long-needed reforms, its passage is an implicit approval to the arms policies of this country and as such it should be defeated.

I will vote against the bill even though it contains provisions for military support to Israel and certain NATO countries which I believe are essential. Our continued support for Israel is the critical ingredient to stability in the Middle East and the assurance of economic and military survivability of that nation. We cannot and should not relinquish that role.

Yet this bill contains so many other deficiencies that its passage would encourage a dramatic trend in U.S. foreign policy whereby this Nation becomes the world's arsenal.

It would authorize appropriations in the amount of $3.049 billion for fiscal year 1976. Given the economic situation in this country, such largess is unthinkable. Even worse, the policies justified by such an expenditure are inconsistent with the moral leadership this country should be exercising throughout the world.

U.S. ARMS SUPPLIER TO THE WORLD

By any standards the United States is the biggest arms agent in the world. In strict terms of the amount of military goods—governmental and commercial—transferred in 1974, the United States supplied about $4 billion to 60 foreign countries. We outdelivered the U.S.S.R. by 2 to 1; the French by 9 to 1; the British by 15 to 1.

Transfers, however, understate the arms business since real growth has been in military sales which will be consummated in later years. U.S. sales have jumped from under $1 billion in fiscal year 1970 to $9.5 billion in fiscal year 1975. For fiscal year 1976, sales will be close to $12 billion. Recent statistics indicate that other countries, such as France, also have dramatically increased their sales.

The Middle East gets the lion's share. Over half of the U.S. arms sales are set for the Middle East. Iran leads the list of yearly totals with $2.6 billion followed by Saudi Arabia with $1.4 billion. This bill also contains sizable funding for security supporting assistance that will go to Egypt, Jordan, and Syria. Thus we literally are supporting both sides in the volatile Middle East.

NO QUESTIONS ASKED

We sell to everyone—no questions asked. We sell to rich and poor nations; developed and developing; democracies and dictatorships, even Communist nations. Since 1964, the United States has spent $30 billion on military aid—excluding Vietnam—while the rest of the world spent $28 billion. We are partial to military dictatorships like Korea, Chile, Taiwan, Brazil. The State Department classifies 18 countries which we are giving aid to as repressive and authoritarian. Others—like Senator CRANSTON—put the number as high as 54 countries of a repressive nature receiving economic and military U.S. aid.

We sell to both sides: U.S. arms policies actually encourage regional arms races by supplying both sides such as in the Indo-Pakistani War of 1965; Nicaragua and Costa Rica in 1955; Honduras and Nicaragua in 1957; El Salvador and Honduras in 1969; Greece and Turkey fighting over Cyprus. We are building Iran into a world-class military power in the Middle East without any idea what course of action Iran will take or what will happen if the Shah is overthrown. We are selling Iran firstline U.S. weapons like the DD-963 destroyers and F-14 fighters.

U.S. arms sales have been accompanied by widespread bribery. Lockheed admits some $20 million in bribes. Other corporations also state they have employed "consultants" and "agents." A DOD briefing paper for potential arms sellers called this a fact of life and gave implicit approval to the practice.

WHAT ABOUT THE COMPETITION?

Arms sales cannot be justified by the "if we don't sell others will" argument.

Why not? Because:

We are doing more than our share;
might turn hostile—or arm both;
with economic aid, arm its neighbor who

Arms purchases by developing nations

It is inconsistent to help one country deprive them of critical resources;

The United States encourages arms sales with 658 civilians and 2,000 military aid advisers around the world including 31 generals and admirals. We build arms hysteria by telling each nation they need more protection from their neighbors;

The U.S. aid often is used for domestic repression and denial of civil liberties; and

The United States is subsidizing some of these exports with tax dollars—discounted prices, loans.

More than 1,000 American firms are engaged in the lucrative business of trading weapons. Of the 1,033 companies licensed to make or export war materiel, 152 are to be found on the latest "Fortune 500" list, and 32 are among the top 50 on the Fortune listing.

The level of sophistication of weapons being sent to nations modernizing their military capabilities is increasing. The United States has agreed to the transfer of the highly sophisticated remote-controlled antitank weapon, the TOW, to several nations. Spain has been able to procure our F-4 mach 2 long-range Phantom fighter-bombers; Kuwait has ordered U.S. A-4 Skyhawk attack fighters and a Hawk surface-to-air missile battalion; and Iran has obtained F-14 naval fighters and DD-963 destroyers.

According to the New York Times, the U.S. arms supermarket has in the past 25 years transferred to foreign governments 866 Phantom jets, 2,375 helicopters, 185 destroyers and destroyer escorts, 1,500 landing craft, 5,000 Hawk antiaircraft missiles, 25,000 Sidewinder air-to-air missiles, 28,000 antitank missiles, 16,000 armored personnel carriers, 25,000 pieces of artillery, and 28,000 tanks.

While the United States had once sent the vast bulk of its arms shipments to nations in the "Forward defense areas," such as the NATO states, South Korea, Indochina and Taiwan, now the Middle Eastern and Persian Gulf nations have become increasingly important customers for private and Government arms peddlers. Utilizing 1972 current dollars, the developed and developing nations imported approximately $2.2 billion in arms during 1963. A decade later developed nation imports actually dropped to $1.4 billion while imports to developing nations skyrocketed to $7.3 billion.

It is ironic that transfers of this magnitude have been negotiated in the face of a diminished military assistance program budget. It is significant that in a program subject to close congressional scrutiny—military assistance—we spent $2.8 billion in fiscal 1974 while foreign military sales, comparatively exempt from congressional control, totaled $10.8 billion.

HOW ARE U.S. ARMS USED?

American objectives in providing munitions often have been perverted. The 1965 Pakistan-India clash over the Kashmir provides an exceptionally good example of this point. When the People's Republic of China began its attack on India's Himalayan frontier in the fall of 1962, the United States, along with a number of other nations, quickly supplied arms to India. Pakistan, then receiving significant supplies of American arms, was alarmed by the realization that with the Indian border campaign concluded, American arms in Indian hands might well be turned against Pakistan. One of the steps Karachi took was to strengthen its forces in the Kashmir; border skirmishes with India along the cease-fire line continued through 1964, and by September of 1965 the Pakistan-India war had commenced.

In the battles which followed, Pakistanis in American Patton tanks clashed with Indians riding American Sherman tanks; Indians were brought to the front in American built C-119's and C-47's to meet Pakistanis transported in our C-130B Hercules. While the United States was not the sole supplier of arms to both sides, former Ambassador to India, John Kenneth Galbraith, has held American arms sales policies to be the major cause of war:

> The arms we supplied . . . caused, and I underline the word, the war . . . between India and Pakistan. I do not pass on the merits of the Kashmir dispute or the rights of Pakistan in this regard. I have a great deal of sympathy with the position of Pakistan in this dispute. But if we had not supplied arms, Pakistan would not have sought the one thing we wanted above all to avoid; namely a military confrontation.

ECONOMIC FACTORS

As might be expected, there has been considerable controversy over the potential detrimental economic impact of arms purchases on recipient states. As the world's major supplier we must acknowledge that by acceding to the global demand for weapons we may well be fostering economic dislocations in areas where, paradoxically, stability and growth are our goals.

According to statistics made available by the Arms Control and Disarmament Agency, in 1970 the total value of arms imported by the 16 developing nations which were the largest recipients of conventional arms in the 1961-71 period amounted to 33 percent of the combined military expenditures of those nations, and 12 percent of the total imports. And even though some of the arms were transferred on a grant or discounted basis, the actual economic impact on these states was considerably more dramatic than the statistics suggest. It is, for example, dangerously misleading to measure the total effect on recipient economies in terms of the value of the war materiel obtained. The ACDA suggests that at least the following spinoff effects must be considered:

First. The cost, in terms of human and material resources, of maintaining the imported weapons systems. Providing the required support infrastructure, airfields, communications facilities, and power stations, may have important economic ramifications. For example, technicians trained to maintain highly sophisticated jet combat aircraft will of necessity be removed from the pool of skilled manpower available for civilian purposes.

Second. Although available figures suggest that the value of arms importation represents a reasonably small percent of the total GNP of most recipient nations, the true impact must be seen in terms of the degree to which resources committed to the acquisition of arms are competing directly with resources needed for economic development. Given the desperate need in parts of the third world for capital and foreign exchange, the diversion of resources for military acquisitions can and does have highly significant negative consequences. In many areas of the third world where there is an urgent need for capital equipment to raise productive capacities, recipients are squandering precious resources for weapons and weapons systems. Such expenditures work counter to what must be the highest priority of developing nations—to attain higher levels of national income.

It seems clear, Mr. President, that to pass this bill is to continue down the path this country has rushed headlong into the past 5 years. This is an unacceptable policy. Arms sales must be severely curbed both by action in the Congress and by international agreement. The provisions of this bill do not directly face the problem—how do we control this vast arms business? Until that issue is decided, passage of a $3 billion security assistance bill, serving as the backbone for a $12 billion arms sales policy, makes no sense.

Mr. THURMOND. Mr. President, the pending bill is a very broad piece of legislation and contains many elements which I favor.

However, on balance it incorporates so many objectionable aspects, I cannot in good conscience cast by vote in favor of final passage.

Briefly the reasons for my opposition are as follows:

This is essentially a military assistance bill but it has been amended in committee by a broad and far-reaching Export and Arms Control Act. This act will have an adverse effect on American industry, reduce employment and reduce taxes to the American Government.

Furthermore, the far-reaching proposals incorporated in the arms export control provisions were adopted by the committee without significant testimony from either the Defense Department, American industry or American labor.

Additionally, the bill contains other features which I feel will damage the long range security interests of our country and impede the President in his conduct of foreign policy.

Some of these items are as follows:

First. It prohibits any arms assistance to forces in Angola which represent the vast majority of the citizens of that nation who are courageously opposing Soviet military equipment and Cuban soldiers backing the minority element in that civil war.

Second. It is unrealistically oppressive in severing past agreements with Chile involving only modest military supplies. It goes so far as to prevent the Chileans from even receiving materiels to maintain and operate equipment we have already provided to them in past years. The purchase of any military equipment is prohibited by Chile, even for cash.

Third. It establishes a human rights provision which, while admirable in some respects, applies standards to underdeveloped countries which our own Nation could not have met at the same stage of national development. While I support human rights throughout the world, I do not feel we can expect underdeveloped nations who wish to be our allies to operate at the same high ethical standards as a nation so well advanced as the United States.

Fourth. This bill provides for public disclosure of proprietary information on arms sales which will without question put our own arms industry at a disadvantage in selling materiel abroad. Such sales which are approved by the President have been very beneficial in our balance-of-payments problems.

In conclusion, Mr. President, I am greatly concerned over the legislative veto provisions of this bill which in my judgment are clearly unconstitutional. The Congress has a role in setting foreign policy, but it should not involve itself in the day-to-day operations of that policy, as the arms export control veto of this bill permits. Furthermore, it allows the Congress by veto to take actions clearly within the prerogative of the Executive without giving the Executive any recourse to overturn those decisions.

This clearly violates the separation-of-powers provision of the Constitution as well as the presentation provision through which the President has the right of veto.

PRE-NOTIFICATION OF LETTERS OF OFFICE

Mr. HUMPHREY. Mr. President, I would like to insert in the Record an exchange of correspondence between Lt. Gen. Howard M. Fish, Director of the Defense Security Assistance Agency, and myself regarding advance notification to the Congress of proposed letters of offer that must subsequently be transmitted officially in accordance with section 36 (b) of the Foreign Military Sales Act.

Senator Nelson, prior to the recess, had introduced an amendment to extend the official period of congressional review from the 30 calendar days in the committee bill to 30 days of continuous session. I had a colloquy with the Senator from Wisconsin at that time in which I explained in general terms the agreement on advance notification which, effectively, extends the review period by 20 days. The Senator from Wisconsin accepted this procedure in lieu of his proposed amendment.

This exchange of letters outlines in detail the agreement with the executive branch.

As noted in this exchange of correspondence the information in these informal prenotices may be classified. Our committee will review each notice for its possible policy content and in addition, we will advise the Senate of the receipt of notices by means of a statement in the Record.

A file of these prenotices will be maintained in the Committee's offices exclusively for the review of Members so that they also may follow these matters.

We believe that this procedure offers a significant advance in the arrangements which have been worked out for coordination between the executive and legislative branches in the area of arms sales. It protects the confidentiality of both national security and privileged industry information. At the same time it should enable us to avoid needless confrontations between the executive and legislative branches by providing adequate forewarning of controversial sales.

I want to express my appreciation to the Senator from Wisconsin (Mr. Nelson) for his understanding in this matter. His contributions to the bill and his support have been invaluable.

I also wish to express our appreciation to those with whom we have worked in the executive branch to develop these new procedures. In particular, we are grateful to Lt. Gen. Howard M. Fish, Director of the Defense Security Assistance Agency and his staff. Out of the experience of working with the Defense Department on this matter we have gained a better understanding of the Executive's problems and procedures relative to the arms transfer question. We have also gained a great measure of confidence that General Fish and his colleagues will faithfully administer the new provisions of law which the Congress is in the process of writing.

I ask unanimous consent that the letter may be printed in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

U.S. Senate,
Washington, D.C., February 17, 1976.
Lt. Gen. Howard M. Fish, USAF,
Director, Defense Security Assistance Agency (OASD/ISA), Department of Defense, Washington, D.C.

Dear Gen. Fish: I am writing to confirm our understanding with regard to advance notification to the Congress of proposed letters of offer that must be formally transmitted pursuant to Section 36(b) of the Foreign Military Sales Act.

In earlier discussions, we expressed our desire for a longer period in which to review proposed sales. You had indicated that you would provide such advance notification in writing to the staffs of the appropriate committees, normally at least 20 days prior to formal notification. I understand that you will notify us if an emergency arises that requires deviation from this procedure.

In adopting this procedure, I understand that the dollar values included in the advance notification may be further refined before the formal transmission and that, for one reason or another, a proposed sale in which we have received notification may not materialize and a formal statement, therefore, not be transmitted.

We assume that you will keep us advised on such cases on a continuing basis.

To minimize the possibility that premature disclosure of detailed offers could harm the competitive position of U.S. industry, we would not publish the details of the advance notification in the Congressional Record. We would, however, publish the fact that such a notification has been received to enable interested Senators to inquire further as to the details.

I look forward to your response outlining in greater detail the procedures to be followed within the above guidelines. I will regard your response as confirmation of this proposal.

Sincerely,

Hubert H. Humphrey.

Office of the Director, Defense Security Assistance Agency and Deputy Assistant Secretary (Security Assistance), OASD/ISA,
Washington, D.C., February 18, 1976.

Senator Hubert H. Humphrey,
Committee on Foreign Relations,
U.S. Senate,
Washington, D.C.

Dear Senator Humphrey: This is in response to your letter of 17 February 1976 requesting that I outline in greater detail the procedures to be followed within the guidelines of your letter.

Since the Department of Defense desires to keep the Congress fully informed concerning the scope and direction of Foreign Military Sales we will institute the following administrative procedures:

We will provide advance notification to the Committees' staff in writing of all FMS cases under consideration that are projected to meet the provisions of Section 36b of the FMS Act as amended. This notification will provide at least twenty (20) additional days for committee review of foreign military sales cases before the formal statement required by Section 36b. Should extraordinary circumstances require deviation from this procedure, we will make every effort to explain the circumstances to the committees and appropriate subcommittees.

It should be understood that the dollar values are estimates only. There may also be some occasional instances where an advance notification is not followed by a Section 36b notification. For example, the country requesting a Letter of Offer might withdraw its request; the Executive Branch might decide, after further consideration, that a Letter of Offer should not be issued or that not all the articles and services requested should be offered for sale; or refinement of pricing data in the development of a detailed Letter of Offer might result in a total case value of less than the statutory threshold where advance notification had been provided to the Committee based on an initial rough estimate. We will keep the Committees advised in this regard on a continuing basis.

We are aware of the interest of the committees in considering letters of offer in the context of the total package, that is, that they be informed about not only the delivery vehicle but also the weapons, associated training, construction, and logistical support necessary to provide an operational weapons system to the requesting foreign country. Where it is not feasible for the foreign country to request, or for the Executive Branch to prepare, such a total package Letter of Offer, we will, when transmitting an advance notification of the request for a Letter of Offer, try to set forth our best estimates of the long-term direct implications, if any, of that request. If, for example, the requested Letter of Offer is the first increment of a multi-year single project, we will estimate the total number of future increments, the dollar value of the sum of these increments, and the expected duration of the project.

The advance and Section 36b notification will be in accordance with established classification requirements. The advance notification information will be provided on the understanding that it will be treated as confidential during the prenotification period. Unclassified summary data will be provided whenever possible.

Sincerely,

H. M. Fish,
Lieutenant General, USAF.

Mr. HUMPHREY. Mr. President, I believe there are no further amendments. I ask for third reading.

The PRESIDING OFFICER. Are there further amendments on the bill? There being no further amendments, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ROBERT C. BYRD. Mr. President, this is the last rollcall vote, unless this one comes out as a cliffhanger, which in some instances, causes additional votes.

Mr. MUSKIE. Mr. President, I want only a minute to make a statement on the budget status of this legislation.

Mr. ROBERT C. BYRD. Mr. President, may the Senator have what time he needs?

Mr. MUSKIE. Ten seconds.

Mr. ROBERT C. BYRD. I ask unanimous consent that the Senator have up to 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MUSKIE. Mr. President, the International Security Assistance and Arms Export Control Act authorizes appropriations for security assistance and related programs for fiscal year 1976 and the Transition Quarter. This bill makes major revisions and reforms in America's arms transfer policy; it is a significant step forward in controlling our arms sales abroad. The Senate Foreign Relations Committee and its Subcommittee on Foreign Assistance, led by Senators Humphrey and Case, has performed a yeoman job in tackling the complex issue of arms transfers abroad, and I commend them for their work.

My purpose in speaking today is to analyze the authorization levels that S. 2662 provides. Three of the programs authorized by the international security assistance bill come under the national defense function. Four are a part of the international affairs function. Together they establish a budget authority ceiling of $3,050 million, about $400 million less than the administration's request of October 30, 1975. The Congressional Budget Office estimate of outlays associated with S. 2662, if funded, is $1,267 million, $157 million less than the President's submission.

The Committee on Foreign Relations was particularly attentive to the guidelines within the spending ceilings contained in the second budget resolution adopted by Congress on December 12, 1975. In the second budget resolution, the functional totals for national defense and international affairs were based on assumed reductions in the President's security assistance request of $400 million in budget authority and $200 million in outlays. I am pleased to note the pending bill before the Senate reflects reductions from requested levels of approximately these amounts. The Committee on Foreign Relations has worked hard—and in concert with the Committee on the Budget—to accommodate the new budget process during their deliberations.

I want to take this time to review the status of the national defense and international affairs functions of the Federal budget. The military grant assistance, foreign military training, and foreign military credit sales programs are in the national defense function. Page 17 of the latest Senate budget scorekeeping report shows that spending in the national defense function would exceed the target included in the second budget resolution by about $300 million in budget authority and $600 million in outlays if the President's spending requests not yet reported from the Committee on Appropriations were fully funded. S. 2662 lowers the potential budget authority overage by $238 million, and lowers the potential outlays overage by $83 million. If we also assume that it is possible to absorb 10 percent of the pay raise costs and that outlays from prior-year military assistance trust fund balances can be reduced from the present official estimates—both of which were assumed in the second budget resolution—the totals for the national defense function would be slightly below the second budget resolution.

The remaining programs in S. 2662 are part of function 150 and include economic supporting assistance, a Middle East special requirements fund, narcotics control and the contingency fund. On page 19 of the scorekeeping report, the international affairs function is shown to be about $300 million over target in budget authority and about $200 million in outlays if the President's spending requests not yet reported from the Committee on Appropriations were fully funded. S. 2662 lowers the potential budget authority overage by $163 million, and lowers the potential outlay overage by $75 million. This means this function would be slightly above the second budget resolution. Taken together, however, these two functional areas of the budget would be at the second budget resolution levels if S. 2662 were enacted and the other assumptions discussed above materialize.

Having said this, however, I caution my colleagues that all these figures I have cited are only estimates, and estimates change. While these two functions would be at the second budget resolution levels as of now assuming enactment and funding of S. 2662, this picture may change as time passes. In our recent debate on the milk price support bill, I pointed out that the second budget resolution estimates for the agriculture function have already been exceeded due to increases in mandatory programs already on the books.

The Congressional Budget Office is now assessing all of the fiscal year 1976 estimates, using the additional data provided along with the President's fiscal year 1977 budget, and will inform both Houses later this month whether further changes in our estimates are required. It may well be that the CBO's best judgment is that events have increased the estimates we are now using in various functions. Of course, the opposite is also possible—CBO could conclude that some of our estimates are too high—but we cannot count on that. To cite but one example, I am increasingly concerned that the second budget resolution estimate for Outer Continental Shelf receipts—which serves to hold down the budget authority and outlay totals—may be too high, and there may be other such cases. If these "reestimates" net out to an increase, we will have some difficult decisions to make later in the year, and I want my colleagues in the Senate to fully understand that.

I plan to vote for S. 2662. It is a necessary bill. It reshapes our national arms exporting policy. It asserts the role of Congress in this vital field. It is in line with the assumptions made by Congress in adopting the second budget resolution. But all of us must be aware of possible budget problems ahead. As chairman of the Budget Committee, I will continue to apprise the Senate of potential budget problems as soon as we see them.

As we approach the end of the year, we are going to begin to knock against the ceiling. It may well be that the Committee on Appropriations will want to take a look at this bill as we get down the road to the end of this fiscal year. I want to make that warning clear at this point.

The PRESIDING OFFICER. The yeas and nays have been ordered. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Georgia (Mr. TALMADGE) is necessarily absent.

I further announce that the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Wisconsin (Mr. NELSON), and the Senator from Illinois (Mr. STEVENSON) are absent on official business.

I also announce that the Senator from Rhode Island (Mr. PASTORE) is absent attending a funeral.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. PASTORE) and the Senator from New Hampshire (Mr. MCINTYRE) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from New York (Mr. BUCKLEY), the Senator from Hawaii (Mr. FONG), the Senator from Utah (Mr. GARN), the Senator from Nevada (Mr. LAXALT) and the Senator from North Dakota (Mr. YOUNG) are necessarily absent.

I further announce that, if present and voting, the Senator from North Dakota (Mr. YOUNG) would vote "yea."

The result was announced—yeas 60, nays 30, as follows:

[Rollcall Vote No. 36 Leg.]

YEAS—60

Baker
Bayh
Beall
Bellmon
Biden
Brooke
Bumpers
Case
Chiles
Church
Clark
Cranston
Culver
Dole
Domenici
Durkin
Eagleton
Ford
Glenn
Gravel
Griffin
Hart, Gary
Hart, Philip A.
Hartke
Haskell
Hathaway
Hollings
Huddleston
Humphrey
Inouye
Jackson
Javits
Kennedy
Leahy
Magnuson
Mathias
McGee
McGovern
Metcalf
Mondale
Morgan
Moss
Muskie
Packwood
Pearson
Pell
Percy
Ribicoff
Roth
Schweiker
Scott, Hugh
Sparkman
Stafford
Stevens
Stone
Symington
Taft
Tunney
Weicker
Williams

NAYS—30

Abourezk
Allen
Bartlett
Bentsen
Brock
Burdick
Byrd, Harry F., Jr.
Byrd, Robert C.
Cannon
Curtis
Eastland
Fannin
Goldwater
Hansen
Hatfield
Helms
Hruska
Johnston
Long
Mansfield
McClellan
McClure
Montoya
Nunn
Proxmire
Randolph
Scott, William L.
Stennis
Thurmond
Tower

NOT VOTING—10

Buckley
Fong
Garn
Laxalt
McIntyre
Nelson
Pastore
Stevenson
Talmadge
Young

So the bill (S. 2662) was passed as follows:

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. CASE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of S. 2662, and that the bill be printed as passed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I want to take this time to express my very sincere and deep appreciation to the staff of the Foreign Relations Committee and, in particular to Mr. Norvill Jones, for the outstanding work he performed in developing this bill.

This bill is a congressional initiative. It is the product of the work of many people, and we are indebted to the competent staff that has aided us in all of our many weeks of discussion, negotiation, and development of this legislation.

I particularly want to thank Norvill Jones, who has earned a splendid reputation as an outstanding member of the staff of the Foreign Relations Committee. I thank him here publicly in the Senate Chamber for his work.

I also want to thank Mr. Dick Moose, who is the staff director of the Subcommittee on Foreign Assistance. He has worked tirelessly in cooperation with the members of the staff of the State Department, the Defense Department and, of course, with those of us on the committee.

My special thanks also to Mr. Robert Mantel of our staff, Mr. Rudolph Rousseau, to Mr. Michael J. Glennon of the Office of the Legislative Counsel, and to Mr. Dan Spiegel of my own staff who has worked tirelessly and with great imagination in developing this legislation, and, of course, Steve Bryen, who has also been of invaluable assistance in all of the work on this bill.

I also wish particularly to thank Ms. Annette Sherman and Ms. Constance Carmichael of our subcommittee staff. They have worked many long hours for weeks in succession and with tireless devotion. We are greatly indebted to them.

There are undoubtedly others who might be mentioned. Legislation such as this cannot be developed and passed without the help and the cooperation of many competent professional staff members.

I also want to thank my esteemed colleague from New Jersey, Senator CASE, and my esteemed colleague from New York, Senator JAVITS. They worked day after day and week after week as Members of the subcommittee to see that the very difficult and complex provisions of this bill was finalized and, in particular, those provisions that relate to what we call the major weapons systems, the antidiscrimination provisions in the bill, the human rights section in the bill, just to mention a few. I express my thanks to them and to our other subcommittee members.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. CASE. I would like to say to all of those whom the Senator from Minnesota has mentioned, "thank you very much." Also on behalf of all of the same staff members and the Senator's colleagues, including very much myself, what a pleasure it has been to work with a master of legislative procedures, practices, a great human being.

We would not have had this bill if it had not been for him. On many occasions he has made it possible by his policies, which remind me and some of our older Members of Al Smith. This man is a "happy warrior," and he has done a great job in the wars on this particular matter. We admire him greatly and give him the accolade which is his due from people who understand what real achievement is, and also from friends.

Mr. HUMPHREY. I thank the Senator very much.

Mr. JAVITS addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. JAVITS. Mr. President, I would like to join my colleague, Senator CASE, in thanking all the staff mentioned by Senator HUMPHREY and also to thank my own staff, essentially Mr. Lakeland and Mr. Ballance, on certain economic aspects of the legislation for their fine work, and to say just a word about my colleagues.

HUBERT HUMPHREY really had a triumph in this matter because it was an absolute work of genius in terms of the necessity for reconciliation which was involved not only to persuade people but also perhaps prevail against them but I think reason left a sense of respect and a sense of worth in what the person who may have been overruled had proposed and the basis upon which it was done.

Also, I think it is a historic moment because this legislation has taken a new turn. Senator CASE figured so importantly. We all know him. I have known him, man and boy, for a very long time, as a man of conscience, probably his greatest hallmark here in the Senate and the House where I served with him, and he felt the time had come to end an era and, really, the postwar era has ended with this bill.

We no longer have to take it for granted we will give aid of military materiel far and wide in the world and that we are the only source of that particular type of aid, but we will now evaluate country by country, system by system, and item by item, what we do and its desirability in the interests, first, of world peace and, second, in the national interests of the United States.

Second, Mr. President, we realize that we do not just sell arms or give arms, we make policy. In that, perhaps, the revolutionaries are right, that policy comes out of the muzzle of a gun in the sense we can also make very intelligent policy in determining whom we will help and from whom we will withhold help.

We hope the nations we sought to send a message to have gotten that message. I hope that legislation in its final form carries the same spirit and the same historic turn toward a more world-encompassing policy than we have had before for all of these years.

For this, we owe a very profound debt of gratitude to Senator HUMPHREY and Senator CASE who epitomized, as a team, the best in bipartisanship.

I am delighted to have had the inestimable privilege of working with these two colleagues and of having had a part with them in fashioning such an important measure.

Mr. HUMPHREY. Mr. President, we surely want to express our thanks to the Senator from New York, and to the Senator from New Jersey.

Mr. CASE. I join Senator HUMPHREY in thanking Senator JAVITS.

This is a generous guy and we appreciate this.

Mr. MANSFIELD. Mr. President, I wish to take just a moment to express the gratitude of the leadership for the outstanding work of Senator HUMPHREY and Senator CASE on the very difficult task just completed—Senate passage of the International Security Assistance and Arms Export Control Act of 1976.

I am a member of the Committee on Foreign Relations and I am keenly aware of the long hours of labor involved in bringing this most far-reaching and complicated measure to a successful disposition.

By commending the manager of the bill, Mr. HUMPHREY, and the ranking minority member of the committee, Mr. CASE, I do not mean to exclude the other members of the committee, all of whom have played a cooperative role in processing this bill. I would also, as did Senator HUMPHREY, pay tribute to the excellent staff assistance provided to all the members of the committee by Mr. Norvill Jones and Mr. Richard Moose. I am confident I would be joined by the entire committee in expressing appreciation to them for their tireless efforts.

The type of cooperation exhibited by Senators HUMPHREY and CASE during the consideration of this measure is a credit to this body and its traditions, and each of them deserve the gratitude and appreciation of the Senate.

COPYRIGHT LAW REVISION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 22, which the clerk will state by title.

The second assistant legislative clerk read as follows:

A bill (S. 22) for the general revision of the Copyright Law, title 17, of the United States Code, and for other purposes.

The Senate resumed the consideration of the bill.

LIBRARY OF CONGRESS MADISON MEMORIAL BUILDING

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 11645 and that the Senate proceed immediately to the consideration of the bill.

The Presiding Officer laid before the Senate H.R. 11645, an act to amend the act of October 19, 1965, to provide additional authorization for the Library of Congress James Madison Memorial Building, which was read twice by its title.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed the question is on the third reading and passage of the bill.

The bill—H.R. 11645—was ordered to a third reading, was read the third time, and passed.

ORDER TO HOLD CERTAIN BILLS AT THE DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that H.R. 8508, H.R. 7824, H.R. 1313, H.R. 9617, H.R. 3440, and H.R. 2575, be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF CERTAIN SENATORS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized on tomorrow, the following Senators be recognized, each for not to exceed 5 minutes and in the order stated: Mr. FORD, Mr. HUDDLESTON, Mr. HELMS, Mr. MORGAN, and Mr. MANSFIELD.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR ROBERT C. BYRD TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that following the recognition of the aforementioned Senators, the junior Senator from West Virginia be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of all orders for the recognition of Senators on tomorrow, there be a period for the transaction of routine morning business of not to exceed 45 minutes, with statements limited therein to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO RESUME CONSIDERATION OF S. 22 TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of routine morning business on tomorrow, the Senate resume consideration of the bill S. 22, the copyright bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF DAYLIGHT SAVING TIME BILL (S. 2931) ON MONDAY, FEBRUARY 23, 1976—TIME LIMITATION AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday, if the copyright bill has been disposed of prior to that time, the Senate proceed to the consideration of the daylight saving time bill with a time limitation thereon of 3 hours to be equally divided between the majority and minority leaders or their designees, that there be a time limitation on any amendment of 1 hour, that there be a time limitation on any amendment to an amendment, debatable motion, or appeal of 30 minutes, including points of order, if submitted to the Senate for discussion, that a vote occur on final passage of that measure, with paragraph 3 of rule XII waived, at the hour of 12 noon on Wednesday.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the agreement in respect of the daylight saving time bill be in the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT FROM MONDAY UNTIL 9:30 A.M. TUESDAY, FEBRUARY 24, 1976

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on Monday, it stand in adjournment until the hour of 9:30 a.m. on Tuesday.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS AND CONSIDERATION OF H.J. RES. 549—TIME LIMITATION AGREEMENT

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order on Tuesday, February 24, 1976, there be a period for the transaction of routine morning business not to extend beyond the hour of 10 a.m. with statements limited therein to 5 minutes each, and that at the hour of 10 a.m. the Senate proceed to the consideration of House Joint Resolution 549, a joint resolution to approve the covenant to establish a Commonwealth of the Northern Mariana Islands in political union with the United States, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on House Joint Resolution 549 there be a time limitation of 3 hours, to be equally divided between Mr. FANNIN and Mr. JOHNSTON; that there be a time limitation of 1 hour on any amendment to the measure with the exception of an amendment by Mr. HARRY F. BYRD, JR., Mr. MANSFIELD, and Mr. PELL, on which there be a time limitation of 2 hours to be equally divided in accordance with the usual form; that there be a time limitation on any amendment to an amendment, debatable motion or appeal, or points of order if submitted to the Senate for its discussion, of 30 minutes; that the agreement be in the usual form, and that a vote occur at the hour of no later than 5 p.m., with paragraph 3 of rule XII waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRESIDENT'S PROPOSALS RELATING TO INTELLIGENCE ACTIVITIES

Mr. MANSFIELD. Mr. President, yesterday evening, the President outlined a most interesting package of proposals regarding changes that ought to be made within the intelligence community. It has been suggested that many of these proposed changes do not require legislative authority and that resort to executive fiat would be employed to accomplish the results.

In view of the history of this issue and particularly in the light of what has been transpiring in the Senate in terms of its investigation into intelligence abuses, it would seem, off hand, that the interests of the Nation would best be served by cooperation and agreement between branches over any major changes in the mandate of national intelligence operations.

Beyond that, on March 1, 2 weeks from now, the Committee on Government Operations is under order to report its recommendation as to an intelligence oversight committee. In that connection, I am aware that the President suggested that it be a joint committee. While I appreciate the suggestion of the President as to how Congress might best perform its oversight responsibilities, it seems to me that the sooner this oversight function gets underway, the better off the Nation will be. It is my sincere hope, therefore, that a Senate Committee on Intelligence be created at the earliest time possible. I think it has become imperative in light of the proposed intelligence changes.

In saying this, I am aware that members of the executive have been conferring informally with various Senators as to how the Senate ought to perfrom its oversight role. I have not had the benefit of this advice but offer the judgment that Members of the Senate are fully cognizant of the unique constitutional role this institution—the Senate—has in matters of foreign policy, including the review and oversight thereof. As to intelligence aspects of that role and intelligence oversight we know of our past deficiencies. The Nation could not be better served than to remedy these deficiencies with the expeditious creation of a permanent Senate oversight facility—fully equipped and capable of analyzing at the outset and for the benefit of the Senate each and every aspect of the President's recommendations regarding changes in the intelligence community.

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the Senate will convene tomorrow at 10 a.m. After the two leaders or their designees have been recognized under the standing order, the following Senators will be recognized, each for not to exceed 5 minutes and in the order stated: Mr. FORD, Mr. HUDDLESTON, Mr. HELMS, Mr. MORGAN, Mr. MANSFIELD, after which there will be a 15-minute order for Mr. ROBERT C. BYRD, after which there will be a period for the transaction of routine morning business of not to exceed 45 minutes, with statements limited therein to 5 minutes each, at the conclusion of which period the Senate will resume consideration of S. 22, the copyright bill. Rollcall votes are expected to occur on amendments and motions in relation to that measure, and hopefully the Senate can and will complete action on the measure on tomorrow. If it does not complete action on that bill, then the Senate will resume action thereon on Friday.

If the copyright bill is disposed of on tomorrow, or at a reasonable hour on Friday, it is the intention of the leadership to call up any one or more of the following measures, but not necessarily in the order listed, and not necessarily confining itself to the measures stated: Calendar Order No. 597, H.R. 8650, home insulation; Calendar Order No. 561, S. 507, national resource lands; Calendar Order No. 606, S. 1664, lead-based paint, and Senate Resolution 268, a resolution to amend rule XXII of the Standing Rules of the U.S. Senate. This would mean that the Hatch Act would not be taken up until next week.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL 10 A.M.

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until the hour of 10 o'clock tomorrow morning.

The motion was agreed to, and at 6:05 p.m. the Senate adjourned till tomorrow, Thursday, February 19, 1976, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate on February 18, 1976:

IN THE MARINE CORPS

The following named officer of the U.S. Marine Corps Reserve for temporary appointment to the grade of major general:

Allan T. Wood.

IN THE AIR FORCE

The following Air National Guard of the United States officers for promotion in the Reserve of the Air Force under the provisions of Section 593(a), Title 10 of the United States Code, as amended;

To be lieutenant colonel

LINE OF THE AIR FORCE

Maj. Jimmy K. Angel, [redacted].
Maj. Willard R. Borkenhagen, Jr., [redacted]
Maj. Thomas H. Bowen, Jr., [redacted].
Maj. Thomas F. Cantarano, [redacted].
Maj. Edward J. Cebulski, [redacted].
Maj. Anthony J. Cichocki, [redacted].
Maj. Gerald O. Clark, [redacted].
Maj. Dion E. DeCamp, [redacted].
Maj. Francis X. Durso, [redacted].
Maj. Bobby P. Ellison, [redacted].
Maj. Melvin E. Endicott, [redacted].
Maj. Rober L. Feaster, [redacted].
Maj. Warren H. Ferdinandsen, [redacted].
Maj. James W Helmrich, [redacted].
Maj. John J. Jean, [redacted].
Maj. Raymond G. Jones, [redacted].
Maj. James M. Kline, [redacted].
Maj. Andrew Knapp, Jr., [redacted].
Maj. Myrle B. Langley, [redacted].
Maj. Ronald F. Lenagh, [redacted].
Maj. Jay D. Lindquist, [redacted].
Maj. Albert D. Lipscomb, [redacted].
Maj. Allen M. Mizumoto [redacted].
Maj. Frank R. O'Neill, [redacted].
Maj. Robert M. Parker, [redacted].
Maj. Elmer L. Simmons, Jr,, [redacted].
Maj. Thurston S. Thorpe, [redacted].
Maj. William P. Toll, [redacted].
Maj. George A. Tupper, [redacted].
Maj. Richard J. Uhlrich, [redacted].
Maj. Nicholas P. Valdrighi, [redacted].
Maj. George E. Wynne, [redacted].

MEDICAL CORPS

Maj. Michael Adams, [redacted].

MEDICAL SERVICES CORPS

Maj. Joseph H. Mailloux, [redacted].

IN THE ARMY

The following-named persons for appointment in the Regular Army, by transfer in the grade specified, under the provisions of title 10, United States Code, sections 3283 through 3294:

To be captain

Noreen, Robert S., [redacted].
Shields, Buren R., III, [redacted].
Smith, Michael E., [redacted].

To be first lieutenant

Blomstrom, John J., [redacted].
Connell, Richard E., [redacted].
Cooch, Francis A., IV, [redacted].
Dolan, Daniel A., [redacted].
Heekin, Robert A., [redacted].
Hostler, Dorsey D., [redacted].
Johnston, Wayne R., [redacted].
Meinhold, Don H., [redacted].
Reeder, Joe R., [redacted].
Wheeler, Courtney B., [redacted].

The following-named persons for appointment in the Regular Army of the United States, in the grade specified, under the provisions of title 10, United States Code, sections 3283 through 3294 and 3311:

To be major

McMillan, Whitfield M., [redacted].

To be captain

Bernhardt, Eugene, [redacted].
Braden, John W., Jr., [redacted].
Brown, Bradford M., [redacted].
Bruns, Thomas E., [redacted].
Bullock, Donald L., [redacted].
Burke, Raymond J., [redacted].
Burns, Thomas P., III, [redacted].
Curtis, Craig H., [redacted].
Dill, Garrett S., Jr., [redacted].
Echols, Harold, [redacted].
Elizondo, Raymundo, [redacted].
Flannery, Corbett M., [redacted].
Fowler, David F., Jr., [redacted].
Franks, Tommy R., [redacted].
Gibbs, Garland H., [redacted].
Gooden, John C., [redacted].
Graney, Pierce T., Jr., [redacted].
Gulley, Myra I., [redacted].
Hardin, Charles A., [redacted].
Huber, Eric W., [redacted].
Hutchison, James M., [redacted].
Ingraham, Larry H., [redacted].
Jenkins, Kenneth M., [redacted].
Jones, Griffith B., [redacted].
Kassim, Alexander M., [redacted].
Keller, David L., [redacted].
Krakow, Arthur M., [redacted].
Lane, John J., Jr., [redacted].
Lee, Bobby E., [redacted].
Leverett, J. D., [redacted].
Love, Dickey A., [redacted].
Lucas, Gene S., [redacted].
Mancuso, Joseph J., [redacted].
McCarthy, Edward P., Jr., [redacted].
McCubbin, Hamilton, [redacted].
McLaughlin, Peter, [redacted].
Miller, Elizabeth A., [redacted].
Moore, Walter B., [redacted].
Poulos, Basil N., [redacted].
Raney, Charles D., [redacted].
Rice, Deward B., Jr., [redacted].
Ricker, Joe G., [redacted].
Ricks, Billy J., [redacted].
Rother, Glenn G., [redacted].
Rothwell, Wayne A., [redacted].
Sellers, Donald K., [redacted].
Seureau, Kathleen N., [redacted].
Shelton, Walter J., [redacted].
Smith, Charles I., [redacted].
Soderberg, Donald, [redacted].
Solomon, Billy K., [redacted].
Stump, Frank G., [redacted].
Suessmann, Michael B., [redacted].
Syverud, Roger L., [redacted].
Trimmer, Floyd L., [redacted].
Turk, Felix F., [redacted].
Van Vranken, Edward W., [redacted].
Voss, Daniel R., [redacted].
Wey, Edward J., [redacted].
Wheeler, James P., [redacted].
Wood, Richard E., [redacted].
Yamaoto, James R., Jr., [redacted].
Zanini, Daniel R., [redacted].

To be first lieutenant

Bartz, Curtis R., [redacted].
Bechtold, William A., [redacted].
Benner, Michael D., [redacted].
Berry, Jon G., [redacted].
Brandenburg, Joe W., [redacted].
Burns, Jana C., [redacted].
Cahill, William R., [redacted].
Christensen, Donald G., [redacted].
Daniel, Ronnie M., [redacted].
Diaz-Rojas, Pablo, [redacted].
Green, Joseph M., [redacted].
Grodzicki, Barbara A., [redacted].
Hardaway, Russell G., [redacted].
Herzberger, James K., [redacted].
Johnson, Mark H., [redacted].
Krantz, William A., [redacted].

To be second lieutenant

Caldwell, Terence J., [redacted].

CONFIRMATIONS

Executive nominations confirmed by the Senate February 18, 1976:

DEPARTMENT OF STATE

Rozanne L. Ridgway, of the District of Columbia, Deputy Assistant Secretary of State for Oceans and Fisheries Affairs, for the rank of Ambassador.

J. Owen Zurhellen, Jr., of New York, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Surinam.

John Arthur Shaw, of Maryland, to be Inspector General, Foreign Assitance.

(The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE DIPLOMATIC AND FOREIGN SERVICE

Diplomatic and Foreign Service nominations beginning Morton I. Abramowitz, to be a Foreign Service officer of class 1, and ending Carman C. Williams, to be a Foreign Service officer of class 7, which nominations were received by the Senate and appeared in the Congressional Record on January 21, 1976.

HOUSE OF REPRESENTATIVES—*Wednesday, February 18, 1976*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Let us go up to the mountain of the Lord: and He will teach us His ways and we will walk in His paths.—Isaiah 2: 3.

O God, who art the source of wisdom, power, and love, lead us through the swiftly moving changes of this life to rest our spirits upon Thee and upon the eternal foundations Thou hast laid for us. Save us from pettiness, prejudice, and provincialism and lead us to the higher plane of truth, goodness, and love where we may be one with Thee.

In the assurance of Thy presence we face the responsibilities of this day. By Thy spirit enable us to match our mounting needs with mighty deeds—to think clearly, to speak wisely, and to act courageously that we may be positive, not negative, in our contribution to the life of our day.

Help us to move forward toward the coming of Thy kingdom of justice, liberty, and good will where life for all shall be free and full.

In the spirit of Christ we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Heiting, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On February 16, 1976:

H.R. 8529. An act to establish improved programs for the benefit of producers and consumers of rice.

On February 17, 1976:

H.R. 5608. An act to extend until the close of 1983 the period in which appropriations are authorized to be appropriated for the acquisition of wetlands, to increase the maximum amount of such authorization, and for other purposes.

RESIGNATION AS MEMBER OF COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION

The SPEAKER laid before the House the following resignation from the Committee on Public Works and Transportation:

FEBRUARY 17, 1976.

Hon. CARL ALBERT,
Chairman, Democratic Steering and Policy Committee, Washington, D.C.

DEAR MR. SPEAKER: I hereby submit my resignation from the Committee on Public Works and Transportation.

With kindest personal regards,
Sincerely,
GERRY E. STUDDS.

The SPEAKER. Without objection, the resignation is accepted.

There was no objection.

ELECTION OF MEMBER TO COMMITTEE ON INTERNATIONAL RELATIONS

Mr. O'NEILL. Mr. Speaker, I offer a privileged resolution (H. Res. 1036) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 1036

Resolved, That Gerry E. Studds of Massachusetts be, and he is hereby, elected a member of the Committee on International Relations.

The resolution was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 8835, TRUTH IN LENDING ACT AMENDMENTS

Mr. REUSS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8835) to amend the Truth in Lending Act to protect consumers against inadequate and misleading leasing information, assure meaningful disclosure of lease terms, and limit ultimate liability in connection with leasing of personal property primarily for personal, family, or household purposes, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. HAGEDORN. Mr. Speaker, reserving the right to object, has this been cleared with the minority?

Mr. REUSS. Mr. Speaker, I am informed it has been, yes.

Mr. HAGEDORN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin? The Chair hears none and appoints the following conferees: Mr. Reuss, Mr. Annunzio, Mrs. Sullivan, Mrs. Spellman, Mr. Barrett, Mr. Wylie, and Mrs. Fenwick.

APPOINTMENT OF CONFEREES ON H.R. 6516, EQUAL CREDIT OPPORTUNITY ACT AMENDMENTS OF 1975

Mr. REUSS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6516) to amend title VII of the Consumer Credit Protection Act to include discrimination on the basis of race, color, religion, national origin, and age, and for other purposes, with the Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin? The Chair hears none, and appoints the following conferees: Mr. Reuss, Mr. Annunzio, Mrs. Sullivan, Mrs. Spellman, Mr. Barrett, Mr. Wylie, and Mrs. Fenwick.

PERSONAL EXPLANATION

Mr. OTTINGER. Mr. Speaker, at the time of the vote on rollcall No. 56 on H.R. 11233, I was unavoidably detained. I will insert a statement in the Record concerning this matter as follows:

Mr. Speaker, yesterday afternoon, I was attending an important conference on revision of the budget with several economists, officials of the Congressional Budget Office and members of the House Budget Committee. Unfortunately, I was unable to get to the floor of the House from that meeting in time to cast my vote on this important measure. Had I been present, I would have voted in favor of it.

I feel that the Library Services and Construction Act is vitally important legislation and that funds for it were well spent on expanding and improving public library services and interlibrary cooperation.

I am pleased that this legislation passed by such an overwhelming margin and regret that I missed voting again in favor of the program.

CUTBACK OF GENERAL MOTORS AT LORDSTOWN

(Mr. VANIK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VANIK. Mr. Speaker, I was stunned to learn today of the General Motors decision to drastically cut back production at the Lordstown assembly plant which produces small and compact automobiles.

According to General Motors officials, the cutback in Lordstown production results from a consumer shift to large and intermediate automobiles.

Apparently the American people are becoming accustomed to the present level of gasoline prices. However, no American can relax in gas-guzzling comfort while America spends $30 billion per year in cash outflow for foreign oil. This country cannot successfully fight off either inflation or reduced productivity as long as we remain so dependent on oil imports at manipulated price levels.

Our present program of voluntary conservation in oil and gas consumption appears doomed to failure.

SPECIAL ORDER BY MR. ADAMS TODAY ON STATUS OF THE BUDGET

(Mr. ADAMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ADAMS. Mr. Speaker, I take this 1 minute to indicate to the Members of the House that today I will take a special order at the end of all other business to report on the status of the budget process, and substantively as of now, I, as an individual Member, believe the budget debate should start. The final decisions, of course, will develop as the Budget Committee works on the details of the first concurrent resolution for fiscal year 1917. I do this because I believe it is vital that the Members be made aware of the limits of our resources and the choices we will have to make. It is my hope that the debate on the budget will thus be meaningful and the best possible result will be achieved.

HOUSE SHOULD REJECT H.R. 8617 ON THE HATCH ACT

(Mr. DERWINSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DERWINSKI. Mr. Speaker, periodically in our Nation's history, opportunities for objectivity and high-level performance, which are the hallmarks of statesmanship, have been thrust upon the other body. In this, our Bicentennial Year, it can be hoped the other body, in the next few days, will respond to its latest opportunity for statesmanship and soundly reject H.R. 8617, a bill which virtually would emasculate the Hatch Act.

As a fiercely proud Member of this body, I was more than somewhat dismayed by the vote which stamped the House imprimatur on this ill-conceived piece of legislation. It was a shameful action which telegraphed to our career employees this message:

> In the future, your advancement will not be determined by meritorious service on the job but by muscle at the ballot box.

Thus, by default, we invited the other body to continue to shield Federal employees from partisan pressures and political activities not of their own choosing. There is abundant evidence that Federal employees cannot offer simultaneous allegiance to an impartial civil service system and a partisan political organization.

Realistically, I may be placing too much faith in the other body since its actions this year give so much prominence to Presidential politics. However, I am an optimist who believes the other body will not want to be a contributory partner to a horrible mistake which if not corrected, will further erode credibility in the Federal Government. Of course, I would have preferred to have this body in the starring role, but it serves no point to lament for what might have been.

CONFERENCE REPORT ON S. 1617, AGRICULTURAL PEST CONTROL

Mr. de la GARZA. Mr. Speaker, I call up the conference report on the Senate bill (S. 1617) to clarify the authority of the Secretary of Agriculture to control and eradicate plant pests, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of February 9, 1976.)

Mr. de la GARZA (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the statement.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

CALL OF THE HOUSE

Mr. ROUSSELOT. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Without objection, a call of the House is ordered.

There was no objection.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 59]

Andrews, N.C.
Aspin
Barrett
Biaggi
Boland
Brademas
Breckinridge
Brown, Calif.
Brown, Ohio
Burke, Fla.
Cederberg
Chisholm
Conyers
Crane
Dellums
Derrick
Diggs
Drinan
Eilberg
Esch
Eshleman
Fish
Flowers
Giaimo
Hébert
Heckler, Mass.
Heinz
Henderson
Hinshaw
Holland
Horton
Jones, Ala.
Krueger
LaFalce
Landrum
Macdonald
Metcalfe
Michel
Mills
Moorhead, Pa.
Pattison, N.Y.
Pike
Rees
Rhodes
Rodino
Rosenthal
Rostenkowski
Scheuer
Sisk
Spellman
Steiger, Ariz.
Stephens
Teague
Udall
Waxman
Wirth
Wylie
Young, Alaska

The SPEAKER. On this rollcall 374 Members have recorded their presence by electronic device, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CONFERENCE REPORT ON S. 1617, AGRICULTURAL PEST CONTROL

The SPEAKER. The Chair recognizes the gentleman from Texas (Mr. DE LA GARZA).

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report on S. 1617. This bill is a noncontroversial measure with bipartisan support. It extends the authority of the Secretary of Agriculture to cooperate with foreign governments to control the spread of plant pests and animal diseases to the United States. It provides a means for developing programs with the help of our friends abroad to protect U.S. agriculture against incursions from such harmful pests as the Mediterranean fruit fly—an extremely destructive insect to citrus and vegetables.

The House and the Senate bills were substantially the same. Except for certain technical matters, the differences related only to the countries with which cooperative programs could be undertaken. These differences were quickly compromised in a manner that assures that the Secretary will have the tools to carry out cooperative programs whenever needed to protect the farm economy in the United States.

With respect to plant pest control programs, the Senate bill extended the authority of the Secretary of Agriculture to cooperate with the governments of all countries of the Western Hemisphere or the local authorities thereof.

The House amendment authorized cooperation instead with: First, the Governments of Canada, Mexico, the Central American countries, Colombia, the Bahama Islands, the Greater Antilles, and the Lesser Antilles, or the local authorities thereof; and second, international organizations or associations.

The conference substitute adopts the Senate provision authorizing cooperation with the governments of all countries of the Western Hemisphere—including the governments of all the countries specified in the House amendment—and that part of the House amendment authorizing cooperation with international organizations or associations.

With respect to animal disease control programs, both bills make it clear that the Secretary's authority to cooperate with certain Western Hemisphere countries extends to carriers of animal disease. The Senate bill left unchanged the countries with which these cooperative programs could be undertaken, namely Canada, Mexico, the Central American countries, and Colombia.

The House amendment extends the authority provided in the Senate bill to the Bahama Islands, the Greater Antilles, and the Lesser Antilles, and to international organizations or associations. The House amendment also substitutes the country designation Belize for British Honduras.

The conference substitute retains the Senate provision and adopts the House amendment: First, extending the Secretary's authority to cooperate with the Bahama Islands, the Greater Antilles, and the Lesser Antilles, and international organizations or associations; and second, substituting the country designation Belize for British Honduras.

The conference report arms the Secretary with the necessary authority to carry out cooperative programs with countries when and as needed. It is expected that the beneficial effects of this legislation in helping to overcome problems arising from plant pests and carriers of animal disease will contribute to a sound agricultural economy.

Mr. Speaker, I urge my colleagues in the House to join me in support of the conference report on S. 1617.

Mr. THONE. Mr. Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman from Nebraska.

Mr. THONE. Mr. Speaker, the minority agrees wholeheartedly and asks for unanimous support for this conference report.

Mr. DE LA GARZA. Mr. Speaker, I ask my colleagues to adopt this conference report.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

There was no objection.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on S. 1617, just agreed to.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

APPOINTMENT AS MEMBERS OF U.S. DELEGATION OF MEXICO-UNITED STATES INTERPARLIAMENTARY GROUP

The SPEAKER. Pursuant to the provisions of section 1, Public Law 86-420, the Chair appoints as members of the U.S. Delegation of the Mexico-United States Interparliamentary Group the following Members on the part of the House: The gentleman from Pennsylvania, Mr. NIX, chairman; the gentleman from Texas, Mr. WRIGHT; the gentleman from New York, Mr. WOLFF; the gentleman from Texas, Mr. DE LA GARZA; the gentleman from Georgia, Mr. LEVITAS; the gentleman from New York, Mr. AMBRO; the gentlewoman from Colorado, Mrs. SCHROEDER; the gentleman from New Mexico, Mr. LUJAN; the gentleman from California, Mr. ROUSSELOT; the gentleman from California, Mr. BURGENER; the gentleman from California, Mr. LAGOMARSINO; and the gentleman from New York, Mr. GILMAN.

REQUEST FOR COMMITTEE ON THE JUDICIARY TO SIT TODAY DURING 5-MINUTE RULE

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be permitted to sit today during the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

Mr. BAUMAN. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

PERMISSION FOR COMMITTEE ON RULES TO FILE CERTAIN PRIVILEGED REPORTS

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON FOSSIL FUELS OF COMMITTEE ON SCIENCE AND TECHNOLOGY TO SIT TOMORROW

Mr. HECHLER of West Virginia. Mr. Speaker, I ask unanimous consent that the Subcommittee on Fossil Fuels of the Committee on Science and Technology be permitted to meet tomorrow while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

TO PROVIDE FOR COMMITTEE ON INAUGURAL ARRANGEMENTS

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate concurrent resolution (S. Con. Res. 90), to provide for a Committee on Inaugural Arrangements.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 90

Resolved by the Senate (the House of Representatives concurring), That a joint committee consisting of three Senators and three Representatives, to be appointed by the President of the Senate and the Speaker of the House of Representatives, respectively, is authorized to make the necessary arrangements for the inauguration of the President-elect and Vice President-elect of the United States on the 20th day of January 1977.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

APPOINTMENT AS MEMBERS OF JOINT COMMITTEE TO MAKE NECESSARY ARRANGEMENTS FOR INAUGURATION OF PRESIDENT-ELECT AND VICE-PRESIDENT-ELECT ON JANUARY 20, 1977

The SPEAKER. Pursuant to the provisions of Senate Concurrent Resolution 90, 94th Congress, the Chair appoints as members of the joint committee to make the necessary arrangements for the inauguration of the President-elect and the Vice President-elect of the United States on the 20th day of January 1977 the following Members on the part of the House: The gentleman from Oklaman, Mr. ALBERT, the gentleman from Massachusetts, Mr. O'NEILL, and the gentleman from Arizona, Mr. RHODES.

SUPPLEMENTAL RAILROAD APPROPRIATIONS

Mr. MAHON. Mr. Speaker, pursuant to the order of the House on February 11, 1976, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 801) making supplemental railroad appropriations for the fiscal year ending June 30, 1976, the period ending September 30, 1976, the fiscal year ending September 30, 1978, and the fiscal year ending September 30, 1979, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, the time to be equally divided and controlled by the gentleman from Massachusetts (Mr. CONTE) and myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution, House Joint Resolution 801, with Mr. GIBBONS in the chair.

The Clerk read the title of the joint resolution.

By unanimous request the first reading of the joint resolution was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Texas (Mr. MAHON) will be recognized for 30 minutes, and the gentleman from Massachusetts (Mr. CONTE) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Chairman, I yield myself such time as I may consume.

This bill having to do with the railroads, particularly those of the Northeastern United States, is a matter of considerable interest to the House and to the country. The hearings on this measure were conducted by the Subcommittee on Transportation, headed by the gentleman from California (Mr. McFALL), and he will present the bill and discuss the matter, along with the gentleman from Massachusetts (Mr. CONTE), and others who are on the subcommittee. I anticipate that the House will agree to the recommendations of the Committee on Appropriations.

Mr. Chairman, I yield such time as he may consume to the gentleman from California (Mr. McFALL).

Mr. McFALL. Mr. Chairman, I bring to the floor today a resolution to appropriate the funds needed to implement the USRA final system plan. This is a major part of the landmark Railroad Revitalization and Regulatory Reform Act of 1976 which we passed earlier this year. That act authorized funds to be appropriated to the U.S. Railway Association for the purchase of senior securities issued by the new Consolidated Rail Corp. This large investment by the U.S. Government will enable ConRail to reorganize the properties of the Penn Central and other bankrupt railroads on a sound, income producing basis. Federal funds, together with other sources of private finance, will be used to rehabilitate and improve the fixed rail plant and equipment so that better and more efficient rail service can be provided, ultimately on a self-sustaining basis with a full repayment to the Federal Government.

Mr. Chairman, the committee considered a budget request of $2,106,100,000 of which $6,100,000 is for USRA administrative expenses and $2.1 billion is for the purchase of ConRail securities.

The resolution recommended to the House today provides for new budget authority of $1,921,500,000 of which $5,500,000 is for administrative expenses and $1,916,000,000 is for the purchase of securities. When the resolution is read for amendments, I shall offer an amendment to increase the total funding to $2,031,500,000 of which $2,026,000,000 shall be for the purchase of securities. If agreed to, the amended resolution would still be $74,600,000 below the budget request.

The Appropriations Committee reported this resolution on February 11, 1976, and made its recommendations based upon a final system plan which called for a Federal investment of $1,841,000,000 plus $250,000,000 as a "margin of safety." The final system plan called for ConRail to operate approximately 15,000 route miles of railroad with approximately 2,000 route miles going to the Chessie System and the Southern Railway. This was the preferred rail structure outlined by USRA. It would have provided for rail-to-rail competition in most of the larger markets.

On February 12, the day after we reported, USRA announced that Chessie and Southern had failed to reach agreements with the railroad unions and, therefore, would not acquire most of the properties designated to them under the final system plan. According to the supplemental report of the final system plan, the viable properties which would have gone to the other carriers will now go to ConRail. Thus, ConRail will now operate some 17,000 route miles of railroad, 2,000 more than originally contemplated by the plan and by our committee report.

The new structure, referred to as Unified ConRail, will need more Federal money than the plan originally proposed. This is because more rehabilitation work will be necessary, more equipment will be needed and because operating losses over the larger system will be greater in the early years than under the original proposal.

I would like to point out to the Members that the unified ConRail structure has some important advantages over the original proposal. Unified ConRail will have a railroad monopoly in more areas than under the previous proposal. But it will not have a transportation monopoly. The requirement of competition will be met by the other modes, principally motor and water carriers, in almost every market ConRail will serve. Rail traffic can be consolidated over the larger structure rather than be divided among competing carriers. More efficiency and lower cost transportation is possible under the unified ConRail approach than under the previous proposal.

I believe the unified ConRail approach will give ConRail a better chance for economic viability and lessen the chances of another bankruptcy, a real possibility given our shakey and sluggish economy. No one wants ConRail to succeed more than I do and I believe the unified structure will enhance ConRail's future.

Another important advantage of unified ConRail is the possibility of earlier than planned repayment of the Federal investment. As most of the Members know, the final system plan called for ConRail to repay the Federal investment. Under the unified proposal, Federal repayment can be expected earlier because of greater revenue gains and operating efficiencies made possible because of the elimination of duplicative facilities.

As I previously indicated, this appropriation is authorized by the Railroad Revitalization and Regulatory Reform Act of 1976. That act provided for significant changes in the regulatory procedures of the Interstate Commerce Commission. It also enacted greater ratemaking freedom for the railroads. USRA considered these reforms necessary for ConRail's success. These reforms are contained in titles II and III of the new Rail Act.

The new act, together with programs authorized under the 1973 Rail Act, will also provide governmental assistance for light density branch lines and commuter rail service. By relieving ConRail of the financial burden of providing these services on a losing basis, Congress has created an environment which will foster the health of rail freight transportation generally and ConRail in particular.

The committee does not usually provide money until just before it is needed. However, we are convinced that this request should be enacted now because of the peculiar nature of the railroad reorganization process. Under the requirements of the Regional Rail Reorganization Act of 1973, as amended, the USRA must certify to the court overseeing the reorganization process that the reorganization of the bankrupt properties is fair and equitable and will enable the reorganized entity, ConRail, to operate in the future on an income-producing basis. This requirement will insure that the subordinated securities to be issued to the bondholders and other creditors of the bankrupt estates will have the "constitutional minimum" value. In order to generate this future income, the deteriorated rail plant to be transferred to ConRail must be rehabilitated and restructured. The reorganization court must be assured that the funds needed for this improvement will be available. That is why we have departed from our usual practice. We have provided funds for fiscal years 1976 through 1979 rather than in 1976 and 1977 as requested because the money is not needed until these later years.

Our amended recommendation will provide for the full amount contemplated by the final system plan for the unified ConRail structure.

USRA and the administration originally proposed $1,841,000,000 plus $250,000,000 as a "margin of safety." The budget request included this entire amount. We provided $75 million as a "margin of safety" because it was not apparent that any more will be needed. Under the amendment I will offer shortly, we will appropriate the full $2,026,000,000 that is contemplated under the final system plan for a unified ConRail structure.

Since USRA has not indicated what an appropriate "margin of safety" would be under the unified ConRail structure, my proposed amendment contains no provision for such a margin. But as we indicated on page 5 of the committee report, we will give prompt and timely consideration to a request for additional funds if they are needed.

By providing the full amount contemplated under the unified ConRail system plan, the committee believes that the Federal Government has met its financial responsibilities to ConRail and that USRA can certify the new final system plan as fair and equitable to the creditors.

The committee has included language on pages 5 and 6 of the report encouraging ConRail to pursue this massive rehabilitation program with great care and on a strictly business basis.

We have also included language to limit the amount of funds available for operating losses. We recognize that the Penn Central cannot become a profitable ConRail overnight, but we need to protect our Federal investment in this venture to guarantee that Federal money gets used in rebuilding and improving the railroad and is not just paid out for operating subsidies. The committee believes this provision is completely consistent with the Federal Government's role as the major investor in ConRail during its first few years. The amounts proposed are the projections for funds consumed in operations as scheduled on page 119 of the final system plan supplement. This provision will provide the Congress with a check on ConRail so that this massive amount of money gets spent effectively.

We do not intend to have ConRail go bankrupt because of this provision. If economic or other conditions justify a higher level of operating loss than contemplated under the plan, we will of course give timely consideration to a request to raise the amounts in the limitation. Before raising the amounts we would expect a complete justification as to why ConRail had not achieved the goals of the final system plan.

The request for USRA administrative expenses was $4.1 million in 1976 and $2 million in the transition period. This is discussed on page 7 of the report.

We provided the full amount in 1976 and reduced the amount for the transition period to $1.4 million because USRA should begin to reduce its operations substantially after the litigation process is started

Mr. Chairman, I believe this resolution meets our commitment to provide for a viable income-producing railroad, serving a substantial part of America's commerce and industry. The properties transferred to ConRail serve as a strategic link in our national rail transportation system. If ConRail is successful, our railroads can probably stay in the private sector If ConRail fails, it will indicate that the last and best attempt to keep the railroads private will have failed. I believe our recommendations are consistent with our commitment to ConRail and with our commitment to the American taxpayers.

I know that the House will want to listen to the statement from the gentleman from Massachusetts (Mr. Conte), the ranking Republican member on the subcommittee. I am very appreciative of the ability and the dedication to the work of the committee of the gentleman from Massachusetts (Mr. Conte). I want to thank the gentleman for all the help that the gentleman from Massachusetts has given to the country on this particular piece of legislation. It is a pleasure to work with the gentleman from Massachusetts and the entire committee, who were very diligent in the way they attended to the business of the House and the country.

Mr. MAHON. Mr. Chairman, the legislation before us is disturbing to me. I voted against the legislation which authorized this program, but the House nevertheless finally passed it overwhelmingly by a vote of 353 to 62. My position was not sustained.

Thus we are faced with the situation of Congress and the President having approved a program which now requires funds. Without these funds, the authorized program known as ConRail could not realistically go into effect on April 1 as the law authorizes. Such a situation would apparently cause great havoc in the transportation system in that part of the Nation affected by ConRail.

We have reduced the funds requested for ConRail by some $75 million, and I of course plan to watch this situation carefully in the future. But I think I must point out that we are embarking on a very dangerous situation which will require large expenditures of funds in the future if we are not very cautious.

Mr. CONTE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, before speaking on the bill, I want to join with my chairman. Not that I want it to sound like a mutual admiration society, but it has been my pleasure to work through the years with the chairman, the gentleman from California (Mr. McFall). I think the gentleman from California is one of the fairest and one of the most knowledgeable men we have in the Congress when it comes to the question of transportation.

Mr. Chairman, as indicated in the supplemental views set forth in the committee report, in the submission of which I am joined by my colleagues, the gentleman from Alabama (Mr. Edwards), the gentleman from Pennsylvania (Mr. Coughlin), and the gentleman from Massachusetts (Mr. Boland), I have certain reservations about the recommendations made by that committee. I urge my colleagues very seriously to read those supplemental views, since they speak largely for themselves; but I feel it is important to summarize them now for the Members of the House are present for debate today.

Mr. Chairman, as is indicated by the supplemental views set forth in the committee report—in the submission of which I am joined by my colleagues, Mr. Boland, Mr. Edwards, and Mr. Coughlin—I have certain reservations about the recommendations made by the committee.

I would urge my colleagues to read those supplemental views since they speak largely for themselves, but I feel it is important to summarize them now for the benefit of the Members who are present for this debate.

First of all, I believe it a mistake for the committee to have originally recommended the provision of only the bare minimum of $1.841 billion in ConRail financing. As one who has worked long and hard for the authorizing legislation which the President signed into law just 2 weeks ago, which legislation has the promise not only of preserving essential rail freight service in the Northeastern quadrant of our Nation but of gradually improving it, over a period of time, making it sufficiently competitive once again, so that it will become a self-sustaining, private operation, I believe it was unwise to ignore—as the committee was doing—the recommendation of both the U.S. Railway Association and the administration concerning ConRail's needs for Federal assistance.

The recommendation of both USRA and the administration in this regard was not the $1.841 now contained in this bill, plus the additional $75 million also contained in the bill as a so-called margin of safety, but was, instead, a total of $2.1 billion, which figure included a far more realistic $250 million margin of safety.

The $75 million margin would have helped, of course, and I am grateful to my subcommittee chairman and the other subcommittee members who were, in the end, willing to go that far toward providing ConRail with sufficient, basic capitalization. But, in retrospect, I really have to doubt that the subcommittee majority fully understood just what was at stake, here. Mr. Chairman, this matter was discussed at some length in this Chamber during the course of our deliberations over what became the Railroad Revitalization and Regulatory Reform Act of 1976. But, again, the subject matter was of such complexity and the debate so frequently concentrated on peripheral issues, that it is little wonder if the average Member of this body failed to grasp that what is being attempted here amounts to the largest corporate reorganization in our Nation's history; that if, in the course of that attempt, a proper foundation is not laid for what is being called an income-based reorganization of the several bankrupt railroads being folded into ConRail, then the Federal Government quite likely could be exposed to a multibillion-dollar liability in favor of those bankrupt rail estates; and that one of the basic issues the courts will examine into to try to determine if such an income-based reorganization can be achieved, is this very question of whether or not ConRail is being adequately capitalized.

As I understand the genesis of the $1.841 billion figure—as it was explained in the so-called final system plan prepared by USRA—it is what might be called the computer's determination of ConRail's minimum need for Federal aid after the USRA people fed into that computer the hundreds and hundreds of assumptions that had to be made about ConRail's future performance and requirements. It is clear from the plan and from the testimony presented to the subcommittee that these assumptions were based on what could only be called point forecasts; that is, for instance, that by such and such a date ConRail's revenues ought to be so many dollars and its operating expenses so many other dollars, based on a whole host of factors such as the possibility of rate relief, the impact of continued inflation, the inroads of nonrail competition and, even, the overall trend of the general national economy.

Then, as computers do, the USRA computer spat out a precise figure—$1.841 billion—as the likely shortfall in ConRail revenues to cover expenses in its early years but, as it did so, the people who had to make those assumptions knew full well, just as we should know, that not all of those assumptions would come to pass precisely as forecast, and that it was highly improbable that ConRail would ever be right on target insofar as its pro forma financial projections were concerned. So, just as we should be doing, they built into the plan for ConRail capitalization a $250 million margin of safety, and in that fashion arrived at the requested $2.1 billion which is the figure I believe this bill should have carried in the first place.

Now, however, as we all know, Mr. Chairman, we face a somewhat different situation than that which pertained at the time of the committee markup. Just a week ago, to my personal regret, the negotiations that had been going on for several months now between rail labor and the Chessie System and the Southern Railway System—each of which was, under the plan, to acquire substantial portions of the bankrupt system—broke down completely, and now neither of those railroads will be partcipating in the restructuring of that system.

This means that, instead of the smaller, more compact ConRail envisioned in the preferred version of the final system plan, we will have what is called "Unified ConRail," as some people call it—a 17,000-mile system that will comprise most of the former Penn Central, Erie-Lackawanna, Reading, Central of New Jersey, Lehigh Valley, Lehigh and Hudson River, and the Ann Arbor System. A Unified ConRail was the backup alternative, as described in the final system plan Congress accepted last November, and while it does not serve the interests and needs of my native New England area as well, in my judgment, as a smaller ConRail operating under the spur of competition that would have been provided by an expanded Chessie System that would receive New England traffic through the Delaware & Hudson Railroad. I personally see no alternative now but to go forward with Unified ConRail.

Edward G. Jordan, President of ConRail, has already announced that he can have Unified Conrail in place and ready to take over service from the bankrupts on April 1. That is absolutely essential, Mr. Chairman, and prompt passage of this appropriation, modified as the subcommittee chairman has indicated to meet the changed situation, is equally essential. Otherwise, we face—and make no mistake about it—a complete breakdown of rail freight service throughout most of the Northeast soon after that date, the economic consequences of which would be nationwide and of a scope intolerable to contemplate.

I do not know why the negotiations between labor and the Chessie and the Southern broke down. These were private negotiations, required under section 508 of the Regional Rail Reorganization Act of 1973, which states that acquiring carriers cannot enter into purchase agreements for portions of the bankrupt system "unless and until" they have concluded satisfactory agreements with affected rail labor on working conditions and employee protection. Neither DOT nor USRA was a party to these negotiations. Although the new Secretary of Labor did attempt to get the parties together, he has made, so far as I know, no public statement about what went wrong. So, even if I wanted to blame one side or the other for the failure of these talks, I would not know who to blame.

In any event, the fact of the matter is that there is nothing we can do about it, and we just have to go ahead with a bigger ConRail, and we of New England will just have to hope that, with USRA's help and continuing interest, the alternative plans for maintaining that essential rail competition in the Northeast, now that Chessie is out, by extending the Delaware & Hudson west to Buffalo, and on south to Potomac Yard, here in Washington, will meet the needs of our States and shippers. It would have been better with the Chessie in, and while some still talk about trying to reopen the negotiations, such information as I can pick up indicates that it is a dead end. But I wish to go on record, now, as strongly supportive of the proposed Delaware & Hudson extensions, and as urging DOT, USRA and ConRail, too, to work together toward that result.

If this works out as expected, then it may well be that, with a bigger ConRail, with its prospects for greater operational efficiencies, the net Federal investment in it will be smaller than that projected for the preferred industry structure, and that "Big ConRail" will turn the corner to financial self-sufficiency sooner than its smaller counterpart would have and, as a result, can begin repayment of the Federal investment sooner, as well.

But the important thing to note, as has the subcommittee chairman, is that Big ConRail's initial need for Federal capital is not the $1.841 billion minimum projected for that smaller counterpart, but is $2.026 billion, instead.

Accordingly, I strongly support the subcommittee chairman's intention to move, at the proper time, to amend this bill by increasing the obligational authority recommended in it for this purpose from the present $1.916 billion to the required $2.026 billion.

The only problem I have with this is that, now, even as so amended, no margin of safety will be provided in ConRail financing since the $2.026 billion figure is, just like the $1.841 billion figure previously mentioned, the bare minimum in Big ConRail capitalization needed as determined by the USRA computers. We should, therefore, again be providing something in the way of a margin of safety, now, and it would seem to me that it ought to be at least the same $250 million we originally considered.

I have considered offering a further amendment to the bill to do just that, today, but since the subcommittee has not really had an opportunity to evaluate the situation as it changed last week, I believe it better procedure for our counterpart committee in the other body, which has not yet marked up its bill, to further review this question, after which we can consider their decision in conference.

But now, Mr. Chairman, let me spend the rest of my time discussing another aspect of the bill before us.

That is the committee's attempt to limit by statute the amount of operating losses ConRail can sustain in its early years. I understand that the subcommittee chairman is also going to move to amend the bill in this regard to insert the proper figures projected for Big ConRail's losses, in lieu of those which are projected for the smaller ConRail, and I appreciate that action.

But I still say, for the same reasons set forth in the supplemental views, that this attempted limitation—this attempt to get a congressional "handle" on ConRail—is both unwise and unduly restrictive.

The investment controls which are already in place as a result of enactment of the Railroad Revitalization and Regulatory Reform Act of 1976, in and of themselves are sufficient to protect both the Federal investment and to preclude any undue diversion of those Federal funds into the subsidization of continuing ConRail operating losses beyond those estimated—and again these are only estimates—in the final system plan.

In and of themselves, those controls are reasonably and properly reflective of the Government's role as investor in ConRail; no further congressional control is needed.

Finally, in and of themselves—if Members will simply take the time to study them and their impact—they will provide Congress, and our subcommittee, with ample early warning of any pending ConRail financing or performance problems, so that we could take whatever action then seemed appropriate to us.

I may move to strike this restrictive language from the bill, for I believe it not only to be unwise and unduly restrictive, as well as unnecessary, but I also fear it can become self-defeating in that, if adhered to, it could produce the very thing we wish to avoid—either ConRail's own bankruptcy or its need to sharply reduce the level of its services to the public, neither of which events would, of course, be in accordance with congressional intent as just expressed in the new authorizing legislation.

But, most of all, what worries me about this attempted restriction is that the courts which will be reviewing the complex question of whether or not an actual income-based reorganization can be achieved here, will be looking closely at the related question of whether or not ConRail has the freedom and flexibility of any other private corporation to manage its own affairs, or whether or not the hand of Government is so deeply involved in its decisionmaking processes that it is a de facto Government corporation, and the result reflective of a "taking" rather than a reorganization.

My good friend, the subcommittee chairman, undertsands my concern along these lines, and I have only sought to strike the proper balance here between the need to protect the Federal investment in ConRail and the need to preserve ConRail's private sector status lest we unwittingly expose the taxpayer to a far greater liability than that involved in such an investment.

If such restrictive language remains in this bill, but is not included in the bill to come from the other body, I would most sincerely hope that he would again consider, prior to a conference, the basis for my concern and the validity of my arguments as set forth in our supplemental views.

Mr. Chairman, I have great concern, whether I offer an amendment today or not. The basis for my concern and the validity for my arguments are set forth in the supplemental views.

Again, I want it completely understood that in all the years that I have been on the Committee on Appropriations and on the Subcommittee on Transportation under the fine leadership of the gentleman from California (Mr. MCFALL), this is one of the two times when we have disagreed. We have done so and I have done so, I hope, without becoming disagreeable because of my high respect, high regard, and high esteem that I have for and owe my chairman.

Mr. BAUMAN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Chairman, during the remarks of the distinguished gentleman from Massachusetts (Mr. CONTE) he referred to the failure of the negotiations between the Southern Railway and certain operating unions engaged in the Delmarva Peninsula area which Southern proposed to take over from Penn Central.

I thought it might be worthwhile to enlighten the committee as to exactly why these negotiations collapsed. I think the underlying cause can be found in the provisions of the ConRail law dealing with the rights of railway labor unions. In this instance there were a number of unions negotiating with Southern over a period of months, during which Southern made it clear that it intended to buy the entire Penn Central rail lines, including the yards at Wilmington, Del., and including the entire Delmarva Peninsula. Southern had planned to spend $25 to $30 million on upgrading rail service in that area. This compared to the sum of about $5 million that ConRail is going to spend on the entire State of Maryland.

It came down to the final deadline last Wednesday, at which time, there had to be a point at which these negotiations would come to an end.

Principally, Mr. Chairman, one of the other smaller unions representing no more than 100 employees refused to accept certain seniority and work rules which Southern already had for its 17,000 employees because they were somewhat less beneficial than those that Penn Central had previously had for its employees.

As a result of the way Congress wrote the law, these unions had a veto power, which they exercised, and they prevented hundreds of thousands of people in the Delaware-Maryland-Virginia area from having the benefit of this agreement with Southern. They may well have destroyed any chances of decent rail service for the area.

Southern rightfully said that it was a gamble on its part and it withdrew in the face of union refusals.

I think we ought to seriously consider the precedent that has been set with respect to future labor relations involving ConRail by this incident. We ought to thoroughly review all of the broad authorizing provisions and all of the labor provisions of existing law, because here a very few willful men were able to torpedo a $30 million expenditure on the part of one of the outstanding profitable rail carriers in this country.

I am constrained to agree with the gentleman from Massachusetts (Mr. CONTE) with respect to these negotiations. Although the parties have met a day or two since then at my insistence and at the insistence of Maryland's Senators and other officials such as Secretary of Labor Usery, an agreement is still very speculative. I would point out that in future instances this kind of power remains in the hands of unions with respect to negotiations with ConRail so that the entire system, no matter how much money we attempt to pump into it, could ultimately fail.

Mr. Chairman, I commend the gentleman from Massachusetts for realizing the gravity of this situation in his remarks. But without some solution to this economic blackmail unions are able to exercise, I do not think we will be able to solve the problem of providing rail service to America.

Mr. CONTE. Mr. Chairman, I thank the gentleman from Maryland (Mr. BAUMAN) for his input. It certainly was an unfortunate in my estimation that the negotiations did break down.

Mrs. FENWICK. Mr. Chairman, will the gentleman yield?

Mr. CONTE. Mr. Chairman, I am happy to yield to my friend the gentlewoman from New Jersey (Mrs. FENWICK) incidentally, I would like to say that when the gentlewoman from New Jersey was in the hospital for the implantation of a heart pacemaker, I wrote to the gentlewoman and said that if the gentlewoman from New Jersey needs a heart pacemaker, the other Congressmen in the House needed a powerplant.

I am most happy to yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Chairman, I thank the gentleman from Massachusetts for yielding to me and for his kind words that were so encouraging to me in the hospital, but, to return to today, I will say that I am startled by what the gentleman from Maryland (Mr. BAUMAN) has just revealed. I had no conception that a plan of this kind could be stopped in this way and I do not know how many people in the public sector realize that such a veto is possible when a large number of working people have agreed to the arrangement. It would seem to me that this Congress itself should take cognizance of this and take some corrective action.

I would also like to ask the gentleman from Massachusetts what flexibility was the committee able to arrange with the Interstate Commerce Commission regarding ConRail being able to raise and lower its rates when lowering is necessary in order to meet competition or raising, if necessary, in order to cover costs?

Mr. CONTE. I see the gentleman from Washington (Mr. ADAMS) is sitting here and perhaps he can answer the inquiry of the gentlewoman from New Jersey. However, I would like to point out that this was in the authorizing legislation and we did not have the issue before us. The question before our committee was to appropriate the funds which the authorizing committee had authorized so that, ConRail can go before the special court to purchase the bankrupt railroads. The purpose of our committee's action was to get ConRail in operation.

Mr. ADAMS. Mr. Chairman, if the gentleman will yield, the proposal as it came out of the authorizing committee was that there be a flexibility of 7 percent up and down instituted by the ICC to produce rate flexibility. That is part of the regulatory reform.

Mrs. FENWICK. I thank the gentleman.

Mr. McFALL. Mr. Chairman, I rarely disagree with my good friend the gentleman from Massachusetts (Mr. CONTE).

But let me state that our amended provision is perfectly consistent with the final system plan projections for unified ConRail. These projections are detailed on page 119 of the final system plan, supplemental report. As the table indicates, ConRail will require $308 million in calendar year 1976 in funds used for operations and $172 million in calendar year 1977. Our provisions are tied to the appropriations made to cover those calendar year operations. In fact, under our recommendations the funds become available before the beginning of the calendar year. ConRail will begin to contribute funds to the business in calendar year 1978 and continue to do so in 1979. Similarly our provision prohibits the use of Federal funds for operating losses in those years.

The majority of the subcommittee feels that it is imperative that this substantial Government investment be devoted to the rehabilitation and improvement of the rail properties. The authorizing bill restricts the use of these funds to three purposes: First, modernization, improvement, and acquisition of rail-related property, principally rail roadbed improvement and equipment acquisition; second, refinancing of Federal indebtedness previously incurred; and, third, operating losses and working capital needs.

Our provision will insure that the maximum amount of improvement is accomplished consistent with the need for continued rail service while rehabilitation is being performed.

The argument is made that this provision will weaken the USRA position in the court. It is said that this provision represents an attempt by the Congress to "run" ConRail. This argument might have some merit if we were trying to compel ConRail to do something that was not consistent with the best interests of the stockholders. But what our provision says is "We, the Congress, want you to take the managerial action necessary to minimize the losses of ConRail and to become financially self-supporting as soon as is humanly possible." The Congress is the major investor in ConRail. The U.S. Government will own, on the average, 49 percent of ConRail's total equity until 1980. It seems to me that the provision is perfectly consistent with our role as the major investor and that other investors interests are only enhanced by our action. The creditors should be happy that we have committed ourselves to the goal of financial viability for ConRail rather than being silent on the matter.

Mr. Chairman, the argument is also advanced that the Finance Committee will provide for appropriate oversight for the Federal investment. This committee, composed of the Treasury and Transportation Secretaries plus the Chairman of USRA, provides for Government oversight and control. No one has argued that this committee's existence will weaken the Government's case. In fact USRA proposed this committee as part of the final system plan.

I would like to pose this question: Can we really believe the court will find the executive branch control to be proper and our legislative provision improper? That is the argument advanced.

I believe the court will be more influenced by the legislative history of this resolution which clearly indicates our commitment to the successful operation of ConRail, our decision to appropriate the full amount of Federal funding contemplated under the unified ConRail structure income and investment projections and our willingness to consider future funding requests when justified requests are presented for our consideration.

Mr. Chairman, I now yield such time as he may consume to the gentleman from Washington (Mr. ADAMS), the chairman of the Committee on the Budget, who is also a member of the authorizing committee that has worked very hard on this authorizing legislation.

Mr. ADAMS. Mr. Chairman, I rise in support of this resolution, which will provide the funds necessary to carry out the successful reorganization of the Northeast railroads as a private, for-profit corporation. This legislation is important to the Nation's economic recovery, it is significant in terms of Appropriations Committee procedures and precedents, and it is clearly within the sums contemplated in the second budget resolution.

The substantive need for this financial aid is clear. The recently signed Rail Revitalization and Regulatory Reform Act of 1976 culminated nearly 4 years of efforts by Congress and the administration to find a workable formula for reorganization. Lengthy and difficult negotiations produced this major piece of legislation, which goes far beyond the Northeast problem to set in motion a national program to restore our railroads through regulatory reform and financial aid.

The most pressing need at this time is to move forward with the establishment of a private, for-profit corporation to supplant the Penn Central and other bankrupt railroads in operating services within the 17-State eastern region. Congress has provided substantial aid to keep Penn Central alive, but only a reorganized railroad can offer the prospect of improved service and ultimate success as a private enterprise operation.

The proposed appropriation is an investment necessary to that success and will be fully repaid, with appropriate interest, if this prospect is achieved. The alternatives to investment are not worth serious consideration. Further subsidies to retain deteriorated Penn Central service would be unproductive, while abandonment would have disastrous impact on the economy of the East and the Nation at large. Rebuilding must begin, and the methods proposed in the Railroad Revitalization Act represent congressional and administration consensus on the proper course.

The proposed appropriation resolution includes substantially all the Federal funds needed for investment in the railroad corporation's securities as determined in the U.S. Railway Association's carefully developed final system plan. These funds are contained in a multiyear bill representing final congressional action on the appropriations needed through fiscal year 1979. This unusual procedure reflects the need to assure the availability of Federal investments, so that the special bankruptcy court can find the plan a true income-based reorganization and not an exercise of eminent domain. This is not a government taking because at all times we have recognized the risk in the latter case would be a potential judgment against the United States that could, under certain circumstances, reach into the billions of dollars. The Appropriations Committee has recognized this need for financial assurances and shown that the congressional budget and appropriations process can be flexible enough to meet special and unusual needs. I want to compliment the chairman of the authorizing subcommittee, Mr. ROONEY, and the chairman of the Appropriations Subcommittee, Mr. McFALL, and the ranking member Mr. CONTE for their efforts in funding this.

I realize there is some controversy over the exact sum and the conditions of the proposed appropriation as compared with the level contained in the authorization bill. Recognizing that it provides substantially all that is needed to implement the plan, I am sure we can rely on the Appropriations Committee's assurances that further appropriations will be considered if economic or other conditions warrant. The changed circumstance coming out of the decisions by the Chessie System and the Southern Railway not to acquire certain lines would presumably fit this definition. I also note the committee's recognition that the corporation must have flexibility to revise its rehabilitation plans to reflect changing business conditions and continuing evaluation of priorities. Within these guidelines, continued congressional control over a small so-called margin of safety fund reflects only a legitimate concern for financial oversight and a congressional role along with the administration-controlled Government Investment Committee in determining that the Government financial investment to support reorganization goals are being protected as would be required by any institution investing in a reorganization.

Finally, I am pleased to note that the sums proposed for fiscal year 1976 in this appropriation are within the amount contemplated for such activities in the second concurrent resolution. As I have reported to the House on several recent occasions, there is only a limited margin left within the budget authority and outlay ceilings set by that resolution. As spending measures come to the floor, I can and will advise as to whether or not they were contemplated within those ceilings. The Congress, of course, may choose to act favorably on measures whether or not they were originally contemplated in the budget resolution. You will recall that I made such a statement at the time the House considered the New York aid bill. To the extent measures not originally planned are enacted, they may freeze out those for which the Congress had provided in the second resolution. In this case, there is no such problem. The second concurrent resolution for 1976 contained $1 billion in budget authority and $0.7 billion in outlays for railroad programs not yet authorized at that time. This proposed appropriation is well within this margin and will leave room for other supplemental funds already requested by the administration or under consideration by the Congress.

If this appropriation is passed, the necessary actions to implement the reorganization can be carried out on time and the new corporation can be in operation by early April. I urge the House to act favorably on this resolution.

Mr. McFALL. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. Rooney) the chairman of the subcommittee that wrote the authorizing legislation.

Mr. ROONEY. Mr. Chairman, before us is a resolution to increase the Government investment in ConRail by $1.92 billion, but in a larger sense we have before us a question of our commitment to rail freight service in the Northeast, and in the entire country.

It now appears that to provide adequate rail service in the Northeast, the unified ConRail plan will have to be implemented. That plan will enlarge the ConRail system to approximately 17,000 miles, an additional 2,000 miles and will increase the cost of creating ConRail through an income based reorganization.

As the system will be significantly larger, there will be greater startup costs involved. Unified ConRail will now acquire and repair trackage of the Erie-Lackawanna, and the Reading Railroads, as well as Southern Railroad facilities on the Delmarva Peninsula.

In addition to supporting the resolution, I support Mr. McFall's amendment. ConRail will be absorbing those lines originally planned for acquisition by profitable railroads, therefore, increased funding must be available to insure that the transfer of property from the bankrupts to ConRail will be fair and equitable to the creditors. The funding must be available to meet the determination by the court as to the fairness and equity of any additional transfers to ConRail. Unless such provision is made, the United States may be threatened with a judgment under the Tucker Act, for having confiscated private property.

The Subcommittee on Transportation and Commerce worked long and hard to arrive at the formula which would avoid that situation in the Railroad Revitalization and Regulatory Reform Act of 1976. Just as it was an important consideration, in the original ConRail plan, so is it now an important consideration under the unified ConRail proposal.

Although the initial investment is larger due to increased startup costs, rehabilitation costs, and administrative costs, the larger system will result in greater long-term benefits.

Once the rehabilitation projects are underway and improvements in track and facilities have been made, ConRail will be able to achieve a concentration of traffic and should be able to achieve greater operating efficiencies. These long-term benefits will permit ConRail to accelerate the repayment of the Government investment.

I believe these additional funds are necessary to the success of an income-based reorganization, to the success of ConRail as a for-profit corporation, and as a reaffirmation of the congressional commitment to provide and maintain adequate rail freight service to this country. I urge my colleagues to support this resolution with the amendment offered by Chairman McFall increasing the appropriation to $2.027 billion.

Mr. CONTE. Mr. Chairman, I yield such time as he may consume to the gentleman from Maine (Mr. Cohen).

Mr. COHEN. Mr. Chairman, I would like to ask a question of the gentleman from Massachusetts. Will not the unified ConRail destroy or hamper competition in this region?

Mr. CONTE. We do not think so. The unified ConRail, as I said in my earlier remarks, is not nearly as acceptable a competitive situation as the Chessie-ConRail structure would have been. However, most major markets in the region will continue to have substantial rail-to-rail competition, even with a unified ConRail. For example, Baltimore, Washington, Buffalo, Pittsburgh, Cleveland, Columbus, Cincinnati, Detroit, Chicago, and St. Louis will all have high levels of competition. With the route extensions proposed for the Delaware & Hudson to Buffalo and Philadelphia, the New England market will also enjoy competition. The Newark/New York market will have only one carrier and competition in Philadelphia will not be balanced; while Chessie goes to Philadelphia, it only has about 11 percent of the total market and ConRail will have the rest; so I think there will be some healthy competition there.

Mr. COHEN. I thank the gentleman from Massachusetts for his comprehensive remarks.

Mr. CONTE. Mr. Chairman, I yield my remaining 2 minutes to my good friend, the gentleman from Colorado (Mr. Armstrong).

Mr. McFALL. Mr. Chairman, I yield 3 minutes to the gentleman from Colorado (Mr. Armstrong).

Mr. ARMSTRONG. Mr. Chairman, I am very grateful to the committee chairman and to the ranking minority member for yielding this time to me.

Mr. Chairman, a few decades ago the Nation's railroads were healthy and prosperous. But under the staggering burden imposed by Congress, one railroad after another has been forced into bankruptcy. Today eight of the Nation's major eastern railroads are already in bankruptcy. And much of the rest of the industry is in shaky financial condition. As profits and incentives have disappeared, equipment has been allowed to wear out or become obsolete; roadbeds have fallen into disrepair; service has deteriorated to an incredible extent and the Eastern United States, heart of industrial America, has ended up with a crippled rail system.

Why?

Congress and Federal regulatory agencies are largely to blame. The Federal Government has put so many restrictions on railroads that profitable operation has become virtually impossible. No wonder the Nation's rail system is falling apart. Unfortunately, however, Congress has reacted to each successive crisis with a characeristic unwillingness to face the issue. Instead of repealing or drastically modifying legislation and regulations which are strangling the industry, Congress has passed a series of authorizations to subsidize inefficient operations. I have voted against such measures in the past and I will also vote against this bill.

I believe we badly serve the Nation by continuing to subsidize railroad operations without coping with underlying issues including the following:

First, USRA Chairman Arthur D. Lewis has testified:

> One of the major problems affecting the bankrupt carriers in the past has been significant losses from passenger operations, from the Amtrak contract and from contracts to commuter authorities. We believe it is absolutely essential that Amtrak pay its full cost and that the commuter authorities pay their full cost . . . either ConRail is permitted to abandon passenger service, or that they are paid at least the cash cost for the service. We think that is critical. It is a lot of money but it has somehow got to be paid by an agency outside the ConRail freight operation. . . . Over a period of 10 years we estimate, based on the inflation that is going to take place in that next 10 years, that the negative impact on ConRail, if it had to carry forward the losses currently experienced and make the capital commitments required to meet that service, that it would be another financing requirement of $1,650 million.

Without going into whether or not this is a realistic estimate—such estimates tend to be too low—I want to point out the lack of plans to put passenger operations on a paying basis except through continued Federal, State, and local subsidies for an indefinite period. So the outlook is for perpetual subsidies, a prospect which is not palatable to me.

Second, the USRA Chairman called for a sweeping change in regulatory policy "to give ConRail a greater degree of flexibility in pricing, both in terms of raising rates on products that are carried today at below cost, or to permit a more aggressive merchandizing/marketing philosophy or policy."

I share Chairman Lewis' concern. The regulatory abuses of the Interstate Commerce Commission are mind boggling. During the last 85 years, since ICC began superimposing its wisdom on the industry, the ICC has accumulated a file of some 43 trillion rates—without an index.

In an instance which was recently brought to my attention, one of the Nation's railroads invested $13 million in 500 special hopper cars in order to permit a rate reduction of 60 percent in hauling grain. When the ICC refused to agree to the reduction, it took 4 years of litigation and 16,000 pages of testimony before the Supreme Court finally permitted the rate reduction made possible by the new cars. In another instance, the Commission cancelled a 70-percent rate reduction for transporting coal. There are many similar instances in which the ICC has hamstrung the industry by forbidding lower rates to attract new business or higher rates to cover losses. The ICC is wrecking the railroads and other segments of the transportation industry, costing consumers billions of dollars a year in higher prices required by ICC regulations and putting thousands of people out of work. It is no wonder USRA terms a regulatory policy change "critical." But since there is no assurance that ConRail will receive needed regulatory flexibility, we are simply sending good money after bad in passing legislation such as this appropriation.

Third, the industry has been plagued for generations by restrictive and outmoded labor practices which Congress has tolerated, and to some degree, has actually fostered. Incredible though it may seem, trained operating crews are often paid for a full day's work on the basis of 100 miles or 8 hours, whichever occurs first. This is based on the 19th century norm of an 8 hour run to cover 100 miles. Today such a run should take no more than 2 or 3 hours. So three crews of four to five men each are required to run a train 300 miles. If they were paid on the basis of a standard 8-hour work day, two men could perform the same service. This is only one of many examples of archaic or make-work operating work rules in effect on most major railroads. Is it any wonder so many of them are in bankruptcy? I do not see how ConRail can prosper until modern work practices can be implemented. This is not likely to happen as long as Congress continues to subsidize inefficient work practices and featherbedding.

Finally, I note the concern of those who believe Federal action may constitute an act of eminent domain. A creditor's suit is now pending, and, if creditors are successful establishing their claim, which some members of the committee believe will be bolstered by the passage of this act, the potential liability to the Nation's taxpayers may range upwards of $13 billion, according to information furnished to the committee. I have not evaluated this concern. But I have an uneasy feeling that the committee has not given it sufficiently serious consideration and I wish it were possible to do so prior to the time this legislation is taken up by the House itself.

For these reasons, I intend to vote against this appropriation.

Mr. BOLAND. Mr. Chairman, I have spoken before on rail legislation and I am sure most of my fellow Members know where I stand on these issues. Still, I am compelled to speak once more on this particular measure. I cannot emphasize strongly enough the importance of a viable rail system, for my district, for my State, for the New England region, and for the entire Nation.

I support House Joint Resolution 801, Mr. Chairman. It is not the resolution I would have liked to see come to the floor. It does not, in my opinion, provide funds sufficient to get ConRail off the ground. I am not sure ConRail is the ultimate solution to the Nation's rail problems. I believe we must continue to examine this complex area. But ConRail is the program we have now, and I am convinced that it is a workable program. The USRA, the administration and the authorizing committees determined that $2.1 billion was needed to fund ConRail. The Appropriations Committee has sent to the floor a resolution that authorizes only $1.9 billion. I wish it was more, but it is not. But we must approve this amount at the very least.

Mr. Chairman, I am also concerned about the limitations placed on ConRail by the committee. I think here, too, we are skirting with disaster. These limitations will only encourage those creditors who feel that this much Government control opens up the whole "taking" issue. I do not think ConRail, or the Nation, can afford years of litigation and possible judgments in the billions of dollars.

ConRail should be as profitable as possible as quickly as possible—no one disputes this fact. But we cannot expect that profit right away, perhaps not for years. Everyone also agrees that ConRail should be viable from the start. But here we are risking that viability by the provisions of this resolution.

Mr. Chairman, I support this bill. Without ConRail, New England and other regions of this country will become vast wastelands. This resolution is not the best, in my opinion, that we could have had, but we must have this if it is the only one we get.

Mr. McFALL. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.J. RES. 801

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1976, the period ending September 30, 1976, the fiscal year ending September 30, 1978, and the fiscal year ending September 30, 1979, and for other purposes, namely:

UNITED STATES RAILWAY ASSOCIATION

PAYMENTS FOR PURCHASE OF CONRAIL SECURITIES

For acquisition of debentures and series A preferred stock issued by the Consolidated Rail Corporation to remain available until expended, $400,000,000 for fiscal year 1976 and $300,000,000 for the period July 1, 1976 through September 30, 1976: *Provided,* That not to exceed $278,000,000 shall be made available to the Corporation for operating losses of the Corporation.

For acquisition of debentures and series A preferred stock issued by the Consolidated Rail Corporation to become available on September 30, 1976, and to remain available until expended, $615,000,000: *Provided,* That not to exceed $140,000,000 shall be made available to the Corporation of operating losses of the Corporation.

For acquisition of debentures and series A preferred stock issued by the Consolidated Rail Corporation to remain available until expended, $425,000,000 for fiscal year 1978 and $176,000,000 for fiscal year 1979: *Provided,* That none of these funds shall be made available to the Corporation for operating losses of the Corporation.

ADMINISTRATION EXPENSES

For an additional amount for "Administrative expenses" for fiscal year 1976, $4,100,000.

For "Administrative expenses" for the period July 1, 1976 through September 30, 1976, $1,400,000.

Mr. McFALL (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the joint resolution be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

AMENDMENTS OFFERED BY MR. M'FALL

Mr. McFALL.. Mr. Chairman, I offer four amendments and ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. McFALL: On page 2, line 7, strike out "$400,000,000" and insert in lieu thereof "$460,000,000."

And on page 2, line 8, strike out "$300,000,000" and insert in lieu thereof "$350,000,000."

And on page 2, line 16, strike out "$140,000,000" and insert in lieu thereof "$172,000,000."

And on page 2, lines 9 and 10, strike out "$278,000,000" and insert in lieu thereof "$308,000,000."

Mr. McFALL. Mr. Chairman, I know of no opposition to these amendments that I am offering, but I should describe what they will do for the benefit of those who are in the Committee of the Whole.

Mr. Chairman, these amendments will increase the amount of funding available in fiscal year 1976 from $400 to $460 million. They will also raise the funding to be provided in the transition period from $915 to $965 million. The total increase is $110 million above the resolution as reported but it is $74,600,000 below the budget request. The entire amount of the increase is for the purchase of additional ConRail securities.

Mr. Chairman, I shall insert a table in the record at this point showing the recommendations of the final system plan for unified ConRail and the amounts provided under the amended resolution.

Mr. Chairman, this amendment will also increase the amount of Federal funds available for operating losses during 1976 and 1977. This is necessary because ConRail will be operating and maintaining 2,000 additional miles of railroad. The amendment provides for no more than $308 million in operating losses during 1976, an increase of $30 million. In 1977, the amendment would restrict losses to $172 million, an increase of $32 million.

As I indicated in my opening remarks, the unified ConRail structure has some significant advantages over the original proposal. I would like to emphasize that ConRail, like other major railroads, is at the mercy of our national economy. The unified ConRail structure will be stronger and will have a better chance of avoiding bankruptcy, even if the economy continues to be sluggish and depressed.

While Conrail will be a railroad monopoly, it will not be a transportation monopoly. There are aggressive and efficient motor and water carriers serving the entire region where ConRail is to be operating. In our hearings on this matter I asked USRA about the need for rail-to-rail competition. They indicated that while it is nice to have this competition, it significantly increases the risks to future ConRail viability. They also tended to agree that intermodal competition eliminates the danger of ConRail acting like a monopoly. Surely, the last 40 years have proved to every American railroad that motor and water carriers are willing and able to provide transportation when railroad services deteriorates.

Mr. Chairman, I am recommending these amendments because I favor the unified ConRail structure and because the final system plan indicates that this higher level of funding is needed.

I urge the adoption of the amendments.

The table referred to follows:

U.S. RAILWAY ASSOCIATION

PAYMENTS FOR PURCHASE OF CONRAIL SECURITIES

	Final system plan recommendation—Unified ConRail[1]	Amended resolution	Difference
Fiscal year 1976	$800,000,000	$460,000,000	+625,000,000
Transition period		965,000,000	
Fiscal year:			
1977	576,000,000		−576,000,000
1978	377,000,000	425,000,000	+48,000,000
1979	273,000,000	176,000,000	−97,000,000
Total	2,026,000,000	2,026,000,000	

[1] USRA recommendations are for calendar years.

Mr. CONTE. Mr. Chairman, I rise in support of the amendment to provide an additional $110 for payments for purchase of ConRail securities.

As I reviewed in my remarks in general debate the need for this mandatory increase is brought by the fact that the Chessie System and Southern Railway have chosen not to purchase various properties of the bankrupt estates. Failure of the Chessie System and Southern Railway to acquire these properties has resulted in the need for ConRail to purchase an additional 2,000 miles in its system.

I want to emphasize the fact that this $2.026 billion required for the unified ConRail is comparable to the $1.841 billion requirement for the smaller 15,000-mile system.

As my good friend, the gentleman from California (Mr. McFALL) has already indicated, the increase will be spread out through the end of fiscal year 1977.

I should now like to elaborate on a comment made by Chairman McFALL.

It is important to note that ConRail will have a virtual monopoly in the rail market. This can only have a positive effect on its operation viability. However, ConRail will still have a distinct competitive challenge with the other modes. The discontinuance of many branch lines has naturally stimulated motor carrier transportation growth. Additionally, the low rates charged by water carriers will continue to be a strong competitive factor. Accordingly, although it would appear that the unified ConRail would be a monopoly, one must realize the existence of numerous other rail carriers, motor carriers and water carriers throughout the Northeast/Midwest.

I urge my colleagues to support this amendment.

Thank you, Mr. Chairman.

The CHAIRMAN. The question is on the amendments offered by the gentleman from California (Mr. McFALL).

The amendments were agreed to.

Mr. McFALL. Mr. Chairman, I move that the Committee do now rise and report the joint resolution back to the House with sundry amendments adopted by the Committee of the Whole, with the recommendation that the amendments be agreed to and that the joint resolution, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. O'NEILL) having assumed the Chair, Mr. GIBBONS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (H.J. Res. 801) making supplemental railroad appropriations for the fiscal year ending June 30, 1976, the period ending September 30, 1976, the fiscal year ending September 30, 1978, and the fiscal year ending September 30, 1979, and for other purposes, had directed him to report the joint resolution back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the joint resolution, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

Mr. SYMMS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 298, nays 95, answered "present" 1, not voting 38, as follows:

[Roll No. 60]

YEAS—298

Abdnor
Abzug
Adams
Addabbo
Ambro
Andrews, N. Dak.
Annunzio
Ashbrook
Ashley
AuCoin
Badillo
Baldus
Baucus
Bauman
Beard, R.I.
Bedell
Bergland
Biester
Bingham
Blanchard
Blouin
Boggs
Boland
Bolling
Bonker
Bowen
Brademas
Breaux
Brinkley
Brodhead
Broomfield
Brown, Calif.
Brown, Mich.
Burke, Mass.
Burton, Phillip
Butler
Byron
Carney
Carr
Carter
Chisholm
Clausen, Don H.
Clay
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Conte
Corman
Cornell
Cotter
Coughlin
D'Amours
Daniels, N.J.
Danielson
Davis
Delaney
Dellums
Dent
Derwinski
Devine
Diggs
Dingell
Dodd
Downey, N.Y.
Downing, Va.
Duncan, Oreg.
du Pont
Early
Eckhardt
Edgar
Edwards, Calif.
Emery
English
Evans, Colo.
Evans, Ind.
Evins, Tenn.
Fary
Fascell
Fenwick
Fisher
Fithian
Flood
Florio
Foley
Ford, Mich.
Forsythe
Fraser
Frenzel
Gaydos
Gilman
Ginn
Goodling
Green
Gude
Hagedorn
Haley
Hall
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Hawkins
Hayes, Ind.
Hays, Ohio
Hébert
Heckler, Mass.
Hefner
Heinz
Helstoski
Hicks
Hightower
Hillis
Holt
Holtzman
Howard
Howe
Hubbard
Hughes
Hungate
Hutchinson
Hyde
Jeffords
Jenrette
Johnson, Calif.
Johnson, Pa.
Jones, Okla.
Jordan
Karth
Kastenmeier
Kemp
Keys
Kindness
Koch
Krebs
LaFalce
Leggett
Lehman
Lent
Litton
Lloyd, Calif.
Long, La.
McClory
McCloskey
McCollister
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Madden
Madigan
Maguire
Mahon
Mann
Matsunaga
Mazzoli
Meeds
Melcher
Meyner
Mezvinsky
Miller, Calif.
Mineta
Minish
Mink
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moore
Moorhead, Pa.
Morgan
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Nedzi
Nix
Nolan
Nowak
Oberstar
Obey
O'Brien
O'Hara
O'Neill
Ottinger
Passman
Patten, N.J.
Patterson, Calif.
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Pressler
Preyer
Price
Pritchard
Quie
Quillen
Railsback
Randall
Rangel
Regula
Reuss
Richmond
Riegle
Rinaldo
Risenhoover
Roe
Rogers
Roncalio
Rooney
Rose
Rosenthal
Roush
Roybal
Ruppe
Russo
Ryan
St Germain
Santini
Sarasin
Sarbanes
Scheuer
Schneebeli
Schulze
Seiberling
Sharp
Shipley
Shriver
Shuster
Simon
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Solarz
Spellman
Spence
Staggers
Stanton, J. William
Stanton, James V.
Stark
Steed
Steelman
Steiger, Wis.
Stokes
Stratton
Stuckey
Studds
Sullivan
Symington
Talcott
Thompson
Thone
Thornton
Traxler
Treen
Tsongas
Ullman
Van Deerlin
Vander Jagt
Vander Veen
Vanik
Vigorito
Waggonner
Walsh
Waxman
Weaver
Whalen
White
Whitehurst
Wiggins
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff
Wright
Wydler
Yatron
Young, Ga.
Young, Tex.
Zablocki
Zeferetti

NAYS—95

Allen
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Archer
Armstrong
Bafalis
Beard, Tenn.
Bell
Bennett
Bevill
Brooks
Broyhill
Buchanan
Burgener
Burke, Calif.
Burleson, Tex.
Burlison, Mo.
Burton, John
Chappell
Clancy
Clawson, Del
Collins, Tex.
Conlan
Conyers
Crane
Daniel, Dan
Daniel, R. W.
de la Garza
Dickinson
Duncan, Tenn.
Edwards, Ala.
Erlenborn
Findley
Flynt
Ford, Tenn.
Fountain
Frey
Fuqua
Gibbons
Goldwater
Gradison
Grassley
Guyer
Hammerschmidt
Hansen
Hechler, W. Va.
Henderson
Jacobs
Jarman
Johnson, Colo.
Jones, N.C.
Jones, Tenn.
Kasten
Kazen
Kelly
Ketchum
Krueger
Lagomarsino
Latta
Levitas
Lloyd, Tenn.
Long, Md.
Lott
Lujan
McDonald
Martin
Mathis
Mikva
Milford
Miller, Ohio
Montgomery
Moorhead, Calif.
Mottl
Neal
Nichols
Patman, Tex.
Poage
Roberts
Robinson
Rousselot
Runnels
Satterfield
Schroeder
Sebelius
Sikes
Snyder
Symms
Taylor, Mo.
Taylor, N.C.
Wampler
Whitten
Winn
Yates
Young, Fla.

ANSWERED "PRESENT"—1

Gonzalez

NOT VOTING—38

Alexander
Aspin
Barrett
Biaggi
Breckinridge
Brown, Ohio
Burke, Fla.
Cederberg
Derrick
Drinan
Eilberg
Esch
Eshleman
Fish
Flowers
Giaimo
Hinshaw
Holland
Horton
Ichord
Jones, Ala.
Landrum
Macdonald
Metcalfe
Michel
Mills
Pattison, N.Y.
Rees
Rhodes
Rodino
Rostenkowski
Sisk
Steiger, Ariz.
Stephens
Teague
Udall
Wylie
Young, Alaska

The Clerk announced the following pairs:

Mr. Macdonald of Massachusetts with Mr. Michel.
Mr. Eilberg with Mr. Horton.
Mr. Rodino with Mr. Brown of Ohio.
Mr. Rostenkowski with Mr. Fish.
Mr. Mills with Mr. Steiger of Arizona.
Mr. Drinan with Mr. Wylie.
Mr. Biaggi with Mr. Young of Alaska.
Mr. Aspin with Mr. Esch.
Mr. Derrick with Mr. Burke of Florida.
Mr. Rees with Mr. Eshleman.
Mr. Udall with Mr. Cederberg.
Mr. Flowers with Mr. Ichord.
Mr. Giaimo with Mr. Jones of Alabama.
Mr. Barrett with Mr. Holland.
Mr. Metcalfe with Mr. Stephens.
Mr. Pattison with Mr. Teague.
Mr. Sisk with Mr. Landrum.
Mr. Alexander with Mr. Breckinridge.

Messrs. WYDLER, BUTLER, and REGULA changed their vote from "nay" to "yea."

Mr. TAYLOR of Missouri, Mrs. BURKE of California, and Mr. JOHN L. BURTON changed their vote from "yea" to "nay."

So the joint resolution was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. McFALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution (H.J. Res. 801), just passed, and to include extraneous matter.

The SPEAKER pro tempore (Mr. O'NEILL). Is there objection to the request of the gentleman from California?

There was no objection.

EXECUTIVE ORDER PERTAINING TO ORGANIZATION AND CONTROL OF THE U.S. FOREIGN INTELLIGENCE COMMUNITY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94–374)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee of the Whole House on the State of the Union, and ordered to be printed:

To the Congress of the United States:

By virtue of the authority vested in me by Article II, Sections 2 and 3 of the Constitution, and other provisions of law, I have today issued an Executive Order pertaining to the organization and control of the United States foreign intelligence community. This order establishes clear lines of accountability for the Nation's foreign intelligence agencies. It sets forth strict guidelines to control the activities of these agencies and specifies as well those activities in which they shall not engage.

In carrying out my Constitutional responsibilities to manage and conduct foreign policy and provide for the Nation's defense, I believe it essential to have the best possible intelligence about the capabilities, intentions and activities of governments and other entities and individuals abroad. To this end, the foreign intelligence agencies of the United States play a vital role in collecting and analyzing information related to the national defense and foreign policy.

It is equally as important that the methods these agencies employ to collect such information for the legitimate needs of the government conform to the standards set out in the Constitution to preserve and respect the privacy and civil liberties of American citizens.

The Executive Order I have issued today will insure a proper balancing of these interests. It establishes government-wide direction for the foreign intelligence agencies and places responsibility and accountability on individuals, not institutions.

I believe it will eliminate abuses and questionable activities on the part of the foreign intelligence agencies while at the same time permitting them to get on with their vital work of gathering and assessing information. It is also my hope that these steps will help to restore public confidence in these agencies and encourage our citizens to appreciate the valuable contribution they make to our national security.

Beyond the steps I have taken in the Executive Order, I also believe there is a clear need for some specific legislative actions. I am today submitting to the Congress of the United States proposals which will go far toward enhancing the protection of true intelligence secrets as well as regularizing procedures for intelligence collection in the United States.

My first proposal deals with the protection of intelligence sources and methods. The Director of Central Intelligence is charged, under the National Security Act of 1947, as amended, with protecting intelligence sources and methods. The Act, however, gives the Director no authorities commensurate with this responsibility.

Therefore, I am proposing legislation to impose criminal and civil sanctions on those who are authorized access to intelligence secrets and who willfully and wrongfully reveal this information. This legislation is not an "Official Secrets Act", since it would affect only those who improperly disclose secrets, not those to whom secrets are disclosed. Moreover, this legislation could not be used to cover up abuses and improprieties. It would in no way prevent people from reporting questionable activities to appropriate authorities in the Executive and Legislative Branches of the government.

It is essential, however, that the irresponsible and dangerous exposure of our Nation's intelligence secrets be stopped. The American people have long accepted the principles of confidentiality and secrecy in many dealings—such as with doctors, lawyers and the clergy. It makes absolutely no sense to deny this same protection to our intelligence secrets. Openness is a hallmark of our democratic society, but the American people have never believed that it was necessary to reveal the secret war plans of the Department of Defense, and I do not think they wish to have true intelligence secrets revealed either.

I urge the adoption of this legislation with all possible speed.

Second, I support proposals that would clarify and set statutory limits, where necessary, on the activities of the foreign intelligence agencies. In particular, I will support legislation making it a crime to assassinate or attempt or conspire to assassinate a foreign official in peacetime. Since it defines a crime, legislation is necessary.

Third, I will meet with the appropriate leaders of Congress to try to develop sound legislation to deal with a critical problem involving personal privacy—electronic surveillance. Working with congressional leaders and the Justice Department and other executive agencies, we will seek to develop a procedure for undertaking electronic surveillance for foreign intelligence purposes. It should create a special procedure for seeking a judicial warrant authorizing the use of electronic surveillance in the United States for foreign intelligence purposes.

I will also seek congressional support for sound legislation to expand judicial supervision of mail openings. The law now permits the opening of U.S. mail, under proper judicial safeguards, in the conduct of criminal investigations. We need authority to open mail under the limitations and safeguards that now apply in order to obtain vitally needed foreign intelligence information.

This would require a showing that there is probable cause to believe that the sender or recipient is an agent of a foreign power who is engaged in spying, sabotage or terrorism. As is now the case in criminal investigations, those seeking authority to examine mail for foreign intelligence purposes will have to convince a federal judge of the necessity to do so and accept the limitations upon their authorization to examine the mail provided in the order of the court.

Fourth, I would like to share my views regarding appropriate Congressional oversight of the foreign intelligence agencies. It is clearly the business of the Congress to organize itself to deal with these matters. Certain principles, however, should be recognized by both the Executive and Legislative Branches if this oversight is to be effective. I believe good Congressional oversight is essential so that the Congress and the American people whom you represent can be assured that the foreign intelligence agencies are adhering to the law in all of their activities.

Congress should seek to centralize the responsibility for oversight of the foreign intelligence community. The more committees and subcommittees dealing with highly sensitive secrets, the greater the risks of disclosure. I recommend that Congress establish a Joint Foreign Intelligence Oversight Committee. Consolidating Congressional oversight in one committee will facilitate the efforts of the Administration to keep the Congress fully informed of foreign intelligence activities.

It is essential that both the House and the Senate establish firm rules to insure that foreign intelligence secrets will not be improperly disclosed. There must be established a clear process to safeguard these secrets and effective measures to deal with unauthorized disclosures.

Any foreign intelligence information transmitted by the Executive Branch to the Oversight Committee, under an injunction of secrecy, should not be unilaterally disclosed without my agreement. Respect for the integrity of the Constitution requires adherence to the principle that no individual member, nor committee, nor single House of Congress can overrule an act of the Executive. Unilateral publication of classified information over the objection of the President, by one committee or one House of Congress, not only violates the doctrine of separation of powers, but also effectively overrules the actions of the other House of Congress, and perhaps even the majority of both Houses.

Finally, successful and effective Congressional oversight of the foreign intelligence agencies depends on mutual trust between the Congress and Executive. Each branch must recognize and respect the rights and prerogatives of the other if anything is to be achieved.

In this context, a Congressional requirement to keep the Oversight Committee "fully" informed is more desirable and workable as a practical matter than formal requirements for notification of specific activities to a large number of committees. Specifically, Section 662 of the Foreign Assistance Act, which has resulted in over six separate committee briefings, should be modified as recommended by the Commission on the Organization of the Government for the Conduct of Foreign Policy, and reporting should be limited to the new Oversight Committee.

Both the Congress and the Executive Branch recognize the importance to this Nation of a strong intelligence service. I believe it urgent that we take the steps I have outlined above to insure that America not only has the best foreign intelligence service in the world, but also the most unique—one which operates in a manner fully consistent with the Constitutional rights of our citizens.

GERALD R. FORD.

THE WHITE HOUSE, *February 18, 1976.*

ANNUAL REPORT OF THE NATIONAL VOLUNTARY SERVICE ADVISORY COUNCIL—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read, and, together with the accompanying papers, without objection, referred to the Committees on Education and Labor and International Relations:

To the Congress of the United States:

I am transmitting herewith the annual report of the National Voluntary Service Advisory Council as required by Section 405(c), of the Domestic Volunteer Service Act of 1973. The Council advises the Director of ACTION with respect to matters arising out of this Act and the Peace Corps Act.

GERALD R. FORD.

THE WHITE HOUSE, *February 18, 1976.*

NIXON VISIT TO CHINA

(Mr. ALLEN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ALLEN. Mr. Speaker, I am in receipt of a telegram from the Governor of our State of Tennessee which reads as follows:

STATE CAPITOL,
Nashville, Tenn.

Representative CLIFFORD ALLEN,
House of Representatives,
Washington, D.C.

I urge you to join me in bi-partisan opposition to the planned visit by former President Nixon to China.

I seriously question that a former President of the United States can ever again act as a private citizen. Mr. Nixon is intimately familiar with the details of our national security. Almost certainly, whatever he says will be taken as "official" policy. The very fact that he is going will likely be interpreted as a U.S. foreign policy decision.

This visit comes in the midst of an internal struggle in China. Mr. Nixon runs the risk of getting caught in that controversy.

It is imperative that America speaks with one tongue in sensitive matters of foreign policy.

There is also the question of the personal safety of the former President.

These questions must be raised in concern for the national interest, and I ask you to join me in opposing this visit.

GOV. RAY BLANTON.

Mr. Speaker, I also wish to insert into the RECORD at this point a telegram I have received from Mr. John Jay Hooker, one of the prominent citizens of the State of Tennessee, which reads as follows:

NASHVILLE, TENN.,
February 8, 1976.

Representative CLIFFORD ALLEN,
Washington, D.C.

MY DEAR CONGRESSMAN: You have always spoken out on behalf of the people concerning matters that affect the best interest of our country, I'm sending you this telegram for the purpose of suggesting that you introduced a sense of the Congress resolution, asking former President Nixon to forego his announced trip to Peking. I feel and I believe and an enormous number of people both Democratic and Republican that President Nixon's trip is dangerous and hostile to the best interest of America.

It is impossible for former President of the United States to travel in a foreign country on a private citizen basis. We must provide Secret Service protection and every safeguard to see that nothing happens to a man who possesses the most guarded secrets of our Nation. This proposed trip would be expensive to the U.S. tax payers and could give the impression to people in communist countries that Richard Nixon still speaks for America. For the aforesaid reasons and many others, I urge you to consider the above outlined course of action.

Sincerely,

JOHN JAY HOOKER.

THE PROJECTED BUDGET PROPOSALS: THE ECONOMY AND THE BUDGET—A 5-YEAR APPROACH

The SPEAKER pro tempore (Mr. BONKER). Under a previous order of the House, the gentleman from Washington (Mr. ADAMS) is recognized for 60 minutes.

Mr. ADAMS. Mr. Speaker, in July of 1974 the Congress embarked upon a new approach to responsibility in the budget process. This new approach, outlined in the Congressional Budget and Impoundment Control Act of 1974, was designed to end years of frustration in the Congress and in the Nation with our budget procedures. That frustration grew out of the inability of Congress to consider the budget as a whole, to consider each expenditure decision as it affected other decisions and overall budget totals, and to relate spending decisions to the overall management of the economy.

Although we are still in the process of implementing this important legislation, I think it fair to say that there has been improvement. We now have the capability to behave in a fiscally responsible fashion and to make individual program decisions with a better knowledge of the impact of those decisions on the budget and on the economy. In my capacity as chairman of the House Budget Committee, I have had the opportunity to be a part of these developments. We can take pride in our achievements, but we should recognize that this year will be the time of testing for the entire congressional budget process.

We should also recognize that the American people are aware of the need for fiscal control; and that they are aware we now have the tools to exercise that control. Thus we must use them responsibly if we are to remove the public dissatisfaction with the results of our existing decisionmaking processes.

There are many sources of dissatisfaction, all readily understandable. Our national economic management leaves much to be desired. We continue to experience both high inflation and high unemployment, and virtually all forecasts, public and private, predict an unduly slow improvement on both these economic fronts. We lack a consistent approach to our problems of natural resources and the environment. In energy, for example, our expressed concern for energy independence is contradicted by 2 years of increasing reliance on foreign oil. We have spent and are spending substantial sums to combat crime and poverty, to improve housing, and to save our central cities. Still, our successes are often overshadowed by dramatic failures. Finally, there is a growing national concern that government may have grown too large and complex, although there is clearly no agreement on precisely what to do about it.

These problems would be more bearable if we had the sense that they were being corrected over time and that things will be better next year and the year after that. Public opinion measures suggest that Americans do not have such optimism, either about these problems or about the ability of our institutions to cope with them. Nor do I find widespread optimism within the Congress. The people could take heart if the President were charting a course for our Nation that commands the support of a majority. Yet it is clear the President has not obtained that majority among the people for the budget and economic program presented to us last month.

Some suggest that our problems might better be addressed by a national economic planning body. However, such a group cannot substitute for leadership on the part of our national elected officials.

Our people also look to their leaders in Congress, particularly the majority party, for some sense of direction for the Nation. While Congress, as a representative body, must reflect the same diversity as the Nation, this diversity cannot become an excuse for failing to think ahead about our national problems and their solutions. As Members of Congress we should be thinking and planning in broader terms to improve the decisions we make today and to lay the groundwork for a more responsive and effective government. Only with such an approach can the Congress provide the programmatic leadership the Nation needs.

As we face decisions on the budget for fiscal year 1977, it is clear that we can easily make those decisions without thinking ahead. We can continue to enact programs without knowing how to assess their performance, or how to evaluate the need for their continuation. We can continue to make commitments to automatic cost escalations in future year without knowing whether and how these commitments can be fulfilled. We can continue to initiate development and procurement of weapons systems without facing up to the consequences and costs of full production. In short, we can easily make many poor decisions.

I want us to avoid such a piecemeal decisionmaking process. Our new budget procedures are significant because they force the Congress to consider together all revenue and expenditure decisions not only each year, but for several years at a time. Businessmen have long recognized the need for planning over several years. It is time that the Congress recognized that planning can, and usually does, result in better decisions. Just as we can no longer separate decisions on one function from those on another, we cannot separate decisions on this year's spending from next year's. To avoid this artificial separation, I am taking this occasion to express my own views on where the United States should be going during the next 5 years in dealing with the economy and the budget.

A multiyear approach to the Federal budget is necessary as a practical matter. The built-in base of commitments and programs already underway makes it very difficult to carry out significant changes in any one year's budget. More lead time is required for major changes to take effect. In addition, a multiyear perspective will improve the quality of decisions within Federal agencies where, for example, procurement and construction programs can be better managed when approximate levels of available resources are known in advance. The same is true for State and local governments assisted by Federal funds.

A multiyear approach also provides our only real opportunity for dealing with those programs generally referred to as "uncontrollables." Increasingly, we recognize that decisions with relatively minor financial impact in this year's budget have major consequences in later years. For example, our retirement systems are funded on a current basis. Thus, decisions made now on benefit levels, retirement age, and related factors have little impact on the current budget, but massive and cumulative impacts on our future budget choices. The current military and civilian pay and retirement systems are creating liabilities for decades to come. We should face the full extent of prospective liabilities now, when we can do something about them, rather than later, when we can do nothing but honor our commitments or arbitrarily cut back on them.

As I present my 5-year approach to the budget and the economy, it should be clear that I speak only for myself, and not for any other members of the Budget Committee. I do so with the hope that my general approach to these matters will become a matter of full discussion this year, not only in the Budget Committee but throughout the Congress and the public as well.

Full discussion of the budget throughout the Congress is most important, because it is the Congress which must make these decisions. The resolutions which the Budget Committees produce are a critical step in a detailed process. Every committee of the Congress is participating in developing recommendations for inclusion in the first budget resolution, and each House of Congress must debate and adopt that resolution.

The content of the second budget resolution, to be adopted by both Houses in September, will be influenced by all of the spending and revenue actions the Congress takes during the summer months, and will afford an opportunity to put those decisions in context. In short, the congressional budget process should be viewed as an effort of the entire Congress, not just the Budget Committee.

Now, it is time that the process of making choices begins again. Just as many people are not pleased with the President's recommendations, many will not be happy with mine or with those the Budget Committee will be developing over the next several weeks. Yet we know enough about likely economic developments and governmental programs to know that we cannot have everything.

We can buy the elimination of poverty as it is now defined. We can buy more divisions, more aircraft carriers, and more missiles. We can buy a substantial upgrading of the Nation's housing stock or of its transportation systems. We can invest our resources in a massive upgrading of private investment in business plant and equipment and thus in our national productivity. What we cannot do, at least not in the next 3 to 5 years, is to do all of these things at once. When Government resources are scarce, and they are, achievements in one field come only at the expense of achievements the resources could buy in some other field.

We have no choice but to make choices. We also have the choice of determining that our choices will be as rational as we can make them. I offer the following approach in that spirit.

MAJOR ELEMENTS OF THE FIVE-YEAR APPROACH

My 5-year approach seeks a strong economy and a sound budget. Neither is attainable without the other. The congressional budget process gives us the tools by which these complementary objectives can be attained.

My recommendation for the economy is easily stated: We must move steadily toward full employment and reasonable price stability, as soon as practicable. We can achieve that goal through a combination of existing job-creating programs, tax policies, a new program of employment in both the private and public sectors, and a series of structural reforms to reduce unemployment, improve productivity, and promote price stability.

My recommendation for the budget is as follows: Overall spending for existing programs should be held below the amounts needed to carry out current levels of governmental activities and services.

If these recommendations are followed, there will be an additional budget potential during the 5-year period, significantly beyond the current services spending level, that can and should be used for additional tax reductions, expansions of worthwhile existing programs, and new program initiatives. However, achieving this additional budget potential will require more than a commitment to hold spending to reasonable levels. At the same time, we must work hard to effect program and management reforms that will enable us to provide more and better services in some areas, and the same services at lower cost in others. This means increased emphasis on program simplification and reduced paperwork, as well as on reducing and eliminating lower-priority programs and activities, to make room within the current services level for needed expansions of services.

Finally, while holding spending below current services levels, I recommend a major reorientation of priorities that better reflects the Nation's needs. This reorientation would have the following major features:

A comprehensive federalized welfare reform program phased in during the 4-year period beginning in fiscal year 1978. This reform, widely recognized to be long overdue, will result in substantial overall savings to hard-pressed State and local governments while, at the same time, putting an end to the irrational set of duplicative and often inequitable programs that have done so much to reduce confidence in government at all levels.

Higher spending than proposed by the President for income security, health, education, veterans, and energy programs; and

A reasonable, but restrained, budget for defense and international affairs. If we move now on some of the fastest rising components of defense costs and reorient priorities within the Defense Establishment, we will remain the world's strongest military power without increasing the defense budget in real terms.

If this overall approach is carried out, it would produce the following projected revenue, outlay, and deficit/surplus levels for the fiscal year 1977–81 period:

5-YEAR BUDGET TOTALS—FISCAL YEAR 1977–81

[In billions of dollars; fiscal years]

	1977	1978	1979	1980	1981
Outlays	410.3	441.6	468.0	497.0	529.5
Revenues	360.7	420.2	464.0	523.2	588.7
Deficit/surplus	−49.6	−21.4	−4.0	+26.2	+59.2

These projections illustrate potential ranges of spending and receipts, and resulting deficits and surpluses. Emergencies such as another energy crisis, good news such as higher-than-expected revenues, or mandated spending for particular activities would, of course, change actual spending, revenues, and the deficit or surplus in any particular year.

It should be emphasized that the surpluses projected, particularly for fiscal years 1980 and 1981, should not be regarded as projected "actual" surpluses. The economy could not stand the massive withdrawal of purchasing power that surpluses of this magnitude would imply, and, in any event, these resources should be used to meet the needs of our people. These funds are the additional budget potential I referred to earlier. They should be used for such major purposes as—

First, to provide stimulus to the economy, as may be needed in any particular year. During the next several years it may become necessary to reduce taxes or increase outlays in order to maintain the annual rate of real growth needed to move toward full employment.

Second, to provide permanent tax reduction, primarily for lower- and middle-income individuals and families. As average incomes and, therefore, average tax rates increase with inflation, fairness requires that we adjust for past inflation by offsetting these automatic tax increases—at least partially—through further permanent tax reductions, a necessary step to maintain a progressive income tax system.

And third, to expand worthwhile existing programs and to fund new program initiatives. Although welfare reform can be accommodated within the aggregate spending required to maintain current services, the need to expand many important existing programs and to embark upon new programs will inevitably arise. For example, it is widely anticipated that during the next 5 years the President and the Congress will agree on a basic national health insurance program. Although such a program may require only $100 to $300 million to initiate, when fully implemented it will cost many billions of dollars. Such a major national effort must be expected and accommodated by our budget policies.

THE ECONOMY—TOWARD FULL EMPLOYMENT AND PRICE STABILITY

During the 5-year period, I believe that providing economic opportunity for our people will remain the Nation's No. 1 priority. We are recovering from recession; yet we must move more vigorously to reduce our unacceptably high unemployment rate.

The President's budget and economic message make clear that the administration is willing to tolerate a high rate of unemployment for years to come. The President's budget contemplates an unemployment rate of 7.7 percent for 1976 and 6.9 percent for 1977. Not until 1981 do the President's projections fall below 5 percent. Beyond the unemployed themselves, a high unemployment rate indicates that millions of people are not actively seeking work—and thus not counted as unemployed in our statistics—because they are convinced that no jobs are available for them. These people, too, must be brought back into productive employment.

I find the President's projections unacceptable in terms of underutilization of our human resources; in terms of idle productive capacity; in terms of a responsible national economic policy; and, above all, in terms of the needs of millions of individuals and families who suffer from unemployment. Our second budget resolution for fiscal year 1976 is designed to achieve a goal of 7 percent unemployment by the end of calendar year 1976. We should further commit ourselves to reducing unemployment below 6 percent by the end of 1977, 5 percent by the end of 1978, and to substantially full employment in 1979 and 1980. Our reservoir of unused productive capacity should permit us to achieve these goals while continuing to moderate inflation, with the Consumer Price Index averaging a 5.4 percent rate of growth over the 5-year period, and below 5 percent in 1980 and 1981.

To achieve these goals, we must act more vigorously this year. The President's budget simply does not do enough to stimulate the recovery we need. In fact many economists feel that it will arrest the recovery now underway.

My projections of receipts and outlays are based on the economic assumptions contained in appendix A. I believe we will be able to reach these goals through the prompt implementation of existing employment-generating programs, such as the Public Works Employment Act of 1975, the reordering of our spending priorities, and the following tax policies, employment program, and structural reforms.

Tax policy: The $18 billion in tax reductions enacted in December 1975 must be made permanent. The reductions and rebates of early 1975 demonstrated once again that tax policy can be a swift and effective stimulus for a lagging economy. The resulting increase in demand helped to promote new jobs in the private sector which will remain the principal source of employment for our citizens. Furthermore, it is likely that additional tax reductions will be needed during the next 5 years.

As stated earlier, these additional tax reductions should focus primarily on lower- and middle-income individuals and families. The combination of progressively higher social security taxes and inflated incomes pushing these individuals and families into higher tax brackets has placed an inordinately high burden on the average working person. Additional tax reduction is absolutely essential, both as matter of equity and as a tool to generate demand and private sector employment to avoid future recessions. Such tax reductions must be coordinated with our move to welfare reform and overall tax reform.

It is impractical to specify at this point precisely when further reductions should be adopted by the Congress. Clearly, much depends on the course of the recovery this year and in 1977. It should be noted that many economists, including the President's Council of Economic Advisers, predict a lower rate of growth in 1977. If such forecasts prove correct, additional tax reduction may well be needed in late 1977 or early 1978. My projections call for an additional tax cut of approximately $10 billion effective July 1, 1978.

While I believe the Congress should extend the $18 billion tax cut of 1975 permanently, we should reject the additional $10 billion in tax reductions proposed by the President, as well as his proposed increases in social security taxes. The President's tax policy—beyond the reductions in existing law—fails on several counts.

Nearly two-thirds—approximately $6.2 billion—of this additional tax reduction is intended to stimulate business spending, despite the increasing evidence that tax stimuli during economic recoveries serve merely to reward activities that are already taking place. Furthermore, since the additional $10 billion in tax reductions appear to be contingent on congressional action to reduce spending by an equal amount, any economic stimulus hoped for by the President would be completely offset. In fact, the combination of such spending reductions and the President's proposed social security tax increase, if adopted, would result in a sharp reduction from the stimulative economic policy being pursued this year.

Finally, the overall tax package should

be rejected simply as a matter of equity. The $10 billion reduction would benefit primarily corporations and higher-income individuals, while offsetting payroll tax increases would be levied on lower- and middle-income wage earners.

The economic stimulus needed by the economy in fiscal year 1977 should be provided through a continuation of the 1975 tax cut, substantially higher though still restrained spending than proposed by the President, and prompt action by the Congress and the President on such targeted unemployment-fighting programs as the accelerated public works/countercyclical assistance program and the public service jobs program. Together with an accommodating monetary policy, these steps will enable the recovery to continue and gather momentum during the latter part of the year and into 1977.

The tax policy discussed above should be accompanied by a comprehensive program to achieve meaningful tax reform, one of the most challenging and difficult tasks facing the Congress in recent years.

The need for reform is widely recognized. The public is understandably frustrated by our present tax system, which has grown helter-skelter in response to the cries for tax relief from one or another influential group with a real or perceived "special" problem; which treats a dollar earned by one's own labors as inherently more taxable than a dollar earned by investment; and which, despite our lip service to tax equity, relies increasingly on higher payroll taxes for lower- and middle-income wage earners while providing special treatment for upper-income individuals. The portion of overall taxes borne by individuals continues to climb, while corporate taxpayers pay increasingly less.

The Budget Act requires the President to give close scrutiny to existing tax preferences, called "tax expenditures." In fiscal year 1976, tax expenditures totaled approximately $92 billion and are expected to reach nearly $135 billion by fiscal year 1981. In addition, new tax expenditures proposed by the President and others are now under consideration.

A meaningful program of tax reform must carefully consider our entire tax system and both existing and new tax expenditures to achieve the objectives of tax fairness, tax simplification, and a significant revenue gain. The House made modest progress toward achieving this latter objective when it passed H.R. 10612, the Tax Reform Act of 1975, now awaiting Senate action. This bill is expected to raise $1.5 billion in fiscal year 1977, and up to $2.4 billion in fiscal year 1981. However, current estimates indicate that by fiscal year 1981 the tax expenditure budget is likely to rise by almost 38 percent, unless further steps to restore the tax base are taken.

Congress should recognize that tax expenditures represent one of the most "uncontrollable" areas of Government spending. Except in very unusual circumstances, we should not enact any additional permanent tax expenditures. Rather, we should limit their availability to fixed time periods, which would permit a more rational assessment of their results and continued need.

The prime responsibility for initiating such a program of tax reform must necessarily rest with the Ways and Means and Finance Committees. These committees must recognize that tax reform is a key ingredient in any 5-year projection of national needs and overall fiscal policy. They should consider very seriously the proposition that enactment of any new tax expenditures should be accompanied by offsetting reductions in existing tax expenditures.

Every functional category of the budget includes certain tax expenditures which may be appropriate candidates for elimination or modification. In the national defense function, for example, our move to a volunteer army and pay comparability with the private sector has brought into serious question the continuing need for the $650 million annual tax expenditure for exclusion of benefits and allowances to Armed Forces personnel. In the international affairs function, the $1.5 billion subsidy in fiscal year 1977 for deferral of income for foreign controlled corporations, DISC, modified in the House-passed tax reform bill, should be examined to determine if it simply rewards activities that would take place in any event.

In the natural resources function, a proper target for reform is the deduction for interest on State- and local government-backed pollution control bonds. This highly questionable tax expenditure cost $110 million in fiscal year 1975, and is expected to cost $490 million by fiscal year 1981. It may well be that pollution control expenses should be regarded as a cost of doing business and not entitled to governmental assistance, or there may be a more efficient and less expensive means of bearing these costs, without creating additional competition for States and localities that are already having trouble marketing obligations for their own programs.

A concerted effort to eliminate or modify these numerous and often costly tax expenditures can produce significant revenue gains during the 5-year period. These gains should be used primarily for additional tax reductions for lower- and middle-income individuals and families.

A new employment program: In addition to the tax policy outlined above, the severity of the current recession makes it clear that traditional economic stimulus measures will not return us to full employment. Additional efforts will be necessary to put people back to work, rather than merely providing income support.

During the past year, a number of bills have been introduced to stimulate employment in the private sector, primarily through tax credits. These bills recognize the reality that the private sector is our largest employer and that it is there we must look for major increases in employment. At the same time, many important sources of employment, such as nonprofit organizations and government enterprises, would not benefit from these tax-credit approaches. In addition, the tax-credit approach would further complicate our tax system by enacting yet another tax expenditure, rather than a program which could be scrutinized annually through the traditional appropriations process.

To encourage employers of all types to hire additional workers, I propose that appropriate House committees consider a program to subsidize the hourly wage of newly employed workers for a 3-year period. A subsidy of 60 cents an hour during the first year of employment—$1,200 a year per employee—should be sufficient to induce employer participation. The subsidy would decline in the second and third years of the program. The continuing, but declining subsidy reflects the fact that as the employee gains experience, his value to the employer is increased and the need for subsidy is decreased.

The program should focus on individuals with the greatest hardship—heads of households over 25 years of age and persons under 25. In both cases the individuals would have to have been unemployed for at least 8 weeks. Thus, the individuals being helped would be those who have the most difficulty in finding jobs and those with families to support. The program would not reach persons changing jobs, but would be designed, instead, to create new jobs which provide meaningful work.

The program would be a temporary one, for use whenever employment needs to be increased, and automatically phases down as unemployment drops. It could be administered through existing State employment offices.

Details of such a program should be developed by the appropriate legislative committees. These committees should be particularly concerned to minimize the potential substitution effects of the program. The number of people to benefit from the program, and thus its overall cost, would depend upon these details. However, if the program reached only 15 percent of the approximately 7.3 million unemployed, over a million persons would benefit and the unemployment rate would be reduced by more than 1 percent. At a 1 million job level, the program would cost approximately $1.2 billion in the first year of operation and, as the unemployment rate dropped, its cost would decrease to zero in the fourth year after enactment.

I urge the Congress to consider the adoption of such a program. If enacted during this session, and partially implemented in fiscal year 1977, it would provide an additional stimulus to the economy next year when, as stated earlier, many economists forecast a reduced rate of economic recovery.

My projections provide for assistance for 500,000 jobs in fiscal year 1977, for 1 million jobs in fiscal year 1978, and a phasedown of the program during fiscal year 1979 and fiscal year 1980.

Structural reforms: In addition to the tax policy and new employment program outlined above, there remain a great many structural reforms in our economy which should be addressed to assure a strong economy during and beyond the 5-year period.

The most important, in my view, is to

achieve a more effective integration of fiscal and monetary policies.

Under our new budget procedures, Congress and the executive branch have the tools to prepare a budget premised on a fairly precise fiscal policy, expressed in terms of Government outlays, revenues, and deficits or surpluses. Yet the Congress and the Executive must do so without knowing, with sufficient certainty, what monetary policy will be followed for the budget year. Although the Federal Reserve Board, through its Chairman, now announces its monetary targets for the year, there remains great reluctance by the Fed to commit itself to a sustained course of action.

James Tobin, former Chairman of the Council of Economic Advisers, recently suggested that our budget resolutions include an explicit statement of the sense of Congress as to the desired path of the economy during the fiscal year, to be measured by the growth of GNP, the rate of inflation and unemployment, and other appropriate macroeconomic indices. This sense-of-the-Congress determination would be established with full consideration of the administration's proposals and the views of the Fed. Mr. Tobin believes that such an explicit statement of economic goals would help induce the Fed to carry out its monetary policies in a manner that more fully supports Congress economic objectives.

I hope this suggestion will be widely discussed in the Congress and in the executive branch. Although we cannot assure economic performance through the adoption of budget resolutions, we can set forth more specific goals and policies for all economic decisionmakers. If Mr. Tobin's suggestion is adopted, it would help to put an end to the spectacle of conflicting fiscal and monetary policies which have produced so much economic havoc in recent years.

Only slightly less important is the need for the Congress to begin the arduous, but essential task of eliminating institutional barriers to competition. Many of our Federal regulatory agencies—established to promote and maintain competition—are no longer functioning effectively. They often serve to reduce productivity and increase prices. I believe their operations and overall effectiveness should be reviewed by the Congress, and necessary reforms implemented.

Structural reforms can also help to reduce unemployment. For example, the House has twice passed legislation to deal with the problem of illegal aliens holding jobs that would otherwise be available to American workers. This legislation, which provides for penalties for employers hiring illegal aliens and for more effective enforcement of existing laws relating to illegal aliens, should be enacted by the Congress. And, the numerous work disincentives inherent in many of our welfare programs should be eliminated through enactment of comprehensive welfare reform legislation—as proposed by the Joint Economic Committee's Subcommittee on Fiscal Affairs.

We should also recognize that our overall economic goals cannot be achieved unless meaningful actions are taken to combat inflation. Reform of our regulatory agencies and elimination of the legislative "sacred cows" referred to above are important steps toward this end. So too is the Congress commitment to a responsible fiscal policy, one that reduces budget deficits as the economy improves and sets, and abides by, a policy of living within available revenues as full employment is reached.

In addition, regardless of the administration in power, the Congress should insist upon vigorous enforcement of the antitrust laws, a national policy as often ignored as it is universally acclaimed. The need to encourage price competition, as well as to enforce our antitrust laws in areas where Government agencies operate to discourage such competition, is more urgent than ever.

Finally, the Congress and the President should initiate a comprehensive review of the Consumer Price Index, our principal measure of price inflation. As an increasing number of Federal programs and wage and price decisions are indexed, it is essential that the CPI reflect only true inflationary increases and not increases due to changes in quality. This review should also include the development of special indices, appropriate to groups such as retired persons, which can more precisely measure the rate of inflation affecting their purchasing power.

These many and varied actions cannot be undertaken this year or even next. However, we should recognize that lasting economic prosperity cannot be assured solely through Federal budget policies. Action is needed in many areas, and it is the responsibility of Congress to deal with the full range of economic concerns.

FEDERAL SPENDING AND NATIONAL PRIORITIES

The President's fiscal year 1977 budget proposes a sharp reduction from the rate of growth in Federal expenditures experienced over the past several years. The extreme nature of this change is clear from a comparison of the growth in outlays for the past several years with the growth rate proposed by the President for fiscal year 1977.

Growth in total outlays

[In billions of dollars]

Fiscal year:	Outlays	Percent change
1971	$211,425	7.5
1972	231,876	9.7
1973	246,526	6.3
1974	268,392	8.9
1975	324,601	20.9
1976 (estimated)	373,535	15.1
1977	394,200	5.5

In considering this comparison, it should be noted that the fiscal year 1976–77 growth should be expected to be somewhat larger than normal because of the growth that occurs in the intervening transition quarter.

The President's recommendations for fiscal year 1977 are well below the costs of continuing current services as estimated by both the Office of Management and Budget and the Congressional Budget Office. Specifically, for fiscal year 1977 the President's recommended outlays would be $20.3 billion less than the OMB current services projection and $30.7 billion below the projections of CBO.

The President's recommendations, if accepted, would signal a significant change in national priorities as shown in the following table:

CHANGE IN OUTLAYS BY MAJOR ACTIVITY

[In billions of dollars]

Activity	Fiscal year— 1976	1977	Percent change
Defense and international affairs	98.5	108.2	9.8
Interest on the national debt	34.8	41.3	18.7
Social security and retirement commitments	81.1	92.7	14.3
Helping people at home	159.5	152.0	—4.7

This table shows that while the President generally accepts our commitments to retirees and interest costs, he is recommending that expenditures on other domestic activities be reduced in real—inflation-adjusted—terms. At the same time, expenditures to project U.S. power abroad are being increased in real terms.

I do not believe that such a radical shift in priorities is desirable. States, local governments, taxpayers, and individuals should not bear the brunt of the President's reductions. In fact, I do not consider these priorities as representing a reasonable or useful starting point for congressional deliberation on the budget. As an alternative, I have prepared a series of projections of receipts and outlays reflecting what I believe congressional priorities should be.

Obviously, such projections are hazardous. New and unforeseen events, cyclical fluctuations in the economy, and changing congressional priorities will, and should, be the basis for adjustments as we proceed through the next 5 years. But, I feel that such projections can be more useful as a beginning for policy deliberations than current service projections.

Using a 5-year projection, Congress can consider current problems in light of likely future circumstances and see their long run implications. The fiscal year 1977 portion of the projections represents the starting point of the overall approach and should be viewed as such.

Some indication of how this recommended program differs from the current service projections of CBO and the 5-year projections of the President's budget policy can be seen from the table below:

PROJECTED OUTLAYS

[In billions of dollars; fiscal years]

	1977	1978	1979	1980	1981
CBO current services	424.1	463.9	495.1	530.5	564.0
President's program	394.2	429.5	455.7	482.5	509.9
Recommended policy	410.3	441.6	468.0	497.0	529.5

The recommended policy contains substantially higher outlays than the President's program, primarily for Federal domestic programs. The President's 5-year projections carry forward the shift in priorities begun in the 1977 budget, and are not acceptable for the same reasons his 1977 recommendations are not acceptable. The policy I am recommending proposes spending below current services projections, but its functional components vary substantially from those projections.

Appendix B contains a comparison of 5-year projections of outlays, receipts, and surplus/deficit for the three approaches, together with outlays by major function.

While the recommended projections are well above those of the President, they are clearly well below the sum of all expenditures that Members of Congress would like to be able to finance. Reaching the projections of the recommended program, particularly in the early years, requires that we avoid adoption of major new programs and significant expansions of existing programs, except to the extent that such additional spending can be financed out of reductions elsewhere. Thus, difficult decisions and considerable restraint will be needed.

But, if followed, this program will enable the Congress to achieve the options of tax reduction, additional economic stimulus, and new program initiatives through additional budget potential in future years, while holding the deficit to reasonable levels this coming year. These decisions Congress faces are mild compared to some of the cutbacks being carried out this year by many States and cities, and mild compared to some of the decisions that individuals have been making to cope with their declining real incomes.

In the function-by-function discussion which follows, only the highlights of a potential congressional approach to the budget are presented. The functional totals by year appended to this statement reflect explicit program assumptions spelled out in the discussion together with an underlying concept that other programs are assumed to remain at current service levels. However, in some cases the underlying detail in functional projections may reflect differences in estimating techniques and presumed changes in smaller programs. Consideration of these smaller programs will obviously take place in the context of the congressional budget and appropriations process, without impacting on overall priorities and the broader aspects of the Federal budget for the next 5 years.

FUNCTION 050: NATIONAL DEFENSE

[Outlays in billions of dollars; fiscal year]

	1977	1978	1979	1980	1981
Current services (CBO, path B)	103.4	114.5	118.0	127.2	135.6
President's budget	101.1	112.9	121.5	132.4	142.8
Recommended	100.0	107.0	113.0	119.0	126.0

My projections of Defense budget needs are based on assumptions of world conditions substantially the same as those used by the President in preparing his budget. Thus, these projections assume that our system of alliances and commitments will remain relatively stable over the 5-year period; that no major new threats to our national security will develop; and that we will want to continue an adequate level of force modernization without increasing our force structure.

This year the Congress must make major procurement decisions with respect to the B-1 bomber, the Trident missile, outfitting new Army divisions, and equipping Air Force tactical fighter wings. If the Congress approves the President's requests in these areas, it will add billionsof dollars to the defense budget by fiscal year 1981. I do not believe we can begin all of these massive new programs at the present time when budget restraint is being required in all other programs.

The outlay projections contained in the President's budget for fiscal year 1977 indicate that the Defense function will increase by an average of 10 percent per year to a level of $143 billion in fiscal year 1981. There is little evidence that the Department of Defense is seriously considering alternatives which would moderate this dramatic increase.

The President's projections provide for an average rate of inflation of 6 percent for purchases, "comparable" pay and retirement costs after fiscal year 1977, and a real growth in defense outlays of approximately 3 percent per year to provide for increased technology and force modernization.

My recommendation would provide an annual average increase of 6 percent for defense purchases to accommodate inflation and technological improvements. It would require modernization of the military compensation structure and revision of the civilian pay structure in order to achieve comparability on a total compensation basis by fiscal year 1981. In the intervening period an increase of 5 percent per year would be allowed to cover cost-of-living adjustments in the pay area. On this basis, approximately $126 billion will be required for the defense function by fiscal year 1981. Continued modernization would be accomplished with savings made by the more efficient use of manpower and by reducing the support and training establishment.

This strategy is based on the conviction that we can provide for all of our defense needs without increasing the defense share of the budget if we are willing to tackle the difficult and sometimes emotional problems of manpower costs and weapons systems and do not adopt an expanded military posture in the world.

In focusing on the problem of manpower costs, I do not mean to imply an endorsement of the need for each of the weapons systems proposed by the Department of Defense, nor acceptance of the current level of weapons system acquisition funding. Rather, I believe that the significant defense budget increases provided in recent years, and projected for the future, are not solely attributable to the procurement accounts. Their prime cause is the soaring cost of manpower and the inability of the defense sector to shrink its support establishment from its Vietnam peak to a level appropriate to support the current forces.

I recognize the difficulty of making significant changes in the number of personnel and personnel compensation. But unless we correct inequities and restore balance to the defense budget we will not provide for increased national security no matter how much of our resources we devote to the defense budget. Conversely, if we can make progress on these tough manpower problems, we can increase our national security with little or no increase in defense spending.

The total cost of defense manpower in fiscal year 1976 is estimated at 54 to 60 percent of the total DOD budget, depending on varying definitions of what should be included under the general category of manpower costs. The costs have risen dramatically since the enactment of the comparability pay system in 1968 and the development of the all-volunteer force. Yet, there are no real standards to determine the appropriate levels of compensation. Today's system of compensation is more complicated than comparable. It mixes fringe benefits provided when pay was abnormally low with new benefits and pay increases added separately and at different times. As a result, there are now indications that military and civil service compensation—except at executive levels—have exceeded what could reasonably be construed as true comparability.

The time has come for Congress to face the problem of compensation squarely and revise the law as necessary to achieve comparability on a total compensation basis.

All military personnel receive a basic pay intended to remunerate them for services rendered. This is the principal element of military compensation. The amount of basic pay is a function of a member's rank and length of service in the Armed Forces. Unlike civil service employees, who normally receive a single salary, military personnel are also entitled to special pay, bonuses, and allowances depending on such factors as rank, length of service, marital status, number of dependents, type of assignment, and location.

Military personnel also receive allowances for certain needs that civilians normally meet from their salaries. All military personnel are entitled to subsistence and quarters or cash allowances if these are not provided in kind. The specific amount depends on a member's rank and number of dependents.

A tax advantage results because quarters and subsistence allowances—whether furnished in kind or in cash—are not subject to Federal income tax. As of October 1974, DOD estimated that the annualized tax advantage to military personnel—that is, revenues foregone by the Treasury—amounted to over $1 billion. Military personnel are also covered by social security on a contributory basis. Thus, at the age of 62 a military retiree can receive two annuities for the same period of service.

I suggest that the Congress decide upon a comprehensive definition of pay and develop a system of total compensation. This would involve:

One, translating all current fringe benefits into real dollars and substituting one military compensation package for the current system of base pay and fringe benefits; this would provide a clear picture of the cost of military compensation, which by itself would be a major step toward solving the manpower cost problem;

Two, reforming the military retirement system to a vested system on a contributory basis, and reviewing the policy of providing retirement income to individuals in their late thirties and early forties;

Three, correcting the system used to adjust the annuities of retired military personnel by removing the so-called 1-percent kicker, which has cost approximately $750 million in adjustments in excess of actual inflation; and

Four, moving toward a selective reenlistment program, including a reexamination of the reenlistment bonus and lump sum leave payment system.

I also recommend a close examination of DOD's overall training costs. The establishment of a stable Volunteer Army should lead to reduced training costs. In fiscal year 1976, the Department of Defense estimated that training costs, exclusive of unit training, will be approximately $6.8 billion. At any given time, 1 out of 5 military personnel will be involved in some aspect of training, other than unit training. The student-teacher ratio is approximately 1.6 to 1. I believe that savings on the order of $1 billion can be made over the next 5 years by a concentrated review of this area with a view toward consolidation of overall training programs and elimination of many marginal programs.

Finally, the support establishment in DOD has not decreased in proportion to the reduction in forces since the height of the Vietnam war. The difficult decisions on reducing the base structure by consolidations and closings must be made. DOD witnesses indicated to the Budget Committee's Defense Task Force that approximately $1 billion could be saved annually by base realinement. Obviously, this would result in job losses to individuals. However, if the Congress were to insist on a policy of guaranteeing one job offer within Government at the same grade to each person whose job is affected the personal hardship would be greatly minimized.

FUNCTION 150: INTERNATIONAL AFFAIRS

[Outlays in billions of dollars]

	Fiscal year				
	1977	1978	1979	1980	1981
Current services (CBO, path B)	6.8	7.8	8.5	9.3	9.9
President's budget	6.8	7.8	7.8	8.1	8.0
Recommended	6.3	7.1	6.9	7.0	7.1

My projections for the international affairs function, which includes funds for foreign aid as well as the conduct of foreign affairs, take into account important recent changes in the world political and economic situation.

Major oil discoveries in Indonesia, Nigeria, and elsewhere, together with increases in the world price for raw materials such as bauxite and phosphates, have significantly altered the economics of many of the less developed countries. As a result, many long-time foreign aid recipients should now be able to finance development through sales of their resources to us. At the same time, the dramatic increases in world petroleum prices have resulted in serious setbacks for the economics of other oil-poor LDC's. For these countries, continued foreign aid promises little economic relief in the absence of special pricing or other economic considerations from the oil-producing nations. In addition, there is continued debate, both within the administration and in Congress, about providing foreign aid to countries that consistently pursue foreign policies against our interests in the United Nations and elsewhere.

Based on these considerations, and the fact that foreign aid funding has not historically been increased to offset all of the cost of inflation, my projections continue foreign economic and financial assistance essentially at the level provided in the fiscal year 1976 budget resolution. For security supporting assistance, however, a gradual reduction from the unusually high fiscal year 1976 levels is projected. This assumes that progress toward a peaceful solution to the Middle East crisis is accompanied by a gradual reduction in the requirements for military and economic aid. For the conduct of foreign affairs and exchange activities, the projections assume that the full cost of inflation must be accommodated.

My projections for the Export-Import Bank continue fiscal year 1976 levels through fiscal year 1981. Some restraint in the expansion of this export promotion program appears likely in response to GAO and congressional questioning of its objectives and performance. The GAO has raised questions as to whether the Bank is expanding its loan portfolio too rapidly in comparison to its reserves and as to its short-term borrowing to turn over lower interest long-term loans.

In any event, continued expansion of export promotion activities does not appear necessary in a period of floating exchange rates and large increases in non-Bank financed exports. It should also be noted that efforts are currently underway between our Government and other countries to limit the amout of export promotion activity each supports. If the fiscal year 1976 activity levels were continued through the projection period, spending levels would decrease as loan repayments increasingly offset new program activities.

FUNCTION 250: GENERAL SCIENCE, SPACE AND TECHNOLOGY

[Outlays in billions of dollars]

	Fiscal year—				
	1977	1978	1979	1980	1981
Current services (CBO, path B)	5.0	5.4	5.8	6.0	6.1
President's budget	4.5	4.6	4.5	4.4	4.1
Recommended	5.0	5.5	5.7	5.7	5.4

Outlays for research in the biological, physical, environmental, and Earth sciences included in this function should permit the continuation of program activities at current levels for the near term. By the end of the decade, aggregate real program levels may be reduced as hardware engineering and development requirements, primarily for the investment in the Space Shuttle, begin to taper off. At that point, the Space Shuttle will be operational as a lower cost transportation vehicle for scientific research projects than was previously available, and increased levels of research activity will be possible even at lower aggregate program levels for the Earth and its environment.

The projected outlay level for fiscal year 1981 is below the current services level projected by CBO, but is comparable to the President's projected level after adjusting for inflation and for certain technical changes in the President's fiscal year 1977 budget presentation. While no substantial new hardware development programs are anticipated, this outlay level should allow for a balanced research effort aimed at the solution of current and future problems of resources, health, energy, and ecology, and permit a reasonable level of basic research to increase our understanding of the Earth and its environment.

FUNCTION 300: NATURAL RESOURCES, ENVIRONMENT, AND ENERGY

[Outlays in bil'ions of dollars; fiscal years]

	1977	1978	1979	1980	1981
Current, services (CBO, Path B)	14.2	15.8	15.9	15.2	14.8
President's budget	13.8	14.4	15.1	14.9	14.5
Recommended	15.1	17.9	18.9	19.8	22.7

My projections in this area provide additional funding to resolve our national energy dilemma; and to achieve the national goals of clean water, but with revisions to reduce the high cost of reaching those goals.

A successful energy program must include funding to prepare the Nation to withstand any future fuel emergencies while working to make the possibility of any such emergencies less likely. We need a civilian strategic oil reserve of some 600 million barrels, costing approximately $10 billion to build and stock over a 7-to-10-year period. This reserve, together with State plans to cope with future fuel emergencies, will enable the United States to avoid the kind of needless economic disruption caused by the 1973 embargo.

Other steps to weaken OPEC control of the international oil market will also forestall future emergencies. Most important is the need to develop a foreign economic policy which rationalizes the interests of the Departments of State, Defense, Treasury, and Commerce to assure that U.S. policies foster, rather than hinder, the maximum development of oil supplies around the world. Creative purchasing—through the use of oil import certificates—to acquire the Government's strategic oil reserves can support our goals. The Federal Government should demonstrate and help commercialize new technologies for energy conservation and production, creating future options. Having the capability for reduced energy dependence can be more important than actually reducing oil imports.

The outlay differences between this approach and the President's budget reflect a more realistic assessment of the cost of implementing an effective energy program. In addition, this approach utilizes direct expenditures, rather than the $100 billion guarantee program proposed by the President.

In the pollution control and abatement area, my projections provide for full utilization of current EPA construction grant authority by fiscal year 1978, followed by a program extension with comparable funding. This extension should result in significant additional outlays during the projection period. As it moves forward, we should assure that our investment is efficient and effective and that the level of benefits matches the level of expenditures. EPA has recently begun to require cost/benefit analyses and should encourage user-charge programs to assure more economic approaches to these projects.

Other programs in this function are basically at a current services level.

FUNCTION 350: AGRICULTURE

[Outlays in billions of dollars; fiscal years]

	1977	1978	1979	1980	1981
Current services (CBO, Path B)	2.3	2.5	2.6	2.7	2.8
Presidents budget	1.7	2.6	2.6	2.8	2.8
Recommended	2.0	2.2	2.3	2.5	2.6

My projections in this area provide for a more effective agriculture program at approximately current service levels.

Agricultural policy is at a crossroad. The need for traditional commodity support programs has been reduced by expanded world demand for U.S. food and fiber and by weather-induced reductions in supply. Farm prices have remained above support levels and our vast Government grain stocks have been depleted. While outlays in the agriculture function were more than $4 billion annually from 1968 through 1973, less than $3 billion has been spent each year since 1974. Price fluctuations in major agricultural commodities now have a larger influence on our Federal budget by their leverage on the Consumer Price Index and their impact on foreign aid programs than through direct changes in funding for the agricultural commodity programs.

Our current agricultural policy fails to recognize the international scope of markets, the complexities of unstable food prices, or the need for a reasonable share of Federal dollars to assure food production. Consumers are resisting severe food price increases and farmers are unsure about planting when prices may fall. Worldwide weather variations necessarily impact on our domestic market prices.

Commodity programs should stabilize markets against the short-term potential problems of both surplus and shortage. The policy should focus on domestically important commodities while recognizing the international dimensions of the problem. Our goal should be efficient food production stabilized for consumers and producers with an equitable distribution of benefits to all participants. The program should emphasize price stability with reasonable bounds for potential budget exposure.

Recent trends in agricultural research have not kept pace with inflation. The number of research personnel in the Agriculture Research Service of the Department of Agriculture has diminished 20 percent over the last decade. Although research seldom has a short-term payoff, we must invest adequately for our future needs. Agricultural research deserves a higher priority and should receive gradual real increases in funding over the next 5 years. Through such research, the United States can continue its long-held leading role in world food production.

In fiscal year 1977, the President projects that specialized commodities such as peanuts, tobacco, and bulk dairy products will be responsible for nearly $600 million in outlays. Because these are entitlement programs, Congress has no control over expenditures without changing the basic legislation. Such changes to reduce these outlays will allow the Congress to rearrange priorities according to a broader base of national interests.

Disaster payments estimates for major commodities in fiscal year 1977 are just under $400 million. Farmers qualify for payments if weather prevents planting or reduces crop yields. A federally sponsored crop insurance program already exists at marginal Government cost, and we should encourage farmers to shift their risks to that program.

Overall, I propose that we significantly reduce spending for specialized commodities and farm disaster payments, with the savings partially offset by implementing a limited price stabilization policy and gradually increasing agricultural research.

FUNCTION 400: COMMERCE AND TRANSPORTATION

[Outlays in billions of dollars; fiscal years]

	1977	1978	1979	1980	1981
Current services [1] (CBO, Path B)	18.4	18.8	19.3	20.3	21.2
President's budget	16.5	19.4	19.1	18.7	18.7
Recommended	18.2	18.6	19.0	19.4	19.7

[1] Includes CBO inflation adjustment for highways.

In the field of transportation and commerce, the Federal budget is particularly vulnerable to rising costs without a commensurate increase in overall results. My projections for this function emphasize an internal reordering of priorities, a greater concern for measuring accomplishment, and a shift toward greater flexibility in assistance programs so that regional, State, and local decisionmakers can make responsible allocations of funds to areas of greatest need.

Such an approach implies acceptance of a number of the transportation program proposals advanced in recent years by various administrations. As the goal of a completed Interstate Highway System comes closer into view, the era of massive new highway construction is probably at an end in many parts of the country. As we design our transportation programs for the post-Interstate era, increasing recognition should be given to the diverse transportation problems of individual States and communities. In some areas, major investment in urban mass transportation and intercity rail freight systems will be appropriate, while less densely populated States will find continued highway investment a better means of reaching their transportation and mobility goals.

The newly passed railroad aid program, as well as the ongoing highway and transit programs, provide major resources for surface transportation improvement. Each needs to be funded adequately, but with a concern for avoiding overlaps and duplication of effort. Current steps to assure cost-effective major investments should be applied across-the-board to all transportation programs. Ultimately, we may find that a consolidated transportation fund is a more sensible and efficient approach to meeting needs.

Under my approach, surface transportation outlays would grow at a significantly higher rate than in the President's projections, since the recommended program reflects both inflation and a broadening of the function to provide for major new rail investments contained in recently passed legislation. In total, however, the recommended program implies a rate of outlays somewhat less than an inflated current services level, reflecting the impact of program consolidation and concern for balance between user tax receipts and program authorizations. In aggregate, surface transportation spending under the recommended program is projected to reach $12.6 billion in 1981, which is nearly $2 billion above the President's projections but $0.5 billion below inflated current services.

Other programs, both in transportation and in commerce, which provide subsidies to various sectors need careful scrutiny in line with the general approach to the budget and the economy. Federal outlays in such areas as maritime subsidies, airline subsidies and airport construction, postal subsidies, rail passenger service, transit operating subsidies, small business aid, research and development, and other aids to business must be examined closely. Rather than allowing such programs to grow unchecked, we must be assured that they are achieving their intended purpose, in an efficient fashion; that this purpose still rates high in our national priorities; that direct aid is not being duplicated by tax expenditures; and that a reform of economic regulation could not achieve similar goals. With these criteria in mind, it is possible to restrain the growth in commerce and transportation outlays to a rate below that forecast by a current services approach. In aggregate, a projected rate of outlays based on these criteria would produce $7.2 billion in 1981 outlays for the commerce and transportation functions, excluding surface transportation and the mortgage credit and thrift insurance subfunctions. This is $1 billion less than the current services projection.

In the mortgage credit and thrift insurance area, outlays should approximate the Congressional Budget Office's current services projections which call for a net balance of $-0.1 billion in this function by 1981. Under normal economic circumstances, receipts from the various thrift insurance agencies should exceed expenditures by a considerable degree, and thus offset the net outlays under the housing programs. This will be possible only within the context of a sound economy, permitting a decline in the abnormally high rate of FHA mortgage foreclosures and a realistic program for the disposition of acquired properties and mortgages.

FUNCTION 450: COMMUNITY AND REGIONAL DEVELOPMENT

[Outlays in billions of dollars; fiscal years]

	1977	1978	1979	1980	1981
Current services (CBO, Path B)	7.7	8.3	8.0	8.1	8.3
President's budget	5.5	6.0	6.2	6.0	6.1
Recommended	7.2	8.0	7.7	7.6	7.6

In the 1974 Housing Act, the Congress consolidated a series of similar categorical grant-in-aid programs into a single, flexible community development block grant program. The new block grant program, now in its second year of funding and a principal program of support to the Nation's local governments, shows signs of being a successful improvement over past categorical approaches. As such, this block grant experience may be useful as a guide for similar reforms in other sectors of the Federal budget. The projection calls for a continuation of the community development block grant at a level necessary to maintain the purchasing power of the program, and at a moderately expanded level if, after the third year of the program, its results justify that expansion.

It should be noted, however, that the bulk of the Federal programs that impact upon the residents of our major urban areas will necessarily be in such activities as elementary and secondary education, health, and income maintenance, rather than in the form of direct assistance to local governments. By providing for a moderate expansion in the funding of the community development block grant program, Congress can help retard further deterioration in the quality of life in our Nation's major urban areas. The expansion in funding should be no more than moderate, however, in order to spur State governments into recognizing that the solutions to many problems in central cities will have to be sought through their ability to reach with programs and taxation the suburban areas surrounding those cities.

In area and regional development, expenditures to date on activities of the Economic Development Administration, Regional Action Planning Commissions, and Appalachian regional development programs have not produced results that would justify expanded funding in the future. These efforts—and, to a large extent, the related efforts of the Farmers Home Administration—have produced only marginally useful results, with funding spread thinly across wide areas of the country, generally outside of established urban areas or potential growth centers. There is a clear need to simplify and consolidate our many disparate and uncoordinated programs of economic and regional development. If future expenditures cannot be focused more dramatically upon the strengthening of existing urban communities or potentially viable rural growth centers, gradual phasedown of these programs should begin in fiscal year 1977.

Funding for other programs in the community and regional development function are either held to current services levels or are reduced. A number of these various activities appear to warrant serious evaluation and possible phasing down or out where the end product of the programs has fallen far short of the original goals set by Congress.

FUNCTION 500: EDUCATION, EMPLOYMENT AND TRAINING, AND SOCIAL SERVICES

[Outlays in billions of dollars; fiscal years]

	1977	1978	1979	1980	1981
Current services (CBO, Path B)	21.4	22.4	23.1	23.5	24.3
President's budget	16.6	15.3	15.3	15.3	15.3
Recommended	22.3	21.6	21.0	21.3	22.1

My projections in this important area provide for real growth in high priority education programs, a reorientation of certain manpower activities, and a steady level of social services funding.

Education: The Federal Government has placed, and should continue to place, the highest priority on aiding those who are educationally disadvantaged, either because of insufficient income or membership in a racial or ethnic minority. It is the States' primary responsibility to provide education to their citizens. The Federal Government has a legitimate responsibility to help redress inequities in the provision of equal educational opportunity both within and between States and to achieve at least a minimum level of education.

Elementary and secondary education programs, costing about $4.6 billion in fiscal year 1976, should be funded at current services levels overall. Increases above these levels should be considered only when there is additional evidence that school districts are using assistance to substantially increase educational achievement, and that local taxpayers are willing to support their schools through local tax efforts. Presently, implementation of the title I program varies markedly among school districts, making generalizations about its effectiveness impossible. Regulations should be written for title I setting forth basic standards, including funding restrictions to encourage a more unified intensive approach to reducing reading and math deficiencies.

Approximately half of the expenditures for the Impact Aid program should be continued; the balance should be phased out. Three categories of students are counted in funding school districts affected by the presence of Federal activity. Category A, 42 percent, includes those children whose parents both live and work on Federal property and therefore do not pay property taxes. Category B, 48 percent, includes those children whose parents either live or work on Federal property. Category C, 10 percent, is comprised of those students whose parents either live or work in low-cost public housing.

While funding of categories A and C should continue, category B falls outside any legitimate aim of impact aid. An estimated 99 percent of category B children reside on private taxable land giving a source of revenue for school districts. In addition, the presence of the Federal Government, as an employer, adds to the economic base of the community. I recommend that funding for category B students be phased out by fiscal year 1981.

Funding for emergency school aid should also be phased out by fiscal year 1981. Under the law, school districts must continue to correct segregation; but the original objective of the program was to meet a temporary condition, rather than to build a permanent program. Where desegregation results in a greater influx of poor children, the title I program is a more appropriate aid to local districts.

Growth in higher education funding is a major issue facing the Federal Government. Direct student aid and institutional subsidies have successfully encouraged substantial increases in participation among the targeted low-income and ethnic groups. Projections show that higher education enrollments are rising and that minority students' demand for increased education exceeds that of the general college-age population. Even though middle-income students attain higher education levels at nearly three times the rate of very low-income students, middle-income families are finding it difficult to finance their children's education. Hence, expansion of student aid is recommended.

The basic education opportunity grants—BEOGS—program is a major source of financing higher education and provides assistance to all students at different rates depending mainly upon family income, adjusted by value of assets and cost of institution. While BEOGS has succeeded in accomplishing one Federal goal; namely, access to higher education, it fails to accomplish the other goal, choice. BEOGS fails to equalize choice among all income levels of applicants since no student can receive more than half the cost of attending school. Thus, lower income students receive lower awards than higher income students because they attend low-cost colleges. In order to encourage choice for all students, it is recommended that different grant criteria be considered, based upon the income of the student rather than the cost of the college. Such an approach requires increased funding.

Adoption of these recommendations would result in a projected outlay level of approximately $12 billion for education programs in fiscal year 1981, approximately a current services level of funding.

Employment and training programs: I believe our overall approach to employment and training activities should concentrate resources with the highest net employment effect on those population groups which stand to benefit most. We must change existing programs so they can better relate to the labor market.

Although existing programs and activities now focus on the disadvantaged and unemployed, it would be more beneficial to all groups if a broader spectrum of the labor force were served. Employers would be more interested in participating in a broader based program. They have expressed concern about the current ability of State employment services to refer qualified workers. Broadening the base of the program to include placement and upgrading activities for higher skilled workers and individuals with a strong attachment to the labor force would stimulate increased participation by employers and create more job opportunities for the disadvantaged and unemployed.

My projections provide for continuing the employment and training programs provided under the Comprehensive Employment and Training Act—CETA—with certain changes to achieve the objective of serving a more diverse population. These changes will affect the law's eligibility targeting for prime sponsor programs for on-the-job training, work experience, and skill training. The present program level would be continued, adjusted each year for inflation.

In addition, in order to meet the special needs of disadvantaged youth, an immediate and substantial increase in Job Corps funding is recommended in fiscal year 1977, through transfer of funds from the CETA title I programs. This approach offers optimum utilization of the one program which is directed specifically to the inner-city youth who have the highest unemployment rate. However, Summer Youth, a program directed at the same target group, is projected to be phased down in fiscal year 1977 and then discontinued as a national program in the summer of 1978, as the economy turns upward and the youth unemployment rate drops.

The current level of "countercyclical" public service jobs funding—CETA title VI—assumed in the second budget resolution will fund 350,000 jobs in fiscal year 1976. This level should be maintained through fiscal year 1977, with a phasedown starting at the beginning of fiscal year 1978. A 15-month phasedown will allow State and local governments to absorb those who could be hired due to normal growth in their payrolls. Growth in State and local employment was halted during the recession; with an upturn in the economy, it is assumed that these governments will expand their payrolls and thus reduce the need for this program. The present level of the "transitional" public service employment program—CETA title II—for structurally unemployed, which funds approximately 75,000 jobs each year, would be maintained.

Projected outlays for employment and training programs are estimated at $5.6 billion in fiscal year 1981.

Social services: My projections call for maintaining the present level of funding for social services, which permits grants up to the $2.5 billion ceiling. In addition, programs for the aging, vocational rehabilitation, and developmental disabilities should be maintained at present levels, adjusted for inflation. I believe that the Congress should move toward the block grant approach in this area to provide States greater flexibility in program management.

FUNCTION 550: HEALTH

[Outlays in billions of dollars; fiscal years]

	1977	1978	1979	1980	1981
Current services (CBO, Path B)	37.7	42.1	46.8	52.7	57.3
President's budget	34.4	37.7	40.3	43.4	47.0
Recommended	37.4	42.1	46.5	51.1	55.2

There is widespread concern over the spiraling costs of health care in the United States and the increasing share of the gross national product devoted to health without accompanying improvements in the health status of the population. In spite of our concern, we should not demand, as the President has done in the 1977 budget, that the most vulnerable groups in our society bear the brunt of checking the inflation in health costs. I propose that we reaffirm the Federal responsibility for the health needs of the aged, the poor, and the disabled. Reforms in medicare and medicaid should be directed toward making health care more accessible and more available to these disadvantaged persons, and not, as the President has proposed, making necessary health services more costly and less assured.

To control medical care prices, I am proposing that the Federal Government establish a realistic and reasonable pricing policy for institutional care provided through medicare and medicaid. The price policy should not consist of rigid cost controls as the President has proposed. Instead, reimbursement rates for hospitals and other institutions participating in medicare and medicaid should be adjusted annually according to metropolitan or regional indices of health costs. Federal increases in reimbursements should be limited to 133 percent of each region's CPI for all services. This approach would limit the increase in hospital reimbursements in fiscal year 1977 to about 10 percent, declining to about 8½ percent in fiscal year 1978. Furthermore, I would hope that the major private insurers of health care in the Nation will adopt a similar reimbursement policy so that institutional providers cannot simply pass those costs disallowed by the Federal Government on to privately insured patients. If this policy is not successful, rigid cost controls will be necessary.

In addition to a flexible program of cost control, we must place added emphasis on those programs which have demonstrated capacity for improving the effectiveness of our health care delivery system:

Health maintenance organizations—HMO—can reduce the use of high-cost hospital care and provide a useful alternative to fee-for-service health care;

Professional standards review organizations—PSRO—through peer review, can significantly affect the length of hospital and nursing home care and eliminate unneeded admissions; and

Comprehensive health planning at community and State levels offers the opportunity for careful matching of delivery capability with community health service needs and elimination of surplus capacity and unnecessary duplication.

In addition to these demonstrated programs, we must move more rapidly to expand home health care arrangements and intensify efforts to make preventive health care a reality. While additional investment in these efforts will not bear an immediate return, they will begin by 1980 to moderate the annual rate of increase in medicare and medicaid expenditures.

The administration's proposal to create a $10 billion block grant by folding medicaid and 15 other programs into one funding mechanism is deficient on many grounds: It contains insufficient funds; it provides no safeguards to assure continuation of necessary services or maintain quality of care; and it combines grants to State health departments and private community agencies, service grants and planning grants, programs funded by formulas and programs funded by project, programs covering physical health, mental health, and training of the retarded. This confusing and conflicting collection can only create disorder at the State and local levels and have a severe, negative effect on health care.

However, the concept of combining categorical programs into a single simplified grant has merit, if applied judiciously. I believe Congress should carefully consider an initial block grant which combines those formula grant health programs which now flow through State health departments. Project grant programs would be folded into the block grant as their current authorizations expire, but with provisions to protect existing grantees. Through this approach, we will simplify administration and improve coordination without the disarray the President's approach would introduce.

I continue to believe that we must establish and implement a system of national health insurance designed to give all Americans access to good care; end financial hardship caused by illness; improve the efficiency and effectiveness of the health care delivery system; and provide incentives to both providers and consumers of health care to hold down costs. No matter which of the several proposals for health insurance one examines, the impact on Federal spending will be significant. A program of national health insurance should not be financed by borrowing as though it were a temporary or emergency measure. It should be paid for from available revenues. We must be realistic and admit that we cannot afford a new and comprehensive national health insurance program until our budget potential significantly expands.

Fortunately, I believe that day is not far off. It is my expectation that by fiscal year 1980 the Federal budget will be in a position to implement such new initiatives as NHI. Since most experts maintain that a 2-year period following enactment of the law will be required to develop the administrative structure and operating rules for a comprehensive program of national health insurance, I believe that fiscal year 1977 is the appropriate year for Congress to pass the basic legislation. However, my projections do not include funding for NHI because of uncertainty over the costs of such a program.

FUNCTION 600: INCOME SECURITY

[Outlays in billions of dollars; fiscal years]

	1977	1978	1979	1980	1981
Current services (CBO, Path B)	144.8	158.8	172.6	186.0	199.2
President's budget	137.1	147.1	158.3	170.1	182.9
Recommended	139.6	149.4	162.6	177.7	193.5

Of all the functions in the Federal budget, income security is the most sensitive to economic conditions. For example, the lower unemployment rate assumption in my projections produces a $5.9 billion difference from the CBO current services estimate for fiscal year 1981. Even with low unemployment and moderate inflation, however, the costs of income security programs will increase. These outlay increases result from demographic and social trends, such as the increasing number of both retirees and female-headed families, as well as from the automatic indexing to the cost-of-living of retirement programs and several of the major assistance programs.

Assistance programs: One of the most troublesome and controversial Federal programs continues to be cash assistance, or welfare. The failings of the current program are obvious to all. Caseworkers, recipients, welfare program managers, and the general public all decry the combination of low benefit levels in some States and high benefit levels in others, high administrative costs and high error rates, benefits that combine with other income-tested programs to exceed by a substantial margin the value of working for a living, and the exclusion of some groups of the needy population from coverage because they do not fit the current categories of assistance.

In 1974 the Joint Economic Committee Subcommittee on Fiscal Policy completed an exhaustive study of welfare problems and reform proposals. Based on this study, the Subcommittee recommended that Aid to Families With Dependent Children—AFDC—and food stamps be replaced with a single program of need-related grants and rebatable tax credit to be administered through the national tax system by the Internal Revenue Service. The grants are based on family size and income. Tax credits replace the current personal exemptions and are rebatable when they exceed tax liability. The program is designed to reduce the extreme variations by State in current payments levels, to supplement all low-income groups more equitably, to bring all current income-related programs under control through explicit coordination mechanisms, and to strengthen the incentive to work. Additionally, it offers substantial tax relief to moderate-income persons.

This reform plan is attracting increasing support. I propose its implementation in four annual stages beginning in fiscal year 1978. The first step is the shift from personal exemptions to nonrebatable tax credits, a step that begins the tax relief aspect of the plan. The second step replaces the child care income-tax deduction with a standard employment expense deduction. The third adds dependents' coverage to the supplemental security income—SSI—program. The final, and most important, phase of implementation would take place in fiscal year 1981 when the personal tax credits would become rebatable, AFDC and food stamps would be terminated, and the need-related grants would begin. Appendix C contains a brief description of the plan.

Projecting the costs of this new program 5 years into the future is necessarily uncertain. I have come down on the side of caution in projecting maximum costs. Benefits are set at moderate levels, and it is possible, as fiscal year 1981 approaches, that both grants and tax credits will be raised somewhat above the levels assumed here. By that time, however, there will be ample funds available for such an increase. Assuming implementation of the new program, outlays for assistance programs are projected at approximately $39 billion in fiscal year 1981.

Social security: By fiscal year 1981, the number of beneficiaries will have increased by 4.6 million from current levels. In addition, even assuming a moderation of inflation to 5 percent by fiscal 1980–81, the cost of indexing this program to the cost of living will account for 69 percent of the projected increase in outlays to approximately $122 billion in fiscal year 1981.

Over the past year, much attention has been given to the financial solvency of the social security trust funds. There are two areas of concern. First, the combined impact of inflation-based increases in outlays and unemployment-caused decreases in revenues from the payroll tax has pushed the system into a short-term deficit. Second, the system faces significant long-term financing problems stemming from the overcompensation for inflation in the current system—often called coupling—and the increasing percentage of aged persons projected as the postwar baby boom reaches retirement age early in the next century.

The administration has proposed an increase in the payroll tax to deal with the short-term problem. It is not clear that such an increase is needed. By fiscal year 1981, with no change in law, the administration estimates that the three social security trust funds will have an annual surplus of $4 billion and combined trust fund balances of $52.4 billion. If the administration's proposed increase in the payroll tax—0.3 percent for both employers/employees effective January 1, 1977—is enacted, and if Congress accepts the benefit adjustments proposed in the President's fiscal year 1977 budget, the fiscal year 1981 surplus would be $26.8 billion and the combined balances $175.2 billion.

A tax increase should not be necessary over the next 5 years if taxes currently allocated to the medicare trust fund are reallocated to the OASDI funds. This will eliminate the danger of retarding the current economic recovery by increasing payroll taxes. It will also provide time for public debate on the equity questions as to the current payroll tax and benefit structure, particularly the financing of wives, widows, and dependents benefits.

Some immediate steps need to be taken on the benefit side, however. Legislation is needed to insure that inflation is not reflected twice in the pensions of those later to retire: once in their wage history—benefits are computed on the basis of average wages, which rise with inflation—and once in the indexed part of the benefit calculation. The benefit formula is changed permanently each time a cost-of-living increase is granted.

The administration's fiscal year 1977 budget proposes to end this overcompensation for inflation—coupling—by freezing the current relationship between benefits and preretirement income. Implementation of some decoupling proposal is feasible by January 1, 1978, and is assumed here. This will correct a long-term financing problem which would ultimately result in a large number of workers receiving social security benefits higher than the wages they had received while working. In the short term, there will not be significant cost savings—$200 million in outlay savings by fiscal year 1981. In the long term, however, decoupling could eliminate about half of the projected social security deficit.

Benefit changes with potential for more immediate savings that are assumed in my projections include:

Freezing the minimum benefit standard effective June 30, 1976: The minimum benefit—currently $101 per month—was originally instituted for administrative convenience. In order to avoid sending small checks, no payments of less than $10 were to be made. Over time, the minimum benefit has been raised substantially and transformed into an antipoverty device. Its current effectiveness as an antipoverty tool can be questioned on two grounds:

The new SSI program provides benefits to aged, blind, or disabled recipients that are higher than the social security minimum benefit—$158 a month versus $101 for an individual and $237 versus $152 for a couple.[1] SSI recipients who also receive social security benefits receive only $20 a month more in total income than if they received no social security. Thus, the minimum benefit is only worth $20.

The minimum benefit has increasingly become a windfall benefit to people not in need. About 40 percent of retired Federal civil servants also receive social security, and about one-third of them receive the minimum benefit.

Fiscal year 1981 savings would be about $1 billion.

Phasing out student benefits over a 4-year period: Benefits are paid to children of retired, disabled or deceased persons with social security coverage when these children are attending school full-time between ages 18 and 22. Normally, children's benefits end at age 18. Over the years, this program has become essentially an educational stipend, not a dependent's benefit. It is not based on scholastic achievement or need. Its educational assistance might be more efficiently provided through programs primarily concerned with educational financing rather than through social security. The gross savings in fiscal year 1981, exclusive of increased costs in educational programs, are estimated to be $1.8 billion; $400 million has been added to the fiscal year 1981 recommendation for education to cover the increased costs in educational programs.

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[1] Additionally, many States supplement SSI benefits at relatively high levels. California, for example, guarantees up to $546 a month to an aged couple living alone (the $237 Federal grant plus a State grant of $309).

Unemployment compensation: Unemployment compensation programs will continue to provide income support to workers temporarily out of the labor market. Legislation is assumed that will broaden coverage as of January 1977 and immediately raise the unemployment tax rate and, in 1977, the taxable wage base to restore the unemployment trust fund to a self-sufficient financing basis by 1981. Because of the broadened coverage under the regular State unemployment insurance programs, no renewal is assumed for the Special Unemployment Assistance—SUA—program. Also, the temporary extensions of benefit durations of Federal supplemental benefits are not assumed to be renewed after December 31, 1976, because of lower unemployment rates. Thus, the maximum duration of benefits beginning in calendar 1977 will be 39 weeks. Beginning in 1981, persons unemployed for longer periods of time will benefit from the new welfare reform plan.

Civil service retirement and disability: Each time there is a cost-of-living adjustment in Federal employe retirement programs, an additional 1-percent increase is added to compensate for the time lag between cost-of-living adjustments. Over time, this results in cumulative benefit increases significantly greater than the increase in the cost of living. Elimination of this 1 percent bonus, effective October 1, 1976, will save $0.9 billion by fiscal year 1981. Outlays for civil service retirement and disability are projected at approximately $16 billion in fiscal year 1981.

Other programs: The remaining income security programs are continued at current services levels. The major programs include railroad retirement, special benefits to disabled coal miners, school lunch and child nutrition programs, and assisted housing.

Funding for assisted housing programs at current services levels assumes that major changes in current programs will not be made, but rather that current programs will be more effectively implemented over the 5-year period. In addition, I believe the Congress should move toward a block-grant approach in the school lunch and child nutrition area. Such an approach would result in more flexibility for meeting the nutritional needs of all children. It should also be noted that a current services level of funding represents a substantial increase in funding—more than 100 percent over fiscal year 1975.

FUNCTION 700: VETERANS' BENEFITS AND SERVICES

[Outlays in billions of dollars; fiscal years]

	1977	1978	1979	1980	1981
Current services (CBO. Path B)	18.7	19.3	19.8	20.4	21.1
President's budget	17.2	17.2	16.7	16.3	15.7
Recommendation	18.3	19.0	19.7	19.9	20.6

My recommendations, in the context of an all volunteer army, would maintain and somewhat improve benefits and services for draft-era veterans while terminating certain benefits for volunteer army veterans. The higher pay and benefits associated with voluntary service substitute for the special compensation measures available in earlier years.

Veterans pensions, compensation, and other benefits and services: The recommended program maintains the real level of these cash benefit programs; that is, inflation is offset by periodic increases. Although these programs are not indexed by law, Congress regularly acts to keep them current.

In addition, I recommend a real benefit level increase in veterans pensions to begin in October 1976. This increase would improve the adequacy of pensions, particularly for widows and other survivors. It would also provide the opportunity for reforms in the method of computing benefits that would ultimately yield savings. The added cost of these benefit increase and reform provisions, on an annual basis in 1977, would be approximately $400 million, including the cost of the 8-percent increase already in effect as of January 1976. The veterans pension program will peak late in the century, 1985–90, as the eligible World War II veteran population reaches retirement age. Enactment of reform provisions should lower future costs.

Readjustment benefits: Readjustment programs provide education and training assistance for veterans returning to civilian life. Costs of these benefits have risen enormously as Vietnam veterans claimed them during the recession. Obtaining a higher education is an attractive option to veterans during periods of high unemployment, first because veterans may not have a salary to forego while attending school, and second because of the income supplement the education checks provide for veterans attending low-cost institutions.

Costs are expected to decline under current law because of the 10-year limitation on eligibility. The recommended program includes components that cause some costs to rise and others to fall, compared to current law. First, enactment in fiscal year 1976 of legislation to end entitlements for persons entering military service on or after October 1, 1976, is assumed, in line with my recommendations on the impact of the volunteer army. Veterans requiring or desiring additional training and education should participate through programs available to the general population or sponsored by the Department of Defense.

There is a need to keep readjustment benefits for eligible veterans current with inflation, and appropriate increases are provided. My approach also assumes savings due to tightened administration. Savings of $200 million in fiscal year 1977, with equal amounts thereafter, could be achieved by the VA through greater quality control efforts and certain minor legislative changes.

Hospital and medical care: In the recent past there has been real growth in the costs of hospital and medical care, in part because of the Vietnam war and eligibility liberalizations. The recommended approach generally allows for inflation, and assumes enactment, effective October 1, 1976, of the President's proposal to shift some costs of VA health care to private health insurance systems. This proposal in no way reduces medical care services available to veterans.

FUNCTION 750: LAW ENFORCEMENT AND JUSTICE

[Outlays in billions of dollars; fiscal years]

	1977	1978	1979	1980	1981
Current services (CBO, Path B)	3.7	3.9	4.0	4.2	4.5
President's budget	3.4	3.3	3.3	3.3	3.3
Recommendation	3.5	3.6	3.7	3.8	3.9

My projections in this function assume a gradual reduction in block grant funding under the Law Enforcement Assistance Administration. The original design of this program in the 1968 Safe Streets Act placed great stress upon the innovative crime reduction potential of a flexible block grant to State governments. Unfortunately, 8 years late, there is very little evidence that any significant innovative work has resulted from this approach. My recommendation would reduce outlays for LEAA in constant dollars over the 5-year period from $0.8 billion to $0.4 billion. The recommended reduction in the funding for LEAA should serve as an opportunity to consolidate present efforts, to place greater stress upon research and innovative projects, and to reduce emphasis upon the purchase of law enforcement hardware by State and local governments.

FUNCTION 800: GENERAL GOVERNMENT

[Outlays in billions of dollars; fiscal years]

	1977	1978	1979	1980	1981
Current services (CBO, Path B)	3.7	3.8	4.0	4.3	4.7
President's budget	3.4	3.9	3.6	3.6	3.7
Recommendation	3.6	3.8	4.0	4.3	4.4

This functional category, which includes a large number of agency and budget accounts related fundamentally to carrying on the overhead functions of Government, is particularly appropriate for projection on a current-services basis. It seems unlikely that large-scale increases or decreases will occur in the general level of costs of day-to-day operation of the Government. Accordingly, future outlays may be projected on the basis of anticipating that roughly the same level of services must be provided and that costs will rise to the extent necessary to meet cost-of-living and similar increases. The President's budget, by maintaining current-dollar levels in many instances, would entail progressively reduced levels of services.

FUNCTION 850: REVENUE SHARING AND GENERAL PURPOSE FISCAL ASSISTANCE

[Outlays in billions of dollars; fiscal years]

	1977	1978	1979	1980	1981
Current services (CBO, Path B)	7.4	7.7	8.0	8.1	8.3
President's budget	7.4	7.7	7.9	8.0	8.2
Recommendation	7.4	7.7	8.0	8.1	8.3

State and local governments need to recognize that the era of real-dollar expansion in Federal funding for direct, intergovernmental grants-in-aid has come to an end. In the years ahead, the main focus of Federal concern should be on rationalizing and improving the various major income transfer systems that are of such importance to so many urban residents.

It will be necessary, however, to continue the general revenue sharing program since termination now would result in a significant fiscal shock to State and local budgets. However, aid should be redirected toward needy areas rather than widely disbursed. In addition, Congress should subject the program to the annual appropriation process, so that it can compete with other worthwhile programs.

I believe the Congress should phase this program out during the 5-year period. It is very difficult to justify huge increases in Federal borrowing to finance a program of general assistance to State and local governments. Funds made available through a phaseout of the program should be transferred to other high-priority State and local assistance programs.

FUNCTION 900: INTEREST

[Outlays in billions of dollars; fiscal years]

	1977	1978	1979	1980	1981
Current services (CBO, Path B)	42.2	48.9	54.1	59.3	63.7
President's budget	41.3	44.8	46.5	46.9	46.9
Recommendation	41.4	45.2	47.1	49.0	51.0

Outlays for interest, which represent predominantly the costs of financing interest-bearing Federal debt, are expected to continue to rise during the next 5 years, primarily as a result of the effect of continued budget and offbudget deficits. In addition to the aggregate size of the Federal interest-bearing debt, however, a principal determinant of interest payments must be the rate of interest assumed to be necessary to manage the debt successfully.

A substantial portion of funds expended as interest on the Federal debt is returned to the Federal budget in the form of interest receipts of trust funds—predominantly to the social security program. Although the gross amount of interest payments is included in the figures above—since the trust fund receipts are accounted for in the figures for each individual fund—it should be kept in mind that interest payments to the general public are far less than shown above—about 25 percent of total interest payments go to trust funds, and another 18 percent to the Federal Reserve System, from which it is returned through deposits of excess Federal Reserve earnings into miscellaneous receipts.

The total interest-bearing Federal debt results not only from deficits in the unified budget, but also includes the effect of transactions of offbudget agencies. Absent a control over the activities of these agencies, which I believe would be advisable for many reasons, an increasing trend of deficit financing must be assumed. Offbudget agency operations are estimated to increase the total interest-bearing debt by $14.3 billion in fiscal year 1976, and by a total of $75 billion for the 5 fiscal years 1977–81.

Over the longer term, I hope that some restructuring of the maturity composition of the debt can be accomplished. However, for purposes of these estimates, it has been assumed that the proportions of total debt financed through short-intermediate-, and long-term securities will remain roughly constant.

Inasmuch as the Federal debt is currently heavily concentrated in short-term securities, analysis ordinarily proceeds by assuming a trend in interest rates—discount—on 91-day Treasury bills. CBO projections, in common with most other econometric models, assume a rising trend of short-term interest rates—in the CBO case, from 6.1 percent in 1976 to 7.5 percent in 1981. OMB projections assume a monetary policy which would permit a reduction to 5 percent in fiscal year 1980 and fiscal year 1981. Both this projection and the CBO current services analysis assume that budget margins which may develop are not applied to reduction of debt or to any other specific purpose. The recommended levels of interest shown above assume that the short-term rate will rise to not more than 6.5 percent.

ALLOWANCES

The President's budget estimates ordinarily include allowances for unforeseen contingencies and for the effect on the budget of Federal employee pay raises and price changes. The CBO 5-year analysis includes allowances for changes in Federal pay rates. My recommendations incorporate the effect of both Federal pay-rate changes and price changes within the amounts recommended for each functional area.

The recent report of the Rockefeller Panel points up a number of deficiencies in current procedures for determining Federal pay rates and recommends certain changes. These projections assume that action will be taken to expand the basis of comparability, both by including significant jobs which have been excluded in recent years—most notably, secretaries and computer operators—and by moving progressively to a system which considers total compensation rather than solely cash salary. Implementation of these recommendations would result in pay increases of approximately 5 percent per year through the 5-year period.

FUNCTION 950: UNDISTRIBUTED OFFSETTING RECEIPTS

[Outlays in billions of dollars: fiscal years]

	1977	1978	1979	1980	1981
Current services (CBO, Path B)	−15.3	−18.0	−17.3	−18.6	−19.6
President's budget	−18.8	−20.7	−21.4	−22.1	−22.9
Recommended	−17.0	−17.1	−18.1	−19.2	−20.6

Outlays in this function reflect primarily technical budget adjustments and are shown as negative outlays to avoid doublecounting between budget accounts for the employer's share of employee retirement payments and interest received by the trust funds. This function also includes receipts from leasing oil rights to the Outer Continental Shelf. These leases are an important part of the effort to build oil reserves which the country is expected to need in the future. These estimates are based on receipts of $3.5 billion for fiscal year 1977 and an average of $2.7 billion per year through fiscal year 1981.

The executive branch's system for estimating these receipts has not been accurate in recent years, and this category provides a temptation for Presidents to inflate their estimates in order to make overall budget deficits appear smaller. In future years, it would be desirable to drop this category altogether and, instead, account for actual amounts received in a particular year in the next year's budget.

The appendixes follow:

APPENDIX A

ECONOMIC ASSUMPTIONS OF THE RECOMMENDED APPROACH

[Dollar amounts in billions]

	Calendar year—					
	1976	1977	1978	1979	1980	1981
Gross national product:						
Constant dollars [1]	$847	$895	$939	$985	$1,033	$1,084
Current dollars	$1,675	$1,880	$2,088	$2,307	$2,540	$2,799
Rate of real growth (percent)	6.4	5.7	4.9	5.6	5.4	5.4
GNP deflator [2]	1.98	2.10	2.22	2.34	2.46	2.58

	Calendar year—					
	1976	1977	1978	1979	1980	1981
Income shares:						
Personal income	$1,390	$1,541	$1,712	$1,892	$2,082	$2,295
Corporate profits	163	192	215	237	262	288
Consumer product index (inflation rate) (percent)	6.7	6.1	5.7	5.3	5.0	5.0
Unemployment rate [3]	6.9	6.0	5.1	4.9	4.5	4.3

[1] Constant 1958 dollars.

[2] 1958 equals 1.

[3] Expected rate at the end of year.

APPENDIX B, PT. I

COMPARISON OF 5-YR PROJECTIONS

[In billions of dollars]

	Fiscal year— 1977	1978	1979	1980	1981
President's budget and projections [1]					
Outlays	394.2	429.5	455.7	482.5	509.9
Revenues	351.3	406.7	465.3	523.1	585.4
Deficit/surplus	−43.0	−22.8	+9.6	+40.6	+75.5
CBO current services (path B):					
Outlays [2]	424.1	463.[illegible]	495.1	530.5	564.0
Revenues	360.0	401.0	448.0	497.0	550.0
Deficit/surplus	−64.1	−62.9	−47.1	−33.5	−14.0

	Fiscal year— 1977	1978	1979	1980	1981
Recommend approach:					
Outlays	410.3	441.6	468.0	497.0	529.5
Revenues	360.7	420.2	464.0	523.2	588.7
Deficit/surplus	−49.6	−21.4	−4.0	+2[illegible].2	+59.2

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[1] Budget of the U.S. Government, fiscal year 1977 (p 28).

[2] Reflects CBO path B alternative for impact of inflation on highway program (function 400

APPENDIX B, PT. II

COMPARISON OF 5-YEAR OUTLAY PROJECTIONS BY FUNCTIONAL CATEGORY

[In billions of dollars]

	[1] 1976	[1] TQ	1977	1978	1979	1980	1981
National defense (050)	92.0	24.0					
Current services (path B)			103.4	114.5	118.0	127.2	135.6
President's budget			101.1	112.9	121.5	132.4	142.8
Recommended			[2] 100.0	107.0	113.0	119.0	126.0
International affairs (150)	6.3	1.7					
Current services (path B)			6.8	7.8	8.5	9.3	9.9
President's budget			6.8	7.8	7.8	8.1	8.0
Recommended			6.3	7.1	6.9	7.0	7.1
General science, space and technology (250)	4.6	1.3					
Current services (path B)			5.0	5.4	5.8	6.0	6.1
President's budget			4.5	4.6	4.5	4.4	4.1
Recommended			5.0	5.5	5.7	5.7	5.4
Natural resources, environment and energy (300)	11.4	3.2					
Current services (path B)			14.2	15.8	15.9	15.2	14.8
President's budget			13.8	14.4	15.1	14.9	14.5
Recommended			15.1	17.9	18.9	19.8	22.7
Agriculture (350)	2.6	.8					
Current services (path B)			2.3	2.5	2.6	2.7	2.8
President's budget			1.7	2.6	2.6	2.8	2.8
Recommended			2.0	2.2	2.3	2.5	2.6
Commerce and transportation (400)	18.3	5.3					
Current services (path B)[3]			18.4	18.8	19.3	20.3	21.2
President's budget			16.5	19.4	19.1	18.7	18.7
Recommended			18.2	18.6	19.0	19.4	19.7
Community and regional development (450)	7.0	2.1					
Current services (path B)			7.7	8.3	8.0	8.1	8.3
President's budget			5.5	6.0	6.2	6.0	6.1
Recommended			7.2	8.0	7.7	7.6	7.6
Education, manpower and social services (500)	20.9	5.4					
Current services (path B)			21.4	22.4	23.1	23.5	24.3
President's budget			16.6	15.2	15.3	15.3	15.3
Recommended			22.3	21.6	21.0	21.3	22.1
Health (550)	32.9	8.6					
Current services (path B)			37.7	42.1	46.8	52.7	57.3
President's budget			34.4	37.7	40.3	43.4	47.0
Recommended [4]			37.4	42.1	46.5	51.1	55.2
Income security (600)	128.2	34.3					
Current services (path B)			144.8	158.8	172.6	186.0	199.2
President's budget			137.1	147.1	158.3	170.1	182.9
Recommended			139.6	149.4	162.6	177.7	193.5
Veterans benefits and services (700)	19.1	4.6					
Current services (path B)			18.7	19.3	19.8	20.4	21.1
President's budget			17.2	17.2	16.7	16.3	15.7
Recommended			18.3	19.0	19.7	19.9	20.6
Law enforcement and justice (750)	3.4	1.0					
Current services (path B)			3.7	3.9	4.0	4.2	4.5
President's budget			3.4	3.3	3.3	3.3	3.3
Recommended			3.5	3.6	3.7	3.8	3.9
General government (800)	3.3	.9					
Current services (path B)			3.6	3.8	4.0	4.3	4.7
President's budget			3.4	3.9	3.6	3.6	3.7
Recommended			3.6	3.8	4.0	4.3	4.4
Revenue sharing and general purpose fiscal assistance (850)	7.3	2.1					
Current services (path B)			7.4	7.7	8.0	8.1	8.3
President's budget			7.4	7.7	7.9	8.0	8.2
Recommended			7.4	7.7	8.0	8.1	8.3
Interest (900)	35.4	10.0					
Current services (path B)			42.2	48.9	54.1	59.3	63.7
President's budget			41.3	44.8	46.5	46.9	46.9
Recommended			41.4	45.2	47.1	49.0	51.0
Allowances							
Current services (path B)			2.2	1.9	1.9	1.8	1.8
President's budget			2.3	5.6	8.1	10.5	12.8
Recommended [5]							
Undistributed offsetting receipts (950)	−17.1	−4.4					
Current services (path B)			−15.3	−18.0	−17.3	−18.6	−19.6
President's budget			−18.8	−20.7	−21.4	−22.1	−22.9
Recommended			−17.0	−17.1	−18.1	−19.2	−20.6

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[1] 2d budget resolution, fiscal year 1976 (H. Con. Res. 446).

[2] Represents a net decrease from President's proposals resulting from acceptance of certain legislative proposals, offset by a reduction in proposed procurement activities.

[3] Reflects CBO path B alternative for impact of inflation on highway program (function 400).

[4] Does not include outlay impact of national health insurance.

[5] Functional category recommendations incorporate the effect of both Federal pay and price changes, which the President's budget includes under allowances; CBO estimate includes Federal civilian pay changes under allowances.

Appendix C—Brief Summary of the Tax Credits and Allowances Act of 1975 As Proposed by the Subcommittee on Fiscal Policy of the Joint Economic Committee

The welfare reform plan proposed by the Subcommittee on Fiscal Policy of the Joint Economic Committee in December 1974 would achieve the following important goals—

By covering all population groups, it would end the current discrimination in existing programs against the working poor and non-aged, non-disabled single individuals, and childless couples; and make impossible higher income and benefits for non-working persons than their working neighbors;

It would provide higher incomes to many needy persons and additional tax relief for modest-income persons;

It would systematize and streamline benefit programs, assure that benefits are held to reasonable levels, and that work incentives are retained, thus ending the constant pressure for new and expanded programs; and

It would provide fiscal relief to States, which could then concentrate their resources on other pressing local needs.

The new program would replace two major assistance programs—the Aid to Families with Dependent Children Program (AFDC) and the food stamp program—with a system of tax credits and need-related grants. It would consist of—

First, tax credits of approximately $285 per person for all individuals, including Social Security Income recipients, which would be deducted directly from tax bills, but returned in cash to those without sufficient income to pay taxes; and

Second, income-related grants to be paid monthly to all low-income persons except the aged, the blind, and disabled adults and their dependents, who would receive the higher benefits provided under the SSI program. Both the tax credits and the grants would be administered by the Internal Revenue Service.

The tax credits would replace the current $750 personal exemption that all taxpayers subtract from taxable income. The credits would lower the taxes of many modest-income workers, while providing cash supplements to the poor.

Total benefits to a penniless two-parent adult family of four in 1981 would be approximately $5,000. Total benefits to a penniless one-parent family of four would be approximately $4,500.

Since there are relatively few families with no income from private or public sources, the proposed benefits will serve primarily to supplement other income, rather than to provide total support. And, since the grants decline gradually and at a moderate level as earnings rise (by 50 percent of earnings exclusive of social security taxes and standard work expenses), there is always a financial incentive to increase earnings.

The plan would be phased in over four years, as follows:

In fiscal year 1978, the $285 nonrebatable tax credit would replace the $750 personal exemption;

In fiscal year 1979, a standard employment expense deduction would replace the child care tax deductions;

In fiscal year 1980, dependents' benefits would be added to the Supplemental Social Security program; and

In fiscal year 1981, the $285 tax credit would be made rebatable, need-related grants added, and the AFDC and food stamp programs eliminated.

The net overall cost of the program—beyond the cost of carrying on existing welfare programs—would be approximately $9.9 billion in FY 1981, approximately $8.4 billion in lost tax revenues and $1.5 billion in additional grant payments. (These dollar estimates reflect up-dated estimates from those provided by the JEC Subcommittee on Fiscal Policy due to the phasing-in of the overall reform plan over a later period.)

The JEC plan is proposed in legislative form in H.R. 10852, introduced by Mr. CORNELL of Wisconsin. The bill currently has 20 co-sponsors.

Mr. Speaker the Budget Committee has now completed its overall hearings on the economy and the President's budget and economic program for fiscal year 1977. The committee's task forces are now holding hearings on various aspects of the economy and the budget.

At the conclusion of these hearings, in mid-March, the committee will be receiving reports from all House committees on the President's budget and their overall legislative plans for fiscal year 1977. These reports are a most important source of information and recommendations for the Budget Committee markups of the first budget resolution, which must be reported to the House by April 15. House and Senate action on the resolutions must be completed by May 15. The committee's plan for the full implementation of the budget process this year is described in more detail in a letter to you last October.

The key dates to keep in mind for the early part of the year are as follows:

March 15: Committees report to the Budget Committee.

April 15: Budget Committee reports first budget resolution.

May 15: Congress completes action on first budget resolution.

No revenue or spending bill can be considered in the House before adoption of the first resolution.

Authorizations for fiscal year 1977 must be reported to the House no later than this date.

Adhering to these dates and deadlines will be extremely difficult, particularly for the deadline requiring reporting of authorizations bills by May 15. If these authorizations are not reported in a timely manner, House and Senate action on appropriations bills will be delayed, and it is highly unlikely that we will be able to meet the act's timetable for adoption of the second budget resolution in September.

In fact, although the act requires only that authorizations be reported by May 15, the practicalities of the timetable really require that they be passed by the House by mid- or late-May. If, for example, most authorization bills are reported in early May, there will be a substantial logjam on the House floor in late May and early June, with a great possibility of delaying action on appropriations bills. Consequently, I urge all committees to report authorization bills as soon as possible so that the leadership can schedule floor action on these bills by mid-May.

Finally, I wish to thank all Members of the House for their understanding of, and commitment to, the requirements of the budget process this year. Our normal legislative procedures are undergoing a significant change as a result of the Budget Act, and all Members are to be commended for their efforts to make the new budget process work.

Mr. MITCHELL of Maryland. Mr. Speaker, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Maryland (Mr. MITCHELL).

Mr. MITCHELL of Maryland. I thank my chairman for yielding, and I merely want to comment very briefly on this very provocative and well-thought-through statement and proposal that the gentleman is putting before us.

Mr. Speaker, I want to suggest to the Members who are here on the floor that the budget process is working. There is no doubt in my mind, and I do not think there is any doubt in the mind of any member of the Committee on the Budget, that it is working primarily because of the hard work and dedication that the gentleman from Washington (Mr. ADAMS) has put in.

Mr. Speaker, I want to just comment a bit further. The gentleman from Washington has spoken to the "givens" in our economic situation. I think every Member of this House wants to achieve a balanced budget somewhere down the line. I think every Member of this House and the American public wants to reduce the tax burdens. I also think that everyone wants to reduce government spending. But I am delighted to hear the gentleman from Washington say that this cannot be accomplished in 1 or 2 years, that there has to be a gradual approach to these three "givens" in our economic system.

I was especially glad to hear the gentleman say it because there is a segment of this population that is still desperate right now in the present economic situation. The unemployment rate is unconscionable. There are people who are hungry. There are people who are struggling to make ends meet. I am just very glad to hear the gentleman say that they will remain a priority under the gentleman's proposed plan until such time as we can clear up some of the structural dysfunctionings in this economic system.

Mr. Speaker, I will ask the chairman of the Committee on the Budget this question. We are now in the phase of beginning to suggest the priorities, are we not?

Mr. ADAMS. That is correct. And the task forces are now working on the details of each functional category to fill in the information as to where our priorities will be so we can come to the full committee with our final product.

Mr. MITCHELL of Maryland. Mr. Speaker, as the gentleman knows, I am delighted that we have moved to that next stage of our development as to suggested priorities. Speaking only for this Member, our work, I feel, is made doubly difficult because we are dealing with an administration budget proposal that I think is totally unrealistic and unworkable.

In light of what the gentleman has accomplished up to this point and in light of what the committee has accomplished, I think we can come out with a budget resolution that will be realistic and will meet the needs and wants of the people of this country, and then we can move toward our ultimate objectives which have been spelled out.

Mr. Speaker, I thank the gentleman very much for yielding.

Mrs. FENWICK. Mr. Speaker, will the gentleman yield?

Mr. ADAMS. I yield to the gentlewoman from New Jersey.

Mrs. FENWICK. Mr. Speaker, I thank the gentleman for yielding.

I think anyone listening to this must be impressed with the grasp of the subject matter that the gentleman has and with the scope of the explanations we have just heard.

I am wondering about one thing. There is no provisions here for retiring the international debt. Is that something one does not do any more?

Mr. ADAMS. Mr. Speaker, that certainly is one of the items that could come out of the surplus which we are trying to achieve, and at that point those who are Members of the Congress in that year, if they wish to pay off the debt rather than accomplish one of the other items, would find the monies would be there to do it. What I am trying to produce, as the gentlewoman can see, is a rational way to accomplish our objectives as the revenues are increasing and not simply spend the money every year and in effect overspend moneys in the out-years.

So at that point it may well be that retirement of the debt is one of the goals that the Congress will wish to achieve.

Mrs. FENWICK. Mr. Speaker, as a prudent consumer, it has always struck me as pitiful that we should spend $100 million a day on debt service when we have so much need for services to human beings in preference to the debt, and there seems to be no hope of getting rid of that burden. According to the projections, in fact, the burden is going to be greater.

Mr. ADAMS. Yes; it will be higher in amount unless we can control it. That is one of the reasons why we must keep within our revenues.

Mrs. FENWICK. Mr. Speaker, I thank the gentleman.

Mr. ADAMS. Mr. Speaker, I thank the gentlewoman for her comments.

REVEALING THE IDENTITY OF U.S. INTELLIGENCE AGENTS: A CURIOUSLY ONE-SIDED EXERCISE

The SPEAKER pro tempore (Mr. BONKER). Under a previous order of the House, the gentleman from New Jersey

(Mr. DOMINICK V. DANIELS) is recognized for 10 minutes.

Mr. DOMINICK V. DANIELS. Mr. Speaker, the New York Times of Sunday, February 4, 1976, contained a most interesting article reproduced from the Times of London. In this article, Lord Chalfont, former Minister for Disarmament under Prime Minister Harold Wilson, takes to task those well-intentioned but misguided journalists who have embarked upon a crusade to publically identify U.S. intelligence agents.

Those who believe that the cause of international morality will be strengthened if all U.S. intelligence operatives are identified fail to perceive two very basic facts:

First. Intelligence officers are well aware of the identity of their opposite numbers, and do not usually indulge in manuevers to eliminate their counterparts. Intelligence organizations are not constructed for the purpose of killing off agents on the other side. They are constructed for a variety of functions—some of them laudable, some of them lamentable—and most of them quite necessary. But the execution of agents representing other interests is not included in the functional profile of the world's leading intelligence organizations. This is where one has to draw the line between the fantasy of spy novels and the real world of international intelligence operations.

Second. This is not the "very best of all possible worlds," to borrow from Voltaire. What we do have is a very complex international order, troubled with social and economic problems of varying degrees of intensity. We have the likelihood of increasing economic confrontation between producers of key resources and the industrialized world. We are witnessing already in the United Nations a growing clamor in the third world nations for a "new world economic order," including the payment of restitutions to the less-developed countries whose interests are perceived to have been exploited by the industrialized West.

And, as if social and economic confrontation were not enough, we also have to deal with the reality of a confrontation between the political ideologies of the Communist and capitalist nations. This may not be the world as we would like it, but it is the world as it is—and the sooner this fact is recognized the better.

We can hold out the hope for a better tomorrow in the international political milieu, but in the meantime we have to conduct our affairs with a keen appreciation for the realities that exist today.

Mr. Speaker, these comments should not be misinterpreted as an endorsement of certain activities that have been indulged in by the Central Intelligence Agency. I have been deeply troubled by revelations of the CIA's meddling in the domestic affairs of foreign states, and the use of CIA operatives to gather intelligence on U.S. citizens. I strongly and unequivocally condemn such activities.

However, I also recognize that there are still legitimate functions for the CIA. As long as we have a KGB in the Soviet Union, we will need a CIA in the United States. That is a simple fact, and there is no escaping from it to a higher moral and intellectual plane—at least not today.

Lord Chalfont's perceptive article points out the disparity that exists in the campaign to reveal only the names of U.S. operatives, and not their Soviet counterparts. And I believe Lord Chalfont has good reason to question the motives of such a one-sided exercise.

Mr. Speaker, I am sure my colleagues will benefit from Lord Chalfont's lucidity, ascerbic wit and incisive comments on this serious and perplexing problem.

Mr. Speaker, the article from the Sunday New York Times is included at this point in my remarks:

LORD CHALFONT

LONDON.—It was during the war that a Foreign Office official, walking along Whitehall, was accosted by a stranger who asked him which side the War Office was on. "Ours, I hope," he replied courteously, and passed on.

I was reminded, in a somewhat bitter way, of this pleasantly inconsequential story by the recent campaign in which the names and addresses of alleged intelligence agents have been published in books and journals of varying distinction. It is, of course, possible that some of the people now busily engaged in this fashionable pursuit believe that they are doing so from pure and benevolent motives.

There is, however, evidence of a certain moral or political asymmetry in their behavior so far. It seems that they are concerned mainly with the intelligence services of the West. The list of names and addresses appearing in various publications in Paris, London and in the United States are, so it is claimed, those of members of the American Central Intelligence Agency.

These same people, you may notice, have not yet come up with a list of the names and addresses of agents of the Soviet K.G.B. or the Czechoslovak Intelligence Service working in London, Paris or Washington.

This is not because this information is not available. I could, if the editor of The times (of London) felt able to devote the space to such a project, fill a large proportion of this page with a list which would be at least as accurate as those now being published of the Central Intelligence Agency.

I could, furthermore, embellish it with such fascinating extras as the names of K.G.B. agents who have been expelled from this country and who are now plying their trade in Bangkok and other sensitive Southeast Asian capitals. I shall not do so because I regard the whole business as stupidly irresponsible; indeed it would be possible to describe it as puerile if it were not, in fact, sometimes tragically dangerous, as it turned out to be in the case of the American recently murdered in Athens.

The fact is that intelligence officers are well aware of the identity of their opposite numbers. Generally speaking, whatever may be suggested by the more sensational kind of novel and television film, they do not go about murdering each other. When names and addresses are made public, however, those identified are vulnerable to every crank or psychopath with the price of a revolver or a stick of gelignite.

It is, of course, arguable that espionage, in its conventional sense, is archaic and irrelevant, even in a world of nation-states.

Those countries who wish to discover the military, economic and political secrets of other countries are now able to do so through the agency of an astonishing range of electronic and other devices ranging from reconnaissance satellites taking high-definition photographs to remotely controlled listening and recording devices of almost unbelievable precision and refinement.

Yet the secret agent still exists, sometimes because he provides the only means of obtaining some specific type of information, and sometimes because he is, as an "agent of influence," able to affect the course of political decision-making in the country to which he is assigned.

All this, of course, will enrage those who believe that the world of the nation-state, with its paraphernalia of armaments, diplomacy and espionage, is old-fashioned and immoral, and that we should be living together as peaceful world community, irrespective of race, nationality, color or creed. As desirable as such a world may be, it is not the one in which we live; and until we achieve it, we had better learn to make the best of what we have.

What we have, among other things, is an international system in which every power of any size or consequence has a secret intelligence service. To the citizens of this country the most significant and important manifestation of this occurs in the persistent confrontation between the Communist world represented by the Soviet Union and its allies, and the non-Communist world represented by the United States of America and its allies.

In the pursuit of their respective interests these conflicting groups employ clandestine means, including espionage and, by extension, counterespionage; and even to the most neutral and uncommitted observer it must be obvious that however squalid and repellent the whole business may be, it is illogical to apply double standards to it.

If it is outrageous that the C.I.A. should kill, blackmail and terrorize in the pursuit of its unappetizing trade, then it is equally outrageous that the K.G.B. should do so; and even on this somewhat artificial basis the intrepid scribes of the underground press ought not to direct their attention exclusively at the intelligence services of the West.

It is, however, as I have suggested, an artificial argument because very few people on either side *are* neutral. Most people believe in and are, in one degree or another, committed to the survival of their own system.

The political system under which we live in the West is riddled with imperfections. It does, however, embody a degree of individual liberty and a respect for freedom of choice and human dignity which many of us regard as the indispensable basis of a civilized existence.

The Communist system, as it has developed in the Soviet Union and in most of the countries of Eastern Europe, is oppressive, degrading and often shockingly cruel. Furthermore, there is evidence of an undiminished determination on the part of the Soviet Union to export that system to as much of the rest of the world as will accept it.

There are, according to the precepts and tactics of Marxism-Leninism, a number of possible ways in which this can be done, some of them peaceful, employing the instruments of trade, diplomacy and political persuasion.

The instrument of armed force is not ruled out, however, if other methods should prove ineffective and if war should offer a reasonable possibility of success. Now, this is where we all have to decide which side we are on.

If the Soviet Union and its allies in the Warsaw Pact decided to mount an armed attack on the Western alliance, most of us would recognize that the armed forces of NATO, including those of the United States, were engaged in our defense. We would rightly condemn unequivocally anyone who deliberately engaged in actions designed to undermine their effectiveness.

If that attitude makes sense—and I believe it does—then it should apply with equal force in a situation in which international Communism is employing its alternative instruments of expansion, subversion and infiltration.

In this case, our defense is not a military one. It involves a whole complex of diplomatic and political activity, of which espionage and counterintelligence are an integral part. Yet we have seen, in recent months, a coordinated attack on the American Central Intelligence Agency which has materially affected the security of the United States and of the West as a whole.

We are, evidently, prepared to tolerate behavior in the press which, in time of more formal and conventional war, would be regarded as treasonable and therefore punishable. It is, surely, time we recognized clearly this latest example of the use of democratic instruments—in this case the freedom of the press—to undermine the very foundations of our democratic systems.

If the people now engaged in what they refer to as "spook-spotting" are really outraged by espionage and secret intelligence operations as a manifestation of human behavior, then let us reveal the names and addresses of Communist agents working in the West. They are, as I have already suggested, readily available.

If on the other hand the campaign continues to be directed exclusively at the intelligence organizations of the West, those who are engaged in it must not be surprised if they are themselves regarded as enemy agents. Someone, indeed, might one day start publishing their names and addresses—strictly, of course, in the public interest.

REDUCE MAIL COSTS FOR FEDERAL CANDIDATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 5 minutes.

Mr. FRASER. Mr. Speaker, today I am introducing a measure to allow every general election candidate for Federal office to make one mass mailing at the third-class bulk postage rate now granted to educational and nonprofit organizations. The mailing would be authorized only for general election candidates.

I think it is important to encourage more communication and involvement at every level of the political process. The election reform I propose is an effort to help Federal candidates reach the voters; to reduce the mailing expense borne by candidates during election compaigns; and to help offset the advantages of incumbents over nonincumbents.

The regular third-class bulk rate now available to candidates is 7.7 cents per piece up to 250,000, after which the rate rises to 7.9 cents per piece. The nonprofit rate is 3.3 cents per piece, with no maximum mailing level. A typical mailing to 150,000 persons at the nonprofit rate would reduce a candidate's costs by $6,600.

The text of the bill follows:

H.R. 11941

A bill to amend the Federal Election Campaign Act of 1971 to permit certain candidates for election to Federal office to make a bulk mailing at the rate of postage applied to bulk mailings of certain nonprofit organizations

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Election Campaign Act of 1971 (Public Law 92-225; 86 Stat. 3) is amended by redesignating sections 320 and 321 as sections 321 and 322, respectively, and by inserting immediately after section 319 the following new section:

"CAMPAIGN BULK MAILINGS

"SEC. 320. (a) Any candidate for election to Federal office in any general election in any State, other than a candidate nominated by a political party for election to the office of Vice President of the United States, may make a bulk mailing under subsection (b) (1), after certifying to the United States Postal Service that such candidate has completed any action necessary under the laws of the State involved to assure that the name of such candidate will be printed on the official ballot in such general election.

"(b) (1) Any candidate who meets the requirements of subsection (a) may, at the lowest rate of postage applied to an equivalent number of pieces mailed in any bulk mailing by any nonprofit education organization under sections 401 and 3621 of title 39, United States Code, make one bulk mailing of material which contains a reference to such candidate and which—

"(A) advocates the election of such candidate;

"(B) presents the positions of such candidate on any public issue; or

"(C) attempts, in any manner, to influence individuals to vote for such candidate or to refrain from voting for any other candidate in the election involved.

"(2) Any mailing made under paragraph (1) may be mailed to any individual residing or domiciled in the State or congressional district with respect to which the election involved is held or, if the election involved is a general election for the office of President of the United States, to any individual residing or domiciled in any State for which such candidate has met the requirements of subsection (a).

"(3) A candidate for election to the office of President of the United States may make a mailing under paragraph (1) only in a general election in those States for which such candidate has made the certification required by subsection (a).

"(4) Any mailing made under paragraph (1) shall be mailed, in a manner which complies with the regulations of the Postal Service, not later than 14 days before the date of the election involved.

"(c) (1) The payment of any postage costs incurred in any mailing made under subsection (b) shall be considered to be an expenditure—

"(A) within the meaning given such term by section 301(f) of this title and by section 591(f) of title 18, United States Code; and

"(B) for purposes of any applicable expenditure limitation established by any Federal law.

"(2) Such payment shall be considered to be a qualified campaign expense within the meaning of section 9002(11) of the Internal Revenue Code of 1954 (defining qualified campaign expense) only if the candidate involved makes such payment within the expenditure report period applicable to such candidate. For purposes of this paragraph, the term 'expenditure report period' has the meaning given it by section 9002(12) of the Internal Revenue Code of 1954 (defining expenditure report period).".

SEC. 2. Section 322 of the Federal Election Campaign Act of 1971, as so redesignated by the first section of this Act, is amended—

(1) in subsection (a) thereof, by striking out "Any" and inserting in lieu thereof "Except as provided in subsection (b), any";

(2) by redesignating subsection (b) as subsection (c); and

(3) by inserting immediately after subsection (a) the following new subsection:

"(b) Any person who—

"(1) transmits to the United States Postal Service any false, fictitious, or fraudulent evidence or information for the purpose of establishing eligibility for making a bulk mailing under section 320(b);

"(2) conceals any evidence or information relevant to establishing such eligibility; or

"(3) mails any material in violation of section 320;

shall be fined not more than $1,000.".

IN MEMORIAM—JAMES M. GAINES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, last night my friend Jim Gaines died. He was 64 years old, and had come to live in San Antonio only in his middle years, but in that short time, Jim Gaines became one of the most valued people in the community.

Jim was born in upstate New York. His trade was radio, beginning as a representative of Major Bowes, on the old amateur hour. Eventually, he joined NBC, and there became director of the network's radio and television stations. When he left NBC, Jim Gaines was a vice president, and very much a success.

I do not really know what caused Jim to decide on moving to San Antonio, after a successful and rewarding life in New York. But he did come, and was best known in San Antonio for his work managing WOAI radio and television. WOAI radio was and is among the oldest and best known of all radio stations—one of the very few stations with a clear channel.

Jim Gaines was a responsible citizen. He took on hard tasks. He was not afraid of new ideas, nor did he shrink from big ideas. He had courage, imagination, and the energy to go with them. Before long, he was president of the San Antonio Chamber of Commerce.

While Jim Gaines was settling in San Antonio, and while he was beginning his fine career as a city businessman and good citizen, I was beginning my own rise in politics. Jim Gaines arrived in San Antonio just after the close of a tumultuous and scandalous chapter in city life; he was among those who helped rebuild the city's government and infuse it with self confidence.

At the time I ran for Congress, much of the business community opposed me. Most members of the chamber of commerce board of directors were disappointed when I was elected. Many said that they could not and would not work with me.

Jim Gaines was president of the chamber of commerce then, and he showed his true courage and character by pointing out to his friends and colleagues that the election was over, and that the result was a fact. He asked the chamber of commerce to work with me, for the good of the community. It was this kind of leadership that Jim Gaines used, to bridge over ill feelings and distrust, for the good of the community. It was largely because of Jim's efforts that I was able to establish a good and productive relationship with San Antonio's business community.

Not long after I was elected to Congress, I began to explore the idea of a world's fair in San Antonio. The Secretary of Commerce responded to the idea with enthusiasm, but I knew that it could not work without a superb community effort. That effort began with the establishment of a corporation, San Antonio Fair, Inc., and Jim Gaines was one of the original incorporators. He was able to see the possibilities, and willing to put his energy and prestige behind an idea that only a few really had faith in. Eventually, Jim became president and chief executive officer of HemisFair—an event that represented the greatest civic effort in the history of San Antonio, and one which left the city with an enormous treasure of new physical assets—from a truly revitalized riverfront that is unique in all of America, to major hotels, and to large and immensely productive convention facilities.

Jim Gaines did not become famous. He did not amass a fortune to match the great ones of this country. But no one would deny that here was a good and successful man. Jim Gaines, and people like him, are chiefly responsible for the best that this country stands for—economic progress, a sense of conscience and decency, energy, imagination, skill, and courage. Jim Gaines was the sort of citizen that makes this country possible.

I am sorry to see him pass on. Jim Gaines came to San Antonio and left us his heart. It was a good one. Goodby, Jim. Thank you for coming to San Antonio. We will all miss you.

FARM VEHICLE TAX RELIEF

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New Jersey (Mrs. MEYNER) is recognized for 5 minutes.

Mrs. MEYNER. Mr. Speaker, I am introducing today a bill to amend the Internal Revenue Code of 1954 to exempt farmers from the highway use tax on heavy trucks used for farm purposes. An identical bill has been introduced in the Senate by Senators McGOVERN and BURDICK.

The highway use tax on heavy highway motor vehicles imposed by section 4481 of the Internal Revenue Code of 1954 was designed to generate highway trust fund revenues in order to offset increased road construction and maintenance costs associated with heavy vehicle operation.

The overwhelming majority of those who pay the use tax, as one would expect, are commercial truckers. Unfortunately, however, the current language of the law is so broad that it includes those relatively few persons who make very limited use of the public road system for agricultural rather than commercial purposes.

I do not believe that it is fair or the intent of Congress to equate the farmer handling his own supplies with the long-distance trucker moving the Nation's freight.

The exemption I propose would apply to small and medium farmers only. The bill specifically excludes vehicles registered in the name of any corporation with gross receipts for the last taxable year in excess of $950,000 or which derived more than 50 percent of its gross receipts in that taxable year from activities other than farming.

If enacted, this measure will have little impact on highway trust fund revenues. The revenues involved are so small that the Internal Revenue Service does not bother to separate this source of income in its data compilation. It is possible that the cost of collecting this tax from farmers constitutes a significant percentage of the total income generated from this source.

In sum, this tax is a nuisance to farmers, unfair, produces little revenue, and a waste of time and energy for IRS and American farmers. I urge the Committee on Ways and Means to give this bill its close and immediate attention.

LITHUANIAN INDEPENDENCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. WOLFF) is recognized for 5 minutes.

Mr. WOLFF. Mr. Speaker, this Monday marked the 58th anniversary of the Lithuanian Independence Day and Tuesday brought to Capitol Hill a number of Lithuanian-Americans to hold a reception in honor of this day. I was proud to be the congressional sponsor for this reception.

At this time, I would like to read to my colleagues an excerpt from a treaty between Russia and Lithuania that was signed on July 12, 1920:

> Russia recognizes without any reserve the sovereignty and independence of the State of Lithuania with all juridicial consequences resulting from such recognition, and voluntarily and forever renounces all sovereign rights possessed by Russia over the Lithuanian people and territory.

It is a great pity that Russia did not honor this treaty obligation and, in 1940, rigged an election which resulted in a Soviet occupation of Lithuania. In the following years, Lithuania was occupied by Nazi Germany and then reoccupied by the Soviets and, by 1944, the Lithuanian people no longer had a government they could call their own.

During that short period of independence, great strides were made in improving the lives of the citizens. It became a nation of small farmers, where before the land was owned by a few; industrialization progressed, and social legislation was introduced. Lithuanian literature flourished as writers found inspiration in the national folklore of Lithuania. I wish I could speak about life in Lithuania today. Unfortunately, little is known, as the Soviet Union has imposed its totalitarian rule over the Lithuanian people.

The Lithuanian American Council of New York hosted yesterday's reception for Members of Congress. Present at the reception were Lithuanian Americans from New York and the Washington area. A Lithuanian ensemble appeared in colorful, traditional costums and delighted all with folksongs. I might also note that the Lithuanian pastries were delicious. Credit for organizing this fine event must be given to Mr. A. J. Varnas, president of the council. I would like to extend my thanks to my colleagues who attended the reception, they included: Senator TAFT, Congressmen ADDABBO, KOCH, ZABLOCKI, DELANEY, BIAGGI, DERWINSKI, FLOOD, and Ms. ABZUG. The distinguished chairman of the International Relations Committee, the Honorable THOMAS E. MORGAN, also attended and, at this point, I would like to insert into the RECORD the text of his comments at the reception:

REMARKS OF CONGRESSMAN THOMAS E. MORGAN

> I congratulate my colleague, Congressman Wolf, and Tony Varnas, the president of the Lithuanian American Council of New York, for sponsoring and arranging this wonderful reception in commemoration of Lithuanian Independence Day. Those of you gathered in this historic house should also be commended for taking time off from your daily chores to remind us that although Americans enjoy freedom and justice—many other people in other lands, among them Lithuania, still do not.
>
> We hear a great deal today about how America has lost its sense of purpose, and how our people have sacrificed their principles to the comforts of abundance. Your presence here today sharply contradicts that view.
>
> However, it is with a mixture of pride, sadness, and hope that I attend this ceremony this afternoon.
>
> I share with you the pride in the great history of Lithuania. In am fully aware of the fact that Lithuania did not appear on the map of Europe until 1918, but that its history dates back even before this continent had been discovered, to the year 1386 when Lithuania was a great European power.
>
> I rejoice with you that in February, 1918, due to the principles of self-determination of nations, as enunciated by our great President Woodrow Wilson and supported by the people of the United States, Lithuania again appeared on the stage of Europe as an independent republic.
>
> I also share with you the sorrows of the loss of liberty due to circumstances beyond control of the people of Lithuania, the periods of Nazi and Soviet aggression.
>
> However, I also have hope, which is strengthened by your selfless dedication to the cause of freedom. Your spirit reflects the attitude of your countrymen beyond the seas that they have not given way to despair, but continue their struggle for basic human ideals—freedom, justice, and the right to self-determination.
>
> Today, when we commemorate Lithuania's independence day, let us fervently re-dedicate ourselves to securing freedom for all men and independence for all nations. Let us, in this as in all great undertakings, solemnly ask God's support and help, that our prayers are answered and our hopes are fulfilled.
>
> Thank you.

In closing, I would like to note that, on December 2, by a vote of 407 to 0, this body passed House Resolution 684, a measure that clearly reiterated the congressional belief that the United States will continue "not to recognize in any way the annexation of the Baltic States by the Soviet Union." I hope that we in the Congress will continue to express our firm belief in this and that the future will bring a day when the people of Lithuania can again call themselves free.

STATEMENT OF CHAIRMAN AL ULLMAN WITH RESPECT TO THE RULE TO BE REQUESTED FOR CONSIDERATION OF H.R. 11893

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. ULLMAN) is recognized for 10 minutes.

Mr. ULLMAN. Mr. Speaker, on February 18, 1976, the Committee on Ways and Means ordered favorably reported to the House of Representatives H.R. 11893, with amendments. The bill would increase the public debt limitation to $627 billion through June 30, 1976. The bill as amended contains a provision which would provide a $12 billion flexibility—in lieu of the present $10 billion flexibility—with respect to bonds that may be issued by the Department of the Treasury without regard to the 4¼-percent interest ceiling. The bill also contains a provision which would increase the maximum maturity of Treasury notes from the present 7 to 10 years.

I take this occasion to advise my Democratic colleagues in the House as to the type of rule which I will request for consideration of the bill on the floor of the House. The committee instructed me to request the Committee on Rules to grant a rule which would provide for committee amendments, which would be open as to the $627 billion limitation and as to the June 30, 1976, date, but which would be closed with respect to the sections of the bill dealing with the $12 billion flexibility and the 10-year maximum note maturity. The rule would provide for 2 hours of general debate, to be equally divided, waiving one point of order regarding the Second Liberty Bond Act and one motion to recommit. We intend to file the committee report by midnight, Monday night, February 23, 1976. It is our intention to request a hearing before the Committee on Rules as expeditiously as possible.

NO U.S. ARMS TO EGYPT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. BINGHAM) is recognized for 5 minutes.

Mr. BINGHAM. Mr. Speaker, ever since the second Sinai agreement on separation of Egyptian and Israeli forces was signed last September, Egyptian president Anwar Sadat has been seeking arms supplies from the United States. Recent press reports make it clear that the Ford administration has these requests under active consideration, and is prepared to approve the sale of six C–130 transport planes in the near future.

This would be a mistake. For many years the fundamental goal of U.S. policy in the Middle East has been to provide Israel the military and political support she needs in order to negotiate from strength. Only if the Arab confrontation States are convinced that Israel is strong enough to resist attack will there be meaningful negotiations for a lasting peace in the Middle East. Supplying military equipment and weapons to Egypt, the principal confrontation state, would undermine that essential policy and make maintenance of the delicate balance of power in the region more difficult and expensive. Furthermore, I have difficulty in understanding how we would rationalize such a policy if, as is all too likely, the day arrives when U.S. planes with Egyptian pilots confront U.S. planes with Israeli pilots. I would have hoped that the last round of Indian-Pakistani fighting, when both sides fired American weapons at each other, has convinced us that this result is both absurd and tragic.

President Sadat has used every possible occasion to press for U.S. military equipment, arguing that it is necessary to demonstrate an "evenhanded" American approach in the Middle East. In fact we are evenhanded in terms of economic assistance; roughly $750 million has been authorized in the International Security Assistance Act on 1976 for both Israel and Egypt.

Because of its population explosion, scarcity of natural resources, and heavy defense expenditures—estimated at 30 percent of her GNP—Egypt needs an increasing amount of foreign economic grant aid and credits which the United States should help to supply. It will help to assure internal stability and increase the desire for peace among war weary Egyptians who for years have been sacrificing economic progress to prepare for wars against Israel.

But in terms of military assistance, the concept of evenhandedness cannot apply. Instead, we must try to preserve the balance of power. Israel is totally dependent on the United States for her military needs, but Egypt, long supplied by the Soviet Union, has always received substantial amounts of arms from other nations as well. While Soviet arms sales to Egypt have slowed considerably since 1973, they have not stopped entirely. The Institute for Strategic Studies in London has reported that the Soviet Union has replaced most, if not all, of the Egyptian losses incurred in the Yom Kippur war.

Since 1974 Egypt has received 1.5 billion dollars of military equipment from the U.S.S.R., and this includes 30 SAM batteries and 25 Mig 23's. It is of course a proper objective of U.S. policy that Egypt not be dependent military and diplomatically on the Soviet Union, but that objective is presently being realized, Egypt is buying combat craft, helicopters, antitank missiles, electronics and night vision equipment from Britain, France, Italy and Germany. She has been squeezed in the embrace of the Russian bear, and is no longer a vassal of the Soviet Union. She has learned what other nations have learned about the extent and limitations of Russian "friendship."

It is in Egypt's interest, and ours, to maintain a proper, even cordial relationship. But it is in no one's interest that we become her arms supplier. It is unnecessary and indeed dangerous. It will do nothing to cement our present relationship, but it may well create even more tensions in the Middle East than we have at present. It will have no effect either way on Russian involvement in the area, but could very well put America into the ridiculous situation of supplying arms to two nations who are separated by a few miles of desert and who have warred four times in the past quarter century. And despite Sadat's soothing words, one need only follow the statements of Egyptian leaders such as Foreign Minister Fahmi and read the Egyptian press to realize that hate and passion, though cooled down for the moment, are never far from the surface. Another war is not inevitable, but, as in the Balkans in 1912 and 1913, it is a continuing possibility. We want to do nothing which would increase that possibility and arms sales to Egypt will do just that.

I hope the administration does not proceed with military sales to Egypt at this time. C–130 cargo aircraft could be sold through commercial channels under present law, which only require the issuance of an export license by the State Department. However, both the House and the Senate committees which have jurisdiction over military sales abroad have adopted amendments to the Mutual Security Act governing such sales which would allow the Congress to exercise a veto over such sales. If the administration attempts to conclude a sale to Egypt before these new procedures take effect I am certain that the Congress will react strongly.

WHY ARE WE ASSISTING NICARAGUA?

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, as a member of the Foreign Operations Subcommittee of the Appropriations Committee, I am exploring several areas of our foreign aid program. Our military and economic aid to Nicaragua is a concern of mine, and I have had correspondence with the State Department on this subject. I am appending that correspondence for the information and consideration of my colleagues:

HOUSE OF REPRESENTATIVES,
Washington, D.C., January 19, 1976.

DAVID LAZAR,
Director of Central American Affairs,
Department of State,
Washington, D.C.

DEAR MR. LAZAR: As a member of the Foreign Operations Subcommittee of the Appropriations Committee, I am asked to approve requests for funding for foreign aid, both military and economic. I have been advised of certain facts concerning the situation in Nicaragua, which I would appreciate having either verified or refuted.

It is alleged that the Somoza family has almost total economic, political, and military control of Nicaragua. Some of the allegations are as follows:

1. The Somoza family owns half the private property in the country and has extensive holdings in every industry.

2. The Somoza family has exclusive rights to the nation's television stations and television industry.

3. General Somoza raises $4 million a year from forced donations by government employees.

4. The government's development agency, INFONAC, is used to direct foreign aid to family enterprises.

5. The National Guard, which includes both the army and the nation's police force, is under the personal direction of General Somoza.

I am interested as to how the allegations relate to the pattern of American foreign aid in that country, and would appreciate having answered the following questions:

1. What is the rationale for our providing military aid to Nicaragua? What strategic interests do we have there? I understand that the U.S. has terminated the Bryan-Chamorro

Treaty of 1914 and terminated the lease of the Corn Islands, thus ending our claim on an alternate canal route.

2. Why has military aid increased substantially in the last few years? I am informed that military aid has increased from $2.1 million in 1974, to $5.6 million in 1975, to an estimated $7.1 million in 1976.

3. I would appreciate learning what part of our economic development aid goes into the holdings of the Somoza family, if that information is at all available. Could that information be obtained from INFONAC?

4. Could you indicate what degree of opposition there is to the Somoza regime? There appears to be disagreement on this issue of Somoza's popularity. Would our close association of the U.S. presence with Somoza be detrimental to U.S. interests should a different regime come to power?

Thank you for consideration of these matters.

Sincerely,

EDWARD I. KOCH.

DEPARTMENT OF STATE,
Washington, D.C., February 13, 1976.

Hon. EDWARD I. KOCH,
House of Representatives,
Washington, D.C.

DEAR MR. KOCH: Thank you for your letter of January 19, addressed to Mr. David Lazar, requesting certain information concerning Nicaragua and our programs of bilateral military and economic assistance to that country.

Regarding five allegations which you cited concerning the extent to which the Somoza family controls Nicaraguan affairs, let me reply to these in order:

1. It is widely recognized that the Somoza family, collectively, is among the wealthiest, if it is not the wealthiest, in Nicaragua. Enterprises in which members of the family have a substantial or controlling interest are active in virtually every significant sector of the Nicaraguan economy. However, the State Department does not possess detailed information which would permit us to confirm or deny definitively the assertion that the family owns half of all private property in Nicaragua. However, as a general proposition, the charge appears to be an exaggeration, given the presence of a number of other extremely important private interests in the Nicaraguan economy.

2. One of the two television stations operating in Nicaragua is owned by President Somoza. The second station is owned and operated by the Sacasa family, many of whose members are active in political opposition to Somoza.

3. It is widely reported that deductions are made automatically from the pay of all Nicaraguan government employees to support the activities of the National Liberal Party, which is headed by President Somoza. Reportedly, the deductions normally are five per cent, and the total revenue gathered in this fashion probably exceeds $4.0 million because of recent pay raises to government employees.

4. INFONAC is one of several Nicaraguan government agencies involved in the field of economic development. It was formed in 1953 to promote industrial development and diversification through the relending of Nicaraguan and foreign public and private capital. In this capacity, it has handled only a portion of the total foreign public capital assistance received by Nicaragua during the past 23 years. Because of the ubiquity of private concerns with Somoza family involvement, a certain portion of the subloans made by INFONAC have benefited Somoza business interests. However, according to our A.I.D. mission in Managua, the majority of INFONAC subloans have gone to firms controlled by other interests. I should also point out that most of INFONAC's capital is derived from contributions made by the Government of Nicaragua out of its own resources.

5. President Somoza does exercise close personal control of the National Guard, which is responsible for both national defense and internal civil police functions. This arrangement is embodied in the Nicaraguan Constitution, which stipulates that the President shall be the "Supreme Chief" (*Jefe Supremo*) of the Guard. Effective control of the Guard has been retained by President Somoza's father and himself since 1933.

You also posed four questions regarding our assistance programs in Nicaragua and the present political situation there. I have attempted to respond to these below:

(1) With respect to military assistance, our program in Nicaragua has been a relatively modest one, with modest objectives. We do not consider that the United States has any major strategic interests in Nicaragua. In this connection, you were correct in stating that both the Bryan-Chamorro Treaty and our lease of Corn Island have been terminated, reflecting our lack of interest in an alternative canal through Nicaragua. I should also note that the President's Inter-Oceanic Canal Commission, in its final 1970 report, concluded that none of the proposed canal routes through Nicaragua were worthy of further study, on economic and technical grounds.

The Department does consider, however, that our military assistance program assists us in sustaining a cooperative relationship with the Nicaraguan Government which has been mutually beneficial. Military assistance funds have been utilized primarily for the acquisition of logistical vehicles, construction equipment, transport aircraft, communications gear, other supplies, and spare parts. No modern weapon systems have been involved. This has permitted the National Guard to maintain, and in some instances to upgrade its equipment. It has also contributed to the establishment of an engineering battalion, which has had major responsibilities in the reconstruction of Managua and other civic action projects. Our training programs have been designed to promote a greater competence and professionalism in the Guard.

(2) No substantial increase in military assistance to Nicaragua has been programed which would account for the trend cited in your letter. The following table indicates the amounts budgeted for our military assistance program in Nicaragua during the last three years:

U.S. MILITARY ASSISTANCE TO NICARAGUA
FISCAL YEAR 1974–1976
[In millions of dollars]

	1974	1975	1976
FMS credit	....	3.0	2.5
Grant material assistance	0.9	1.1	0.2
Training	0.4	0.7	0.8
Excess defense articles (EDA)	1.6	0.2	[1] 0.3
Total	2.9	5.0	3.8

[1] Projected.

With respect to the figures in your letter, I should point out that the original Defense Department projections for this Fiscal Year included an Excess Defense Article (EDA) total of $3.0 million, which would have made the 1976 total figure $6.5 million. That item has now been reduced because it was determined that the Nicaraguan Government could not pay for transportation of that amount of surplus equipment. I should also point out that the EDA figures represent original acquisition cost of surplus Defense Department items, not their present value, which is no more than 20 to 30% of acquisition cost. As for future periods, no grant materiel assistance is contemplated after this fiscal year. Training assistance will drop to $600,000 per year, and no increase is anticipated in the $2.5 million annual total for FMS credit authorizations.

(3) Referring to our economic development assistance, none of this aid goes directly to President Somoza or his family. The Somozas, as I indicated above, do have extensive business interests in Nacaragua, and a number of these enterprises have undoubtedly benefited from the procurement made possible by A.I.D. loans for the reconstruction of Managua after the disastrous 1972 earthquake and for other activities. We have no way of quantifying the extent of this procurement. Every effort has been made, however, to ensure that all A.I.D.-financed procurement is carried out according to customary U.S. government procurement regulations, which ensure that goods and services are procured on the basis of least cost consistent with acceptable quality. In this regard, when our assistance program expanded after the earthquake, the A.I.D. staff in Nicaragua was increased to include additional legal, procurement, engineering, and loan specialists to strengthen the Mission's ability to review and monitor our assistance program. In addition, a resident audit staff was set up in Nicaragua in 1973, and all A.I.D. programs have been subjected to continuous audit and evaluation to ensure conformity to U.S. regulations. The A.I.D. Auditor General reported in 1975 that this auditing effort had uncovered no significant misuse of official U.S. assistance funds. There are presently no outstanding claims against the Government of Nicaragua resulting from any adverse audit findings.

In regard to INFONAC, this agency received two loans from A.I.D. in 1964 and 1967 totalling $9.0 million. Some 84 subloans were made with these A.I.D. funds, of which an undetermined number went to firms in which the Somoza Family was known to have an interest. A.I.D. determined that it would be impractical to exclude Somoza enterprises from this program, and that our purposes would be better served by trying to ensure that all loan proposals were handled according to uniform, established lending criteria. Periodic audits and evaluations of the INFONAC program have revealed only one instance of a sub-loan that appears to have been made on the basis of irregular criteria. This case is under investigation by our staff in Managua, and remedial action will be taken if appropriate when the facts have been fully established.

(4) With regard to the present political popularity of President Somoza, it is difficult to gauge the strength of the political opposition in Nicaragua with any precision. President Somoza won the September 1974 elections with 92 per cent of the officially reported vote, but this may have been part the function of an ineffectual campaign by the Conservative Party. It has been the judgment of most knowledgeable political observers that President Somoza, as the candidate of a highly efficient Liberal Party, would probably win any open political contest.

In this same connection, I believe your reference to "our close association of the U.S. presence with Somoza" reflects a misconception, albeit a widely-held one, concerning official U.S. policy toward Nicaragua. Many Nicaraguans conceive of the United States as the final arbiter of political developments in that country. This is one of the less-fortunate heritages of our intervention in Nicaragua during the 1920's and 1930's. That era is long past, and our relations with the Government of Nicaragua are conducted today, as a matter of explicit policy, on the basis of government-to-government dealings, rather than personalities. This policy may have been subject to misunderstandings in the recent past, but the Department of State has made every effort to establish clearly and publicly that our programs in Nicaragua are not meant to serve narrow partisan purposes.

I hope you will find this response helpful.

Sincerely,

ROBERT J. MCCLOSKEY,
Assistant Secretary for Congressional Relations.

THE UNITED STATES MUST STOP BEING AN ENERGY GLUTTON

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, with increasing frustration, I have listened to and participated in the debate over national energy policy. The content of the energy debate is essentially controlled by the major oil companies. Last week, the country barely escaped deregulation of natural gas prices. All last summer and autumn, we in the Congress fought over domestic oil decontrol. We are not getting down to the basic issues. Instead, we consume vast amounts of political energy getting nowhere.

Let us define the basic issues. First, national energy policy, if it exists at all, is controlled by the major oil companies, who, in effect, collude in the present high price of oil. The Federal Government has no strategy for decreasing energy demand through a comprehensive program of energy conservation. The Federal Government has no strategy to deal with OPEC. The Federal Government does not employ the means now available to deal with the immense economic and political power of the major oil companies.

The Ford policy of decontrolling, deregulating, and otherwise letting the price of energy skyrocket reminds me of the story, apocryphal or not, of a British nobleman who arose in Parliament during the Irish potato famine to say that he did not see how it was that everybody was speaking of a shortage of potatoes in Ireland. "There is no shortage," he said. "Rather, there is merely a need to permit the price of potatoes to rise to the point where the number of people wanting to buy potatoes and the supply of potatoes were in equilibrium."

Apparently, no voice was raised for those who could not afford the potatoes. Ireland was decimated by that shortage. I do not want to see that same thing happen to America. To decontrol energy prices would mean energy starvation for middle- and low-income Americans, while the rich could continue the present level of energy consumption with little effect.

We must not accept the Ford-Irish potato famine theory of energy conservation. However, if we choose to continue energy price controls, we must enforce a strong energy conservation program. And it can be done. The concept of energy conservation mistakenly means to may people years of "blood, toil, sweat, and tears." Because of this, many in the Congress are reluctant to vote for such a program. But this is not true.

According to a Worldwatch paper on energy conservation, the United States wastes half of its energy, and could reduce that much without a significant change in present lifestyles. We can achieve that goal through improvements in automotive fuel efficiency, building insulation, and use of waste heat, to name but three areas. Perhaps the most significant statement in the report was the following:

> Meeting new energy needs through conservation would be cheaper, safer, more reliable, less polluting and create more jobs than obtaining energy from any other source. Energy obtained through conservation is the largest source of new energy currently available to the United States.

What this means is that we need not agonize over lost jobs and lost energy when we vote for controls on strip mining or stiff environmental controls on offshore drilling. We can have the needed energy, we can create the jobs, and we can have a safe, clean environment by supporting energy conservation. Let me give a few examples of the conservation projects we have not even begun to develop:

Eleven percent of the natural gas consumed in the United States goes for pilot lights on our heaters, water heaters, and appliances. There are excellent electric pilot light which use only a smal fraction of the energy. It makes no difference to the consumer whether he has a gas pilot or an electric one, just as long as the stove goes on when he turns the knob and we could save all that energy by requiring that all pilots be electric.

Radial tires, aluminum construction, reduction of trunk space, and other structural changes can increase car mileage per gallon of gas by up to 57 percent. Reduction of essential driving is not necessary. We must instead improve auto fuel efficiency to cut gas consumption.

Some air-conditioners are vastly more efficient than are others. Requiring use of the more efficient ones can cut energy use in America by 1 percent.

You save another 1 percent by increasing efficiency of refrigerators and freezers.

Changes in building codes to require better insulation can cut energy consumption by 3 percent without making anyone's teeth chatter. Set the thermostat for what you wish, just build better walls. In New York City, they built two 110-story buildings called the World Trade Center. They have glass walls and the buildings are very poorly insulated. It uses more energy than a city of 70,000 people. And remember, that is just two buildings.

We throw away twice as much in America, per person, as do other developed countries. Reclaiming a portion of our refuse will save a great deal of energy. That doesn't mean that Americans have to save their cans and newspapers. It means the establishment of regional centers to which each locality ships its garbage and in which the reusable portions are extracted and the rest is burnt in place of oil to produce fuel. And such a program would cut our oil use by 3 percent, or 450,000 barrels a day.

Every sector of our economy is ripe for conservation. One statistic illustrates this fact: Sweden, West Germany, and Switzerland, with about the same level of per capita gross national product as the United States, use only 60 percent as much energy per person.

The Worldwatch paper asserts that those three European countries have not begun to approach their potential for energy conservation. The potential for conservation is there. What we need to have is the national will to carry out such a program. In doing so, we will incur the wrath of the oil companies. A conservation program would permanently cut energy demand—and the profits which the oil companies currently reap.

Another crucial area is our dealings with OPEC. At present the situation is that the major oil companies act as the middleman in our dealings with OPEC. Our essential weakness is that the United States does not act in a unified way. What we need is a central import purchasing authority. Unfortunately, this idea was rejected last June 10 when the Mikva amendment to H.R. 6860 was defeated, 152 to 265. But I maintain that an oil import authority is crucial to our national security. A comparison between American and Russian response to different resource crises is instructive.

In 1973 when the oil-rich nations around the Persian Gulf demanded a fourfold increase in crude oil prices, the United States was dependent upon Arab oil for only 5 percent of its total energy consumption.

Because of the importance of this relatively unknown fact, it is worth summarizing the sources of U.S. energy in 1973—33 percent of our total energy came from natural gas, 18 percent from coal, 4 percent from hydropower, 1 percent from nuclear, and the remaining 44 percent from oil. Two-thirds of our oil was then produced domestically. Of the one-third purchased abroad, the major portion, two-thirds, came from our friends, Canada and Venezuela. The remaining one-third, or 4.8 percent of our total energy consumed, came from the Arab countries.

This is, I find, a startling indictment of American readiness to capitulate to the Arabs immense price demand. Rather than tell the American people this vital truth, ask for our cooperation to institute a vigorous program of domestic energy conservation to cut energy demand and create a central import authority to buy oil, the Republican administration collapsed before a hollow Arab demand. A 5-percent reduction in our total energy needs could have been accomplished, as I have mentioned, by simply mandating the use of the most efficient available air-conditioners, refrigerators, and freezers, and by requiring better insulation in new construction. Nonetheless, we chose to pay more to the Arabs rather than reduce our wasteful use of energy.

U.S. dependence on Middle East oil is, furthermore, growing dramatically. Indeed, the United States is the only major industrial power whose projected dependence on Arab oil will increase significantly over the coming 10 years. By the end of 1973, oil arriving at U.S. ports from the Arab countries reached 2 million barrels per day. Our dependence on oil from the Arab countries will rise to about 3.8 million barrels per day next year.

Contrasting this American response to the oil crisis with the Russian response to their food crisis provides some interesting insights, I believe, into the different nature and character of the two societies as presently functioning. Today the Russian agricultural shortfall is no less than about 40 percent. Rather than producing about 210 million tons of grains this crop year, the Russian yield is only about 135 million tons. Russian agriculture is as vulnerable today as it was under the Czars.

How have the Soviets responded to this massive food crisis? Have they capitulated to the United States—the principal food exporter in the world? Today the United States has a greater monopoly on food exports than the Arabs have on oil exports. Do the Soviets bow to our food power? Does food power overwhelm oil power? No.

Historically the Soviets have responded to crop failures, in large part, by killing their livestock. This is effective because livestock are inefficient utilizers of grains—cows need as much as 7 to 10 pounds of grain to produce about 1 pound of beef. Because the Soviets have more foreign exchange today than in the past, the Soviet Government is, in fact, entering the U.S. market to buy our grains—about 13 million tons just in the last 6 months. But by no means is the U.S.S.R. on its knees and collapsing before the Chicago Board of Trade. They have not sacrificed their national interests, as they perceive them, to accommodate the United States as we have to the Arabs. The Soviets still have that World War II seige mentality. They still know how to pull in their belts and do without—if that is what their interests require.

I am not suggesting that we try to create a siege-like atmosphere. But it is necessary to create central Government authority over the importation of oil as a simple matter of national security. The Russians have total control over all imports. I am only suggesting that we have control over imports of critical resources.

As one views these issues I have discussed, one sees a divergence between this kind of a national energy policy and the views held by the major oil companies. We must not let the price of energy skyrocket. We must use conservation to free us from the prospect of either OPEC increases or a ravaged environment gutted of all our natural resources. We as a nation must have control over our importation of foreign oil—how much and where it comes from. In order to do all this, we must rid ourselves of the "energy cartel" within our own country. We need more competition in the domestic oil industry. We should break up the major oil companies. Critics say that this proposal is "good politics and bad business." I disagree. A more competitive domestic oil industry would mean good news for other businesses and the consumer. It would also mean a Federal Government free to formulate a rational national energy policy.

Breaking up the oil companies is only the beginning of creating a comprehensive national energy policy. We must demand real conservation. We must demand some toughness in dealing with OPEC. Only then can we get down to solving our energy problems. I must confess, until we deal with the basic issues, all the talk I now hear is just more wasted energy.

TRIBUTE TO ALEXANDER SAUNDERS

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, I am deeply saddened by the death this past Sunday of Alexander Saunders, of Garrison, N.Y.

One of New York State's—and, indeed, the Nation's—most dedicated conservasionists, Ander Saunders was a thoughtful man who gave countless hours and many years to protecting the great scenic, historic, and natural resources of this country. He concentrated his efforts particularly on protecting the Hudson River Valley, in which he resided for most of his life. Mr. Saunders was an early leader in the Scenic Hudson Preservation Conference—which he chaired for the past 8 years—which has led the 12-year effort to protect Storm King Mountain against Consolidated Edison's proposed pumped storage hydroelectric plant.

Ander Saunders was active in other environmental causes, too, along the Hudson and beyond its shores. Often quietly, but always effectively, he strived to protect the environment and to help others to do so as well. We have lost a good and a dedicated friend.

SOLAR ENERGY—HERE AND NOW

(Mr. OTTINGER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. OTTINGER. Mr. Speaker, I would like to commend to all my colleagues an excerpt from a recent article by Prof. Barry Commoner of Washington University in St. Louis. I believe that it represents one of the most comprehensible and important statements that has appeared anywhere on the potential of solar energy.

The article follows:

[From the New Yorker, Feb. 9, 1976]

A Reporter at Large: Energy—II

(By Barry Commoner)

By now, everyone is aware that we cannot depend indefinitely on our present energy sources—fossil fuels and uranium. The supplies of oil, natural gas, and uranium are limited, and rapidly become more demanding of capital and higher in price as the readily exploited deposits are depleted. While coal is more plentiful, converting it to liquid and gaseous fuels that can substitute for oil and natural gas demands large capital investments, and the products are very costly. Expanding the use of these fuels would worsen environmental deterioration, and expanding the use of nuclear power would create new and unmanageable hazards. It is now accepted as inevitable that future energy supplies, unlike present ones, must be renewable, and that they must be less harmful to the environment.

The only renewable source of energy is the sun—which, after all, comes up every day and will continue to do so, its radiant energy essentially undiminished, for billions of years. As the energy crisis has developed and people have become more acutely aware of the importance of renewable energy sources, some attention has been paid to this basic fact, but, until recently, not much. For years, the only research on solar energy in the United States was done by a handful of poorly supported scientists and engineers. Progress was made but was given little notice. Few people were aware that more than ten years ago Farrington Daniels—who, until his death, in 1972, was perhaps the leading solar scientist in the United States—summarized in these words what was then known about solar energy: "There is no gamble in solar energy use; it is sure to work. It has been demonstrated that solar energy will heat, cool, convert salt water into fresh water, and generate power and electricity."

Since the 1973 oil crisis, interest in solar energy has increased sharply, first among private citizens and then—apparently in response—among government agencies and commercial firms. But just as the sun itself has generated a powerful mythology, solar energy has become clouded by a set of firmly held but poorly founded beliefs: solar energy is too diffuse to achieve the power needed by a modern, energy-intensive society; it is impractical because it is unavailable at night and on cloudy days; the equipment is too expensive. Such objections have long provided a plausible excuse for the nearly total lack of government support for research on solar energy. As late as 1973, federal expenditures for the development of practical uses of solar energy amounted to less than one per cent of the total energy-research budget.

Solar energy has been largely ignored in the debate over national energy policy—usually dismissed as only a faint, distant hope, irrelevant to current concerns over the price and availability of fuel. When the facts are known, however, it turns out that solar energy can not only replace a good deal—and, eventually, all—of the present consumption of conventional fuels, and eliminate much environmental pollution, but it can also reverse the trend toward rising energy costs which is so seriously affecting the economic system.

The sun bathes the earth with a huge amount of energy, which reaches the planet by an enormously rapid passage through essentially empty space, traversing in about eight minutes the ninety-three million miles that separates us from the sun. All the forms of energy that we have considered thus far—mechanical motion, chemical energy, and nuclear energy—are transferred in close association with matter. The sun's energy is of a different sort; it does not travel in company with matter but as "pure" energy—radiation. Some of it is invisible ultraviolet and infrared radiation, but most of the sun's radiant energy is visible light.

Less than one-billionth of the energy radiated by the sun falls on the earth. Here it interacts, first with the constituents of the atmosphere that surrounds the planet and then with the material on its surface: water, land, and vegetation. Most of the solar ultraviolet radiation is absorbed at the outer edge of the atmosphere by a layer of ozone, whose molecules happen to be so constructed as to avidly trap such radiation. The ozone layer thereby shields the living things that inhabit the earth's surface from the damaging effects of ultraviolet radiation, such as skin cancer. In the past few years, it has been discovered that this protective layer of ozone is being threatened by pollutants from supersonic aircraft and by chemicals used to pressurize aerosol cans.

Infrared radiation is well absorbed by molecules of water and of carbon dioxide, which ocur in the lower atmospheric layers. The infrared radiation that these molecules absorb increases their general molecular agitation and so heats up the atmosphere. Some of the solar radiation that approaches the earth is scattered in different directions by dust and other particles in the atmosphere. Clouds reflect solar radiation; over a cloud-covered part of the earth eighty per cent of the solar radiation may be reflected into space.

These processes prevent most of the sun's ultraviolet and infrared radiation from reaching the earth's surface, so that the radiant energy that does get through is mainly in the visible part of the light spectrum. What happens to the light energy that reaches the earth's surface depends on the color of the material it strikes. A substance's color is an indication of which wavelengths of light radiation, if any, it absorbs. White materials, such as snow, absorb almost none of the light that falls on them, reflecting it instead. A green leaf absorbs red and blue light, reflecting green wavelengths. A red rock absorbs blue and green wavelengths, reflecting red ones. Black soil (or an asphalt street) absorbs almost all the visible wavelengths, so that almost no light is reffected from it.

When a molecule absorbs radiant energy, particularly in the ultraviolet and visible parts of the spectrum, it may be stimulated to react chemically. On the earth, the only chemical reaction that is driven by energy absorbed from the sun is photosynthesis, which converts some of the radiant energy absorbed by the green leaf into the potential energy of the organic substances that the leaf produces. The potential energy in foodstuffs, cotton, and wood is therefore derived from solar energy; agriculture and lumbering are the main ways in which solar energy is captured and put to use at present.

Except for photosynthesis, the radiant energy striking the earth's surface simply raises the temperature of whatever absorbs it. Thus, black soil or an asphalt street efficiently converts the light that strikes it into heat. As a result of such absorption processes, most solar energy does nothing but heat up the earth's surface and the atmosphere. At night, this heat is reradiated, as infrared photons, back toward space. However, not all of it gets out, for the carbon dioxide in the atmospheric layer around the earth acts as a valve. During the day, it lets the sun's visible radiation in, but when that energy is transformed into heat on the earth's surface and reradiated as infrared energy, the carbon-dioxide layer absorbs a good deal of it. This resembles the way in which glass helps to warm a greenhouse on a cold winter day, for although glass, like carbon dioxide, is transparent to visible light energy, it absorbs infrared energy. The global "greenhouse effect" tends to keep the earth a little warmer than it would be otherwise.

The earth is not heated uniformly by the sun. Wherever clouds are overhead, a good deal of the incoming solar energy is reflected into space. The amount of solar energy that the thickness of the atmospheric layer that is scattered and reflected also depends on the sun's rays must traverse. That thickness varies with the latitude, the season, and the time of day. For example, near sunrise or sunset at a particular longitude, the sun's rays come slanting through the layer of air around the earth, and they must go through more of it than they do when the sun is directly overhead. The same effect governs the intensity of solar radiation at different latitudes. Because of these variations and the random drift of clouds, the atmosphere is warmer in some places than in others, and warmer at some times than at others as well. These differences drive the movement of air. Where the air is hot, it will tend to rise, and cooler air will move in to replace it—the origin of winds. Wind is therefore a form of solar energy, and a windmill is a device for capturing it. As surface waters absorb solar energy, they become warmer, and some of the water molecules evaporate. Water vapor is carried upwad by heated air, and on reaching the cooler upper layers of air it may condense into the droplets that make up clouds. Eventually, rain forms and falls to the earth, where it may collect for a time in, let us say, a mountain lake. The kinetic energy of the water in the streams that rush down the mountain is therefore also a form of solar energy reaching the earth were converted into electricity and sold at current prices, it would be worth more than five hundred billion dollars a day. Yet we use only a few hundredths of one per cent of that energy, chiefly to raise crops for food, fibre, and lumber. What can be done to make better use of this resource? Can it reasonably be expected to replace the dwindling, expensive, and environmentally hazardous nonrenewable fuels on which we now depend?

As late as 1973, the conventional answers to these questions—the answers usually provided by government agencies—were uniformly negative. A summary of the potential value of solar energy in a 1973 report of a task force of the National Petroleum Council's huge study on the "U.S. Energy Outlook" is typical:

"Because it is so diffuse and intermittent when it reaches the earth, solar energy can be put to no foreseeable large-scale use over the next 15 years, even with appreciable improvements in technology. The large area over which solar energy must be collected and the cost of the collection and conversion equipment prevent the widespread use of such devices as solar evaporators, solar desalinators, solar heaters, solar cookers, solar furnaces, solar cells, solar houses, etc."

For a long time, this view has dominated the government's attitude toward the development of solar energy and has contributed to the general public impression that solar energy is some sort of visionary, faintly ridiculous idea that might—or might not—turn out to be helpful sometime in the next century. What is unfortunate about such evaluations of solar energy is not that they are pessimistic putdowns, perhaps conditioned by the self-interest of the purveyors of oil, coal, and uranium. (The chairman of the task force that drew up the 1973 report was an official of the Gulf Research & Development Company, the research subsidiary of a corporation engaged in producing all three non-renewable fuels.) Much more distressing is the fact that the supposed disadvantages of solar energy—its diffuse nature and the economics of constructing solar devices—when properly understood turn out to be precisely the reverse. Just because it is diffuse, solar energy has certain major thermodynamic advantages over conventional sources of energy. And the economics of solar installations are uniquely free of the devastating effects that conventional energy production has on the economy—in particular, on rising capital costs and inflation.

To understand these remarkable and unexpected advantages of solar energy, we need to recall a basic consequence of the principles of thermodynamics. From the Second Law of Thermodynamics, we learn that the value of energy lies in its capacity, upon being transferred, for doing work; that this capacity is always reduced when work is done; and that the efficiency with which work can be obtained from the flow of energy depends on how well the thermodynamic properties of the energy source are matched to the properties of the energy-requiring task.

The thermodynamic properties of a task can be conveniently characterized by the temperature at which the energy must be applied to it. Some common examples of such tasks and their required temperatures (in Fahrenheit degrees) are: space heating, 70° to 80°; hot-water heating, 140° to 160°; air-conditioning (heat-driven), 180° to 200°; cooking, 250°; efficient steam generation of electricity, 1,000°; operation of an internal-combustion engine, 3,000°; operation of a metallurgical furnace, 1,000° to 2,500°. We can also roughly characterize the thermodynamic "quality" of an energy source by its temperature.

For example, energy delivered at high temperature—that is, as compared to the general ambient temperature—has a high capacity for doing work. (It is low in entropy.) Very low Second Law efficiencies characterize many of the ways in which energy is now used, and the chief reason is that high-quality energy, such as electricity, is used for low-quality tasks, such as producing hot water. Similarly, when oil is burned in a furnace at 500°F. to warm up a room to 70°, we are using high-quality energy to accomplish a task that could just as well be accomplished by a low-quality energy source, such as the waste heat rejected by a power plant. In many of its present conventional uses, energy is produced at a high source temperature and then applied, inefficiently, to processes that require a lower quality of energy. Conventional energy sources usually operate, so to speak, downward in quality, and are therefore, in thermodynamic terms, inefficiently coupled to the tasks to which they are applied.

Perhaps the most remarkable feature of solar energy is that it can operate just the other way around. We know from personal experience that solar energy is delivered to the earth at a rather low temperature, compared to conventional energy sources, and so is suitable for tasks that require low-quality energy, such as producing hot water or space heat. What is much less widely appreciated is that, nevertheless, solar energy is intrinsically of very high quality and can readily be applied to tasks that require high-quality energy. Solar energy is therefore thermodynamically suited to any energy-requiring task, and can substitute for the present sources of energy in any of their uses.

The reason for this surprising situation is that the thermodynamic quality of radiant energy is determined by the temperature of the source that emits it. In this case, the source is the luminescent surface of the sun, which has a temperature of about 10,000°F. Solar radiation is therefore inherently of very high thermodynamic quality. The low temperature that direct sunlight produces when it is absorbed at the earth's surface (about 100° to 120°F.) does not mean that the quality of the energy has been degraded en route. Rather, it means that the energy has spread out enormously in its long journey from the sun.

To demonstrate that the intrinsic high quality of solar radiation is retained when it reaches the earth, we need only perform a familiar experiment. If sunlight is sharply focussed with a lens, it will set paper or wood aflame, at ignition temperatures of 400° to 450°F. All that one needs to do to deliver solar energy at any desired temperature, up to the 10,000° temperature of the solar source, is to concentrate it from a sufficiently large area. A three-inch lens will gather enough light to produce a temperature of a few hundred degrees, and the huge parabolic mirror of a French solar furnace in the Pyrenees will gather enough to melt tungsten, at a temperature of nearly 6,000°F.

Thus, there is a sharp contrast between the thermodynamic consequences of using conventional fuels and those of using solar energy. Conventional fuels usually generate energy at temperatures much above those needed for most energy-requiring tasks, so that the thermodynamic quality of the energy is wastefully downgraded in the process. In contrast, solar energy can be readily brought up to any desired temperature by being concentrated, and in this way precisely matched, thermodynamically, to any given task. And this feat can be achieved without chemical combustion and its enviable release of noxious chemicals into the environment. Nor is destructive ionizing radiation involved—all that having been safely left ninety-three million miles behind, in the sun's interior.

STATUS OF CONGRESSIONAL BUDGET

(Mr. ADAMS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ADAMS. Mr. Speaker, I rise today to inform the House on the status of the budget ceilings and revenue floor adopted in the second concurrent resolution on the budget for fiscal year 1976. This is the fourth time this session I have notified the House on the status of the congressional budget, and I am once again pleased to report that Congress is currently living within its budget ceilings. No change has occurred to date to affect the current estimate of the budget aggregates included in the House Budget Committee report to the Speaker on February 4, 1976. That report is still in effect, and I shall place it in the RECORD at this point:

REPORT TO THE SPEAKER OF THE U.S. HOUSE OF REPRESENTATIVES FROM THE COMMITTEE ON THE BUDGET ON THE STATUS OF THE FISCAL YEAR 1976 CONGRESSIONAL BUDGET ADOPTED IN HOUSE CONCURRENT RESOLUTION 466

REFLECTING COMPLETED ACTION AS OF FEBRUARY 4, 1976

[In millions of dollars]

	Budget authority	Outlays	Revenues
Appropriate level	408,000	374,900	300,800
Current level	396,705	370,957	301,100
Amount remaining	11,295	3,943	300

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and which exceeds $11,295 million for fiscal year 1976, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in H. Con. Res. 466 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate and which would result in outlays exceeding $3,943 million for fiscal year 1976, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in H. Con. Res. 466 to be exceeded.

REVENUES

Any measure that would result in a revenue loss exceeding $300 million for fiscal year 1976, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in H. Con. Res. 466.

Although the budget aggregates have not yet been breached, there are some signs on the horizon that require all of us to be vigilant. While we have $11.3 billion in budget authority and $3.9 billion in outlays remaining under the budget ceilings, and $300 million remaining under the revenue floor, numerous fiscal pressures face us in the months ahead. Two regular fiscal year 1976 appropriations bills still remain to be funded, along with the usual spring supplemental. Funding for a substantial amount of these fiscal year 1976 appropriations bills and the spring supplemental is already covered under the estimate for the current level, which includes items funded under the continuing resolution and enacted entitlement legislation still requiring financing.

Congress, however, is steadily moving through final stages of consideration of certain bills that were assumed in the second concurrent resolution. Funding for these bills will count against the amount remaining.

This week we will be considering House Joint Resolution 801—supplemental railroad appropriations, a bill which was fully contemplated in the second budget resolution. Later this week Congress will consider the Presidential veto of H.R. 5247—the authorization bill for the local public works/countercyclical program. In future weeks we may have before us the appropriations for this bill along with the appropriations for H.R. 11453, the CETA jobs program.

Aside from these pressures on the ceiling, there is also the potential threat of shifts in the economy and necessary adjustments in estimated spending that may follow. As I indicated in previous statements, the Congressional Budget Office is now reviewing the revised estimates for fiscal year 1976 included in the President's budget submission.

While the budget ceilings and revenue floor apply only to the aggregate totals, I am including with these remarks a functional analysis of the budget authority and outlays totals which reflect the building blocks of the budget resolution. As you can see there are three functions where totals have substantially exceeded the amounts targeted in the second budget resolution. Function 850, revenue sharing and general-purpose fiscal assistance, reflects the $2.3 billion cost in budget authority of the New York Seasonal Financing Fund. The other two items reflect reestimates of uncontrollable programs in the national defense function—$400 million; and $333 million in the agriculture function for the Commodity Credit Corporation.

In summary Mr. Speaker, I must warn my colleagues in the House that the current level leaves little room for new spending legislation of either the President or Congress which was not contemplated in this year's budget resolution.

A table on the functional analysis follows:

STATUS OF FISCAL YEAR 1976 BUDGET CEILINGS BY FUNCTION AS OF FEB. 16, 1976

[In millions of dollars]

	Function	Current level (as of Feb. 16, 1976)		2d budget resolution		Difference over (+) under (—) 2d budget resolution	
		Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
050	National defense	100, 578	92, 184	101, 000	91, 900	—422	284
150	International affairs	4, 056	4, 534	6, 000	4, 900	—1, 944	—366
250	General science, space, and technology	4, 653	4, 572	4, 700	4, 600	—47	—28
300	Natural resources, environment, and energy	17, 999	10, 946	18, 700	11, 400	—701	—454
350	Agriculture	4, 120	2, 883	4, 100	2, 600	20	283
400	Commerce and transportation	15, 760	17, 367	19, 000	18, 300	—3, 240	—933
450	Community and regional development	5, 417	5, 903	9, 500	7, 000	—4, 083	—1, 097
500	Education, training, employment, and social services	18, 529	19, 561	21, 300	20, 900	—2, 771	—1, 339
550	Health	33, 278	32, 809	33, 600	32, 900	—322	—91
600	Income security	137, 531	128, 251	137, 500	128, 200	31	51
700	Veterans' benefits and services	19, 674	18, 886	19, 900	19, 100	—226	—214
750	Law enforcement and justice	3, 211	3, 325	3, 300	3, 400	—89	—75
800	General government	3, 418	3, 295	3, 300	3, 300	118	—5
850	Revenue sharing and general purpose fiscal assistance	9, 553	7, 252	7, 300	7, 300	2, 253	—48
900	Interest	35, 401	35, 400	35, 400	35, 400	1	0
	Allowances	625	890	500	800	125	90
950	Undistributed offsetting receipts	—17, 100	—17, 100	—17, 100	—17, 100	0	0
	Total	396, 705	370, 957	408, 000	374, 900	—11, 295	—3, 943

Note: Detail may not add to totals due to rounding

INTERNATIONAL RELATIONS COMMITTEE AMENDMENT ON ANGOLA

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, yesterday, after prolonged debate, the International Relations Committee adopted the final form of an amendment on Angola to the International Security Assistance Act on which the committee has been working for many months. Because of the widespread interest in Angola, I take this opportunity to bring to the attention of the House the text of the language on Angola adopted by the committee:

POLICY ON ANGOLA

SEC. 405. (a) The Congress finds that the involvement of external forces in Angola constitutes a threat to international peace and calls upon the President to—

(1) seek an agreement among all parties to bring an end to the fighting in Angola and support effort by the Organization of African Unity to that end;

(2) take care that the United States faithfully observes a policy of nonintervention in the affairs of Angola; and

(3) report to the Congress on the implementation of this section within sixty days after the date of enactment of this section and every thirty days thereafter until such time as both the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate have adopted resolutions stating that such reports are no longer necessary.

(b) (1) No assistance of any kind may be provided for the purpose, or which would have the effect, of promoting or augmenting, directly or indirectly, the capacity of any nation, group, organization, movement, or individual to conduct military or paramilitary operations in Angola unless and until the Congress expressly authorizes such assistance by law enacted after the date of enactment of this section.

(2) If the President determines that assistance prohibited by paragraph (1) of this subsection should be furnished in the national security interests of the United States, he shall submit to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate a report containing—

(A) a statement by the President that his efforts to obtain the agreement described in paragraph (1) of subsection (a) have not been successful;

(B) a description of the amounts and categories of assistance which he recommends to be authorized and the identity of the proposed recipients of such assistance; and

(C) a certification that the President has determined that the furnishing of such assistance is important to the national security interests of the United States and a detailed statement, in unclassified form, of the reasons supporting such determination.

(c) The prohibition contained in subsection (b) (1) does not apply with respect to assistance which is furnished solely for humanitarian purposes.

(d) The provisions of this section may not be waived under any other provision of law.

COMMITTEE ADOPTS AMENDMENT OF U.S. CITIZENS IMPRISONED IN MEXICO

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, for 10 months the Subcommittee on International Political and Military Affairs has been investigating the treatment by Mexico of U.S. citizens imprisoned in that country and our own government's efforts in behalf of our citizens. This serious situation was brought to our attention by our colleague Congressman PETE STARK, of California, who, with his able staff, did an outstanding job in gathering information of numerous individual cases of alleged abuse of our citizens by Mexican officials.

At our request the Department of State has changed its initially unresponsive attitude toward the complaints of our citizens and has reviewed the cases and allegations of all U.S. citizens imprisoned in Mexico. That inquiry by the State Department has substantiated a significant number of the claims by our citizens of torture and abuse, deprivation of Mexican and international legal rights, extortion, and improper seizure of property. As a result, the Department has already taken a number of steps to secure relief where possible and to improve its procedures to safeguard U.S. citizens more effectively in the future. Further steps are being considered by the Department and certainly the entire issue of better protection of our citizens must remain a high priority of the Department of State.

The key, however, to the assurance of fair and humane treatment of our citizens is the Mexican Government and the attitude of its officials at the Federal, State, and local levels. In many areas of our relations, such as attempts to end drug trafficking, the Mexican Government has displayed a fine spirit of cooperation. It is my hope that this spirit will soon characterize mutual efforts to protect the fundamental human and legal rights of U.S. citizens arrested in Mexico. Unfortunately, there thus far has been all too little movement in this direction. To insure that the Mexican Government is fully aware of the deep concern which this Government has over the treatment of our citizens, the International Relations Committee yesterday unanimously adopted an amendment to the International Security Act on this subject which calls on the President to bring this matter to the attention of the Government of Mexico and requires periodic Presidential reports to Congress on progress toward "full respect for the human and legal rights of all United States citizens imprisoned in Mexico."

Because of the widespread interest in Congress in this subject, I wish to bring to the attention of my colleagues the full text of the amendment adopted by the International Relations Committee:

UNITED STATES CITIZENS IMPRISONED IN MEXICO

SEC. . (a) The Congress, while sharing the concern of the President over the urgent need for international cooperation to restrict traffic in dangerous drugs, is convinced that such efforts must be consistent with respect for fundamental human rights. The Congress, therefore, calls upon the President to take steps to insure that United States efforts to secure stringent international law enforcement measures are combined with efforts to secure fair and humane treatment for citizens of all countries.

(b) (1) The Congress requests that the President communicate directly to the President and Government of the Republic of Mexico the continuing desire of the United States for friendly relations between our two countries and the concern of the United States over treatment of United States citizens arrested in Mexico.

(2) The President shall report periodically to the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate on progress toward full respect for the human and legal rights of all United States citizens detained in Mexico until such time as the President is satisfied that such United States citizens are, in all cases, being treated in accordance with international and Mexican legal standards.

LIFELINE RATE ACT OF 1976

(Mr. DOMINICK V. DANIELS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. DOMINICK V. DANIELS. Mr. Speaker, I am today introducing legislation that will require all electric utilities to provide a reasonable amount of electricity to homeowners in all 50 States, at a rate no higher than the lowest rate they charge to business, industry and their most favored customers. This legislation embodies a concept that is probably familiar to some of my colleagues—the so-called lifeline rate structure.

Mr. Speaker, the need for energy conservation is widely recognized. Commonsense would dictate that utility rates be set to encourage prudent energy utilization. Unfortunately, established rate policies reward large electrical energy users and penalize small energy users. We must correct this inequitable situation.

Under current policies, large businesses and industries that use tremendous amounts of electricity receive lower rates than individual homeowners, who consume far less electricity.

My bill corrects this situation. The lifeline rate concept inverts the declining block rate structure and provides a minimum level of consumption at a lower than average cost.

Lifeline rates thus assure each residential customer that he can obtain a low fixed rate what, in theory at least, is his minimum necessary electricity requirement.

Revenues lost as a result of lowering rates for minimum use may be recovered in an "equitable" manner by increasing rates applicable to residential consumption beyond the lifeline level and to commercial and industrial use.

The lifeline concept has several distinct advantages:

First, there are administrative advantages—lifeline rates are easy to understand; they can be placed in effect with little delay; and they call for no new tax revenues.

Second, lifeline rates are responsive to our national energy conservation goals, by encouraging minimal use and increasing rates for greater use.

And, finally, lifeline rates provide badly needed relief for the poor and the elderly, who are hard pressed to keep up with the rapidly increasing cost of heating and lighting their homes.

Mr. Speaker, I am sure most of my colleagues have received letters from angry constituents, demanding that "something be done" about outrageous electrical rate increases.

Establishing lifeline rates would be one of the most positive steps the Congress could take to solve this growing problem.

Mr. Speaker, I hope this bill and similar legislation will receive the full support of my colleagues and the prompt action of the House.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Alexander (at the request of Mr. O'Neill), after 12:30 p.m. today, on account of illness.

Mr. Rodino (at the request of Mr. O'Neill), for today, on account of illness.

Mr. Stephens (at the request of Mr. O'Neill), for February 17, 18, and 19, on account of illness.

Mr. Young of Alaska, from February 17, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Fithian) and to revise and extend their remarks and include extraneous matter:)

Mr. Dominick V. Daniels, for 10 minutes, today.

Mr. Fraser, for 5 minutes, today.
Mr. Gonzalez, for 5 minutes, today.
Mrs. Meyner, for 5 minutes, today.
Mr. Annunzio, for 5 minutes, today.
Mr. Wolff, for 5 minutes, today.
Mr. Ullman, for 10 minutes, today.
Ms. Abzug, for 30 minutes, today.
Mr. Wirth, for 5 minutes, today.
Mr. Bingham, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. Cochran) and to include extraneous matter:)

Mr. Don H. Clausen.
Mr. Bell.
Mr. Sarasin.
Mr. Steelman in two instances.
Mrs. Pettis.
Mr. Crane.
Mr. McKinney.
Mr. Vander Jagt.
Mr. Erlenborn.
Mr. Kasten.
Mr. Conable.
Mr. Armstrong.
Mr. Cochran.
Mr. Broomfield.
Mr. Findley.
Mr. Derwinski in two instances.
Mr. Gilman.
Mr. Kindness.
Mr. Mitchell of New York.

(The following Members (at the request of Mr. Fithian), and to include extraneous matter:)

Mr. Baucus.
Mr. Fraser.
Mr. Bolling.
Mr. Gonzalez in three instances.
Mr. Anderson of California in three instances.
Mr. O'Hara.
Mr. Edwards of California.
Mr. Corman.
Mr. James V. Stanton.
Mr. Vanik in three instances.
Mr. Carney.
Mr. Murtha.
Mr. Nedzi in two instances.
Mr. Bingham in five instances.
Mr. Hannaford in two instances.
Mr. Neal.
Mr. Dominick V. Daniels.
Mr. Bedell.
Mr. Zablocki in two instances.
Mr. Jacobs.
Mr. Wirth.
Ms. Abzug.
Mr. Hébert.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 154. A joint resolution to extend the time period during which the President is authorized to call a White House Conference on Handicapped Individuals, and to extend the time period during which appropriated funds may be expended.

ENROLLED BILL SIGNED

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 5512. An act to amend the National Wildlife Refuge System Administration Act of 1966, and for other purposes.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. HAYS of Ohio, from the Committee on House Administration, reported that that committee did on February 17, 1976 present to the President, for his approval, bills and a joint resolution of the House of the following title:

H.R. 6184. An act to amend section 40 of the Bankruptcy Act to fix the Salaries of referees in bankruptcy;

H.R. 6949. An act to make the film "Wilma Rudolph Olympic Champion," which was produced by the United States Information Agency, available for certain limited use within the United States in conjunction with promotion of the 1976 Olympic Games; and

H.J. Res. 784. Joint resolution to amend the effective date of certain provisions of the Defense Production Act Amendments of 1975.

ADJOURNMENT

Mr. MILLER of California. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 23 minutes p.m.), the House adjourned until tomorrow, Thursday, February 19, 1976, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2557. A letter from the President of the United States, transmitting a proposed supplemental appropriation for fiscal year 1976 for the Department of Health, Education, and Welfare (H. Doc. No. 94–375); to the Committee on Appropriations and ordered to be printed.

2558. A letter from the Assistant Secretary of Defense (Comptroller), transmitting Selected Acquisition Reports and the SAR summary tables for the quarter ended December 31, 1975, pursuant to section 811 of Public Law 94–106; to the Committee on Armed Services.

2559. A letter from the Assistant Secretary of Defense (Manpower and Reserve Affairs), transmitting the defense manpower requirements report for fiscal year 1977, pursuant to 10 U.S.C. 138(c)(3); to the Committee on Armed Services.

2560. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements other than treaties entered into by the United States, pursuant to Public Law 92–403; to the Committee on International Relations.

2561. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Army to offer to sell certain defense services to Saudi Arabia, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

2562. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Army to offer to sell certain defense articles to Saudi Arabia, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

2563. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Army to offer to sell certain defense articles to Saudi Arabia, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

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2565. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Army to offer to sell certain defense articles to Saudi Arabia, pursuant to section 36 (b) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

2566. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Air Force to offer to sell certain defense articles to Saudi Arabia, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

2567. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Army to offer to sell certain defense services to Saudi Arabia, pursuant to section 36 (b) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

2568. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Air Force to offer to sell certain defense articles and services to Morocco, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

2569. A letter from the Director, Defense

Security Assistance Agency, transmitting notice of the intention of the Department of the Army to offer to sell certain defense articles to Morocco, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

2570. A letter from the Director, Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Air Force to offer to sell certain defense services to Iran, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

2571. A letter from the Comptroller, Defense Security Assistance Agency, transmitting quarterly reports on foreign military sales direct credit and guaranty agreements, pursuant to subsections 36(a) (3) and (4) of the Foreign Military Sales Act, as amended; to the Committee on International Relations.

2572. A letter from the president, National Railroad Passenger Corporation, transmitting the annual report of the national railroad passenger system (AMTRAK) for 1975, pursuant to sections 308 and 805 of Public Law 91-518, as amended by Public Law 94-25; to the Committee on Interstate and Foreign Commerce.

2573. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a draft of proposed legislation to authorize an increase in the monetary authorization for certain comprehensive river basin plans previously approved by Congress; to the Committee on Public Works and Transportation.

2574. A letter from the Secretary of Transportation, transmitting the annual report for fiscal year 1975 of the administration of the Deepwater Port Act, pursuant to section 20 of Public Law 93-627; jointly to the Committees on Public Works and Transportation, and Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Georgia: Committee on Rules. House Resolution 1040. Resolution providing for the consideration of House Joint Resolution 280. Joint resolution to amend the Constitution to provide for representation of the District of Columbia in the Congress (Rept. No. 94-834). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLANCHARD (for himself, Mr. MINETA, Mr. RUSSO, Mr. LEVITAS, Mr. RODINO, Mr. O'HARA, Mr. NEDZI, Mr. WHITEHURST, Mr. LAGOMARSINO, Mr. SYMINGTON, Mr. LAFALCE, Mr. HOLLAND, Mr. BRODHEAD, Mr. DOWNEY of New York, Mr. D'AMOURS, Mr. HANNAFORD, Mr. AUCOIN, Mr. HELSTOSKI, Mr. WEAVER, Mr. OTTINGER, Mr. HUGHES, Mr. AMBRO, Mr. NOWAK, Mr. BEDELL, and Mr. JENRETTE):

H.R. 11935. A bill to provide for the elimination of inactive and overlapping Federal programs, to require authorizations of new budget authority for Government programs and activities at least every 4 years, to establish a procedure for zero-base review and evaluation of Government programs and activities every 4 years, and for other purposes; to the Committee on Rules.

By Mr. CRANE (for himself, Mr. SNYDER, Mr. CHAPPELL, Mr. KELLY, Mr. LEVITAS, Mr. BROWN of Ohio, Mr. DUNCAN of Tennessee, Mr. YOUNG of Florida, Mr. PRESSLER, Mr. STEIGER of Arizona, Mr. MATHIS, Mr. HOWARD, Mr. BROYHILL, Mrs. SPELLMAN, Mr. LENT, Mr. MADIGAN, and Mr. MAGUIRE):

H.R. 11936. A bill to require that the U.S. Government prepare and make public annual consolidated financial statements utilizing the accrual method of accounting, and for other purposes; to the Committee on Government Operations.

By Mr. DICKINSON (for himself and Mr. MATSUNAGA):

H.R. 11937. A bill to amend section 218 of the Social Security Act to require that States having agreements entered into thereunder will continue to make social security payments and reports on a calendar-quarter basis; to the Committee on Ways and Means.

By Mr. DOMINICK V. DANIELS:

H.R. 11938. A bill to reform residential electric utility rates; to the Committee on Interstate and Foreign Commerce.

By Mr. ERLENBORN:

H.R. 11939. A bill to amend and extend the Higher Education Act of 1965, and for other purposes; to the Committee on Education and Labor.

H.R. 11940. A bill to amend the Internal Revenue Code of 1954 to allow persons covered by certain other retirement plans to establish personal savings for retirement; to the Committee on Ways and Means.

By Mr. FRASER:

H.R. 11941. A bill to amend the Federal Election Campaign Act of 1971 to permit certain candidates for election to Federal office to make a bulk mailing at the rate of postage applied to bulk mailings of certain nonprofit organizations; jointly, to the Committees on Post Office and Civil Service, and House Administration.

By Mr. FRENZEL (by request):

H.R. 11942. A bill to establish the offices of members of the Federal Election Commission as officers appointed by the President, by and with the advice and consent of the Senate, and for other purposes; to the Committee on House Administration.

By Mr. HAGEDORN:

H.R. 11943. A bill to amend the Federal Water Pollution Control Act, as amended, to define the term "navigable waters" as it applies to the Corps of Engineers responsibility and authority to regulate the discharge of dredged or fill material; to the Committee on Public Works and Transportation.

By Mr. HARRIS:

H.R. 11944. A bill to amend title 5, United States Code, to remove the ceiling on General Schedule pay rates, to exclude from the Federal Pay Comparability System certain executive, legislative, and judicial offices and positions, to provide that the Commission on Executive, Legislative, and Judicial Salaries transmit its next recommendations before January 1, 1977, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HEINZ (for himself, Mr. RICHMOND, Mr. HARRINGTON, Mr. PATTERSON of California, Ms. COLLINS of Illinois, and Mr. D'AMOURS):

H.R. 11945. A bill to reform the food stamp program; to the Committee on Agriculture.

By Mr. KASTEN:

H.R. 11946. A bill to provide that meetings of Government agencies shall be open to the public, and for other purposes; to the Committee on Government Operations.

H.R. 11947. A bill to provide that pay adjustments for Members of Congress may take effect no earlier than the beginning of the Congress next following the Congress in which they are approved; to the Committee on Post Office and Civil Service.

By Mr. KASTENMEIER (for himself and Mr. DANIELSON):

H.R. 11948. A bill to extend the authorization of appropriations for the National Commission on New Technological Uses of Copyrighted Works to be coextensive with the life of such Commission; to the Committee on the Judiciary.

By Mr. McDADE:

H.R. 11949. A bill to amend the Federal Election Campaign Act of 1971 to provide that members of the Federal Election Commission shall be appointed by the President of the United States; to the Committee on House Administration.

By Mr. PATTERSON of California:

H.R. 11950. A bill to amend the Federal Election Campaign Act of 1971 to provide that members of the Federal Election Commission shall be appointed by the President, by and with the advice and consent of the Senate; to the Committee on House Administration.

By Mr. ROE:

H.R. 11951. A bill to amend the Omnibus Crime Control and Safe Streets Acts of 1968 to add a requirement that the comprehensive State plan include provisions for attention to the special problems of prevention, treatment and other aspects of crimes against the elderly; to the Committee on the Judiciary.

By Mr. SCHNEEBELI (for himself and Mr. CONABLE):

H.R. 11952. A bill to amend the Second Liberty Bond Act to increase the limit on the amount of Treasury bonds that may be issued at a rate in excess of 4¼ percent per annum, and for other purposes; to the Committee on Ways and Means.

By Mr. STEIGER of Wisconsin:

H.R. 11953. A bill to amend the Internal Revenue Code of 1954 to specify the conditions under which the States have authority to inspect tax returns and receive return information for tax administration purposes; to the Committee on Ways and Means.

H.R. 11954. A bill to establish a National Commission on the social security program; to the Committee on Ways and Means.

By Mr. STEIGER of Wisconsin (for himself and Mr. FRENZEL):

H.R. 11955. A bill to amend the Internal Revenue Code to provide for distribution of certain tax-exempt income received by regulated investment companies to shareholders without change in tax-exempt status; to the Committee on Ways and Means.

By Mr. TSONGAS (for himself, Mr. BEDELL, Mr. BURGENER, Mr. FRASER, Mr. HARRINGTON, Mr. MIKVA, and Mr. WEAVER):

H.R. 11956. A bill to amend title 39, United States Code, to provide that Members of the Congress may not make mass mailings as franked mail less than 28 days before a primary election or less than 120 days before a general election; to the Committee on Post Office and Civil Service.

By. Mr. BEARD of Rhode Island:

H.R. 11957. A bill to require the National Railroad Passenger Corporation to provide public notice of discontinuance of rail service, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BEDELL:

H.R. 11958. A bill to amend the Federal Election Campaign Act of 1971 to require candidates for Federal office in certain circumstances to return excess campaign contributions to the persons making such contributions or to deposit such contributions in the Presidential Election Campaign Fund, and for other purposes; to the Committee on House Administration.

By Mr. BEVILL:

H.R. 11959. A bill to amend section 5701 (a) (2) of the Internal Revenue Code of 1954 so as to change the bracket tax on cigars to an ad valorem tax; to the Committee on Ways and Means.

By Mr. HEINZ (for himself, Mr. PRITCHARD, Mr. PATTISON of New York, Mrs.

Spellman, Mr. Symington, Mr. Howe. and Mr. Baucus):

H.R. 11960. A bill to amend the Federal Election Campaign Act of 1971 to provide that members of the Federal Election Commission shall be appointed by the President of the United States; to the Committee on House Administration.

By Mr. KASTENMEIER (for himself, Mr. Steelman, and Mr. Green):

H.R. 11961. A bill to require candidates for Federal office, Members of the Congress, and officers and employees of the United States to file statements with the Comptroller General with respect to their income and financial transactions; jointly to the Committees on Judiciary, and Standards of Official Conduct.

By Mrs. MEYNER (for herself and Mr. Jones of North Carolina):

H.R. 11962. A bill to amend the Internal Revenue Code of 1954 to exempt farmers from the highway use tax on heavy trucks used for farm purposes; to the Committee on Ways and Means.

By Mr. MORGAN (for himself, Mr. Fascell, Mr. Nix, Mr. Fraser, Mr. Rosenthal, Mr. Hamilton, Mr. Bingham, Mr. Ryan, Mr. Riegle, Mrs. Collins of Illinois, Mr. Solarz, Mr. Bonker, Mr. Whalen, and Mr. Winn):

H.R. 11963 A bill to amend the Foreign Assistance Act of 1961 and the Foreign Military Sales Act to authorize international security assistance for fiscal year 1976, to provide for the termination of grant military assistance programs at the end of fiscal year 1977, and for other purposes; to the Committee on International Relations.

By Mr. STARK:

H.R. 11964. A bill to amend the Consumer Credit Protection Act to prohibit certain practices in the case of second mortgages which secure residential real property; to the Committee on Banking, Currency and Housing.

By Mr. STEELMAN:

H.R. 11965. A bill to amend the Federal Election Campaign Act of 1974 to establish an independent establishment of the executive branch of the Government of the United States, a commission to be known as the Federal Election Commission, and for other purposes; to the Committee on House Administration.

By Mr. WOLFF (for himself, Ms. Abzug, Mr. Addabbo, Mr. Badillo, Ms. Burke of California, Mr. du Pont, Mr. Edwards of California, Mr. Gilman, Mr. Hicks, Ms. Holtzman, Mr. Koch, Mr. Lent, Mr. Maguire, Mr. Ottinger, Mr. Roybal, Mr. Scheuer, Mr. Stark, Mr. Symington, and Mr. Zeferetti):

H.R. 11966. A bill to amend titles 18 and 26 of the United States Code and the Omnibus Crime Control and Safe Streets Act of 1968 for the purpose of regulating the sale and taxation of certain electric weapons; jointly, to the Committees on the Judiciary, and Ways and Means.

By Mr. O'HARA (for himself and Mr. Ford of Michigan):

H.R. 11967. A bill to extend and revise the commodity supplemental food program; jointly, to the Committees on Education and Labor, and Agriculture.

By Mr. MAHON:

H.J. Res. 811. Joint resolution making supplemental appropriations for the legislative branch for the fiscal year ending June 30, 1976, and for other purposes; to the Committee on Appropriations.

By Mr. RANGEL:

H.J. Res. 812. Joint resolution designating February 22d through February 29, 1976, as Saviour's Day Week; to the Committee on Post Office and Civil Service.

By Mr. WINN (for himself, Mr. Sarasin, Mr. Fisher, Mr. Clancy, Mr. Sikes, Mr. Symms, and Mr. Guyer):

H.J. Res. 813. Joint resolution authorizing and requesting the President to issue a proclamation designating the 7 calendar days commencing on April 30 of each year as National Beta Sigma Phi Week; to the Committee on Post Office and Civil Service.

By Mr. BADILLO:

H. Res. 1037. Resolution expressing the sense of the House disapproving the guidelines proposed by the Attorney General for Domestic Security Investigations by the Federal Bureau of Investigation; to the Committee on the Judiciary.

By Mr. THOMPSON:

H. Res. 1038. Resolution to provide for the expenses of investigations, and studies to be conducted by the Committee on Science and Technology; to the Committee on House Administration.

H. Res. 1039. Resolution to provide funds for the further expenses of the investigations and studies of the Committee on Small Business; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII,

298. The SPEAKER presented a memorial of the Legislature of the State of South Dakota, relative to the Sioux Indian Cultural Center; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. PHILLIP BURTON introduced a bill (H.R. 11968) for the relief of Benjamin R. Esteva (a.k.a. Ben Esteva), which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

FROM THE GRASSROOTS

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. VANDER JAGT. Mr. Speaker, we have an extremely important vote now scheduled for tomorrow—whether to sustain or override the President's veto of H.R. 5247, the Local Public Capital Development and Investment Act of 1975.

In recent days we all have heard and read a great deal on this legislation—its merits and its shortcomings. Personally, I find H.R. 11860, the Supplemental Community Development Employment Assistance Act of 1976, as sponsored by my Michigan colleague, Representative Garry Brown, an excellent alternative. I have decided to cosponsor that measure.

But, at this time, perhaps we all should consider the reaction and mood of "Main Street America as we ponder and weigh this legislation. Just yesterday, I had the opportunity to read an editorial which appeared in one of my district's weekly newspapers, the Zeeland Record, of Zeeland, Mich. I admit that I totally concur with the main thrust of the editorial message—"Only business and industry can create or provide jobs." I hope that all my colleagues will take time to read this editorial. It follows:

[From the Zeeland Record, Feb. 12, 1976]

The Jobs Program Con Game

Seldom a day goes by without one or more sanctimonious Representatives in Washington expounding on the subject of "jobs for the unemployed." It is, they maintain, a prime responsibility of government to "provide jobs."

The hoax that government can "create" or "provide" jobs needs exposure. Only business and industry can create or provide jobs. If the good Congressmen really want to reduce unemployment, then let them invest their money in a farm, a factory, or a retail store, let them buy the equipment, machinery and necessary supplies; and then let them hire workers to operate the farm, factory, or store, offering products and services that people want and need. Real jobs are created by putting people to work providing useful goods and services.

Instead of providing a genuine jobs program, however, our brilliant Congress came up with a "Public Service Job program." The idea was that by putting people on the *public* payroll—i.e., paid by the taxpayers—"unemployment" could be reduced.

But what kind of jobs were provided? In one state, eight new positions were set up in the Highway Department. The exact function of the "workers" was not clear; but it was noticed that every one of them had been active political campaigners and supporters of the Governor.

In one city, two hundred "public service job" employees were actually "put to work" delivering campaign material door-to-door for a candidate for the office of Mayor. In another state, such poor records were kept that auditors say there is no way to know where the money went.

And how much money was spent? Well, for the current fiscal year it was $2.7 *billion* dollars.

One would think that such wide-spread abuses would tend to discourage Congress from continuing the so-called "jobs" program.

Not so.

So anxious are the "liberal" Representatives to boast about what *they* have done (with your money) to "create" jobs, that they are now planning to increase the spending for "public service jobs" to *seven* billion dollars.

To complete the hoax, those Congressmen pushing for the increase in "public service jobs" spending are the very same Congressmen who have voted for huge cuts in our national defense budget, which will bring about a reduction of 71,000 civilian defense jobs between now and Sept. 30, 1977. Thus, 71,000 people now gainfully employed in the very important business of our national defense, will be laid off.

Fortunately for the future and the security of the United States (as well as the protection of our pocketbooks) there is an election coming up this fall.

SALUTE TO THE STATES

HON. DONALD J. MITCHELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. MITCHELL of New York. Mr. Speaker, as we in America begin our celebration of our Nation's Bicentennial, I think it important that we remember our fellow Americans living abroad who cannot be here to share with us this historic occasion.

Far away in a small town in Germany, our American soldiers and their families stationed at Ramstein Air Force Base are making a special effort to bring the Bicentennial to their homes across the ocean, with a "Salute to the States."

I am proud of their willingness and desire to share in the celebration of our 200th birthday though they are thousands of miles away. Their contribution can only enhance and make our observance a more lasting success.

Just as important though, their special efforts will also provide each and everyone the opportunity to get to know each other better—to enable the citizens of Ramstein to find out firsthand what America is and what Americans are like. Hopefully, in some small way the base's celebration will provide everyone the opportunity of abandoning their views and drawing together to unite in one common effort to honor our country and to improve our relations with our foreign allies. We should always remember that it was the French and Swedes and Germans and English and Irish and Poles and Italians and Scots who joined the American battle.

It is particularly fitting that our troops stationed at Ramstein selected the week of March 20–26 to salute New York State—one of the Original Thirteen Colonies—and a State which is a melting pot of all nationalities.

At the base of the Statue of Liberty, in New York Harbor, a famous inscription reads:

> Give me your tired, your poor, your huddled masses yearning to breathe free, the wretched refuse of your teeming shore. Send these, the homeless, tempest-tost to me. I lift my lamp beside the golden door.

New York State, so often considered to be the nerve center of the Nation, has indeed been the "golden door" for the millions who have flocked here in search of freedom.

In celebrating our 200th birthday we should remember that we are commemorating our anniversary not only for your historical and political significance, but also because this country stands as an example of the successful assimilation of many lands, institutions, customs, and peoples. This has given invaluable strength to our national life. The secret of America has and will continue to be that in diversity, there can be understanding, unity, tolerance, and strength.

RAY SCHOESSLING NAMED GENERAL SECRETARY-TREASURER OF TEAMSTERS

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. ANNUNZIO. Mr. Speaker, I would like to call the attention of my colleagues to an article that appeared in the International Teamster magazine of February 1976 regarding Ray Schoessling of Chicago who was named by Teamster General President Frank E. Fitzsimmons to replace Murray W. Miller, who recently resigned as secretary-treasurer of the International Brotherhood of Teamsters.

Ray Schoessling began his career in my own city of Chicago and has served in the labor movement for more than 40 years. He is a distinguished labor leader and a great humanitarian. As an outstanding civic leader in Chicago, he has been involved in many of our community's civic projects, and more recently, has been active on the board of St. Mary of Nazareth Hospital in Chicago.

I know that I speak for thousands of Chicagoans who wish Ray well, and many more years of good health in his continued service to the working men and women of America.

The article follows:

RAY SCHOESSLING APPOINTED IBT GENERAL SECRETARY-TREASURER

Ray Schoessling, Teamster Vice President from Chicago, is the new General Secretary-Treasurer of the International Brotherhood of Teamsters.

Schoessling was named by Teamster General President Frank E. Fitzsimmons to replace Murray W. Miller who announced his resignation and retirement from that position at a session of the Union's general executive board January 27, 1976, in Palm Springs, California.

Schoessling's appointment received the unanimous approval of the Teamster general executive board members.

Miller's retirement and Schoessling's appointment to the office of General Secretary-Treasurer created other vacancies on the general executive board and in the Central Conference of Teamsters.

Schoessling's vice presidency will be filled by another Chicago Teamster, Louis Peick, who served as an International Union trustee until his appointment as vice president.

In addition to serving as an International Union vice president, Schoessling was director of the Central Conference of Teamsters.

Named new director of the Central Conference of Teamsters is Roy Williams, International Union vice president from Kansas City, Missouri.

Filling Peick's International Union trustee position is Jesse L. Carr, head of Teamster Local 959 in Anchorage, Alaska.

Schoessling, a veteran of 40 years in the labor movement, served for years as principal officer of Teamster's Brewery Workers Local 744, in Chicago. He served as Chairman of the Teamsters National Brewery and Soft Drink Division, and was instrumental in the recent merger of AFL–CIO Brewery Workers Local Unions into the Teamsters. Additionally, for 20 years he served as President of Teamster's Chicago Joint Council 25.

Recently he was named as one of the 10 most influential men in Chicago civic, community and political affairs by a Chicago daily newspaper.

He has served as Chairman of Chicago's McCormick Place (Chicago's Convention Complex) and still serves on its Board of Directors. He has served on the Chicago Police Board, and is one of the most active citizens in Chicago community affairs.

Schoessling has been a Vice President and member of the Teamster's General Executive Board since 1967.

Peick is President of Chicago Joint Council 25, Secretary-Treasurer of Teamster Local 705, the Teamster's local cartage union in Chicago. He has served as an International Union trustee since 1971. Also active in community affairs, Peick is a member of the Chicago Police Board.

Roy Williams has served as an International Union vice president since 1971, and previous to that as an International Union trustee.

Currently, Williams serves as Director of the International Union's National Freight Division, President of the Missouri-Kansas Conference of Teamsters, President of Teamster Joint Council 56. He is President of Teamster Local 41 in Kansas City. He is Chairman of the Central States Drivers' Council and is a member of the Teamsters National Negotiating Committee for the Union's national agreement with the nation's trucking industry.

All appointments to the General Executive Board are made to fill unexpired terms until the International Union's convention in June, 1976, and were made upon the recommendation of Teamster General President Fitzsimmons, with the approval of the General Executive Board. All appointments were unanimously approved.

LITHUANIAN INDEPENDENCE

HON. EDWARD J. PATTEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. PATTEN. Mr. Speaker, since the Middle Ages, Lithuania has been a country of human freedoms. Even in those days when European civilization was characterized by domination and class distinction, Lithuania encouraged education and toleration for all her subjects.

Especially in this year of our Bicentennial remembrances, Lithuanian Americans remember a dual fight for freedom and can be proud of their double heritage of throwing off despotism and tyranny.

America has not recognized Lithuania's incorporation into the U.S.S.R. And we will not. It is with pride and pleasure that we, today, on the 58th anniversary of Lithuanian independence, recognize the courage, determination, and suffering which portrays her fight to resist repression and remain faithful to her language, religion, and tradition. But even now, oppression continues to plague this steadfast nation. We in America must join hands with Lithuania and reaffirm her right to independence—that right which we cherish and celebrate so joyfully this year. We must assure the people of Lithuania of our support.

Lithuanians are a strong people. But

we must add our strength to theirs so that someday soon they will be able to truly live their long sought after liberty.

1976 MASTER ILLINOIS FARMER

HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. FINDLEY. Mr. Speaker, it is my pleasure to salute Mr. John Beckett of Macoupin County, Ill., for being a recipient of the 1976 Master Farmer Award by the Prairie Farmer magazine. The selection is based on competence as a knowledgeable effective farmer and community service.

The Becketts are a fine example of the American family farmer. He is a scientist, business manager, civic leader.

The text of an article about him in the February 7 issue of Prairie Farmer follows:

1976 MASTER FARMER AWARDS ARE GIVEN

John Beckett, 59, has served on the front line of the pork industry in Illinois, Iowa, and Macoupin county. The Gillespie, Ill., pork producer has been a strong advocate of swine health regulations, commercial hog performance, and improvement of the industry.

Beckett started farming in Iowa in 1952 with his father-in-law. During the next 9 years he established a purebred Duroc herd and sold production-tested boars with backfat measurements. He also bred and raised some of the first officially approved meat-type Duroc boars in Iowa.

In 1961 he switched to a commercial pork operation on a farm rented from Lindell Loveless. Since then he has gradually expanded his farrow-to-finish operation to more than 5000 head annually.

A year ago he dropped the acreage he was leasing and devoted himself full time to his hog enterprise. Beckett and Loveless still maintain their partnership on a modified 50–50 livestock-share lease program.

Beckett's high standards for his hogs show up in his Farm Business Farm Management (FBFM) records. His pigs-weaned-per-litter average is about 8 pigs. That compares to an average of 7.2.

Feed consumption is approximately 382 lb. of feed per 100 lb. of pork sold. Returns above feed per litter are about 30% over the average of FBFM records.

Beckett has served as president of the Macoupin county pork producers and vice chairman of the county hog cholera eradication committee.

Beckett is one of 2 commercial pork producers represented on the International Pork Producers Council and on the newly formed National Swine Improvement Federation.

As a member of the Carlinville Methodist Church, Beckett has served as church school superintendent, Sunday school teacher, and chairman of the administrative board. He has also been a member of the church building committee and has sung in the church choir.

He and his wife Frances have 3 children. They are Carolyn, 34, a music teacher at the Edwardsville Junior High School; Janet (Mrs. Jon Witt), 32, wife of a Melbourne, Iowa, veterinarian; and Judith (Mrs. Dale Bargmann), 30, of Peoria.

FREEDOM SCORES A BREAKTHROUGH

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. DERWINSKI. Mr. Speaker, a very frank and penetrating commentary on foreign affairs and the views of Western World liberals was the basis for an article by Andrew Greeley which appeared on February 5, 1976, in the Chicago Tribune.

Since the liberals so accurately described by Father Greeley are found in substantial numbers in our Congress, I think this article should have their special attention. The article follows:

FREEDOM SCORES A BREAKTHROUGH

(By Andrew Greeley)

The astonishing thing about Portugal is not that its emergence as a free and democratic society has been so turbulent but that this political democracy has been able to emerge at all after fifty years of oppression.

All the American experts, who have pontificated about things Iberian for decades, predicted the end of the old-fashioned regime would produce some sort of "people's democracy" of the left; one kind of tyranny would be replaced by another.

Amazingly enough, the people of Portugal, by free elected choice, confounded all the experts and produced a constitutional assembly which in its political makeup is not much different from any other government of Western Europe.

And there is a moderately good chance that given some time and freedom from harassment by outsiders the Spaniards will do the same thing.

Brazil is moving cautiously toward a return of political democracy, and no one really thinks that the hideous and ugly Chilean military dictatorship [which probably has far fewer political prisoners than the Soviet Union or Cuba] will survive too long.

One can perhaps generalize: Right-wing authoritarian dictatorships can evolve over the long haul, one way or another, into something that looks reasonably like the political democracy on the Western European model.

Such an evolution may not occur, and if it does, it is often far too slow.

Despite the horrendous example of Argentina, there also seems to be some evidence that people in such countries will opt for moderation and stability when given the free choice.

Fair enough. Now comes the big question: When has a Marxist dictatorship ever become anything but the ugly totalitarian police state that has been the Marxist model all over the world?

One thinks of Hungary in 1956 or Czechoslovakia in 1968. Tentative, hesitant movements toward the legitimation of freedom to dissent and the right to political opposition were crushed before the week of their inception was over.

A generalization can be safely made on the basis of the empirical data: Right-wing dictatorships sometimes can be replaced by open societies; Marxist dictatorships have never been so replaced.

Yet Western liberals [such as those who control the World Council of Churches] are gentle and patient with the Marxist dictatorships, which will never change, and scream blue, bloody murder at the right-wing dictatorships.

Is the Soviet Union, given a clean bill of health by the World Council, any less oppressive than it was in 1920?

Oh, it is not as crude or as cruel as it used to be; you don't get executed, just locked up in an insane asylum—on the genial premise that anyone who dares to criticize the Soviet government is mad.

Still, there seems to be general delight in Western liberal circles at the prospect that Communists will come to political power in Italy and perhaps Spain and even Portugal.

Anything, the liberals seem to suggest, would be preferable to the present corruption, inefficiency, and incompetence of the coalition that rules [or misrules] Italy now.

There are millions of people in Poland, Lithuania, Hungary, Czechoslovakia who would cheerfully opt, I think, for inefficiency, corruption, and incompetence. They wouldn't mind at all a CIA financing their campaign activities—at least there would be campaigns to finance.

The romance between America's liberal-left intellectuals and Marxist dictatorships never ceases to astonish me.

Most such liberal-left intellectuals are dissenters; they take it as their God-given right to criticize whoever or whatever is in power. And that's fair enough; to dissent freely is a God-given right [or should be]. But do they know what they do to dissenters in Cuba, India, Cambodia, or the Soviet Union?

When they don't throw them into prisons or insane asylums, they stand them up against a wall and shoot them.

THE PETER MUHLENBERG MEMORIAL

HON. RICHARD S. SCHWEIKER

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, February 18, 1976

Mr. SCHWEIKER. Mr. President, I am pleased to note that erection of a memorial to one of this body's early members, Peter Muhlenberg, is on its way to becoming a reality in our Bicentennial Year.

A memorial to the memory of the Senator from Pennyslvania was authorized by Congress in 1928. I am happy to report that plans for a memorial in the public park on Connecticut Avenue between 36th and Ellicott Streets NW., in the District of Columbia, are now complete. With no expense to the U.S. Government, activity has begun to assure that construction of the memorial will begin in 1976—200 years after Muhlenberg preached his famous "Time to pray, time to fight" sermon. This project is approved by the National Park Service, the Fine Arts Commission and is an official Bicentennial project.

Peter Muhlenberg is remembered as a statesman, clergyman, and soldier. When the Revolutionary War began, Muhlenberg was a pastor, serving a congregation at Woodstock, Va. In 1776, Muhlenberg decided he must join his countrymen in the fight for independence, and told his parishioners: "In the language of Holy Writ there is a time for all things . . . there is a time to pray and a time to fight . . . and that time has now come." Men from his congregations joined Muhlenberg, who became known as "The Fighting Parson of the American Revolution."

Muhlenberg fought in many major battles in the Revolutionary War. He originally commanded the Eighth Virginia Regiment, known as the "German Regiment" of the Continental Army. In 1777, Muhlenberg was promoted to Brigadier General, and wintered with his troops at Valley Forge. In 1780, Muhlenberg assumed command of all the Virginia forces, fighting at Portsmouth and Yorktown. He retired from the military in 1783 with the rank of Major General.

The end of Muhlenberg's military career did not end his service to the new nation. He was elected Vice President of Pennsylvania and later served in the first national House of Representatives. In 1801, Muhlenberg was elected to the U.S. Senate, becoming the first resident of my home county of Montgomery County to serve in the U.S. Senate.

ENERGY POLICY: INDEPENDENCE BY 1985 MAY BE UNREACHABLE WITHOUT BTU TAX

HON. TIMOTHY E. WIRTH

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. WIRTH. Mr. Speaker, from time to time I have brought various articles and ideas concerning the energy problem to the attention of my colleagues in the Congress. The following piece from Science magazine, written by Luther Carter, is worthy of inclusion, adding yet another good idea. I hope that my colleagues will read this and consider this approach:

ENERGY POLICY: INDEPENDENCE BY 1985 MAY BE UNREACHABLE WITHOUT BTU TAX

(By Luther J. Carter)

Some progress was made in 1975 by the Ford Administration and Congress in their groping, conflict-ridden quest for a comprehensive national energy policy, and a bit more headway is expected this year as Congress resumes consideration of the energy bills that were left pending in December. But in light of the continuing decline in domestic oil production and the difficulties currently facing development of nuclear power and of coal and outer continental shelf oil resources, there is now no assurance—perhaps not even a likely prospect—that the Administration's goal of "energy independence" by 1985 will be attained.

For oil imports to be reduced to a level low enough to eliminate the possibility of an effective Arab oil embargo, overall energy demand probably will have to be reduced well below the levels now projected for the mid-1980's. This may require much higher energy prices. Yet in last year's debate over national energy policy, the controversial question of what role the price of energy should be made to play in adjusting demand to domestic energy supplies was never squarely addressed.

Indeed, although one of the numerous energy measures proposed by the Administration called for immediate decontrol of oil prices, Congress would not go along. And even had immediate decontrol been approved, it would have produced only a modest conservation effect as the price of all domestically produced oil rose to the world market price set by the Organization of Petroleum Exporting Countries (OPEC). The decontrol issue was finally compromised, with Congress agreeing to a phasing out of controls over a period of 40 months.

Some energy analysts within the government are now saying privately that, if energy independence is to be achieved over the next 10 years, a high tax on all nonrenewable forms of energy will have to be imposed. This would be a "Btu tax," applied at the point of extraction (wellhead or mine mouth) on oil, natural gas, coal, and uranium. Those who believe that such a tax will ultimately have to be adopted regard it as much preferable to a tax on oil alone. A tax on oil would tend to shift demand to other nonrenewable fuels and to intensify such problems and conflicts as those related to strip mining, air pollution, uranium shortages, and the siting of nuclear facilities.

To bring about the big reduction in demand necessary to compensate for any major shortfalls in development of domestic energy sources, the Btu tax might have to be very stiff indeed—high enough perhaps to double the price of gasoline and home heating oil. Such a tax could be coupled with a program of annual rebates intended to redistribute the money collected and thus alleviate the economic and social hardships caused by the painfully high energy prices.

No government official is openly advocating a Btu tax. At the moment, the idea of forcing reductions in energy demand by dramatic price hikes is highly controversial, and it seems that most politicians are quick to denounce it. In 1974, John C. Sawhill was fired as head of the Federal Energy Administration (FEA) after he said publicly that one of the energy policy options under consideration by the Administration was a 20- to 30-cents-per-gallon tax on gasoline. And, last year, the House of Representatives overwhelmingly rejected a "standby" gasoline tax of 20 cents a gallon.

Lifting oil price controls has been controversial enough, not to mention imposing special new energy taxes. A good many members of Congress, particularly among the Democrats, have regarded such controls as a way to keep the OPEC cartel from dictating what the American consumer pays for petroleum products and as a necessary restraint on oil company profits. But to many Republican members, and quite a few Democrats as well, price controls—particularly now that there is no embargo or other emergency—are an affront to the free enterprise philosophy.

Beyond this, controls have been attacked on the grounds that they have taken on an increasingly patchwork and arbitrary character. Also, it has been frequently charged that they discourage production of new oil by holding down the price of petroleum products, and, of course, that they encourage consumption and hence oil imports.

To support the argument that higher prices produce a major conservation effect, it is often pointed out that, with the sharp increase in the world market price of oil and petroleum products brought about by OPEC in late 1973 and early 1974, the United States is now consuming about 3 million barrels of oil a day less than what was projected several years ago. The economic recession has accounted for maybe half of this, but not more.

President Ford set forth his proposal for immediate decontrol of oil prices, together with the rest of his energy program, in his State of the Union message of January 1975. What followed was a year-long battle in Congress over the decontrol issue. The widespread suspicion that the oil companies would in one way or another evade any excess profits taxes that might be enacted and fatten themselves obscenely at the public's expense made for strong opposition to decontrol. Also many senators and representatives feared that, unless they opposed decontrol, their constituents would hold them partly accountable for any increase in gasoline or heating oil prices.

The upshot of the prolonged congressional debate was the compromise providing for the 40-month phaseout of controls. The existing two-tier pricing system will continue for the time being, with "old oil" to be sold at substantially lower prices than those allowed for oil from new fields. It was this compromise that made possible the Energy Policy and Conservation Act of 1975, which President Ford signed on 22 December, despite the pleas from major oil companies that he veto it.

Although decontrol will be accomplished only gradually, in its other provisions the act either meets or exceeds most of the President's other proposals with respect to energy conservation and certain programs needed as a hedge against future embargoes or other emergencies. The act provides for:

A strategic oil reserve of 150 million barrels to be established within 3 years and expanded to a capacity of 400 million barrels within 7 years.

Standby authority for the President to impose controls on fuel prices and allocations in the event of a national emergency.

Extension of the Energy Supply and Environmental Coordination Act (ESECA) allowing the FEA to order utilities, under certain conditions, to convert power plants from oil or natural gas to coal.

Automobile fuel economy standards stipulating that the passenger cars of every manufacturer shall get at least 18 miles per gallon by the 1978 model year, with mileage then to be improved in stages to 27.5 by 1985.

Fuel economy or energy-efficiency labeling for automobiles and a wide variety of home appliances, plus "energy efficiency improvement targets" to be prescribed for the appliances (if necessary, mandatory standards shall ultimately be established).

Voluntary energy efficiency improvement targets will be fixed for each of the ten most energy-consuming industries, and the FEA will monitor the industries' performance. The act also mandates conservation standards for the management of all federal agencies and requires several key regulatory agencies, such as the Civil Aeronautics Board and the Interstate Commerce Commission, to report to Congress on how their policies bear on the efficient use of energy. In addition, the states will be encouraged through a new program of grants-in-aid to establish programs of energy conservation.

This year the President is asking Congress to complete action on several other measures which bear in whole or in part on energy conservation. These include bills to lift price controls from newly developed supplies of natural gas, fix mandatory energy conservation standards for all new commercial and residential buildings, and provide tax credits for home insulation (and 100 percent subsidies for insulation in the case of poor families). Congress may go along with all of these proposals, although some significant compromises no doubt will be required (for instance, Congress may insist that the conservation standards for new buildings be voluntary instead of mandatory).

But even if all of the energy conservation measures the Administration has proposed (including the decontrol of oil and natural gas prices) were to be approved and fully implemented by 1985, FEA officials do not think that these measures could make up for a big shortfall in development of any of the major domestic sources of energy supply.

Most energy statistics should be taken with a grain of salt, but the following analysis by a ranking energy official who believes that a

Btu tax will ultimately prove necessary seems indicative of the situation that is emerging. As he sees it, the conservation effect of the higher energy prices that have followed the Arab embargo of 1973–74 is itself enough to keep total energy consumption in the United States from being any higher than the equivalent of about 50 million barrels of oil a day (mbd), which would be some 15 mbd greater than total consumption in 1973. The added effect of the various conservation measures which Congress has either already passed or is considering would reduce demand by maybe another 5 or 6 mbd, thus limiting total consumption to about 44 or 45 mbd.

On the supply side, according to this official, domestic production of energy in 1985 can be put at not less than the 29 mbd produced today even if one proceeds from rather pessimistic assumptions, and it probably will be at least 35 mbd. But if it is no greater than the latter figure, this would mean a gap of about 10 mbd between demand and domestic supply. Under these circumstances, a prolonged embargo could have a crippling effect on the American economy because imports would be much greater than what could be replaced out of a strategic reserve of the size planned.

If energy independence goals were met, the difference between demand and domestic production would be down to 2 or 3 mbd, a level where an embargo would pose little threat. But while the Administration is still trying to put an optimistic face on things, there is reason for pessimism.

Since domestic oil production peaked in 1970, daily production has been decreasing each year by about 400,000 barrels. The production from the Alaskan North Slope that is to begin in 1978, plus whatever additional oil comes through improved recovery methods in old oil fields, may only arrest the overall decline, if indeed it accomplishes even that.

The nuclear industry is in such trouble that many people are saying, with some truth, that a de facto moratorium on further nuclear development already exists. During 1975, the number of orders for nuclear reactors canceled and deferred was several times greater than the number of new orders placed. And in referenda now pending, the citizens of California and other states may decide that development of nuclear power is to be formally stopped or curtailed.

The mining and burning of coal also is slow to increase. In 1975, production of coal for domestic consumption was up by only about 1 percent over the previous year. Although production should rise substantially during the next few years, many people in the coal industry seriously doubt that the energy independence goal of doubling the present output by 1985 will be attained. FEA officials are watching Congress warily with respect to the Clean Air Act amendments because they think that the tightening of stack emission standards now under consideration would itself limit coal consumption sharply.

Prospects for production of oil and natural gas from the outer continental shelf (OCS), which along with the Alaskan North Slope represents the last frontier for development of these fuels, are also highly uncertain. If anything, the environmental constraints—and the closely related problem of conflicts arising between federal and state authorities—are even more acute in this case than in that of coal development. The extent to which the oil industry is willing to take on the risks of exploring and developing the frontier provinces of the OCS is also unclear. Bidding at the recent sale of leases for OCS tracts off southern California was generally disappointing.

In light of these discouraging indications—of the prospects for energy independence, there is nothing fanciful about the idea that a Btu tax will be necessary if this Administration goal is to be seriously pursued. The alternative, of course, is for oil imports to continue at a high and probably increasing level and for Americans simply to learn to live with the possible threat of embargoes—just as the British, French, Germans, Japanese, and the people of nearly all other industrialized countries are living with it.

If this choice between accepting a Btu tax and abandoning the energy independence goal is ever to be confronted, unusually bold political leadership will be required. The more comfortable course for Congress and the White House is simply to allow events to take their course.

Certainly, the energy bureaucracy is not likely to speak up on the issue. The official who referred to a Btu tax as inevitable in an interview with this reporter did not want his name mentioned in connection with it. "I was around when John Sawhill was fired," he remarked.

INDEPENDENT BUSINESSMEN IN THE FOURTH DISTRICT OF MISSISSIPPI EXPRESS THEIR VIEWS

HON. THAD COCHRAN

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. COCHRAN. Mr. Speaker, a few days ago I received the results of the December 1975 poll of the membership of the National Federation of Independent Business in my district. I believe the results of the poll deserve the attention of my colleagues in the House, and, therefore, I commend the following questions and responses to their attention:

[Answers in percent]

Are you for or against permanent tax reductions if Congress passes a $395 billion FY 1977 spending limit?

For	86
Against	11
No opinion	3

Are you for or against making a federal agency the seller, marketing agent or pricesetter for all U.S. export grain?

For	21
Against	69
No opinion	10

Are you for or against establishing a long-range national economic plan?

For	27
Against	67
No opinion	6

Are you for or against a new government corporation to finance emergency energy source development?

For	22
Against	77
No opinion	1

Are you for or against giving the Small Business Administration executive status and placing the SBA Administrator in the President's Cabinet?

For	52
Against	44
No opinion	4

The most obvious conclusion that I draw from the results of the above poll is the independent businessmen have little confidence in the Federal Government's ability to handle by itself all the problems confronting our Nation. They especially do not want the Federal Government to become the sole agent for economic planning, energy source development, or grain exportation. I am particularly impressed with the 86 percent who favor a permanent tax reduction if it is coupled with a fiscal year 1977 spending ceiling of $395 billion. Finally, I note a bare majority of businessmen in my district support giving the Small Business Administration executive status and placing the administrator in the Cabinet.

In this time of economic recovery, we should be sure to consider fully the views of small independent businessmen when dealing with long-range proposals that might adversely affect their ability to remain in business and provide employment for millions of Americans.

ENEMIES OF DAY CARE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. RANGEL. Mr. Speaker, the opponents of a comprehensive system of Federal support for child care services are engaged in a systematic attempt to distort the purposes and achievements of day care.

Day care is a public service which relates directly to private employment and payment of State and Federal taxes. Referring to the day-care program in New York City, the Ad Hoc Coalition to Save Our Children pointed out, "Of the families served, 70 percent are working mothers who are the sole support of their families. Without the day-care service, they would have to apply for welfare."

Under the direction of trained professionals, day care can provide health, educational, and nutritional services for participating children. In addition, parents are given the opportunity to work closely with the centers in support of their programs.

The Federal Government has a moral obligation to aid child care programs across the United States. The drastic shortage of day-care facilities means a major educational loss for the children as well as a significant obstacle to millions of parents who would like to join or return to the job force.

At this point I call to my colleagues' attention an editorial which was published in the New York Post on January 14, 1976.

THE DAY-CARE "MENACE"

Story-reading time is always popular with preschool youngsters at day-care centers across the country, but that is no reason why adults should listen to fairy tales.

One in current circulation is that day care is a pernicious business because it may expose toddlers to government intervention in family life. Like the assorted adversaries encountered by Jack, the Giant Killer, the threat is scary. But is it real? How many public school kindergarten teachers, government employees all, have exerted sinister influence on the young? Why do day-care staffers shape up as ogres?

The more practical issue at the moment is locating more space for the preschool children of working women. A survey made by the Child Development Committee of the National Commission on the Observance of International Women's Year reports an acute shortage: fewer than 1 million of 6 million potentially eligible children can be furnished day care now.

Persistent unemployment and a shift to the welfare rolls may eliminate the day-care problem for many women who want to work. But that is hardly an acceptable answer; in fact, expanded day-care services are directly related to fuller employment—and, thus, to national economic recovery.

PUBLIC HAS RIGHT TO KNOW AND BE INFORMED OF ILLEGAL ACTS—CIA MISDEEDS DISCLOSED—LITANY OF ABUSES REVEALED

HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. EVINS of Tennessee. Mr. Speaker, Progressive magazine in its current issue comments on efforts to minimize the abuses and misdeeds of the Central Intelligence Agency.

The editorial lists a litany of CIA activities—including overthrow of foreign governments, plots to assassinate leaders of other countries, the financing of mercenary armies, and other similar covert and secret operations—and concludes that the American people have a basic right to know everything.

Because of the interest of my colleagues and the American people in this important matter, I place the article from the Progressive magazine in the RECORD herewith.

The article follows:

MUST WE KNOW EVERYTHING?

In the normal course of events, one would hardly look to a publication called TV Guide for important commentary on an issue of crucial national concern. But when that publication is, as its advertising proclaims, "America's best-selling magazine"; when it devotes a significant portion of its limited editorial content to a ringing defense of the Central Intelligence Agency; when the author of that defense is a former director of the CIA whose views accurately reflect the attitudes of the American Establishment, attention must be paid.

John A. McCone, corporate executive, former Pentagon official, former chairman of the Atomic Energy Commission, served for four years in the Kennedy and Johnson Administrations as director of the CIA. His article in the January 10 issue of TV Guide, "Why We Need the CIA," constitutes a major propaganda exercise—an attempt to immunize Americans against the impact of the ugly revelations of recent months. Most of all, it is an effort to preserve the shroud of secrecy that has allowed the CIA to operate without public accountability or Congressional review. "Practical considerations," says McCone, "demand that the organization be kept out of public view and its work made known only to the few who need to know."

We—210 million Americans—are those few.

We need to know because horrible abuses against decency and democracy, against peace and justice, against every principle America is supposed to espouse, have been committed in our name and at our expense, at home and around the world.

"Our nation would hardly be safe," says McCone, without its "intelligence community." We now know, thanks to Congressional investigations conducted with minimal cooperation from the Executive branch and released over the President's fierce objections, that this "community":

Has overthrown, or has been instrumental in overthrowing, governments in Latin America, Africa, Asia, and the Middle East.

Has plotted to assassinate foreign leaders, and has, perhaps, carried out some of its plots.

Has bribed foreign politicians, subsidized foreign political parties, and meddled in countless other ways in the internal political life of supposedly independent nations—all in the name of preserving "democracy."

Has financed, trained, and maintained secret mercenary armies, sending them into battle to defend "the free world."

Has allowed its agents to pose as American journalists (or hired journalists to serve as its agents,) thus tampering with the flow of information to the American people.

Has monitored the private mail, cables, and telephone calls of American citizens here and abroad.

Has attempted to conceal these activities by offering perjured testimony to Congressional committees.

Has spent, for these and sundry other purposes, some $10 billion a year of the taxpayers' money without any accounting to the American people or their elected representatives—without any knowledge, in fact, that such enormous sums were being spent.

None of this wretched catalog of crimes appears, of course, in John McCone's explanation of "Why We Need the CIA." He merely refers to "recent accusations of wrongdoing—some imagined, others grossly overstated, but still a few justified" which "have set up a clamor for closer supervision." To cope with this "noise," he proposes a few cosmetic changes—and these, we suspect, are likely to be the "reforms" that result from the recent disclosures.

Specifically, McCone suggests that "it might be advisable to identify the organization as an arm of the National Security Council," in order to make "more conspicuous" the "proximity" of the CIA to the White House. Since McCone denies categorically that the CIA is "an unsupervised, free-wheeling body" and insists that it has been strictly accountable to the President—an assertion we are inclined to believe—this achievement of "proximity" would impose no new restraints on the intelligence apparatus.

McCone also proposes creation of a Congressional joint committee on intelligence, functioning in secrecy, whose "oversight . . . must be accepted as oversight by the Congress as a whole"—a counterpart, in other words, to the Joint Committee on Atomic Energy which has given free rein to the nuclear agencies and the nuclear power industry.

If such non-reforms—and they are receiving serious consideration in Congress—are the sole consequence of the months of investigation by House and Senate committees, the interests of the American people will have been betrayed, and the abuses that have come to light will persist and expand.

There is no great difficulty in formulating a program to bring the intelligence apparatus under effective control. The first principle is to draw a clear distinction between intelligence gathering (which will inevitably continue) and covert operations, which must be totally abandoned and outlawed. The second principle is to open the intelligence process to maximum public scrutiny—to disclose the sums spent, the means used, and the information compiled. We will be telling our enemies—real, potential, or imagined—nothing that they do not already know. We will be telling our own people what they must know if they are to arrive at informed judgments about the politics pursued by their Government.

"The public should know how our Government operates," says TV Guide in an editorial accompanying McCone's essay, "but must we know everything about everything?"

The unequivocal answer, if we are to govern ourselves in a democracy, is Yes.

RECOGNIZE FEBRUARY 29 AS VOLUNTEERS' DAY

HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. JAMES V. STANTON. Mr. Speaker, I am extremely pleased to join with the Greater Cleveland Chapter of the American National Red Cross in recognizing February 29 as Volunteer Day. I believe it is entirely appropriate that the people of this Nation set aside this day to express their appreciation to those who give of their time and talent solely to benefit others. Among the qualities most prized by this Nation are generosity and compassion, and these men and women who serve as volunteers exemplify these qualities in this most meaningful, most productive way.

I insert into the RECORD the statement of purpose issued by the Greater Cleveland Chapter of the Red Cross:

VOLUNTEER DAY

Representatives of many organizations and groups benefiting from voluntary services are seeking to focus community awareness on the thousands of voluntary acts performed daily in structured organizations and in personal, neighborly contacts, by designating a specific Volunteer Day.

February 29, 1976 has been designated as Volunteer Day in Greater Cleveland. This "extra" day every 4 years, symbolic of the "extra" time which volunteers give during the year, further symbolizes the "plus" of compassion and part of self, that each volunteer gives and puts into his tasks.

Volunteer Day also recognizes that volunteer service is essential to the life of the total community as well as to the individual receiving the service. It further recognizes volunteering as the very core of the American way of life and is vital to the well-being of the nation.

The total community will be asked to observe the day as a "Thank You" to volunteers. Such out-pouring will indicate the appreciation of the community and hopefully further identify "volunteering" as a part of a life pattern, thereby encouraging more people to participate. The goal of the group is to create such an impact locally that Volunteer Day will be established nationally; to further this, efforts will be made to place it in future editions of Chase's World Calendar.

Every effort will be made to make "Volunteer Day" 1976, and what it represents, a unique, American life style—an integral part of the bicentennial year. It is anticipated that the voluntary effort will expand tremendously within the next century and its impact will greatly influence the best of the American way into the future. Therefore, it is fitting that Greater Clevelanders, known nationally for their volunteer spirit, take the leadership in an effort to distinguish this valuable national asset by the establishment of February 29th, every fourth year, as Volunteer Day in the U.S.A.

ECONOMIC BLACKMAIL AGAIN THREATENED

HON. DOMINICK V. DANIELS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. DOMINICK V. DANIELS. Mr. Speaker, one of this country's great rivers will soon be closed to certain kinds of commercial fishing because of pollution caused by discharges of polychlorinated biphenyls—PCBs—by two General Electric plants. The expected orders closing the Hudson River follow by only 2 months a similar action regarding the historic James River due to contamination by the pesticide kepone.

This represents a tragic chapter in our history. The tragedy lies in the fact that the pollution could have been and certainly should have been prevented by responsible actions on the part of industry. General Electric could not have been unaware of the toxic effects of PCBs. The chemical is cancer-causing and has deleterious effects on the reproductive system.

Likewise, kepone was known through toxicological studies conducted by Allied Chemical Corp., in the early 1960's to be a carcinogen.

On November 11, 1975, I inserted in the CONGRESSIONAL RECORD an article from the New York Times revealing that GE had conceded that workers inside the two plants at Fort Edward and Hudson Falls had become ill over a 15-year period through exposure to PCB's. Thus, a situation inside the workplace—of unhealthy job conditions—has had ramifications far beyond the walls of the factory. The effluent from these plants has ruined a major river and caused economic hardship to commercial fishermen.

I am today inserting a front-page article from the New York Times on the impending closing of the Hudson.

I call particular attention to the threats of job loss or industry relocation as a consequence of the pending action by Ogden Reid, New York State's Commissioner of Environmental Conservation. This is an all-too-familiar litany—"tighten the laws, and industry will move out." The Manpower, Compensation, and Health and Safety Subcommittee has heard this chorus too often in its oversight of the Occupational Safety and Health Act.

The American worker and the general public cannot be blackmailed by threats of economic hardship. It is time that we stopped listening to these threats and started heeeding the danger posed to workers' lives, the health of their families, their children, and the community by environmental contamination inside and outside the workplace. There is an epidemic of cancer rampant in this Nation and each of us is a potential victim. From 80 to 90 percent of all cancer is environmentally caused. Surely this is sufficient cause to clean up the workplace and the air we breathe and the water we drink.

The article follows:

REID TO BAR HUDSON FISHING

(By Richard Severo)

PEEKSKILL, N.Y., Feb. 17.—The state's Commissioner of Environmental Conservation, Ogden R. Reid, said today that he would issue orders closing the Hudson River as a commercial fishery for most species of fish because of their contamination by polychlorinated biphenyls, commonly known as PCB's.

Mr. Reid announced his intentions at a meeting he held with about 25 of the river's most active commercial fishermen and told them he would issue his specific orders within a week. It will mark the first time in the history of the Hudson River that it has ever been closed to commercial fishing.

The most valuable commercial fish affected by the ban are striped bass, eels, white perch, catfish and carp, all of which appear to have levels of PSB's that exceed Federal standards.

As for shad and sturgeon, which are migratory fish, Mr. Reid said, "I think we'll probably wait until we check early samples of the spring runs, see what levels of PCB's they contain, and then make a final determination." He acknowledged that he was not optimistic.

'FAR-REACHING IMPLICATIONS'

Mr. Reid's action is expected to affect an area far greater than the Hudson.

"The implications of this are far-reaching," said William L. Dovel, marine biologist with the Boyce Thompson Institute in Yonkers. "The Hudson is indisputably a major source of striped bass for the entire East Coast fishery from Massachusetts to Delaware.

"If these fish are not fit to eat when taken from the Hudson, then they are not fit to eat when taken off Long Island, the New Jersey coast and New England. It clearly points to the need for Federal intervention for controlling toxic substances and their effect on man.' '

A toxic-substances control act, which would empower the Federal Government to test new chemical compounds before permitting their use, has been stalled in Washington for five years

TWO G.E. PLANTS CITED

"We are a dying breed," said one fisherman, Don Hardy of Piermont. "We have one foot in the grave. How can we expect customers to buy our shad if they can't buy our striped bass?"

The fishermen were glum as the meeting ended. The start of the spring season is less than a month away and many said they had already spent large sums of money for nets and equipment.

"I've already spent $2,500 for nets and three new boats," said John Burns of Grassy Point. "Where does all this leave us?"

Howard Jordan of Stony Point said that "preventing us from earning a living isn't going to remove PCB's from the Hudson. How can they permit General Electric to continue dumping this stuff into the river? It seems to me they are depriving Americans of their health."

The PCB's, in the opinion of the Department of Environmental Conservation, are coming largely from two General Electric capacitor plants at Fort Edward and Hudson Falls, about 50 miles north of Albany. G.E. is to stop direct discharges of PCB's into the river by next Sept. 30. Russell E. Train, the Federal Environmental Protection Administrator, has backed the department and is also proposing "zero discharge," but is willing to give General Electric ten months longer to achieve it. G.E. says it lacks the technical competence to meet either request. Meanwhile, an administrative hearing called by the state environmental agency to determine what G.E. should do is expected to resume shortly.

'TOMMYROT'

The State Commerce Commissioner, John Dyson, and other state officials have criticized Mr. Reid, warning that the strict standards could prompt G.E. to relocate. Mr. Reid did not mention Mr. Dyson by name yesterday but said it was "tommyrot and balderdash" that New Yorkers had to choose between jobs and a healthy environment. "There are alternatives to PCB's and we believe it is possible to work this out so that G.E. can continue," Mr. Reid said.

He also criticized those who say G.E.'s proposal to discharge no more than 3.5 ounces a day by 1977 is reasonable. "That amount would impair water quality and we estimate that minnows would carry over four parts per million of PCB's as a result," Mr. Reid said. "Striped bass that eat the minnows would bioaccumulate those PCB's to perhaps 11 parts per million. Saying that a little of PCB's don't hurt is like saying you're a little bit pregnant."

Mr. Reid asked David Seymour, president of the Hudson River Fishermen's Association, to head a committee to determine what steps can be taken to help commercial fishermen weather the closing. Mr. Seymour said the commercial fishermen might play a role in helping the state determine the exact extent and nature of PCB contamination in marine life.

A TRIBUTE TO JIM GREHAN—OUTSTANDING RADIO NEWSMAN

HON. RONALD A. SARASIN

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. SARASIN. Mr. Speaker, I would like to take this opportunity to bring to my colleagues' attention the truly exceptional distinction won by Connecticut radio newsman Jim Grehan of station WLAD of Danbury. Jim, the news director of this outstanding station, has recently been cited by the Associated Press in Connecticut for outstanding cooperation by an individual newsman in the State for 1975. The really significant fact is that this marks the fifth consecutive year that Jim has been cited by the AP for his journalistic leadership and the third time that he has won the top award in the State. Jim has compiled this unparalleled record in spite of the fact that Danbury is far smaller than several other cities in Connecticut and that Jim works with a much smaller staff than some of the big city stations maintain. Nevertheless, Jim called in more top stories in 1975 than any other newsman.

I have personally had the pleasure of working with Jim Grehan over the years and I know him to be a thoroughly professional journalist who can be counted upon to handle a story objectively and accurately. Jim will be receiving a plaque in recognition of his accomplishments at the spring meeting of the Connecticut AP Broadcasters Association, marking a well-deserved tribute from his peers.

I want to add my personal congratulations to Jim for this outstanding accomplishment, and also to station General Manager Pat Crafton, who has contributed so much to making WLAD one of the most respected voices in all Connecticut broadcasting.

SALOME WILLIAMS RETIRING AFTER 39 YEARS WITH UAW

HON. JAMES G. O'HARA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. O'HARA. Mr. Speaker, for the past 39 years, Mrs. Salome Williams has been one of the stalwarts on the staff of the United Automobile, Aerospace & Agricultural Implement Workers of America—the UAW—the last 17 years of which service being as secretary to the director of the union's political action department, headquartered in Detroit, Mich.

Mrs. Williams is bringing her career of union service to an end this week, and I want to take this opportunity to commend her for the outstanding work which she has done, and to join with her host of friends—in the union and out—in wishing her good luck and much happiness in her retirement.

A native of Switzerland and, for a brief period a resident of Canada, she came to the United States in 1914 just prior to the outbreak of World War I. Most of her early years were spent in the New York area, where she graduated from Bay Ridge High School in 1927 and then completed 2 years of undergraduate study at City College of New York. Her first job was as secretary to the assistant editor of the Leader magazine, a position she held for 7 years.

It was in 1935 that Salome Williams came into direct contact with the American trade union movement, and with three of the men who were to have such a profound impact on the growth of trade unionism in the United States. For it was in 1935 that she went to work at the Brooklyn Labor College in Katonah, N.Y., where she met Walter, Roy and Victor Reuther—the men who contributed so much to the development and growth, not only of the UAW, but to the entire emerging American labor movement.

Two years later, Salome Williams and her husband moved to Michigan, settling first in Saginaw where the UAW had established an office for the purpose of organizing workers. She stayed in Saginaw as secretary of that organizing office until 1939, when Walter Reuther, the incoming president of the UAW, asked her to come to Detroit as his secretary.

Two years later, Salome Williams "retired" from the union scene in order to devote her time to raising her two daughters. But challenging as family life was for her, it simply was not challenging enough to keep her away from the trade union movement, and in 1947, at Walter Reuther's urgings, she returned to his office. In 1949, when the UAW organized its political action department, Mrs. Williams became secretary to the first director, Roy Reuther.

Now Salome Williams is going to make another attempt at retirement—and I say "attempt," Mr. Speaker, because her friends are agreed that a person of her many talents and boundless energy will be putting them to use in other endeavors.

SENATOR JOE KENNICK WILL RETIRE AFTER 18 YEARS IN THE CALIFORNIA STATE LEGISLATURE

HON. MARK W. HANNAFORD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. HANNAFORD. Mr. Speaker, next December Senator Joe Kennick will retire after serving 18 years in the California State Legislature. As a public official and as a legislator Joe has compiled a distinguished record of public service—one which has had few parallels in our State's history.

I include with my remarks an excellent article by Bob Schmidt from last Sunday's edition of the Long Beach Independent Press-Telegram:

> Joe Kennick's office in the State Capitol is simple, modestly decorated, and suggests that work is done there. Some legislators' offices become garish sanctums of self-tribute, with plaques and scrolls and pictures assuring visitors that the occupant is a Very Important Person.
>
> Joe Kennick's office is not like that because Joe Kennick is not like that. He is proud, he says, of being a state senator, of having been chosen seven times by the people of Long Beach to represent their interests in the legislature.
>
> But he has been sent to Sacramento to work, not to indulge his vanity, and so he works. If there has been accomplishment, if as a consequence there is esteem, the pleasure of dwelling on such things can come later, he says.
>
> For Joe Kennick, "later" will soon be "now." After 18 years in the legislature, after nearly 50 years of service to the people of Long Beach, Joe Kennick is retiring.
>
> He finishes reading a letter and jots a quick note in the margin before responding to a question about the reaction to his decision not to seek re-election this year.
>
> "It's been very flattering," he says. "There's been a degree of sadness, and some people have asked me to reconsider. But some have also said I deserved to retire, to have a change of pasture, and some rest."
>
> He would be "less than honest," the senator says, "if I told you I haven't had many, many second thoughts" about ending his career in government.
>
> "You don't serve 18 years in this place without having second thoughts" about leaving, he says.
>
> But, he adds, with the candid clarity that has helped him cut quickly to the hearts of issues in the past, "I thought that I had served long enough. I really think that I'm less effective now than I was 10 years ago, or even five years ago."
>
> Despite that admission, he says firmly, "I feel fine, just fine," when asked about his health. The senator was born in Saginaw, Michigan, on Sept. 25, 1905, and there have been times in recent years when he has not been as fit as he would like to have been.
>
> But he looks and sounds better now than he has in some time, and his "I feel fine" is easy to believe.
>
> The determining factor in his decision to bow out, Kennick says, was the wishes of his wife of 51 years, Ruth.
>
> "She wanted me to stay home. She's been very kind and very generous for the past 18 years in not objecting to my being away from home so much. I look forward very much to relaxing with her."
>
> Joe Kennick's first try for elected office was in 1952, when he ran for Congress against Republican Craig Hosmer.
>
> "No one knew," he recalls with a chuckle, "that that campaign started when I was 12 years old.
>
> "When I was a small boy in Fremont, Neb., I delivered newspapers, and a fellow on my route was named Dan V. Stephens. He was a congressman, and I held that man in awe.
>
> "He used to talk to me, and I remember saying to him one time, 'When I grow up I would like to be a politician, like you.' "
>
> A politician is a fine thing to be, Kennick recalls being told, "and from that day on I wanted to be a politician, and I never lost sight of that. I decided my life would be political, and it was, from that time on."
>
> Young Kennick and his family eventually moved to Long Beach, and he was graduated from Poly High School before going to work for Los Angeles County and the federal government and attending the University of Southern California and Southwestern University Law School.
>
> In his early 20s, he went to work for the juvenile bureau in the city of Long Beach, in what he describes as "a political environment," and in 1940 he was made superintendent of the bureau.
>
> Among his accomplishments in that post, which he held until his election to the Assembly in 1958, was the founding of the Long Beach Boys' Club.
>
> The future legislator was active in Democratic party activities, but held off seeking office himself until his two children—Joan, now Mrs. Gerald Scott of San Jose, and David, now a municipal court judge in Los Angeles—were young adults.
>
> Kennick lost his first campaign ("Hosmer wasn't my opponent, General Eisenhower was my opponent, and he was a tough guy to beat") and his second, two years later.
>
> But, he figured, since he had put nearly 40 years of preparation into the effort, he might as well try again. And the third time, in 1958, he succeeded, defeating eight-year Republican incumbent Herbert R. Klocksiem for the right to represent Long Beach in the State Assembly.
>
> In 1966 he was elected to the Senate, and so great was the reputation he had acquired in the Assembly that his new colleagues paid him the unique tribute of electing him immediately to the five-member Rules Committee, the powerful panel that oversees the operations of the house. He has been re-elected to the committee every year since.
>
> Because of his many years of working with juveniles, his early legislative efforts were focused on improving California's archaic juvenile statutes, and eventually he and Sen. Stanley Arnold introduced successfully the first major reform in the juvenile code in 107 years.
>
> Sensitive to his constituency, Kennick became aware quickly that the needs of an-

other segment of society were, like those of juveniles, not normally very high on any list of legislative priorities.

And so he turned a large share of his attention to the senior citizen. He was responsible for the legislation that created the California Commission on Aging, and he still serves on the Joint Legislative Committee on Aging he initially sponsored.

He carried legislation that allowed eligible juvenile offenders to have their court records sealed "so a kid who stubbed his toe once wouldn't have to carry that around with him the rest of his life."

He also introduced a measure linking old age pensions with the cost-of-living index "so the elderly would not have to petition each year for needed pension increases."

Joe Kennick was the lead co-author on the controversial Rumford Fair Housing Bill "and it nearly cost me my seat, but I believed it was right then, and I still do, and fortunately the Supreme Court agreed with me."

He has also been a co-author of legislation abolishing capital punishment, another issue that required the placing of personal principle over purely political considerations.

As chairman of the Assembly Committee on Manufacturing, Oil and Mining, and a member of the Joint Committee on Tidelands, Kennick was deeply involved in the intense negotiations that culminated, in 1964, in what is now known as Chapter 138, the statute containing the Long Beach tidelands oil revenue-sharing formula that has added hundreds of millions of dollars to the state treasury and millions to that of the city of Long Beach.

More recently, it was his legislation that enabled the California state university and college system to locate its headquarters facility, now nearing completion, on tidelands property near the Queen's Way Bridge in Long Beach.

He also fought, successfully, for the location of a state office building in downtown Long Beach, and the structure is now in the planning stage.

If legislators and their staffs and lobbyists and journalists in the Capitol were asked to come up with one word they associated with Joe Kennick, the word would probably be "kind."

But Joe Kennick has been a tough, hard-nosed defender of his district's interests, as Northern California legislators found out frequently in the 1960s when they tried, always unsuccessfully, to raid Long Beach's tidelands oil income.

The battle over the location of the state college and university headquarters, he recalls, "was won and lost 20 times before it was finally won," with the chief opponent being one of the most powerful men in state government, Sen. Randolph Collier of Yreka, the silver-haired dean of the legislature.

How come, Kennick was asked, you have these big knock-down, drag-out battles with other legislators and special interests who are used to getting their own way, and you win more than you lose and no one's mad at you?

"Well," the senator says, "I don't know, really. I'm not ugly about it. I know that, because I truly have deep affection and high regard for Randy Collier and the others, and I think they know it."

They know it, and the regard is returned.

Early last month, San Francisco senator and mayor-elect George Moscone sat silently in the Senate chamber while his colleagues bade him farewell. He rose, after they had concluded, to express his own farewell, and even in that highly personal moment took time to speak of Joe Kennick, who only a few days earlier had announced his decision not to seek reelection.

"Joe," Moscone said, "has given all of his life to the public, and he is entitled to give some of it to himself and to his wife."

And so next Dec. 6, when the members of the California Legislature convene for the start of the 1977–78 session, Joe Kennick will not be among them.

One of the few cliches which find their way into his speech is "the world won't come to an end," and it applies, he would be the first to say, to his departure from the Long Beach legislative delegation.

Long Beach's world won't come to an end because oJe Kennick will no longer represent it in the legislature. But the legislature, and Long Beach, and the city's citizens, and their present and their future will be the poorer for his absence.

REGAINING THE PRESIDENT'S CONFIDENCE

HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. BROOMFIELD. Mr. Speaker, over the past year both Congress and the executive branch have been conducting intensive investigations of this country's complex and farflung intelligence community. All of this effort has been aimed at the ultimate objective of reform. The President last night gave us his recipe, but Congress formula was conspicuously absent, and therein, lies the crux of our dilemma.

Full realization of the reformation everyone is calling for, requires the combined efforts of the legislative and executive arms of government. The President has taken the initiative and has pointed us in the right direction. But, he knows—as do we—that congressional oversight is a necessity if we are to make reform meaningful and lasting.

Regrettably, events in recent weeks have raised serious questions about our capacity to discharge this oversight role in a responsible manner. The President has good reason to believe that it is indeed risky business to take us into his confidence. If he cannot trust us, how can we expect to get the information we need to practice oversight. In short, without mutual trust and confidence, reform of the intelligence community is impossible.

Mr. Speaker, Congress must begin immediately to take steps that will lead to a full restoration of the President's confidence. A good start in that direction would be speedy congressional action on the Chief Executive's request that a law be enacted that would make it a crime for a Government employee to reveal secrets without authorization.

Existing laws are almost completely inadequate in preventing disclosures—and often therefore, the destruction—of our intelligence sources and methods. They do not deter for a moment those who attempt to destroy our intelligence services. Formerly, those working against us communicated their secret information solely and directly to a foreign intelligence service, and were paid their reward.

Today, those who hawk our intelligence secrets are more sophisticated. They just as effectively damage their country by publishing all their knowledge in a book. Moreover, for their efforts, they collect handsome royalties, and even become a hero in certain circles. By revealing what they know in a book, they are confident that legitimate concern for every American's first amendment rights will sanctify their deeds. But valid and proper concern for the integrity of the first amendment should not cloud the nature of their treasonous acts.

Mr. Speaker, those of us who know the President know him to be a reasonable man. Thus, if we begin to take reasonable action to ensure reasonable secrecy, I am confident we will begin to make progress toward our goal of reasonable reform.

As the Washington Post perceptively observed in a recent editorial, "the security of the country and the liberty of its citizens can best be pursued—we are tempted to say, can only be effectively pursued—when there is respect for the procedures agreed on between the two branches. That is why it is so important for both of them to keep the agreements they do manage to work out with each other."

To that I can only add, Amen.

BILL WHITCOMB NAMED TO NATIONAL MASONIC OFFICE

HON. DON FUQUA

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. FUQUA. Mr. Speaker, a singular honor is being bestowed on a very warm personal friend today in the Cradle of Liberty—Philadelphia, Pa.—where the Grand Masters of Masons in America are holding their conference.

He is William A. Whitcomb, the grand secretary of the Masons of Florida, who is being installed as president of the Conference of Grand Secretaries of North America. This is the first time in its 48-year history that this singular honor has been bestowed on a Floridian.

The conference embraces all of the grand lodges of the United States, Canada, Mexico, and Puerto Rico, representing over 4 million Masons.

Bill Whitcomb has been a friend of mine for many years and a gentleman I greatly admire. He was named grand secretary of Florida in 1960, having been born and raised in Lake County and living in Orlando for 24 years before being elevated to this vital position in Florida Masonry.

I suppose if there is one thing which has always distinguished Bill Whitcomb, it has been his sense of dedication and service to others. His influence for good extends far beyond the borders of this fraternity which he has served so long and so well.

Every grand master under whom he has served has attested to his competence, attention to detail, and love for his fellow man.

To his lovely wife, Mae, two sons, and family, I join in extending my warmest congratulations.

This is a well deserved tribute to a fine gentleman, friend and Mason.

SUPPLEMENTAL COMMUNITY DEVELOPMENT EMPLOYMENT ASSISTANCE ACT OF 1976

HON. GARRY BROWN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. BROWN of Michigan. Mr. Speaker, tomorrow we will be asked to vote on the veto of H.R. 5247. As you know, I have introduced an alternative bill, H.R. 11860 which has subsequently received President Ford's endorsement. This is a critical issue and I am afraid too many Members are overlooking a critical point. If we are trying to address unemployment, H.R. 5247 is the wrong bill.

Let me illustrate by the following chart comparing the allocation of first-quarter funds under both bills for the major cities and counties in this country with chronic unemployment. For this purpose, I have compiled a list of the approximately 75 communities in the country with unemloyment in excess of 12 percent. You will note that, with very few exceptions, the areas of greatest need receive the greatest funding under H.R. 11860 despite the fact that the total funding level is approximately one-half of that under H.R. 5247.

The moral is clear, my alternative puts the money where the need is and gets more bang for the buck.

The chart follows:

COMPARISON BETWEEN TITLE II OF H.R. 5247 AT FULL FUNDING FOR 1 QUARTER AT 8.5 PERCENT UNEMPLOYMENT ($437,500,000) AND H.R. 11860 AT FULL FUNDING FOR 1 QUARTER AT 8.5 PERCENT UNEMPLOYMENT ($225,000,000)

[Dollar amounts in thousands]

	Percent unemployment	Allocation under H.R. 5247	Allocation under H.R. 11860
Alabama: Gadsden	15.1	$135.6	$323
California:			
Berkeley	13.4	260.7	654
Compton	14.6	101.6	386
Modesto	12.4	114.8	236
Oakland	12.7	891.5	1,614
Ontario	12.8	72.4	265
Richmond	12.0	204.4	284
Salinas	12.2	107.8	230
Santa Cruz	13.2	0	139
Stockton	12.2	232.0	382
Connecticut:			
Bridgeport	12.3	492.1	646
Bristol	14.3	149.3	338
Danbury	12.5	118.3	217
New Britain	13.3	216.4	449
Waterbury	13.8	334.9	596
Delaware: Wilmington	14.5	317.7	470
Florida:			
Hollywood	13.5	213.3	479
Miami Beach	12.1	364.5	236
West Palm Beach	12.1	129.4	231
Broward County	12.5	370.6	465
Georgia: Atlanta	12.7	1,038.6	2,256
Illinois: East Saint Louis	18.0	165.0	475
Indiana:			
Anderson	14.7	143.5	436
Muncie	12.9	108.8	299
Massachusetts:			
Boston	12.8	4,590.8	2,941
Brockton	12.1	307.9	331
Chicopee	12.7	145.5	307
Holyoke	14.8	176.4	305
Lawrence	12.6	201.6	305
Lowell	13.1	291.1	453
Lynn	12.5	359.7	373
New Bedford	16.0	449.8	768
Somerville	12.9	270.9	420
Springfield	13.4	513.5	806
Michigan:			
Detroit	21.6	10,940.4	18,021
Flint	19.1	680.0	1,808
Grand Rapids	13.1	336.4	911
Lansing	12.5	252.7	550

	Percent unemployment	Allocation under H.R. 11860	Allocation under H.R. 5247
Lincoln Park	12.7	51.5	233
Pontiac	29.9	801.5	1,543
Redford Township	12.8	50.0	301
Roseville	15.1	87.0	372
Saginaw	14.8	223.3	509
Sterling Heights	13.2	109.1	261
Taylor	15.6	117.5	430
Warren	12.3	280.7	656
Waterford Township	19.5	46.9	597
Genesee County	17.1	428.0	1,531
Oakland County	14.6	657.7	2,204
Wayne County	17.1	2,400.9	1,805
Missouri: Saint Louis	12.9	2,462.7	2,661
Nevada: Las Vegas	12.3	280.3	523
New Jersey:			
Camden	16.6	352.4	752
Newark	16.2	1,570.1	2,636
Passaic	14.6	103.0	367
Paterson	14.5	378.7	869
Union City	14.8	155.5	409
New York:			
Buffalo	16.5	1,905.0	3,407
Niagara Falls	17.9	337.9	739
Utica	12.2	137.8	347
Erie County	13.2	2,358.3	2,784
North Carolina:			
Asheville	13.8	145.6	311
Winston-Salem	14.4	307.3	779
Ohio:			
Hamilton	13.7	107.0	331
Lima	16.5	78.9	399
Youngstown	13.3	265.4	623
Pennsylvania:			
Chester	14.2	108.3	304
Lancaster	12.4	70.8	244
Scranton	13.0	136.6	474
Rhode Island:			
Cranston	12.5	128.6	306
Pawtucket	16.3	222.0	630
Providence	17.1	641.7	1,559
Warwick	14.3	110.0	499
Texas: Laredo	19.5	137.8	539

YOUNGSTOWN, OHIO, STEELWORKER WRITES ABOUT THE NEED FOR THE "CLEAN AIR ACT AMENDMENTS OF 1975"

HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. CARNEY. Mr. Speaker, I recently received a letter from a constituent concerning the working conditions in a coke plant at a steel mill. The letter points out the hazardous health conditions that eist in and around a major industrial company, and especially the need for upgraded clean air standards. It is partly because of this type of problem that the House Commerce Committee, of which I am a member, is now considering H.R. 10498, the "Clean Air Act Amendments of 1975."

Mr. Speaker, I commend my constituent for taking the time to inform me of the health conditions that exist at his job. I am inserting his letter in the RECORD for the information and consideration of my colleagues when H.R. 10498 is presented for a vote in the U.S. Congress.

DEAR CONGRESSMAN CARNEY: I've been meaning to write to you for awhile now, and your "Opinion Survey" gives me a good opportunity to tell you what is on my mind.

Recently its become popular to fight for cleaning up the coke plants in the steel mills. I'm all in favor of this! I work, and have worked for the past three and a half years, on the coke ovens (production) at Youngstown Sheet & Tube Co.—Campbell Works. The conditions there are unfit for any human being to endure. We work outside. All three shifts, all year round, our bodies constantly subjected to a wide range of rapid temperature change. We are provided no protective clothing by the company such as asbestos coats or pants to protect us against temperatures in the summertime that range between 115° to 180°. We have to instead wear long underwear under our work clothes in the summertime to keep the heat off of us. Believe me—when its 90° outside you're in *complete misery* when you put on long underwear!

The gases and dust that we're subjected to are murderous! I'll honestly tell you that a great part of each work day I have to hold my breath. It almost seems like a natural body function to me now. I can honestly feel the effects of my body suffering from the miserable conditions at the coke plant—and I'm a health conscious person, and I don't smoke.

I could go on and on, but let me instead just say that I don't believe that any person should have to subject themselves, their health, or their lives to such conditions just to earn a living and provide for their families. Not only is it important that these conditions be cleaned up, but also that people working in the coke plants 25 years be given retirement at good pay.

I agree that it is up to us who work in the coke plants to fight to improve our working conditions—but it is a monumental job when you're up against these powerful, arrogant, profit greedy corporations; and the longer it takes to get better working conditions and early retirement, the more there'll be people suffering (including myself).

So I guess after all I've just said it boils down to—do you think there is anything you can do? Or do you know of anything that we can do that might be helpful to us?

I believe that politicians and workers and unemployed should try to work together more closely—at least then the majority of the people would be happier.

I'll be looking forward to hearing from you.

CHILD AND FAMILY SERVICES ACT

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. CRANE. Mr. Speaker, in recent weeks it has come to my attention that the Child and Family Services Act, which is being sponsored by Mr. Mondale and Mr. Brademas, has once again become the subject of some controversy. When the proposal to establish Federal day care centers was first made in 1971, it was passed in the form of an amendment to the Economic Opportunity Act of 1971, which was subsequently vetoed by President Nixon. In his veto message, the President gave nine reasons for his opposition to the child development amendment. Among those reasons were the following:

> Good public policy requires that we enhance rather than diminish both parental authority and parental involvement with children—particularly in those early decisive years . . .
>
> For the Federal Government to plunge headlong financially into supporting child development would commit the most moral authority of the National Government to the side of communal approaches to child rearing over against the family-centered approach.

Shortly after President Nixon made this statement, proponents of the idea of Federal institutional day care reacted by calling his view "irresponsible, cruel, hysterical, and false," but neglected to address the basic issue which was and still is at stake—whether such widespread encouragement of institutional day care for young children would in fact accelerate the break-up of American family life, especially among the poor where this problem is already prodigious. A second issue proponents failed to address is whether center care for children is really beneficial to them, even under the most carefully supervised circumstances. As George Gilder put it in his article which appeared on April 23, 1972, in the Washington Star:

> Indeed, if the effects of U.S. social policy were determined by its intentions, the fervor, compassion and generosity invested in the effort to enact a child development bill could insure a healthful, stimulating, loving environment for every American child and a meaningful emancipation for every harried mother. But 35 years of experience with other social initiatives should give us pause, since our present crisis is virtually defined by the gap between the intentions of previous policy and its achievements.

Fine intentions and lofty ideals are well and good but they do not provide a substitute for realistic considerations of what the actual results of massive Federal programs will be.

Once again this year, the same basic proposal that was made in 1971 has been reintroduced, and once again proponents are claiming that the only debatable issues involved here are the specifics of how the program should be implemented, not whether it should be implements. In a letter to the editor submitted by Mr. MONDALE and Mr. BRADEMAS which appeared in the November 12 Denver Post, the writers imply that only unreasonable people question the justification for the program:

> Reasonable people may disagree about the extent to which the federal government can afford to fund legislation of this kind; which services should be authorized; how a program of this kind best be administered; and the like.

Mr. Speaker, I would like to submit for the RECORD two letters written in response to the Mondale/Brademas letter. The first one was written by Dr. Onalee McGraw, coordinator of the National Coalition for Children, a national organization representing several hundred parent groups since 1973. She testified on April 21, 1975, before the Kennedy Subcommittee on the National Science Foundation concerning the parents' view of Government-funded curriculum implementation efforts. The letter appeared in the December 3 Denver Post in its entirety. The second letter was written by Dr. Charles A. Moser who is on the advisory board of the Emergency Committee for Children, which was formed in 1971 to oppose the Child and Family Services proposal. Mr. Speaker, I ask unanimous consent that the two letters be inserted in the RECORD at this point:

EMERGENCY COMMITTEE FOR CHILDREN,
Washington, D.C., December 1, 1975.

Letters to the Editor:

GENTLEMEN: In a recent issue of your newspaper you published a letter from Senator Walter Mondale and Congressman John Brademas purporting to refute allegedly inaccurate charges made earlier by columnist James J. Kilpatrick against the Child and Family Services legislation presently pending before Congress. I write as a representative of the Emergency Committee for Children, which has consistently opposed this legislation since 1971, to correct their presentation of this question.

The bill's sponsors claim that the program as now formulated is "voluntary," and even strengthens the family instead of undermining it. They imply that "reasonable" people cannot disagree on the basic desirability of such legislation: they may differ only on technical details of its implementation. They thus hope by simple fiat to squelch any discussion of the really important issues connected with it in the press. Certainly in the hearings they have directed in Congress they have sought—largely though not entirely successfully—to suppress any fundamental consideration of the philosophical issues which this legislation raises.

The history of Federal programs should by now have taught us at least two things: that we should look, not so much at the stated intentions of a proposed program's sponsors, as at its likely effects in reality; and that any Federal program, once established, tends to mushroom in all directions. The opponents (as well as many proponents) of this legislation see it as merely a first step toward a scheme of universal early childhood education perhaps from age 3, a program which is openly advocated by certain teacher organizations as a means—to put it bluntly—of creating jobs. It is simply ludicrous to maintain that parents considered incapable of raising their own children properly could in any genuine sense "direct" the extensive programs in which their children would participate; the councils including parents to be established under the program would be purest window-dressing. Through its funding power and its "guidelines," the Federal government would control this system from the start, just as it has gained control over too many areas of elementary, secondary, and higher education in this country. Parents have discovered what a sham "local control" of school systems is once Washington has provided funding for local programs. A Child Development program would be a Federal educational scheme from the very start, in absolute violation of the American tradition.

The central philosophical question raised by the bill is: who ultimately controls a child's education? Senator Jacob Javits, one of its major sponsors, leaves us in no doubt as to his view on that score, for he has declared publicly that the "child is the ward of the state." That is a fair formulation of the opinion of most of the legislation's backers. Parents unhappy with the damage the public schools have already inflicted upon the family are discovering that providing an alternative education for them is no easy matter: state officials in Ohio, for example, have attempted to remove children from the custody of parents who insist upon providing them an education with a religious orientation in private schools. The Emergency Committee for Children, along with a growing number of parental rights groups, totally condemns such actions, and upholds the final authority of parents to determine how their children shall be educated.

The argument is not over financing, or over administrative details, as Mondale and Brademas would have us believe. It is over whether we and our children shall have the right to live our own lives without dictation from Washington.

Sincerely yours,

CHARLES A. MOSER,
For the Emergency Committee.

NATIONAL COALITION FOR CHILDREN,
McLean, Va., Nov. 18, 1975.

To the Editor:

In their recent reply to James J. Kilpatrick's critique of the Child and Family Services bill, Senator Walter Mondale and Rep. John Brademas defended their bill on the grounds that it is not "family weakening" but designed to "strengthen and support" families by providing needed "services" on a voluntary basis. Despite this cosmetic language, what the bill basically does is create a new bureaucracy, the Office of Child and Family Services to set up a nationwide network of child development-day care programs including massive training programs for proliferating hordes of "child development" experts.

Our organization is an association of independent grass roots groups nationwide who are completely opposed to further taxpayer subsidy of social planners and bureaucrats who presume to know what is best for us. The thrust of the Child and Family Services bill is that (1) children exist for the convenience of the parents (2) the state will be in "partnership" with parents in the rearing of children and (3) institutionalized federally funded day care centers are preferable to family-centered care (in spite of statistics that show that most mothers who HAVE to work prefer informal family-centered care to institutionalized day care for their preschoolers.)

Brademas and Mondale state that "parent control is guaranteed by requirements in the bill that every program will be selected, directed and governed by the parents whose children participate in it". Yet for the past decade the public has endured government by HEW administrative decree. Parents now know that statement of Congressional intent in the statute means very little in the face of HEW bureaucratic arrogance that produces administrative rulings that either negate Congressional intent or "broadly interpret" it to mean something quite different. Two examples are HEW guidelines requiring busing for racial balance and the recent Title IX regulations in which Congressional intent to deny discrimination by sex was interpreted to require all schools funded by tax dollars in any way to have co-educational physical education classes for all students from nursury school on up. The bill's sponsors are members of the Committees in Congress who are responsible for HEW conduct and policy and they know that their committees have never acted to correct these bureaucratic abuses of power. That the bill's sponsors would "guarantee" total parental control under the Child and Family Services bill in view of what has occurred in the past is a telling indication of their estimation of the intelligence of the American public.

ONALEE MCGRAW, Ph. D.,
Coordinator, National
Coalition for Children.

LEGISLATION TO CIRCUMSCRIBE USE OF CAMPAIGN FUNDS

HON. BERKLEY BEDELL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. BEDELL. Mr. Speaker, I am today introducing legislation which would more tightly circumscribe the legal use of excess campaign funds and of constituent service funds.

The intent of this legislation is quite simple. It is to insure that funds contributed to an individual for the purpose of supporting his activities as a holder of Federal office, and funds contributed to a candidate for Federal office for the purpose of defraying necessary campaign expenditures, are in fact used for such purposes and are not utilized by such individuals for their personal enrichment, as is permissible under existing law.

Section 318 of the Federal Election Campaign Act of 1971 provides the following guidelines for Federal officeholders and candidates for such office:

> Amounts received by a candidate as contributions that are in excess of any amount necessary to defray his expenditures, and any other amounts contributed to an individual for the purpose of supporting his activities as a holder of federal office, may be used by such candidate or individual, as the case may be, to defray any ordinary and necessary expenses incurred by him in connection with his duties as holder of federal office, may be contributed by him to any organization described in section 170(c) of Title 26 of the U.S. Code, or may be used for any other lawful purpose.

This means, in other words, that a candidate for Federal office, whether he wins or loses an election, may pay tax on his excess campaign funds and then treat the balance as personal income. It also means that once a Federal officeholder pays tax on his constituent service funds, he is free to spend that money in virtually any manner he wishes.

In my view, section 318 of the Federal Campaign Act of 1971 does not provide adequate protection for the public interest, and I feel that there is a clear need for stricter regulation of the use of excess campaign funds and of constituent service funds. This section of our campaign laws contains a significant loophole which should be closed.

Most contributors are simply not aware that their donations can be used for a candidate or officeholder's personal use. It seems to me that it is an extremely questionable ethical proposition for a Federal officeholder, or candidate for such office, to solicit and accept funds on the pretext of serving the public interest, and then be allowed to subsequently expend them for a totally unrelated expense. This is an option, no matter how infrequently exercised, which should be completely foreclosed.

The legislation I am introducing today would flatly prohibit the personal use of excess campaign funds or constitutent service funds by a Federal officeholder or candidate for such office. Under the proposal, a candidate for Federal office could save, subject to existing campaign reporting requirements, excess campaign funds for use in the next scheduled election for the same or higher office. He could contribute excess funds to the Presidential Election Campaign Fund, which contains Federal checkoff funds available to qualified candidates on a nonpartisan basis. Or, he could return such funds to his contributors. In addition, amounts contributed to an individual expressly for the purpose of supporting his activities as a holder of Federal office would be restricted to such use. They could not be used by such individual in connection with any campaign for public office.

It is also important to note in this Presidential election year that, under present law, any Presidential candidate who qualifies for Federal matching funds, and then withdraws from the race, can pocket the unspent balance of such funds for his personal use. My bill would prevent this practice.

Mr. Speaker, in this election year and at a time when Congress is considering amendments to our campaign laws in light of the recent Supreme Court ruling, it seems to me that attention should be given to preventing any personal use of contributions. I hope that the Congress will take the time to close this loophole once and for all.

The text of the bill follows:

H.R. 11958

A bill to amend the Federal Election Campaign Act of 1971 to require candidates for Federal office in certain circumstances to return excess campaign contributions to the persons making such contributions or to deposit such contributions in the Presidential Election Campaign Fund, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the first sentence of section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439a) is amended—

(1) by striking out "Amounts received" and all that follows through "other amounts" and inserting in lieu thereof "(a) Amounts";

(2) by striking out the comma immediately after "Federal office" each place it appears therein;

(3) by striking out "candidate or";

(4) by striking out ", as the case may be,";

(5) by inserting "or" immediately before "may be contributed"; and

(6) by striking out ", or may be used for any other lawful purpose".

(b) The second sentence of section 318(a) of the Federal Election Campaign Act of 1971, as so redesignated by subsection (a), is amended—

(1) by striking out "contribution," each place it appears therein;

(2) by inserting a comma immediately after "expenditure thereof"; and

(3) by striking out the comma immediately after "amount contributed" the second place it appears therein.

(c) Section 318(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 439a(a)) is amended by inserting immediately after the first sentence thereof the following new sentence: "Such amounts may not be used by such individual in connection with any campaign for Federal office or for any other public office.".

(d) Section 318 of the Federal Election Campaign Act (2 U.S.C. 439a) is amended by adding at the end thereof the following new subsection:

"(b)(1) Excess contributions may be used by a candidate in accordance with the provisions of this subsection.

"(2) If a candidate retains excess contributions after participating in an election—

"(A) for the office of Representative, Delegate, or Resident Commissioner, such candidate shall (i) use such contributions in connection with a general election for the office of Representative, Delegate, or Resident Commissioner (in the same congressional district or other area as the election in which such candidate participated), for the office of Senator, for the office of Vice President, or for the office of President, which is held no later than 2 years after such election; (ii) dispose of such contributions under paragraph (3); or (iii) in the case of a candidate who is elected, use such contributions in accordance with paragraph (4);

"(B) for the office of Senator, such candidate shall (i) use such contributions in connection with the next general election for the office of Senator (in the same State as the election in which such candidate participated) or in connection with a general election for the office of Vice President or President which is held within such period; (ii) dispose of such contributions under paragraph (3); or (iii) in the case of a candidate who is elected, use such contributions in accordance with paragraph (4);

"(C) for the office of Vice President, such candidate shall (i) use such contributions in connection with the next general election for the office of Vice President or President; (ii) dispose of such contributions under paragraph (3); or (iii) in the case of a candidate who is elected, use such contributions in accordance with paragraph (4); or

"(D) for the office of President, such candidate shall (i) use such contributions in connection with the next general election for the office of President; (ii) dispose of such contributions under paragraph (3); or (iii) in the case of a candidate who is elected; use such contributions in accordance with paragraph (4).

"(3) If a candidate does not use any excess contributions within the applicable period under paragraph (2) or paragraph (4), such candidate shall—

"(A) return such contributions to the persons making contributions to such candidate, and deposit the balance of any such contributions which are not so returned in the Presidential Election Campaign Fund; or

"(B) deposit the entire amount of such contributions in the Presidential Election Campaign Fund.

"(4)(A) In the case of a candidate who is elected, such candidate shall designate that portion of any excess contributions which such candidate intends to use in accordance with the provisions of subsection (a). Such designation shall be made within a reasonable time after the general election involved and shall be transmitted by such candidate to the Commission.

"(B) Any such candidate shall—

"(i) use the remainder of such excess contributions, after making a designation under subparagraph (A), in accordance with the provisions of subparagraph (A)(i), (B)(i), (C)(i), or (D)(i) of paragraph (2), as the case may be; or

"(ii) dispose of such remainder under paragraph (3).

"(C) Any such candidate, after making a designation under subparagraph (A), may not use the excess contributions so designated for any purpose other than the purposes described in subsection (a).

"(5) The provisions of the second sentence of subsection (a) shall apply to excess contributions subject to the provisions of this subsection.

"(6) For purposes of this subsection, the term 'excess contribution' means any contribution received by a candidate which, in the aggregate with other contributions received by such candidate, exceeds the amount necessary to defray the expenditures of such candidate.".

SEC. 2. (a) The amendments made by the first section of this Act shall apply to any election for Federal office which is held after the date of the enactment of this Act, except that such amendments shall not apply to any excess contribution which is used by a candidate before such date of enactment in accordance with section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 439a).

(b) For purposes of this section—

(1) the terms "candidate", "election", and "Federal office" have the meanings given them by section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431); and

(2) the term "excess contribution" has the meaning given it by section 318(b)(6) of

such Act, as added by the first section of this Act.

ARE NUCLEAR POWERPLANTS DANGEROUS?

HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Ms. ABZUG. Mr. Speaker, the dangers of nuclear power have been ably discussed in an article published in Not Man Apart, the journal of the Friends of the Earth, in its edition of February 1976. In a question and answer format it discusses the problems surrounding nuclear powerplants with lucidity and intelligence. For the benefit of my colleagues, I would like to insert a portion of that colloquy:

ARE NUCLEAR POWERPLANTS DANGEROUS?

(By Hugh Nash)

Doesn't it all boil down to probabilities? If a terrible outcome is improbable enough, can't we risk it?

I might buy that if the only people to suffer were those who willingly accepted the risks.

What do you mean?

Maybe the French aerialist had a right to risk his own neck on a tightwire between the two towers of the World Trade Center, in New York, 100 floors above the street. But few would argue that he would have the right to stake a thousand or a million other people's lives on his surefootedness.

Isn't that a far-fetched analogy?

I think not; the nuclear establishment is staking our lives, as well as its own, on its ability to carry out a high-risk undertaking without a misstep.

What do the odds makers say?

The odds on industrial accidents are normally assessed by the insurance industry. It is ominous that the insurance industry declines to insure the nuclear industry beyond a tiny fraction of the potential losses for which it might be held accountable. The insurance industry doesn't like the odds.

Let's hear more about the insurance angle.

Nuclear insurance, or the absence of it, is a big subject. Friends of the Earth has devoted a whole leaflet to it. Why don't we get you a copy and go on to other things?

All right. Tell me more about probabilities.

What we're up against has been called a zero/infinity problem. The closer to zero the potential losses are, the greater the probability of accident that we can tolerate. And vice versa: the closer to infinity the potential losses are, the closer accident probabilities must come to zero. Proponents of nuclear power insist that the probability of accident is so small that we can risk very large potential losses.

Don't you agree?

No. Infinity is a mathematical concept without much applicability in the real world. As a practical matter, potential losses that are totally unacceptable are "infinite," and the only probability of accident that is justified by such potential losses is zero. Flat, absolute zero.

I'll have to think about that. Meanwhile, what does the nuclear industry say about the odds?

I've seen alleged odds of one calamitous accident per million reactor-years, one per billion reactor-years, one per trillion reactor-years, and on up out of sight. But these are guesstimates, colored by wishful thinking. There is no actuarial basis for a firm, believable estimate.

None at all?

None that an insurance actuary would pay any attention to. Total experience with commercial power reactors amounts to a few hundreds of reactor-years, and of this amount, almost none has been logged by the biggest and most dangerous of reactors yet to see service. The actuarial base is too small to justify estimates of a calamitous accident every 500 or 1,000 reactor-years, much less one in a million, a billion, or a trillion. Such guesstimates are indefensible.

What would you consider plausible odds?

I'll stay out of the numbers racket, if you don't mind. My numbers would be as insupportable as anyone else's. All it makes sense to say, in my opinion, is that the probability of accident is unacceptably large in view of the huge potential losses.

Be more specific about potential losses.

All right. Virtually all loss estimates emanate from the nuclear establishment, and it would be remarkable if they were uninfluenced by wishful thinking. Even these estimates are staggering, though. An AEC study of 1957 postulated up to 3,400 people killed outright in a single accident, up to 43,000 people seriously injured, up to 182,000 people irradiated badly enough to double their chances of eventually contracting cancer, and property damage up to seven billion dollars. These estimates presuppose an accident at a nuclear plant barely one-fifth the size of today's giants.

The 1957 study isn't the last word on the subject, I hope!

Not exactly. A project to update the 1957 study was aborted when it became clear, in the mid-sixties, that new estimates of casualties and losses would be horrendous. The AEC suppressed working papers of the update study for a year or so, finally releasing them when Friends of the Earth threatened to bring action under the Freedom of Information Act. It turned out that revised estimates were for up to 27,000 prompt deaths, 73,000 acute radiation injuries, and property damage of up to seventeen billion dollars. An area the size of Pennsylvania might be badly contaminated, forcing evacuation or restrictions on land use.

Those estimates are ten years old, now; have you something even worse up your sleeve?

Yes and no. To take "no" first, a recent AEC-supported study, the Rasmussen Report, claims the probability of a major accident is very small and asserts that potential casualties and losses are much lower than estimated in 1957 and 1965. But there are problems with the Rasmussen Report.

Name some.

Well, the report considers only light-water reactors, ignoring the far more volatile and dangerous breeders that the nuclear establishment hopes to deploy widely during the next quarter century. The report also neglects the possibility of deliberately induced accidents caused by enemy action or acts of sabotage. Such acts could raise accident probability from "slight" to "certain." The report's relatively low estimate of casualties is predicted on a fatuous assumption: that there would be prompt and orderly evacuation of contaminated areas. And some of the Rasmussen team's analytical methods have been sharply challenged. A former expert on accident probability in the space program says, for example, that "fault tree analysis" was inappropriately applied and improperly interpreted in the Rasmussen study.

You think the Rasmussen Report is a whitewash?

I'd certainly say it is wildly, unreasonably optimistic. Consider the trouble-plagued reactors at Indian Point, hardly 30 miles from Manhattan. Even the Rasmussen study concedes that this is within the possibly-lethal range. Prompt and orderly evacuation of the New York Metropolitan Area is a pipe dream. An accident, or the mere rumor of one, would create panic and chaos. Assuming evacuation of the area could be miraculously accomplished with an "acceptable" number of casualties, the problem of providing instant relief for millions of homeless and jobless evacuees defies imagination.

An accident elsewhere might threaten far fewer lives and yet be intolerably costly. Consider the Rancho Seco plant near Sacramento, for instance. An accident there might force the semi-permanent retirement of some of the most productive agricultural land in the country or the world, in California's Central Valley. Need I go on?

You've made your point, I think. And my time is about up. Can you sum up now?

I'll try. Sabotage or blackmail based on the threat of sabotage may be the worst danger of all, and I've hardly mentioned it. Plant security is ludicrously inadequate, and really adequate security would imply police-state methods and the erosion of civil liberties.

Tens of billions of dollars worth of equipment will be lost if, as seems certain to me, the public demands shutdown of all nuclear plants in the wake of the first major accident. This situation could be a lot worse however. I'm told that 70 or 80 percent of the cost of nuclear power plants could be salvaged by retiring the reactors and substituting non-nuclear steam generating systems: coal-, gas-, or oil-fired boilers. We ought to make such substitutions now, in my opinion, without waiting for a grisly accident to force our hands.

Many critics would condemn nuclear power even if there could be an absolute guarantee against in-plant accidents. There are risks at every stage of the nuclear fuel cycle, from mining and milling of uranium ore to the ultimate disposal of nuclear wastes. Fuel reprocessing plants are dirtier and arguably more dangerous than the power plants they serve. Transportation of irradiated fuel and high-level wastes affords many opportunities for accident of hijackings. Diversion of weapons-grade nuclear material to unstable governments or sophisticated bandits is virtually impossible to guard against with an on-going nuclear industry, and 30 years into the atomic era, the problem of waste disposal remains unsolved and possibly insoluble. To have launched the nuclear power industry without first finding a demonstrably satisfactory way to dispose of its wastes was monumentally irresponsible.

The subject is inexhaustible, but this must end somewhere.

Where should I go to get the other side of the story?

If your local utility company operates a nuclear plant, I'd see what its PR department has to offer. And I'd get in touch with the industry's trade association, the Atomic Industrial Forum. Its address is 7101 Wisconsin Ave., Washington, DC 20014.

One final point: if anything you hear from other sources raises questions in your mind about things we've discussed, I hope you'll come back to Friends of the Earth. I think we'll have a satisfactory answer, or know where to get one for you.

RETIREMENTS FROM CONGRESS OF TWO TEXAS REPRESENTATIVES

HON. ALAN STEELMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. STEELMAN. Mr. Speaker, I have heard with regret of the announced retirements from the U.S. Congress of two distinguished Texas representatives, Mr. PATMAN and Mr. Casey. These gentlemen have served both the Nation and the people of Texas well during their long terms in the House of Representatives.

Mr. PATMAN, the dean of the U.S. Congress, will retire this Bicentennial Year after nearly a half of a century of distinguished service. During these 48 years he has held many important House committee positions and has authored several significant pieces of legislation, including the well-known Robinson-Patman Act. Because of the quality of his service, his presence will be missed greatly by his colleagues in the House

A former State legislator, Mr. PATMAN also has served Texas as a district attorney from the fifth judicial district. He has represented the First District of Texas in Congress since 1929.

Mr. Casey has left Congress after nine terms of dedicated service to accept a position with the Federal Maritime Commission. His extensive background in maritime matters undoubtedly will enable him to serve on the Commission with the same honor that he has served in the House these past 17 years.

Mr. Casey, who formerly sat in the Texas House of Representatives, served for 8 years as county judge of Harris County before he was elected to Congress from the 22d District in 1958.

I am certain that the people of Texas, whom Mr. PATMAN and Mr. Casey have served so well both as State legislators and as U.S. Representatives, join me in honoring these worthy men.

GENESEE-WYOMING DECA INTERNATIONAL FIELD TRIP

HON. BARBER B. CONABLE, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. CONABLE. Mr. Speaker, the Genesee-Wyoming BOCES Chapter of the Distributive Education Clubs of America in Batavia, N.Y., is an active organization expanding the career interests and knowledge of students at the Board of Cooperative Education Services Occupational Center there. One of the highlights of its activities during the current school year has been its international field trip to Canada where marketing research assignments were completed by the DECA students in hotel-motel management, public relations and advertising in the merchandising and food service industries. It was the first international visit of a New York DECA group.

Their instruction in hotel careers was received at the Harbour Castle Hotel in Toronto. Discussion of advertising was held at Eaton's. The students also met with the assistant mayor of Toronto who presented the DECA chapter with the Canadian Coat of Arms and the students with the Canadian Golden Maple Leaf symbol.

Mr. Speaker, the Canadian visit is representative of the varied and instructive program conducted by the Genesee-Wyoming DECA chapter to further the career development of its students in the distribution and marketing industry. I am pleased to recognize this excellent program and bring it to the attention of my colleagues.

DECISIONMAKING BY PUBLIC AGENCIES SHOULD BE PUBLIC

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. KASTEN. Mr. Speaker, today I am introducing legislation to open deliberations of Federal agencies to public scrutiny. This is a long overdue action that Congress should pass without further delay.

This legislation will go a long way in dealing constructively with the widespread public mistrust of Government. One of the most common complaints I receive from my constituents is frustration with Government regulations and what they perceive as unjustified interference in their affairs. A great deal of this mistrust is justified, but a great deal of it is based simply on misinformation or noninformation about how Government agencies function, what their role is in carrying out congressional mandates, and whether they are composed of real people who understand human problems or if they are headed by unsympathetic robots. The latter seems to be the common view.

The bill I am introducing today may not be welcomed by heads of the agencies we are talking about, but in the long run I am confident they will find openness in their deliberations will help dispell some of the above misconceptions.

Opening agency deliberations in a natural follow-up to moves in recent years at other levels of government to allow wider public access to the decisionmaking process.

Forty-nine States now have open meeting laws affecting State-level agencies. Forty-four States have requirements for county and city level nonlegislative agencies, and for city councils and county boards. State legislatures in 35 States now open their committee meetings to the public.

Many Members of Congress were concerned before the House and Senate rules were changed to require open committee meetings unless the committee voted ahead of time to close a session. Dire predictions were made that Congress would no longer be able to function efficiently; legislative compromises could no longer be made; confidences would be compromised. On the contrary, House committee legislative drafting sessions, which previously were almost exclusively closed to the public, were opened 80 percent of the time in 1973, the first year after the open meeting rule. In 1974, that increased to 88 percent, and in 1975 we voted easily to retain the open meetings rule.

The Freedom of Information Act was a major step forward in allowing public access to Government documents. But the information available through that act is all after-the-fact—documents on the results of agency deliberations or documents on which decisions already made were based. The next logical step—and one which the general public is rightfully urging Congress to take—is to give the average person the right to sit in on meetings which will result in Government decisions materially affecting his life.

The bill I am proposing covers 47 "multiheaded" agencies and requires meetings between heads of such agencies to be open to the public. The bill also requires advance public notice of meetings to be held and requires a reasonable effort to make meetings accessible to the public. Provision is made for an agency to close a meeting if any one of 10 conditions are present, such as national security or defense interests, disclosure of personal information that would result in unwarranted invasion of privacy of an individual, or matters involving cases under legal prosecution or investigation where civil or criminal law enforcement might be hampered.

A second major provision of the bill establishes a formal prohibition of secret communications between agency decisionmakers and any persons outside the agency interested in influencing the outcome of an agency proceeding. This section strengthens the prohibitions already in effect and is applicable to all executive agencies, whether or not they are covered under the other provisions of this act. This is an important provision to prevent decisions being unduly influenced by persons outside the Government who have in the past had an inside track simply because they happen to know how the system works. We need to make the system more responsive to everyone, not just those with friends in high places.

Opponents of this bill who feel it goes too far by inhibiting agency proceedings are not taking the long view. As a matter of fact, openness will very probably result in greater public comprehension of the choices an agency must make and a greater appreciation of the problems with which they are faced. It certainly seems to me that a person would find it easier to swallow an unpalatable agency decision if he knows his side of the issue was, indeed, considered, debated, and modified or rejected on its merits. With closed agency deliberations, it is no surprise that citizens assume Government bureaucrats make arbitrary and biased decisions.

Further, this is not an attempt to inject public interference or nit-picking into agency proceedings. In fact, the bill does not provide for public participation in meetings, but merely for public attendance. If an agency wishes to benefit from additional public input, I am sure that would be a healthy byproduct, but it is not a requirement of this bill.

In short, as I stated in the beginning of my remarks, the experience of State governments and of congressional committees simply belies the argument of inhibiting efficient action.

Other detractors of this bill feel it does not go far enough. I do not agree. I feel the exceptions provided for in this bill are vitally necessary as a protection of individual rights. The bill does not require an agency to close its deliberations if any of the 10 considerations are present. Rather, it puts the burden on the agency to justify its action if the agency determines in advance a meeting should be closed.

I think this is an adequate and necessary compromise between the public's right to know and that same public's right to individual privacy.

The bill applies only to multiheaded agencies such as those governed by a commission—FPC, FCC, CPSC—and not to single-headed agencies such as the State Department, Justice Department, et cetera. There is a major difference in the two types of entities. The decisionmaking process in multiheaded agencies is, by nature, a give-and-take process resulting in decisions which frequently are not unanimous.

In the departments, on the other hand, one person is ultimately accountable for the final decisionmaking process. In addition, the makeup of the departments makes it nearly impossible to define a cutoff point for public access to staff meetings on agency business.

Mr. Speaker, I believe this bill encompasses the best aspects of experience to date in granting public access to Government entities. At the same time we are allowing the free flow of information to the public on deliberations having a vital impact on their lives, we are not hampering the work of the agencies, and we would not endanger the right to privacy or infringe upon our Nation's security.

I would strongly urge my colleagues to join me in helping promote wider public knowledge of the Federal bureaucracy and, at the same time, promote an open, candid climate to advance more reasoned and more intelligent bases for Government policymaking.

CAMBODIA: ONE YEAR LATER

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. MURTHA. Mr. Speaker, at this time a year ago Congress was debating whether additional aid should be given to South Vietnam and Cambodia.

There were many aspects to that debate. One key point used by the administration in support of further aid was the fear of atrocities that would be forced on the citizens of these nations if they became Communist dominated. After my tour of the area and talking with the nation's leaders as part of a special congressional factfinding team sent by President Ford, I supported that theory and feared for the citizens forced into Communist control. This so-called bloodbath theory was regularly attacked by opponents of aid as being unlikely.

Since I suspect we will be faced with such funding decisions in the future in regard to other countries, I would like to submit for the RECORD two recent articles from the Pittsburgh Press describing what has happened to the people of Cambodia since last April:

CAMBODIA: ONE YEAR LATER

(By Edith Lenart)

PARIS.—Eight months after Cambodia's fall to the Communists, the full horror of what has taken place there has been learned through interviews with Cambodian refugees here.

They tell shocking tales of inhuman treatment of the Cambodian masses by their Communist conquerors—a story until now gleaned only in bits and pieces because the Communists after their April 17 takeover deliberately shut off that tiny Indochina nation from the outside world.

The interviews reveal that:

Almost half of Cambodia's eight million people were forced at gun point to walk into the jungles in a massive "death march" marked by tropical temperatures and monsoon rains, with no provision for food, water, shelter or medical care.

Tens of thousands fell along the way, victims of hunger, thirst, exhaustion and disease, including a spreading cholera epidemic.

Other thousands were ruthlessly executed by Communist troops, most of them shot down in batches without warning, the wounded left to die in broiling sun.

Said Mrs. Savy H. (full name withheld) who finally escaped with her daughter, Ala, 18, and now is a servant to a French family:

"They said we had to leave Phnom Penh with only some clothes and a little food. We walked with hundreds of people, some sick. After many miles we could lie down by the road. After a week cholera broke out and about 30 died each day. The soldiers gave us no food or medicine.

"We ran out of food and traded clothes for rice and salt. In some places people were working making fields and soldiers made us stop and work too.

"One night we shared food with a boy and his sister. Then they were taken away. Later a soldier told us they were shot because their older brother had been a pilot for the (toppled anti-Communist) Lon Nol government's air force.

"It's horrifying to live in a country where people are killed on the spot without a trial."

Mrs. H. and Ala escaped by sneaking through jungles to reach Thailand. "It took us 70 days of great misery."

Other refugees say about 7,000 Cambodians were marched to the remote Cardamom mountains, arriving so weak and exhausted that many collapsed. They lived on berries, leaves and roots while they cleared the jungle to sow a crop of rice.

"One day some soldiers had a feast, with special food," said a refugee who asked that his named be withheld.

"When the starving people saw all that food, they begged for the leftovers. The soldiers threw the scraps on the ground. Hundreds of people scrambled for them, pushing and fighting. Many were hurt and some were trampled to death. The soldiers just laughed."

"I did not imagine that the Communists could be so cruel," said another. "This is not communism. They are behaving like fascists. They fooled us."

A NATION IN CHAINS

(By Edith Lenart)

PARIS.—Since it fell to Communist troops in April, Cambodia has been turned into a forced-labor camp, with its people constantly shifted from one work site to another.

So say Cambodian refugees who managed to escape and reach Paris. Interviews with several of them reveal that millions in Cambodia are living severely regimented lives filled with terror, hard work, and little food.

Said Bonna B. (full name withheld), a former sailor with the toppled anti-Communist Lon Nol government:

"All the cities were evacuated and people moved to uncultivated areas, some of them malaria-infested. They find their own food while they try to transform jungle into productive land. When they have finished in one place they are forcibly moved to another."

There are no comforts, said another refugee, only work 12 hours a day and then two hours each evening of "thought improvement" instruction.

"The Communist leaders say this is to build a pure, disciplined, and self-sufficient nation," said this refugee. He is working in Paris as a gardener.

The towns and villages from which the people came now stand empty. Formerly tilled areas also are abandoned, and the jungle is being worked to "purge the masses of their old ways and instill the new work ethic."

The Communists instill this through harsh repression, population control dividing families, abolishing the Buddhist religion, and breaking up family holdings and transforming them into collective farms.

"Despite communism, not everyone is equal," said Hay H., who now is in training to be an auto mechanic.

"The masses all wear baggy cotton 'pajamas' but the army officers—everyone works under army supervision—wear pure silk made in Communist China. Officers and soldiers eat better and have wine to drink."

"They are putting a single brain into the heads of the people," said another refugee who withheld her name. "People work hard and talk little, saying only what they are allowed to say. Everyone looks sad."

On moonlit nights, this refugee added, people are forced, after their long day and the "thought improvement" sessions, to build dams and irrigation ditches.

At the indoctrination sessions, people must stand up and say "what they did bad, like not working hard enough. Then they are given extra work loads."

"We had no tools, only sticks and our bare hands," said another refugee. "The soldiers told us 'a banana tree is as important as a tractor' and 'eight million Cambodians can produce as much rice as 800 million Chinese.' "

Sex relations are forbidden, said a Cambodian tractor driver who is now a Paris factory worker. "Twelve people in our labor camp were shot when they were found embracing in the forest."

A man was shot because he left one group to go to another to try to find some food for his children," said another refugee. "He had no permit, you see.

"I saw a soldier shoot a man, his wife and their child because when questioned as to his former occupation the husband said he ran a pedal-cab but his wife blurted out that he had been a minor government official."

People are forced to change their names. Children are given a number instead of a name. Youngsters are required to spy on elders.

Pagodas are all destroyed or locked up and the Buddhist monks work in the jungles with the others. There are almost no medical services.

"The new leaders live in splendid isolation in big villas in the best part of Phnom Penh, the capital," said a refugee. "They have no contact with the masses, who never even see them."

MAGNETOHYDRODYNAMICS

HON. MAX S. BAUCUS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. BAUCUS. Mr. Speaker, magnetohydrodynamics—MHD—is a comparatively new technology for generating electricity: coal is heated to approximately 4,000° F.; the resultant gas is "seeded" with a salt to effect ionization;

the mixture is propelled through a magnetic field. The result is electric power production with dramatically higher thermal efficiencies than those possible through conventional technologies. An added advantage is greatly reduced thermal and gaseous pollution.

Fiscal year 1976 funds were authorized and appropriated for implementation of a national program of MHD research and development. Following is my statement to the House Science and Technology Subcommittee on Energy Research, Development, and Demonstration—Fossil Fuels with regard to the forthcoming Energy Research and Development Administration—ERDA—authorization.

The statement follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., February 17, 1976.

Hon. KEN HECHLER,
Chairman, House Science and Technology Subcommittee on Energy Research, Development and Demonstration (Fossil Fuels), B374 Rayburn Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: Let me express my appreciation and commend you for your efforts during the ERDA authorization conference last session toward achieving a vigorous national program in the development of magnetohydrodynamics (MHD). I respectfully offer the following observations on the progress of MHD technology, its past and present needs, and the outlook for employing MHD in meeting future energy demands. I request that this statement be recorded as testimony on the forthcoming ERDA authorization.

The action of the ERDA authorization conference committee last session resulted in an MHD appropriation of $37.3 million for FY 1976 (including the transition quarter). This appropriation is nearly equal to the $35.3 million requested for MHD by ERDA on June 30, 1975. According to ERDA's "Position Memorandum #2: On Magnetohydrodynamics (MHD) Program" of November 6, 1975, this money is to be used to "continue and expand the base of the current research and development activities and at the same time to initiate the required major engineering effort."

Specifically, the memorandum defined ERDA's MHD program in terms of three phases. The first phase would include development of technology for designing and testing various MHD components toward completion of an engineering test facility (ETF). The ETF (which marks the beginning of the second phase) would be an actual pilot-scale power plant which, when operational, would provide system operating experience and opportunity to refine components.

The third phase, according to the memorandum, "commences with the construction and ends with the operation of a commercial-scale plant to be completed by the *late* 1980's" (emphasis added). More will be said later concerning the third phase as projected by the memorandum.

To implement the strategy described above, a Division of MHD has been established within ERDA to "insure that MHD is represented organizationally at the highest program level . . .". The memorandum justifies a major national effort in MHD development by citing dramatic environmental and fuel efficiency advantages attainable through "introduction of MHD power generation on a substantial scale . . .":

"Conceptual studies of MHD combined cycles with steam turbines project overall thermal efficiencies in the range of 48–52 percent for the first generation plans. Further improvement in the technology could raise this to at least 60 percent which is 50 percent better than modern steam cycles and 20–30 percent better than the efficiency predicted for advanced combined cycles with gas turbines. These efficiency increases involve related reductions in cooling water requirements and the MHD process contains built-in potential advantages in emissions control due to the basic chemical and thermal characteristics of the MHD cycle. These permit the management of emitted pollutants such as sulphur compounds and oxides of nitrogen through the selection of appropriate plant operating conditions. A further possibility is an MHD-gas turbine combined cycle which is particularly suited to direct discharge of waste heat to the atmosphere."

The memorandum further states that MHD-augmented utility systems "would greatly benefit the economy" while providing the opportunity "to reduce dependence on high-cost, politically sensitive foreign oil sources and diminishing domestic reserves of oil and gas." A concurrent advantage, according to the memorandum, is a more effective use of native coal in the production of electric power.

Actual progress in MHD to date is impressive. Improved working knowledge of the operation of slagging electrodes in the arc mode phase of MHD power generation has been gained within the last two years. Usable data on the solubility of "seed" (a salt employed for ionizing the hot coal gas generated by combustion) in the residual slag has also been obtained. An American research team operated high temperature electrodes continuously for one hundred hours in the U.S.S.R.'s U-02 MHD facility. These and other notable accomplishments resulted from efforts by firms and organizations such as Avco Everett Research Laboratory, the University of Tennessee Space Institute, Westinghouse Research Corporation, and others.

The first week of February, 1976, saw a major advance in MHD power generation. On February 9, Dr. Philip White, Assistant Administrator—Fossil Fuels, ERDA, announced the achievement of four days' continuous operation of Avco's Mark VI MHD generator. The Mark VI, America's largest operational MHD facility, logged one hundred hours of power generation, ninety-five of which were continuous at power levels of 200 kilowatts or more. Prior to this time, no continuous test lasting more than twenty hours had occurred at significant power levels. This test was a major step toward commercial use of MHD because the Mark VI was operated at voltage gradients and current densities equal to those that would occur during full-scale utility plant generation. Coal ash was introduced into the combustor to simulate conditions encountered during coal-fired operations. A major objective of the test was to evaluate the resistance of the channel and electrodes to coal slag.

While progress in MHD has been noteworthy, a tremendous amount of work remains to be done. Following is a brief discussion of four important areas of development, each vital to the overall aim of commercial MHD demonstration.

Development of MHD channels should be accelerated in the wake of the recent successful long-duration test of the Mark VI generator. An expanded engineering development program is needed if adequate preparations are to be in place for timely development of an engineering test facility (ETF). Such acceleration is justified by the need for the refinement of design techniques which in turn is requisite for yet longer duration testing. ERDA's proposal for an extended duration generator facility (EDGF) (as defined in Memorandum No. 2 referred to *supra*) is generally sound. An important consideration, however, is ERDA's vision of locating such a facility completely apart from the site of combustor development and testing. Since combustors must be adaptable to the channels they serve, it follows that completely separate facilities would be inadequate to the task of providing essential program data. For this reason, the decision to develop the EDGF should be carefully reviewed together with its concept.

An important component of an MHD generator is a superconducting magnet. Development of this component should proceed apace and parallel to that of MHD channels.

Another aspect of MHD generation is seed recovery and recycling. In order to produce electricity, the super hot coal gas is "seeded" with a salt to effect ionization which in turn generates electric power when the mixture is jettisoned through a magnetic field. To the extent practicable, this salt must be recovered and recycled. Parallel development of this aspect should be ensured for testing in concert with combustor testing.

An area critically lacking in fundamental data is MHD coal combustors. These coal combustors must be capable of producing temperatures of 4000° F. Combustor development should begin immediately and parallel to construction of a component development integration facility (CDIF). The latter is equally critical inasmuch as it will serve as the setting for integrating such MHD components as the coal feed, air heaters, the combustor, the channel, the diffuser, the magnet, inverters, down-stream heat exchangers and the gas cleaning system. ERDA's Memorandum #2 describes the CDIF as "a miniature MHD power plant."

The above activities must be orchestrated to provide data for the final design and construction of an engineering test facility (ETF), a fully integrated and operable MHD generator capable of perhaps tens of megawatts of electric power generation. It is anticipated that construction of the ETF will require approximately three years and that achieving full performance capability will require another two years.

I know that the Subcommittee is aware of the statutory imperative for rapid MHD development. This imperative is contained in Public Law 93–404:

". . ., and there shall be undertaken immediately the design and planning of such engineering test facility, to be located in Montana, large enough so as to provide a legitimate engineering basis which when achieved will enable the immediate construction of a commercial scale MHD plant (500 MWe or above) for possible operations in the mid-1980's."

ERDA's Administrator, Dr. Robert Seamans, Jr., stated on November 11, 1975, that "the MHD program is being accelerated and emphasis is being shifted from a research activity which has proved the basic concept of MHD to a structured engineering-oriented program." ERDA's Memorandum #2 declared the budget request for FY 1976 adequate for expanding current research and development concurrent with initiation of the required engineering effort. The same memorandum announced plans for construction of a laboratory support facility in the spring of 1976 as the initial step toward preparation of a component development and integration facility (CDIF). The memorandum projected completion of this project in time for a "shakedown" in latter 1977. Dr. Seamans stated that this preliminary work would provide experience and data which, when combined with knowledge gained through operation of an extended duration generator facility (EDGF), would enable finalization of design for construction of an engineering test facility (ETF) in conformance to Public Law 93–404. Memorandum #2 states that the development of a combustor and a CDIF is of "prime importance" to meet the very stringent requirements of the MHD generator.

Adherence to Congressional mandate in rapid MHD development appeared assured by the images generated through such words.

In substance, however, the assurance evaporates. The FY 1977 budget request contains only $37.4 million of the much greater amount required by such an effort. The request does not contain an estimated $24 million toward construction of the CDIF. For critical preliminary work on the ETF estimated at $10 million, the request contains nothing. I have concluded that such omissions may have originated not in ERDA, but in the Office of Management and Budget where Congressional imperatives are seemingly not as keenly felt.

I am advised by experts in science and engineering that MHD development can occur in conformance to Public Law 93–404 providing that the Executive Branch unites itself in the effort. Misgivings within the Executive Branch, unfounded on scientific knowledge and generated by misunderstanding of the great potential of MHD, have resulted in administrative dilution of Congress' intent in enactment of Public Law 93–404. ERDA's own MHD program exemplifies this fact in the timetable foreseen for implementation of the program's third phase which, according to Memorandum No. 2, "ends with operation of commercial-scale plant . . . by the late 1980's." Such dilution, unless dealt with meaningfully by Congress, establishes a dangerous precedent for further and more sweeping executive adjustments of the statutory timetable established in Public Law 93–404. Will subsequently executive memoranda set the goal of commercial demonstration of MHD for the early 1990's, the mid 1990's, and the early 2000's? Will further executive procrastination so delay development as to nullify the effective use of this important technology, and thus prove that bureaucratic footdragging is a more powerful tool than Congressional intent as written in statute? These are questions which the Subcommittee has every right to examine and address.

I am advised that ERDA is contemplating various means of correcting the budgetary shortcomings described earlier. I am told that Congress will shortly be apprised of a proposal that adequately addresses the need for prompt completion of a CDIF and preliminary work on an ETF. I therefore respectfully urge the Subcommittee to give any such proposal the closest possible examination in order to ensure that rapid parallel development of these important aspects is being undertaken.

At this moment, I do not presume to know the exact amount appropriate for an FY 1977 MHD authorization. My analysis of ERDA's budget request has centered on the critical omissions which relate to the CDIF and the ETF. I have, however, asked ERDA to furnish a carefully constructed estimate of the total amount that could be effectively utilized for MHD in FY 1977 sans budgetary constraints imposed by other quarters of the Executive Branch. I reserve the opportunity, with the Subcommittee's permission, to furnish that information the moment it's received. I have also asked ERDA to outline its reprogramming (capability with respect to current budget authority and funds on hand in order to elevate the priority of the CDIF and the ETF in conformance to Public Law 93–404. I will also furnish this information as soon as possible.

An examination of past expenditures in MHD research and development together with projections of future costs do not render a picture of unreasonable federal outlays in view of past and present commitments in space technology, weapons research, and development in other worthy energy technologies. This fact is especially clear in light of a recent study by the Boston Edison Company which projects enormous potential savings through MHD. Conversion of just five percent of America's electric operating capacity to MHD by 1985, the study concludes, would produce a savings of 8.82 million tons of coal, or $400 million in 1985 alone.

The Subcommittee was responsible in a major way for initiating a national program in MHD last year. I respectfully urge the Subcommittee to continue that effort this year by authorizing a budget that accelerates MHD research and development in all its critical aspects.

Thank you, Mr. Chairman, for your consideration of these views. Please don't hesitate to contact me if I can clarify any observation or request I have made, or if I can be of service in any way.

With best personal wishes, I am

Sincerely,

MAX BAUCUS.

REVENUE SHARING: RIP?

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. KINDNESS. Mr. Speaker, the Congress of the United States, in passing the "Local Public Works Capital Development and Investment Act of 1975," may have dealt the fatal blow to continuation of the general revenue sharing program. If, in fact, this is the case, the misfortune will have been unintentionally assisted by many State and local officials.

When the House of Representatives first passed this legislation in May of 1975, it was aimed at providing public works employment for people in the construction industry, which is suffering an unemployment rate of 24 percent, and doing it quickly.

The bill was sent on to the Senate, which ignored it for many months and finally passed a bloated version of the measure. It wasn't until December of last year—7 months later—that a House-Senate conference committee recommended a "compromise" bill to both Houses.

The "compromise" included the addition of a title II provision which was devised by the Senate majority to provide something that people in Washington call "counter-cyclical" is supposed to mean, roughly, "anti-recessionary", which, intentionally, would take in just about anything anyone would want it to include. In this case, it would mean setting up a "mini-revenue sharing program", triggered by high unemployment in the State or locality, provided national employment remains above 6 percent.

It is this part of the compromise that may kill the general revenue sharing program, which must be renewed this year if it is to continue.

Some people believe that killing revenue sharing would be a good thing. I believe that until Federal taxes and Federal spending are reduced to a greater extent than they have been—or will be—by this Congress, revenue sharing is needed. Of course, the best form of revenue sharing would be to leave tax dollars at the State and local level in the first place.

Many of those who want to kill revenue sharing want to do so because they feel that the Federal Government does not have enough redtape control over the use of these funds. There is nothing in this bill to please them. In fact, the funds in title II would be subject to less Federal control than the funds in the general revenue-sharing program.

The countercyclical aid program would run for five calendar quarters, starting on April 1, 1976 and would involve about $1 billion. Most of the money will go to big cities. This is called a job opportunities program, but the legislation, which was written without hearings, contains no provisions to assure that State and local governments will use the money to create jobs.

Thus, at the urging of such groups as the AFL–CIO, the U.S. Conference of Mayors, and the National Conference of State Legislatures, an extension of the 5-year, $32 billion general revenue-sharing program has been traded for a 15-month, $1 billion countercyclical aid program. Some of the advocates of revenue sharing have helped to create a convincing excuse for the opponents of revenue sharing to do nothing to extend the program.

Thus, they may have "traded their inheritance for a mess of pottage."

President Ford has once again exercised the veto in the interest of commonsense.

PSYCHEDELIC FOREIGN POLICY

HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. BOLLING. Mr. Speaker, the editorial which follows is from the Wall Street Journal of Thursday February 12, 1976. It describes the problem which confronts many of us. We simply cannot find a coherent message in the foreign policy statements and actions of the Ford administration.

The article follows:

[From the Wall Street Journal, Feb. 12, 1976]

Review and Outlook

PSYCHEDELIC FOREIGN POLICY

President Ford opened his day Monday at breakfast with reporters, complaining that the members of Congress "lost their guts" in refusing covert funds for Angola. "I think they will live to regret it."

The President closed the day with a speech to a military affairs group, presumably responding to Ronald Reagan's remark that it might be a good idea not to bargain away the U.S. cruise missile. Mr. Ford complained about 'warming over the old rhetoric of the Cold War." He warned against "fast and fancy gunplay with weapons that can destroy most of the human race."

The President and his foreign policy advisers wonder why their message isn't getting through.

The psychedelic image the President projected Monday has become a hallmark—the hallmark—of the foreign policy he and Secretary of State Kissinger have recently been conducting. They complain that Congress fire the Secretary of Defense for annoying Congress with his requests for funds. They won't give them funds for defense, but they publicly say they're enthusiastic about Daniel P. Moynihan at the United Nations, but someone James Reston believes tells him that privately they "deplore" him.

The President goes to Helsinki, defending a document officially recognizing Soviet gains in World War II as promoting a bit more individual freedom in the Soviet bloc. But he refuses to receive Alexander Solzhenitsyn at the White House. In reply to questions about whether the Soviets are complying with the first strategic arms agreements, the Secretary hurls charges of "irresponsibility" and "demagogy." The first person to raise the questions was the President's friend and personal adviser Melvin Laird.

Secretary Kissinger tours Europe to warn our allies against treating with their domestic Communist parties. It would be a disaster, he warns, if the Italian government got too friendly with Communist leader Enrico Berlinguer. Then Mr. Kissinger jets off to Moscow to deal with Communist leader Leonid Brezhnev, and the following events transpire:

Mr. Brezhnev and Mr. Kissinger appear before reporters, and someone asks whether Angola will be discussed. Mr. Brezhnev says no and Mr. Kissinger says yes. Mr. Brezhnev says, "You'll discuss it with Sonnenfeldt. That will insure complete agreement." State Department Counselor Helmut Sonnenfeldt is Mr. Kissinger's top aide on Russia and strategic arms.

During the negotiations, Mr. Brezhnev suddenly asks for Mr. Sonnenfeldt's wristwatch. He appropriates the gold Omega watch, returning his own aluminum pocket watch. When Mr. Sonnenfeldt protests, Mr. Brezhnev produces a stainless steel watch, and for good measure throws in a promise to exchange watches again sometime in the future. On the way back from Moscow, someone on the Kissinger plane tells reporters this story to prove what a jolly good fellow Mr. Brezhnev is.

In private Mr. Kissinger frequently complains that all of Western civilization is confused, has lost its will and is in a state of decline. Congress hampers an effective foreign policy at home, and the politics of our allies are even worse. There is of course some justice in these complaints, and even in this assessment of the West. But especially given the past volatility of American attitudes toward foreign policy, it is far too early to conclude that the recent decline could not be reversed by coherent leadership. And considering the leadership image Washington now projects, who can blame Congress, our allies and the American people for *their* confusion?

Now, we would hope that forging a coherent image in Washington would not necessarily involve some kind of "hate Russia" campaign. Doubtless the right policy is a combination of carrot and stick. For example, while we see nothing wrong with some financial aid to anti-Communists in Angola, that nation is important far less in itself than in the context of our central relationship with Russia. It is in that context that the chief U.S. reaction should come: Stop visiting Moscow to banter with Brezhnev, publicly cut off a few technology contracts, and tell Congress that since the Russians are behaving badly we need more money not for Angola but for the Pentagon.

Until a coherent message comes from Washington, Congress, our allies and the people cannot be expected to respond. A policy of Cold War they could understand. A policy of appeasement they could understand. A sensible carrot and stick, in our opinion, they would understand well. But who can understand a policy of bombarding them with psychedelic images and then complaining that their minds are addled and their will is sapped?

FORD'S MEDICARE FRAUD

HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. CORMAN. Mr. Speaker, last week, February 9–11, the Subcommittee on Health of the Ways and Means Committee held a series of hearings on President Ford's medicare proposal.

Seldom has a congressional committee received such strong and universal testimony against a legislative proposal. All of the witnesses testified in opposition to the President's proposal, with the exception of the administration itself.

Under his medicare proposal, President Ford would substantially increase the patient's out-of-pocket expenses for acute care with some "catastrophic" limits on personal liability and to arbitrarily limit providers' reimbursement.

The medicare patient would be required to pay, beyond the hospital care deductible of $104, 10 percent of all hospital and skilled nursing charges up to a maximum of $500 a year. This provision would replace the current cost-sharing structure under which the patient pays the $104 deductible for the first 60 days of hospital care, and if in the unusual situation of requiring extended treatment, the patient pays a relatively reasonable daily copayment for the duration of covered days. A very small number of hospital insurance enrollees have hospital stays in excess of 75 days, that is, the point at which they would now have to pay $500 or more for care.

The President would also have us increase the cost of the medical insurance by immediately boosting the part B deductible by 28 percent, from $60 to $77, and authorizing future automatic increases related to social security cost-of-living increases. In addition, he would have the patient begin to pay 10 percent of the charges for hospital-based physician services. Patients would have to pay these new costs on top of the existing coinsurance of 20 percent of "reasonable" charges up to a personal liability of $250 a year. Currently, a patient would need total physician bills of $1,010 to benefit under the President's $250 proposed ceiling.

For the medicare providers, he seeks to impose arbitrary and artificial limits on increases in reimbursable charges of 7 percent for hospitals and 4 percent for physicians.

In response to the President's overall proposal Mr. Bert Seidman of the AFL–CIO said:

> The President stated in his State of the Union Message that 3 million persons would receive benefits under his catastrophic health plan for Medicare. What the President didn't say was that under existing law only a miniscule proportion of the roughly 25 million beneficiaries would benefit from his plan. For example, perhaps 50,000 beneficiaries would reach the eligibility limits for his hospital catastrophic plan. What his proposal would do is increase the cost burdens on the elderly and disabled to such an extent that 3 million of them would be eligible. In other words, the President's plan creates the catastrophes for his catastrophic program.

Similarly, the president of the National Council of Senior Citizens, Mr. Nelson H. Cruikshank, testified:

> It has long been my conviction that the real measure of the value of insurance is by how well it covers what happens to most people. By this measure, the Ford proposal comes close to zero.

Although the need to control health care costs is well known, it is difficult to conceive of a more crude and unrealistic proposal for doing so than that suggested by President Ford.

From the health providers' perspective, Mr. John A. McMahon, president of the American Hospital Association, summarily rejected the medicare proposal, claiming:

> The President's proposal, if enacted, would threaten the continued viability of the nation's hospitals and, in fact, would impair health care delivery.

The American Medical Association, represented by Dr. Raymond T. Holden, Chairman of its Board of Trustees, stated:

> . . . the proposed changes would not only be impractical, but would also be inherently unfair to all parties concerned. Unfortunately, the unfairness . . . would be especially hard upon the beneficiaries of the Medicare program.

Dr. Holden later elaborated:

> Mr. Chairman, to impose such arbitrary limits on only one segment of the economy and then to expect a continuation of beneficiary satisfaction for having benefits paid by Medicare (as promised by the program) is naive. The health care sector of our society cannot operate in a vacuum. It is subject to the same costs of living and costs of doing business as is any other segment of society. It cannot be expected to provide high quality care while having reimbursement limited to unrealistic levels.

With actual increases in the providers' costs expected to exceed these 4- and 7-percent limits because of such expenses as malpractice insurance premiums and employee salaries, the probable result is that hospitals will pass on larger rate increases to nonmedicare patients and physicians will surcharge the patients.

There is particular concern that the President's recognition of only 4-percent annual increases in physicians' reimbursable fees will dramatically worsen the already declining percentage of medicare claims submitted under the assignment billing method.

Currently, a physician may assign his medicare claim and accept the calculated "reasonable" charge as full payment or directly bill the patient and charge above the "reasonable" amount. When the patient is billed directly, he must pay the difference between total charges and the "reasonable" amount as well as the usual 20-percent coinsurance. As a result, it is not unusual for the patient to pay, in effect, a coinsurance as high as 30 or 40 percent.

The steady decline in the acceptance of assignment billing, now less than 52 percent of all medicare claims, has been a major shortcoming of the program's coverage and a source of deepening beneficiary dissatisfaction.

I concur with the statement of Mr. Robert M. Ball, the former Commissioner of Social Security under whom the medicare program was implemented:

> I believe it would be desirable to add catastrophic protection to the Medicare program and pay the full bills of those who have the largest expenses. Although the change affects relatively few people, catastrophic insurance guaranteeing that no one had to pay more than $500 a year under Part A of Medicare, or $250 a year in Part B of Medicare is a desirable addition to the program and, in my opinion, should be enacted.
>
> It does not seem to me to be necessary, however, to take the bad with the good. The other . . . proposals which the President makes seem to me unsound and unwise, and together constitute a major decrease in the protection which Medicare beneficiaries now enjoy.

I would like to conclude this brief summary of the public's response to the President's medicare proposal with a perceptive editorial on the President's health policies from the February 6, 1976, Los Angeles Times:

HEALTH CARE IS SICK

The two government programs, Medicare and Medicaid, that provide health care for 50 million aged and poor Americans are as expensive as they are imperfect.

President Ford's proposed revisions hold out the promise of increased health protection and equity in the distribution of billions of federal dollars.

There is some truth to his promise, but also cynicism and callousness. Ford wants to save money, and would by shifting the financial burden to citizens least able to pay. That is bad politics and bad leadership.

Ford should address the rising cost of health care. For him to stop at that—without addressing the quality of service and the unmet needs—is a sham.

With Medicare, for example, Ford proposes to give the aged and disabled in the program what he calls "catastrophic" protection. Medicare participants would pay $500 maximum a year for hospital costs.

The principal is sound and decent, but the proposal would hurt more than it would help.

As Medicare now works, a patient would have to be hospitalized for more than 75 days to be liable for the $500. The average hospital stay currently is 12 days. A Medicare beneficiary now pays $104 until the 61st day of hospitalization. For days 61 through 90, the daily cost is $26.

According to the House Ways and Means subcommittee of health, Ford's "catastrophic" protection would increase benefits for one-half of one percent of Medicare participants.

In his State of the Union message, the President said that few Americans can afford to pay medical bills resulting from catastrophic illnesses. "We must eliminate this fear from every family," he said. The Medicare proposal is a crawl rather than a step in the right direction.

Another aspect of the Medicare proposal would limit hospital cost increases to 7% and doctors' fee increases to 4% for health-care providers reimbursed by the program.

The federal government might as well wave a magic wand. Hospitals either will refuse Medicare patients or, more likely, pass along the rest of the cost to private patients. Doctors can bill patients directly. That means patients will have to pay what Medicare won't pay. The federal government may save money, but health-care costs won't be controlled.

The health of all Americans is a national responsibility. The very existence of Medicare and Medicaid were the first steps toward meeting the responsibility.

Instead of improving and building on these programs—toward national health insurance—Ford would reduce federal responsibility. That won't do.

As a result of national economic conditions, too many Americans can't afford health care. Only the federal government, with its resources and taxing ability, can ensure that every citizen has the chance for adequate health care.

Medicaid, the federal-state program providing health services for the poor, is one of 16 federal health programs that Ford would consolidate into one bloc grant. The idea is to give states the flexibility to meet their respective health needs.

Currently, states pay up to 50% of the Medicaid cost (in California, the program is known as Medi-Cal), with the level of federal aid based on per-capita income. That means rich, industrial states—California and New York, for example—get more money than poor, rural states.

Ford would redistribute federal funds on the basis of per-capita income, taxing effort and low-income population. That would be a more equitable formula. But all the elements of his proposal don't add up to more equity.

The states, for example, would not have to contribute to Medicaid. That invites cutbacks. State governments, already hard pressed for money, have begun to limit Medicaid services and eligibility.

High unemployment translates into higher welfare rolls and more Medicaid patients. The problems resulting in increased Medicaid costs are not caused by the states, and can't be solved by the states.

Ford's proposal is designed to limit the federal government's financial responsibility for the health care of the poor. Rather than reduce its commitment, the federal government might instead assume the states' financial commitment. That would truly ensure equity.

The Medicaid program is not a model of equity. Under federal law, those eligible for welfare are eligible for Medicaid. The states set welfare benefits and, so, Medicaid benefits and eligibility standards vary from state to state.

A few states provide more than the required minimum. California and New York, for example, would get less federal aid under Ford's proposal. They would be penalized because they are rich and generous.

The nation's welfare system needs reform, an issue Ford ignores. But his Medicaid plan would only compound the injustice and irrationality of welfare.

One reason for the enactment of Medicare and Medicaid in 1965 was the failure of the states to meet health needs of the aged and poor. Ford's proposals would be a step backward.

REDUCING OUR ENERGY DEMAND

HON. SHIRLEY N. PETTIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mrs. PETTIS. Mr. Speaker, most Americans do not realize how much energy is consumed for "their convenience." Most of us take for granted such convenience items as instant coffee and tea, precooked and frozen foods, or color-fast textiles. All of these items require a tremendous amount of energy to be produced.

Additionally, in our modern times, we appear to have adopted a "throw-away" attitude. Durability and quality have been substituted with a belief that articles can be discarded and replaced cheaply. Although the fad of recycling cans, bottles, and newspapers was at its peak a few years ago, I suspect that most Americans have gone back to earlier times of simply throwing these materials in the garbage heap.

Mr. Speaker, whether or not most of us would like to believe it, we are still in an "energy crisis." Taking steps to reduce our energy demand is, or should be, a very important part of our daily lives.

For this reason, I would like to call to my colleagues' attention the following article which appeared in the New York Times. It provides some rather interesting ideas on how we can reduce our energy demand, and is well worth the reading.

The article follows:

[From the New York Times, Feb. 12, 1976]

REDUCING THE ENERGY DEMAND

(By R. Stephen Berry)

CHICAGO.—While industry and government search for ways to increase energy supply, policies for reducing energy demand lag sadly. Our reluctance arises partly from fear of the consequences of reduced energy use, which is due in turn to a lack of understanding of how reductions in energy demand can be achieved.

Whether we contemplate complete independence of imported oil or a more balanced way of responding to energy scarcity, reducing energy demand must be part of our energy program. Higher fuel prices alone make this a logical necessity, even with new energy sources.

Energy from new sources will cost more than what we formerly paid for oil or what we now pay for energy from coal and natural gas. The policy question is not whether per-capita energy demand will diminish—it will. The questions are how might we reduce energy demand, how our choices will affect the way we all live, and whether some options deserve extra stimulation by government.

We can identify and evaluate long lists of possibilities for energy savings using a tool called an engineering production function or more generally, energy analysis. This tells us how our energy requirements—and all other resource requirements—would change if we switched from one practice to another.

We now know one fact for sure: No single change will make a very large dent in the so-called national energy budget—that is, the annual total consumption of primary energy (fossil and nuclear fuel and hydroelectric energy). The aggregated data are compiled by the Bureau of the Census in its censuses of manufacturers, mineral industries and the general population.

We get a feeling for the largest possible effect an alteration could have, if pushed to its theoretical limit, by evaluating the example of doubling the average number of passengers in automobiles from 1.5 to 3.

This is illustrative because transportation is such a large factor in the national energy budget—about 25 per cent—with passenger automobiles contributing about half of that. Doubling the load would reduce the total budget by just over 6 percent. This then would represent a large reduction in the budget, probably more than we dare expect from a single change. Doubling the average gasoline mileage would accomplish the same saving, so long as we use cars as we do now. This could happen, but only over the ten years required to retire the present fleet.

Fortunately, there are many other ways to reduce energy demand. Recycling all the steel cans used each year would save nearly 0.15 percent of the budget—not much, it seems, until we translate that saving into eight 500-megawatt power plants that we would not need (based on the estimated 1975 national energy budget).

Recycling all the paper used each year could, in principle, save about 0.3 percent of the budget annually, equivalent to sixteen 500-megawatt plants. Recycling all the cars retired each year would reduce the budget almost twice that much, about 0.56 percent. And these figures include the energy required to collect and reprocess the used materials. Recycling plastics could offer significant savings, but only if each kind of plastic is separated from the rest—and the technology to do this is only now being developed.

Occasionally recycling is not a useful way to reduce energy demand. Glass containers offer significant savings by *reuse*, but only small payoffs by recycling. Figures from the University of Illinois imply that reusing all the glass bottles and jars in America about six times would reduce the national energy budget about 0.2 percent, equivalent to nine power plants.

But *recycling* those glass containers would save only the energy required to make the caustic soda used in manufacture of new glass, netting only about one-tenth as much. Recycling glass might be a good thing, but not because of its impact on the budget.

By making manufactured goods last longer, we can reduce energy demand. In the unlikely event that we make the average car last three times the present 10-year average, we would reduce the budget by about 1.1 percent (after including the energy required for replacement parts), equivalent to about 46 500-megawatt power plants.

We can reduce the demand for primary fuels by using waste paper and plastic (but not polyvinyl chloride) in place of coal or oil, as fuel. After all, paper and plastic, like coal and oil, contain trapped solar energy that can be released by combustion. If we used all our waste paper and plastic as fuel to generate heat and power, we would diminish the budget by about 0.28 percent. More important, this substitution could supply almost 3 percent of the budget.

If all the cement in the United States were made by the dry process, instead of some by dry and some by the wet process, the net reduction in the budget would be 0.12 percent. This change is feasible but exemplifies the problem of a long phase-out time that retards the change-over.

Supplying water would demand more energy. To compensate declining availability, we should reduce demand, use more energy-intensive processes to obtain "new" water and reuse that water more than before. Providing for our water needs now requires about 4 percent of the budget. If we are forced to desalinate on a large scale, supplying water will become one of the energy-intensive sectors of the economy, demanding 10 percent or more of the budget.

Thus, apart from problem sectors such as water, we see many areas where energy savings could be made, and the upper limits to the savings that could be achieved. Most are tenths of a percent of the budget. But we are finding hundreds of such savings in all the major energy-using sectors. And a 100 tenths of a percent is 10 percent. In other words, it is within our grasp to achieve a significant reduction in energy demand, easily more than 10 percent of the national energy budget, by small adjustments that only slightly affect our way of living.

THE TAX REDUCTION THAT WASN'T

HON. WILLIAM L. ARMSTRONG

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. ARMSTRONG. Mr. Speaker, after all the hue and cry about tax reductions and the jockeying for position between the President and Congress, I would like to point out a disturbing fact. A large number of Coloradans are still facing increased personal income taxes—and after the blizzard of press releases and media coverage, they want to know why.

I think the following letter from a constituent outlines the problems facing middle Americans across the country. These are the people who pay for Government, who pay for social programs many of them cannot use, who are dismayed and disappointed by the skyrocketing cost of Government.

When they get raises to combat inflation, the Government takes a bigger bite from their paycheck, thanks to the graduated income tax, and unless they receive really substantial pay increases, they are worse off this year than last.

So I would like to commend this thought-provoking letter to your attention:

ENGLEWOOD, COLO.,
February 3, 1976.

MR. WILLIAM ARMSTRONG,
House of Representatives,
Washington, D.C.

DEAR MR. ARMSTRONG: This is the first time I have ever been compelled to write my Congressman, but I am so shocked at what has been happening to my family this past year that I felt I must share it with you.

My husband is employed by ——— and I am employed by ———— here in Denver. Last year our combined income was $24,698 and we had to pay an additional $201.00 income tax to the Federal Government. This, after the normal payroll deductions of some $4,000.00. The $24,698 is no great shakes in this area, because, as you well know, "It is a privilege to live in Denver" as one of our newspapers tells us everyday, but it is also very expensive to live in Denver.

Now the shocker. Last night we did our income tax for 1975. In 1975 our combined income was $25,526 or an increase of $828. However, this year we owed the Federal Government (in addition to some $4,000 already paid) $484.00. This in a year of reduced (or so we were led to believe) taxes. I do not understand it. More than half of our increased salaries was taken by taxes. Our property tax was increased $150.00. There were several utility increases in this past year plus the normal cost of living which encompassed us all. In other words, the increase in salary which we thought we had received had been consumed and we more than likely have fallen behind.

My daughter is in her first year at the University of Northern Colorado. When our children were very small, we took out an endowment policy on both of them for their education. It wasn't very much, but it was all we could afford at the time, with constantly rising college costs, now, 18 years later, we have enough to see them through one year. So we applied for financial assistance. We were declined for Federal, State and work study on the grounds that "we make too much money." My daughter brought home a book from the financial aid office on scholarships which was about 1" thick. In this entire book there was one she could apply for and that wasn't until her junior year. Her assessment of the book was that if her father was dead or her name was Gonzales we could probably get some aid. One friend of mine suggested we apply for a loan and then simply renig (sic) on it as most people do.

My son will be entering college this quarter (in fact he has been at the local community college nights while finishing his high school since the first of the year). I do not believe that having two of them in school at one time will assist us any with financial aid. He will go to school two years here in Colorado, but will have to go to the University of Arizona to get his degree in his chosen field. This cost will be staggering since we are out of state (it looks now like $4,000 per year).

Mr. Armstrong, I am very discouraged with this whole thing. Please don't tell me to arrange to pre-pay most of my taxes, or seek personal loans for education, I know this stuff. It would be like putting a band-aid on a cancer. My feelings at this time are to quit my job, have my husband disappear and go on welfare and aid to dependent children. Then we could get all the help we need. I guess the climax of this whole ridiculous thing came a few days ago when I was in line at the grocery store with hamberger (sic) and hot dogs in my basket and the lady in front of me had gorgeous steak and was paying for them with food stamps. Your advice and council (sic) at this time would be greatly appreciated.

Respectfully,

——— ———.

CUBAN INTERVENTION IN ANGOLA

HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. BELL. Mr. Speaker, as many of us who opposed the Senate amendment to cut off aid to pro-Western forces in Angola had predicted, we have in recent weeks seen the Angola nation fall to pro-Communist forces.

To a large degree, the pro-Communist successes in Angola depended on Cuban military forces, which now number approximately 12,000 in that African nation.

These Cuban troops not only participated in the fighting there, but actually waged a number of the battles.

In that connection, I recommend to the attention of my colleagues in the Congress an article by Don Oberdorfer from this morning's Washington Post. Mr. Oberdorfer expresses a concern shared by many of us over the growing possibility that the Angola Cuban military force might now be used elsewhere in Africa, or in other parts of the world.

The complete text of Mr. Oberdorfer's article follows:

[From the Washington Post, Feb. 18, 1976]

CUBAN INTERVENTION IN ANGOLA INTRIGUES WORLD CAPITALS

(By Don Oberdorfer)

Early last September five merchant ships loaded with Cuban troops, weapons and ammunition sailed from Cuban ports on a 6,000-mile voyage across the equatorial Atlantic to the continent of Africa. Their mission: to tip the scales of civil war in Angola.

Three weeks later, around the first of October, some of the ships arrived in the old coffee port of Porto Amboim south of the Angolan capital. Others landed at the Congolese port of Pointe Noire to the north.

About the same time Cubana Airlines planes began ferrying Cuban army "volunteers" across the Atlantic on their way to battle in Angola.

By the end of October at least 4,000 Cuban troops had landed or were on their way in a steady stream of ships and planes, according to U.S. estimates. By the end of the year the number had grown to 7,500. Last week the Cuban troop commitment to Angola—no longer growing but not yet diminishing either—was estimated at 12,000 men, about one-eighth of Cuba's standing army.

The Cuban intervention, which turned the tide of battle in Angola, is an extraordinary event in post-war history. There is little precedent for it in the past behavior of either Latin American or Communist countries. Some believe it will turn out to be an isolated episode, while others believe it will begin a new phase in the cold war. Seldom has a military operation involving a limited number of regular troops raised so many questions in world capitals about motive, intentions and potential consequences.

Until recent weeks the circumstances and significance of the Cuban intervention was overshadowed in this country by the bruising debate between the executive branch and Congress on Angolan aid. Moreover, President Ford and Secretary of State Henry A. Kissinger placed most of their emphasis on condemning the Soviet Union with lesser emphasis on the Cuban "proxy army."

Though the Soviet role in supplying military equipment and some troop transportation remains important, there is growing attention in Washington to the role of the Cubans. State Department officials in the Latin American field now argue that the imeptus for the Angolan intervention came more from Cuba than from Russia. Kissinger is reported to accept this view in private.

The theory of Cuban initiative is backed up by a report that a mission from the Moscow-oriented MPLA (Popular Movement for the Liberation of Angola) was given a chilly reception in the Soviet capital last June in its search for military help. Some versions of the report say the MPLA was referred to the Cubans for possible help. In any case, American officials familiar with the available evidence do not believe that the Cubans were "pressured" by Moscow into furnishing men for the Angolan battlefields.

Silent about Cuban intervention during its early months Premier Fidel Castro has become increasingly vocal as his troops met with battlefield success. In an interview with an Italian journalist Jan. 16, Castro was quoted as saying his troops will continue to fight "as long as the government of the People's Republic of Angola wants this." Castro, his government and the Communist Party organ Granma, declared last month that Cuba sent troops in response to a request from the Angolan MPLA faction, described in Cuban accounts as "the legitimate government" of the contested African state.

An official Cuban note to the United Nations in late January maintained its troops were sent only after South African forces launched a major drive into the heartland of Angola Oct. 23. Castro reportedly gave this version to visiting Canadian Prime Minister Pierre Elliott Trudeau in Havana recently. The chain of events as reconstructed by American officials contradicts this explanation, however.

The Cuban intervention, surprising as it was to most of the world, arose from a long background of involvement with Africa. As Castro has noted, African blood runs abundantly through the veins of many Cubans. Cuba has provided advisers and small-scale assistance for more than a decade to a variety of African countries and independence movements. In 1965 the guerrilla hero, Ernesto (Che) Guevara reportedly fought for a time with insurgents in the Congo.

In his Jan. 16 interview with Milan's Corriere Della Sera, Castro said Cuba had been aiding the Angolan "liberation movement" for 10 years. Indications are this aid included instructors in Communist organization and tactics, Cuban style, and training of a few Angolan leaders in Cuba.

The Soviet Union had been supplying some arms to Angola's MPA since 1957, according to U.S. reports. China began supporting a rival independence faction, the FLNA (National Front for the Liberation of Angola), in 1973 with military advisers and some equipment. The United States had given secret subsidies since the early 1960s to FLNA leader Holden Roberto. As Portugal prepared to pull out of its Angolan territory by last Nov. 11, the struggle between factions and their international backers intensified.

Fighting broke out between rival groups last March, becoming more serious in the spring and summer. According to Cuba's deputy prime minister, Carlos Rafael Rodriguez, Cuba sent 230 military advisers late last spring at the request of the MPLA leader, Dr. Antonio Agostinho Neto. They set up four training centers for Angolan fighters, Rodriguez said.

It was in early June, according to U.S. sources, that the MPLA delegation visited Moscow in an unsuccessful attempt to obtain direct Soviet involvement in the Angolan struggle. Sometime the same month a Cuban mission including a member of the Communist Party central committee with military responsibilities met the MPLA's chief, U.S. reports said. It is surmised—but not established—that Cuban intervention was discussed.

(In Washington about the same time the United States sharply increased support to its insurgents. The report of the House Intelligence Committee said the CIA prepared a proposal last June for $6 million to pro-American elements in Angola, which was approved in revised form as a $14 million program by President Ford and the Forty Committee of the National Security Council in July.)

The timing of Castro's decision to send ground troops to Angola is not definitely known, and is the subject of some debate in U.S. government circles. Working back from the departure of ships in the first week of September it seems likely that Castro's decision could not have been later than late July or early August. By mid-August, according to a U.S. report, regular troops in Cuba were being convassed for volunteers willing to fight in Angola.

The mid-summer of 1975 was notable as the high point of a developing rapprochement between Cuba and the United States. In late July the United States had voted with the majority in the Organization of American States to lift the political sanctions against longstanding economic and political sanctions against Cuba. Cuba responded by returning $2 million in ranson paid for a hijacked airliner three years before. The United States in late August lifted a ban on exports to Cuba for foreign subsidaries of U.S. firms. There was widespread talk of further moves leading to restoration of relations.

Within months this movement would be stopped short by the Angolan intervention. Some State Department experts believe Castro may not have been ready for full bilateral relations, including the risks accompanying a U.S. presence. Others believe a desire to improve U.S. relations was outweighted by an allegiance to the Communist camp, dependence on the Soviet Union, aspirations as leader of the Third World and long standing ties to the Angolan insurgents.

Castro himself later declared that the possibility of full relations with the United States never did exist because Washington's asking price was too high. In the Italian interview he said "Cuba is asked to renounce its foreign policy" to mend relations. He said it is "impossible" for Cuba to refrain from aid to countries such as Angola which are attacked by "Fascism, racism and imperialism."

In view of the situation on the ground in Angola, Castro's decisions to intervene—like those of the United States in Vietnam—may have been taken step by step rather than all at once. While the flow of Cuban troops reportedly did not slacken once it had begun, some U.S. officials believe Castro may not have intended initially to send 12,000 men, but was led by circumstance to increase his investment.

Sometime in August South African troops crossed the Angolan border to protect power plants serving South African-controlled Namibia. Late in October the South Africans intervened on a full-scale basis, moving into south central Angola. They soon clashed with Cuban regulars in a series of pitched battles. The United States then increased its covert aid to pro-U.S. Angolan factions. The Soviet Union redoubled its sharply increasing supply of military equipment.

U.S. officials said the Cubans brought some of their equipment with them by sea and air, and acquired other gear—including most tanks, 122mm rockets and other heavy weapons—from Soviet supply lines in Africa. The American belief is that Russia agreed to replenish any weapons, ammunition or other supplies expended from Cuban stocks.

The turning point of the Angolan civil war came Dec. 19 in Washington, when the U.S. Senate voted to bar further covert aid to American-backed factions. China had already begun to withdraw its aid, evidently on grounds that the anti-Soviet forces could not win.

A month after the U.S. decision, South African troops began to pull back, leaving the Cubans free to move against the remaining African forces and groups of mercernaries with relative impunity.

Early in January, following the U.S. congressional decision, Soviet IL-62 transports with Russian pilots began ferrying additional Cuban troops nonstop across the Atlantic to Angola. This airlift became necessary as the United States managed to deny Cuban planes the use of most of the third-country refueling points which previously had been used by the short-range Cuban airplanes.

Some 4,500 Cuban troops are reported to have been sent to Angola during January. At the same time, the Russians augmented $200 million in military equipment with $100 million more, according to an estimate made public by Kissinger. "Cuba scored a military victory, backed by the Soviet Union. Almost all of the fighting was done by Cuban forces," Kissinger said last week.

As of late last week, there was no indication that the Cubans had begun to withdraw from the Angolan battlefield, and there was increasing speculation in Washington about the future. Having installed the MPLA as winner of the Angolan civil war, Cuban forces may find it difficult to withdraw quickly. Some American officials believe Cuba is likely to leave large numbers of advisers and a substantial military presence. But if Cuban regulars remain to hold the cities and strategic points, they may well become objects of ambush and attack from guerrillas of rival African factions who are regrouping in the bush.

A possibility of growing concern is that Cuban forces now in Angola might be used elsewhere in Africa—perhaps against neighboring Zaire or Zambia, in the French-Somalian dispute in Djibouti, or the little desert war between Algeria and Morocco in the Spanish Sahara.

A likelier possibility might be a Cuban-backed move against South Africas Namibia colony just across the Angola border, leading to eventual assault on South Africa itself.

The intervention in Angola is not universally approved in Cuba, where reports of casualties have seeped through censorship and media control. The idea that tiny Cuba has undertaken a job as a world policeman—whatever the rhetoric of the government and party—might not be popular with the Cuban masses. There is no hint from Castro that he plans to continue military actions in Africa, but neither is there a promise to withdraw.

Some 25,000 Brazilian troops joined the allied fight in Italy in World War II and a 1,000-man Colombian battalion showed the flag with the U.S. side in Korea. Otherwise Latin Americans have not fought and died on other continents. There is no precedent for Latin forces undertaking an overseas fight on their own initiative. Nor is there a precedent for a meshing of Soviet equipment and national Communist fighters in major battle thousands of miles from the territory of either one.

Whatever its future, the Cuban intention in Angola is the object of intense interest on several continents. In a world beset with conflict, it is something new under the sun.

CENSORSHIP AT INNSBRUCK

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. ZABLOCKI. Mr. Speaker, like many of my colleagues, I was shocked by—and deplore—the recent decision by the International Olympic Committee to withdraw the press accreditations from the Radio Free Europe news team at Innsbruck. This action represents, in the words of the New York Times, "a disgraceful capitulation to Soviet pressure;" it is also in direct violation of the final act of the Conference on Security and Cooperation in Europe—the so-called Helsinki accord.

Adding insult to injury, the President of the International Olympic Committee is quoted as having stated that the RFE ban was imposed because "we do not want the Olympic games to be used for propaganda." The implication is that by comparison, Tass, the official Soviet news agency, along with radio and television representatives from Eastern European countries, are engaged exclusively in factual reporting of events. Nothing, or course, could be further from the truth.

Radio Free Europe sports reporters have been covering Olympic games since 1952, in a highly professional and nonpolitical manner, and previous challenges to RFE credentials have been decisively rejected by the IOC. This action is, therefore, a step backward from the principle of freer communication among nations.

Mr. Speaker, the case for Radio Free Europe and against this unwarranted and highly prejudicial action is aptly summarized in the following telegram to the IOC from Dr. David Abshire, Chairman of the Board for International Broadcasting. Under the unanimous consent granted I insert in the Record the text of that message, together with a Washington Post article and New York Times editorial—both dated February 12, 1976. These three documents speak for themselves:

Board for International
Broadasting,
1030 Fifteenth Street NW.,
Washington, D.C., February 10, 1976.

Telegram To:

Lord Killanin, President, International Olympic Committee;

Willy Daumer, First Vice President, Internaitonal Olympic Committee;

Juan Antonio Samaranch, Second Vice President, International Olympic Committee;

Major Silvio de Magalhaes Padilla, Third Vice President, International Olympic Committee;

Mohammed Mzaalli, International Olympic Committee;

James Worrall, International Olympic Committee;

Masaji Kiyokawa, International Olympic Committee;

Julian K. Roosevelt, United States Member, International Olympic Committee;

Philip Crum, President, U.S. Olympic Committee;

Don Miller, Executive Director, U.S. Olympic Committee.

Innsbruck, Austria

As chairman of the United States Board for International Broadcasting, I protest most energetically the withdrawal of Olympic press accreditations from the Radio Free Europe news team and urge you to take speedy action to restore these credentials.

Our board, appointed by the President of the United States and confirmed by the United States Senate, was created in 1973 by law to grant Federal funds to Radio Free Europe and oversee its broadcast activities, after a finding by the Congress of the United States that Radio Free Europe and Radio Liberty further the open communication of information and ideas, thereby contributing to international peace and stability. Our board continuously, and the Congress in annual authorization and appropriations hearings, have reviewed the activities of Radio Free Europe and found it a professional news and information service of the highest integrity. Less than a year ago, the Congress of the United States after extensive hearings passed the authorization and appropriation legislation for our board and the radios without a single recorded dissent. The appropriation constituted a 30 percent increase, reflecting the conviction of a broad coalition of liberals and conservatves in both Houses of Congress that the news, information and ideas broadcast by Radio Free Europe and Radio Liberty contribute effectively to détente and international understanding among peoples.

Radio Free Europe sports reporters have been covering Olympic games since 1952, and the International Olympic Committee decisively rejected Soviet challenges to RFE credentials at Mexico City in 1968 and Munich in 1972. RFE Broadcasts of those Olympics were thoroughly professional and nonpolitical, as were the broadcasts of the World Football Cup in Munich in 1974 and numerous other international sports events to which RFE has been accredited.

In our view, the challenge by the Soviet Union and other Warsaw Pact Representatives to RFE credentials at Innsbruck is in direct violation of the final act of the Conference on Security and Cooperation in Europe, which pledges the signatories to "Favor cooperation among public or private, national or international radio and TV organizations" and in which the signatories "Note the expansion in the dissemination of information broadcast by radio, and express the hope for the continuation of this process."

As you know, the Austrian organizing committee has repeatedly stated its view that RFE reporters were duly accredited, as specified in the IOC bylaws, and the United States delegation has expressed its willingness to endorse RFE-accreditations under its national quota. In view of these facts, we strongly urge you and your fellow members of the International Olympic Committee to restore RFE credentials to the Innsbruck Olympics and to insure that no similar controversy, fomented by a small group of states for political reasons, is permitted to mar the summer Olympics at Montreal and hinder the free flow of information.

With Deepest Respect,

David M. Abshire, *Chairman,*
U.S. Board for International Broadcasting.

[From the Washington Post, Thursday, Feb. 12, 1976]

Olympics Reject U.S. RFE

(By Richard M. Weintraub)

The International Olympic Committee has banned Radio Free Europe from covering the Winter Olympics, in Innsbruck, Austria, leading a U.S. government agency to charge that the move was "fomented" by East European nations and violated last year's Helsinki agreement.

Lord Killanin, IOC president, said this week that the controversial American-supported radio station which broadcasts to Eastern Europe was banned because "we do not want the Olympic games to be used for propaganda." When RFE was originally banned last week at the beginning of the games, the Olympic committee cited "technical" reasons only.

It is thought to be the first time that the IOC has banned a news medium from the Games, which are being covered by about 1,700 journalists from scores of news organizations' including Communist and Third World nations.

RFE has covered previous Olympic Games, including those in 1968 and 1972 when the Soviet Union lodged protests with the Olympic Committee.

The station had been accredited by the Austrian Olympic Committee and the ban by the IOC came just before the opening of the Games.

In a telegram to Lord Killanin and others, on the Olympic Committee, David Abshire, the chairman of RFE's supervisory body, the Board for International Broadcasting, charged that the current controversy was "fomented by a small group of states for political reasons".

Abshire said that a Soviet and Eastern European challenge to RFE credentials was "in direct violation of" the European security conference document signed at Helsinki this past summer.

Radio Free Europe, which broadcasts from Munich, West Germany, to five Eastern European countries has been under frequent attack in the Soviet and East European press in recent weeks on the basis that its broadcasts are propagandistic and a violation of the spirit of Helsinki."

Just before the Olympic committee decision on RFE's credentials was announced, a Czechoslovak who had worked for RFE for several years, charged in Prague that the radio was still a haven for agents of the Central Intelligence Agency. RFE denied the charge.

Radio Free Europe and its companion operation, Radio Liberty, were secretly financed by the CIA for a number of years until the connection was revealed in 1971. Since then, the U.S. government has created the Board for International Broadcasting to supervise the operations of the radios.

The RFE broadcasting team is covering the Innsbruck games from makeshift facilities at an Innsbruck Hotel.

Radio officials have expressed a fear that the reversal of the Olympic committee's position in Innsbruck will prove to be a precedent for the forthcoming summer Olympic games in Montreal. The Canadian Olympic

Committee has already given the station accreditation.

Tass, the official Soviet news agency, said that the Soviet delegation at Innsbruck, along with radio and television representatives from Bulgaria, Hungary, Poland, Czechoslovakia, and East Germany, had challenged the RFE accreditation because RFE "represents no one and engages in slanderous subversion in propaganda against the socialist countries."

RFE's companion broadcasting unit, Radio Liberty, broadcasts to the Soviet Union, but neither broadcasts to East Germany.

The international committee's decision has drawn sharp comments in a number of Western European newspapers as well as protests from various Western European sports writers' associations.

The international committee said that RFE's credentials lacked a stamp from the West German Olympic Committee but several West German journalists who received approval from the international committee, said their applications also did not have the West German committee's stamp.

[From the New York Times, Thursday, Feb. 12, 1976]

OLYMPIC CENSORSHIP

In a disgraceful capitulation to Soviet pressure, the International Olympic Committee has canceled the accreditation of Radio Free Europe's reporters to cover the winter Olympics at Innsbruck. The intolerable precedent thus set opens the possibility of nations with the requisite gall and power dictating which newspapers, radio stations or other media may or may not cover Olympic events—a danger that would be particularly acute at the Moscow games coming up in four years.

What makes this act of censorship doubly outrageous is that the Soviet pressure comes less than a year after adoption of the Helsinki Declaration which supposedly made for expansion, not contraction, of the volume and variety of information exchanges between East and West. Prompt reversal of this craven decision is required to redeem the Olympic spirit.

DEMOCRACY AS THE PRINCIPLE OF OUR ECONOMIC AND SOCIAL LIFE: MICHAEL HARRINGTON ON THE AMERICAN DREAM

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. FRASER. Mr. Speaker, January 31, 1976, here in Washington, Michael Harrington, national chairman of the Democratic Socialist Organizing Committee, delivered an important speech to the National Issues Conference of the organization he chairs.

Harrington's major point is that we are near "a disastrous national consensus around a myth: That we have tried too much and failed, that therefore we should not try any more but suffer our social catastrophes as if they were natural calamities."

Mr. Harrington refutes this myth and points out, using the words of Daniel Patrick Moynihan, that the Great Society programs were "oversold and underfinanced," with two important exceptions: Increased social security benefits and medical care for the aged. These two programs got about two-thirds of the new Federal spending in the sixties, are successful, popular, and their cost, since being newly funded, has not grown faster than the gross national product has grown.

"As usual," Harrington points out, "the poor, the working people, the minorities, the women, and the aging" are the ones who suffer the most from the myth of too much Federal intervention and no success.

Harrington sees full employment as the rational response to many of our problems. The Hawkins-Humphrey bill receives his attention. He analyzes our economic system.

Harrington is a persuasive and thoughtful social and economic critic. His ideas are provocative, his analysis nonestablishment. He touches on the international ramifications of this country losing its purpose and its will to pursue it. What he says deserves our attention. The complete text of his January 31 speech follows:

SPEECH BY MICHAEL HARRINGTON

Let me begin with a Bicentennial irony. We democratic socialists, who are so often and so wrongly accused of somehow being un- or even anti-American, are among the very few people in this country who still believe in the relevance of our country's democratic heritage. We are radical because we remain committed to the struggle to create a more perfect union.

The President of the United States is not. He is a decent man who sincerely believes in cruel priorities and he does not think that we, the people, can master the environment we have made for ourselves. He celebrates our two hundred years by boldly proclaiming what the United States cannot do. He demands that we accept intolerable levels of unemployment which strike with particular viciousness at minorities and women; he wants the school children and the aging, the sick and the hungry, to sacrifice while the corporate rich are given new tax handouts. As we enter our Third century, he uses the bully pulpit of the White House to sound retreat.

But then, it is hardly surprising that Republicans, who had to be dragged screaming into the Twentieth century, are balking as we move toward the Twenty First. What is now is that they are now joined by deserters from the liberal Democrats—by Governors like Jerry Brown and Michael Dukakis—who compete with the old enemies in avowing their lack of faith in the capacity of this society to deal with the crisis which are all but overwhelming it.

All this happens when these United States are desperately in need of basic new departures. We suffer the worst rates of unemployment in a generation; poverty, which was supposed to be destroyed by an "unconditional war," is once again on the offensive; the great cities are coming unstuck; most people do not like what they do for a living but consider themselves lucky if they have anything to do; and doubt and fear and uncertainty are everywhere in this frightened land.

These things are refracted in the disintegration of our established political verities. America, the conventional wisdom tells us, is a nation of stable political coalitions which decisively change direction every forty or fifty years. But how, then, explain that we have been living in a troubled, seemingly endless interregnum ever since November, 1963? In defiance of all the theories, the space of a single decade, from 1964 to 1974, saw rival political parties receive massive Presidential landslides after which the victorious candidate was driven from office by an angry people. In these times of unprecedented flux, ex-liberal Democrats and traditional Republican naysayers boast of their failure of nerve as if it were a new wisdom.

Indeed, we are close to a disastrous national consensus around a myth: That we have tried too much and failed, that therefore we should not try any more but suffer our social catastrophes as if they were natural calamities. As usual, the poor, the working people, the minorities, the women and the aging are assigned to do almost all of that resigned suffering.

If the Tories of 1976, the Democratic governors as well as the Republican President, had led this nation two hundred years ago, we would have begun this conference by singing God Save the Queen.

We socialists refuse to join these militant negatives who now mark the two hundred years dead of the American dream. We propose to revive that dream, to transform it, to give it a content which the Patriots would never recognize except in one cruel respect: that we, too, are committed to what the Great Seal of the United States calls a "new order of the ages." Our vision can be simply put, even though it must then be spelled out in detail. Where the men and women of 1776 fought to make democracy the principle of our political life, we strive to make it the principle of our economic and social life as well. That is not a Bicentennial piety. Let us be specific.

At this conference we have documented how the Emperors—Emperor Gerald Ford, Emperor Ronald Reagan, Emperor Jerry Brown, Emperor Michael Dukakis—are stark naked. They are all dressed up in the theme that the Federal Government has done so much and failed, particularly in the Sixties. That, like the Emporer's clothes of the myth, is a widely believed illusion.

Roughly two-thirds of the new Federal spending of the Sixties went to increases in social security benefits and buying medical care for the aging. Both programs worked; both are immensely popular. Neither these expenditures, nor all of the other social programs, increased faster than Gross National Product. Therefore there was no significant rise whatsoever in the public share of American output. Indeed, most of the programs announced with such visionary rhetoric—the "unconditional war on poverty," the "Great Society," those millions of new housing units which were supposed to be built for the poor and the working people—were, in Daniel Patrick Moynihan's excellent phrase, "oversold and underfinanced." The people think that we acted as boldly as we talked during the Sitxies. That, alas, is not the case at all.

Moreover, gains were made in that decade over and beyond Social Security and Medicare. Above all, the Kennedy-Johnson years saw a steady reduction in unemployment which, though it did not go far enough, did make it possible for millions to fight their way out of poverty and for the minorities and women to at least begin to challenge the racism and sexism structured into our labor markets. Indeed, if one wants to identify the drunken political spenders in this country, their names are Richard Nixon and Gerald Ford. Just last year, for instance, Ford presided over unemployment rates which, compared to those in 1968, cost the United States more than $80 billion in direct outlays and lost revenues and $150 billion in squandered GNP. It would be hard to imagine a more callous, spectacular case of throwing money away and creating problems at the same time. It rivals another, even more tragic, waste, that of tens of thousands of lives as well as of billions in treasure during the unconscionable American intervention in Vietnam.

But, why, then are so many people convinced that we did in fact spend prodigally on well-intentioned, blundering efforts at social engineering? In part, that is explained by the confusion about the rhetoric and reality of the Sixties; in part, it is a carefully contrived product of reactionaries, like Nixon and Ford, who want to discredit their enemies and explain away their own failures as the work of some mysterious necessity. But there are two other factors at work which are both subtle and complex.

The Nineteen Sixties saw the beginnings of outrageously over-due efforts to challenge the discrimination built into our economic system against minorities and women. As long as those affirmative action programs proceeded within an expanding economy, they were attacked primarily by those who were principled racists or sexists. But when the era of Republican incompetence began in 1969, this society was turned into a cruel, zero-sum game: if one group won, another group lost. And so the organized and the unorganized, the have-nots and the have-littles, the whites and the blacks, the men and the women, turned upon one another and there was resentment against the most moderate and minimal of programs, which rightly sought to nullify ancient discrimination. Under these specific, and utterly unnecessary circumstances, many people began to turn against what they took to be an intrusive, unfair Government.

There are two responses to that mood. One is to turn our backs on commitments which we were scandalously late in making in the first place; the other, which I will detail shortly, is to create the full employment environment in which affirmative action can live up to its promise. But—and let this be emphatically clear—in the meantime we cannot retreat one single inch from our commitment to those who have been forced into systematically inferior positions in American society.

There is another, even more subtle, reason why people respond to the new negativism.

Ours is a nation in which many of the most well-worn and cherished truths are in doubt. God is no longer in His heaven the way He once was for the overwhelming majority of the people; personal morality and the structure of the family and patriotism and so many of the other values are in doubt. There is a cultural revolution in a conservative society, and a kind of schizophrenia results. Moreover, Americans have experienced three assassinations and two abdications in just a bit more than thirteen years. They were promised New Frontiers and Great Societies and even our greatest opportunist of the century felt it necessary to talk about the "lift of a driving dream" while he carefully noted down the names of the dreamers on his enemies list. After defeat in war, social upheavals in prosperity and suffering in recession, the people want quiet.

But ironically, it will take forthright action to create quiet in this tumultuous century. The New Tories respond to that popular mood by saying that we must stand still—only that merely means that the roof will continue to cave in on our stoic heads. Such a Zen contemplation of our misery is not, I think, the serenity the people seek. Rather, it is only if we Americans once again become practical visionaries that we can master the tremendous forces which disrupt our peace.

The Sixties did not, as we have seen, "throw money at problems"—except the problem of backing a dictatorship in Saigon. But even more to the present point, we followed corporation prorities when we did act. We did so, not because liberals in Washington "sold out," but because the very structure of our capitalist collectivism required it. And unless we transform that structure, we shall keep following a hidden agenda in America, a perverse and anti-social plan which cleverly masquerades as no plan at all. The result will be more confusion and bewilderment which will further convince the people that to act is self-defeating. Gerald Ford is a self-fulfilling prophet who indeed convinces people not to put their trust in Presidents.

Consider the facts behind this statement. In every department of the welfare state the government has done more for the corporate rich than for the majority. Tax deductions and import quotas and vast public transportation subsidies awarded to the winners of corporate infights cost tens, even hundreds, of billions over a generation and in return we got a mis-shapen, inefficient energy industry at the mercy of an OPEC cartel. President Ford proposes to solve this catastrophe by providing $100 billion of easy Federal money to the malefactors who created it. Senator Jackson's proposal would not reward the thieves quite so handsomely, but it follows the same basic principle. Tax expenditures for the housing of the wealthy provide much more of Washington's funds for the care and tending of mansions than we allocate for the abolition of shacks and slums. The upper class gets more public scholarship aid for college than the poor. And so on. And on. And on.

What is it, then, a mere personal meanness which makes President Ford send Congress economic policies which cut down on lunches, medical care and jobs but provide new privileges for stock market investors? I think not. These vicious priorities are the common sense of a capitalist system which, for all of its reforms, is still inherently anti-social. The incompetent leaders who run this Administration are, to be sure, the enthusiastic and rather ignorant promoters of the worst tendencies of that system but they did not invent them, and even liberal Democrats will be entangled in them.

"Trickle-down," you see, is not a policy of this society; it is *the* policy. We have made private, profit maximizing corporations the planners of the economy and they need profits in order to be able to decide from their oligopolistic heights what is good for us ordinary people. Therefore, when the government intervenes, it has an inherent tendency to favor the corporate rich who are in basic control of investment for the entire system. Since this structure assigns private wealth the public social function of determining the shape of the economic future, it must favor profits over wages and welfare as a precondition for expansion, a policy which ironically also leads to periodic crises. In this system, growth will only take place if those at the top are given an enormously disproportionate share of the nation's treasure, but that leads regularly to disastrous overproduction. So it is that there has not been the slightest change in the maldistribution of wealth since 1945 at least. So it is that even liberal tax cuts and job programs in the Sixties primed the pump in board rooms and penthouses. So it is that we now suffer the worst recession since the Great Depression.

That is why taking democratic values—like equality—seriously requires structural, anti-capitalist change. We do not, however, assert this ultimatistically, insisting that America suddenly convert to socialist values *in toto*. We address immediate problems and seek immediate solutions. We join with trade unionists and minority activists and feminists and Democratic Party reformers—and, for that matter, with all women and men of good will. We do not reject increments of change—but we seek to influence them, to design them, to move them, in the direction of the massive transformations which alone can solve the present crisis.

The overwhelming majority of the Americans who see the need for at least the beginnings of those changes—who rightly and instinctively reject the Toryism of ex-liberal Democrats as well as of Republicans—are in the Democratic Party. We join with them, making no conditions for our support of their demands save one: that we democratic socialists have the right to struggle militantly and openly within the broad mass movement of the democratic Left. You will find us this year at the regional program meetings of the Democratic Party, in several of the Presidential primary campaigns; you will find us at the Democratic Convention in July. American socialism is coming in out of the cold; American socialism is coming out of the suffocating closet in which, all too often, we locked ourselves.

Let me give two specific, but by no means exhaustive, examples of what this means.

Unemployment must be made the central issue of this Presidential campaign. But that is a question which evokes more fraud and hypocrisy than any other in American society. Last fall in California, Gerald Ford was asked what rate of joblessness he found acceptable. There is no unemployment that I find acceptable, he replied. Thus spake the man who plans that more than 7% of the American people will be out of work for the rest of this decade. Generalities obviously will not do. We intend to insist that every Democratic candidate be precise and specific on this critical count.

There is a proposal before the Congress, the Hawkins-Humphrey bill. It is not good enough—and it is better than anything we have had offered to us in thirty years. It would make employment a right for the worker. It recognizes—even if not too explicitly, for that would be embarrassing—that the private corporate economy will not, of itself, produce full employment. We socialists would add: that economy requires periodic crises as people require air.

So Hawkins-Humphrey rightly says that the Government must ultimately be responsible for guaranteeing jobs for all. It proposes to do that by means of the traditional, Keynesian fiscal and monetary strategies, and by making Washington an employer of last resort, or rather, the financier for non-profit and local employers of last resort. That is an enormous gain, and we vigorously support the bill as the focus of desperately needed new departures. But it doesn't go far enough, and we also seek to amend it.

Why is government only an employer of "last" resort, a kind of refuse bin for the rejects from the corporations? Because even liberals too often believe in that great myth that public is bad and private is good, a prejudice which we corroborate by programing most of our public efforts for failure and reserving profitable activities for the private sector. But we believe that the nation must, first of all, expand the resources which are democratically allocated on the basis of social need, rather than privately invested to maximize the purposes of a tiny elite. Right now, this country should stop nationalizing all the losses and privatizing the profits of the railroads. Instead, we should take them over as a public enterprise run within the framework of a democratically designed national transportation plan. That, as the Auto Workers pointed out some time ago, would create tens of thousands of useful jobs on a project which is as environmentally benign as it is energy saving.

Second, we believe that the American people are sick and tired of the oil company rip-off, of paying billions to the Exxons and the other multinationals and getting energy crises in return. We need a public gas and oil corporation to develop the new energy technology of the twenty-first century. The people should not simply pay for the development of that technology, as President Ford and Senator Jackson propose; they should benefit from it as well.

Third. These are only two examples of how democratic allocation of resources would create jobs, meet urgent needs and profit, not the corporations, but the nation. But these things must be done democratically, or else they could lead to the growth of a governmental bureaucracy which will stifle freedom, much as it is being stifled right now by corporate bureaucracy. Therefore any public enterprise must guarantee participation on the board of directors to the workers in the enterprise and to the public; therefore the cooperative and local control should be emphasized wherever possible.

We propose, then, to amend Hawkins-Humphrey in two basic ways, each of them an extension of the democratic principle: by structurally increasing the amount of basic investment planned for by the people by means of the democratic process; by insisting upon legal guarantees of effective participation of the citizenry, from the plant floor and the neighborhood, to the level of the nation.

But how can these things be done without inflation? Only if there is a redistribution of wealth which finances new initiatives by getting the rich off the dole. Only if controls are used, not to "zap" the workers as under Nixon, but to favor working people and the poor rather than profits. But doing that, one must note, challenges the fundamental mechanism for accumulation and new investment. Which is why the nation must democratically socialize more investment if it is going to be minimally serious about increasing equality.

Finally, perhaps the most important dimension of these proposals is the one which is most difficult to state.

America, in this Bicentennial year, is lost, without purpose or will. For many there is physical suffering and unemployment; but even those who are affluent often find their prosperity stale and flat. At the same time, I am fearful that we are turning our back upon the wretched of the earth. I share the hostility of many Americans to some of the bombast and hypocrisy of "Third Worldist" rhetoric; I, too, feel that the equation of Zionism and racism in the General Assembly was an obscenity. But these things cannot allow us to retire into our fortress—our aimless fortress—and, as we, six percent of the world's population consume forty percent of its resources, ignore the starving peoples of the globe.

Let me speak personally. Just two weeks ago, I walked the streets of that "City of Dreadful Night" which is Calcutta. I witnessed the countless crucifixions which take place on those sidewalks—the lepers, the beggars, above all the babies whose eyes are still bright, who have not heard yet that they have been born into hell. If we throw up our hands before American poverty, then we will be all the more impotent in the face of the crueler poverty which is abroad in the world. It will not be just the American poor and minorities and women and workingpeople who will pay for our failure of nerve. Mankind itself will lose.

We need a dream. The world needs our dream. A practical dream, a relevant vision. And perhaps the greatest gain which will come to us if we once again have the revolutionary courage to shape an unprecedented environment is this: that we will not simply discover solutions to this or that problem, but that we will once again discover ourselves, the American people, that we will once again be seen, as we were in 1776, as the best hope of humanity. Those are fine words and phrases, but to make them work requires that we transform the structures of American capitalism. We socialists believe that our democratic traditions, profoundly deepened and applied to economic and social, as well as political, life, offer the only way out of our present crisis. Let the Fords and Reagans and Browns claim the mantle of Toryism. We socialists are proud to be, not simply the heirs of the American democratic revolution, but its militant partisans who seek to revive its spirit with the radical new content demanded in this nation's third century.

LIBRARY OF CONGRESS STUDY ON INDIVIDUAL RETIREMENT ACCOUNTS

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. VANIK. Mr. Speaker, recently, the Library of Congress provided the Ways and Means Oversight Subcommittee with a study on Individual Retirement Accounts, which included a description of differences between IRA's offered by insurance companies and by others. I would like to include a portion of that study in the RECORD for the benefit of consumers:

DIFFERENCE BETWEEN IRA'S OFFERED BY INSURANCE COMPANIES AND OTHERS

One "consumer-related" problem that has surfaced with the introduction of IRAs is consumer unawareness of the relative advantages and disadvantages of one type of IRA over another. Sales literature tends to obfuscate the disadvantages while dramatizing the advantages of the particular type of IRA being offered. The consumer is faced with the question of what type of IRA is best suited for his or her particular needs—an IRA arrangement with a commercial bank, a saving and loan association, a credit union, a mutual fund, Government issued Individual Retirement Bonds, or an arrangement with an insurance company? Again, this report cannot indicate which type of plan is best, but it does attempt to describe some of the factors which should be considered.

Government issued retirement bonds

Special Government Retirement bonds may be purchased at par in denominations of $50, $100, and $500 and will provide an investment yield annually of 6 percent, compounded semi-annually. The current 6% interest is guaranteed until the bond is cashed in, presumably between ages 50½ and 70½ of the purchaser. There are no load charges or other fees associated with these retirement bonds.

Banks and savings and loans

(*1*) *Promotional literature and complexity of contracts:* Commercial Banks and particularly savings and loans (S&Ls) are actively in the IRA market. As in the case of insurance companies, the S&L literature shows impressive results. The S&L IRA contracts are relatively straightforward and simple to understand.

(*2*) *Fees, commissions, and load charges:* The savings and loan associations studied in the Washington, D.C. area, do not presently charge fees or commissions for establishing or servicing an IRA. Although not many commercial banks in the Washington, D.C. area are offering IRAs, one of the two found offering an IRA charges $5 a year.

Banks and savings and loan associations do not charge the consumer for making small payments into an IRA. Some require a minimum payment (e.g., $1,000 for a certificate of deposit) if the individual is to earn an interest rate higher than that offered by regular passbook savings. However, the banks and savings and loan associations surveyed left the matter of charging to maintain and service an IRA open and may eventually charge some nominal amount depending on the reporting requirements placed on them by the Internal Revenue Service.

(*3*) *Withdrawal from or discontinuance of an IRA:* Because of the lack of loading factors in S&L plans, withdrawal or discontinuance generally does not result in any financial loss other than the adverse tax consequences associated with all IRAs caused by premature distribution. Loss of interest from premature withdrawal from a certificate of deposit, etc.

(*4*) *Minimum guaranteed return:* Banks and savings and loan associations will pay whatever the current passbook rate is, with higher rates usually available through certificates of deposits. For instance, savings and loan associations in the Washington, D.C. area are presently paying the maximum present interest ceiling of 5¼% for regular passbook savings as well as the maximum 7¾% rate on a one thousand dollar 6-year certificate of deposit (CD).

However, rates offered by commercial banks and savings and loan associations are subject to change and Federal control.

(*5*) *Other factors to be considered in a S&L IRA:* While the survey found that presently there are no charges for administering an S&L IRA, there appears to be no guarantee against future charges.

To the extent that a consumer's account is invested in certificates of deposit, there is usually an interest penalty for premature withdrawal from the account. In addition, S&Ls are limited in the number of CD's that they have available at any one time, and it may be difficult to place one's IRA investment at CD rates.

DIFFERENCES IN RATES OF RETURN

We attempted to determine the impact of sales and administrative charges on IRA projections through an IRA established with a savings and loan association, one with an insurance company having a front end load and one levying a level charge against each payment, and then to compare them with each other and with a non-tax-deferred savings account. We also considered the ultimate tax effect of each by illustrating what would eventually be paid out after taxes in the way of an annuity certain. A 5% interest rate assumption was made for all IRAs. *In practice, different rates of return will result.* They could be more or less than 5 percent in all cases.

There is no guarantee that an insurance company will pay out according to its current rate of return or that a variable annuity, or mutual fund will grow at a specified rate or that the interest rate of commercial banks and savings and loan associations will not decline.

Therefore, the simplified illustration below has a number of limitations.

It does show, however, the effect of load factors on account growth. In the example used, it takes 5 years for the consumer to recoup the front end load of one insurance plan. Of course, this could take longer or shorter depending upon the dividends paid and the actual amount of the insurance company's load factor. It does demonstrate, however, that IRAs offered by insurance company's may be inadvisable if an individual can only participate for a short period of time.

It is assumed that $1,500 is deposited at the beginning of each year. The results are shown, after deducting any load factors after 1, 5, 10, 20, 30, and 40 years. The account balance at the end of each of these periods is distributed as a yearly annuity based on a 15-year life expectancy. A deduction of an assumed tax liability is then made to determine the net amount available to the individual. In the illustration for the IRA having a front end load, it is assumed that 40% of the first year's premium is deducted as a sales and administrative expense and 6% for each year thereafter, whereas for the insurance company IRA plan assessing a level charge it is assumed that each premium payment is reduced by 8½%.

Since the eight S&L associations canvassed in our survey did not charge any fees or commissions in managing an IRA, no charges are reflected in this illustration. Since the account value in both the insurance and the S&L cases is projected to grow at 5% each year compounded annually, the account value in a S&L association would always exceed the amounts for life insurance companies.

Obviously, in real life and with changing interest rates and rates of return, this may not be the case. With sufficiently high dividends, an insurance IRA could equal or exceed the value of an S&L IRA. Therefore, the table includes a calculation of the equivalent interest which would have to be paid by an insurance company in order to equal the value obtained by an S&L. Because of the commissions and other fees, the consumer can see that insurance company IRAs held for relatively short periods of time would require higher rates of return in order to match the value of a S&L IRA. The consumer should also note that the longer the IRA is held, the insurance dividend or interest rate necessary to match the S&L (assuming the S&L interest rate does not vary) declines.

RATES OF RETURN FROM HYPOTHETICAL EXAMPLES[1]

					Insurance company plans										
		Savings and loan plan			Front end load plan				Level load plan				Non-IRA savings		
Year	Amount paid in each plan	Commissions and fees	Interest earned	Value of IRA	Commissions and fees	Interest earned	Value of IRA	Interest equivalent necessary to yield S. & L. value percent	Commissions and fees	Interest earned	Value of IRA	Interest equivalent necessary to yield S. & L. value percent	Income taxes	Interest earned	Value of savings
1	$1,500	0	$75	$1,575	$600	$45	$945	75.0	$128	$69	$1,441	14.8	$389	$56	$1,167
5	7,500	0	1,203	8,703	960	990	7,530	10.2	640	1,110	7,960	8.0	2,112	902	6,290
Annual annuity received				798			691				730				577
Less: income taxes															
Annual net income after taxes				798			691				730				577
10	15,000	9	4,810	19,810	1,410	4,201	17,791	7.0	1,280	4,400	18,120	6.5	4,756	3,608	13,852
Annual annuity received				1,818			1,632				1,663				1,271
Less: income taxes															
Annual net income after taxes				1,818			1,632				1,663				1,271
20	30,000	0	22,079	52,079	2,310	19,911	47,601	5.8	2,560	20,195	47,635	5.8	12,690	16,559	33,869
Annual annuity received				1,778			4,367				4,370				3,107
Less: income taxes				67			10				10				
Annual net income after taxes				4,771			4,357				4,360				3,107
30	45,000	0	59,641	104,641	3,210	54,369	96,159	5.5	3,840	54,552	95,712	5.5	26,937	44,731	62,794
Annual annuity received				9,601			8,822				8,782				5,761
Less: income taxes				841			715				712				
Annual net income after taxes				8,760			8,107				8,070				5,761
40	60,000	0	130,260	190,260	4,110	119,364	175,254	5.3	5,120	119,144	174,024	5.4	53,103	97,695	104,592
Annual annuity received				17,456			16,080				15,966				9,597
Less: income taxes				2,374			2,058				2,033				
Annual net income after taxes				15,082			14,022				13,933				9,597

[1] The amount of interest earned on an actual IRA is critical to the value of an IRA. IRAs offered by life insurance companies may grow at a rate much higher than the 5 percent rate used in the illustration. However, it should also be noted that a 6-year certificate of deposit offered by S. & L.'s presently yields 7¾.

NOTES

A. Interest is compounded annually at 5 percent of balance at beginning of year.

B. Income taxes on Non-IRA Savings based on 25 percent tax rate on principal and interest.

C. Commissions and fees for front end load plans are assumed to be 40 percent of first year's contribution and 6 percent of each additional year's contribution. For level load plans, commissions and fees are assumed to be 8½ percent for each year.

D. Annual annuity certain received based on a 15-year expected life of recipient at 5 percent interest.

E. Income taxes after retirement based on following assumptions:

1. 1974 tax law.
2. Percentage Standard Deduction.
3. Married.
4. Joint return.
5. Both 65 years old.
6. No children.

Source: Economics Division, Congressional Research Service.

YEAR BY YEAR BY THE ALMANAC

HON. STEPHEN L. NEAL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. NEAL. Mr. Speaker, as the snows of winter melt away, millions of Americans are turning to their planter's almanacs in anticipation of spring planting. The almanac, you see, is one institution which has survived technology. It has bridged the gap between the present and the distant past, and although it is unknown to millions of city dwellers, rural folk still hold it in high esteem.

I have recently received the 1976 edition of Blum's Farmer's and Planter's Almanac, together with a souvenir reprint of the 1876 edition of the almanac. The publishers have generously supplied me enough copies of the two editions to distribute one each to all Members of the House. In order that they may know something of the almanac's history, and of its remarkable editor, I wish to enter into the RECORD the following:

[From the Winston-Salem Sentinel, Saturday, Dec. 6, 1975]

BLUM'S ALMANAC IS STILL A PART OF WINSTON-SALEM

(By Bill East)

Blum's Farmer's and Planter's Almanac is as much a part of Winston-Salem as the smell of tobacco, the traditional Salem coffee pot and the glimmer of love feast candles.

It is the oldest continuous publication in the city and now finds its way into the homes of tens of thousands of families throughout the world.

The entire institution of Blum's Almanac traces its origin to Old Salem and a businessman named John Christian Blum.

Blum was more a banker than a literary genius or a printer—the two fields in which he was later to excel.

In the mid-1820's he was an agent of the Cape Fear Bank, headquartered in Wilmington at that time.

Knowing the possibility that a robbery might severely handicap the banking business here, Blum tried to safeguard the money personally—he kept it in his room.

On Dec. 21, 1827, he prepared to go to the Moravian Church to perform his duties as a coffee server at the Christmas love feast.

As traditional at Christmas, he started to leave a lighted candle in his room.

On second thought, he decided to snuff it out since he had a large cash deposit hidden in the room.

Only moments after he left the house, someone noticed a blaze in the room. The fire department was called. With the help of volunteers who were passing by, the blaze was extinguished in less than 10 minutes.

The first casualty of the fire was the love feast. It wasn't held because of the excitement of the blaze and the necessity of keeping men on duty to guard against another outbreak of fire.

The biggest casualty was Blum's entire cash deposit for the bank—$10,000.

Firefighters said later they thought the blaze started when some sparks fell on the bank papers as Blum was extinguishing his candle and preparing to leave the room.

Nothing more is said in the Moravian records here about the $10,000 loss—whether the bank made it up or whether Blum was required to make it up.

But just about that time, Blum went to work full blast on his new almanac. The first issue came from the presses a few months later and the book has been making its appearance every year since then.

The 1975 edition of the almanac marks its 147th year. The 1976 edition is scheduled for publication in November.

The almanac is built around predictions of the weather and an outlook for planting conditions. But it also contains a variety of information ranging from tips on women's fashions to tidbits on history and the best way to catch fish.

Blum produced the almanac on South

Main Street near Salem Square. He carried it on for 30 to 40 years until his two bachelor sons, Ed and Levi, became old enough to handle the complete publication of the book.

They, in turn, continued publication for about 40 years, employing two other printers, Clarence Crist and a Mr. Keehlin.

When the Blum brothers died the firm of Crist and Keehlin moved the plant farther north and continued to publish the almanac.

In 1926, it was taken over by the Goslen family who moved it to 218 N. Main Street—next to the old Wachovia Loan and Trust Co. building.

In 1970–71, that building was taken as part of the site of the new Hall of Justice and Blum's Almanac moved to a new building on Healy Drive in the west part of Winston-Salem.

Almanac Editor Is 90

(By Bill East)

Blum's Almanac is an institution of longevity.

A few weeks ago, Blum's Farmer's and Planter's Almanac for the Year 1976 came off the press, representing the 148th consecutive year of publication for the red-covered book.

Then on Tuesday of this week, its editor J. B. Goslen Sr., who has been with the almanac for 50 years, celebrated his 90th birthday—on the job.

"It's a great life," he said as he started work on the 1977 edition of the almanac.

SINCE HE WAS 9

"The printing industry has been my entire life from the age of nine," he said. "As early as that, my dad told me to come to the office and I knew I had better go, or else."

His father, J. W. Goslen, had begun his adulthood as a captain in the Confederate forces in the Civil War.

"He put a notice in the Sentinel for his company to join him in Greensboro to go to Virginia for the war," Goslen said. "I have a copy of that notice somewhere."

FATHER WAS EDITOR

After the war, his father went into the newspaper publishing and printing business. For a while, he was editor of the Union Republican newspaper here.

In 1894, when Goslen was only nine years old, his father went downtown to get his mail. Returning, he decided to ride the streetcars, which were only four years old then.

"Right in front of our house in Salem, he slipped and fell when he was getting off the streetcar," he said. "He hit his head on the curb and was dead in three hours."

Goslen and a group of "Moravian boys" from Winston-Salem entered the University of North Carolina at Chapel Hill in 1902.

STARTED BAND

"We decided we would like to get into the football games free so we decided to organize a band to provide music," he said. "It was the university's first band and everybody just loved it."

Graduating from the university in 1906, he returned to Winston-Salem to join the family's publishing and printing business.

Four years later, in 1910 when he was 25 years old, he bought his first automobile, a four-cylinder Autocar.

"I've always loved automobiles and have owned quite a number of different makes, including a Maxwell when it was all the rage," he said.

"R. J. Reynolds used to say that only a millionaire or a fool would own a car. He was one of the first automobile owners in Winston-Salem."

Even at 90, Goslen drives his car—now a 13-year-old Buick—to his office at 3301 Healy Drive every day. He usually stays there from 9 a.m. until 3 p.m.

Goslen spends much of his time during the year selecting material to go into the next edition of the almanac.

The other day, for instance, he clipped the article about Franklin D. Roosevelt's daughter dying.

"We have started a notable events section so people can look back and see what happened in a certain year," he said. "Certainly they will be interested in the death of Roosevelt's daughter."

Goslen's selection of material ranges anywhere from the listing of people whose faces are on currency ("It really isn't almanac material but it is sure interesting to know") to recipes.

"We had a letter the other day from a woman who said, 'Send me Blum's Almanac. You haven't got any trash in it.' We're proud of statements like that."

Goslen's almanac starts going to press about the last of July, aiming for a distribution date of late October or early November.

This year, about 340,000 copies of the almanac are being printed. Basically, it is distributed east of the Mississippi River.

Goslen and his son, Allen S. Goslen, overall business manager for the almanac, are studying the possibility of expanding printing and distribution to include the entire country.

Goslen attributes the success of the almanac to the fact that "everyone wants to share something of the past and the almanac represents one of our early ideas that means something today."

The almanac has been basically unchanged since John Christian Blum turned out the first one in Salem in 1828.

The almanac remained on Main Street—first in Salem and then in Winston—for 143 years. It moved to its new building on Healy Drive when the almanac office was torn down to make room for the Hall of Justice. The Goslens also do commercial printing.

Goslen's great love in life outside the almanac is music. As he put it, "I was born in Salem where I could hear the Moravian band all my life."

As a youth, he played in the band at Nissen Park, which was built by the streetcar system as an amusement are a in the Waughtown section.

"I was real proud of that uniform," he said. "I was paid one dollar an evening for playing. That was big money back in those days."

Goslen has been associated with Home Moravian Church all his life as a band member, a trustee and on numerous boards.

Goslen's wife and his oldest son, J. B. Goslen Jr., died just a few days apart in 1972.

"Physically, I have been blessed," Goslen said. "I have had only one attack of pneumonia and no attacks of anything like cancer or heart weakness."

"I have a tremendous appetite, as anyone who has ever invited me to dinner will tell you," he said.

Planning to retire?

"I'm not even thinking about it. I think it is one of the worst things anybody can do. Everybody needs to stay interested in something that is worthwhile. You must stay active in both mind and body."

Then with a twinkle in his eye, he said: "I'll tell you more about life when I reach the age of 100."

What's the secret of his long life?

"There just must be something about the smell of that printer's ink."

CAMPAIGN FINANCING

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. HAMILTON. Mr. Speaker, in a landmark decision on how money for political campaigns is to be raised and spent, the U.S. Supreme Court has ruled:

Presidential candidates who have not accepted Federal matching payments to help finance their campaigns can reject the Federal funds and spend as much money as they can raise.

Congressional candidates will not be subject to any spending limits. The Court struck down a ceiling of $70,000 for most House candidates and higher ceilings for Senate candidates.

A person may spend any amount in an independent effort to elect a candidate—that is, an effort not made with the candidate's cooperation. A provision of the law limiting a person to $1,000 per candidate was voided.

Candidates for President who do not accept Federal funds and all candidates for Congress may spend as much of their own money, or money received from their immediate families, as they desire. The law had provided limits of $50,000 for Presidential candidates, $35,000 for Senate candidates, and $25,000 for House candidates.

On the ground that Congress had violated the principle of separation of powers by retaining too large a role in appointing the membership of the Federal Election Commission, the Commission has been stripped of all regulatory and policymaking power, effective in 30 days, if Congress does not revise the system under which Congress, rather than the President, designates four of its six members.

The Supreme Court approved the detailed reporting of expenditures and contributions, the public financing of Presidential candidates who qualify for funds, and a $1,000 ceiling on contributions by a person to a candidate in a primary and again in the general election.

The Supreme Court has ruled squarely for the first time that spending money in politics is "speech" and protected by the First Amendment of the Constitution. The opinion sets out the rules for when and how that speech may be restricted. It says that the main purpose of the law—ending corruption in politics—is more clearly served by the contribution limits than by the spending limits. The Court reasons that spending money is an essential aspect of free speech in the political arena.

The impact of the decision will probably not be apparent for some time—perhaps for several elections. Limits on expenditures in Congressional races were clearly lifted, but most of the Presidential candidates have already planned their fundraising strategies on the basis of Federal matching funds, and it is probably too late now for them to change strategies. With the court allowing unlimited independent expenditures and abolishing sections of the law restricting candidates from using more than limited amounts of their own money for their campaigns, wealthy contributors will become more prominent and candidates with sizeable personal fortunes will get a boost.

The decision to put no restriction on "independent expenditures" by persons on behalf of a candidate is baffling and it leaves a wide loophole for the return of the big contributor. It is also hard to accept the fact that the American system is unable to prevent a wealthy candidate from spending an enormous sum to elect himself. Several of the distinctions the Court makes are not easy to understand. For example, the Court held unconstitutional overall limits on campaign spending as a restriction on free speech, but it approved ceilings on contributions to candidates. Also, the Court ruling seems to do little or nothing to improve the posture of minor party and independent candidates. Further litigation and more Supreme Court rulings are likely because many questions remain unanswered about the link between money and politics.

The big question is, Where do we go from here? Some in the Congress want to scrap the Federal Election Commission altogether. In my view it is imperative that the Congress act to establish a new commission on a constitutionally sound basis. Without that action there will be no one to carry out the provisions of the law on disclosure, public financing, and the limits on the size of contributions. This may not be as easy as it sounds since there are those in the Congress who want to defeat any further effort to reform campaign financing and there are others who want to fight, not only for the reconstitution of the Federal Election Commission, but also for substantive improvements in the law.

CONTRACT INVESTIGATION CONTINUES

HON. ROBERT W. EDGAR

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. EDGAR. Mr. Speaker, I recently launched an investigation into circumstances surrounding the awarding of a Tennessee Valley Authority turbine generator contract to the Swiss firm, Brown Boveri. Earlier, I inserted a statement in the RECORD regarding this problem which I feel if unresolved, could cost thousands of American jobs. Also inserted were copies of the correspondence I exchanged between TVA, and three American manufacturers who were deemed nonresponsive bidders.

The three American companies—General Electric, Westinghouse, and Allis Chalmers—were all interested in obtaining a lucrative TVA turbine generator contract which has a value of nearly $200 million for four generators, plus options for further purchases. However, the terms of TVA's bid invitation included liabilities for defective products and late delivery at a maximum of 40 percent of the contract price. None of the American companies felt that they could accept penalties of this magnitude. Brown Boveri's offer did satisfy the terms of the bid invitation, and this firm was awarded the contract.

The previous statement concerning my investigation appeared in the daily issue of the RECORD on page E6607 on December 10, 1975. Since that time, I and my staff have met with the staff of the General Accounting Office and the Subcommittee on Investigations and Review of the Public Works and Transportation Committee for advice and assistance in remedying this apparent stalemate.

Mr. Speaker, the following is a letter which I received from the Chairman of the Board of the Tennessee Valley Authority, Mr. Aubrey J. Wagner, responding to the letters I received from the three American firms. Also is a letter which I wrote to the General Accounting Office raising issues which could help mitigate the effects of confrontation, and transform this into a situation of constructive cooperation with healthy competition:

TENNESSEE VALLEY AUTHORITY,
Knoxville, Tenn., February 2, 1976.

Hon. ROBERT W. EDGAR,
The House of Representatives,
Washington, D.C.

DEAR MR. EDGAR: This is in reply to your letter of December 10, 1975, enclosing for our comments copies of letters you received from Allis-Chalmers Power Systems, Inc., General Electric Company, and Westinghouse Electric Corporation, concerning the purchasing procedures involved in our purchase of turbine generators from Brown Boveri Corporation. We appreciate the opportunity to give you our comments on the matters discussed in these letters.

The principal argument advanced in these three letters is that TVA, unlike other purchasers of generating equipment, insists on unreasonable terms and conditions in its contracts which impose unbearable risks on manufacturers. One manufacturer, Westinghouse, characterized TVA's terms and conditions as "penalties." However, rather than being "penalties" the terms and conditions limit the liability that a manufacturer would otherwise have under general principles of law for breach of contract. The fundamental principle of the law of damages is that a party injured by a breach of contract is entitled to fair and just compensation commensurate with the loss sustained as a result of the breach; the injured party is entitled to recover full indemnity for his loss and to be placed as near as may be possible in the condition which he would have occupied had the contract not been breached.

The turbine generators purchased are for use with nuclear units presently planned by TVA. In the event the contract performance dates for the generators are not met or the generators fail to operate as specified, the damages that will be sustained by TVA will be substantial. Such damages could include loss of generating capacity and the resulting dire consequences, including loss of revenues, inability of TVA to meet its power requirements, and increased power costs. If TVA and a manufacturer were to contract on a basis without the terms and conditions that these manufacturers find onerous and unreasonable, the manufacturer might then, under general principles of law, be liable for the whole of the damages sustained by TVA.

We find the objections of GE and Westinghouse to our terms and conditions difficult to understand since many of their terms and conditions for purchases provide contract obligations that are asserted to be onerous and reasonable in contracts where GE or Westinghouse is the seller and TVA is the purchaser. Moreover, all three manufacturers bid responsively under TVA invitations to bid on other types of equipment where the terms and conditions are substantially the same as the ones complained about for turbine generators. In addition, in the past, TVA has purchased turbine generators under invitations to bid which contained no express limit on special or consequential damages. Under these invitations the matter of special or consequential damages was not addressed and the extent of the contractor's liability for such damages would be ultimately determined by the courts. Westinghouse bid in response to such invitations for a time, but informed TVA prior to the issuance of the invitation to purchase the turbine generators in question that it would not bid responsively unless the invitation contained a complete waiver of liability for special or consequential damages. GE has not bid responsively to invitations of this nature.

We recognize that the imposition on a manufacturer of the total liability which may result from a delay in delivery of the equipment or failure of the equipment to operate properly could be substantial. Accordingly, we have limited the manufacturer's liability and provided for the assumption by TVA of a substantial part of the risks. The manufacturers, however, find these limitations onerous and unreasonable and demand to be released of virtually all liability for the consequences of late delivery or failure of their equipment to operate as specified. In essence, the manufacturers seek to shift to the purchaser the risks that under general principles of law are borne by the manufacturer. However, the manufacturer, rather than the purchaser—TVA, is solely responsible for and in control of the design, quality control, manufacturing schedule, and all other facets of the work required to produce a product within the time and with the operating characteristics promised. Accordingly, it is our view that the manufacturer should bear some responsibility in the event such promises are not fulfilled. Since only the manufacturers can know whether their promises of performance and delivery are promises which they can reasonably be expected to achieve, a complete waiver of all aspects of liability as the manufacturers apparently demand would, in our view, reduce or remove any incentive for them to take the steps necessary to insure that their promises are met. Therefore, TVA feels that allocation of the risks associated with failure of a manufacturer to meet its promised delivery date or failure of the equipment to perform as promised is proper and equitable. For TVA to assume all the risks would be to act irresponsibly toward its ratepayers who would ultimately bear the total costs associated with a manufacturer's failure to perform as promised.

Westinghouse states in its letter that "In our opinion, penalties for late shipment can be counter productive because they do not reward the manufacturer who has done a good job in shipping on time; rather, they reward the manufacturer who is willing to make promises about the future at a price that cannot possibly recompense the purchaser." We do not agree with Westinghouse's view of the nature of contracts and of the responsibilities for failure to comply with their provisions. The delivery of equipment on the schedule promised in the contract is the very essence of a contract and the manufacturer's reward is the receipt of the full purchase price. Westinghouse's letter also describes "the great interest which Westinghouse has in obtaining business from

TVA, and the significant benefits to TVA in selecting Westinghouse above other manufacturers." However, the recent action taken by Westinghouse in repudiating its contracts and obligations to fully perform its nuclear fuel contracts with TVA (and other power suppliers) and the statements concerning contractual obligations made in its letter cannot help but create serious concern about its attitude toward performing its contracts. On the one hand manufacturers insist that they sell their products on terms and conditions dictated by them, which in essence relieve them of virtually all responsibility for the consequences of a defective product or failure to perform the contract by the time specified, while on the other hand some manufacturers simply walk away from their contractual obligations and claim excuse from the performance thereof if a contract once entered into is later not to their liking. It is this kind of situation that TVA and, we are sure, other power suppliers face in attempting to provide an adequate supply of electric power for the Nation at a reasonable cost.

In regard to the argument advanced in the letters that the contractual obligations insisted upon by TVA are not required by other power suppliers, we are not fully aware of the basis on which other power suppliers contract. Stated another way, the manufacturers are saying to TVA that everyone else has acquiesced to our demands, why not you? However, if such a statement is accurate, we feel it is so, not because the utilities choose this to be the case, but because the position of the domestic manufacturers results in substantially similar terms and conditions. Because of the lack of competition in this area, manufacturers are free to adopt a "take it or leave it" attitude. In this regard, the utilities have apparently not been pleased with such an arrangement but have had little success in litigation when attempting to obtain some compensation for the delivery of a defective product. *See*, for example, *Potomac Elec. Power Co.* v. *Westinghouse Elec. Corp.*, 385 F. Supp. 572 (D.D.C. 1974); *Royal Indem. Co.* v. *Westinghouse Elec. Corp.*, 385 F. Supp. 520 (S.D.N.Y. 1974). On the other hand, TVA has successfully enforced the remedies provided in its contracts in situations similar to those in the foregoing cases. TVA's rates are substantially below national averages for electric power supply. While we do not claim that holding manufacturers to limited responsibilities for equipment they produce is the primary reason for TVA's favorable rate situation, it is a factor, and one which we feel is required in carrying out our responsibilities.

The point is also made in the letters that TVA's purchasing procedures are inflexible and that contracts should be negotiated. As you know, TVA was created by and operates under the provisions of the Tennessee Valley Authority Act of 1933, as amended. Section 9(b) of that Act requires that all purchases, except in certain well-defined situations, be made only after advertising. It is a general principle of advertising that all bids, in order to be considered for award of a contract, must be based on the same terms and conditions. Accordingly, TVA cannot award a contract after advertising on the basis of a bid that takes a material exception to the terms and conditions contained in the invitation; nor can TVA negotiate a contract when advertising is required.

The statement is also made that TVA paid a significant price premium to Brown Boveri for the protection afforded by TVA's terms and conditions. This statement is incorrect. Although the bids of General Electric, Westinghouse, and Allis-Chalmers submitted in response to the invitation could not be considered for award of a contract since each took material exceptions to the terms and conditions of the invitation and were thereby nonresponsive, TVA did, for comparison purposes, evaluate all the bids to determine the relative cost of each unit offered. The evaluation took into account unit efficiency, unit size, building costs, terms of payment, and price escalation. The evaluated bid prices were as follows:

Brown Boveri, Model TC6F–52 (7–HTR Cycle), $193,623,015; Model TC6F–52 (6–HTR Cycle), $196,892,340.

Westinghouse, Model TC6F–40 (7–HTR Cycle), $206,062,844; Model TC6F–44 (6–HTR Cycle), $206,515,637; Model TC6F–44 (7–HTR Cycle), $203,891,903.

Gen. Electric, Model TC6F–43 (T–HTR Cycle), $212,230,245.

Allis-Chalmers, Model TC6F–44.6 (6–HTR Cycle), Excessive due to high escalation.

Therefore, on an evaluated cost basis, the cost of four Brown Boveri units was approximately $7 million to $10 million less than the cost of four Westinghouse units. In addition, the contract awarded to Brown Boveri contained those terms and conditions which the three domestic manufacturers find unreasonable and onerous. Rather than paying a price premium, TVA contracted for the units at a cost much less than the units of the domestic manufacturers. In addition, the contract is on a basis that provides TVA a measure of protection, not offered by the domestic manufacturers, in the event the units are late in delivery or do not perform as specified.

TVA's position with respect to the Buy American Act and the executive orders and executive policies promulgated thereunder is described in our October 2, 1975, letter. Our experience in contracting with General Electric and Westinghouse is that they frequently acquire from foreign sources major components for inclusion in the equipment or systems sold in the United States. For example, as part of TVA's Browns Ferry Nuclear Plant, General Electric supplied three sets of reactor vessel internals manufactured in Holland, two reactor vessels partially fabricated in Japan, and core spray motor operated valves manufactured in Canada. As part of TVA's Sequoyah and Watts Bar Nuclear Plants, Westinghouse furnished four reactor vessels fabricated in Holland, two sets of reactor coolant loop fittings manufactured in Japan, and numerous steam turbine blades from Japan.

We are happy to add these comments to the ones previously supplied in our letter of October 2, 1975. We feel that competition on turbine generators is desperately needed; however, we also feel that manufacturers should recognize that it is the prerogative of the purchaser to describe the equipment it wants to buy and the conditions on which it desires to contract. While we recognize that manufacturers do not have to sell their products to a particular purchaser, we think it is the very nature of the sales process for a manufacturer to recognize what the purchaser desires and to price it accordingly. As we stated in our letter of October 2, TVA has modified its terms and conditions in an effort to accommodate the desires of the domestic manufacturers. We hope that these domestic manufacturers will choose to bid responsively on TVA's future invitations to bid for turbine generators.

We shall be glad to provide any further comments or information you may wish on this matter.

Sincerely yours,

AUBREY J. WAGNER,
Chairman of the Board.

HOUSE OF REPRESENTATIVES,
Washington, D.C., February 17, 1976.

Mr. VINCE GRIFFITH,
Legislative Attorney,
General Accounting Office,
Washington, D.C.

DEAR MR. GRIFFITH: Thank you for meeting with me on January 20, 1976, to discuss my concerns about the awarding of a TVA turbine generator contract to Brown Boveri.

I received a letter this month from the Tennessee Valley Authority responding to the letters I sent to them from the three American companies that were responsible, although nonresponsive bidders to the TVA invitation. A copy is enclosed for your inspection.

I find it unfortunate that such business by a government agency is conducted by hostile confrontation rather than cooperation. Certainly, there must be a solution which will be better for our unemployment problem, and our nation's taxpayers than the existing situation of awarding a large contract to a foreign manufacturer when domestic firms could do the job. I can see the possibility of compromise, but the refusal of both parties to do so will result in no progress. I can understand the unwillingness of American companies to accept a liability of this magnitude, considering that projects of this complexity often result in delays beyond the reasonable control of the manufacturer. However, the arguments advanced by TVA in support of limiting their own liability also seem reasonable to me.

Could a compromise be for a third party to accept all or part of the liability? Such an organization would have an interest in assuring that liability penalties would be minimized, providing benefits to all parties. Such an organization could be a private firm, or a quasi-governmental corporation, perhaps, established to fulfill the need called for by this stalemate situation which may be costing thousands of American jobs.

I am convinced that the lack of creative action to solve this problem will result in "non-business as usual." The expertise of the General Accounting Office could be very helpful in suggesting alternatives to having only one foreign responsive bidder to future TVA contract invitations.

It would be very helpful to me if GAO would answer the following questions:

(1) What are the capabilities of TVA, the American companies, and foreign competitors to accept liabilities for defective products and late delivery?

(2) How can Brown Boveri accept this liability while American companies refuse?

(3) Could this liability be assumed by a third party, for a fee?

(4) Could a governmental or quasi-governmental agency be established for this purpose? What would be its organization, its rules, and the services it would provide? Are there private firms or consortiums which would find this arrangement an attractive investment?

(5) How does GAO assess the apparently non-retractable positions on the issue of liability by the American firms and TVA? Are these positions reasonable or too inflexible?

(6) If liability could be assumed by a third party, would the cost of this service to American companies, added to their bid, result in an American company obtaining turbine generator contracts?

(7) If no compromise can be worked out, what are the prospects for competition for future TVA contract invitations?

(8) In general, what strategies, both regulatory and legislative, could resolve this stalemate and result in an equitable solution for TVA, domestic companies, and the American taxpayer?

Thank you again for meeting with me. I hope that our efforts in this matter will be helpful to the parties involved.

Cordially,

ROBERT W. EDGAR.

BORED BY THE BANK FLAP

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. JACOBS. Mr. Speaker, I insert the following editorial from the Wall Street Journal:

BORED BY THE BANK FLAP

"I hold in my hand a list of 28 American banks that are in trouble through having made bad loans," says one of the great liberal newspapers of the land. "I hold in my hand a list of umpteen other banks that have made risky loans to X, Y and Z," says another of the great liberal newspapers of the land. Congressional committees hold investigations. Presidential candidates fulminate. Bank reform legislation is drawn up to deal with the situation.

Until now, we have not commented on this latest sport. Frankly, we've been bored by it. The "troubled bank" story is last year's story and the story of 1974, when it really looked dicey as to whether the banks had sufficient capital to get through the squeeze. (See for example, "Bank Soundness" in these columns, November 24, 1974.) The reason the liberals in Congress and on the great liberal newspapers of the land were not then wringing their hands is not hard to recall. They were then worried about the faltering economy and were exhorting the banks to make bad loans.

The banks, you'll recall, were told they had to be socially responsible. The liberal commentators fumed that banks were actually refusing to lend money to "redlined" neighborhoods. The New York banks were being vilified and picketed for their hesitation in buying Mayor Beame's municipal bonds and tax-anticipation notes. House Banking Chairman Henry Reuss, for gosh sakes, was pushing credit allocation legislation that would have required the banks to make loans to suit his tastes. Mass transit projects seemed to be the favorite idea. Wouldn't it be swell if everyone had a Metro like Washington, D.C.?

At the same time, you must recall, the liberals were screaming at Arthur Burns to gun the money supply faster. In the current sport, which The Economist of London calls "bashing at the American Banks," there has not been one word in all the newspaper stories and all the congressional testimony that makes the connection between an increase in the money supply and bad bank loans to X, Y and Z. Members of the congressional banking committees, if not the great liberal newspapers of the land, are supposed to know of this connection.

1. The Fed increases the money supply by monetizing debt, i.e., buying interest-bearing bonds from the banks with printing-press money. 2. The banks have more cash as a result. 3. The supply of good customers wanting to finance profitable projects has not increased. 4. The banks are losing money by sitting on cash. 5. They make loans to riskier customers. 6. They form Real Estate Investment Trusts. 7. They throw money at anyone who doesn't look like an out-and-out burglar. 8. A Go-Go Era is born. 9. Roaring inflation develops, followed by 10. Collapse.

It is thus deliciously clear why the liberals have had to wait until recovery seems to be underway before they decide to talk about a year-old story. By now, we are all supposed to have forgotten their prescriptions when the banks really were in trouble, so they can piously proclaim how much more prudent they would have been than those reckless bankers.

The liberals are still after Arthur Burns to gun the money supply. But they want the banking laws reformed so that for every bank lending officer there is a government bank regulator, who will be wise and prudent in seeing to it that monetized debt goes, not into those awful REITs, but into socially desirable projects, like Big MAC bonds and New York State TANs.

We're bored by it all. It's too transparent. The liberals have learned a thing or two in the last few years, but so have we all. When Mr. Reuss tried to ram his credit allocation legislation through the veto-proof Democratic Congress last year he was almost laughed off Capitol Hill. He's not going to do any better with a phony hoorah about troubled banks and a "moderate" approach to bank reform.

We don't need any new banking laws and regulations. Bank lending officers and loan committees don't need bank examiners at their elbows to tell them X is socially desirable and Y is not. The important thing is that Arthur Burns doesn't forget what he's learned and start pumping out printing-press cash. With or without further "reform," the banks will be as sound as a dollar.

ANGOLA IS STEP AWAY FROM PANAMA

HON. F. EDWARD HÉBERT

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. HÉBERT. Mr. Speaker, I have known Isaac Don Levine for many, many years. He has been a foreign correspondent and student of Russia's modern history for more than 50 years.

That is why I find most interesting an article he wrote for the San Diego Union entitled "Angola Is Step Away From Panama."

Because of his expertise on such matters, I want to insert his article in the CONGRESSIONAL RECORD so all my colleagues will have the benefit of his thoughts.

The following article appeared in the San Diego Union on February 4, 1976:

SOVIETS TEST CASTRO—ANGOLA IS STEP AWAY FROM PANAMA

(By Isaac Don Levine)

The paramount issue in the crisis over Angola, overriding all the others raised so far in the great debate on the subject is:

How to get the Cuban Expeditionary Force withdrawn from Africa and sent packing back home, just as President John Kennedy in October, 1962, compelled the 25 Russian ships, loaded with missiles and other arms, to turn around, as they neared Cuba's shores, and head for home.

Imbedded in this Gordian Knot are two novel points which have so far escaped general attention. First, there is the palpable demonstration that a non-African power is carrying on warfare on another continent in the classical imperialist tradition.

Second is the clear precedent set by the Soviet-Cuban intervention in Angola for similar adventures in the Caribbean, from Puerto Rico and Panama to Venezuela.

Yet the Angola crisis may offer the opportune historical hour for the United States to avert the outbreak of World War III over our ramparts in the Caribbean. It is an occasion not unlike the moment early in 1936 when Hitler marched into the Rhineland, presaging the coming of World War II. At that time, Great Britain's Anthony Eden and France's Pierre Flandin, hypnotized by Hitler's detente, complaisantly allowed him to violate the provisions of the Versailles and Locarno treaties.

Is is necessary to remind our policy-makers that Fidel Castro's military force, acting in Angola as a massive unit of the Soviet army, is based at the gateway to the Caribbean where the lifeline of the United States—the Panama Canal—is located?

When the Senate voted to cut off American supplies to the anti-Soviet forces in Angola, it did so in the announced belief that the Soviet intervention there presented no threat to the vital interests of this country.

Curiously, the Senate's severe critic, Secretary of State Henry Kissinger, displayed the same visionless rationale. In a recent news conference, Kissinger declared that the issue in Angola is not whether vital American interests are involved there, but "whether the Soviet Union, backed by a Cuban expeditionary force, can impose on two-thirds of the population its own brand of government."

Kissinger knows only too well that the United States did nothing when imperialist Moscow imposed its brand of totalitarian despotism on Poland, on Hungary, on Czechoslovakia, on East Germany through the erection of the Berlin Wall, and in many other areas.

If that be the issue, how did it come to pass that under detente, carried out with such fanfare by Nixon, Ford and Kissinger, the Soviet tentacles which have been girding the globe and encircling these United States, implant the Kremlin's brand of dictatorship wherever they reach?

The basic issue in Angola is not the rivalry between Soviet Russia and the United States over mineral resources or the control of shipping lanes in the South Atlantic. That rivalry, while important, is on a par with many similar secondary contests between the two superpowers all over the earth. We have learned to live with these frictions since the rise of the Communist challenge to the free world.

Nor is the primary issue in Angola whether detente can be continued to further world peace. The truth is that detente has been a dying swan for some time. Its failure and eventual doom have been indicated by most independent observers in all countries. The astute Washington columnist of the New York Times, William Safire, opened his essay on Dec. 29 with this verdict: "As 1975 draws to an end, detente is dead. The second cold war is under way."

Nor is the crucial issue in Angola whether we should extend aid in the form of supplies and arms to the nationalist elements there, an important subject to be sure, to which most of the pundits of the press and media have devoted millions of words as if it involved the security of the nation.

The paramount pressing issue is the Cuban expeditionary force fighting a skirmish in the Soviet battle for world hegemony.

Castro has openly avowed the aims of the Soviet-Cuban axis in his speech on Dec. 22 at the great Congress of the Cuban Communist Party, in the presence of the Kremlin's ideological mentor, Suslov, and of the Communist delegates from Central and South America.

"We will never renounce our solidarity with Puerto Rico and Angola." Castro declared. "The flags of Cuba and Puerto Rico are one and the same." And he went on: "We will defend Angola and Africa with our blood if it should be necessary."

On Jan. 10 Castro staged a grandiose reception for Panama's dictator, Brig. Gen. Omar Torrijos Herrera, who came to Cuba, escorted by over 200 picked followers, on a state visit. His journey followed a pilgramage to

Havana of a delegation of Puerto Rican Communists carrying on the fight for independence from the United States. The avowed purpose of Torrijos' visit was to secure help for his acquisition of full sovereignty over the Panama Canal.

"To the 1.2 million Panamanians we can add nine million Cubans," Castro assured Torrijos on Jan. 12 before a crowd of several hundred thousand, advising his prospective ally, however, not to force the issue immediately.

"Much more important than a small bit of land," Castro warned his visitor in words which unmistakably echoed the Kremlin's catechism, "is the liberation of a continent . . . the liberation of Vietnam, of Africa, of Angola." How could the ruler of a poverty-ridden inconsiderable island, unless he be a stooge of the Soviet power, brag of the liberation of a continent?

In his interview of Jan. 17, with the correspondent of Corriere della Sera, Castro stressed his determination to fight on in Angola, and rejected demands from Washington that Cuba "should no longer back the movement for independence in Puerto Rico or the government of Panama in the struggle over the Canal."

The reference to the Panama Canal must be judged in conjunction with the threats to seize the canal by force which have been made by Panama's dictator, General Torrijos. Coupled with Castro's provocative claims to unity with Puerto Rico, this is the kind of handwriting on the wall that leaves no room for dispute.

If any further evidence is needed that Castro was speaking for the Kremlin, it is to be found in a suppressed report by the Committee on Security of the Organization of American States. The report, compiled before Cuban troops were dispatched to Angola, deals with Soviet domination of Cuba's quasimilitary secret police, the DGI, and concludes:

"Castroite agents are now infiltrating the structure of Latin American countries and the United States, and are also utilizing Latin and North American agents in their sabotage in full collaboration with agents of the KGB (the Soviet secret police). The DGI is now an extension of the KGB."

The Cuban military establishment is now nothing but an extension of the Soviet Army. How else is one to characterize the combined Soviet air and sea lift which is transporting troops from Cuba to Angola, according to Pentagon sources, bringing Castro's expeditionary force up to 10,500 men at this writing?

Two days after Castro first threw down the gauntlet, the official Soviet mouthpiece, Izvestia, echoed his call that support of national liberation movements is one of the most important principles of Soviet foreign policy. That theme has been stressed again and again in recent weeks in Soviet pronouncements.

What this amounts to is a warning to all that the Brezhnev doctrine, proclaimed at the infamous invasion of Czechoslovakia in 1968, is being applied and tested now in Angola as a proving-ground, with Cuba as the instrument.

The Kremlin has served notice, the way Hitler did in Mein Kampf, that it assumes the right to wage war in any part of the planet where an anti-capitalist revolutionary movement appears. That such movements can and have been engineered by the Kremlin's own underground agencies is clear in Peking, in Belgrade, in Bucharest, in Egypt, but not to the American public which has been befuddled for years by the mythology of detente.

The Brezhnev doctrine is a cloud hanging over the Caribbean in the form of the Cuban expeditionary force in Angola where troops are being trained for further operations inside the vital defense perimeter of the United States.

Even Kissinger admitted it when he declared that if the United States permits the establishment of a Soviet Angola, it will be an invitation to Moscow to engage in similar interventions elsewhere. In his latest hardline declaration before the Senate Foreign Relations subcommittee, following his conference with Brezhnev in Moscow, Kissinger warned Soviet Russia against moving "anywhere it wants without serious risk," involving "a great miscalculation, thereby plunging us into a major confrontation which neither of us wants."

The immediate area of danger is in Panama where Ambassador Ellsworth Bunker, representing the White House and the State Department, negotiated a new treaty with the government of Panama, which is awaiting congressional approval.

According to the drafted agreement, the sovereignty over the Canal Zone is to be shared jointly by the United States and Panama. Now we have a living precedent for such a partnership in Berlin, where sovereignty is exercised jointly by the Soviet regime and the Western powers.

Is it necessary to recall to Secretary Kissinger and Ambassador Bunker how it has worked, what with the numerous Soviet harassments, the Berlin blockade and airlift, and the monstrous Berlin Wall still standing there as a monument to diplomatic folly? Joint sovereignty is a guarantee of discord, turmoil, and bellicose ventures.

Such ventures are part and parcel of the Soviet arsenal of planted provocations and frame-ups in the field of international relations, as anyone who would look into the voluminous record can see. For the Kremlin to stage an "appropriate" incident in the Canal Zone would be an elementary exercise.

Under the Brezhnev doctrine, a fraternal alliance between sovereign Panama and Cuba would provide legal cover for a move into the Canal Zone. The Kremlin would simply respond to a call for help from the "socialist camp."

It is no secret that the ruling junta in Moscow has been smarting from the humiliating defeat it suffered in 1962 in Cuba at the hands of President Kennedy, and has been dreaming of retaliation to redeem its impaired prestige among the worldwide Communist parties.

Instead of employing Soviet military and naval personnel, as Khrushchev did in October, 1962, in his move to establish missile bases in Cuba, Brezhnev's politburo would conduct its operation in Panama by making use of Cuban troops bearing Soviet arms.

Since it is generally recognized that the Cuban role in Angola is a provocative adventure, it provides a fitting occasion for Washington to raise the long-delayed issue of American "on-site" inspection, under United Nations auspices, of the naval pens in Cuba where Soviet nuclear submarines are alleged to be sheltered.

Such inspection was provided for in the Khrushchev-Kennedy agreement of 1962. With the enormous expansion since then of Soviet sea power, and what with the frequent sighting of Soviet nuclear submarines off the Atlantic Coast, it is more urgent than ever to have Cuba permit "on-site" inspection of her naval bases.

The United States challenge to Cuba for periodic "on-site" inspection of her submarine harbors is sure to be backed by a majority of the Organization of American States (OAS). This challenge could very well start with a demand for Castro to withdraw his troops from Angola. This is the moment for diplomacy to resort to plain truth about the menace of the Soviet-Cuban military alliance to this hemisphere and, specifically, to the Panama Canal.

Chairman Mao's admonitions to President Ford against the Soviet drive for world hegemony assures widespread international support for action in the present crisis by the United States under the Monroe Doctrine. A confrontation between the Brezhnev and Monroe Doctrines has long been overdue on the issue of "on-site" inspections.

It is urgent that such action take place before the agreement negotiated by Ambassador Bunker with Panama's ruler, General Torrijos, is approved and signed. That is not to say that the original treaty with Panama should not be updated and amended, so long as the sovereignty over the Canal Zone remains undivided and unimpaired in the hands of the United States.

BOB MICHEL'S YEAR

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. DERWINSKI. Mr. Speaker, as a member of the Illinois delegation, I am obviously in a position to appreciate the great leadership and legislative skill constantly demonstrated by my colleague, BOB MICHEL, the Republican whip of the House. BOB has emerged as one of the giants of the House of Representatives.

It is especially noteworthy that his local publications have recognized how well they are represented, and I am pleased to place in the RECORD at this point an article about my distinguished colleague which appeared on February 15, 1976, in Peoria, Ill., publications.

BOB MICHEL'S YEAR

(By C. L. Dancey)

In all fairness, we ought to recognize what has happened this year to the Representative from the Eighteenth district of Illinois, Robert Michel.

He has made the biggest splash in Washington of any congressman from these parts since Everett Dirksen moved up to the Senate. That's a fact.

Our Man in Washington, right or wrong, has been in the middle of every major activity there and has often seemed to be carrying a good deal of the load of the Minority Leader.

The Whip, which position Michel holds, is sometimes regarded as just that—the fellow whose job it is to "whip" the party members out of their offices and onto the floor when they are needed for a crucial vote, or to get them "in line" for parliamentary tactics.

The days of that kind of party discipline often seem to be long gone, but there are a lot of "mechanics" still to be sure that your side is "covered" at all times regarding hearings and calendar.

The Minority Leader usually carries the brunt of the actual battle on the floor as spokesman.

Michel, however, as Whip has been doing a lot of that, and there are times when he has looked very good—if not at the time, later with the advantage of hindsight.

His speech on the floor against the so-called election "reform" package which has turned out to be such a dud may turn out to be a classic. He pointed out that it was rigged to do the opposite of reform and give extra advantage to "incumbents," noting that he is an incumbent and one of the beneficiaries, but that it was wrong and he urged his Republican colleagues to set aside personal advantage and recognize the drive of a huge Democratic majority to perpetuate itself.

Oddly, ADA, the "liberal wing" of the Democratic party, has damned the new "reform" as doing just that, with the figures to prove it. But, ADA, which condemns Michel, incidentally, came up with its strong condemnation months after the act was voted into law—not when it would do any good. Michel said the same thing in the well of the House face to face with his colleagues when they were deciding how to vote.

Likewise, when this Congress gathered amid claims of a veto-proof majority that could become a "runaway" Congress that would brush the President aside and go on a "liberal spree" Michel rejected that assessment—although it would have political advantages—to make a judgment publicly that proved true.

He said that such large majorities don't work that way. They split up, fight for power among themselves, and become "unmanageable." There was universal agreement later that this is what actually happened.

There are other issues, of course, in which the right or wrong has not yet been clearly demonstrated, and many that are matters of political philosophy that will always be fought and never settled.

However, Michel's important role and the respect in which he is held out there where he does his job has become clear by the attention he has been getting from the national press, by the respect given him by the philosophically opposed Washington Post there in the city, and, formally, by the Congressional staff organization made up of the professional workers in all legislators' offices from both parties who just voted our Man in Washington the "Man of the Year" among legislators.

You can't shrug off that kind of tribute from the folks inside the offices who know what's really going on and who is doing the real work.

Whether one agrees with Michel or not in general or on this single issue or that, there is no denying that in 1975 this district had every reason to be proud, and no cause to apologize for the quality and performance of our representative.

Among those closest to the action, agreeing with him or not in philosophy, he has been clearly rated as outstanding.

He commands respect, and he commands attention.

That is quite a feat in the Congress of 1975–76.

It deserves to be brought to attention.

CZECH SPY ABUSES

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 18, 1976

Mr. ANNUNZIO. Mr. Speaker, I would like to call to the attention of my colleagues in the House of Representatives an article that appeared in the Chicago Sun-Times on Monday, February 9, 1976, regarding the brutal methods used by the Czechoslovakian Intelligence Service.

All of us have been witness to the Olympic games held in Innsbruck, Austria. We have heard about the American hockey team being involved in a brawl, and as you read this article, it is easy to wonder if the Americans were framed or drugged by Communist spies.

While we in this country abuse and ridicule our intelligence agencies, our enemies abroad are having a field day all over the world. Almost all of Europe is falling prey to the influence of communism and we have already seen Southeast Asia fall prey to the communist onslaught. Angola and other areas of the world are now the targets of open communist military attack.

When are Americans going to learn that communism is totalitarianism? When are we going to learn that totalitarianism means total control, by the most brutal methods, over a person's work, education, religious beliefs, artistic and political expression, and over every other type of human activity?

The article follows:

[From the Chicago Sun-Times, February 9, 1976]

DEFECTOR TELLS CZECH SPY ABUSES

WASHINGTON.—Czech Communist spies use sex, blackmail and money to recruit or entrap Westerners into their intelligence web and they torture and kill defectors, a former agent said.

An internal security subcommittee of the Senate Judiciary Committee made public 64 pages of testimony Sunday that was given in secret session in November detailing the methods used by the Czech intelligence.

The former agent, identified by the false name of Joseph Frolik, said he spent 17 years in the HSR—the Czech Intelligence Service before defecting in 1968 with his wife and son.

Frolik told the story of "sabotaging" a visiting Canadian hockey team that beat a Soviet squad during a tournament in Prague and was to meet the Czechs the next day.

"After (the Canadians) returned to the Hotel International in Prague," he said, "Minister of Interior Rudolf Barag gave an order to Col. Matousek to call all the best-looking Prague hookers—intelligence agents—to the hotel. These hookers did such a job on the Canadian team that the next day in the finals, the Czechoslovakians very easily defeated them."

He said women were used to recruit agents from other countries or for covert investigation.

Americans are prime targets, he said. "In its plans, in its targeting, and in its over-all effort, the intelligence service of Communist Czechoslovakia places the United States in position of Enemy No. 1," Frolik said.

The aim, he said, is to try to "heighten chaos" in the United States and allied countries by any means.

He gave the names of Czech and Slovak exiles who he said were killed by Czech agents in West Germany in the 1950s and told about a Czech woman who he said was tortured and killed by a Czech agent in New York Oct. 18, 1962, resulting in the suicide of her husband.

The woman was identified as Mrs. Karel Zizka, whose husband was a code clerk at the Czech mission at the United Nations.

According to Frolik, a Czech agent first disfigured Mrs. Zizka's face and then put a bullet through her head. Her husband returned from work, "went mad" and killed himself, Frolik said.

The witness said Czech intelligence operations in the United States are directed from the Czech Embassy in Washington and its permanent mission at the United Nations in New York.

Frolik said Czech intelligence agents make up 60 per cent of diplomatic and 50 per cent of nondiplomatic personnel.

Their information and penetration "targets" are the White House, the Congress and branches of U.S. government, particularly the Pentagon and the State Department, the Democratic and Republican parties—but not the U.S. Communist Party, which is off limits—AFL–CIO and other labor bodies, ethnic and civil liberties groups and even consumer advocate Ralph Nader "because of the power of his organization."